



SCHEDULE B-1 | EXCLUDED ACTIVITIES

Exclusion List Relative to All CIFI Operations

CIFI will not Provide Financing to any Project or Company that is involved in the following prohibited activities:

1. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase out or bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)
2. Production or trade in weapons and munitions ⁽¹⁾
3. Production or trade in alcoholic beverages (excluding beer and wine) ⁽¹⁾
4. Production or trade in tobacco ⁽¹⁾
5. Gambling, casinos and equivalent enterprises ⁽¹⁾
6. Production or trade in radioactive materials ⁽²⁾
7. Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%
8. Drift net fishing in the marine environment using nets more than 2.5 km. in length
9. Production or activities involving harmful or exploitative forms of forced labor ⁽³⁾/harmful child labor ⁽⁴⁾
10. Commercial logging operations for use in primary tropical moist forest
11. Production or trade in wood or other forestry products other than from sustainably managed forests
12. Such other projects as the Company shall determine are inconsistent with its policies and objectives
13. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulation
14. Destruction ⁽⁵⁾ of High Conservation Value areas ⁽⁶⁾
15. Pornography and /or prostitution
16. Racist and /or anti-democratic media

Fossil Fuel Exclusion List

The following investment exclusions are considered as a minimum common requirement for all new Direct Financing and new dedicated lending ⁽⁷⁾:

1. Coal prospection, exploration, mining, or processing
2. Oil exploration or production
3. Stand-alone fossil gas exploration and/or production ⁽⁸⁾
4. Transport and related infrastructure primarily ⁽⁹⁾ used for coal for power generation
5. Crude Oil Pipelines
6. Oil Refineries
7. Construction of new or refurbishment of any existing coal-fired power plant (including dual)
8. Construction of new or refurbishment of any existing HFO-only or diesel-only power plant ⁽¹⁰⁾ producing energy for the public grid and leading to an increase of absolute CO2 emissions ⁽¹¹⁾
9. Any business with planned expansion of captive coal and oil used (excluding gas) used for power and/or heat generation ⁽¹²⁾

Notes to Exclusion List:

¹ This does not apply to project sponsors who are not substantially involved in these activities. “Not substantially involved” means that the activity concerned is ancillary to a project sponsor’s primary operations. For companies, “substantial” means more than 10 % of their consolidated balance sheets or earnings. For financial institutions and investment funds, “substantial” means more than 10% of their underlying portfolio volumes.

² This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where CIFI considers the radioactive source to be trivial and/or adequately shielded.

³ Forced labor means all work or service, not voluntarily performed that is extracted from an individual under threat of force or penalty.

⁴ Harmful child labor means the employment of children that is economically exploitative, or is likely to be hazardous to, or to interfere with, the child’s education, or to be harmful to the child’s health, or physical, mental, spiritual, moral, or social development.

⁵ Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area’s ability to maintain its role is lost.

⁶ High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See <http://www.hcvnetwork.org>).

Notes to Fossil Fuel Exclusion List:

⁷ "Dedicated lending" is defined for these purposes as loans conditioned by a use of funds clause specifying that such financing will be used for one or more of the purposes described.

⁸ Gas extraction front limnically active lakes is excepted front this exclusion.

⁹ "Primarily" means more than 50% of the infrastructure's handled tonnage.

¹⁰ For indirect equity through investment funds. investments (up to a maximum of 20% of the fund) in new or existing HFO-only or diesel-only power plants are allowed in countries that face challenges in terms of access to energy and under the condition that there is not economically and technically viable gas or renewable energy, alternative.

¹¹ i.e., where energy efficiency measures do not compensate any capacity or load factor increase.

¹² This does not apply to coal used to initiate chemical reactions (e.g., metallurgical coal mixed with iron ore to produce iron and steel) or as an ingredient mixed with other materials. given the lack of feasible and commercially viable alternatives.