

BIO does not finance the following projects:

- = Production or activities involving harmful or exploitative forms of forced labor<sup>1</sup>/harmful child labor<sup>2</sup>.
- = Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- = Production or trade in weapons and munitions.<sup>3</sup>
- = Production or trade in alcoholic beverages (excluding beer and wine).<sup>3</sup>
- = Production or trade in tobacco.<sup>3</sup>
- = Gambling, casinos and equivalent enterprises.<sup>3</sup>
- = Trade in wildlife or wildlife products regulated under CITES.<sup>4</sup>
- = Production or trade in radioactive materials.<sup>5</sup>
- = Production or trade in or use of unbonded asbestos fibers.<sup>6</sup>
- = Commercial logging operations or the purchase of logging equipment for use in primary tropical moist forest.
- = Production or trade in products containing PCBs.<sup>7</sup>
- = Production or trade in pharmaceuticals subject to international phase outs or bans.
- = Production or trade in pesticides/herbicides subject to international phase outs or bans.
- = Production or trade in ozone depleting substances subject to international phase out.<sup>8</sup>
- = Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

A reasonableness test will be applied when the activities of the project company would have a significant development impact but circumstances of the country require adjustment to the Exclusion List.

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<sup>1</sup> Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty.

<sup>2</sup> Harmful child labor means the employment of children that is economically exploitive, 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.

<sup>3</sup> 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.

<sup>4</sup> CITES: Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES listed species is available from the Environment Division.

<sup>5</sup> This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where BIO considers the radioactive source to be trivial and/or adequately shielded.

<sup>6</sup> This does not apply to the purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.

<sup>7</sup> PCBs: Polychlorinated biphenyls - a group of highlytoxic chemicals. PCBs are likely to be found in oil filled electrical transformers, capacitors and switchgear dating from 1950-1985.

<sup>8</sup> Ozone Depleting Substances (ODSs): Chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized 'ozone holes'. The Montreal Protocol lists ODSs and their target reduction and phase out dates.