

**UNDER EMBARGO UNTIL THURSDAY 6 JULY, 10.00 CET**



**JULY 6, 2006**

**Financial Institutions Announce Revision of Equator Principles  
Underscoring the Global Application of Environmental and Social Risk Management**

The Equator Principles Financial Institutions (EPFIs) today announced the launch of the revised Equator Principles. The revision underscores how far the financial sector has progressed in embedding in the project finance arena a common set of best practices to manage social and environmental risks related to project financing.

Today's revised principles reflect the experience of the 40 financial institutions around the world that currently apply the Principles. The principles also reflect the recent revisions to the International Finance Corporation's (IFC) Performance Standards, upon which the Equator Principles are in part based. In developing these changes, the EPFIs actively involved clients, civil society groups and official development agencies, all of whom provided constructive and valuable feedback that the EPFIs reviewed and considered in the revision process.

The Equator Principles apply globally and to all sectors and have been revised in the following ways:

- The Principles apply to all project financings with capital costs above USD 10 million. This threshold was lowered from USD 50 million.
- The Principles now also apply to project finance advisory activities.
- The revised Principles now specifically cover upgrades or expansions of existing projects where the additional environmental or social impacts are significant.
- The approach in applying the Principles to countries with existing high standards for environmental and social issues has been streamlined.
- Each EPFI is now required to report on the progress and performance of Equator Principles' implementation on an annual basis.
- Stronger and better social and environmental standards, including more robust public consultation standards.

The EPFIs are proud of the progress the Equator Principles have made in the past three years. The development and application of the Equator Principles have been a huge step forward for the industry, in terms of having a common framework and language for environmental and social issues in the project finance industry. The Equator Principles have enabled the financial institutions to better assess, mitigate, document and monitor the potentially adverse social and environmental risks associated with financing projects.

Participating financial institutions commit to financing only those projects that comply with the Equator Principles, and commit to implementing the revised Equator Principles into business and risk management processes in a manner consistent with its organizational structure. Of the 40 financial institutions that have shared their experience in devising the revised Equator Principles, 33 have today adopted them and the others are expected to do so in the coming weeks.

The full text of the revised Equator Principles and FAQ about the Equator Principles can be found at [www.equator-principles.com](http://www.equator-principles.com).

The financial institutions adopting the revised Equator Principles today are included in the following list.



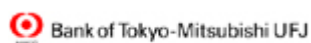
"The collaboration among the Equator banks, and with IFC, is truly a success story. Among the achievements of the Equator Principles is the demonstration that competitors, even in a highly competitive industry, are willing, able and happy to collaborate for the health of the planet. We remain firmly committed to the Equator Principles, to their continual improvement and to broadening the base of adopting banks to establish a more level playing field for international as well as local banks," said Mr. Huibert Boumeester, ABN AMRO Managing Board member.

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"Society expects the financial agents to make sure that the allocation of resources takes into consideration the integration of the business aspects related to the preservation of the environment and the respect of social matters. The revision of the Equator Principles is, therefore, an important landmark in compliance with society's increasing expectations of the social and environmental responsibility of the financial sector," says Mrs Izabela Campos, Managing Director of Employee Relations and Social and Environmental Responsibility, Banco do Brasil.

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"We strongly support the new Equator Principles as a clear standard for the international financing community by which we can enhance environmental protection efforts and realize a more sustainable global economy. We embrace the Principles as one of the essential elements of our Environmental Policy, which includes monitoring the effects of our activities on the environment and working towards continuous improvement of our environmental management and pollution prevention activities," said Nobuo Kuroyanagi, President, The Bank of Tokyo-Mitsubishi UFJ, Ltd.

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"The Equator Principles are intrinsic to our business approach in the area of project finance. We think of corporate responsibility as an important part of our strategy. It governs what we do - banking - with how we do it - responsibly. We can help our clients in an area of increasing activity for many of them by using the Equator Principles to help us manage social and environmental risk better. Our job is to help our clients achieve their financial goals. We believe that the Equator Principles help us do this," said John Varley, Barclays Chief Executive

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"Project finance lending requires comprehensive due diligence, involves long maturities and seeks a community of interest among stakeholders. At Calyon, environmental and social aspects are managed as crucial factors of risk. We believe that the second generation of the Equator Principles is the adequate framework to address those aspects, benefiting from the enhanced revised IFC policies and the strong three year experience of a core group of EP leading banks which Calyon is proud to belong to," said Michel Anastassiades, Global Head of Project Finance.

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"The Equator Principles reflect our commitment to providing our clients with a robust framework for managing environmental and social issues that may arise through project finance," said Chuck Prince, Chairman and Chief Executive Officer, Citigroup. "This is about doing business that is sustainable over the long term, and we are proud to play a leading role in this important and innovative effort that we believe should continue to be adopted by every financial institution doing business in this sector around the world."

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"Dexia confirms its adherence to Equator Principles II - "No achievement without lasting commitment": by adopting the Equator Principles, Dexia, world leader in public finance, reinforce its founding values i.e. a sense of long-term prospects and a concern for the general interest. Therefore, Dexia reaffirms its on-going commitment in order that the rules of good behavior remain a sustainable part of the business practice, and provides lasting support to society's important choices," said Jacques Guerber, vice chairman of the management board of Dexia.

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"The improved Equator Principles portends the increased awareness in the Major League of the financial world of social responsibility and the respect of extended Human Rights. I am proud to be the first and so far only Export Credit Agency to sign this agreement. It proves the positive convergence of public and private engagement in safe-guarding progress on the road to a more civil world. The revised EP definitely add to making the financing of globalization much more socially responsible", said Lars Kolte, Managing Director of EKF and Chairman of the Council of Europe Development Bank

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"Responsible growth requires carefully designed and effective risk management processes for environmental and social issues," says Filip Dierckx, CEO Merchant Banking of Fortis. "Implementing the revised Equator Principles really shows our commitment to responsible growth and is a very good example of the application of sustainable development in our business."

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"FMO is pleased to confirm its support to the revised Equator Principles. An important component of positive development outcomes is the social and environmental sustainability of projects, which FMO expects to achieve by applying a comprehensive set of social and environmental performance standards – for which the Equator Principles provide a sound basis", said Nico Pijl, Chief Risk and Finance Officer, FMO.

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"The Equator Principles (EP) are a cornerstone of HSBC's approach to how we finance projects and contribute to sustainable development," said Jon Williams, Head of Group Sustainable Development, HSBC Holdings plc. "In 2005 we provided 30 per cent more project loans and declined fewer deals, reflecting improvements in HSBC's training as well as internal and external requirements for compliance with the Principles. Chairing the EP working group and assisting in improving the Principles has helped us to appreciate the significance of this initiative to our business and our clients."

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"HVB was among the very first financing institutions to adopt the Equator Principles in 2003. The experience we have gained in implementing and applying this framework in the past years in project finance, the valuable feedback we have received from our clients, NGOs and other stakeholders have proved to be very useful while redrafting the Equator Principles following IFC's launch of the new Performance Standards," said Kai Henkel, Head of Global Project & Structured Finance of HVB. "The adoption of the revised Equator Principles is a clear sign of HVB's continued commitment to sustainability in project finance. We are convinced that sustainability is not only contributing to the security for our basic life, but is also an important driving force behind corporate value for our clients as well as for ourselves."

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"I heartily welcome the adoption of the revised Equator Principles, which are based on IFC's expanded and strengthened standards. This shows that Equator Banks, instead of shying away from difficult projects, understand the business case for encouraging their client companies to undertake thorough environmental and social due diligence. IFC will continue to support the broad membership of the Equator Principles, as it expands further to encompass more domestic banks, development banks, and other types of financial institutions," said Lars Thunell, Executive Vice President of the International Finance Corporation, World Bank Group.

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"We have committed ourselves to the Equator Principles as a framework for determining, assessing and managing the socio-environmental risks of our projects. We have been actively involved in the revision process and in adopting the improved Equator Principles we seek to ensure that the projects we finance are developed in a socially responsible manner, reflecting sound environmental management practices," said Michel Tilmant, Chief Executive Officer of ING Group

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"With the adoption of the Equator Principles, we reaffirm the commitments of Banco Itaú and Banco Itaú BBA to social and environmental responsibility and the development of the communities in which we operate. Itaú exceeds Equator Principle requirements by applying social and environmental criteria for evaluating projects of less than US\$ 10 million. All projects worth more than R\$ 5 million are subject to analysis to ensure that they adhere to the necessary social and environmental parameters. Furthermore, we are very satisfied to announce that the Equator Principles have also been adopted at Banco Itaú Holding Financeira, Itaú Europa and Itaú Buen Ayre," says Roberto Setubal, President and CEO of Banco Itaú Holding Financeira."

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"KBC has a longstanding commitment to environmental and social responsibility in all its activities, both domestically and internationally," says Liam Donlon, Senior General Manager and Global Head of Project Finance at KBC. "Over the last 3 years the Equator Principles have become a strong instrument in promoting sustainable business development and KBC has been and remains eager to take part in this process. The revised Equator Principles and their adoption by many institutions represent another important irreversible step forward."

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"The revision of the Equator Principles reinforces the commitment of the financial world to the highest social and environmental best practices. Millennium bcp believes the Equator Principles are a major step forward in promoting sustainable project finance globally. The conquest of the environmental and social components is ambitious and entails hard work, but is achievable and rewarding. Millennium bcp develops a sustainability strategy that seeks the equilibrium between the social, economic and environmental pillars," said Américo Carola, Managing Director, Head of Project Finance, Millennium bcp.

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"As the first Japanese bank adopting the Equator Principles in October 2003, Mizuho Corporate Bank, Ltd. furthers its leadership in sustainability through re-adoption today of the updated Equator Principles, paralleling the IFC's adoption of its new 'Performance Standards'. The work leading up to today's announcement assures the Equator Principles will remain the standard for assessing and managing social and environmental risk in project financings as well as Mizuho's ability to provide first class service to its clients and stakeholders," said Hiroshi Saito, President & CEO, Mizuho Corporate Bank, Ltd.

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"The Equator Principles provide a sound framework for the project finance industry worldwide. They have given an additional rigour to the way in which the social and environmental impacts of major infrastructure projects are assessed both before and during their implementation. As a leading provider of project finance globally we welcome the discipline they are bringing to the industry. It is right that, like all guidelines, they are kept under regular review and we are delighted to be adopting the updated principles which take on board industry and stakeholder experience since 2003," said Johnny Cameron, Chief Executive RBS Corporate Markets.

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"We are pleased to join other leading banks to readopt the Equator Principles. Recognizing the importance of realizing a sustainable society, SMBC is committed to making continuous efforts to harmonize social and environmental preservation and corporate activities. The Equator Principles will strengthen our commitment to the corporate social responsibility," said Masayuki Oku, President & CEO, Sumitomo Mitsui Banking Corporation

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"We are committed to minimising the environmental and social impacts associated with our operations and to promoting sustainable economic development. Our continuing adoption of the Equator Principles reinforces the Bank's long established environmental and social risk evaluation process. We believe in sustainable business and are pleased to adopt best practice", said Global Head, Project and Export Finance, William Rathvon.

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"As businesses grow globally, as workforces diversify and as people around the planet are connected by technology, the term 'community' is no longer limited by geography and must include our neighbors in emerging markets," said Mary Wenzel, head of Environmental Affairs at Wells Fargo. "We are therefore proud to readopt the Equator Principles and take part in this powerful movement by leaders in the private sector willing to take responsibility and do what's right for our communities and future generations."

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"Within a short time the Equator Principles have evolved into an important success story. The recent revision demonstrates that the financial sector is living up to its responsibility by addressing environmental and social risks in global finance," said Robert M Stein, member of the Managing Board of WestLB AG.

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Westpac's Head of Project & Structured Debt, Mike Cleary, said: "As a founding signatory of the Equator Principles, and the only Australian bank to date to have adopted the principles, Westpac is pleased to have been involved with the recent review and to confirm our formal adoption of the revised principles. We see the Equator Principles continuing to play a key role in our broader commitment to responsible project financing globally."

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