LOAN NUMBER 9879-UA

Loan Agreement

(Additional Financing for the Resilient, Inclusive and Sustainable Enterprise Program for Results Program)

between

UKRAINE

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

LOAN NUMBER 9879-UA

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between UKRAINE ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank").

WHEREAS:

(A) following an international effort to provide development support to Ukraine and having satisfied itself as to the feasibility and priority of the program and the project as further described in Schedule 1 to this Agreement ("Program" and/or "Project", collectively, "Operation"), the Borrower has requested the Bank to extend a loan in the amount of two hundred eighty-three million United States Dolars ($283,000,000), which loan has been extended for the Program by the Bank under the Original Loan Agreement (as defined in the Appendix to this Agreement);

(B) the Borrower has also obtained from the International Development Association ("Association") – through the Special Program for Ukraine and Moldova Recovery, on an exceptional basis, a credit in the amount of three hundred million United States Dollars ($300,000,000), which credit has been extended for the Program by the Association under the Original Financing Agreement (as defined in the Appendix to this Agreement);

(C) the Borrower also obtained from the Bank and the International Development Association acting as administrator of the Ukraine Relief, Recovery, Reconstruction, and Reform Multi-Donor Trust Fund, a grant in the amount of ten million United States Dollars ($10,000,000), which grant has been extended to finance the Project under the Original Grant Agreement (as defined in the Appendix to this Agreement); and

(D) the Borrower has requested the Bank to extend an additional loan ("Loan") to assist in the financing of the Program.

The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower the amount of eighty-eight million United States Dollars ($88,000,000) ("Loan"), to assist in financing the program described in Schedule 1 to this Agreement ("Program").

2.02. The Loan is to be guaranteed by and is subject to the Credit Enhancement denominated in the Loan Currency. Accordingly, Currency Conversion shall not be permitted in respect of this Loan, and the provisions of the General Conditions relating to Currency Conversion, including the provisions of Article IV, shall not apply to this Loan.

2.03. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. All withdrawals from the Loan Account shall be deposited by the Bank into an account specified by the Borrower and acceptable to the Bank.

2.04. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.

2.05. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.06. The interest rate is the Reference Rate plus the Variable Spread; or such rate as may apply following a Conversion; subject to Section 3.02(e) of the General Conditions.

2.07. The Payment Dates are March 15 and September 15 in each year.

2.08. The principal amount of the Loan shall be repaid in accordance with Section 3.03 of the General Conditions and Schedule 3 to this Agreement.

ARTICLE III — PROGRAM

3.01. The Borrower, through the Ministry of Economy, Environment, and Agriculture ("MoE"), declares its commitment to the objectives of the Program. To this end, the Borrower shall, through MoE, carry out the Program in accordance with the provisions of Article V of the General Conditions and Schedule 2 to this Agreement.

ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

4.02. For purposes of Section 9.05(b) of the General Conditions, the date on which the obligations of the Borrower under this Agreement (other than those providing for payment obligations) shall terminate is twenty (20) years after the Signature Date.

4.03. Without limitation to Section 10.02(b) of the General Conditions, any modification to this Agreement shall be executed by written instrument agreed by the parties hereto. Such amendment shall become effective as set forth in the amending agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower's Representative is its Minister of Finance.

5.02. For purposes of Section 10.01 of the General Conditions:

(a) the Borrower's address is:

Ministry of Finance
12/2 M. Hrushevskoho Str.
Kyiv, 01008
Ukraine; and

(b) the Borrower's Electronic Address is:

Facsimile:	E-mail:
+38 (044) 425-90-26	infomf@minfin.gov.ua

5.03. For purposes of Section 10.01 of the General Conditions:

(a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

(b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423(MCI) or 64145(MCI)	1-202-477-6391

AGREED as of the Signature Date.

UKRAINE

By _____

Authorized Representative

Name: Oleksiy Soboliev

Title: Minister of Economy, Environment and Agriculture of Ukraine

Date: September 15, 2025

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By _____

Authorized Representative

Name: Robert S. Saum

Title: Division Director

Date: September 15, 2025

SCHEDULE 1

Operation Description

The objective of the Operation is to improve the enabling environment for a sustainable private sector-led recovery in Ukraine.

The Operation consists of the Program and the Project as follows:

I. The Program:

The Program consists of the following activities:

Results Area 1: Improved Efficiency of State Support to SMEs, with a Focus on Green Competitiveness

Strengthening the Borrower's capacity to deliver technical and financial support services to SMEs and supporting green competitiveness through:

(a) conducting a multiphase and regular Policy Effectiveness Review ("PER") of the overall policy mix and program portfolio in support of SMEs to inform redesign of Support Programs including with a focus on improving gender targeting;

(b) implementing the redesigned Support Programs;

(c) developing and adopting the Business Development Fund's ("BDF") Environmental and Social Policy; and

(d) updating the legal framework for the Credit Program 5-7-9 to introduce the requirement of having in place an Environmental and Social Management System ("ESMS") for the banks participating in the Credit Program 5-7-9 and for SMEs to comply with said ESMS.

Results Area 2: Improved Business Environment and Government-to-Business Digital Services

Streamlining the regulatory environment governing business entry, operation and exit by further digitalizing related procedures and government-to-business and developing a more effective investment promotion and facilitation eco-system, with a focus on green sectors, through the development of a new Foreign Direct Investment Strategy ("FDI Strategy"), through:

(a) operationalizing the Diia.Business Portal 2.0 to better supporting firms in developing and scaling their businesses;

(b) deploying the E-permit G2B Digital Platform; and

(c) developing and adopting a strategic framework for investment facilitation with a green economy focus, by targeting potential investment leads in green sectors.

Results Area 3: SMEs Access to Export Markets Enabled

Supporting the Borrower in:

(a) improving SMEs export capacity and access to foreign markets through financing and delivery of the export promotion programs and business consulting services;

(b) strengthening the institutional capacity and product offering of the Export Credit Agency ("ECA") through the developing and launching of the new ECA strategy. development of new risk insurance products, and integrating environmental sustainability into ECA's policies and products; and

(c) strengthening the institutional capacity and service offering of the Entrepreneurship and Export Promotion Office ("EEPO") through designing and delivering capacity building and technical assistance certification programs to enable SMEs' compliance with harmonized EU product standards and sustainability standards and certification readiness.

II. The Project

The Project consists of the following activities:

Part I. Project Management and Monitoring

Supporting the Borrower in the areas of Project management and implementation, monitoring and evaluation, technical assistance, data collection and analysis, including Training, Operating Costs, the hiring the Verification Agent, procurement, environmental and social, and supervision of implementation of the Environmental and Social Commitment Plan ("ESCP").

Part II. Targeted Technical Assistance and Capacity Building

Strengthening institutional capacity of relevant entities to deliver Support Programs, including the Ministry of Economy, Environment, and Agriculture ("MoE'), the Ministry of Finance ("MoF"), the ECA, the BDF, the EEPO, the State Institution 'UkraineInvest', the JSC 'Made in Ukraine', and the State Institution 'Professional Procurement', and any other entities as further detailed in the Operational Manual, through:

(a) carrying out a PER in 2025 and 2026 of the Borrower's private sector support policies and programs;

(b) developing and institutionalizing a regular monitoring and evaluation system of private sector support policies and programs (including regular business pulse surveys, and regular SMEs' administrative compliance burden surveys);

(c) integrating environmental, social, governance, and gender aspects into Support Programs;

(d) providing institutional capacity strengthening to relevant entities, including ECA, BDF, EEPO, State Institution 'UkraineInvest', JSC 'Made in Ukraine', the State Institution 'Professional Procurement', and MoE, on investment promotion and facilitation through Training and educational programs, strengthening monitoring and evaluation frameworks, and measures to enhance overall capacity to deliver investment promotion and facilitation programs; and

(c) carrying out capacity building programs for the MoE, the MoF, and selected entities on compliance with EU harmonized product standards.

Part III. IT Solutions

Supporting digitization and upgrading initiatives of the ECA, the MoE, the State Institution 'UkraineInvest', and the EEPO, and creation of a digital investment platform for the Borrower's reconstruction through financing of IT hardware and software for *inter alia*: (a) the development of a digital dashboard for economic monitoring, analysis, and impact assessments of the MoE's economic policies; (b) the development of digital platforms for SMEs' self-assessment of carbon footprints; and (c) software upgrades for the Register of Investment Projects with Significant Investments.

Part IV. Change Management

Supporting communications, stakeholders' engagement, and citizen engagement in the Program.

SCHEDULE 2

Program Execution

Section I. Implementation Arrangements

A. Program Institutions

1. The Borrower shall vest the overall responsibility for the implementation of the Operation on its MoF and its MoE. To this end: (a) MoF shall be responsible for the Operation's overall supervision and coordination; and (b) MoE shall be responsible for overall implementation, monitoring, and evaluation of the Operation.

2. Notwithstanding the provisions of paragraph 1 above, the Borrower shall, through the MoE:

   (a) maintain throughout the period of implementation of the Program, a steering committee ("Steering Committee") with terms of reference agreed with the Bank: (i) with composition, mandate, and resources satisfactory to the Bank; (ii) to be chaired by the MoE; (iii) to be comprised of, *inter alia*, representatives of the MoF, BDF, EEPO, and ECA, State Institution 'UkraineInvest', State Institution 'Professional Procurement', and JSC 'Made in Ukraine'; and (iv) to be responsible for, *inter alia*, high-level interinstitutional coordination and strategic implementation overview functions, all further described in the Operational Manual; and

   (b) maintain, throughout the Program implementation, an Implementation Unit ("IU") responsible for the implementation and monitoring of the Operation, with composition, functions, staffing, facilities, and other resources satisfactory to the Bank and as further described in the Operational Manual.

3. To facilitate the carrying out of the activities under the Operation, the Borrower, through MoE, shall designate, at all times during the implementation of the Operation, BDF to be responsible for providing technical support including in the achievement of related DLIs/DLRs and in reporting obligations, as set forth in the Program Action Plan and Operational Manual.

B. Additional Program Implementation Arrangements

1. Program Action Plan

The Borrower, through the MoE, shall:

(a) carry out the actions set forth in the Program Action Plan, or cause those actions to be carried out, in accordance with the schedule set out in the said Program Action Plan and in a manner satisfactory to the Bank;

(b) except as the Bank and the Borrower shall otherwise agree in writing, not assign, amend, abrogate, or waive, or permit to be assigned, amended, abrogated, or waived, the Program Action Plan, or any provision thereof; and

(c) maintain, or cause to be maintained, policies and procedures adequate to enable it to monitor and evaluate the implementation of the Program Action Plan, in a manner and substance satisfactory to the Bank.

2. Verification Agent

The Borrower, through the MoE, shall:

(a) maintain, at all times during the implementation of the Program, a verification agent (or agencies) having experience and qualifications in the relevant technical fields, and under terms of reference acceptable to the Bank ("Verification Agent"), to verify the data and other evidence supporting the achievement of the Disbursement Linked Results and to recommend corresponding payments to be made, as applicable; and

(b) ensure that the Verification Agent: (i) carries out the verification process(es) in accordance with the Verification Protocol; and (ii) submits to the Borrower's MoE and the Bank the corresponding verification reports in a timely manner and in form and substance satisfactory to the Bank.

C. Operational Manual

1. The Borrower, through the MoE, shall develop and adopt an operational manual for the Operation (the "Operational Manual"), in a manner and substance satisfactory to the Bank, and thereafter ensure that the Operation is carried out in accordance with such manual, which shall, with regards to the Program, set forth the institutional, administrative, financial, technical, and operational guidelines and procedures for the implementation thereof, including: (a) the definition of the contours of Program activities, including results framework, overall budget, and detailed Program Expenditures; (b) the composition and terms of reference, satisfactory to the Bank, of the Steering Committee, as well as the Program's intra- and inter-institutional arrangements, including delineation of roles and responsibilities; (c) the detailed environmental and social risk mitigation measures and documents for the Program; (d) the financial management protocols and standards applicable to the Program; (e) detailed guidelines for the administration of the Program proceeds, as well as the flow of funds; (f) procurement arrangements for the Program, the clear allocation of procurement responsibilities thereunder, including record keeping systems and corruption prevention and reporting mechanisms; (g) the protocols for

reporting to the Bank on, and sharing the findings of, any case of fraud and corruption denounced and/or investigated under the Program, in accordance with the Anti-Corruption Guidelines; (h) the Verification Protocols agreed with the Bank for evaluating the achievement of the DLIs and their respective DLRs, including the annual schedule therefor; (i) the implementation arrangements and allocation of responsibilities for the Operation and for the execution of/compliance with the Program Action Plan, including the terms of MoE and BDF engagement, reporting obligations, and division of responsibilities; (j) detailed list of Support Programs; (k) the grievance mechanism for the Program, as well as their associated protocols and procedures (including timelines) for addressing and reporting on grievance complaints; (l) monitoring and evaluation requirements, including verification systems for the Program; (m) internal and external audit requirements, including regular submissions of audit reports to the Bank; (n) quality assurance standards, protocols and review mechanisms; and (o) any other technical and organizational arrangements and procedures as shall be required for the Operation.

2. The Borrower, through the MoE, shall refrain from materially and/or substantially amending, revising, waiving, voiding, abrogating, or suspending any provision of the Operational Manual, whether in whole or in part, without the prior written consent of the Bank.

3. In the event of any inconsistency between a provision of the Operational Manual and those of this Agreement, the provisions of this Agreement shall prevail.

Section II. Excluded Activities

The Borrower, through the MoE, shall ensure that the Program excludes any activities which:

A. in the opinion of the Bank, are: (1) likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected people; and/or (2) included or referred to in the Exclusion List; or

B. involve the procurement of: (1) works, estimated to cost USD 50,000,000 equivalent or more per contract; (2) goods, estimated to cost USD 30,000,000 equivalent or more per contract; (3) non-consulting services, estimated to cost USD 30,000,000 equivalent or more per contract; or (4) consulting services, estimated to cost USD 15,000,000 equivalent or more per contract.

Section III. Program Monitoring, Reporting and Evaluation

1. The Borrower, through the MoE, shall furnish to the Bank each Program Report not later than one (1) month after the end of each calendar semester, covering the calendar semester.

2. Without limitation upon the provisions of Section 5.13 of the General Conditions and paragraph 6(c) of the Anti-Corruption Guidelines, the Borrower, through the MoE, shall prepare or cause to be prepared periodic ACG Reports, in form and substance satisfactory to the Bank. The Borrower, through the MoE, shall furnish, or cause to be furnished, each ACG Report to the Bank not later than one (1) month after the end of each calendar semester, covering the calendar semester.

Section IV. Withdrawal of Loan Proceeds

A. General

1. Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan to: (a) finance Program Expenditures (inclusive of Taxes), on the basis of the results ("Disbursement Linked Results" or "DLRs") achieved by the Borrower, as measured against specific indicators ("Disbursement Linked Indicators" or "DLIs"); and (b) pay: (i) the Front-end Fee; (ii) each Interest Rate Cap or Interest Rate Collar premium; and (iii) the interest and Commitment charges; all as set forth in the table in paragraph 2 of this Part A.

2. The following table specifies each category of withdrawal of the proceeds of the Loan (including the Disbursement Linked Indicators as applicable) ("Category"), the Disbursement Linked Results for each Category (as applicable), and the allocation of the amounts of the Loan to each Category:

Category (including Disbursement Linked Indicator as applicable)	Disbursement Linked Result (as applicable)	Disbursement Formula	Amount of the Loan Allocated (expressed in USD)
(1) DLI #1: Improving efficiency of state support to SMEs, with focus on green competitiveness	DLR #1.1: USD 200,000,000 loans issued under the redesigned 5-7-9 credit program, USD 40,000,000 of which are in loans to female headed firms.	For each USD 1,000,000 (with 20 percent to female headed firms), an amount of USD 500,000, up to USD 100,000,000. Baseline: 0 Target: 200	0
	DLR #1.2: (i) improved average PER score of the redesigned firm support programs, and (ii) 20,000 beneficiaries received financing and/or services from redesigned firm support programs.	(i) For every 0.005 point increase in the average PER score of the redesigned firm support programs, an amount of USD 750,000, up to USD 40,000,000 Baseline: 2.70	0

		Target: 3.00 (ii) For every 500 beneficiaries, an amount of USD 1,125,000, up to USD 40,000,000 Baseline: 0 Target: 20,000	
(2) DLI #2: Enhanced compliance of SME financing programs with ESG requirements	DLR #2.1: BDF's Supervisory Board adopted its Environmental and Social Policy establishing principles and commitments of the BDF and PFIs towards sustainable and responsible investment practices in alignment with environmental, social, and occupational and community health & safety requirements.	N/A	0
	DLR #2.2: At least 20 banks accounting for 90 percent of the overall 5-7-9 lending volume adopted ESMS.	For each 1 percent of the overall 5-7-9 lending volume consisting of at least 20 banks that adopted the Environmental and Social Management Systems, an amount of USD 1,120,000, up to USD 100,000,000 Baseline: 0 Target: 90	0
(3) DLI #3: Simplified business regulation, including investment	DLR # 3.1: Diia.Business Portal 2.0 launched (accessible online to users) with	N/A	0

facilitation framework for the green economy	functionalities in compliance with the terms of reference of the EEPO.		
	DLR # 3.2: (i) 500,000 unique visits of the Diia.Business Portal 2.0, and (ii) 90,000 registered accounts.	(i) For each 5,000 unique visits of the Diia.Business Portal 2.0, an amount of USD 500,000, up to USD 50,000,000 Baseline: 0 Target: 500,000	0
		(ii) For each 1,800 registered accounts, an amount of USD 1,000,000, up to USD 50,000,000 Baseline: 0 Target: 90,000	0
	DLR # 3.3: FDI Strategy adopted by the Cabinet of Ministers, including (i) focus on the green economy, and (ii) plans to modernize the investment policy and promotion framework, including capacity building of the State Institution 'UkraineInvest'.	N/A	0
(4) DLI #4: Enabled SMEs access to export markets	DLR #4.1: 3,000 SMEs received business consulting services.	For each 50 SMEs receiving business consulting services (online or face-to-face) from EEPO	0

		an amount of USD 1,170,000, up to USD 70,000,000 Baseline: 0 Target: 3,000	
	DLR #4.2: New ECA strategy adopted providing for broadening of ECA's product offering (including war risk insurance), integrating environmental sustainability into ECA's policies and products as well as for development of a robust monitoring and evaluation framework.	N/A	0
	DLR #4.3: 10 export-oriented projects of SMEs covered by ECA including for war risk in line with new ECA strategy.	For each 1 export-oriented projects of SMEs covered by ECA including for war risk in line with new ECA strategy, an amount of USD 8,000,000, up to USD 80,000,000 Baseline: 0 Target: 10	80,000,000
(5) Front-end Fee to be paid pursuant to Section 2.03 of this Agreement in accordance with Section 2.05(b) of the General Conditions	[column to be left blank]		220,000
(6) Interest Rate Cap or Interest Rate Collar premium to be paid pursuant to Section	[column to be left blank]		0

4.05(c) of the General Conditions			
(7) Interest and Commitment Charges to be paid pursuant to Section 2.05(c) of the General Conditions	[column to be left blank]		7,780,000
TOTAL AMOUNT			**88,000,000**

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) on the basis of DLRs achieved prior to the Signature Date; and

   (b) for any DLR under Categories (1) to (4), until and unless the Borrower has furnished evidence satisfactory to the Bank that said DLR has been achieved.

2. Notwithstanding the provisions of Part B.1(b) of this Section, the Borrower may withdraw an amount not to exceed $20,000,000 as an advance; provided, however, that if the DLRs in the opinion of the Bank, are not achieved (or only partially achieved) by the Closing Date, the Borrower shall refund such advance to the Bank promptly upon notice thereof by the Bank. Except as otherwise agreed with the Borrower, the Bank shall cancel the amount so refunded. Any further withdrawals requested as an advance under any Category shall be permitted only on such terms and conditions as the Bank shall specify by notice to the Borrower.

3. Notwithstanding the provisions of Part B.1(b) of this Section, if any of the DLRs (except DLR #3.1 and DLR #4.2) has not been achieved, the Bank may, by notice to the Borrower:

   (a) authorize the withdrawal of such lesser amount of the unwithdrawn proceeds of the Loan then allocated to said Category which, in the opinion of the Bank, corresponds to the extent of achievement of said DLR, said lesser amount to be calculated in accordance with the formulas set forth in the table of paragraph IV.A.2 of this Schedule 2 as applicable;

   (b) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; and/or

   (c) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.

4. (a) The Borrower undertakes that no Loan proceeds or resources may be used for defense, security, or military purposes, or for any payments made to any defense, security, or military forces.

   (b) If the Bank determines, at any time, that an amount of the Loan was used to make a payment for either: (i) ineligible Program Expenditures; or

(ii) excluded activities (including any activity on the Exclusion List) as provided for under Section II of Schedule 2 to this Agreement; or (iii) used for defense, security, or military (including any other types of military forces, if such may be relevant) purposes, the Borrower shall, promptly upon notice from the Bank, refund an amount equal to the amount of such expenditures financed by the Bank. All amounts so refunded to the Bank pursuant to the abovementioned request will be subsequently cancelled.

5. Payments under Category (7) shall be made out of the proceeds of Loan for the interest and Commitment Charges accrued up to the Closing Date and up to the amount allocated under Category (7) above; provided that should the actual interest and Commitment Charges accrued up to the Closing Date exceed the amount indicated under Category (7), the Borrower shall be responsible for paying any such additional interest and Commitment Charges.

6. The Closing Date is October 31, 2027.

Section V. Other Undertakings

A. Credit Enhancement

1. The Borrower acknowledges and confirms that the Loan is supported by a Credit Enhancement, pursuant to which certain obligations of the Borrower under this Agreement are supported through the Credit Enhancement Trust Fund, subject to the terms and conditions set forth in the TF Documents.

2. The Borrower understands and agrees that, in the event of any payment to the Bank pursuant to the terms of the TF Documents as a result of any non-payment by the Borrower under this Agreement, the Contributor under the Credit Enhancement Trust Fund may have certain rights of subrogation and the Bank may assign to the Contributor any right to receive repayment from the Borrower under this Agreement, all subject to the terms and conditions of the TF Documents.

SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The Borrower shall repay the principal amount of the Loan in accordance with the following table which sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share").

Level Principal Repayments

Principal Payment Date	Installment Share
On each March 15 and September 15 Beginning September 15, 2035 through March 15, 2055	2.5%

APPENDIX

Section I. Definitions

1. "ACG Report" means the Borrower's periodic report, to be prepared by the MoE, in form and substance satisfactory to the Bank, and in accordance with the provisions of the Anti-Corruption Guidelines, including whether or not there has been: (a) any credible and material allegations and other indications of fraud and corruption under the Program which come to the Borrower's MoE attention during such period; (b) any investigations launched into such allegations, their progress and findings; and (c) any remedial or corrective actions taken or planned in response to such allegations or the findings of such investigations.

2. "Anti-Corruption Guidelines" means, for purposes of paragraph 6 of the Appendix to the General Conditions, the "Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing," dated February 1, 2012, and revised July 10, 2015.

3. "BDF's Supervisory Board" means the body overseeing the BDF and controlling and regulating the activities of its executive body as stipulated in in BDF Statute, approved by the order of the Ministry of Finance of Ukraine dated January 11, 2020 No. 5 (as amended by the order of the Ministry of Finance of Ukraine dated June 27 No. 315 of 2024).

4. "Business Development Fund" or "BDF" means the Borrower's financial institution responsible for providing financial and other support to micro-, small, and medium enterprises, established and operating under the Borrower's Decree of the President No. 574/98, dated June 1, 1998, Resolution of Cabinet of Ministers No. 628, dated April 19, 1999, and Order of the Ministry of Finance of Ukraine No. 5, dated January 11, 2020, approving the BDF's charter, or any successor thereto.

5. "Cabinet of Ministers" means the Borrower's Cabinet of Ministers.

6. "Category" means a category set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.

7. "Contributor" means a Member Country making a contribution to the Credit Enhancement Trust Fund in accordance with the terms of the TF Documents.

8. "Credit Enhancement" means the credit enhancement provided for loans made by the Bank to the Borrower pursuant to the terms of the TF Documents.

9. "Credit Enhancement Trust Fund" means the Advancing Needed Credit Enhancement for Ukraine Trust Fund (Trust Fund No. TF073981) established at the Bank to provide credit enhancement for loans provided by the Bank to the Borrower.

10. "Credit Program 5-7-9" means the Borrower's program to provide interest rate compensation for loans to businesses, established by the Borrower's Resolution of the Cabinet of Ministers of Ukraine No. 28 dated January 24, 2020, as amended.

11. "Diia.Business Portal 2.0" means a business portal established to provide information and transactional support to entrepreneurs in Ukraine.

12. "Disbursement Formula" means the formula included in the third column of the table in Section IV.A.2 of Schedule 2 to this Agreement.

13. "Disbursement Linked Indicator" or "DLI" means in respect of a given Category, the indicator related to said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement.

14. "Disbursement Linked Result" or "DLR" means in respect of a given Category, the result under said Category as set forth in the table in Section IV.A.2 of Schedule 2 to this Agreement, on the basis of the achievement of which, the amount of the Loan allocated to said result may be withdrawn in accordance with the provisions of said Section IV.

15. "Entrepreneurship and Export Promotion Office" or "EEPO" means the Borrower's institution responsible for export promotion in Ukraine and established in accordance with the Borrower's Cabinet of Ministers Order No. 199 dated March 28, 2018.

16. "Environmental and Social Commitment Plan" or "ESCP" means the environmental and social commitment plan for the Project, dated October 7, 2024, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Recipient shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring, and reporting arrangements, and any environmental and social instruments to be prepared thereunder.

17. "Environmental and Social Management System" and "ESMS" each means a system providing for environmental and social policy statement, effective procedures and adequate capacity for assessing, managing, and monitoring risks and impacts of subprojects, as well as managing overall portfolio risks in a responsible manner.

18. "Environmental and Social Policy" means a policy establishing the fundamental principles and commitments of the BDF and participating financial institutions for sustainable and responsible investment practices in alignment with environmental, social, and occupational and community health & safety requirements.

19. "E-permit G2B Digital Platform" means a digital platform aimed at simplifying regulatory procedures by allowing the submission of documents electronically as an entry point to receiving permits documents (licenses, permits, administrative services, and other public services) related to doing business in all sectors of economy in the electronic form.

20. "ESG" means Environmental, social and governance.

21. "EU" means European Union.

22. "Exclusion List" means any of the following activities:

(a) any support for military purposes/clusters;

(b) significant conversion or degradation of critical natural habitats or critical cultural heritage sites;

(c) air, water, or soil contamination leading to significant adverse impacts on the health or safety of individuals, communities, or ecosystems;

(d) workplace conditions that expose workers to significant risks to health and personal safety;

(e) land acquisition and/or resettlement of a scale or nature that will have significant adverse impacts on affected people, or the use of forced evictions;

(f) large-scale changes in land use or access to land and/or natural resources;

(g) adverse environmental and social impacts covering large geographical areas, including transboundary impacts, or global impacts such as greenhouse gas emissions;

(h) significant cumulative, induced, or indirect impacts;

(i) activities that involve the use of forced or child labor;

(j) marginalization of, discrimination against, or conflict within or among, social (including ethnic and racial) groups; or

(k) activities that would: (i) have adverse impacts on land and natural resources subject to traditional ownership or under customary use or occupation; (ii) cause relocation of Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities from land and natural resources that are subject to traditional ownership or under customary use or occupation; or (iii) have significant impacts on Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities' cultural heritage that is material to the identity and/or cultural, ceremonial, or spiritual aspects of the affected communities.

23. "Export Credit Agency" or "ECA" means the Borrower's export credit institution which provides insurance, reinsurance and guarantees for export contracts, established and operating pursuant to the Borrower's Cabinet of Ministers' Resolution No. 65 dated February 7, 2018.

24. "Foreign Direct Investment Strategy" or "FDI Strategy" each means the strategy to be developed and adopted by the Borrower for attracting foreign direct investment and increasing benefits for the Ukraine's economy.

25. "General Conditions" means the "International Bank for Reconstruction and Development General Conditions for IBRD Financing, Program-for-Results Financing", dated December 14, 2018 (last revised on July 15, 2023), with the modifications set forth in Section II of this Appendix.

26. "Implementation Unit" and "IU" each means the unit to be established within the MoE pursuant to Section I.A.2(b) of Schedule 2 to this Agreement.

27. "IT" means information technology.

28. "JSC 'Made in Ukraine'" means Joint Stock Company "Industrial Development Agency 'Made in Ukraine'", the Borrower's legal entity established in accordance with the Resolution of the Cabinet of Ministers of Ukraine No. 987 dated September 22, 2021 and the Order No. 15156 of the MoE dated June 20, 2024, or any successor thereto.

29. "Ministry of Economy, Environment, and Agriculture" and "MoE" each means the Borrower's ministry of economy, environment, and agriculture, or any successor thereto.

30. "Ministry of Finance" and "MoF" each means the Borrower's ministry of finance, or any successor thereto.

31. "Operating Costs" means the reasonable incremental operational costs related to technical and administrative management, preparation, monitoring, and supervision required under the Project, including *inter alia*, office equipment, supplies, travel costs (including accommodations, transportation costs, and *per diem*) (but excluding salaries of officials of the Borrower's civil service), printing services, communication costs, utilities, maintenance of office equipment and facilities, vehicle operation and maintenance costs, and logistics services, all as approved by the Bank.

32. "Operation" means the Project and the Program, collectively.

33. "Operational Manual" means the manual in form and substance satisfactory to the Bank, as approved by the Borrower, and referred to in Section I.C of Schedule 2 to this Agreement, as said manual may be amended from time to time with the prior and written agreement of the Bank.

34. "Original Financing Agreement" means the agreement (Credit Number 7648-UA) between the Borrower and the Association for the Program, dated November 4, 2024, as such agreement may be amended from time to time. "Original Financing Agreement" includes all appendices, schedules, and agreements supplemental to the Original Financing Agreement.

35. "Original Grant Agreement" means the agreement (Grant Number TF0C6617) between the Borrower and the Bank together with the Association acting as administrator of the Ukraine Relief, Recovery, Reconstruction, and Reform Multi-Donor Trust Fund for the Project, dated November 4, 2024, as such agreement may be amended from time to time. "Original Grant Agreement" includes all appendices, schedules, and agreements supplemental to the Original Grant Agreement.

36. "Original Loan Agreement" means the agreement (Loan Number 9739-UA) between the Recipient and the Bank for the Program, dated November 4, 2024, as such agreement may be amended from time to time. "Original Loan Agreement" includes all appendices, schedules, and agreements supplemental to the Original Loan Agreement.

37. "PFIs" means participating financial institutions.

38. "Policy Effectiveness Review" or "PER" each means an assessment of the performance of SME support programs as benchmarked against international best practices.

39. "Program" means activities described in Schedule 1 to this Agreement.

40. "Program Action Plan" means the Borrower's plan dated October 7, 2024 and referred to in Section I.B.1 of Schedule 2 to this Agreement, as may be amended from time to time with the agreement of the Bank.

41. "Project" means the activities described in Schedule 1 to this Agreement.

42. "Register of Investment Projects with Significant Investments" means the Borrower's state information system for accounting of investment projects with significant investments.

43. "Signature Date" means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to "the date of the Loan Agreement" in the General Conditions.

44. "SME" means small or medium enterprise. "SMEs" means more than one such enterprise.

45. "Special Program for Ukraine and Moldova Recovery" means the dedicated special program established under the IDA's crisis facility to provide financial support to Ukraine and Moldova.

46. "State Institution 'Professional Procurement'" means State Institution '*Profesiyni zakupivli*', the state institution in the field of management of the MoE, established in accordance with the Order of the Ministry of Economic Development and Trade of Ukraine No. 2015 dated November 30, 2016, or any successor thereto.

47. "State Institution 'UkraineInvest'" means the state institution 'Investment Promotion and Support Office' established in accordance with the Order of the Cabinet of Ministers of Ukraine No. 174-r dated March 21, 2018 and authorized, by the Order of the Cabinet of Ministers of Ukraine No. 133-r dated February 17, 2021, to provide support to investors with significant investments pursuant to the Borrower's Law No. 1116-IX dated December 17, 2020, or any successor thereto.

48. "Steering Committee" means the committee to be established pursuant to Section I.A.2(a) of Schedule 2 to this Agreement.

49. "Support Programs" means selected programs supporting the development of the SME ecosystem in Ukraine as further defined and developed in the Operational Manual.

50. "TF Documents" means the agreements and documents establishing and governing the Credit Enhancement Trust Fund, including any administration arrangement and notice to the Contributor following execution of this Loan Agreement.

51. "Training" means Project related training courses, seminars, workshops, and other training activities, including costs of training materials, space and equipment rental, travel, accommodation, and *per diem* costs of trainees and trainers, trainers' fees, and other training related miscellaneous costs.

52. "Verification Agent" means the verification consultant/s to be selected and appointed in accordance with the provision of Section I.B.2 of Schedule 2 to this Agreement for purposes of carrying out the verification of the Borrower's achievement of the DLRs.

53. "Verification Protocols" means the protocols agreed by the Bank and the Borrower to verify the data and other evidence supporting the achievement of one or more DLIs and DLRs as specified in the Operational Manual. Such protocols may be modified from time to time with the written agreement of the Bank.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. Section 3.01 (*Front-end Fee; Commitment Charge; Exposure Surcharge*) is modified to read as follows:

"Section 3.01. *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a Front-end Fee on the Loan amount at the rate specified in the Loan Agreement. Except as otherwise provided in Section 2.05 (b), the Borrower shall pay the Front-end Fee not later than sixty (60) days after the Effective Date.

(b) The Borrower shall pay the Bank a Commitment Charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement. The Commitment Charge shall accrue from the date of the Loan Agreement or the date which falls on the fourth anniversary of the date of approval of the Loan by the Bank, whichever is later, to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. Except as otherwise provided in Section 2.05 (c), the Borrower shall pay the Commitment Charge semi-annually in arrears on each Payment Date."

2. Section 3.04 (*Prepayment*) is modified to read as follows:

"Section 3.04. *Prepayment*

(a) After giving not less than forty-five (45) days' notice to the Bank, the Borrower may repay the Bank the following amounts in advance of maturity, as of a date acceptable to the Bank (provided that the Borrower has paid all Loan Payments due as at such date): (i) the entire Withdrawn Loan Balance as at such date; or (ii) the entire principal amount of any one or more maturities of the Loan. Any partial prepayment of the Withdrawn Loan Balance shall be applied in the manner specified by the Borrower, or in the absence of any specification by the Borrower, in the following manner: (A) if the Loan Agreement provides for the separate amortization of specified Disbursed Amounts of the principal of the Loan the prepayment shall be applied in the inverse order of such Disbursed Amounts, with the Disbursed Amount which has been withdrawn last being repaid first and with the latest maturity of said Disbursed Amount being repaid first; and (B) in all other cases, the prepayment shall be applied in the inverse order of the Loan maturities, with the latest maturity being repaid first.

(b) If, in respect of any amount of the Loan to be prepaid, a Conversion has been effected and the Conversion Period has not terminated at the time of prepayment, the provisions of Section 4.06 shall apply."

3. In paragraphs originally numbered 74 and 80 of the Appendix, the terms "Loan Payment" and "Payment Date", respectively are modified to read as follows:

"74. "Loan Payment" means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any surcharge, any transaction fee for a Conversion or early termination of a Conversion, any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower."

"80. "Payment Date" means each date specified in the Loan Agreement occurring on or after the date of the Loan Agreement on which interest, Commitment Charge and other Loan charges and fees (other than the Front-end Fee) are payable, as applicable."

4. Definitions in paragraphs 4 (Allocated Excess Exposure Amount), 52 (Exposure Surcharge), 97 (Standard Exposure Limit), and 103 (Total Exposure) of the Appendix are deleted in their entirety and the subsequent paragraphs are renumbered accordingly.