

Environmental and Social Review Summary (ESRS)

Banca Mifel Green Initiative – Mexico – 15236-01

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1. Scope of Environmental and Social Review: The Environmental and Social ("E&S") assessment was conducted during the second quarter of 2026 through the review of relevant documentation and meetings with management representatives from various areas. The materials reviewed are framed in the E&S risk assessment, as well as human resource management policies and procedures. Banca Mifel, S.A. ("Mifel" or "Bank") is a new client of IDB Invest.

2. Environmental and Social Categorization and Rationale: The proposed transaction is classified as IF-2 in accordance with IDB Invest's Environmental and Social Sustainability Policy, given that the Bank's current or future portfolio, under IDB Invest's financing (i.e., asset class), consists or is expected to consist primarily of economic activities with limited adverse environmental or social risks or impacts, few in number, usually site-specific, largely reversible and manageable through mitigation measures. It could also include a very limited number of activities with risks or adverse impacts that are diverse, irreversible or unprecedented.

The Performance Standards ("PS") applicable to the transaction are: i) PS 1: Assessment and Management of Environmental and Social Risks and Impacts; and ii) PS 2: Labor and Working Conditions. IDB Invest resources may not be used by the Bank to finance category A (high risk) subprojects, as defined by IDB Invest, or activities included in IDB Invest's Exclusion List.

The transaction consists of financing through the issuance of a green bond for subprojects of the green portfolio, in accordance with Banca Mifel's Green Financing Framework. Eligible sub-projects are expected¹ to correspond mainly to the corporate segment and, to a lesser extent, the SME segment. The average amount and term of loans in the SME portfolio are 5 million MXN pesos and a term of 3 years, respectively. The Bank defines SMEs as those companies with annual revenues of up to approximately USD 14.5 million (equivalent to MXN 250 million, at the current exchange rate).

The transaction is considered aligned with the provisions of the Paris Agreement, based on an analysis conducted in accordance with the IDB Group's Paris Alignment Implementation Approach.

3. Key Environmental and Social Risks and Impacts: The main E&S risks relate to Mifel's ability to identify and manage the associated E&S risks within its lending activities in the relevant asset class. Potential risks include occupational health and safety, waste generation, labor rights, hazardous

¹ Eligible subprojects in the Renewable Energy category will include, but are not limited to, the development, manufacture, construction and maintenance of projects for the generation of electricity or replacement of electricity generation from non-fossil energy sources, such as wind, photovoltaic, tidal or bioenergy generation projects. Wind and photovoltaic projects will have an installed capacity of up to 10 MW. Hydroelectric projects will not be eligible.

materials management, land-use change, community safety, and other risks specific to the asset class financed.

The E&S impacts and risks associated with the subprojects are expected to be moderate and to be managed through the Bank's existing procedures, strengthened by the measures described in Section 5, "Environmental and Social Action Plan."

4. Mitigation Measures: Banca Mifel has an Environmental and Social Management System ("ESMS"), which establishes guidelines and tools for the identification, evaluation, categorization and monitoring of environmental and social risks and impacts associated with the Bank's financing activities.

The ESMS incorporates an institutional Exclusion List, as well as procedures to verify compliance with applicable environmental and social regulations by customers. In this sense, the evaluation process contemplates the review of relevant permits and licenses and establishes contractual commitments linked to compliance with applicable environmental and social legislation as a condition for the granting and continuity of financing. In addition, ESMS incorporates some elements related to the IFC Performance Standards.

In addition, the Bank has internal Human Resources policies, which incorporate principles of equal opportunities and non-discrimination, as well as an internal complaints mechanism for employees.

The Bank shall ensure that all subprojects financed with transaction proceeds comply with IDB Invest's Exclusion List, applicable local E&S legislation, IDB Invest's green bond framework, and E&S sustainability policy, including IFC's PS, as applicable. As part of the capacity building, the Social Environmental Risk team will be required to complete the online course "ESMS in Practice", ²in accordance with the applicable requirements for transactions categorized as FI-2. If the IFC's PS are applicable, the Bank will implement an External Communication Mechanism to address public inquiries or complaints related to the E&S risks and impacts of the subprojects financed.

5. Environmental and Social Action Plan:

#	Action	Deliverable	Deliverable Date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts			
E&S Evaluation and Management System			
1	1.1 Establish the application of IFC PS for subproject loans totaling US\$≥ 5 million with a term ≥36 months	ESMS Updated	Within three months of the issuance date
	1.2 Strengthen and develop new or existing forms and procedures related to the implementation of IFC PSs.	ESMS Updated	Within three months of the issuance date

² Registration available at the following link: <https://cursos.iadb.org/es/temas/gestion-riesgo-ambiental-y-social/gestion-riesgos-ambientales-sociales-saras-accion>

#	Action	Deliverable	Deliverable Date
	1.3 Apply the forms and procedures developed under item 1.2 in the first subprojects subject to the IFC PS and submit to IDB Invest the first three Environmental and Social Due Diligence Reports ("ESDD"), in order to: (i) confirm the E&S categorization; and (ii) review the proposed action plan.	ESDD report of the first three operations to implement the PS	When each of the reports is available
External communications			
2	Develop and implement a procedure for receiving, reviewing, recording, and responding, as appropriate, to opinions, concerns, and requests for information from the public regarding E&S topics	(i) Approved procedure ii) Evidence of implementation	i) Within three months of the issuance date ii) As part of ESMR ³
Management programs			
3	Develop and implement in eligible solar photovoltaic subprojects, the following: a) A Code of Conduct for Suppliers; y b) A procedure for the management of occupational risks in the solar panel supply chain	(i) (a) Code and (b) Approved procedure ii) Evidence of implementation of a) and b)	i) Within three months of the issuance date ii) As part of the ESMR
	Develop and implement, with the support of IDB Invest's advisory team, a tool for the identification and management of physical climate risks in subprojects.	i) User manual or operational guide ii) Evidence of training on the use of the tool	Within 14 months of the issuance date
Organizational Capacity and Competence			
4	The Bank's E&S Risk Team will be required to complete the online course on environmental and social risk management offered by IDB Invest.	Certificate of Completion of the Course	(i) Within six months of the issuance date ii) As part of the ESMR, each time new staff join the E&S team

6. Contact Information

For project inquiries, including environmental and social questions related to an IDB Invest transaction, please contact the client (see Investment Summary tab), or IDB Invest using the email requestinformation@idbinvest.org or by calling +1(202)-566-4566. Individuals or communities may submit complaints and concerns related to environmental, social, or corporate governance issues to the Management Grievance Mechanism by emailing mgm@iadb.org or calling +1 202 312 4040. As a last resort, affected communities have access to IDB Invest's Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or by calling +1(202) 623-3952.

³ ESMR stands for Environmental and Social Monitoring Report, which must be submitted regularly to IDB Invest.