


Mibanco – Banco de la Microempresa de Colombia – Mibanco S.A.

Second-Party Opinion – Sustainable Financing Framework

Excellent 

Good

Aligned

Not Aligned

Pillar	Alignment	Key Drivers
Use of Proceeds	Excellent	<ul style="list-style-type: none"> Sustainable Fitch considers Mibanco - Banco de la Microempresa de Colombia – Mibanco S.A.'s (Mibanco) sustainable financing framework as aligned with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines; and the LMA, LSTA and APLMA Green Loan Principles and Social Loan Principles. The green categories in the framework will generate positive impacts and support climate change mitigation, biodiversity preservation and the circular economy. A large portion of the green categories are aligned with environmental taxonomies. The social use of proceeds (UoP) categories will contribute positively to the achievement of various UN social Sustainable Development Goals (SDGs), focusing on microenterprises and vulnerable populations.
Use of Proceeds – Other Information	Good	<ul style="list-style-type: none"> Mibanco may finance and refinance debt under the framework, with a lookback period of 36 months. A shorter term would align with market best practices. The framework clearly defines excluded activities.
Evaluation and Selection	Excellent	<ul style="list-style-type: none"> Positively, Mibanco has a well-defined project evaluation and selection process, with various levels of approval. A multidisciplinary team, including sustainability experts, participates.
Management of Proceeds	Good	<ul style="list-style-type: none"> Mibanco's treasury will manage the proceeds electronically. A specific bank account for this purpose would provide investors with greater fund traceability and transparency. The allocated funds will be audited, which aligns with market best practices.
Reporting and Transparency	Excellent	<ul style="list-style-type: none"> The bank will disclose allocation and impact information annually until the instrument's maturity. The reports will be externally verified, providing transparency and credibility of the published indicators.

Relevant UN Sustainable Development Goals



Framework Type	Sustainability
Alignment	<ul style="list-style-type: none"> ✓ Green Bond Principles 2021 (ICMA) ✓ Social Bond Principles 2023 (ICMA) ✓ Sustainability Bond Guidelines 2021 (ICMA) ✓ Green Loan Principles 2023 (LMA/LSTA/APLMA) ✓ Social Loan Principles 2023 (LMA/LSTA/APLMA)

Date assigned 11 March 2025

See Appendix B for definitions.

Analysts

Paula Carvalho
+55 11 3957 3687
paula.carvalho@sustainablefitch.com

Media Contact

Eleis Brennan
+1 646 582 3666
eleis.brennan@thefitchgroup.com

Use of Proceeds Summary – ICMA Categories

Green	Renewable energy Clean transportation Sustainable water and wastewater management Certified eco-efficient and/or circular economy adapted products, production technologies and processes
Social	Access to essential services Employment generation (through SME financing and microfinancing)

Source: ICMA, Mibanco sustainable financing framework 2025

Framework Highlights

We consider transactions under Mibanco's sustainable financing framework to be aligned with the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines; and the LMA, APLMA and LSTA (hereinafter collectively known as the "loan associations") Green Loan Principles and Social Loan Principles. In our view, the framework's alignment with the mentioned principles is 'Excellent'.

The framework is based on the four relevant pillars established by the ICMA and the loan associations: UoP, project selection and evaluation process, management of proceeds, and reporting. This framework will serve for multiple debt issuances and social, green and/or sustainable loan agreements issued by Mibanco.

Mibanco will use the funds raised under this framework to finance activities or projects that, in addition to providing access to credit, offer environmental or social benefits supporting vulnerable populations.

New financing sources for these projects and loans will allow the bank to expand the positive impact generated by its activities and support its sustainability strategy. The strategy aims to create a more sustainable and inclusive economy, improve citizens' financial health, and empower people to thrive. We positively consider that all the UoP categories directly contribute to the SDGs. We detail all these contributions for each of the eligible categories throughout this report.

The ICMA and loan association principles recommend that eligible projects are clearly described in the legal documentation accompanying a green or social financing transaction. Mibanco has not issued any debt or contracted any loan under this framework as of the date of this report. Thus, we have not reviewed any documentation related to a specific transaction. However, the framework provides a general description of eligible projects, allowing us to gain an understanding of the types of future expenses to be financed.

This report refers exclusively to the framework. The Spanish version of this SPO is the original version; any version in another language is a translation.

Source: Sustainable Fitch, Mibanco sustainable financing framework 2025

Entity Highlights

Mibanco is a leading Colombian financial institution in microloans services. Its purpose is to foster financial inclusion and the economic development of Colombia through microloans. The entity banked 19,128 new clients in 2023.

Mibanco holds a market share of 14.3% and is headquartered in Bogotá with 123 offices nationwide. It served over 152,000 microentrepreneurs and SMEs in Colombia by end-2023. Besides offering commercial loans to medium and large enterprises, and consumer and housing loans for individuals, Mibanco focuses on financial inclusion and microloans as fundamental pillars of its strategy.

Credicorp Holding Colombia S.A.S. owns 89% of Mibanco's shares. Credicorp Holding is a Colombian company that is part of Grupo Credicorp, a Peruvian financial conglomerate with operations across several LatAm countries.

Mibanco shares its sustainability strategy with its parent company, focusing on three areas: creating a more sustainable and inclusive economy by supporting small business growth; improving citizens' financial health through financial education; and empowering people to thrive by promoting diversity, inclusion and gender equality. This strategy aligns with seven SDGs.

Among Mibanco's notable sustainability initiatives is its commitment to reducing net GHG emissions by 10% annually until achieving neutrality by 2032. The entity is also working on implementing responsible lending and investment policies, as well as integrating environmental considerations into ESG risk management to minimise its environmental impact.

In the realm of financial inclusion, Mibanco developed innovative loan products such as "Mujeres Pa'lante", designed to reduce gaps in women's access to the financial sector. This product offers personalised benefits and flexibility in amounts and terms, targeting both banked and unbanked female clients. It granted 12,693 loans under this programme in 2023, benefiting 8,544 women and contributing to their economic empowerment.

Additionally, Mibanco has the A-Morosos Programme, which provides personalised advice; encourages good payment habits through awareness, financial education and innovation; and supports the business growth of clients in challenging financial situations. This programme aims to support clients in their financial recovery and improve their quality of life.

Mibanco also invests in programmes supporting social-fabric projects, allocating around COP45 million (USD11,000) to these initiatives in 2023. These programmes aim to strengthen social cohesion and improve the quality of life for the most vulnerable communities.

Source: Sustainable Fitch, Mibanco sustainable financing framework 2025, Credicorp Holdings sustainability strategy 2020–2025, Mibanco sustainability report 2023



Use of Proceeds – Eligible Projects

Alignment: Excellent

Company Material

Sustainable Fitch's View

Renewable energy

- Electricity generation from PV solar energy: directly eligible.
 - Electricity generation from concentrated solar energy: directly eligible.
 - Energy efficiency: financing for the acquisition of eco-efficient equipment that enables at least 20% energy savings or the acquisition of equipment with the most efficient technology available in the market. This also includes:
 - acquisition of machinery and equipment with high-efficiency labels in the market;
 - air conditioners with A label, using R410 refrigerant gas; and
 - LED lighting or lighting control and automation systems (home automation).
- This UoP is aligned with the list of eligible green projects in the ICMA and loan association principles.
 - Any investment aimed at supporting projects that generate renewable energy directly contributes to mitigating climate change and has a positive environmental impact in our view.
 - Renewable energy generation from solar sources is classified as low-carbon emissions and aligns with international science-based environmental taxonomies, such as the EU taxonomy and Colombia's green taxonomy. GHG emissions throughout these sources' life cycles are significantly lower compared to fossil fuel-based generation.
 - Proceeds will also be allocated to the acquisition of more efficient equipment that demonstrates a reduction in energy consumption equal to or greater than 20% and/or that uses the most efficient technology available. Financing more efficient equipment that reduces energy consumption also decreases GHG emissions in various activities.
 - We positively view the criteria in the framework, given that a 20% reduction in energy consumption compared to current consumption is reasonable and aligned with market practice. However, a reduction greater than 55% would be in line with international taxonomies such as the EU taxonomy and increase the positive impact. The greater the reduction in energy consumption, the greater the contribution to climate change mitigation.
 - Some technologies, such as equipment to automate lighting control and the change of luminaires to LED, are examples of the best technologies used to increase energy efficiency and provide positive environmental impacts.



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AFFORDABLE AND CLEAN
ENERGY

Waste management

- Composting of organic waste: this category will be eligible as long as it meets all the following criteria:
 - that it segregates and collects organic waste separately; and
 - that it uses the produced compost as a fertiliser or soil improver.
- This UoP is aligned with the list of eligible green projects in the ICMA and loan association principles.
 - We consider this UoP as positive for reducing and preventing environmental pollution in Colombia.
 - According to the National Administrative Department of Statistics (DANE), Colombia produces 24.8 million tonnes of waste per year, of which 47% originates from households.
 - Composting is an effective solution to address this issue, as it converts organic waste into compost. According to the Superintendence of Public and Home Services, between 60% and 70% of the country's solid waste can be utilised through composting. This not only relieves pressure on waste management systems but also is beneficial for households, as it is estimated that 40% of the daily waste generated at home comes from organic matter, which can be easily converted into compost.
 - Composting activities align with international taxonomies, as they involve the waste segregation at the source and the use of compost as a fertiliser or for other uses. In this way, it ensures that the resulting product does not end up in landfills and that zero methane emissions are produced. These activities comply with waste management best practices, reduce environmental pollution and contribute to climate change mitigation and the circular economy.



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SUSTAINABLE CITIES AND
COMMUNITIES



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RESPONSIBLE
CONSUMPTION AND
PRODUCTION


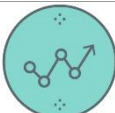



Clean transportation

- Micromobility: any fleet or system of cargo or passenger micromobility that is zero emissions is directly eligible, including:
 - vehicles with electric engines;
- This UoP is aligned with the list of eligible green projects in the ICMA and loan association principles.
 - The financing of zero-carbon-emission vehicles or vessels and/or micromobility systems for freight or passengers that generate zero emissions supports the decarbonisation of the










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SUSTAINABLE CITIES AND
COMMUNITIES



<ul style="list-style-type: none"> – assisted and non-motorised vehicles that meet speed, weight and power criteria established in Resolution 160 of 2017 by the Ministry of Transport; and – other means of transportation with similar characteristics, such as scooters, hoverboards, skates, Segways, skateboards, shared or electric bike fleets, among others. • Private transport service: any vehicle or vessel for private transport with zero direct emissions (eg electric or powered by low-carbon hydrogen) is directly eligible. 	<p>transport sector. Access to sustainable transport improves air quality, contributing to SDG 11 (sustainable cities and communities).</p> <ul style="list-style-type: none"> • The transport sector is one of the largest contributors to GHG emissions, making their reduction extremely important. This is part of Colombia's mitigation strategy to meet its nationally determined contributions. Colombia's National Electric Mobility Strategy aims to promote the electrification of the transport sector. The goal is to incorporate 600,000 electric vehicles by 2030, starting from a 1,700 vehicle baseline in 2016. • In our view, this UoP contributes positively to climate change mitigation and is relevant in the low-carbon transition. The vehicles and criteria align with international taxonomies. Other benefits, such as the reduction of air and noise pollution, are also observed in the types of vehicles financed. • The indicators reported by Mibanco related to this UoP will verify its positive impact. 	
<p>Water supply and treatment</p> <ul style="list-style-type: none"> • Sanitary and combined sewer systems: wastewater collection systems, separated from stormwater, that enhance the efficiency of wastewater treatment systems. This activity will be residential, aimed at individuals wishing to improve the sanitation of their homes. • Efficient use of water: promotion of efficient water use through irrigation, greywater reuse and rainwater harvesting. 	<ul style="list-style-type: none"> • This UoP is aligned with the list of eligible green projects in the ICMA and loan association principles. • Ensuring access to water and sanitation is one of the targets of SDG 6 (clean water and sanitation). According to the Ministry of Housing, City and Territory, only 88% of the population in Colombia had access to drinking water and sewerage services in 2021. A significant challenge is that less than half of the country's wastewater is adequately treated before being discharged into water sources, polluting aquatic ecosystems and negatively affecting public health. • Sustainable water and wastewater management projects help reduce water consumption, conserve water resources, protect aquatic ecosystems, reduce soil and water pollution, and ensure their availability and quality. 	 6 CLEAN WATER AND SANITATION
<p>Banking of microentrepreneurs promoting financial inclusion</p> <ul style="list-style-type: none"> • Access to essential services (eg health, education and vocational training, financing and financial services that contribute to the improvement of their microbusiness). 	<ul style="list-style-type: none"> • This UoP is aligned with the list of eligible social projects in the ICMA and loan association principles. • According to the Ministry of Commerce, Industry and Tourism, microenterprises represented about 95% of the business sector in Colombia in 2023. Moreover, according to DANE, 42.9% of the employed Colombian population was in the informal sector in December 2024. • This figure is higher than the informality rate in LatAm and the Caribbean, which was 53.1% in 2020, according to the International Labour Organization. This underscores the importance of strengthening microenterprises and offering financial inclusion to boost the country's economic progress. • Financing microentrepreneurs can increase the resilience of their businesses, promote job creation, drive local economic development and help reduce the informality rate and social inequality. • This UoP supports SDGs 8 (decent work and economic growth), 9 (industry, innovation and infrastructure) and 10 (reduced inequalities). In Colombia, about 43% of the employed population are self-employed microentrepreneurs. This segment contributes to the country's socioeconomic development but is often excluded from access to bank loans. 	 8 DECENT WORK AND ECONOMIC GROWTH  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  10 REDUCED INEQUALITIES
<p>Financing for microenterprises led by women and/or owned by women</p> <ul style="list-style-type: none"> • Loans for productive, commercial and service financing for a person who is a woman. • These businesses contribute directly to gender equality, poverty eradication and inclusive economic growth. • It will invest in the capitalisation of their businesses, whether they are unbanked or banked women. 	<ul style="list-style-type: none"> • This UoP is aligned with the list of eligible social projects in the ICMA and loan association principles. • Supporting microenterprises led or owned by women promotes female empowerment, gender inclusion in the business sphere, and socioeconomic development, supporting SDG 5 (gender equality). 	 5 GENDER EQUALITY



	<ul style="list-style-type: none"> This UoP supports female entrepreneurship, contributing to closing the unemployment gap for women in Colombia (11.9% as of December 2024, according to DANE), which is higher than for men (7%). 	
Financing for young individuals with active enterprises and no experience in the financial system.		
<ul style="list-style-type: none"> Loans for productive, commercial and service financing for a person aged between 18 and 29 who is starting their enterprises and seeking equality of opportunity, poverty eradication and inclusive economic growth. We will invest in the capitalisation of businesses owned by young individuals, both unbanked and banked. 	<ul style="list-style-type: none"> This UoP is aligned with the list of eligible social projects in the ICMA and loan association principles. The unemployment rate among young people aged 15 to 28 reached 15.6% in December 2024, according to DANE. These statistics reflect a worrying situation for young people, who face significant challenges in accessing job and educational opportunities. Financing for young entrepreneurs facilitates their labour market integration and supports several SDGs, promoting equal opportunities (SDG 10) and decent work and economic growth (SDG 8). This UoP provides young people with financial opportunities to engage in entrepreneurship, fostering their personal and professional development, reducing the unemployment gap and social inequality, and strengthening the local economy. 	 8 DECENT WORK AND ECONOMIC GROWTH  10 REDUCED INEQUALITIES
Financing for natural persons with family vegetable gardens		
<ul style="list-style-type: none"> Loans for individuals with an intensive small-scale cultivation system, where space, productive layers and available family labour are maximised. In these systems, vegetables, condiments and medicinal herbs are primarily produced, but fruit trees and tubers can also be planted. This diversification allows for 70% of the produce to be used for self-consumption and the remaining 30% to generate additional income. 	<ul style="list-style-type: none"> This UoP is aligned with the list of eligible social projects in the ICMA and loan association principles. The UN Food and Agriculture Organization's report on the state of food security and nutrition in the world for 2021 to 2023 indicates that moderate or severe food insecurity affected 30.7% of the Colombian population, or 16.3 million people. This is below the regional average of 31.3% but above the global average of 29%. Family farming is essential for improving food security in several countries and achieving the targets of SDG 2 (zero hunger). Additionally, it can create employment; provide a decent income to the rural population, which is the poorest in the country; and reduce food insecurity through production for self-consumption. We positively view the financing of rural producers, as it contributes to increasing the viability, productivity and resilience of agricultural activities, and helps reduce the socioeconomic vulnerability of the country's rural population. 	 2 ZERO HUNGER  10 REDUCED INEQUALITIES
Financing for microenterprises in poverty-stricken areas		
<ul style="list-style-type: none"> Loans for productive, commercial and service financing to microenterprises located in rural areas or municipalities under Colombia's Territorial Development Programme. 	<ul style="list-style-type: none"> This UoP is aligned with the list of eligible social projects in the ICMA and loan association principles. We consider the financing of microenterprises in rural areas or territories affected by armed conflict and poverty to be positive. These loans can increase the resilience of these enterprises and foster the region's socioeconomic development. Additionally, they promote the reduction of social inequality through financial inclusion and the creation of new formal jobs. 	 1 NO POVERTY  8 DECENT WORK AND ECONOMIC GROWTH  10 REDUCED INEQUALITIES
Source: Mibanco sustainable financing framework 2025	Source: Sustainable Fitch	



Use of Proceeds – Other Information

Company Material

- The proceeds from any sustainable financing instrument must be used entirely to finance or refinance, in whole or in part, eligible new or existing green, blue or social projects in Mibanco's portfolio. These eligible projects may include loans granted by Mibanco and/or investments and expenses made by Mibanco to develop sustainable products that have been disbursed up to 36 months before the issuance date of any sustainable financing instrument.
- In its commitment to contribute to the country's economic development and assist entrepreneurs, microentrepreneurs and small businesses, Mibanco designed ESG loan products to offer financing for sustainable projects.
- The final allocation of the funds cannot be assigned to eligible projects after the maturity date agreed upon in the sustainable certificate of deposit (CDT).
- The categories of green, blue, social or sustainable projects by Mibanco will contribute to one or more of the following objectives:
 - climate change mitigation;
 - climate change adaptation;
 - conservation of ecosystems and biodiversity;
 - efficient and sustainable water management;
 - circular economy;
 - pollution control and prevention;
 - financial inclusion of older adults, migrants and financially under-served individuals;
 - gender focus aimed at supporting female entrepreneurs in the country by raising their economic level and that of their families; and
 - financial assistance to different populations according to the principles of social financing instruments (women, ageing populations, vulnerable youth living below the poverty line, etc.).
- For an expense to be classified as eligible green expenditure, it must meet the following requirements:
 - contribute to achieving at least one environmental objective;
 - contribute to the achievement of the SDGs' targets; and
 - be aligned with the country's environmental regulations and with Colombia's green taxonomy.
- The compliance requirements and minimum social safeguards outlined in Colombia's green taxonomy are essential for ensuring that eligible activities do not generate negative social and environmental impacts. Through Mibanco's environmental and social management system and other management tools, it is necessary to identify, prioritise, manage and prevent harm related to the following environmental objectives in eligible expenditures:
 - conservation of ecosystems and biodiversity;
 - water management;
 - pollution prevention and control; and
 - compliance with applicable environmental regulations according to the client's activity.
- The eligible social project categories of Mibanco will contribute to one or more of the following social sustainability objectives and its target social population:
 - provide access to essential financial services and financial education for low-income populations;
 - promote the creation and preservation of viable jobs, socioeconomic progress and empowerment through microfinancing and support for women-owned businesses;
 - contribute to reducing social inequalities and closing the gaps affecting the most vulnerable groups in the country at a national level; and

Alignment: Good

Sustainable Fitch's View

- The framework clearly establishes all eligible categories for financing but lacks technical or specific criteria for some of these eligible categories. The framework specifies that green projects must be aligned with Colombia's green taxonomy, which is positive as it ensures a positive environmental impact.
- The framework allows the funds to finance new projects or loans and to refinance debt, but does not specify a maximum percentage for refinancing. We consider it preferable to finance new loans, as this promotes an additional positive impact on environmental and social objectives.
- The retrospective period of 36 months for the refinancing of loans exceeds market best practices, which are typically less than 24 months.
- Favourably, the framework and its lending policies include clear exclusion criteria that cover social and environmental aspects. The exclusion list encompasses various activities with potential negative environmental impact, surpassing standard market practice, which is positive.
- For example, it excludes projects involving oil exploration and development, internationally banned pesticides or herbicides, cross-border waste or waste product trade, and the production or sale of lead-based paints or coatings, among others.



Use of Proceeds – Other Information

Company Material

- provide access to essential financial services and financial education to microenterprises and SMEs.

Source: Mibanco sustainable financing framework 2025

Alignment: Good

Sustainable Fitch's View

Source: Sustainable Fitch

Evaluation and Selection

Company Material

- The evaluation and selection of projects is a key process to ensure that projects financed by a bond; loan; sustainability, green or social CDT; or other specific financing meet the criteria of Mibanco's financing framework.
- The bank defines its loan evaluation process according to internal policies and in accordance with the guidelines established by internal governance.
- Mibanco has a social and environmental performance committee responsible for analysing operations with sustainable potential and approving the "green" or "social" label according to the eligibility criteria defined in the green taxonomy and the criteria defined in this framework. This committee meets quarterly to make decisions, monitor the bank's ESG processes, and communicate the results and progress of each initiative to identify improvement opportunities.
- The social and environmental performance committee is composed of senior representatives:
 - bank president;
 - corporate sustainability office;
 - vice president of risk;
 - vice president of marketing;
 - vice president of human development management;
 - vice president of business; and
 - board members.
- Additionally, there is a sustainable financing committee, composed of eight members representing the vice president of people strategy, administration and sustainability; financial vice president; vice president of risk; and product and commercial management, with the possibility of including special guests to facilitate its management.
- Its objective is to monitor activities related to sustainable financing, including the creation of new eligible projects, metrics, transitional and definitive fund management, and other functions defined in its regulations, ensuring compliance with commitments under the sustainable financing framework and the regulator's provisions determined in the specific destination financing regulations.
- This committee meets monthly, led by the vice president of people strategy, administration and sustainability. It reports to the social and environmental performance committee, which is an advisory body to the board of directors (board support committee).

Source: Mibanco sustainable financing framework 2025

Alignment: Excellent

Sustainable Fitch's View

- The project selection and evaluation process aligns with the ICMA and loan association principles, and has been clearly indicated in the framework. This process follows market best practices.
- Mibanco's social and environmental performance committee reviews the selected loans and evaluates their compliance with the eligibility criteria defined in Colombia's green taxonomy, which are detailed in the framework. This committee is composed of representatives from various areas of the bank, including risk and sustainability.
- A working group, formed by high-level executive representatives, will approve the portfolio of eligible green, social and/or sustainable assets selected by the committee. We positively consider this multidisciplinary approach that incorporates different levels of approval and the participation of sustainability experts, as it ensures balanced decisions are made for the correct allocation of the proceeds. This aligns with market best practices.
- We consider it positive that the project selection process includes an analysis of the socio-environmental risks of the projects or loans selected to be financed through the funds issued and contracted under the framework. This ensures compliance with environmental protection standards and implements the necessary mitigation actions.

Source: Sustainable Fitch

Management of Proceeds

Company Material

- The proceeds from sustainable financing instruments will be managed by Mibanco's financial vice president and will be entirely allocated to finance or refinance, in whole or in part, new or existing eligible green, blue or social projects in Mibanco's portfolio, assigning them within the validity period of such financing, not exceeding 24 months.
- Undisbursed funds will be managed by Mibanco's treasury, in accordance with the bank's liquidity policy; they will be maintained in

Alignment: Good

Sustainable Fitch's View

- The fund management process aligns with the ICMA and loan association principles.
- The treasury department will manage the raised funds, which will be tracked virtually using an Excel file, aligning with standard market practices. Depositing the funds in a dedicated bank account for their management would offer greater traceability and transparency to investors.



Management of Proceeds

Company Material

- authorised instruments for liquidity management and will not be used to finance other projects.
- The sustainable finance committee will monitor monthly the progress of the funds received from sustainable financing instruments, their allocation to eligible projects, and the balance pending disbursement managed by the treasury, reporting by time bands the deadline for their allocation to eligible projects, as established in Mibanco's sustainable financing framework.
- Within three months of becoming aware, Mibanco will replace loans that, for any reason, have ceased to be eligible according to the criteria established in this framework. The processes outlined above will be applicable throughout the life of the sustainable financing instruments issued based on this framework.

Source: Mibanco sustainable financing framework 2025

Alignment: Good

Sustainable Fitch's View

- Unallocated balances will be held in cash or invested in liquid instruments, in line with common market practices. Investing the unallocated funds in assets that support projects related to the framework or other projects with environmental benefits would ensure a greater positive impact.
- The committee is responsible for overseeing the financed loans to ensure compliance with eligibility criteria. There is a process for substituting and reporting cases of loans or projects that no longer align with the framework.
- An independent verifier will review the allocation of the funds. This aligns with market best practices.

Source: Sustainable Fitch

Reporting and Transparency

Company Material

- As long as any sustainable financing instrument is generated, Mibanco commits to publishing relevant information and documents related to the sustainable financing instruments in the sustainability report, the annual report, and/or its Task Force on Climate-related Financial Disclosures report, as applicable. This report will be available on the bank's main page annually, as warranted.
- Mibanco will provide information regarding the following allocations:
 - confirmation that the use of funds from the sustainable financing instruments is aligned with the eligibility criteria of this framework;
 - net proceeds raised from each sustainable financing instrument;
 - total amount of funds allocated to each eligible category and the portion of the funds used for respective financing or refinancing;
 - expected impact metrics, where possible;
 - The balance of unallocated net proceeds at the end of the reporting period; and
 - The portion of net proceeds used for financing versus refinancing.
- Additionally, the report may, but is not required to, include illustrative examples describing eligible cases to which sustainable financing instruments have been allocated, subject to client confidentiality commitments.
- Mibanco will inform the market of the loss of the specific destination instrument designation when it occurs, indicating the circumstance or fact that led to it.
- The sustainable CDTs have a second-party opinion (SPO) from an entity with its qualifications published on its website.
- The SPO provider will issue an independent review memorandum certifying the alignment of the framework with the ICMA Green Bond Principles at the time of publication and will verify the issuer's ability to comply with the guidelines regarding use of funds, process of evaluating and selecting eligible projects, fund management policies and issuer reports.
- The independent review memorandum will be permanently available on Mibanco's website.
- Similarly, Mibanco will have an annual verification of the use of funds conducted by an SPO provider that certifies its suitability and independence from Mibanco, generating a certification of compliance with the use of funds received in the sustainable financing instruments issued by the issuer during the last year, as of the end of the month immediately preceding the start of the evaluation.
- This will specify the amount of funds received, the amount of funds allocated to eligible projects, and the balance of funds pending

Alignment: Excellent

Sustainable Fitch's View

- The reporting and verification process aligns with the ICMA and loan association principles.
- For each instrument, combined allocation and impact reports will be published annually until maturity. These reports will offer investors a tool for continuous and transparent tracking.
- The impact metrics selected in the framework are quantifiable and relevant. The defined indicators align with the ICMA's suggested impact reporting metrics and are suitable for measuring the benefit generated by the UoP. Presenting the chosen methodology for calculating these indicators would be even more positive. The defined social indicators include the target population and the expected social impacts or outcomes, providing greater transparency.
- The ICMA recommends that issuers specify how projects align with internationally recognised social or environmental development goals, such as the SDGs. This facilitates investors' incorporation of this information into their investment decisions.
- Mibanco will present its report by funded UoP category. By providing detailed information on impact and allocation by project, it will align with market best practices and stand out among its peers in the region.
- The allocation and impact indicators will have an annual external verification, providing transparency and aligning with best practices.



Reporting and Transparency		Alignment: Excellent	
Company Material		Sustainable Fitch's View	
<p>disbursement managed by Mibanco's treasury, along with notification of the expiration of the specified deadline for the allocation of funds in accordance with this framework.</p> <ul style="list-style-type: none">• The SPO's certification of fund use will be permanently published on Mibanco's website and added to the annual reports as established in the framework.• The processes outlined above will be applicable throughout the life of the sustainable financing instruments issued based on this framework.			
Source: Mibanco sustainable financing framework 2025		Source: Sustainable Fitch	



Relevant UN Sustainable Development Goals

<ul style="list-style-type: none"> 1.4: By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance. 	 1 NO POVERTY
<ul style="list-style-type: none"> 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round. 	 2 ZERO HUNGER
<ul style="list-style-type: none"> 5.a: Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws. 	 5 GENDER EQUALITY
<ul style="list-style-type: none"> 6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all. 6.2: By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations. 6.4: By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity. 	 6 CLEAN WATER AND SANITATION
<ul style="list-style-type: none"> 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix. 7.3: By 2030, double the global rate of improvement in energy efficiency. 	 7 AFFORDABLE AND CLEAN ENERGY
<ul style="list-style-type: none"> 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services. 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.10: Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all. 	 8 DECENT WORK AND ECONOMIC GROWTH
<ul style="list-style-type: none"> 9.3: Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets. 	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
<ul style="list-style-type: none"> 10.2: By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status. 	 10 REDUCED INEQUALITIES
<ul style="list-style-type: none"> 11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons. 11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management. 	 11 SUSTAINABLE CITIES AND COMMUNITIES



Relevant UN Sustainable Development Goals

- **12.2:** By 2030, achieve the sustainable management and efficient use of natural resources.
- **12.5:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.



Source: Sustainable Fitch, UN

Appendix A: Principles and Guidelines

Type of Instrument: Sustainability

Four Pillars	
1) Use of Proceeds (UoP)	Yes
2) Project Evaluation & Selection	Yes
3) Management of Proceeds	Yes
4) Reporting	Yes
Independent External Review Provider	
Second-party opinion	Yes
Verification	Yes
Certification	No
Scoring/Rating	No
Other	n.a.
1) Use of Proceeds (UoP) – based on expected or actual instrument allocation	
UoP as per Green Bond Principles (GBP)	
Renewable energy	Yes
Energy efficiency	Yes
Pollution prevention and control	No
Environmentally sustainable management of living natural resources and land use	No
Terrestrial and aquatic biodiversity conservation	No
Clean transportation	Yes
Sustainable water and wastewater management	Yes
Climate change adaptation	No
Certified eco-efficient and/or circular economy adapted products, production technologies and processes	Yes
Green buildings	No
Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP	No
Other	n.a.
Use of Proceeds as per Social Bond Principles (SBP)	
Affordable basic infrastructure	No
Access to essential services	Yes
Affordable housing	No
Employment generation (through SME financing and microfinancing)	Yes
Food security	No
Socioeconomic advancement and empowerment	No
Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBP	No
Other	n.a.
Target Populations	
Living below the poverty line	No
Excluded and/or marginalised populations and /or communities	Yes
People with disabilities	No
Migrants and/or displaced persons	No
Undereducated	No
Underserved, owing to a lack of quality access to essential goods and services	No
Unemployed and/or workers affected by climate transition	No
Women and/or sexual and gender minorities	Yes
Ageing populations and vulnerable youth	Yes



Other vulnerable groups, including as a result of natural disasters, climate change, and/or climate transition projects that cause or exacerbate socioeconomic inequity	No
Other	n.a.

2) Project Evaluation & Selection

Evaluation & Selection

Credentials on the issuer's social and green objectives	Yes
Documented process to determine that projects fit within defined categories	Yes
Defined and transparent criteria for projects eligible for sustainability bond proceeds	Yes
Documented process to identify and manage potential ESG risks associated with the project	Yes
Summary criteria for project evaluation and selection publicly available	Yes
Other	n.a.

Evaluation & Selection/Responsibility & Accountability

Evaluation/selection criteria subject to external advice or verification	No
In-house assessment	Yes
Other	n.a.

3) Management of Proceeds

Tracking of Proceeds

Sustainability bond proceeds segregated or tracked by the issuer in an appropriate manner	Yes
Disclosure of intended types of temporary investment instruments for unallocated proceeds	Yes
Other	n.a.

Additional Disclosure

Allocations to future investments only	No
Allocations to both existing and future investments	Yes
Allocation to individual disbursements	No
Allocation to a portfolio of disbursements	Yes
Disclosure of portfolio balance of unallocated proceeds	Yes
Other	n.a.

4) Reporting

UoP Reporting

Project-by-project	No
On a project portfolio basis	Yes
Linkage to individual bond(s)	Yes
Other	n.a.

UoP Reporting/Information Reported

Allocated amounts	Yes
Sustainability bond-financed share of total investment	No
Other	n.a.

UoP Reporting/Frequency

Annual	Yes
Semi-annual	No
Other	n.a.

Impact Reporting

Project-by-project	No
On a project portfolio basis	Yes
Linkage to individual bond(s)	Yes
Other	n.a.



Impact Reporting/Information Reported (exp. ex-post)

GHG emissions/savings	Yes
Energy savings	Yes
Decrease in water use	Yes
Number of beneficiaries	Yes
Target populations	Yes
Other ESG indicators	Volume of compost processed, percentage decrease in water leaks, volume of rainwater captured, number of women-owned businesses receiving support

Impact Reporting/Frequency

Annual	Yes
Semi-annual	No
Other	n.a.

Means of Disclosure

Information published in financial report	No
Information published in ad hoc documents	No
Information published in sustainability report	Yes
Reporting reviewed	Yes
Other	n.a.

Source: Sustainable Fitch, ICMA

Appendix B: Definitions

Term	Definition
Debt types	
Green	Proceeds will be used for green projects and/or environmental-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Green Bond Principles or other principles, guidelines or taxonomies.
Social	Proceeds will be used for social projects and/or social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Social Bond Principles or other principles, guidelines or taxonomies.
Sustainability	Proceeds will be used for a mix of green and social projects and/or environmental and social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines, taxonomies.
Sustainability-linked	Financial and/or structural features are linked to the achievement of pre-defined sustainability objectives. Such features may be aligned with ICMA Sustainability-linked Bond Principles or other principles, guidelines or taxonomies. The instrument is often referred to as an SLB (sustainability-linked bond) or SLL (sustainability-linked loan).
Conventional	Proceeds are not destined for any green, social or sustainability project or activity, and the financial or structural features are not linked to any sustainability objective.
Other	Any other type of financing instrument or a combination of the above instruments.
Standards	
ICMA	International Capital Market Association. In the Second-Party Opinion we refer to alignment with ICMA's Bond Principles: a series of principles and guidelines for green, social, sustainability and sustainability-linked bonds.
LMA, LSTA and APLMA	Loan Market Association (LMA), Loan Syndications and Trading Association (LSTA) and Asia Pacific Loan Market Association (APLMA). In the Second-Party Opinion we refer to alignment with Sustainable Finance Loan Principles: a series of principles and guidelines for green, social and sustainability-linked loans.
EU Green Bond Standard	A set of voluntary standards created by the EU to "enhance the effectiveness, transparency, accountability, comparability and credibility of the green bond market".

Source: Sustainable Fitch, ICMA, UN, EU Technical Expert Group

Appendix C: Second-Party Opinion Methodology

Second-Party Opinion

Second-Party Opinions (SPO) are a way for issuers to obtain an independent external review on their green, social, sustainability and sustainability-linked instruments.

As per the ICMA Guidelines for External Reviewers, an SPO entails an assessment of the alignment of the issuer's green, social, sustainability or sustainability-linked bond or loan issuance, framework or programme with the relevant principles. For these purposes, "alignment" should refer to all core components of the relevant principles.

Sustainable Fitch analysts vary the analysis based on the type of instruments, to consider whether there are defined uses of proceeds or KPIs and sustainability performance targets. The analysis is done on a standalone basis, separate to the entity.

Analytical Process

The analysis considers all available relevant information (ESG and financial). The reports transparently display the sources of information analysed for each section and provide a line-by-line commentary on the sub-factors analysed. The ESG analysts working on an SPO will also engage directly with the issuer to acquire any additional relevant information not already in the public domain or in instrument-related documentation.

An important part of the analysis is the assessment of the E and S aspects of the use of proceeds. In addition to the alignment with ICMA Principle and Guidelines, the analysis may also refer to major taxonomies (e.g. the EU taxonomy for E aspects, and the UN Sustainable Development Goals for S aspects).

Once the analyst has completed the analysis, with commentary for the related SPO, it is submitted to the approval committee, which reviews it for accuracy and consistency. Based on issuer preference and mandate, an SPO can be monitored (annually or more frequently, if new information becomes available) or on a point-in-time basis.

Scale and Definitions

ESG Framework	
Excellent	Sustainable finance framework and/or debt instrument structure is fully aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet excellent levels of rigour and transparency in all respects and are well in excess of the standards commonly followed by the market.
Good	Sustainable finance framework and/or debt instrument structure is fully aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet good levels of rigour and transparency; in some instances, they go beyond the standards commonly followed by the market.
Aligned	Sustainable finance framework and/or debt instrument structure is aligned to all relevant core international principles and guidelines. Practices inherent to the structure meet the minimum standards in terms of rigour and transparency commonly followed by the market.
Not Aligned	Sustainable finance framework and/or debt instrument structure is not aligned to relevant core international principles and guidelines. Practices inherent to the structure fall short of common market practice.

Source: Sustainable Fitch



SOLICITATION STATUS

The Second Party Opinion was solicited and assigned by Sustainable Fitch at the request of the entity.

A Sustainable Fitch ESG Analytical Product (ESG Product) provides an assessment of the Environmental, Social and/or Governance ("E", "S" and "G") qualities of an issuer and/or its financial instruments or securities. ESG Products include without limitation ESG ratings, ESG scores, ESG second-party opinions and other ESG assessments, opinions and data-related products, among other ESG Products. An ESG Product is not a credit rating. ESG Products are provided by Sustainable Fitch, a Fitch Solutions company, and an affiliate of Fitch Ratings. Sustainable Fitch has established specific policies and procedures intended to avoid creating conflicts of interest and compromising the independence or integrity of Fitch Ratings' credit rating activities and Sustainable Fitch's ESG Product generation activities. For a description of the methodology, limitations and disclaimers relating to Sustainable Fitch's ESG Products, please use this link: www.sustainablefitch.com.

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