

Client Impact **DEB**rief

Kattan Group



About Kattan Group

Founded in 1920, the Kattan Group is a leading business group in Honduras dedicated to a variety of sectors, including apparel, real estate, construction, metallurgy, energy, transportation, and telecommunications. The Group has operations in several Central American countries, the United States, Mexico, and Peru.

Within its real estate division, the Kattan Group owns and operates "Inmobiliaria Hondureña del Valle S.A. de C.V." (INHDELVA), the first industrial free trade zone established by the Group and a leading center for manufacturing, processing, and distribution in Honduras. Established in 1989, INHDELVA provides industrial development solutions to domestic and foreign investors, operating with companies engaged in light manufacturing, yarn, and logistics, among other activities.

The Kattan Group is a certified member of the Honduran Foundation for Corporate Social Responsibility, actively promoting initiatives that enhance the environment and support community welfare, thereby contributing to the economic, social, and cultural development in the region.



INHDELVA is the Kattan Group's first industrial free trade zone and one of its most profitable:

5,000+

Jobs supported

177,000

m²

Constructed area

Geographic Focus



Sectors



Vision



Partnering with Kattan Group

Through its US\$5 million investment in the Kattan Group for its INHDELVA industrial park, IDB Invest is financing the construction of a rooftop photovoltaic park with a total of 7.35 MW in installed generation capacity for self-consumption, thereby reducing energy costs. In addition, IDB Invest is providing advisory services, including the development of a solar feasibility study to identify the best option for maximizing solar energy absorption.

With this partnership, IDB Invest is helping the Kattan Group become more resource-efficient in energy production and is contributing to the reduction of greenhouse gas emissions. It is also supporting job creation, economic growth, and the diversification of Honduras's energy matrix.

The investment offers the Kattan Group the opportunity to reduce its electricity consumption, which leads to savings in production costs, thus improving its competitiveness in the manufacturing sector. It also helps strengthen the Group's environmental and social management plan.



Investment Snapshot

Sector	Region	Project Investment	Approval Date
Industry	Honduras	US\$5M	2018

Targets (2029)

ENERGY COST SAVINGS	ENERGY CONSUMPTION
US\$685M	24,4MWh
RENEWABLE ENERGY GENERATED	GREENHOUSE GAS (GHG) EMISSION REDUCTION
5,2MWh	3 tons of CO2 per year

Measuring Development Impact

IDB Invest's Impact Management Framework is an end-to-end series of tools and practices covering the complete investment lifecycle. It allows us to build, measure, and manage a portfolio of financially sustainable investments that maximize development impact and contribute to reaching the Sustainable Development Goals (SDGs).

The SDGs are at the core of our approach. IDB Invest identifies the expected contributions of each investment to specific SDG targets upfront, and measures actual progress achieved over time.



Kattan Group: Development Impact Results

7 AFFORDABLE AND CLEAN ENERGY



INHDELVA's solar power generation increases the share of renewable energy in the global energy mix.

22,9MWh

RENEWABLE ENERGY
GENERATED (2020-2023)

8 DECENT WORK AND ECONOMIC GROWTH



The installment of a rooftop photovoltaic park contributes to economic growth and reduces client consumption from the electric grid.

7,35MW

INSTALLED SOLAR
POWER CAPACITY (2023)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



INHDELVA's new solar power infrastructure adopts environmentally sound technologies and increases resource-use efficiency.

US\$2.5M

ENERGY COST SAVINGS
(2020-2023)

Kattan Group: Development Impact Results

10 REDUCED INEQUALITIES



The investment increases development assistance and financial flows to FSO-developing states following their national programs.

HONDURAS

COUNTRY OF IMPLEMENTATION (2023)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Kattan Group's Social and Environmental Action Plan introduces sustainable practices, such as the recovery and reuse of photovoltaic modules and waste management systems.

YES

SUCCESSFUL IMPLEMENTATION OF THE SOCIAL AND ENVIRONMENTAL PLAN (2023)

13 CLIMATE ACTION



The installation and operation of INHDELVA's solar panels generate part of its energy using renewable sources, thus reducing its carbon footprint.

6 TONS OF CO2 PER YEAR

GHG EMISSION REDUCTION (2023)

Measuring & Managing Impact: Kattan Group's DELTA Impact Score

The Kattan Group's DELTA Impact Score reflects its high potential to generate positive social, economic, and environmental outcomes. The score illustrates the Kattan Group's capacity to contribute to sustainable economic growth by enhancing the efficiency, coverage, and quality of Honduras's electricity matrix while reducing energy costs and increasing competitiveness.

Its score also captures the investment's potential to address climate change and sustainability challenges. By generating renewable energy and exchanging knowledge practices, the Kattan Group is fostering green growth and building environmental resilience in a vulnerable region. The score also showcases the business group's capacity to become more energy efficient, thereby reducing GHG emissions and mitigating climate change.



DELTA Impact Score

The DELTA is IDB Invest's rating system for assessing the expected economic, social, and environmental impact of each investment. The DELTA Impact Score* is tracked and updated annually to monitor and benchmark investment performance.

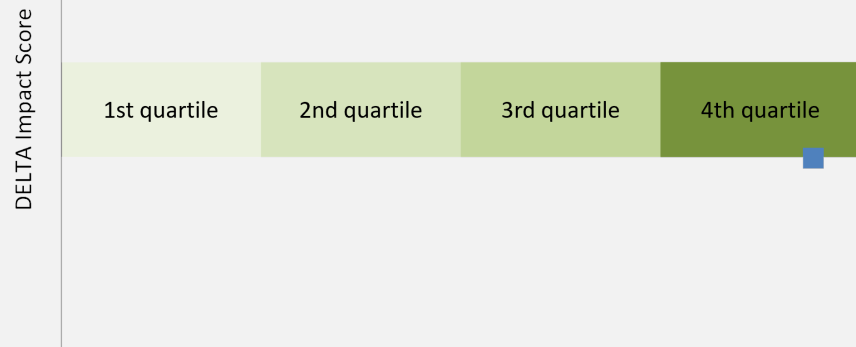
*To complement the DELTA Impact Score, IDB Invest calculates an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes. The "DELTA Project Score" is the overall rating assigned to each project that encompasses both the DELTA Impact Score and the DELTA Additionality Score.

Benchmarking Kattan Group's DELTA Impact Score

DELTA IMPACT SCORE



How does Kattan Group's score compare to other IDB Invest investments in the industrial sector?



BUILDING BLOCKS OF THE DELTA IMPACT SCORE*



Economic Analysis

Estimates the net benefits of the investment to the economy and society (Economic & Social Rate of Return).



Stakeholders Analysis

Complements the Economic Analysis by assessing the types of beneficiaries reached and the type of benefits generated.



Sustainability

Ensures that the project is financially sustainable and meets IDB Invest's ESG requirements.

* In comparison with the last DELTA impact score of peers in BID Invest's portfolio based on their latest supervision date.

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Let's continue the conversation.

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