

1. Overview of Scope of IDB Invest Environmental and Social (“E&S”) Review. The E&S review of the proposed transaction was carried out through desk research, phone calls with the client, and a portfolio review. Caja los Heroes is a new IDB Invest client, with a focus in loans for financial inclusion. As such on-lending risks are generally considered low. The client has agreed to implement a basic set of E&S procedures that includes a review of sub-loans against applicable local law and the IDB Invest’s Exclusion List. 2. E&S Categorization and Rationale. The proposed operation is classified as an FI-3 according to the IDB Invest Sustainability Policy. Caja Los Héroes will use the funds to grant social credits to its affiliates with low or no access to the traditional financial system and to finance the investment required for the development of a new product for financial inclusion (e.g. Prepaid Debit Card). This ‘social credit’ allows the less banked segments to finance such activities as housing payments, health and education expenses, recreation and tourism, microenterprise, durable goods, family assistance, among others. The average loan is around US\$ 1,500. 3. E&S Risks and Impacts. The E&S risks are considered minimal given the proposed use of proceeds. 4. Mitigation Measures. Caja los Heroes will be required to apply a basic set of E&S procedures, which will include application of the exclusion list and local law as applicable. Furthermore, the Caja will be required to undertake the IDB Invest’s on-line training for E&S management and appoint an E&S individual to oversee application of the procedures and address any issues specific to individual sub-loans screening where warranted. 5. E&S Action Plan: N/A 6. Contact Information: For project inquiries, including E&S questions related to an IDB Invest transaction, please contact the client (see Investment Summary tab), or IDB Invest using the email: divulgacionpublica@iadb.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202)623 3952.