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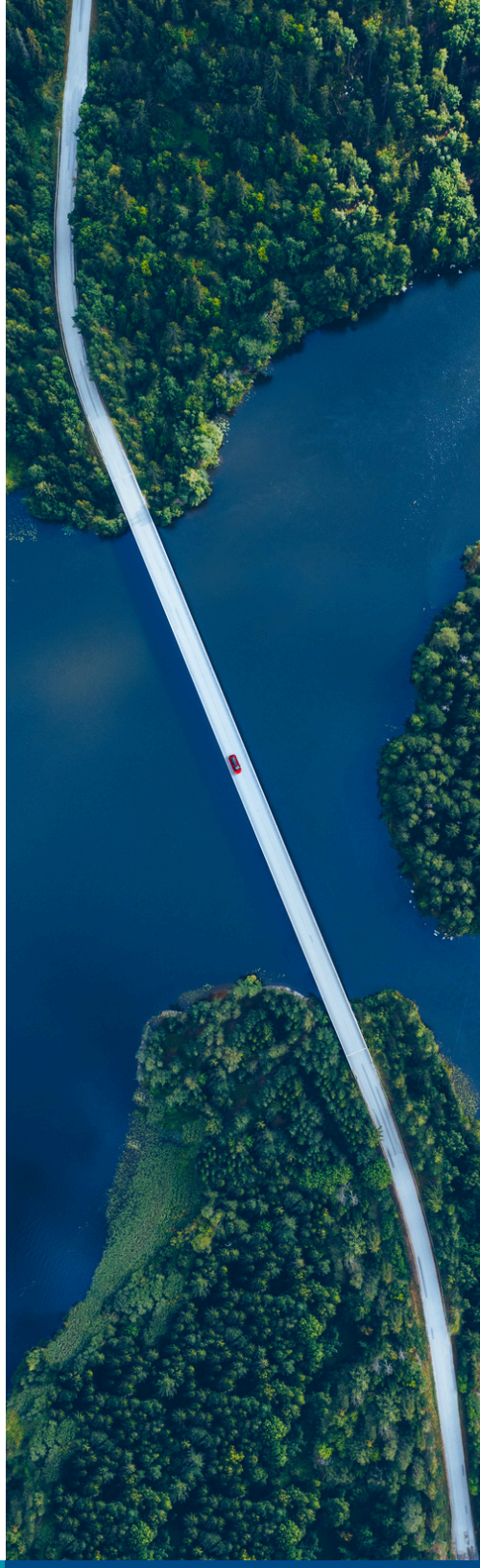
Sustainable Bond Framework

MOBILIZING CAPITAL
FOR SUSTAINABLE INFRASTRUCTURE
IN LATIN AMERICA AND THE CARIBBEAN



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Content

Strategy and Justification

Latin America and the Caribbean are navigating a decisive juncture. Despite having vast natural resources, demographic potential, and growing urban centers, the region continues to face persistent structural challenges: underinvestment in infrastructure, rising climate vulnerability, and constrained public finances. These issues are compounded by global economic uncertainty, inflationary pressures, and the increasing frequency of extreme weather events.

According to the Development Bank of Latin America and the Caribbean (CAF), the region must invest at least 3.12% of its GDP annually to close infrastructure gaps in energy, transportation, water, and telecommunications. Yet, Latin America and the Caribbean still lag 5.4% behind the global average in infrastructure investment and 19.4% behind Europe in regional integration and connectivity. This shortfall not only limits productivity and competitiveness but also exacerbates inequality and social fragmentation.

At the same time, climate change is intensifying fiscal and financial risks. As reported by the World Meteorological Organization, 2024 was the warmest year ever recorded. In Latin America and the Caribbean, this translated into unprecedented heatwaves, prolonged droughts, and catastrophic floods that severely affected communities, ecosystems, and public infrastructure. These events have become systemic threats requiring urgent adaptation. Governments face growing pressure to cover disaster responses and reconstruction costs.

Sustainable infrastructure is recognized as both a development imperative and a strategic opportunity. Aligning capital with climate and social priorities positions the sector as a trusted partner in financing energy and infrastructure projects that foster inclusive growth, environmental stewardship, and long-term value creation. Through disciplined risk management and a commitment to innovation, private capital is increasingly directed toward sectors essential for the region's future.

As Latin America and the Caribbean confronts a complex and rapidly evolving landscape, continued commitment is being maintained to deliver financially sound and transformational solutions. The path forward is understood to require bold partnerships, resilient institutions, and shared vision for a more inclusive, low-carbon future. To that vision, a meaningful contribution continues to be made.

LATIN AMERICA AND THE CARIBBEAN URGENTLY NEED SUSTAINABLE INVESTMENT TO ADDRESS INFRASTRUCTURE GAPS AND CLIMATE RISKS.

CIFI's Approach

With this purpose, the Sustainable Bond Financing Framework sets the strategic approach to mobilizing capital for infrastructure projects that generate measurable environmental and social impacts across Latin America and the Caribbean. The framework is aligned with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) issued by the International Capital Market Association (ICMA), and reflects a commitment to transparency, integrity, and sustainable development.

A catalytic role has been played in advancing sustainable finance in the region. In 2019, the first green bond program in Panama was launched, and in 2024, accreditation was granted by the Green Climate Fund, reinforcing leadership in climate-aligned investment and the capacity to structure innovative financing solutions for resilient infrastructure.

Guided by a long-term vision, environmental, social, and governance (ESG) considerations are integrated into the investment strategy, ensuring that all financing activities are aligned with internationally recognized standards, including the IFC Performance Standards and the United Nations Sustainable Development Goals (SDGs). This approach enables identification and support projects that contribute to climate action, biodiversity conservation, social inclusion, and sustainable economic growth.

With more than two decades of experience, a strong track record of collaboration with private sector actors and development finance institutions. Regional presence, technical expertise, and a robust institutional governance framework have positioned the organization as a trusted partner in structuring impactful investments that respond to the evolving needs of communities and ecosystems.

Through this Framework, the role of a purpose-driven financial institution is reaffirmed, underscoring a committee to advancing sustainability through capital markets. The issuance of thematic bonds under this structure is expected to expand support for transformative infrastructure initiatives delivering long-term value for people, the planet, and the regional economy.

Purpose

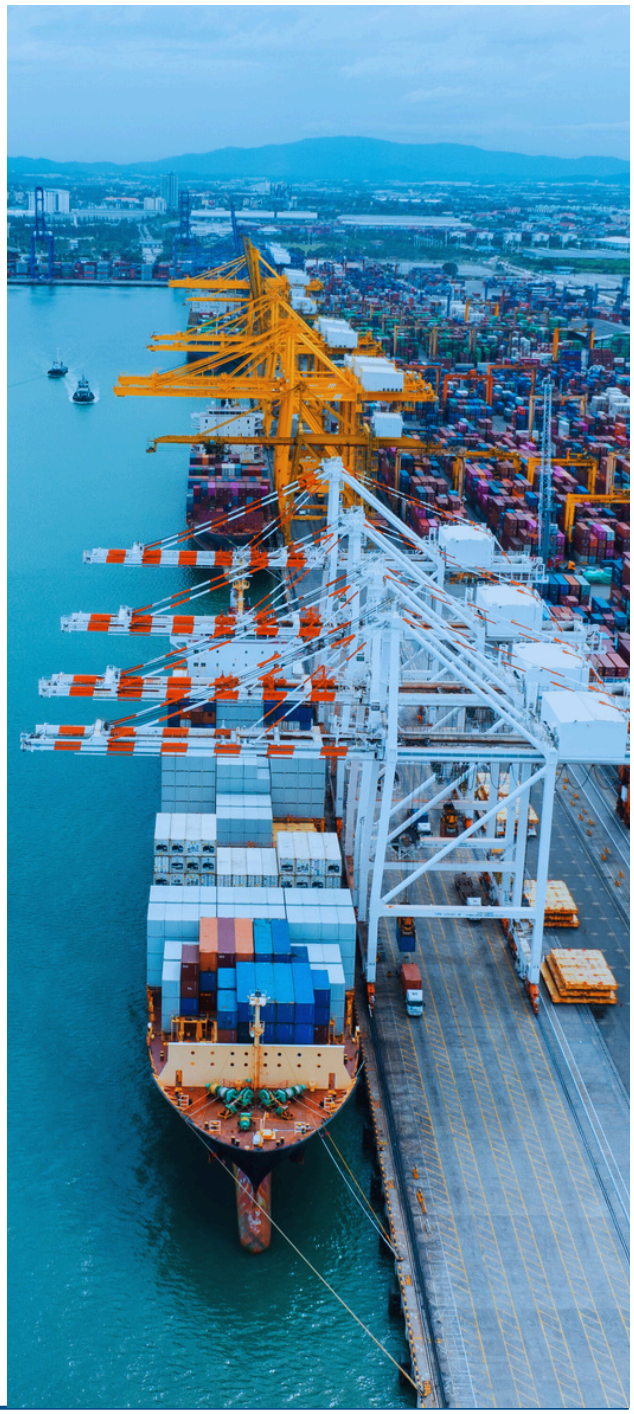
This Sustainable Bond Framework does not constitute a standalone program for issuing thematic bonds. Instead, it serves as a governance and eligibility guide for thematic bond series (Green, Social, and Sustainability) issued under the broader corporate bond program, which operates on a revolving basis.

The framework establishes specific criteria, evaluation processes, and impact reporting requirements that differentiate thematic bond series from standard corporate issuances. While all bonds under the corporate program may share structural features, only those aligned with the Sustainable Bond Framework will be labeled as thematic and must comply with the use of proceeds, project selection, and impact disclosure standards set forth herein.

This distinction ensures that investors can clearly identify which bond series are linked to measurable environmental and social outcomes, and which follow general corporate financing purposes. In doing so, the framework reinforces transparency and traceability across all thematic issuances within the revolving bond program.

The framework also establishes technical and governance guidelines for the use of proceeds from thematics bonds, aligned with the GBP, SBP, and SBG. While eligibility and reporting standards are defined, at each thematic issuance under the corporate bond program will specify the financed projects and expected outcomes, ensuring transparency and alignment with international best practices.

By institutionalizing the framework, support is provided for the mobilization of private capital toward sustainable infrastructure projects that promote climate action and social inclusion.



Use of Proceeds

For the purposes of this Framework, eligible projects correspond to activities that deliver measurable environmental and/or social outcomes. The net proceeds of any Sustainable Bond issuance will be exclusively allocated to finance and/or refinance projects within these Eligible Categories. Allocations will be made on a project specific basis, ensuring traceability, transparency, and compliance with ICMA's Green Bond Principles and Social Bond Principles.

Thematic Bond Series may be issued under the Revolving Corporate Debt Program in accordance with this Sustainable Bond Framework, with each issuance fully aligned with the corresponding ICMA principles and guidelines (latest editions).

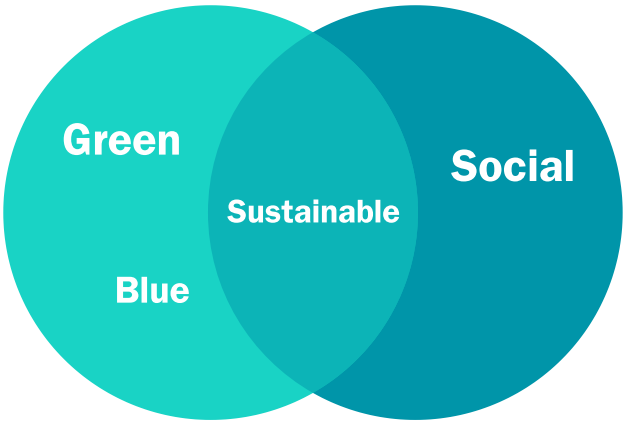
- **Green Bonds** will be allocated to projects with defined environmental objectives, including climate change mitigation, adaptation, pollution prevention, and circular economy initiatives.
    - **Blue Bonds**, as a subcategory of Green Bonds, will target the sustainable management and conservation of marine and freshwater resources, consistent with international blue finance standards.
- **Social Bonds**, according to the Social Bond Principles, will finance eligible projects that generate measurable positive social outcomes associated with Access to Essential Connectivity Services and Social infrastructure.
- **Sustainability Bonds** will integrate both green and social categories within a single issuance, ensuring balanced allocation of proceeds.

No proceeds will be allocated to activities included in its Exclusion List (see Annex 1).

An amount equal to the net proceeds of the bond will be allocated to finance or refinance, in whole or in part, eligible green, social and sustainable projects financed or refinanced by the Issuer within a period of up to 24 months before or after the issuance date.

Finally, all eligible projects should seek to contribute to at least one Sustainable Development Goal (SDG) and align with national requirements of the country where the project is financed, in accordance with the eligibility criteria, climate plans and sustainable development strategies.

Graphic representation of Eligible Categories under this Framework



Eligible Project Categories

The categories are aligned with Green, Blue, and Social Bonds.

GREEN CATEGORIES

1. **Renewable Energy:** Projects that expand energy supply from renewable and low-carbon sources across the full life cycle (design, construction, operation, renovation and modernization).
Subcategories: Hydropower, solar, wind, cogeneration, geothermal.

2. **Energy Efficiency:** Initiatives that reduce energy consumption and improve thermal performance in buildings and industrial processes.
Subcategories: Insulation systems, efficient lighting, heating, and cooling systems.

3. **Energy Storage:** Deployment of technologies that enhance grid reliability and enable integration of renewables.
Subcategories: Battery energy storage systems and pumped hydro storage.

4. **Clean and Low-Emission Transportation:** Development and maintenance of transport systems and infrastructure that reduce GHG emissions.
Subcategories: Electric and hybrid vehicles, public and private transport infrastructure such as EV charging stations.

5. **Sustainable Water Management:** Projects that improve water distribution efficiency and reduce consumption.
Subcategory: Efficient water use systems.

6. **Circular Economy:** Solutions that promote waste reduction, reuse, recycling, and recovery.
Subcategories: Wastewater recovery, waste management systems, clean circular production processes, alternative fuels and waste to energy.

7. **Sustainable Cities and Infrastructure:** Environmentally responsible design, construction and operation of buildings as well as urban infrastructure that minimize environmental impacts, enhance climate resilience, and improve resource efficiency.
Subcategories: Green buildings, green infrastructure for climate-resilient cities, sustainable pavements solutions, electrical grid infrastructure and water and sanitation infrastructure.

BLUE CATEGORIES

8. **Coastal and Riverside Waste and Water Management:** Infrastructure and technologies that prevent pollution and improve water quality in coastal, riverine and aquatic ecosystems.
Subcategories: Blue solid and liquid waste management systems, blue stormwater management systems.

9. **Sustainable Ports:** Solutions that increase environmental performance and sustainability of port functions and infrastructure.
Subcategories: Clean energy and electrification of port operations, digitalization and smart port systems.

10. **Marine Renewable Energy:** Projects that harness ocean-based energy sources to reduce GHG emissions.
Subcategories: Offshore wind, tidal energy, wave energy, ocean thermal energy.

SOCIAL CATEGORIES

11. **Access to Essential Connectivity Services:** Infrastructure that improves access to public services and quality of life through enhanced connectivity.
Subcategories: Sustainable transport, telecom and internet access.

12. **Social Infrastructure:** Facilities that support inclusive development through essential services as well as resilience in vulnerable communities.
Subcategories: Infrastructure for water security, infrastructure for energy access, health infrastructure and education infrastructure.

Eligible Project Criteria

GREEN ELIGIBLE CATEGORIES

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Renewable Energy	Hydropower (1)	**Systems with reservoirs or reservoirs:** The maximum power density of the power generation installation is 25 MW. This must be accompanied by an environmental and social impact assessment ensuring the mitigation of environmental impacts.
		Run-of-the-river systems (No reservoirs): Run-of-the-river hydropower facilities must align with the parameters set by the relevant environmental authorities to be eligible.
		Hydroelectric pump storage: Hydroelectric pump storage facilities must be powered exclusively by electricity with associated life cycle emissions below 100g CO_2 per kWh, in accordance with international green taxonomy standards.
	Solar Energy	**Solar power plants:** For concentrated solar power generation CSP (mirror technology to concentrate sunlight into a receiver) at least 85% of the electricity must be generated from solar energy sources.
		Photovoltaic systems for self-consumption: Installation of photovoltaic systems (solar panels) for electricity generation in residential, commercial, industrial, or utility-scale settings. This includes both self-consumption and grid-connected projects, contributing to the transition toward clean and renewable energy sources.
	Wind Energy	**Wind Farms:** Environmental impact studies, or their equivalent, for onshore wind farms must be valid and officially issued by the competent environmental authority
	Cogeneration (biomass, biogas and biofuel) (2)	**Bioenergy Power Generation Projects:** Facilities must demonstrate that their greenhouse gas emissions, across all stages of the project life cycle, remain below the current threshold of 100 g CO_2e/kWh. The biomass used must come from waste generated by other activities e.g agriculture or forestry Note: Due diligence assessment will be conducted to ensure that the raw materials used in bioenergy production comply with the appropriate sustainability criteria. When direct validation of project processes is not possible, a certificate confirming this information will be required.

(1) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.
(2) Ibid.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Renewable Energy *(continuation)*	Geothermal Energy (3)	**Geothermal power generation projects (Dry and wet steam, hot water, and hot dry rocks):** The life cycle GHG emissions of electricity generation from geothermal energy must be less than 100 gCO2e/kWh. The project must have valid environmental impact studies, or their equivalent, officially issued by the competent environmental authority. These studies must include a clear commitment to: • Prevent air, water, and soil pollution beyond regulatory limits. • Protect biodiversity by avoiding habitat destruction and harm protected species. • Implement a comprehensive waste management plan that ensures proper handling, treatment, and disposal of waste in accordance with industry's best practices.
Energy Efficiency	Insulation Systems	**Roof and wall insulation:** Projects involving the installation of insulation materials in roofs, walls, or under slabs to block heat transfer from the outside to the inside. Projects in commercial, industrial, and residential buildings that use air conditioning and heating systems. Note: Due diligence assessment will be conducted to ensure that the insulation material used meets the appropriate sustainability criteria. If direct validation of project processes is not possible, a certificate confirming this information will be required.
	Efficient Lightning	**High-efficiency lighting fixtures:** Projects to install new lighting infrastructure using high-efficiency alternatives, such as LED or equivalent technology.
	Heating and Cooling Systems	• Replacement of old boilers and air conditioning units with high-efficiency geothermal or aerothermal heat pumps, among other technologies. • Initiatives focused on optimizing the performance of buildings, including building management systems. Projects must demonstrate a minimum of 20% in efficiency in the consumption at the locations where the project is being built. This is calculated using a baseline of consumption before and after the project, and consumption after the high-efficiency lighting has been implemented. Note: The activity should assess the availability of equipment and components that are highly durable and recyclable, and easy to dismantle and recondition. Pumps and other equipment used should be eco-designed and/or energy-labeled, complying with energy efficiency requirements.
Energy Storage	Battery Energy Storage Systems	**Hybrid Battery and Renewable Energy Systems:** 100% of the energy stored in the batteries must come from renewable sources (solar panels and/or wind turbines generation capacity) to which the system is connected. • The project must comply with all local safety and fire prevention regulations for battery energy storage systems.

(3) EU TEG 100g Explanation - Climate Bonds Initiative: 7 key points about the EU Taxonomy's 100g emissions thresholds.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Energy Storage *(continuation)*	Battery Energy Storage Systems	**Energy Storage in Ports:** The battery system must be used to supply power to ships at dock or to optimize port operations, with the aim of reducing diesel consumption and, therefore, greenhouse gas emissions and local pollutants. Note: Projects must demonstrate that their operation and life cycle do not cause significant harm (DNSH) and support climate change mitigation. (4)
	Pumped Storage (Only Under Existing Hydro Projects with Reservoirs) (5)	**Modernization of Hydroelectric Power Plants:** The system must operate primarily using surplus renewable electricity. • Greenhouse gas emissions during the life cycle of electricity generation from hydroelectric energy must be less than 100 gCO2e/KWh and must be calculated using International Organization for Standardization (ISO) standards 14067:2026 and 14064-1:2018 or the G-res tool.
Clean and Low-Emission Transportation Projects	Low and Zero Emissions Vehicles (6)	**Fleets of vehicles or equipment for public transport:** by land, rail, funicular or cable car, river or sea with zero direct CO2 emissions (electric, hydrogen-powered with low carbon emissions, or hybrid).
		Low and zero emission private transport vehicles in operation: (electricity, green hydrogen, or hybrids).
		Public transport efficiency: Eligible projects include the development of Bus Rapid Transit (BRT) corridors, dedicated lanes, or electric light rail systems that promote low-carbon urban mobility.
		Non-motorized transport: Eligible projects include the construction of walkways, bike lanes, and inclusive pedestrian infrastructure to encourage sustainable, low-carbon mobility.
		Clean transport infrastructure: Eligible projects include the construction or rehabilitation of electric or hybrid bus terminals, charging stations, micromobility systems, and logistics hubs only if designed for energy efficiency, electrification and low-emissions operations.
	Infrastructure Supporting Low Emission Transport (7)	**Infrastructure** that is required for transportation with zero direct emissions such as: electric charging points, grid connection upgrades, hydrogen fuel stations, or electric highways.
		Infrastructure for the supply of sustainable biofuel and green hydrogen.
		Technological infrastructure and platforms for mobility as a service in cargo and passenger transport, among others.

(4) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.
(5) Ibid.
(6) Ibid.
(7) Ibid.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Clean and Low-Emission Transportation Projects *(continuation)*	Infrastructure Supporting Low Emission Transport *(continuation)*	**Climate-Resilient Transport Infrastructure:** Eligible projects include transport systems designed or upgraded to adapt to climate change. This may involve systems resilient to extreme weather events, flooding, heatwaves, and other climate-related risks. The goal is to ensure long-term operational sustainability and reduced vulnerability.
Sustainable Water Management	Efficient Water Use Systems	**Sustainable drainage systems** that demonstrate retention of more than 80% (8) of runoff water in the area.
		Wastewater treatment plants (grey and/or black), which reduce the disposal of wastewater in the treatment systems of the city or municipality.
		Construction of wastewater treatment plant: Projects dedicated to treating wastewater to ensure that discharge into the environment comply with regulatory requirements.
		Sewerage systems to improve wastewater management.
Circular Economy	Circular Infrastructure for Wastewater Recovery	**Co-generation of electrical energy from treatment waste:** from wastewater or waste treatment, both commercial and residential.
		Installation of anaerobic digesters in treatment plants: These systems break down the sewage sludge to generate biogas, which can then be used to produce electricity and heat, making the plant energy sufficient.
		Technology implementation: Projects that implement technologies to extract and purify nutrients such as phosphorus and nitrogen from wastewater, creating fertilizers for agriculture and reducing pollution from discharges.
	Waste Management Systems (9)	**Machinery and new technology:** Financing in new machinery and technologies (such as optical separators or robotics) for a sorting center that can process large volumes of mixed waste and efficiently separate it for recycling.
		Composting plants: Creating of a program to collect organic waste (food scraps, yard waste, among other types) from homes and businesses to compost.
		Projects for the creation of collection points and processing plants for materials that are difficult to recycle, such as textiles, electronics (e-waste) or construction and demolition waste, to reintroduce them into the value chain.

(8) This threshold is based on best practices in sustainable urban drainage design, including EPA and EU guidelines, which recommend maximizing local retention and minimizing runoff to public drainage systems.
(9) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Circular Economy *(continuation)*	Clean Circular Production Processes	Redesign of circular packaging.
		Construction or improvement of plants that recycle waste from a specific industry (e.g. plastic from PET bottles) and transform it into raw material for the same industry to reuse, closing the loop. Note: The projects must comply with applicable quality standards such as ISO 9001, ISO 14001, ISO 14044 and ISO 59004. (10)
	Alternative Fuels	**Biodiesel Production Plants:** Construction of plants that collect used cooking oils to process them into biodiesel.
		Technological Projects for the Conversion of Meat Waste into Biodiesel: Projects in technology to refine meat by-products and residues (such as tallow and fats) into biodiesel.
		Advanced Biofuel Projects from Residual Biomass: Projects that use residual biomass from agriculture or forestry (e.g. wood chips, husks) and pyrolysis or gasification technologies to convert it into advanced biofuels.
		Biofuels Production Projects: Initiatives focused on the conversion of agricultural and forestry residues into ethanol, including: • The processing of cereal straw, sugarcane bagasse, and corn stalks into bioethanol. • The transformation of cellulose derived from wood chips into second-generation biofuels.
	Waste to Energy	**Construction of facilities:** • To build or modernize plants that cogenerate waste wood chips to generate electricity. • Construction of facilities that use crop residues, food residues, and other organic waste in anaerobic digesters to produce biogas.
		Use of technologies that: • Utilize waste through various energy recovery processes to simultaneously cogenerate heat & electricity for industrial or domestic use. • Convert waste into usable energy (electricity, heat, or fuel) through approved thermal, biochemical, or other energy recovery processes. Acceptable Technologies to be financed under this category include combustion, gasification, pyrolysis, anaerobic digestion, or other recognized energy recovery processes.

(10) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Circular Economy *(continuation)*	Waste to Energy *(continuation)*	Note: All projects must demonstrate compliance with applicable national energy and environmental regulations, including permits for emissions and waste handling. Preferably, and whenever possible, fuel quality should be certified by international standards, such as ISO 14001 (Environmental Management), ISO 50001 (Energy Management), and/or specific fuel certification (e.g., ASTM D6751 for biodiesel) and/or approved third-party certifications. (11)
Sustainable Cities and Infrastructure	Green Buildings	Certified buildings: Minimum requirement: EDGE (12), LEED (13), ECO PROTOCOL (14) and HQE (15) Certified Properties, or equivalent internationally recognized green building certification. • **New constructions:** Must demonstrate potential for energy savings and reduced GHG emissions through sustainable design, efficient materials, and waste recycling practices. • **Existing buildings:** Retrofits and upgrades must demonstrate measurable improvements in efficiency and sustainability. Eligible projects must achieve at least a 20% reduction in energy consumption and/or a 20% reduction in water use compared to the buildings baseline performance, contribute to reducing GHG emissions, and extend the useful life of infrastructure. Note: All projects must comply with applicable national and local regulations, including the relevant sustainable building codes or equivalent frameworks in the host, as well as other applicable construction and environmental standards.
	Green Infrastructure for Climate-resilient Cities	**Urban infrastructure for flood control or water management:** Eligible only in urban or peri-urban areas, as defined by the applicable national or local regulations and planning frameworks or equivalent standards recognized in the host country. These projects aim to manage stormwater and increase resilience.
		Low-carbon building retrofits: Retrofitting existing urban buildings to achieve measurable reductions in GHG emissions and resource use, while also extending the useful life of buildings to enhance resilience. Eligible projects must demonstrate at least a 20% improvement in energy efficiency and/or water efficiency compared to baseline. Reductions shall be measured using internationally recognized methodologies such as the IFC EDGE tool, LEED energy modeling, or equivalent national frameworks.
	Sustainable Pavement Solutions for Urban Climate Resilience	**Permeable pavement systems in urban infrastructure:** Installation of porous concrete, permeable pavements, or infiltration trenches in roads, sidewalks, plazas, or parking areas within sustainable construction or urban development projects.

(11) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.
(12) EDGE | Green building certification
(13) LEED Certification
(14) EcoProtocols – Recycle | Repurpose | Rework Sustainability certification system that evaluates buildings based on energy efficiency, water use, indoor environmental quality, and overall environmental performance, promoting responsible construction practices
(15) HQE (Haute Qualité Environnementale) certification for buildings in operation. Sustainable building certification that focuses on improving the environmental performance of buildings across design, construction, operation, and maintenance phases

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Sustainable Cities and Infrastructure *(continuation)*	Sustainable Pavement Solutions for Urban Climate Resilience *(continuation)*	**Retrofit and rehabilitation of existing infrastructure:** Adaptation of existing grey infrastructure (e.g., urban roads, plazas, sidewalks, parking areas) through the replacement of impermeable surfaces with permeable pavement systems or the integration of complementary infiltration solutions, enhancing resilience of urban areas to flooding and climate risks.
	Electrical Grid Infrastructure	**Electricity supply systems:** Construction, expansion, or rehabilitation of electricity transmission and distribution systems.
		Sustainability and resilience: Projects must demonstrate affordability, long-term operational viability, and climate resilience, with preference for modular, scalable, and clean-energy technologies.
	Water and Sanitation Infrastructure	**Water supply and sanitation systems:** Eligible projects include the construction or rehabilitation of water supply networks, sanitation facilities, or decentralized wastewater treatment plants.
		Aqueduct and potable water infrastructure: Eligible projects include the construction, expansion, or rehabilitation of aqueducts and potable water treatment.

BLUE ELIGIBLE CATEGORIES

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Coastal and Riverside Waste and Water Management Projects	Blue Solid and Liquid Waste Management Systems and Infrastructure (16)	**Coastal waste management:** Projects must involve the creation, expansion, or improvement of waste collection, separation, and recycling infrastructure in coastal or riverine areas, including facilities that process waste recovered from beaches and oceans.
		Organic waste management: Projects must include composting systems and other sustainable solutions for organic waste treatment.
		Recycling and reverse logistics: Projects must support initiatives for the collection, cleaning, transport, and transformation of recovered materials (e.g., plastic, paper, cardboard, glass), including reverse logistics schemes. Hazardous waste is excluded. (17)

(16) Wastewater: Refers to used and contaminated water generated from domestic, industrial, or commercial activities (e.g., sewage, greywater, industrial effluents, or ballast water) that requires treatment before discharge or reuse.
(17) Materials that pose a risk to human health, property, or the environment due to their physical or chemical characteristics. Hazardous materials can be classified according to their hazard as explosives; compressed gases, including toxic or flammable gases; flammable liquids; flammable solids; oxidizing substances; toxic materials; radioactive materials; and corrosive substances.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Coastal and Riverside Waste and Water Management Projects *(continuation)*	Blue Improvements to Stormwater Management Systems (18)	**Stormwater capture and treatment:** Eligible projects should include integrated stormwater management systems, such as bioswales, detention basins, and nature-based infrastructure, to ensure effective collection, storage, and treatment of runoff. (19)
		Pollution prevention technologies: Projects must install advanced technologies (e.g., filters, traps, or drainage barriers) to capture trash and pollutants before they reach water bodies.
Sustainable Ports (20)	Clean Energy and Electrification of Port Operations	**Shore Power:** Infrastructure that allows vessels at berth to connect to onshore electricity, reducing emissions and noise from auxiliary engines (shore-side electricity installations, grid upgrades to supply low-carbon electricity). Shore power infrastructure must be supplied by low-carbon electricity, or the project must demonstrate a credible pathway to low-carbon electricity supply; electricity's carbon intensity must be below a defined threshold (e.g. below national grid average).
		Energy and Port Equipment Efficiency: Port infrastructure that improves the energy performance of port buildings and equipment (e.g. energy efficient lighting, high efficiency HVAC, smart energy management systems, electrification of port-owned equipment such as cranes, yard equipment and vehicles with a credible pathway to low-carbon electricity supply). Projects must deliver at least a 20% improvement in energy efficiency compared to a defined baseline.
		Renewable energy generation and storage: Renewable energy to supply port operations (e.g. solar PV on port buildings and terminals, wind installations within port areas, battery storage systems supporting renewable generation, PPAs for the direct procurement of renewable energy from generation assets).
	Digitalization and Smart Port Systems	**Digital solutions** that improve environmental performance and efficiency (e.g. port traffic optimization systems, energy and emissions monitoring platforms, smart logistics systems reducing congestion and emissions). Projects must demonstrate a clear environmental objective, such as reduced emissions, energy consumption, or congestion, supported by defined performance indicators.
Marine Renewable Energy (21)	Offshore Wind	**Installation of floating or fixed wind farms.**
		Development of subsea transmission networks: to bring energy from wind farms to the offshore power grid.

(18) Stormwater: Refers to rainwater runoff from roofs, streets, and land surfaces that can carry pollutants (e.g., oil, trash, sediments) into rivers and oceans if not properly captured, retained, or treated.
(19) Platform on Sustainable Finance - Technical Working Group - Annex: Full list of technical screening criteria August 2021.
(20) Eligible projects must be expansions, upgrades, retrofits, and rehabilitations of existing port infrastructure and must not involve greenfield port development. All activities shall comply with applicable national and local environmental regulations, as well as relevant international maritime standards, including MARPOL, IMO conventions, and other recognized best practices for preventing and managing solid waste and chemical waste/runoffs from port operations into marine or riverine environments.
(21) For the purpose of interpreting and measuring indicators within this category, the analysis will be guided by the official definitions and technical standards established by:
- Autoridad Nacional de los Servicios Públicos (ASEP): Regulations, licensing, and reporting requirements related to energy generation
- International Renewable Energy Agency (IRENA): Methodologies for calculating renewable energy capacity, generation, and performance metrics for marine energy technologies.

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Marine Renewable Energy *(continuation)*	Offshore Wind (continuation)	**Projects to improve the design of turbines and their foundations:** to reduce environmental impact. This must be accompanied by an environmental impact assessment ensuring the mitigation of environmental impacts.
	Tidal Energy	**Infrastructure construction:** Projects to install underwater turbines in areas with strong tidal currents, such as estuaries or bays, to harness the kinetic energy of water movement to generate electricity in a predictable manner, thereby contributing to a clean energy source and grid stability.
		Infrastructure construction: Projects that create barriers to impound water at high tide and use its release to generate electricity.
		New technologies: Development of technologies to measure the impact of turbines on marine wildlife and water quality. This should be accompanied by an environmental impact assessment using measurement technologies such as sensors and sonar for a comprehensive assessment of environmental impact.
	Wave Energy	**Device construction and design:** Includes the construction and installation of floating or anchored devices designed to capture energy from wave movement. This category also covers funding for research, development, and testing of new wave energy device designs in controlled environments, with the aim of validating their efficiency, safety, and environmental compatibility.
		Assessment and mitigation projects: Studies to assess and mitigate the potential effects of the devices on the marine ecosystem, such as alteration of currents or noise, through an environmental impact assessment that ensures the mitigation of environmental impacts.
	Ocean Thermal Energy	**System construction and development:** Projects to build offshore platforms or facilities that pump cold water from the depths and warm water from the surface to generate power.
		Development of modular systems: Modular energy production systems designed for islands or isolated coastal communities.
		Deep-sea pipe development: Projects focused on developing pipes that efficiently extract cold water from the deep sea to harness the temperature difference with surface waters for electricity generation.

SOCIAL ELIGIBLE CATEGORIES

CATEGORY	SUBCATEGORY	ELIGIBILITY CRITERIA
Access to Essential Connectivity Services (22)	Transport Systems	**Improved connectivity:** Eligible projects include the construction, upgrading, or rehabilitation of transportation infrastructure that improves safety, affordability, and reliable connectivity for the intended beneficiaries. These projects may encompass public transportation systems, feeder roads, rural transportation systems, multimodal transport solutions, and last-mile connectivity.
	Telecommunications and internet infrastructure	**Broadband and telecom infrastructure:** Eligible projects include the construction, upgrade, or maintenance of broadband networks, cell towers, fiber-optic systems, or community connectivity solutions intended to expand access to digital services and reduce connectivity gaps for beneficiaries.
Social infrastructure (23)	Infrastructure for Water Security	**Rural and underserved urban access:** Eligible projects should support water supply, aqueduct systems and sanitation services for the projects intended beneficiaries.
	Infrastructure for Energy Access	**Rural and underserved urban access:** Projects should support improved electricity service coverage, grid resilience, and equitable energy availability for the project's beneficiaries.
	Health Infrastructure	**Healthcare facilities:** Projects must involve the construction, rehabilitation, or operation of healthcare facilities to improve service delivery, or strengthen specialized healthcare capacity.
	Education Infrastructure	**Educational facilities:** Projects should involve the construction, rehabilitation, or expansion or technological upgrade of educational institutions intended to enhance quality, access, and learning conditions for the project intended beneficiaries.

(22) For the purpose of interpreting and measuring indicators in this category, definitions will be guided by frameworks established by the Economic Commission for Latin America and the Caribbean(ECLA), the Development Bank of Latin America and the Caribbean (CAF), and the Inter-American Development Bank (IDB), and other relevant regional institutions to ensure consistency, comparability, and alignment across the region.

(23) For the interpretation and measurement of indicators in this category, regional and international references may be applied:

- UNDP's Regional Human Development Reports and ECLAC guidelines for regional definitions and measurement of infrastructure access and resilience.
- IDB and World Bank frameworks for classification and monitoring of infrastructure works and climate resilience criteria.

At the national level, countries may apply their respective ministries of public works and economy/finance, following official technical guidelines for measurement, classification, and climate change resilience

Impact Indicators

The impact section of the report will focus on disclosing the measurable environmental and social results attributable to the use of proceeds; not all indicators may apply to every financed project. Reports will include clear, consistent, and verifiable information and data that reflects the positive outcomes achieved.

Two types of impact indicators will be used within the Framework:

- **Potential Impact Indicators** refer to the expected benefits of a project before it is implemented. These are based on technical estimates, models, or assumptions. They help assess the projected value and justify the financing. Example: Estimated CO_2 emissions avoided by a solar plant once operational, based on technical information and projected data.

- **Actual Impact Indicators** are measured after the project is completed or operational. They reflect the real, verified outcomes and are used to evaluating the effectiveness of the financing. Example: Estimated verified CO_2 emissions avoided based on actual energy generation data.

Both actual and potential impact indicators will be reported separately to ensure clarity and comparability. When potential impact calculations apply, they will be based on information and documentation provided by clients and supported by recognized methodologies and/or frameworks. This information will be consolidated and disclosed, including the methodologies used.

Where applicable, internal consistency checks may be performed, although reliance will primarily be placed on client-provided data certified through affidavits.

To maintain consistency and reliability, a documented review process has been established for all reported indicators. This includes periodic validation of data quality, internal consistency checks, and oversight by relevant governance bodies (See Process for Project Evaluation and Selection). The process also allows for the reclassification or substitution of projects if they no longer meet eligibility criteria or exhibit adverse impacts.

The following two indicators will be reported for all categories:

- **Value of outstanding loans USD**: Total value of outstanding loans classified under each eligible project category at the end of the reporting period.

- **Number of projects financed**: Total number of projects financed under each eligible project category during the reporting period.

GREEN ELIGIBLE INDICATORS

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Renewable energy	Hydropower Solar Energy Wind Energy Geothermal Energy Cogeneration	SDG 7: Affordable and clean energy • Target 7.1 Contributes to the goal by financing renewable energy projects that guarantee universal access to affordable, reliable, and modern energy services. • Target 7.2 Contributes to the goal of increasing distributed renewable energy in the energy matrix throughout Latin America. SDG 13: Climate action • Target 13.1: Reducing and optimizing energy consumption lowers greenhouse gas emissions, which supports commitments to mitigate climate change.	**Installed Renewable Energy Capacity (MW):** Total installed capacity of renewable energy generation assets, measured in megawatts (MW). **Annual Renewable Energy Generation (MWh):** Total electricity generated annually from renewable sources, measured in megawatt-hours (MWh). **Annual GHG Emissions Avoided (tCO_2e):** Estimated annual reduction in greenhouse gas emissions resulting from the renewable energy project, expressed in metric tons of carbon dioxide equivalent (tCO_2e), calculated using recognized emission factors. **People Benefitted from Access to Energy (People):** Number of individuals who gain improved or new access to reliable, affordable, and clean energy as a result of the project.
Energy efficiency	Insulation Systems Efficient Lightning Heating and Cooling Systems	SDG 7: Affordable and clean energy • Target 7.3: Contributing to the goal of improving energy efficiency through the use of technologies that help reduce energy consumption and optimize energy use. SDG 13: Climate action • Target 13.1: Reducing and optimizing energy consumption lowers greenhouse gas emissions, which supports commitments to mitigate climate change.	**Annual energy savings (MWh/GWh):** Difference between baseline energy consumption minus actual consumption after implementation of the energy-saving project. **Annual GHG emissions avoided (TonCo2Eq):** Emissions measured as the difference between baseline emissions and those resulting from the project's implementation during the reporting period.
Energy storage	Battery Energy Storage Systems Pumped Storage (Only Under Existing Hydro Projects with Reservoirs)	SDG 7: Affordable and clean energy • Target 7.1: Contribute to ensuring universal access to affordable, reliable, and modern energy services by optimizing the management and use of energy generated, especially from renewable sources.	**Installed battery storage capacity (MW):** Total electrical energy storage capacity of batteries installed in financed projects.

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Energy storage *(continuation)*	Battery Energy Storage Systems Pumped Storage (Only Under Existing Hydro Projects with Reservoirs) *(continuation)*	SDG 12: Responsible consumption and production • Target 12.2: Contributes to the goal of achieving sustainable management and efficient use of natural resources by avoiding unnecessary burning of fossil fuels and making greater use of renewable energy.	**Annual GHG emissions avoided (TonCO2Eq):** Emissions measured as the difference between baseline emissions and those resulting from the project's implementation during the reporting period.
Clean and Low-Carbon Transportation Projects	Low and Zero Emission Vehicles Infrastructure Supporting Low Emission Transport	SDG 11: Sustainable cities and communities • Target 11.2: Clean transportation, such as electric buses and the infrastructure that supports them, makes cities more livable and less polluted. By reducing dependence on fossil fuel vehicles, air quality is improved, and traffic congestion is reduced, contributing to a more efficient and accessible transportation system for all. SDG 13: Climate action • Target 13.2: The transition to electric vehicle fleets, the promotion of non-motorized mobility, and the improvement of freight transport efficiency are concrete actions that can be included in climate plans to reduce CO_2 emissions.	**Number of charging/refueling stations installed:** Total number of charging/refueling stations installed by projects financed during the reporting period. **Annual GHG emissions avoided (TonCO2Eq):** Emissions avoided, calculated as the difference between baseline emissions from conventional vehicles and emissions resulting from the operation of clean and low - carbon vehicles during the reporting period. **Vehicles financed (Number):** Total number of vehicles financed in low carbon and clean transport vehicles financed during the reporting period.
Sustainable water management	Efficient Water Use Systems	SDG 6: Clean water and sanitation • Target 6.1: Contributes to the goal of ensuring that the population has access to safe and affordable drinking water. • Target 6.2: Contributes to the goal by treating wastewater to improve quality of life and environmental health. • Target 6.3: Contributes to this goal by focusing on reducing pollution, eliminating the discharge of untreated wastewater, and increasing water recycling and reuse.	**Annual water saved (m3):** Total amount of water in m^3 as the difference between water consumption before (baseline) and after the implementation of the project that generates efficiency and savings measures. **Annual wastewater treated (m3):** Total volume of water that undergoes a treatment process to be purified or conditioned before being returned to the environment in m^3 during the reporting period.

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Sustainable water management *(continuation)*	Efficient Water Use Systems *(continuation)*	SDG 11: Sustainable cities and communities • Target 11.1: Contributing to the goal by providing access to water as a basic service fostering adequate and safe living conditions.	**Volume of annual drinking water treated and distributed (m3):** Total amount of water purified and delivered to users in m^3 during the reporting period.
Circular Economy	Circular Infrastructure for Wastewater recovery Waste Management Systems Clean Circular Production Processes Alternative Fuels Waste to Energy	SDG 12: Responsible consumption and production • Target 12.2: Contributes to the goal as the circular economy seeks to optimize the use of resources and minimize waste generation. • Target 12.5: Contributes to the goal by significantly reducing waste generation through prevention, reduction, recycling, and reuse activities. SDG 13: Climate action • Target 13.2: Implementing circular economy models contributes directly to climate change mitigation. Recycling and reusing materials reduce the need to extract and process new raw materials, which lowers greenhouse gas emissions.	**Annual energy generated from wastewater treatment (MWh):** Electricity produced in from biogas or other byproducts recovered during the water purification process during the reporting period. **Annual tons of waste recycled or reused at source (Tons):** Total waste in tons that was managed during the reporting period through recycling or reuse processes. **Annual tons of waste treated (Tons):** Tons of waste treated or recovered by the plant during the year of operation. **Total of alternative fuels produced from organic waste (Tons):** Total tons of alternative fuels produced from organic waste during the reporting period including biogas, biodiesel, and bioethanol, with conversion factors.
Sustainable Cities and Infrastructure	Green Buildings Green Infrastructure for Climate-resilient cities Sustainable Pavement Solutions for Urban Climate Resilience Electrical Grid Infrastructure Water and Sanitation Infrastructure	SDG 6: Clean water and sanitation • Target 6.3: Improve water quality by reducing pollution, minimizing release of hazardous chemicals, and substantially increasing recycling and safe reuse. • Target 6.6: Protect and restore water-related ecosystems. SDG 7: Affordable and clean energy • Target 7.1: Ensure universal access to affordable, reliable and modern energy services.	**Number of green buildings financed (Number):** Total number of buildings financed during the reporting period that complies with an ECO PROTOCOL, HQE, LEED, EDGE, EDGE Advanced certification. **Area (km^2 or m^2) of climate-resilient pavement** **Area of green space created or restored (m^2 or hectares) (Number):** Total area of urban green space, measured in square meters (m^2) or hectares, that has been created or restored through financed projects under the sustainable construction category during the reporting period.

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Sustainable Cities and Infrastructure *(continuation)*	Green Buildings Green Infrastructure for Climate-resilient cities Sustainable Pavement Solutions for Urban Climate Resilience Electrical Grid Infrastructure Water and Sanitation Infrastructure *(continuation)*	SDG 9: Industry, innovation and infrastructure • Target 9.1: Develop quality, reliable, sustainable, and resilient infrastructure, to support economic development and human well-being. • Target 9.4: Upgrade infrastructure and retrofits to make them sustainable, with increased resource-use efficiency and adaptation of clean and environmentally technologies. SDG 11: Sustainable cities and communities • Target 11.1: Contributes to the goal through sustainable construction that uses designs and materials that make structures more resistant and integrates technologies for the efficient use of water and energy. SDG 13: Climate action • Target 13.1 Strengthen resilience and adaptive capacity to climate related hazards and natural disasters. • Target 13.2: Integrate climate change measures into national policies, strategies, and planning.	**Annual GHG emissions avoided (tons CO_2/year) (Number):** Estimated annual reduction in GHG emissions, measured in tons of CO_2 equivalent, resulting from the implementation of sustainable construction projects during the reporting period. **Infrastructure efficiency improvements (Percentage):** Percentage of efficiency for each project in resource management compared with a base line. **Annual GHG emissions avoided (tCO2e/year):** Estimated annual reduction in GHG emissions from efficiency gains, renewable integration, and energy-efficient systems in electricity infrastructure. **Length of water or sewer network constructed or rehabilitated (km)** **Number of people provided with access to safe drinking water or improved sanitation services**

BLUE ELIGIBLE INDICATORS

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Coastal and Riverside Waste and Water Management Projects	Blue Solid and Liquid Waste Management Systems and Infrastructure Blue Improvements to Stormwater Management Systems	SDG 12 Responsible consumption and production • Target 12.4: Contributes by managing chemicals and all waste throughout their life cycle. Waste management projects in coastal areas seek to implement efficient collection and recycling systems to prevent pollution. • Target 12.5: Contributes to the goal by promoting environmental education and the infrastructure necessary for recycling waste that would otherwise end up polluting aquatic ecosystems. SDG 14: Life below water • Target 14.1: Prevent and significantly reduce marine pollution of all kinds. Funding for solid waste management prevents trash from reaching the sea, and wastewater treatment minimizes the discharge of pollutants. • Target 14.2: Manage and protect marine and coastal ecosystems. Reducing pollution creates healthier conditions for marine life, which contributes to its conservation.	**Volume of wastewater treated or properly disposed (m3):** Total volume of liquid waste treated before being discharged, during the reporting period. **Volume of waste treated or properly disposed (Tons):** Total waste in tons that was managed during the reporting period through recycling or reuse processes. **Volume of stormwater captured or treated (m3):** Total annual volume of rainwater captured, retained, or treated through financed projects under the stormwater management category.
Sustainable Ports		SDG 9: Industry, innovation and infrastructure • Target 9.4: Upgrade infrastructure and retrofits to make them sustainable, with increased resource-use efficiency and adaptation of clean and environmentally technologies. SDG 13: Climate action • Target 13.1: Reducing and optimizing energy consumption lowers greenhouse gas emissions, which supports commitments to mitigate climate change.	**Annual energy savings (MWh/GWh):** Difference between baseline energy consumption minus actual consumption after implementation of the energy-saving solutions. **Annual GHG emissions avoided (TonCo2Eq):** Emissions measured as the difference between baseline emissions and those resulting from the project's implementation during the reporting period.

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Marine Renewable Energy	Offshore Wind Tidal Energy Wave Energy Ocean Thermal Energy	SDG 13: Climate Action • Target 13.2: Contributes to the goal by committing to integrate emissions reduction and the promotion of renewable energy into its national planning for combating climate change. • Target 13.3: Contributes to the goal by developing marine renewable energy technologies that strengthen the capacity to address climate challenges.	**Installed renewable energy capacity (MW):** Total installed capacity, measured in megawatts (MW), of marine renewable energy systems financed under this category during the reporting period. **Annual renewable energy generation (MW/h):** Total annual renewable energy generated by marine energy systems, measured in megawatt-hours (MWh), from financed projects during the reporting period. **Annual GHG emissions avoided (TonsCO2Eq):** Estimated annual reduction in GHG emissions, measured in tons of CO_2 equivalent, resulting from the renewable energy generated by financed marine energy projects.

SOCIAL ELIGIBLE INDICATORS

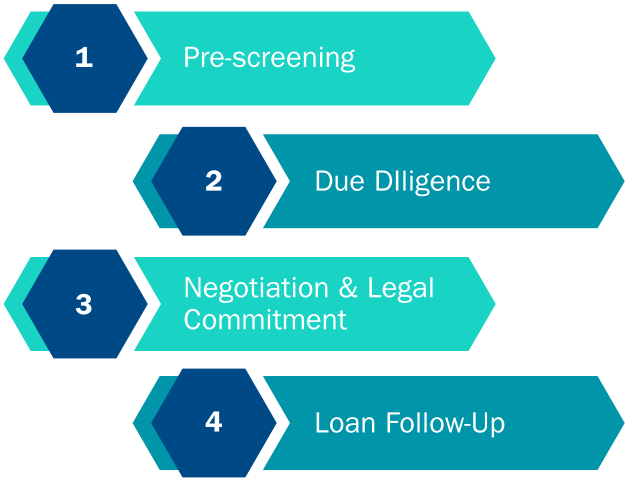
CATEGORY	SUBCATEGORY	SDG	INDICATOR
Access to Essential Connectivity Services	Transport Systems Telecommunications and internet infrastructure	SDG 3: Good Health and Well-being • Target 3.8: Access to essential services and improved mobility that supports well-being. SDG 4: Quality Education • Target 4.A: Contributes to upgrading inclusive, safe, and climate-resilient education facilities. • Target 4.7: Contributes to education for sustainable development. • Target 4.8: Contributes to building inclusive and safe schools with effective learning environments. • Target 4.9: Contributes to expanding higher education access through improved infrastructure and opportunities.	**Kilometers of road infrastructure repaired, upgraded, or constructed (Km):** Total length of road infrastructure, measured in kilometers, that was repaired, upgraded or newly constructed through financed projects during the reporting period. **Beneficiaries with improved access to telecommunications (Number):** Number of people benefiting from financed telecommunication infrastructure projects under the Access to Essential Services category.

CATEGORY	SUBCATEGORY	SDG	INDICATOR
Access to Essential Connectivity Services *(continuation)*	Transport Systems Telecommunications and internet infrastructure	SDG 9: Industry, Innovation and Infrastructure • Target 9.1: Develop sustainable and resilient infrastructure to support economic development and well-being.	**Direct beneficiaries (Number):** Number of construction workers employed during the development of social infrastructure projects associated with the Access to Essential Services category. **Number of passengers transported/year (Number):** Total number of passengers transported annually through transport-related projects.
Social infrastructure	Infrastructure for Water Security Infrastructure for Energy Access Health Infrastructure Education Infrastructure	SDG 6: Water and Sanitation • Target 6.1: Ensure access to safe and affordable drinking water. • Target 6.3: Improve water quality through treatment and safe reuse. SDG 7: Affordable and Clean Energy • Target 7.1: Ensure access to affordable, reliable, and modern energy services. SDG 3: Good health and Well-being • Target 7.1: Ensure access to affordable, reliable, and modern energy services. SDG 4: Quality Education • Target 4.a: Provide safe, inclusive, and effective learning environments.	**Service coverage (Number):** Total number of service points, connections, or facilities reached or upgraded through the financed projects. **Beneficiaries (Number):** Total number of beneficiaries from financed social infrastructure projects pending the kind of project could include served through energy access, water distribution, healthcare, or educational infrastructure.

Process for Project Evaluation and Selection

A structured process has been established for evaluating and selecting projects eligible for financing. This process ensures that environmental, social, and governance (ESG), aspects are assessed rigorously and in alignment with CIFI's Environmental and Social Management System and ESG Policy Framework, which incorporates international standards such as the IFC Performance Standards on Environmental and Social Sustainability and the Equator Principles.

The diagram below illustrates the structured methodology used to assess all projects within the portfolio. Following inclusion in the portfolio, the eligibility and alignment criteria defined in this Framework are applied to identify projects that demonstrate full compliance with its requirements.



Pre-screening

- Opportunities that fit the investment criteria are identified.
- The project's preliminary structure, including ESG risks and opportunities. Through its Categorization proprietary tool, CIFI assigns an Environmental and Social (E&S) Category to each project based on the baseline risk, a general evaluation related to overall project characteristics, and the severe risk, a set of vulnerabilities specifically to project-related context.
- The project's E&S Category is classified as A, B+, B, or C and informs the level of ESG oversight and mitigation required throughout the investment lifecycle.

A	HIGH RISK
B+	MODERATE HIGH RISK
B	MODERATE RISK
C	LOW RISK

Due Diligence

- In adherence to its policies and international standards, E&S Due Diligence is conducted to assess and mitigate E&S risks thoroughly.
- Proprietary tools are employed, and external advisors are engaged when required.
- Site visits are conducted to validate project information, assess on-the-ground E&S conditions, and engage with key stakeholders.

Negotiation and Legal Commitment

- Negotiations are carried out to ensure a solid credit structure throughout the investment life cycle, including E&S risk mitigation.
- E&S conditions are established and must be met prior to disbursement.
- E&S covenants are included in the legal and credit agreements to ensure strong credit structure, ongoing compliance and accountability prior to any disbursement and throughout the investment life cycle.

Loan Follow- Up

- Client implements E&S covenants, including reporting.
- The investment's E&S performance is monitored, and guidance is provided as needed.
- Through this process, it ensures that every project adheres to sound and robust environmental and social protocols that mitigate risk and align with its vision for responsible investment across the region.

Management of Proceeds

The issuer Treasury Department has primary responsibility for the allocation, management, and monitoring of net proceeds arising from thematic bond issuances, with technical support being provided by the ESG Unit. Both departments will meet as a committee at least three times per year to support decision-making regarding thematic bond issuances. All proceeds will be allocated exclusively to eligible Green, Blue and/or Social projects, as defined in this framework.

Workflow for Managing and Authorizing Use of Funds

The Treasury Department follows a structured and transparent process to ensure the integrity and traceability of fund usage:

- **Authorization of Use:** A review of projects within the portfolio is conducted, and in coordination with the ESG Unit for technical validation, determines which projects satisfy the eligibility criteria established under this framework. Upon confirmation, the allocation and use of funds are authorized accordingly.
- **Allocation and Monitoring:** Periodic monitoring of allocations is conducted by Treasury and the ESG Unit, with impact indicators maintained for each project.
- **Management of Unallocated Proceeds:** Pending disbursement, unallocated proceeds will be tracked through a dedicated sub-account or internal ledger system, in line with ICMA's Bond Principles. These proceeds will be managed in accordance with the issuer treasury and liquidity policies and may be temporarily invested in high-quality liquid assets such as cash, cash equivalents, or other short-term instruments. Full transparency and oversight will be maintained to ensure that these funds are clearly identifiable and segregated until they are allocated to

eligible Green, Blue or Social projects.

- **Project Replacement:** If a project initially classified as eligible is subsequently identified as non-compliant with the Framework whether due to regulatory changes, adverse environmental or social impacts, or misalignment with eligibility criteria, a reclassification process will be initiated. In such cases, the project will be replaced with another that fully complies with the eligibility criteria. If an immediate replacement is not available, unallocated proceeds will be managed in accordance with market conditions and internal treasury practices until a suitable eligible project becomes availables, thereby ensuring continuous alignment with the sustainability objectives of the Framework.

These procedures remain in effect throughout the life cycle of instruments issued under this Framework and are reinforced by the corporate governance structure, which includes the Risk Committee, Credit Committee, Audit Committee, and Nominations and Compensation Committee.

The Credit Committee, in coordination with the Treasury Department, plays a central role in the approval, disbursement, and monitoring of eligible projects. Internal audit functions, along with the possibility of independent external review of reports, further enhance oversight, accountability, and investor confidence.

Reporting

Transparency and accountability throughout the lifecycle of its sustainable financing activities. To support this objective, an annual Allocation and Impact Report within its Financial and Sustainability Report, serving as a disclosure mechanism under the current Sustainable Bond Framework.

Given that multiple thematic bonds may be issued (green, social, or sustainable, with distinct maturities and scopes), each report will detail the allocation and impact of proceeds per instrument and issuance. This ensures that investors and stakeholders receive clear, project-specific information aligned with international standards such as the ICMA Principles. The report will also include disclosure of the methodologies, data sources, estimations models and calculation assumptions used to quantify impact indicators, reflecting the standardized tools integrated into CIFI's Impact Calculator.

The report will provide clear, consistent, and verifiable information on the use of proceeds and the impact metrics generated by the financed projects. These reports may be subject to review by an independent third party.

The reports will cover the following elements:

- Allocation of net proceeds by project category, sector and geography
- Description of financed projects
- Environmental and social performance

indicators
- Alignment with the SDGs
- Reference to this Framework and the Second Party Opinion, to support and streamline verification of compliance

Alignment with International Principles

The Framework is aligned with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG), as published by the International Capital Market Association (ICMA). It also adheres to IFC Performance Standards, the IFRS Sustainability Disclosure Standards (S1 and S2), and the UN Sustainable Development Goals (SDGs).

Alignment with global frameworks, including the Partnership for Carbon Accounting Financials (PCAF) and the International Financial Reporting Standards (IFRS S1 and S2)—ensures that projects comply with best practices for environmental and social risk assessment, climate resilience, and ethical financing.

External Review

An independent Second Party Opinion (SPO) will be obtained from a qualified ESG evaluator to verify the alignment of the framework with ICMA principles. Furthermore, external verifications will be conducted on regular basis, typically every three years, or as otherwise determined by its governance bodies, covering the allocation of proceeds and the reported impacts of financed projects.

Definitions

Anaerobic Digesters: Facilities that biologically break down organic waste in oxygen-free environments to produce biogas and nutrient-rich digestate.

Acoustic Monitoring Systems: Hydrophones and specialized software used to detect marine mammals underwater. These systems provide early alerts to vessels, helping reduce collisions and improving marine ecosystem protection.

Aqueduct Systems: Infrastructure that ensures reliable access to safe drinking water.

Alternative Fuels: Renewable fuels derived from organic waste, residues, or by-products, such as biodiesel from cooking oil or ethanol from agricultural residues.

Ballast Water Treatment: Systems that clean or sterilize ballast water before it is discharged into the sea, reducing the spread of invasive species and pollutants.

Battery Energy Storage Systems (BESS): Technologies to store electricity generated by renewable energy sources, such as wind or solar. The goal is to solve one of the main challenges of renewable energy: its intermittency. By storing excess energy produced at times of high generation, it can be released when there is no sun or wind, ensuring a constant and reliable electricity supply.

Biodisel Production Plants: Facilities that collect and process used cooking oils or fats into biodiesel. These projects support cleaner fuel production and reduce environmental pollution.

Biofuels Production Projects: Initiatives converting agricultural residues such as corn stalks, straw, or sugarcane bagasse into ethanol or second-generation biofuels. They leverage waste streams to produce renewable fuels.

Blue Solid and Liquid Waste Management Systems and Infrastructure: Management of waste generated in coastal and riverine communities, with special emphasis on preventing pollution and reducing the dispersion of garbage and contamination into water bodies.

Circular Economy: A system where materials are kept in use for as long as possible through reduction, reuse, recycling, and recovery.

Circular Infrastructure for the Collection, Treatment and Recovery of Wastewater: Technology and infrastructure projects to transform wastewater into a source of resources, going beyond basic treatment to recover water, nutrients such as nitrogen and phosphorus. The goal is to transform waste into a resource, reducing pollution and promoting more efficient water use.

Climate-Resilient Transport Infrastructure: Roads, rail, or port systems designed or upgraded to withstand extreme weather events, flooding, or heatwaves.

Co-generation: A type of renewable energy derived from biomass, which includes organic and industrial biological matter. Through various transformation processes, it can be converted into different forms of fuel, commonly classified as biofuels, biogas and other bio-based energy sources.

Composting Plants: Facilities that process organic waste into compost for agricultural or landscaping use, reducing methane emissions from landfills.

Concentrated Solar Power (CSP): Solar thermal technology that uses mirrors to concentrate sunlight on a receiver, generating heat that can drive turbines and produce electricity.

E-Waste: Discarded electrical and electronic equipment, such as computers and mobile phones, that can be recycled to recover valuable materials.

Education Infrastructure: Schools, training centers, and facilities that expand access to quality education.

Efficient Lighting: High-efficiency alternatives such as LED that reduce electricity consumption and related greenhouse gas emissions.

Electricity Infrastructure for Transmission and Distribution: Infrastructure that facilitates the integration of renewable energy into the grid, reduces technical and non-technical losses, and strengthens resilience to climate-related risks.

Energy Efficiency: Methods, technologies, or systems that reduce energy consumption while maintaining or improving service levels.

Energy Storage: Technologies that store electricity to improve grid reliability, balance supply and demand, and integrate intermittent renewables.

Geothermal Energy: Electricity generation from underground heat, accessed through drilling into reservoirs of steam or hot water.

Green Buildings: Properties that meet performance thresholds for energy, water, and resource efficiency under recognized sustainability certification schemes.

Green Infrastructure for Climate-resilient Cities: Integrate nature-based solutions (NbS) into the design, construction, and rehabilitation of buildings and infrastructure, enhancing climate resilience, biodiversity, and urban livability. Projects aim to reduce heat island effects, manage stormwater, and improve resource efficiency while creating healthier, more sustainable cities.

Health Infrastructure: To expand and improve access to quality healthcare by financing the construction, maintenance, and modernization of health institutions.

Heating and Cooling Systems: Equipment that regulates the temperature in a building. The goal is to use systems that optimize energy consumption, such as heat pumps or air conditioners with inverter technology, which adjust their power to maintain a constant temperature, reducing energy consumption.

Hybrid Battery and Renewable Systems: Integrated storage solutions connected to renewable energy sources, designed to provide reliable and continuous clean energy supply.

Hydropower: Energy produced by converting the force of water into electrical energy. To harness this renewable resource, hydraulic infrastructures are built to maximize its energy-generating potential

Hydroelectric Pump Storage: Facilities that store electricity by pumping water into upper reservoirs during periods of low demand and releasing it to generate power during peak demand.

Infrastructure for Energy Access: Transmission and distribution infrastructure aiming at enhancing social inclusion and reducing inequalities by improving electricity networks that enable access to essential services.

Infrastructure for Water Security: Projects such as aqueduct systems, that improve public health, social inclusion, and environmental quality by expanding equitable access to safe drinking water, sanitation, and wastewater treatment services.

Infrastructure Supporting Low Emission Transport: Infrastructure, machinery and equipment required to promote sustainable means of transport, as well as technological or the provision of control services and maintenance facilities.

Insulation Systems: Building materials that reduce heat transfer between the interior and exterior of a building, improve thermal comfort, and lower energy demand. This includes

insulating walls, ceilings, and floors to prevent heat loss or gain through conduction; installing high-performance windows that minimize heat transfer through the glass and frames, using reflective coatings on exterior surfaces to deflect solar radiation, among others.

Low and Zero Emission Vehicles: Public or private vehicles that operate with low or no CO_2 emissions, including electric vehicles, hydrogen powered vehicles, and hybrid vehicles that combine an internal combustion engine with an electric motor and generate fewer emissions than traditional combustion vehicles.

Mobile Health Units: Portable or temporary medical facilities that provide essential healthcare services in remote or underserved regions.

Offshore Wind: Wind turbines installed at sea, where wind speeds are stronger and more consistent, enabling large-scale low-carbon power generation.

Permeable Pavements: Porous surfaces that allow stormwater infiltration, reducing stormwater runoff and flood risk while improving groundwater recharge, and strengthening resilience to climate risks.

Photovoltaic Systems (PV): Solar technologies that directly convert sunlight into electricity through semiconductors.

Ports and Shipping: Maritime infrastructure designed to reduce ecological impacts from port operations and shipping activities.

Power Density: Ratio of installed capacity (MW) to reservoir surface area (km^2), used to assess sustainability in hydropower.

Pumped Storage: Hydroelectric facilities that store renewable electricity by moving water between reservoirs at different elevations.

Renewable Energy: Energy produced from naturally replenished sources such as sunlight, wind, water, geothermal heat, and biomass, which generate power with low greenhouse gas emissions.

Retrofits: Renovations in existing buildings to improve sustainability performance, achieving reductions in energy or water use.

Run-of-the-River Hydropower: Hydropower facilities that do not rely on large reservoirs but instead use the natural flow of rivers to generate electricity.

Ship Strike Reduction Technologies: Equipment and technologies that minimize collisions between ships and marine wildlife, especially endangered species like whales.

Small-Scale Hydropower: Hydropower facilities with installed capacity below 10 MW that generally present lower environmental and social risks.

Social Infrastructure & Climate Resilience: Community facilities, aqueducts, sanitation systems, and rural connectivity that strengthen resilience to climate risks and enhance inclusion.

Sustainable Drainage Systems (SuDS): Urban or peri-urban drainage systems designed to capture, retain, and treat stormwater, reducing runoff and flooding risks.

Telecommunications and Internet Infrastructure: Broadband networks, fiber optic systems, and inclusive internet and telecommunications infrastructure that reduces the digital divide, particularly in underserved and remote areas, thereby enhancing connectivity and supporting socio-economic development.

Tidal Energy: Generation of electricity by capturing the movement of tides through underwater turbines or dams, that retain water during high tide to release it in a controlled manner, moving generators.

Waste-to-Energy: Technologies that convert non-recyclable waste into energy through combustion, gasification, or pyrolysis,

contributing to sustainable waste management and clean energy production.

Waste Management Systems: Projects that modernize waste management to maximize separation from source, recycling, composting, and reuse of materials. The goal is to encourage the reincorporation of materials into the production chain, reducing the need to extract new raw materials, and minimizing pollution.

Wastewater Treatment Plants (WWTPs): Facilities that treat greywater and blackwater, reducing pollution and enabling water reuse.

Wave Energy: Technologies that capture energy from the vertical movement of ocean waves on the surface of the water.

Annex 1: Exclusion List

A comprehensive Exclusion List is applied to outline the types of projects and activities that are ineligible for financing. This list is designed to ensure alignment with sustainability commitments, ESG policies, and climate strategy, as well as with international standards such as the Equator Principles, IFC Performance Standards, and the UN Guiding Principles on Business and Human Rights.

Financing will not be provided to any Project or Company that is involved in the following prohibited activities:

1. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase out or bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCB's, wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
2. Production or trade in weapons and munitions (1).
3. Production or trade in alcoholic beverages (excluding beer and wine) (1).
4. Production or trade in tobacco (1).
5. Gambling, casinos and equivalent enterprises (1).
6. Production or trade in radioactive materials (2).
7. Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
8. Drift net fishing in the marine environment using nets more than 2.5 km. in length.
9. Production or activities involving harmful or exploitative forms of forced labor (3) /harmful child labor (4).
10. Commercial logging operations for use in primary tropical moist forest.
11. Production or trade in wood or other forestry products other than from sustainably managed forests.
12. Such other projects as the Company shall determine are inconsistent with its policies and objectives.
13. Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulation.
14. Destruction (5) of High Conservation Value areas (6).
15. Pornography and /or prostitution.
16. Racist and / or anti-democratic media.

(1) This does not apply to project sponsors who are not substantially involved in these activities. "Not substantially involved" means that the activity concerned is ancillary to a project sponsor's primary operations. For companies, "substantial" means more than 10 % of their consolidated balance sheets or earnings. For financial institutions and investment funds, "substantial" means more than 10% of their underlying portfolio volumes.
(2) This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the radioactive source to be trivial and/or adequately shielded.

(3) Forced labor means all work or service, not voluntarily performed that is extracted from an individual under threat of force or penalty.
(4) Harmful child labor means the employment of children that is economically exploitive, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health, or physical, mental, spiritual, moral, or social development.
(5) Destruction means the (1) elimination or severe diminution of the integrity of an area caused by a major, long-term change in land or water use or (2) modification of a habitat in such a way that the area's ability to maintain its role is lost.
(6) High Conservation Value (HCV) areas are defined as natural habitats where these values are considered to be of outstanding significance or critical importance (See http://www.hcvnetwork.org)

Fossil Fuel Exclusion List

The following investment exclusions are considered as a minimum common requirement for all new Direct Financing and new dedicated lending (7):

1. Coal prospection, exploration, mining, or processing
2. Oil exploration or production
3. Stand-alone fossil gas exploration and/or production (8)
4. Transport and related infrastructure primarily (9) used for coal for power generation
5. Crude Oil Pipelines
6. Oil Refineries
7. Construction of new or refurbishment of any existing coal-fired power plant (including dual)
8. Construction of new or refurbishment of any existing HFO-only or diesel-only power plant (10) producing energy for the public grid and leading to an increase of absolute CO2 emissions (11)
9. Any business with planned expansion of captive coal and oil used (excluding gas) used for power and/or heat generation (12)

(7) Dedicated lending" is defined for these purposes as loans conditioned by a use of funds clause specifying that such financing will be used for one or more of the purposes described.
(8) Gas extraction front limnically active lakes is excepted front this exclusion.
(9) "Primarily" means more than 50% of the infrastructure's handled tonnage.

(10) For indirect equity through investment funds. investments (up to a maximum of 20% of the fund) in new or existing HFO-only or dieselonly power plants are allowed in countries that face challenges in terms of access to energy and under the condition that there is not economically and technically viable gas or renewable energy, alternative.
(11) i.e., where energy efficiency measures do not compensate any capacity or load factor increase.
(12) This does not apply to coal used to initiate chemical reactions (e.g., metallurgical coal mixed with iron ore to produce iron and steel) or as an ingredient mixed with other materials. given the lack of feasible and commercially viable alternatives.

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