Responsible Banking Progress Statement
for PRB Signatories

Implementation document
Principles for Responsible Banking
Est. 2019

Banorte 2025

Principle 1: **Alignment**

Banorte's sustainability strategy is built on four pillars: Environmental, Social, Governance, and Sustainable Business. Sustainability is integrated into strategic decision-making and supported by robust governance, with the aim of contributing to a more inclusive, resilient, and low-carbon economy through innovative and tailored financial products and services.

The strategy is implemented by incorporating environmental, social, human rights, climate, and nature-related considerations into financing decisions, credit risk management, business priorities, product design, customer segmentation, and resource allocation. In 2025, this approach supported financing for hybrid and electric vehicles and expanded solutions for women-led companies. It also influenced the composition and growth of the loan portfolio and the allocation of financing toward activities, assets, and segments aligned with environmental and social criteria.

Climate-related transition risks are incorporated into risk appetite, loan origination, credit assessment, portfolio monitoring, and capital allocation. Banorte's climate-related transition plan supports the gradual reallocation of capital toward lower-carbon industries, the expansion of sustainable finance solutions, adjustments to the composition and growth strategy of the loan

Principle 2: **Impact & Target Setting**

Impact Analysis
In 2025, Banorte conducted its sixth impact analysis using UNEP FI's Portfolio Impact Analysis Tool for Banks. The analysis covered the corporate and business banking portfolios, representing 43.6% of Banorte's total portfolio. The main negative impact areas identified were climate, biodiversity and ecosystems, circularity, safety and health, access to resources and services, personal safety, and livelihoods. Positive impact areas included access to resources and services, livelihoods, healthy economies, climate, circularity, biodiversity and ecosystems, and strong institutions.

Targets and Progress

- **Climate:** Banorte's financed emissions reduction targets cover carbon-intensive sectors representing 45.2% of its loan portfolio. Target coverage is 100% for the sectors and asset classes included, except commercial real estate, with 86% coverage. The latest disclosed KPIs show reductions in emissions intensity for mortgages and commercial real estate, as well as lower financed emissions in oil and gas and cement compared with their respective base years.
- **Financial inclusion:** The 2024–2026 target to extend financing to an additional 7,250 SMEs reached 190% completion in 2025. The target to onboard between 1.0 and 1.2 million customers through digital channels reached 48% completion.

Principle 3: **Clients & Customers**

Banorte works responsibly with clients and customers by incorporating environmental and social criteria into lending, product design, customer segmentation, and credit risk management.

Through its Social and Environmental Risk Management System, Banorte identifies, categorizes, evaluates, and monitors risks in corporate, business, and infrastructure banking, based on the Equator Principles, IFC Performance Standards, local laws, and institutional regulations. In 2025, Banorte evaluated **15 projects representing MXN 22.35 billion in financing**, analyzed **288 lower-impact loans**, conducted **nine project visits**, and monitored the reputational exposure of **88 projects**. The bank also advises clients, conducts site visits, monitors reputational risks, and participates in credit committees.

Banorte channels financing toward activities, assets, and customer segments aligned with environmental and social criteria. In 2025:

- Financing for women-led companies totaled MXN 1,680.28 million through 819 loans, reaching 710 customers and representing 4% of the total financing originated in the corresponding segment.
- Financing for vehicles with a lower

portfolio, and support for clients and counterparties in their transition toward lower-emission operating models. *Nature-related impacts and dependencies are also incorporated into strategic planning and risk management. In 2025, GFNorte added a nature-related metric to its Target Markets methodology to support the prioritization of nature-related physical and transition risks. It also advanced the development of industry-specific policies for mining, infrastructure, agriculture, and oil and gas, with gradual implementation planned for 2026.* *Environmental, social, and human rights considerations are integrated into credit decision-making through the Social and Environmental Management System. Potential impacts are identified, categorized, assessed, and communicated to the Credit Committees before financing is authorized and are monitored throughout the loan lifecycle. Banorte also provides ongoing advice to clients and may require measures to mitigate identified environmental, social, and human rights impacts.* *The strategy is informed by a double materiality assessment and aims to align with the UNEP FI Principles for Responsible Banking, the UN Sustainable Development Goals, the Paris Agreement, and the Ten Principles of the UN Global Compact. Banorte's reporting also considers international frameworks and standards, including GRI, SASB, TCFD, and TNFD. Through its strategic priorities, Banorte contributes particularly to SDGs 4, 5, 7, 8, 9, 10, 11, 12, 13, 15, 16, and 17.*	***Key Actions*** • *Maintained financing limits for coal, oil, and unconventional gas activities, with the aim of phasing out this financing by 2050.* • *Expanded the measurement and external assurance of financed emissions and improved customer emissions data.* • *Incorporated carbon intensity and nature-related risk metrics into portfolio assessments.* • *Conducted climate scenario analysis and participated in Banco de México's first climate stress test.* • *Strengthened financial literacy through five sessions, with an average of 45 attendees, and collaboration with CONDUSEF.* *These actions address interlinkages between climate, nature, risk management, and sectoral transition, as well as between financial inclusion, digitalization, financial literacy, financial health, and economic development. In 2026, Banorte will use the impact analysis results to set additional targets to mitigate negative impacts and strengthen positive impacts.*	*carbon footprint totaled MXN 10,829.42 million through 29,241 loans, reaching 28,770 customers and representing 23% of the total financing originated in the corresponding segment.* *During the year, Banorte expanded the Mujer Banorte solution to include women-led companies and adjusted its conditions, evaluation frameworks, and support mechanisms. Banorte also promoted financing for hybrid and electric vehicles through existing products and specific solutions and established a partnership with BYD to expand the available offering.* *Banorte also strengthened responsible customer engagement through personalized credit alternatives based on customer needs and payment capacity. In 2025,* ***58% of the total customer base*** *was eligible to receive a hyper-personalized offer. Banorte also applied preventive measures for customers affected by extreme weather events, including risk-based segmentation, post-event payment capacity assessments, maturity extensions, and flexible refinancing schemes.* *Banorte plans to expand priority segments, identify new financing opportunities aligned with environmental and social criteria, and strengthen coordination among the business, risk, sustainability, and product areas to incorporate ESG criteria more consistently into credit decisions.*

In 2025, Banorte published its first Sustainability Report prepared in accordance with IFRS S1 and IFRS S2 and its first Report on Nature and Biodiversity-related Risks and Opportunities, aligned with the TNFD recommendations. These publications strengthened the disclosure of sustainability-, climate-, and nature-related impacts, dependencies, risks, and opportunities, including their effects on governance, strategy, risk management, decision-making, the business model, and financial performance.		
Links & references • *Annual Report 2025, pp. 52, 223 and 263. Link: AR Banorte ING_13.pdf* • *Sustainability Report 2025, pp. 35–37 and 41–43. Link: Informe NIIF S1 y S2_ENG_02.pdf* • *Equator Principles Annual Report 2025, pp. 4–6. Link: 2025_Principios_de_Ecuador_ENG.pdf* • *Report on Nature and Biodiversity-related Risks and Opportunities 2025, pp. 100–101 and 105–106. Link: TNFD Report 2025 English.pdf* • *Report on Climate-related Risks and Opportunities 2025, p. 100. Link: Climate Risks and Opportunities Report 2025.pdf*	***Links & references*** • *Annual Report 2025, pp. 59–60, 193 and 214–215. Link: AR Banorte ING_13.pdf*	***Links & references*** • *Annual Report 2025, pp. 32–34 and 139–140. Link: AR Banorte ING_13.pdf* • *Sustainability Report 2025, pp. 33–36 and 57–59. Link: Informe NIIF S1 y S2_ENG_02.pdf*

Principle 4: **Stakeholders**	Principle 5: **Governance & Culture**	Principle 6: **Transparency & Accountability**
Banorte maintains active and open communication with investors, customers, employees, government agencies, industry and trade associations, communities, media, suppliers, and civil society organizations. The bank uses channels tailored to each stakeholder group, including periodic reports, surveys, forums, committees, meetings, site visits, digital platforms, and direct engagement. These interactions help Banorte understand stakeholder priorities, needs, and concerns and incorporate relevant perspectives into its sustainability management and decision-making. *Banorte also collaborates with national and international organizations and initiatives related to responsible banking, sustainable finance, climate change, nature, and financial inclusion. These include UNEP FI and the Principles for Responsible Banking, the Equator Principles, PCAF, the UN Global Compact, SBTi, TCFD, TNFD, CONDUSEF, and the Mexican Council for Sustainable Finance. Through these collaborations, Banorte participates in relevant initiatives and adopts frameworks, metrics, and standards that support the management of significant environmental and social impacts and the implementation of the Principles.* *As a key development in 2025, Banorte conducted a new double materiality assessment to define its material topics for the* ***2026–2028 period****. The assessment considered both impact and financial materiality and incorporated stakeholder perspectives to identify and prioritize relevant sustainability-related impacts, risks, and opportunities. The methodology and results of this*	*Banorte's governance framework assigns oversight of sustainability- and climate-related risks and opportunities to the Board of Directors. The Board defines the overall strategy, approves the risk appetite, comprehensive risk management framework, and applicable policies, and monitors their implementation and performance. The Board receives information regularly through meetings and its supporting committees.* *The Risk Policies Committee oversees risk management and compliance with approved limits. The Audit and Corporate Practices Committee supports the flow of information and strengthens oversight, while the Sustainability Committee assists in identifying, analyzing, and monitoring environmental, social, and governance matters and their incorporation into management. Through these mechanisms, the Board monitors target setting and progress toward sustainability- and climate-related goals. These risks and opportunities are assessed alongside other enterprise risks, considering the risk appetite and target risk profile approved by the Board.* *Accountability is reinforced through Performance Plans applicable to executives and members of the Board of Directors. These plans include indicators linked to Banorte's strategic objectives, including sustainability indicators, which have a 4% weighting in the overall performance evaluation. The Human Resources Committee may adjust the weighting assigned to the metrics and the corresponding percentages. This mechanism links the achievement of*	*In addition to the reports referenced under Principles 1–5, Banorte publishes supplementary disclosures on climate change, climate-related risks and opportunities, nature and biodiversity, historical ESG performance, and the implementation of the Equator Principles.* *Selected GRI and SASB indicators included in the "Annual Report 2025" were subject to an* ***independent limited assurance engagement*** *for the period ended December 31, 2025. The scope of the engagement and the selected indicators covered are detailed in the Independent Practitioner's Limited Assurance Report and its Appendix A.*

assessment will be publicly disclosed in the ***Annual Report 2026****.*	*sustainability objectives with performance evaluation and remuneration.* *Banorte promotes a responsible banking culture through specialized training. The Board and senior management receive training on sustainability and climate-related matters. In 2025, the annual online training plan on social and environmental risk management reached 870 employees, including training on onboarding and social and environmental risk, sustainable construction certification, and nature-related risks and opportunities.* *As a key development in 2025, Banorte published its first Sustainability Report prepared in accordance with IFRS S1 and IFRS S2, increasing transparency regarding the governance, risk management, oversight, and accountability mechanisms used to manage sustainability- and climate-related risks and opportunities. The report also provided greater transparency on the integration of sustainability indicators into Performance Plans and their 4% weighting in performance evaluations. No changes were made during the year to the processes for identifying, assessing, prioritizing, and monitoring these matters.*	
Links & references • *Annual Report 2025, pp. 259–263. Link: AR Banorte ING_13.pdf*	***Links & references*** • *Annual Report 2025, pp. 32–34. Link: AR Banorte ING_13.pdf* • *Sustainability Report 2025, pp. 7 and 9–10. Link: Informe NIIF S1 y S2_ENG_02.pdf*	***Links & references*** • *CDP Climate Change Response. Link: https://investors.banorte.com/~/media/Files/B/Banorte-IR/Sustainability%202026/2025%20CDP%20Climate%20Change%20Response.pdf* • *ESG Indicators (2021–2025). Link: https://investors.banorte.com/~/media/Files/B/Banorte-IR/financial-*

		information/annual-reports/en/2026/ESG%20Indicators%202021-2025.xlsx • *Annual Report 2025, Independent Practitioner's Limited Assurance Report, pp. 278–282. Link: AR Banorte ING_13.pdf*