



Equator Principles **Annual Report**

JANUARY 01 - DECEMBER 31 | **2024**

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I. INTRODUCTION

At GFNorte, we consider environmental and social risks to be a basic component of our business strategy. We hold that both people and nature must be factored into decision-making, and that a solid culture of risk prevention, mitigation and compensation allows us to face present and future climate threats such as climate change, biodiversity loss and pandemics.

In keeping with the Universal Declaration of Human Rights, the Paris Agreement, and the Global Biodiversity Framework, we have incorporated the management of environmental and social risks into our business decisions, prioritizing respect for human rights, the battle against global warming, and the protection of nature through our institutional policies and processes.

In 2012, we developed an Social and Environmental Risk Management System (SEMS) and joined the Equator Principles. We were the first Mexican bank to adopt this framework, pledging to extend financing to clients who developed socially and environmentally responsible projects, in keeping with the law and industry best practices.

The SEMS is the responsibility of the Specialized Environmental and Social Risk Area (SERA), which has been represented in Central Committees and National Credit Committees since 2020, under approval by the Risk Policies Committee. It is thus actively involved in the decisions made regarding finance.

This Report on Implementation of the Equator Principles by Banorte covers the period from January 1 to December 31, 2024, in accordance with Principle 10 (Reporting and Transparency) and Annex B (Minimum Reporting Requirements) of version IV of the Equator Principles – 2020, as well as Signatory Rule 18. [1]

¹ <https://equator-principles.com/wp-content/uploads/2020/05/The-Equator-Principles-July-2020-v2.pdf>

II. IMPLEMENTATION OF THE EQUATOR PRINCIPLES BY BANORTE

Social and Environmental risk Management System

The Environmental and Social Management System (SEMS) was created to identify, categorize, assess and track the environmental and social risks and impacts of the financing we provide in our Corporate, Commercial and Infrastructure Banking areas. The SEMS is an integral part of the bank's lending process, and operates in accordance with Mexican laws, institutional regulations and the Equator Principles, the highest standard for environmental and social risk management in the financial industry.

Organizational structure

The Specialized Environmental and Social Risk Area (SERA), made up of a team of professionals expert in this field, is part of the Sustainability and Responsible Investment Department, which in turn reports to the Executive Department of Sustainability and Investor Relations and is responsible for the operation and continuous improvement of the SEMS.

The SEMS is supported by what are called Sustainability Champions, a group of employees from the Credit Area who serve as a liaison between the SERA and territorial bank offices, to ensure that proper environmental and social risk management permeates our operations nationwide.

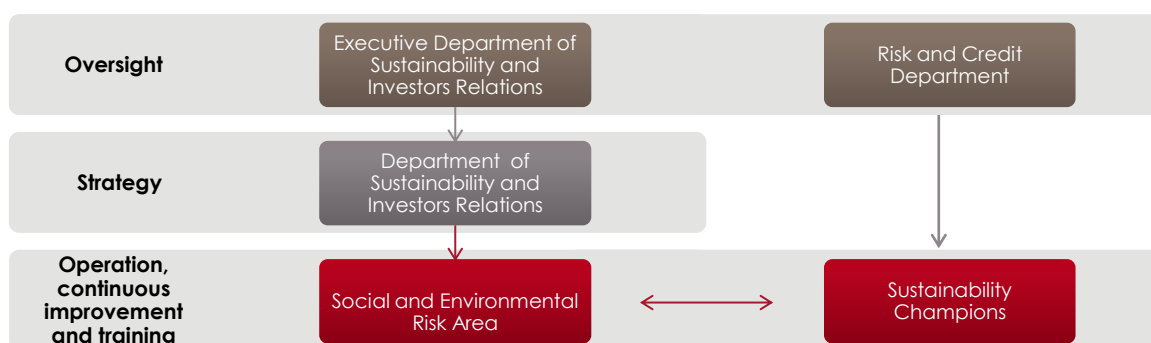


Figure 1. Organizational structure of the SEMS

Environmental and social risk analysis process

The due diligence process involves the identification, categorization, assessment and management of environmental and social risks, including potential impacts on human rights, which are communicated to the Credit Committees before any financing is authorized.

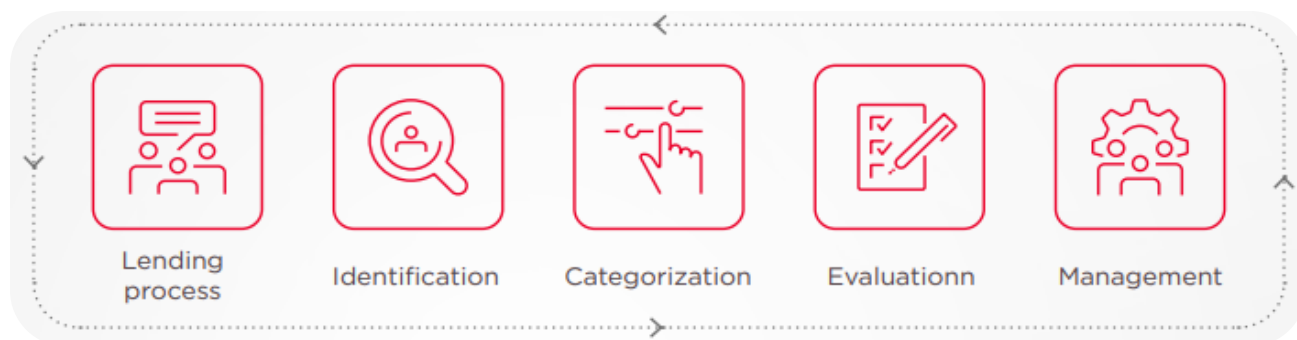


Figure 2. Environmental and social risk analysis process

Identification

We identify the potential environmental and social risks and impacts of loans, checking that none of the activities to be financed are present in the exclusion list (Annex 1) and ruling out any prohibited activities.

Categorization

We assign an environmental and social risk level to loans based on the magnitude of their impacts and their susceptibility to mitigation. The risk is classified according to the Equator Principles into categories A (high risk), B (medium risk), and C (low risk).

Assessment

Once the loans are categorized, we select those that should be assessed through due diligence, based on the loan amount, the financial product, and its destination. All industries are subject to assessment, especially sensitive ones.²

The assessment involves making sure that the projects to be financed comply with the national legal framework and the guidelines of the Equator Principles, the IFC Performance Standards, and the SEMS Assessment.³ We ask the client to provide information regarding permits, resolutions, licenses, plans, programs, specialized studies, and good practices in order to prepare the due diligence assessment (Annex 2).

Management

We monitor the environmental and social performance of the loans assessed throughout the finance lifecycle. We consider primarily the financing analyzed under the Equator Principles and include annual reviews, ongoing advice to clients, credit and business executives, reputational risk monitoring, and site visits to verify the operating conditions and the correct application of environmental, social, and human rights conditions or recommendations, among others, of the assessed projects.

² Industrial activity sectors that have the potential to cause environmental and social risks and impacts, such as damage to natural areas, displacement of people, loss of species, damage to cultural heritage or indigenous peoples, among others. Examples of sensitive industries are mining, oil & gas, agriculture, energy, chemicals, tourism, forestry and others.

³ The SEMS Assessment is the third assessment framework created by the SERA for loans of less than one million U.S. dollars. Its purpose is to analyze the most significant environmental, social and reputational impacts of financing and their compliance with Mexican law and international directives.

Human rights

Banorte recognizes the value and importance of human rights. Through its senior management and Sustainability Department, it promotes policies and procedures aimed at respecting and protecting these rights for its employees, suppliers, clients, and stakeholders in general.

We have a Human Rights Policy based on national and international human rights agreements and initiatives to which Mexico and Banorte are party. We are currently working to update the policy in order to align ourselves with best practices in the area of human rights.

In addition, to ensure that these rights are respected and that communities are actively engaged in the planning and execution of projects, through the SEMS, we offer continuous advice on the correct application of and compliance with applicable regulations and best practice throughout the financing period, through an assessment that incorporates the following aspects:

Reputational risk monitoring

The SERA analyzes the reputational risk of the clients and projects it evaluates under the Equator Principles through a monthly monitoring of controversial environmental and social topics using artificial intelligence tools. If there are any material findings, the area gets in touch with the parties involved to clarify it or impose the conditions necessary to mitigate the risks and impacts identified.

Hiring policies and employment terms

Clients are urged to promote a culture of equal employment and non-discrimination in the workplace through hiring policies and employment terms that respect and provide equal opportunities to employees, regardless of race, color, religion, gender, sexual orientation, marital or family status, nationality, disability, or any other status protected by federal, state, or local laws, and by guaranteeing that the workplace is free of discrimination and other forms of intolerance and violence.

Social impact assessment (SIA).

For energy sector projects that fulfill the criteria, a social impact assessment is required, so that the necessary actions can be taken to ensure the sustainability of the project and respect for human rights throughout its useful life.

Local populations have a legitimate right to a healthy environment, to participation in decision-making that affects them, and to be consulted in advance, in an informed and culturally appropriate manner, about projects to be developed in their territories. The social impact assessment involves identifying the communities and peoples located in the projects' area of influence, as well as identifying, characterizing, predicting and assessing of the consequences the project might have for local communities, developing mitigation measures and social management plans, and providing regular evidence of their correct application.

Land acquisition and involuntary resettlement.

Projects that have resulted in physical or economic displacement of populations are identified, and where appropriate, the client is asked to consider alternatives to minimize displacement and/or offer compensation to the affected groups.

Grievance mechanism.

In cases where the presence of affected communities is detected based on their location, the client is urged to establish a grievance mechanism to field community concerns and complaints from the communities about the client or project and facilitate their resolution. This should be appropriate to the risks and adverse impacts of the project. Efforts should be made to resolve concerns promptly through a consultation process that is understandable, transparent, culturally appropriate, and easily accessible, without cost or reprisal to those who raise the issue or concern. In addition, clients must inform the affected communities about the mechanism and provide regular evidence of its correct implementation.

Public consultation.

A project must conduct a public consultation to ensure a transparent process in which the communities involved are informed about it and have an opportunity to convey their comments, doubts, and concerns, ensuring that these do not become an impediment as the process moves on to more advanced stages.

Free, prior, and informed consent.

Based on International Finance Corporation Performance Standard 7, indigenous communities or peoples are particularly vulnerable if their lands and resources are significantly altered, occupied, or impaired; their languages, cultures, religions, spiritual beliefs, and institutions may be threatened; or the project development exposes them disproportionately to other adverse impacts.

When a project is proposed or natural resources are to be commercially developed on lands traditionally owned or customarily used by indigenous peoples, and adverse impacts or possible resettlement can be anticipated, the SERA requires that the client obtain free, prior, and informed consent (FPIC) to ensure that the rights of indigenous peoples are respected in any decision that may affect their lands, territories, or livelihoods. It guarantees that these peoples have the right to give or withhold their consent to these activities, without fear of reprisal or coercion, within a time frame appropriate to their culture and with the resources to make informed decisions.

Review of the implementation of the Equator Principles

The Sustainability and Responsible Investment Department, together with the Specialized Environmental and Social Risk Area, annually reviews the application of the Equator Principles and the optimal operation of the system, which is part of the SEMS continuous improvement process. The review encompasses the achievement of goals, the identification of areas of opportunity, and

feedback from areas such as Credit, Risk, Regulatory, HR-Training, Communication, and Specialized Areas.

Training

Ongoing training in the Credit, Business, and Risk areas is a priority for instilling a culture of social, environmental, and climate risk management at Banorte. We are confident that awareness and skills development are useful in properly managing related risks and impacts.

With this aim in mind, 779 employees received training in these areas during 2024. At the same time, we distributed information on topics relevant to the business through our internal communication channels, such as regular bulletins on the global application of the Equator Principles version 4, updates on Mexican legislation, emerging risks, environmental and social risk management in priority industries, and business cases.

Similarly, to ensure skills improvement and the functioning of the system, in 2024 the SERA was supported by training on topics such as the application of environmental legislation, Mexico's Sustainable Taxonomy, emissions accounting methodology for the financial industry, finance for biodiversity, and the ESG Executive Sustainability Program.

III. REPORT ON 2024 RESULTS UNDER THE EQUATOR PRINCIPLES

Since 2020, Banorte has been applying the updated guidelines of the Equator Principles that were published in its version 4. The following is our accounting of the results we obtained in terms of finance between January 1 and December 31, 2024, from the application of these Principles.

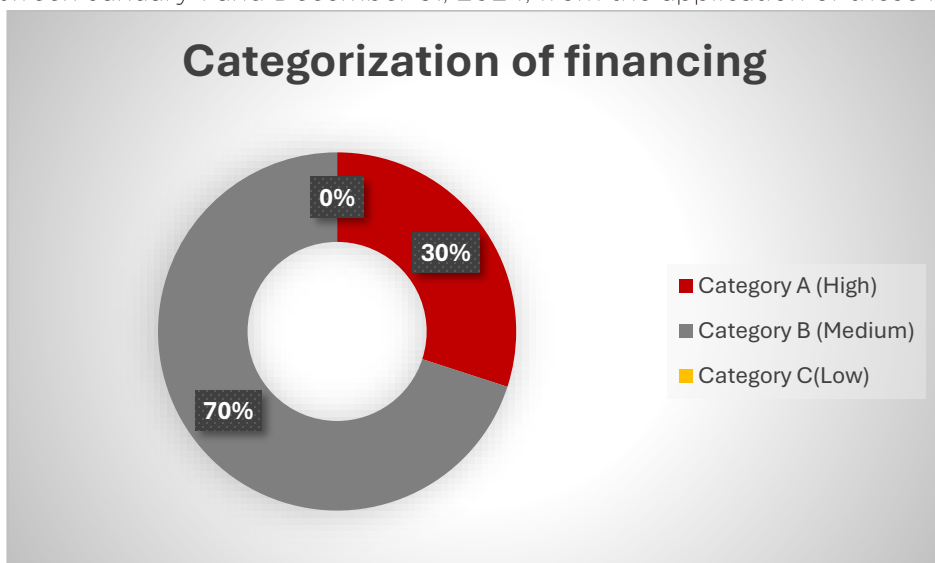


Figure 3. Categorization of financing granted in 2024

According to our analysis, 70% of all the financing assessed under the Equator Principles falls into risk category B.

Project Finance Advisory Services

Banorte did not authorize any transaction involving US\$10 million or more in project finance advisory services with significant adverse social or environmental risks.

Short-term loans

By nature, information on bridge loans is not subject to specific reporting requirements.¹

Project-Related Refinance and Project-Related Acquisition Finance

Banorte did not authorize any transaction involving US\$10 million or more in project-related refinance or project-related acquisition finance.

Project finance

Banorte financed 17 projects in 2024 (see table 1), all belonging to the region “Americas” and located in Mexico (a non-designated country). All of these projects were subject to an environmental and

social review by an independent consultant.

Most of the projects fall into category B, within the construction, infrastructure and tourism industries, with mitigable environmental and social impacts. Banorte also financed some category A projects in the construction and infrastructure industries.

	Category A	Category B	Category C
Projects by category	4	13	0
By industry			
Energy	0	0	0
Infrastructure	1	3	0
Mining	0	0	0
Oil & gas	1	0	0
Other	0	0	0
Agriculture	0	1	0
Construction	2	8	0
Manufacturing	0	0	0
Chemicals	0	0	0
Tourism	0	1	0
By region			
Americas	4	13	0
Europe, Middle East and Africa	0	0	0
Asia Pacific	0	0	0
By designated country			
Designated	0	0	0
Non-designated	4	13	0
Independent review			
Yes	0	0	0
No	4	13	0

Table 1. Project finance

Projects assessed under Equator Principles						
Category	A		B		C	
Year	2023	2024	2023	2024	2023	2024
Number of projects	8	4	12	13	0	0

Table 2. Projects assessed under Equator Principles, 2024 vs 2023

Infrastructure		
Project	Category	Date
Construction of communication routes	A	28/02/2024
Construction of vehicular overpass	B	07/06/2024
Construction, equipping, and commissioning of a semi-specialized terminal.	B	06/08/2024
Construction of public transportation works	B	09/07/2024
Tourism		
Project	Category	Date
Construction, equipping and startup of a hotel	B	26/11/2024
Construction		
Project	Category	Date
Hotel construction	A	29/02/2024
Residential housing construction	B	19/03/2024
Hotel construction	B	26/01/2024
Condominium building construction	B	12/04/2024
Residential development construction	A	19/04/2024
Real estate development construction	B	09/05/2024
Housing development construction	B	13/09/2024
Structuring and financial expenses for transportation infrastructure construction	B	07/10/2024
Apartment construction	B	29/11/2024
Apartment and commercial premises construction	B	04/11/2024
Agriculture		
Project	Category	Date
Expansion and construction of a food processing plant	B	19/07/2024
Oil & Gas		
Project	Category	Date
Construction of a gas pipeline	A	15/05/2024

Table 3. Project finance in 2024

Project-Related Corporate Loans

In 2024, Banorte financed three corporate loans, all belonging to the region “Americas” and located in Mexico (a non-designated country), and all subject to an environmental and social review by an independent consultant. One was a category B project and two were category A, belonging to the oil & gas industry, with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented.

	Category A	Category B	Category C
Projects by category	2	1	0
By industry			
Energy	0	0	0
Infrastructure	0	0	0
Mining	0	0	0
Oil & gas	2	1	0
Other	0	0	0
Agriculture	0	0	0
Construction	0	0	0
Manufacturing	0	0	0
Chemicals	0	0	0
Tourism	0	0	0
By region			
Americas	2	1	0
Europe, Middle East and Africa	0	0	0
Asia Pacific	0	0	0
By designated country			
Designated	0	0	0
Non-designated	2	1	0
Independent review			
Yes	2	1	0
No	0	0	0

Table 4. Project-Related Corporate Loans

Oil and Gas		
Project	Category	Date
Development of contract-related work	A	12/03/2024
Other related expenses applicable to service contract	A	09/03/2024
Working capital for general expenses	B	22/04/2024

Table 5. Project-Related Corporate Loans in 2024

Project name reporting for Investment Projects

In Mexico, pursuant to the Credit Institutions Law,⁴ we are not able to disclose the names of projects corresponding to financed transactions, as their publication could violate current guidelines. Specifically, Article 142 states that information and documentation relating to operations and services must be kept confidential.

Thus, in the interests of protecting the right to privacy of their clients and users, credit institutions may only disclose information to the owner, their representatives, and, when requested, the court authorities, the National Banking and Securities Commission (CNBV), the Bank of Mexico (Banxico), the Institute for the Protection of Bank Savings (IPAB), and the Commission for the Protection and Defense of Financial Services Users (CONDUSEF).

For more information, see:

<https://investors.banorte.com/~media/Files/B/Banorte-IR/financial-information/annual-reports/es/2025/Informe%20Anual%20Integrado%202024 - -.pdf>

https://investors.banorte.com/~media/Files/B/Banorte-IR/sustainability/policies-and-procedures/es/PoliticaDH_JPBM.pdf

http://investors.banorte.com/~media/Files/B/Banorte-IR/financial-information/annual-reports/es/2025/Reporte%20de%20Riesgos%20y%20Oportunidades%20Climticas%20TCFD%202024 -_.pdf

⁴ <https://www.diputados.gob.mx/LeyesBiblio/pdf/LIC.pdf>

ANNEX 1. BANORTE EXCLUSION LIST

In accordance with the Banorte Credit Manual number 1.4.7, Risky or Prohibited Situations, the following activities or transactions are considered prohibited, and thus do not require any preliminary analysis before the decision is made to decline them, available on:

[EXCLUSION LIST \(banorte.com\)](http://banorte.com)

ANNEX 2. BANORTE EQUATOR PRINCIPLES ASSESMENT GUIDE

The following are the criteria for review that determine the course of assessments conducted under the Equator Principles at Banorte.

Principle I. Review and categorization

- A - High risk - Projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented.
- B - Medium risk - Projects with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.
- C - Low risk - Projects with minimal or no adverse environmental and social risks and/or impacts.

Principle II: Environmental and Social Assessment

Environmental and social risk and impact assessment

- Environmental Impact Statement (EIS). Prepared by the client or by internal or external expert consultants.
- Environmental Impact Resolution.
- Methodology for risk identification.
- Environmental and social conditions (flora, fauna, geography, culture, economy).
- Prevention, minimization, mitigation, compensation, and restoration measures.
- Cumulative impacts.

Informed consultation and participation process

- Public consultation and participation

Human rights assessment

- Analysis of potential adverse human rights impacts

Climate change assessment

- Climate change analysis that considers relevant physical risks.
- For projects whose scope 1 and 2 emissions total more than 100,000 tons of CO₂ annually, consideration of relevant transition risks and analysis which evaluates lower greenhouse gas (GHG) intensive alternatives.

Principle III. Applicable Environmental and Social Standards

1 Assessment and management of environmental and social risks and impacts

- In relation to International Finance Corporation (IFC) Performance Standard I.

2 Labor and working conditions

- Working conditions and terms of employment
 - Safe and healthy working conditions in accordance with national legislation (Federal Labor Law and Ministry of Labor and Social Planning regulations).
 - Prevention of child labor and forced labor, exploitation and intimidation, especially in the case of women.
 - Appropriate human resources procedures.
- Non-discrimination and equal opportunities
 - Principles of equal opportunity, fair labor, and non-discrimination.
- Occupational safety and health
 - Occupational safety and health system (internal and contractors).
 - Identification of risks inherent to the industry.
 - Prevention of occupational accidents, injuries, and ill health.
 - Training in occupational safety and health.
- Handling of hazardous materials
 - Proper management of hazardous materials, including handling, storage, transportation, and disposal as waste.
 - Avoidance of the manufacture, marketing, and use of chemicals or hazardous materials subject to international bans.
- Emergency preparedness and response
 - Emergency preparedness and response plan.
 - Identification of risk areas, those potentially affected, response procedures, and provision of equipment and resources.
 - Emergency preparedness and response plan documented and communicated to workers, affected communities, and relevant public authorities.
 - Emergency preparedness and response plan reviewed continuously and modified as necessary.
 - Work with local authorities and affected communities to establish adequate emergency response plans.

3 Resource Efficiency and Pollution Prevention

- Water consumption
 - Measures to prevent or reduce water consumption.
- Energy consumption
 - Measures to prevent or reduce energy consumption.
- Climate change and greenhouse gases

- Actions to reduce GHG emissions.
- Climate change mitigation/adaptation actions.
- Annual quantification of direct and indirect emissions from the project (GHG Report).
- Pollution prevention
 - Methods for preventing, minimizing, or controlling the generation of air, water, or soil pollutants.
 - Consideration of existing environmental conditions in the project area (environmental liabilities, soil assimilation capacity, current and future land use, proximity to important biodiversity areas).
- Waste
 - Prevention, minimization, recovery, reuse, disposal, and treatment of hazardous and non-hazardous waste.
 - Consideration of safety measures for humans and the environment.
 - Disposal of waste by companies authorized by public regulatory bodies.
 - Consideration of measures to control pests and disease vectors important to public health.
 - Use of pesticides with low toxicity to humans and minimal effects on the environment.
 - Design of a pesticide application and disposal regime that avoids damage to human health and the environment.
 - Pesticide management carried out by trained personnel with the appropriate equipment and in compliance with packaging and labeling standards for safe use.

4 Community health, safety and security

- Safety and health
 - Identification and assessment of risks and impacts to the health and safety of affected communities.
 - Prevention, mitigation, and control measures commensurate with the nature and magnitude of the project, as well as international best practices.
 - Prevention and/or minimization of community exposure to waterborne diseases, other vectors, as well as those that could result from project activities.
 - Additional risks arising from public access to project facilities, such as operational accidents.
- Hazardous materials management
 - Minimization of the worker and community exposure to hazardous materials and substances that the project may generate.
 - Control of safety in the transport of hazardous materials and waste.
 - Prevention or control of worker and community exposure to pesticides.
- Ecosystem services
 - Risks and adverse impacts on the health and safety of communities resulting from the modification or degradation of ecosystems (loss of mangroves and forests, causing flooding, landslides, fires, among others). Corresponding prevention and mitigation measures.

5 Land acquisition and involuntary resettlement

- Physical or economic displacement
 - Physical or economic displacement of populations (through expropriation, restrictions on land or resource use, eviction, or adverse impacts on livelihoods).

- In the case of physical displacement, offer of property of equal or greater value than the loss, with security of tenure, no risk of eviction, equivalent or superior characteristics, and location advantages.
- In the case of economic displacement, compensation for damage to commercial structures, compensation to business owners for the cost of reestablishing commercial activities elsewhere, for net revenues lost in the transition period, and for the costs of transferring and reinstalling the plant, machinery, and other equipment.
- Compensation and opportunities for displaced persons
 - Compensation for the loss of property, as well as assistance to improve or reestablish their livelihoods and quality of life for displaced persons and communities.
 - In the event compensation is rejected, exploration of opportunities to play an active role in planning, implementation, and monitoring of resettlement.
 - Opportunities for displaced communities and persons to obtain development benefits derived from the project.
 - Consideration of the participation of displaced communities and host communities in the planning and implementation of compensation payments, livelihood restoration, and resettlement.
- Frameworks or action plans for resettlement and/or livelihood restoration in relation to: the rights of affected persons, compensation for the full value of land and other assets lost, mitigation of the negative impacts of displacement, identification of development opportunities, and budgeting.

6 Biodiversity conservation and sustainable management of living natural resources

- Biodiversity conservation
 - Project in modified, natural, or critically important habitats that may affect ecosystem services.
 - Measures to prevent, minimize, mitigate, and restore biodiversity loss and affected ecosystem services (protection of reserve areas, biological corridors, habitat restoration, equivalent compensation).
- Ecosystem services
 - Systemic review to identify priority ecosystem services that could be adversely impacted.
 - Mitigation measures necessary to minimize adverse impacts and maintain the value and functionality of priority services.
 - In the case of priority services, measures to increase the efficiency of resource use in operations.
 - Location on non-forest land or land already converted.
 - Promotion of actions for suppliers to adopt good practices on biodiversity conservation and sustainable resource management.

7 Indigenous peoples

- Human rights assessment
 - Presence of indigenous populations in the project area.
 - Promotion of, respect for and conservation of human rights.
 - Identification of direct and indirect impacts on indigenous communities and corresponding mitigation or restoration measures.

- Benefits and opportunities for sustainable development for indigenous peoples, consistent with their culture.
 - Continuous contact with indigenous peoples affected by the project in the public consultation process.
 - Prevention and reduction of impacts on natural resources and natural areas of importance to indigenous peoples.
- Consultation and informed participation process
 - Conducting a consultation and informed participation process.
 - Free, prior, and informed consent of the indigenous peoples affected for the development of the project.
 - Delivery of reports to the indigenous communities affected on their rights to land under national law.
 - Delivery of compensation and other actions for the indigenous peoples affected.

8 Cultural heritage

- Identification of tangible or intangible forms of cultural heritage.
- Hiring of competent professionals to assist in the identification and protection of cultural heritage.
- Adherence to national legislation and application of good practices regarding the protection of cultural heritage.
- Management of chance finds.
- Consultation with affected communities that make use of cultural heritage.
- Reproducible, non-reproducible and/or critical tangible cultural heritage.
- Location in legally protected cultural heritage areas. Additional programs to promote and enhance the conservation aims of the protected area.

Principle IV. Environmental and Social Management System and Equator Principles Action Plan

The client must create an Environmental and Social Management System that includes an Environmental and Social Management Plan to manage the environmental and social risks and impacts of the project, as well as an action plan based on the Equator Principles that takes into account the observations of the independent consultant and Banorte's environmental and social risk area.

- Environmental and Social Management System (ESMS)
 - The Environmental and Social Management System is a global environmental, social, safety, and health management system that can be applied at the company or project level. The system is designed to continuously identify, evaluate, and manage risks and impacts related to the project.
 - Policy, management programs, organizational capacity and competence, monitoring, and evaluation.
 - Policy with environmental and social goals and principles that guide the project to achieve good performance.
 - Management programs that describe measures and actions to mitigate and improve performance, aimed at addressing identified environmental and social risks and impacts.
- Equator Principles Action Plan (AP)

- Programs that include environmental and social action plans with objectives, targets, deadlines, methods, indicators, resources, and responsible parties.
- Personnel responsible for the environmental and social performance of the project with the knowledge, skills, and experience necessary to manage the ESMS efficiently.
- Consideration of legislation.
- Measurement of the effectiveness and efficiency of the ESMS, legal compliance, and improvement in the environmental and social performance of the project.

Principle V. Stakeholder engagement

- Significant adverse impacts on communities.
- Consideration of stakeholder engagement (affected communities, workers, and others) through a process of informed consultation and participation prior to the construction phase. Evidence of interaction with stakeholders (documentation).
- Stakeholders refer to the populations directly affected by project activities. Other stakeholders refer to those not directly affected by the project but who have an interest in it, such as national and local authorities, neighboring projects, and/or non-governmental organizations.
- The consultation process should include: The perspectives and interests of men and women, consideration of the different concerns and priorities of men and women regarding the impacts, mitigation mechanisms, and benefits and opportunities derived from the project, documentation of the project, mainly the measures taken to avoid or minimize risks and adverse impacts on communities, reporting to those affected on how their concerns and opinions have been taken into account in decision-making.
- A consultation process tailored to the risks and impacts of the project, the stage of development, the language preferences of the affected communities, their forms of dialogue, their decision-making processes, and the needs of disadvantaged and vulnerable groups.
- Project information and documentation of the environmental and social impact assessment available to affected communities and, where appropriate, other stakeholders, in the local language and in a culturally appropriate manner.
- Consideration of the results of the stakeholder engagement process.

Principle VI. Grievance mechanism

- Documented grievance mechanism designed to receive and facilitate the resolution of concerns and complaints related to the environmental and social performance of the project.
- Appropriate to the risks and impacts of the project and the affected communities, and communicated to affected communities and/or workers.
- Consideration of project workers and their organizations, workers hired by third parties, and workers in the supply chain.
- Understandable, transparent, culturally appropriate, easily accessible, free of charge, and without reprisals for those who raised the issue or concern.

Principle VII. Independent review

- The project consultant must monitor the project's compliance with the Equator Principles and prepare the corresponding reports to provide the evidence requested by the Bank in its annual review.
- Independent environmental and social consultant or qualified experts to monitor the project's environmental and social performance and its compliance with the Equator Principles.

- Review of the assessment documentation, the AP, the ESMS
- , the stakeholder participation process, and compliance with the Equator Principles.
- Proposal or evaluation of the Equator Principles action plan.

Principle VIII. Contractual commitments

- The client is committed to complying with the Equator Principles and shall regularly provide the information Banorte requires for the corresponding assessments.
- Compliance with all applicable national environmental and social laws, regulations, and permits, and with the Equator Principles.
- Compliance with the ESMS and the Equator Principles Action Plan in the construction and operation phases of the project.
- Regular reports by the client, in the format defined by Banorte, and prepared by internal staff or external experts documenting compliance with the current national regulatory framework, the ESMS, and the Equator Principles action plan.
- Dismantling of facilities, whenever applicable and appropriate.
- Consent to share data corresponding to the project name, industry, and year of closure with the Secretariat of the Equator Principles Association for publication on the Association's website.

Principle IX. Independent Monitoring and Reporting

- The project consultant must monitor the project's compliance with the Equator Principles and prepare the corresponding reports to provide the evidence requested by the Bank in its annual review.
- Monitoring of the project's compliance with the Equator Principles by the independent environmental and social consultant appointed by the client. Verification of the information shared with Banorte.

Principle X. Reporting and transparency

- Banorte must report annually to the Equator Principles Association on the name of the project evaluated, the industry, and the year of closure. Currently, Banorte does not share this information in accordance with Article 142 of the Law on Credit Institutions. Article 142 of the Law on Credit Institutions states that information and documentation relating to operations and services must be kept confidential. Thus, credit institutions, in the interests of protecting the privacy rights of their clients and users, may only provide information to the owner, their representatives and, when requested, the court authorities, the National Banking and Securities Commission, the Bank of Mexico, the Institute for the Protection of Bank Savings, and the Commission for the Protection and Defense of Financial Services Users.
 - Information required by Banorte, in a timely manner
 - Public assessment of environmental and social risks and impacts
- Summary of the environmental and social impact assessment available online.
 - Level of public GHG emissions
 - For projects with Scope 1 and 2 emissions exceeding 100,000 metric tons of CO2 equivalent per year, annual publication of GHG emission levels in the operational phase (considering the sum of Scope 1 and 2 emissions).
- Biodiversity data

- Regular reports to affected communities describing progress in the implementation of project action plans with respect to issues that entail risks or impacts, as well as issues of concern raised during the consultation process or through grievance mechanisms.
- Transparency
 - Public information, participation in initiatives, reporting.
 - Environmental, social, and sectoral recognitions (Clean Industry, STPS, others).
- Structure
 - Environmental, social, sustainability, quality, money laundering, anti-corruption, and anti-competitive conduct policies.
 - ISO 14001, ISO 5000, ISO 900, ISO 45001, and other certifications.
- Anti-corruption
 - Internal/external mechanisms to detect irregularities regarding unethical or illegal behavior that could jeopardize the integrity of the organization/project.
 - Code of ethics, money laundering, crime prevention, anti-competitive practices.
 - Fines or penalties.

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