

# FINDEV CANADA TRANSACTION SUMMARY

## Sudameris Bank S.A.E.C.A

*This document provides an overview of the FinDev Canada transaction, including a summary of the anticipated development impacts and of the environmental and social (E&S) risk assessment performed, potential risks identified, and related mitigation measures to be implemented.*

# SUDAMERIS

## Transaction Description

Sudameris Bank S.A.E.C.A. (or "Sudameris Bank") is the second-largest commercial bank in Paraguay. This transaction contributes to sustainable economic growth and development in Paraguay, by improving access to finance for climate mitigation and adaptation projects.

This transaction is expected to support Sudameris in expanding its sustainable lending activities, enhancing access to finance for enterprises in Paraguay.

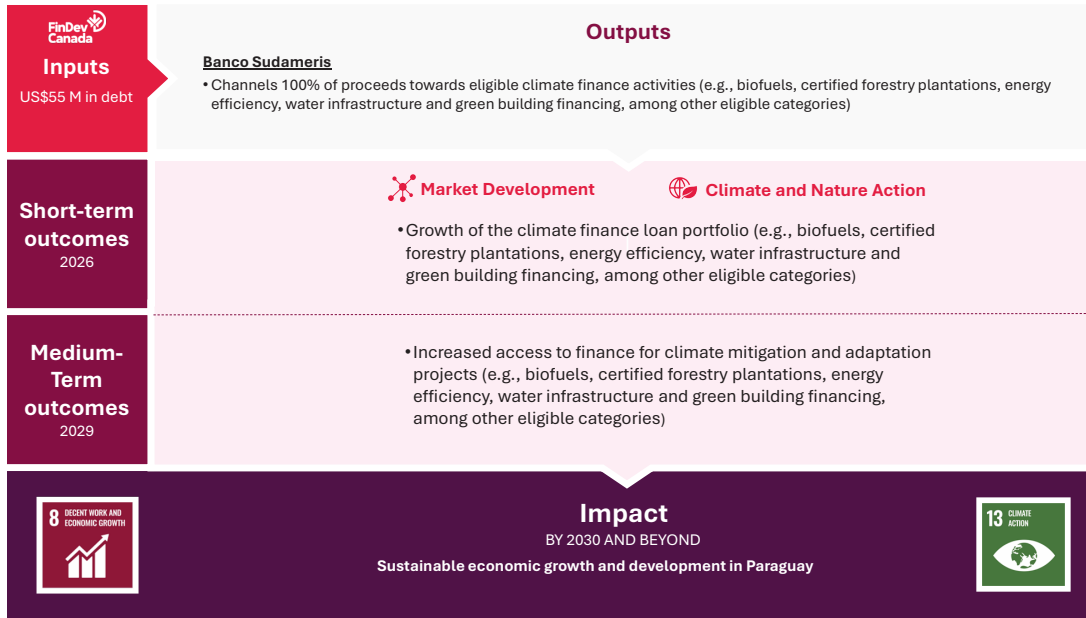
This transaction is expected to allocate all proceeds to climate mitigation and adaptation projects, contributing to a more resilient Paraguayan economy.

## Transaction Details

<b>COUNTERPARTY</b>	The "Borrower", "Sudameris Bank S.A.E.C.A"
<b>DOMICILE</b>	Paraguay
<b>COUNTRY(IES) OF OPERATION</b>	Paraguay
<b>TERM OF FINANCING</b>	An up to US\$55M senior unsecured term loan for a maximum tenor of up to seven years to Sudameris (the "Loan"). The Loan forms part of an up to US\$370M FMO-led syndicated facility also including JICA and Proparco as co-lenders. The proceeds of the FinDev Canada's loan will be 100% allocated to climate finance projects.
<b>SECTOR</b>	Financial Intermediary
<b>E&amp;S CATEGORY</b>	FI-2
<b>FINANCING PRODUCT</b>	Debt
<b>2X CANADA TRANSACTION AMOUNT</b>	N/A
<b>FINDEV CANADA TRANSACTION AMOUNT</b>	USD 55 million
<b>DATE OF TRANSACTION DISCLOSURE</b>	18 June 2025
<b>DATE OF TRANSACTION SIGNING</b>	23 September 2025
<b>DATE OF TRANSACTION SUMMARY PUBLICATION</b>	22 December 2025
<b>2X ALIGNMENT</b>	N/A

## Summary of Anticipated Development Impacts

The development impact value proposition of the transaction is to contribute to sustainable economic growth and development in Paraguay by improving access to finance for enterprises, particularly climate mitigation and adaptation projects.



### MARKET DEVELOPMENT AND CLIMATE AND NATURE ACTION

- **Support the growth of the climate finance loan portfolio:** Since 2020, Sudameris has been supporting environmentally positive projects through its sustainable portfolio, which is a relatively new business line. The bank's sustainable portfolio is projected to grow by an average of 19% annually until 2031. Scaling up sustainable lending activities is expected to improve access to finance for businesses.
- **Expand access to finance for climate mitigation and adaptation projects:** The proceeds will be allocated entirely to climate-related projects aligned with the MDBs/IDFC Common Principles for Climate Finance. Sudameris' sustainable loan portfolio consists of projects covering climate-smart agriculture, sustainable forest management, waste and resource efficiency, and renewable energy and bioenergy. Financing these projects aims to strengthen Paraguay's resilience to climate risks and support its national climate commitments.

## Summary of Environmental and Social Assessment and Related Risk Mitigation Measures

Sudameris' lending activities under the Loan are expected to support climate finance-eligible sectors, including biofuels and forestry projects. These activities may be associated with adverse environmental and social ("E&S") risks that are typically site-specific and reversible through mitigation measures, including those related to labour and working conditions, community and occupational health and safety, resource efficiency and pollution prevention, land acquisition, biodiversity and natural resources management.

Sudameris manages these risks through an Environmental and Social Management System ("ESMS") that includes policies and procedures aligned with applicable national regulations and international good practice, including the IFC Performance Standards. The Bank also maintains human resources policies consistent with national labour requirements and Performance Standard 2, as well as both internal and external grievance mechanisms. Sudameris is in the process of strengthening elements of its E&S framework, including through an Environmental and Social Action Plan ("ESAP").

FinDev Canada reviewed the transaction against applicable host-country requirements and the IFC Performance Standards. Based on this assessment, Sudameris was found to be generally aligned with these standards, subject to implementation of the ESAP measures. The transaction has been categorized as FI-2, with an overall E&S Risk Rating of Medium and a Client E&S Management Capacity assessed as Adequate.

FinDev Canada's assessment was informed by documentation provided by Sudameris, including its Environmental and Social Risk Management Policy Manual, Environmental and Social Risk Management Procedures Manual, E&S due diligence and monitoring tools, grievance reporting documentation, human resources policies, and information shared through due diligence discussions.