

Environmental and Social Review Summary (“ESRS”)

Santander Brasil: Green A/B Loan in Brazil / 15099-01

Original language of the document: English
Issuance date: November 2025

- 1. Scope of Environmental and Social Review.** The Environmental and Social (“E&S”) analysis of the proposed transaction consisted of a review of documentation (policies, plans, and procedures), as well as information of the credit portfolio of Banco Santander (Brasil) S.A. (“Santander” or the “Bank”). In addition, conversations were held with management representatives and operational staff.
- 2. Environmental and Social Categorization and Rationale.** The proposed transaction has been categorized as FI-2 in accordance with IIC’s Environmental and Social Sustainability Policy, since the subprojects to be financed are considered to present moderate E&S risk. The financing will support sustainable subprojects that meet the eligibility criteria established under the Eco Invest Program and will form part of Santander’s Eco Invest portfolio financed through the 1st and 2nd auctions.

Eco Invest¹ is a Brazilian government program launched in 2024 under the Ecological Transformation Plan to promote private and international investment in sustainable projects in Brazil. The program operates through competitive auctions that allocate resources and select eligible sustainable projects for financing. The first auction targeted a broad set of thematic categories including energy transition, circular economy, green infrastructure, and bioeconomy, while the second auction specifically focused on the restoration and sustainable conversion of degraded lands across Brazil’s biomes. Given the relatively high sub-loan amounts and the overall scale of the sub-projects, Santander’s Eco Invest portfolio is expected to be predominantly composed of sub-projects within the Corporate Segment. Santander will not use the proceeds of the loan to finance Category A subprojects (high risk), as defined by IDB Invest, nor any activities included on IDB Invest’s Exclusion List.

The transaction is considered Paris Agreement aligned based on an analysis conducted in accordance with the IDB Group Paris Alignment Implementation Approach.

- 3. Environmental and Social Risks and Impacts.** The main E&S risk of this transaction is related to the Bank’s ability to assess and manage the E&S risks and impacts associated with its financing activities. These E&S risks and impacts may involve worker health and safety, labor rights, waste generation, community health and safety, climate change, land use change, supply chain management, among others. The E&S risk level associated with the subprojects is considered moderate.
- 4. Mitigation Measures.** Santander has an Environmental and Social Management System (“ESMS”) established under its Social, Environmental and Climate Responsibility Policy, led by a specialized team responsible for its implementation and supported by other areas and committees. The ESMS is aligned with Brazil’s Central Bank regulations on Environmental, Social, and Climate (“ESC”) risk management and supported by information systems and databases to identify, assess, classify, and monitor ESC risks. All agribusiness loans and related collaterals are subject to monitoring through satellite imagery and geospatial tools, which integrate official databases and spatial data layers to identify deforestation risk. Santander is also a signatory to the Equator Principles, which

¹ For additional information on the Eco Invest Program, please refer to the official website [here](#).

incorporate the International Finance Corporation (“IFC”) Performance Standards (“PS”) as part of their framework for Environmental and Social Due Diligence (“ESDD”) in project-related financing. Santander also applies the Partnership for Carbon Accounting Financials (“PCAF”) methodology to measure financed Greenhouse Gas (“GHG”) emissions across its lending portfolios, including sectoral and agricultural exposures.

The Bank’s human resources policies promote non-discrimination, diversity, and inclusion, and include a Diversity, Equity, and Inclusion Policy and a Code of Ethics that provides an internal grievance mechanism for employees. External communication channels available on the website allow third parties to submit concerns and request information.

Santander will be required to ensure that all sub-projects within the asset class financed by IDB Invest comply with applicable national E&S regulations, IIC’s Environmental and Social Sustainability Policy and Exclusion List, and the Eco Invest: Eligibility Criteria, Safeguards, and Exclusion List, as well as the Bank’s current ESMS. As part of the E&S Action Plan described in Section 5, the Bank will also implement measures related to ESC risk management.

5. Environmental and Social Action Plan (“ESAP”):

No.	Activity	Deliverable	Compliance Date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts			
E&S Assessment and Management System			
1	For all subprojects within the asset class financed by BID Invest: i) Establish the application of IFC PS for sub-loans equal to or above US\$5 million and with a tenor of 36 months or longer. ii) Maintain procedures and verification means to (a) ensure compliance with Eco Invest eligibility criteria, safeguards and exclusion list; and (b) support E&S risk Categorization. iii) Maintain the satellite monitoring system currently used to identify deforestation risks in all financed agribusiness subprojects.	i) and ii) ESMS or relevant policy updated	Within one month after Disbursement
		iii) Evidence of Implementation	As part of the ESMR ²
2	Present the first two ESDD Reports, or their equivalent, for two subprojects within the financed asset class where IFC PS are applied, to verify: E&S Categorization and Action plan (if applicable).	ESDD Reports or their equivalent	After disbursement, each time an ESDD report is generated

6. Contact Information For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email divulgacionpublica@iadb.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.

² ESMR means the Environmental and Social Monitoring Report, which is to be delivered to IDB Invest on a regular basis.