

Environmental and Social Review Summary (“ESRS”)

Access Financial Services Limited: Senior Unsecured Loan supporting MSMEs in Jamaica / 15123-01 / Jamaica

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- 1. Scope of Environmental and Social Review:** The Environmental and Social (“E&S”) review of the proposed transaction was carried out during the first semester of 2025, through desk research, a portfolio review, and a due diligence call with the client. Access Financial Services (“Access Financial”) is a new client for IDB Invest.
- 2. Environmental and Social Categorization and Rationale:** The proposed operation is classified as an FI-3 per IIC Environmental and Social Sustainability Policy. The proposed transaction seeks to support the Micro, Small, and Medium-Sized Enterprises (“MSMEs”) portfolio of Access Financial in Jamaica. The sub-projects to be supported have a low-risk potential focused on women-led MSMEs and the green segment of MSMEs. Projects labeled as green include micro or mini-grid solar systems (photovoltaic, water heaters, thermal power), energy efficiency (lighting upgrades to LED, replacement of refrigerators), and water efficiency (rainwater harvest, water recovery systems).

Access Financial portfolio is composed mainly of personal loans (91%) and business (9%). The business segment includes MSMEs, as defined by the Development Bank of Jamaica and adopted by Access Financial, which are businesses with annual sales of less than JMD425 million or US\$2.6 million. The main sectors in the business segments are trade (50%), services (33%), agriculture (14%) and manufacturing (2%). The average loan size for the microfinance segment is US\$793 (JMD126,893), for the small enterprises US\$3,000 (JMD483,460.76), and for medium enterprises is US\$10,000 (JMD1,696,740).

The transaction is deemed as aligned with the provisions of the Paris Agreement based on the analysis in line with IDB Group’s Paris Alignment Implementation Approach.

IDB Invest’s resources may not be used by Access Financial to finance any category A subprojects (high risk) based on IDB Invest’s definition, or projects in the sectors included in the IDB Invest Exclusion List.

- 3. Environmental and Social Risks and Impacts:** The main E&S risks of this project are associated with Access Financial's capacity to identify and manage the E&S risks associated with its lending activities. The potential risks associated with its main lending activities include pollution prevention, labor rights, land use change, and health and safety.

Access Financial does not yet have in place an Environmental and Social Management System (“ESMS”) to identify and manage the E&S risks of its portfolio. Access Financial has an Employee

Manual, which includes a grievance mechanism, an Ethics Code, a Disciplinary Policy, and a Diversity and Management Policy.

4. **Mitigation Measures:** Access Financial will be required to ensure that all investments comply with IDB Invest's Exclusion List, and applicable E&S local laws. These requirements will need to be included in the ESMS. To enable the Borrower to better understand IDB Invest requirements, Access Financial will be required to take the IDB Invest online training¹ course on Environmental and Social Risk Management.
5. **Environmental and Social Action Plan.** Not applicable.
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 requestinformation@idbinvest.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.

¹ <https://cursos.iadb.org/topics/social-development/ESMS-business-opportunity>.