

Client Impact **DEB***rief*

BDMG
Sustainable Bond

October 2025



About BDMG

The Development Bank of Minas Gerais (BDMG) is a state-owned financial institution based in the State of Minas Gerais, Brazil. Founded in 1962, BDMG promotes economic, social, and financial development by offering credit to businesses of all sizes, as well as to municipalities and public services. With a portfolio from urban industries to rural enterprises, the bank operates in sectors such as infrastructure, renewable energy, sanitation, agribusiness, and technology.

Its credit lines provide tailored terms and conditions aimed at stimulating investment in areas strategic to the socioeconomic development of Minas Gerais. These efforts contribute to the development of businesses that boost innovation, sustainability, and inclusive economic activity.

In addition to financing, BDMG plays a role in fostering regional development by supporting initiatives that generate employment, income, and improved quality of life throughout the state. Its operations are guided by a strategic plan aligned with local development priorities and include a focus on financial sustainability, long-term impact, and sectoral expertise.



R\$500M

provided to finance SMEs
(2024)

1,000+

women-led businesses
financed (2024)

Geographic Focus



Sectors



Vision



Partnering with BDMG

Through the issuance of a Sustainable Bond, IDB Invest is supporting BDMG in allocating US\$50 million to expand its sustainable lending portfolio in Minas Gerais, Brazil. The financing is directed toward small and medium-sized enterprises (MSMEs) that contribute to the Sustainable Development Goals (SDGs). The bond follows a framework based on internationally recognized standards, including the Green Bond Principles and Social Bond Principles. Additionally, the partnership includes technical assistance to guide how projects are selected, monitored, and reported on, setting a model that could be used in future bond issuances.

By partnering with BDMG, IDB Invest is contributing to Brazil's sustainable and social development by supporting green and SME-focused lending while improving access to finance and increasing competition in Brazil's banking sector. This collaboration also helps address gaps in access to finance for smaller businesses and underserved regions in the country, contributing to more inclusive and resilient economic growth.

The partnership offers BDMG the capacity to expand sustainable financing while supporting long-term investment in areas such as renewable energy and energy efficiency.



Investment Snapshot

Sector	Region	Project Investment	Approval Date
Financial Institutions	Brazil	US\$50M	2020

From Baselines to Targets: Projections Overview (2019 → 2025)

VALUE OF LOANS OUTSTANDING SOCIAL PORTFOLIO ¹	VALUE OF LOANS OUTSTANDING GREEN PORTFOLIO ²
R\$990M → R\$1.2B	R\$600M → R\$1.5B
NUMBER OF LOANS OUTSTANDING SOCIAL AND GREEN PORTFOLIO	GREENHOUSE GAS EMISSION REDUCTION
10,971 → 21,379	24,700 tons of CO ₂ per year by 2025

1. The Social Portfolio includes affordable infrastructure, economic recovery, health, support to micro and small enterprises, gender inclusion, and education.
2. The Green Portfolio includes renewable energy and energy efficiency, pollution control, water management, sustainable agriculture, and clean transportation.

Measuring Development Impact

IDB Invest's Impact Management Framework is an end-to-end series of tools and practices covering the complete investment lifecycle. It allows us to build, measure, and manage a portfolio of financially sustainable investments that maximize development impact and contribute to reaching the Sustainable Development Goals (SDGs).

The SDGs are at the core of our approach. IDB Invest identifies the expected contributions of each investment to specific SDG targets upfront, and measures actual progress achieved over time.



BDMG: Development Impact Results

5 GENDER EQUALITY



The partnership promotes gender equality by increasing access to financial services for women-led MSMEs, with a share of proceeds directed toward this segment.

R\$154M

VALUE OF LOANS OUTSTANDING
GENDER INCLUSION¹ (2024)

R\$1.8B

VALUE OF LOANS OUTSTANDING
SOCIAL PORTFOLIO (2024)

7 AFFORDABLE AND CLEAN ENERGY



The partnership supports the expansion of renewable energy by increasing lending to clean energy projects, contributing to a more sustainable energy mix in Brazil.

R\$853M

VALUE OF LOANS OUTSTANDING
RENEWABLE ENERGY & ENERGY EFFICIENCY (2024)²

R\$1.2B

VALUE OF LOANS OUTSTANDING
GREEN PORTFOLIO (2024)

8 DECENT WORK AND ECONOMIC GROWTH



The partnership supports access to finance for MSMEs, contributing to local job creation, entrepreneurship, and inclusive economic growth.

R\$453M

VALUE OF LOANS OUTSTANDING
MICRO & SMALL ENTERPRISES³ (2024)

R\$1.8B

VALUE OF LOANS OUTSTANDING
SOCIAL PORTFOLIO (2024)

1. Gender inclusion is part of the Social Portfolio.
2. Renewable energy and energy efficiency are part of the Green Portfolio.
3. Micro and small enterprises are part of the Social Portfolio.

BDMG: Development Impact Results

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



By increasing access to financial services for MSMEs in Brazil, the partnership contributes to the growth of small-scale industry and their inclusion in local and regional markets.

R\$453M

VALUE OF LOANS OUTSTANDING
MICRO & SMALL ENTERPRISES (2024)

R\$1.8B

VALUE OF LOANS OUTSTANDING
SOCIAL PORTFOLIO (2024)

13 CLIMATE ACTION



The partnership helps reduce greenhouse gas emissions through increased green lending in Brazil.

**65,000 tons
of CO₂**

GREENHOUSE GAS EMISSION REDUCTION
(2020-2024)

R\$1.2B

VALUE OF LOANS OUTSTANDING
GREEN PORTFOLIO (2024)

17 PARTNERSHIPS FOR THE GOALS



BDMG Sustainable Bond contributes to mobilizing additional resources to support development priorities in developing countries.

US\$10M

RESOURCE MOBILIZATION
AMOUNT

Measuring & Managing Impact: BDMG's DELTA Impact Score

BDMG's DELTA Impact Score reflects the expected economic, social, and environmental contributions of its first Sustainable Bond. The score captures the bond's potential to direct financing toward areas such as renewable energy, energy efficiency, sustainable agriculture, water management, access to basic services, and gender inclusion.

The score also indicates BDMG's role in supporting micro and small enterprises, including businesses led by women, which contributes to job creation, financial access, and inclusive economic activity. Additionally, it highlights the use of innovative practices to strengthen BDMG's sustainable financing framework.

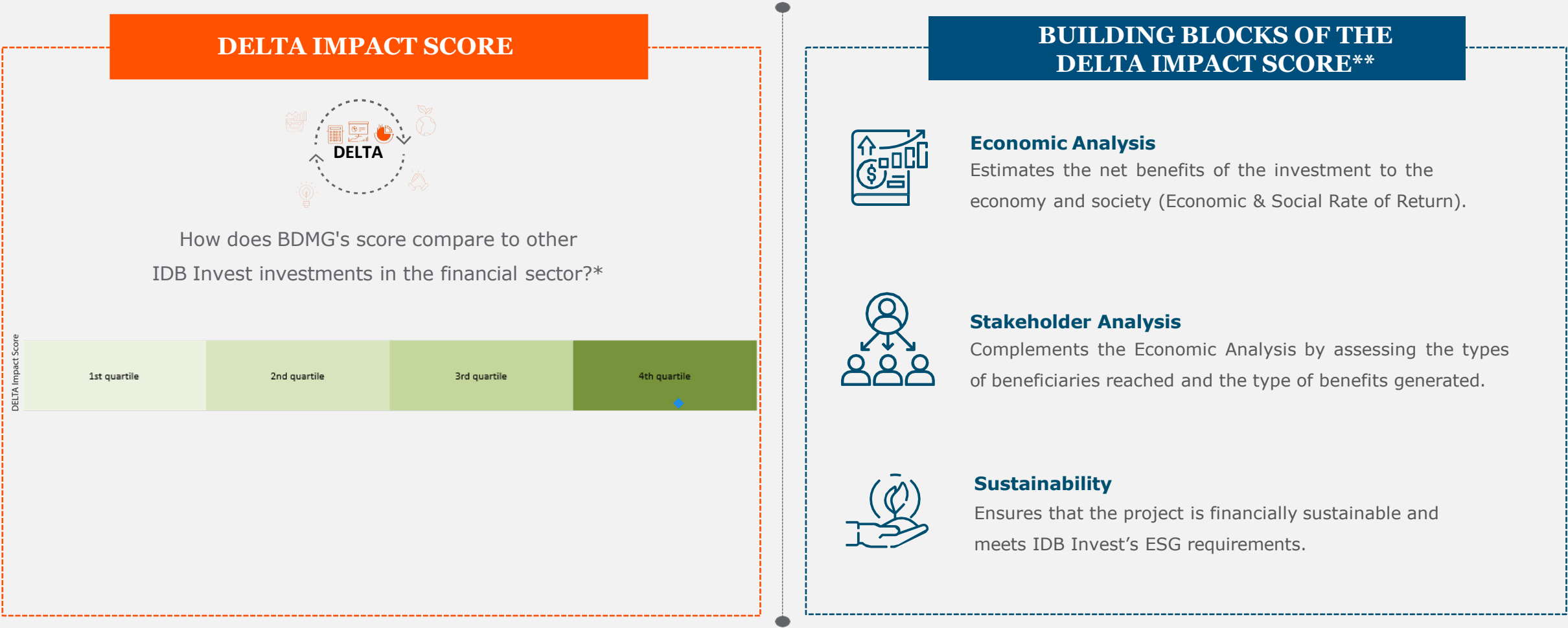


DELTA Impact Score

The DELTA is IDB Invest's rating system for assessing the expected economic, social, and environmental impact of each investment. The DELTA Impact Score* is tracked and updated annually to monitor and benchmark investment performance.

*To complement the DELTA Impact Score, IDB Invest calculates an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes. The "DELTA Project Score" is the overall rating assigned to each project that encompasses both the DELTA Impact Score and the DELTA Additionality Score.

Benchmarking BDMG's DELTA Impact Score



* In comparison with the last DELTA impact score of peers in BID Invest's portfolio based on their latest supervision date.

** To complement the DELTA Impact Score, IDB Invest computes an Additionality Score to ensure that it provides financing beyond what is available in the market and that it contributes to better investment outcomes.

The DELTA Project Score is the overall score that encompasses both the DELTA Impact Score and the DELTA Additionality Score.



Let's continue the conversation.

-  [idbinvest.org/blog](mailto:info@idbinvest.org)
-  [idbinvest.org/linkedin](https://www.linkedin.com/company/idbinvest)
-  [idbinvest.org/twitter](https://twitter.com/idbinvest)
-  [idbinvest.org/facebook](https://www.facebook.com/idbinvest)