

1. Project Description Mezzanine Mexico Uno (MMU) aims at providing direct mezzanine loans to medium-sized Mexican enterprises that are seeking adequate leverage structures to support long term growth opportunities and improve productivity. The purpose of the project is to support MMU's efforts to increase access to finance and, in particular, to mezzanine products to medium-sized Mexican enterprises. Vector Partners, S.C. ("VP") will serve as the manager of MMU. It is expected that MMU will have a life of 8 years with a 3 years investment period, both of which will have two 1-year extension option. The Project consists of a senior A-loan (revolving line of credit) of up to MXN420 million (approximately US\$23 million). MMU'S target size is of approximately MXN2.1 billion (approx. US\$115 million) expected to be financed by loans granted by the IIC and other Senior Lenders. IIC will become participant together with the other Senior Lenders in a co-financing agreement to provide mezzanine financing to medium-sized Mexican companies through MMU.

2. Environmental and Social Categorization and Rationale: This operation is classified as an FI-2 under the IIC's Sustainability Policy. Based upon the nature of this transaction (i.e. a partnership to provide funding to a financial entity for mezzanine finance on-lending to medium sized corporates), there are likely to be minimal to moderate direct environmental, social or health and safety (ESHS) and labor impacts and risks. The likely investment sectors include food and beverage, agriculture, manufacturing, retail, and IT, among others. The average sub-loan will be of US\$7 million approximately. MMU will not be permitted to invest in Category A sub-projects. The applicable E&S requirements include the IIC's Exclusion List, national E&S laws and regulations and the IFC Performance Standards.

3. Environmental and Social Risks and Impacts: Environmental and social risks may be related to occupational health and safety, supply chains, air emissions, and pesticide / chemical use in the agriculture sector. Vector Partners will be required to manage these risks through the application of an Environmental and Social Management System (ESMS). The ESMS has been developed with the support of the IFC, and approved by Vector Partners's Board. The ESMS includes a grievance mechanism for external complaints related to sub-project impacts. Vector Partners will work in tandem with IIC and IFC in the E&S analysis and documentation of the first three sub-loans prior to Vector Partners's Investment Committee approval.