

1. Overview of Scope of IIC Environmental and Social (“E&S”) Review. The IIC evaluated Davivienda's capacity to handle the E&S risks of their housing portfolio which will be financed with IIC funds. 2. Environmental and Social Classification and Justification. This Project is categorized as FI-3 as per the IIC's Sustainability Policy due to the low risk imposed by Davivienda's sub-projects in the current or future portfolio and their size (up to US\$18,000 for VIPs and US\$35,000 for VISs). 3. Environmental and Social Risks and Impacts. The main E&S risks of this Project are associated with the location of the units. Some potential risks may include: polluted sites, locations that are prone to natural disasters, breach of construction regulations, use of hazardous materials during construction, etc. Davivienda has internal capabilities to identify and manage the E&S risks associated with its housing portfolio. Not only do they have a team dedicated to the analysis of the E&S aspects of all operations, but they also support this analysis with experts in the construction field who also assess the E&S risks. Davivienda has implemented a Social and Environmental Risk Management System (“SARAS”), which includes procedures specifically applied to the housing portfolio to assess the compliance with the national legislation, licenses and permits as well as with the activities in the IIC Exclusion List. As part of the monitoring and supervision process, the builders of VIPs and VISs shall submit environmental management reports yearly to inform on the E&S aspects of the housing developments. 4. Mitigation Measures. Davivienda shall guarantee that all the loans granted with IIC funds comply with the IIC Exclusion List, the applicable national E&S regulations and the IIC Sustainability Policy. Davivienda staff in charge of the E&S analysis of the loans shall take the online course on E&S Risk Management for financial intermediaries.