

# Government of Honduras

**Type of Engagement:** Allocation Review

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**Engagement Team:**

Taylor Whitfield, [taylor.whitfield@morningstar.com](mailto:taylor.whitfield@morningstar.com)

Camilo Barrientos, [camilo.barrientos@morningstar.com](mailto:camilo.barrientos@morningstar.com)

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## Introduction

In November 2024, the Government of Honduras (“Honduras” or the “Issuer”) developed the Green, Social and Sustainable Thematic Bonds Framework of the Republic of Honduras (the “Framework”) <sup>1</sup>, under which it issued a USD 700 million sustainable sovereign bond (the “2024 Sustainability Bond”) to finance or refinance projects that have positive environmental and social impact. In November 2025, Honduras engaged Sustainalytics to review the projects financed with proceeds from the 2024 Sustainability Bond (the “Nominated Expenditures”) and provide an assessment as to whether they meet the use of proceeds criteria established in the Framework. Sustainalytics has not provided a Second-Party Opinion on the Framework.

## Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures as to whether they meet the use of proceeds eligibility criteria defined in the Framework.

Appendix 1 provides a summary of the Nominated Expenditures.

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<sup>1</sup> Green, Social and Sustainable Thematic Bonds Framework of the Republic of Honduras, at: [https://www.sefin.gob.hn/download\\_file.php?download\\_file=/wp-content/uploads/2024/11/Marco-Referencia-ING.pdf](https://www.sefin.gob.hn/download_file.php?download_file=/wp-content/uploads/2024/11/Marco-Referencia-ING.pdf)

**Table 1: Use of Proceeds Categories and Eligibility Criteria**

Use of Proceeds Category	Eligibility Criteria
<b>Access to renewable energy</b>	<p>Green financing and refinancing includes:</p> <ul style="list-style-type: none"> <li>• Design, construction, operation and maintenance of electricity generation systems from renewable sources such as solar photovoltaic, concentrated solar, wind, hydroelectric under 25 MW,<sup>2</sup> oceanic, geothermal,<sup>3</sup> including those with energy storage, together with the acquisition of renewable energy (Renewable Energy Generation Program<sup>4</sup>).</li> <li>• Promotion of public policies, creation of regulations and development of research aimed at facilitating an effective energy transition.<sup>5</sup></li> <li>• Specialized training initiatives in vocational training centers to improve technical skills in renewable energy issues (e.g. installation).</li> </ul>
<b>Sustainable management of natural resources, land use, protected land and marine areas</b>	<p>Green financing and refinancing includes:</p> <ul style="list-style-type: none"> <li>• Promotion and implementation of practices and policies that ensure responsible and balanced management of forest resources.<sup>6,7</sup></li> <li>• Integrated management of water-related ecosystems.</li> <li>• Programs for the conservation and restoration of native and exotic forests.</li> <li>• Management and restoration of national parks and conservation areas.<sup>8</sup></li> <li>• Biodiversity preservation and monitoring in protected marine ecosystems.</li> <li>• Strengthen and optimize the regulatory framework and forest management.</li> <li>• Promote sustainable waste management.<sup>9</sup></li> </ul>
<b>Adaptation to climate change</b>	<p>Green financing and refinancing includes:</p> <ul style="list-style-type: none"> <li>• Disaster risk analysis, assessment and communication.<sup>10</sup></li> <li>• Development of capacities to manage risk situations.</li> <li>• Implementation of monitoring systems to identify disaster risks.</li> <li>• Corrective and prospective actions to reduce disaster risks.<sup>11</sup></li> <li>• Construction of defense structures to prevent river flooding.<sup>12</sup></li> </ul>

<sup>2</sup> Depending on the size and location, projects must comply with national legislation and mitigate their impacts. Projects that, due to their size and location, involve a higher risk must comply with Honduras' General Environmental Law. In addition, the country has safeguards manuals for the participation of indigenous populations in environmental and social programs or projects.

<sup>3</sup> An update of the National Geothermal Promotion Policy (PNFG, by its Spanish acronym) is underway. Secretariat of Energy. Annual Report 2022 (2023).

<sup>4</sup> Projects in the green energy efficiency category must be designed to improve efficiency and promote the use of renewable energy. This includes the promotion of energy-efficient electrical devices without extending the useful life of technologies or assets that support the fossil fuel.

<sup>5</sup> These expenses are intended to carry out energy analysis, evaluating renewable energy sources and energy efficiency, in order to promote access to electricity from renewable sources and develop sustainable electricity markets.

<sup>6</sup> Eligible expenditures in this category do not consider the expansion of land use for commercial activities.

<sup>7</sup> Among the initiatives being implemented by the Government of Honduras is the National Strategy against Logging and Illegal Transport of Forest Products, which seeks to investigate reports and indications of environmental crimes.

<sup>8</sup> The project to strengthen the national system of protected areas of Honduras - SINAPH (Life web Initiative) is being implemented.

<sup>9</sup> The Padre Andrés Tamayo Reforestation and Watershed Protection Program (PPAT) includes activities aimed at improving solid waste management in the country's municipalities.

<sup>10</sup> The Secretariat of Risk Management and National Contingencies (COPECO) continues to conduct flood risk assessments and inspections of vulnerable and threatening areas nationwide to assist the population in the event of such incidents and/or emergencies.

<sup>11</sup> The project selection criteria for this category must be aligned with the National Adaptation Plan, since the General Environmental Law establishes that such initiatives must directly contribute to the resilience of the most vulnerable populations to the effects of climate change.

<sup>12</sup> In 2022, the Honduran Social Investment Fund implemented mitigation projects in the Sula Valley, specifically in the construction and repair of water protection works (embankments).

<p><b>Sustainable agriculture</b></p>	<p>Green financing and refinancing includes:</p> <ul style="list-style-type: none"> <li>• Investments in silvopastoral and/or agroforestry systems, primarily targeted at small producers.<sup>13</sup> These investments will not finance the expansion of land and/or livestock.</li> <li>• Investments in agro-climate information and early warning systems.</li> <li>• Soil restoration with appropriate forest management.</li> <li>• Organic agricultural production.<sup>14</sup></li> <li>• Investments in reforestation/forest regeneration.</li> </ul>
<p><b>Support for vulnerable or low-income groups and populations, and reduction of inequalities</b></p>	<p>Financing of programs and projects to improve social inclusion, reduce poverty and inequality, and increase access to essential services for vulnerable population groups<sup>15</sup> (youth, women, children, migrants, people with disabilities, indigenous peoples).</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Solidarity Network Program, especially the social protection axis: Conditional cash<sup>16</sup> transfers<sup>17</sup> aimed at the population living in extreme poverty.<sup>18,19</sup></li> <li>• Solidarity Action Program,<sup>20</sup> which includes the following initiatives: <ul style="list-style-type: none"> <li>○ Bono de Oro: social compensation to people who have reached the category of senior citizen.<sup>21</sup></li> <li>○ Bono Esperanza: seeks to support low-income people with disabilities who have difficulties working and producing their own income.<sup>22</sup></li> <li>○ Pink voucher: monetary benefit for women fighting against cancer.<sup>23</sup></li> <li>○ Other applicable cash transfers based on vulnerabilities.</li> </ul> </li> </ul> <p>Financing of actions and measures aimed at closing gender gaps, through the promotion of women's empowerment and access to socioeconomic opportunities.<sup>24</sup></p>

<sup>13</sup> Honduras is implementing policies to make agricultural systems sustainable. Eligible livestock projects do not seek to change livestock. These types of initiatives seek to encourage investments oriented to the identification and viability of climate-smart agricultural technology, but also to the adoption of sustainable practices in agricultural production.

<sup>14</sup> The Secretariat of Agriculture and Livestock is coordinating efforts for the implementation of the following projects/programs: National Sustainable Rural Development Program, National Sustainable Livestock Platform, and the Competitiveness and Sustainable Development Project for the Southwest Border Region.

<sup>15</sup> Programs and projects in this category specifically target vulnerable populations, such as people living in extreme poverty, people with disabilities, women, children and youth in vulnerable conditions, and older adults with insufficient income. Prominent examples include the Solidarity Network Program (REDSOL, by its Spanish acronym) and the Solidarity Action Program (PROASOL, by its Spanish acronym).

<sup>16</sup> In the Solidarity Network Program, conditionalities and co-responsibilities are established to ensure that the Conditional Cash Transfers (CCTs) are used for the designed purpose.

<sup>17</sup> In addition, the Government of Honduras is working to strengthen accountability mechanisms to improve the transparency of social programs, including Social Oversight through Civil Society Organizations (CSOs).

<sup>18</sup> The amounts assigned to each Conditional Cash Transfer (CCT) of the Solidarity Network Program are found in Ministerial Agreement No. 036-2022. This regulation establishes that each type of CCT is determined in a specific and detailed manner.

<sup>19</sup> Ministerial Agreement 036-2022 on the Solidarity Network Program, its scope, targeting and components.

<sup>20</sup> Executive Decree Number PCM-20-2022

<sup>21</sup> Solidarity Action Program (PROASOL, by its Spanish acronym). Matrix of goods and services provided.

<sup>22</sup> Solidarity Action Program (PROASOL, by its Spanish acronym). Matrix of goods and services provided.

<sup>23</sup> Ministry of Social Development (SEDESOL, by its Spanish acronym). Catalog of Goods and Services 2023.

<sup>24</sup> In reference to actions aimed at promoting gender equality, the III Plan for Gender Equality and Equity in Honduras is in the final stages of construction, framed within the framework of the international conventions to which Honduras is a signatory or subscriber.

<p><b>Employment generation and support for SMEs<sup>25</sup></b></p>	<p>Financing projects aimed at generating employment, promoting entrepreneurship, and facilitating the labor market insertion of vulnerable people, including entrepreneurship in rural areas.</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Monetary transfers to generate income opportunities and/or local and human empowerment (Solidarity Network Program component).<sup>26</sup></li> <li>• Support for companies, including SMEs, affected by events or economic challenges.</li> <li>• Financial support through loans<sup>27</sup> or other financing alternatives for SMEs facing economic challenges.</li> <li>• Support for employment generation.</li> <li>• Development of infrastructure and plans to improve the accessibility of financial services to individuals and MSMEs.</li> <li>• Construction of new financial ventures in rural areas.</li> <li>• Development of programs for the digitalization of processes for the creation of SMEs.</li> <li>• Development of employment training projects.</li> </ul>
<p><b>Access to education</b></p>	<p>Financing of investment programs and projects focused on strengthening education access, building excellence in public education through all levels of education, with special emphasis on those living in extreme poverty.</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Cash transfers targeted at school-age people, especially in rural areas,<sup>28,29</sup> and improvements in public schools (e.g., the School Infrastructure Improvement Program).</li> <li>• Promoting access to quality education.<sup>30,31</sup></li> <li>• Educational scholarship program<sup>32</sup> (solidarity scholarships)<sup>33</sup> for elementary, middle and higher education.</li> <li>• Free tuition program<sup>34</sup> for pre-school, elementary and middle school education.</li> <li>• Acquisition of technological equipment for educational purposes.</li> </ul>

<sup>25</sup> Decree No. 135-2008 defines MSMEs as the group of micro, small and medium-sized enterprises in the urban and rural sectors. This segment constitutes an important business sector, as sources generating new employment opportunities and as a significant factor for the increase of production. Microenterprises have a maximum of ten (10) paid employees. Small enterprises have a minimum of eleven (11) and a maximum of fifty (50) paid employees. Medium enterprises employ a minimum of fifty-one (51) employees and a maximum of one hundred and fifty (150) paid employees.

<sup>26</sup> Ministerial Agreement 036-2022 on the Solidarity Network Program, its scope, targeting and components.

<sup>27</sup> The Government of Honduras is implementing the National Program for Financial Education and Inclusion of MSMEs and the Social Sector of the Economy.

<sup>28</sup> The Solidarity Network Program has an educational component aimed at providing the necessary economic means (cash transfers) so that minors can cover the expenses associated with enrollment and attendance at educational centers, allowing them to attend and pass the grades corresponding to the Basic and High School levels.

<sup>29</sup> Ministerial Agreement 036-2022 on the Solidarity Network Program, its scope, targeting and components.

<sup>30</sup> The category of access to education includes programs to expand coverage by improving coverage and the school environment and strengthening the quality of the educational offer.

<sup>31</sup> For example, the Mejoramiento De La Calidad En La Educación Prebásica En Honduras (Improving the Quality of Pre Basic Education In Honduras) project, implemented by the Secretariat of Education.

<sup>32</sup> Ministerial Agreement No. 020-B-SEDESOL-2023 states that the objective of this type of program is to strengthen and increase access, permanence and completion of educational levels through the granting of educational scholarships in various modalities and other academic benefits to young people living in poverty, extreme poverty and/or social vulnerability.

<sup>33</sup> Decree No. 09-2023.

<sup>34</sup> Secretariat of Education. Lineamientos generales del Programa Matrícula Gratis (General guidelines of the Free Enrollment Program) (n.d.), 5

<p><b>Food security</b></p>	<p>Financing initiatives that guarantee a healthy and nutritious food service.</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Monetary transfers to mitigate the insufficient food gap (component of the Solidarity Network Program).<sup>35</sup></li> <li>• School feeding program.<sup>36</sup></li> <li>• Funding for programs to combat malnutrition and infant mortality.</li> </ul>
<p><b>Access to health services</b></p>	<p>Financing projects or initiatives related to the construction, operation and/or improvement of public hospitals or public health services with benefits for the population, with special focus on vulnerable population.</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Hospital infrastructure financing: build,<sup>37</sup> equip and operate hospitals, clinics and health care centers for the provision of public health services.</li> <li>• Purchase and distribution of medical supplies and medicines.</li> <li>• Promote efforts aimed at achieving vaccination coverage for all.</li> <li>• Access to public services and equipment to improve sexual, maternal and women’s health.<sup>38</sup></li> <li>• Cash transfers for maternity and/or early childhood health care, with emphasis on rural areas (component of the Solidarity Network Program).<sup>39</sup></li> </ul>
<p><b>Access to basic services and infrastructure</b></p>	<p>Financing expenses to facilitate access to basic infrastructure.</p> <p>Some of the programs included are:</p> <ul style="list-style-type: none"> <li>• Investments in the improvement of new and existing drinking water treatment systems and aqueducts, with the objective of increasing access, quality, reliability, capacity and efficiency of the service.</li> <li>• Investments in the development and strengthening of new and existing wastewater and sewage treatment systems to improve access, quality, efficiency, and safety.</li> <li>• Investments in household connections for access to drinking water and sanitation.<sup>40</sup></li> <li>• Investments to expand the coverage of households to the electricity grid.<sup>41</sup></li> <li>• Road infrastructure investments, focused on urban and rural areas with the highest poverty rates.<sup>42</sup></li> </ul>

<sup>35</sup> Ministerial Agreement 036-2022 on the Solidarity Network Program, its scope, targeting and components.

<sup>36</sup> The National School Meals Program (PNAE, by its Spanish acronym) consists of providing a plate of food every day of the school year to children enrolled in the country’s public sector. This is a flagship program for the country and is a benchmark in the region.

<sup>37</sup> The Secretariat of Health has planned the construction of hospitals in Ocotepeque, Salamá, Santa Bárbara, the Trauma Hospital in San Pedro Sula and Tegucigalpa, and the completion of the construction and equipping of the Roatán Hospital.

<sup>38</sup> The government is implementing the Program to Improve the Management and Quality of Maternal-Neonatal Services to contribute to the reduction of maternal-neonatal mortality in the poorest areas of the country and in priority hospitals.

<sup>39</sup> Ministerial Agreement 036-2022 on the Solidarity Network Program, its scope, targeting and components

<sup>40</sup> The Honduran Social Investment Fund, in 2022 implemented projects in the area of potable water, sanitation and infrastructure.

<sup>41</sup> The objective of these initiatives is to provide access to electricity to the vulnerable population that lacks this service. According to the National Demographic and Health Survey (ENDESA, by its Spanish acronym), in 2019, 88% of the country’s households were connected to the electricity grid.

<sup>42</sup> The roads eligible for this financing include both the main arteries connecting cities and towns, as well as secondary and tertiary roads that ensure access to more remote and rural areas, especially those with the highest poverty rates in the country. In addition, maintenance projects for paved and unpaved road networks will be included. These road improvements will serve the entire population, especially those vulnerable populations that currently have limited or poor access to the existing road network.

## Issuing Entity's Responsibility

Honduras is responsible for providing accurate information and documentation relating to the Nominated Expenditures, including a description of the projects, assets and amounts allocated.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of the 2024 Sustainability Bond. The work undertaken as part of this engagement included collecting documentation from Honduras and the review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and facts presented by Honduras with respect to the funded projects and assets. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by Honduras.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

## Conclusion

Based on the limited assurance procedures conducted,<sup>43</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the Nominated Expenditures do not meet the use of proceeds criteria outlined in the Framework. Honduras has disclosed to Sustainalytics that the proceeds from the 2024 Sustainability Bond were fully allocated as of 31 July 2025.

## Detailed Findings

Table 2: Detailed Findings

Eligibility Criteria	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of the Nominated Expenditures to determine alignment with the use of proceeds criteria outlined in the Framework.	All Nominated Expenditures reviewed comply with the use of proceeds criteria.	None

<sup>43</sup> Sustainalytics limited assurance process includes reviewing the documentation relating to the details of projects, including description, estimated and realized costs, and project impact, as provided by the Issuer, which is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

## Appendix

### Appendix 1: Allocation Reporting

Use of Proceeds Category	Projects Financed	Project Description	Net Proceeds Allocated (USD millions)	
			Refinanced (Nov 2023 - Oct 2024)	Financing (Nov 2024 - Jul 2025)
<b>Access to renewable energy</b>	Purchase of Renewable Energy	Renewable Energy Purchases aimed at prioritizing the acquisition of clean and sustainable energy to diversify the country's energy mix, reduce dependence on fossil fuels, and contribute to climate change mitigation. Purchased renewable energy under the 2024 Sustainability Bond comprised wind, solar and geothermal power.	-	30.51
<b>Sustainable management of natural resources, land use and protected terrestrial and marine areas</b>	National Reforestation and Watershed Protection "Father Andrés Tamayo"	The Padre Andrés Tamayo Reforestation and Watershed Protection Program (PPAT) aims to restore forest ecosystems, protect water sources, and strengthen environmental management in Honduras through comprehensive actions including reforestation, environmental crime control, community agroforestry systems, and environmental education.	16.41	15.01
<b>Adaptation to Climate change</b>	Flood Control Works in the Sula Valley	Flood Control Works in the Sula Valley is a public investment initiative aimed at increasing the resilience of vulnerable families to flooding in one of the country's most exposed regions. Through these actions, the program seeks to reduce the exposure and vulnerability of the inhabitants of the Sula Valley, improve critical infrastructure for protection against excessive rainfall, flooding, and landslides, and consolidate a climate governance model that enables sustainable risk management at the territorial level.	2.13	2.19
<b>Sustainable agriculture</b>	Agroforests	Agroforests, led by the Forest Conservation Institute (ICF), is an initiative that seeks to transform rural areas through the implementation of agroforestry systems. Its purpose is to restore degraded landscapes, diversify agricultural production, and guarantee sustainable livelihoods for thousands of rural families, with	2.00	5.19

		a special focus on the country's coffee-growing regions.		
<b>Support for low-income groups and populations, and reduction of inequalities</b>	Promotion and Social Support for Vulnerable Groups	<p>The Promotion and Social Support for Vulnerable Groups is a social protection strategy that serves people in situations of social and economic vulnerability through the provision of conditional cash transfers and support to organizations working with at-risk populations.</p> <p>The initiative administers direct support programs known as social vouchers:</p> <ul style="list-style-type: none"> <li>• Gold Voucher, aimed at adults over 65 years of age living in poverty.</li> <li>• Hope Voucher, aimed at people with disabilities who face barriers to accessing basic services. Individuals must have a medical certificate verifying their disability.</li> <li>• Pink Voucher, focused on women diagnosed with breast cancer who are in extremely vulnerable situations.</li> </ul>	12.66	6.07
	Conditional Cash Transfers (CCT) From the Solidarity Network	CCTs are a social protection strategy of the Solidarity Network aimed at reducing inequality gaps and guaranteeing fundamental rights to families living in poverty and extreme poverty. Through the delivery of direct economic support, linked to compliance with commitments in health, education, and nutrition, the initiative seeks to incentivize school attendance, preventive medical care, and early childhood development.	4.86	7.70
	Departmental Development in Social Infrastructure	The Departmental Social Infrastructure Development Portfolio is an initiative aimed at improving the quality of life of communities living in poverty, extreme poverty, and vulnerability nationwide. Financed expenditures included school kits for children living in poverty, food baskets for families under the national poverty level, financing for small, basic construction expenses, and financing for micro-enterprises.	4.62	3.24

<b>Employment generation and support for MSMEs</b>	Community Development and Productive Funds	The Community Development and Productive Savings and Credit Cooperatives spending group aims to strengthen social cohesion and promote financial inclusion in communities experiencing poverty and extreme poverty. The initiative combines social co-responsibility actions through conditional cash transfers, community training, and institutional strengthening, with productive financing mechanisms managed through rural and urban savings and credit cooperatives.	15.80	6.79
	Strengthening Business Development Centers in the Lempa and Yoro Region	The Strengthening of Business Development Centers in the Lempa and Yoro Region aims to boost innovation and growth in small businesses by providing access to technological resources, financing, and specialized technical assistance.	1.87	1.77
	Crédito Alternativo Popular (CAP)	Crédito Alternativo Popular (CAP) aims to provide access to soft loans for Micro, Small, and Medium Enterprises (MSMEs) and the Social Economy Sector (SSE) in western Honduras, in order to enhance their productive capacity, investment in infrastructure, acquisition of technology and inputs, generate employment, and contribute to regional economic growth.	3.57	1.27
	Brother, Sister, Come Home	Brother, Sister, Come Home is a Honduran government initiative designed to provide comprehensive support to returning migrants, ensuring a safe and dignified return to the country. The initiative offers humanitarian aid, economic assistance, and specialized training to promote the social and labor reintegration of returning migrants and strengthen their capacity to undertake new productive projects.	-	1.60
<b>Access to education</b>	Free Enrollment	Free Tuition is a public policy promoted by the Ministry of Education that guarantees free tuition in public preschool (ages 0-6), primary (grades 1-9), and secondary (grades 10-12) schools.	21.09	27.22
	Scholarships And Literacy	The Scholarship and Literacy portfolio is an inter-institutional initiative designed to expand access to, retention in, and the quality of education for children, youth, and adults living in poverty and extreme poverty in targeted villages.	52.21	29.35

	Support For Decentralized and Non-Profit Educational Institutions	Support for decentralized and non-profit educational institutions consists of allocating capital transfers to educational institutions and non-profit entities linked to pedagogical work.	6.09	-
	Volunteers At Community Preschool Education Centres	The Community Early Childhood Education Center Volunteer Portfolio aims to recognize and support the work of volunteers who manage and operate community early childhood education centers in vulnerable communities, such as remote rural areas, in conditions of poverty and extreme poverty, and where the minimum number of students is not met.	6.62	1.85
	Improvement of School Infrastructure	The School Infrastructure Improvement Program aims to ensure that schools across the country have adequate, safe, and functional physical spaces for learning, contributing to improved educational quality at all levels, from preschool to secondary education.	8.31	-
<b>Food security</b>	National School Feeding Program	The National School Feeding Program (PNAE) aims to guarantee daily rations of nutritionally balanced food for preschool and primary school students in Honduras, contributing to improved nutritional status, health, and academic performance. The program operates in more than 22,000 government schools and benefits over 1.3 million children in all 18 departments of the country.	34.23	28.27
	Comedores Solidarios	Comedores Solidarios (Solidarity Kitchens) aims to combat poverty and malnutrition by providing nutritious and balanced meals to vulnerable families and communities in Honduras, with a special focus on female heads of household.	1.47	1.77
<b>Access to healthcare services</b>	Primary Health Care Services	Primary Health Care Services aim to guarantee timely and equitable access to comprehensive health services for the Honduran population, prioritizing prevention, health promotion, and primary care as central pillars.	32.29	9.61
	Secondary Level Health Care Services	Secondary Healthcare Services aim to provide specialized services that complement primary care. This level of care is concentrated in departmental and regional hospitals,	1.29	63.52

		as well as specialized centers, where diagnosis, treatment, and follow-up are provided for health conditions requiring greater complexity and technical resources.		
	Solidarity Network for Child Health and Development	The Solidarity Network for Health and Child Development provides access to primary healthcare services for families living in poverty and extreme poverty in targeted villages, using an inclusive approach that respects gender and ethnicity.	1.62	0.45
	Hospital Construction	The Hospital Construction program aims to develop modern and functional hospital infrastructure nationwide to improve healthcare, guarantee access to quality health services, and strengthen the country's health system.	16.95	34.45
<b>Access to basic services and infrastructure<sup>44</sup></b>	Municipal Interconnection	The Municipal Interconnection project aims to strengthen the country's secondary and tertiary road network, which currently spans 2,901 km. Between 2023 and 2025, 224.2 km were improved, resulting in the construction of concrete roads connecting municipalities and their villages to the main primary routes.	-	1.42
	Productive Pathways	The Productive Roads program aims to improve the living conditions of the Honduran population by strengthening and maintaining the country's tertiary and local road network, which currently spans 13,125 km, including sewerage. Between 2023 and 2025, 2,110 projects were undertaken nationwide.	2.45	6.60
	Bridge Construction and Maintenance	The Bridge Construction and Maintenance program aims to improve Honduras' road connectivity by building and maintaining safe and functional infrastructure, facilitating the movement of people, vehicles, and goods. For the period covered by this document, a total of 40 bridges were built and restored. The actions include the rehabilitation of damaged structures, the construction of protection works, channeling of rivers and streams, as well as repair and cleaning work of superstructures and substructures.	0.97	1.82

<sup>44</sup> For all road and bridge infrastructure financed under this category, Honduras has confirmed that the projects were focused on the highest poverty areas of the country.

Maintenance of the National Road Network	Road Network Maintenance aims to ensure that the country's road infrastructure is maintained in adequate and safe condition, guaranteeing the mobility of people, vehicles, and goods, while contributing to commercial development, local investment, and territorial integration. The expenses include periodic maintenance work of paved road network for 4802.6km between 2023 and 2025. In the unpaved road network, routine maintenance work is carried out that includes shaping, ballasting, installation and repair of culverts, construction of walls and heads, cleaning of landslides, as well as the cleaning of the right of way, ditches and culverts, throughout the national territory, managing to serve 2333.8km between 2023 and 2025.	14.58	7.78
Road Rehabilitation	Road Rehabilitation aims to improve traffic conditions on paved roads within the national primary road network, ensuring safer and more efficient travel. This initiative seeks to boost commercial development and investment nationwide, strengthening connectivity between regions and contributing to the country's economic growth. Between 2023 and 2025, priority was given to addressing 218.5 km of roads in the departments of Francisco Morazán, El Paraíso, Comayagua, Intibucá, and Ocotepeque.	34.51	21.48
Road Construction and Paving	Road Construction and Paving aims to improve traffic conditions on unpaved roads, facilitating the safe and efficient movement of vehicles. This initiative seeks to boost commercial development and investment nationwide, strengthening connectivity between communities and production centers. Between 2023 and 2025, 300.9 km of new roads were addressed, prioritized in the Departments of Francisco Morazán, Yoro, Olancho, Choluteca, Comayagua, Cortés, Santa Bárbara, Copán, Intibucá, Lempira, and El Paraíso.	42.46	15.21
Emergency Response in Public Infrastructure	Public Infrastructure Emergency Response is designed to respond swiftly and effectively to damage caused by natural disasters to the country's road network.	3.42	6.33
Construction of Infrastructure	The Gender-Responsive Construction initiative develops infrastructure projects nationwide, such as road	2.99	12.06

	Works with a Gender Focus	maintenance and road connections to schools and hospitals, that target the poorest areas of the country and integrate a gender perspective.		
<b>Net Proceeds Allocated (USD millions)</b>			<b>347.49</b>	<b>350.52</b>
<b>Unallocated Net Proceeds (USD millions)</b>			--	
<b>Net Proceeds Raised (USD millions)</b>			<b>698.01</b>	

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