



QUARTERLY STATUS REPORT



September 30, 2025

Financing projects to preserve, protect and enhance
the environment of the U.S.-Mexico border

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1. Project and Financing Activity

1.1. Approvals

At an extraordinary virtual meeting in August, the Board of Directors authorized the Water Resiliency Fund (WRF) and up to US\$400 million in financing to support implementation of priority infrastructure projects to conserve and diversify water supply sources in the U.S.-Mexico border region. The funds are aimed at supporting border communities and the agriculture sector, which face significant challenges due to prolonged droughts and severe water shortages. Through the WRF, NADBANK will allocate up to US\$100 million from retained earnings over the next five years to provide concessional financing, and US\$300 million in low-interest loans from its lending program, with resources divided equally between the U.S. and Mexico. For more information, see [WRF announcement](#).

During the third quarter of 2025, five environmental infrastructure projects were approved for a total of US\$103.3 million in loans, including the first two projects ratified through the Water Investment Program (WIP), as follows:

- *Border-wide Sustainability Financing for Mercader Financial in Mexico.* On August 27th, the Board approved a loan for up to \$800 million pesos (US\$42.3 million) for this Mexican non-bank financial intermediary to support lending and lease operations for eligible projects within Mexico's 300-kilometer (186-mile) border region. The expected environmental benefits include reducing energy consumption and/or emissions through the use of more efficient vehicles in freight, personal and urban transportation, as well as through cogeneration systems and energy-efficient industrial equipment for food dehydration and tortilla production.
- *Water and Wastewater Infrastructure Improvements for the Metropolitan Area of Monterrey, Nuevo Leon.* On September 3rd, through the WIP, the Bank approved a loan for up to \$300 million pesos (US\$16.0 million) to implement multiple water and wastewater infrastructure projects in the metropolitan area of Monterrey. The proposed waterworks are part of the primary supply system and will improve service quality across nearly the entire area, while rehabilitating aging wastewater collection infrastructure to prevent recurrent operational failures. The project is expected to benefit approximately 5.3 million residents.
- *Wastewater Treatment and Reuse Project for Rancho La Puerta in Tecate, Baja California.* On September 3rd, through the WIP, the Bank approved this private-sector project to serve the Rancho La Puerta wellness resort that will also treat part of the City of Tecate wastewater, with a US\$5.0-million loan. The project is expected to improve wastewater services for about 13,600 Tecate residents by easing pressure on the public treatment system and reducing the risk of untreated discharges into the Tecate River, a transboundary tributary of the Tijuana River. The effluent from the treatment plant will be used to irrigate green spaces and crops within the resort. The biogas generated will power resort facilities.

- *Border-wide Sustainability Financing for Engen in Mexico – Tranches A and B.* On September 25th, the Board approved financing for up to US\$40 million for 397 CAP, S.A. de C.V., SOFOM, E.N.R (“Engen”), a Mexican non-bank financial institution that finances small and medium-sized enterprises for the acquisition of productive assets. This financing has been divided into two projects: Tranche A in U.S. dollars and Tranche B in Mexican pesos. The Tranche A loan is mainly expected to be used to finance water and energy-efficient equipment and renewable energy projects in the manufacturing, food and transportation sectors, while Tranche B will mainly finance transportation projects. Together, the projects are expected to save energy and water, recover solid waste for reuse, and reduce pollutant emissions.

Table 1 provides a breakdown of the projects approved by environmental sector, country and type of financing, along with a comparison of the last three years.

TABLE 1: APPROVAL OF ENVIRONMENTAL INFRASTRUCTURE PROJECTS

	First Nine Months Ended		Year-end		
	2025	2024	2024	2023	2022
Projects Approved	5	15	20	11	10
By sector					
Water	2	7	8	5	4
Solid waste	-	-	-	-	2
Air quality ¹	2	2	3	-	1
Urban development	-	1	1	-	1
Sustainable energy	1	2	3	2	1
Sustainable buildings	-	1	2	2	-
Green manufacturing	-	-	1	1	-
Sustainable food value chains	-	2	2	1	1
By country					
Mexico	5	10	13	6	7
United States	-	5	7	5	3
By financing type					
Loan	5	8	12	7	7
Grant	-	6	7	4	2
Loan & grant	-	1	1	-	1

¹ Projects currently include an international border crossing and mobility projects.

Table 2 provides a breakdown by environmental sector, country and financing program of all the financing approved during the year, including any additional funding approved for projects certified in prior years, along with a comparison of the last three years.

TABLE 2: APPROVAL OF FINANCING FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS
(Thousand USD)

	First Nine Months of		Year-end		
	2025	2024	2024	2023	2022
Financing Approved¹	\$ 103,324	\$ 213,201	\$ 362,201	\$ 235,640	\$ 372,945
By Sector					
Water	21,042	19,000	19,700	43,240	195,107
Solid waste	-	-	-	-	9,138
Air quality	62,283	19,340	57,341	-	63,000
Urban development	-	4,126	3,978	-	20,000
Sustainable energy	20,000	145,000	205,000	105,000	65,700
Sustainable buildings	-	10,000	50,000	56,400	-
Green manufacturing	-	-	11,166	15,000	-
Sustainable food value chains	-	15,735	15,016	16,000	20,000
By Country					
Mexico	103,324	67,201	118,201	68,640	243,795
United States	-	146,000	244,000	167,000	129,150
By Program					
Loans	103,324	200,201	348,501	213,200	357,054
Grants: ²					
BEIF	-	11,000	11,200	21,940	15,441
CAP	-	2,000	2,500	500	450

¹ Figures include financing approved for new projects, as well as additional funding approved for projects certified in prior years. In 2022, the urban development and the solid waste loans, both in Mexico, were subsequently cancelled prior to year end. In 2024, a water loan in Mexico was cancelled prior to year end.

² Includes the Border Environment Infrastructure Fund (BEIF), which is administered by NADBank with funding provided and approved by the U.S. Environmental Protection Agency (EPA), and the NADBank Community Assistance Program (CAP).

1.2. Financing Activity

For the year to date, NADBank has contracted US\$62.3 million—three loans totaling up to US\$58.9 million and three grants totaling US\$3.4 million—with the sponsors of six certified projects in water and wastewater system improvements, cleaner freight transportation, climate-resilient housing and resource-efficient manufacturing.

During the past three months, the Bank disbursed close to US\$28.5 million in loans and grants to implement 19 certified projects. These included the final loan disbursement for the OSME Medical Complex in San Luis Rio Colorado, Sonora; the full disbursement of the Community Assistance Program (CAP) grant for emergency repairs to a lift station in Sunland Park, New Mexico, and the final CAP grant disbursement for expansion of the wastewater collection system in Ímuris, Sonora.

For the year to date, NADBank has disbursed US\$161.0 million in loans and grants for 30 certified projects in various stages of implementation. Table 3 shows disbursements by environmental sector, country and type of funding, while Table 4 presents the distribution by project.

TABLE 3: DISBURSEMENTS FOR ENVIRONMENTAL INFRASTRUCTURE PROJECTS
(Thousand USD)

	First Nine Months of		Year-end		
	2025	2024	2024	2023	2022
Financing Disbursed	\$ 160,994	\$ 169,386	\$ 279,044	\$ 232,492	\$ 102,162
By sector					
Water	41,387	53,584	57,803	90,947	25,997
Solid waste	-	-	-	449	-
Air quality ¹	1,495	-	5,710	-	63,000
Urban development	-	-	3,978	-	-
Sustainable energy	48,608	96,507	165,577	113,387	3,044
Sustainable buildings	64,245	4,295	10,460	27,709	-
Green manufacturing	5,259	15,000	15,000	-	-
Sustainable food value chains	-	-	20,516	-	10,121
By country					
Mexico	97,146	67,449	104,871	67,467	31,882
United States	63,848	101,937	174,173	165,025	70,280
By financing type					
Loans	156,216	153,234	258,673	218,829	90,030
Grants	4,778	16,152	20,371	13,663	12,132

¹ Current projects include mobility and an international border crossing.

TABLE 4: DISTRIBUTION OF DISBURSEMENTS TO CERTIFIED PROJECTS

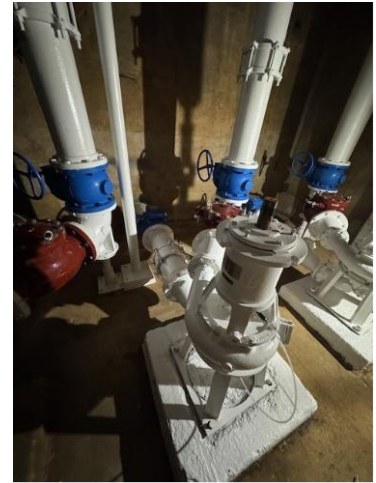
	First Nine Months of		Year-end		
	2025	2024	2024	2023	2022
Projects Funded	30	24	35	30	24
By sector					
Water	20	17	20	22	20
Solid waste	-	-	-	1	-
Air quality ¹	1	-	1	-	1
Urban development	-	-	1	-	-
Sustainable energy	4	5	7	5	2
Sustainable buildings	4	1	2	2	-
Green manufacturing	1	1	1	-	-
Sustainable food value chains	-	-	3	-	1
By country					
Mexico	17	13	21	15	16
United States	13	11	14	15	8
By financing type					
Loan	11	8	16	9	5
Grant	19	16	19	21	19

¹ This category currently includes an international border crossing and mobility projects.

1.3. Project Implementation

During the third quarter of 2025, construction was completed on five projects to improve basic water and wastewater services, as well as one energy storage facility. These projects were partially financed through a NADBank loan or a grant under the NADBank Community Assistance Program (CAP) or the Border Environment Infrastructure Fund (BEIF), funded by the U.S. Environmental Protection Agency (EPA).

Delta Street Sewer Pump Station Failure in Calipatria, CA. Repairs to the pump station, damaged by excessive solids passing through the sewer system, were completed in July 2025 for this community of 3,200 residents, located about 23 miles north of the city of El Centro in Imperial Valley. As the only pump station serving the entire community, it is essential for conveying all the wastewater collected to the local treatment plant. NADBank provided a CAP grant for emergency repairs, which included replacing one pump, rehabilitating a second pump and the dry well, and installing new valves and pipelines. The rehabilitated pump station is back in operation, now safely conveying approximately 1.73 million gallons per day (mgd) of wastewater to the treatment plant, eliminating the possibility of sewage backing up into homes or overflowing onto streets.



Fort Duncan Energy Storage Project in Maverick County, TX.

The battery energy storage system (BESS) initiated commercial operations on June 25, 2025 and completed construction in July 2025. Located about six miles east of the city of Eagle Pass and partially financed with a NADBank loan, the 32-acre facility includes two substations and a transmission line connecting it to the Texas grid. The BESS enhances grid reliability and efficiency by reducing reliance on thermal plants to balance demand fluctuations, minimizing energy losses, and facilitating the integration of electricity generated by intermittent renewable energy sources, such as solar and wind power. The facility is expected to store and deliver sufficient electricity annually to serve about 66,100 households, preventing an estimated 29,930 metric tons/year of carbon dioxide and other pollutants.



Wastewater Collection System Improvements (Phases I and II) in Mexicali, B.C. As part of the local utility (CESPM) Strategic Wastewater Plan, two projects to replace deteriorated sewer lines in 37 subdivisions and rehabilitate three major lift stations were completed in June 2025. In total, 14.6 miles of sewer lines were replaced, improving system reliability for 594,000 residents by reducing the risk of system failures that could discharge up to 35.3 million gallons per day (mgd) of sewage onto local streets or into the New River, which flows north into the United States. Both projects were partially funded with a BEIF grant.



Lift Station 4 upgrade (Phase I)



Sewer line in Prohogar subdivision (Phase II)

Water Treatment Plant Replacement and Water Meter Upgrades in Jim Hogg County, TX.

After replacing the entire water extraction system and completing testing, the new reverse osmosis water plant became fully operational in September 2025, with a capacity of up to 1 million gallons a day (mgd) that meets water quality standards. The new plant has increased treatment capacity and system reliability, and improved water quality for the 4,558 residents of Hebbronville by reducing arsenic and total dissolved solids to acceptable levels. The groundwater source for the community is the Gulf Coast Aquifer, which has the highest levels of naturally occurring arsenic in the state. Financed with a NADBank loan in the form of revenue bonds, the project also included installation of 1,813 ultrasonic meters, replacing underreporting meters that caused approximately 4.1 million gallons per year in non-revenue water losses.



Reverse osmosis treatment system



Ultrasonic water meter

Agua SUD Wastewater Collection and Treatment (East) Project in Palmview, TX.

In September 2025, work was completed on the installation of sewer lines and residential connections along four additional streets. This project is the first phase of Agua Special Utility District (Agua SUD) wastewater development plan to extend service to its customers in the eastern service area. Construction of the wastewater collection system, five lift stations and the pressure main connecting to the Mission Wastewater Treatment Plant was funded by the state. NADBank provided a BEIF grant for 1,661 residential connections and decommissioning of the corresponding on-site septic systems, providing first-time service to approximately 8,183 residents in this community located about eight miles northwest of McAllen in Hidalgo County, Texas. The project will collect and treat an estimated 900,000 gallons per day of wastewater.



At the end of the quarter, 48 projects partially funded with NADBank loans and/or grants were in various stages of implementation or pending financial closeout. Project status as of September 30, 2025, is provided in Annex 1, with additional details available in the report on Project Implementation Activities for Active Projects on the NADBank website ([Active project report](#)).

1.4. Project Development

Project Pipeline

As of September 30, 2025, the Bank was working with the sponsors of 44 potential environmental infrastructure projects seeking an estimated US\$387.3 million in financing, including five projects under the Water Investment Program (WIP) program. Table 5 shows a breakdown of the projects by environmental sector, country and funding program.

TABLE 5: PROJECTS UNDER DEVELOPMENT
As of September 30, 2025

	Projects (No.)	Est. NADBank Financing (Thousand USD)
Project Pipeline	44	\$ 387,266
By Sector		
Water	37	\$ 201,866
Solid waste	1	10,000
Air quality	2	32,400
Sustainable energy	3	123,000
Urban development	-	-
Sustainable buildings/industrial parks	1	20,000
Green manufacturing & products	-	-
Sustainable food value chains	-	-
By Country		
Mexico	27	\$ 299,586
U.S.	17	87,680
By Financing Type¹		
Loans	10	\$ 258,130
BEIF grants	25	107,436
Loan & BEIF grant ²	1	13,750
CAP grants	7	3,900
Loan & CAP grant ³	1	4,050

¹ Border Environment Infrastructure Fund (BEIF) funded by the U.S. Environmental Protection Agency (EPA) and administered by NADBank, as well as its Community Assistance Program (CAP).

² Potential financing includes a US\$3.75 million loan and US\$10.0 million BEIF grant for a wastewater project in the U.S.

³ Potential financing includes a US\$3.30 million loan and US\$750,000 CAP grant for a water project in the U.S.

During the third quarter of 2025, the Bank published the certification and financing proposals for four projects for public comment, which were subsequently submitted for Board consideration:

- Border-wide Sustainability Financing for Engen Capital in Mexico which include Tranches A & B;
- Sustainability Bond for the State of Tamaulipas; and
- Sustainability Financing for SERFIMEX in the Northern Border Region of Mexico.

The first two projects sponsored by Engen Capital were approved by the Board prior to the end of the quarter.

All pipeline projects are eligible to receive support for design, financial structuring, and other development activities through the Bank's technical assistance programs. Information on technical assistance awarded for projects in development is provided in Section 4 of this report.

Water Investment Program (WIP)

Authorized by the Board of Directors in January 2025, the WIP establishes a programmatic certification and financing umbrella, authorizing NADBANK to ratify qualified water, wastewater and stormwater infrastructure projects to receive a loan and/or a CAP or BEIF grant, subject to the procedures, guidelines and limitations established under the program and in compliance with the policies and procedures of the relevant funding source.

In September, NADBANK ratified its first two projects under the WIP, approving loans totaling an estimated US\$21.0 million to support a water and wastewater improvement project in Monterrey, Nuevo Leon, and the construction of a wastewater treatment and reuse system for a private wellness resort in Tecate, Baja California.

Following preliminary review during the third quarter, three projects were identified as potential candidates under the program:

- Bejar Estates Residential Wastewater Connections in El Paso County, TX (CAP);
- Wastewater Collection System Improvements in Anthony, NM (BEIF); and
- Cameron County Drainage District No. 6 Drainage Project (loan).

The following table summarizes the status of projects under WIP as of September 30, 2025.

TABLE 6: WIP PROJECT ACTIVITY
As of September 30, 2025

Status	Number	Financing (Thousand USD)
Projects identified	9	\$ 53,952
<i>of which:</i>		
Ratified	2	21,042
In due-diligence review process*	4	5,414
Cancelled **	3	27,496

* Includes three CAP grants totaling US\$1.76 million and a BEIF grant for \$3.65 million.

** Includes Cameron County Drainage District No. 6, which awarded the loan to another financial institution through a competitive bid process; the water project in Saltillo, Coahuila, where the Bank decided not to participate in the bid process; and the sustainability financing for State of Sonora, as the proposed financing structure for NADBANK participation was not permitted under the Mexican Financial Discipline Law for States and Municipalities.

With respect to the US\$175.0-million financing limit for loans and CAP grants under the WIP, to date, the Bank has approved two loans totaling US\$21.0 million, leaving US\$154.0 million available for future projects, as shown in Table 7.

**TABLE 7: FUNDING STATUS FOR LOANS AND CAP
As of September 30, 2025**

(Thousand USD)	
WIP funding commitment	\$ 175,000
Project ratifications:	
Loans	21,042
CAP grants	—
Total	<u>21,042</u>
Available funding	\$ 153,958

2. Results Measurement



2.1. Project Closeout Process

The final stage of project implementation is the closeout process, which assesses and documents achievement of the fundamental objectives of a project regarding the investments made, infrastructure built, or equipment and services provided. In addition, the closeout report provides important feedback on lessons learned and best practices for future projects.

To date, the Bank has completed closeout reports for 181 infrastructure projects. At the end of the quarter, reports were in progress for eight loan-funded projects, four funded with a NADBank grant, nine with a BEIF grant and two with both a loan and a BEIF grant.

2.2. Impact Assessments

NADBank expects to finalize two impact assessment studies by the end of the year. The first, developed in collaboration with the U.S. Section of the International Boundary and Water Commission (IBWC) and the Texas Commission of Environmental Quality (TCEQ) examines the effects of environmental infrastructure projects funded by the Bank between 1995 and 2020 on the Rio Grande River basin between El Paso and Brownsville, TX. The second study evaluates the CAP investments implemented between 2013-2024 to determine their effectiveness in delivering intended results, identify the program elements that contributed to successful outcomes, and assess areas for extending program reach and improve its responsiveness to the environmental infrastructure needs of economically distressed communities in the border region.

NADBank continues reviewing its results measurement system to align mechanisms—such as impact assessments—with the vision outlined in the 2024-2028 Strategic Plan. Current efforts focus on developing an effective process for incorporating findings from the closeout reports and impact assessments into initiatives for new programs, process improvements and effective project implementation aimed at achieving sustainable outcomes for the environment and border residents.

3. Status of Financing Programs

3.1. Development Asset Portfolio

During the first nine months of 2025, the Bank disbursed just over US\$156.2 million in development assets and received US\$100.6 million in principal payments, including US\$18.3 million in partial prepayments for four projects and repayment of a US\$31.8-million short-term bridge loan for an energy storage project in the United States.

In addition, in July 2025, Value Arrendadora, S.A. de C.V., SOFOM, E.R., made the final payment on a US\$6.95-million loan executed in 2020 to finance a border-wide public transportation vehicle program in Mexico.

As a result of this activity, NADBank closed the quarter with an outstanding loan balance of US\$1,188 million, a net increase of 4.9% from the end of 2024 (US\$1,133 million) and an 11.3% increase year over year (US\$1,067 million).¹

Table 8 provides a summary of the lending activity in 2024 and 2025, and its impact on the portfolio. At the end of the quarter, the Bank had US\$123.4 million in contracted loans pending disbursement for 13 projects, and up to US\$245.8 million in approved loans pending contracting for 17 projects.

TABLE 8: ANNUAL LENDING ACTIVITY

(Million USD)

	Year to Date 2025	Year End 2024
Outstanding balance, beginning of year	\$ 1,132.8	\$ 1,049.2
Loan disbursements	156.2	258.7
Principal amortizations	(82.3)	(163.2)
Loan prepayments	(18.3)	(11.8)
Outstanding balance, end of period	1,188.4	1,132.8
Loan commitments, pending disbursement	123.4	229.4
Loan approvals, pending commitment	245.8	285.5
Total loan approvals & commitments	369.1	514.8
Outstanding loans & loan commitments	\$ 1,557.5	\$ 1,647.6
Outstanding balances, before allowance for credit losses, unamortized fees, and effect of foreign exchange adjustments and hedged items.		

A breakdown of the current asset development portfolio by environmental sector, country and borrower type is shown in the following table and graphs.

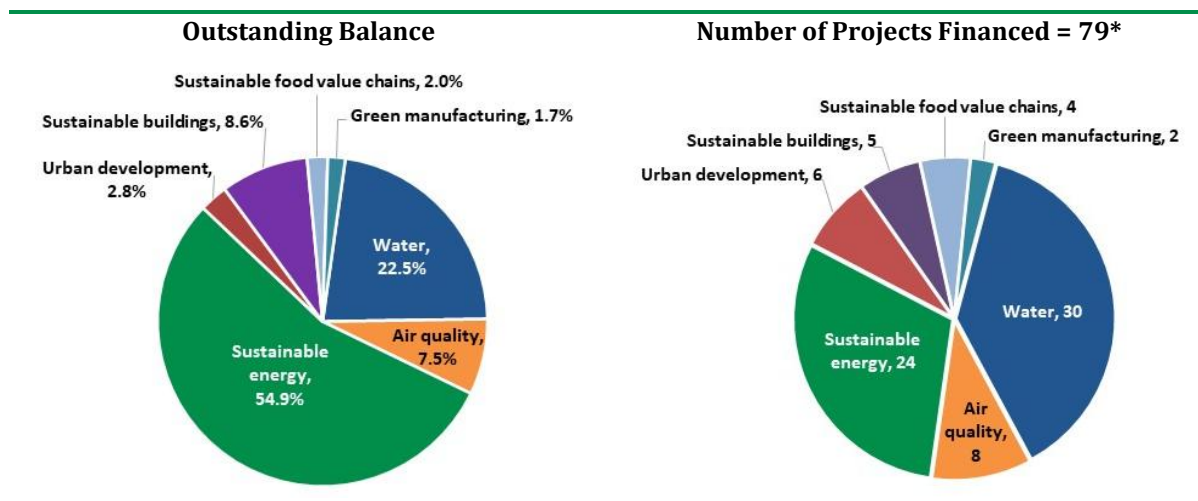
¹ These figures do not take into account allowances for credit losses, foreign exchange adjustments, unamortized loan fees and the fair value of hedged items.

TABLE 9: BREAKDOWN OF LOAN PORTFOLIO¹
As of September 30, 2025

	No. of Loans		Outstanding Balance	
	No.	%	Thousand USD	%
Outstanding Loan Portfolio	72	100	\$ 1,188,390	100
By Environmental Sector				
Water	23	32.0	\$ 267,712	22.5
Air quality ²	8	11.1	88,492	7.5
Sustainable energy	24	33.3	652,575	54.9
Urban development	6	8.3	32,896	2.8
Sustainable buildings	5	6.9	102,414	8.6
Sustainable food value chains	4	5.6	24,042	2.0
Green manufacturing	2	2.8	20,259	1.7
By Country				
Mexico	47	65.3	\$ 732,158	61.6
U.S.	25	34.7	456,232	38.4
By Borrowers				
Public	30	41.7	\$ 336,698	28.3
Private	37	51.4	809,746	68.2
Public-private	5	6.9	41,946	3.5

1. Outstanding balances, before allowance for credit losses, unamortized fees, and effect of foreign exchange adjustments and hedged items.
2. Air quality includes paving, mobility and border crossing projects.

Figure 1
Loan Portfolio Distribution by Sector



* Twenty-three (23) loans in the water sector have partially funded 30 certified projects.

As of September 30, 2025, one loan with an outstanding balance of US\$3.5 million was classified as non-accrual, representing 0.3% of the loan portfolio. Detailed information about all NADBank loans and approved loan commitments at the end of the period is presented in Annex 2.

3.2. COVID-19 Recovery Program (ProRec)

In May 2020, the Board of Directors approved a two-year financing program in response to the effects of the COVID-19 pandemic to support projects that have both environmental benefits and direct positive impacts on the economy and well-being of residents in the U.S.-Mexico border region.

The two-year program expired at the end of 2022, having financed seven projects with loans totaling US\$63.4 million. On January 24, 2023, the last approved loan was contracted for US\$14.2 million to support the construction of a medical complex in Mexico using sustainable building techniques and materials; the final disbursement was made on August 27, 2025. Construction began in October 2023 and is approximately 83% complete. Detailed information about the ProRec-funded projects is available on the NADBank website ([Financed Projects](#)).

3.3. Green Loan Program

In June 2022, the Board of Directors approved the Green Loan Program with a financing commitment of up to US\$300 million to help increase long-term financing options for small businesses and farmers looking to implement green technologies to improve their operating efficiencies and reduce their environmental impact. Through this program, NADBank provides green loans to small- and medium-sized financial intermediaries for subsequent lending to eligible green projects that comply with the program's Green Loan Framework.

In September 2025, the Bank decided not to proceed with the US\$7.5-million loan approved for COFINE, SOFOM S.A.P.I. de C.V. To date, four loans totaling US\$42.5 million have been approved and contracted through this program with seven financial intermediaries in Mexico, and the loan proceeds have been fully disbursed.

With respect to project implementation, the proceeds of one green loan were allocated to finance an urban redensification project in downtown Monterrey, Nuevo Leon, which was completed in 2024. The sponsors of two green loans are in the process of allocating the loan proceeds to projects. One green loan has been placed on non-accrual and is in the process of being recovered.

Of the US\$300 million committed to this program, US\$257.5 million is available for future projects. Under the program, NADBank is currently working on two loans totaling an estimated US\$10.4 million with non-bank financial institutions that have business lines focused on sustainable energy and mobility.

3.4. Community Assistance Program (CAP)

Through this program, NADBank provides grant financing to support the implementation of critical environmental infrastructure projects in the water and solid waste sectors for economically distressed communities in the U.S.-Mexico border region.

For the year to date, the Bank signed a US\$500,000 grant agreement with the sponsor of a water supply project in Mexico and disbursed US\$1.4 million in CAP grants for five projects.

In terms of program funding, US\$4.9 million in grant funds provided by the U.S. Department of State (DOS) were used to cover part or all CAP disbursements for 13 projects and some supervision expenses. The overall status of CAP program funding as of September 30, 2025, is summarized in the table below.

TABLE 10: CAP FUNDING
(Million USD)

	2025	Cumulative
NADBank funding allocated	\$ -	\$ 15.57
U.S. Department of State grant	1.35	4.93
Funds committed for supervision	-	(1.12)
Grants approved for projects ¹	-	(13.61)
Funding available for future projects		<u>\$ 5.77</u>

1. Cumulative figures, less grant cancellations.

Of the 34 projects funded with CAP grants, 30 have completed implementation and four were in various stages of execution or preparing to initiate construction at the end of the quarter. Information on the status of projects currently in the process of being implemented or pending financial closeout as of September 30, 2025, is provided in Annex 1. More detailed information is provided in the report on Project Implementation Activities for Active Projects, which is available on the NADBank website ([Active project report](#)).

Figure 2
CAP Projects by Sector



3.5. Border Environment Infrastructure Fund (BEIF)

Through this program, NADBank administers grant resources provided by the U.S. Environmental Protection Agency (EPA) for the implementation of priority water and wastewater infrastructure projects located within 100 km of either side of the U.S.-Mexico border.

For the year to date, NADBank signed grant agreements totaling US\$2.9 million with the sponsors of two wastewater projects in Mexico and disbursed over US\$3.4 million in BEIF grants for 14 projects in implementation.

The overall status of BEIF program funding as of September 30, 2025, is summarized in Table 11.

TABLE 11: BEIF PROGRAM STATUS
(Million USD)

	2025	Cumulative
EPA funding allocations ¹	\$ –	\$ 828.25
Funds allocated for administration	–	(36.61)
Grants approved for projects ²	–	(745.39)
Grant cancellations in 2025 ³	(1.18)	
Funding available for future projects		\$ 46.25

1. The cumulative figure includes US\$329,029 in interest earned.

2. Cumulative figure, less grant cancellations, including those cancelled in 2025.

3. Unused funds de-obligated from completed projects during the current year.

Of the 143 projects funded with BEIF grants to date, 135 were completed and eight were in various stages of construction at the end of the quarter. Information on the status of projects that are currently in the process of being implemented or pending financial closeout as of September 30, 2025 is provided in Annex 1. More detailed information is provided in the Project Implementation Activities for Active Projects report, which is available on the NADBank website ([Active project report](#)).

4. Technical Assistance Programs

4.1. Technical Assistance Program (TAP)

To support project sponsors and border communities in the development of sustainable projects, NADBank offers various types of technical assistance in three categories: project development, institutional capacity building and sector studies to identify needs and generate knowledge about a new sector or technology.

During the third quarter of 2025, the Bank approved an additional US\$20,000 for consulting services to obtain the Leadership in Energy and Environmental Design (LEED) certification for the OSME Medical Complex in San Luis Rio Colorado, Sonora.

During the same period, four TAP-funded studies were completed:

- **User Registry Update and Development of a Commercial Billing System for Naco, Sonora.** The updated user registry and new billing system complement a CAP investment to install water meters for 100% of customer accounts, which will improve the commercial efficiency of the of the local utility and strengthen its institutional capacity. With this system, the utility will be able to better manage meter readings and billing, generate reports and identify high-use consumers and delinquent accounts. This information will support awareness campaigns, establish a performance indicator, and implement a continuous improvement system with performance tracking.
- **Update of the Risk Atlas in Nogales, Sonora.** Technical assistance was provided to update the flood maps developed by the Municipal Institute for Research and Planning (IMIP) and calculate water flows for various rainfall events based on varying return periods. The updated maps document the risks of flooding with potential impacts on Nogales, Sonora, and its sister city Nogales, Arizona, as well as identify potential sites for mitigation structures, such as retention or detention dams, to reduce stormwater impacts from the Los Nogales watershed.
- **Economic Feasibility Study of Alternatives for Managing Biosolids at the South Bay International Wastewater Treatment Plant (SBIWTP) in San Diego, California.** study analyzed the feasibility of integrating a process for anaerobic digestion (AD) with combined heat and power (CHP) to treat the sludge generated by the plant, using a public-private partnership model, comparing three alternatives: (i) lime stabilization/design-build; (ii) AD-CHP/design-build; and (iii) AD-CHP/design-build finance operate and maintain (DBFOM). The report recommended further evaluation of the design-build and DBFOM delivery methods, an assessment of AD-CHP technological advancements, a potential partnership with the City of San Diego for biosolids management and a market analysis to gauge private-sector interest, among other recommendations.
- **Stormwater Master Plan for the Village of Vinton in El Paso County, Texas.** The study created runoff models from three watersheds for 10-, 50- and 100-year storm

events to determine the boundaries of the flood zones in the community. Models were also used to determine the effects of flood control infrastructure at critical locations within the village limits. The study identified areas where additional development should be prohibited or modified to prevent flood damage, indicated that flood control structures would provide limited benefits and determined that floods will need to be controlled further upstream in areas where flood waters can be diverted. Based on this conclusion, potential flood control projects should be pursued with El Paso County, which has the jurisdiction for implementing flood control projects outside Vinton.

At the end of the quarter, there were 23 initiatives in process with a total TAP grant commitment of US\$3.13 million.

Utility Management Institute (UMI)

During the third quarter of 2025, UMI capacity building efforts focused on three main areas: (i) coordinating a solid waste management training program on the use of heavy equipment for landfill operations in three Mexican states; (ii) developing a program to strengthen technical, financial and managerial practices in water utilities in the State of Sonora; and (iii) planning for the second cycle of the Public Management Leadership Program (PLMP), along with other institutional initiatives to enhance public-sector governance and practices in both the U.S. and Mexico.

As part of the solid waste management initiative, a hybrid-structure seminar combining online sessions with field practice sessions for municipal officials and landfill operation personnel in Tamaulipas, Chihuahua and Sonora is scheduled for October. The seminar will consist of a 12-hour online course presented in six sessions and open to all interested parties, in particular middle and senior management, and a hands-on training for heavy equipment operators at designated landfills in each state.

Looking ahead, the tailored training program for water utilities in Sonora, the next PLMP cycle and other UMI training courses will be delivered in person, online or in a hybrid format during 2026.

4.2. Project Development Assistance Program (PDAP)

NADBank administers this EPA-funded program to assist communities in the development of water and wastewater projects that have been prioritized by EPA to receive BEIF grants.

During the third quarter of 2025, the Bank approved a US\$250,000 grant for analysis of alternative designs for rehabilitating the Las Arenitas Wastewater Treatment Plant in Mexicali, Baja California.

During the same period, three PDAP-funded studies were completed.

- **Update of the Analysis of Alternatives and Preliminary Wastewater Management Plan for Valadeces, Tamaulipas.** Through this study, the most suitable wastewater management solution was identified for the community of Valadeces in the municipality of Gustavo Díaz Ordaz. The analysis considered several options, including conveying the flows to the newly built treatment facility in the city of Gustavo Díaz Ordaz. After assessing topography, technical requirements and costs, among other factors, the study identified construction of a new plant using an upflow anaerobic sludge blanket (UASB) reactor, followed by a facultative lagoon and a constructed wetland, as the most viable option. A preliminary design of the facilities was developed in compliance with current regulations to meet projected demand over the next 20 years.
- **Transboundary Environmental Information Document and Waste Load Model for Ciudad Acuña, Coahuila.** This study used the QUAL-TX model to analyze pollutant volumes and concentrations in untreated wastewater discharges and assess their impact on the water quality of the Rio Grande River. In addition, the study included drafting the Transboundary Environmental Information Document to comply with the U.S. National Environmental Policy Act (NEPA), a requirement to obtain an EPA-funded BEIF grant for the proposed wastewater collection and treatment project.
- **Preliminary Engineering Report and Environmental Information Document for Douglas, Arizona.** The report included a topographic survey for extending water distribution and wastewater collection services to areas west of the city, as well as preliminary design parameters using a regional approach to providing these utility services. Under the proposed plan, the gravity sewer system will be extended west to State Route 80 and south on James Ranch Road to connect existing homes, businesses and the Border Patrol station, with flows conveyed to an existing wastewater treatment plant. In addition, the consultants prepared the Environmental Information Document to support compliance with NEPA requirements.

As of September 30, 2025, there were eight PDAP-funded studies in process with a total grant commitment of US\$1.96 million for the development of six water and/or wastewater projects.

TABLE 12: SUMMARY OF TECHNICAL ASSISTANCE ACTIVITY
(Thousand USD)

	First Nine Months of		Year-end		
	2025	2024	2024	2023	2022
Total Activities Completed	13	12	17	24	22
By Program¹					
TAP	7	7	9	9	6
UMI	-	-	-	5	4
ProRec	-	-	-	-	1
PDAP	5	5	8	10	11
TAP & PDAP	1	-	-	-	-
By Sector					
Water	12	10	15	20	17
Solid waste	-	-	-	1	-
Air quality	1	2	2	1	3
Sustainable energy	-	-	-	-	1
Climate change	-	-	-	2	-
ProRec	-	-	-	-	1
By Type					
Project development	11	9	13	16	16
Sector development	-	3	4	2	1
Institutional strengthening	2	-	-	6	4
ProRec	-	-	-	-	1
Funding Approved					
TAP	\$ 1,415	\$ 1,998	\$ 3,176	\$ 2,173	\$ 1,231
UMI	-	22	50	80	48
PDAP	1,280	1,362	1,987	1,506	1,258
Funding Disbursed					
TAP	1,133	\$ 1,131	2,014	1,300	\$ 501
UMI	33	2	19	72	38
ProRec	-	-	-	380	30
PDAP	991	1,252	1,467	1,197	1,080

¹ Technical Assistance Program (TAP), Utility Management Institute (UMI) and COVID-19 Recovery Program (ProRec) funded by NADBank and Project Development Assistance Program (PDAP) funded by the U.S. Environmental Protection Agency (EPA) and administered by NADBank. A grant from the U.S. Department of State has been used to cover TAP and UMI disbursements since 2022.

4.3. Border 2025: U.S.-Mexico Environmental Program

This binational program, developed by EPA and its Mexican counterpart, *Secretaría de Medio Ambiente y Recursos Naturales* (SEMARNAT), to improve the environment and protect the health of the millions of residents within 100 kilometers of both sides of the U.S.-Mexico border, focuses on initiatives for clean air, safe drinking water, reduced risk of exposure to hazardous waste and emergency preparedness. NADB provides logistical and administrative services with respect to identifying, contracting and managing projects and workshops funded by EPA under the program.

During the third quarter of 2025, NADBank continued its oversight of six initiatives previously approved for program funding and completed the procurement process for the development of an Electronic-Waste Resource Guide addressing the legal considerations

involved in e-waste management. The guide will include best practices, case studies and a comprehensive resource guide to support state and local governments, environmental organizations and those interested in e-waste collection and/or recycling in the border region. The initiative will begin next quarter and is expected to be completed by November 2026.

To date, 27 projects have been funded through the Border 2025 program, of which 21 were completed with just over US\$1.46 million in program funding. As of September 30, 2025, six projects remained in process with total grant commitments of US\$343,033.

TABLE 13: STATUS OF BORDER 2025 INITIATIVES
As of September 30, 2025

Goal	Completed	In process	Total
1. Reduce air pollution	6	1	7
2. Improve water quality	9	2	11
3. Promote sustainable waste management	5	3	8
4. Improve joint emergency preparedness	1	–	1
Total	21	6	27

New initiatives in both regions are anticipated to be identified and contracted in the last quarter of 2025. Additionally, NADBank will support logistics activities for meetings and facilitate on-going coordination efforts in both regions, with a focus on local community input for the development of a subsequent program to Border 2025.

5. Strategic Outreach Activities

In carrying out its mission, NADBank actively seeks partnerships with public and private entities to promote environmental sustainability in the border region. Leveraging its binational connections, the Bank brings together experts and stakeholders from both sides of the border to generate and share knowledge on environmental issues and emerging topics through studies, forums, webinars and other initiatives. The following are highlights of the outreach and collaborative efforts undertaken by NADBank during the past quarter.

NADBank Summit 2025: Advancing resilience and collaboration along the U.S.-Mexico border.

The NADBank Summit, held on August 28-29 in San Antonio, Texas, convened over 200 participants representing government institutions, industry and academia to address shared challenges in water, agriculture, mobility, urban development and energy. The two-day event underscored the importance of binational cooperation and exchanging knowledge to foster long-lasting growth and strengthen community resilience throughout the border region.

Throughout the discussions, water resiliency emerged as a central theme, framing conversations around infrastructure investment and access to essential services. Keynote speakers Diana Alarcon, Associate Executive Director of the World Bank and Rob Black, secretary of Economic Development for the State of New Mexico emphasized the importance of coordinated efforts to mobilize financial and technical resources for high-impact projects. and underscored the urgency of the issue. Participants echoed the need for affordable, reliable water systems as the foundation for continued growth. During the event, NADBank announced the creation of the Water Resiliency Fund, a new initiative to strengthen water infrastructure and security in border communities.

The Summit reaffirmed NADBank's role as a catalyst for binational cooperation and a partner in building a stronger, more resilient border region. See more details on the NADBank Blog published September 12th, [Building a Stronger, More Resilient Border Region: Highlights from NADBank Summit 2025](#)



NADBank launches US\$400-million Water Resiliency Fund

During the NADBank Summit, NADBank management announced the approval of the Water Resiliency Fund (WRF), highlighting the support from members of the U.S. Congress representing the border region, state and local officials from both countries, as well as water irrigation districts ([WRF announcement](#)).



Prior to the approval of the Water Resiliency Fund (WRF) by the NADBank Board of Directors on August 6, the program proposal was subject to a 30-day public comment period, during which 14 formal comments were received from interested stakeholders: seven from the United States and seven from Mexico. All expressed support for the proposed program and its focus on water conservation and diversification. The feedback ranged from brief statements of endorsement to detailed proposals identifying potential projects aligned with the WRF priorities.

In accordance with WRF guidelines, NADBank is preparing the first call for proposals to address urgent water conservation investment needs in the Lower Rio Grande Valley in Texas, which is expected to be launched in early November.



Upcoming Public meeting of the NADBank Board of Directors in San Antonio, TX

The NADBank Board of Directors will hold its second public meeting of the year in a hybrid format to attend in person in San Antonio, Texas or connect by videoconference. The purpose of the meeting is to provide the participants with an opportunity for an exchange of information with the Board of Directors about the work of NADBank and to share their views on environmental projects and issues affecting their region, as well as to offer suggestions for ways of enhancing the programs and services offered by NADBank

The event is scheduled for Monday, December 8, 2025, at 3:30 p.m. (Central Standard Time). To register, complete the [online registration](#) by December 5, 2025.

NADBank Credit Ratings Reaffirmed

On July 11th, Moody's Ratings affirmed NADBank's rating at Aa1/Prime-1 with a negative outlook, while Fitch Ratings affirmed its rating at AA on March 5th with a stable outlook. The affirmations reflect the Bank's strong capital adequacy, robust financial position, best-of-class risk management practices and the continued strategic importance of its mission to both the United States and Mexico. With Moody's rating, [NADBank concludes 2024 annual credit rating review cycle](#). The full credit reports are available on the NADBANK website ([Investors](#))

Additional Outreach Highlights

July– September 2025

- ♦ **July 8th and 9th – Meetings in Mexico City.** Managing Director John Beckham and Deputy Managing Director Alejandro Olivo Villa met with high-level officials, including the Secretary of Environment and Natural Resources and NADBank Board member, Alicia Barcena Ibarra; the U.S. Ambassador to Mexico, Ronald Johnson; and the Subsecretary of Economy, Luis Rosendo Gutierrez, among others. The discussions focused on advancing cross-border infrastructure and reviewing progress on ongoing efforts to address transboundary flows in the Tijuana River.



- ♦ **July 9th – Water Map Planning Study for the Rio Grande Valley (RGV) in Texas.** Chief Environmental Officer Salvador Lopez joined Hidalgo County Judge Richard F. Cortez and Willacy County Judge Aurelio "Keter" Guerra, along with other RGV representatives, to kick off the development of a roadmap for regional water planning funded through the NADBank TAP. During the visit, Mr. Lopez also presented the WRF initiative and gathered feedback from members of the Lower Rio Grande Valley Irrigation District Managers Association.



- ♦ **July 24th – Advancing Collaboration on Transportation in Arizona.** Director of Partnerships and Stakeholder Engagement Jesse Hereford traveled to Phoenix to meet with representatives from the Arizona Department of Transportation and border consultants. Discussions focused on ongoing transportation projects across the region and explored potential opportunities for NADBank financing to support infrastructure that enhances cross-border mobility and regional connectivity.
- ♦ **July 28th – Meetings on Regional Water Issues in San Diego California.** Jesse Hereford, Director of Partnerships and Stakeholder Engagement, held two meetings, one with NADBank Board member Denise Ducheny and representatives from the office of U.S. Senator Adam Schiff, and another with representatives from the San Diego Association of Governments, Smart Border Coalition, the California-Baja California Border Resiliency Plan Interagency Task Force and the San Diego Regional Water Resource Control Board to discuss ongoing collaboration on water quality issues.



- ♦ **August 19th – Visit to Juarez Water Utility.** Managing Director John Beckham met with representatives from the Juarez water utility to learn about their firsthand experience with Skills for Sustainability, a water utility workforce training program piloted in the El Paso-Juarez region and partially funded by NADBank. During the visit, he spoke with the General Manager, Human Resources Director and one of the program graduates who was recently hired by the utility. They highlighted the impact the program has had on building local capacity in the water sector.

- ◆ **August 20th – Binational Coordination Meeting with International Boundary and Water Commission.** Fernando Ortiz, Director of Technical Services and Grants, along with members of his team, participated in a binational coordination meeting with both sections of the International Boundary and Water Commission (IBWC/CILA). The discussions centered on reviewing the current state of wastewater treatment along the border and evaluating upcoming projects aimed at reducing wastewater flows in shared transboundary waterways.



- ◆ **August 20th – Public Meeting to Promote Wastewater System Improvements in Ciudad Acuña, COAH.** The local water utility, SIMAS, in coordination with the local steering committee, held a public meeting to present a proposed project to eliminate wastewater discharges to the Rio Grande River by rehabilitating and expanding portions of the municipal wastewater collection system. Utility and NADBank personnel described the current deterioration of the system and explained the development and status of the proposed project, along with its benefits and the next steps. The meeting was attended by approximately 60 residents.



- ◆ **September 9th – Joint Advisory Committee on Air Quality in El Paso-Juarez.** Chief Environmental Officer Salvador Lopez joined representatives from EPA Region 6, the Texas Commission on Environmental Quality, SEMARNAT, and the City of El Paso to discuss air quality issues in the El Paso-Juarez region. This committee continues to be instrumental in coordinating cross-border efforts and mobilizing joint investments in air quality monitoring and improvements.



- ◆ **September 25th – EnerBaja 2025 Forum in Baja California.** Esaul Ramirez, Associate Director of Structured Finance participated as a panelist on international collaboration and financing strategies to advance the energy transition in Baja California, where he highlighted the role NADB has played in supporting resilient energy infrastructure along the U.S.-Mexico border.



- ♦ **September 25th – Seminar on the Colorado River Delta restoration.** Chief Environmental Officer Salvador Lopez participated in the seminar “The Political Variable in the Restoration of the Colorado River Delta,” organized by the Luken Center and the Raise the River alliance. The event brought together experts and stakeholders to discuss policy, collaboration and environmental restoration efforts in the region. NADBank Board member Carlos de la Parra of the Luken Center played a key role in organizing and advancing this important discussion.

6. Financial Report

TABLE 14: FINANCIAL SUMMARY OF NADBANK ORDINARY CAPITAL RESOURCES
(Million USD)

	Nine Months Ended September 30,		Year -end		
	2025	2024	2024	2023	2022
Balance Sheet Data					
Total assets	\$ 2,515.7	\$ 2,297.5	\$ 2,401.6	\$ 2,287.9	\$ 1,994.1
<i>of which</i>					
Cash and investments	1,174.5	1,160.5	1,240.8	1,078.1	1,118.9
Gross loans outstanding	1,188.4	1,067.4	1,132.8	1,049.2	920.3
Other assets	193.9	156.1	147.8	177.2	100.9
Total liabilities	1,420.2	1,440.7	1,533.8	1,469.6	1,245.3
<i>of which</i>					
Current liabilities	69.0	58.6	80.8	73.2	53.2
Deferred U.S. capital contribution	45.0	165.0	165.0	165.0	165.0
Debt (short & long term)	1,178.1	1,146.4	1,306.4	1,123.7	1,063.5
Equity	1,095.5	856.8	867.8	818.3	748.8
<i>of which</i>					
Paid-in capital	715.0	506.0	506.0	506.0	496.0
Retained earnings	351.1	327.9	331.7	310.0	286.6
Callable capital	4,306.7	3,037.3	3,037.3	3,037.3	2,980.7
Income Statement Data					
Loan interest income	64.0	62.2	82.7	72.0	42.2
Investment interest income	36.6	32.7	45.5	30.4	11.2
Interest expense	51.3	52.0	70.4	59.1	26.1
Net interest income	49.3	42.9	57.8	43.3	27.3
Provision for credit losses	(3.1)	4.9	10.5	(1.7)	0.0
Net interest income after provision for credit losses	52.4	38.0	47.3	45.0	27.3
Operating expenses	16.3	14.9	20.4	20.4	19.0
Net operating income	36.1	23.1	26.9	24.6	8.3
Non-interest and non-operating income (expense)	(9.7)	(1.0)	10.1	4.0	0.2
Transfer to Environment Investment and Capacity Facility (EICF)	7.0	4.0	15.3	5.1	7.5
Net income	19.4	18.1	21.7	23.5	1.0
Ratios					
Loans / Equity (%)	108.5	124.6	130.5	128.2	122.9
Assets/ Equity (%)	229.6	268.1	276.7	279.6	266.3
Debt (short & long term) / Callable capital (%)	27.4	37.7	43.0	37.0	35.7
Liquid assets / Short-term debt (%)	929.2	883.9	964.1	20,341.5	21,111.3
Net income (LTM) / Equity (%)	2.4	2.8	2.6	3.0	0.1
Net operating income (LTM) / Equity (%)	4.1	3.5	3.2	3.1	1.1
Non-accrual loans / Loans outstanding (%)	0.3	0.9	0.8	-	-
Operating expenses (LTM) per \$1 M outstanding loans (\$)	18,344	19,112	18,008	19,443	20,645
Credit Ratings					
Moody's Investor Service	Aa1	Aa1	Aa1	Aa1	Aa1
Fitch Ratings	AA	AA	AA	AA	AA+

LTM = Last twelve months

Since 2023, all grant and technical assistance activities are reported under the Environment Investment and Capacity Facility (EICF), and all other operations of the Bank are reported

under Ordinary Capital Resources. Table 15 provides a summary of the EICF balance sheet as of September 30, 2025, along with a comparison to the 2024 year-end.

TABLE 15: EICF SUMMARY BALANCE SHEET (USD)				
	September 30, 2025		December 31, 2024	
Cash and cash equivalents	\$	36,922,802	\$	20,143,378
Receivables		3,148,639		11,467,595
Total assets	\$	40,071,441	\$	31,610,973
Payables	\$	147,744	\$	165,841
Undisbursed grant funds		2,839,492		2,378,419
Fund balance		37,084,205		29,066,713
Total liabilities and fund balance	\$	40,071,441	\$	31,610,973

The following table summarizes all the disbursements made by the Bank for the year to date, along with a comparison of the past three years.

TABLE 16: SUMMARY OF DISBURSEMENT ACTIVITY (Thousand USD)					
	Nine Months Ended September 30,		Year-end		
	2025	2024	2024	2023	2022
Total disbursements	\$ 163,289	\$ 172,173	\$ 283,057	\$ 236,355	\$ 104,307
By Program					
Loans	\$ 156,216	\$ 153,234	\$ 258,673	\$ 218,829	\$ 90,030
Infrastructure financing grants:					
Community Assistance Program (CAP)	1,351	-	140	1,191	802
Border Environment Infrastructure Fund (BEIF)	3,427	16,152	20,232	12,473	11,334
Technical assistance grants:					
Technical Assistance Program (TAP)	1,133	1,131	2,014	1,300	501
Utility Management Institute (UMI)	33	2	19	72	38
COVID-19 Recovery Program (ProRec)	-	-	-	380	30
Project Development Assistance Program (PDAP)	991	1,252	1,467	1,197	1,080
Border 2025: U.S.-Mexico Environmental Program	110	237	331	726	467
Air Quality Monitoring Fund (AQ Fund)	1	165	181	144	17
Other	27	-	-	43	8
Total	\$ 163,289	\$ 172,173	\$ 283,057	\$ 236,355	\$ 104,307
By Source					
NADBank	\$ 156,216	\$ 153,234	\$ 258,673	\$ 219,209	\$ 90,060
Environmental Protection Agency (EPA) ¹	4,528	17,641	22,030	14,438	12,880
U.S. Department of State (DOS) ²	2,517	1,133	2,173	2,564	1,342
Air Quality Monitoring Fund ³	1	165	181	144	17
Other	27	-	-	-	8
Total	\$ 163,289	\$ 172,173	\$ 283,057	\$ 236,355	\$ 104,307

¹ EPA finances BEIF, PDAP and Border 2025. EPA also provided a special grant classified as other that was disbursed between 2023 and 2025.

² DOS grants finance CAP and/or TAP disbursements.

³ This fund manages grants from the Texas Commission on Environmental Quality (TCEQ) and the Paso del Norte Community Foundation to improve air quality monitoring in the Paso del Norte air basin.

7. NADBank Profile



NADBank is a binational financial institution established and capitalized by the Governments of the United States and Mexico to provide financing to support the development and implementation of infrastructure projects, as well as to provide technical and other assistance for projects and actions that preserve, protect or enhance the environment in order to advance the well-being of the people of the United States and Mexico.

Pursuant to its charter, NADBank works closely with border communities, state agencies and other entities to develop affordable and self-sustaining projects in the areas of potable water, wastewater treatment and solid waste management, as well as projects aimed at improving air quality, conserving water, reducing energy consumption, developing renewable energy sources and promoting resilient communities, among others, located within 100 kilometers (about 62 miles) north or 300 kilometers (about 186 miles) south of the international boundary between the two countries.

As a development bank, NADBank offers various types of technical assistance and financial services to support border communities in the planning and design of sustainable environmental infrastructure projects, as well as to strengthen the institutional capacities of those responsible for implementing and operating the projects in the long term.

For more information, visit the NADBank website at www.nadbank.org.

ANNEX

ACTIVE PROJECTS BY STATE

SEPTEMBER 30, 2025

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ANNEX

NADBANK QUARTERLY REPORT
SEPTEMBER 30, 2025

NORTH AMERICAN DEVELOPMENT BANK ACTIVE PROJECTS BY STATE September 30, 2025

Project	Population to Benefit ¹	Approval Date	Total Cost	Total NADB Funding (Million USD)			Construction Phase ²		
				Approved	Contracted	Disbursed	Pre-const.	Construct.	Complete

UNITED STATES

CALIFORNIA

1	1	Bali Express (San Diego County)	MO		3-Dec-24	Reserved	38.00	7.75	1.50		1
2	2	Calipatria	WW	3,200	22-Jan-24	0.37	0.25	0.25	0.23		1
3	3	Innecare Medical Complex	SB	21,233	6-Oct-23	Reserved	36.40	35.96	35.96		1
4	4	Pome BESS (San Diego County)	ES	353,700	14-Nov-24	Reserved	60.00	60.00	60.00		1
5	5	Wildcat Energy Storage	ES	283	2-Mar-20	Reserved	4.21	4.21	2.48		1
		TOTAL CALIFORNIA		378,416		288.08	138.86	108.17	100.17	0	4

NEW MEXICO

6	1	Anthony	W	1,795	11-Apr-23	5.00	4.80	4.80	4.14		1
7	2	Doña Ana County (Sleepy Farms)	WW	7,900	13-May-21	4.47	2.15	2.15	1.84		1
8	3	Sunland Park/Santa Teresa (LS)	WW	10,800	28-Aug-24	0.38	0.25	0.25	0.25		1
		TOTAL NEW MEXICO		20,495		9.85	7.20	7.20	6.23	0	3

TEXAS

9	1	Anzalduas Port of Entry (Mission)	AQ	999,260	8-Jun-22	81.86	63.00	63.00	63.00		1
10	2	Arroyo energy storage (Cameron Co.)	ES	116,142	8-May-24	Reserved	85.00	73.26	63.04		1
11	3	El Paso County (LWWD)	W / WW	9,000	29-Jun-21	23.05	23.05	23.05	23.05		1
12	4	Fort Duncan Energy (Maverick Co.)	ES	211,551	23-Sep-24	Reserved	60.00	56.05	56.05		1
13	5	Hidalgo County (MHWSC)	W	8,082	5-Feb-24	0.56	0.50	0.50	0.50		1
14	6	Jim Hogg County	W	4,558	12-Nov-20	4.26	4.05	4.05	4.05		1
15	7	Laguna Madre WD (Long Island Village)	W/WW	2,939	11-Apr-23	20.80	20.80	20.80	20.80		1
16	8	Palmview (Agua SUD)	WW	8,183	21-May-20	48.20	6.00	6.00	5.72		1
17	9	Sunray Solar Park	SE	38,870	5-May-23	Reserved	45.93	45.93	45.93		1
18	10	Vinton	WW	2,043	14-Nov-19	19.73	3.00	3.00	2.17		1
		TOTAL TEXAS		1,400,628		837.68	311.32	295.63	284.29	0	6

18		TOTAL U.S.		1,799,539		1,135.61	457.38	410.99	390.70	0	10	8
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MEXICO

BAJA CALIFORNIA

1	1	Mexicali (Phase 1)	WW	557,000	21-May-20	7.76	4.37	4.37	4.33	1	
2	2	Mexicali (Phase 2)	WW	37,000	30-Nov-22	4.96	2.42	2.42	2.32	1	
3	3	Mexicali (force mains)	WW	753,000	19-Sep-23	6.80	3.40	3.40	2.76	1	
4	4	State of Baja California	W/WW	3,263,496	1-Dec-22	150.07	150.07	150.07	130.98	1	
5	5	Tijuana y Rosarito	W/WW	640,759	21-Jul-09	26.08	16.11	16.11	12.87	1	
6	6	Tec.-La Gloria WWTP	WW	187,036	1-Feb-11	8.23	4.13	4.13		1	
7	7	Tijuana (Oriente)	WW	154,000	21-Aug-20	1.99	1.00	1.00	0.88	1	
8	8	Tijuana (River diversion)	WW	688,000	14-Dec-23	30.88	13.44	13.44	0.12	1	
9	9	Tijuana (Agua Caliente Corridor)	MO	37,700	20-Feb-24	13.37	11.84	8.90	5.71	1	
		TOTAL B.C.		3,263,496		241.89	202.64	199.70	159.96	0	9 0

ANNEX
ACTIVE PROJECTS BY STATE

NADBANK QUARTERLY REPORT
SEPTEMBER 30, 2025

Project			Population to Benefit ¹	Approval Date	Total Cost	Total NADB Funding (Million USD)			Construction Phase ²		
						Approved	Contracted	Disbursed	Pre-const.	Construct.	Complete
CHIHUAHUA											
10	1	Ciudad Juarez	WW	246,860	6-Jun-22	26.90	26.90	11.50	8.48	1	
11	2	Ojinaga (2)	WW	6,240	12-Nov-20	4.00	2.09	2.09	1.55	1	
		TOTAL CHIH.		253,100		30.90	28.99	13.59	10.03	0	2 0
NUEVO LEÓN											
12	1	Dinercap-Kelq green loan (Monterrey)	UD	33,500	14-Aug-24	Reserved	3.98	3.98	3.98	1	
13	2	Monterrey (hydropanels)	W	1,470	6-Nov-24	0.55	0.50	0.50		1	
		TOTAL N.L.		34,970		0.55	4.48	4.48	3.98	1	1 0
SONORA											
14	1	Imuris	WW	8,750	7-Nov-23	0.95	0.50	0.50	0.50		1
15	2	La Pitaya Citrus Farm (Hermosillo)	SFVC		26-Sep-24	Reserved	11.50	11.50	9.00	1	
16	3	Naco	W	6,150	29-Apr-24	1.50	0.50	0.50		1	
17	4	Nogales (SW colonias)	W/WW	16,701	17-Nov-16	10.48	5.26	5.26	5.25	1	
18	5	OSME Medical Complex (San Luis RC)	SB	33,800	22-Nov-21	Reserved	14.21	14.21	14.21	1	
19	6	Sana Frozen Food Plant (San Luis RC)	SFVC	199,021	3-Jan-23	Reserved	16.00	8.00	8.00	1	
		TOTAL SON.		264,422		86.52	47.97	39.97	36.96	0	5 1
TAMAULIPAS											
20	1	Gustavo Diaz Ordaz	WW	12,354	30-May-19	8.55	4.51	4.51	4.06	1	
21	2	José Silva Sánchez (Soto la Marina)	W	135	19-Jun-18	0.26	0.25	0.25	0.20	1	
22	3	Miguel Alemán	WW	1,463	5-Sep-24	5.80	2.70	2.70		1	
23	4	Nueva Ciudad Guerrero	WW	5,209	20-Mar-20	4.53	2.26	2.26	2.05	1	
24	5	Nuevo Laredo	WW	416,055	23-Jan-24	81.20	8.00	8.00	0.19	1	
25	6	Nuevo Progreso	WW	10,272	17-Apr-24	1.15	0.50	0.50	0.01	1	
		TOTAL TAMP.		445,488		101.49	18.22	18.22	6.52	0	6 0
MEXICAN BORDER REGION											
26	1	4 Fis Sustainability Bond	SFVC		4-Sep-24	Reserved	3.52	3.52	3.52	1	
27	2	Active Leasing Green Loan	GM		2-Nov-23	Reserved	15.00	15.00	15.00	1	
28	3	Altum CP Green Loan	GM		6-Nov-24	Reserved	11.17	11.17	5.26	1	
29	4	BIM Sustainable Housing	SB		8-Dec-23	Reserved	20.00	20.00	7.24	1	
30	5	Mercader Pilot Program ³	MO		24-Jun-14	13.55	8.94	8.94	10.91	1	
31	6	Mercader Bus Program ³	MO		13-Sep-16	76.02	44.27	44.27	58.78	1	
32	7	SOFPLUS Green Loan	SB		12-Jun-24	Reserved	10.00	5.00	5.00	1	
33	8	Value Bus Program	MO	76,700	26-Jun-20	28.62	24.33	6.95	6.95	1	
34	9	Vinte Sustainable Housing	SB	2,400	20-Dec-24	Reserved	40.00	40.00	40.00	1	
		TOTAL MX Border		79,100		235.47	177.22	154.85	152.66	0	9 0
34	TOTAL MEX.			4,261,476		700.80	479.52	430.80	370.10	1	32 1
52	TOTAL NADB			6,061,015		1,836.41	936.90	841.80	760.79	1	42 9

1 Populations benefitting from more than one project are only counted once.

2 Projects in pre-construction are either under final design, in preparation for bidding or in bidding. Projects that have completed construction may still be considered active because financing is still in process (pending disbursement or deobligation).

3 As a revolving line of credit, the sum of disbursements can exceed the amount committed, but the outstanding balance never exceeds the amount committed.

AQ = Air quality; BUI = Basic urban infrastructure; FI = Financial intermediary; ES = Energy storage; GM = Green manufacturing; MO = Mobility; SB = Sustainable buildings; SE = Solar energy; SFVC = Sustainable food value chain; SW = Solid waste; UD = Urban development; W = Water; WE = Wind energy; WWTP = Wastewater treatment plant