Environmental and Social Review Summary ("ESRS")

Kredit: Securitization to Support Senior Citizens in Colombia / 15550-01

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1. **Scope of Environmental and Social Review**. The Environmental and Social ("E&S") assessment of the proposed transaction consisted of a review of the relevant documentation, including policies, plans, and procedures, as well as the credit portfolio of the Financial Institution ("FI") Kredit Plus S.A.S. ("Kredit Plus"), and communications with representatives of the institution.

2. **Environmental and Social Categorization and Rationale**. The proposed transaction is classified as FI-3 according to the IDB Invest Sustainability Policy. The financing will support FI's payroll-deduction consumer credit operations targeting senior citizens, with a focus on financial inclusion, credit normalization, and debt consolidation for low-income populations. As of June 30, 2026, this segment comprises 48,841 borrowers with an average age of 68.5 years; 89.4% of the outstanding portfolio corresponds to borrowers earning less than three legal monthly minimum wages, and 66.4% of the portfolio is originated outside Bogotá, Medellín, and Cali. Consequently, the subprojects associated with this financing are expected to generate low or negligible adverse environmental and social risks and impacts. Given that the operation finances general purpose consumer loans granted to individuals, IDB Invest's Exclusion List will be applied through screening borrowers against restricted and sanctions lists, in accordance with the procedure described under Mitigation Measures, rather than through assessing the specific use of proceeds of each individual loan.

   The average loan amount within the elderly portfolio is approximately US$7,131[1] (equivalent to COP22.1 million), with an average tenor of 154 months.

   The transaction is considered aligned with the Paris Agreement, based on an analysis conducted following the IDB Group Paris Alignment Implementation Approach.

3. **Environmental and Social Risks and Impacts**. The main E&S risks of this transaction are associated with FI´s capacity to identify and manage the risks associated with its financing activities. These E&S risks may be related to labor rights, waste generation, among others. The level of E&S risk associated with the subprojects is considered low.

4. **Mitigation Measures**. As part of its credit process, the FI reviews compliance with applicable national laws and regulations, including Colombian consumer financial protection, Anti-Money Laundering / Countering the Financing of Terrorism ("AML/CFT"), and labor frameworks. Collection of loan repayments is carried out through direct deductions from pension payments in accordance with Law 1527 of 2012, which legally limits the percentage that may be deducted and serves as a structural safeguard against borrower over-indebtedness. Kredit Plus has an AML/CFT compliance officer in place, with enhanced due diligence for flagged cases, and applies its exclusion list through sanctions screening of clients, employees, suppliers, and funders. The FI has Human Resources policies that include non-discrimination, equity and gender equality, anti-harassment, and workplace disconnection

[1] Based on an exchange rate of COP/US$3,098.79 as of August 19, 2026: https://suameca.banrep.gov.co/estadisticas-economicas/informacionSerie/1/tasa_cambio_peso_colombiano_trm_dolar_usd.

provisions. It also maintains employee grievance mechanisms, including a confidential ethics hotline, a Workplace Coexistence Committee, an Occupational Health and Safety Committee ("OHSC"), and a psychological support program. The institution employs 534 people, of whom 305 are women (57%).

The FI shall ensure that all loans financed with the proceeds of this transaction comply with applicable local regulations and that borrowers are screened against IDB Invest's Exclusion List and applicable restricted-party lists, in accordance with the screening procedure described above. In addition, the FI shall designate a staff member responsible for overseeing E&S matters, who will complete the online training on E&S risk management[2] provided by IDB Invest.

5. **Environmental and Social Action Plan ("ESAP")**. N/A.

6. **Contact Information** For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see **Investment Summary** tab), or IDB Invest using the email divulgacionpublica@iadb.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.

[2] https://cursos.iadb.org/en/topics/social-development/environmental-and-social-management-system-business-opportunity.