

Environmental and Social Review Summary (ESRS)

Rentandes: Access to productive assets for MSMEs - COLOMBIA

Original language of the document: Spanish
Issuance date: April 2025

1. General Information of the Project

This transaction (the “Operation” or the “Transaction”) consists of a senior financing line in Colombian pesos (“COP”) to Rentandes S.A.S. (“Rentandes”, the “Company”) to finance Micro, Small, and Medium Enterprises (“MSMEs”) in accessing machinery, industrial equipment, battery electric vehicles (“BEV”), plug-in hybrid electric vehicles (“PHEV”); and Euro VI Trucks. The Transaction will enable Rentandes to assist its clients in: i) increasing their productivity, economic growth, and competitiveness by seeking efficiencies and venturing into new markets; ii) increasing access to productive assets, such as machinery for key sectors like the agricultural industry, which would contribute to food security and sustainable development of the sector; iii) promoting energy efficiency, through the reduction of their operational costs, climate change mitigation, and environmental sustainability; and iv) enhancing the use of sustainable transportation means (electric and hybrid) aligned with Colombia's transportation decarbonization strategy, to achieve the reduction of greenhouse gas emissions and improve air quality.

2. Scope of IDB Invest's Environmental and Social Review

The environmental and social analysis of the Transaction involved a documentary review of the Company's environmental and social performance, with emphasis on compliance with the following Performance Standards (PS): PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; and PS4: Community Health, Safety, and Security.

The Project is aligned with the Paris Agreement based on an analysis conducted in accordance with the IDB Group's Implementation Approach for Alignment with the Paris Agreement.

3. Environmental and Social Categorization and Rationale

The Transaction has been classified as a Category C operation according with IDB Invest's Environmental and Social Sustainability Policy, because; i) the Company is primarily an online business (“on-line”), offering leasing solutions tailored to its clients; and ii) the incremental impacts it could cause are very low.

4. Environmental and Social Risks

4.1 Assessment and Management of Environmental and Social Risks and Impacts

Rentandes is a Colombian company specialized in the leasing and renting of assets, including trucks, buses, machinery, specialized equipment, and automobiles, providing financial solutions for companies and entrepreneurs in Colombia. The Company, founded in 2000, has served more than 850 clients and conducted over 3,000 operations across various industries and geographies. Rentandes' strategy focuses on driving sustainable development through the intelligent use of assets, offering innovative products and services that ensure operational efficiency and minimal environmental impact.

The Company has adopted an Integrated Management System ("IMS") for Occupational Health and Safety, Environmental Management, and Road Safety, which is aimed at continuous improvement and complies with the country's legal requirements on occupational health and safety, environmental protection, and road safety¹ and the Uniform Contractor Registration Guide.² The IMS incorporates the following elements: i) policy; ii) identification of applicable regulations; iii) identification of environmental and occupational health and safety risks and impacts ("OHS"); iv) management programs; v) organizational capacity and competency; vi) definition of roles and responsibilities; vii) emergency preparedness and response; viii) internal and external communications, and ix) monitoring and review.

The Company's Occupational Health, Safety, and Environmental Policy sets objectives aligned with its strategic mission and legal compliance, highlighting Rentandes' commitment to preventing workplace accidents, the onset of occupational illnesses, and minimizing socio-environmental impacts. The Company communicates and disseminates this policy through: i) induction, onboarding, and ongoing training and capacity-building processes for its personnel; ii) promotional materials; iii) bulletin boards located in its administrative facilities and worksites; and iv) its intranet. The policy, which is periodically reviewed by Rentandes' senior management, will be updated in line with the IDB Invest Exclusion List.

Rentandes established occupational health, safety, and environmental objectives aligned with the organization's roles and levels and implemented management programs (as part of the IMS) to achieve them. The Company has procedures in place for the continuous identification of environmental aspects and impacts, occupational health and safety hazards, and the definition of controls to address, minimize, manage, or mitigate them. Furthermore, Rentandes implements a procedure to identify applicable legal requirements, which are reviewed annually to ensure alignment with the regulations in force.

Rentandes has the following personnel for the planning, implementation, evaluation, and monitoring of the IMS: (i) an IMS Officer; (ii) a Talent and Culture Manager; (iii) a Road Safety

¹ Decree No. 1072 of 2015, Decree No. 1076 of 2015, Resolution No. 0312 of 2019, Resolution No. 40595 of 2022, Resolution No. 0312 of 2019.

² [RUC® - ccs.org.co](https://www.ruc.org.co)

Strategic Plan Leader; (iv) a Workplace Harmony Committee; and (v) a Road Safety Committee; and vi) an emergency brigade.

To support the control of such events and prevent human, material, and economic losses by leveraging existing resources, the Company has a Prevention, Preparedness, and Emergency Response Plan that sets out the procedures and actions to be taken to prevent or respond to emergency situations. The plan covers all areas of the Company—administrative, commercial, operations, and visitors—and includes provisions for the involvement of emergency response agencies or external support organizations such as Firefighters, Civil Protection, Red Cross, Health Promotion Entities, Occupational Risk Administrators (“ORAs”), and other organizations involved in emergency response. Additionally, the Company regularly trains emergency brigades on first aid and occupational risk.

To assess the performance of the IMS, Rentandes conducts quarterly monitoring of compliance with pre-established indicators. In addition, to identify priorities related to environmental and OHS matters and update the annual work plan, the Company performs a self-assessment each year. Rentandes also conducts internal audits of the IMS, for which it has a formal procedure in place.

To ensure the continuous improvement of the IMS, the Company has a Management Review Procedure, which is complemented by a Corrective, Preventive, and Improvement Actions Procedure. As a result of these processes, the Company defines and implements the necessary actions to ensure continuous improvement.

For communication with internal and external stakeholders, Rentandes implements a procedure that facilitates information exchange and enables the handling and resolution of questions and concerns related to the IMS. The external communication channel is called the Help Desk.

4.2 Labor and Working Conditions

Rentandes, which has 64 direct employees (52% are women), has an Internal Labor Regulation that complements the provisions of the Labor Code, aimed at clarifying and regulating the interests and labor relations between the Company and its employees. Additionally, for human talent management, Rentandes implements several programs, including: (i) Training, Induction, and Onboarding; (ii) Workplace Reintegration; (iii) Healthy Lifestyles; and (iv) Psychosocial Risk Prevention. The Company also established a Policy for the Prevention of Workplace Harassment and Sexual Harassment, which sets out communication and support channels for victims and emphasizes prevention and control mechanisms. The Workplace Harmony Committee is responsible for receiving and processing complaints that may constitute cases of workplace harassment. Nevertheless, Rentandes will elaborate a non-discrimination and equal opportunity policy, and it will disseminate it to all employees.

The Transparency, Business Ethics, and Anti-Corruption Program, which sets out commitments between Rentandes and its clients and suppliers, defines policies and guidelines for preventing transnational bribery and other corrupt practices that may be committed by its executives and employees. This Program also includes the Company’s core principles and values, such as a positive attitude, clear and truthful communication, analytical rigor, a transformative spirit, and commitment. To facilitate the identification and reporting of any situation or conduct by its

employees deemed unethical or contrary to its values, Rentandes has established an Ethics Line, as well as an Internal Grievance Mechanism that enables employees to report any situation that may reflect a departure from these values. The Company, however, will expand the scope of this mechanism to include contractor employees.

Rentandes has established an Occupational Health and Safety Regulation that: (i) presents workers with the identified risks associated with their activities; (ii) contains the regulatory framework related to OHS; and (iii) sets out the mandatory nature of induction, onboarding, and training activities. The Joint Committee on Occupational Health and Safety is responsible for promoting and monitoring OHS standards and regulations within the Company through awareness, information, and outreach activities.

The Company has a Job Profiling Manual that assigns OHS responsibilities to each position defined in the company's organizational chart.

In addition, the Preventive and Occupational Medicine, Hygiene, and Industrial Safety subprograms establish control measures for each identified risk. The hazard identification and risk assessment methodology allows for the participation of workers and stakeholders, and the prioritization of risks to determine appropriate intervention measures. Rentandes conducts regular monitoring and measurement of the effectiveness of these risk control measures, based on hazard identification and risk control.

Rentandes implements the following OHS programs: (i) Mechanical Risk, (ii) Chemical Risk, (iii) Safe Work at Heights, (iv) Epidemiological Surveillance, and (v) Maintenance of Machinery and Tools.

It also conducts occupational medical examinations for hiring, periodic reviews, exit or termination, and post-disability and reintegration.

The Training and Instruction Program, which provides workers with OHS, environmental management, and road safety resources, includes the identification of IMS training needs based on the competencies required for each position and their updates according to the Company's needs.

Since 2019, the Company has had only one minor workplace accident, which occurred in 2024 and did not result in any lost workdays. Rentandes, also implements a procedure for investigating the causes of workplace accidents, work-related incidents, occupational illnesses, environmental accidents, and road incidents, in accordance with Decree No. 1530 of 1996³ and Resolution No. 1401 of 2007.⁴ Furthermore, The Occupational Risk Insurance Company⁵ is responsible for attending to the Company's workers in the event of an occupational contingency or emergency.

³ Which partially regulates Law 100 of 1993 and Decree Law 1295 of 1994, establishing provisions on the General Occupational Risk System, including aspects related to enrollment, workplace accidents, occupational diseases, and temporary staffing companies.

⁴ Through this Resolution, the Ministry of Social Protection in Colombia regulates the investigation of workplace incidents and accidents, with the aim of preventing future events and improving occupational safety.

⁵ Private companies contracted by employers to advise them on prevention measures and to provide compensation in cases of workplace accidents or occupational illnesses.

Through the Procedure for the Selection and Evaluation of Suppliers and Contractors, Rentandes sets out the minimum requirements and obligations that must be met by all contractors, subcontractors, and suppliers intending to provide services or supply products. The procedure includes requirements related to OHS, environmental management, and road safety, including: (i) guidelines for high-risk and work-at-heights activities; (ii) accident and incident reporting requirements; (iii) response to and reporting of environmental accidents; (iv) penalties for breaches of safety regulations; and (v) mandatory enrollment in the comprehensive social security system. Additionally, before any work is carried out on its premises, the Company informs its contractors of the inherent workplace risks and shares its Emergency Plan with them.

4.3 Resource Efficiency and Pollution Prevention

Rentandes implements energy and water savings and efficient use programs, which promote awareness and foster a commitment among its workers and contractors to adopt good resource conservation practices.

The Company estimated a 2024 baseline of 1,556 tons of CO₂ equivalent per year (“tCO₂eq/year”) based on the number of active vehicles owned by the Company and used by its clients. Despite having relatively low emissions, the Company launched a CO₂ Emissions Reduction Program in early 2025.

Rentandes will conduct an annual greenhouse gas (“GHG”) emissions inventory for its operations, where it will quantify both direct emissions from fuel consumption (Scope 1) and indirect emissions from electricity consumption (Scope 2). Annually, it will report on the variation of results with respect to the base year (to be determined) and will explain the causes of such variation.

Since the maintenance of owned and leased vehicles is outsourced, Rentandes only generates special waste such as vehicle tires and batteries. This waste is managed by each supplier of these products under the life cycle principle, and they provide the Company with a final recovery and recycling certificate (when applicable).

Rentandes occasionally generates small amounts of hazardous waste,⁶ which is handled by a certified waste manager. It also generates recyclable and reusable waste, which is delivered to professional recyclers, while ordinary waste is disposed of in a sanitary landfill. Used printer cartridges, batteries, and out-of-service technology equipment are returned to the service providers.

4.4 Community Health, Safety and Security

Rentandes, to minimize road safety risks associated with the movement of its personnel, has adopted a Road Safety Policy⁷ and implements training and awareness mechanisms to encourage

⁶ Light fixtures, rags, cloths, gloves, uniforms, and any item contaminated with chemical substances.

⁷ As part of the legal requirement established by Resolution 40595 of 2022.

proper driver behavior, identify and correct any defects in the vehicles they operate, and recognize road hazards. The Company implements the following programs for managing and preventing road risks: (i) Safe Speed Management; (ii) Fatigue Prevention; (iii) Distraction Prevention; (iv) Zero Tolerance for Driving Under the Influence of Alcohol and Psychoactive Substances; and (v) Protection of Vulnerable Road Users.

5. Proposed Management Measures

Although the environmental and social impacts of the operation are not considered significant, Rentandes will implement the following measures:

No.	Aspect	Action	Deliverable	Delivery date
PS 1: Assessment and Management of Environmental and Social Risks and Impacts				
1.1	Environmental and Social Management System	1. Strengthen the Occupational Health, Safety, and Environmental Policy and its procedures to comply with the IDB Invest Exclusion List.	1. Strengthened Occupational Health, Safety, and Environmental Policy and associated procedures.	1. Three months after the first disbursement.
PS 2: Labor and Working Conditions				
2.1	Non-discrimination and equal opportunity	1. Develop a Non-discrimination and Equal Opportunity Policy.	1. Non-discrimination and Equal Opportunity Policy.	1. Three months after the first disbursement.
		2. Disseminate the Non-discrimination and Equal Opportunity Policy.	2. Evidence of policy dissemination.	2. Six months after the first disbursement.
2.2	Grievance mechanism.	1. Expand the scope of the internal grievance mechanism to include contractor employees.	1. Expanded internal grievance mechanism.	1. Three months after the first disbursement.
		2. Communicate the internal grievance mechanism to contractors and their employees.	2. Evidence of communication.	2. Six months after the first disbursement.
PS 3: Resource Efficiency and Pollution Prevention				
3.1	Greenhouse gases ("GHG")	1. Prepare an annual GHG emissions inventory that will include scope 1 and 2 emissions.	1. Annual GHG Emissions Inventory.	1. As part of the Environmental and Social Compliance Report (ESCR).

6. Additional Information

For questions about the Project please contact Rentandes S.A.S.

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For questions and comments to BID Invest, please contact:

Name: IDB Invest Communication Group
 Email: requestinformation@idbinvest.org

Additionally, and as a last resort, affected communities can access the ICC's Independent Consultation and Investigation Mechanism (ICIM) as follows:

Phone number:	+1 (202) 623-3952
Fax number:	+1 (202) 312-4057
Address:	1300 New York Ave. NW Washington, DC. USA. 20577
Email:	mecanismo@iadb.org or MICI@iadb.org