

Environmental and Social Review Summary (“ESRS”)

Primus Capital COVID-19 Mitigation Financing Partnership / Project 12343-02 – Chile

Original language of the document: Spanish
Issuance date: October 2021

- 1. Scope of Environmental and Social (E&S) Review:** Primus Capital S.A. is an existing client since 2018. The review was based on the assessment of previous information from the 2018 transaction (12343-01), the latest 2019 Annual Environmental and Social Performance Report and conversations with the client.
- 2. Environmental and Social Categorization and Rationale:** The proposed Project seeks to support factoring and financial leasing operations with SMEs in Chile originated by Primus Capital, a non-bank financial institution and existing client since 2018 with satisfactory E&S performance. The largest factoring and leasing transactions to be supported include: Construction (21%), Commerce and Services (38%), and Housing (12%), among others. In addition, given the average value of the operation to be US\$180,000, with a tenor of 67 days, the operation overall is considered to be low risk. Per the IDB Invest Environmental and Social Sustainability Policy, Primus Capital has been categorized as FI-3.
- 3. Environmental and Social Risks and Impacts:** The E&S risks are considered minimal given the proposed use of proceeds to support factoring and leasing operations among clients.
- 4. Mitigation Measures:** Primus will be required to apply basic E&S screening procedures, which will include application of the exclusion list and local law as applicable. Furthermore, Primus will be required to undertake the IDB Invest’s on-line training for E&S management and appoint an E&S individual to oversee application of the procedures and address any issues specific to individual sub-loans screening where warranted.
- 5. Environmental and Social Action Plan (ESAP):** Not applicable
- 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 requestinformation@idbinvest.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 MIICI@iadb.org, or calling +1(202) 623-3952.