

UPDATE ON IDB INVEST SUPERVISION OF PRONACA

08-10-2023

PRONACA's compliance with IDB Invest's Environmental and Social ("E&S") requirements, including its environmental and social action plan ("ESAP"), have been assessed thoroughly by IDB Invest since its first transaction with PRONACA in 2019, during the due diligence, monitoring, and supervision processes. This includes frequent supervision site visits to PRONACA's facilities and farms, as well as ongoing meetings with stakeholders such as local indigenous communities, and local and international environmental NGOs. In addition, IDB Invest ESG specialists have continuously reviewed the water quality data for the discharge points and have been closely supervising the operation and maintenance of the company's wastewater treatment plants, solid waste management and processes to prevent impacts to the air and soil. Members of the IDB Invest ESG team and management have recently carried out another annual supervision visit in late July 2023 to assess compliance with local E&S requirements and also with international best practices, such as those included in the IFC Performance Standards that form part of the IDB Invest Environmental and Social Sustainability Policy (the "Sustainability Policy").

IDB Invest has also provided PRONACA with technical assistance services to assist them with their environmental and social programs as well as its circular economy strategy. IDB Invest is committed to continue carefully evaluating PRONACA's compliance with the IDB Invest Sustainability Policy and Access to Information Policy, the IDB Invest exclusion list, the IFC Performance Standards, applicable World Bank Group environmental, health and safety guidelines, and host country laws and regulations.

IDB Invest upholds the highest standards and commitment to sustainable development. We assess and closely monitor the environmental, social, and corporate governance sustainability of all the investment projects we finance through the application of robust environmental, social and governance risk management standards, as mandated by our Sustainability Policy.