

1. Scope of Environmental and Social Review. The environmental and social review of the proposed transaction was carried out through desk research, client meetings, and a review of the investment portfolio of rooftop solar projects. Órigo is a specialized installer of residential rooftop solar facilities. Through IDB's investment in this Green FIDC, IDB Invest is supporting the securitization of receivables stemming through the sales of solar rooftop equipment to Brazilian residential customers by Órigo. As this operation is executed via a Fund for the purchase of credit rights, it is classified as a financial intermediary (FI). 2. Environmental and Social Categorization and Rationale. The proposed operation is classified as an FI-3 per IDB Invest's Sustainability Policy. Transactions under the fund support the installation of small-scale residential solar projects. Individual transaction investments range from roughly US\$7,000 to US\$25,000. 3. Environmental and Social (E&S) Risks and Impacts. The main E&S risks of this transaction are associated with the Órigo's capacity to identify and manage for E&S risks related to rooftop installation. The primary risks entail basic Occupational, Health and Safety (OHS) concerns associated with the installation and initial operation of the solar equipment. There is no environmental risk; scrap material, which is limited, is taken off site following installation and treated in accordance with local law. 4. Mitigation Measures. Origo has a well-established Occupational Health and Safety Manual, which they educate and train all workers (currently 10-15). The manual sets out good practice procedure in rooftop installation and possible OHS risks. The company has built its reputation on the quality and care of installation. The company engages two third party installers. These installation companies are required to adopt Origo's OHS standards and all staff receive the same training as if they were direct employees. Quality control and site inspections to observe possible OHS infractions are carried out periodically. IDB Invest's assessment indicated that Origo is in compliance with the IIC Sustainability Policy in form and substance commensurate with the risk associated with an FI-3. 5. Environmental and Social Action Plan No action plan is required.