

Environmental and Social Review Summary (ESRS) Project Torrecom - New Regional Facility

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1. General Information of the Project and Overview of Scope of IDB Invest's Review

The present operation (the "Project") consists of a new regional corporate loan in favor of TORRECOM PARTNERS L.P. (the "Client," the "Company," or "Torrecom") to refinance and expand its existing debt facilities¹, as well as to provide greater financial flexibility to support capital expenditure aimed at the Company's growth.

Torrecom is a leading company in the development, ownership, and operation of independent wireless infrastructure in Latin America². The Company specializes in the construction, acquisition, and management of telecommunications towers through long-term lease agreements with major mobile network operators, under build-to-suit and sale-and-leaseback models.

The environmental and social due diligence ("ESDD") process included, among other tasks, the review of the environmental and social ("E&S") and occupational health and safety ("OHS") information provided by the Client, such as i) its Environmental and Social Management System ("ESMS"); ii) its Sustainable Procurement Policy; iii) its Anti-Bribery Anti-Corruption Policy; iv) its general hygiene and occupational safety standards for sites; v) its risk management procedures for specific tasks; vi) its occupational safety standards; vii) its Project Impact Analysis Manual; and viii) its Site Acquisition procedures.

To ensure the Project's commitment to respect and protect human rights, its zero tolerance for retaliation, and its commitment to providing and guaranteeing a safe environment for stakeholders to voice their concerns without fear of retaliation, the ESDD process also included the review of the Client's following documents: i) the Gender Equality Policy; ii) the Internal Labor Regulations for Panama, Peru, Mexico, Nicaragua, Paraguay, El Salvador, Guatemala and Chile; iii) the Internal Grievance Mechanism.

2. Environmental and Social Categorization and Rationale

The Project has been classified as a Category B operation according with BID Invest's Environmental and Social Sustainability Policy since it will likely generate, among other, the following impacts: i) OHS risks; ii) air emissions; (iii) solid (non-hazardous) waste generation; and iv) use of the resources, mainly energy. These impacts are deemed to be of medium-low intensity.

¹ Structured in 2021, with the participation of IDB Invest, Proparco, and DEG (Germany's development finance institution).

² Specifically, Chile, Colombia, Ecuador, El Salvador, Guatemala, México, Panamá, Paraguay, and Perú.

The Performance Standards (“PS”) triggered by the Project are: i) PS1: Assessment and Management of Environmental and Social Risks and Impacts; ii) PS2: labor and Working Conditions; and iii) PS3: Resource Efficiency and Pollution Prevention.

3. Environmental and Social Context

Torrecom is a leading developer, owner, and operator of independent wireless infrastructure in Latin America. The Company specializes in the construction, acquisition, and management of telecom towers through long-term lease agreements with major mobile network operators (“MNOs”) under build-to-suit (“BTS”) and sale-and-leaseback (“SLB”) models.

Torrecom develops different tower infrastructures depending on the available area, structural factors, and need for height or range, among others. These towers can be located at ground level or on building terraces. However, each site requires a lease agreement or a construction permit if the property is owned and needs a building permit, land use license, civil aeronautics approval or aviation permit, environmental license, permit from the local telecommunication regulator, neighborhood consent or community resolution, archeological monitoring plan, etc. Towers are usually located in urban or high anthropized areas.

4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and Management of Environmental and Social Risks

4.1.a E&S Assessment and Management System

Torrecom has been developing an Environmental and Social Management System (“ESMS”) that includes each country where it performs its activities. Such system, updated in February 2024 and applicable to the Company and all its contractors, comprises, among other management instruments, the following: i) the Project Impact Analysis Manual, ii) the Design of Torrecom Sites and Structures Manual; iii) the Corporate Manual of Site Acquisition; iv) the Manual for Consultations, Complaints and Suggestions; v) the Emergency Response Plan; and vi) the Internal Complaints Management Manual.

The Company must complete ESMS implementation.

4.1.b Policy

Torrecom's Environmental and Social Management System Policy aims to integrate key principles into daily and long-term business activities, covering labor, social security, occupational health and safety, industrial safety, public participation, environmental protection, and cultural heritage. The policy ensures compliance with labor standards, OHS requirements, and addresses community impacts, including public health, safety, gender equality, indigenous peoples' rights, and regulatory

compliance. It also covers energy use, waste management, and the safeguarding of vulnerable and protected areas. This policy is available on the Company's website.³

4.1.c Identification of Risks and Impacts

Torrecom uses an impact identification matrix contained in its Project Impact Analysis Manual to systematically identify environmental and social impacts and ensure regulatory alignment. The Company has set operational controls, mitigation measures, and performance indicators to manage risks and maintain compliance with environmental, social, and administrative standards.

4.1.c.i Gender risks

Latin America faces significant gender inequality, with men and women having different access to work, education, economic, and participation opportunities. Cultural norms and weak legal protections worsen this gap, resulting in discrimination, unequal public services, pay gaps, and lower political participation for women. Gender-based violence and harassment are major issues, with Latin America and the Caribbean having the highest rates globally. The International Labor Organization's ("ILO") and the Lloyd's Register Foundation (2021) report that Latin America and the Caribbean have the highest rates of workplace violence and harassment against women; while the world average is 23.4%, in the region it rises to 40%.

4.1.c.ii Gender Programs

The Company promotes equal opportunities and bases promotions and incentives on skills and performance. Although there are no specific programs for women's professional development, it is open to gender equality initiatives and maintains policies of fair wages and a safe work environment, without wage gap or segregation.

Recruitment is carried out on merit, transparency and equality, complying with local regulations. Torrecom fosters a diverse and inclusive workforce, promoting the participation of women, LGBT+⁴ people, indigenous peoples, Afro-descendants, and people with disabilities.

As part of its ESMS, the Company has a Gender Equality Policy, which promotes an inclusive and equitable work environment. In addition, all staff have been trained in inclusion, diversity, bias management, and bullying prevention.

4.1.c.iii Climate change exposure

Torrecom uses the Site Acquisition Report ("SAR") and site-specific climate vulnerability assessments to evaluate tower project risks, including natural disasters. Mitigation measures include elevated foundations, structural reinforcement, and advanced drainage. SAR combines

³ <https://torrecom.com/rse/>

⁴ The acronym LGBT+ stands for Lesbian, Gay, Bisexual, and Transgender, and the "+" symbol represents other gender identities and sexual orientations that are not explicitly mentioned, such as queer, intersex, asexual, non-binary, pansexual, among others.

qualitative and quantitative analysis for climate resilience, with actions included in the Emergency Response Plan (“ERP”) based on country-specific risks.

4.1.d Management Programs

Torrecom uses management programs for environmental, health, and safety issues, as well as an ERP to handle tower project risks. The Project Impact Analysis Manual combines risk identification by location type, such as greenfield or rooftop.

4.1.e Organizational Capacity and Competency

Torrecom revised its ESMS manuals and organizational chart to include the roles and responsibilities of Compliance Team Members regarding E&S and OHS matters, and this information was communicated to all personnel.

4.1.f Emergency Preparedness and Response

Torrecom recently upgraded its ERP to: i) meet international standards; ii) meet the requirements of every country where the Company operates; and iii) link it with the climate change risk assessment in the Design of Sites and Structures. The Company, however, will finalize the socialization and implementation of the ERP across all its offices and with relevant stakeholders.

4.1.g Monitoring and Evaluation

Torrecom aims to meet all national environmental regulations. Therefore, the Company conducts environmental audits at each tower through the ESMS and takes corrective actions when non-conformities are found.

4.1.h Stakeholder Engagement

Torrecom has implemented a Corporate Site Acquisition Policy Manual outlining procedures for site acquisition, stakeholder engagement, resettlement, and biodiversity considerations. The manual establishes protocols for resolving conflicts with local communities. The Company will communicate these guidelines to all parties involved, especially security companies, and conduct quarterly reviews of complaints and negative media coverage related to its projects, registering them in the complaint’s mechanism.

4.1.h.i Disclosure of Information

The information is disclosed in: <https://torrecom.com/rse/>

4.1.i External Communication and Grievance Mechanisms

Torrecom's Manual of Consultations, Complaints and Suggestions details a clear process for grievances, including reporting, classification, investigation, and resolution. It maintains confidentiality, prevents retaliation, offers varied reporting channels, and uses a centralized system

to track and assess cases. The manual, that is aligned with international standards and available to all stakeholders.

The Company will share the updated procedure and switch report frequency to semi-annual.

4.2 Labor and Working Conditions

4.2.a Working Conditions and Management of Worker Relationships

Torrecom has 89 employees, 43% of whom are women. Of the 6 senior management positions, 2 are held by women (33%). The Company periodically conducts training in i) diversity and inclusion in the Modern Workplace; ii) harassment & discrimination prevention; and iii) managing biases.

4.2.a.i Human Resources Policies and Procedures

Torrecom's Code of Ethics and Business Conduct sets standards for employees, suppliers, customers, and stakeholders, covering areas such as human rights, safety, nondiscrimination, conflicts of interest, anti-corruption, legal compliance, and community engagement. Its Internal Labor Rulebook ("ILR"), aligned with local laws and ILO standards, defines employment conditions, pay, health and safety, worker duties, disciplinary procedures. Other policies address harassment, discrimination, diversity, bias, and anti-corruption.

4.2.a.ii Working Conditions and Terms of Employment

The Code of Ethics and Business Conduct, together with the ILR, establishes guidelines for staff hiring, working hours, leave policies, flexible work arrangements, compensation, rights and responsibilities, conduct, asset security, risk management, and disability accommodations.

Employees are required to comply with the Company's Code of Ethics and report any situation that does not meet these standards. Torrecom uses transparent, objective, and confidential recruitment and hiring processes that prioritize equality and non-discrimination. Employment decisions are determined by qualifications, experience, performance, conduct, attitude, and consistency with Company values.

4.2.a.iii Workers' Organizations

Torrecom follows local laws, supports workers' rights to join unions, and respects national and international agreements like ILO⁵ conventions. Its Code of Ethics and ILR also guarantee freedom of association and collective bargaining.

⁵ Convention No. 87 concerning Freedom of Association and Protection of the Right to Organize and Convention No. 98 concerning the Right to Organize and Collective Bargaining.

4.2.a.iv Non-discrimination and Equal Opportunity

The countries where the Company operates are signatories to several ILO international conventions and treaties relating to workers' rights⁶. The Company's Code of Ethics and Business Conduct and ILR, in addition to complying with these provisions and with each country's labor legislation, establishes: i) its respect for individual diversity and equity; ii) its commitment to proceed with fairness, equality, and impartiality, and to seek a positive and inclusive social impact; iii) zero tolerance against discrimination, harassment, abuse, and workplace harassment; iv) the Company's commitment to promoting an environment in which no applicant, employee, supplier, or contractor is excluded or discriminated against participating in an internal or external selection process based on race, color, age, gender, gender identity, sexual orientation, marital status, ancestry, ethnic or national origin, religion, disability or medical condition, or any other discriminatory condition; and v) Torrecor's commitment to promote fairness, equality, and inclusion, condemning discrimination, harassment, abuse, and workplace harassment.

4.2.a.v Grievance Mechanism

Reports or complaints about misconduct, ethical concerns, or legal violations can be made in person or through the internal worker grievance mechanism ("WGM") managed by Convercent.⁷ The Company's Open Door Policy encourages open communication and a culture of trust where all viewpoints are welcome.

The Company recently updated the WGM to: i) record, investigate, evaluate and follow up on internal, contractor and subcontractor complaints until closure; ii) offer an accessible and culturally appropriate system at all times; iii) accept anonymous reports, ensuring confidentiality and protection against retaliation; and iv) allow access to additional legal or administrative remedies depending on the severity and in accordance with applicable labor regulations. Torrecor will socialize and implement its updated WGM procedure with its employees to ensure widespread understanding and compliance.

4.2.b Protecting the Workforce

Torrecor fully complies with all applicable labor laws in the countries where it operates, upholding both employee and employer rights and responsibilities. The Company is committed to fostering equality and equity across human, civil, political, economic, social, and cultural rights for all genders. Its Code of Ethics and Business Conduct, along with its ILR, mandates that all employees, directors, executives, contractors, and suppliers adhere to relevant local laws, standards, and regulations in every country where the Company operates. This commitment ensures transparency, accountability, responsible business practices, positive community engagement, and conscientious environmental stewardship.

⁶ Including Convention No. 100 concerning Equal Remuneration for Men and Women Workers for Work of Equal Value, and Convention No. 111 concerning Discrimination in Respect of Employment and Occupation.

⁷ <https://app.convercent.com/en-us/Anonymous/IssueIntake/IdentifyOrganization>, <https://app.convercent.com/en-us/Anonymous/IssueIntake/LandingPage/a5a064fd-2c33-e611-8105-000d3ab03673>

4.2.b.i Child Labor

Torrecom's Code of Ethics and Business Conduct addresses human rights in its operations and supply chain. The Company requires adherence to relevant labor laws, including bans on child labor.⁸

4.2.b.ii Forced Labor

The Company requires adherence to relevant labor laws, including bans on forced labor⁹.

4.2.c Occupational Health and Safety

Torrecom, in accordance with labor and OHS regulations of its operating countries, maintains a Site Occupational Safety and Hygiene Standards document that functions as an OHS Program. This document includes guidelines and procedures designed to protect employees' physical safety and prevent health issues and injuries. The Company also has an OHS Hazard Identification and Risk Assessment Procedure for electrical and civil works during construction or maintenance, which provide a means for identifying hazards, regularly evaluating risks, and determining required legal controls for occupational health and safety.

The Company has a Risk Management Manual for specific work on sites, which includes guidelines for work at heights.

4.2.d Workers Engaged by Third Parties

The Company's Code of Ethics and Business Conduct, along with its ILR, requires that all internal rules, policies, and procedures apply equally to every employee worldwide as well as to business partners including suppliers, distributors, agents, contractors, and other third-party workers engaged by or for the Company. Both direct employees and those engaged through third parties are expected to comply with the code and all applicable local and national labor laws and regulations in each jurisdiction where the Company operates.

Torrecom has updated its master service contract for key contractors and subcontractors. The new "Torrecom 2024 Master Services Contract" adds E&S and OHS performance evaluation clauses, requires an E&S-OHS Manual and ERP, and mandates WGM disclosure to all personnel. Implementation with several partners is already underway.

4.2.e Supply Chain

Torrecom has a Sustainable Purchasing Policy that regulates the procurement of goods and services with an emphasis on environmental, social, and economic sustainability. Suppliers must follow local labor laws, international standards prohibiting child and forced labor¹⁰, and comply with relevant

⁸ ILO Convention 138 on minimum age and 182 on worst forms of child labor.

⁹ ILO Convention 29 on forced labor and 105 on the abolition of forced labor.

¹⁰ ILO Convention 138 on minimum age and 182 on worst forms of child labor and ILO Convention 29 on forced labor and 105 on the abolition of forced labor.

environmental and occupational health and safety regulations. Employees are required to adhere to the Code of Ethics and Business Conduct.

4.3 Resource Efficiency and Pollution Prevention

4.3.a Resource Efficiency

4.3.a.i Greenhouse Gases

The Project greenhouse gas (“GHG”) emissions are expected to remain below 25,000 tCO₂eq per year. Torrecom monitors electricity usage for its offices in various countries and tracks fuel consumption of vehicles operated by employees. The Company, however, will annually compile GHG emission inventories for each operation in every country, covering both direct (Scope 1) and indirect (Scope 2) emissions. Yearly changes from the base year will be reported and explained.

4.3.a.ii Water Consumption

Water use at project sites during the construction phase will be minimized and supplied by the Contractor through appropriate means, such as water tank trucks or other authorized sources.

4.3.b Pollution Prevention

Torrecom's updated "2024 Master Services Contract" requires contractors and subcontractors to implement proper pollution prevention measures.

4.3.b.i Wastes

Torrecom incorporates comprehensive waste management clauses within its contractual agreements for both construction and operational activities at each site, applicable to Contractors and Mobile Network Operators (“MNOs”). The Company's "Torrecom 2024 Master Services Contract," requires contractors and subcontractors to: i) segregate and responsibly manage hazardous and non-hazardous waste; ii) adhere to applicable environmental regulations; iii) establish robust practices for waste management across all operations; and iv) notify when hazardous waste is produced.

During construction, portable sanitation facilities are provided to collect wastewater from personnel; this waste is subsequently processed and disposed of by qualified service providers.

4.3.b.ii Hazardous Materials Management

Torrecom will not produce or transport significant hazardous waste; any such waste will be handled by a licensed solid waste management company following local regulations. Moreover, Project sites generate minimal electronic waste, limited to periodic replacement of LED lamps and beacon lights, which typically occur every 5 to 8 years.

4.4 Community Health, Safety and Security

4.4.a Community Health and Safety

The new Project facilities, including towers and upgrades, will be designed and built by experienced contractors following international best practices and relevant construction and safety standards.

Prior to the completion of construction and following maintenance activities, Torrecor requests its contractors to provide a “Paz y Salvo”.¹¹ The Company’s construction department uses a compliance checklist to finalize the construction phase, addressing matters such as structural safety, lightning hazard safety, labor compliance, and concerns from neighboring residents.

4.4.a.i Infrastructure and Equipment Design and Safety

Torrecor designs and builds towers according to local regulations in each country.¹² This includes meeting technical standards for the safety of the towers, equipment, people, and property. Additionally, the Company informs nearby residents about radioelectric measurements¹³, safety measures, and best practices for tower installation and operation.

The Company carries out socialization activities with the communities close to the tower projects on the different risks of exposure to electromagnetic fields (“EMF”). Also, it follows strict protocols to limit the public access to towers and good engineering practices of the antenna installers and MNOs, to mitigate the risk of radiofrequency (“RF”) exposure.

4.4.a.ii Emergency Preparedness and Response

Torrecor recently upgraded its ERP to meet international standards. The document covers each country where the Company operates and links it’s with the climate change risk assessment in the Design of Sites and Structures.

The Company, however, will finalize the socialization and implementation of the ERP across all its offices and with relevant stakeholders to ensure proper adoption and execution.

¹¹ A sort of affidavit that states that all the neighbors of a given site are satisfied and have no complaints with the works performed.

¹² Among others: Construction Permit from the Municipal Authority; authorization from the Civil Aeronautics Authority and the Security Office of the Fire Department.

¹³ Measure total electric and magnetic field strength levels using your radiofrequency (“RF”) equipment in a test mode. In Panama, the Regulation for the installation, operation and shared use of towers and/or structures that support telecommunication services antennas (Resolution AN No. 2848 Telcom, of August 2009), establishes the maximum exposure limits adopted from international recommendations such as International Commission of Non-Ionizing Radiation Protection (“ICNIRP”), World Health Organization (“WHO”) and International Telecommunication Union (“ITU”).

4.4.b Security Personnel

Torrecom uses security personnel for exceptional cases, for example when carrying out construction activities in areas with a high crime rate. Torrecom 2024 Master Services Contract requires specific agreements with local private security.¹⁴

4.5 Land Acquisition and Involuntary Resettlement

Torrecom has guidelines for acquiring site rights either by lease (“GLA”) or property purchase. The site acquisition process is adequately documented.

The Company’s updated Corporate Site Acquisition Policy Manual stipulates that land acquisition agreements must be negotiated based on free-market principles and with the fully informed participation of all stakeholders. Procedures are designed to prevent both physical and economic displacement of individuals who may occupy or utilize the land without formal ownership, thereby safeguarding their continued access to necessary resources.

4.6 Biodiversity Conservation and Natural Habitats

Tower construction impacts small areas (25–300 m²). Torrecom avoids protected areas or sites with high biodiversity value when choosing locations, unless no alternatives exist. In such cases, required permits are obtained and environmental impacts are mitigated or compensated.

Torrecom’s updated Corporate Site Acquisition Policy Manual states that, before acquiring land for new towers or related infrastructure, the Company will first consider previously used sites (agricultural or commercial) that: i) are not biodiversity-critical natural habitats; and ii) do not impact ecosystem services managed or influenced by the company.

4.7 Indigenous Peoples

Tower projects are generally built outside indigenous communities. If impacts can’t be avoided, Torrecom conducts informed consultation and participation (“ICP”) with affected groups, including stakeholder analysis, engagement planning, and culturally appropriate involvement. The ICP process continues during operations to address new impacts, provide mitigation or compensation, and encourage use of the grievance mechanism.

4.8 Cultural Heritage

Torrecom has established procedures for proposed tower sites where cultural heritage may be present. These documents outline verification steps during site visits, require construction contractors to report any unexpected finds, and define both cultural heritage and the chance finds process. They ensure compliance with local regulations and specify actions to take if archaeological remains are discovered.

¹⁴ Private security companies: Vek Security in Peru and GERFI in Mexico.

5. Local Access of Project Documentation

The documentation relating to the project can be accessed at the following link:
<https://torrecom.com/rse/>