

**Public Information Summary**  
**responsAbility Financial Inclusion Investments AG 2022 DAC**

<b>Host Country(ies)</b>	Worldwide
<b>Name of Borrower(s)</b>	responsAbility Financial Inclusion Investments AG 2022 DAC
<b>Project Description</b>	DFC will finance a collateralized loan obligation (“CLO”) securitization of loans originated, underwritten, and serviced by responsAbility Investments AG that will provide downstream loans to approximately 35 microfinance and small and medium enterprise financial institutions in approximately 18 DFC-eligible countries to expand their microfinance and small business lending portfolios.
<b>Proposed DFC Loan/Guaranty</b>	Up to \$146.1 million
<b>All-Source Funding Total</b>	Up to \$202.9 million
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Project is expected to have a highly developmental impact on financial inclusion in approximately 18 host countries through a CLO securitization of loans to financial institutions serving MSMEs. Research shows that an estimated two billion working-age adults worldwide lack access to formal financial services. The increase in capital resulting from the Project is expected to allow up to 35 financial institutions to serve as many as 500,000 MSMEs, up to 85% of which will be women-owned or women-led businesses. In addition, a CLO securitization is a relatively new financing structure to promote financial inclusion in developing markets.
<b>Environment and Social Assessment</b>	<p>The Project has been reviewed against the DFC’s 2020 Environmental and Social Policies and Procedures (“ESPP”) and has been determined to be categorically eligible. Loans to financial intermediaries for microfinance are screened as a Category C for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all of those downstream investments have been pre-screened as Category C and further review and consent are not required for these investments.</p> <p>To ensure that the Borrower’s investments in microfinance lending are consistent with the DFC’s statutory and policy requirements, the DFC loan made to the Borrower will be subject to conditions regarding the use of proceeds. The primary environmental and social issues identified in this transaction relate to the need for an Environmental and Social Policy (“ESP”) that meets the 2012 IFC Performance Standards.</p>

	<p>Under the DFC’s ESPP, the Borrower is required to comply with applicable local and national laws and regulations related to environmental and social performance and applicable provisions of the 2012 International Finance Corporation’s Performance Standard (“PS”) 1 and 2.</p> <p>The Borrower has developed and implemented an ESMS designed to promote sustainable environmental practices and sound social performance. The Borrower has dedicated policies for grievance mechanisms, Human Resources Manual and policies, external stakeholder contact and outreach mechanisms, and an overall structure that has responsible parties conducting ESG compliance and continuous improvement as part of their job descriptions.</p>
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