

## Public Information Summary

<b>Host Country</b>	India
<b>Name of Fund</b>	South Asia Growth Fund III, L.P., a limited partnership organized under the laws of the Province of Ontario, Canada.
<b>Name of Fund Manager</b>	SAGF II Management, LLC, a limited liability company organized under the laws of the State of Delaware.
<b>Project Description</b>	The Fund will invest growth capital in established small and medium sized companies providing climate change and resource efficiency solutions.
<b>Proposed DFC Equity Investment</b>	Up to \$50 million
<b>Target Fund Size</b>	\$300 million
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Fund is expected to have a highly developmental impact through the support of scaling up sustainability-linked industries in India. The country's need for investment financing is large, particularly for SMEs, and growth of the consumer base and climate vulnerabilities call for technological investments in renewables, energy efficiency, and waste recovery. The Fund is also expected to impart business operations knowledge to its portfolio companies through its board seats and technical assistance.
<b>Environment and Social Assessment</b>	<p><b>SCREENING:</b> The capitalization of a fund is screened as a Category D activity for the purposes of environmental and social assessment. Based on DFC's due diligence, the Fund's downstream investments are anticipated to pose medium or limited environmental and social risks that are site specific and that can be readily mitigated through the application of sound environmental and social management practices. In order to ensure that the Fund's investments are consistent with DFC's statutory and policy requirements, the Project will be subject to conditions regarding the use of the DFC proceeds.</p> <p><b>APPLICABLE STANDARDS:</b> Under DFC's ESPP (2020), the Fund 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 (IFC) Performance Standards ("PS") 1 and 2.</p> <p>A desk-based assessment indicates that because the Project involves an investment in a financial intermediary, significant adverse impacts with respect to pollution, community health and safety, land acquisition and</p>

resettlement, biodiversity, indigenous peoples, and cultural heritage are not anticipated. Therefore, PSs 3, 4, 5, 6, 7, and 8 are not triggered by the Project at this time.

**KEY ENVIRONMENTAL AND SOCIAL ISSUES AND MITIGATION:** The primary environmental and social issue associated with the Project is the need for a strong Environmental and Social Management System to ensure that downstream investments are developed in accordance with DFCs Environmental and Social Policies and Procedures (ESPP). The Fund has a sound Environmental and Social Management System in place suited to the risks of the anticipated portfolio and trained managers with proven implementation capability.