

## Public Information Summary

<b>Host Country</b>	Guatemala and other Latin American countries
<b>Name of Fund</b>	Pomona Impact Fund II, L.P., a limited partnership organized under the laws of the Province of Ontario, Canada.
<b>Name of Fund Manager</b>	Pomona Impact Management LLC, a limited liability company organized under the laws of Delaware.
<b>Project Description</b>	Mezzanine debt and early, growth-stage equity investments in small businesses demonstrating social and economic impact, primarily in Central America.
<b>Proposed DFC Equity Investment</b>	DFC's equity investment will be the lesser of \$7.5 million or 25% of the Fund's total capitalization.
<b>Target Fund Size</b>	\$30 million
<b>Policy Review</b>	
<b>Developmental Objectives</b>	The Fund is expected to have a positive development impact in Latin America, particularly in Central America, by providing much needed capital to innovative early-stage companies. More specifically, the Fund seeks to invest in small and medium enterprises (SMEs) that leverage innovation to offer social and environmental solutions. Entrepreneurs and early growth-stage enterprises are critical to providing new and/or improved products/services that are inaccessible to underserved customers in the region due to price and structural constraints. To that end, the Fund seeks to provide capital to SMEs that have highly scalable, measurable social and environmental impacts. The Fund will invest across a range of sectors including: agriculture, ecommerce, fintech, energy, and basic services, such as education, health, and water, sanitation, and hygiene (WASH). The Fund Manager will implement a gender inclusion approach, intentionally pursuing investment opportunities in women-owned/led companies and supporting portfolio companies to define clear goals for gender inclusion.
<b>Environment and Social Assessment</b>	<b>SCREENING:</b> The Project has been reviewed against DFC's 2020 Environmental and Social Policy Procedures ("ESPP") and has been determined to be categorically eligible. Equity investments into funds are 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 limited environmental and social risks that are site specific and can be readily mitigated though

the application of sound environmental and social management practices.

Consistent with DFC's policy on policy assessment of financial intermediary transactions the Fund is eligible for delegated responsibility for the application of DFC's policies related to environmental and social impact assessment, risk management and monitoring. 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.

The primary environmental and social issues identified in this transaction relate to the need for a strong Environmental and Social Management System that meets the IFC Performance Standards, robust Human Resources Policies, and to ensure that investments associated with healthcare (specifically associated with primary, secondary, and tertiary care) are developed in accordance with DFC's Environmental and Social Policy and Procedures ("ESPP"). DFC will monitor the effectiveness of the Fund's application of DFC policies throughout the Project's life cycle. Under DFC's ESPP, 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 Performance Standard ("PS") 1 and 2.

A virtual due diligence assessment indicates that because the Project involves an equity investment into an investment fund that will support SMEs in Latin America, significant adverse impacts with respect to community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples and cultural heritage are not anticipated. Therefore, PS 3, 4, 5, 6, 7, and 8 are not triggered at this time.

**APPLICABLE STANDARDS:** DFC's ESPP requires fund managers to maintain an ESMS that appropriately identifies, assesses, manages, and monitors risks with respect to the IFC Performance Standards the General and Sector-specific EHS Guidelines. The Fund has an ESMS designed to screen and evaluate risks but is not fully aligned with the DFC ESPP and IFC Performance Standards. The Fund also lacks the requisite expertise and risk assessment for potential healthcare related investments involving primary, secondary, and tertiary care that would trigger the DFC's Policy on Health Care Projects and Medical Devices. As such, prior to the execution of the subscription documents the Fund will be required to provide to the DFC a revised and strengthened ESMS that satisfactorily mitigates these risks.