Board of Directors Notational Vote
Friday, July 26, 2024

Information summaries for the below listed projects can be found below.

Meeting Agenda

I. **PROJECT APPROVALS**
   a. A.P. Moller Capital- Emerging Markets Infrastructure Fund II KS
   b. PI Fund V (Ontario), L.P.
   c. Amethis Fund III
   d. Banco de la Producción S.A.

Host Country(ies)	Primary focus on the following countries: Cote d'Ivoire (LMIC), Egypt (LMIC), Kenya (LMIC), Morocco (LMIC), South Africa (UMIC), India (LMIC), Indonesia (UMIC), Malaysia (UMIC), Philippines (LMIC), Thailand (UMIC), and Vietnam (LMIC)[1]
Name(s) of Fund	A.P. Moller Capital - Emerging Markets Infrastructure Fund II K/S, Denmark
Name of Fund Manager	A.P. Moller Capital P/S, Denmark
Project Description	The Fund will invest in critical infrastructure and renewable energy, with a primary focus on ports, logistics, renewable energy, and digital infrastructure across selected markets in Africa, South Asia, and Southeast Asia.
Proposed DFC Equity Investment	$50,000,000
Target Fund Size	$1,000,000,000
Policy Review	
Developmental Objectives	Africa and Asia face an infrastructure funding gap estimated at $1.7 trillion over the next 20 years and require $1.38 trillion in investment annually through 2030 to fund their green transitions and limit global warming to 1.5°C. Population growth in these regions is expected to result in an increased need for both infrastructure and energy, with Africa's and Asia's populations projected to increase 86% and 15%, respectively, over the next 25 years. This rapid growth warrants investments in sustainable, quality infrastructure and energy that improve social, economic, and environmental outcomes. In response to these challenges, the Fund is expected to have a positive development impact in Africa and Asia by providing much needed capital to critical infrastructure and renewable energy projects and platforms. The Fund Manager will build on its previous expertise to make majority or strategic minority positions that allow for strategy and operating influence over its project and platform investments. Given the Fund's characteristics, it is categorized as Highly Impactful per DFC's Impact Quotient.

[1] In addition to the primary focus countries, APMC may make investments in Ghana (LMIC), Senegal (LMIC), Nigeria (LMIC), Gabon (UMIC), Zambia (LMIC), Namibia (UMIC), Botswana (UMIC), Mozambique (LIC), Angola (LMIC), Tanzania (LMIC), Algeria (LMIC), Rwanda (LIC), Bangladesh (LMIC), Thailand (UMIC), Madagascar (LIC), and Eswatini (LMIC). Thailand and Bangladesh are under closed status and DFC will ensure that it can be treated as an excused investor in all portfolio projects in both countries. The Fund may also make investments in companies headquartered in Australia, Singapore, or other markets; however, the productive activities of the opportunities would be in DFC eligible countries.

Environment and Social Assessment	**APPLICABLE STANDARDS:** Fund II has been reviewed against DFC's 2020 ESPP and has been determined to be categorically eligible. DFC direct investments into investment funds that will subsequently support mid-to-large sized companies classified as a FI-A activity for the purposes of environmental and social assessment. Based on DFC's due diligence, Fund II's downstream investments are anticipated to pose environmental and social risks that are site specific and can be readily mitigated though the application of sound environmental and social management practices. Under the 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 Standards ("IFC PS") 1 and 2. For Category FI-A projects, applicable provisions are: • The requirement to maintain an Environmental and Social Assessment Management System (ESMS). This includes the environmental and social principles that will be used to guide Fund and its downstream investments to implement measures that will eliminate risks, ameliorate damage, and enhance positive effects. (PS 1, Paragraph 5). • The requirement to establish a stakeholder grievance mechanism to receive and facilitate the resolution of concerns and grievances about the Project's environmental and social performance (PS 1, Paragraph 35). • The requirement to treat its workers fairly; to clearly communicate terms and conditions of employment to its workers; to provide a worker grievance mechanism to receive and facilitate resolution of concerns and grievances by workers (PS 2 Paragraphs 10-20). • The requirement to provide a healthy and safe work environment for Fund employees (PS 2, Paragraph 23). A virtual due diligence assessment indicates that because Fund II involves an investment in a financial intermediary that will focus on infrastructure sectors including logistics, transportation, and utility-scale electricity generation projects in Africa and Southeast Asia, 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. However, DFC's ESPP requires the financial intermediary to maintain an ESMS that appropriately identifies, assesses, manages, and monitors risks with respect to the IFC PS and the World Bank General and Sector-specific EHS Guidelines.

It is anticipated that the Fund's subprojects may trigger IFC PS 3, 4, 5, 6, 7 and 8. The Fund has two existing Category B investments, Project Goldfish and Project Salmon, both inland port facilities, that trigger PS 3, 4, 5 and 6. Because the Fund will likely invest in Category A subprojects, where that categorization is triggered, DFC will require that ESIAs for these subprojects be submitted and disclosed by DFC for public comment.

ENVIRONMENTAL AND SOCIAL RISKS AND MITIGATION: Key risks associated with Fund II result from contextual and sector specific environmental and social risks posed by large scale infrastructure projects and include the need for rigorous E&S management system and organizational capacity at the Fund to oversee a portfolio of medium to high-risk projects inclusive of supply chains that carry elevated labor risks under IFC Performance Standard 2. EMIF II has experience working with Development Finance Institution (DFI) Limited Partners (LP), including the International Finance Corporation (IFC) and the German Investment and Development Company (DEG), and their E&S requirements and has developed an ESMS that largely aligns with DFI requirements, including IFC PS, with conditions as outlined in Annex I.

Additional risks are driven by the lack of an implemented external grievance mechanism, inadequacies in the Fund Human Resources Policy, and gaps in environmental and social due diligence and monitoring and procedures, which the Fund will be required to address in line with IFC Performance Standards 1 and 2.

EMIF II has an established procedure for risk categorization, screening, due diligence, and monitoring of environmental, social, health and safety risks for its projects. The Fund's ESMS requires that Environmental and Social (E&S) risks be monitored at subproject sites by a team of three E&S personnel, with oversight by the Fund. The Fund-level E&S team comprises a Fund E&S Manager and three E&S subordinates. DFC's due diligence indicates that the Fund has robust E&S documentation and procedures and sufficient E&S capacity commensurate with the scale and nature of the Fund's downstream investments. DFC, along with the other DFI LPs, will monitor the Fund's implementation of the ESMS and ensure strong E&S capacity, which will be critical to successful ESMS implementation. EMIF II has also incorporated DFC's categorical prohibitions as part of its environmental and social screening procedures. The Fund will be required to provide annual monitoring throughout the DFC investment and provide annual monitoring reports on the environmental and social performance of the portfolio throughout the DFC investment.

Host Country(ies)	Latin America, with a primary focus on Brazil (UMIC), Colombia (UMIC), Peru (UMIC), and Mexico (UMIC)[1]
Name(s) of Fund	PI Fund V (Ontario), L.P. (together with related investment vehicles, the "Fund")
Name of Fund Manager	PI General Partner V Ltd. ("Patria")
Project Description	The Fund is targeting investments in infrastructure sectors in Latin America that align with DFC's and the U.S. Government's priorities to mitigate climate change and address the financing gap to develop needed infrastructure in Latin America. The Fund will be managed by an experienced team with a long track record of delivering financial, climate (including in the renewables sector), and developmental returns.
Proposed DFC Loan/Guaranty/Equity Investment	Up to $75 million
Target Fund Size	$2,500 million
Policy Review	
Developmental Objectives	Climate change represents a major challenge to the current and future well-being of Latin America, warranting increased investments in climate mitigation and adaptation infrastructure. The region faces an infrastructure funding gap of approximately $150 billion annually,[2] with low investment levels leading to deteriorating infrastructure across sectors and geographies. Although the region accounts for only 10% of global greenhouse gas emissions, it experiences a disproportionate impact caused by global warming, including landslides, flooding, coastal erosion, and drought.[3] With energy and transportation infrastructure comprising the vast majority of greenhouse gas emissions,[4] large investments are needed across these sectors to reduce overall emissions and allow populations to adapt to increasingly climate-vulnerable environments. It is estimated that $2.2 trillion is needed across energy, transportation, telecommunications, and environmental services for Latin America to meet the United Nations Sustainable Development Goals by 2030. To address these challenges, the Fund is expected to have a positive impact in Latin America by providing much needed capital to greenfield contracted infrastructure projects across power and energy, transportation and logistics, digital infrastructure, and environmental services that help to address climate change. Patria will build on its previous expertise to

	make control or co-control investments that allow for strategy and operating influence over its investments. Given the Fund's characteristics, it is categorized as Highly Impactful per DFC's Impact Quotient.
Environment and Social Assessment	**Screening:** Financial Intermediaries ("FI") with downstream investments that pose high environmental and social risks are screened as Category FI-A for the purposes of environmental and social assessment. Downstream investments made by the FI will still be screened for categorical prohibitions and subject to DFC's public disclosure requirements for Category A projects. Climate change resilience assessments for FI projects are not required under DFC's policies. However, the FI will be required to include climate change resiliency assessments for any Category A projects as part of the ESIA process. **Applicable Standards:** Under DFC's ESPP, the FI 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. An on-site due diligence assessment indicates that because the Project involves an investment in a financial intermediary, 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 by DFC's investment; however, DFC's ESPP requires the FI 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. It is anticipated that the FI's subprojects may trigger the following PS: 1, 2, 3, 4, 5, 6, 7, and 8. Because the FI will invest in Category A subprojects, where that categorization is triggered, DFC will require that ESIAs for these be submitted and disclosed by DFC for public comment. **Environmental and Social Risks and Mitigation:** Key risks associated with the Project include the need for rigorous E&S management system and organizational capacity at the Fund to oversee a portfolio of medium to high-risk projects inclusive of supply chains that carry elevated labor risks under IFC Performance Standard 2. The Fund has previously worked with DFI LPs and their E&S requirements and has developed an ESMS, but with enhancements needed to fully comply with the IFC PS. The Fund has an established procedure for risk categorization, screening, due diligence, and monitoring of environmental, social, health and safety

	risks for its projects. The Fund's ESMS requires that E&S risks be monitored, with oversight by the Fund, but the Fund will need to strengthen this requirement. The E&S team comprises a head of ESG and six E&S team members and data analysts. DFC's due diligence indicates that the Fund has E&S documentation and procedures but needs additional E&S capacity commensurate with the scale and nature of the Fund's downstream investments, which should be completed through adequate training of staff both within the E&S organization and the investment teams. DFC will monitor the Fund's implementation of the ESMS. The Fund will be required to incorporate DFC's categorical prohibitions as part of their environmental and social screening procedures, The Fund will be required to provide annual monitoring throughout the DFC investment. The Fund's HR management is governed by Patria's requisite HR policies and procedures. However, to further strengthen its workforce management and ESMS, the Fund will need to update aspects of these policies and procedures in line with IFC Performance Standards 1 and 2.

[1] The Fund also has a primary focus on Chile (HIC), and DFC will ensure that it can be treated as an excused investor in all portfolio projects in Chile.

[2] Wilson Center, Latin America Must Prioritize Infrastructure to Spur Economic Growth, 13 March 2023.
[3] Development Bank of Latin America and the Caribbean. Effects of Climate Change in Latin America and the Caribbean. November 21, 2023.
[4] U.S. EPA, Sources of Greenhouse Gas Emissions, Accessed 29 April 2024.

Host Countries	Pan-African with a primary focus on Côte d'Ivoire (LMIC), Egypt (LMIC), Kenya (LMIC), Morocco (LMIC), and Senegal (LMIC).
Name of Fund	Amethis Fund III S.C.A., SICAV-RAIF (the "Fund")
Name of Fund Manager	Amethis Partners S.A. (the "Fund Manager")
Project Description	The Fund will make equity investments in middle market companies across Africa, and will focus on helping portfolio companies professionalize their management, expand their geographic footprint, and improve their environmental, social, and governance standards, gender diversity, and climate efficiency. A portion of the Fund Manager's carried interest will also be linked to the achievement of these impact goals.
Proposed DFC Loan/Guaranty/Equity Investment	DFC's equity investment will be the lesser of 20% of committed capital or $40 million.
Target Fund Size	€450 million
Policy Review	
Developmental Objectives	Investment flows to Africa have been declining since the mid-2010s and according to the OECD, Africa currently faces a sustainable financing gap of $1.6 trillion, nearly five times the continent's small and medium enterprise ("SME") finance gap. This problem is particularly acute for African mid-caps, which are too large to benefit from SME finance lines of credit but not large enough to access local capital markets affordably and thus rely heavily on private equity for financing. In response to this challenge, the Fund will make direct equity investments to mid-cap enterprises throughout Africa, most of which are expected to be in low- or lower-middle-income countries. The Fund Manager will also seek to provide technical assistance to all investees, including implementation of environmental and social action plans as well as gender action plans designed to bring each portfolio company into compliance with the 2X Challenge criteria. DFC has qualified the Fund as 2X based on the employment and investments through financial intermediaries 2X criteria. Given the Fund's characteristics, it is categorized as Highly Impactful per DFC's Impact Quotient.
Environment and Social Assessment	The Project has been reviewed against the DFC's 2024 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. DFC loans to investment funds which invest in medium and large enterprises in various sectors including energy, technology,

	financial services, and infrastructure support services are typically screened as a Financial Intermediary B (FI-B) for environmental and social assessment. Because the Fund's downstream portfolio investments are expected in potentially riskier sectors such as manufacturing, infrastructure support, and healthcare which will result in moderate environmental and social impacts, the Project has been classified as a Category FI-B. Therefore, all those downstream investments have been pre-screened as medium risk though further review and consent is not required for these investments as set forth in the DFC's ESPP 2024 regarding financial intermediaries. To ensure that the Fund's investments are consistent with the DFC's statutory and policy requirements, the DFC equity investment 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 Management System("ESMS") that meets the 2012 IFC Performance Standards. 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. A desk based due diligence assessment indicates that because the Project will use DFC support for investing into SMEs in various sectors including healthcare, financial services, business services, infrastructure/energy, and manufacturing and distribution (including agribusiness and consumer goods) across Africa, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 5, 6, 7, and 8 are not triggered at this time. Since the Project's investments may involve investments into portfolio companies in sectors with heightened sensitivities, DFC's environmental and social due diligence indicates the Project may have impacts that must be managed in a manner consistent with the following 2012 International Finance Corporation's (IFC) Performance Standards (PS): • PS1: Assessment and Management of Environmental and Social Risks and Impacts; • PS2: Labor and Working Conditions; • PS3: Resource Efficiency and Pollution Prevention; and

	PS4: Community Health, Safety, and Security. The Fund has an environmental and social management system as described in IFC PS 1, grievance mechanisms, and human resources policies generally commensurate with its investment strategy. However, the Fund will be required to provide the finalized and updated ESMS and evidence of its implementation through its investment due diligence, and an updated Human Resources Policy to meet the DFC’s 2024 Environmental Policy and Procedures.

Host Country	Ecuador
Name of Borrower	Banco de la Producción S.A.
Project Description	A $200 million direct loan (the "**Loan**") to expand the Borrower's on-lending to small and medium sized enterprises ("**SMEs**") and women in Ecuador. The use of proceeds will be on-lent as follows: at least 30% to women-owned/women-led SMEs ("**2X SMEs**"), at least 40% to Eligible Women Retail Borrowers, at least 10% to SMEs for climate finance ("**Climate SMEs**"), with any remaining amounts to other SMEs (the "**Project**").
Proposed DFC Loan	$200,000,000 (8-year senior unsecured direct loan)
All-Source Funding Total	$250,000,000
Policy Review	
Developmental Objectives	In Ecuador there is a $16 billion dollar financing gap for SME's due to the country's relatively shallow financial market. Women-owned/led SMEs in Ecuador face larger barriers to credit when compared to their male owned/led counterparts as they typically must overcome both gender norms and lack of a formal credit history. Women's access to consumer credit has also been limited for similar reasons. Ecuador's rural populations have lagged the rest of the country in terms of financial inclusion and most local financial institutions have not extended their services to these communities. Ecuador is also challenged by potential effects of climate change on sensitive ecosystems, which are critical to rural livelihoods and impact urban areas. In response to these challenges, the Project is expected to expand access to SME credit in Ecuador, with specific allocations to women-owned/led SMEs, climate finance loans for SMEs, and rural SMEs. In addition to extending credit to SMEs, the Project will also allocate a portion of proceeds to underwrite loans to unmarried women who would otherwise depend on male co-signers. DFC has qualified the Project as 2X based on the Borrower's intent to meet and/or exceed the 2X criteria for women representation in employment and percentage of Project proceeds allocated to 2X eligible SME clients. Given the Project characteristics, the Project is categorized as Highly Impactful per DFC's Impact Quotient.

Environment and Social Assessment	**Screening:** The Project has been reviewed against the DFC's 2020 Environmental and Social Policies and Procedures manual ("ESPP") and has been determined to be categorically eligible. DFC loans to Banco de la Producción S.A. will expand lending to women retail borrowers and to small-and-medium enterprises ("SMEs") focused on climate financing, women-owned and/or -led, and other SMEs in Ecuador and are screened as a Financial Intermediary C (FI-C) for environmental and social assessment. These downstream investments are expected to result in minimal adverse environmental and social impacts. Therefore, all those downstream investments have been pre-screened as low risk and further review and consent is not required for these investments. **Applicable Standards:** To ensure that the Borrower's investments are consistent with the DFC's statutory and policy requirements, the DFC loan 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. 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. A desk-review based due diligence assessment indicates that because the Project will use DFC support for a loan to a financial institution for the purpose of expanding SME lending in Ecuador, significant adverse impacts concerning community health and safety, biodiversity, land acquisition and resettlement, indigenous peoples, and cultural heritage are not anticipated; therefore, PS 3, 5, 6, 7, and 8 are not triggered at this time. The Borrower does utilize private security and therefore, relevant aspects of IFC PS 4, Community Health, Safety, and Security are triggered at this time. **Environmental and Social Risks and Mitigation Measures**: The Borrower has an environmental and social policy mostly aligned with IFC PS 1, grievance mechanisms, and human resources policies generally commensurate with its investment strategy. However, the Borrower will be required to update aspects of its labor and environmental and social policies to fully meet the IFC Performance Standards and DFC's 2020 Environmental Policy and Procedures.