



Project Summary Information

Date of Document Preparation: December 1, 2021	
Project Name	NIO Capital Eve ONE Fund
Document Code	000548
Country	People's Republic of China
Sector/Subsector	Finance / Investment funds
Status of Financing	Proposed
Project Description	NIO Capital Eve ONE Fund II ("The Fund") is a venture capital fund focused on investment in decarbonization and digitalization technologies in transport, energy, logistics, and associated industries. The Fund is managed by NIO Capital (the "Fund Manager").
Objective	To promote use of technology and support digitization and decarbonization of transport, energy, logistics, and associated sectors.
Expected Results	The project expects to foster decarbonization and digitalization technology developments across target sectors and industries. The expected results may be measured by the quantum of financing made into companies developing green infrastructure and technology applications, among others.
Environmental & Social Category	FI
Environmental and Social Information	<p>AIIB's Environmental and Social Policy (ESP) is applicable to this project. The project has been placed in Category FI, because the financing structure involves the provision of funds through a financial intermediary (the Fund), whereby AIIB delegates to the Fund Manager the decision-making on the use of AIIB's proceeds for further investing in accordance with the conditions in the Project's legal documentation to be agreed with the Fund Manager in the form of eligibility criteria and investment guidelines, and applied through an Environmental, Social and Governance Framework (ESGF) which is to be used as the Project's Environmental and Social Management System (ESMS).</p> <p>The Fund Manager's ESGF shall include scoping, screening, categorization, E&S due diligence, monitoring and grievance redress in accordance with the ESP, the Environmental and Social Exclusion List, regulatory requirements in the jurisdictions of operation and, where applicable, the AIIB Environmental and Social Standards (ESS). As per this ESGF, the Fund Manager (i) assesses and quantifies the ESG risks and impacts of potential investees against the applicable ESG regulatory</p>

	<p>requirements in their jurisdiction of operation and good international industry practices, (ii) defines measures to align their performance with the same, (iii) identifies and enhances ESG value addition opportunities, (iv) monitors and assesses ESG performance during the investment holding period and (v) reports regularly to the Limited Partners and external stakeholders. Coal mining, coal transportation and coal-fired power plants, as well as infrastructure exclusively dedicated to support any of these activities will be excluded from eligibility for financing under the Project. In addition, all potential companies involved in Category A and higher risk Category B activities will be excluded from this Fund and AIIB retains the right to review all investees.</p> <p>For all investments supported by AIIB, the Fund will require the establishment of a portfolio company-level ESG system in alignment with AIIB's ESP and, where applicable, the ESS, including appropriate processes for timely disclosure of environmental and social (E&S) information in an appropriate manner, conduct of stakeholder engagement activities, and establishment of subproject-level Grievance Redress Mechanisms (GRMs) to address concerns and grievances from both project workers and project-affected people which will also be disseminated to the project affected people in an appropriate manner. The Fund Manager will monitor these aspects as part of its portfolio monitoring process.</p> <p>The Fund Manager will be required to periodically disclose the names, locations and sectors of portfolio companies that are being supported by AIIB's financing, subject to regulatory constraints and market sensitivities. Furthermore, the Fund Manager will be required to create an external communication mechanism to address views of project affected people, enquiries or concerns regarding its own E&S processes and outcomes as well as E&S impacts and performance of the portfolio companies invested by the Fund.</p> <p>Subsequently, AIIB will conduct prior review of investments presenting significant E&S risks and which may potentially induce a) involuntary resettlement, b) risk of adverse impacts on Indigenous Peoples, c) risks to or impacts on the environment, community health and safety, biodiversity, cultural resources, d) retrenchment representing more than 20% of direct employees and recurrent contractors or e) Occupational Health and Safety risks. AIIB will conduct regular monitoring of the Fund's activities, including visits to selected investments.</p>
Cost and Financing Plan	Up to USD 40 million
Fund Manager	NC Management Company Limited

Estimated Date of First Disbursement	1Q 2022
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Contact Points	AIIB	NIO Capital
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Date of Final Review Decision	November 30, 2021	
Estimated Date of Financing Approval	1Q 2022	

Independent Accountability Mechanism	<p>AIIB's Policy on the Project-affected Peoples Mechanism (PPM) applies to this Project. The PPM has been established by AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement the ESP in situations when their concerns cannot be addressed satisfactorily through the Project-level ECM or the processes of AIIB's Management. Information on AIIB's PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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