

## Public Information Summary

<b>Host Countries</b>	Africa regional
<b>Name of Borrower</b>	2X Ignite Africa Warehousing Facility SCSp (“Borrower”)
<b>Project Description</b>	DFC will provide a \$10 million mezzanine loan to capitalize the Borrower, which will provide warehousing loans to emerging women-led and gender balanced fund managers.
<b>Proposed DFC Loan</b>	\$10,000,000
<b>All-Source Funding Total</b>	\$75,000,000
<b>Policy Review</b>	
<b>Developmental Objectives</b>	<p>It is estimated that over 90% of startups in Africa reported that the lack of access to finance and seed funding was a primary concern for enterprise growth. Representing 1.5% of the global private equity/venture capital, PE/VC investments in Africa totaled \$6.5 billion in 2022 and only \$3.5 billion in 2023. According to the IFC, only 11% of investment professionals in emerging markets PE/VC are women, only 15% of fund managers’ senior leadership teams are gender diverse, and 70% are all-male. The overall lack of women’s representation across the PE/VC value chain is also pronounced across potential PE/VC investee enterprises. African startups with a solo woman founder or an all-women founding team raised only 2.3% of total venture capital funding in 2023, while 15% of investment went to a founding team with at least one woman. Women-owned/led enterprises that otherwise traditionally wouldn’t attract PE/VC capital, including small and medium enterprises (“SMES”), are deemed as higher risk lending and/or investing propositions given various impediments, including women’s lack of access to a bank account, collateral, financial education, and limited property rights.</p> <p>In response to these challenges, the Project is expected to have a positive development impact in in Africa by providing new and emerging fund managers with access to financing to execute their gender lens fund investment (“GLI”) strategies. More specifically, the Project will support first-time and earlier stage women-led and gender diverse fund managers with an opportunity to scale their GLI strategies by financing these mangers’ first loans to or investments in 2X eligible SMEs. DFC has qualified the Project as 2X based on its undertaking to meet and/or exceed the 2X criteria for women’s representation in leadership and investments through financial intermediaries. Given the Project characteristics, the</p>

	Project is categorized as Exceptionally Impactful per DFC's Impact Quotient.
<b>Environment and Social Assessment</b>	<p>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 into financial intermediaries who support fund managers that invest into small and medium enterprises 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.</p> <p>To ensure that the Facility'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.</p> <p>Under the DFC's ESPP, the Facility 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 to support small and medium enterprises globally, significant adverse impacts concerning 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.</p> <p>The Facility does not have an environmental and social policy as described in IFC PS 1 or adequate human resources policies and labor risk mitigation strategies for investments as described in IFC PS 2. As a result, the Facility will be required to develop an IFC PS 1-compliant E&amp;S Policy and IFC PS 2-compliant human resources and labor policy or equivalent, consistent with DFC's 2020 Environmental Policy and Procedures and tailored to the Facility's investment strategy.</p>