

Public Information Summary
Ankur Capital Fund III

Host Country(ies)	India
Name(s) of Fund	Ankur Capital Fund III
Name of Fund Manager	Ankur FinCon Management Pvt. Ltd
Project Description	Women-led impact focused venture fund that will make 20 to 25 investments in technology-based climate solution, financial services, healthcare, agricultural, education, and deep-science companies that aim to deliver innovation and development while serving economically underserved communities, sectors, and geographies.
Proposed DFC Loan/Equity Investment	Up to \$15 million
Target Fund Size	\$150 million
Policy Review	
Developmental Objectives	The Fund is expected to have a positive development impact in India by providing much needed capital to early-stage digital technology and deep-science technology enterprises. The Fund will focus particularly those companies offering to develop innovative solutions for sustainable agricultural, inclusive growth for health, education, and financial services for India’s underserved population segments, and climate mitigation and adaption strategies to reduce GHGs, scale clean energy, and promote circular economies.
Environment and Social Assessment	This Project involves a DFC equity investment of up to \$15 million to Ankur Fincon Management Private Limited (the “Fund Manager”) to support the Ankur Fund III (the “Fund” and “AFIII”), that will target approximately 20-25 innovative Indian start-up technology companies (the “Portfolio Companies”). 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 through the application of sound environmental and social management practices.

Consistent with DFC's policy on policy assessment of financial intermediary transactions ("FI Policy," dated April 2020) 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 in an investment fund, 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.

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

	<p>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.</p>
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