



Luxembourg, 13 July 2022



13/07/2022

Environmental and Social Data Sheet

Overview

Project Name:	PARTECH AFRICA FUND II
Project Number:	2022-0081
Country:	Regional - Africa
Project Description:	Venture capital fund focusing on start-ups active in the digital and technology sectors in Africa
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

The proposed operation concerns an equity participation in Partech Africa Fund II ("The Fund"). The Fund is a new venture capital fund targeting start-ups in the digital and technology sectors in Africa. The Fund will be managed by Partech Partners ("Partech" or the "Fund Manager"), one of the leading independent VC firms worldwide, with EUR 2.0bn of assets under management.

The Fund will invest in companies operating in Africa. The Fund will focus on key markets including Nigeria, Egypt, South Africa, Kenya as well as actively pursue opportunities in the rest of the continent, including but not limited to Senegal, Morocco, Ghana, Ivory Coast, Uganda and Tanzania.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.



Luxembourg, 13 July 2022

Partech considers the Environmental, Social and Governance management principles and systems as an integral part of its investment process and strategy for its Fund. On this basis, Partech has developed an ESG Management System Manual that provides the Fund with adequate tools to take ESG factors into account in the assessment of potential investments and the management of portfolio companies alongside more traditional financial and business performance considerations. For each investment candidate and each investee company the team will weight ESG factors and, depending on the deal structure and Partech's positioning the company, the team develops an ESG improvement plan when relevant (including appropriate metrics). Partech's Environmental, Social and Governance Policy has been approved by the Bank.

If located within the EU, these activities would not fall under Annexes I and II of the EU Directive 2014/52/EU amending the EIA Directive 2011/92/EU. Moreover, the activities will be carried out in existing facilities already authorised that will not change their scope due to the project.

Most of the proposed investments will take place inside buildings at existing RDI facilities already being used for similar activities, and are not expected to have a significant environmental impact on the surroundings. On the contrary, some of the RDI projects are addressing specific environmental issues and include sub-projects that directly help decreasing GHG emissions. The RDI results will help for example to allow for a more efficient and reduced use of energy, a better integration of alternative energy sources or reduced paper usage and travels.

The fund will invest in early-stage fintech and mobile/enterprise companies which are associated with low E&S risks because of the limited number of employees and limited environmental impacts. In addition, the fund's investments will include sub-projects that directly help decrease GHG emissions by reducing paper usage and travels.

Partech is excluded from investing in high-risk activities. The specific E&S challenges that Partech is expected to encounter through its investments are related to data privacy and security and general labour conditions, which are properly being addressed by the Fund's ESMS.

The fund's investment strategy is fully aligned with the Paris Agreement on climate change according to the Bank's definition (Annex 2 Table H of EIB's climate bank roadmap - CBR).

ESG Initiatives

Partech has a code of conduct covering the diversity, equality and inclusion principles.

Over the last years, Partech took the initiative to go further in its engagement with the following initiatives:

- Since 2015, Partech has formalized an ESG Policy that is reviewed every year to adapt to the constant evolution and improvement in the ESG domain.
- In addition to the Principles of Responsible Investments, Partech has also signed the "Charte France Invest" that encourages capital funds to address economic, social, and environmental issues, and stands for a better governance in the industry.
- Since 2017, Partech has partnered with climate and development experts its ClimateCare to offset its carbon emissions, as part of our approach to taking responsibility for its impact on the environment.
- In 2019, Partech also became a member of the "Charte SISTA" to encourage more equal access to financing between men and women.
- In early 2021, the fund released a report to communicate on the increasing number of female-founded companies in its portfolio ([link](#)).



Luxembourg, 13 July 2022

Overall, these initiatives have been implemented and continue to be improved to meet the ESG ambitions of the Firm. Conducting investments in line with those principles, guidelines and methodologies, Partech will positively contribute to improving Africa's ecosystem.

Conclusions and Recommendations

The Bank will ensure through its finance contract that the projects financed by the Fund are in eligible areas/sectors for the Bank, do not lead to competitive distortions, and that the Bank's requirements on procurement, environment and social matters will be respected.

Therefore, the project has been classified as acceptable in environmental and social terms for the Bank's financing.