IFC Funds Strategy

- IFC commits approximately $500 million annually on a global basis to 20-30 new funds.
- Our core areas of focus are growth equity, venture capital, SME funds, and, selectively, sector funds.

<table>
<thead>
<tr>
<th>Growth Equity</th>
<th>Venture Capital</th>
<th>SME Ventures</th>
<th>Sector Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>60-75%</td>
<td>10-15%</td>
<td>5-10%</td>
<td>10-15%</td>
</tr>
<tr>
<td>• Invest in strong local partners</td>
<td>• Catalyze local VC ecosystem</td>
<td>• Support SMEs in FCS, IDA¹, Frontier Regions</td>
<td>• Stimulate emerging areas (renewables)</td>
</tr>
<tr>
<td>• Spur economic growth &amp; job creation</td>
<td>• Spur culture of entrepreneurship &amp; innovation</td>
<td>• Paired with advisory services</td>
<td>• Complement IFC’s direct program</td>
</tr>
</tbody>
</table>

¹ The International Development Association (IDA) is an international financial institution, part of the World Bank Group, which offers loans and grants to the world’s poorest developing countries.

- IFC’s strategy for investing through funds focuses on:
  - Supporting fund managers who have positive impact on economic activity and job creation by providing capital and expertise to their portfolio companies
  - Promoting the development of the private equity asset class in emerging markets
  - Stimulating sub-asset classes and emerging areas (VC, renewables) and markets (Ukraine, Pakistan)
  - Broadening IFC’s reach to IDA countries and fragile and conflict-affected states (FCS)
IFC Funds Commitments

- IFC is the largest investor in emerging market funds globally.
- IFC’s active funds portfolio includes 291 funds, representing $5.6 billion of total commitments.¹
- Over the past 10 years, IFC has committed $4.4 billion to over 200 funds across various strategies and regions.

¹ As of December 31, 2016.
IFC Funds Exposure

- Active portfolio of 291 funds
- 196 fund managers
- 1,597 active investees, valued by our fund managers at $24.8 billion
- In addition, 716 exited investees, for a total of 2,313 investee companies

Note: Exposure is defined as NAV + uncalled commitments. Data is as of December 31, 2016.
IFC’sPrivate Equity Fund Performance

- IFC’s funds performance for its core strategies of growth equity and venture capital funds has produced a net IRR of 15.3% and a net multiple of 1.6x as of December 31, 2016.
- The top-performing regions have been Europe and Central Asia and East Asia and the Pacific.

<table>
<thead>
<tr>
<th>Region</th>
<th>No. of Funds</th>
<th>Net IRR</th>
<th>Net Multiple</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia And The Pacific</td>
<td>29</td>
<td>26.8%</td>
<td>2.1x</td>
</tr>
<tr>
<td>Europe And Central Asia</td>
<td>25</td>
<td>31.0%</td>
<td>2.3x</td>
</tr>
<tr>
<td>Latin America And The Caribbean</td>
<td>25</td>
<td>6.0%</td>
<td>1.3x</td>
</tr>
<tr>
<td>Middle East And North Africa</td>
<td>15</td>
<td>4.0%</td>
<td>1.1x</td>
</tr>
<tr>
<td>South Asia</td>
<td>25</td>
<td>-2.3%</td>
<td>0.9x</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>34</td>
<td>10.3%</td>
<td>1.3x</td>
</tr>
<tr>
<td>World</td>
<td>10</td>
<td>1.4%</td>
<td>1.0x</td>
</tr>
<tr>
<td><strong>All Regions</strong></td>
<td><strong>163</strong></td>
<td><strong>15.4%</strong></td>
<td><strong>1.6x</strong></td>
</tr>
</tbody>
</table>

- Includes growth equity, venture capital and mezzanine funds committed to between 2000 and 2014. Data is as of December 31, 2016.
IFC Private Equity Funds Performance\textsuperscript{1} vs. Cambridge Associates Top Quartile Index\textsuperscript{2}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{chart.png}
\caption{IFC vs. Cambridge Associates Top Quartile (2013-2016)}
\end{figure}

\begin{itemize}
\item \textsuperscript{1}Includes growth equity, venture capital and mezzanine funds committed to since 2000 and through 2011, 2012, 2013, and 2014 for returns, including CFs, through December 2013, 2014, 2015, and 2016, respectively.
\item \textsuperscript{2}The Cambridge Associates Index includes buyout, growth equity, private equity energy, and mezzanine funds over the same time horizon used for IFC’s return calculations. Note that December 2016 numbers are as of 3Q 2016 given availability of data.
\end{itemize}
IFC Funds Development Impact

- Within IFC, funds consistently have among the strongest development impact as measured by jobs, taxes paid, and SME/IDA exposure.
- Fund portfolio companies employ over 765,000 people, including over 150,000 women.

### IFC Funds Development Impact as of December 31, 2015

<table>
<thead>
<tr>
<th>Region</th>
<th>No. of Investees</th>
<th>Total Employees</th>
<th>Female Employees</th>
<th>New Jobs in Fund Investees</th>
<th>Taxes and Other Payments ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Saharan Africa</td>
<td>409</td>
<td>112,890</td>
<td>24,293</td>
<td>23,425</td>
<td>1,075</td>
</tr>
<tr>
<td>East Asia and the Pacific</td>
<td>234</td>
<td>334,284</td>
<td>29,018</td>
<td>172,422</td>
<td>286</td>
</tr>
<tr>
<td>Europe and Central Asia</td>
<td>182</td>
<td>122,263</td>
<td>55,295</td>
<td>57,023</td>
<td>398</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>147</td>
<td>50,242</td>
<td>17,093</td>
<td>16,449</td>
<td>87</td>
</tr>
<tr>
<td>Middle East and North Africa</td>
<td>109</td>
<td>26,761</td>
<td>6,569</td>
<td>6,395</td>
<td>60</td>
</tr>
<tr>
<td>South Asia</td>
<td>249</td>
<td>95,845</td>
<td>20,974</td>
<td>39,240</td>
<td>90</td>
</tr>
<tr>
<td>World</td>
<td>201</td>
<td>23,337</td>
<td>48</td>
<td>212</td>
<td>4</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>1,531</strong></td>
<td><strong>765,622</strong></td>
<td><strong>153,290</strong></td>
<td><strong>315,166</strong></td>
<td><strong>2,000</strong></td>
</tr>
</tbody>
</table>

1 Latest available development outcome data is as of December 31, 2015.
High Correlation: Returns & Impact

Development Impact Scores

- 1  High Unsuccessful
- 2  Unsuccessful
- 3  Mostly Unsuccessful
- 4  Mostly Successful
- 5  Successful
- 6  Highly Successful

Funds Development Impact Indicators

- Employment, New Jobs & Female Employment
- Payments to Government
- # of Investees Classified as SME
- # of Investee Companies with IDA/Frontier Exposure
- # of Positive Growth Investee Companies in Sales
Impact is Both Direct and Indirect

JD.com (Capital Today investee company in China) in FY16:

- $27.9 billion in sales
- 106,000 employees
- 2.7 billion NAV
- 639 million active customers

GDP:
- Direct: $15.9 billion
- Indirect: $7.2 billion
- Induced: $18.0 billion
- Total contribution: $52.0 billion

Jobs:
- Direct: 106,000 jobs
- Indirect: 30,000 jobs
- Induced: 150,500 jobs
- Total contribution: 286,500 jobs