FINDEV CANADA TRANSACTION SUMMARY

# XIC Latin America Fund I, L.P.

*This document provides an overview of the FinDev Canada transaction, including a summary of the anticipated development impacts and of the environmental, social and governance (ESG) assessment performed, potential risks identified, and related mitigation measures to be implemented.*

## Transaction description

XIC Latin America Fund I, L.P. is a private equity fund managed by Exagon Impact Capital, LLC. The transaction is an equity investment of up to USD 15M in XIC Latin America Fund I, L.P., targeting USD 300M to invest in renewable energy and sustainable infrastructure across Latin America and the Caribbean (LAC).

## Transaction details

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| **COUNTERPARTY** | XIC Latin America Fund I, L.P. (XIC I or the Fund)<br><br>Exagon Impact Capital, LLC (Exagon or the Investment Manager)<br><br>XLA Fund I GP, LLC (the General Partner) |
| **DOMICILE OF INCORPORATION** | Fund: Ontario, Canada<br><br>Investment Manager: Incorporated in Florida, USA, location of business in New York, USA and Bogota, Colombia<br><br>General Partner: Incorporated in Delaware. Location of business: New York, USA and Bogota, Colombia |
| **COUNTRY(IES) OF OPERATIONS** | Latin America & the Caribbean |
| **TERM OF FINANCING** | N/A |
| **SECTOR** | Financial Industry |
| **E&S CATEGORY** | FI-2 |
| **FINANCING PRODUCT** | Equity |
| **FINDEV CANADA TRANSACTION AMOUNT** | USD 15M |
| **DATE OF TRANSACTION DISCLOSURE** | 02/03/2026 |
| **DATE OF TRANSACTION SIGNING** | 20/04/2026 |

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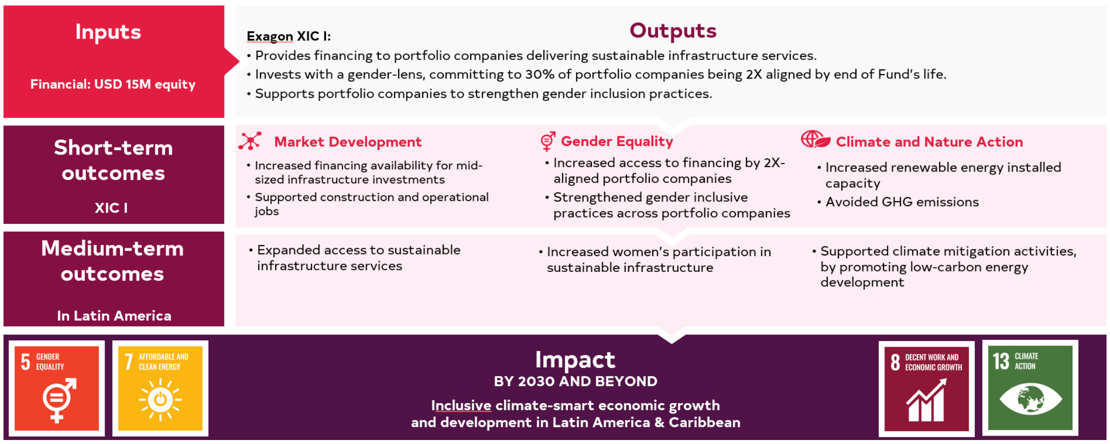
| **DATE OF TRANSACTION SUMMARY PUBLICATION** | 14/07/2026 |
| **2X CHALLENGE QUALIFYING** | Yes, 100% |

## Summary of anticipated development impacts

The development impact value proposition of this transaction is to contribute to gender-inclusive, sustainable economic growth and development in LAC. It aims to do so by improving access to financing for sustainable infrastructure investments, including 2X-aligned businesses, as well as climate finance activities. The impact theory of change below summarizes how XIC will contribute to FinDev Canada's development impact goals and the Sustainable Development Goals.




### MARKET DEVELOPMENT

- **Increased financing availability for mid-sized infrastructure investments:** Each dollar invested in LAC infrastructure generates approximately USD 1.50 in GDP over five years, underscoring the sector's important contribution to market development. Based on the Fund's pipeline and strategy, this transaction is expected to support sustainable infrastructure financing needs, with an emphasis on renewable energy investments.
- **Support local economic activity:** The investments supported by this transaction are expected to create jobs during construction and sustain employment during operations and maintenance.

### GENDER EQUALITY

- **Improve access to finance for 2X-aligned businesses:** Globally, women represent only 22% of the infrastructure workforce and hold fewer than 13% of senior leadership roles. In support of women's participation in the sector, the Investment Manager has committed to ensuring that 50% of XIC I's portfolio companies are 2X-aligned by the end of the Fund's life.

- **2X-aligned:** This transaction is 2X-aligned under the Employment criteria. At the Investment Manager level, Exagon meets the Basic 2X ESG and the Governance and Accountability requirements. In addition, Exagon is committed to meeting the 2X Employment criterion by increasing women's representation across its workforce. Beyond the requirements for 2X alignment, the Investment Manager aims to meet the 2X Leadership criterion by increasing female representation within its Investment Committee or senior management team.

### CLIMATE AND NATURE ACTION

- **Support climate mitigation:** To fulfill Nationally Determined Contributions, LAC countries require an estimated USD 2.1T in investments by 2030. The Fund is well-positioned to support these efforts, with a strategy to invest at least 80% of its portfolio in renewable energy assets, which are expected to increase installed energy capacity and avoid GHG emissions.

## Summary of Environmental and Social assessment and related risk mitigation measures

This review has been completed in accordance with FinDev Canada's Environmental and Social Risk Policy. The transaction is a Category FI 2, given the nature and size of the Fund's anticipated investment portfolio. The following International Finance Corporation (IFC) Performance Standards were applied in FinDev Canada's assessment, in addition to host country requirements:

•IFC Performance Standard 1: Assessment and Management of Environmental and Social Risks and Impacts.

•IFC Performance Standard 2: Labour and Working Conditions.

The primary risks associated with this transaction are: (1) E&S risks associated with the Fund's investees, and (2) Investment Manager's labour and working policies for workers, including those hired by third parties.

The Investment Manager has established an environmental and social risk management framework that is aligned with IFC Performance Standard 1. The framework is defined in the Investment Manager's Responsible Investment Policy and Environmental and Social Management System (ESMS). The ESMS defines the Investment Manager's E&S governance roles and responsibilities, due diligence, portfolio monitoring and incident reporting processes, and grievance mechanisms. The Investment Manager is supported by dedicated E&S resources, including an ESG Specialist.

As defined in the ESMS and in alignment with IFC Performance Standard 1, the Investment Manager will leverage external E&S expertise as required. From a labour management perspective, the Investment Manager has implemented controls for their employees that align with IFC Performance Standard 2 requirements.

Identified mitigants will support the management of environmental, social or human rights risks associated with the Fund's clients, in a manner that aligns with FinDev Canada's E&S Risk Policy requirements.



FinDev Canada