



### Project Summary Information

Date of Document Preparation: 9 January 2025

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| <b>Project Name</b>                              | MEAL E-Mobility (an investment through BII India EV LLP)   |
| <b>Project Number</b>                            | 000860   |
| <b>AIIB Member</b>                               | India  |
| <b>Sector / Subsector</b>                        | Transport / Electric Vehicles  |
| <b>Alignment with AIIB's Thematic Priorities</b> | Green infrastructure and Technology-enabled Infrastructure   |
| <b>Status of Financing</b>                       | Approved   |
| <b>Objective</b>                                 | To promote adoption and acceleration of e-mobility by developing a market for four-wheeler passenger electric vehicles in India.   |
| <b>Project Description</b>                       | <p>The transaction (the “Project”) entails an equity investment of USD50 million in a British International Investment (“BII”) managed vehicle, BII India EV LLP which already has an equity stake in Mahindra Electric Automobile Limited (“MEAL”), a subsidiary of Mahindra &amp; Mahindra Limited (“M&amp;M”). MEAL was incorporated in India in 2022 to house M&amp;M’s four-wheeler passenger utility electric vehicle (EV) business. In May 2024, M&amp;M announced an investment of INR12,000 crores in MEAL to fund its EV journey over the next three years.</p> <p>M&amp;M group is one of the largest conglomerates in India with 50+ years of experience. It operates 20+ businesses, with 260,000 employees in 100+ countries, 69 manufacturing facilities and 21 research and development centers across 7 countries. The group has a strong presence in sectors such as automotive, farm equipment, renewable energy, logistics, hospitality and real estate. M&amp;M is the market leader in India in the sports utility vehicles category with a revenue market share of ~21.9% as of September 2024.</p> |

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| <b>Expected Results</b>                     | The investment is expected to result in reduction of greenhouse gas emissions resulting from adoption of electric four-wheeler vehicles instead of conventional fuel vehicles. The investment will also result in direct job creation at MEAL. For further information on the expected results, refer to <a href="https://www.bii.co.uk/en/our-impact/investment/mahindra-electric-automobile-limited-investment-01/">https://www.bii.co.uk/en/our-impact/investment/mahindra-electric-automobile-limited-investment-01/</a>  |
| <b>Environmental and Social Category</b>    | Category B  |
| <b>Environmental and Social Information</b> | <p><b>Applicable Policy and Categorization.</b> AIIB's Environmental and Social Policy (ESP), including Environmental and Social Standards (ESSs) and Environmental and Social Exclusion List (ESEL), applies to this Project. ESS 1 (Environmental and Social Assessment and Management) is applicable to the Project. ESS 2 (Involuntary Resettlement) and ESS 3 (Indigenous Peoples) are not applicable. The Environmental and Social Due Diligence (ESDD) conducted on the basis of BII's due diligence has confirmed that Project's Environmental and Social Management System (ESMS) is aligned with the IFC Performance Standards (PSs) as required by BII's agreement with MEAL, and that they have the appropriate procedures to monitor their compliance with the IFC PSs. The Bank has assessed that the IFC PSs are materially consistent with the Bank's ESP. Through the application of paragraph 11 of AIIB's ESP, AIIB's policy allows the use of IFC PSs under the Project. The Project is categorized as "B" based on the ESP.</p> <p><b>Environmental and Social Instruments.</b> An ESDD has been prepared for the Project. The environmental and social (E&amp;S) instruments recommended by the due diligence process have been prepared and are being implemented. An Environmental, Social and Governance (ESG) Committee meets on a quarterly basis to review its E&amp;S KPIs and the implementation of the ESMS.</p> <p><b>Environmental and Social Aspects.</b> BII's E&amp;S due diligence outlined no major concerns in terms of E&amp;S impacts. Pollution prevention measures on key aspects such as water and air pollution as well as waste management, and land continuation were observed to be appropriately managed and monitored. The ESDD assessed the company's social performance in terms of the existing operational activities and concluded that there are strong mechanisms in place including training, occupational health and safety management plans and a grievance mechanism. The Project site has a gender focal person in place, and management plans and trainings promoting gender diversity in hiring, equal compensation and policies on the prevention of sexual harassment are well practiced.</p> <p><b>Occupational Health and Safety (OHS).</b> The Project conforms with the host country OHS practices and AIIB's ESP based on the ESDD carried out. OHS training is in place as well as management plans and emergency response mechanism.</p> |

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|  | <p>There is also a grievance mechanism in place. OHS risk and impacts are expected to be localized, temporary and can be mitigated through the OHS management plans that are in place.</p> <p><b>Project Grievance Redress Mechanism (GRM).</b> The ESDD confirmed that there is a GRM in place with a defined reporting structure and process to handle complaints. The information of project-level GRM and the Project-affected People's Mechanism (PPM) of AIIB will be timely disclosed in an appropriate manner.</p> <p><b>Monitoring and Reporting Arrangement.</b> BII India EV LLP will receive regular reports from MEAL with respect to Project's progress which will be shared with AIIB.</p>   |
| <p><b>Cost and Financing Plan</b></p>                              | <p>M&amp;M has announced an investment of INR12,000 crores in MEAL to fund its EV journey over the next three years.</p> <p>In July 2022, M&amp;M and BII announced a partnership to accelerate the availability and adoption of EVs in India and other markets. This partnership consisted of an anchor investment into MEAL, with BII committing up to INR1,925 crore to the venture, of which INR1,200 crore was invested in September 2023. The partnership also comprised a commitment to work jointly to bring other like-minded investors into EV financing in future. The next investor to join the partnership was Temasek in 2023. Subsequently, BII decided to complete its remaining commitment into MEAL through a final tranche of INR650 crores. This investment shall be made through BII managed investment vehicle, BII India EV LLP, which in turn shall be financed by AIIB including third-party investors.</p> <p>AIIB has committed to invest USD50 million of equity in this investment vehicle, BII India EV LLP which already has an equity stake in MEAL. The Bank shall also fund up to USD3 million of its pro-rata share of related costs which could be incurred during the investment period. AIIB's proposed total equity funding in the Project is USD53 million.</p> <p>The investment by AIIB does not change the shareholders of MEAL, which remain M&amp;M, Temasek, BII and BII India EV LLP. AIIB is a shareholder of BII India EV LLP.</p> |
| <p><b>Underlying Investee Company through BII India EV LLP</b></p> | <p>Mahindra Electric Automobile Limited</p>   |
| <p><b>Sponsor</b></p>  | <p>British International Investment (of the investment vehicle, BII India EV LLP)</p>   |

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| <b>Estimated Date of Disbursement of Equity</b> | Q1 2025   |  |                                      |
| <b>Contact Points:</b>                          | <b>AIIB</b>   | <b>British International Investment</b>          | <b>BII India EV LLP</b>              |
| <b>Name</b>                                     | Prakash Bajoria   | Samir Abhyankar                                  | Matt Robinson                        |
| <b>Title</b>                                    | Senior Investment Officer   | Managing Director and Head of Financial Services | Head of Private Capital Mobilisation |
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| <b>Date of Concept Decision</b>                 | May 08, 2024  |  |                                      |
| <b>Date of Appraisal Decision</b>               | September 18, 2024  |  |                                      |
| <b>Date of Financing Approval</b>               | October 30, 2024  |  |                                      |
| <b>Independent Accountability Mechanism</b>     | <p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes. For information on how to make submissions to the PPM, please visit <a href="https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html">https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</a></p> |  |                                      |