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EMPEA INSTITUTE PRESENTS SUSTAINABILITY AND OPERATIONAL EXCELLENCE CHALLENGE WINNER:

Aavishkaar for its Role in Value Creation in Nepra Resource Management in India

Washington, D.C., 25 October 2018 – The EMPEA Institute presents the winner of the third annual Sustainability and Operational Excellence Challenge (“the Challenge”): Aavishkaar. The firm was selected for its investment in Nepra Resource Management Pvt. Ltd. (“Nepra”) by securing the most votes from a global audience of over 250 leading emerging market private capital investors convened at the EMPEA Sustainable Investing in Emerging Markets summit. The audience members voted for the fund manager who they believed exemplified the best case study of outstanding sustainable impact from an operational, environmental, social and governance perspective, following presentations delivered by the top three Challenge finalists:

2018 Challenge Winner:

- **Aavishkaar** for its investment in [Nepra Resource Management](#), which diverts waste away from landfills by focusing on dry waste (recyclables such as plastics, glass and paper), while positively impacting the livelihoods of waste pickers in India—who are typically poor, illiterate and unskilled—by providing them with fair prices, transparent service, immediate cash payments and higher incomes.

2018 Challenge Finalists:

- **Denham Capital** for its investment in [Rio Energy](#), a developer, owner and operator of renewable energy projects in Brazil, which operates in accordance with international standards and works closely with local communities on social and environmental projects.
- **IFC and IFC Asset Management Company (AMC)** for their investment in [Bandhan Bank Limited](#), a microfinance-focused full commercial bank that reaches some of the country’s most rural and remote areas, while helping India’s lowest income populations gain financial literacy and supporting women’s entrepreneurship across the country.

The finalists were chosen out of global submissions from the emerging markets fund manager community, and they represented the firms receiving the highest marks across the various categories of selection criteria from an independent panel of judges. This year's judges included Natasha Buckley, Senior Manager, Private Equity Program at UN Principles for Responsible Investment (PRI); Shawn Cole, John G. McLean Professor of Business Administration, Finance Unit at Harvard Business School; and, Gayle Peterson, Associate Fellow, Said Business School, Oxford University and Director, Oxford Impact Investing and Social Finance Programs. Emerging market fund managers and global institutional investors attending this week's summit made the final selection of the winner after hearing presentations highlighting key impact and operational metrics.

Ajay Maniar, Partner, Aavishkaar, fund manager winner and presenter, remarked after receiving the most audience votes, "We are honored to receive this award. Aavishkaar had identified waste management as an investment opportunity that could create both impact for marginalized communities and commercial value for its funds while addressing a pressing environmental issue. We backed the young team at Nepra in 2013 to take on this challenge. It has been immensely satisfying journey for us to see Nepra completely transform its operations and processes by leveraging the power of technology to achieve rapid scale. Nepra is an endorsement of our investment philosophy that scale, sustainability and impact can go hand in hand. "

Sandeep Patel, Co-Founder & CEO, Nepra, portfolio company winner and presenter, added, "We are extremely excited and encouraged to receive this award. For an early stage entrepreneur getting the right investor is important. We have been fortunate to have an investor like Aavishkaar who empowered us not only with capital, but with a great deal of support in transforming our vision into a scalable business. "

Institutional investors and fund managers also examined private capital's critical role in delivering impact, stimulating global change and ensuring the successful delivery of the United Nation's Sustainable Development Goals ("SDGs"). Nick O'Donohoe, Chief Executive Officer of CDC Group, stated, "The SDGs have had a profound catalytic effect on impact investment market because they developed a framework to highlight opportunities in emerging markets, particularly in the sectors of healthcare, education and power."

The recent EMPEA report, [Private Equity's Role in Delivering the SDGs: Current Approaches and Good Practice, and related case studies](#), produced by EMPEA members serving on the SDG Working Group, was used as a foundation for the day's discussions. The report highlights the annual US\$2.5 trillion financing gap in the UN's estimate of the US\$3.9 trillion per year investment that is needed to achieve the SDGs, and the unique role private equity investors can play in the solution due to the scale of the opportunity and operational expertise needed to produce meaningful outcomes. Geetha Tharmaratnam, Africa and Head of Impact at LGT Impact, commented, "We can now provide impact output without losing track of commercial viability because the businesses need to survive."

During the Summit, investors, practitioners and global leaders identified the challenges to mobilizing more capital into sustainable investment opportunities in emerging markets and worked through the possible solutions together. Karima Ola, Partner at LeapFrog Investments noted that in emerging markets private capital



investments, impact and ESG considerations were nothing new, remarking, “We were already delivering [impact] in one way or another. Now going forward, it is about intentionality. Now we are starting to think about outcomes. How have we impacted the lives of consumers, employees, etc.?” Frank Dunlevy, Vice President, Investment Funds Department at the Overseas Private Investment Corporation (OPIC) commented, “The fact that social impact has grown up in a private equity culture in the last five years, only can be to the benefit of all. The biggest challenge in emerging markets is exit, so the presence of successful funds will create more liquidity and more exit opportunities.” Mr. Dunlevy also announced that the agency had received authorization to make equity investments under the BUILD Act that was signed into law earlier this month.

Investors will continue to discuss these industry developments, opportunities in emerging markets and innovative approaches to impact at the [IFC’s 21st Global Private Equity Conference in association with EMPEA](#) on 13-15 May 2019 in Washington, D.C., and at next year’s EMPEA Sustainable Investing in Emerging Markets Summit in London.

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About the EMPEA Institute

The EMPEA Institute is a research and education platform, wholly-controlled by EMPEA, which aims to accelerate the use of private capital in support of entrepreneurship and innovation in emerging markets for the benefit of future generations. The EMPEA Institute is funded through grants and tax-deductible donations from industry visionaries. To find out more and get involved, please visit EMPEAInstitute.org or contact empeainstitute@empea.net.

About EMPEA

EMPEA is the global industry association for private capital in emerging markets. An independent, non-profit organization, the association brings together 300+ firms—including institutional investors, fund managers and industry advisors—who manage more than US\$5 trillion in assets across 130 countries. EMPEA members share the organization’s belief that private capital can deliver attractive long-term investment returns and promote the sustainable growth of companies and economies. EMPEA supports its members globally through authoritative research and intelligence, conferences, networking, education and advocacy. To find out more and join the association, please visit EMPEA.org or contact us at membership@empea.net.