

- Press release -

Grameen Crédit Agricole Foundation and Crédit Agricole CIB arrange and finance sustainability-linked loan to leading Indian microfinance institution
Annapurna Finance

Paris, October 11, 2022 – Crédit Agricole CIB and Grameen Crédit Agricole Foundation announce that they have arranged a 35 million INR (EUR 4.5 million) sustainability-linked term loan to Annapurna Finance, a leading Indian non-banking finance institution dedicated to the provision of microfinance loans to enhance financial inclusion of low income households. Annapurna Finance is the first microfinance institution in India to sign a Sustainability-Linked Loan.

Through this facility, Annapurna Finance will enhance its environmental and societal contribution beyond the social impact of microfinance, tackling major ESG issues and providing clients with bespoke eco-products to finance climate change mitigation as well as climate adaptation solutions and skill-based trainings to empower women.

Aligned with the Sustainability Linked Loan Principles, the transaction's terms include a sustainability margin adjustment mechanism dependent on whether annual targets are met for the following KPIs: the solar energy capacity installed by Micro, Small, and Medium Enterprise customers; the construction and upgrade of resilient housing in cyclone-prone areas; and the enrollment of women clients in entrepreneurship skill building programme.

Grameen Credit Agricole Foundation and Crédit Agricole CIB have been working since 2019 to promote financial inclusion through financing non-banking institutions in India. In this transaction, Grameen Credit Agricole Foundation acted as arranger and guarantee provider to Crédit Agricole CIB in India, which in turn provided financing to Annapurna Finance. In addition, the Crédit Agricole CIB Sustainable Banking team advised Annapurna Finance as Sustainability Coordinator, through the "Solidarity Bankers", a skills volunteering program launched by Grameen Credit Agricole Foundation and Crédit Agricole S.A. in favour of microfinance institutions and social impact enterprises supported by the Foundation.

Eric Campos, Grameen Credit Agricole Foundation CEO, said: *"We are happy to channel bank financing to the microfinance sector, while fostering innovation, encouraging our partner Annapurna in its effort to combine financial inclusion and enhanced social and environmental impact."*

Nathalie Sarel, Head of Sustainable Banking for SMEs at Crédit Agricole CIB added: *"This first-of-its-kind sustainability-linked loan for a microfinance institution is a strong message that we can support and incentivise the efforts of institutions of this type in tackling climate change, as well as addressing social challenges. We are very proud to have accompanied Annapurna, alongside with Grameen Crédit Agricole Foundation in such a landmark and impactful transaction."*

Mr. Gobinda Chandra Pattanaik, MD and CEO of Annapurna Finance expressed: “The future of responsible lending is leveraging the sustainability practices, that call for more environmentally and socially relevant product and strategy decisions. Hopefully, this collaboration venture of Credit Agricole and Annapurna will help both the organizations to bring in positive outcomes in the direction of sustainability.”

Mr. Dibyajyoti Pattanaik, Director of Annapurna Finance said: “We are happy that Credit Agricole is supporting our journey towards incorporating better environmental and social management system. Annapurna for last two decades has kept the sustainable development agenda as its core strategy, as our vision of creating a self -sustainable and economically empowered rural, tribal & sub-urban society was designed on the same theme. Our We-LEAD programme to develop women from rural pockets into entrepreneurs itself drives with the same ambition of holistic development of the society. Securing such a unique partnership with Credit Agricole in the journey will help us achieve the most in future.”

About Annapurna

Started as Mission Annapurna in 2006 and registered as NBFC-MFI in 2009 under RBI's guidelines, Annapurna Finance Pvt. Ltd. has always kept its social agenda of financial inclusion of the most vulnerable at the centre of its operations. Working in 22 states of India with diverse product solutions, Annapurna is helping more than 2.3 million rural women and micro entrepreneurs to fulfil their dream of better standards of living. The organization's strong social commitment has helped the organization to achieve a sustainable growth in past, currently it has 8000+ employees associated in 900+ branch networks securing a portfolio outstanding of 65.5 billion INR (833mln EUR).. For more information, please visit www.annapurnafinance.in

About Grameen Crédit Agricole Foundation

Created in 2008 at the joint initiative of Crédit Agricole and Nobel Peace Laureate Pr. Muhammad Yunus, the Grameen Crédit Agricole Foundation finances and supports through technical assistance microfinance institutions and social enterprises in around 40 countries. The Foundation currently supports 80 microfinance institutions and social impact enterprises with a portfolio of €90.4 million. It primarily targets microfinance institutions serving women and rural populations. These institutions support over 7 million people, 93% of whom are women and 84% of whom live in rural areas.

For more information, please visit www.gca-foundation.org/en/

About Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB)

Crédit Agricole CIB is the corporate and investment banking arm of Credit Agricole Group, the 10th largest banking group worldwide in terms of balance sheet size (The Banker, July 2022). More than 8,900 employees across Europe, the Americas, Asia-Pacific, the Middle East and Africa support the Bank's clients, meeting their financial needs throughout the world. Crédit Agricole CIB offers its large corporate and institutional clients a range of products and services in capital markets activities, investment banking, structured finance, commercial banking and international trade. The Bank is a pioneer in the area of climate finance, and is currently a market leader in this segment with a complete offer for all its clients.

For many years Crédit Agricole CIB has been committed to sustainable development. The Bank was the first French bank to sign the Equator Principles in 2003. It has also been a pioneer in Green Bond markets with the arrangement of public transactions from 2012 for a wide array of issuers (supranational banks, corporates, local authorities, banks) and was one of the co-drafter of Green Bond Principles and of the Social Bond Guidance. Relying on the expertise of a dedicated sustainable banking team and on the strong support of all bankers, Crédit Agricole CIB is one of the most active banks in the Green bonds market.

For more information, please visit www.ca-cib.com



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