



DIRECT IMPACTS

Promoting more sustainable finance

The direct impacts are the lasting improvements to which the Foundation has plausibly contributed in favour of the organisations it supports. Aligned and made consistent, these three impact objectives are broken down into operational purposes. Resulting from the Foundation's approach, the entire

undertaking has beneficial effects in terms of the dissemination and implementation of responsible and inclusive finance among organisations and initiatives operating in close proximity to populations in the territories.

THE 3 IMPACTS:

1 Sustainable organisations with a social impact

Perpetuation of organisations that provide essential services



SUPPORT TO COMPANIES IN THE DEVELOPMENT PHASE



DEVELOPMENT OF AN APPROPRIATE FINANCIAL OFFER



STRENGTHENING AND DIVERSIFICATION OF TECHNICAL ASSISTANCE

2 Social and environmental performance

Strengthening of the social and environmental performance of the organisations supported and of the Foundation



MEASUREMENT AND PROMOTION OF THE ORGANISATIONS' PERFORMANCE



RESPONSIBLE MANAGEMENT OF THE FOUNDATION'S ACTIVITY

3 A more inclusive and more sustainable financial sector

Promotion of inclusive finance practices in the bank



ENTITIES OF THE CREDIT AGRICOLE GROUP COMMITTED TO INCLUSIVE FINANCE



SHARING OF THE FOUNDATION'S EXPERIENCE AND DISSEMINATION OF INCLUSIVE FINANCE PRACTICES

SUSTAINABLE SOCIAL IMPACT ORGANISATIONS

— The Foundation helps consolidate and perpetuate organisations that provide essential services to vulnerable segments of the population.



RENACA (BENIN) @In Venture

€ 96 
million in outstandings

73 
microfinance institutions

12 
social impact enterprises

Whether for financial inclusion, access to clean energy or sustainable agriculture, the microfinance institutions and businesses supported by the Foundation promote access to essential services for vulnerable populations in often fragile economic situations.

In microfinance, for instance, the Foundation is present in the countries least served by international donors, particularly in Sub-Saharan Africa (44% of outstanding microfinance loans monitored).

Its specific controlled financing approach enables it to grant loans with a 99.6% repayment rate. The Foundation's support is part of a long-term relationship: 69% of loans are renewed.

In addition to financing and investments, the Foundation has developed a solid offer of technical assistance aimed at strengthening

the organisations supported to structure, manage and run their activities. The Foundation coordinates missions under two programmes: the African Facility since 2013 with the Agence Française de Développement [French Development Agency] and Banquiers solidaires [Solidarity bankers], a skills volunteering programme launched in 2018 with Crédit Agricole Group entities.

Three new projects will strengthen the offer in 2020: a programme for the financial inclusion of refugees with the UNHCR⁽¹⁾ and the Swedish Cooperation, a programme to support microfinance in West Africa with the EIB⁽²⁾ and the Luxembourg government and a project to promote microinsurance with Proparco and the ILO⁽³⁾.

(1) United Nations High Commissioner for Refugees
(2) European Investment Bank
(3) International Labour Office

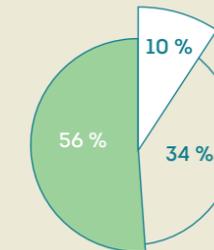
COMPANIES IN THE DEVELOPMENT PHASE

A long-term relationship to support and guide the partners financed towards sustainable growth

Microfinance institutions:

Small or medium-sized institutions are targeted as a matter of priority:

- Tier 1 (large size)
- Tier 2 (medium size)
- Tier 3 (small size)



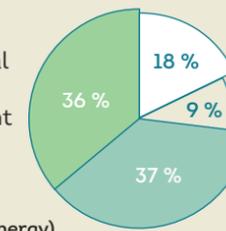
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institutions, of which the Foundation is the only international donor

41% 
of outstandings in Sub-Saharan Africa (compared to 8% for the microfinance sector*)

Social impact enterprises:

The rural location is a specific feature of the social enterprises in the portfolio for the inclusive development of the territories

- Agribusiness
- Essential services (water and energy)
- Financial services
- Culture and education



NB : percentage in number of institutions supported

5 
social enterprises of which the Foundation is a co-founding shareholder (out of 12 social enterprises in the portfolio)

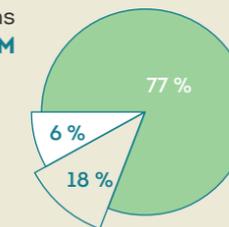
ADAPTED FINANCIAL OFFER AND TECHNICAL ASSISTANCE

The Foundation offers a wide range of financial and technical assistance solutions

Financing

Flexible financing with loans ranging from €300K to €5M
Average loan of €1.1M (compared to 2.5 M€ for the microfinance sector*)

- Senior loans
- Guarantees
- Subordinated debt



€91M 
in microfinance outstandings

94% 
loans in local currency

Investments

€5M 
mobilised in the capital of 12 social enterprises**

10 
years of financing horizon

4 
exits (out of 15 initial investments)

* Symbiotics VIM Survey 2019
** Minority equity holdings

Technical assistance

African Facility II since 2017

144  missions
22 institutions supported
91% small institutions (Tier 3)
446,706 impacted borrowers*

*Clients of the organisations supported by the Foundation

SOLIDARITY Bankers since 2018 

13  missions
12 enterprises and institutions supported
14 Solidarity Bankers
123 days of mission

ENHANCED SOCIAL AND ENVIRONMENTAL PERFORMANCE

— The Foundation strengthens the social performance of the organisations it supports continuously through its advice and guidance. It is now starting to integrate the environmental impact into its due diligence and its technical assistance programme. It also continues to improve its own.



VISIONFUND (MYANMAR) ©Didier Gentilhomme

19% of institutions financed were given a social rating

26% Green index score of the institutions financed (vs. 15% in the sector*)

1 Finance, Risk and Impact Committee

A pioneer in approaches to inclusive finance, the global microfinance industry has defined its Universal Social and Environmental Performance Standards. Expressed as standardised indicators, they help streamline the practices and responsible management of financial activities.

As a stakeholder in these innovations, the Grameen Crédit Agricole Foundation assesses, audits and monitors its counterparties using this approach, which combines financial with social and environmental performance. The result is a quality portfolio with partners whose impact capacity is constantly improving.

At the operational level, this partnership-based monitoring with the organisations financed takes various forms: recommendations, preconditions for financing, technical assistance

missions. This is a mastered know-how for which the Foundation has an internal centre of expertise. It shares its best practices in responsible management, particularly with Crédit Agricole Group entities, on behalf of third-party investors.

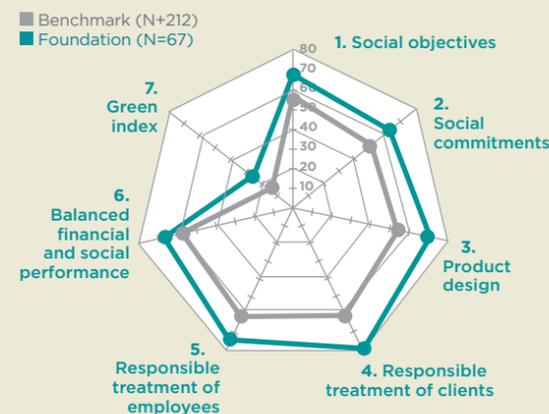
Finally, the Foundation pursues an exemplary approach by applying these principles to itself, particularly in its management: training plans, quality of life at work, and areas for progress in the representation of women in key positions.

(*) CERISE's 2019 assessment on 212 microfinance institutions audited

SOCIAL PERFORMANCE

Performance of supported organisations

The Foundation's portfolio is assessed using the microfinance reference tool SPI4-Alinus.



In all areas of social performance, the microfinance institutions supported by the Foundation have performed better than the sector benchmark and are constantly improving.

Performance of the Foundation

The Foundation applies to itself, internally, responsible business management practices.

Responsible treatment of employees

1 Human Resources Committee
1 Annual training plan
437 Hours of training

Promote gender diversity

23 Staff
65% Women **35%** Men
11 Directors
27% Women **73%** Men

In 2020, the Foundation is committed to have **39%** of women on the Board of directors

ENVIRONMENTAL PERFORMANCE

Performance of supported organisations

The financial services offered by microfinance institutions supported by the Foundation strengthen the resilience of vulnerable populations in the face of climate shocks. Even if environmental performance management is more recent, it is making progress.

Minimize adverse effects on the environment

84% of institutions have established an exclusion list of activities dangerous for the environment*
23% of organisations have a formal environmental strategy

Improve resilience with green initiatives

42% of the institutions offer green products that finance ecological practices*
9% of the institutions raise awareness about climate risks among their clients

Contribute to the energy transition

Palms Enéji offers economical cooking stoves with a high ecological impact in Haiti.



ZECI, in Ivory Coast, markets off-grid solar kits that replace CO₂-emitting sources.

Performance of the Foundation

Responsible management

The Foundation has set up a working group on environmental performance and formalised an ad hoc action plan.

139 t CO₂ emitted are offset with the Livelihoods Carb



0 disposable plastic cups at the Foundation's office. They have been replaced by cups and glasses



Develop securitisation with environmental impact

Crédit Agricole CIB and the Foundation have launched a securitisation pilot project with an environmental impact in favour of ZECI (p.17), with a specific environmental reporting framework managed by the Foundation.

1 impact securitisation with Crédit Agricole CIB



*Study carried out in 2018 by the Foundation on 52 partners.



A MORE INCLUSIVE AND SUSTAINABLE FINANCIAL SECTOR

— Positioned as a centre of expertise for financial inclusion within **Crédit Agricole**, the Foundation intensifies the promotion of banking practices with a social impact through innovative proposals carried out in cooperation with Group entities.



CHAMROEUN (CAMBODIA) ©Philippe Lissac

30 partner Regional Banks and Crédit Agricole entities

“These missions can only strengthen our usefulness and pride of belonging to the Crédit Agricole Group”

JONATHAN MICHAUD, Solidarity Banker in 2018 CA Franche-Comté

The Grameen Crédit Agricole Foundation shares its experience as a financier and investor with a social impact. In almost 12 years of activity, it has modelled its responsible approach and designed efficient operating methods to reconcile financial yield and social performance. It is now disseminating its know-how to step up its commitment to inclusive and sustainable finance.

The Foundation's action is part of an open eco-system: multinational corporations, institutional and financial partners (European Investment Bank, Agence Française de Développement), with NGOs, startups, microfinance players (ADA Microfinance), etc.

It is also assuming an increasing role as an expert in inclusive finance within the Crédit Agricole Group through multiple cooperative

ventures, projects or joint programmes with the entities of the Group. Its partnerships, such as those with Crédit Agricole SA's International Retail Bank (BPI) and with Crédit Agricole CIB in India and the Ivory Coast are significant in this respect, as is the collective mobilisation around the Fund for Inclusive Finance in Rural areas (FIR).

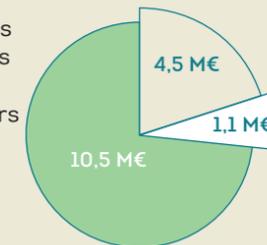
Beyond the practices of inclusive finance, the Foundation implements a banking approach adapted to address daunting challenges: vulnerable populations, the development of rural areas, and the empowerment of women often in the context of fragile countries.

AN ACTION SHARED WITH THE CREDIT AGRICOLE GROUP

A strategic priority of Crédit Agricole, the social impact is a source of responsible innovations

Guaranteed financing

The Foundation provides advice for commitments in microfinance, grants guarantees and monitors loans.



- Crédit Agricole Egypte
- Crédit du Maroc
- Crédit Agricole CIB India

Solidarity Bankers



The skills volunteering programme has offered Crédit Agricole staff an opportunity to embark on technical assistance missions to social impact enterprises since 2018.

14 Solidarity Bankers **123** days of mission
10 countries

Securitization of the impact

The Foundation and Crédit Agricole CIB advise and support the impact enterprise ZECI which provides solar equipment in rural areas of the Ivory Coast. The structuring and financing of the project have been devised as an impact securitization offer where the Foundation monitors the extra-financial performance.

Fund for Inclusive Finance in Rural areas (FIR)

Advised by the Foundation, this Fund enables the entities of the Crédit Agricole Group to finance microfinance institutions operating in rural areas among populations who have no access to banking.

21 Regional banks, CA Assurances and Amundi, investors of the FIR Fund **4** microfinance institutions already financed

€9.75 million
FIR Fund's outstanding amounts

PROMOTION OF A SINGULAR EXPERIENCE

Dissemination of inclusive finance and social impact entrepreneurship practices

Publications

The Foundation aims to disseminate its experience and expertise through various publications on the scale of the financial sector.



Booklet on the Foundation's 10 years



Strategic Plan 2019-2023



White Paper on Social Business



Microfinance Barometer 2019

Meetings

The Foundation bolsters its ecosystem by organising events and interventions on microfinance, the financing of rural economies and projects with the Group.

7 Events organised in 2019 of which

2 Meetings of the Foundation Friends Club

1 Solidarity Cents operation

37 Interventions in conferences, workshops, meetings

394 Members of the Foundation Friends Club, a group composed exclusively of Crédit Agricole employees interested in the Foundation's activities.