

PRESS RELEASE
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RGREEN INVEST and ECHOSYS INVEST announce first closing of AFRIGREEN Debt Impact Fund

securing gross commitment of €87.5M out of final target size of €100M

French fund manager RGREEN INVEST and investment advisor ECHOSYS INVEST today announced the first closing of their new fund, the AFRIGREEN Debt Impact Fund, raising €87.5 million, which will be used to finance on-and off-grid solar power plants for small and medium-sized commercial and industrial consumers in Africa.

By displacing fossil fuel generation with solar power, commercial and industrial consumers will reduce electricity bills, increase reliability of power supply and lower greenhouse gas emissions and air pollution.

The first closing includes a commitment from the European Investment Bank (EIB), the International Finance Corporation (IFC), itself including a commitment from the Finland-IFC Blended Finance for Climate Program, the Belgian Investment Company for Developing Countries (BIO) and PROPARCO (French DFI, subsidiary of Agence française de développement Group). French private banks Societe Generale and BNP Paribas complete this first funding round. AFRIGREEN targets raising a total of €100 million from development finance institutions and private investors.

“Africa boasts 39% of the world's total renewable potential, and yet investment in renewable energy has been lagging behind, for a set of reasons that includes the lack of suitable financial instruments, which especially affects the most dynamic segment of the market, commercial and industrial solar users”, said Olivier Leruste, President of ECHOSYS INVEST, the joint-venture created to structure and manage the AFRIGREEN investment strategy.

Investments in renewable energy globally increased by 9% year-on-year, reaching an all-time high in 2021, according to a [2022 BloombergNEF report](#). However, investments dropped by 35% in Africa, representing just 0.6% of global renewable energy investments. AFRIGREEN will help bridge this funding gap through direct lending and asset-based debt facilities for regional and international developers as well as African commercial and industrial companies to develop solar photovoltaic energy infrastructure across Africa, with a particular focus on West and Central Africa.

Further, AFRIGREEN will be able to offer long-term local currency financing in Ghana and Nigeria with support from the International Development Association's Private Sector Window Local Currency Facility. This is expected to significantly reduce the foreign exchange risk and materially increase the Fund's competitiveness.

“Representing 90% of all businesses, small and medium-sized enterprises and industries are a segment that struggles to attract financing,” said Nicolas Rochon, RGREEN INVEST's CEO. “With this vehicle we intend to deepen the partnership with our French and international partners to provide SMEs and SMIs in Central and West Africa with the backing they need to thrive. We target a diversified portfolio comprising twenty to thirty investments, intervening to meet long-term debt financing needs hovering between €10 and €15 million, with an average ticket around €5 million over 8 to 10 years.”

AFRIGREEN is classified article 9 under the SFDR. It will contribute to the achievement of the Sustainable Development Goals 7 (Clean and Affordable Energy), 9 (Industry and Infrastructure), 12

(Responsible Consumption and Production) and 13 (Action on Climate Change) set by the United Nations.

The Fund's impact targets will be measured in terms of MW installed, MWh produced, tons of CO2 emissions and litres of fuel avoided, number of companies directly or indirectly accessing new financing channel, and the number of commercial and industrial companies able to upgrade their power generation facilities and enhance their efficiency.

The Fund will also apply IFC Performance Standards and EIB Environmental and Social Standards that require the Fund to monitor its environmental and social impact by screening, categorizing, and conducting environmental and social due diligence on its investments.

ECHOSYS INVEST was created to structure and manage AFRIGREEN, benefiting from both ECHOSYS ADVISORY's experience in emerging markets and RGREEN INVEST's partnership network and expertise in flexible financial structuring.

"The European Investment Bank works with partners across Africa to enhance renewable energy generation. As the EU Climate Bank, the EIB is pleased to provide EUR 25 million to back targeted on- and off-grid solar investment by AFRIGREEN across West and Central Africa to support SMEs and SMIs in their energy transition, reduce fossil fuel imports and cut carbon emissions, said Ambroise Fayolle, EIB vice-president. "This is an innovative way to fund much needed solar power projects in West and Central Africa, which will provide more affordable electricity to commercial and industrial companies, lead to a reduction in greenhouse gas emissions by replacing more carbon intensive sources of power, and stimulate economic activity and job creation. By partnering with AFRIGREEN, we can accelerate the growth of the solar market in the region and make local currency available for Africa's energy transition," said Sarvesh Suri, IFC Director for Infrastructure and Natural Resources in Africa.

"Today marks an important milestone in the journey towards a more sustainable and equitable future for Africa. As we close The AFRIGREEN Debt Impact Fund dedicated to photovoltaic energy in Africa, we are proud to be part of a growing global movement to invest in solutions that both create positive social and environmental impacts, and generate financial returns," said Vicky Carré, Investment Officer at BIO.

"By investing in AFRIGREEN, Proparco is proud to participate in leveraging - alongside the other investors - RGREEN INVEST's operational excellence as well as Olivier Leruste and Alexandre Gilles' extensive understanding of the sector. This is exactly the kind of initiative we need to support to meet the challenge of a sustainable future together, which requires the deployment of renewable energy on a large scale on the African continent, and in the world," said Damien Braud, head of Equity Africa and Middle-East at PROPARCO.

"We are very pleased to support AFRIGREEN through this investment, which is fully in line with Société Générale Group's Grow With Africa strategy for sustainable development in Africa. With a strong footprint in the continent and the support of its leading international experts on Impact Based Finance, Société Générale wants to be a leader in renewable energy financing in Africa; through this investment and this collaboration with the very high level teams of RGREEN INVEST and ECHOSYS ADVISORY, we confirm this ambition for the greater benefit of corporate and their access to energy," said Philippe Dubois, Head of Corporate for Africa, Mediterranean & Overseas at Société Générale.

"The private financial sector has a key role to fund the development of energy access in Africa. Solar systems are an affordable, pollution-free, decarbonizing solution to help SME's and SMIs have the energy they need to operate. BNP Paribas Impact Investing team is glad to be one of the first private sector actors to participate in AFRIGREEN, to fill the funding gap of long-term debt financing for solar

projects and unlock the potential of these projects that make so much sense, environmentally and economically,” said Astrid Behaghel, Investment Director, Impact Investing BNP Paribas.

About RGREEN INVEST (The Fund Manager)

Founded in 2013, RGREEN INVEST is an independent French investment management company, and “entreprise à mission” with a proven track record in investing and financing the energy transition, climate change mitigation and adaptation. Among the first players to offer a complete range of bespoke financial solutions, RGREEN INVEST serves the energy transition in Europe with entrepreneurial passion. With more than thirty experienced professionals, whose expertise spans fund management, investment banking, asset-management, and renewable energy, RGREEN INVEST boasts one of the broadest teams of specialists in financing energy transition-related infrastructure projects in France. Mindful of climate issues, the company enshrines robust ESG principles into its investment criteria, enabling institutional investors to take part in the energy transition while sharing the financial gains. With over 1.6 billion euros under management, RGREEN INVEST contributes to the financing of projects in Europe and abroad equivalent to a total installed capacity of more than 3.3 GW^{1*} to date, thus avoiding nearly 844,000 tons of CO2 emissions in 2021^{2**}.

RGREEN INVEST’S INVESTMENT STRATEGIES ARE OPEN TO PROFESSIONAL AND QUALIFIED INVESTORS ONLY

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About ECHOSYS ADVISORY and ECHOSYS INVEST (The Fund Advisor)

ECHOSYS ADVISORY is an advisory firm dedicated to the financing of renewable energy, sustainable agriculture and industrial decarbonation, founded in 2020 by Alexandre Gilles and Olivier Leruste. It is structured in two practices. The financial advisory practice is headed by Laetitia Dubois, Managing Partner. The team assists its clients in the financing of their energy transition projects through a wide range of services such as financial structuration, fundraising (debt and equity), mergers & acquisitions mandates, and strategic consulting.

ECHOSYS INVEST, a 50/50 joint venture between RGREEN INVEST and ECHOSYS ADVISORY, was created in 2021 as the AFRIGREEN fund advisor designed to manage and structure the AFRIGREEN investment strategy and to focus on Africa’s energy transition, and more specifically to bolster solar penetration across the Sub-Saharan region³.

About EIB

As the lending arm of the European Union, the European Investment Bank is the biggest multilateral financial institution in the world and one of the largest providers of climate finance. Outside the

¹ Source: RGREEN INVEST. GW stands for gigawatts of green projects financed since inception and in portfolio (under construction or in development) with the support of banks and/or other investors).

² Source: RGREEN INVEST, Carbon footprint scope 4. Estimates based on an internal calculation methodology.

³ RGREEN INVEST and ECHOSYS INVEST are aware of, and acknowledge, the risk of forced labour being used in the production of solar photovoltaic panels and their components and condemn the use of such forced labour to produce solar photovoltaic panels or their components. The AFRIGREEN Fund’s team puts forward its best efforts to avoid in its operations the use of solar panels or components thereof that have been produced through Forced Labour.

European Union, UK and EFTA, the EIB provided €7.2 billion of financing in 2021. The EU bank is active in more than 160 countries worldwide and is a key partner of Team Europe. Its key investments around the world help create stability, promote sustainable growth and fight climate change. Over the last 10 years, the EU bank has invested more than €70 billion beyond the European Union.

About IFC

A member of the World Bank Group—IFC is the largest global development institution focused on the private sector in emerging markets. It operates in more than 100 countries, using its capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2022, IFC committed a record \$32.8 billion to private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity as economies grapple with the impacts of global compounding crises.

About the IDA Private Sector Window

The International Development Association's (IDA) Private Sector Window was launched in 2017 to catalyze private sector investment in the poorest and most fragile countries. Recognizing the key role of the private sector in achieving IDA's objectives and the World Bank Group's twin goals, the window provides a source of co-investment funding and guarantees to de-risk private investments supported by IFC and the Multilateral Investment Guarantee Agency (MIGA). The IDA PSW is an option when there is no commercial solution, and the World Bank Group's other tools and approaches are insufficient. For more information, visit: [hiip://ida.worldbank.org/psw](https://ida.worldbank.org/psw)

About BIO

BIO is a Development Finance Institution that supports private sector growth in developing countries. BIO provides long-term financing to enterprises, financial institutions, and private infrastructure projects, as well as grants for feasibility studies and technical assistance programmes. BIO operates as an additional partner to financial institutions and aims to strike a balance between return on investment and development impact. BIO is a member of EDFI (European Development Finance Institutions) and has more than 1 billion Euros of assets under management.

For more information: www.bio-invest.be

About Proparco

Proparco is the private sector financing arm of the Agence Française de Développement Group (AFD Group). It has been promoting sustainable economic, social and environmental development for over 45 years. Proparco provides funding and support to both businesses and financial institutions in Africa, Asia, Latin America and the Middle East. Its action focuses on the key development sectors: infrastructure, mainly for renewable energies, agribusiness, financial institutions, health and education.

Its operations aim to strengthen the contribution of private players to the achievement of the Sustainable Development Goals (SDGs) adopted by the international community in 2015. To this end, Proparco finances companies whose activity contributes to creating jobs and decent incomes, providing essential goods and services and combating climate change. They contribute to building sustainable economic growth and reducing poverty.

About Societe Generale

Societe Generale is one of the leading European financial services groups. Based on a diversified and integrated banking model, the Group combines financial strength and proven expertise in innovation with a strategy of sustainable growth. Committed to the positive transformations of the world's

societies and economies, Societe Generale and its teams seek to build, day after day, together with its clients, a better and sustainable future through responsible and innovative financial solutions.

Active in the real economy for over 150 years, with a solid position in Europe and connected to the rest of the world, Societe Generale has over 117,000 members of staff in 66 countries and supports on a daily basis 25 million individual clients, businesses and institutional investors around the world by offering a wide range of advisory services and tailored financial solutions. The Group is built on three complementary core businesses:

- French Retail Banking with the SG bank, resulting from the merger of the two Societe Generale and Crédit du Nord networks, and Boursorama. Each offers a full range of financial services with omnichannel products at the cutting edge of digital innovation;
- International Retail Banking, Insurance and Financial Services, with networks in Africa, Central and Eastern Europe and specialised businesses that are leaders in their markets;
- Global Banking and Investor Solutions, which offers recognised expertise, key international locations and integrated solutions.

Societe Generale is included in the principal socially responsible investment indices: DJSI (Europe), FTSE4Good (Global and Europe), Bloomberg Gender-Equality Index, Refinitiv Diversity and Inclusion Index, Euronext Vigeo (Europe and Eurozone), STOXX Global ESG Leaders indexes, and the MSCI Low Carbon Leaders Index (World and Europe).

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About BNP Paribas

BNP Paribas invested in this fund through its Company engagement team in charge of investing for the Bank's own account, as well as through Private Assets, a business unit dedicated to private asset management located within BNP Paribas Asset Management.

Together, they co-manage a 200-million euros envelope of impact investing for its own account, with the aim of fostering climate change fight and local development, social actions and natural capital protection and restauration.

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