

**Blue like an Orange Sustainable Capital Fund announces its \$10 million (PEN equivalent) financing to Peruvian financial institution Acceso Crediticio, to promote access to finance for unbanked / underbanked populations in Peru, while reducing the carbon intensity of the Peruvian taxi fleet.**

- *Financing provided by Blue like an Orange Sustainable Capital aims to support Acceso Crediticio's efforts to increase access to finance for unbanked / underbanked population to productive credit*
- *Acceso Crediticio clients use loans to purchase a taxi and convert the gasoline-powered engine to natural gas. The loan typically represents a client's introduction into the Peruvian financial system and enables clients to build their asset base, run their own small business, and reduce their carbon footprint*
- *The financing will channel foreign direct investment into financial structures that support poverty alleviation and emissions reduction in Peru*
- *Funding will contribute to the achievement of several United Nations Sustainable Development Goals, in particular SDGs 1, 8, 9, 11, and 12.*

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Blue like an Orange Sustainable Capital is pleased to announce its Tier II capital financing to Peruvian financial institution Acceso Crediticio. Acceso Crediticio provides affordable productive credit to the unbanked / underbanked population in Peru in the form of loans to purchase automobiles, which are converted from gasoline-powered engines to natural gas-powered engines. These loans enable Acceso Crediticio clients to enter the Peruvian financial system, build their asset base, start their own SME, and reduce their carbon footprint. ~75% of Acceso Crediticio's clients do not have access to other lending options and ~80% of the Company's customer base is in the socioeconomic classes C-E prior to receiving a loan from Acceso Crediticio. Additionally, for 40% of clients, the loan represents their introduction into the Peruvian financial system. Per S&P Global, ~58% of Peruvian adults have no financial products, only 23% of Peruvian adults have a consumer loan and less than 4% have a credit card or mortgage. Lastly, Acceso Crediticio has established specific lending programs to support access to finance for vulnerable migrant populations, particularly migrants from Venezuela.

In addition to the important impact of increasing access to finance, Acceso Crediticio also supports the reduction of the carbon intensity of the Peruvian taxi fleet by facilitating the conversion of the fleet from gasoline to natural gas. By converting a taxi from gasoline to natural gas, CO<sub>2</sub>-equivalent emissions are reduced by ~20%. Within Peru, the transition to natural gas for the transportation sector is a key environmental and economic goal for the country given Peru's ample natural gas resources, opposite a need to import petroleum (over 80% of petroleum in Peru is imported).

Peru has the 34<sup>th</sup> largest natural gas resources in the world, with resources equal to 53 years-worth of annual consumption in Peru, and natural gas accounts for 63% of energy production in Peru, representing the largest energy source. The Peruvian government has declared that expanding access to natural gas is a public necessity in order to reduce energy costs across the country (at the pump, natural gas costs ~50% less than gasoline on a unit basis) and to reduce the country's carbon footprint. For example, in October 2020, the Ministry of Energy and Mines signed agreement with the Urban Transportation Authority for Lima and Callao to enable the two government agencies to support the transition of the Peruvian transportation fleet to natural gas as a means of reducing costs and carbon intensity in the Peruvian transportation sector. As a result, the financing from Blue like an Orange Sustainable Capital supports local public priorities in the development of sustainable transportation systems.

As part of its investment in Acceso Crediticio, Blue like an Orange Sustainable Capital will support Acceso Crediticio to develop and implement internal systems to maximize its positive social impact, while minimizing environmental impacts.

*"We are pleased to have worked with Blue like an Orange Sustainable Capital. This deal marks a successful closing round of subordinated debt for Acceso and reaffirms the commitment and trust placed by our creditors. This*

*subordinated loan of USD 10 MM allows us to strengthen our capital and continue with our strategy of financial inclusion and green finance promotion”, said Luis Cubas, CFO of Acceso Crediticio.*

*“Blue like an Orange is pleased to support Acceso Crediticio in its effort to provide access to financial services to unbanked and underbanked segments of the Peruvian population. With this funding, Acceso Crediticio will be able to increase productive credit for its customers, expanding their commercial activities while reducing greenhouse gas emissions of the Peruvian automobile fleet”, said Rashad Kaldany, Managing Partner and CIO of Blue like an Orange Sustainable Capital.*

Specifically, the expected development outcome of the investment in Acceso Crediticio supports several United Nations Sustainable Development Goals, including but not limited to: SDG 1 (End poverty in all its forms everywhere), SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), SDG 9 (Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation), SDG 11 (Make cities and human settlements inclusive, safe, resilient and sustainable), and SDG 12 (Ensure sustainable consumption and production patterns).

The investment is the fourteenth transaction announced by Blue like an Orange Sustainable Capital, and its second investment in Peru.

#### **About Blue like an Orange Sustainable Capital**

Blue like an Orange Sustainable Capital seeks opportunities to lend to companies and projects that deliver both strong risk-adjusted returns and positive social impact in support of the UN's Sustainable Development Goals. Blue like an Orange Sustainable Capital focuses primarily on agriculture, education, healthcare, access to finance, traditional infrastructure, renewable energy, and technology-enabled services. The Company strives for sustainable development outcomes to foster inclusive and sustainable growth without a trade-off with respect to market level rates of financial returns. Blue like an Orange Sustainable Capital's partners are Bertrand Badré, Rashad Kaldany, and Emmanuelle Yannakis.

For more information, please visit <http://www.bluelikeanorangecapital.com>.

#### **About Acceso Crediticio**

Founded in 2005, Acceso Crediticio is a financial institution in Peru that provides asset-backed loans to taxi drivers and truck and bus fleet owners & operators. Acceso Crediticio's primary loan product is a loan used to purchase a taxi automobile, which is then converted using a portion of the loan proceeds from a gasoline-powered engine to a natural gas engine. Acceso Crediticio is the leading taxi lender in Peru and its business is primarily located in Lima, Peru.

For more information, please visit <https://acceso.com.pe/>

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