

FOR IMMEDIATE RELEASE

Crédit Agricole CIB's First Sustainability-linked Green Guarantee Facility through CTCI Group/ CTCI Machinery Corporation

Taipei – 9 November 2021 – Crédit Agricole CIB is pleased to announce a 2-year TWD 800 million Green Guarantee Facility out of USD 125 million medium term guarantee facilities for CTCI Group/ CTCI Machinery Corporation, a leading engineering, procurement and construction services provider based in Taiwan. Crédit Agricole CIB acted as the Sole Structuring Advisor and Sole Guarantee Bank for the transaction. This is Crédit Agricole CIB's first-ever Sustainability-linked Green Guarantee Facility, setting a pioneering benchmark in sustainable financing in the trade finance market and in the renewable energy sector in Taiwan as industry players continue to step up their commitments towards carbon neutrality.

The transaction underlines CTCI Group's sustainability profile by promoting higher transparency of disclosure on its manufacturing activities, which support the transition to renewable energy in Taiwan, while supporting CTCI Group to express its ambition to adopt best-in-class environmental management practices in its manufacturing facilities.

The facility supports CTCI Machinery Corporation's local manufacturing activities of anchor components of foundation jackets for offshore wind turbines and therefore essential foundation components for offshore wind farms. CTCI Machinery Corporation will provide disclosure to Crédit Agricole CIB with regards to the underlying projects and the expected environmental benefits of the project, especially on the greenhouse gas emission reduction. To further demonstrate CTCI Machinery Corporation's sustainable practices, the Facility embeds a pricing incentive for the corporation to uphold a certain set of environmental management standards subject to certification by an independent third party.

Yun-Peng Tan, Chairman of CTCI Machinery Corporation said "CTCI Machinery Corporation has been actively engaged in offshore wind power business in line with the energy diversification policy of the Taiwanese government and has been contracted with equipment manufacturing works for Taiwan's Yunlin, Changfang & Xidao, and Zhong Neng offshore wind farms projects with proven success. We will continue on offering our technological and project management expertise to help realise localisation goal for Taiwan's wind farm projects, hence accelerating carbon neutralisation target with clean energy development."

The transaction demonstrates Crédit Agricole CIB's expertise and capabilities in innovating a diversified range of financial solutions with ESG structuring elements.

Benjamin Lamberg, Chief Executive Officer of Crédit Agricole CIB Taipei Branch commented “Aside from supporting energy transition in Taiwan by project financing offshore windfarm projects, Crédit Agricole CIB further demonstrates its strong commitment to support the localisation of the offshore wind supply chain in Taiwan. This innovative structure has not only connected conventional trade finance product with green use of proceeds but offered CTCI Group an opportunity to express their ambitions to uphold sustainable practices in the manufacturing process or the wider supply chain through sustainability-linked mechanism. By implementing this first of kind sustainability-linked green guarantee, it has undoubtedly paved the way for future development of sustainable finance.”

Carmen Tsang, Head of Sustainable Banking for Greater China at Crédit Agricole CIB added “Trade finance is a core element of the global economy and growing to be a trillion-dollar market by the end of this decade¹. ESG integration into this market is relatively new, but a crucial trend to promote sustainability in global trade and supply chains. This is a market not to be ignored in mobilising corporates and capital to support the journey towards a 1.5°C future. Crédit Agricole CIB is pleased to support CTCI Group in this innovative sustainability-linked green guarantee, of which supports the financing of renewable energy development locally in Taiwan. We hope that this would be a precedent to inspire more corporates to consider aligning their sustainability vision and efforts to their trade financing activities.”

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About CTCI Group

CTCI Group (TWSE: 9933, TPEX: 5209, TPEX: 6803) is a global engineering services provider that offers a comprehensive range of services, products, and solutions. Since its founding in 1979, CTCI Group has strived to deliver the world’s most reliable engineering, procurement, fabrication, construction, commissioning and project management services. Headquartered in Taipei, Taiwan, CTCI Group serves the hydrocarbon, power, environmental, transportation and industrial markets. The company is Taiwan’s leading EPC services provider, with about 7,000 employees in around 40 operation bases spanning across more than 10 countries. It is a member of the Dow Jones Sustainability™ Emerging Markets Index.

CTCI Group has a deep understanding of the important correlation and impact between the development of the engineering industry and climate change, and strives to continue on identifying business risks and opportunities through the TCFD framework. In recent years, CTCI Group has been actively investing in green energy and low-carbon industries, and to increase the share of revenue coming from this sectors. In 2020, the contract value of CTCI Group’s green and low-carbon projects amounted to TWD 109 billion, accounting for 84% of the total contract value of the group. Green and low-carbon projects under construction is becoming an important growth engine and showed a 355% growth from 2015 to August 2021. Looking forward to the future, CTCI Group will continue its deep commitment to provide the world with quality and environmentally-friendly engineering services by implementing its sustainable vision of “Guarding the Earth with Constant Innovation in Green Engineering.”

<http://www.ctci.com>

¹ <http://www.precisionreports.co/global-trade-finance-market-18719485>

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

Crédit Agricole CIB is the corporate and investment banking arm of Crédit Agricole Group, the 12th largest banking group worldwide in terms of tier 1 capital (The Banker, July 2021). Nearly 8,600 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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