

## **GOLDMAN SACHS *10,000 WOMEN*, IFC LAUNCH UP TO \$600 MILLION FINANCE FACILITY TO CLOSE CREDIT GAP FOR WOMEN ENTREPRENEURS**

*Joint partnership to create The Women Entrepreneurs Opportunity Facility, the first-ever global finance facility dedicated exclusively to women-owned small and medium enterprises that will enable approximately 100,000 women to access capital*

NEW YORK, March 5, 2014 – Lloyd C. Blankfein, Chairman and CEO of The Goldman Sachs Group, Inc. (NYSE: GS), and Jim Yong Kim, President of the World Bank Group, today announced a partnership to increase access to capital for women entrepreneurs. The partnership, which deepens *10,000 Women's* commitment to women entrepreneurs, will aim to spur lending in developing countries through the first-ever global finance facility for women-owned small and medium enterprises (SMEs). The Women Entrepreneurs Opportunity Facility will be seeded by the Goldman Sachs Foundation and IFC, a member of the World Bank Group, and will raise up to \$600 million in capital through investments from additional public and private co-investors to enable approximately 100,000 women entrepreneurs to access capital. Goldman Sachs and The Goldman Sachs Foundation will also continue to operate its business and management education program.

“Through the experiences of *10,000 Women* graduates, we have seen, first-hand, that investing in women leads to economic growth and job creation, but there is clearly more that can be done to unlock the potential of women-owned businesses” said Lloyd C. Blankfein. “By partnering with IFC, we will address one of the biggest obstacles to growth for women-owned small and medium-sized businesses – access to capital.”

“This new initiative will create opportunities for tens of thousands of female entrepreneurs to thrive and prosper,” World Bank Group President Jim Yong Kim said. “At the World Bank Group, we are committed to providing opportunities to aid women as leaders, business owners, employees, and stakeholders. We cannot afford to exclude half of the world’s population from their rightful role in helping to change the face of the global economy.”

A wide range of surveys show access to credit is the biggest constraint on growth for all SMEs and women-owned businesses face an even larger credit gap than their male counterparts. IFC estimates that about 70% of women-owned SMEs in developing countries are either unserved or underserved by financial institutions, resulting in an estimated \$285 billion credit gap for women-owned SMEs. Goldman Sachs has released new research, *Giving Credit Where It Is Due*, which demonstrates increasing female access to capital can have a tangible impact on per capita income, particularly in developing and emerging markets. According to the report, if the credit gap is closed by 2020, by 2030 incomes per capita could be on average around 12% higher across the BRICs and Next 11 countries, relative to our baseline scenario. This gain could be as

large as 25-28% for Brazil and Vietnam, where the credit gaps in the formal SME sectors are currently widest.

Through this partnership, The Goldman Sachs Foundation and IFC will work with local banks in developing countries to catalyze existing capital for women-owned SMEs by addressing barriers in the lending market.

Goldman Sachs *10,000 Women* will partner with IFC to create The Women Entrepreneurs Opportunity Facility, the first-ever global finance facility for women-owned SMEs. The Goldman Sachs Foundation will provide a \$32 million anchor investment in order to catalyze capital from commercial investors and bi-lateral donors. The Facility will extend lines of credit and share risk with local banks in emerging markets enabling them to on-lend to women-owned SMEs. In order to spur innovative approaches to lending to women entrepreneurs, The Goldman Sachs Foundation will provide an \$18 million anchor donation-\$11 million of which will go to IFC, to fund capacity building support for banks and women borrowers. Capacity building support will address the barriers to banks deploying capital and women entrepreneurs accessing it.

Based on Goldman Sachs research, *Womenomics* and *Women Hold up Half the Sky*, Goldman Sachs *10,000 Women* was launched in March 2008 as a global initiative to drive economic growth by providing 10,000 women a business and management education as well as links to networks and mentors. By the end of 2013, 10,000 women from across 43 countries had been reached through a network of 90 academic and non-profit partners.

According to the International Center for Research on Women's independent assessment, graduates attribute changes in their business performance and increased confidence to *10,000 Women*. Graduates report immediate and sustained business growth. Thirty months after completing the program, 82% of surveyed *10,000 Women* graduates increased their revenue and 71% added new jobs. On average, graduates doubled the size of their workforces and revenues increased nearly fivefold. *10,000 Women* has also demonstrated that investing in women creates a virtuous cycle as women use their income and skills to support their families and communities. Nine out of ten participants pay it forward by mentoring and teaching business skills to other women.

#### **About Goldman Sachs *10,000 Women***

The Goldman Sachs *10,000 Women* initiative is a campaign to foster greater shared economic growth by providing 10,000 underserved women around the world with a business and management education and access to mentoring and networking. The initiative has reached women from across 43 countries through a network of 90 academic and nonprofit partners.