



# CAF Investor Presentation

June  
2024

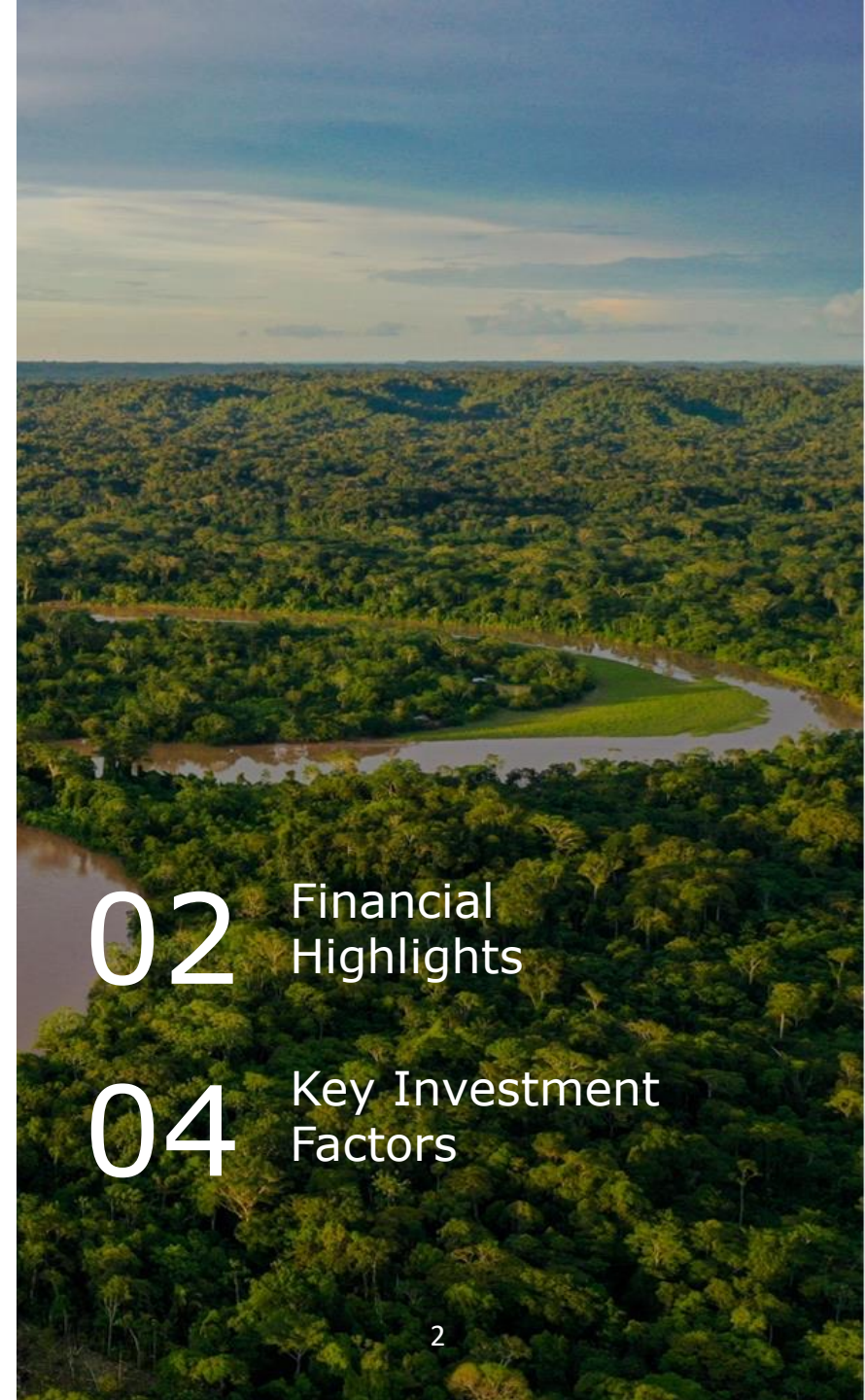
# contents

01 CAF  
Overview

03 Funding  
Strategy

02 Financial  
Highlights

04 Key Investment  
Factors



# CAF CAF Overview

# The Development Bank of Latin America and the Caribbean



CAF is a Latin American and Caribbean **Supranational institution**



**53 years financing sustainable** development and regional integration



Benefits from **Preferred Creditor Treatment** in its shareholder countries



Rated by:  
S&P: **AA**/Stable  
Moody's: **Aa3**/Stable  
Fitch: **AA-**/Stable  
JCR: **AA+**/Stable



CAF's strategy is focused on **Green Development and Sustainable & Inclusive Growth** in Latin América and The Caribbean



Continuous **Support from Shareholders** and strong capital base



Leading in financing **infrastructure and energy** projects

# Broad Shareholder Base: A success of integration in Latin America and the Caribbean

From **5** shareholder countries at inception to its current **21**

## Full Member Countries

(Subscribed Capital)

Peru	16.8%
Colombia	16.8%
Argentina	11.6%
Brazil	7.9%
<b>Chile</b>	<b>6.7%</b>
Ecuador	5.2%
Bolivia	5.2%
Venezuela	3.9%
Panama	3.7%
Paraguay	3.6%
Trinidad & Tobago	3.4%
Uruguay	2.6%
<b>Dominican Republic</b>	<b>2.0%</b>
<b>El Salvador</b>	<b>2.0%</b>
<b>Honduras</b>	<b>2.0%</b>



CAF continues working on expanding its shareholder base

■ **New Full Member Countries**

## Other Shareholders

(Subscribed Capital)

Spain	4.5%
<b>Mexico</b>	<b>0.9%</b>
<b>Costa Rica</b>	<b>0.7%</b>
Barbados	0.4%
Portugal	0.1%
Jamaica	0.01%
Commercial Banks	0.04%

## ■ In process of becoming Full Member Countries

The Bahamas, Dominica and Grenada are in the process of becoming CAF's shareholders

# New Incorporations Strengthen CAF's Mandate



- ✓ Close **relationship with governments** in the region
- ✓ **Strengthen CAF's governance** with 15 full member countries with participation in the board
- ✓ Add to **balanced growth and business diversification**

**USD 1.5 billion**



**Chile** became CAF's Full member country

**USD 310 million**



**Dominican Republic** became CAF's Full member country

**USD 460 million**



**Honduras** is CAF's 21st shareholder

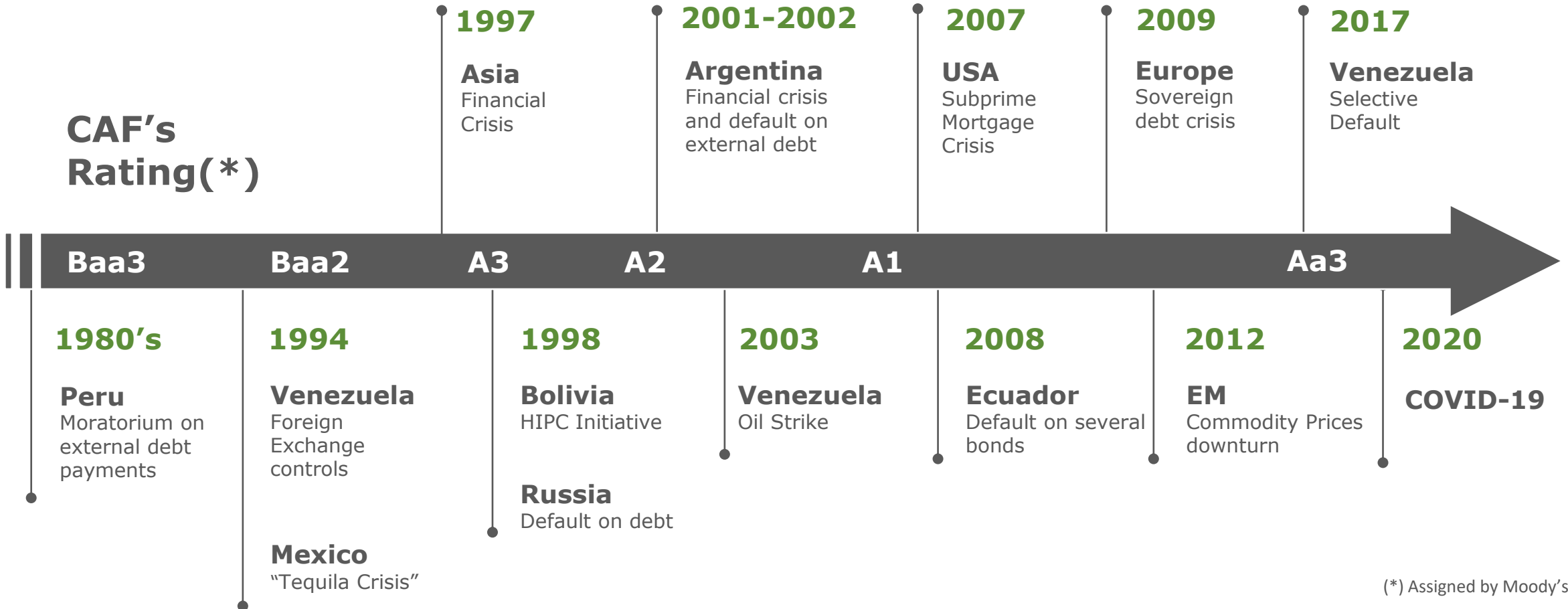


**CAF strengthens** its presence in the Caribbean

**2023**

**2024**

# Proven Preferred Creditor Treatment



(\*) Assigned by Moody's

# Positive ongoing development in capital strengthening

**USD 7  
Billion**

● **Largest** capital increase approved, March 2022

● Reflects the **solid shareholder support**

● Fully allocated in **paid-in capital**

● Enables CAF to further **expand its operations and maintain its robust credit metrics**

## Recent capital increases (USD Billion)

<b>2022</b>	<b>+7.0</b>
2015	+4.5
2011	+2.0
2009	+2.5
2007	+1.5
2002	+0.2
1999	+0.6

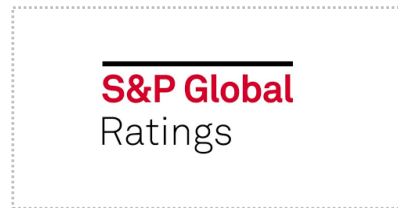
## CAF continues to strengthen its capital through:

- ✓ Capital contributions of new Shareholder Countries
- ✓ New Full Member Countries



# CAF achieved 4 upgrades in the last 2 years

Credit Ratings reflect CAF's robust financial position and management expertise



Current Rating  
**AA  
(Stable)**  
May 2023

Upgrades in the last 2 years  
**+2**



Current Rating  
**Aa3  
(Stable)**  
May 2023

Upgrades in the last 2 years  
**+1**



Current Rating  
**AA-  
(Stable)**  
January 2024

Upgrades in the last 2 years  
**+1**



Current Rating  
**AA+  
(Stable)**  
February 2024

## Rating agencies highlights

- ✓ CAF's largest capital increase of US\$7 billion
- ✓ Recent incorporation of Chile as a full member country
- ✓ Shareholder expansion and outstanding role in the region
- ✓ Strong capital buffers
- ✓ Excellent liquidity and strong access to capital markets



# Financial Highlights

# Financial highlights



Robust and  
Liquid  
**Balance Sheet**



Diversified and  
high-rated  
**Liquidity  
Portfolio**



Consistent  
Growth and  
**High Quality of  
the Loan  
Portfolio**



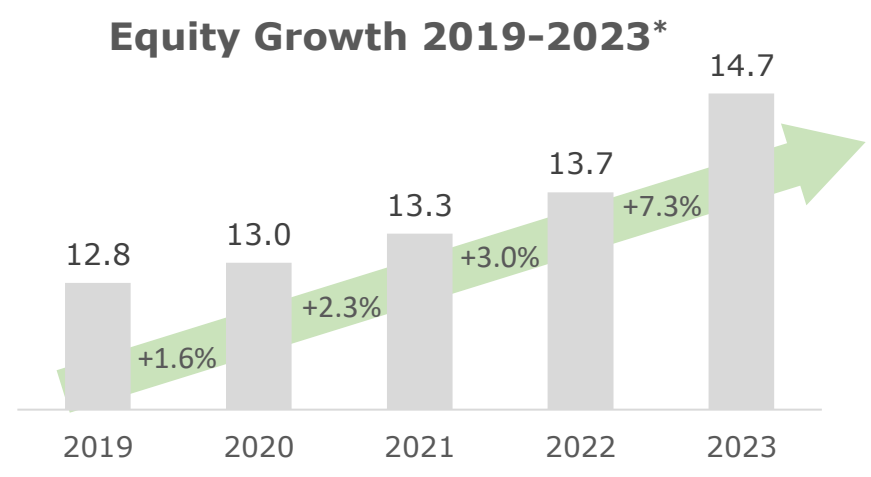
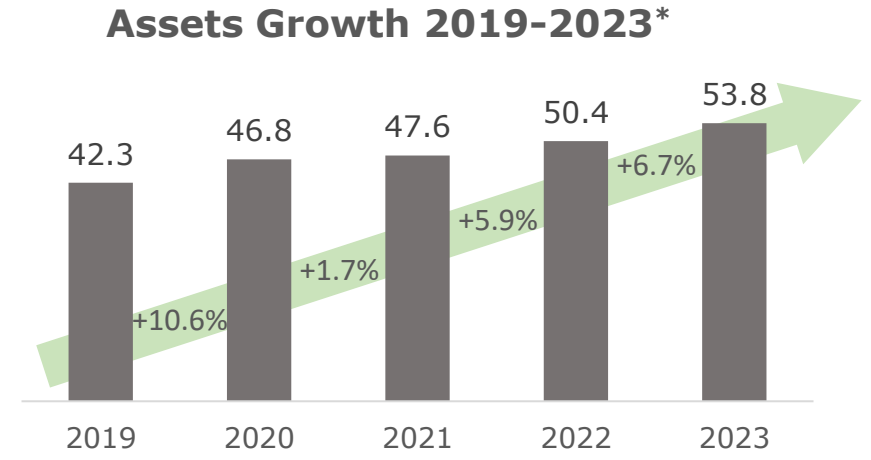
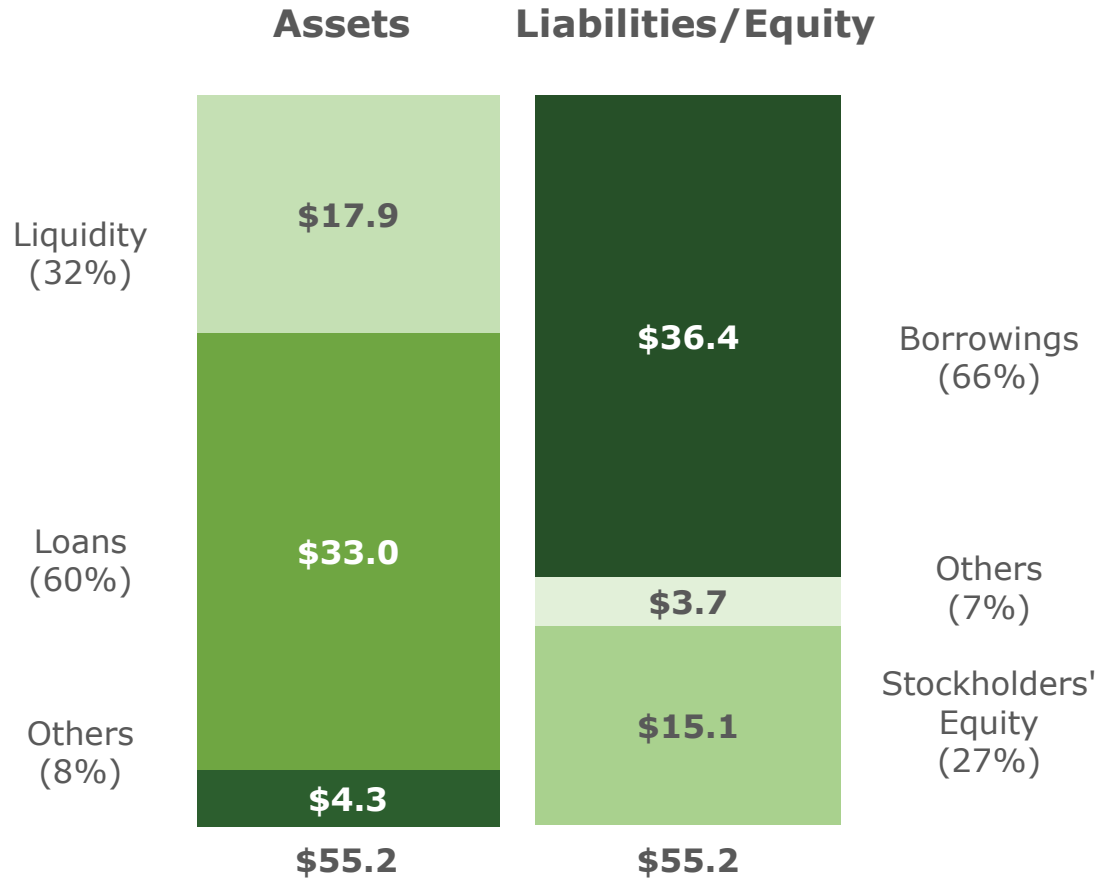
**Diversified  
Loan Portfolio**



**Strong financial  
ratios** compared  
to its peers

# Robust & Liquid Balance Sheet

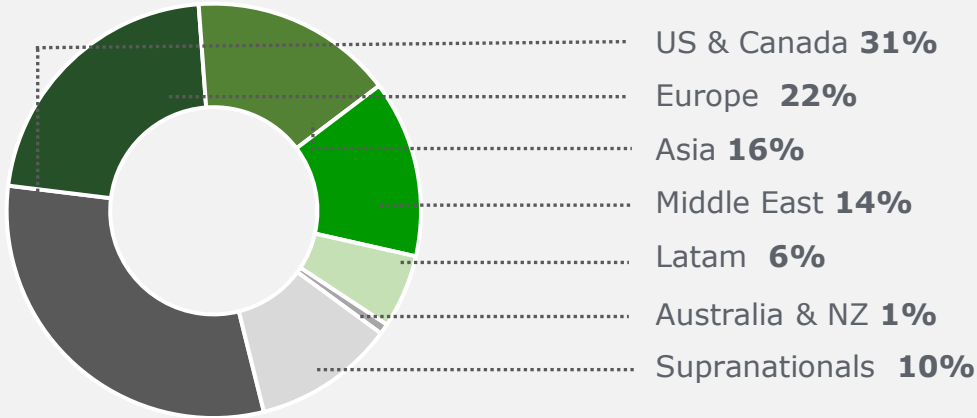
(USD billion)



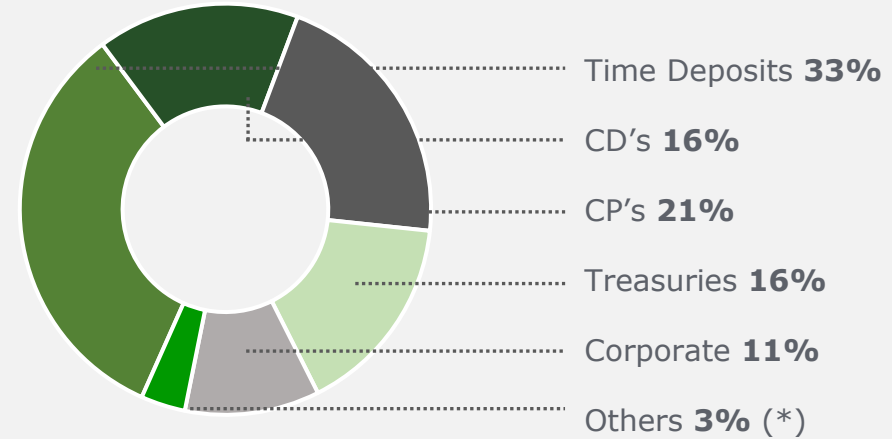
Figures as of March 31, 2024  
\*Figures as of end of each year

# Diversified and high-rated Liquidity Portfolio

### Breakdown by Geography



### Breakdown by Product



> **AA-**  
Average  
Portfolio rating

> **96%**  
of liquid assets are  
rated A- or above  
> **50%**  
rated AA- or above

> **1.4 years**  
Maximum  
duration  
allowed

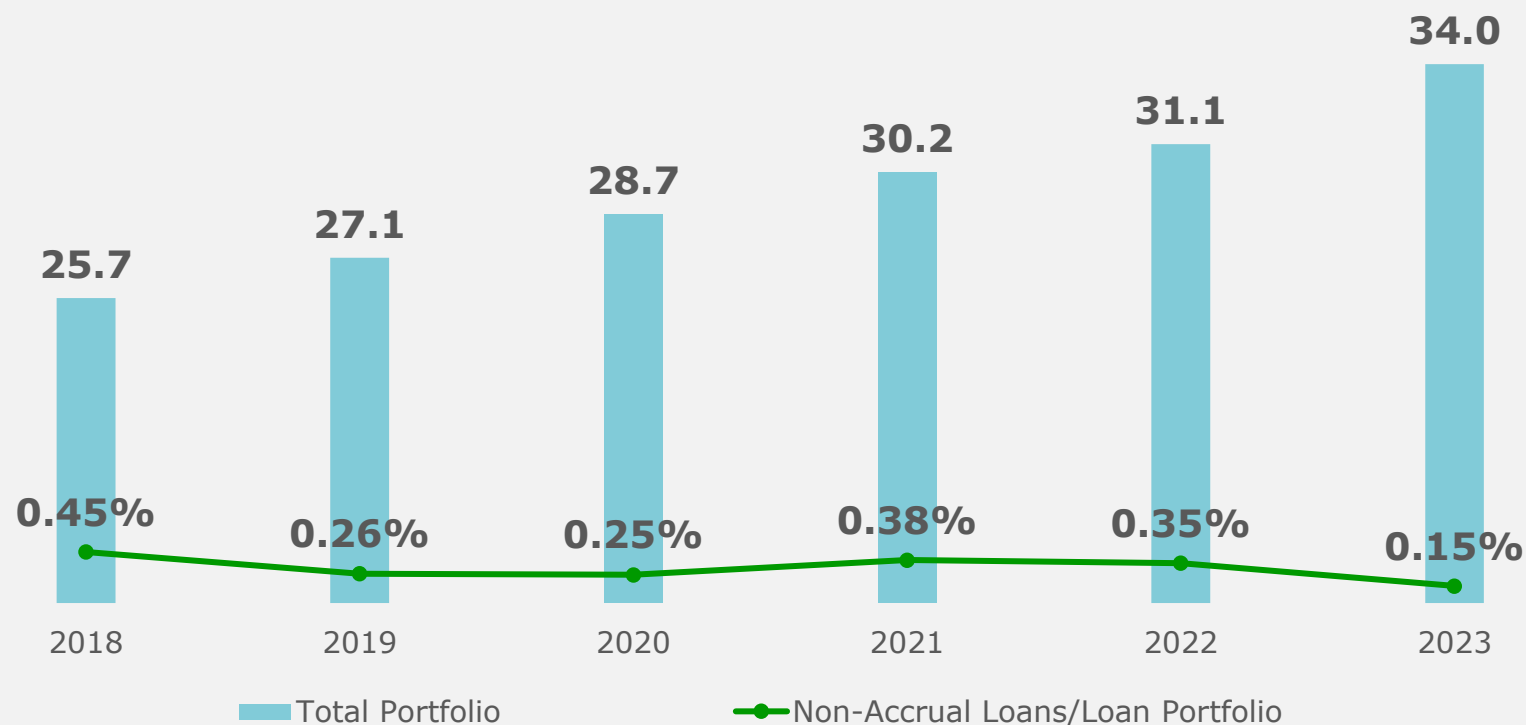
> **0.7 years**  
Current  
duration

Figures as of March 31, 2024

\*Others include cash and due from banks, liquidity funds and bonds of non-U.S. governments and other government entities

# Loan Portfolio: Consistent Growth and High Quality

(USD billion)

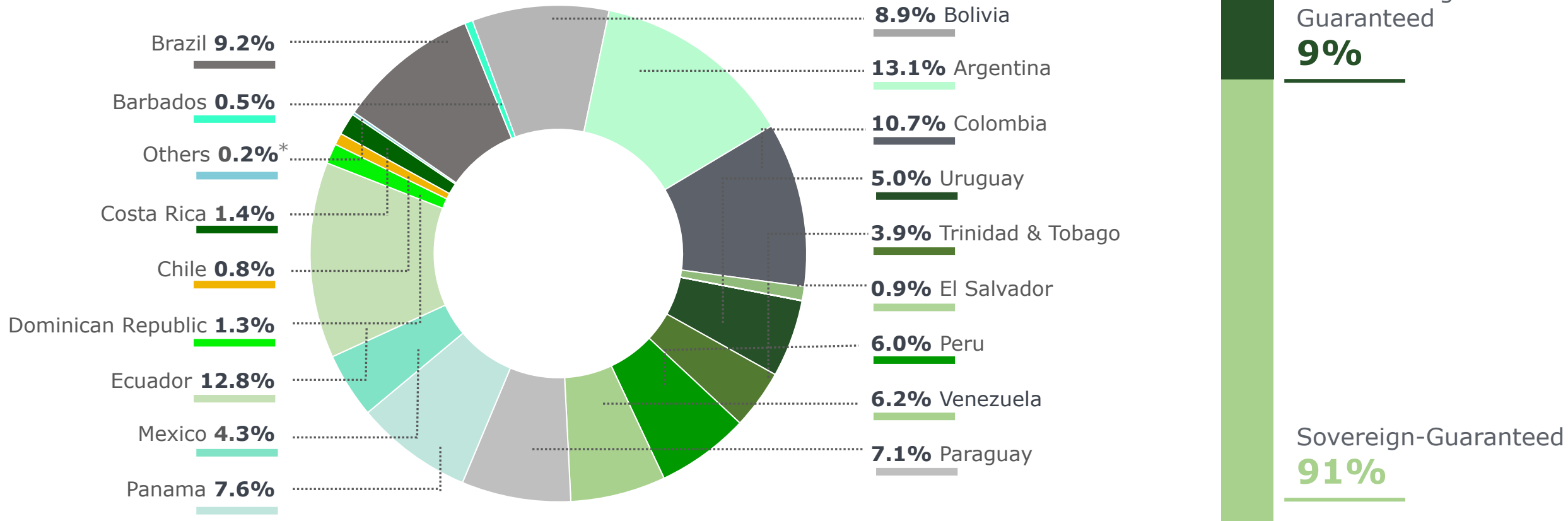


Compound  
annual growth rate  
**Last five years**  
**5.7%**

Consolidated Portfolio = Loan Portfolio + Equity Investments + Guarantees  
Figures as of the end of each year

# Diversified Loan Portfolio

## By Country & Sector



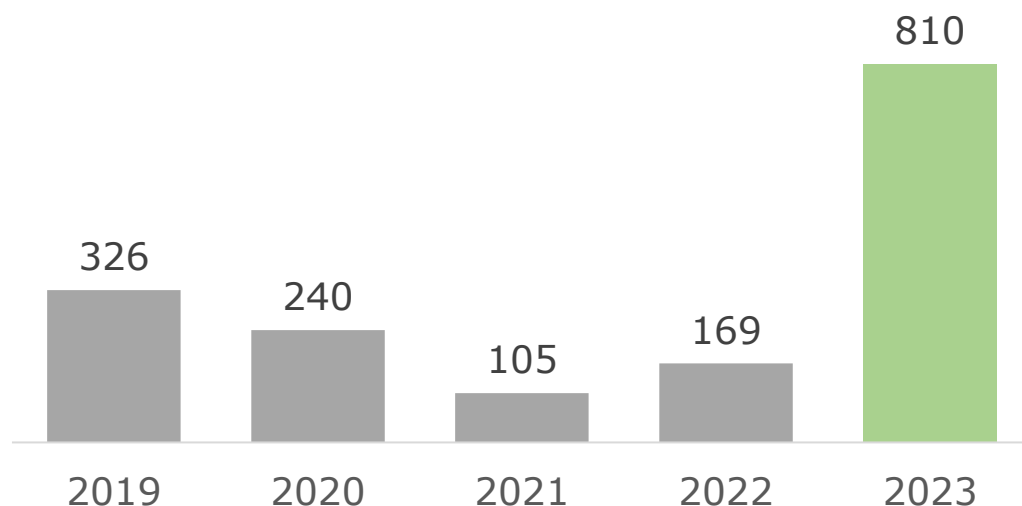
Consolidated Portfolio = Loan Portfolio + Equity Investments + Guarantees

\*Others include Portugal, Spain, and Multinational operations

Figures as of March 31, 2024

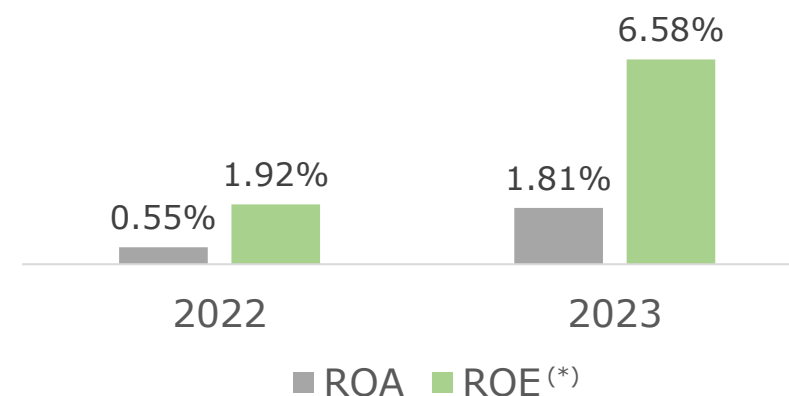
# CAF reached its highest net income during 2023

Net Income 2019-2023\*  
USD Million



Reported profits support  
the institution's  
capitalization

In 2023 CAF  
achieved favorable  
operating results and  
improved its  
profitability ratios










\*Figures as of end of each year

(\*) Income before contributions to Shareholders' special funds/Average net worth.



# Strong financial ratios compared to its peers

Multilateral Financial Institution	CAF's Ranking	 DEVELOPMENT BANK OF LATIN AMERICA AND THE CARIBBEAN	 Inter-American Development Bank	 	 ASIAN DEVELOPMENT BANK	 European Bank for Reconstruction and Development	 <sup>1</sup> THE WORLD BANK
Ratings (S&P/Moody's/Fitch)		AA/Aa3/AA-	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA
Equity / Assets (%)	<b>1st</b>	<b>27</b>	26	26	19	27	17
Liquidity / Adjusted Total Assets (%)	<b>2nd</b>	<b>31</b>	23	38	17	NA <sup>2</sup>	26
Net interest income/Average net loans (%)	<b>2nd</b>	<b>1.5</b>	1.7	1.4	1.3	NA	1.1
Impaired loans and advances/ Total loans (%)	<b>3rd</b>	<b>0.4</b>	2.2	3.2	0.1	4.8	0.2

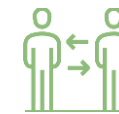
Source: Standard & Poor's "Supranational Special Edition 2023". Figures as of end of year 2022

<sup>1</sup>International Bank for Reconstruction and Development (IBRD)

<sup>2</sup> NA: Not Available

# Funding Strategy

# Funding Strategy highlights



Well established and **expanding investor base**

**Broad access to international capital markets**

**Frequent issuer** in the SSA space

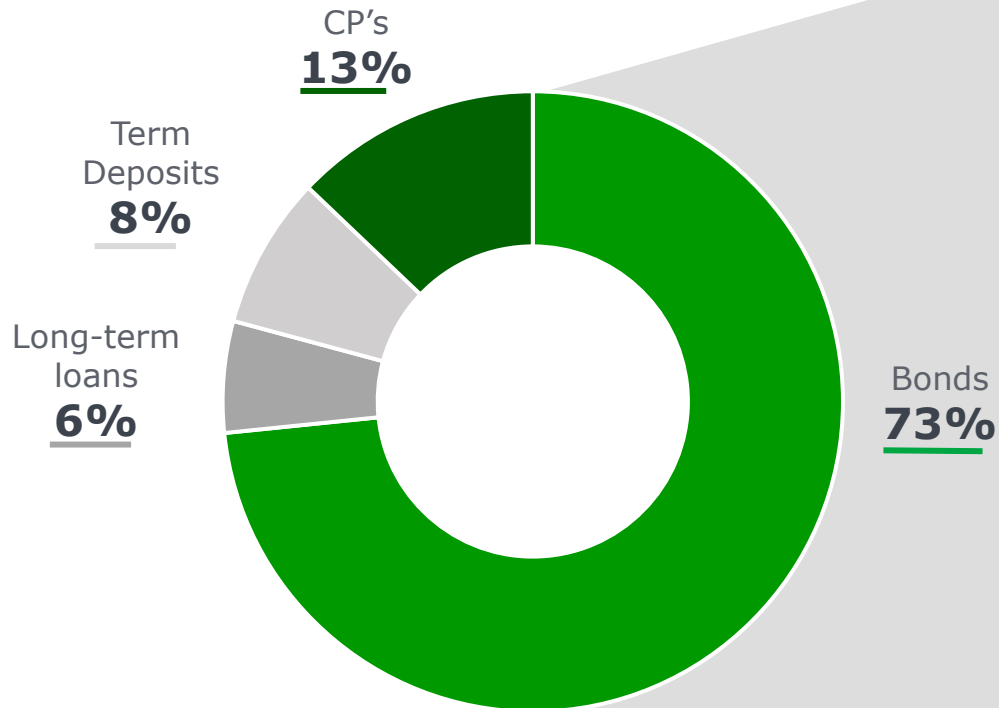
Financing **environmental and socially responsible** initiatives

Daily active trading in **short-term funding**

Over 90 **International funding partners**

# Funding Strategy

## Composition of Financial Liabilities



### Cost Optimization

Generate various reference points



### Investor Diversification

Capital market programs in place in strategic markets issuance of thematic bonds



### Asset / Liability Duration Match

Use of private placements to modify the average duration of liabilities



### Liquidity in Secondary Markets

Benchmark size issues

# Broad access to international capital markets

## US Shelf

- Schedule B Issuer
- US Dollar Benchmark deals
- Listed in LSE

## Japan Shelf

- Samurai and Uridashi

## Domestic Programs

- Colombia, Costa Rica  
Mexico, Panama,  
Paraguay, Peru  
Uruguay

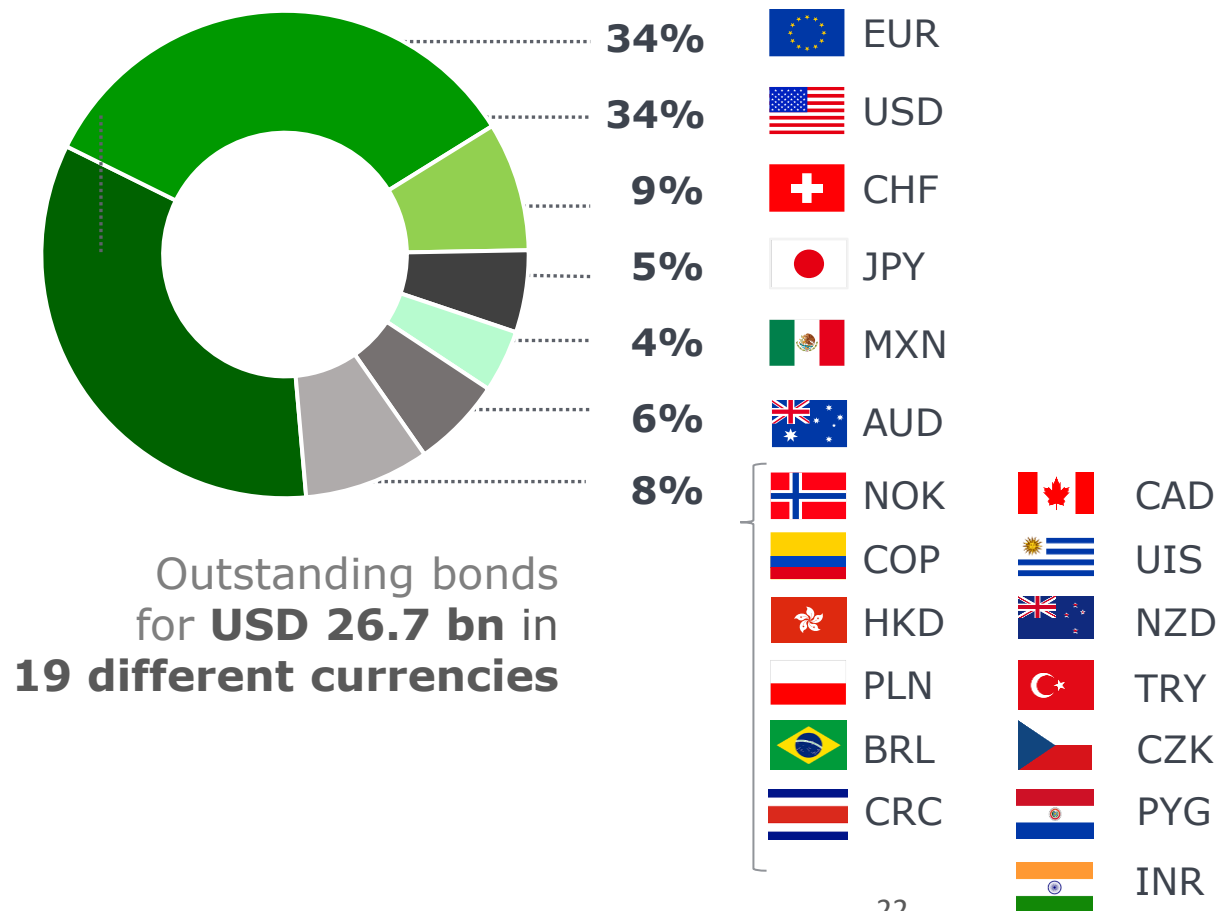
## EMTN

- Benchmark deals in different currencies

## AMTN

- Australian Dollar

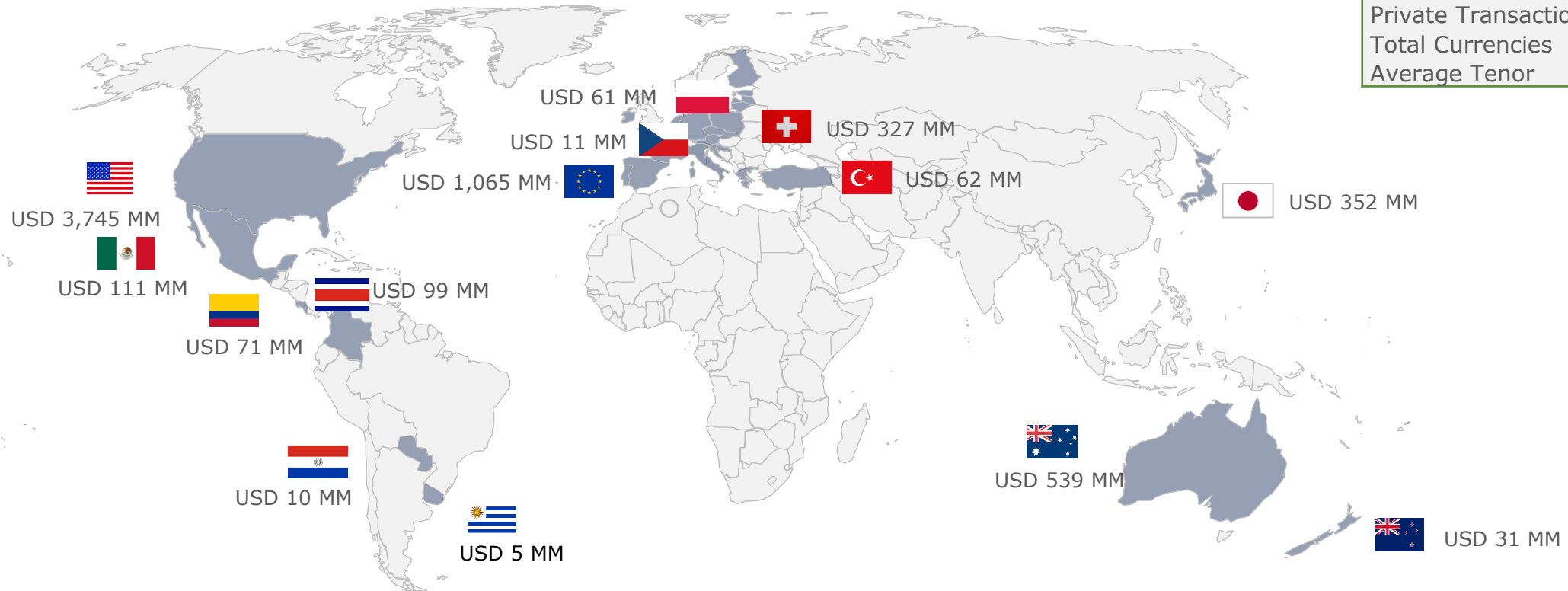
## Bonds by Currency



# Strong Access to Capital Markets

During 2023, CAF issued a total amount of **USD 6.5 billion** in the main capital markets

## Issues in 2023 in USD million equivalent



<b>Total Issues</b>	<b>49</b>
Public Transactions	77%
Private Transactions	23%
Total Currencies	14
Average Tenor	4.8 years

# Recent Benchmark Issues



**GBP 1,000 MM**

**5 yr**

**4.75%**

**Maturity: 2029**

Issued Apr, 2024

ISIN XS2803753065



**EUR 1,500 MM**

**6 yr**

**3.63%**

**Maturity: 2030**

Issued Feb, 2024

ISIN XS2594907664



**AUD 500 MM**

**5 yr**

**5.30%**

**Maturity: 2029**

Issued Feb, 2024

ISIN AU3CB0306678



**USD 1,750 MM**

**5 yr**

**5.00%**

**Maturity: 2029**

Issued Jan, 2024

ISIN US219868CJ38

## High-quality order-books

- ✓ Record final orderbook for a debut ('return-to-market') GBP benchmark in the SSA sector
- ✓ Largest order book in CAF's history
- ✓ Largest transaction by a Latin American issuer in the Australian market
- ✓ Order book reached USD 6.4 billion and over 180 investors

CAF's continuous benchmark-size issuances are a testament to its strengthening credit history



# Recent Private Placements



**CRC 47,250MM**

Apr 22, 2024

**6.35% 2032**



**INR 4,500MM**

Apr 19, 2024

**8.25% 2034**



**PYG 150,000MM**

Apr 15, 2024

**7.25% 2031**



**JMD 4,000MM**

Apr 15, 2024

**8.50% 2028**



**JPY 18,300MM**

Dec 07, 2023

**0.73% 2027**



**PLN 270MM**

March 22, 2023

**8.55% 2025**



**MXN 2,000MM**

March 15, 2023

**10.35% 2033**



**COP 200,000MM**

March 06, 2023

**6.77% 2028**



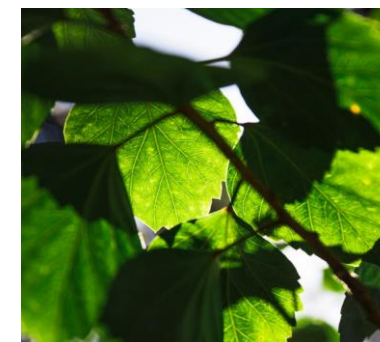
# Thematic Bonds

Thematic bonds including green and social bonds amount to USD 4.3 billion

- ✓ In 2018, CAF created its **Green Bond Program**
- ✓ The framework follows the Green Bond Principles (GBP) and has a Second-Party opinion from **Sustainalytics**
- ✓ In 2020, CAF created its **Social Bond Program** with a Use of Proceeds focused on the response to the COVID-19 pandemic
- ✓ CAF also has issued thematic bonds in sectors such as: **water, education, health and nutrition**

For additional information please visit:

[CAF's Green Bond Framework](#)  
[CAF Green Bond Annual Report 2022](#)  
[CAF Social Bond Annual Report 2022](#)



# Daily active trading in short-term funding



**Bloomberg CAF<GO>**



## USCP and ECP programs

- ✓ Ratings A1+ / P-1 / F1+
- ✓ Size: USCP USD 3.0 bn  
ECP USD 3.0 bn
- ✓ Tenors up to 397 days



## Dealers: USCP

- ✓ Bank of America
- ✓ Barclays
- ✓ Citibank
- ✓ Goldman Sachs
- ✓ JP Morgan

## ECP

- ✓ Barclays
- ✓ Bred Banque Populaire
- ✓ Citibank
- ✓ ING Bank NV
- ✓ CAF



## Term Deposits

- ✓ Clients: Corporate, Financial and Official Institutions
- ✓ Amounts vary between USD1 – 500 million
- ✓ Tenors up to one year

# Over 90 International Key Development Partners

Europe 35



North America 15



Africa 1



South America 20



Asia 32



CAF is accredited from the following funds:

- GREEN CLIMATE FUND (accredited since July 2015)
- ADAPTATION FUND (accredited since March 2014)
- gef (accredited since April 2015)

# Key Investment Factors

# Key Investment Factors



Solid  
**Financial  
Profile**

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**53 years** of  
proven preferred  
**creditor status**

---



Currently  
rated  
**AA/Aa3/AA-**

---



Outstanding  
**Green and  
Social  
credentials**

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**Investment  
in Latin  
America** with  
limited risks

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**Offers  
value**  
compared to  
its peers

---



# Project Snapshots

# CAF's strategy is focused on Green Development and Sustainable and Inclusive Growth



**+1.8 million**  
of people will benefit from new or improved sustainable modes of transport



**+ 1.1 million**  
of people benefited by a new or improved water connection and/or sewage system



**+5.8 million**  
of people benefited by new energy infrastructure



**+ 3 million**  
of students benefited by education projects



**+1 million**  
of people will benefit from improvements in their habitat environment



**23%**  
of CAF's total approvals correspond to green financing



# Highlighted Projects

Country:

**Dominican  
Republic**

Amount approved:

**USD 85 million**



## **San Juan de la Maguana - Multiple Aqueduct Expansion Project**

- ✓ The project contemplates the unification of the various rural aqueducts into a single regional aqueduct through the preparation of definitive designs
- ✓ **211,000 inhabitants of urban and rural areas will benefit from the project**



# Highlighted Projects

Country:

**Colombia**

Amount approved:

**USD 255 million**



## Line 2 - Bogotá Subway

- ✓ The Line 2 of the Bogotá **subway will benefit approximately 2.5 million users**, generate significant savings in travel times and contribute to improving air quality, as well as reducing road accidents
- ✓ Bogota expects to have the first line ready by 2028

# Highlighted Projects

Country:

**Ecuador**

Amount approved:

**USD 255 million**



## Electricity Distribution Network Reinforcement Program

- ✓ The objective of the Program is to **improve the electricity transmission and distribution systems with emphasis on the shrimp agro-industrial sector**, electrifying approximately **42,000 hectares on the coast of the provinces of Esmeraldas, Manabí, Guayas, El Oro and Santa Elena**, and providing service to non-electrified rural areas in the area of influence

# Highlighted Projects

Country:

**Paraguay**

Amount approved:

**USD 135 million**



**Rehabilitation, improvement and maintenance program for national route PY22, Concepción-Vallemí-San Lázaro section and accesses (Road program 4)**

- ✓ This program will contribute to **improve traffic conditions in the department of Concepción**, enhance the competitiveness of land transportation, promote development and regional economic integration, and **improve the quality of life in the eastern region**

## Contact us

Email: [Investor\\_Information@caf.com](mailto:Investor_Information@caf.com)

Bloomberg: CAF<GO>

Website and Financial Statements : [www.caf.com/en/investors/](http://www.caf.com/en/investors/)

Access to Reports:

[Green and Social Bond Program  
Sustainability Report](#)



**CAF** DEVELOPMENT BANK  
OF LATIN AMERICA  
AND THE CARIBBEAN

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