



# CAF Investor Presentation

October  
2024

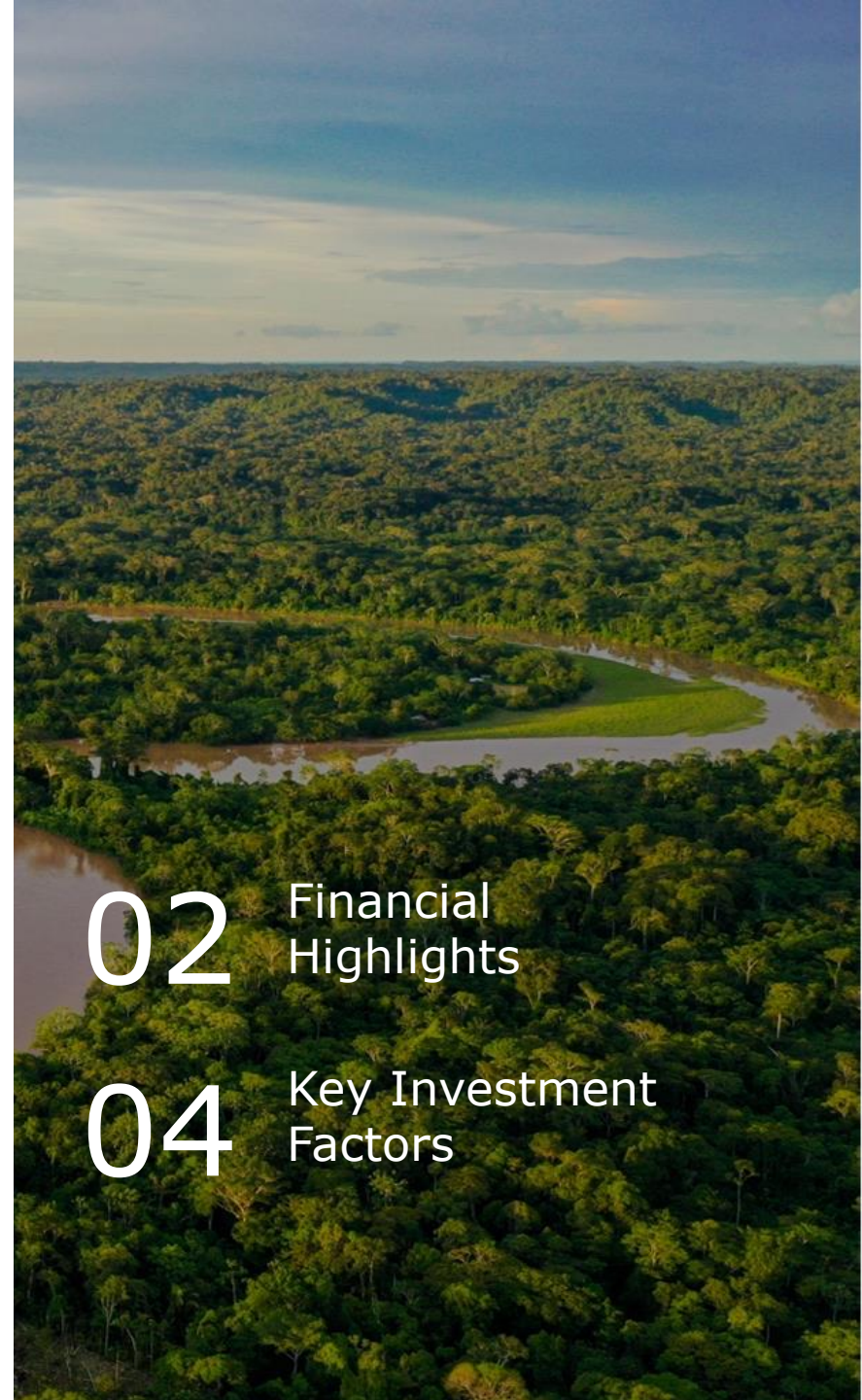
# contents

01 CAF  
Overview

03 Funding  
Strategy

02 Financial  
Highlights

04 Key Investment  
Factors



# CAF CAF Overview

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# 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	16.9%
Colombia	16.9%
Argentina	11.7%
Brazil	7.9%
Chile	6.7%
Ecuador	5.2%
Bolivia	5.2%
Panama	3.7%
Paraguay	3.6%
Trinidad & Tobago	3.5%
Venezuela	3.2%
Uruguay	2.6%
Dominican Republic	2.0%
El Salvador	2.0%
Honduras	2.0%



## Other Shareholders

(Subscribed Capital)

Spain	4.5%
Mexico	1.0%
Costa Rica	0.7%
Barbados	0.4%
Portugal	0.1%
Jamaica	0.04%
Commercial Banks	0.01%

- **Costa Rica** is in the final phase to become CAF's Full-member country
- **Antigua & Barbuda** and **Dominica** were approved by the Board of Directors to proceed with their incorporation as new CAF shareholders
- **The Bahamas** and **Grenada** signed their capital subscription agreements to become CAF shareholders

# New incorporations strengthen CAF's Mandate



- ✓ Close **relationship with governments** in the region
- ✓ **Strengthen CAF's governance** with 23 members with participation in the Board of Directors
- ✓ 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

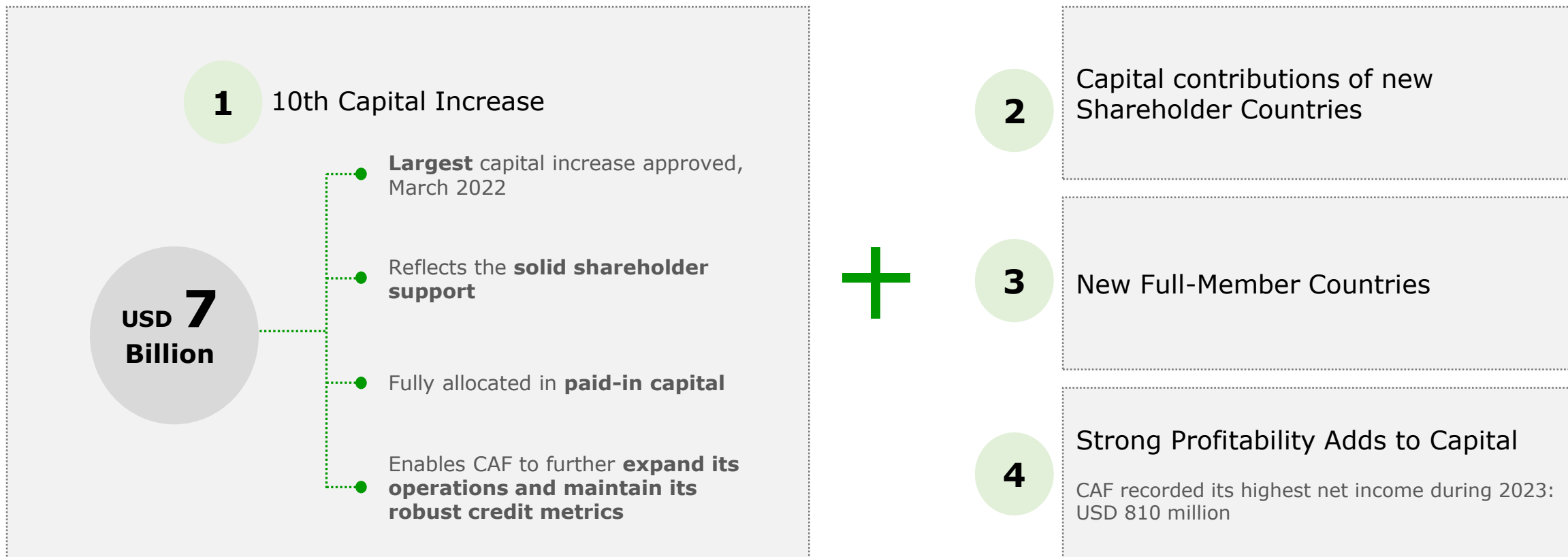


**Costa Rica** is in the final phase to become CAF's Full-member country

**2023**

**2024**

# CAF continues to strengthen its capital



# Benefits from Preferred Creditor Treatment in its shareholder countries

The Constitutive Agreement is an International Treaty **that grants several privileges and immunities**

## Art. 47:

"...assets of the Corporation, wherever they may be, shall enjoy **immunity from expropriations, ...** or executive measures carried out by any of the Contracting States"

## Art. 48:

"The assets of any kind owned by the Corporation may be **freely transferred and converted**"

## Art. 50:

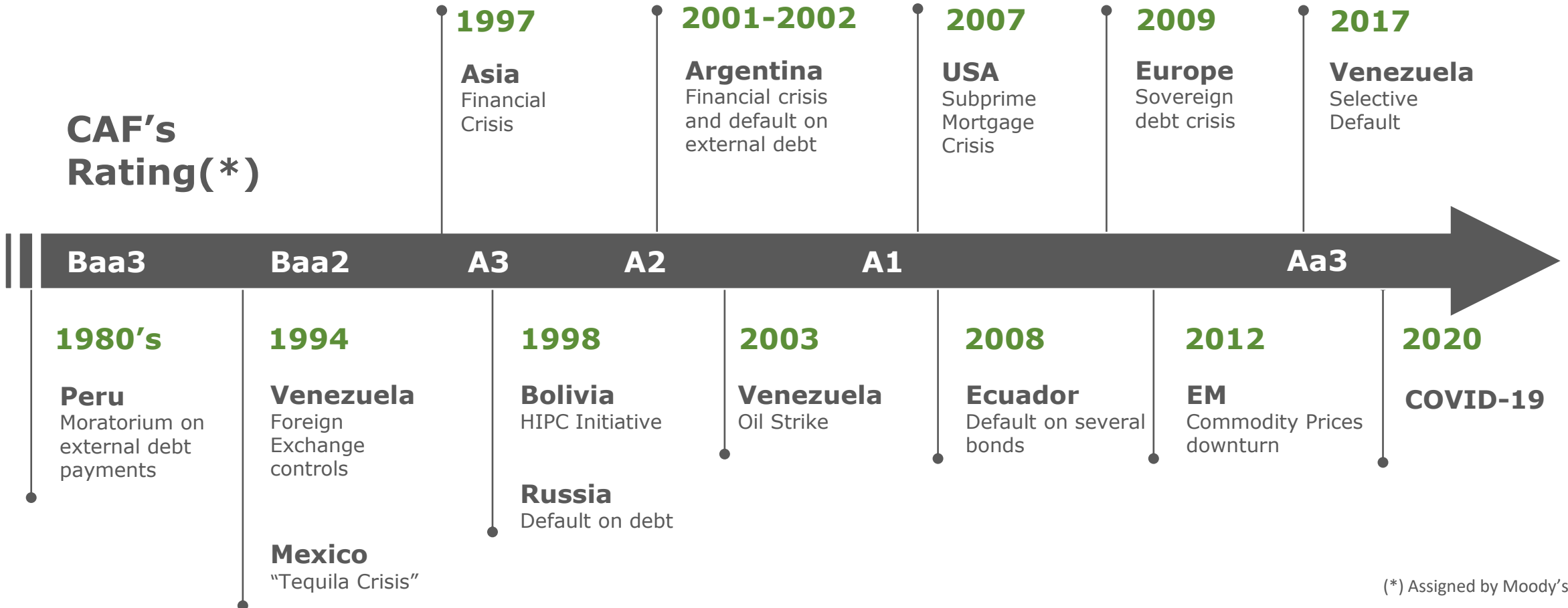
"...assets of the Institution are **exempt from all kinds of restrictions, regulations and control and moratorium measures**"

## Art.52:

"The Corporation is **exempt from all kinds of tax encumbrances...**"



# Robust Preferred Creditor Treatment



(\*) Assigned by Moody's

# CAF achieved 4 upgrades in the past 2 years

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



Current Rating  
**AA  
(Stable)**  
May 2024

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



Current Rating  
**Aa3  
(Stable)**  
June 2024

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**

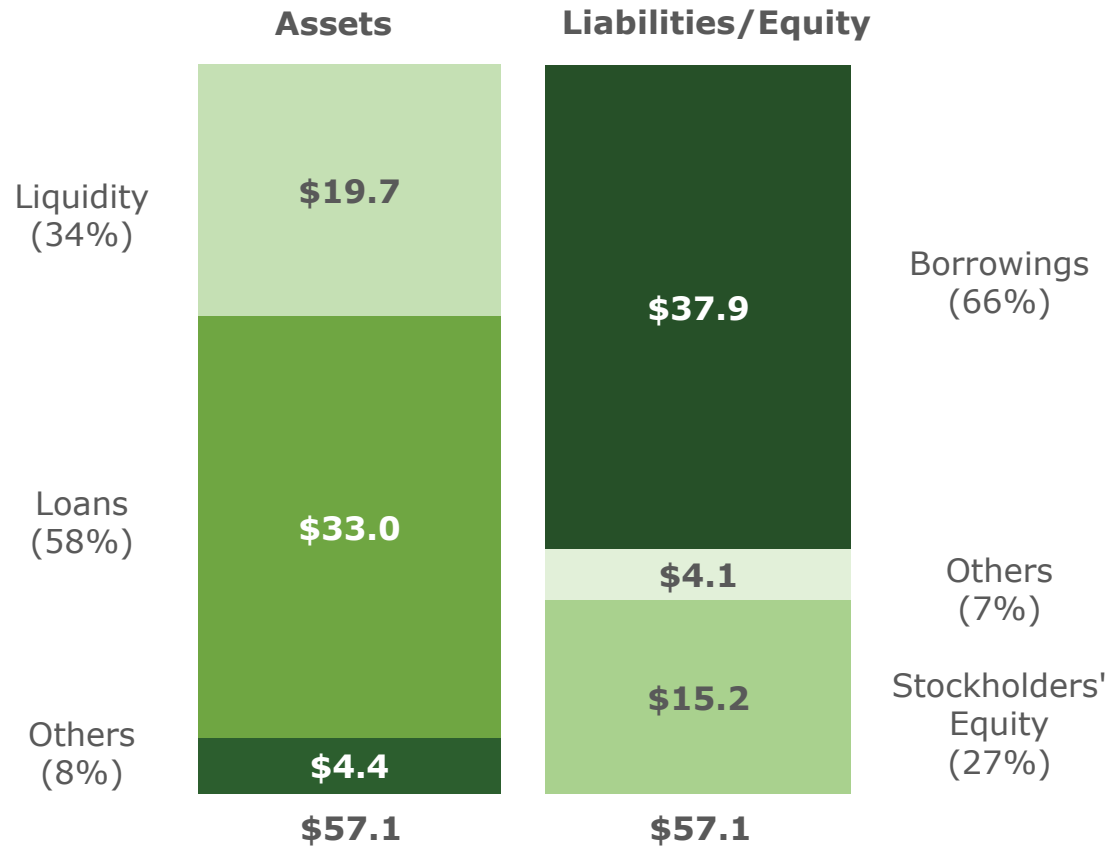


**Diversified  
Loan Portfolio**

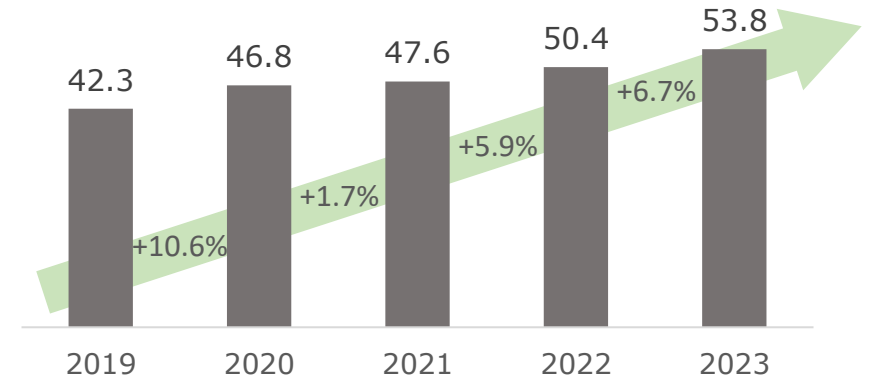


**Strong financial  
ratios** compared  
to its peers

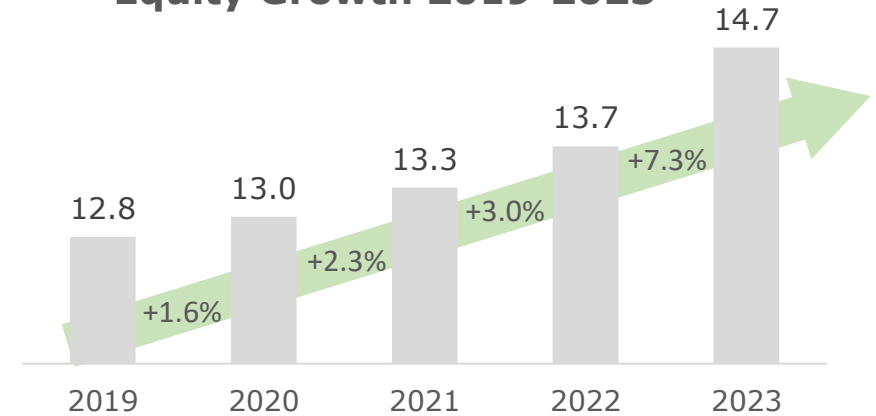
# Robust & liquid balance sheet (USD billion)



## Assets Growth 2019-2023\*



## Equity Growth 2019-2023\*

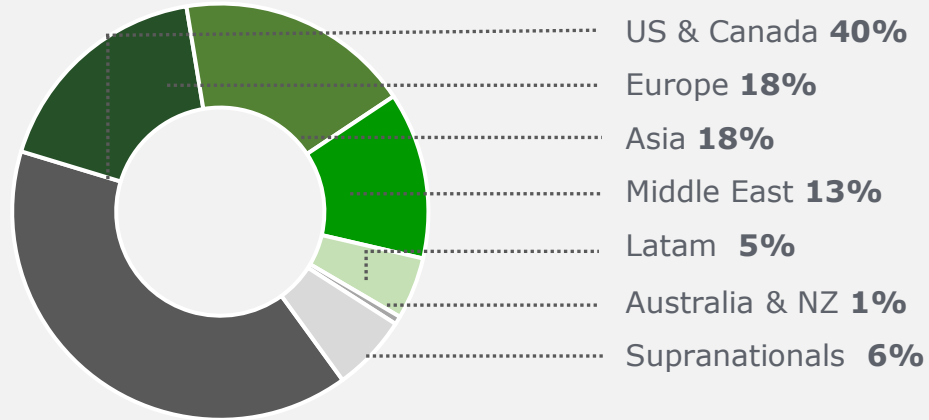


Figures as of June 30, 2024

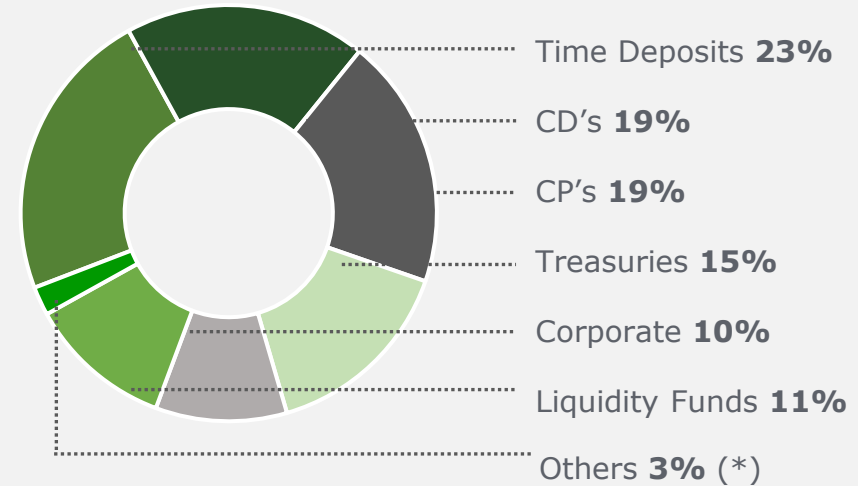
\*Figures as of end of each year

# 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

> **1.4 years**  
Maximum  
duration  
allowed

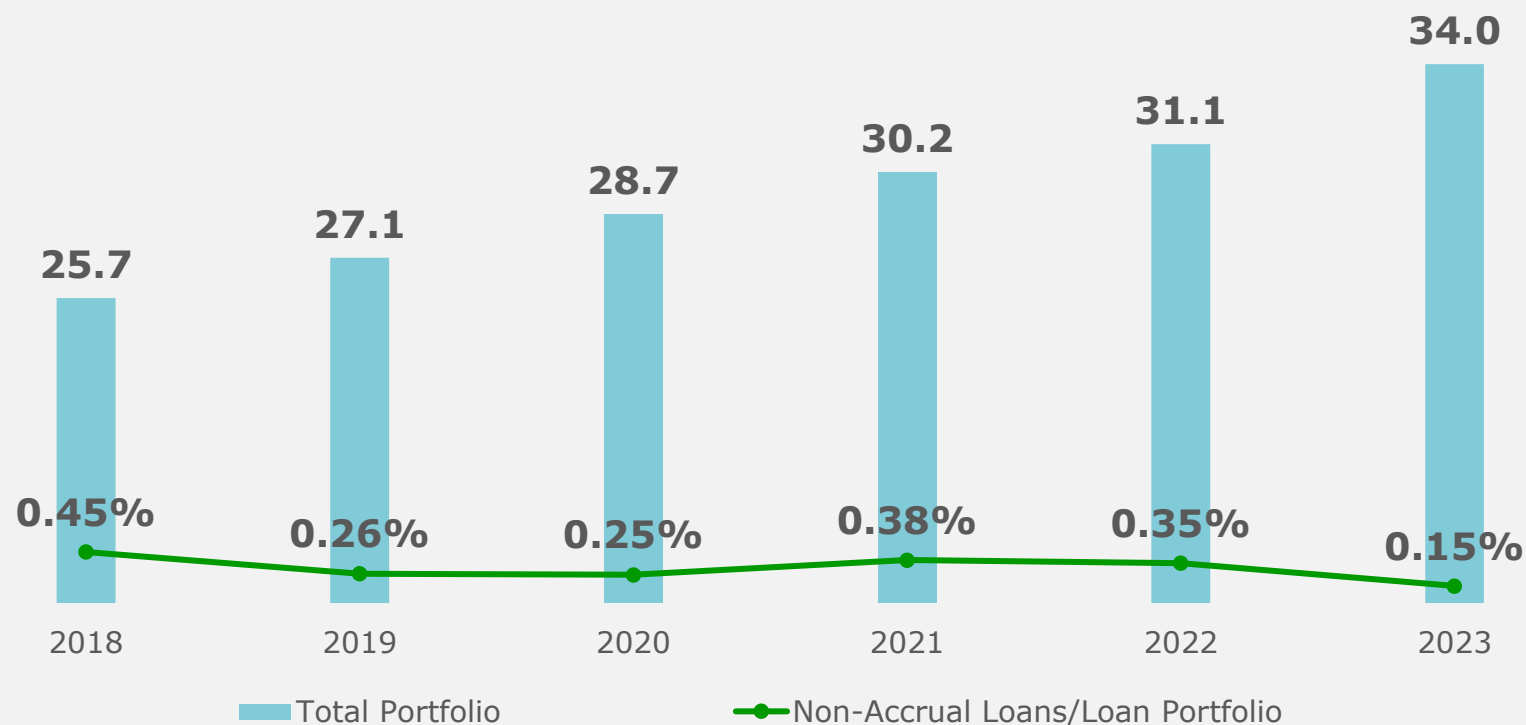
> **0.7 years**  
Current  
duration

> **47%**  
rated AA- or above

Figures as of June 30, 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)

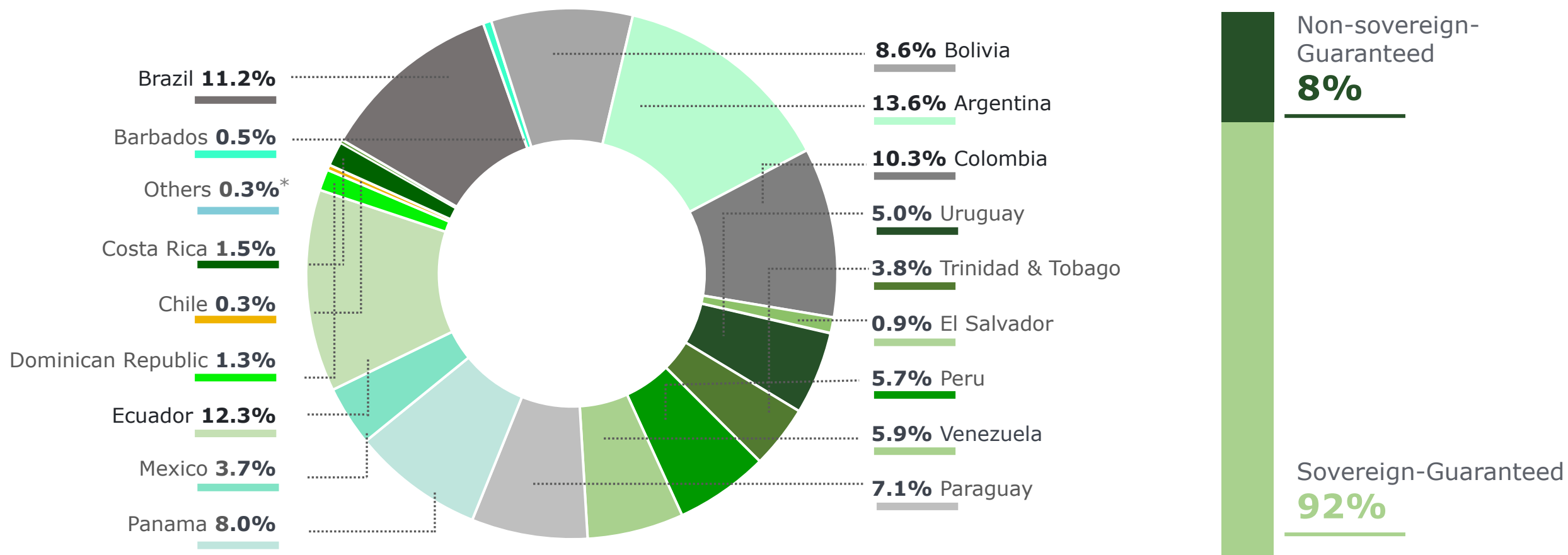


Compound  
annual growth rate  
**Last five years**  
**5.7%**

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

# Diversified loan portfolio

## By Country & Sector



■ Top 5 exposures

Consolidated Portfolio = Loan Portfolio + Equity Investments + Guarantees

\*Others include Portugal, Spain, and Multinational operations

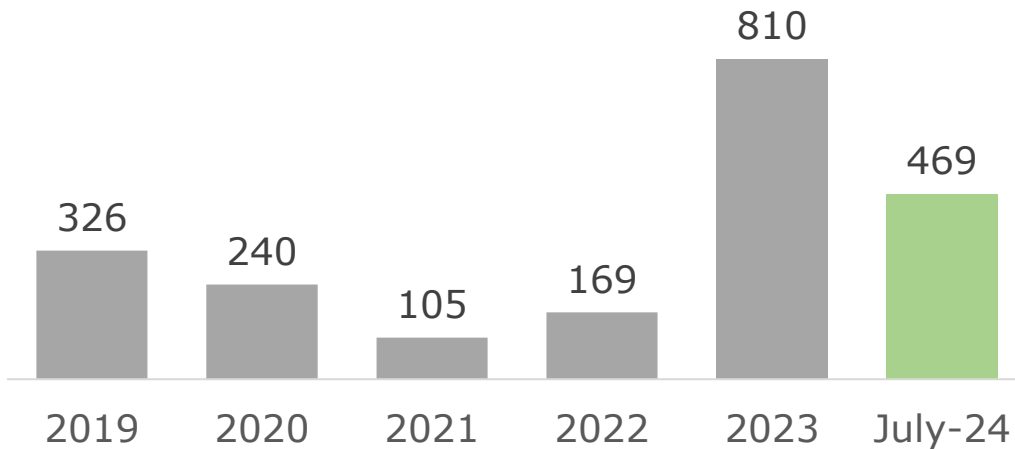
Figures as of June 30, 2024



# CAF achieved a record net income in 2023

### Net Income 2019 - July 2024

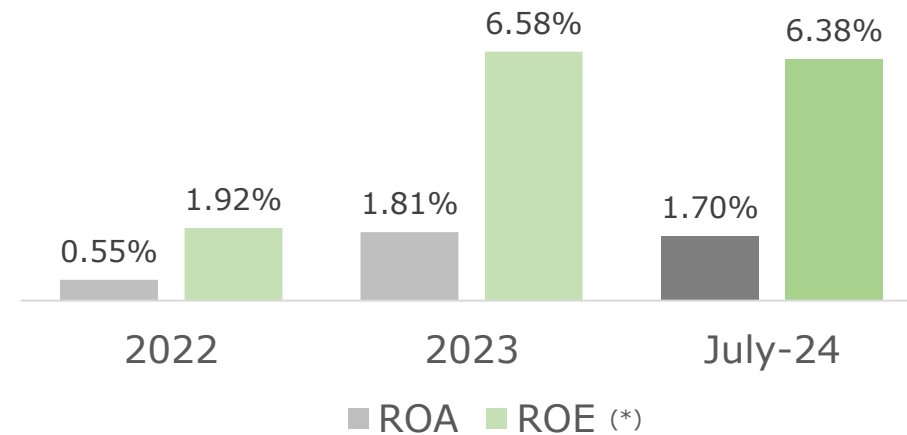
USD Million



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Net profits support CAF's capitalization

### Profitability Ratios










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In 2023 and 2024 CAF has 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	 THE WORLD BANK <sup>1</sup>
<b>Ratings (S&amp;P/Moody's/Fitch)</b>		AA/Aa3/AA-	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA
<b>Impaired loans and advances/ Total loans (%)</b>	<b>1st</b>	<b>0.2</b>	1.9	2.9	0.4	6.9	0.6
<b>Equity / Assets (%)</b>	<b>2nd</b>	<b>27</b>	26	27	18	30	18
<b>Net income/average shareholder's equity</b>	<b>2nd</b>	<b>5.7</b>	3.1	3.5	1.7	10.0	2.0
<b>Liquidity / Adjusted Total Assets (%)</b>	<b>3rd</b>	<b>30</b>	22	35	16	38	24

Source: Standard & Poor's "Supranational Special Edition 2024". Figures as of end of year 2023

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

# Funding Strategy

# Funding strategy highlights



Well established and **expanding investor base**

**Broad access to international capital markets**

**Frequent issuer** in the SSA space

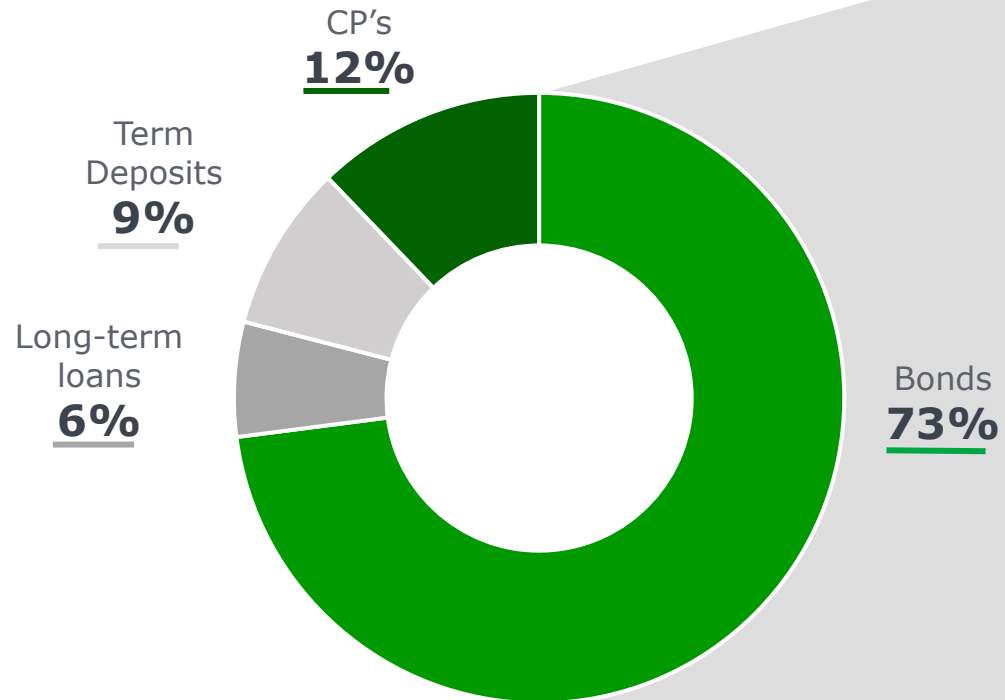
Financing **environmental and socially responsible** initiatives

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

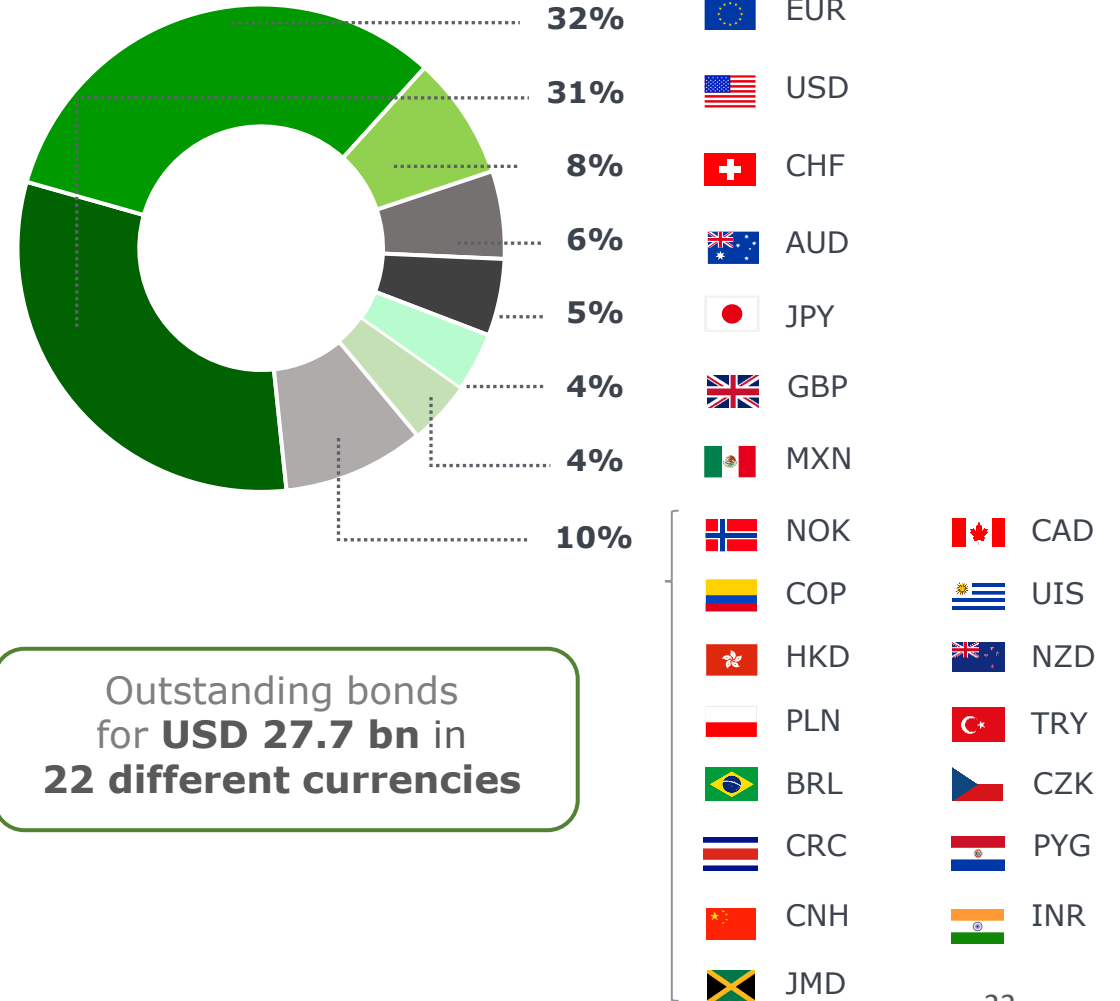
## EMTN

- Benchmark deals in different currencies

## AMTN

- Australian Dollar

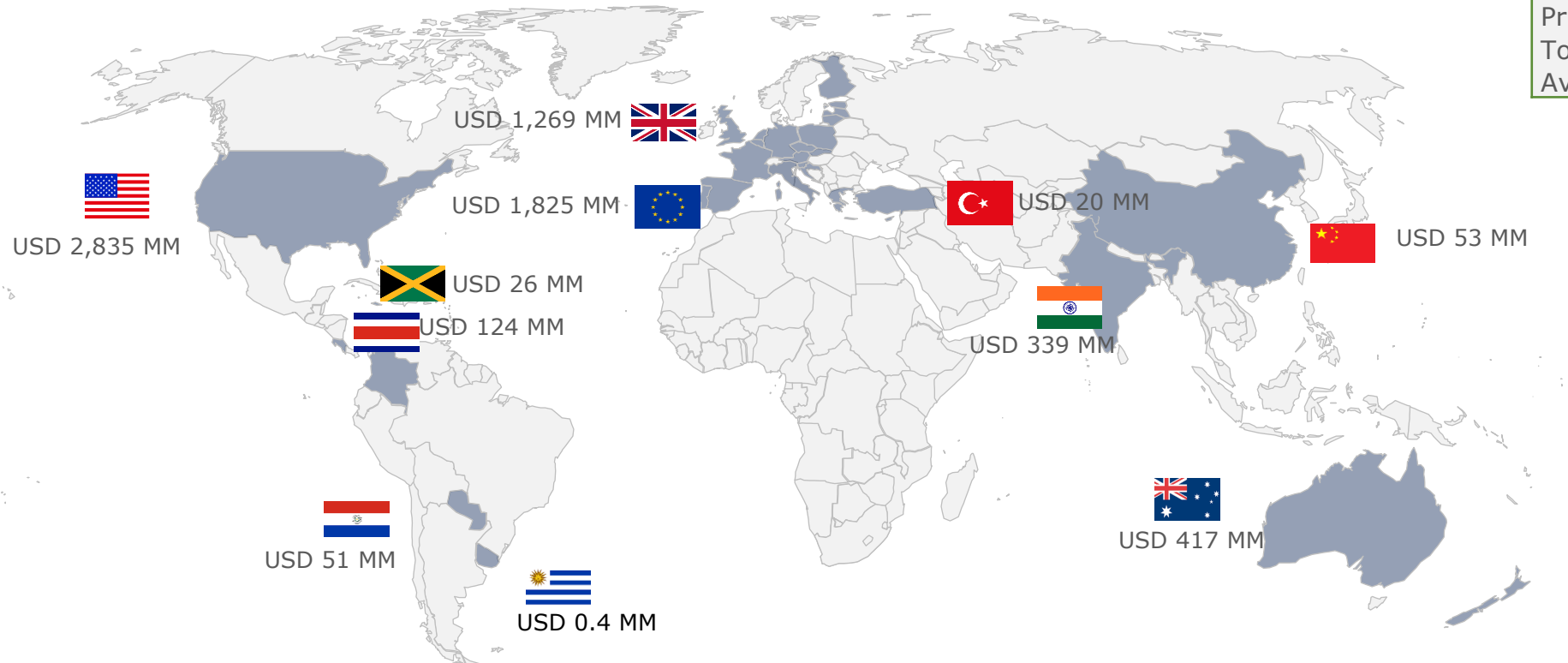
## Bonds by Currency



# Strong access to capital markets

During 2024, CAF has issued a total amount of **USD 7.0 billion** in the main capital markets

## Issues in 2024 in USD million equivalent



<b>Total Issues</b>	<b>27</b>
Public Transactions	90%
Private Transactions	10%
Total Currencies	11
Average Tenor	6.2 years

# Recent benchmark issuances



**USD 1,000 MM**

**3.3 yr**

**4.13%**

**Maturity: 2028**

Issued Sep, 2024

ISIN US219868CK01



**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

## High-quality order-books

✓ Largest order book  
10x Oversubscription

✓ Record final  
orderbook for a  
debut ('return-to-  
market') GBP  
benchmark in the  
SSA sector

✓ Second largest  
order book in CAF's  
history

✓ Largest transaction  
by a Latin  
American issuer in  
the Australian  
market



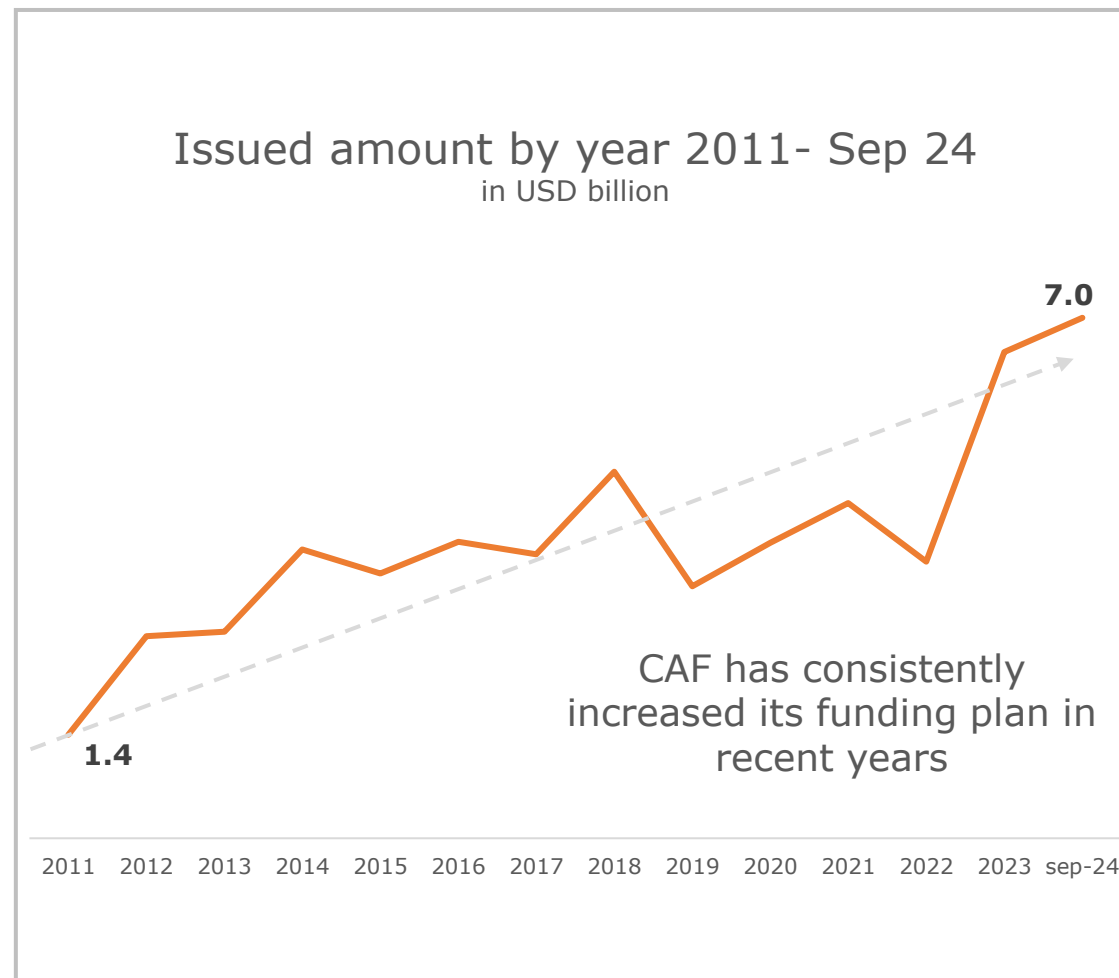
# CAF's sustained benchmark-size issuances and expanding its funding plan

**GlobalCapital**



Global Capital highlighted the success of CAF's recent issuances<sup>1</sup>

*Burnishing credentials with a big benchmark success.*



<sup>1</sup>Source: Global Capital 2024, link: <https://www.globalcapital.com/article>

# Recent private placements



**UI 2.9MM**  
August 27, 2024  
**3.35% 2038**

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**TRY 650MM**  
June 21, 2024  
**30.0% 2028**

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**CNH 383MM**  
June 07, 2024  
**3.12% 2028**

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**INR 5,000MM**  
May 10, 2024  
**7.7% 2031**

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**AUD 100MM**  
March 01, 2024  
**5.90% 2040**

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**CRC 47,250MM**  
April 22, 2024  
**6.35% 2032**

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**JMD 4,000MM**  
April 15, 2024  
**8.50% 2028**

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**PYG 150,000MM**  
April 15, 2024  
**7.25% 2031**

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# Thematic bonds

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

- ✓ In 2018, CAF created its **Green Bond Program**
- ✓ In 2020, CAF created its **Social Bond Program** with a Use of Proceeds focused on the response to the COVID-19 pandemic
- ✓ Both programs received a **Second-Party Opinion** from **Sustainalytics**
- ✓ CAF also has issued thematic bonds in sectors such as: **water, education, health and nutrition**
- ✓ CAF is currently working on a **new Sustainable Finance Framework**, expected to be published in 4Q 2024, expanding eligible categories



# 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

# Key investment factors



Solid  
**Financial  
Profile**

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

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

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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

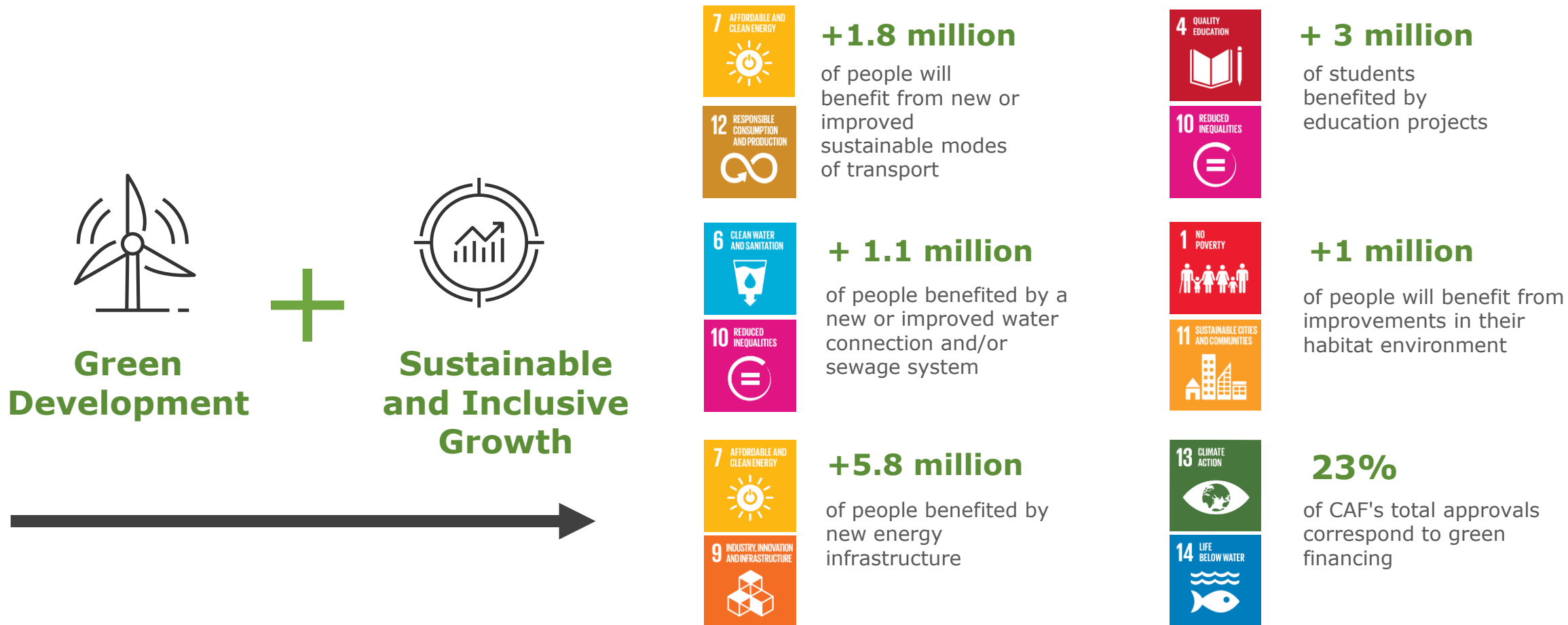
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# Project Snapshots



# CAF's strategy is focused on green development and sustainable and inclusive growth



# 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

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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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