Investor Presentation

FONPLATA Development Bank
Contents

1. Fonplata Overview
2. Financial Highlights
3. Funding Strategy
4. Key Investment Factors
1. Fonplata Overview
FONPLATA is a Supranational Development Financial Institution

Established in 1974 by five founding members: Argentina, Bolivia, Brazil, Paraguay and Uruguay

More than 45 years supporting and financing its member countries

Enjoys Preferred Creditor Treatment with its shareholder countries

Loan portfolio 95% Sovereign-guaranteed allocated in the public sector

Rated A/A2 by S&P and Moody’s with stable outlooks

Key Indicators

US$ 1.6bn Net loans

71% Debt/Equity Ratio

53% Basel Ratio*

0% NPLs

Source: FONPLATA as of June 30, 2022.

*Capital Adequacy Ratio adjusted by risk
FONPLATA’s Core Strategic Pillars and Business Plan

Five strategic pillars

- Institutional Efficiency
- Functional Specialization
- Strategic Complementarity
- Value Creation
- Financial Soundness & Growth

Strategic business orientation

- Small – to medium size Projects: US$50-60mm per project
- Focus on vulnerable zones, border regions and integration
- Grants through Technical Assistance

Target sectors

- INFRASTRUCTURE: Road and Logistic, Small Cities Urban Development and Energy
- PRODUCTIVE DEVELOPMENT: Production, Financial Services and SMEs
- SOCIAL AND GREEN FIELD: Health and Education, Water and Sanitation and Environment
Strong Commitment and Responsibility to Social and Environmental Issues: A Sustainable Bank

Recognizing the urgency to foster responsible investing for present and future generations

- Aligning its Institutional Strategic Plan (2022-2026) according to the Paris Agreement 2030 Agenda based on SDGs.

- Environmental and Social Policy based on international standards and best practices.

- Green Fund facility to promote member countries to implement environmental components in sound projects.

- Economic Reactivation Facility to spark the economic recovery after the COVID-19 outbreak crisis.

FONPLATA plays a vital role in supporting countries’ efforts to achieve SDGs through financing and assistance for projects and programs in the public sector.

Source: FONPLATA as of June 30, 2022.
Robust Governance Structure
Control and Oversight Structures

Board of Governors (BoG):
- Finance or planning ministers of member countries
- Key functions include admission of new members, changes to capital structure, modifications to the Charter and to the Board of Directors
- Appoints external auditors, approves the audited financial statements, the annual budget, and the allocation of net income

Board of Executive Directors:
- Representatives of member countries
- Approves financings, policies, and authorizes the contracting of debt
- Approves organizational changes at executive levels and reviews budgets prior to submission to the BoG

Audit Committee:
- Chaired by one of the Executive Directors, integrated by the Board of Directors
- Reviews FONPLATA’s annual report and financial statements, with the corresponding external auditor’s opinion, before submission to Board of Governors
- Current External Auditors: Ernst & Young

Executive President:
- Appointed for a 5-year period by the Board of Governors
- Highest authority responsible for FONPLATA’s overall supervision and management
- Chief of staff
- Appoints/terminates staff
- Authority to approve loans up to US$5mm
2. Financial Highlights
A Solid Balance Sheet
Robust capitalization and room for growth
(In millions of US$)

Source: FONPLATA as of June 30, 2022.
Liquidity Portfolio
Short-term and High-rated Liquidity Portfolio

Breakdown by Rating:

- AAA: 37%
- AA: 29%
- A: 29%
- BBB: 5%

0.37 years
2 years maximum liquidity portfolio duration

AA
AA- Minimum average rating

BBB
BBB- Minimum rating for purchase

16 months
12 months coverage of net cash requirements

Liquidity Trend
(Millions of US$)

- 2018: 235 (23%)
- 2019: 369 (28%)
- 2020: 439 (26%)
- 2021: 633 (29%)
- Jun-22: 527 (25%)

Source: FONPLATA as of June 30, 2022.

1 Applies the lowest rating available within S&P and Moody’s.
Loan Portfolio
Consistent Growth and High-Quality Loan Portfolio
(In millions of US$)

Source: FONPLATA as of June 30, 2022.

1 Loan loss provision calculated as a percentage of the Allowance for Loan Losses / Gross Loans Receivable.

Compound Annual Growth Rate (2015-2021): 22%

0% of Non-Performing Loans and NAI Loans

Loss Loan Provision as of June 2022 reached 0.7%
FONPLATA receives Preferred Creditor Status from its member countries, historically all loans have been fully repaid.

Source: FONPLATA as of June 30, 2022.
Strong Capitalization
Adequate capitalization indicators

Source: FONPLATA as of June 30, 2022.

1 This year the methodology was updated according to Basel III and new internal standards.
Strong Capital Base
Equity Structure and Key Metrics
(In millions of US$)

Key Metrics

- **81% LC**
- **3x Equity Max. Lending Capacity (LC)**
- **0.7**
- **2.4 Max Leverage\(^1\)**

Source: FONPLATA as of June 30, 2022.

\(^1\) Maximum Leverage = 2 times equity plus liquid assets.
Continuous Shareholder’s Support
(In millions of US$)

15

449

496

643

817

865

917

1,006

1,050

303

532

484

489

698

1,639

1,665

1,665

1,665

1,665

1,665

FY 2012
FY 2014
FY 2016
FY 2018
FY 2019
FY 2020
FY 2021
jun-22

◼ 1st General Capital Increase in 2013 for US$1,150mm: US$350mm paid-in capital in annual installments from 2014 to 2018

◼ 2nd General Capital Increase in 2016 for US$1,375mm: US$550mm of paid-in capital in annual installments to be integrated until 2026

◼ In addition, US$1,665mm of callable capital: which provides an additional safety as FONPLATA is legally entitled to call upon these funds if needed

Source: FONPLATA as of June 30, 2022.
3. Funding Strategy
Liabilities by composition
Diversified funding base by instrument

Long-term loans 30%
Bonds 61%
Time Deposit 9%

Debt maturity profile is in line with the average life of its financial assets

Source: FONPLATA as of June 30, 2022.
Liabilities by funding source
A broaden and diversified funding base
(In millions of US$)

Source: FONPLATA as of June 30, 2022.
An increasing participation in capital markets

A consolidated curve in the Swiss Market

**Swiss Market**
- March 11, 2019: CHF 150mn, Maturity 2024
- March 3, 2021: CHF 200mn, Maturity 2026
- December 1, 2021: CHF 150mn, Maturity 2028

Source: FONPLATA as of June 30, 2022.
Sustainable Debt Framework

- Published in December 2021 to guide future issuances of Green, Social and Sustainability Debt, including bonds, loans or other financial instruments
- Second Party Opinion (SPO) from Sustainalytics remarks the robustness and transparency of the Framework.
- This Debt Framework is aligned with the four core components of Green Bond Principles, Social Bond Principles & Sustainability Bond Guidelines of 2021 as administered by the International Capital Markets Association (ICMA)

The Sustainable Debt Framework defines “eligible” Social & Green categories as:

**Social:**
- Access to Essential Services
- Affordable Basic Infrastructure
- Food Security and Sustainable Food Systems
- Employment Generation and Socioeconomic Advancement

**Green:**
- Renewable Energy
- Clean Transportation
- Environmentally Management of Living Natural Resources
- Pollution, Prevention and Control
- Sustainable Water and Wastewater Management

---

**Sustainalytics** is of the opinion that the FONPLATA Sustainable Debt Framework is credible and impactful, and aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2021, and Social Loan Principles 2021.

- Use of proceeds
- Process for project evaluation and selection
- Management of proceeds
- Reporting
Global Funding Partnership
Diversified base

Source: FONPLATA as of June 30, 2022.
Note: The status of CDP, OPEC FUND, KFW, and NDB is in negotiation.
4. Key Investment Factors
## Fonplata vs AA Rated Multilateral Institutions

<table>
<thead>
<tr>
<th>Multilateral Institution</th>
<th>Fonplata’s Rating</th>
<th>CAF</th>
<th>NDB</th>
<th>BCIE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratings (S&amp;P/Moody’s)</td>
<td>A/A2</td>
<td>AA-/Aa3</td>
<td>AA+</td>
<td>AA/Aa3</td>
</tr>
<tr>
<td>RAC – ratio(%)</td>
<td>2nd, 26</td>
<td>18</td>
<td>28</td>
<td>15</td>
</tr>
<tr>
<td>Liquid Asset/Gross debt (%)</td>
<td>2nd, 68</td>
<td>2</td>
<td>123</td>
<td>66</td>
</tr>
<tr>
<td>Net Interest Income/Avg net loans (%)</td>
<td>1st, 3.3</td>
<td>1.8</td>
<td>4.5</td>
<td>3.3</td>
</tr>
</tbody>
</table>

Source: Standard & Poor’s “Supranational Special Edition 2021”. Figures as of end of year 2020
FONPLATA’s Credit Risk Rating is Among the Best in Latin America

FONPLATA’s rating is supported by its high capitalization and liquidity

(1) CAF: Corporación Andina de Fomento – Development Bank of Latin America.
(2) CABEI: Central American Bank of Economic Integration.
FONPLATA’s Strengths: Credit Highlights

1. High Quality Governance with Commitment and Responsibility to Social and Environmental Issues
   - Robust governance structure
   - Strong commitment to the UN’s Sustainable Development Goals, to climate change and the sustainable use of natural resources
   - Focused on regional projects with sustainable development impact

2. Continuous and Strong Shareholders’ Support
   - Strong capital base
   - 6-fold increase of subscribed capital in the last 5 years to spark lending capacity
   - Willingness to incorporate new members, furthering commitment to regional development

3. Proactive Focus on Risk Management
   - Updated and robust governance and risk management procedures
   - Prudent financial and risk management policies
   - Continuous assessment of the overall effectiveness of control and risk management processes

4. Strong Financial Position with High Capitalization and Substantial Liquidity
   - Strong capitalization reflected in its Capital Adequacy Ratio of 53%
   - Consistent and diversified portfolio growth
   - High Liquidity levels reported in line with Financial Policies

5. Sound Financial Performance Supported by High-Quality Assets
   - Proven preferred creditor status
   - Historically superior asset performance
   - High quality loan portfolio with 0% NPLs during FONPLATA’s history
Projects Snapshhoots
Biocenic Highway, Paraguay 🚗
To contribute to the economic development and integration of four Latin American countries (Argentina, Brazil, Paraguay and Chile) by improving the vehicular connectivity of a highway that will join the Atlantic and Pacific Oceans.

AYSA, Argentina 💚
To help improve the quality of life of the inhabitants of vulnerable populations through access to water and sanitation, promoting economic, social development and environment protection.

Urban Infrastructure, Bolivia 💚
To promote and develop comprehensive urban infrastructure initiatives for the construction of sustainable, accessible and inclusive cities.

BELGRANO SUR, Argentina 🌿
To improve mobility and connectivity of transport services (train) in the metropolitan area of Buenos Aires towards the central area of the autonomous city of Buenos Aires.

INDAIATUBA, Brazil 🌿
To contribute to the adaptation to climate change, through the expansion of coverage of drinking water, protection of riverbanks, among others.

ANDE COVID, Uruguay 💚
To alleviate the transitory impacts of the pandemic in micro and small businesses.
Bringing development closer to people

www.fonplata.org
capitalmarkets@fonplata.org
This presentation is for informational purposes only; it does not constitute an offer to sell or solicitation of an offer to buy any of Fondo Financiero para el Desarrollo de la Cuenca de la Plata’s securities in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation. The information contained in this document is subject to changes, modifications, additions, clarifications and/or substitutions.

The information herein is presented in summary form; consequently, Fondo Financiero para el Desarrollo (FONPLATA) does not provide any assurance with respect to the completeness of any market, financial, legal and/or other issues summarized or discussed herein. FONPLATA is not acting as advisor or agent and shall have no liability, contingent or otherwise, for the quality, accuracy, timeliness, continued availability or completeness of the information, data, calculations nor for any special, indirect, incidental or consequential damages which may be experienced because of the use of the material made available herein.

This presentation and the documents incorporated by reference into this presentation contain statements that constitute “forward-looking statements” based on current expectations related to FONPLATA’s strategic goals and objectives, which are subject to inherent risks and uncertainties beyond FONPLATA’s control. Consequently, actual future results could differ materially from those currently anticipated. FONPLATA undertakes no obligation to update any forward-looking statements.

Nothing in this presentation shall constitute nor shall be construed as a waiver of the immunities, privileges and exemptions granted to FONPLATA by its Constitutive Agreement, by the agreements which FONPLATA has entered or may enter with its shareholder countries, or by the legislation of those states.

This information is provided for discussion purposes only and may not be reproduced or redistributed without the express consent of FONPLATA.