

Investor Presentation

January 2025



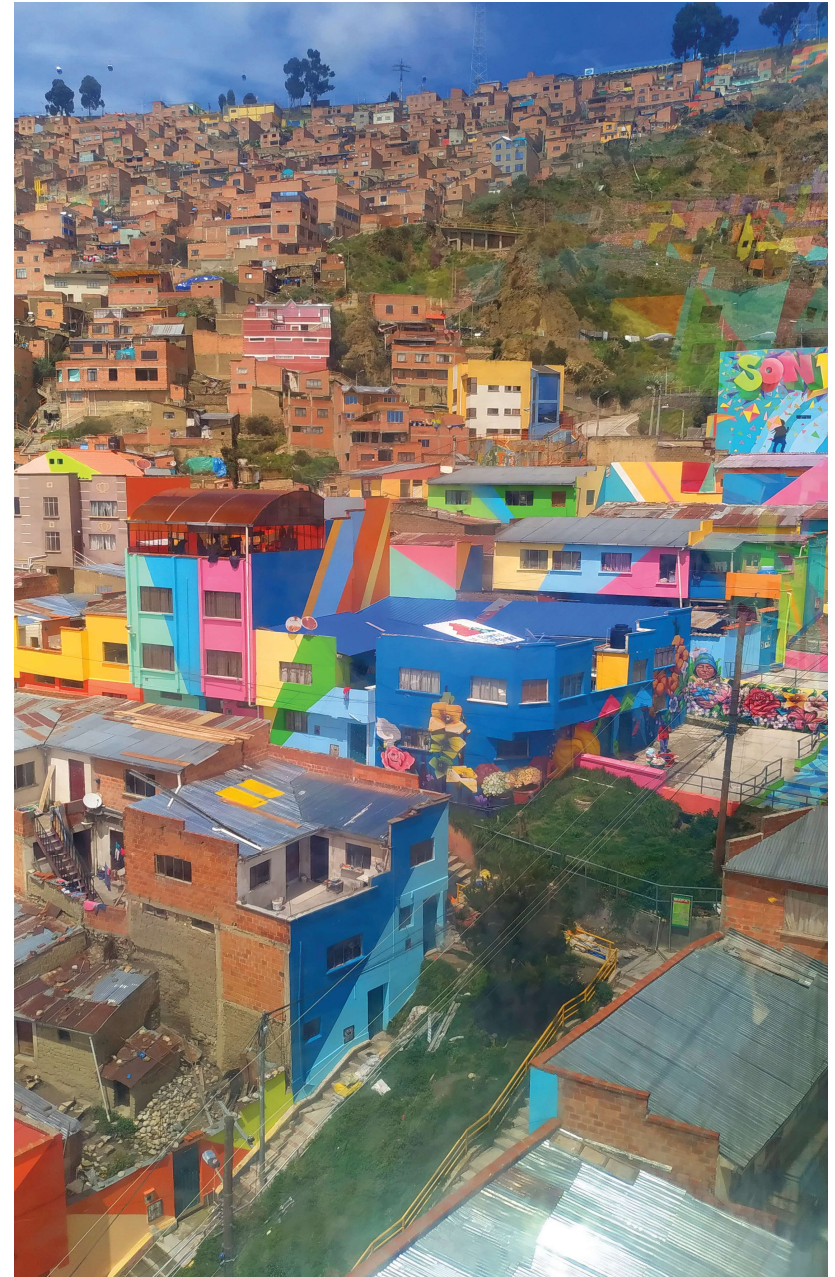
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2. Financial Highlights

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1. FONPLATA Overview



An evolving Development Bank

FONPLATA is a **Supranational Development Financial Institution**

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

50 years supporting and financing its member countries

Enjoys **Preferred Creditor Status** with its shareholder countries

Loan portfolio **allocated 100% within Public Sector**, of which **95% is sovereign-guaranteed**

Rated A/A2 with Stable Outlook by S&P and Moody's

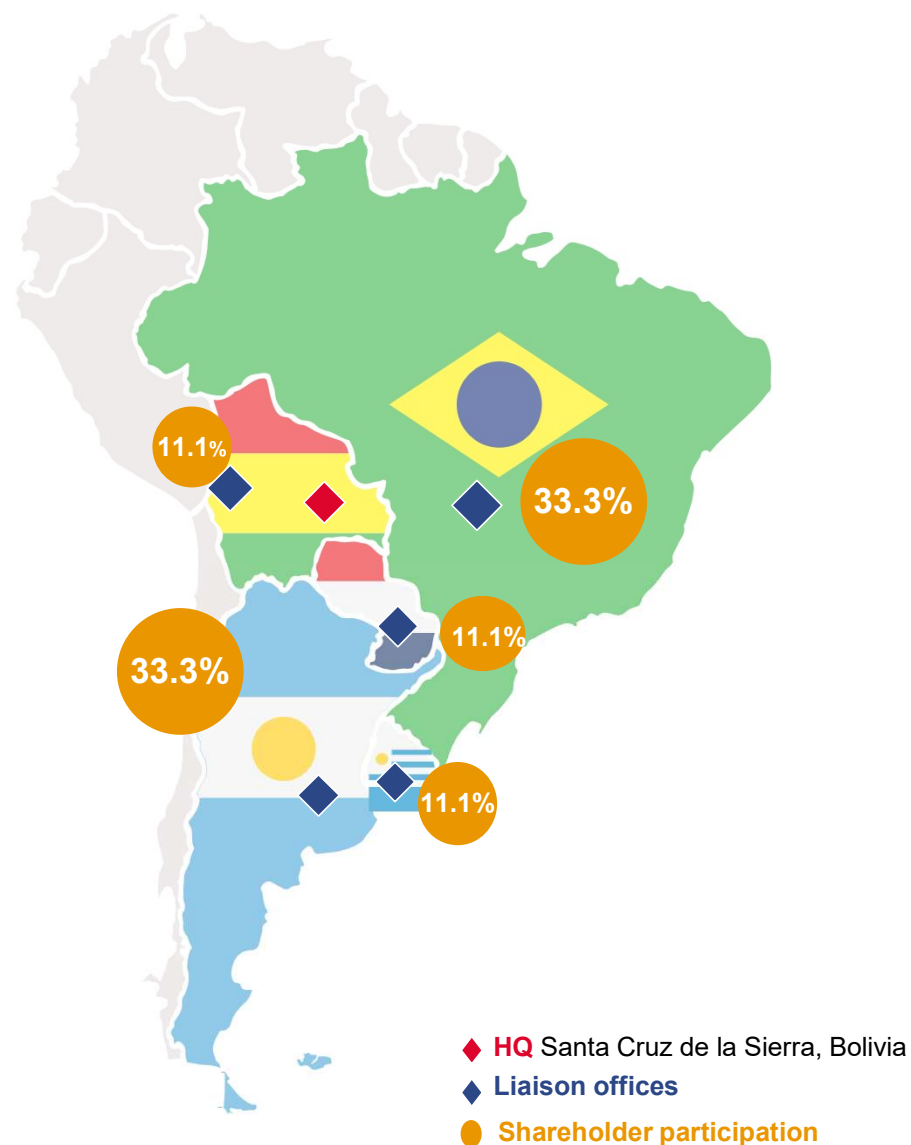
Key Indicators

**USD
2.0bn**
Gross Loans

68%
Debt/ Equity Ratio

51%
Basel Ratio*

0%
Non-Performing
Loans

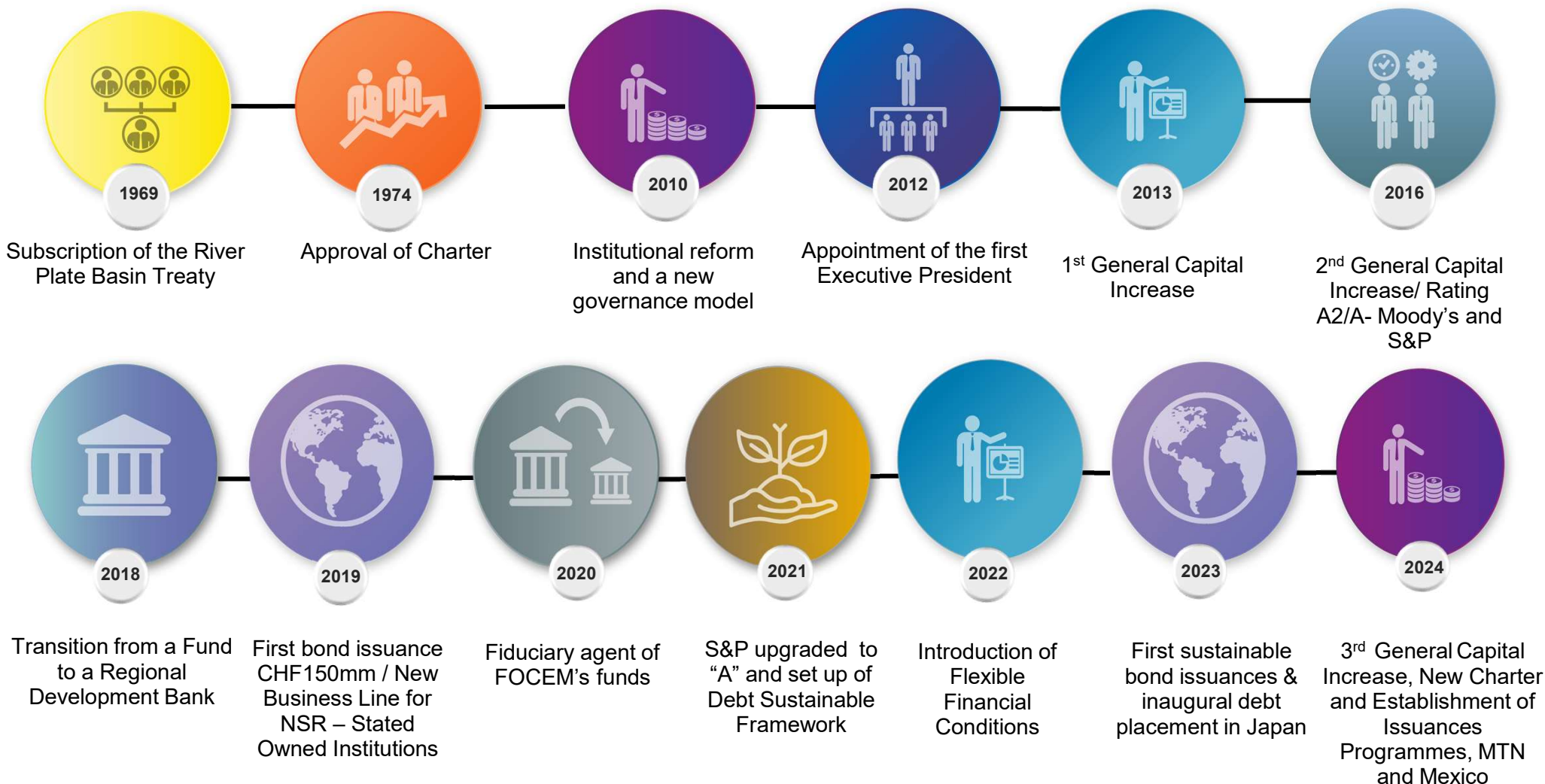


Source: Interim Financial Statements as of June 30, 2024.

(*) Capital Adequacy Ratio (CAR) adjusted by risk weighted assets

FONPLATA's Recent Milestones

From a Fund to a Full-Fledged Regional Development Bank



More than USD 5.3bn in approved loans since inception, USD 4.0bn since 2013.

In 2024 FONPLATA more than doubled its authorized capital, from USD 3.0bn to USD 6.5bn.

FONPLATA's Core Strategic Pillars and Business Plan

Five strategic pillars



- Small to medium-size projects: USD 50-70mm
- Focus on vulnerable zones, border regions and integration
- Grants through Technical Assistance

Strategic business orientation

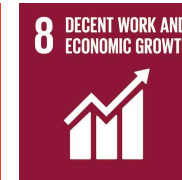
Target sectors

- **INFRASTRUCTURE:** Road and Logistics, Small Cities Urban Development and Energy
- **PRODUCTIVE DEVELOPMENT:** Production, Financial Services and SMEs
- **SOCIAL AND GREEN FIELD:** Health & Education, Water & Sanitation, and Environment

Program for Employment



SDGs to which it contributes:



Sector: Infrastructure

FONPLATA's contribution: USD 100 mm

Project Objective:

To contribute to post-pandemic economic recovery through the creation of temporary employment for vulnerable populations, aimed at the implementation of small-scale urban/rural infrastructure projects.

Direct beneficiaries:



18,000
people



3,600
women

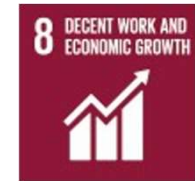


6,300
youths

Water and Sanitation & Employment Program



SDGs to which it contributes:



Sector: Social - Environmental Development

FONPLATA's contribution: USD 30 mm

Project Objective:

To contribute to improving the quality of life of inhabitants in vulnerable populations through access to potable water and sanitation services, promoting socio-economic development, and encouraging environmental conservation.

Direct beneficiaries:



382,781
people



São Gonçalo do Amarante Structural Actions Program



SDGs to which it contributes:



Sector: Infrastructure

FONPLATA's contribution: USD 34 mm

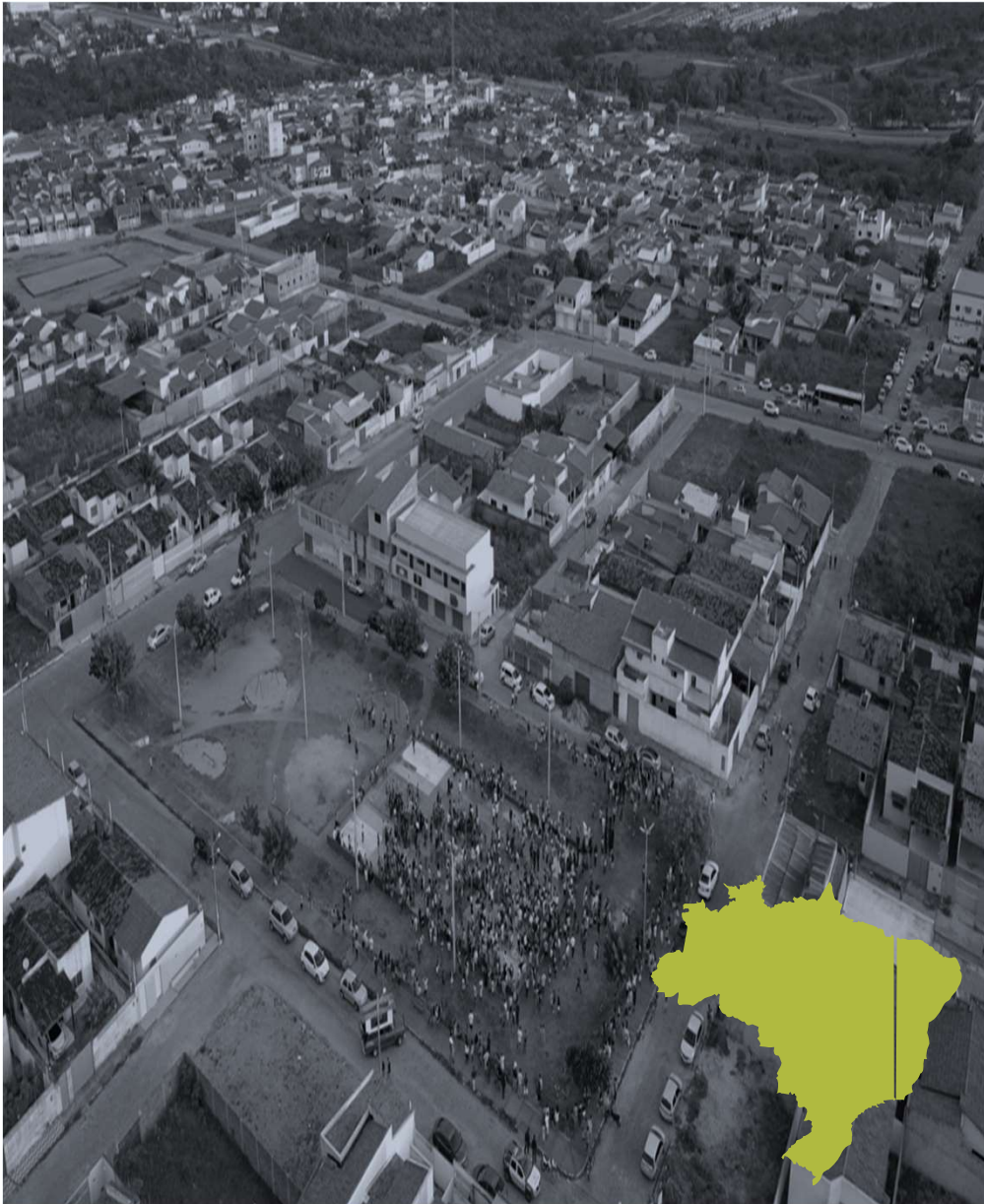
Project Objective:

To contribute to the improvement of the quality of life of the population of São Gonçalo do Amarante through investments in actions integrated with the Municipality's initiatives in sanitation, urban mobility, and the development of public recreation and rest areas.

Direct beneficiaries:



**101,500
people**



Regional Bioceanic Highway



SDGs to which it contributes:



Sector: Infrastructure

FONPLATA's contribution: USD 354 mm

Project Objective:

The general objective of the project is to contribute to achieving safe and uninterrupted traffic between the towns of Mariscal Estigarribia and Pozo Hondo in the Boquerón Department, in western Paraguay.

Direct beneficiaries:



3
Native
villages



1,000
people



174
families



National Road and Railways Network Integration



SDGs to which it contributes:



Sector: Infrastructure

FONPLATA's contribution: USD 300 mm

Project Objective:

Improving the competitiveness and integration of the national road network for transporting agro-industrial and forestry production through infrastructure investments for the rehabilitation of productive road corridors and their integration into the railway network.

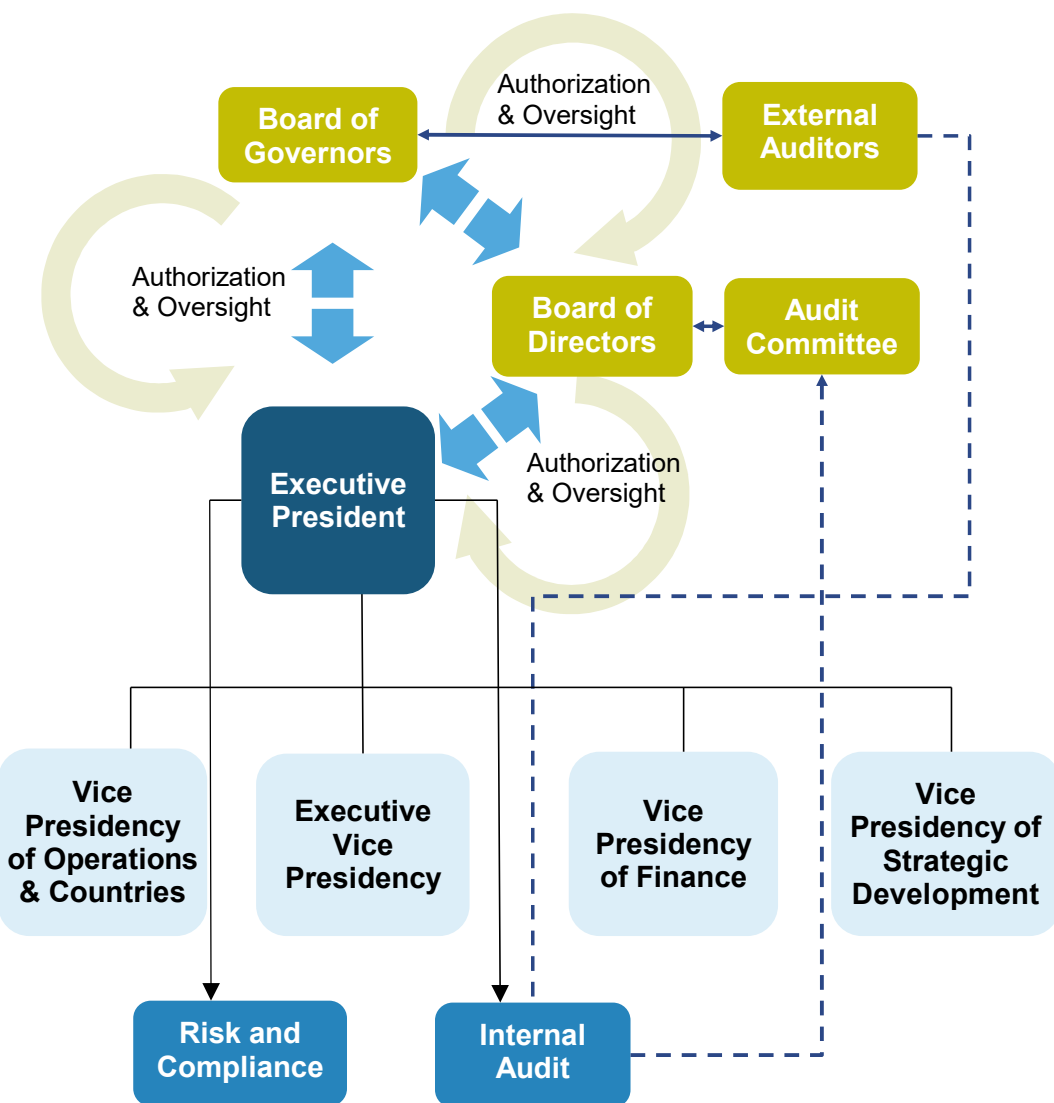
Direct beneficiaries:



822,172
people

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 BoD.
- Appoints external auditors, approves the audited financial statements, the annual budget, and the allocation of net income.

Board of Executive Directors (BoD):
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 BoD

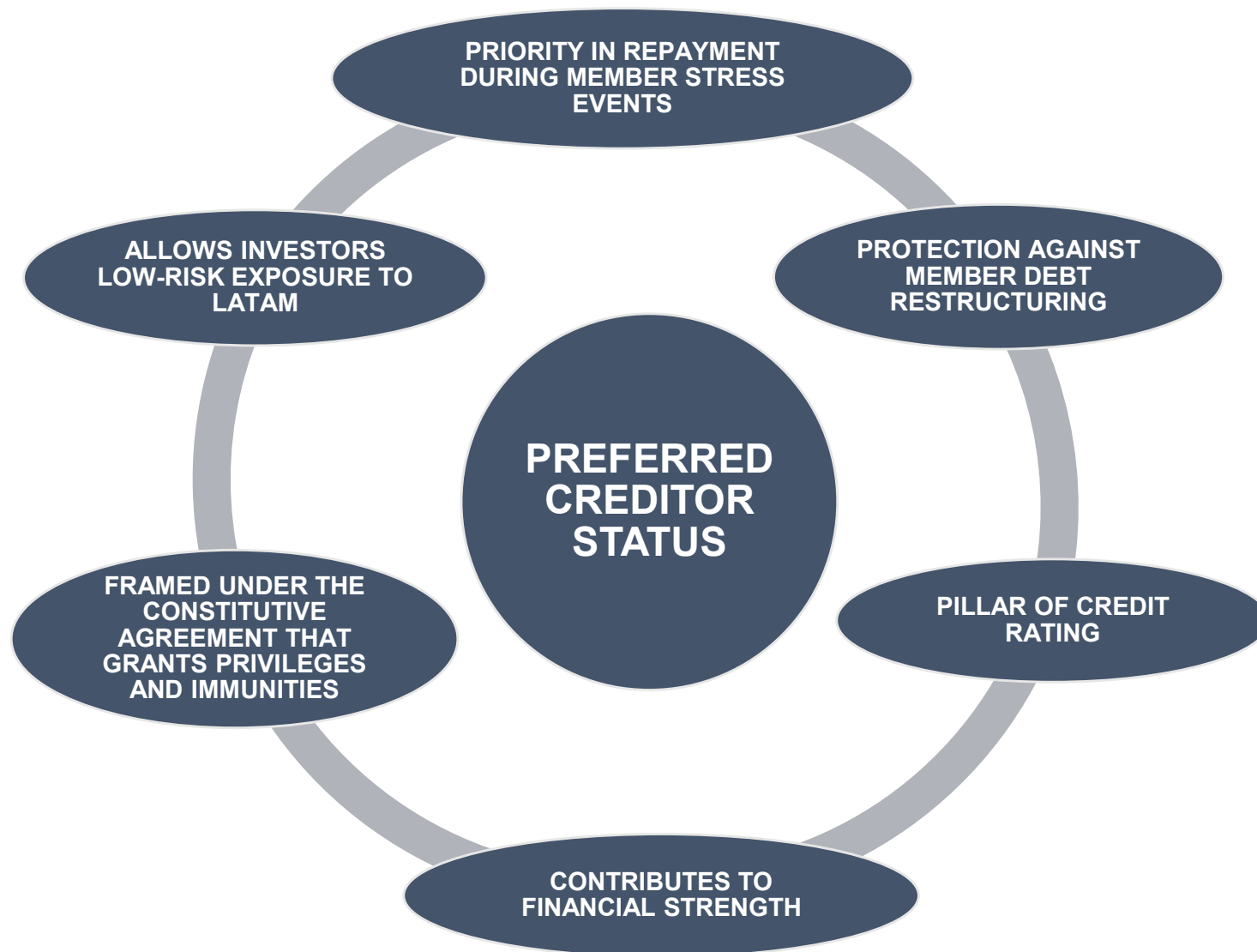
- Reviews FONPLATA's annual report and financial statements, with the corresponding external auditor's opinion, before submission to BoG.
- External Auditors: Ernst & Young

Executive President:
Appointed for a 5-year period by the BoG

- Highest authority responsible for FONPLATA's overall supervision and management.
- Chief of staff
- Appoints/terminates staff.
- Authority to approve loans up to USD 5mm.

Preferred Creditor Status

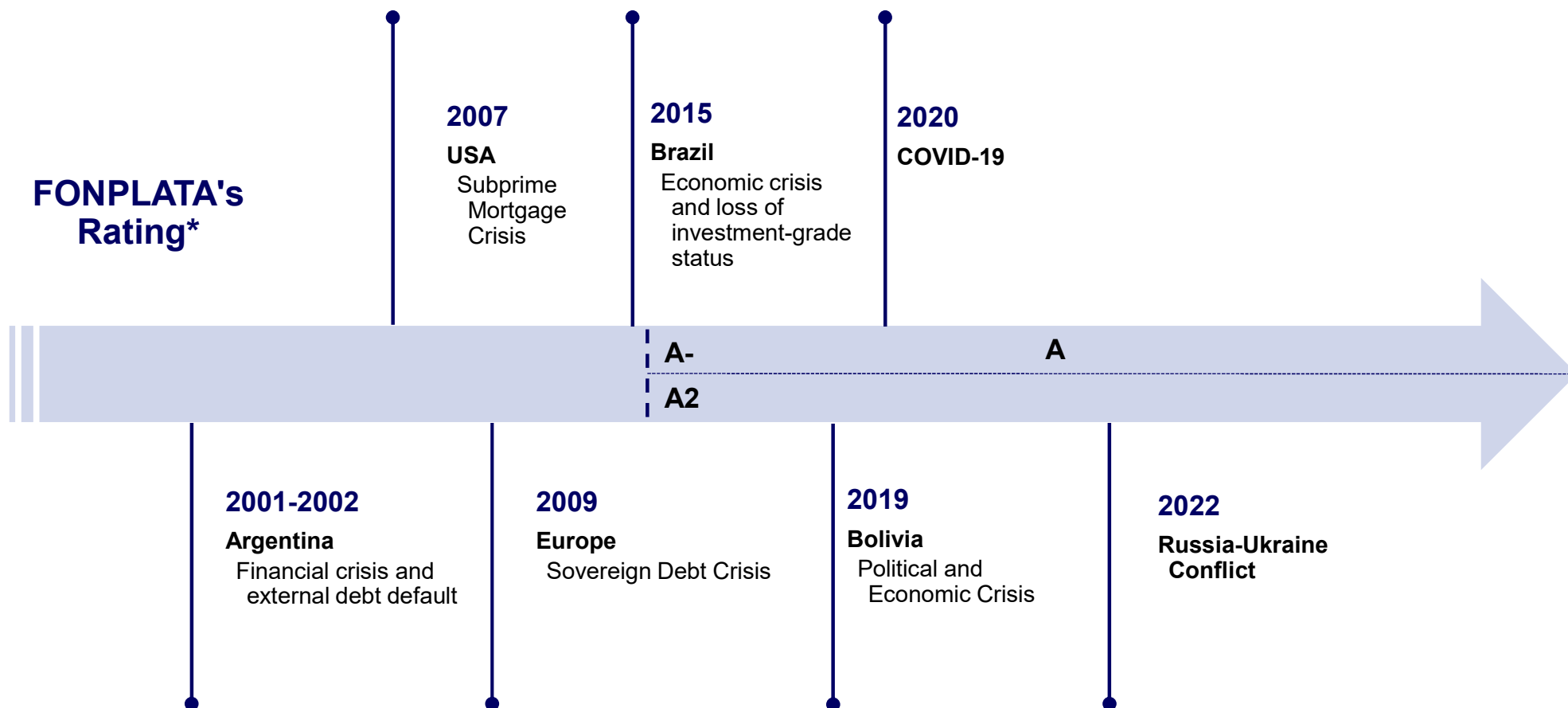
Solid track record of loan repayments



As an MDB's, FONPLATA Preferred Creditor Status confers a *de facto* seniority

Proven Preferred Creditor Treatment













Spotless track record of loan repayments despite adverse circumstances

















(*) Rating assigned by S&P (above) and Moody's (below)

FONPLATA's Credit Risk Rating is Among the Best in Latin America

S&P Rating

Non-investment Grade										Investment Grade							
C	CCC-	CCC	CCC+	B-	B	B+	BB-	BB	BB+	BBB-	BBB	BBB+	A-	A	A+	AA-	AA
		 Argentina						 Brazil	 Paraguay  Colombia	 Peru	 Panama	 Uruguay	 Chile				 BCIE Banco Centroamericano de Integración Económica
		 Bolivia		 Ecuador							 Mexico						

Moody's Rating

Non-investment Grade										Investment Grade							
Ca	Caa3	Caa2	Caa1	B3	B2	B1	Ba3	Ba2	Ba1	Baa3	Baa2	Baa1	A3	A2	A1	Aa3	Aa2
	 Bolivia										 Mexico						
											 Colombia						
 Argentina	 Ecuador								 Brazil	 Paraguay		 Uruguay			 Chile		
										 Panama		 Peru					
																	

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

Source: S&P and Moody's as of December 2024.

(1) CAF: Corporación Andina de Fomento – Development Bank of Latin America.

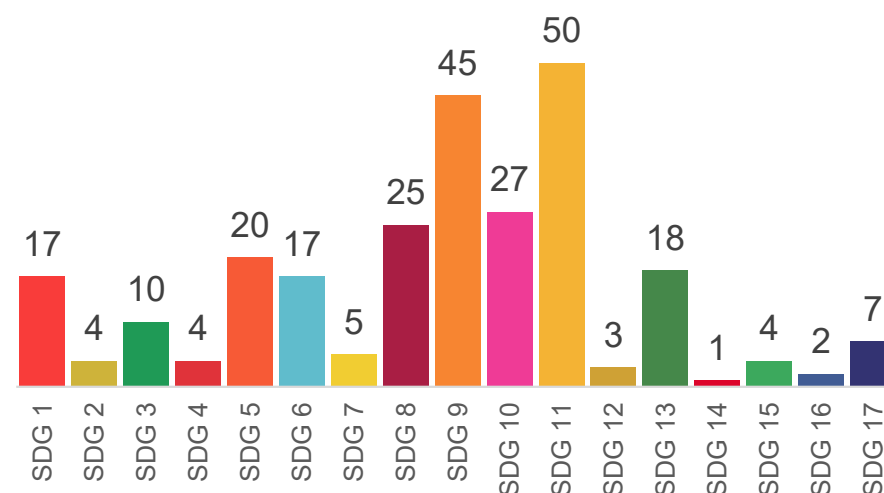
(2) BCIE: Central American Bank of Economic Integration.

Strong Commitment and Responsibility to Social and Environmental Issues: A Sustainable Bank

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

Loan Portfolio Breakdown by SDGs – Number of Projects

FONPLATA is most active with the following SDGs:



Note: Preliminary Data as of December 31, 2024.

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

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

Green, Gender and Youth facilities to promote member countries to implement environmental components in sound projects as well as gender equality.

A Sustainable Debt Framework, under which the Bank intends to issue Sustainable Financing Instruments to finance and/or refinance existing and future projects.

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

FONPLATA's Sustainable Debt Framework

The framework defines the following areas as eligible social and green categories:

Social:

- Access to essential services
- Affordable basic infrastructure
- Food security
- Employment generation and socio-economic advancement

Green:

- Renewable energy
- Clean transportation
- Sustainable management of natural resources
- Pollution prevention and control
- Sustainable water and wastewater management



"The FONPLATA Development Bank's ("FONPLATA") internal process for evaluating and selecting projects is overseen by a Sustainability Committee comprised of team members from Finance, Operations, Strategic Partnerships, Risk & Compliance and Legal. The Committee is responsible for the final approval of eligible projects. FONPLATA's has a dedicated environmental and social risk mitigation process that is applicable to all allocation decisions made under the Framework. Sustainalytics considers this risk assessment and mitigation process to be strong and to be aligned with market best practice. Sustainalytics considers the project selection process to be in line with market practice"

Alignment with

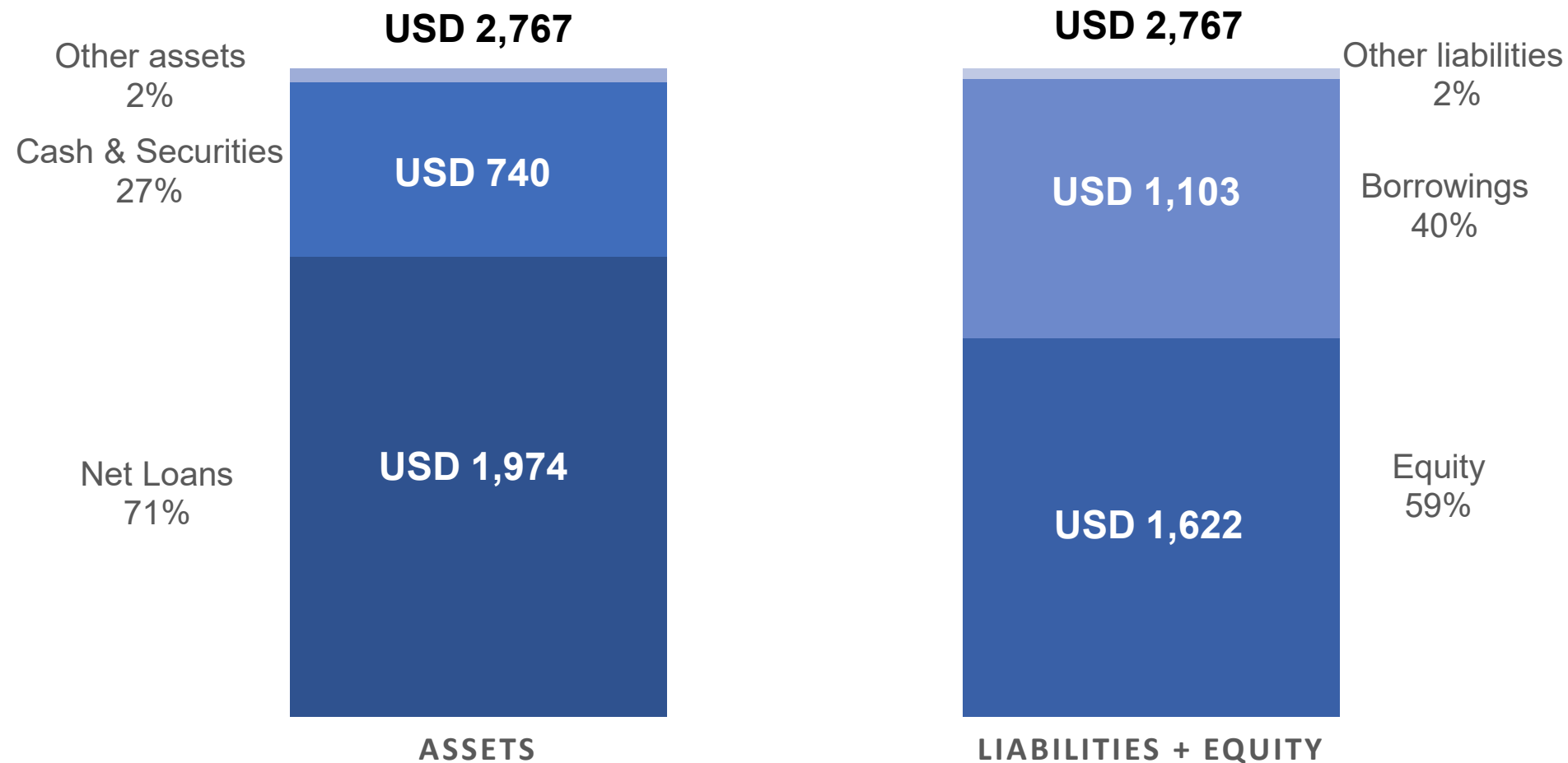


2. Financial Highlights

A Solid Balance Sheet

Strong capitalization and room for lending growth

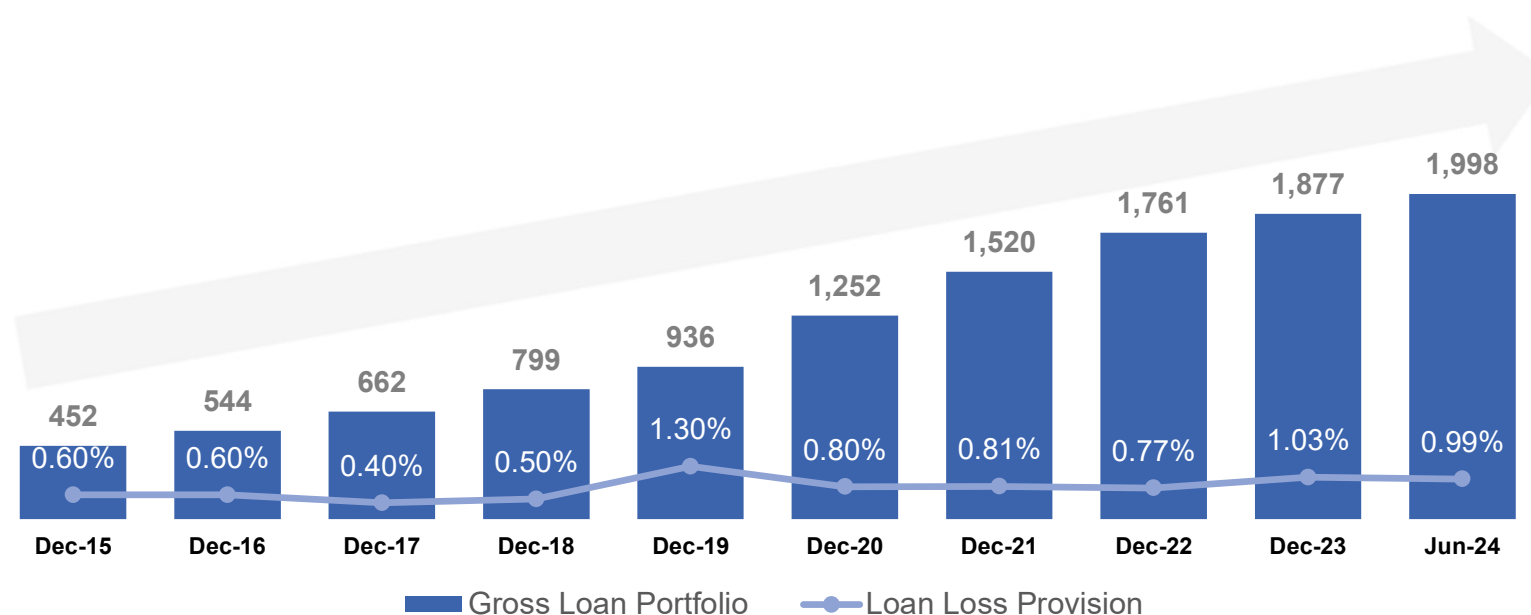
(In millions of USD)



Gross Loan Portfolio

Consistent Growth and High-Quality

(In millions of USD)



Compounded Annual Growth Rate (Dec-15-Jun-24): 18%

Preferred Creditor Treatment – Remarkable repaid tracking record with all members.

0% Non-Performing Loans (NPL) nor Non-Accrual Interest Loans (NAI) over the last 20 years

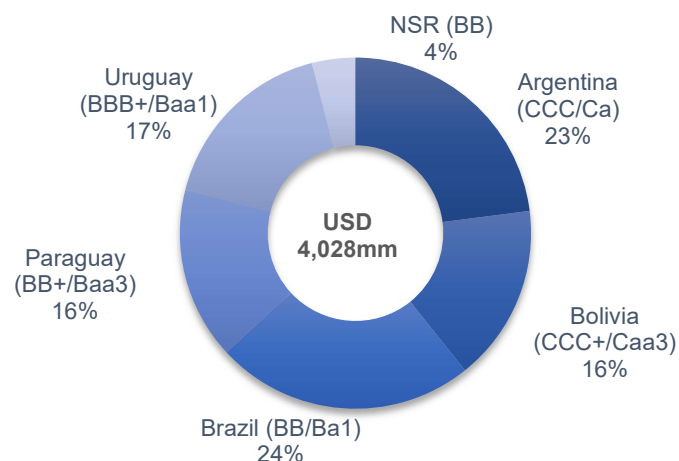
Source: Interim Financial Statements as of June 30, 2024.

(*) Loan loss ratio defined as Loan Loss Provision/ Gross Loans.

Diversified Loan Portfolio

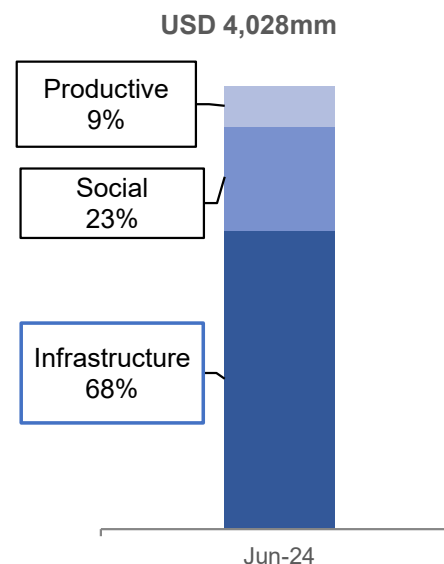
In % over Gross Loan Portfolio Outstanding

By Member Country



Note: S&P and Moody's credit rating, respectively

By Sector



Sovereign Guaranteed Loans

25%

Lending Capacity:
Maximum exposure
to single country

30%

Total Assets:
Maximum exposure
to single country

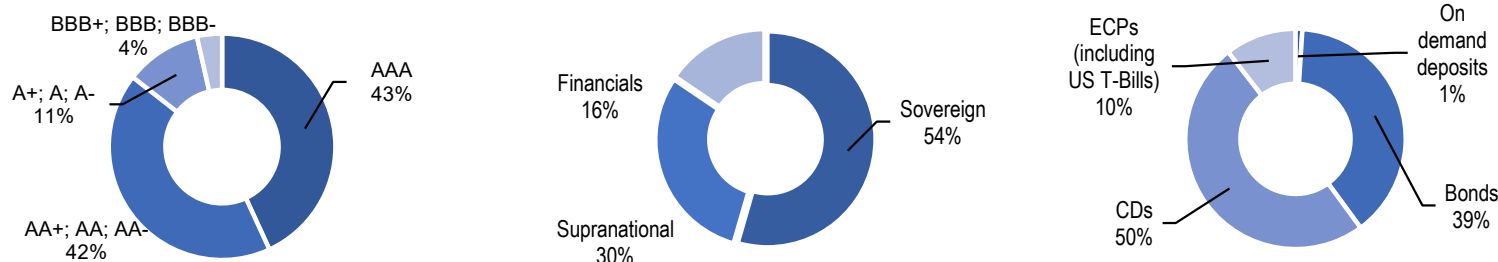
FONPLATA's prudent Financials Policies include maximum country exposure thresholds

Liquidity Portfolio

Short-term and high-rated Liquidity Portfolio

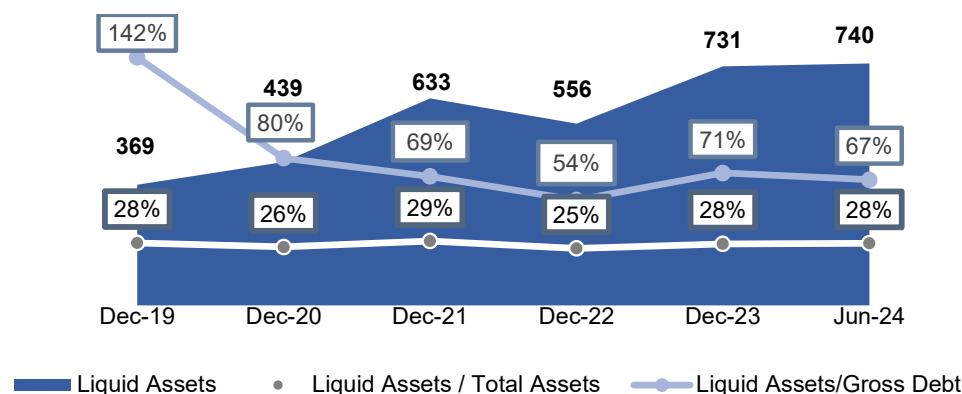
(In % and millions of USD)

Investment Portfolio by rating*, issuer and asset class



Policy Limits and Liquidity trend

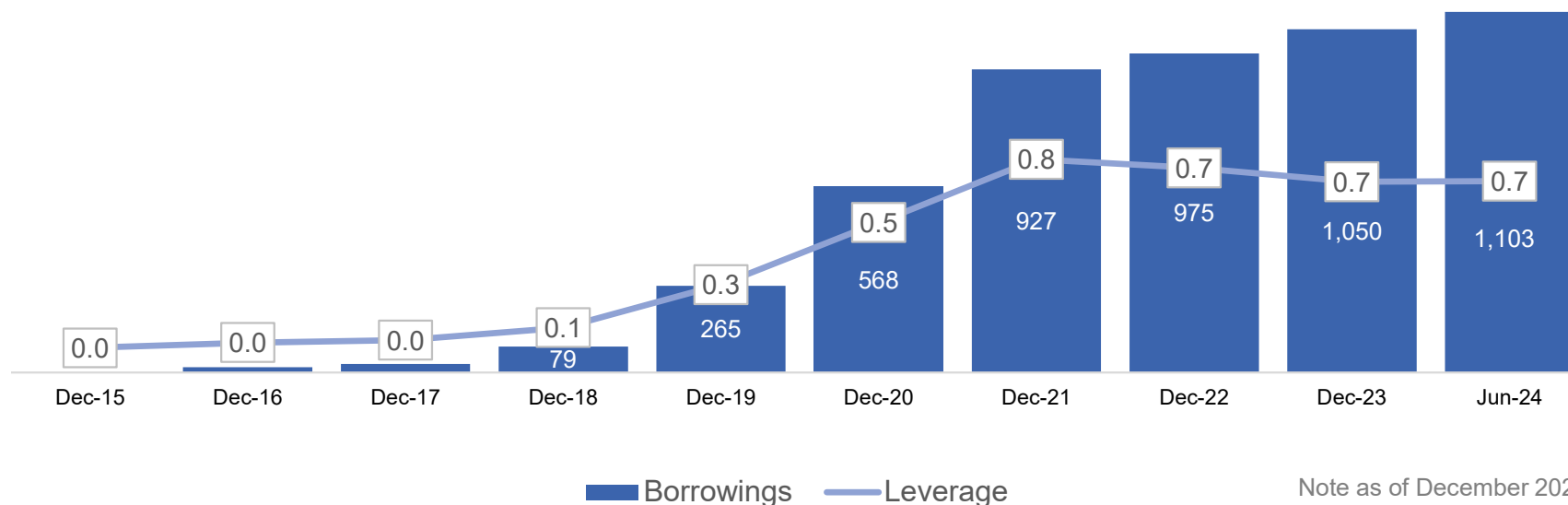
Real	Policy Limit
>12 months	12 months coverage of net cash requirements
0.49 years	2 years maximum liquidity portfolio duration
AA(*)	AA- Minimum average rating
BBB	BBB- Minimum rating for purchase



Conservative Leverage Ratios

FONPLATA borrowings and leverage

(In millions of USD)



(*) Leverage defined as debt divided by net equity

Note as of December 2024:
 Debt/Asset = 43%
 Debt/Net Equity = 79%

Financial Policy Limit	
Maximum Leverage*	Leverage 06/2024
2.5	0.7

The increase in borrowings is supported by a strong liquidity and capital position

Source: Interim Financial Statements as of June 30, 2024.

(*) Maximum Leverage = 2 times equity plus liquid assets.

Strong Capital Base

Equity structure and key metrics

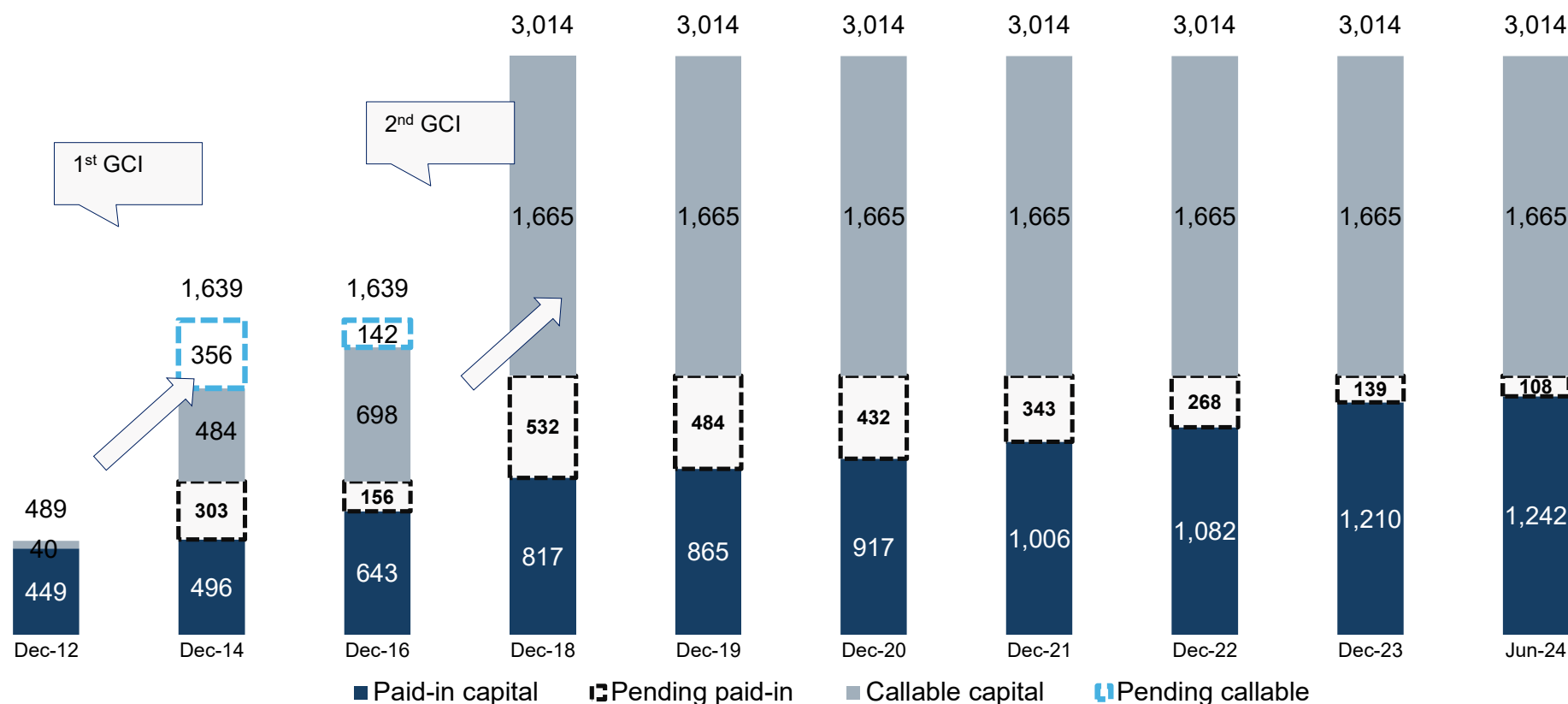
(In millions of USD)



Solvency based on capital contributions and generation of financial results

Continuous Shareholder's Support

(Capital, in millions of USD)



- Board of Governors approved a new General Capital Increase (GCI) from USD 3.0 bn to USD 6.5 billion on February 6th, 2024. This is the first step to enable the future subscription and payment in full of capital by Member Countries and the incorporation of new partners.
- The 2nd GCI finishes integrating the pending paid-in capital by 2026.

New GCI roadmap:

- Subscriptions in 2024 or early 2025
- Integration of paid-in beginning in 2026/2027

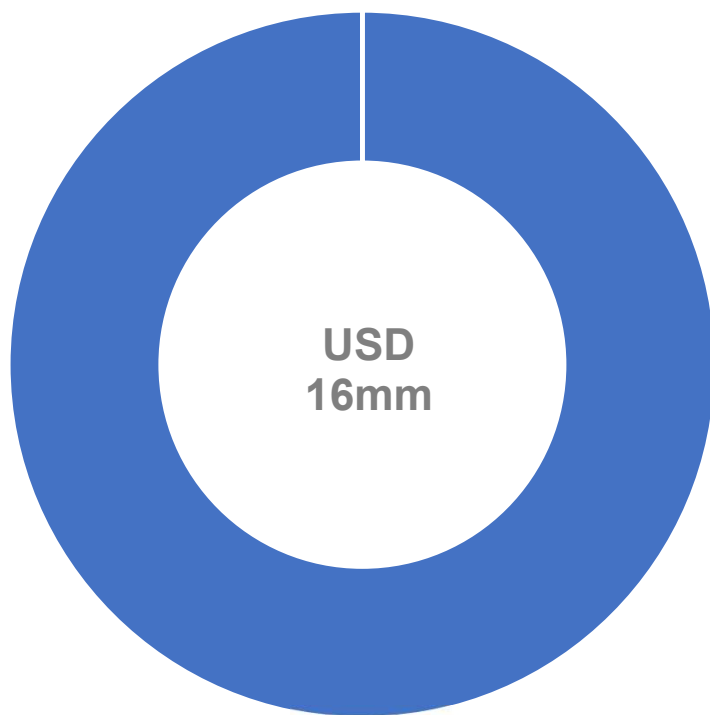
3. Funding Strategy

Liabilities by funding source

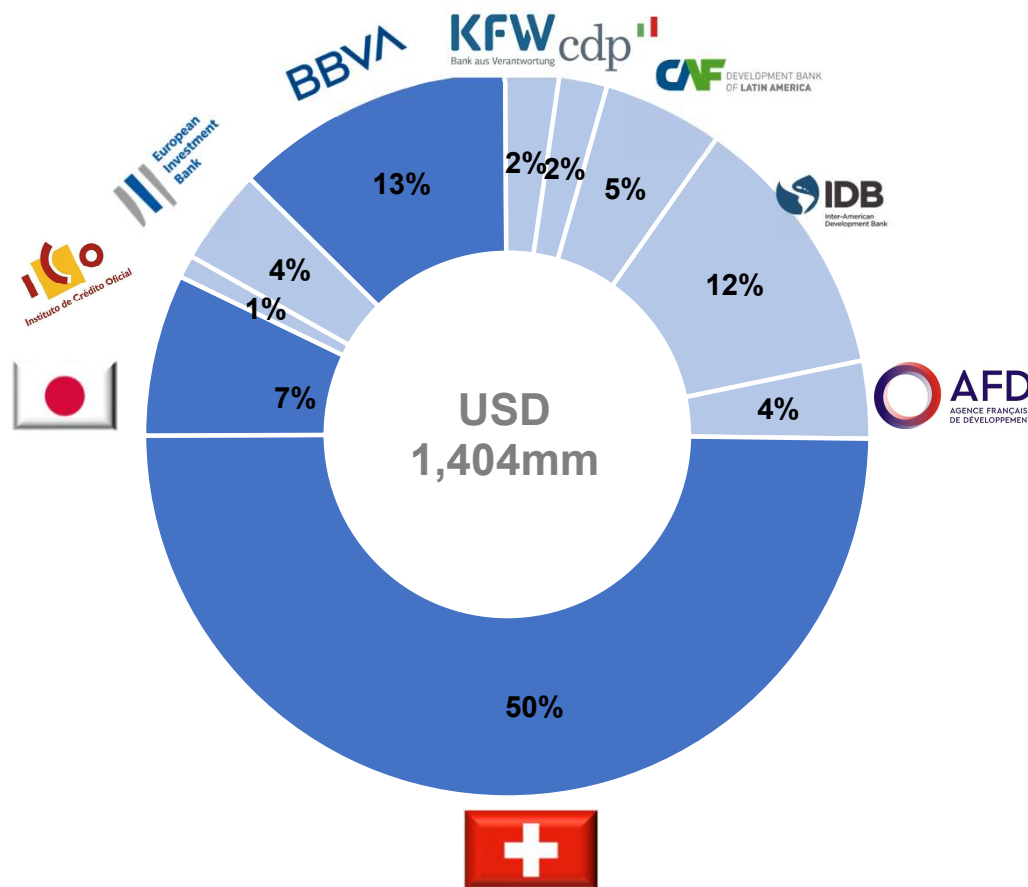
A broadened and diversified funding base

(In millions of USD, at nominal value)

2016



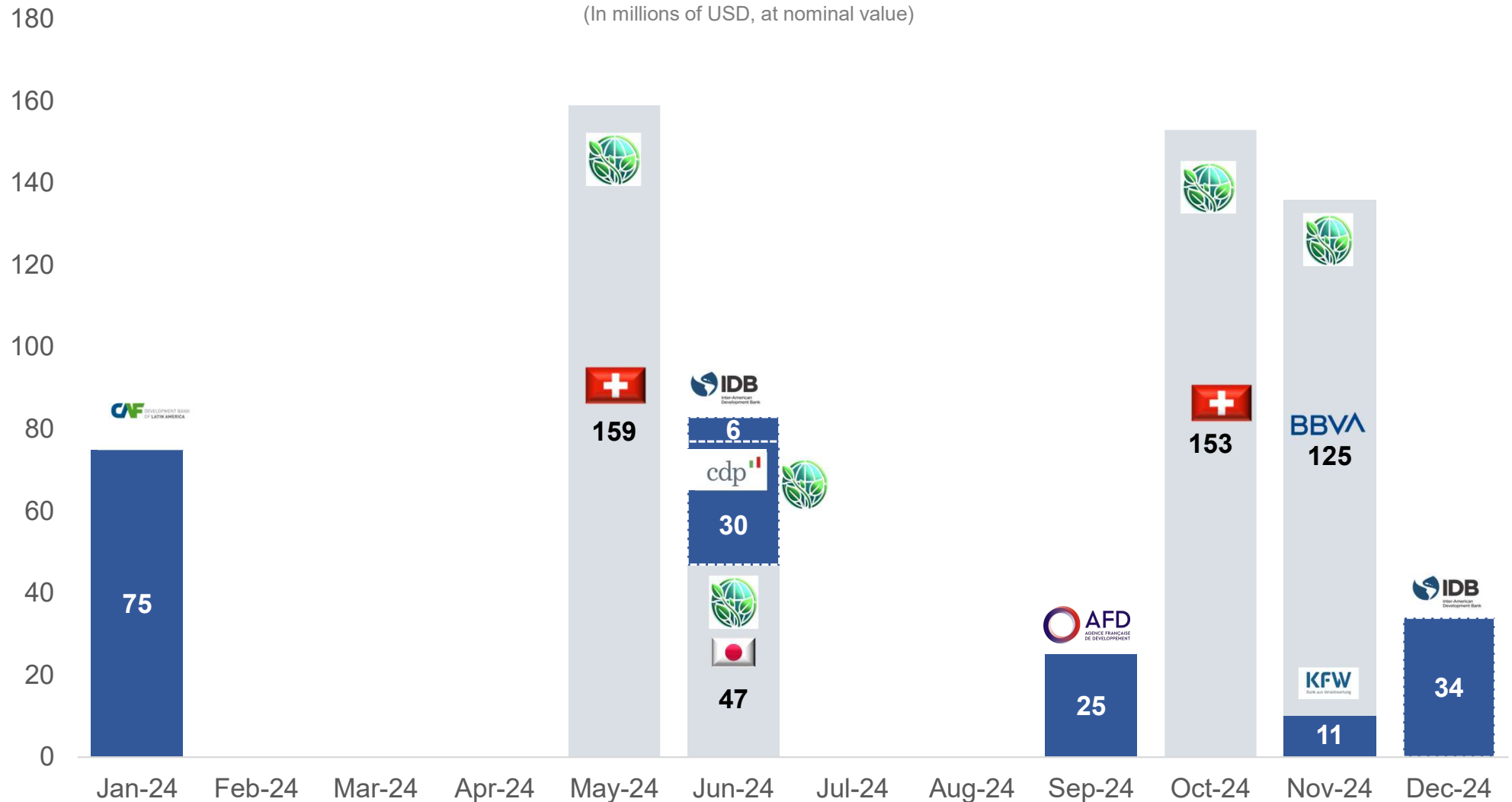
December 2024



Note as of December 2024:
Debt/Asset = 43%
Debt/Net Equity = 79%

Overview of 2024 Borrowings

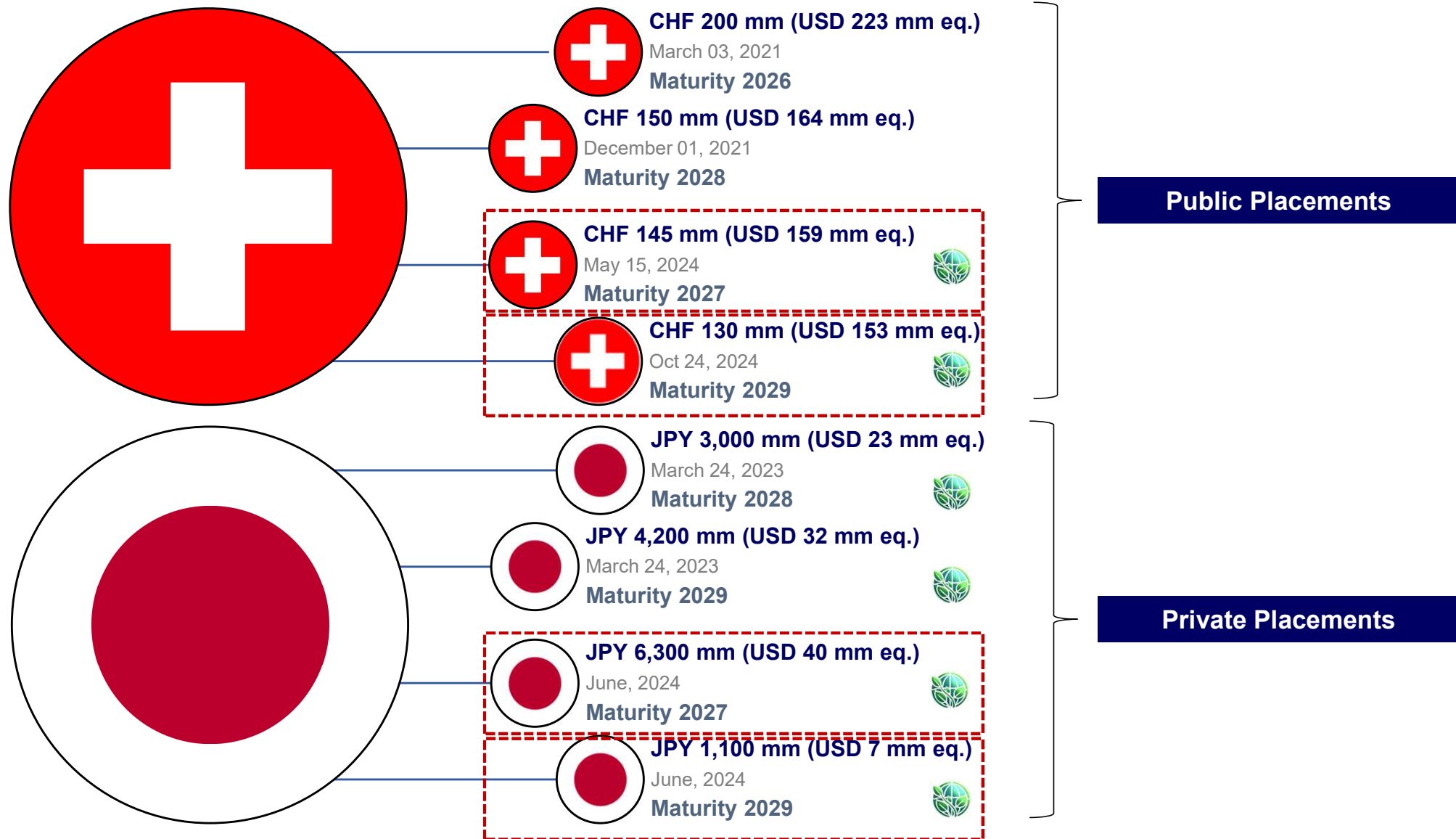
In 2024, FONPLATA achieved a record-high in new borrowings, raising over USD 665 million.



Sustainable borrowing under FONPLATA's SDF

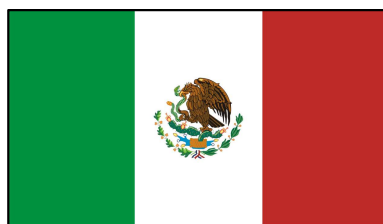
Growing Presence in Capital Markets

A consolidating curve in the Swiss Market and inaugural issuance in the Japanese Market



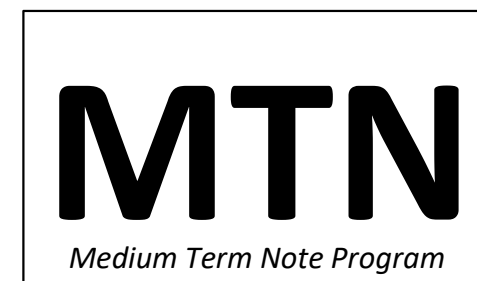
Debt Capital Markets funding milestones

Public Offering Program in Mexico



Registration Date:	October 29, 2024
Amount:	Up to USD 1 billion equivalent (revolving)
Currency:	Mexican Pesos, UDIs, or US Dollars
Terms and Conditions:	Interest rate and term to be determined
Placement Banks:	HSBC Mexico and BBVA Mexico
Listing:	Institutional Stock Exchange of Mexico (BIVA)

Medium-Term Notes Program



Registration Date:	November 11, 2024
Amount:	Up to USD 2 billion equivalent (revolving)
Currency:	Multicurrency
Terms and Conditions:	Interest rate and term to be determined
Placement Banks:	J.P. Morgan, BBVA, BNP, BofA, Credit Agricole, DB, HSBC, Santander
Listing:	London Stock Exchange (LSE)

With funding needs of approximately USD 550 million for 2025 to be met through the markets, FONPLATA's strategy of tapping diverse capital markets and currencies aligns with its ongoing objective of diversifying the Bank's funding sources

4. Concluding remarks

Concluding Remarks



A) Strong Capital Adequacy

- ✓ FONPLATA boasts a **very strong risk-adjusted capital ratio**, outperforming regional peers, supported by prudent portfolio rebalancing and consistent shareholder contributions.



B) Top LATAM Credit Rating

- ✓ FONPLATA holds **A/A2 ratings from S&P and Moody's**, both with stable outlooks, reflecting robust liquidity, consistent shareholder support, and its **preferred creditor treatment** (PCT) status.



C) Diversified Funding

- ✓ Highlights include successful **sustainable bond issuances** in 2024 and the **establishment of the MTN Program**, enhancing diversification across currencies, markets, and thematic issuances while reducing borrowing costs.



D) Policy Relevance

- ✓ A **USD 3.5 billion capital increase** reinforces FONPLATA's regional role, with funds dedicated to advancing MERCOSUR integration and infrastructure development.



E) Exceptional Portfolio Quality

- ✓ **Zero non-performing loans (NPL)** and no write-offs since inception, underscoring FONPLATA's disciplined lending practices and strong risk management.



FONPLATA

Development Bank

Bringing development
closer to the people



www.fonplata.org
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