

INVESTOR PRESENTATION

December 2022



CONTENTS

01 About IDB Invest

02 Our Financial Profile and Risk Management Framework

03 Our Funding Program

04 Our Approach to Sustainability



01

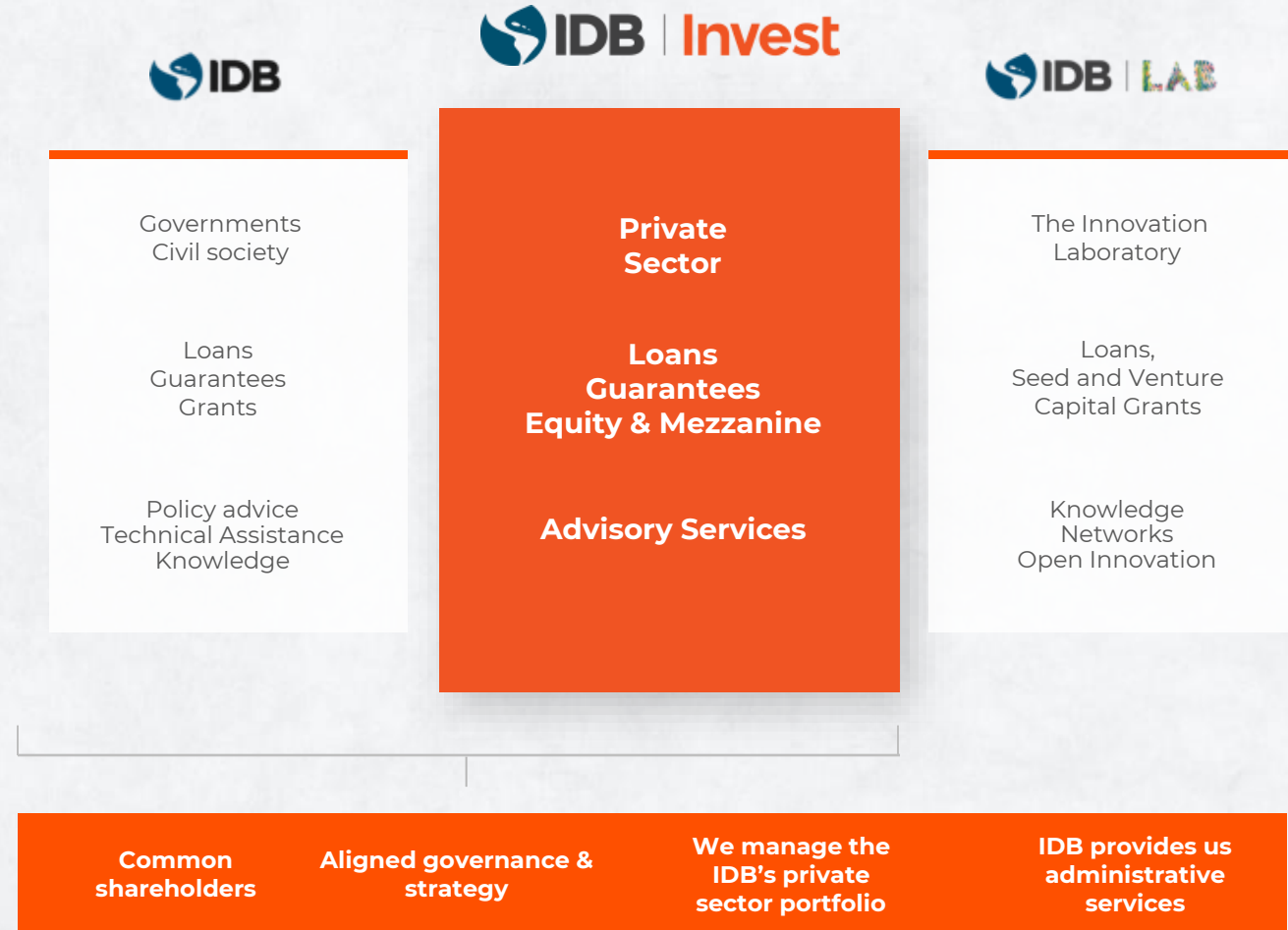
ABOUT US

Investing in sustainable impact

Three Institutions, One IDB Group

We are IDB Invest, the private sector institution of the IDB Group, a multilateral development bank committed to strengthening private sector enterprises in Latin American and the Caribbean.

At IDB Invest, we finance sustainable enterprises and projects to achieve financial results that maximize economic, social and environmental development while playing a lead role in integrating ESG sustainability solutions throughout our investment process.
























Shareholder Overview

Member Countries and Voting Power

REGIONAL MEMBER COUNTRIES

 Argentina	12.1%
 Bahamas	0.2%
 Barbados	0.2%
 Belize	0.1%
 Bolivia	1.0%
 Brazil	10.9%
 Chile	3.1%
 Colombia	3.1%
 Costa Rica	0.5%
 Dom. Rep.	0.7%
 Ecuador	0.7%
 El Salvador	0.5%
 Guatemala	0.6%
 Guyana	0.2%
 Haiti	0.4%
 Honduras	0.5%
 Jamaica	0.4%
 Mexico	7.7%
 Nicaragua	0.5%
 Panama	0.6%
 Paraguay	0.5%
 Peru	3.2%
 Suriname	0.1%
 Trin. & Tobago	0.3%
 Uruguay	1.3%
 Venezuela	3.2%

OTHER MEMBER COUNTRIES

0.5%	Austria	
0.2%	Belgium	
3.1%	Canada	
0.01%	Croatia	
5.3%	China	
0.7%	Denmark	
0.6%	Finland	
2.0%	France	
1.1%	Germany	
0.3%	Israel	
3.0%	Italy	
3.8%	Japan	
4.7%	Korea	
0.7%	Netherlands	
0.6%	Norway	
0.2%	Portugal	
0.01%	Slovenia	
4.3%	Spain	
0.6%	Sweden	
1.4%	Switzerland	
14.9%	United States	

What We Offer

We support our clients by providing **finance solutions, advisory services and knowledge** that meet the evolving demands of the regions private sector.



Finance Solutions

- Loans
- Guarantees
- Equity and mezzanine
- Resource mobilization
- Blended finance



Advisory Services

- Climate change
- Gender, diversity and inclusion
- Sustainability and MSMEs
- Public-private partnerships
- Digitalization



Knowledge

- Publications
- Conferences and workshops
- Market trends
- Feasibility studies
- Regional/sectorial expertise

OUR SECTORS

Financial Intermediaries



Financial Institutions



Non-Bank Financial Institutions



Investment Funds

Infrastructure



Energy



Transport



Water and sanitation



Social infrastructure

Corporates



Agribusiness



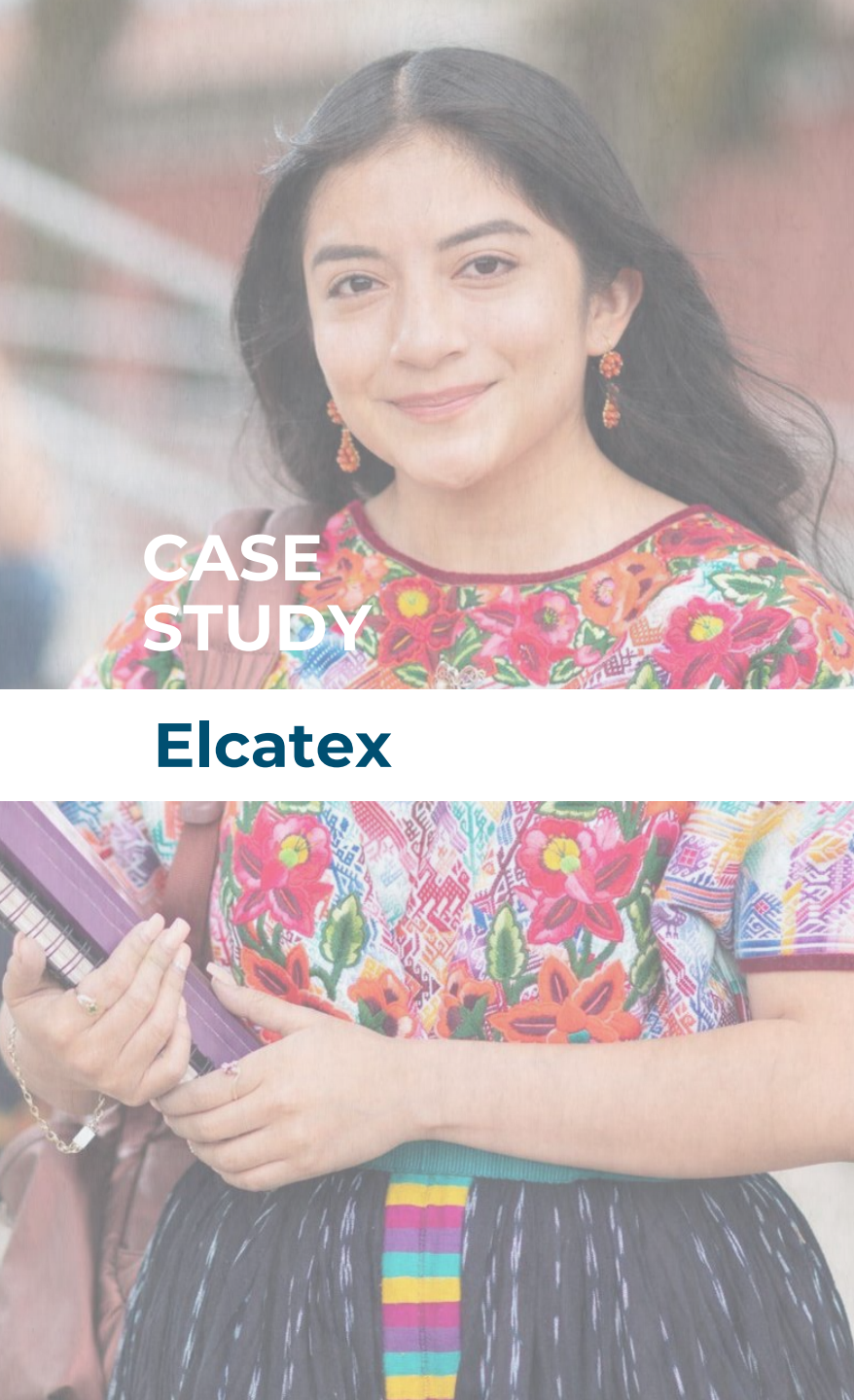
Manufacturing



Tourism



Telecommunications media and technology



CASE STUDY

Elcatex

Building a more inclusive textile supply chain in Honduras

Category: Social

Sub-category: Employment generation and programs to alleviate unemployment from socio-economic crises

Honduras



Approved amount:
\$64M

Allocated amount:
\$64M

Total mobilization:
\$32M

As of 2021, the project has achieved the following results:

About 5,000 new jobs created, surpassing the target of 3,200.

379 SME suppliers integrated into the value chain, 92% of the total expected.

Elcatex increased its sales by 24% between 2019 and 2021. The new plant became operational in September 2021 and is expected to reach capacity by 2022 and exceed its targets including for production and exports.

Approval Year: 2020
Disbursement Year: 2021

1 NO POVERTY



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



17 PARTNERSHIPS FOR THE GOALS



OUR FINANCIAL PROFILE AND RISK MANAGEMENT FRAMEWORK

*All figures are expressed in million US dollar
as of Sept 2022, unless otherwise stated.*



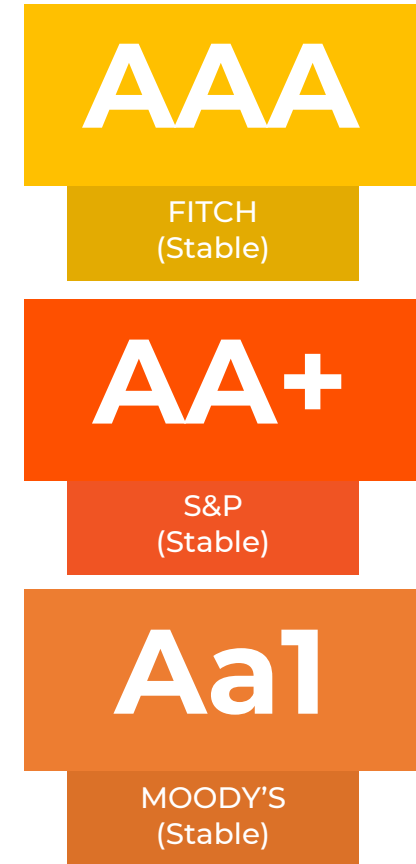
A Solid Balance Sheet



ASSETS



LIABILITIES AND CAPITAL

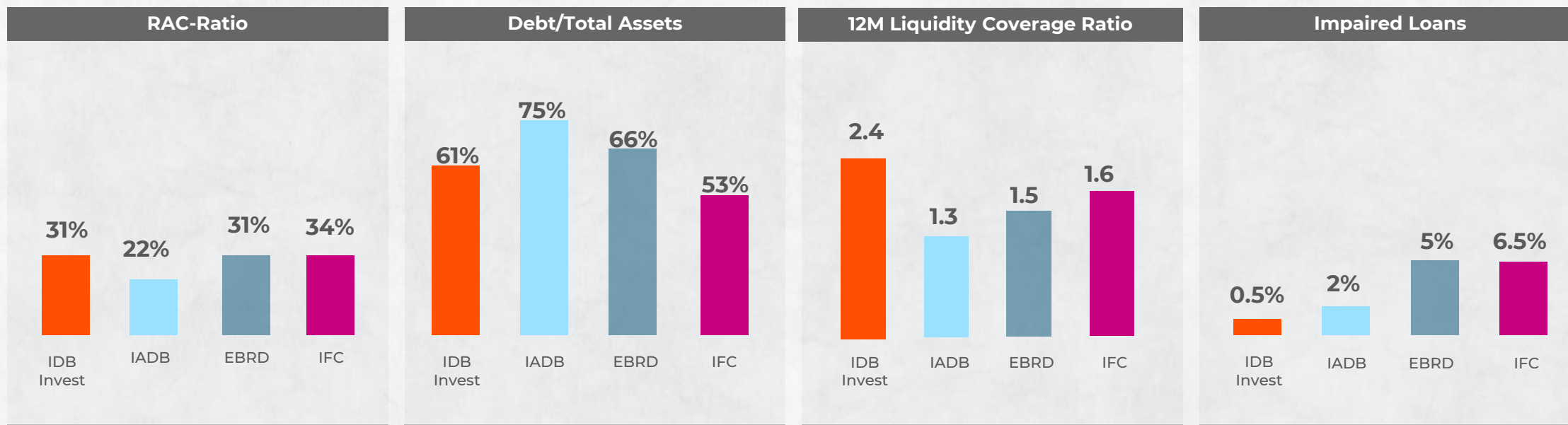


Strong Financial Profile

AAA Rated Peer Comparison

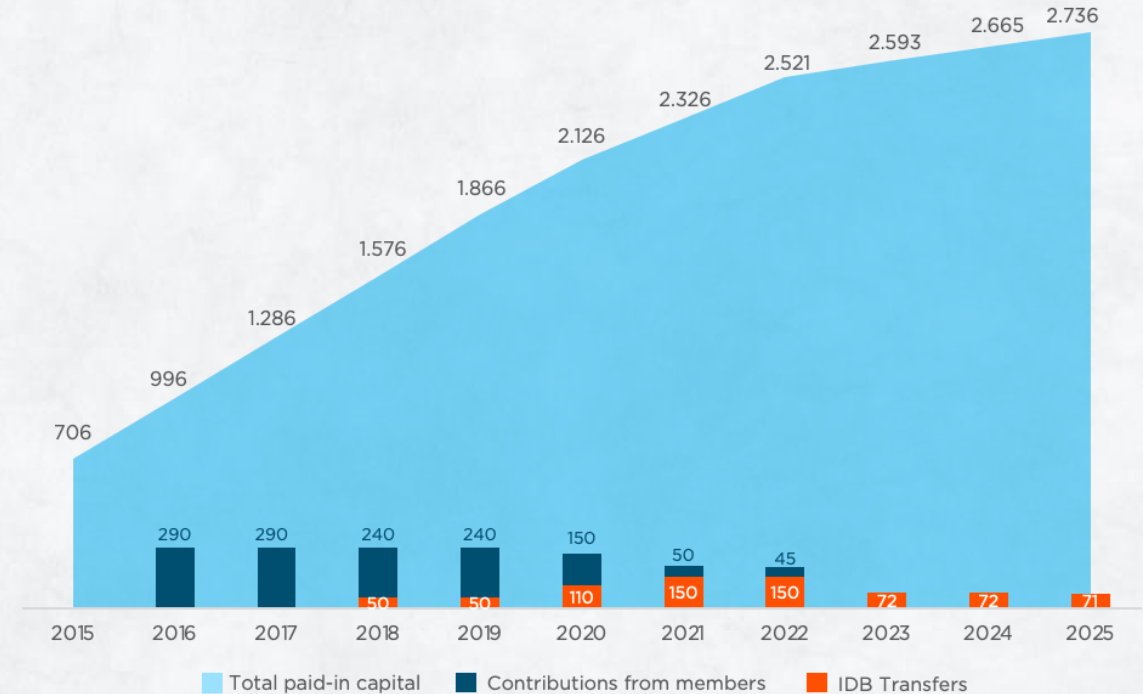
Multilateral	Assets (USD Millions)	S&P Long Term Issuer Rating
IDB-Invest	7.551	AA+
IADB	151.752	AAA
EBRD	74.773	AAA
IFC	105.264	AAA

Source: S&P Global Ratings "Supranational Special Edition. October 2022"
Data as of December 31, 2021, except for IFC, whose data are as of June 30, 2021.



Strong Shareholder Support

In 2015 the Board of Governors approved a capital increase of USD 2.0 billion: USD 1.3 billion of new contributions from member countries and USD 725 million of transfers by IDB on behalf of its member countries.



Capital Increase Payment Schedule¹

IDB Invest operates exclusively with 100% paid-in capital

Strong Risk Management Framework

Risk Appetite Policy

Concentration Limits

15%

Maximum exposure to single country

20%

Maximum exposure by subsector *

5% / 6%

Per client & per economic group

20%

Maximum exposure Equity & quasi equity

Leverage

3.0x

Maximum Debt / Capital

Market Risk

Guiding principle: match the structure of assets and liabilities: tenor, interest rate and currency risk

Market risk exposures are managed with Value at Risk and DV01 limits

Capital Adequacy Policy**

- Defines minimum capital adequacy ratio (CAR)
- Internal models deliver capital requirements i.a. for credit and market risk
- CAR incorporates rating agencies' AA capital requirements

Liquidity Policy**

- Core metric: liquidity coverage ratio (LCR)
- LCR time horizon >12 months
- LCR time horizon and liquidity haircuts consistent with rating agency criteria

Liquidity Portfolio Guidelines

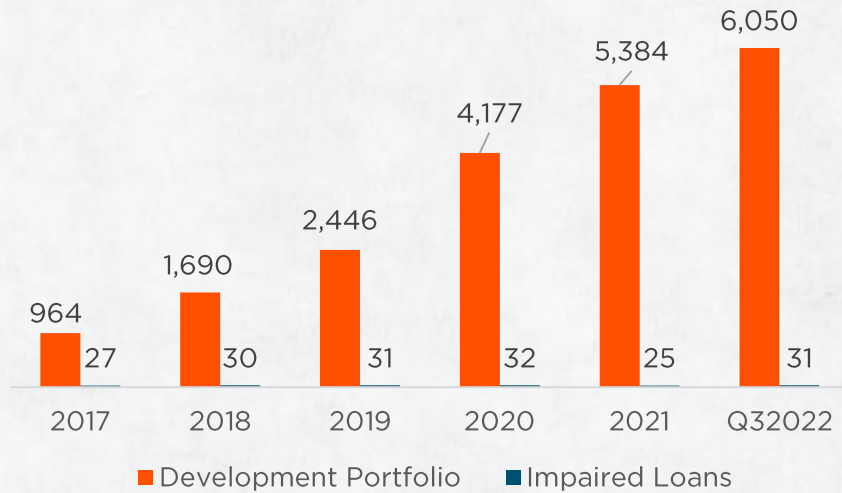
4 years

Maximum liquidity portfolio duration

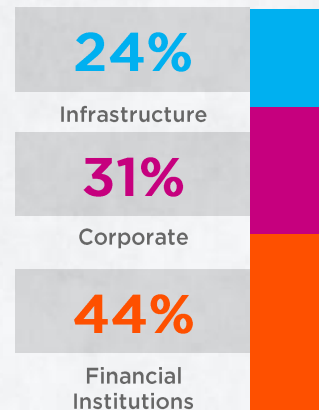
A

Minimum rating required

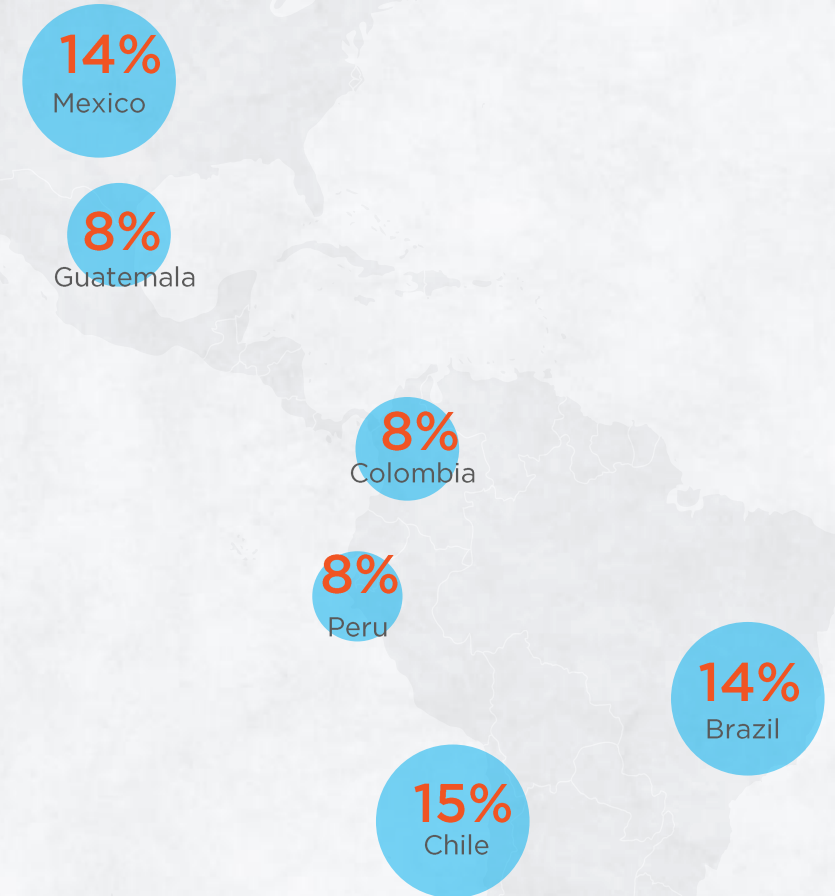
High Quality and Diversified Development Portfolio



Development Portfolio By Sector



Development Portfolio By country



All other countries show exposures below 5%
Country and Sector Breakdown per Year End 2021

CASE STUDY

KLABIN

Bolstering the productivity and sustainability of the pulp and paper industry in Brazil

Category: Green

Sub-category:
Renewable energy

Brazil



Approved amount:
\$180M

Allocated amount:
\$13.7M

Total mobilization:
\$267.6M

By the end of 2021, the following results have been achieved (vs. 2018):

1,673 new permanent jobs created

60% increase in wood produced by its own plantations

60% increase in wood supplied by local farmers

Volume of production of pulp and paper (in tons) increased 15% and 87%, respectively.

US\$1.1 billion in export sales

Installed power capacity for renewable energy generation increased from 384 MW to 530 MW.

Approval Year: 2019
Disbursement Year: 2020

7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



17 PARTNERSHIPS FOR THE GOALS



03

FUNDING PROGRAM



Funding Strategy

- 2022 Funding Program: USD 2.5bn
 - USD benchmark issues
 - Public issues in strategic markets
 - MTNs in selected currencies and tenors
 - Local currency issues to fund local projects
- Most borrowings are swapped into US dollar variable-rate
- Promote secondary market liquidity through underwriters

Funding Programs



Outstanding Borrowings By Currency



Recent Benchmark Issues

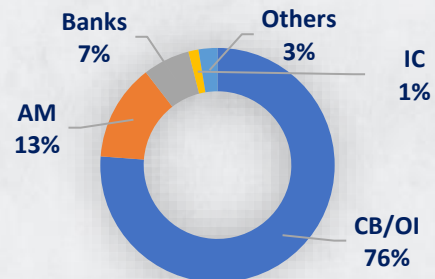
2021

**USD 1 billion
5-Year Fixed Rate
Sustainability Bond**

Allocation by geography



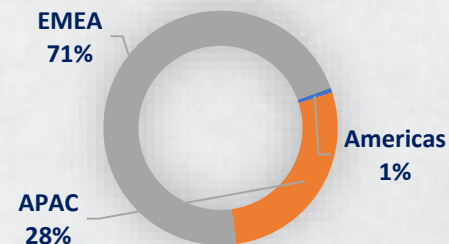
Allocation by Investor Type



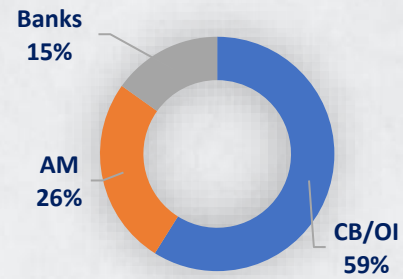
2022

**AUD 300 million
5-Year Fixed Rate
Green Bond**

Allocation by geography



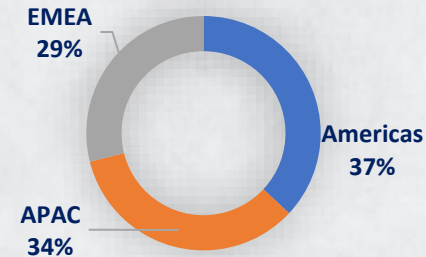
Allocation by Investor Type



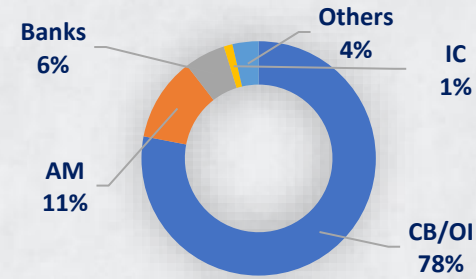
2022

**USD 1 billion
3-Year Fixed Rate
Sustainability Bond**

Allocation by geography



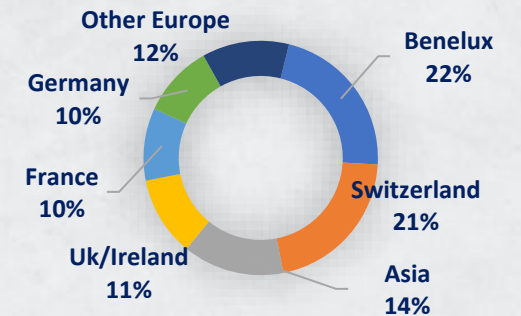
Allocation by Investor Type



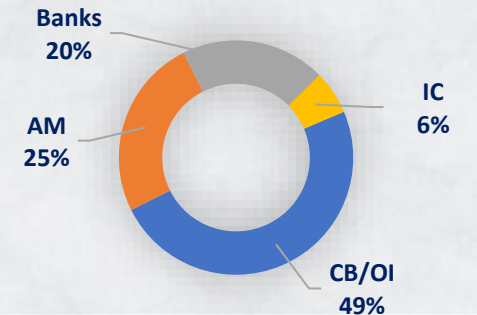
2022

**EUR 650 million
5-Year Fixed Rate
Social Bond**

Allocation by geography



Allocation by Investor Type



OUR APPROACH TO SUSTAINABILITY

*We believe that impact investing is
the future of our region.*

Strategic Priorities Aligned with Sustainable Development Goals



100% Committed to Sustainability

KEY SUSTAINABILITY TARGETS*

- **100%** of new projects **aligned with Paris Climate** Agreement from 2023 on
- 30% of **new financing to support climate** change mitigation and/or adaptation
- 40% of **new projects** to support climate change mitigation and/or adaptation
- **25% of new** projects to support Gender Equality
- 5% of **new projects** to support Diversity and Inclusion

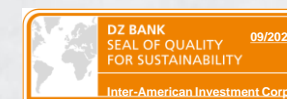
REPORTING AND IMPACT MANAGEMENT

- First development bank in Latin America and the Caribbean to deliver a [TCFD Disclosure](#) in its Annual Report, including Scope 1, 2 and 3 GHG emissions
- Annual IDB Group [Sustainability Report](#) and [GRI-Annex](#) following the standards of the Global Reporting Initiative.
- Founding signatory of the Operating principles for Impact Management

CORPORATE SUSTAINABILITY

- IDB Group **is carbon neutral since 2006**
- Headquarters Buildings received LEED Platinum certification (top level); several country offices LEED Certified.
- Commitment to Gender Equality: Second Multilateral Development Bank worldwide and first in the Americas to receive EDGE Move Certification.
- 38% of staff in mid- and senior level positions are women.

EXTERNAL ASSESMENTS AND ESG INDICES



S&P Green Bond Index



* Select organizational targets according to the IDB Group Corporate Results Framework (CRF). For more information on the CRF visit <https://crf.iadb.org/en/2020-2023/level-3?institution=all&status=all&year=2021>



Impact Management Framework

Objectives

Select operations in line with our **mandate** as a development bank

Ensure 100% operations are structured to be **strategically relevant, effective, and measurable**

Manage our portfolio to maximize impact and sustainability

Foster continuous **learning** from our operations

Ensure **accountability** to stakeholders

Our Sustainability Policy and Practices

Environmental and Social Sustainability Policy (Updated Dec 2020)

- a. The IFC Performance Standards
- b. The World Bank Group's Environmental, Health and Safety (EHS) Guidelines
- c. [IDB Invest Exclusion List](#)

Corporate Governance Development Framework

Access to Information Policy

Independent Consultation and Investigation Mechanism

Our Sustainable Debt Framework

CATEGORIES



Green

Finance projects with environmental impact



Social

Finance projects with social impact



Sustainability

Finance projects with environmental and social impact

DEBT PRODUCTS

Public Bond Offerings

Local Currency Bonds

Private Placements

Commercial Paper

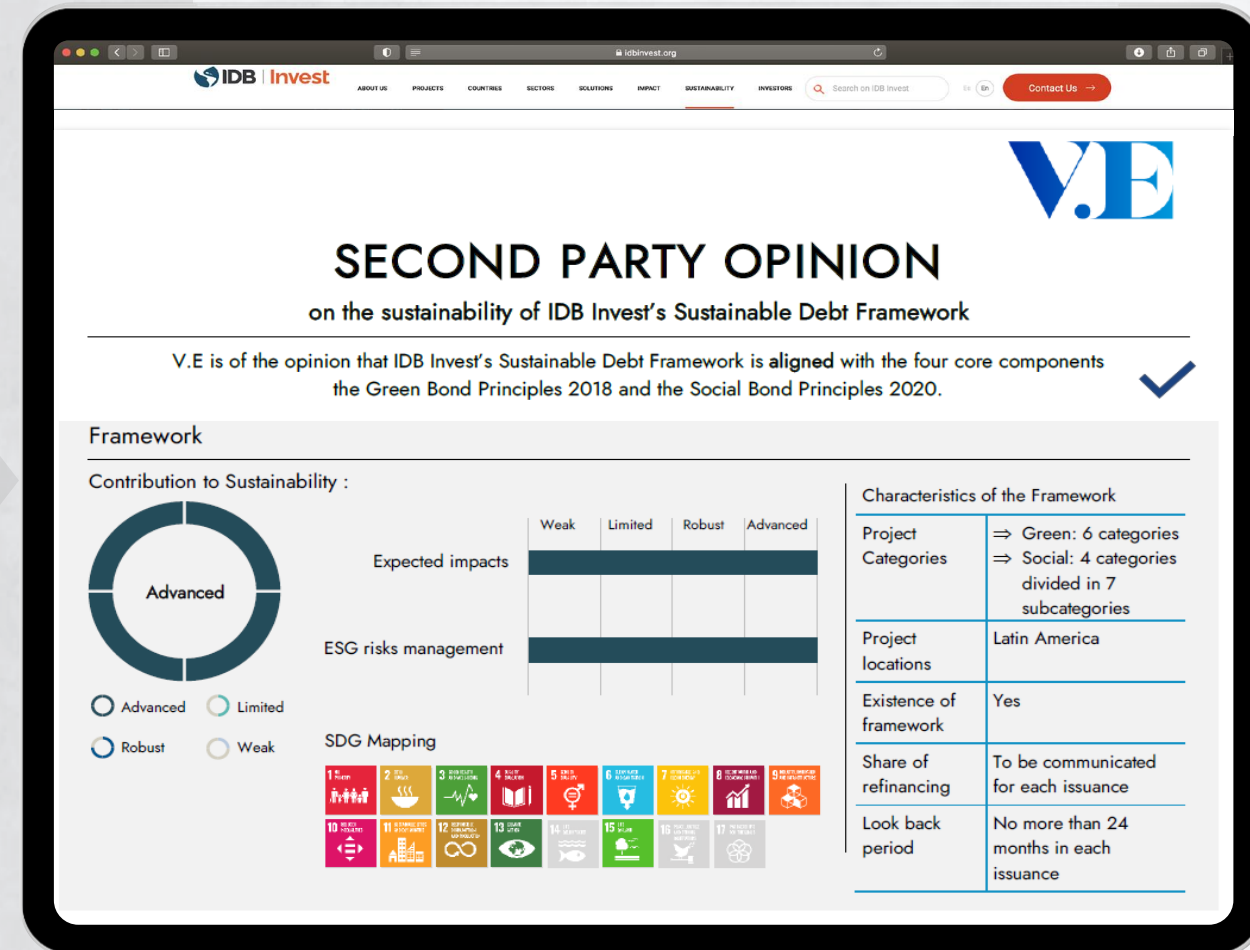
ALIGNMENT



Second Party Opinion

“... IDB Invest Sustainable Debt Framework is **aligned with the four components** of the Green Bond Principles 2018 and Social Bond Principle 2020 ...”

“... In our assessment, the bonds issued via this framework will provide an **‘advanced’** contribution to sustainability ...”



Use of Proceeds



SOCIAL PROJECT CATEGORIES

1. Affordable basic infrastructure
2. Access to essential services
3. Food security and sustainable food systems
4. Employment generation and programs to alleviate unemployment from socio-economic crises
5. Socio-economic advancement and improvement



GREEN PROJECT CATEGORIES

1. Renewable energy
2. Energy efficiency
3. Clean transportation
4. Environmentally sustainable management of living natural resources and land use
5. Climate change adaptation and climate resilience
6. Sustainable water and wastewater management

Management of Proceeds



COMMITMENT TO ALLOCATE
FUNDS WITHIN 24 MONTHS

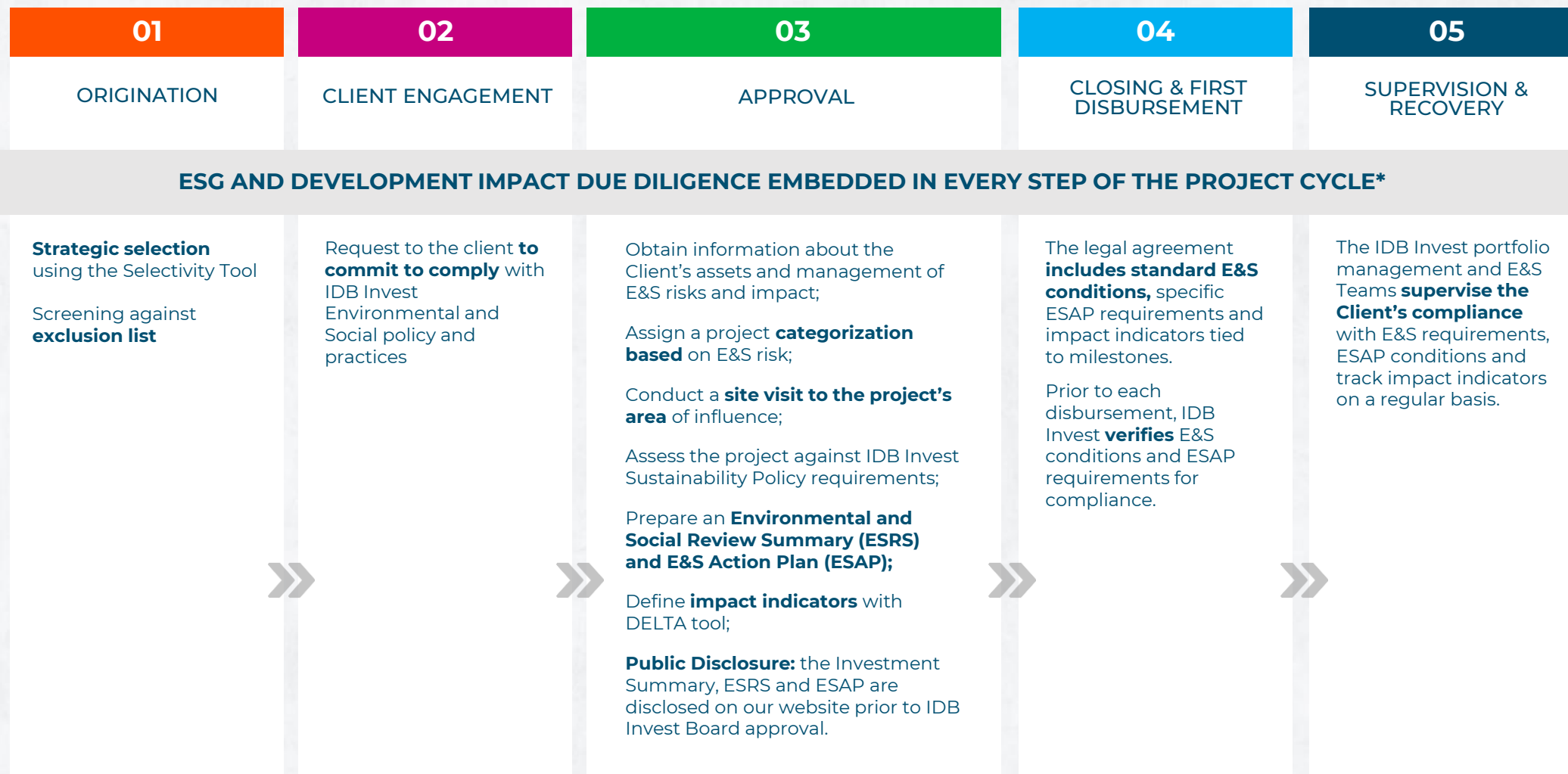


SHARE OF REFINANCING
TO BE DISCLOSED



LOOK-BACK PERIOD:
24 MONTHS

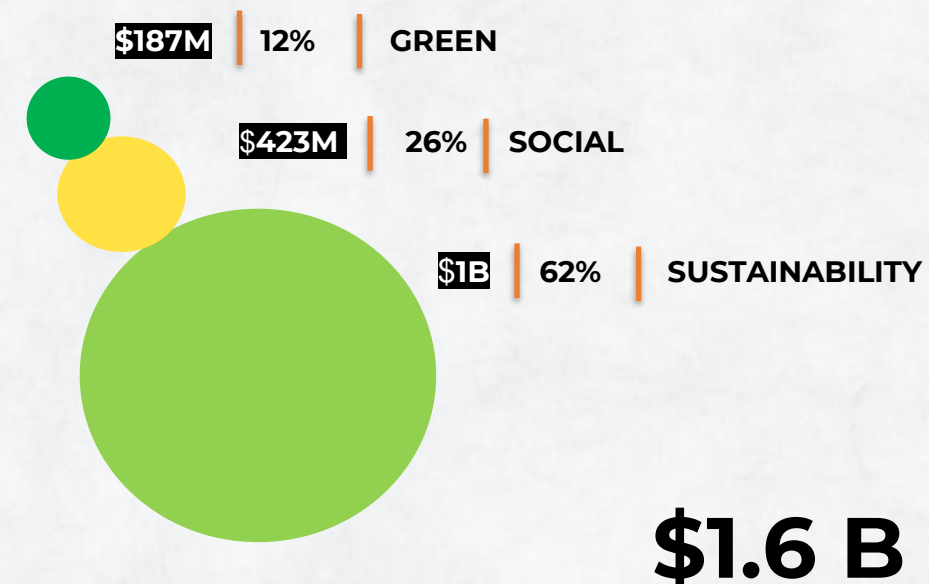
Project Evaluation And Selection Process



* IDB Invest performs ESG due diligence for all projects, including more than 80 new projects in 2021 alone

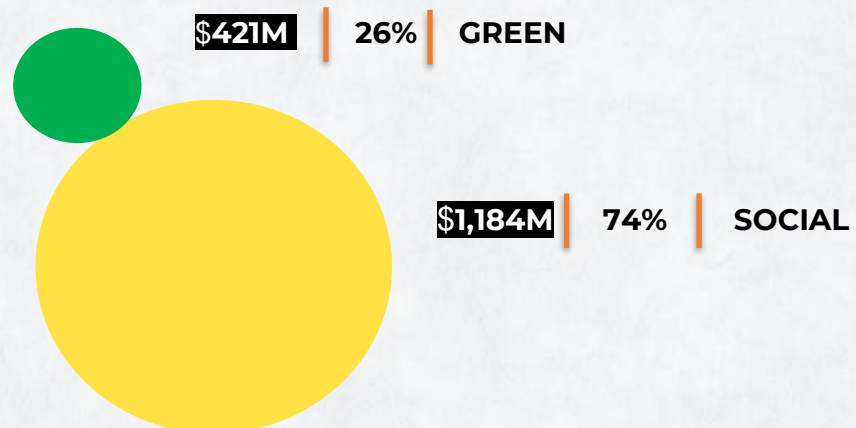
2021 – Sustainable Debt Issuances

 <p>Green Bonds</p> <p>Finance projects with environmental impact</p>	<p>USD</p> <p>100M</p> <p>10 Years Fixed Rate</p> <p>June - 2021</p>	<p>AUD</p> <p>68M</p> <p>10 Years Fixed Rate</p> <p>September - 2021</p>	<p>AUD</p> <p>50M</p> <p>10 Years Fixed Rate</p> <p>December - 2021</p>
 <p>Social Bonds</p> <p>Finance projects with social impact</p>	<p>MXN</p> <p>2.5B</p> <p>3 Years Floating Rate</p> <p>March - 2021</p>	<p>AUD</p> <p>400M</p> <p>5 years Fixed Rate</p> <p>June - 2021</p>	
 <p>Sustainability Bonds</p> <p>Finance projects with environmental and social impact</p>	<p>USD</p> <p>1.0 B</p> <p>5 Years Fixed Rate</p> <p>Feb – 2021</p>		

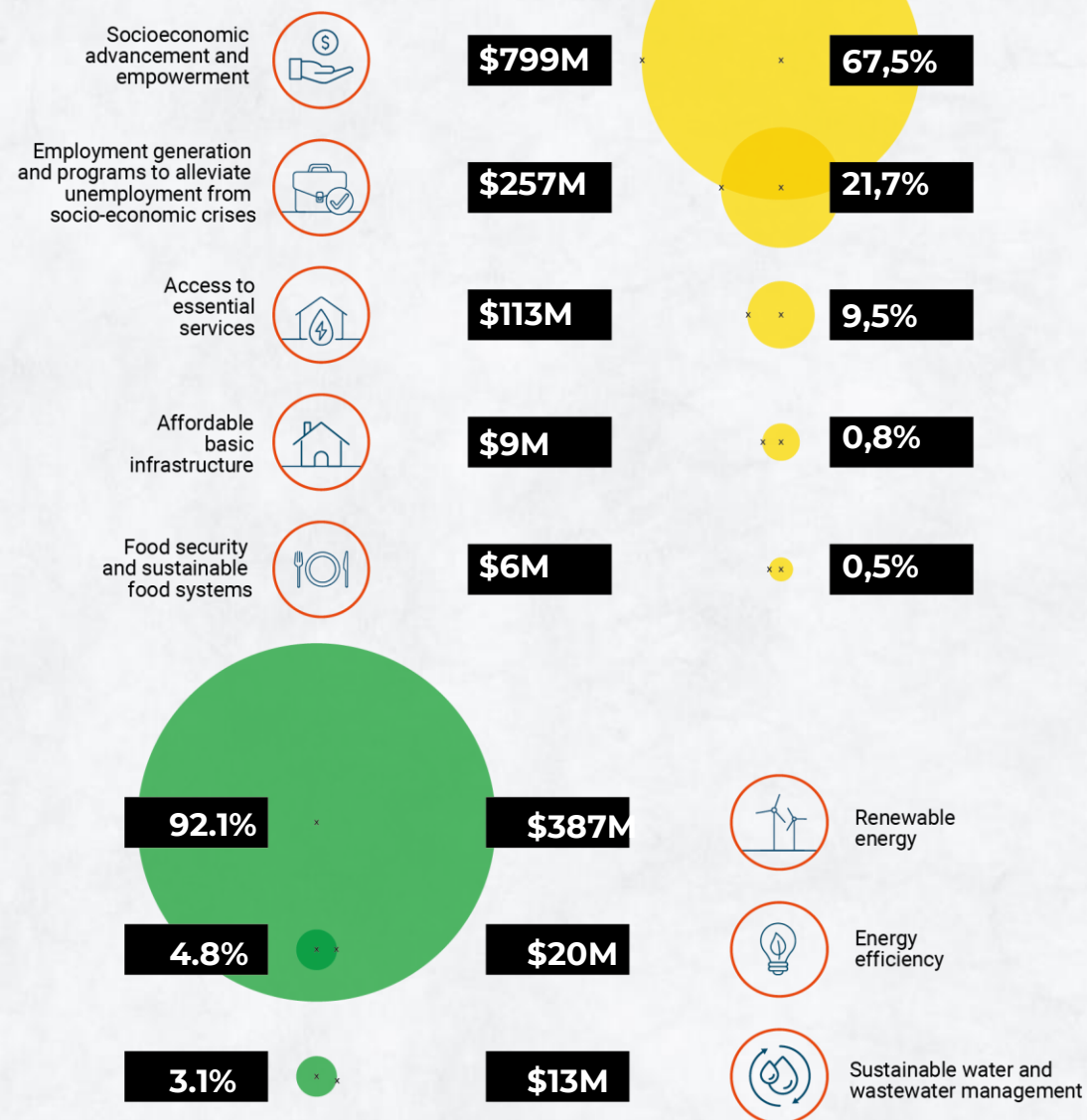


2021 –Allocation

**100% FUNDS
ALLOCATED**







OUR APPROACH TO SUSTAINABILITY











2021 –Impact

Green Indicators

	Actual	Expected	%
 Installed power generation from renewable energy sources	1,533 MW	2,904 MW	53%
 Reduction of emissions	2.5 M Tons	52.5 M Tons	5%
 Energy generated - renewable	5.3 MW/h	111.3 MW/h	5%
 Treated wastewater (m3)	161M	167M	96%

Social Indicators

OUR APPROACH TO SUSTAINABILITY

 Jobs supported by firms	72.3k
 MSMEs financed	570k
 Beneficiaries of employment support initiatives	19.4k
 Women beneficiaries of economic empowerment initiatives	16.8k
 Farmers with improved access to agricultural services and investments	4.9k
 Households with improved access to water or sanitation	657.2k
 International trade promoted	\$3.7B
 Beneficiaries receiving health services	14.2k

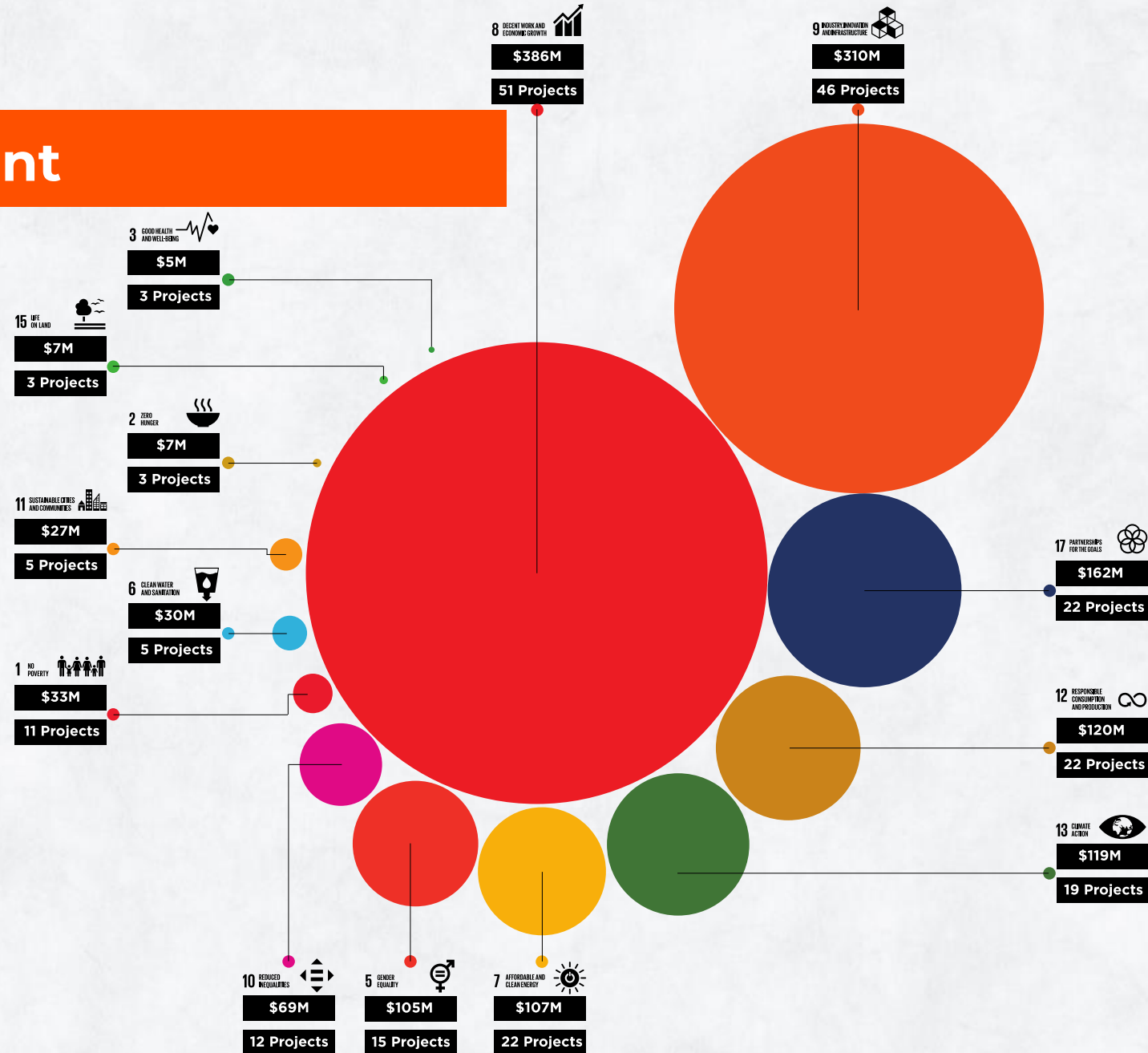
Target Populations



	# Projects	USD Amounts
Excluded Population	1	\$6M
Low-Income Population	3	\$121M
MSMEs	24	\$899M
Poor population	1	\$38M
Vulnerable	1	\$16M
Women-led SMEs	4	\$141M

* Projects may have more than one target population

SDG Alignment





CASE
STUDY

JMMB Bank



Increasing access to finance for Jamaican SMEs

Category: Social

Sub-category:
Socioeconomic advancement
and empowerment

Jamaica



Approved amount:
\$35M

Allocated amount:
\$35M

The project is successfully helping JMMB to strengthen its SME portfolio widening access to finance for this segment. Specifically, the following outcomes have been achieved:

372 SMEs supported

Total value of loans
disbursed to SMEs is
around US\$87.5 million.

At the end of 2021, JMMB had
an outstanding SME portfolio
of US\$ 168.8 Million

Also, as a result of this transaction, JMMB Bank has developed an E&S Policy and an E&S Framework (as part of the ESMS), implemented a gender-gap analysis, provided training in diversity, and designed a gender action plan that will guide the Bank's steps to improve gender equality and diversity.

5 GENDER
EQUALITY



8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



10 REDUCED
INEQUALITIES



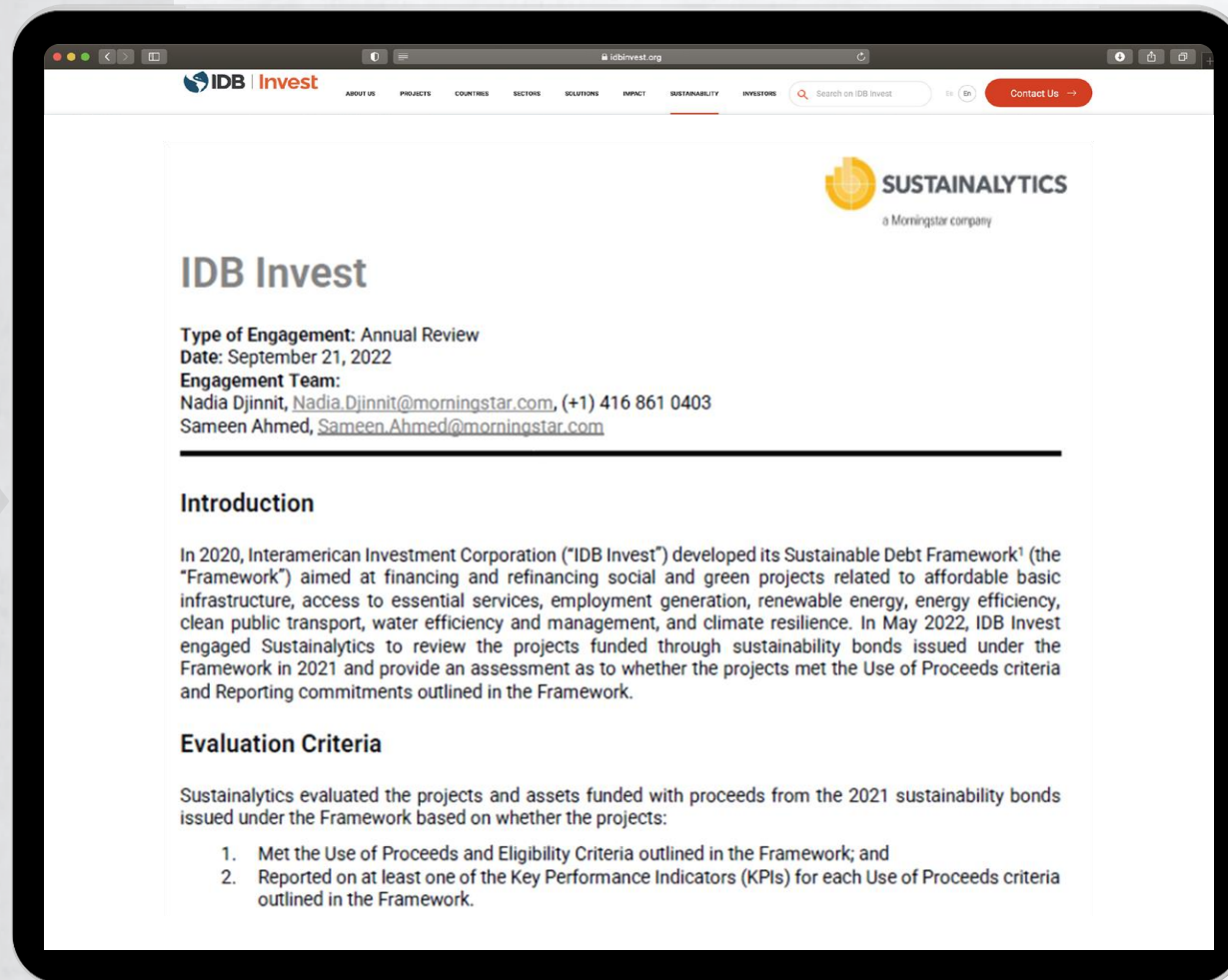
12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



Independent External Review

“... Based on the **limited assurance procedures** conducted, nothing has come to Sustainalytics’ attention that causes them to believe that, **in all material respects, the reviewed bond projects, funded through proceeds of IDB’s sustainability bonds, are not in conformance with the Use of Proceeds criteria outlined in the Framework. ...**”

“... **No errors or Exceptions were identified ...**”





In summary, our bonds represent a unique investment opportunity that combines the strength of IDB Invest as a member of the IDB Group with strong shareholder support, a solid financial profile and top credit ratings, With a demonstrated commitment to the development of sustainable enterprises in Latina American and the Caribbean

**Join us in
building
tomorrow,
today.**

Funding Team



Eusebio Garre

Treasury - Head of Funding

eusebiog@idbinvest.org

Tel.: 202 623 1626



Monica Landaeta

Treasury – Lead Funding Officer

monicala@idbinvest.org

Tel.: 202 623 3160

Management



Orlando Ferreira

Chief, Finance and
Administration – CFO



Janne Sevanto

Treasurer

Website: www.idbinvest.org

Bloomberg: IDBINV Corp <GO>

LinkedIn: www.idbinvest.org/linkedin

Twitter: www.idbinvest.org/twitter

Facebook: www.idbinvest.org/facebook

Blog: www.idbinvest.org/blog

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL SECURITIES. IT IS SOLELY PROVIDED AS INFORMATION ONLY. THIS PRESENTATION MAY NOT CONTAIN ALL OF THE INFORMATION THAT IS MATERIAL TO A POTENTIAL INVESTOR. BY ATTENDING THE PRESENTATION OR BY READING THE PRESENTATION SLIDES YOU ACKNOWLEDGE AND AGREE TO THE FOLLOWING:

This document and its contents are confidential and proprietary to the Inter-American Investment Corporation (“IDB Invest”) and may not be reproduced, redistributed, published or passed on (or the contents otherwise divulged) to any other person, directly or indirectly, in whole or in part, for any purpose. This presentation is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction. This presentation and the information contained herein are not an offer of securities for sale in the United States or any other jurisdiction. This presentation does not constitute or form part of, and should not be construed as, an offer or invitation to sell securities of IDB Invest, or the solicitation of an offer to subscribe for or purchase securities of IDB Invest, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase any securities of IDB Invest should be made solely on the basis of the final terms and conditions of the securities and the information to be contained in the prospectus or equivalent disclosure document produced in connection with the offering of such securities. Prospective investors are required to make their own independent investigations and appraisals of IDB Invest and the nature of the securities before taking any investment decision with respect to securities of IDB Invest. The prospectus (or equivalent disclosure document) may contain information different from the information contained herein. The information in this presentation has not been independently verified. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the presentation and the information contained herein and no reliance should be placed on such information. None of IDB Invest, their advisers, connected persons or any other person accepts any liability for any loss howsoever arising, directly or indirectly, from this presentation or its contents

THESE MATERIALS ARE NOT DIRECTED AT OR ACCESSIBLE BY PERSONS RESIDENT OR LOCATED IN ANY JURISDICTION WHERE THE EXTENSION OF AVAILABILITY OF THE MATERIALS TO WHICH YOU ARE SEEKING ACCESS WOULD BREACH ANY APPLICABLE LAW OR REGULATION.

This presentation includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward looking terminology, including the terms “anticipates”, “believes”, “estimates”, “expects”, “aims”, “continues”, “intends”, “may”, “plans”, “considers”, “projects”, “should” or “will”, or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places and include, but are not limited to, statements regarding the Issuer’s intentions, beliefs or current expectations concerning the Issuer’s economy. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results, performance, achievements or industry results of IDB Invest’s economy may differ materially from those described in, or suggested by, the forward-looking statements contained in this presentation.

THESE MATERIALS ARE NOT DIRECTED AT OR ACCESSIBLE BY PERSONS RESIDENT OR LOCATED IN ANY JURISDICTION WHERE THE EXTENSION OF AVAILABILITY OF THE MATERIALS TO WHICH YOU ARE SEEKING ACCESS WOULD BREACH ANY APPLICABLE LAW OR REGULATION.

If you are not permitted to view materials or are in any doubt as to whether you are permitted to view these materials, please refrain from viewing them. These materials must not be, released or otherwise forwarded, distributed or sent in or into any jurisdiction in which such offers, or sales are unlawful. Persons receiving such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from any jurisdiction in which such offers, or sales are unlawful.

Confirmation of understanding and acceptance of disclaimer

I warrant that I am not located in any jurisdiction where accessing these materials is unlawful, and I agree that I will not transmit or otherwise send any materials to any person in any territory where to do so would breach applicable local law or regulation.

I have read and understood the disclaimer set out above. I understand that it may affect my rights and I agree to be bound by its terms. I confirm that I am permitted to view the materials.