

2021

SUSTAINABILITY
REPORT

2021 Contents

01	Message to society	Pag. 4	04	The Latin American and Caribbean bank for green and fair economic recovery	Pag. 66
02	About our sustainability report	Pag. 8		<ul style="list-style-type: none"> ● Providing advice and financial support Pag. 69 ● Contributing to the growth of productivity and competitiveness Pag. 76 ● Improving the quality of life Pag. 83 ● Following the development of infrastructure Pag. 100 ● Contributing to regional integration Pag. 110 ● Promoting the institutional frameworks and public digitalization Pag. 114 ● Promoting a green economy, resilient to climate change Pag. 119 	
	<ul style="list-style-type: none"> ● Stakeholders Pag. 10 ● Materiality Pag. 12 		05	With sustainable financial essence	Pag. 142
03	We are CAF	Pag. 16		<ul style="list-style-type: none"> ● Building alliances for sustainable development Pag. 144 ● Establishing mechanisms that contribute to the achievement of the 2030 Agenda and the Paris Agreement Pag. 147 ● Executing a socially responsible funding Pag. 153 	
	<ul style="list-style-type: none"> ● Our essence Pag. 19 ● Corporate governance and risk management Pag. 20 ● CAF talent Pag. 34 ● Responsible and sustainable procurement Pag. 46 ● Beyond environmental safeguards Pag. 39 ● Internal environmental management Pag. 50 ● Knowledge generation and management Pag. 53 		06	GRI Content index	Pag. 158



Message to society





Our commitment with Latin America and the Caribbean originates in a comprehensive vision of development, through which we guide our actions to overcome the structural barriers that slow down progress in the region, by means of strategies that contribute to a sustainable and inclusive development both at an environmental and social level, as well as by strengthening institutional frameworks at a national and sub-national level.

We make joint efforts with our shareholder countries, governments, allies, and the institution's personnel to be part of the region's transformation and achieve a better and more sustainable future for all.

As a response to the Covid-19 pandemic and the impacts triggered in the economies of the region, our countries have initiated a recovery phase. We have considered this event, unexpected for humanity, as an opportunity to reinforce our commitment and responsibility, increasing our operation with strength to provide quick and effective responses to our member countries, on the pillars of social inclusion, gender equity, the protection of the environment, and the comprehensive conservation of our planet. At CAF, we are committed to becoming the economic recovery and the green bank of Latin America and the Caribbean.

During 2021, we have ratified the support of our shareholder countries, who by consensus, approved a capitalization of USD 7 billion, the largest in the history of our institution, allowing us to duplicate our loan and project portfolio by 2030. In addition, we have worked to expand our field of action. In fact, El Salvador recently formalized its entry as a full member; Honduras and Chile have expressed their interest in doing the same.

With respect to our environmental and climate agenda, we want to strengthen the strategy of supporting our countries so they can achieve the environmental and climate commitments they have assumed in the framework of the international agreements. To this effect, we accompany them to identify, finance, and catalyze resources from third parties for initiatives that favor carbon neutral solutions based on nature, and on a sustainable use of the natural capital. We work to promote greater financing for climate projects, especially regarding issues related to energy efficiency and transition,

sustainable agriculture, positive biodiversity, hydric security, and residue management, among others, that enable the strengthening of resiliency and sustainability, but overall, responding to the needs and demands of the countries, adjusting to their availabilities and capacities.

In coming years, we will be actors of the environmental sustainability agenda, so our goal is to significantly increase our direct green financing in order to achieve 40% of the total approvals by 2026. By means of direct financing, but also helping countries mobilize third party financing, and providing training and knowledge, we want to become an ally of the transformation of the productive models, and place value on the region as the planet's greatest green power.

With a great commitment toward the future, we continue to prepare ourselves from a technical point of view, with the best human capital toward an organizational digital transformation that allows us to offer a more comprehensive service to our shareholders, with improved advisory services, more technical assistance, and sharing knowledge and best practices. In addition, we are making a great institutional effort to develop indicators that closely follow the United Nations Sustainable Development Objectives, contributing to the achievement of the objectives in this decade.

Finally, I invite you to read our Sustainability Report with the significant results of the 2021 management, which reflect our way of assuming regional and global challenges, with the conviction of remaining an increasingly relevant actor for the integration of Latin America and the Caribbean.



ABOUT OUR SUSTAINABILITY REPORT



Stakeholders

GRI 102-40

We keep a close relationship with our Stakeholders in order to promote the development of the Comprehensive Agenda for Development, and to generate synergies for compliance with its strategic objectives.

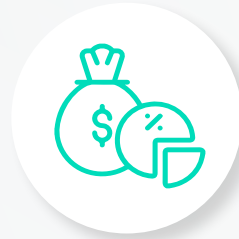
Some of the main actions that foster dialogue, communications, and relationships with our Stakeholders, carried out during 2021, include:

- In October, 2021, we carried out the 25th edition of the Annual CAF Conference. Together with the Inter-American Dialogue and the Organization of American States, it is one of the main hemispheric meetings that enable the debate and analysis of the main challenges and trends faced by the region in the global scenario.
- During a board meeting on December 7th, we created the Board Technical Committee, to promote communications with the administration in order to address issues and matters to be considered by this collegiate body.

Additionally, we have mechanisms to build relationships with our Stakeholders, which allow us to generate and strengthen our ties.

¹ The Board Technical Committee will start operations in 2022.

Stakeholders



Shareholders

- Meeting of the Shareholders' Assembly
- Board Meeting
- Meeting of the Audit Committee



Staff

- Tudei (intranet)
- electronic mail
- Lo+ Tudei Publication
- Internal communications strategies by project
- Human Capital Administration Committee
- Internal structures for valuation of positions, promotions, and performance evaluations



Society

- CAF's web page and other digital media (social networks)
- Electronic bulletins intended for segmented data bases
- Information published in communications media



Clients

- CAF's web page
- Other digital media (social networks)
- Communications media
- Electronic mails
- Forum
- Congresses



Suppliers

- Tender offers
- Information request (SDI)
- Private contest



Strategic allies

- Observer in annual meetings of multilateral institutions
- Framework agreements
- Coordination and public debate forum
- Joint work programs
- Meeting at the request of the parties

Permanent and/or when required

According to the requirements or requesting units, availability and budgetary execution

Materiality

GRI 102-46, GRI 102-47

For the preparation of this Sustainability Report, we carried out a review and update process of materiality, where:

- We aligned material topics to the vision promoted by the new administration of positioning CAF as the Green bank of Latin America and the Caribbean.
- We integrated the organizational changes and of development agendas in agreement with the commitment to support our countries addressing the effects of the COVID-19 pandemic, and in a resilient and sustainable economic recovery of the region.

Materiality process

- 01** Identificación of the sector's global trends
- 02** Identification of CAF'S expectations an economic, social, and enviromental impacts
- 03** Analysis and update of materiality
- 04** Topics and contents to disclose

Sources of information

The mentioned vice-presidencies were part of the current organizational structure up to the closing of the year 2021.

As a result of this analysis, we defined the contents of the Sustainability Report, which includes seven material topics.

- Materiality exercise of the **Sustainability Report** of the last two years.
- Subjects and strategic actions included in the **Activities and Budget Program (ABP)** for 2021.
- Characteristics, programs, and strategic actions promoted by CAF's 2021 **Comprehensive Development Agenda**.
- Interviews** with vice-presidents and directors at CAF to identify the main impacts of 2021.

Corporate Vice-Presidency for Strategic Programming (VCPE) Finance Vice-Presidency (VF) Private Sector Vice-Presidency (VSP)

Infrastructure Vice-Presidency (VIN) Country Programs Vice-Presidency (VPP) Sustainable Development Vice-Presidency (VDS)

Knowledge Vice-Presidency (VC)

- Main Risks **Report** of the World Economic Forum
- Main sustainable companies **Report** from the Dow Jones Sustainability Index
- Contents reported** by the Multilateral Banking system

Methodological note

Chapters five and six present information about the agendas and strategic focuses implemented for the management of material topics during 2021, the results of which are presented in terms of financing (credit and technical cooperation operations approved during the year) and relevant facts on the management of the agendas. The figures and results presented show the approvals with the institution's own resources which consider the elements developed for each

material topic, so it is possible that there may be operations addressed from more than one of them, including elements that impact on the different agendas.

The general figures of total approvals and their breakdown by sector are shown in the first section of chapter 5, "Providing advice and financial support."

For more details regarding the operational results for the year, see CAF's Annual Report.

About our sustainability report

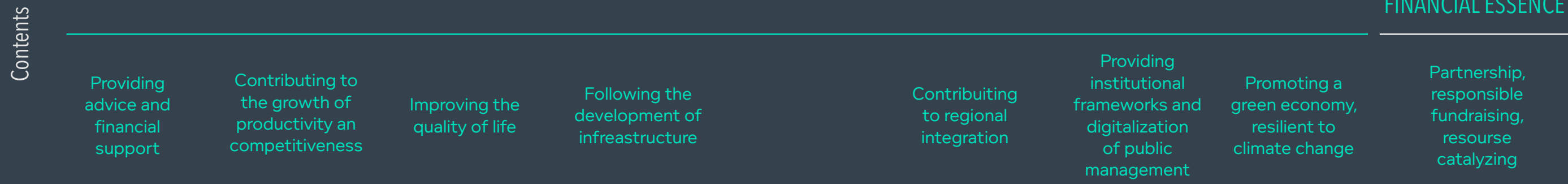
2021 Results of the materiality analysis



LATIN AMERICA AND THE CARIBBEAN BANK FOR THE

RECOVERY OF A GREEN AND FAIR ECONOMY

WITH SUSTAINABILITY FINANCIAL ESSENCE



Cross-cutting strategic programs

- Logistic integration corridors
- Digital agenda
- Financial inclusion
- Cities with a future



- Evaluation and follow-up of environmental and social safeguards
- Internal environmental management
- Knowledge management

We are CAF

03

WE ARE CAF

Our essence

Corporate governance and risk management

- Shareholder structure
- Integrity and ethics
- Management model and risk control
- Comprehensive risk management (GIR)
 - Business Continuity Management System (SGCN)
 - Security of information
 - Prevention and detection of asset laundering and financing of terrorism (PDLAFT)
- General Audit

CAF Talent

Responsible and sustainable sourcing

Beyond environmental safeguards

Internal environmental management

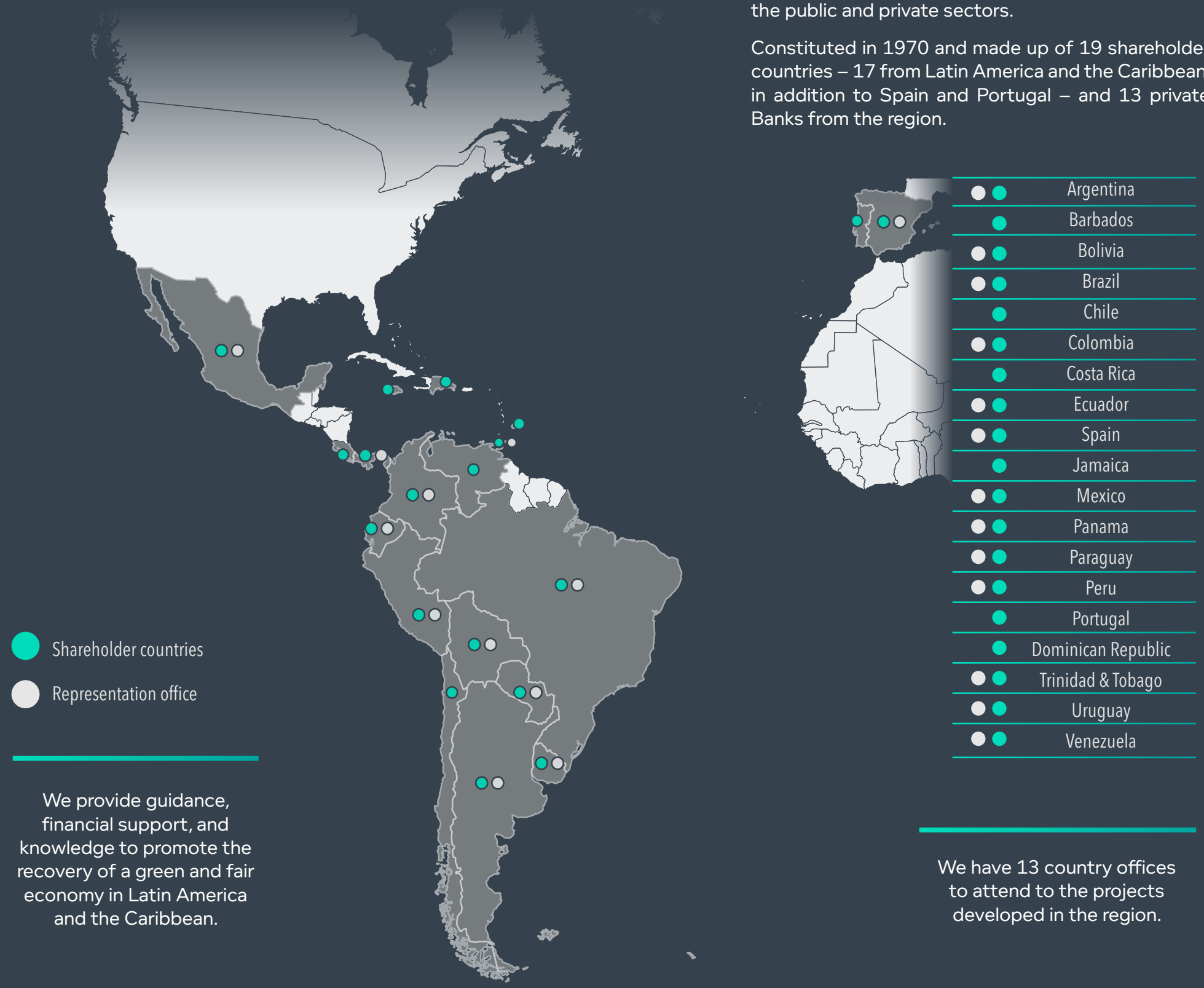
Generation and management of knowledge

Our essence

GRI 102-1, 102-2, 102-3, 102-4, 102-6

We promote a sustainable development model for Latin America and the Caribbean, through credit operations, non-reimbursable resources, and support in the technical and financial structuring of projects in the public and private sectors.

Constituted in 1970 and made up of 19 shareholder countries – 17 from Latin America and the Caribbean, in addition to Spain and Portugal – and 13 private Banks from the region.



● Shareholder countries
○ Representation office

We provide guidance, financial support, and knowledge to promote the recovery of a green and fair economy in Latin America and the Caribbean.

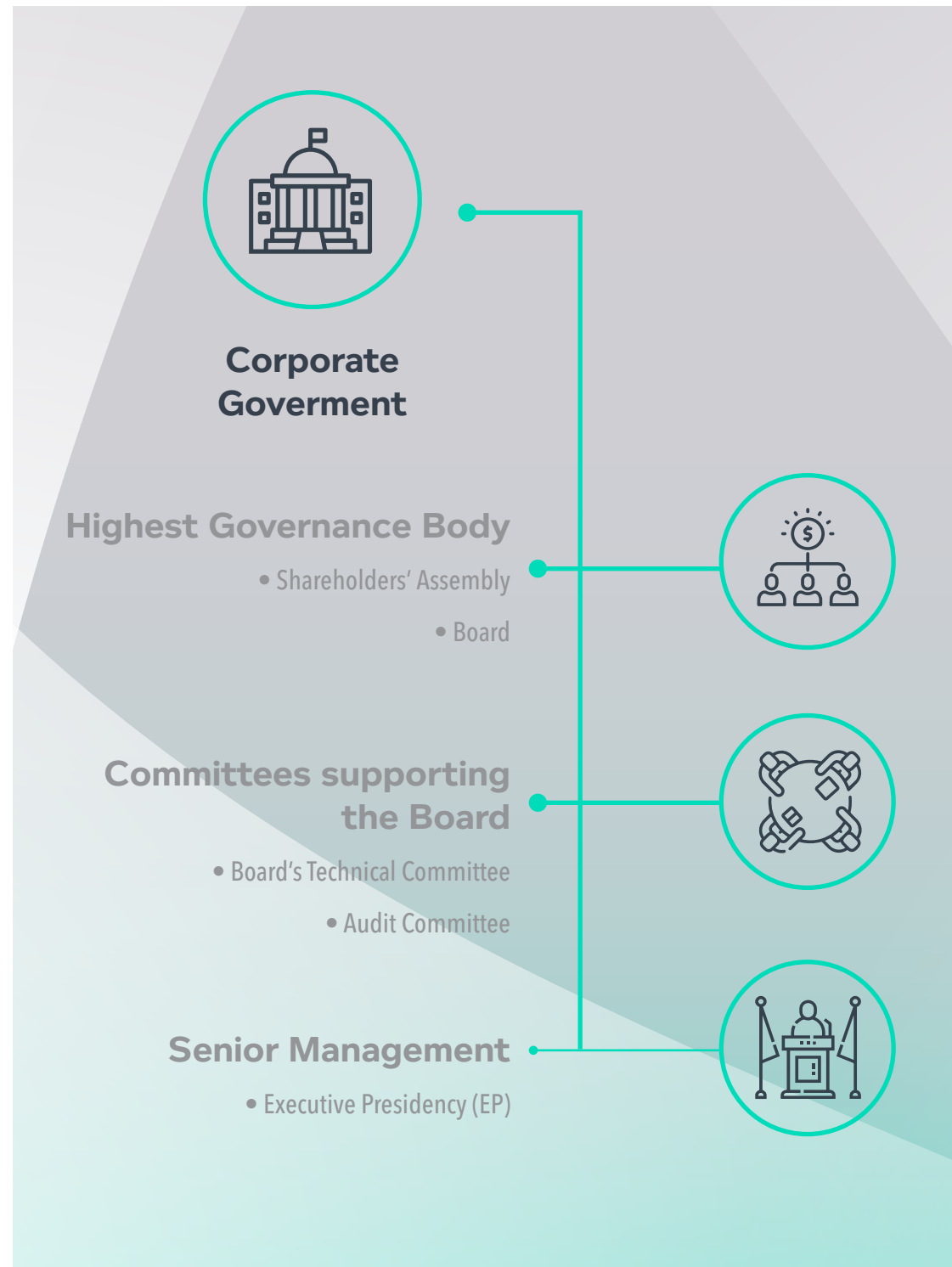
We have 13 country offices to attend to the projects developed in the region.

Corporate government and risk management

GRI 102-10, 102-18

By means of a solid government entity we seek the economic integration of our shareholder countries to accelerate the economic and social development of our peoples. Our government scheme is established in the [Constituent Agreement](#) and the [General Regulation](#), as well as the description, composition, and tasks of our collegiate bodies.

During 2021, our collegiate bodies continued their operations in the midst of the effects of the Covi-19 pandemic, in order to favor a timely approval of the necessary operations for the benefit of the region. We highlight the creation of the Board's Technical Committee, in charge of maintaining a permanent and prompt communication between our management and the members of the Board, regarding issues and/or matters to be considered by the latter in ordinary or extraordinary meetings, or under the mechanism established in Article 60 of CAF's Constituent Agreement.



Other support committees:

Management Coordination Committee

Aligns the actions of the organizational units with the corporate strategies and decisions of the EP.

Credit and Investment Committee

Considers the eligibility and evaluation of patrimonial credit and investment operations (approvals, renewals, reviews, waivers, amendments and official ratings).

Special Funds Credit and Investment Committee

Makes recommendations regarding patrimonial credit and investment operations charged to Special Funds (FIDE, FONDESHU and other funds created by CAF).

Financial Management Committee

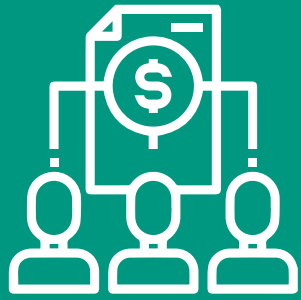
Plans, coordinates, directs, and controls the level, flow, cost, financial risk, and yield of assets and liabilities, and evaluates their impact on our financial statements.

Special Funds Committee

Makes recommendations to the EP or the board regarding the technical cooperation operations and the management and administration of third-party resources.

Other noteworthy results:

- In October 2021, we celebrated our 25th edition of the Annual Conference online.
- On March 2, The XIX Shareholder's Extraordinary Assembly approved the conditions for the incorporation of Costa Rica and Mexico as CAF's member countries, allowing them to have more access to long-term financial resources, technical cooperation for their sustainable development, and a permanent chair in the Board, among other benefits.



Shareholder structure

GRI 102-5

We are a multilateral financial institution of public international law, created by the "Constituent Agreement of the Corporación Andina de Fomento", subscribed in the city of Bogotá on February 7, 1968.

In agreement with article 5 of the Constituent Agreement, we have ordinary capital shares (series A, B, and C) and guarantee capital shares (series B and C), as detailed below:

Type	Series	Amount (USD million)	Number of shares	2021 shareholders
Ordinary capital	A		15	11 countries
	B	10,000	1,600,000	32
	C		396,400	9
Guarantee capital	B	5,000	700,000	11
	C		300,000	4



The trust of our shareholder countries was reflected in the historical capital increase of **USD 7 billion**, approved by our Board on December 2021.

Integrity and ethics

GRI 102-16

At CAF we promote a culture based on respect and integrity. We have guidelines of ethical conduct that guide the actions of our staff, workers, and suppliers, according to ethics principles of general acceptance that are permanently disseminated.

Monitoring the principles and behaviors included in this instrument is in charge of the Integrity and Ethics Committee. For this purpose, there are reporting channels as well as specific sites on the web page, access from the corporate intranet for associates, together with processes for their dissemination and permanent reinforcement.

Prevention of forbidden practices in our operations

The manual for the prevention of forbidden practices establishes regulations and procedures, elements to prevent, detect, research, and sanction forbidden practices linked to CAF operations carried out by persons or entities, including corrupt, fraudulent, coercive, collusive, and obstructive practices, as well as improper use of funds.

The elements of the program for the prevention of forbidden practices are the following:

- 01

Committee for the prevention of forbidden practices
- 02

Reports and reporting venues
- 03

Research of reports
- 04

Sanctions
- 05

Independence
- 06

Protection and confidentiality
- 07

Responsibility of the entities that receive funds
- 08

Prohibitive lists regarding prohibitive practices
- 09

Culture for the prevention of prohibited practices

The supervision of the principles and conducts included in this instrument is in charge of the Committee for the prevention of prohibited practices. For this purpose, there are reporting channels and processes for their dissemination and permanent reinforcement.

At CAF we also train our staff regarding these issues. Particularly, during 2021 we carried out the first virtual course on prevention of forbidden practices, with the participation of 728 staff members.

Management model and risk control

GRI 102-29, 102-30

Comprehensive Risk Management (GIR, for its acronym in Spanish) is a process that allows us to have a global vision of risks and to generate information to timely detect, evaluate, report, and mitigate the risks to which we are exposed, which is essential to provide a reasonable security for compliance with our strategic objectives and sustainability.

We have consolidated a culture of risks by involving our personnel in the management of risks that are inherent to the activities they perform, adopting a series of fundamental principles that guide risk management on the basis of a preventive approach:

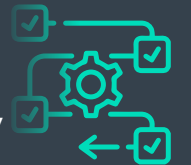
Independence

Separation of duties, necessary for the integrity of the process



Transparency

Systematic process, structured, traceable and documented



Continuity

Iterative process with adaptive capacity



Consistency

and equilibrium between risks and creation of value



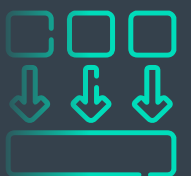
Responsibility

and precise roles for each and every staff member



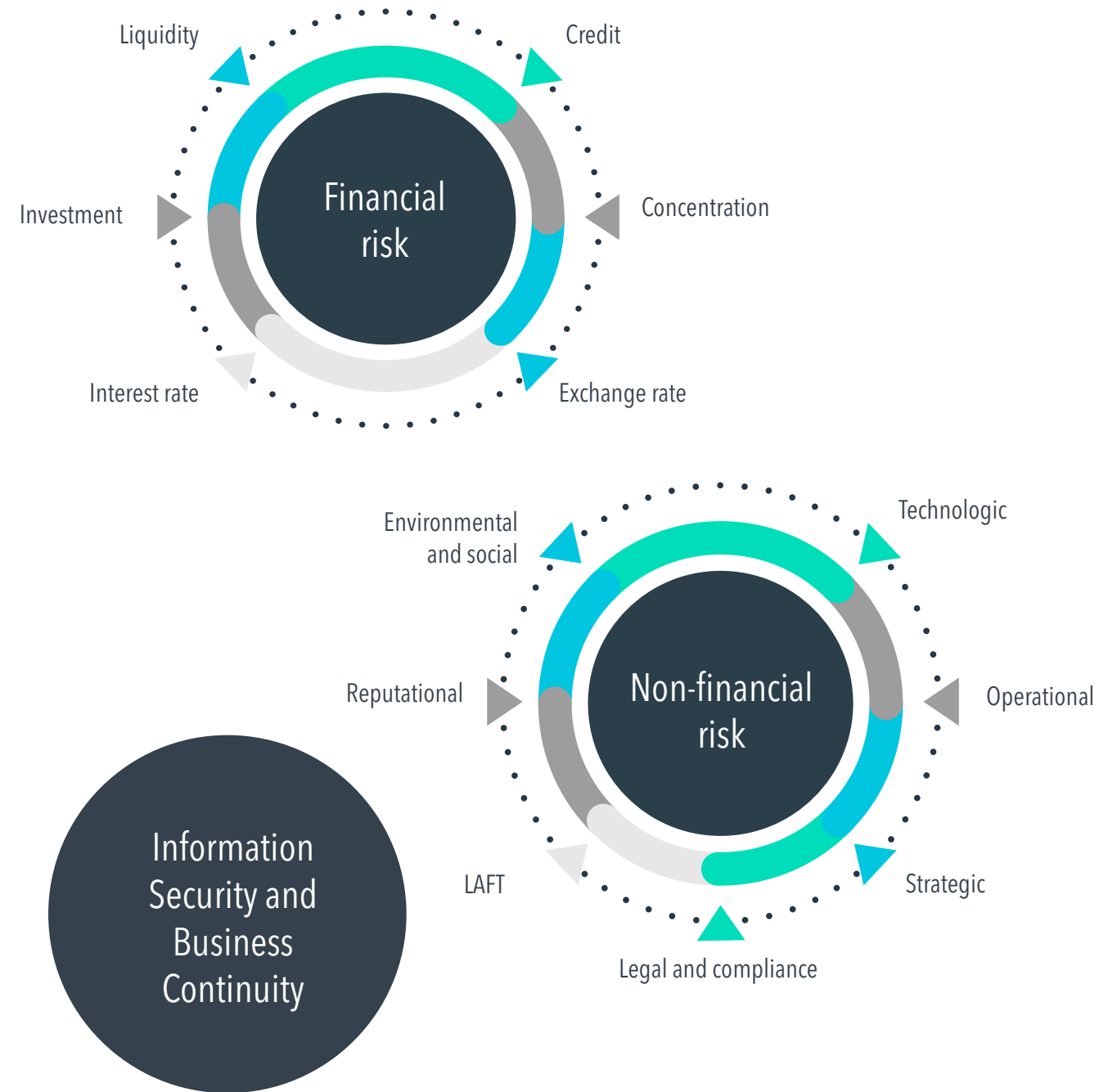
Completeness

cross-cutting and includes all processes



Monitoring and risk reporting

The GIR is defined in Three Defense Lines independent of each other, which participate in a differentiated and coordinated manner for its adequate management.



We report through tools that are reviewed and updated regularly to ensure their consistency with activities that take risks, as well as their adequacy to the international standards of reference. Thus, we conducted an early identification of risks, their evaluation, and control of compliance with the internal regulations.



Financial risks

Non-financial risks

<ul style="list-style-type: none"> • Monitoring of risks associated to the management of financial assets and liabilities 	<ul style="list-style-type: none"> • Risk Maps and matrices, necessary causes and controls
<ul style="list-style-type: none"> • Reports on portfolio review 	<ul style="list-style-type: none"> • Reports on the level of exposure to identified risks, and the controls defined for their management
<ul style="list-style-type: none"> • Follow-up of metrics and appetite for risk thresholds 	<ul style="list-style-type: none"> • Data base for report on operational risk events
<ul style="list-style-type: none"> • Verification of compliance with norms 	

Noteworthy achievements and advances

- Formalization of the Framework and Declaration of Risk Appetite for the credit portfolio without sovereign guarantee.
- Continuous development and improvement of the regulatory framework and tools to strengthen risk management processes in their different stages.
- Comprehensive management of risks from the origination and granting of credits and investments (334 operations/clients), and at the stage of operations management (rating, waivers, and/or amendments of 505 operations/clients).
- Evaluation and contribution to the mitigation of risks associated to the discontinuity of the Libor rate and Assets and Liabilities Management strategy (ALM).
- Strengthening of the monitoring and control of collateral exchanges associated with the financial derivatives.
- Implementation of the corporate map of operational risks.
- Execution of training plans and internal workshops to strengthen the corporate culture regarding risks.

Business Continuity Management System (SGCN)

Our SGCN enables to minimize the risks of interruption of the critical processes in the business, as well as guarantee the continuity of activities in the face of incidents that may paralyze operations.

For the sixth consecutive year we have successfully carried out the audit to re-certify the SGCN in the ISO 22301 norm², showing our compliance with the international norm even in unavailability scenarios generated by the pandemic.

Activities of the SGCN	2020	2021
Audits carried out	2	1
Interruption risks managed	22	24
Materialized interruption incidents	1	1
Staff which is part of the SGCN	150	150
Staff trained in the SGCN	144	159
New staff trained in the SGCN	50	72

² ISO 22301 - security of society within the management systems of business continuity. Audit carried out by the British Standards Institution (BSI).

The COVID-19 pandemic affected four of the five enabling resources of the SGCN, so the Management Coordination Committee (CCG) decided to implement the remote work strategy for all the organization in the framework of which several actions were executed, as shown below:

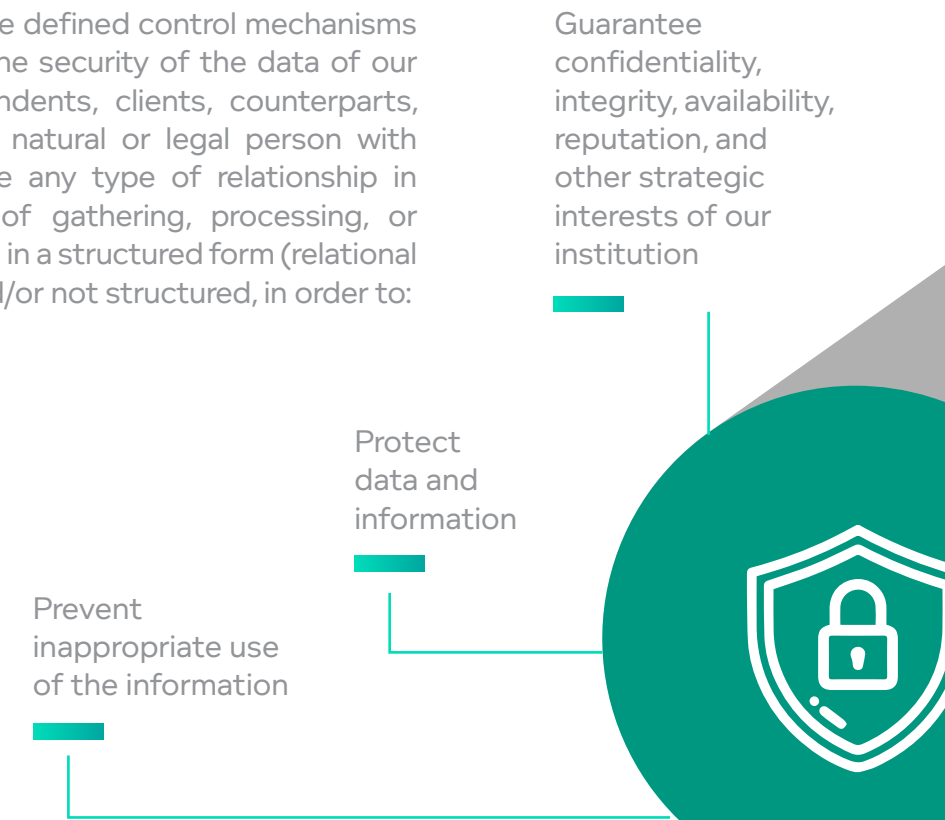
- Increase in the number of licenses of the platform used for remote connection. We assigned cards with coordinates for all staff members.
- Activation of collaborative platforms (OneDrive and Microsoft Teams).
- Acceleration of the migration Project from

the main data center in Miami to Panama, increasing the capacity in the technological platform, to guarantee the remote work of 100% of the staff.

- Update of plans, recovery strategies, and crisis management guidelines as a result of the improvement opportunities detected during the operation in pandemic conditions.
- Strengthening of the training program on business continuity. This leads to an interactive course on business continuity designed in the UVCAF platform which will be launched in 2022.

Information security

At CAF we have defined control mechanisms to guarantee the security of the data of our workers, dependents, clients, counterparts, and any other natural or legal person with whom we have any type of relationship in the activities of gathering, processing, or storage of data in a structured form (relational databases) and/or not structured, in order to:



We are CAF

In the framework of the information security program, we carried out the following activities:

- Analysis and development of the design of roles and profiles for the different components that make up our technological platform.
- Review of the information protection measures in our critical and sensitive information assets.
- Cybersecurity conferences in teleworking and IT risks carried out as part of the awareness program, addressing the following issues:

- How to recognize a phishing attack.
- Safe use of devices and connections for the protection of information in personal and corporate devices.
- Protection of personal data in agreement with the internal regulation.
- Advice to mitigate information security risks during telework and for a safe management of the corporate information in the teleworking environment.
- COVID-19: actions to mitigate information security risks, main threats and attacks related to the pandemic, and protection measures.

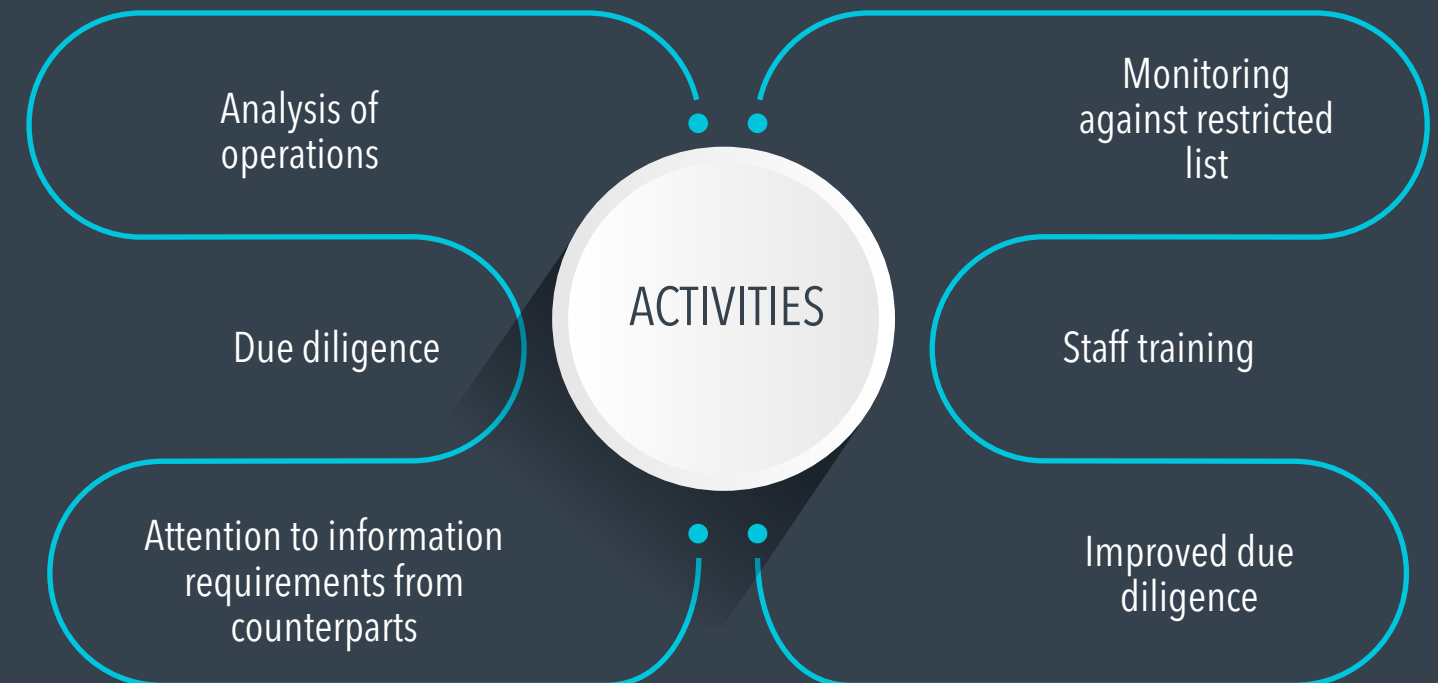
During the 2021 period, we did not receive any complaints or claims from third parties nor regulatory entities, related to the loss or leak of data.

Prevention and detection of asset laundering and financing of terrorism (PDLAFT)

Our System for the Prevention and Detection of Asset Laundering and Financing of Terrorism (SPDLAFT, for its acronym in Spanish) has been developed in adherence to international standards and includes the following elements:

- | | | |
|--|--|--|
| 01 Senior management commitment | 02 Establishment of the regulatory framework | 03 Culture and training |
| 04 Research and data analytics | 05 Monitoring, testing and continuous improvement | 06 Technological systems and risk tools |

Our risk management and mitigation actions are focused on:



Activities carried out regarding PDLAFT during 2021:

	2020		2021	
	Total	Percentage	Total	Percentage
Analysis of operations	109	23%	96	21%
Addressing counterpart requirements	95	20%	88	19%
Advisory services in client due diligence	86	18%	83	18%
Advisory services for credit processes	68	14%	40	9%
Management of internal requirements	36	8%	84	18%
Advisory services in fund raising	34	7%	32	7%
Application of improved due diligence	33	7%	34	7%
Other activities	9	2%	5	1%

The continuous improvement of SPDLAFT is essential; therefore, during 2021 we updated the manual for the management of asset laundering and financing of terrorism risks, as well as the associated forms, and we held 35 workshops regarding the new norms. In addition, we published the new space for internal communications.

Description	2020	2021
Activities carried out regarding PDLAFT	470	462
Staff participating in training activities regarding PDLAFT matters	732	745

General audit

Our general audit processes enable the verification of compliance with the applicable norms for the development of CAF activities, in addition to evaluating the effectiveness, efficiency, and economy of the processes to ensure their alignment with our strategic objectives.

To ensure the achievement of the stated objectives, a line of communication is established between the Executive President, the Audit Committee, and the General Auditor; the latter in charge of:

- a) Defining and guiding the execution of the Audit Annual Plan according to the results of the risk evaluation mechanisms.
- b) Monitoring and following up the action plans.
- c) Advise the areas regarding control and risk mechanisms.

Achievements of the 2021 management

- **Improvements in the audit planning process:** to align, from the audit plan, the risks map and the processes map up to CAF's value chain.
- **Systematization of design activities and execution of audit tests:** to deepen the analysis of aspects with greater risk in the organization's key processes and design more efficient tests through statistical sampling.
- **Standardization of the design of audit programs:** to reduce execution times of routine tasks of the audit team, thus, allowing to conduct six (6) additional reviews requested by senior management.



Description	2019	2020	2021
a. Audit processes carried out and compliance of the annual audit plan			
Audit processes carried out	19	26	24
Compliance with the annual audit plan	112%	144%	135%
b. Planned audit processes			
Planned audit processes	17	18	17

We are CAF

CAF talent

Our workers are the key for the achievement of a successful and sustainable management. For this reason, we support their development by facilitating training and evaluations for their continuous improvement, providing a working environment where diversity, equity, and inclusion are of prime importance.

Staff distribution

GRI 102-8

We closed 2021 with a working staff of 815 workers, where 97% was made up by our direct collaborators and 3% by external personnel.

Workers by contract and by gender

The participation of women in the working force reached **47%.**

2020 2021

	2020		2021	
	Men	Women	Men	Women
Direct workers with indefinite contract	399	332	422	352
Direct workers with fixed term contract	10	7	5	13
External workers with indefinite contract and fixed term contract	7	16	8	15
Total	416	355	435	380
%	54%	46%	53%	47%

Distribution by region and type of contract

Of our total payroll, 36.4% concentrated at Headquarters. The remaining payroll was distributed between the different offices that make up the North and South regions.

	2020		2021	
	Indefinite	Fixed	Indefinite	Fixed
Headquarters	301	8	282	6
North	264	3	307	5
South	166	6	185	7
Total	731	17	774	18
%	98%	2%	98%	2%

Distribution by gender and type of contract

98% of direct workers have indefinite term contracts, while external workers work under the fixed-term modality. It is important to mention that we do not have part-time workers.

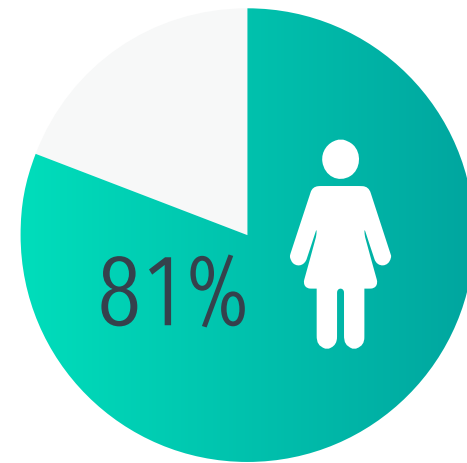
2020 2021

	2020		2021	
	Men	Women	Men	Women
Full time	416	358	427	365

Distribution by working category, gender, and age range

GRI 405-1

With respect to gender, women hold 81% of professional positions. With respect to the age range, the largest percentage of workers are between 30 and 50 years old.



Management

Between 18 and 30	♂ 0	♀ 0
Between 30 and 50	♂ 21	♀ 3
Over 50	♂ 24	♀ 17

Professionals

Between 18 and 30	♂ 22	♀ 41
Between 30 and 50	♂ 260	♀ 203
Over 50	♂ 64	♀ 54

Administrative

Between 18 and 30	♂ 0	♀ 7
Between 30 and 50	♂ 14	♀ 24
Over 50	♂ 22	♀ 16

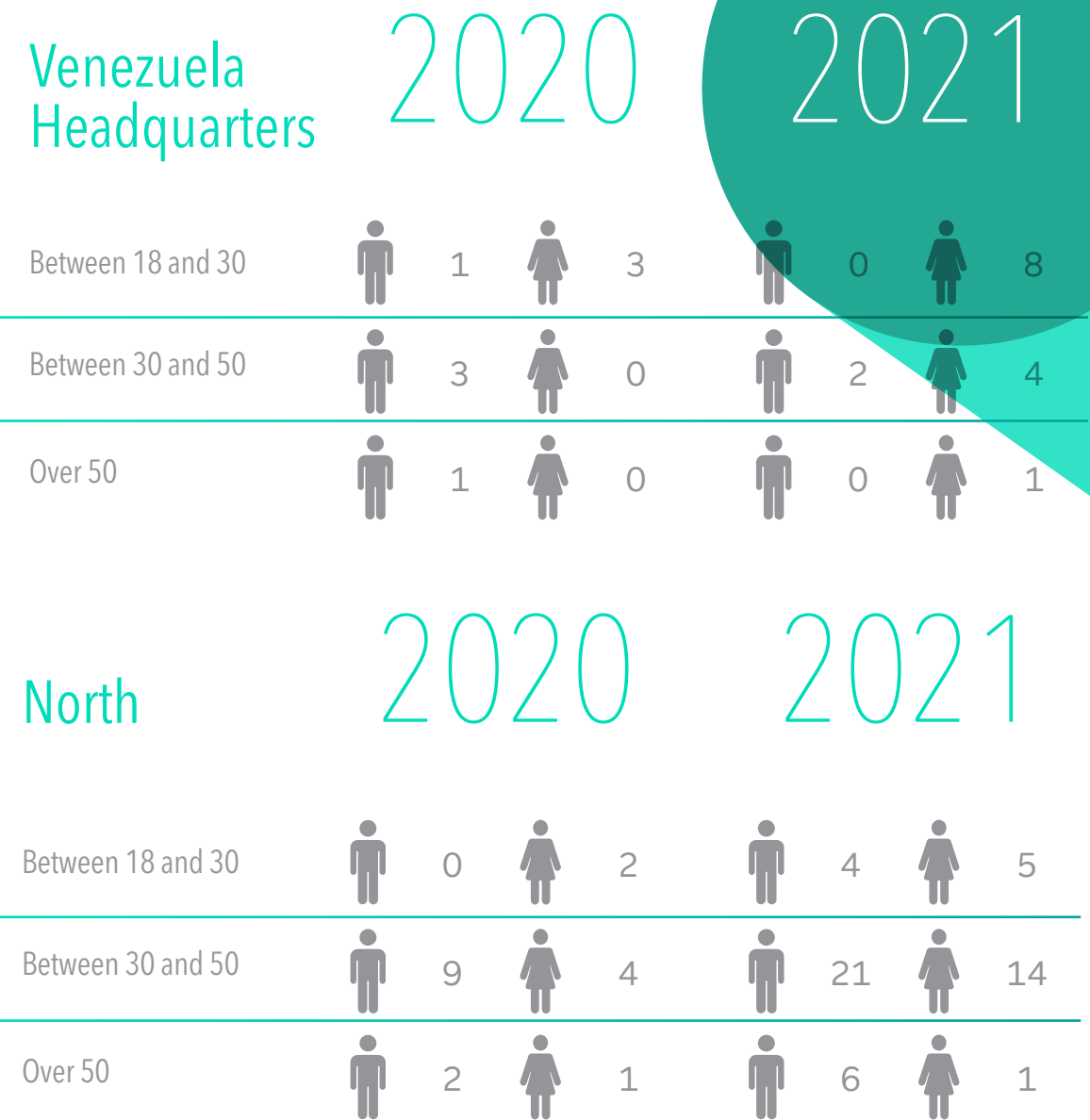
Total

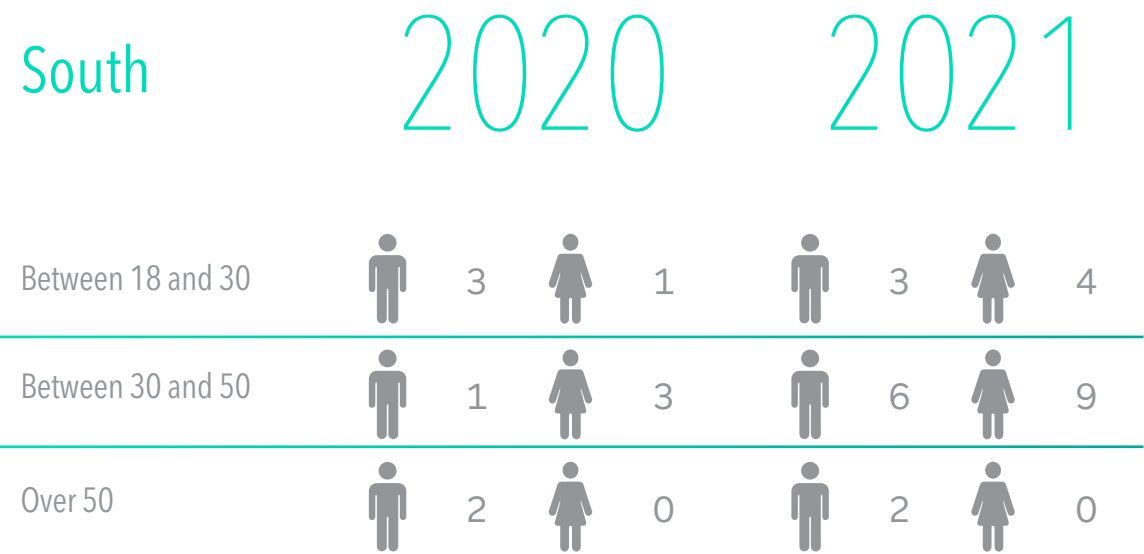
Between 18 and 30	♂ 22	♀ 48
Between 30 and 50	♂ 295	♀ 230
Over 50	♂ 110	♀ 87

New recruits

GRI 401-1

As follow, detail of the total number and rate of new contracts during 2021, by age, gender, and region.





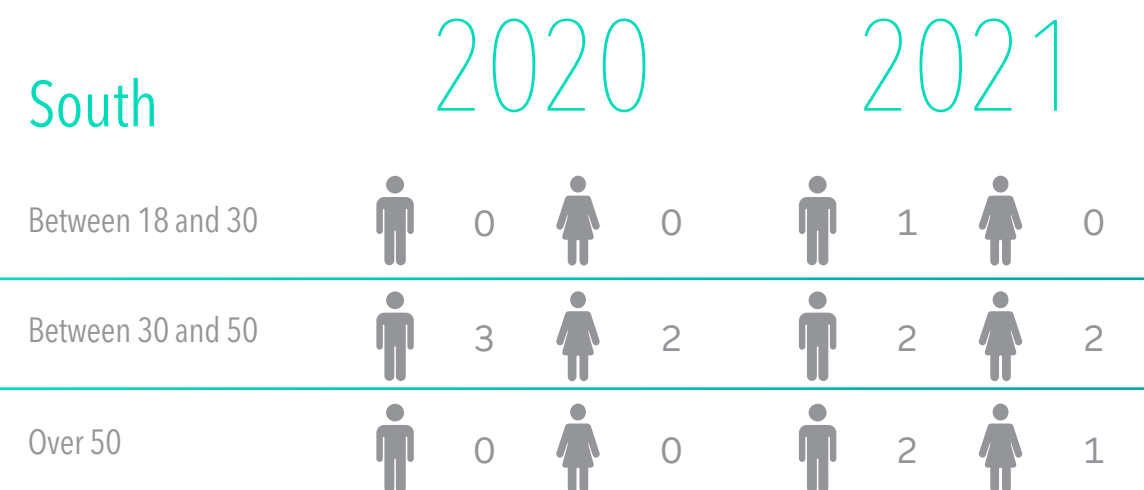
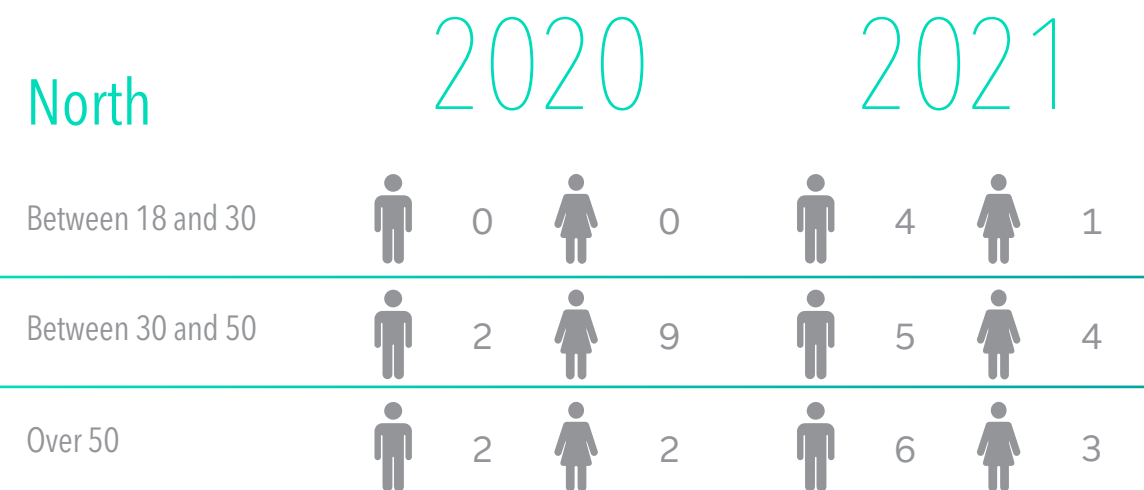
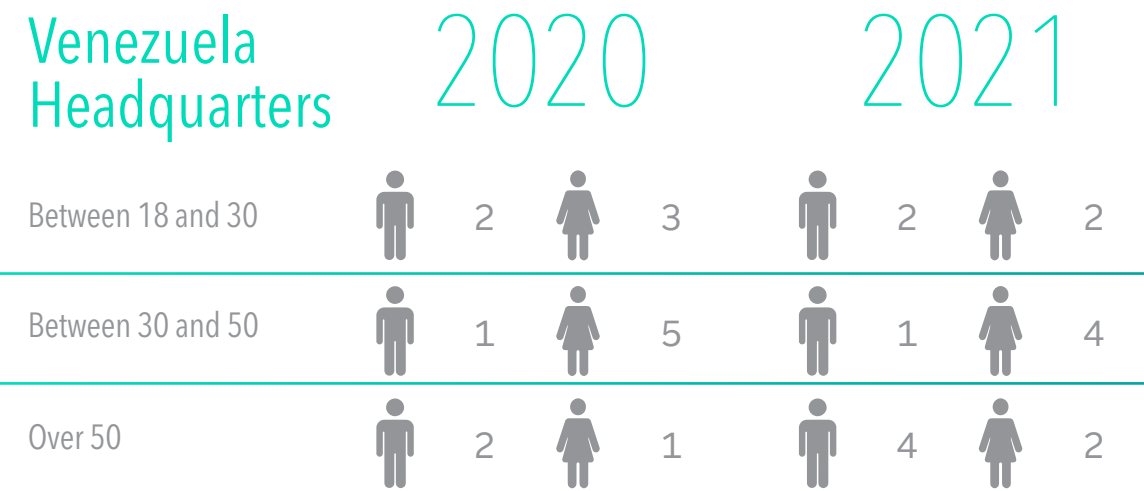
New hires

	2020	2021
Number of new hires	36	90
Rate of new hires	0.40%	1%

Rotation

GRI 401-1

As in previous year and in spite of the difficult economic context after the impact of the COVID-19 pandemic, we maintained the working conditions for our workers. Our general rotation rate reached 8.9%.



Staff Rotation

	Total withdrawals	Withdrawal rate
2019	46	9.4%
2020	34	4.7%
2021	46	8.9%

Remuneration and well-being of our workers

GRI 202-1, 401-2, 405-2

We have a salary policy that allows us to maintain a competitive level in the work market with respect to salary scales. Our salaries are above the minimum salary established in each of the countries where we operate.

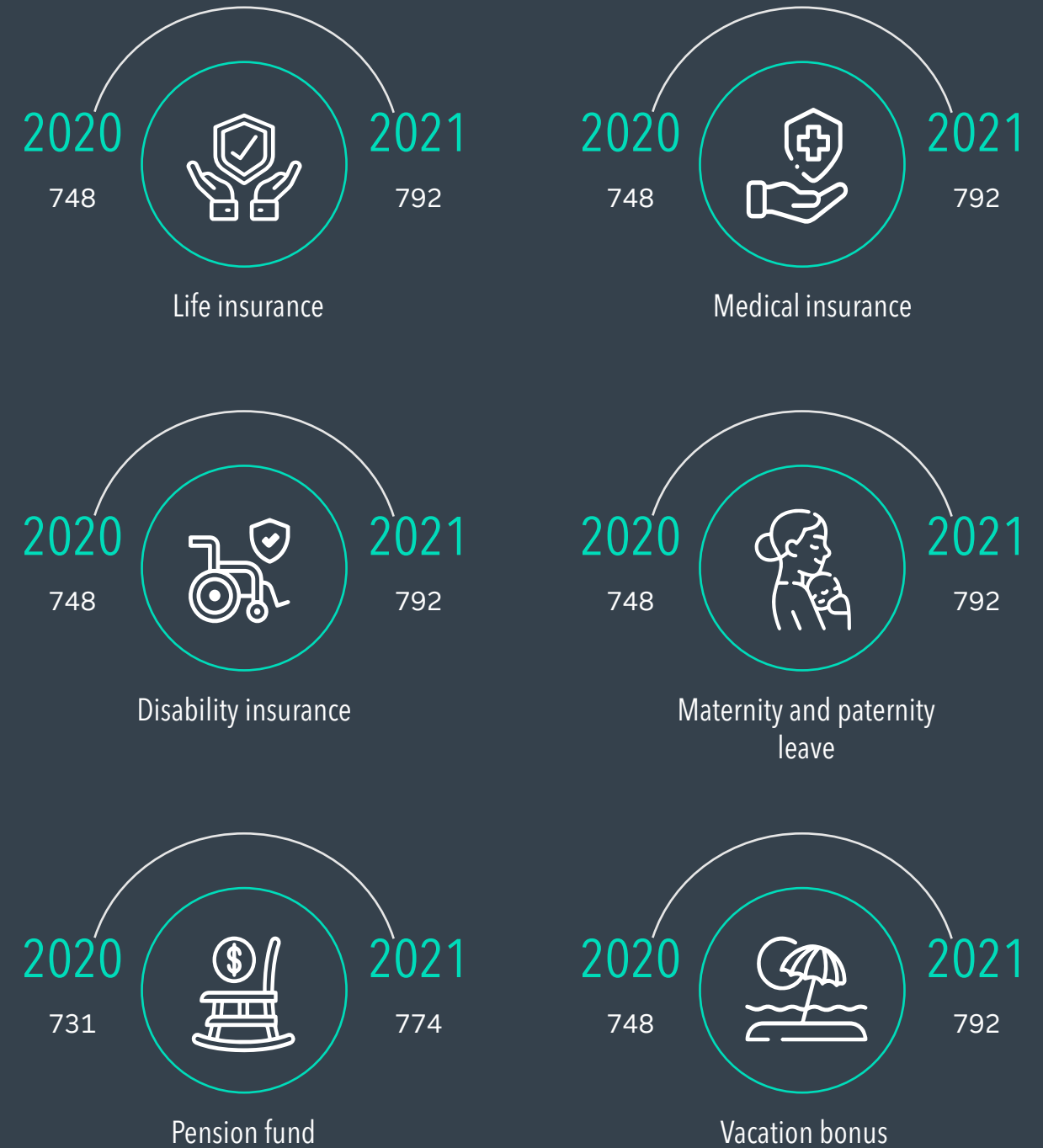
It is important to mention that, consistent with our commitment of providing equal treatment, there are no salary differences by gender or significant differences between the base salary and total remuneration in the different working categories of our Institution.

2020

2021

Working category	Relationship of the base salary between males and females	Relationship of the remuneration between males and females	Relationship of the base salary between males and females	Relationship of the remuneration between males and females
Senior management	0.0%	0.0%	0.2%	0.2%
Management			0.0%	0.0%
Senior Professionals	0.0%	0.0%	0.0%	0.0%
Intermediate Professionals	0.0%	0.0%	0.0%	0.0%
Professionals	0.0%	0.0%	0.1%	0.1%
Administratives	0.4%	0.4%	0.4%	0.4%

The following table details the number of workers that enjoy different benefits offered by the Institution:



We are CAF



Family allowance



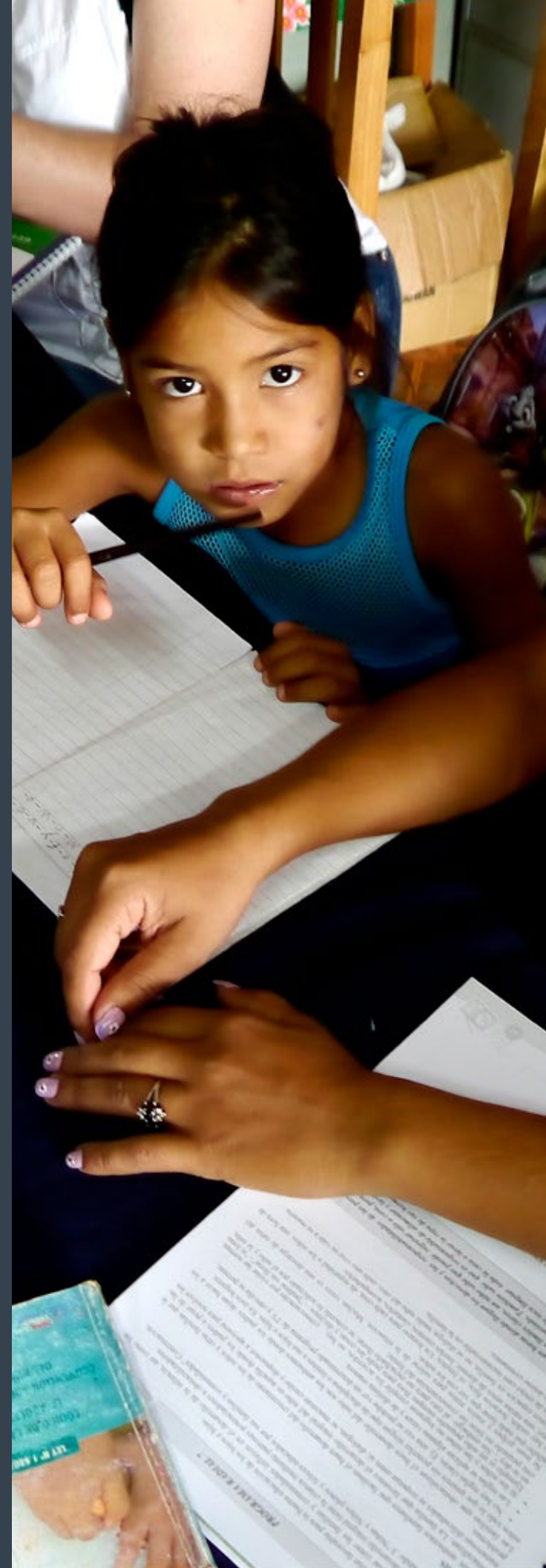
Educational subsidy for dependants



Seniority benefits



Profits



Pension fund*

Consists of two contributions, one made by each employee, corresponding to 7% of his/her basic monthly salary, and the other assumed by CAF.

Its objective is to grant the benefit of a pension to workers when they retire and/or in case of permanent disability.



Vacation bonus

A bonus is granted equivalent to fifteen (15) days of salary during the first year of service, plus one (1) day for each year of service starting on the second year.



Family allowance*

Workers have the right to an annual allowance for each dependent recognized by CAF



Educational subsidy*

Workers have the right to receive an educational allowance that contributes to cover the financial obligations related to the education of their dependent children.



Seniority benefits

Equivalent to five days of remuneration for each working month. In addition, after the first year of service, CAF pays the employee two days of salary for each year worked, up to 30 additional days of remuneration.

*Benefit applies for personnel employed under unlimited period contracts.

Training and performance

GRI 404-1

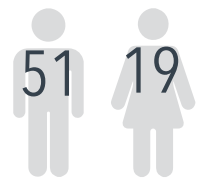
We managed to offer a total of 36,569 hours of training through diverse programs.

2019 2020 2021

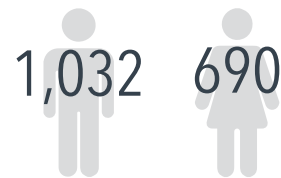
Trained workers	759	763	814
Hours of training	23,329	39,748	36,569
Average training hours per worker	31	52.1	46.2

Management

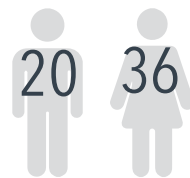
Trained workers



Hours of training

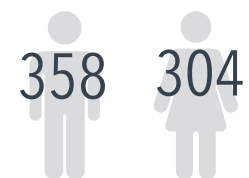


Average training hours per worker

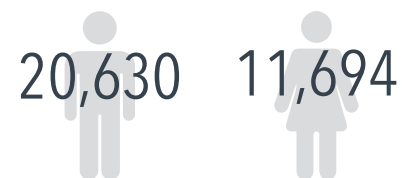


Professionals

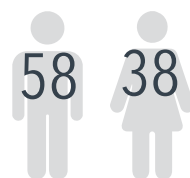
Trained workers



Hours of training

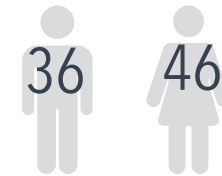


Average training hours per worker



Administratives

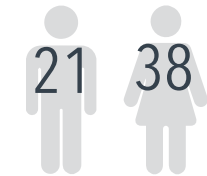
Trained workers



Hours of training



Average training hours per worker



Performance evaluation

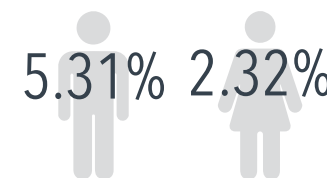
GRI 404-3

Our practices include the execution of performance evaluations once per year, with a follow-up phase during the period. During 2021, 734 workers were eligible for the performance evaluation process. The criteria to participate in the process is that they must have been at the Institution for at least six months during the year that is the object of the evaluation.

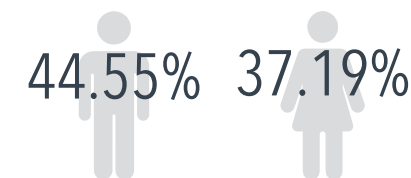


Working category

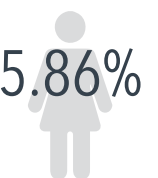
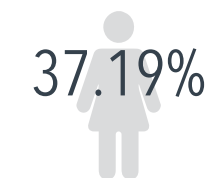
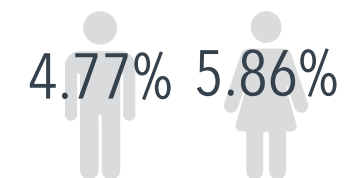
High management



Professionals



Administrative



Responsible and sustainable procurement

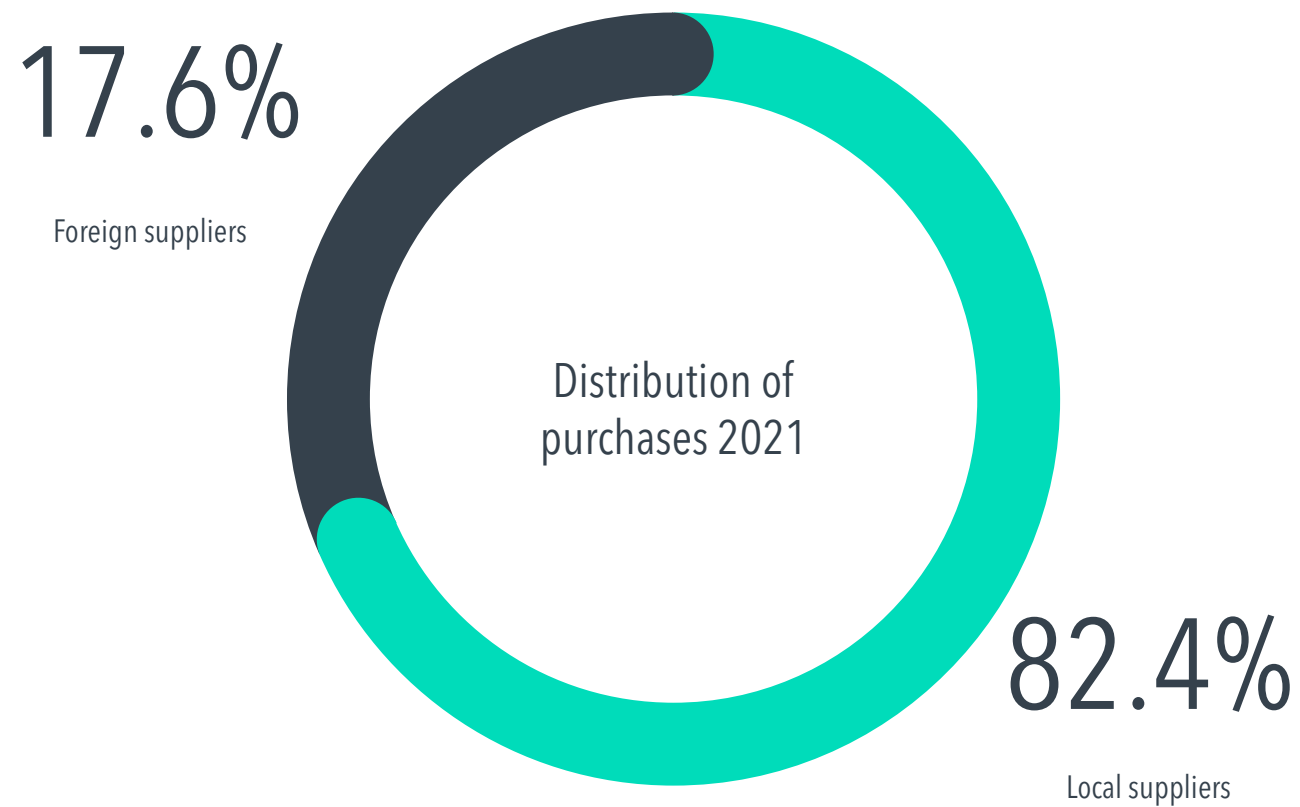
Local suppliers

GRI 102-9

We are concerned about guaranteeing transparency and impartiality in the development of our administrative processes by applying due diligence adjusted to the internal norms in the supplier registry processes, acquisition of goods, and contracting of services.

GRI 204-1

The amount associated to contracts and goods for 2021 reached **USD 56.26 million**, of which 82.4% corresponds to local suppliers³ and the remaining 17.6% to foreign suppliers.



³ **Local suppliers:** Those that are physically located in the countries where CAF maintains representation offices.

2019 2020 2021

Suppliers of goods with whom there is a commercial relationship	262	239	155
---	-----	-----	-----

Percentage of suppliers of local goods	83%	84%	79%
--	-----	-----	-----

Total amount of contracted goods	USD 12,03 MM	USD 8,49 MM	USD 6,93 MM
----------------------------------	--------------	-------------	-------------

Suppliers of services and consultancies with whom there is a commercial relationship	725	698	665
--	-----	-----	-----

Percentage of local suppliers of services and consultancies	80%	81%	83%
---	-----	-----	-----

Total amount of services and consultancies contracted	USD 61.67 MM	USD 41.47 MM	USD 49.33 MM
---	--------------	--------------	--------------

With respect to 2020, awards to suppliers located in our member countries maintain the trend, thus strengthening our institutional commitment to support the economies of the region.

It is important to highlight that, despite the world's economic and logistic problems, we managed to maintain our procurement operations.





Supplier satisfaction

In January 2022, we carried out the satisfaction survey with our suppliers, regarding the quality of services corresponding to 2021. We sent 794 invitations (83 were returned) and obtained 170 responses (23.9% participation).

The survey's global result showed a degree of supplier satisfaction of 98.8%, similar to the one registered in 2020.

We received 136 comments, of which:

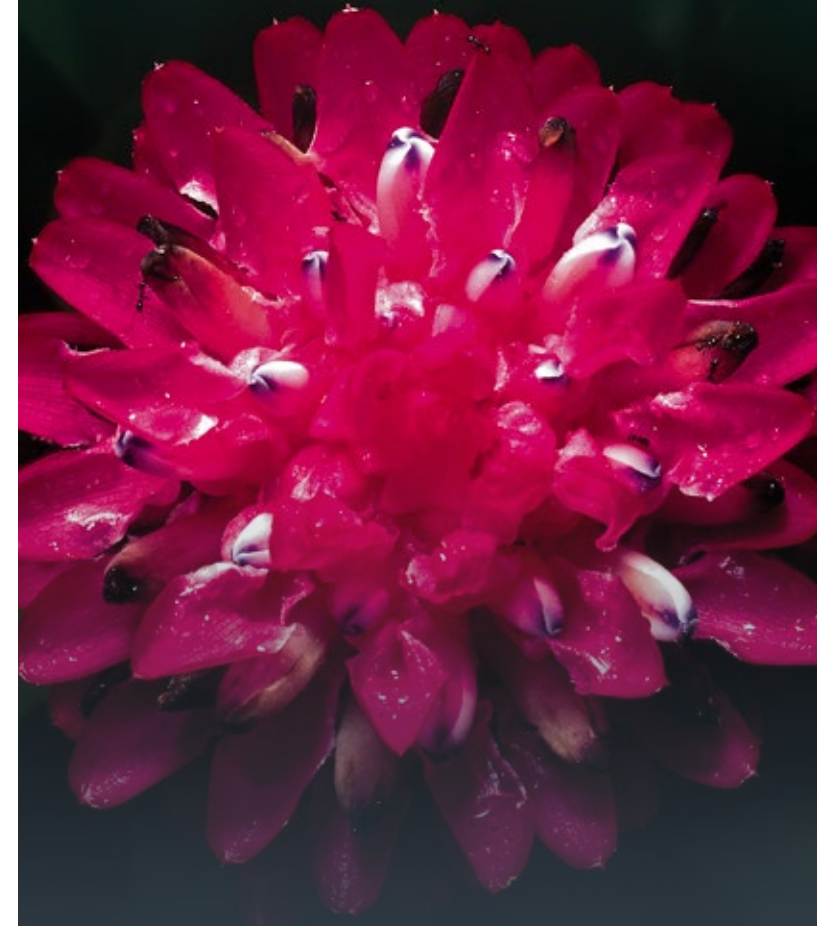
- Eighty-eight percent referred to satisfactory experiences regarding relationships with CAF, highlighting the responsibility of our staff, compliance with contractual agreements, and timely payment of its commitments.
- Seven percent were associated to dissatisfaction, mainly due to delays in responses and complexity in some processes.

Beyond environmental safeguards

GRI 102-29, 102-30

For us, it is essential to know the potential environmental, social, and climate risks of the projects we finance. For this reason, from the first stages we carry out an environmental and social due diligence process that allows us to establish an action plan. On the one hand, this plan considers a series of measures aimed at preventing, mitigating and/or compensating the environmental and social impacts generated by the operation, considering the guidelines established in CAF's Environmental and Social Safeguards. On the other hand, it seeks to promote and enhance the opportunities for environmental and social co-benefits.

In 2021, we conducted 1,126 evaluation activities and social and environmental follow-up of credit operations in their different stages.



Specific requirements 2021

Environmental and social follow-up actions during the year	1126
Preliminary evaluations	43
Due diligence	54
Technical criteria	856
Follow-up missions	102
Environmental and Social Risk Reports with Sovereign Portfolio	71

We kept the strategies implemented in 2020, such as electronic signatures for contractual documents, which allowed to guarantee services in compliance with the current norms. This situation helped strengthen the commercial relations with our strategic suppliers by generating trust in negotiations in times of uncertainty, as well as guarantee the service and supply of products.

Internal environmental management

Our internal environmental management is articulated through the Institutional Environmental Management System (SIGA) developed under ISO 14,001.

Management of the carbon footprint

GRI 305-1, 305-2, 305-3

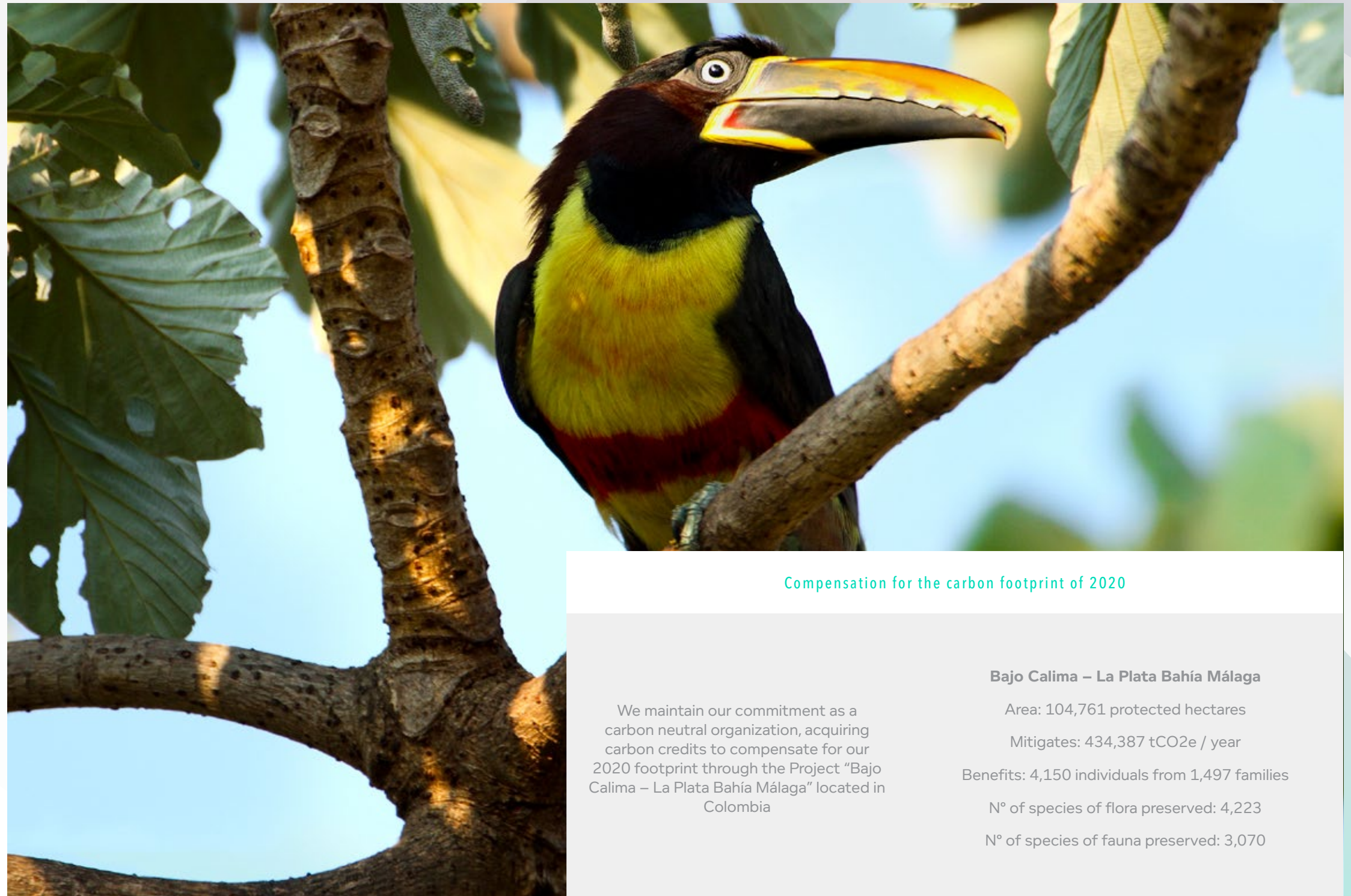
We take care of minimizing our environmental impact, by measuring and monitoring our direct and indirect green-house gas emissions (GHG), under the reference international norms and protocols such as ISO 14064-1:2018, GHG Protocol and the INTE B5 norm: 2016. GHG emissions in 2021 reached 3,588.2 tons CO₂e⁴:

Scope 1: 56.2 tons CO₂e

Scope 2: 1,136 tons CO₂e

Scope 3: 2,396 tons CO₂e

⁴ The calculation includes: CO₂, CH₄, and N₂O



Compensation for the carbon footprint of 2020

We maintain our commitment as a carbon neutral organization, acquiring carbon credits to compensate for our 2020 footprint through the Project "Bajo Calima – La Plata Bahía Málaga" located in Colombia

Bajo Calima – La Plata Bahía Málaga

Area: 104,761 protected hectares

Mitigates: 434,387 tCO₂e / year

Benefits: 4,150 individuals from 1,497 families

N° of species of flora preserved: 4,223

N° of species of fauna preserved: 3,070

Awareness initiatives

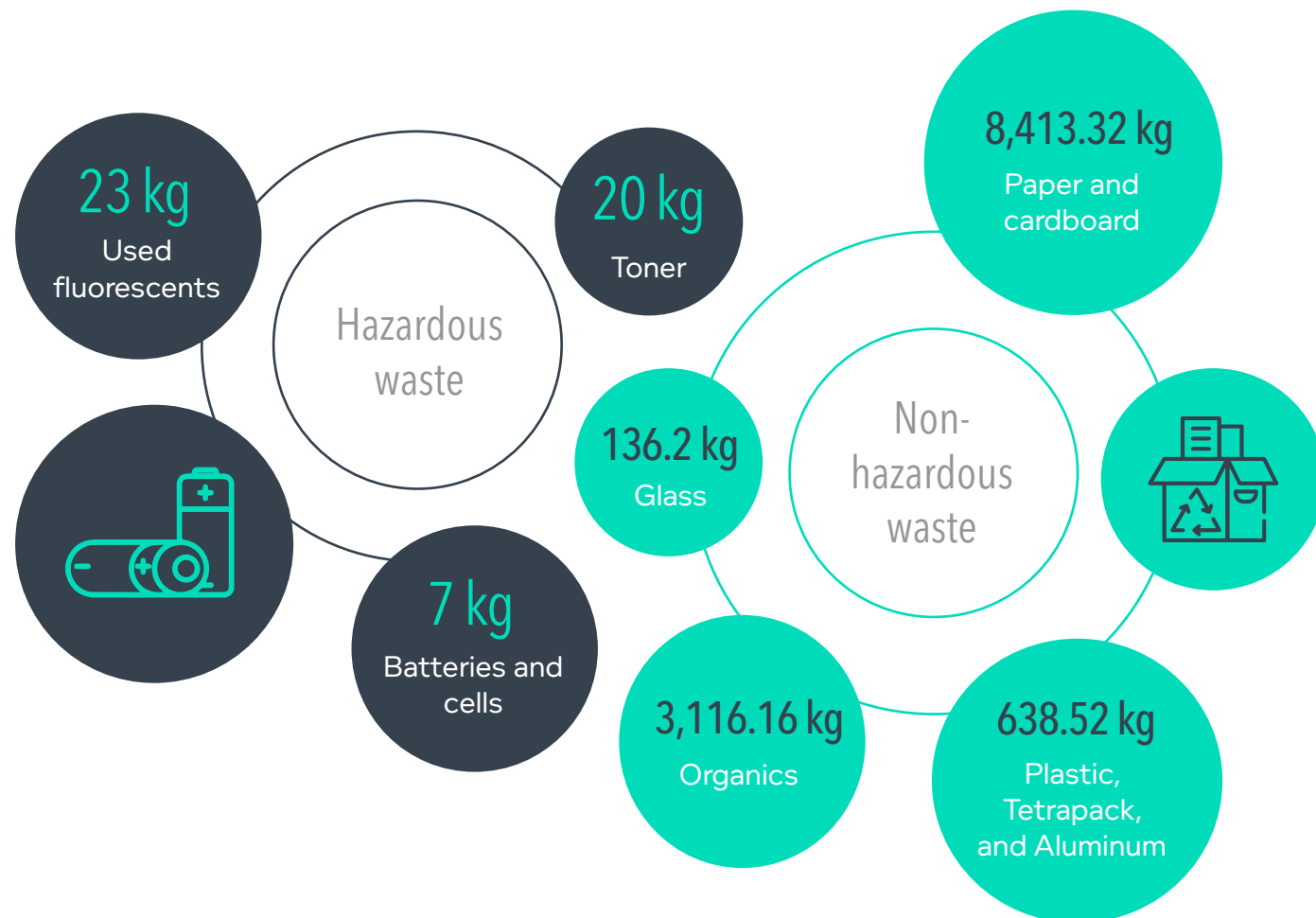
We took the dynamics of remote working as an opportunity to promote the solid waste management from our staff's homes through the **"Campaña +Reciclaje +Ambiente"** (Campaign + Recycling +Environment) with the participation of 8 country offices and managed to adequately dispose of 2.6 tons of solid waste.

We provide spaces of awareness to our staff and their families through online activities, as well as support two non-governmental organizations: **A Todo Pulmón Respira** (Breath at the top of your lungs) in Paraguay, and **Fundación Scout** (Scout Foundation) in Ecuador in activities meant to preserve the ecosystem.

Waste management

GRI 306-2

In 2021 we recycled 12.3 tons of solid waste:



Generation and management of knowledge

At an external level

We seek to generate, manage, and disseminate knowledge regarding topics of macroeconomic analysis, socio-economic and institutional development, and public policies of interest and usefulness for our shareholder countries which, in turn, can strengthen our impact through CAF's strategic objectives, adding value to the financial services that we provide.

- **Add value** to the projects and operations financed, with strategies based on **structured diagnosis** of the factors that limit the development of the countries.
- **Accumulate and capitalize experience** for the resolution of development problems in the region, which is shared with the general public, governments, and academic institutions to **support decision making and contribute to the debate on public policies**.

At an internal level

- Facilitate **institutional learning** to improve our internal processes and offer a better service to clients and users.
- **Greater efficiency** in the structuring of operations, and **improved relationships** with institutional actors and governments.

Our products, aimed at different audiences, allow:



Management of knowledge at an external level

Observe the debate, design, and evaluation of public policies aimed at the general public, among which you find impact evaluations, field work, publications, and data platforms.

Impact evaluations on public policies

DEIAP-1, DEIAP-2

They measure the effects of the implementation of a policy or public program on the final beneficiaries in a qualitative and quantitative manner, providing useful information to influence public decision making and in the improvement of said policies.

The evaluations we started during 2021 were selected based on the potential to generate institutional learning and on our strategic interests.



	2020	2021
Requests for impact evaluations	18	64
Internal requests	18	5
External requests	0	59
Impact evaluations started during the year	10	12
Impact evaluations that are still active	32	25
Finished impact evaluations	21	4

We highlight the IV International CAF Meeting on Impact Evaluations for an #Improved Management: of 103 applying institutions, 59 advanced in the process, and 36 were selected to receive support. Six selected institutions are chosen to promote impact evaluations and 8 to receive our support in the diagnosis of the institution's learning capacities.

Field work

DIS

We generate knowledge through the collection of solid, reliable, and updated information that empowers the citizens and governments to make decisions adapted to the main challenges faced by the region.

- The framework of the program **Urban Mobility Observatory**, highlights the collection of more than 20 thousand surveys on the perception of public transportation through an alliance with the Moovit application in **12 cities of Latin America**, with the publication of 4 blogs for their dissemination, the development of indicators of access to health, educations, and activities for 27 cities in the region, and by means of a joint work with public entities, information was gathered regarding indicators of affordability, personal and road safety in public transportation, and environmental regulations, standards, and goals in the urban mobility sector in 5 cities.

- We completed the field work for the 2021 CAF Survey - **Cross generational mobility in education, the work market, and health**, whose edition included interviews to more than 11,000 inhabitants from 11 cities in the region. This data base adds to those of the **11 previous editions which are** available for researchers, states, and the public in general.

Academic research

DIS, DEM

To achieve the objectives of our four lines of action – social inclusion, productivity, state capacities, and economics of climate change – we developed a series of publications, among which the following stand out:



- Academic research on the **postpandemic recovery**, which included 17 articles published in the special series of policy documents for recovery in post-pandemic times. The results of these investigations were disseminated through 5 online seminars with the participation of the authors of said publications.



- We finalized the production and launched the **2021 Economic and Development Report (RED)** – Roads to integration: facilitation of commerce, infrastructure, and global value chains.



- We advanced in the dissemination agenda of the **2020 Economic and Development Report (RED)** – Pension systems and health in Latin America: the challenges of aging, technological change, and informality.



- We contributed to the report **“2021 Economic Perspectives of Latin America: Advancing together toward a better recovery”**, with the Development Center at the OECD, ECLAC, and the European Union.



- We launched the **2021 Report on Infrastructure and Development in Latin America – the impact of digitalization to reduce gaps and improve infrastructure services.**

Analysis of the service gaps in the electric energy sectors and urban transportation of passengers, in access, cost-affordability, and quality dimensions. It was disseminated in 4 blog publications.

Data platforms

DIS

We contributed with tools that enable the users to gather information through data bases that make it possible to make graphic comparisons between countries.

- We developed the latest update of the platform to visualize the public investment information in economic infrastructure in Latin America. infralatam.info.
- We continue to contribute to develop and publish the **Monitor COVID**, (COVID Monitor) available to the public through our web page.

Training



Our training programs concentrated on several transmission paths for applied knowledge, considering themes and change agents, in three areas of action:

01 Training of public officials that work at the different levels of government (national or sub-national), dedicated to the design, planning, programming, management, execution, and evaluation of public policies and programs in order to promote the efficiency and improvements in the provision of public services.

02 Training of youths and individuals related to SME's aimed at digital transformation and innovation, key elements for an inclusive reactivation, promotion of productivity, expansion of value chains, improvements in efficiency and competitiveness and, therefore, achieve sustainable growth in the region.

03 Strengthening of university education in economics as a mechanism to increase the human capital and, therefore, productivity in the professional life of students and of the labor market in the region.



105 courses



34,912 registered



50% public officials

Our training offer consisted mainly on:



MOOCs

42 courses 20,710 registered



Itinerary

2 courses 542 registered



Closed course

4 courses 309 registered



Economics degree

5 courses 1,243 registered
52 courses 12,108 registered

Strategic areas:

- Digital transformation
- SME
- Innovation
- Patents
- Productive chains
- Highways and road infrastructure
- Security of dams and reservoirs
- Potable water and rural sanitation
- Financial inclusion
- Chronic child malnutrition
- Project management
- Impact evaluation in public management
- Public-Private Association (APP)
- Energy efficiency
- Gender



Knowledge Management

Management of knowledge at an internal level

We seek to incorporate knowledge to the internal products and practices of the organization, and interpret the macroeconomic context in which our operations take place, in addition to developing inputs for the strategic cycle in the countries, as well as technical consultancies associated to credit operations.

Macroeconomic intelligence

DEM

Through the Macroeconomic Intelligence products, we closely follow-up the evolution of the main economic indicators and the labor market to study the advances in the recovery of the region.

We highlight the presentation of the Fiscal Scenario in Latin America, where we analyze the fiscal dynamics and the sustainability of the debt for the countries of the region.

	Dissemination medium	2020	2021
Highlights of the month			
Editions	TUDEI / Intranet	11	11
Reports		154	154
Perspectives report			
Editions	TUDEI / Intranet	3	4
Reports		45	60
Research notes	TUDEI / Intranet	4	1
Economic flashes*	Corporate mail / Intranet	282	203
Editions of macroeconomic projections *	Intranet	18	12
Financial report	Corporate mail / Intranet	213	233
Document "Challenges and opportunities for development" (ROAD)	Intranet	1	2
Podcast	TUDEI / Intranet	38	72

*The negative variation in the case of Macroeconomic Projections and the number of Economic Flashes is explained by the high demand for information regarding the evolution of the crisis during 2020.

Support for the strategic cycle and credit operations

DEM



We contribute with the design of country strategies, identifying the main restrictions to development in order to improve the prioritization of lines of action and facilitate the dialogue on public policies with authorities.

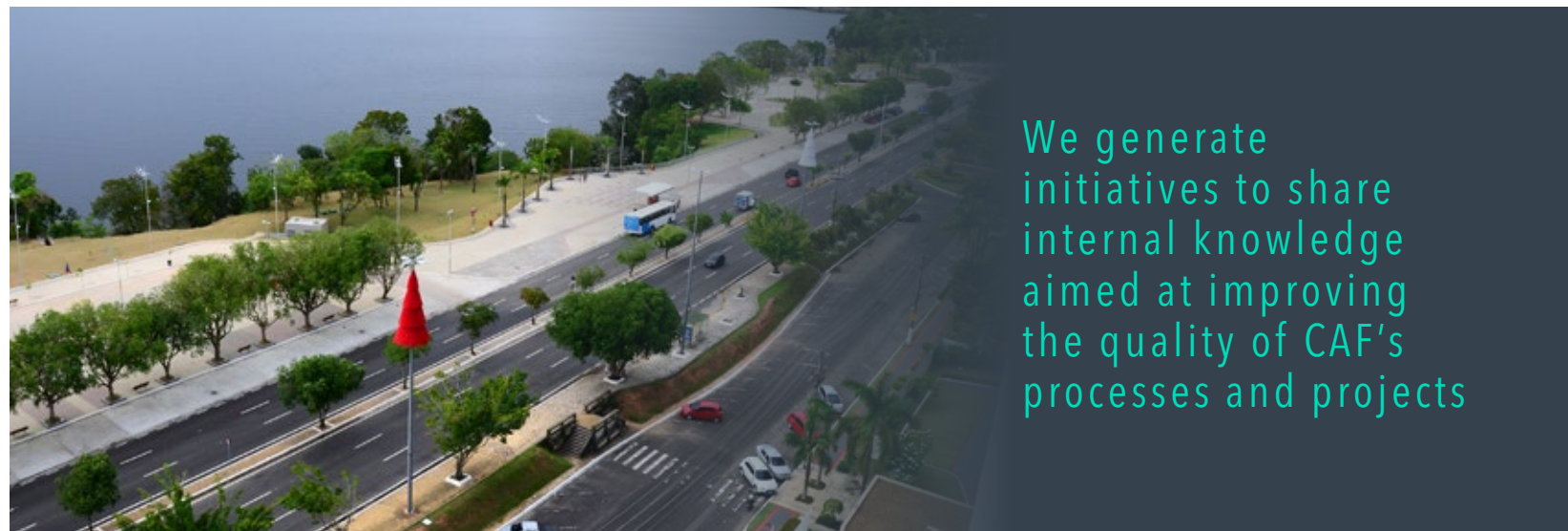
- We developed the documents **Retos y Oportunidades al Desarrollo (RoAD)** (Challenges and Opportunities for Development) for Ecuador and Peru.
- We developed the planned documents of **Análisis Económico y Regulatorio Sectorial (ARES)** (Economic and Regulatory Sectoral Analysis) for Ecuador and Peru, generating cross-cutting analysis for the economic and social infrastructure sectors which are strategic for our organization and for the countries, with emphasis on the impact on relevant dimensions of the economy: economic growth, productivity, development, international insertion, and on the regulatory and institutional frameworks, whose content will be an input for the preparation of the Country Strategy.
- We collaborated in the preparation of the **Documentos de Estrategia País** (Country Strategy Documents) of Bolivia, Ecuador, Peru, and Trinidad & Tobago, and in the Document "Lineamientos Estratégicos de CAF" (CAF's Strategic Guidelines) in the Dominican Republic.

We provide internal support through timely diagnosis of the macroeconomic situation to identify opportunities and risks of the operations throughout the credit cycle.



- We provide support to our business areas during their origination, evaluation, and administration of 27 credit operations in Argentina, Barbados, Bolivia, Brazil, Colombia, Ecuador, Panama, Paraguay, Peru, Trinidad & Tobago, and Uruguay; and to our representation offices during the origination and management of 11 technical cooperation in Brazil, Colombia, Ecuador, Paraguay, and Uruguay.

Capture of learning outcomes to establish a quality culture in the improvement of processes, services, and projects



We generate initiatives to share internal knowledge aimed at improving the quality of CAF's processes and projects

- We carried out the **Lessons Learned Contest, ("LEAP")**, with the intention of promoting a learning culture identifying valuable findings that may be shared to improve the performance of the organization's staff. So far, with four editions (2018 - 2021), a total of 125 staff members have participated, from 13 member countries, who applied to 103 lessons learned. These lessons are sheltered in the LEAP blog, classified by topic, and may be consulted by any staff member. There are still great challenges to overcome, such as creating greater incentives so that more staff can share and contribute their learning for better decision making in CAF's daily endeavors.

- We advanced in the design of an instrument **Reporte de Inteligencia de Negocios** (Business Intelligence Report), whose objective is to address the "quality" of the projects financed by CAF, using information generated in the credit cycle of the operations. Information is gathered and analyzed with the purpose of identifying improvement opportunities (for example, minimize time and rework in operations), and to support decision making throughout the life cycle of the projects.

Our contributions in terms of knowledge management



59 Publications




62 Blog entries




230 Events

Infrastructure development



- 6 publications
- 6 courses
- 10 MOOCs

Human and social development



- 27 publications
- 7 blog entries
- 21 events
- 15 courses
- 6 MOOCs

Digital transformation and public innovation



- 16 publications
- 39 blog entries
- 105 events
- 2 courses
- 12 MOOCs

Transition to a green economy that is resilient to climate change



- 1 publications
- 4 blog entries
- 34 events
- 9 courses
- 5 MOOCs

Economic and financial sustainability




- 7 events

Productivity growth and competitiveness




- 9 publications
- 12 blog entries
- 62 eventos
- 26 courses
- 3 MOOCs

Regional integration



- 1 event
- 5 courses



Learn about CAF's contributions in terms of knowledge management by consulting this document

The Latin American and Caribbean bank for
green and fair economic recovery



LATIN AMERICAN
AND CARIBBEAN
BANK FOR GREEN
AND FAIR ECONOMIC
RECOVERY

The Latin American and Caribbean bank for green and fair economic recovery

Providing advice and financial support

- Consolidated portfolio
- Cooperation for development

Contributing to growth in productivity and competitiveness

Improving the quality of life

- Human and Social development
 - Access to quality education
 - Health and nutrition
- Safe access to water
- Gender and inclusion
- Social innovation
- Urban development

Accompanying the development of infrastructure

Promoting institutional frameworks and digitalization of public management

Promoting a green economy, resilient to climate change

- Promotion of a climate resilient agenda and positive biodiversity
- In action for Positive Biodiversity, Natural Capital, and climate change
- Financing and mobilization of third-party resources for the environment and climate change

Providing advice and financial support

Consolidated portfolio

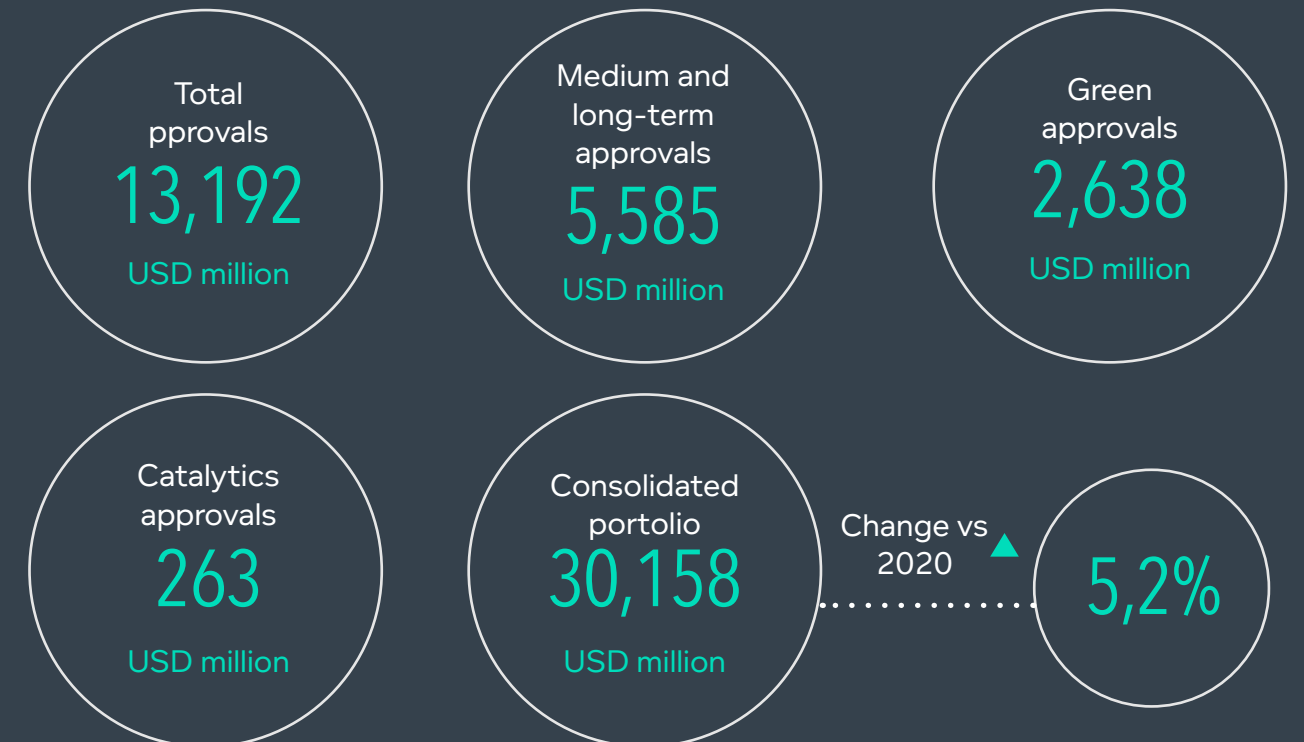
We work to support a Green and fair economic revival in the region, responding swiftly and in a timely manner to the challenges of our member countries, their specific financing needs and technical advice, promoting sustainable development and improving social wellbeing.

We keep an adequate geographical and sectoral distribution of our consolidated portfolio (constituted by the sum of the loans portfolio, patrimonial investments, guarantors, and guarantees) which for 2021 closed with a growth of 5.2% with respect to 2020.

Our results regarding financial support

Total approvals

DPO-1



The Latin American and Caribbean bank for green and fair economic recovery

Approvals by country

DPO-2	Amounts approved	Change Vs. 2020
Argentina	1,378 USD million	43.0%
Barbados	25 USD million	-75.0%
Bolivia	398 USD million	-28.2%
Brazil	1,493 USD million	-10.9%
Chile	580 USD million	1.8%
Colombia	1,712 USD million	1.2%
Costa Rica	115 USD million	-79.6%
Ecuador	1,159 USD million	16.9%
Mexico	1,101 USD million	118.7%
Panama	511 USD million	-8.8%
Paraguay	881 USD million	-7.0%
Peru	2,062 USD million	-21.2%
Dominican Republic	21 USD million	93.1%
Trinidad & Tobago	231 USD million	-34.2%
Uruguay	1,101 USD million	-18.6%
Venezuela	1 USD million	3.8%
Other countries	423 USD million	62.0%

Consolidates portolio by region

DPO-4

Northern region

(Barbados, Colombia, Costa Rica, Ecuador, Spain, Jamaica, Mexico, Panama, Portugal, Peru, Dominican Republic, Trinidad & Tobago y Venezuela)

17,778
USD million
▲ **4.6%**
Change vs. 2020

Southern Region

(Argentina, Bolivia, Brazil, Chile, Paraguay y Uruguay)

12,056
USD million
▲ **5.1%**
Change vs. 2020

Multinational operations

315
USD million
▲ **51.2%**
Change vs. 2020

Approvals by economic sector

DPO-3

	Amounts approved	Change vs. 2020	
Public administration	2,750 USD million	-51.8%	
Water, sanitation, preservation of water resources and waste management	433 USD million	128.5%	
Education, culture and sports	170 USD million	54.5%	
Energy and extractive industries	975 USD million	350.8%	
Protection and social services	48 USD million	-90.2%	
Health	872 USD million	77.9%	
Financial sector	5,889 USD million	13.0%	
TIC	890 USD million	99.0%	
Transportation	1,023 USD million	-7.8%	
Others	143 USD million	230.3%	

The Latin American and Caribbean bank for green and fair economic recovery

Cooperation for development

Our important financial action is complemented by diverse mechanisms and sources of cooperation resources for development – these may be reimbursable, non-reimbursable, and contingent- under an operational modality aimed at financing technical assistance operations in order to facilitate the transfer of knowledge and technology, promote activities backed by the Institution, and complement the existing technical capacity in member countries.



Approvals charged to the Technical Cooperation Fund (FCT) by country

DFCD-5

During 2021, we approved 121 operations for USD 26.3 million, financed with resources of the Technical Cooperation Fund; of these, 99 operations directly benefited 17 countries, for a total of USD 21.2 million and 22 operations had a multinational scope for a total of USD 5.1 million⁵.

Our cooperation funds

DFCD-1

During 2021, we approved a total of 130 technical cooperation operations for a total of USD 28.1 million

Fund	2020	2021
Technical Cooperation Fund - FCT	33.7 USD million	26.3 USD million
Human Development Fund - FONDESHU	2.9 USD million	1.8 USD million

⁵ Note: for this Report, the figures of approvals financed with the FCT show a methodological change referred to the operations financed with the Pre-Investment in Infrastructure Programs (in their versions I, II, and III), and with the Pre-Investment Programs in the Water Sector (in their versions I, II, III, and IV). Until last year's report, we informed about the total amount approved for each program in the year it was approved, and not the individual projects financed later.

Now, we decided to show the amounts of individual projects in their year of approval, and not by each program. This methodological change helps take more advantage of the detailed information regarding the benefited countries and the ODS of each operation financed. The adoption of this new methodology affects approvals since 2017 on, year of the first PPI program approved.

Country	Number of technical cooperation approved		Amounts (USD)	
	2020	2021	2020	2021
Argentina	4	10	4,800,000	2,137,956
Bolivia	5	2	1,388,300	1,189,654
Brazil	9	15	4,609,600	2,444,900
Chile	1	2	80,000	176,918
Colombia	9	10	969,776	2,122,610
Costa Rica	1	2	147,700	275,000
Ecuador	10	16	1,827,400	4,962,505
Spain	1	1	4,000,000	100,000
Mexico	5	3	1,225,100	322,000
Multinacional	27	22	8,255,806	5,088,700
Panama	12	9	1,495,195	2,452,000
Paraguay	6	7	3,590,000	1,598,085
Peru	5	3	2,112,790	168,316
Portugal	0	1	0	150,000
Dominican Republic	1	2	400,000	600,000
Trinidad & Tobago	3	4	542,000	730,040
Uruguay	5	6	1,308,750	700,643
Venezuela	3	6	540,000	1,034,546
Total	107	121	33,692,417	26,253,873

The Latin American and Caribbean bank for green and fair economic recovery

Approvals charged to the Human Development Fund (FONDESHU), by country

DFCD-4

During 2021, we approved nine operations for USD 1.89 million with FONDESHU resources, in favor of nine countries of the region.



Among these, six Humanitarian Emergency Aid operations stand out, for a total of USD 1.45 million. These operations seek to support recovery plans of regions focused on six countries affected by natural disasters, earthquakes, and floods (Haiti, Bolivia, Brazil, Argentina, Paraguay, Peru).

Country	Number of technical cooperation approved		Amounts (USD)	
	2020	2021	2020	2021
Argentina	-	1	-	250,000
Bolivia	1	1	100,000	250,000
Brazil	3	1	249,900	250,000
Colombia	2	-	250,000	-
Costa Rica	-	1	-	200,000
Ecuador	1	-	244,407	-
Spain	1	-	250,000	-
Haiti	-	1	-	275,000
Mexico	1	-	400,000	-
Multinational	1	-	25,000	-
Panama	1	-	250,000	-
Paraguay	-	1	-	200,000
Peru	-	1	-	250,000
Portugal	1	-	200,000	-
Trinidad & Tobago	1	1	250,000	99,960
Uruguay	1	-	158,000	-
Venezuela	2	1	500,000	45,000
Total	16	9	2,877,307	1,819,960

DISTRIBUTION BY SDG (2021)



The Latin American and Caribbean bank for green and fair economic recovery



CROSS-CUTTING STRATEGIC PROGRAM

Contributing to the growth of productivity and competitiveness

We focus on supporting the entrepreneurial recovery process, especially on the productive integration of MSMEs, innovation of value chains, development of private infrastructure projects, and strengthening of the financial sector to facilitate access to more and better resources for individuals and companies.



Carrying out actions aimed at supporting the financial system through credit lines, guarantees, investments, and non-financial products and services.

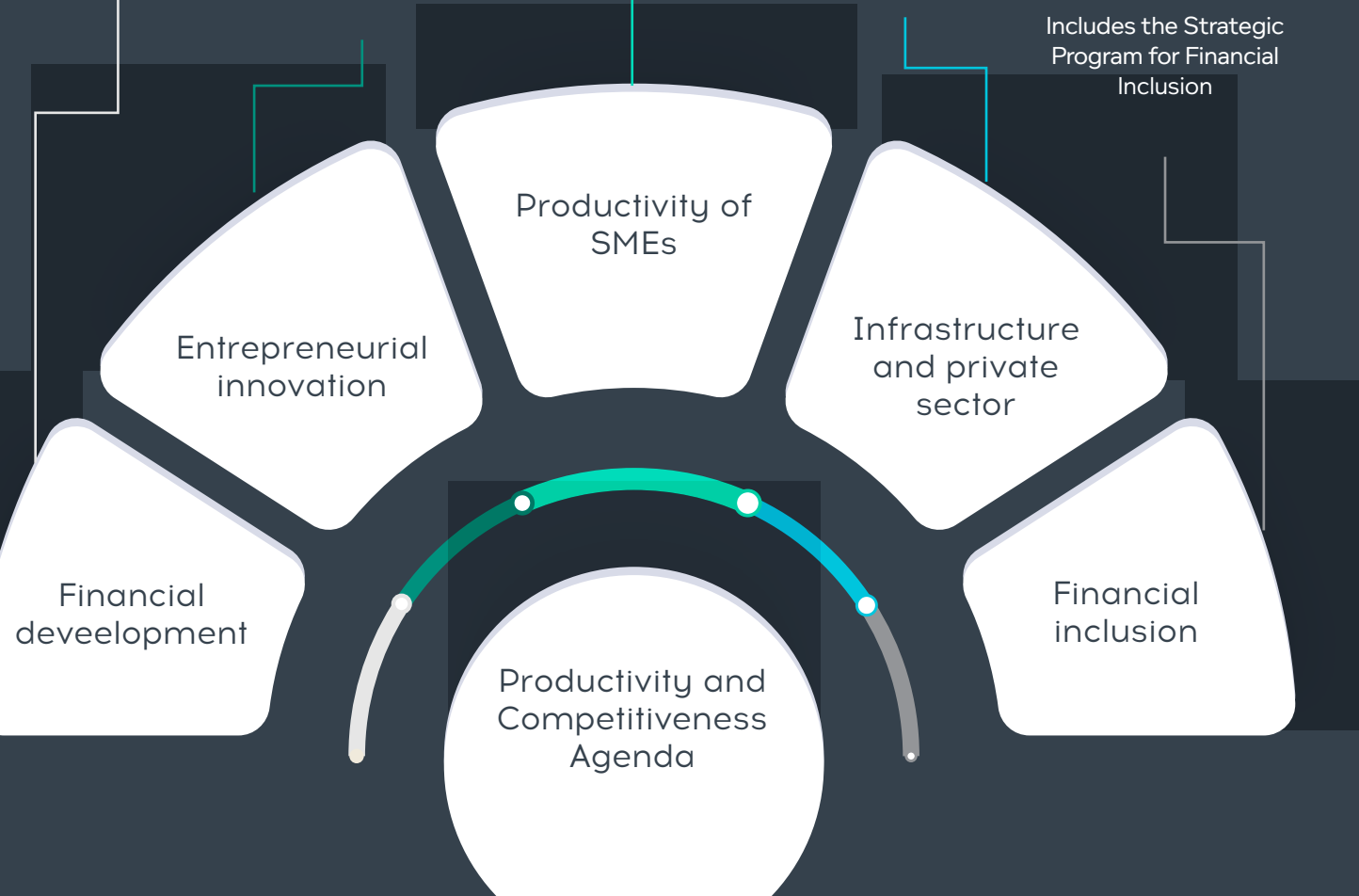
Supporting the development of an offer of knowledge and innovation services with financial and non-financial services for MSMEs by universities, research centers, and other entities.

Promoting a greater and better access to credit and other interventions with high impact potential.

Strengthening the participation and contribution of the private sector in the development of infrastructure projects and support governments in their structuring processes.

Supporting governments and financial entities, in the design and implementation of novel instruments that favor the access, use, and quality of financial products for individuals and enterprises.

Includes the Strategic Program for Financial Inclusion



Financial inclusion

Objective

Promote financial inclusion in the region, in terms of **access, use, and quality of financial products**, through the design, promotion, and application of strategies and instruments that integrate the **placement of financial resources** with **strengthening the capacities** of individuals, enterprises, intermediaries, and institutions.

By means of...

- **Portfolio of financial products** that integrate the placement of resources with strengthening capacities.
- Support to **strengthen the financial systems** of the countries of the region, so they can withstand financial inclusion.
- Reinforcement of the **corporate governance schemes** of micro-financial institutions.
- Support in the development of **financial education strategies**
- Support for **research and development of economic and financial techniques** to improve microfinances.



Lines of action

- Microfinances
- National financial inclusion strategies
- Technologies for the expansion of financial inclusion



The Latin American and Caribbean bank for green and fair economic recovery

Our results regarding growth in productivity and competitiveness



We disbursed more than USD 4.1 billion that benefitted more than 6,000 SMEs, 409 companies, and 130,108 microentrepreneurs of the region, through facilities granted to national and sub national development banks, commercial banks, and micro-financial institutions.

Credit operations

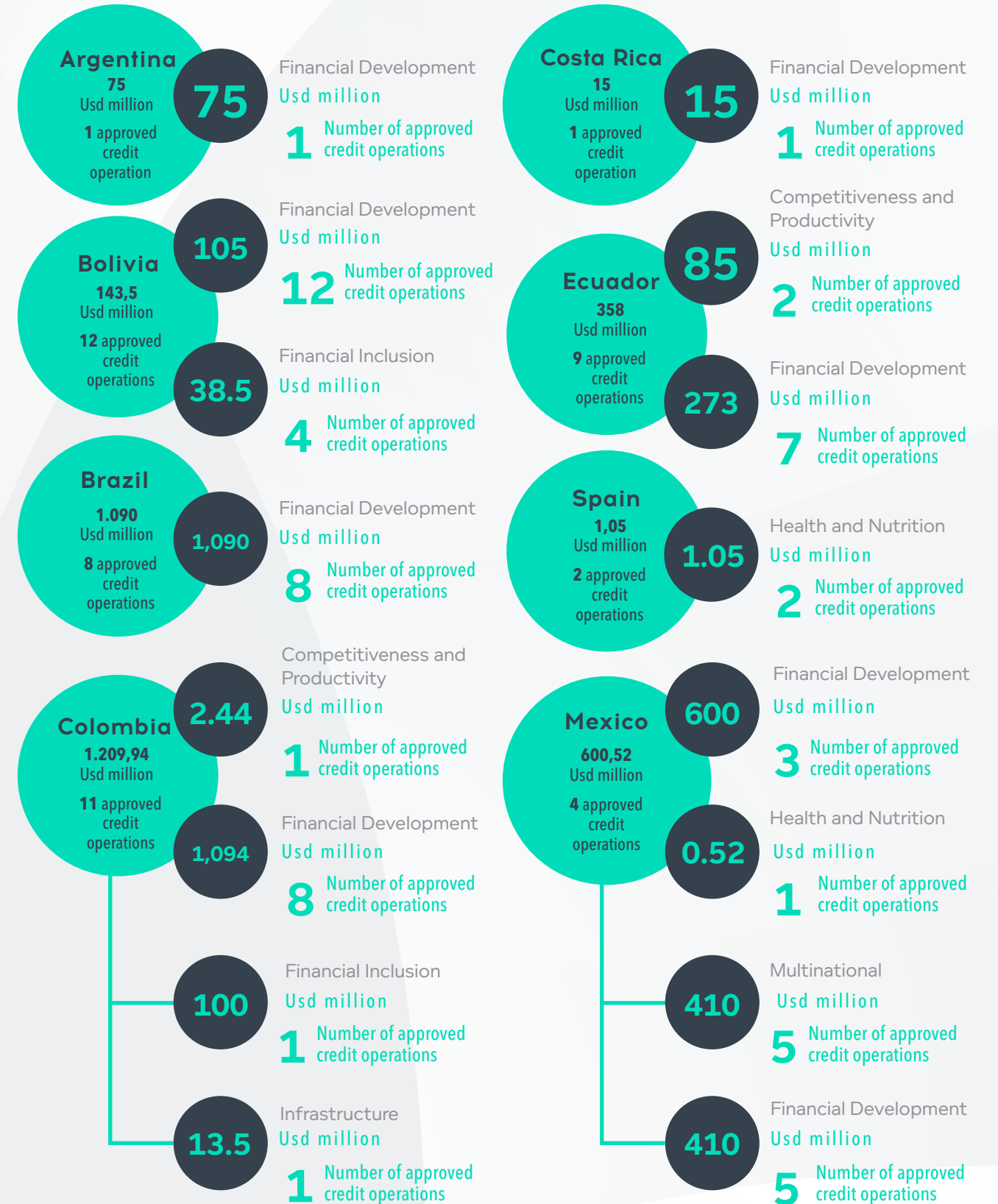
VSP-1

Sixty-two percent of the non-sovereign credit operations supported the development and financial inclusion of the countries.

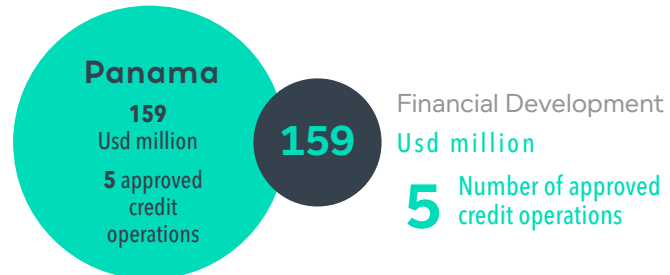
Sector	Number of approved credit operations	CAF resources (USD million)
Competitiveness and productivity	3	87.44
Financial development	69	5,700.00
Financial inclusion	6	153.50
Infrastructure	1	13.50
Health and nutrition (FIDE Program)	3	1.58
Total	82	5,956.02

Operations approved by country

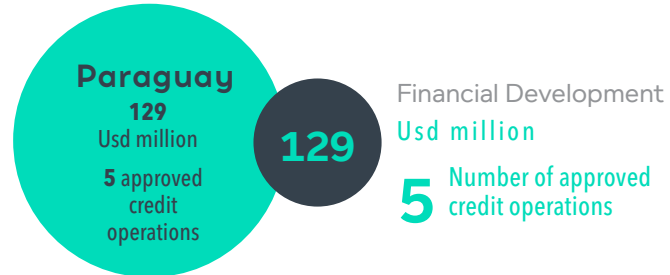
Fifty-seven percent of the resources are distributed in 29 credit operations that benefit Brazil, Colombia, and Peru.



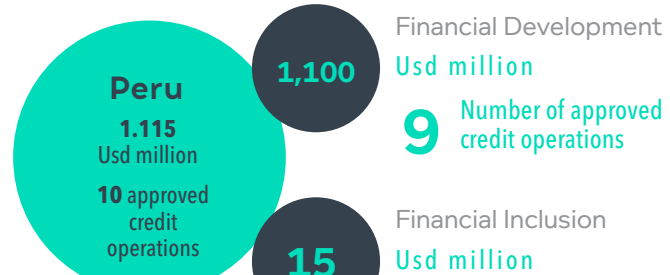
**The Latin American and Caribbean bank
for green and fair economic recovery**



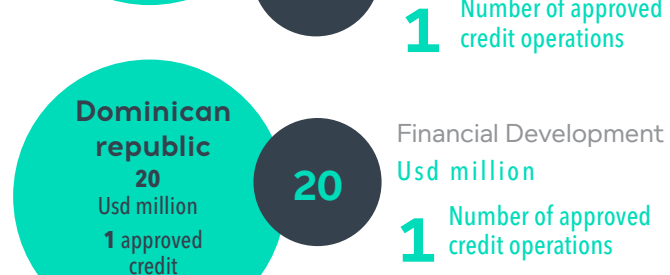
Financial Development
Usd million
5 Number of approved credit operations



Financial Development
Usd million
5 Number of approved credit operations



Financial Development
Usd million
9 Number of approved credit operations



Financial Inclusion
Usd million
1 Number of approved credit operations



Financial Development
Usd million
1 Number of approved credit operations

Total 5,956.02 Usd million
82 Number of approved credit operations

Technical cooperations

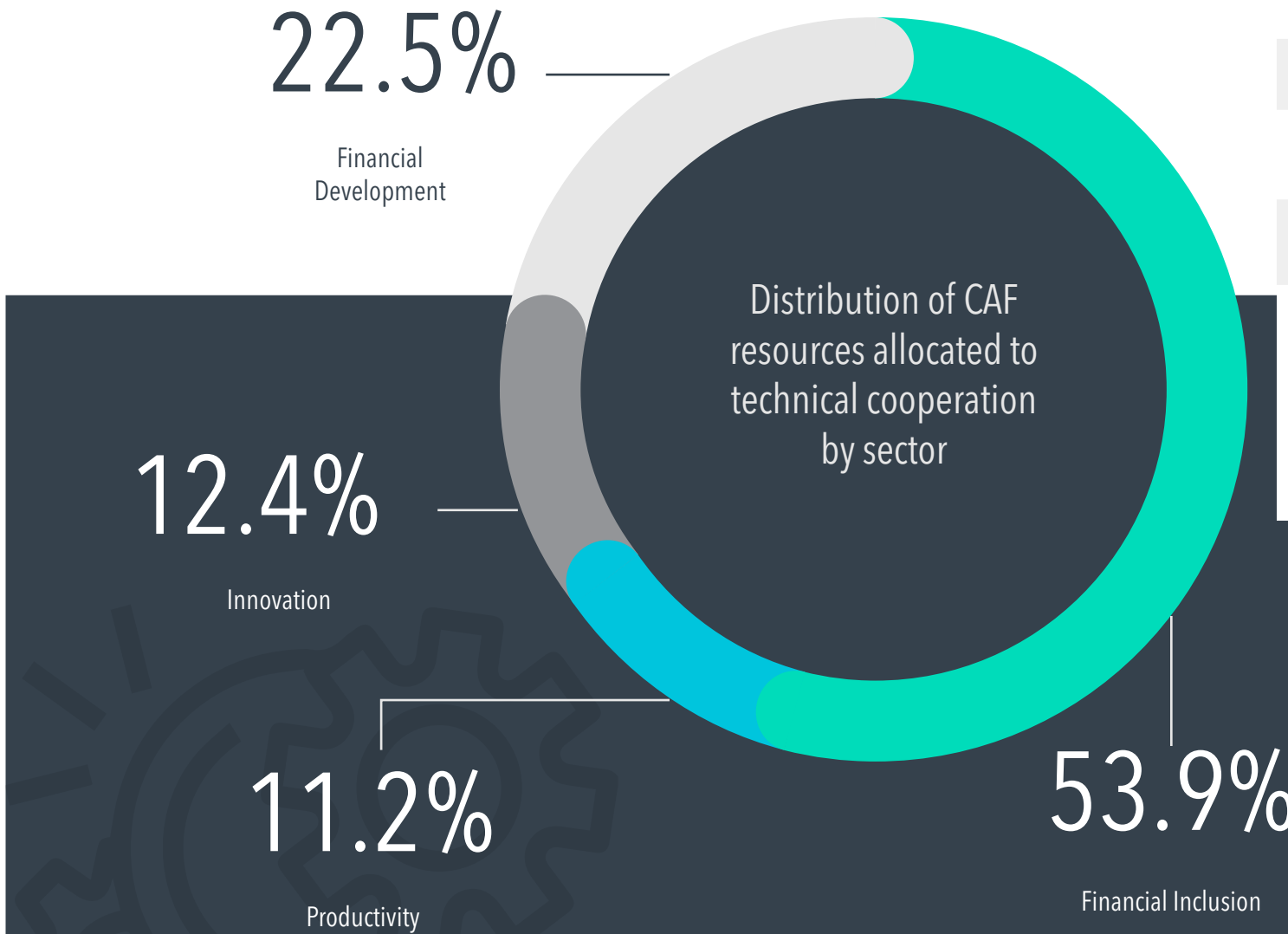
VSP-2

We highlight the technical cooperation operations related to development and financial inclusion, which add up to 5 of the total 8 operations approved in 2021.



Technical cooperation operations approved by country

Country	Number of technical cooperation operations approved	CAF Resources (USD)	Sectors
Colombia	2	314,610.00	Financial Inclusion
Ecuador	1	60,000.00	Productivity and competitiveness
Peru	1	83,316.00	Productivity and competitiveness
			Financial Development
Multinational	4	435,000.00	Financial Inclusion Productivity and competitiveness (2 CT)



The Latin American and Caribbean bank for green and fair economic recovery

Other noteworthy results

Implementation of the Regional Facility to Support Local Development Banks

Enabled to reach a portfolio of more than USD 1.3 billion (disbursements during 2021), aimed at financing MSMEs

Regional Program for Local Financial Institutions (IFL)

With the participation of CAF, reaching USD 50.2 million, and a catalytic amount of the GCF of USD 100 million, a program was approved that will promote a financial sector committed to the sustainable productive transformation in the region, as well as promote the reduction of green house gasses

Financial advice

Compañía Verdú SA, for the award of the PPA road concession Chongón-Santa Elena in Ecuador and the structuring of the financing

Consorcio de Gransolar/Total Eren/Tesla which will be in charge of the renewable energy network for the islands of Santa Cruz and Bartra (Galapagos – Ecuador)

Infrastructure and private sector

The execution of the operation of Line 6 of the São Paulo metro stands out, granting it a partial credit guarantee for up to USD 150 million during a period of time of 6.5 years.

Third edition of the Financial Inclusion Laboratory

Focused on Argentina, Chile, Paraguay, and Uruguay. Eight winners were selected from 79 applicants who are contributing with technological solutions to reduce the financial inclusion gaps in vulnerable populations and MSMEs.

Improving the quality of life



Human and social development

 Access to quality education

GRI 203-1

At CAF we seek to promote initiatives that increase access to education, that improve the quality of education at all levels, and that strengthen the relevance of the educational offers with respect to the demands of the labor market.

Our investment projects incorporate ecoefficiency and gender equity criteria to contribute with the improvement and expansion of the access to quality educational

infrastructure as well as strengthen information systems to favor a better management and planning of educational infrastructure projects.

Our results regarding education:

During 2021, we emphasized projects and activities related to the incorporation of technology in educational systems.

Country	Number of credit operations	CAF resources (USD million)	Counterpart resources (USD million)
Argentina	2	150	75
Ecuador	1	50	0
Total	3	200	75

The Latin American and Caribbean bank for green and fair economic recovery

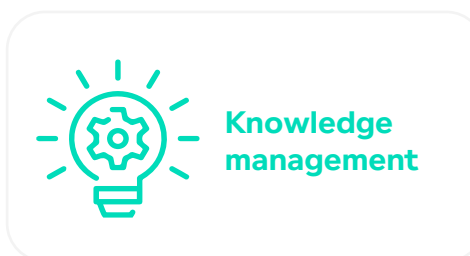
We accompany our shareholder countries by providing technical assistance emphasized on addressing the challenges imposed by the COVID-19 pandemic, especially those related to infrastructure, technology, and quality of learning, with a close eye on early childhood.

Country	Number of technical operations	CAF resources (USD)
Argentina	3	303,000
Colombia	1	120,000
Costa Rica	1	200,000
Ecuador	1	45,000
Haiti	1	275,000
Panama	3	390,000
Trinidad & Tobago	1	250,000
Uruguay	1	120,000
Total	12	1,703,000



Resources for technical cooperation were increased by 55% compared to 2020, reaching a total of 12 approved cooperation operations for USD 1.7 million, supporting our clients in diverse sectors such as project structuring, technical support, and humanitarian aid.

We also generate knowledge addressing aspects such as school safety in educational infrastructure projects and development of public policies that facilitate the incorporation of technology in educational systems, among others.



Knowledge management

Other noteworthy results:

Investment projects approved in 2021 will contribute with the improvement and expansion of access to quality educational infrastructure.



Program for the Expansion and Improvement of the School Infrastructure in the Province of Buenos Aires

Includes the construction of 21 new schools and 50 school expansions or renovations. Will benefit 31,300 students from elementary, secondary, and special education.



Wide Approach Sectoral Loan to support the implementation of the National Development Plan in the Educational Sector 2021-2025, Ecuador

Seeks to promote the achievement of the sectorial goals established by the Government of Ecuador to guarantee access to a quality, inclusive, timely, and free of violence education.



University Infrastructure Program, Phase IV, Argentina

Will benefit 123,000 students of the state university system, and 10,250 teachers, researchers, and non-teaching personnel at the institutions intervened.

The Latin American and Caribbean bank for green and fair economic recovery

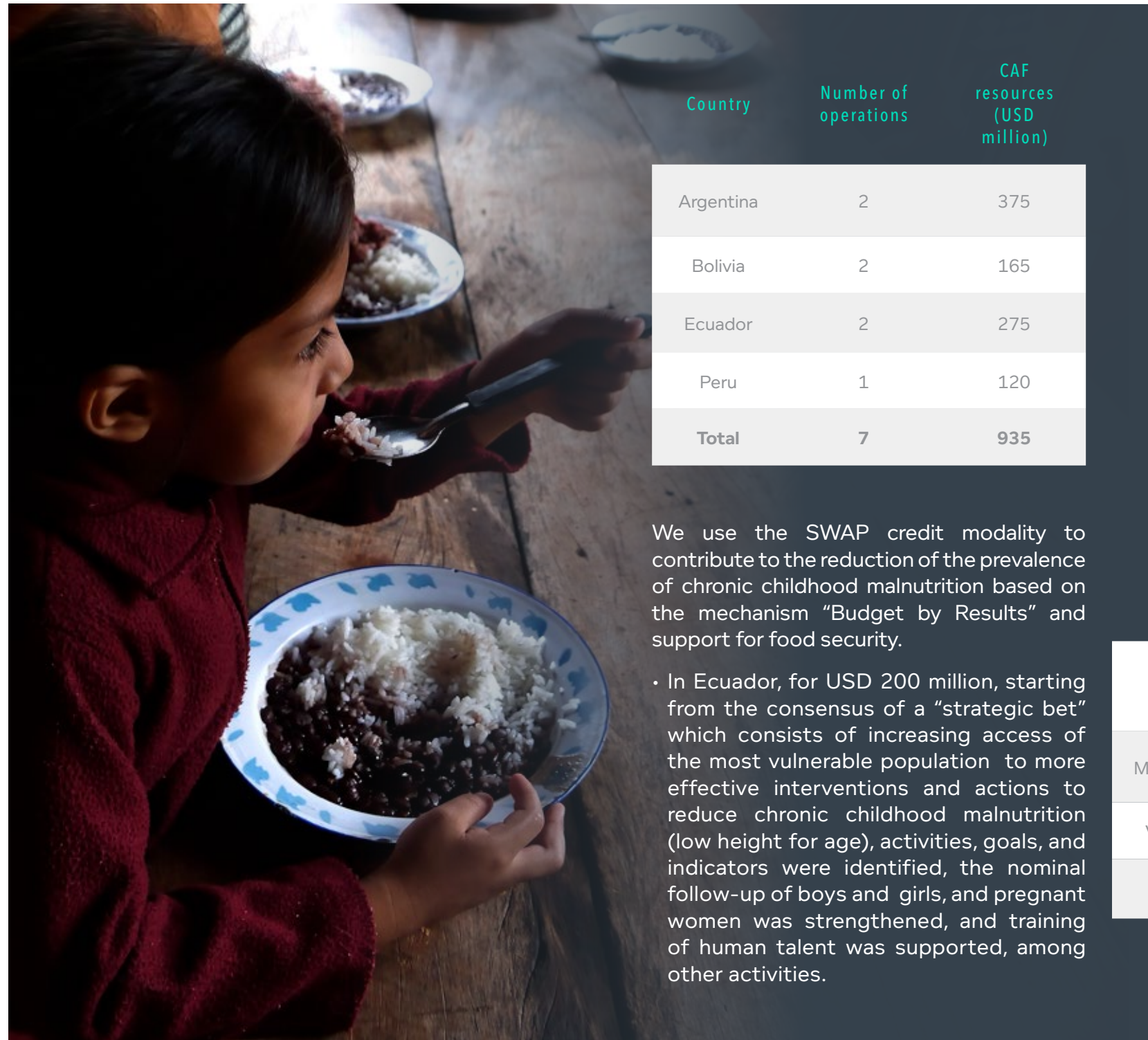


VDS-5

We seek to improve the health and nutrition conditions in Latin America, with emphasis on the vulnerable populations and early childhood, with a comprehensive approach that addresses nutritional issues and provides support to the health systems in a comprehensive and strategic manner, especially in its resilience capacities and to face a large scale health crisis.

Our results in health and nutrition

With respect to strengthening health systems, credit operations approved during 2021 were framed in the Contingent Line of Credit (LCC) of USD 1 billion, with a wide focus on strengthening the health systems of the countries. Accordingly, during 2021 the countries prioritized the acquisition of anti COVID-19 vaccines approved by the corresponding regulatory entities.



Country	Number of operations	CAF resources (USD million)
Argentina	2	375
Bolivia	2	165
Ecuador	2	275
Peru	1	120
Total	7	935

We use the SWAP credit modality to contribute to the reduction of the prevalence of chronic childhood malnutrition based on the mechanism “Budget by Results” and support for food security.

- In Ecuador, for USD 200 million, starting from the consensus of a “strategic bet” which consists of increasing access of the most vulnerable population to more effective interventions and actions to reduce chronic childhood malnutrition (low height for age), activities, goals, and indicators were identified, the nominal follow-up of boys and girls, and pregnant women was strengthened, and training of human talent was supported, among other activities.

- In Argentina, for USD 300 million, credit for the direct support of the Tarjeta AlimentAr, which strengthens the social protection approach of the national government and seeks to improve food security for the most vulnerable social strata. It incorporates an evaluation component which will provide us with strategic information to improve future credits in this area.

Our technical cooperation operations respond to the needs of the countries addressing issues related to health and nutrition, and promoting prioritization at a national level.

Country	Number of technical cooperation	CAF Resources
Multinational	1	200,000
Venezuela	2	434,546
Total	3	634,546

**The Latin American and Caribbean bank
for green and fair economic recovery**

Through a multinational technical cooperation with the Pan American Health Organization (PAHO), we seek to strengthen the resilience and capacities of health systems to face health events of magnitude in Andean countries.

At the same time, technical cooperation operations in Venezuela have an intersectoral character and respond to urgent needs recognized by the national government in the areas of water, sanitation, hygiene and nutrition during childhood, aimed at the vulnerable population. The alliance with UNICEF ensures the execution of the resources and the quality and efficacy of the interventions.

Other results to highlight in terms of health and nutrition

- The technical cooperation “Growing with Safe Water” in Bolivia resumed. It promotes practices for use of safe water, sanitation, hygiene, health and nutrition, by strengthening the local capacities in three municipalities in Bolivia which are beneficiaries of the MiAgua project.
- Strategic alliances with key allies were promoted, such as PAHO/WHO, World Food Program (WFP), UNICEF, and the United Nations Food and Agricultural Organization (FAO), for the improvement of nutrition, food security, and essential programs and systems for health in the region.



**Knowledge
management**

6 CLEAN WATER AND SANITATION

Safe access to water

IS-C

Water is a key element for sustainable development; thus, at CAF water security is a pillar within our strategy, which seeks to:

<p>01</p> <p>Guarantee access to water to the population. In adequate conditions of quantity and quality.</p>	<p>02</p> <p>Rely on the physical availability to ensure a productive and sustainable development.</p>	<p>03</p> <p>Conserve and protect the bodies of water from contamination.</p>	<p>04</p> <p>Reduce the risks associated to the lack or excess of water.</p>
--	---	--	---

In addition, we contribute to the quality of the projects, providing non-reimbursable resources, through the *Pre-investment Project for the Water Sector (CAF-PPSA)* where we have assigned USD 5 million in each phase, to finance studies and pre-investment activities which, when concluded, make it possible to implement the projects. Thus, we ensure that said projects provide good solutions to the identified needs, have the correct technical standards, and greater financing facility.

The Latin American and Caribbean bank for green and fair economic recovery



Use of resources in the Pre-investment Program for the Water Sector

Phase I

USD 4.98 million for 8 studies in Bolivia, Brazil, Ecuador, Panama, Paraguay, and Trinidad & Tobago

Phase II

USD 4.9 million for 8 studies in Ecuador, Brazil, Argentina, Paraguay, and Dominican Republic

Phase III

USD 4.9 million for 8 studies in Ecuador, Brazil, Argentina, Paraguay, and Dominican Republic

Phase IV

A first study was approved for USD 0.8 million for Colombia; Another one for Ecuador is in process

Our results in terms of water security

8 credit operations leveraged with the CAF-PPSA, for USD 358 million, benefitting four countries in the region.

Phase 4 of the CAF-PPSA Program was approved, for USD 5 million, to finance between 6 and 8 final design studies.

We started the implementation of the technical cooperation "Gaps and Investment Portfolio in Water and Climate Resilience in the LAC Region toward 2040", seeking to increase the knowledge of the investment gaps in the water and climate sector in the region, and develop a Priority Portfolio of Water and Climate Resilience Projects in the agricultural sector and coastal areas of 13 countries.

Country	Area	Number of credit operations	CAF resources (USD million)	Counterpart resources (USD millones)
Argentina ⁵	Potable Water	1	160	52
Bolivia	Irrigation	1	35	2,2
Brazil	Potable Water and Sanitation	1	60	15
Ecuador ⁶	Potable Water	3	73.3	23.5
Peru	Potable Water	1	51.5	265.3
Trinidad & Tobago	Drainage	2	55	10
Total		9	435	368

⁵The total amount of operations approved for Argentina reaches USD 245 million, of which only USD 160 are assigned to 2021 (USD 85 million remain for 2022). In addition, the total amount of counterpart resources reaches USD 80 million, assigned for 2021; USD 52 million by paripassu.

⁷The 3 operations in Ecuador were approved in 2021, however, the amount is assigned to the 2022 quota.

The Latin American and Caribbean bank for green and fair economic recovery

Country	Area	Number of technical cooperations	CAF resources (USD million)
Argentina	Potable Water and Sanitation	1	0.80
Brazil	Potable Water, Sanitation, and Drainage	5	1.35
Bolivia	Potable Water and Irrigation	1	0.99
Colombia	Potable Water	1	0.80
Ecuador	Potable Water and Sanitation	2	0.83
Mexico	Comprehensive Solid Waste Management	1	0.20
Paraguay	Sanitation	1	1.00
Dominican Republic	Potable Water	1	0.5
Venezuela	Comprehensive Management of Water Resources	1	0.08
Multinational	Potable Water	3	0.49
Total		17	7.04

The countries of Argentina, Brazil, Bolivia, Colombia, Ecuador, Paraguay and the Dominican Republic benefited from technical cooperation from CAF-PPSA.

In addition to CAF-PPSA resources, the multinational cooperation projects also received US\$0.55 million from counterparts.



Other results of 2021 that stand out



We have strengthened our international position in the sector through the organization of events, among which two may be highlighted: “Diálogos del Agua” (Water Dialogues) in its seventh edition, and “Gobernanza y Finanzas del agua, hacia Dakar 2022” (Water Governance and Finances, toward Dakar 2022), which included the intervention of ministers of state, presidents of regulatory entities and of operating companies, as well as institutions of regional representation in water management.

We have carried out the first implementations, at a pilot level, of the tools: “Guía de Evaluación Institucional para entidades ejecutoras y empresas de agua y saneamiento” (Institutional Evaluation Guideline for executing entities and water and sanitation companies) and “Autodiagnóstico del estado y desarrollo de transformación digital de las empresas de agua” (Self Diagnosis of the status and development of digital transformation in water companies)



knowledge management

**The Latin American and Caribbean bank
for green and fair economic recovery**



Gender and inclusion

UIEG-1

We recognize that the improvement in the conditions of life of urban and rural populations is directly related to gender equity, supporting compliance with the objectives and commitments of our member countries in matters regarding equal opportunities and empowerment of women and girls in their territories.

Our strategy promotes the incorporation of social inclusion and gender perspective in our programs and projects.



**Our results in terms of
gender and inclusion**

9 operations which integrate gender and social inclusion considerations

- Ecuador: SWAP Nutrition Phase II, Microfinancing program through Savings and Loans Cooperatives.
- Argentina: Regional Credit Line for Health Care Systems
 - Education Program for the Province of Buenos Aires,
 - Potable Water Basic Works Program (AySA) Phase IV,
 - SWAP Alimentar (Feed)- Phase II, Program for the Recovery and Development of Agricultural exporting Complexes.
- Brazil: Sanitation Program in coastal locations in Ceara
- Mexico: Financial Inclusion and Digital Innovation Program with gender approach.

USD 56 million which integrate gender and social inclusion considerations

USD 425.000 approved in technical cooperation operations to promote gender equity

- Cross sectional characterization of the mobility patters with gender perspective in Bogota (USD 100,000).
- Strengthening the resilience of communities through the prevention of gender violence and training of surviving women or women at risk (USD 250,000).
- Support for the National Institute of Women (INAMU) in the implementation of the Guidelines to close the financial gap between men and women in Costa Rica (USD 75,000).

5 Financial education workshops to institutions of the financial sector, focused on the economics of behavior, with a gender perspective

3 specialized technical assistances to clients and/or units in charge of executing projects or programs regarding gender in infrastructure, teacher training, and public safety

- Strengthening of the executing agency regarding gender issues and sustainability applied to building, Ministry of Education, Argentina.
- Public Safety with a gender perspective: technological tools and data gathering, Cordoba, Argentina.
- Development of a teacher training course regarding gender and diversity, for the University of Panama.

Recognition of gender actions in Mexico's National Financial Inclusion Policy through the **Government's Financial Inclusion and Digital Innovation Program with a Gender Approach**

We assumed the commitment to be a regional instrument through which to channel financial and knowledge solutions aimed at promoting gender equity in the countries of Latin America and the Caribbean.



The Latin American and Caribbean bank for green and fair economic recovery

Social innovation

GRI 103-1



We contribute to sustainable development in the region implementing useful initiatives to solve problems related with human development, especially in vulnerable groups, through the generation of capacities and social inclusion opportunities, while at the same time, building strategic alliances that contribute to a collective impact of our actions.

Our agenda incorporates three spheres of action in permanent synergy:

Sustainable food systems, participating in the Sustainable Food Systems Platform (SAS, for its acronym in Spanish), to transform the multiple causes of malnutrition in Argentina.

ONCE and ILUNION social groups, structuring the replica of the “Regional Inclusive Mobility

Workshop: Social Innovation, Transportation, and Disability”.

Fundación HAZ developing the annual contest of the “ten most innovative initiatives in Ibero-America”.

Territories



Strengthen individual and collective capacities from a perspective of rights and gender, to generate social inclusion opportunities



Interventions with a territorial approach, which address social problems of vulnerable groups through pilot actions.



Flexible processes for local cooperation, as well as experimenting dynamics, research-action, and permanent learning

In the territory

Social innovation with neighborhood centers, addressing population under extreme poverty conditions, aimed at creating a structure to systematize the transfer of knowledge to deal in a comprehensive manner with situations of exclusion.

Entornos Creativos (EC) (Creative Environments): art and education for high risk youths with the implementation of the recreational educational model in public schools,

Productive work and wellbeing of vulnerable populations

▼
8 initiatives
|
17,000 beneficiaries

Essential services for the majority

▼
8 ongoing initiatives
|
14,000 beneficiaries

Ecosystems



Strategic alliance to promote new development paradigms and change trends in the region



Promotion and rehearsal of **different ways of doing things** including complementary methodologies to measure poverty



12 operations approved



1.6 USD leveraged for each USD invested



13.000 beneficiaries

Strengthening our alliances

System B advancing on favorable legislation for B Companies in 8 countries of the region, and in social and environmental performance evaluation.

Fundación Enlace Hispano Americano de Salud (EHAS) (Hispano American Health Foundation) strengthening capacities for doctors and nurses in the diagnosis of acute respiratory infections, including the diagnosis of pneumonia associated to Covid-19.

Fundación Paraguaya (Paraguaya Foundation), replicating the tool Traffic Light for the elimination of poverty in several CAF shareholder countries.

Unión de Responsabilidad Social Universitaria URSULA (Social Responsibility University Union), developing research fora and University Social Responsibility, ethics courses, and university social responsibility, and the Sixth Annual URSULA Forum.

training methodology multipliers, reaching more than 6,000 beneficiaries.

Utopia professional education Project with an entrepreneurial approach and Exchange of educational experiences with students and teachers of several Latin American countries.

Entrepreneurship platform with a disability approach, developing a digital market place for the offer and demand of entrepreneurships

The Latin American and Caribbean bank for green and fair economic recovery

created by population with visual disability, achieving their occupational inclusion.

“Conectividad y Salud” (Connectivity and Health) **to replicate the model of the Napo network in the basin of the Santiago River**, including telemedicine, tele-education, and governance services

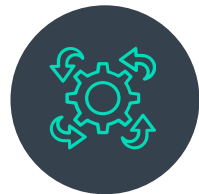
Social innovation model – agricultural production, with the potential to be replicated in communities of the area of influence of the Transchaco route.

Implementation of the social innovation model of Alimercambio, an Exchange of waste for food in territories of the Colombian Guajira.

Pilto implementation of the Healthy Pregnancy Model. Training doctors in the use of kits aimed at alleviating maternal and neonatal mortality in isolated populations of rural Bolivia.

Consolidation of the Bankomunal model in territories of the Caribbean Colombia.

Knowledge



Knowledge management, which contributes to generate social innovation contents and helps other **development and/or business actors to replicate and/or escalate the learning achieved**



knowledge management



CROSS-CUTTING STRATEGIC PROGRAM



Urban development

IS-C

Cities with future



Objective

Promote an efficient **urban management model** to improve access to quality services, productivity, social inclusion, and resilience in the cities of Latin America and the Caribbean.



Be means of...

- **Financing** of multisectoral urban projects
- **Urban interventions** that prioritize attention to vulnerable populations
- **Strengthening urban management**



Lines of action

- Support for the structuring and financing of urban development projects
- Development of activities to identify projects, policies, and measures that improve access to opportunities
- Efficiency of public management of local governments

Support for the flow of credit operations

- Promotion of 19 potential new operations
- Participation in the technical evaluation of 3 operations
- Management of 17 operations

Strengthening relations with clients

- Development of seven events with existing or potential CAF clients

Knowledge management

- Preparation of 3 publications and 5 working documents regarding different urban subjects
- Generation of 14 documents (guidelines, manuals) to strengthen internal capacities/processes



knowledge management

**The Latin American and Caribbean bank
for green and fair economic recovery**



CROSS-CUTTING
STRATEGIC
PROGRAM

Following the Development of infrastructure

We carry out interventions that promote the functionality, digitalization, and integration of sustainable, strategic, and resilient infrastructure with the objective of promoting more productive, connected, and competitive economies and societies and with access to better public services. In addition, we accompanied economic recovery through loans associated to projects that can be executed quickly, seeking to generate a significant impact on quality employment, as well as credit facilities to help overcome structural deficits.



Catalytic role

Deployment of quality infrastructure

Long-term vision



Contribute

- to the physical and digital connectivity of the region.
- to the development of the productive and transportation infrastructure
- to the development of solutions for physical and functional integration
- to the increase of energy coverage of the countries



Promote

- energy security and the efficient provision of energy public services
- the efficient provision of sustainable, mass public services



Guarantee

- the socio environmental sustainability, promoting the development of green projects

To consolidate the universalization of access to internet, the transformation and digital inclusion, and the digitalization of the transportation infrastructure, we developed the following strategic program:

Digital Agenda

Objective

Expand the digital ecosystem in Latin America through wide band communications infrastructure that supports the **expansion of services based on the internet for homes, governments, and companies.**

By means of...

- **CAF Observatory and Index of the Digital Ecosystem**
- **Portfolio of strategies and projects** at a regional level and by country
- **Regional alliances** with public and private organizations of the IT sector
- **Strengthening capacities** for authorities and regulators.

Lines of action...

Digitalization of homes, production, State, and public services, through:

- Deployment of **digital infrastructures to close the gap and for the digital transformation of Latin America.**
- Institutional modernization for the **digital economy.**
- Development of **digital industries.**
- Digital transformation of productive sectors.
- Digitalization of traditional infrastructures (energy, transportation, and water, among others) as a factor of efficiency, sustainability, and contribution to the goals related to the reduction of GHG emissions toward 2030.
- Strengthening the human capital for the **development of the digital economy.**

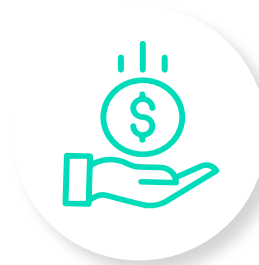


The Latin American and Caribbean bank for green and fair economic recovery

Noteworthy management results



We approved operations for the financing of **19 programs and projects**, with a wide sectoral segmentation, for USD 3,022 billion, exceeding the levels prior to the pandemic.



Disbursements reached a total of USD 2,038 billion, with Uruguay and Colombia as the main beneficiaries of these funds.

Emblematic projects which stand out for their significant results in terms of impact:

- Second financing for the San Pablo metro (Brazil) for USD 550 million, expected to directly benefit more than 360,000 individuals.
- Fifth phase of the execution of the comprehensive road and potable water program in densely populated areas of Guayaquil for USD 49 million, which reinforces the successful strategy of continuing to support our clients in projects with a great impact on local development.
- Second financing to the Municipality of Cuenca, for USD 48 million, in Ecuador, to support the program Cuenca Unida (United Cuenca), seeking to strengthen the urban logistic system of the canton through improvements in accessibility and road connection in the supply chain, and the implementation of a Transfer Logistic Center (CLT, for its acronym in Spanish), among other activities.
- We allocated USD 1.525 billion to sectors with a strategic character, through

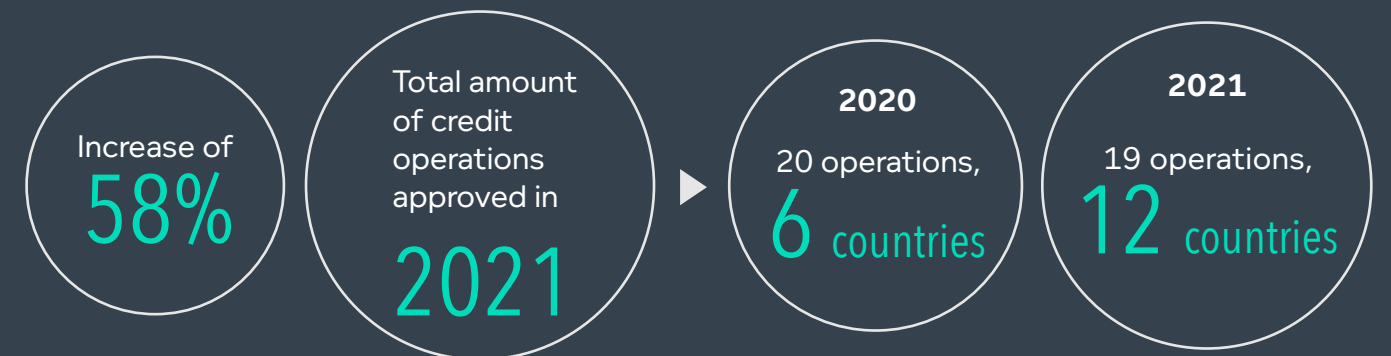
sectoral loans with emphasis on digital transformation issues, and national transportation and energy systems:

- Support for the digital transformation strategies in Panama (USD 350 million) and Colombia (USD 500 million).
- Modernization of the transportation infrastructure in Trinidad and Tobago (USD 175 million), and roadway programs in Barbados (USD 25 million) and Argentina (USD 100 million).
- Strengthening of the electricity sector in Uruguay (USD 300 million).
- Wide approach sectoral program for roadways, irrigation water and provincial drainage in Ecuador (USD 75 million).
- To ICE and CFE in Costa Rica and Mexico, respectively, for a total of USD 300 million charged to the line of credit to public companies approved in 2020 for up to USD 1.2 billion.
- A/B Loan for up to USD 300 million in favor of YPF, mobilizing third party resources for USD 263 million corresponding to tranche B.

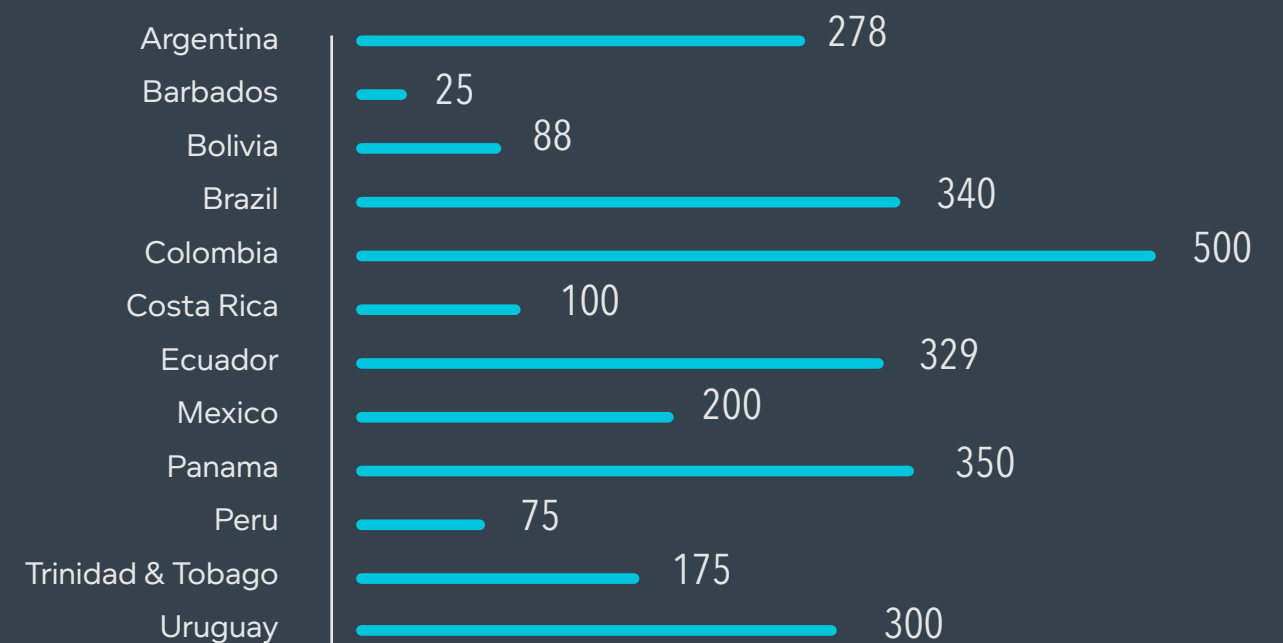
Our credit operations

VIN-1

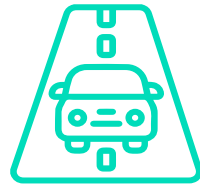
During the year there was an increase in the support granted to our countries, with a total approved amount which exceeded by 58% the amount of 2020.



Distribution of the resources approved in 2021 by country (USD million)



**The Latin American and Caribbean bank
for green and fair economic recovery**



Transportation

9 Approved credit operations

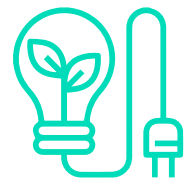
USD 947
million

Some noteworthy operations:

- Argentina, USD 200 million in the program to support the roadway system and the logistic integration corridors.
- Barbados, USD 25 million through the sectoral wide approach program in support of land transportation.
- Bolivia, USD 88 million through the Project for the construction of the two lane Caracollo-Colomi highway
- Brazil, USD 340 million for the State of Sao Paulo Project - Expansion of Line 2 Green, and acquisition of railway rolling stock.
- Ecuador, USD 119.3 million to finance the roadway and potable water program in Guayaquil, a wide approach sectoral program in roads, irrigation water, and provincial drainage, and the comprehensive program for roads, potable water and sewage in popular areas of Guayaquil's urban sector.
- Trinidad & Tobago, USD 175 million for the program in support of the transportation sector

Among the operations, the following stand out:

- Two lines of credit to electric companies, CFE in Mexico, for USD 200 million, and ICE in Costa Rica, for USD 100 million.
- Financing for YPF in Argentina for USD 300 million.
- Sovereign credit to Uruguay for the program to strengthen de energy sector USD 300 million.
- Renewal of the credit line with PETROPERÚ S.A. for USD 75 million.



Energy

5 credit operations approved

USD 975
million

USD 713 million in CAF resources and USD 263 million in counterpart resources



Logistic

2 credit operations approved

USD 210
million

Support to overcome the challenges derived from the pandemic, with the approval of two logistic Infrastructure projects in Ecuador.



Digital agenda

3 credit operations approved

USD 890
million

Focused on financing wide band connectivity, as well as the digital transformation of value chains in the region.

- Argentina, USD 40.4 million for the program to improve airport digital infrastructure with the Project to modernize the monitoring system for air traffic.
- Colombia, USD 500 million for the digital transformation program.
- Panama, USD 350 million for the program in support of the digital transformation and inclusion strategy.



**The Latin American and Caribbean bank
for green and fair economic recovery**

**Our technical
cooperation**

VIN-2

The support to countries through technical assistance resources increased by 22% with respect to the amount approved in 2020, with the approval of 22 technical cooperation operations, for a total amount of USD 13.38 million.



Urban mobility

4 technical cooperation

USD 911.3
thousand

Among the technical cooperation operations of the urban mobility sector the following stand out:

- Tumi data Project – data for a sustainable mobility, which has a multinational scope for the countries of Latin America and the Caribbean.
- Urban development aimed at transportation for sustainability of cities in the Republic of Argentina.
- Characterization with an intersectional gender perspective of the mobility patterns in Bogota, Colombia.
- Preparation of the folios for the tender for the design and construction of line 2A of the Panama metro.



Roadways

2 technical cooperation

USD 141,5
thousand

- Strategy for the development of the Building Information Modeling (BIM) in Latin America.
- Solutions and technological innovations to improve low traffic roads in Latin America.



Logistics

5 technical cooperation

USD 10,41
thousand

- Pre-investment program for regional infrastructure - Phase III.
- Support for the implementation of the national agro-logistic plan in Colombia through the Infraestructura Logística Agrícola (ILA) (Agricultural Logistic Infrastructure) type Project.
- Development engines of the south-southeast to close the gap with other regions of Mexico.
- Strengthening of the institutional capacities of the national customs authority for the implementation of the customs framework of the Comercio Electrónico Transfronterizo (CET) (Electronic Cross-Border Commerce) in Panama, through the development of a road map.
- Evaluation of the physical operability and financial feasibility of the Chaguaramas dry dock in Trinidad & Tobago.

**The Latin American and Caribbean bank
for green and fair economic recovery**



Energy

4 technical cooperation

USD 615,5
thousand

- Analysis to obtain an energy overview of Latin America: the challenge of energy transition.
- Feasibility analysis for the inclusion of renewable generation systems dispersed in rural areas of the province of Chaco, in Argentina.
- Study for the implementation of an intelligent system in the management of electric energy measurements in Paraguay.
- Resizing of the rehabilitation Project of the Simon Bolivar – Guri hydroelectric plant in Venezuela.



Digital agenda

4 technical cooperation

USD 588
thousand

- Digital transformation laboratory, which has a multinational character since its design (countries of Latin America and the Caribbean).
- Technological and legal development study in national and international scenarios to identify and propose the best mechanism to exploit the scarce natural resource Recurso Órbita-Espectro (ROE) in Colombia.
- Virtual learning platform for students and teachers in Costa Rica.
- Spectrum allocation methodology for AWS band (1700-2100 MHz) for use of mobile cellular services in Panama.



Other technical cooperation operations

3 technical cooperation

USD 712
thousand

- Support for the structuring of infrastructure projects that contribute to economic growth and equality in Colombia.
- Strengthening the institutional capacities of the National Secretariat of Public-Private Associations of Panama.
- Institutional Strengthening of the General Direction of Public-Private Alliances of the Dominican Republic.



Knowledge management

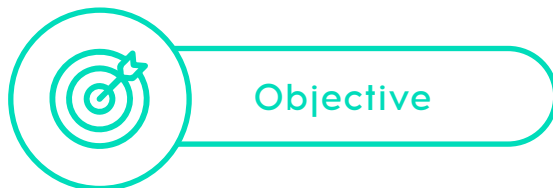
Building regional integration

IS-B



We conceive border regional development as a catalyst in the commercial dynamics, and a dynamizing factor for the participation and collaboration between National Governments and the private sector.

Program for the Comprehensive Management of Borders - PROGRIF



Contribute to expand access to global markets through regional integration

Promote better intra-regional flows that promote productive productive linkages

Components



Infrastructure

- Logistic corridors
- Information and Communications Technologies (ICTs)
- Comprehensive border centers



Operability

- Customs
- Sanitation
- Digitalization of procedures such as Single Window and Authorized Economic Operators



Norms

- National Border Plans
- Special Economic Zones



Territorial and productive development

- Territorial planning
- Basic services (education, health, water and sanitation)
- Binational productive chains
- Culture

Our results regarding PROGRIF

Program for the Comprehensive Development of Tabasco, Mexico

- We finished the first phase of the implementation program.
- We conducted studies and workshops to:
 - Structure a logistic road map
 - Develop a TIF trail (Type of Federal Inspection)
 - Transfer technical knowledge to analyze the potential of an irrigation district
 - Reinforce the productive development with social inclusion in three cities

Interventions in border areas

- We advanced in a technical cooperation to stimulate binational commerce, with emphasis on the corn chain, between the borders of Venezuela and Colombia (Táchira – North of Santander).
- In Cobija (Bolivia) we sponsored a workshop to strengthen entrepreneurial capacities for women of the Amazon border area of Bolivia and Peru.

Andean Community Interoperability - INTERCOM

- We support the Andean Community of Nations (CAN, for its acronym in Spanish) for the implementation of the Andean Community Interoperability Project -INTERCOM, which promotes intra-community commerce through standardized unified digital infrastructure for the exchange of foreign trade information between the customs of the countries, facilitating paperwork and reducing transaction costs.

Customs Modernization Strategies

- We finalized the award of the studies to support the National Customs Agency in Mexico (ANAM) to strengthen commerce between Mexico and its commercial partners, especially countries of the north triangle of Central America.



Logistic integration Corridors-CLI (for its acronym in Spanish)

Objective

Provide support, through the systematization of information from the CLIs, to generate map roads and prioritize high impact interventions through **projects to develop transportation, telecommunications, energy, logistics, territorial development, and socio-environmental infrastructure.**

By means of...

- Structuring corridors and intervention guidelines in Comprehensive Development Spheres (ADI, for its acronym in Spanish).
- Implementation in ADI and structuring of prioritized projects
- Promotion of investments and financing alternatives for the execution of the projects.

Lines of action...

- CLI analysis according to criteria of agility, materialization, impact, and sustainability.
- Structured knowledge to guide decision making with regard to integration infrastructure projects.
- **Pre-investment Project for Regional Infrastructure (PPI, for its acronym in Spanish)**, facility that provides non-reimbursable resources to finance pre-investment studies.

Pre-investment Program for Regional Infrastructure (PPI)

Stage I

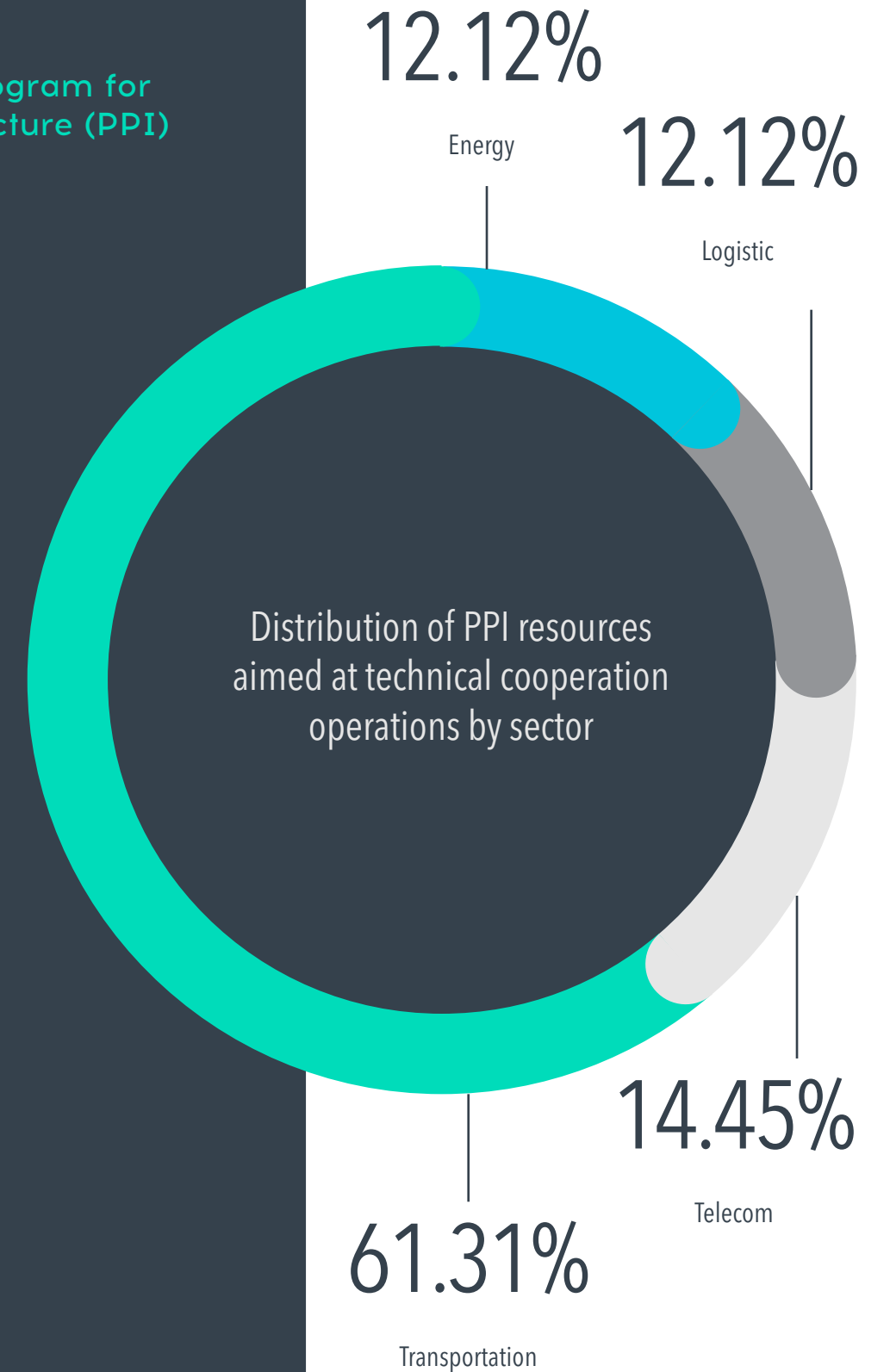
USD 10 million, assigned to 5 projects – 3 from the transportation sector and 2 from the Telecom service - in Bolivia, Chile, Paraguay, and Panama.

Stage II

USD 10 million, assigned to 4 projects – 2 from the transportation sector, 1 logistic and 1 energy - in Argentina, Brazil, Colombia-Panama (binational), and Paraguay.

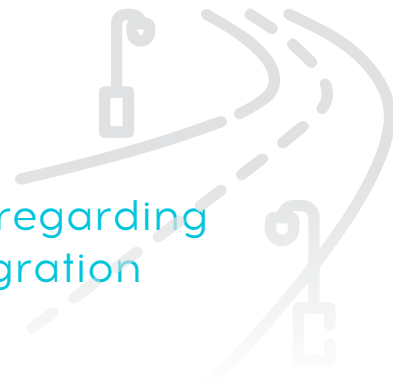
Stage III

USD 10 million, assigned to 3 transportation projects in Brazil, Ecuador, and Panama.



The Latin American and Caribbean bank for green and fair economic recovery

Our results regarding logistic integration corridors



We approved a credit operation in Bolivia for the construction of the Two-Lane Highway Caracollo – Colomi, for USD 88 million, which favors integration conditions.

We approved an operation in Argentina for the expansion of two tranches located in highways RN 5 and RN3, seeking to reduce the travelling time and improve road safety.

We started the Priority Development Programs (PPD, for its acronym in Spanish) of the Logistic Integration Projects in the North of Argentina, through the implementation of Logistic and Industrial Infrastructure (Tucumán and Salta), and the structuring of the program in the provinces or northeastern Argentina and of the Mining Connection with Chile.

We assigned USD 3 million for a technical cooperation in Ecuador: “Comprehensive improvement of the functionality and activation of the digital management in the development of the Logistic Integration Corridor Quito - Guayaquil and extensions”.

We assigned USD 1.6 million for a technical cooperation in Panama: Project of the relief roads Penonomé and Santiago in the Pan American Highway, seeking to generate a new shorter road alternative that provides greater security and favors the population of approximately 190.000 individuals.

Promoting the institutional framework and digitalization of public management



We strengthened and introduced public innovation issues through digital transformation, which impacts on the quality and efficiency of the services provided by governments, while at the same time, it implies the modernization of the State and the institutional strengthening supported by new technologies and data intelligence.

Our working lines and most noteworthy actions:

Digital transformation and public innovation

Highlighted actions by strategic axis



Digital government and public innovation

- We organized **Experiencia**, a hybrid international event in collaboration with Telefónica, Microsoft, and C4IR.CO. We published a regional report regarding the **use of Artificial Intelligence in the public sector**.
- We provided **technical advice to the governments of Chile, Colombia, and Peru** for the development of their **Artificial Intelligence strategies**. In addition, we are providing assistance to **Trinidad & Tobago for the digitalization of the payment** of taxes and tariffs.



Regulatory improvement and administrative simplification

- We approved two technical cooperation operations in the framework of the **regional digital innovation initiative under regulation**, with economic regulators in Uruguay and São Paulo.
- We organized the **First Contest on Best Regulatory Practices**, with the government of Colombia.



Governmental transparency and public integrity

- We supported sub-national governments (Bogota and y Jalisco) in the **implementation of open data in the infrastructure sector**, under the CoST standard (Construction Sector Transparency Initiative).
- We launched the **open information portal for public contracting** in Ecuador.

The Latin American and Caribbean bank for green and fair economic recovery



Govtech and data leverage

- We executed the **first direct investments in three govtech startups**: OS City (Argentina), Citibeats (Spain) and Cívica Digital (Mexico).
- We designed and implemented **govtech policies and initiatives** with national and local governments in Argentina, Colombia and Mexico.
- We launched the **Observatorio Govtech** (Govtech Observatory), a collaborative platform to identify and analyze high value govtech startups.
- We established the **Global Alliance of Govtech Leaders** presided by Colombia, to favor Exchange between government accelerators.

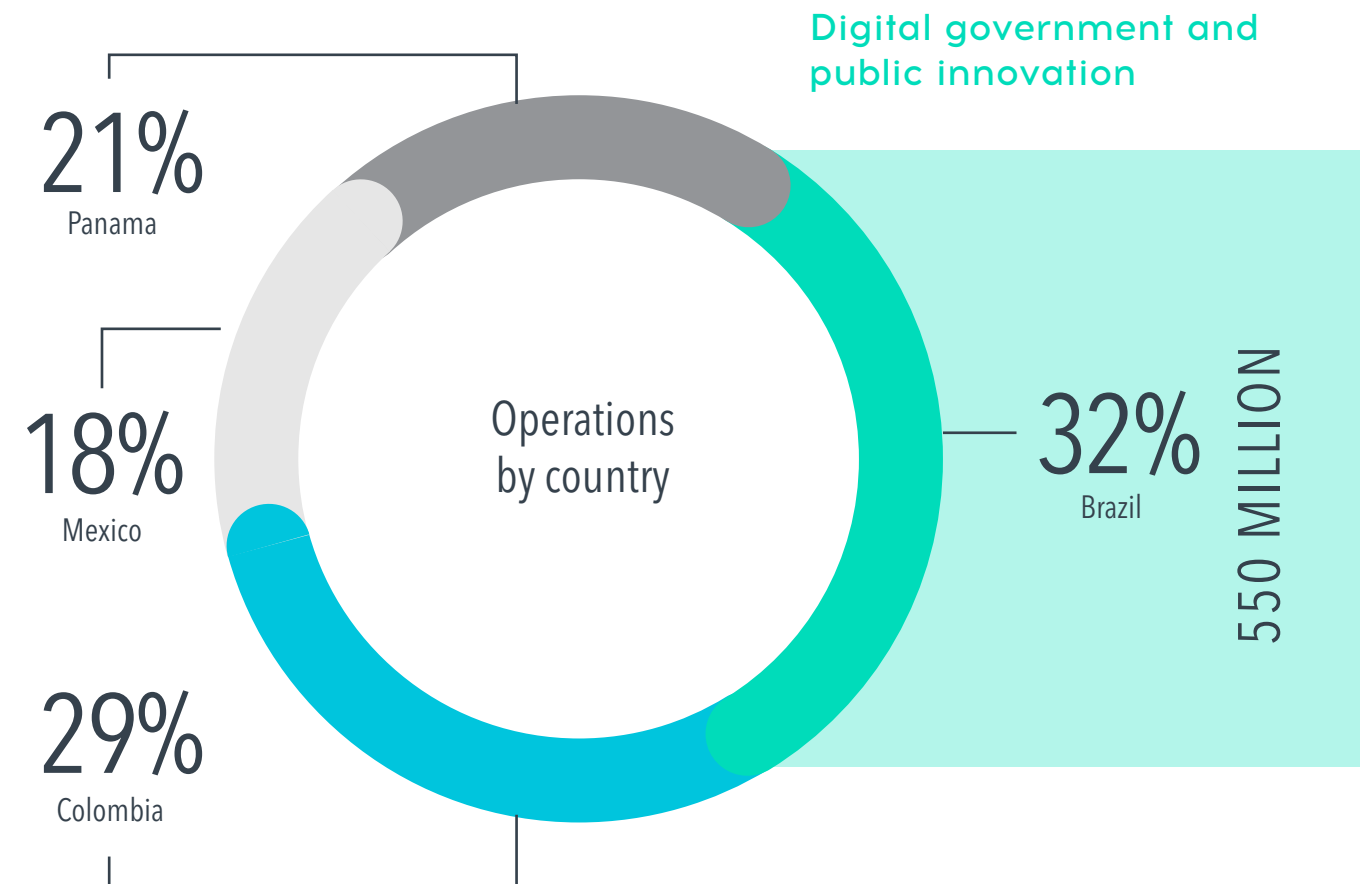
Intelligent cities and digital municipalities

- We approved a **technical cooperation operation** regarding digital rights in Ibero-America, aimed at internationalizing the experience of Spain.
- We consolidated the **line of work** with the main digital innovation centers, among which the following stand out: Bogota, Buenos Aires, Mexico City, Cordoba, Recife, and São Paulo.
- We promoted dialogue with national authorities responsible for the dissemination of digital government and public innovation initiatives at a sub-national level in Brazil, through activities aimed at developing an engagement strategy with municipalities in the sphere of the rede.gov.br and Colombia, through the development of a co-financing model of intelligent cities.
- We contributed to the development of the **Master Plan for Technology and Intelligent City of Salvador** (Brazil).

Our results regarding digital transformation of the State and public innovation

DIDE-1 DIDE-2

We have prioritized the digital transformation of the States as a key factor for economic recovery



The Latin American and Caribbean bank for green and fair economic recovery

Some of our technical cooperation operations were aimed at addressing the sanitary crisis due to the COVID-19 pandemic.



▶ **USD 1,442,480**
CAF Resources

▶ **USD 82,500**
Counterpart resources

2021

	Countries	Approved cooperation operations	CAF resources (USD)	Counterpart resources (USD)
Governmental transparency and public integrity	Ecuador	2	178,480	0
Digital government and public innovation	Brazil, Colombia and Trinidad & Tobago	4	477,000	82,500
Intelligent cities and digital municipalities	Argentina, Brazil, Spain and Uruguay	5	507,000	0
Improved regulations and administrative simplification	Brazil and Uruguay	2	280,00	0

Promoting a Green economy, resilient to climate change



Promotion of a climate resilient agenda and positive biodiversity

As a goal for 2026, we aim at increasing green financing to 40% over the approvals, aligning our operations with the objectives of the Paris Agreement. Under this approach, we are incorporating concerted strategies of environmental sustainability, social inclusion, and climate resilience in all the economic sectors of the region, through financial offers and technical support.

The planet as a whole is under a threat without precedent due to climate change, and the transformation and exploitation of terrestrial and marine ecosystems promoted mainly by human activities.

Latin America and the Caribbean (LAC) play a leading role at a global level with respect to the actions that are necessary to jointly address climate change and the accelerated loss of biodiversity, which are essential to have a green, inclusive, and resilient economic recovery. In essence, in LAC facing the challenges of climate change and the deterioration of nature is a synergetic matter of common causes.

The challenge we have assumed is to find alternatives for the transition of the economic sectors in order to achieve a positive balance with nature, which enables to reverse the accelerated loss of biodiversity; face climate financing and biodiversity gaps; and contribute to the design and implementation of effective public policies in these aspects. In addition to promoting the relevance of ecosystem services and the relationship of natural capital with the economic sectors; and reversing the prejudice that looking after biodiversity and ecosystem services represents a current expense and not a strategic investment.

**The Latin American and Caribbean bank
for green and fair economic recovery**

With respect to climate action, the region has great opportunities to achieve the alignment of its national actions with the global commitments of the Paris Agreement, which will imply increasing ambition regarding this matter and guide the efforts toward carbon neutrality and climate resiliency. In this context, it is essential to promote a decarbonization route for economic recovery and growth, with emphasis on the transportation and energy sectors, best practices in agricultural and livestock farming, structural and regulatory strengthening of water and sanitation systems, and promotion of Solutions Based on Nature (SBN, for its acronym in Spanish).

For this reason, during more than a decade and with a greater emphasis in coming years, we advanced on improving planning and the materialization of a joint vision (with the countries of the region) regarding sustainable development, which is consistent with attending the structural challenges of promoting greater social inclusion, strengthening climate resilience, and providing a timely attention to conservation and sustainable management of the region's exuberant biodiversity.

We developed a synergic work under a cross-cutting approach of the relationship between biodiversity and climate, and a territorial concept in favor of the development of our thematic and sectoral agendas, to achieve the proposed goals for climate financing and biodiversity, mobilization of third party funds, and taking the management of climate and environmental risks to levels of excellence, maintaining closeness and readiness with our shareholders, and leading a constructive and assertive dialogue in the region.



The Green Agenda is the environmental and climate instrument, cross-cutting, corporate, and inter-institutional articulator to promote the incorporation of solutions for development, based on nature, providing facilities for low in carbon growth, resilient to climate change.

The Latin American and Caribbean bank for green and fair economic recovery

The Green Bank agenda that we suggested for the coming five-year period, is aligned with the purpose of contributing to the commitments of our shareholders in the framework of the 2030 Agenda, the Paris Agreement, and the Post 2020 Global Biodiversity Framework.

With the implementation of the Green Bank, we expect to promote an increasing portfolio of green operations in the different business areas, **which include interventions with the purpose of valuing the natural capital, conservation, and sustainable use of biodiversity, as well as specific mitigation and climate adaptation measures and actions.**

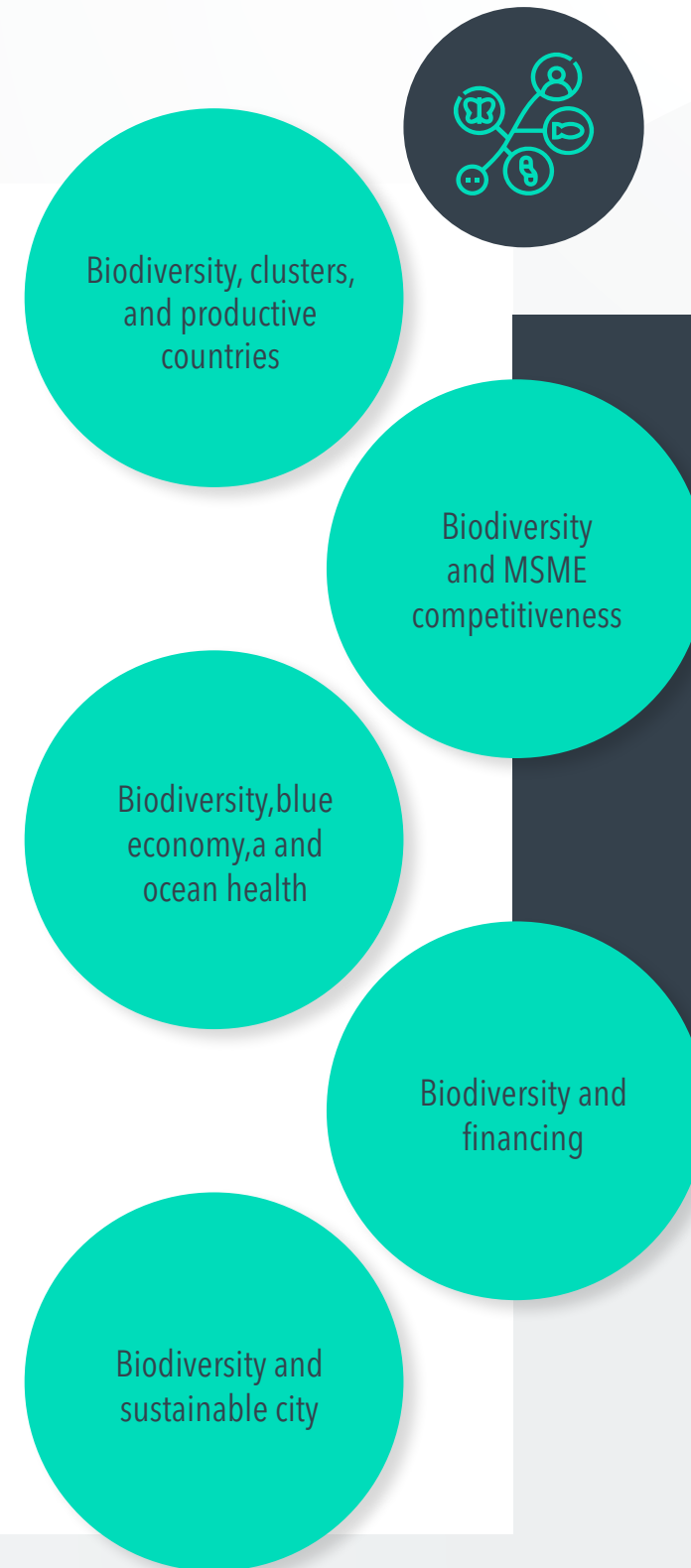
In action for Positive Biodiversity, Natural Capital, and climate change

Through our programs we seek the complementarity of effective measures for adaptation to climate change and conservation of biodiversity (solutions based on nature), as well as mitigation measures for climate change and best practices for land use, and air and water quality.

Strategic biodiversity initiative - BIOCAF

We defined the BIOCAF Strategy to provide alternatives to countries for a timely management of projects and initiatives, avoiding the loss of biodiversity by facing its underlying causes and addressing biodiversity and climate change problems in a joint and synergetic manner.

BioCAF supports the Green Agenda and combines the cross-cutting approach of strategic ecosystems with five components designed to facilitate the prioritization of actions and accelerate the transition toward a positive biodiversity in Latin America and the Caribbean.



Noteworthy results in the framework of BIOCAF's strategy:

We mobilized GEF resources with the approval of 2 projects for a total amount of USD 2.5 million, in Costa Rica and Ecuador for the Conservation of Protected Marine Areas which are core areas of the Eastern Tropical Pacific Marine Corridor (CMAR, for its acronym in Spanish)

- We approved two technical cooperation operations with CAF resources, for a total amount of USD 185,000 aimed at the Design of Strategies for the Reduction of Illegal Fishing, in Ecuador, and strengthening of the value chain of Cocoa through a digital traceability and transparency system with blockchain technology in Peru.

**The Latin American and Caribbean bank
for green and fair economic recovery**

- We developed technological and shared management tools to incorporate the environmental and climate change variables in our credit operations early on; this leads to the incorporation of natural capital criteria for the financing of initiatives aimed at cross cutting natural capital issues.
- We developed studies to prevent damages to the coastal natural capital in the state of Ceará, Brazil, for an amount reaching USD 1.39 billion, which will benefit approximately 59,723 inhabitants. USD 13.2 billion will be invested; a part will be allocated to investments on issues related to adaptation to green infrastructure for coastal protection, applying solutions based on nature in the Tobago Coastal Protection Program.

CAF Forest Initiative

We seek to strengthen the development of the Forestry Sector and the Conservation of Forests through the implementation of the green economy so it will allow member countries to migrate to low in carbon economies and resilient to climate change with social inclusion.



Reduction of emissions due to Avoided Deforestation And Forest Degradation ++

Green Businesses with Non-Timber Forestry Products

Improvement of Eco-efficiency of the Forestry Value Chain

Restoration of Forests and Degraded Land

Recovery of Urban Forests, Establishment and Rehabilitation of Green Spaces

Noteworthy results in the framework of CAF's Forestry Strategy :

We mobilized GEF resources with the approval of 3 projects for a total amount of USD 12.3 million, in Solutions based on nature in productive sustainable landscapes focused on protected Areas and Equatorial dry Forest in Tumbes and in Colombia with a reforestation concept.

- We approved two technical cooperation operations with CAF resources, for a total amount of USD 150,000 aimed at the development of tree planting plans, recovery of water springs, environmental education, and communications in at least 4 municipalities that are vulnerable to climate in Semi-arid areas in Brazil.

In the framework of the Knowledge Sharing Program, we mobilized resources from the Ministry of Economy and Finances of the government of Korea and the Korea Eximbank, with the approval of the technical cooperation on "Transfer of Korean Knowledge to Strengthen Public Management of the Paraguayan Forestry Productive Sector" (aimed at the National Forestry Institute) for a total amount of USD 250,000. The objective is the transfer of knowledge and experience developed and implemented by the Korean Forestry Service during the past 47 years in the management of public forests, to promote, from the government side, a profitable and productive forestry sector.

- We provided technical support for the evaluation of the activities of the private sector forestry industry Structured financing of the cellulose plant in the department of Concepción-Paraguay, including the establishment of 114,000 hectares of eucalyptus urograndis, Eucalyptus grandis, Eucalyptus dunnii, and Eucalyptus saligna, for the self-sufficiency of the industry with a 6 year cutting cycle.

- We provide technical advice achieving the development of the "Green Spaces Master Plan for Public Use and Urban Woodland in the City of Guayaquil, Ecuador", in the framework of the LAIF Initiative Cities and Climate Change.

**The Latin American and Caribbean bank
for green and fair economic recovery**

**Sustainability Initiative
for Financial Institutions**

With this program, we support the countries of the region in the design of policies and programs regarding sustainable finances, as well as in strengthening the capacities for the management of environmental, social, and governance risks for financial institutions in the framework of their credit and evaluation processes.

We approved a technical cooperation operation with CAF resources, for a total amount of USD 76,000 aimed at promoting green and sustainable financing in Ecuador.



Objective

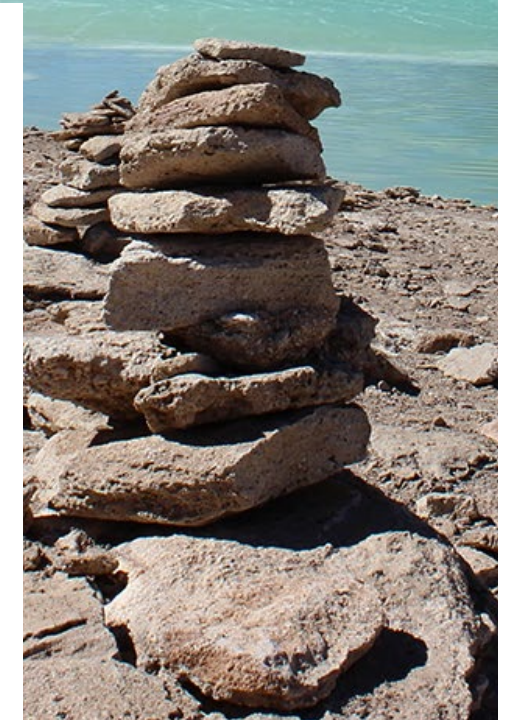
- Strengthen the capacities of the financial sector and regulatory entities for the management of environmental, social, and governance risks in the framework of their credit and evaluation processes, as well as improving the standards of environmental risk management in order to attract resources from international green funds.
- Implement financial products to finance energy efficiency measures in private and public companies and other public entities in CAF's shareholder countries.

Results 2021



Climate Change Program

Its objective is to promote the transition of shareholder countries toward less carbon intensive economies, resilient to the effects of climate change, incorporating the components of adaptation and mitigation of emissions of greenhouse gasses in our operations, and mobilizing resources for climate financing. We work with the Climate Green Fund (CGF), the Adaptation Fund (AF), the LAIF-KFW Initiatives "Climate Financing Facility based on the performance of the European Union" and LAIF-AFD "Cities and Climate Change".



The Latin American and Caribbean bank for green and fair economic recovery

Financing and mobilization of third-party resources for the environment and climate change

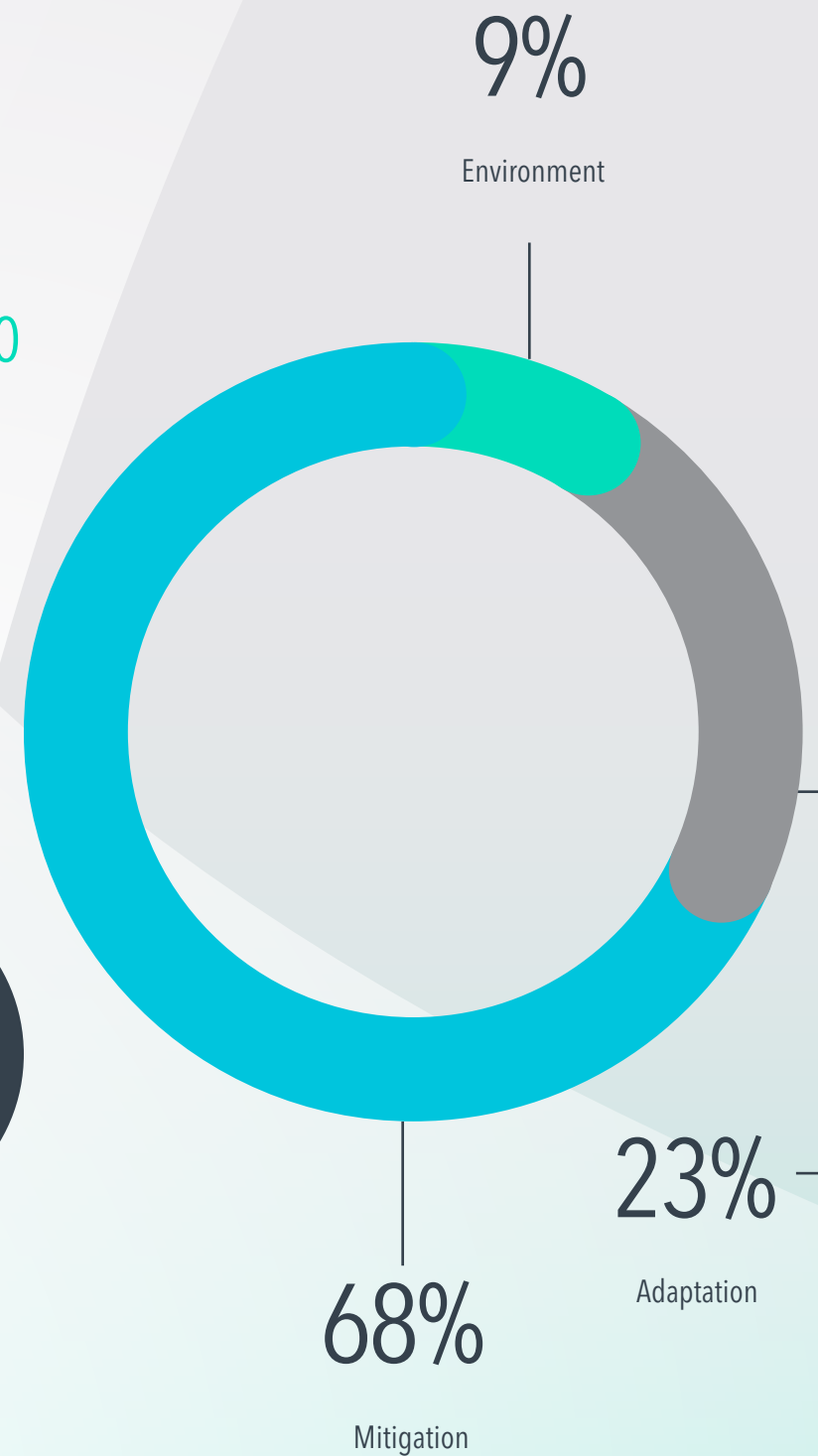
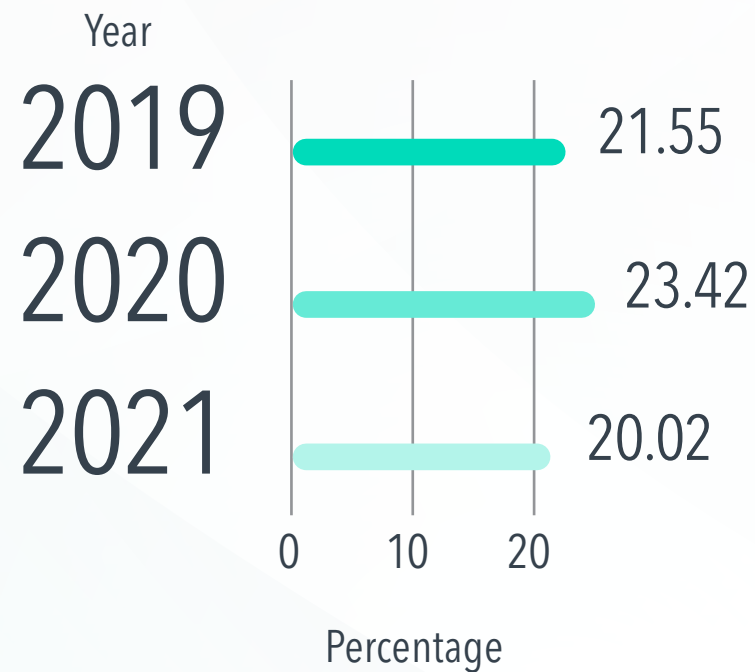
Green operations

CCOV-1, CCOV-2.

In 2021, environmental and climate financing reached **USD 2,639,40 million**, equivalent to **20.02%** of the total resources approved during the year.



% of green operations over the total amount of operations approved



Mobilization and management of resources from Green and Environmental Funds

CCOV-3, CCOV-4

Green Climate Fund, Adaptation Fund, and LAIF Initiatives

Amounts executed and disbursed during 2021 in operations approved in earlier years:



**The Latin American and Caribbean bank
for green and fair economic recovery**

Green Climate Fund - GCF

**Program for
Climate Action and
Development of Solar
Energy in the Region
of Tarapaca, in Chile**



The construction, operation, and maintenance of a 150 MW photovoltaic park concluded, in the desert of Atacama, Chile. USD 4,692,763 were disbursed from the GCF.

Expected impacts

- Avoid the emission of approximately 3.7 million tCO₂e during the useful life of the project.
- During the commercial operation, the solar park has generated and delivered an average of 35,230 MWh per month to the Chilean network.

**Green Financing
Program for Local
Financial Institutions
(LFI) in Chile, Ecuador,
Panama, and Peru**



The program was approved, for a total of USD 150.2 million of which the GCF would finance USD 100 million and CAF USD 50.2 million. The objective is to mobilize climate financing and promote a low in carbon development through the promotion of renewable energy, energy efficiency, and a sustainable use of the land in small and medium-sized companies in Chile, Ecuador, Panama, and Peru.

Expected impacts

- Mitigation: 10.70 million tCO₂e of reduction of GHG emissions during the duration period of projects developed by SMEs of approximately 20 years.
- At least 11 LFI (Local Financial Institutions) will be trained
- Approximately 700 SMEs benefitted with the program.

**Readiness Program
in Costa Rica CRI OO1
- Strengthening of
the AND and Country
Program**



Concluded with the execution of USD 125,706.21 in 2021.

Achievement

- Strengthening of the institutional and coordination capacities of the Autoridad Nacional Designada (National Designated Authority) of Costa Rica.
- Knowledge of the GFC increased at the National Designated Authority and other relevant actors.
- Barriers were identified for the effective participation of the private sector in climate financing schemes.

**Readiness Program
of Paraguay PRY OO1
-Strengthening of
the AND and Country
Program**



Ended, with the execution of USD 51,333.56 in 2021.

Achievements

- Strengthening of the institutional capacities of the National Designated Authority of Paraguay, to establish a National Coordination Mechanism.
- The Country Program was formulated.
- Opportunities were identified to increase the participation of the private sector in climate financing.

**Readiness Program of
Panamá PAN-RS-001-
Strengthening of the
AND and Country
Program**



Execution of USD 181,410.50 of the approved amount.

Achievements

- Development of the draft of Panama's National Climate Change Strategy toward 2050, and the Country Program was formulated.
- Development of the national procedure for the issuance of non-objection letters for national and regional initiatives.



The Latin American and Caribbean bank for green and fair economic recovery

Projects with advances in formulation, structuring, and approval before the GCF



United Nations Adaptation Fund (AF)

Projects concluded in 2021



The project concluded, with the execution of USD 599,729.68 during the year. The objective of the Project is to reduce the vulnerabilities facing the impacts of climate change in farming communities in the provinces of Arequipa, Caylloma, Castilla, La Unión, and Condesuyos in the Region of Arequipa, Peru, strengthening the resilience of the production of Alpaca fiber, the main livelihood in these communities.

Noteworthy achievements

- 16,824 individuals directly and 63,841 indirectly benefitted.
- 900 hectares of fodder cereals cultivated and improved pastures due to the use of seeds resistant to climate change.
- 342 barns constructed or improved for the protection of gestating alpaca and their offspring, fulfilling this goal by 127%.
- 216 mesh fencings installed to protect cultivated natural pastures. This goal was met by 300%.
- 20,000 camelids dosed to boost their sanitary conditions to face the intense cold, goal met by 200%.
- 20,000 linear meters of improved artisanal water channels, complying with this goal by 200%. In addition, 73 reservoirs with pressurized irrigation systems, and 360 homes benefitted with artisanal water dams or “qochas”.
- Rural homes improved to face climate conditions: now they have a Trombe Wall to generate heat inside, a system to purify water, an improved gas stove to avoid the use of fire wood, an energy system with a photovoltaic panel, and the installation of a bio-digester in the bathroom to treat the waters.
- With respect to gender, the approach contributed to the empowerment of women in decision making processes; first and foremost, women who are heads of households, and achieve the active participation of women in the field during the execution of the components of the project.

Ayninacuy Project



The Latin American and Caribbean bank for green and fair economic recovery



Chile - Ecuador Regional Project



Adaptation to climate change in coastal cities and vulnerable ecosystems of the Uruguay river



Projects with disbursements executed during 2021

A total of USD 1,312,820 were disbursed. This project seeks to reduce the vulnerability to floods and flashfloods related to climate in Antofagasta and Taltal in Chile and Esmeraldas in Ecuador, through the incorporation of a risk management approach and the development of an adaptation culture.

Expected impact

- In Chile, 129,000 individuals will directly benefit and 403,000 will indirectly benefit.
- In Ecuador, 161,500 individuals will directly benefit, and more than 500 will benefit indirectly.

A total of USD 1,898,922.14 were disbursed. The Project seeks to promote resilience in vulnerable cities and coastal ecosystems along the Uruguay river, by developing instruments and shared experiences to plan and manage climate change.

LAIF-KFW Initiative "Climate financing facility based on the performance of the European Union"

2 operations approved in Ecuador for **EUR 2,290,906.33**

Approved projects in 2021

"Biogas Electricity Generation Plant in the Pichacay Sanitary Landfill", project developed and operated by EBE CEM, in Cuenca, Ecuador.



EUR 1,753,388.31 were approved to reduce the emission of greenhouse gasses (GHG) produced by the generation of electric energy by using biogas from the landfill.

Impact

- The Pichacay thermal plant helps diversify the energy offer in the region, contributing close to 7.000 MWh annually of renewable electricity, which would supply close to 7,300 families.
- Payment of incentives for the reduction of 76,467 tons of CO2e until December 31, 2022.

Active capture of biogas in the Portoviejo landfill - Ecuador



EUR 537.518,02 were approved for the installation of a biogas collection network and a burner, for the capture and active burning of biogas in the Portoviejo sanitary landfill.

Impact

- Prevent methane emissions to go into the atmosphere and, consequently, reduce GHG emissions.
- Payment of incentives for the reduction of 24,466 tons of CO2e until December 31, 2022.

The Latin American and Caribbean bank for green and fair economic recovery

Project approved in 2020 and started in 2021

Biogas Capture and Burn System in the Sanitary Landfill Las Iguanas - Guayaquil Ecuador



Seeks to reduce GHG emissions through a biogas collection network and a burner, for the capture and active burn of biogas in the sanitary landfill.

Impact

Prevent methane emissions to go into the atmosphere and, consequently, reduce GHG emissions

LAIF-AFD Initiative "Cities and Climate Change"

5 operations approved Argentina, Colombia, Peru and 2 regional for a total of **EUR 965,397**

Comprehensive external communications strategy of the Cities and Climate Change LAIF



EUR 135,177 were approved, of which EUR 40,553.10 were disbursed. The Project includes the conceptualization, design, and implementation of a comprehensive external communications strategy for the promotion and dissemination of the actions developed by CAF with respect to sustainable urban development, low in carbon, and resilient to climate change in LAC.

Pre-investment studies for the sustainable mobility project in the cities of Córdoba, Rosario, and Santa Fe in Argentina



EUR 289,845 were approved to develop the pre-investment studies to serve as the basis to develop the final designs of the comprehensive corridors for sustainable mobility in the cities of Córdoba, Rosario, and Santa Fe, in Argentina.

Alternatives, studies and preliminary designs for the environmental management of the riparian corridor of the Ciénaga de Mallorquín



EUR 220,500 were approved, and EUR 66,150 were disbursed to carry out the characterization, identification of alternatives, and conceptual designs of environmental protection for the riparian corridor of the Ciénaga de Mallorquín, in agreement with the environmental, social, and urban environment in the area; and pre-feasibility design of the alternative selected for the city.

Design of a bikeway in the San Juan de Lurigancho District, Lima

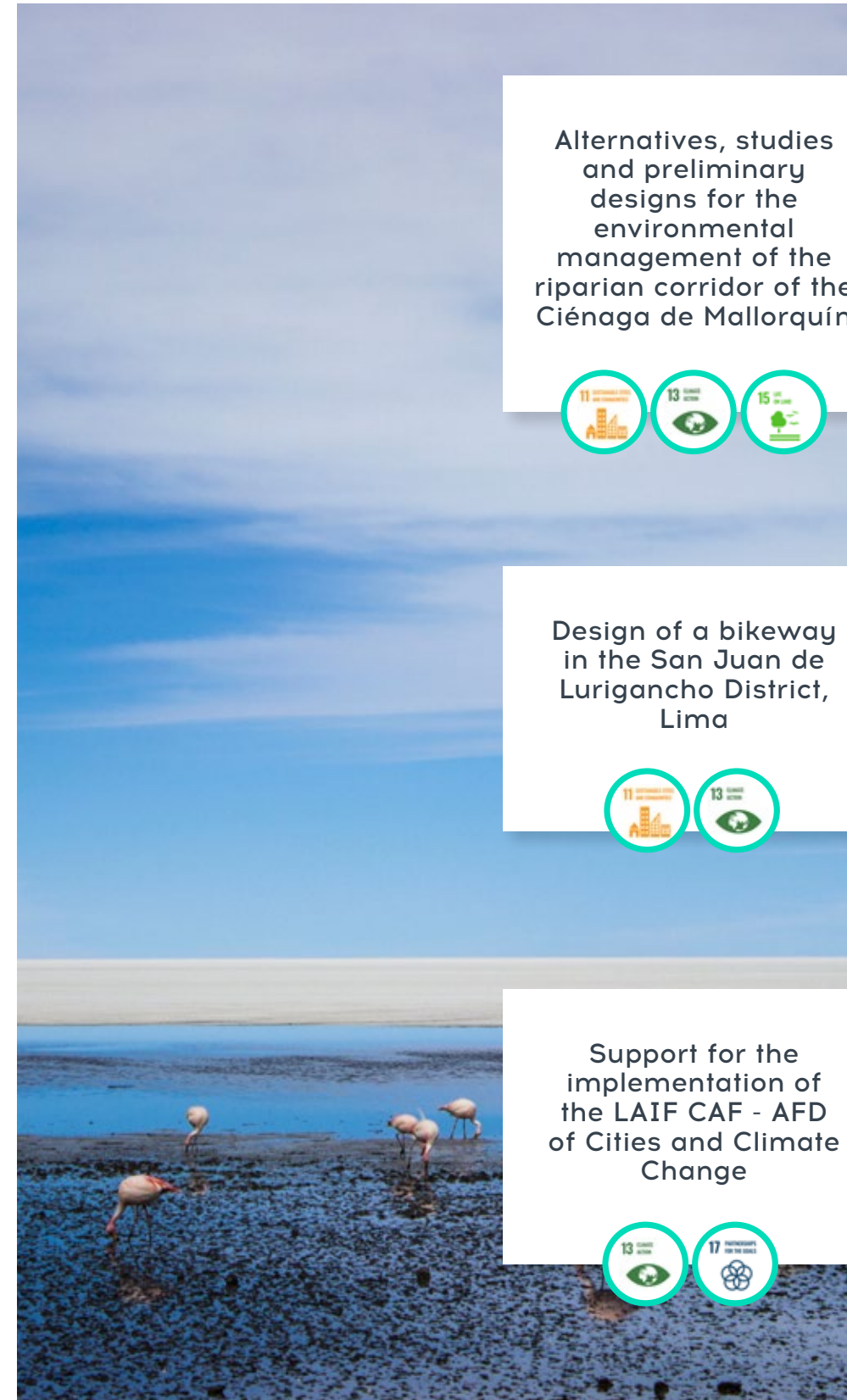


EUR 249,875 were approved and EUR 49,975 disbursed, for the preparation of pre-investment studies at a profile level of the Investment Project called "Creation of the Bikeway in Avenida Próceres de Independencia, in the department of Lima".

Support for the implementation of the LAIF CAF - AFD of Cities and Climate Change



EUR 70,000 were approved and EUR 30,585 disbursed to support the coordination of climate change of our institution in the implementation of the LAIF.



The Latin American and Caribbean bank for green and fair economic recovery

With respect to the implementation of projects approved during 2020, and the advances during 2021 are:



MOOC of Cities and Climate Change

We finished the contents of the 5 modules that make up the MOOC, which seeks to strengthen the skills and knowledge of public officials in the cities of Latin America and the Caribbean, for the management of the urban challenges and problems from a vision of climate change. A first disbursement for EUR 16,200 was made.



Technical, legal, financial, social, and environment structuring for the electrification of the fleet of public busses in the city of Buenos Aires, Argentina.

Payment were made for EUR 48,083.82. of the Project is the development of a renewal strategy for the fleet of public transportation of the city of Buenos Aires, and develop a technical, legal, financial, social, and environmental structuring for the acquisition and operation of battery-operated electric buses.



Opportunity and feasibility study for the development of an urban park in the area where the oxidation pond is currently located, northwest of the city of Montería, Colombia

The prefeasibility and design study for an urban park in the area where the oxidation pond is currently located, northwest of the city of Montería, Colombia concluded. The final presentation workshop and delivery of results took place, with the participation of local authorities. Payments were made for EUR 174,260.10.



Management Plan for the Management of Green Spaces and Urban Forestry in Guayaquil, Ecuador

The development of the Management Plan for Green Spaces of Public Use and Urban Forestry located within the urban limits of the city of Guayaquil (Ecuador), as a strategy of sustainability, mitigation, adaptation to variability and climate change. The final presentation workshop and delivery of results took place with the participation of local authorities, with payments made for EUR 96,000.

The Latin American and Caribbean bank for green and fair economic recovery

World Forum for the Environment (Global Environmental Facility - GEF)

Resources mobilized in the framework of the Biodiversity and Forests strategy:

5 Projects approved
USD 14,94 million

4 Countries benefited
Colombia, Costa Rica, Ecuador and Peru

290,184
Ton CO₂ reduced

Expected impacts
14,339,645 Ha

Terrestrial and marine protected areas with improved management

65,340
Benefited individuals

Project	Description
PRODOC Approval	
 <p>Transformation of the Colombian panela subsector through the initial implementation of NAMA, Colombia</p>	<p>USD 2.23 million approved</p> <p>Expected impact</p> <ul style="list-style-type: none"> • 290,184 metric tons of CO₂ reduced • 36,040 individuals benefited • 80 hectares under sustainable management of the land
 <p>Safeguard the biodiversity of the National Park Isla del Coco, establishing a biosecurity system and preparing to eradicate invasive mammals in Costa Rica</p>	<p>USD 624,338 million approved</p> <p>Expected impact</p> <ul style="list-style-type: none"> • 2,330 protected terrestrial hectares under improved effectiveness management. • 201,153 protected marine hectares under an improved effective management.
 <p>Development of a favorable environment for sustainable companies based on the native biodiversity of Ecuador</p>	<p>USD 3.5 million approved</p> <p>Expected impact</p> <ul style="list-style-type: none"> • 7,000 hectares of landscape under improved practices • 5,000 benefited individuals
 <p>Effective conservation of protected areas in the Galapagos, surveillance of the Galapagos Marine Reserve and the eradication of invasive predators in Isla Floreana, Ecuador</p>	<p>USD 1.94 million approved</p> <p>Expected impact</p> <ul style="list-style-type: none"> • 789,088 protected terrestrial hectares under improved management effectiveness • 13,300,000 hectares of protected marine areas under improved management effectiveness.
PIF Approval	
 <p>Green Finances and Sustainable Agriculture in the Eco-Regio of the Dry Forest of Ecuador and Peru</p>	<p>USD 6.65 million approved</p> <p>Expected impact</p> <ul style="list-style-type: none"> • 10,000 hectares of forests and restored forest lands • 30,000 hectares of landscape under improved management to benefit biodiversity • 24,300 individuals benefited

SUSTAINABILITY REPORT

05

WITH A
SUSTAINABLE
FINANCIAL ESSENCE

Building alliances for sustainable development

Establishing mechanisms to contribute to the achievement of the 2030 Agenda and the Paris Agreement

- Catalyzing resources with development agencies
- Mobilizing third-party resources

Executing a socially responsible funding

Building alliances for sustainable development



GRI 102-12, 102-13

We encourage institutional relationships with the shareholder countries and institutions, as well as organizations that contribute financial, human, technical, or information resources in order to create synergies that strengthen the opportunities to leverage sustainable development in the region.

The main participating organizations are:



International Organizations:

- United Nations (UN)
- Organization of American States (OAS)
- Organization for Economic Cooperation and Development (OECD)
- Economic System for Latin America and the Caribbean (ESLA)
- Asia-Pacific Economic Cooperation Forum (APEC)



Financial Organizations and development banking:

- KFW Development Bank
- AFD – Agence Française de Développement
- International Development Finance Club (IDFC)
- Adaptation to Climate Change Fund (FA)
- Global Environment Facility (GEF)
- Green Climate Fund (GCF)



Academia:

- Center for Latin American Monetary Studies (CEMLA)
- Corporate Institute
- Elcano Royal Institute
- UDUAL (ALC University Union) – ALC Academic Network - China



NGOs:

- Association of Certified Anti-Money Laundering Specialists (ACAMS)
- Canning House – Hispanic and Luso Brazilian Council
- House of the Americas
- Euromerican Foundation
- Entrepreneurial Ibero-American Foundation (FIE, for its acronym in Spanish)
- Instituto para a Promoção da América Latina e Caraíbas (IPDAL)
- Korean Council on Latin America & the Caribbean (KCLAC)
- Carolina Foundation
- Italian-American International Organization (IILA, for its acronym in Spanish)



Think Tanks:

- Chatham House – The Royal Institute of International Affairs
- Interamerican Dialogue



Other strategic allies:

- Latin American Association of Financial Institutes for Development (ALIDE, for its acronym in Spanish)
- Latin American Bank Federation (FELABAN, for its acronym in Spanish)
- Institute of International Finance (IIF)

Establishing mechanisms that contribute to the achievement of the 2030 Agenda and the Paris Agreement



Catalyzing resources with Development Agencies

We seek to strengthen resources in the most competitive financial terms possible through co-financing, **credit lines, and non-reimbursable resources for technical assistance**. In this way, we can mobilize resources from other financing sources towards Latin America and the Caribbean, facilitate access to additional resources, and grant opportunities to develop large scale projects. Likewise, we strengthen our financial

capacity by providing benefits of high added value to the shareholder countries.

Our focus is to help support sectors such as transportation, energy, climate change; highlighting the health sector as a priority, with an emphasis in support for vaccine acquisitions, in order to counter the effects caused by the COVID-19 pandemic.

Co-financing

Our results related to Development Agencies

DRFI-3, DRFI-5

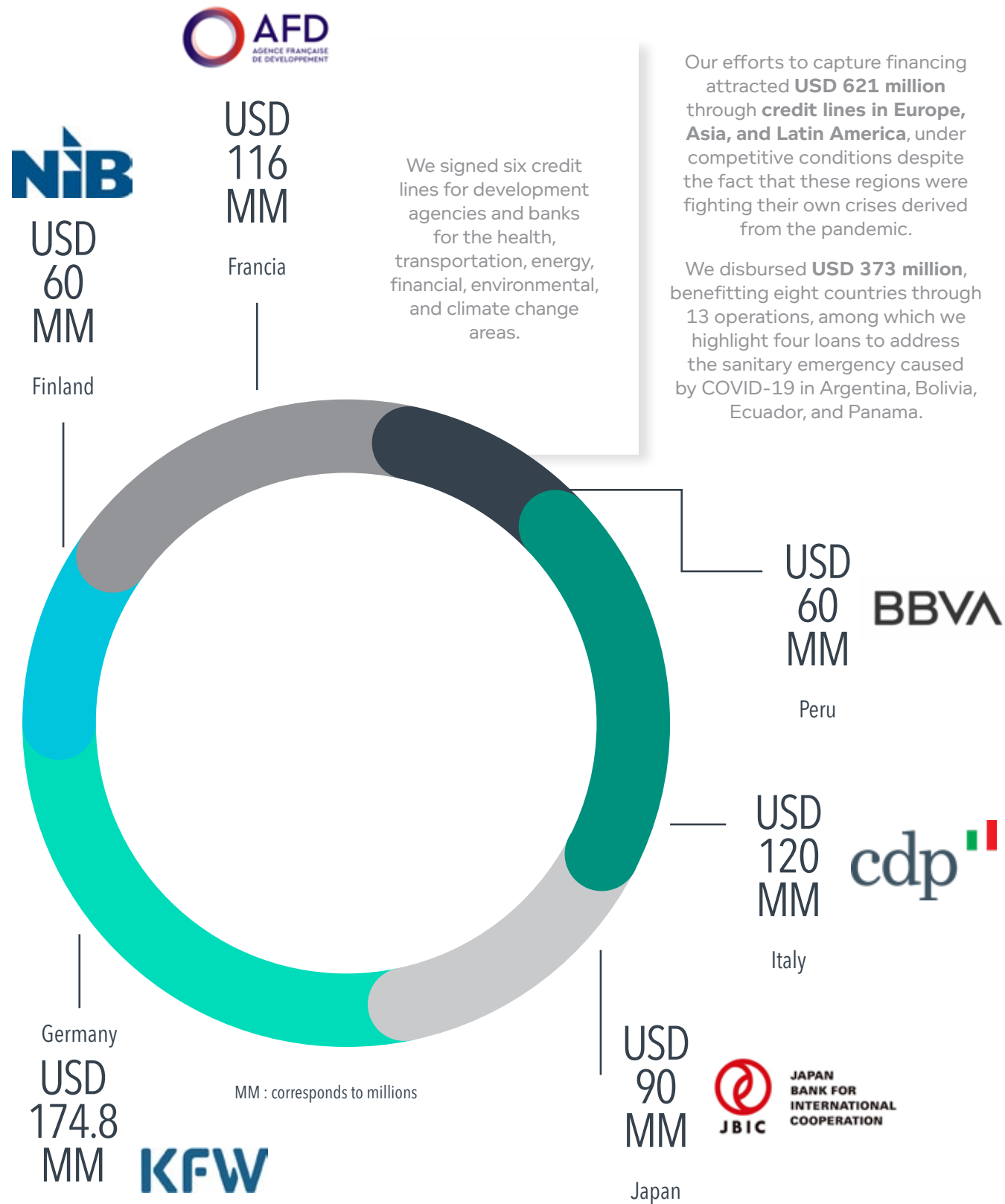
Private banking and multilateral organizations joined us, such as:

- Spanish Agency for International Cooperation for Development (AECID, for its acronym in Spanish)
- French Development Agency (AFD, for its acronym in Spanish)
- European Investment Bank (BEI, for its acronym in Spanish)
- Cassa Depositi e Prestiti (CDP)
- German Cooperation (GIZ)
- Fund of the Organization of Petroleum Exporting Countries (OPEC)
- Official Credit Institute (ICO, for its acronym in Spanish)
- Kreditanstalt für Wiederaufbau (KfW)

We achieved the subscription of the **Cooperation Agreement** for the co-financing between our institution and the **OPEP Fund for USD 600 million**, which will facilitate joint financing of projects during the next three years.

We focused our efforts on evaluating operations with the potential to mobilize financial resources that amount to USD 316 million in the Sanitation, Health, and Water sectors.

With sustainable financial essence



Non-reimbursable resources



We started negotiations with allied financial institutions, such as: the Spanish Agency for International Cooperation for Development (AECID, for its acronym in Spanish), French Development Agency (AFD, for its acronym in French), German Cooperation (GIZ, for its acronym in German), OPEP Fund, Kreditanstalt für Wiederaufbau (KfW), and the Korea EXIM Bank, to benefit the projects in the tourism, forestry, transportation, infrastructure, mitigation, and climate change sectors.

Mobilization of third-party resources

DFCD-3

At the close of 2021, the active portfolio of third-party resources reached USD 118.49 million through donations, executed resources, and administrated resources.

	Executed resources		Executed Funds		Implemented Funds	
	2020	2021	2020	2021	2020	2021
Approved amounts (USD millions)	0.02	1.47	29.20	23.95	89.44	93.07
Received Amounts (USD millions)	0.02	1.02	29.20	23.95	35.74	36.51
Executed Amounts (USD millions)	0	0.07	10.12	9.25	13.79	23.35

Portfolio of third-party funds administrated by CAF

DFCD-3

The following table shows the historic amounts approved for each fund, accumulated through December 31st of each year.

Origin of Resource (Donor)	Approved amounts (original currency)		
	2019	2020	2021
French Development Agency (AFD, for its acronym in French) (EUR)	1,700,000	2,500,000	2,500,000
Adaptation Fund (AF) (USD)	33,441,215	33,441,215	33,441,215
British Prosperity Fund (GBP)	7,696,511	7,696,511	7,696,511
Italian General Fund for Cooperation (FGCI, for its acronym in Italian) (EUR)	5,000,000	5,000,000	5,000,000
French Treasury FASEP Facility (FASEP) (EUR)	2,000,000	2,000,000	2,000,000
Global Environment Facility (GEF) (USD)	38,894,991	43,144,895	44,924,713
Green Climate Fund (GCF) (USD)	5,254,017	5,254,017	10,254,017
Federal Ministry of Economic Cooperation and Development (BMZ-GIZ) (EUR)	187,473	736,021	1,444,321



Origin of Resource (Donor)	Approved amounts (original currency)		
	2019	2020	2021
Federal Ministry of Economic Cooperation and Development (BMZ – KFW) (EUR)	977,504	1,227,504	1,227,504
OPEP Fund for International Development (OFID) (USD)	800,000	800,000	800,000
European Union (LAIF-AFD-KFW) (EUR)	26,900,000	26,900,000	26,900,000
Governments of Panama and Paraguay (USD)	1,100,000	1,100,000	1,100,000
Microsoft – Data Strategy (USD)	0.00	15,000	15,000
Telefonica – Data Strategy (USD)	0.00	0.00	57,800

With sustainable financial essence

Operations with third-party funds which were approved throughout the year

DFCD-3

We approved a total of seven operations for a total amount of USD 8.73 million, which are concentrate mainly on operations of a multinational scope (74%), and three countries: Ecuador (20%), Paraguay (3%), and Colombia (3%).

Fund	Total Operations	Approved Projects	Approved Amounts
	2021	2021	2021
Global Environment Facility – GEF (USD)	1	Effective Conservation of Protected Areas of Galapagos, through Strengthening of Control and Surveillance of the Galapagos Marine Reserve and the Eradication of Invasive Predators from Floreana Island	1,779,817
Green Climate Fund (GCF) (USD)	1	Regional Program for Local Financial Institutions – IFLs and SMEs	5,000,000
British Prosperity Fund (USD)	1	FPB03: Training for producers, agriculture extension officers/assistants, agricultural technicians, and institutional actors in agricultural-climate Risk management in farming systems, prioritized in Colombia	215,000
Telefonica (USD)	1	Increasing adaptive capacity of local communities, ecosystems and hydroelectric systems in the Toachi-Pilaton watershed with a focus on Ecosystem and Community Based Adaptation and Integrated Adaptive Watershed Management	57,800

Fund	Total Operations	Approved Projects	Approved Amounts
	2021	2021	2021
Ministerio Federal de Cooperación Económica y Desarrollo (BMZ – KFW) (EUR)	1	Cybersecurity in the Energy Infrastructure of Paraguay	250,000
Ministerio Federal de Cooperación Económica y Desarrollo (BMZ-GIZ) (EUR)	2	Increase the resilience of WASH services under pandemic conditions through specific actions	527,450
		TUMI Digital Mobility Hub	708,300

Executing socially responsible funding



We have a fundamental role in the active promotion of sustainable development in Latin America and the Caribbean. Therefore, we ensure the continuity of the operations even in adverse or crisis situations, guaranteeing our solvency and sustainability, while offering competitive financial conditions to our clients and efficiently using capital.

We strengthen the mobilization of resources within the best terms and conditions the

market allows, through our allies, in order to financially supply the countries in the region, focusing specifically in overcoming the economic effects generated by the COVID-19 pandemic.

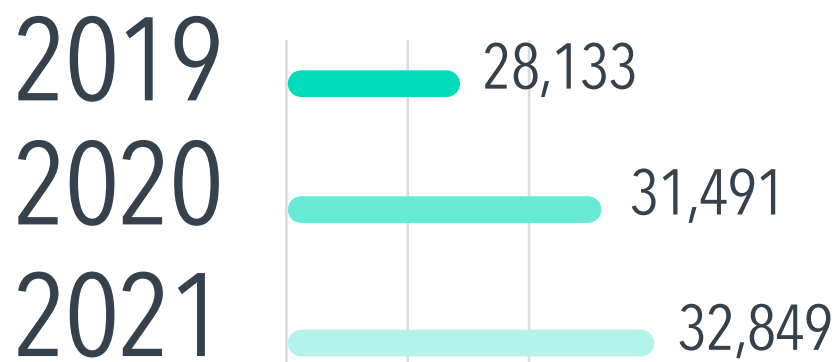
The mobilization of financial resources also responds to the need to strengthen the sources of financing in local currency, supporting the projects we finance in the region.

Our results regarding raising financial resources

DPFEI-1

73.9% of our financial liabilities came from bond emissions, and 8.5% from the emission of commercial papers, both from international market capital, together with the 12.2% by deposits received from institutional investors, and 5.4% from long-term loans and credit lines.

Financial liabilities (USD millions)



74%

Bonds

5%

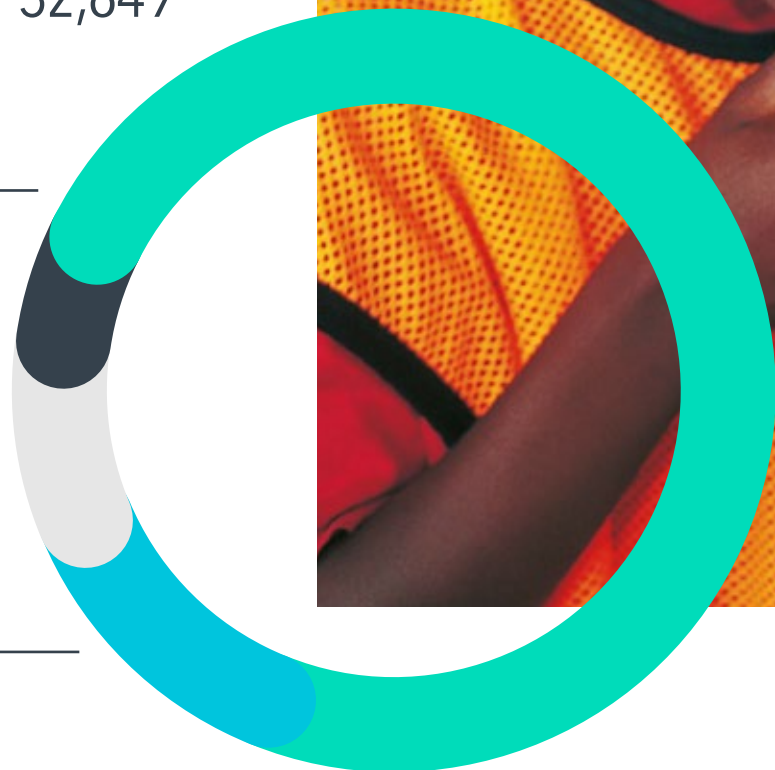
Long-term loans

9%

Commercial Papers

12%

Received deposits



Our bond issues

We issued 46 bonds for approximately 4.5 billion, where two benchmark emissions stand out; one in the European market **EUR 1.25 billion** which had **one of the greatest book orders in our history**, as well as another emission for USD 1 billion, whose demand by part of the investors reached USD 2 billion.



We became the **first issuer in Latin America to place bonds in a SOFR** (Secured Overnight Funding Rate) for a total of USD 400 million, a very significant event during the transition process to the LIBOR rate.



We issued **6 nutrition bonds** for a total of USD 402 million, whose investors were institutional Asian accounts, **focused on Environmental, Social, and Corporate Government (ESG)** factors. These funds will be used to finance projects in Argentina and Ecuador.



We continue with our strategy to consolidate ourselves as a frequent issuer in the Mexican and Japanese markets, leading to several public emissions in Mexican Pesos and Japanese Yen in terms of three to 10 years.



Our results regarding the mobilization of resources in the private sector



DPFEI-3, DPFEI-4

As far as **approvals associated to syndications**, we approved an A/B loan for a mixed capital company in Argentina for a total of USD 300 million, **mobilizing USD 262.5 million** from the international banking system and other private investors. At least 40% of these funds will be used to **finance eligible projects in line with ESG criteria**.



We achieved **portfolio sales** and risk participations of the private sector for a total of **USD 18 million**, in order to optimize the use of capital. In total, the mobilization of resources during 2021 was increased by 255% with respect to 2020.



Our results regarding risk ratings

DPFEI-2

During 2021, all the international agencies that rate us confirmed our risk ratings, while **Standard & Poor's (S&P) and Fitch Ratings improved the perspective of our ratings**, proving our **financial strength** as well as the resilience of our credit profile facing the economic impact resulting from the pandemic:

- S&P improved the perspective of CAF's rating to positive, highlighting the strengthening of the Institution's capital position as well as the importance of CAF in the region.

- Fitch improved the perspective of the rating to stable, highlighting its expectations that the capitalization will continue at excellent levels. In January of 2022, Fitch again improved the perspective of CAF's rating to positive

- Both Moody's Investors Service and Japan Credit Rating Agency (JCR), maintained a stable perspective for the institution's ratings.



⁸ In January of 2022, Fitch improved the perspective of CAF's ratings from Stable to Positive, asserting the rating at A+

GRI
CONTENT
INDEX

GRI content index

GRI Standard	Contents	Location
	Organization's Profile	Page
	102-1 Name of the organization	pg. 19
	102-2 Activities, brands, products, and services	pgs. 18, 19
	102-3 Location of headquarters	pgs. 18, 19
	102-4 Location of operations	pgs. 18, 19
	102-5 Ownership and legal form	pg. 22
	102-6 Market served	pgs. 18, 19
	102-7 Scale of the organization	pgs. 69 - 75
	102-8 Information on employees and other workers	pgs. 34 - 36
GRI 102: GRI General disclosures	102-9 Supply chain	pg. 46
	102-10 Significant changes within organization and its supply chain	pg. 22
	102-11 Precautionary Principle or approach	pg. 49
	102-12 External initiatives	pgs. 144 - 146
	102-13 Affiliation of associations	pgs. 144 - 146
	Strategy	
	102-14 Statement from senior decision-maker	pgs. 6, 7
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	pg. 23

GRI Standard	Contents	Location
	Governance	
	102-18 Governance structure	pgs. 20, 21
	102-19 Delegating authority	pgs. 20, 21
	102-29 Identification and managing of economic, social, and environmental impacts	pgs. 24 - 32
	102-30 Effectiveness of the risk management processes	pgs. 24 - 32
	Stakeholder engagement	
	102-40 List of stakeholder groups	pgs. 10, 11
GRI 102: GRI General disclosures	102-41 Collective bargaining agreements	CAF has not developed collective negotiation agreements with it's employees
	102-42 Identification and selection of stakeholders	pgs. 10, 11
	102-43 Approach for the relationship with stakeholders	pgs. 10, 11
	102-44 Key topics and concerns of the stakeholders	pgs. 14, 15
	Reporting practices	
	102-45 Entities included in the consolidated financial statements	CAF - Development Bank of Latin America
	102-46 Defining report content and topic Boundaries	pgs. 12 - 15
	102-47 List of material topics	pgs. 14, 15

GRI content index

GRI Standard	Contents	Location
GRI 102: GRI General disclosures	102-48 Restatements of information	Re-expression was not applicable to prior periods
	102-49 Changes in reporting	This report keeps the methodological criteria of the GRI Standards, which have been adjusted to identify and set the parameter indicators that show Caf's contribution to sustainable development. For this period, the report was structured considering the contributions to the SDOs. All the GRI Standards used in this publication correspond to the 2016 version.
	102-50 Reporting period	2021
	102-51 Date of the most recent report	Published in 2021 for the 2020 period
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions related to the report	Any concern or request for additional information may be relayed to Nina Bastos, Principal Executive of the Direction of Climate and Environmental Action to: nbastos@caf.com
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been elaborated in accordance with the GRI Standards: Essential Option.
	102-55 GRI content index	p. 158

Estandar GRI	Contenidos	Ubicación
	102-56 External assurance	The report was not the object of external verification. The information is checked at an internal level by each area's own procedures. The quality principles were applied to the report.
Material topic: Infrastructure development		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pg. 100
	103-2 The management approach and its components	pg. 100
	103-3 Evaluation of the management approach	pg. 49
GRI 203: Indirect economic impacts	203-1 Investments in infrastructure and supported services - Infrastructure	pgs. 102 - 109
	VIN-1 Approved credit operations for infrastructure	pgs. 103 - 105
Own indicators	VIN-2 Approved technical cooperations for infrastructure	pgs. 106 - 109
	Results of the Digital Agenda	pg. 101
Material topic: Regional integration		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pg. 110
	103-2 The management approach and its components	pgs. 110, 111
	103-3 Evaluation of the management approach	pg. 49

GRI content index

GRI Standard	Contents	Location
Own indicators	CLI Logistic corridors for integration	pgs. 112, 114
	PPI Preinvestment program for regional infrastructure	pg. 113
Material topic: Digital transformation and public innovation		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pg. 115
	103-2 The management approach and its components	pgs. 115, 116
	103-3 Evaluation of the management approach	pg. 49
Own indicators	DIDE-1 Approved technical operations and cooperations	pg. 117
	DIDE-2 Main advances by line of action	pg. 118
Material topic: Transition to green economies, resilient to climate change		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pg. 119
	103-2 The management approach and its components	pgs. 119 - 122
	103-3 Evaluation of the management approach	pg. 49
Own indicators	UCCOV-1 Percentage of Green Operations	pg. 128
	UCCOV-2 Distribution of Approved Green Operations	pg. 128
	UCCOV-3 Number of projects under administration management procedures for green and environmental funds	pgs. 129 - 141
	UCCOV-4 Approved projects with green financing	pgs. 129 - 141

GRI Standard	Contents	Location
GRI 305: Emissions	UNV-1 Main results of the UNV in the framework of CAF's operations	pgs. 122 - 126
	UNV-2 Main results of the UNV in the framework of the GEF	pgs. 140, 141
	UNV-3 Main results of the UNV within the framework of the monitoring and verification of compliance with green criteria and baseline studies for the structuring of new operations and/or projects	pgs. 122 - 126
	UNV-4 Main results of the program to support Financial Institutions in the application of environmental and climate change risk management practices (previous PGASIF)	pg. 126
GRI 306: Effluents and waste	305-1 Direct GHG emissions (scope 1)	pg. 50
	305-2 Indirect GHG emissions due to energy consumption (scope 2)	pg. 50
	305-3 Other indirect GHG emissions (scope 3)	pg. 50
GRI: Financial SS	306-2 Waste by type and disposal method	pg. 52
	FS-8 Monetary value of products and services designed to deliver environmental benefits for each line of business disaggregated by purpose	pg. 128
Material topic: Human and social development, equitable and supportive		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pgs. 83, 86, 89, 94, 96
	103-2 The management approach and its components	pgs. 83, 86, 89, 94, 96
	103-3 Evaluation of the management approach	pg. 49

GRI content index

GRI Standard	Contents	Location
Own indicators	VDS-1 Cities with a future - Approved credit operations and technical cooperations	pg. 99
	VDS-2 Water safety . Approved credit operations and technical cooperations	pgs. 91 - 93
	VDS-3 Quality education - Approved credit operations and technical cooperations	pgs. 83 - 85
	VDS-4 Gender equality and inclusions - Approved credit operations and technical cooperations	pgs. 94,95
	VDS-5 Infant health and nutrition - Approved credit operations and technical cooperations	pgs. 87,88
	PPSA - Preinvestment Program for the water sector	pgs. 89,90
	UIEG-1 Main results of the Strategic Plan for Gender Equality (SPGE)	pgs. 94,95
	IS-1 Results of social innovation	pgs. 96 -98
Material topic: Pact for productivity and competitiveness		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pg. 76
	103-2 The management approach and its components	pg. 76
	103-3 Evaluation of the management approach	pg. 49
Own indicators	VSP-1 Approved credit operations for the private sector	pgs. 78 - 80
	VSP-2 Approved technical cooperation techniques for the private sector	pgs. 80,81
	VSP-3 Restults of the financial inclusion program	pg. 77

GRI Standard	Contents	Location
Material topic: Economic and financial sustainability		
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	pgs. 147, 149, 153
	103-2 The management approach and its components	pgs. 147, 149, 153
	103-3 Evaluation of the management approach	pg. 49
Own indicators	DPFEI-1 Financial liabilities	pg. 154
	DPFEI-2 Credit rating	pg. 157
	DPFEI-3 Approvals associated to syndications	pg. 156
	DPFEI-4 Portfolio sales	pg. 156
	DRFI-3 Credit lines with Development Agencies	pg. 148
	DRFI-4 Non-reimbursable resources with Development Agencies	pg. 149
	DRFI-5 Co-financing with Development Agencies	pg. 147
	DFCD-1 Total approvals of operations for technical cooperations by Fund	pg. 72
	DFCD-2 Distribution of approvals by ODS	pg. 75
	DFCD-3 Technical Cooperation Fund	pg. 149 - 151
	DFCD-4 Approvals charged to the Human Development Fund (FONDESHU)	pg. 74
DFCD-5 Approvals charged to the Technical Cooperation Fund (FCT)	pgs. 72, 73	

GRI content index

GRI Standard	Contents	Location
Other indicators of internal performance		
GRI 202: Market presence	202-1 Relationship between minimum wage by gender and local minimum wage	pg. 40
GRI 204: Procurement practices	204-1 Proportion of expenses over local suppliers	pgs. 46, 47
GRI 401: Employment	401-1 New hire and retirement of employees	pgs. 38 - 40
	401-2 Benefits for full time employees that aren't offered to temporary or half time employees	pgs. 41 - 43
GRI 404: Training and education	404-1 Average training hours per year per employee	pgs. 44, 45
	404-3 Percentage of employees that receive performance evaluations and career development options	pg. 45
	405-1 Diversity of the governing body and employees	pg. 36
GRI 405: Diversity and equal opportunities	405-2 Relationship between base salary and the remuneration of men and women	pg. 40
	GRI 418: Customer privacy	418-1 Substantial complaints regarding violation of privacy and loss of client data
Own indicators	DGR-1 Specific actions to support risk management	pgs. 25 -28
	PDLA Specific actions to prevent asset laundering	pgs. 31, 32
	DEIAP-1 Impact evaluation projects	pgs. 54, 55

GRI Standard	Contents	Location
Own indicators	DEIAP-2 Incidence of the impact evaluations on public policies	pgs. 54, 55
	SGCN-1 Main results of the management system for business continuity	pgs. 28, 29
	DIS - Socioeconomic research	pgs. 55 - 57
	DEM - Macroeconomic studies	pgs. 56, 57
	AI Specific actions of internal audits	pg. 33
	GC Activities of knowledge management by scope and material subject	Knowledge Management Annex
	Training	pgs. 58 - 59
	Supplier satisfaction	pg. 48



CAF DEVELOPMENT BANK
OF **LATIN AMERICA**