

FINANCIAL AND SUSTAINABILITY REPORT

2023



Cifi

About the Report

The present report has been elaborated by CIFI based on best practices and in adherence with the International Financial Reporting Standards (IFRS) Accounting Principles, issued by the International Accounting Standards Board (IASB).

These standards provide a common global framework for financial reporting, aimed at ensuring that financial statements are transparent, comparable, and understandable across different countries and industries.

In June 2023, the International Sustainability Standards Board (ISSB) issued IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and the IFRS S2 Climate-related Disclosures, both effective for annual reporting periods beginning on or after January 1st, 2024.

For IFRS S1, earlier application is permitted as long as IFRS S2 Climate-related Disclosures is also applied.

By adhering to these best practices, CIFI aims to continue to foster trust in its financial and non-financial reporting and disclosure processes, allowing for informed decision-making and stakeholder trust.



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**Equator Principles
Annual Report 2023**



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Prologue

Now, more than ever, private investment in infrastructure is a pressing need for Latin America and the Caribbean. The region invests 2.2% of Gross Domestic Product (GDP) in infrastructure development, but this lags behind the world average of 3.5%. This gap represents a lost opportunity of US\$90 billion in infrastructure investment each year.

While the need for investment in infrastructure is clear, the challenge of addressing climate change is also pressing for this generation. Investing in sectors that are at the forefront of greenhouse gas emissions' reduction proves to be a promising practice. Latin America and the Caribbean leads in addressing climate change, with 60% of energy generation coming from renewable sources, double the global average. Still, to address climate change within the energy sector and meet global targets, the International Energy Agency warns that funding for clean energy projects must double by 2030 (US\$150 billion) and increase five-fold by 2050. With this in mind, Latin America and the Caribbean can serve as a model for other regions due to its abundance of natural resources, allowing for infrastructure investment in clean energy projects.

The Inter-American Corporation for Infrastructure Financing (CIFI for its acronym in Spanish) serves as a crucial player in mobilizing resources to drive investment to where it is most needed. Between 2018 and 2023, CIFI's debt platform has grown significantly, mainly due to the growth of its asset management business. Because of its complexity, investment in infrastructure requires well-designed financing, with experienced coordination and management throughout the transaction lifecycle. CIFI, known in the region as a leader in project finance, has over 20 years of experience offering financial products strategically designed to meet such complex needs.

CIFI inspires trust in its investors and diversifies its income sources, allowing for risk minimization and stable revenue growth, demonstrating its ability to maintain high and stable profitability. Additionally, CIFI offers end-to-end solutions to its customers, monitoring investments throughout the project financial lifecycle.

With clear opportunities for investment and CIFI leading the way in project financing, investing in sustainable initiatives has all the promising factors to ensure sound investment.

César Cañedo-Argüelles
Chief Executive Officer



Executive Summary

To promote continuous institutional improvement, along with enhanced transparency for stakeholders and investors, CIFI presents the Financial and Sustainability Report for the fiscal year 2023. Through the compilation of high-quality data, this report highlights relevant financial and nonfinancial information that has led to success in achieving positive impact through sustainable investment in Latin America and the Caribbean.

There has been increasing interest in impact investment from investors worldwide, reflecting a shift towards sustainable and responsible practices. This comes as an opportunity for development as funding from private investment is necessary to fill the current global financing gap, with a pressing need for such investment to achieve sustainability targets.

CIFI plays an important role in ensuring sustainability of impact investments through offering advisory support to project developers, along with providing financial services, including loan structuring and syndication, asset management, and direct financing. This allows for well-implemented investment and trustworthy solutions for investors and infrastructure project developers. Our extensive experience, leadership structure, and alignment with international standards contribute to solidifying CIFI's position as an innovator in the field of sustainable investments.

As stated in our Annual Financial Report, as of December 31, 2023, CIFI's total equity was US\$112.8 million, and total liabilities amounted to US\$320.7 million. Development finance institutions hold 48.90% of the corporation's shares, while international banks have 6.08%, and our Executive Team (Valora Infrastructure Partners) owns 45.02%.

Our goal is to ensure our returns are aligned with our values and strategic planning, increasingly promoting positive impacts and accurate risk management. To that end, CIFI's Environmental, Social, and Governance (ESG) policy framework is based on international criteria for sustainability, including the Equator Principles (EPs), the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability, the World Bank Environmental, Health, and Safety (EHS) Guidelines, the International Labour Organization (ILO) fundamental conventions, the United Nations (UN) Guiding Principles on Business and Human Rights, and national policies and legislation in project site countries that regulate local environmental, social, and labor standards.

To improve environmental and social performance in an efficient and consistent manner, CIFI has created and consistently used a variety of tools, including risk scoring systems, impact screening instruments, calculators, and digital apps as essential resources that are detailed in this report. Regarding our portfolio, it maintains a higher percentage of medium-risk loans, representing 87%. Concerning risk management, our key ESG risk indicator was 1.25 at the end of 2023, demonstrating CIFI's high-quality management of our portfolio.

Additionally, CIFI utilizes a materiality matrix, which has been subject to revisions over the years, to ensure that our priorities are well defined and relevant to our values and those of our stakeholders. In addition, CIFI's ESG team has set goals and Key Performance Indicators (KPIs) to monitor our progress.

A fundamental aspect of CIFI's strategy is to address climate change by seizing the opportunity it represents for infrastructure financing through investment in clean energy (94% average investment in clean energy versus conventional energy) and sustainable technologies that reduce greenhouse gas (GHG) emissions and promote the transition to a low-carbon economy in a controlled, profitable, and sustainable manner.

The total carbon footprint of our investments was 20,062 tons of carbon dioxide equivalent (tCO₂e) in 2023, a 50% decrease from the previous year, and 80% decrease since 2020. Projects in our renewable energy portfolio (61%) contributed to avoiding over 1.2 million tCO₂e, which resulted in benefitting over 1.9 million people in Latin America and the Caribbean through providing clean energy resources, a mutual benefit for communities and the environment.

In the last 20 years, CIFI has provided US\$2.3 billion in direct lending to the region and continues to develop products and services that promote tangible benefits while adhering to international ESG standards, such as the Free Closed Investment Fund for the Development of Dominican Infrastructures I, the Green Bond Program, and the Sustainable Infrastructure Debt Fund. For each million of US dollars invested, CIFI has mobilized 10 times that amount in private capital towards infrastructure projects in Latin America and the Caribbean, furthering the promising trend of impact investment in the region.

Finally, CIFI's accreditation in March of 2024 by the Green Climate Fund (GCF) served as a significant step forward towards further contribution to climate finance. With both public and private sector promoting achievement of global sustainable development objectives, impactful and responsible investment promises great transformation for the region.

Carla Chízmar

Head of Environment, Social and Governance



An aerial photograph of a city skyline under a bright blue sky with scattered white clouds. The city is densely packed with buildings of various heights. A prominent feature is a tall, green, stepped skyscraper with a white, pointed spire. To its left, another tall building with a dark, angular facade is visible. The foreground shows a mix of urban development, including residential buildings with red-tiled roofs and commercial structures. In the background, rolling hills are visible under the expansive sky.

"CIFI is the leading responsible investment and impact platform in the financing of energy and infrastructure projects that generate well-being in Latin America and the Caribbean".



About CIFI

Leading the way to sustainable development in Latin America and the Caribbean, CIFI stands out as an essential private sector middle market infrastructure platform in the region, with over 22 years of experience and more than 200 projects financed.

CIFI is oriented towards finding innovative added value solutions for its customers by developing and offering a wide array of specialized products and services in financial advisory and structuring, asset management and direct financing, capitalizing on its track record and experienced team.

Headquartered in the Republic of Panama, CIFI's success is built on an efficient and lean organization that serves the region's efforts to foster sustainable development by effectively and comprehensively managing and minimizing risks, including environmental and social, consistent with international standards.

Years of Experience

22+

Projects Financed

200+

CIFI's Journey

2001

CIFI is **legally incorporated** in **Costa Rica** and inaugurates its operational **headquarters** in **Washington DC, USA**.

2002

CIFI approves its **first loan** to finance the **construction of the Caucedo container port in the Dominican Republic**, together with the International Finance Corporation (World Bank Group), the German Investment and Development Company (DEG), and Scotiabank.

2003

CIFI Asset Management launches the CIFI **Sustainable Infrastructure Debt Fund** for **US\$300 million**.

2004

Norfund and Finnfund become shareholders of CIFI.

2005

CIFI invests all of its capital in projects and obtains its **first financing** through the **Inter-American Investment Corporation** (now IDB Invest).

2006

CIFI receives a **US\$100 million syndicated loan** arranged by the Dutch Entrepreneurial Development Bank **FMO** and **Caja Madrid**.

2007

CIFI becomes a member of the **Equator Principles Association**.

2008

The **International Finance Corporation** (World Bank Group) joins CIFI as a shareholder.

2009

CIFI, as a result of the international financial crisis, **strengthens its funding** by diversifying through financial institutions that promote development.

2010

2011

CIFI moves its operating license to Panama and obtains a **credit rating of BB- from Fitch and Ba3 from Moody's.**

2012

2013

The CIFI team is recognized as **Best Portfolio Team in Latin America and the Caribbean** by FMO and DEG.

2014

CIFI receives the **Best Infrastructure Project Award** from LatinFinance.

2015

CIFI wins a **Project & Infrastructure Finance Award** from LatinFinance.

2016

CIFI moves its **operational headquarters to Panama** and approves a **new Strategic Plan**, focused on bridging institutional investors and infrastructure financing.

2017

2018

CIFI closes the **first local currency infrastructure fund** in the **Dominican Republic** with the participation of the Free Closed-end Investment Fund for the Development of Dominican Infrastructure I, managed by Sociedad Administradora de Fondos de Inversión Universal, S.A.

2019

CIFI issues the **first Green Bond Program in Panama** for up to US\$200 million.

2020

CIFI is a winner of the **New Market Green Pioneer Award** from the **Climate Bonds Initiative** and receives three awards at the **European Global Banking and Finance Awards**.

CIFI takes another step forward as a regional issuer in the region's capital markets by issuing in **new countries** including El Salvador, Costa Rica and Colombia.

2021

2022

CIFI is recognized as **Best ESG Infrastructure Finance Team-LATAM** and César Cañedo-Argüelles as **CEO of the Year, Sustainable Development-Panama** by The European Magazine.

CIFI acquires **Finenge**, a financial advisory firm based in Brazil.

2023

CIFI Asset Management launches the CIFI **Sustainable Infrastructure Debt Fund** for **US\$300 million**.

2024

The Dominican Republic regulator approves the launch of a second **Investment Fund for the Development of Dominican Infrastructure** for an amount up to **US\$500 million**.

CIFI obtains accreditation from the **Green Climate Fund**.



Photo by Filip Gelda on Unsplash

Track Record

CIFI is the leading private sector mid-market infrastructure platform in Latin America and the Caribbean.

3 **business areas**
(Loan Structuring, Financing Advisory and Fund Management)

22 **years of proven track record**

50 **collaborators across the region**

215+ **projects in infrastructure**

US\$2.3 billion **disbursements**

US\$21 billion **capital mobilized**

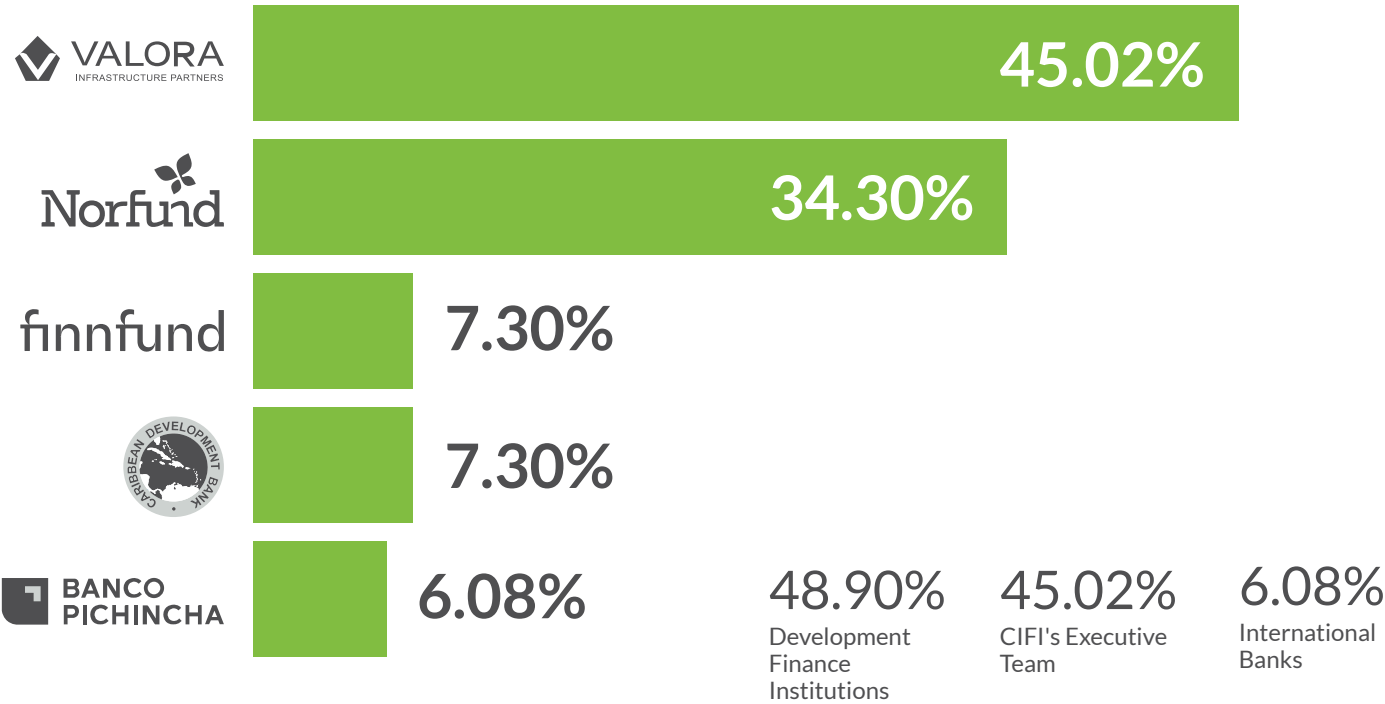
US\$744 million **Asset Under Management + Balance**
(December 31st, 2023)



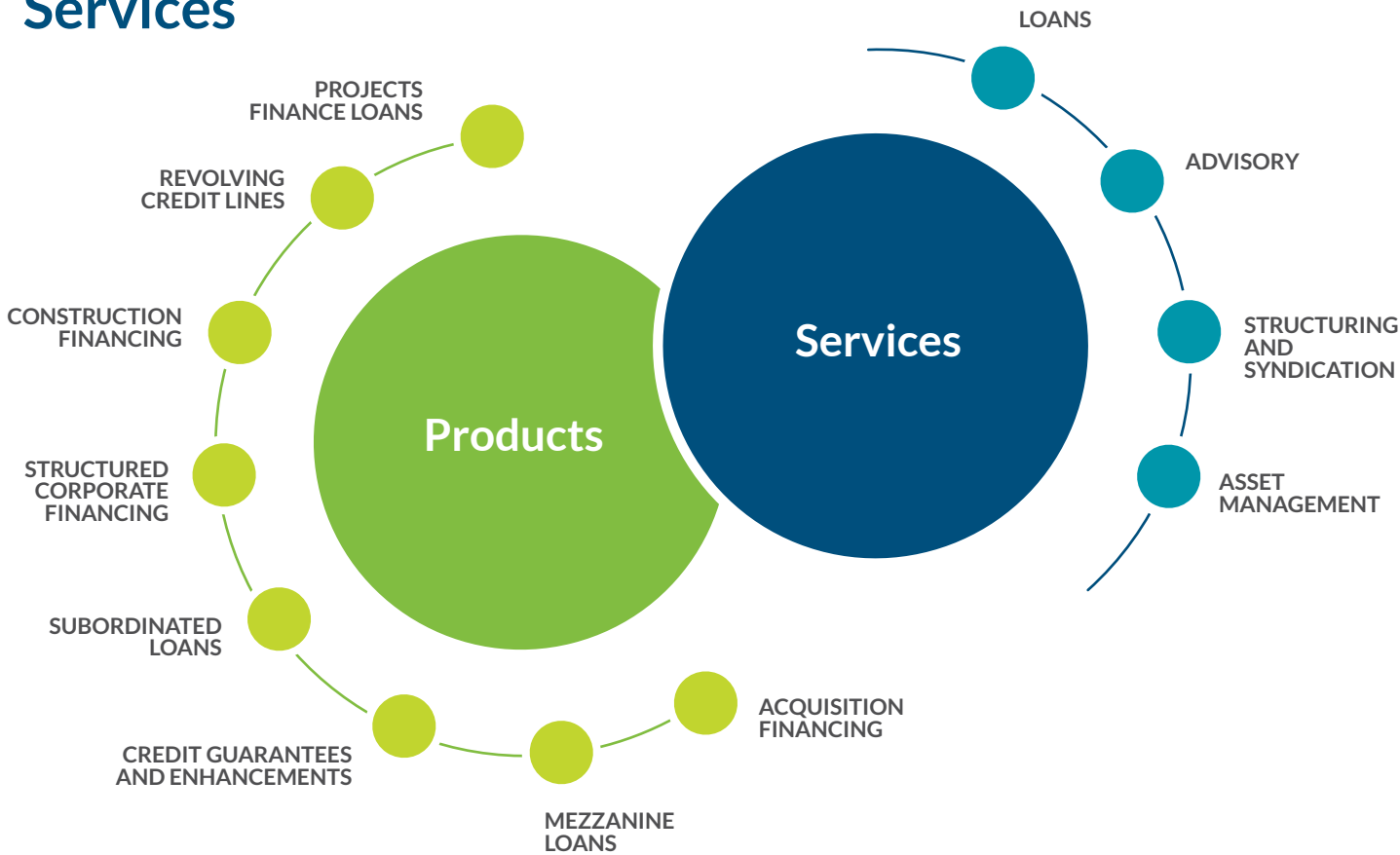
Photo by Ban Yido on Unsplash



Shareholders



Products and Services



Asset Management Subsidiary

CIFI Asset Management is an investment firm focused on debt financing of private mid-market infrastructure projects in Latin America and the Caribbean.

It offers institutional investors diversified direct infrastructure loan portfolio management services in high population growth areas.

CIFI Asset Management has an interdisciplinary team of professionals, including specialists in project structuring, risk mitigation, and compliance with the highest environmental and social standards in the industry.

Investment Focus



ENERGY



TELECOM



SMART CITIES



CONSTRUCTION



LEISURE AND
RECREATION



WATER &
SANITIZATION



TRANSPORTATION
& LOGISTICS



HEALTHCARE



EDUCATION



PUBLIC SERVICES



GAS



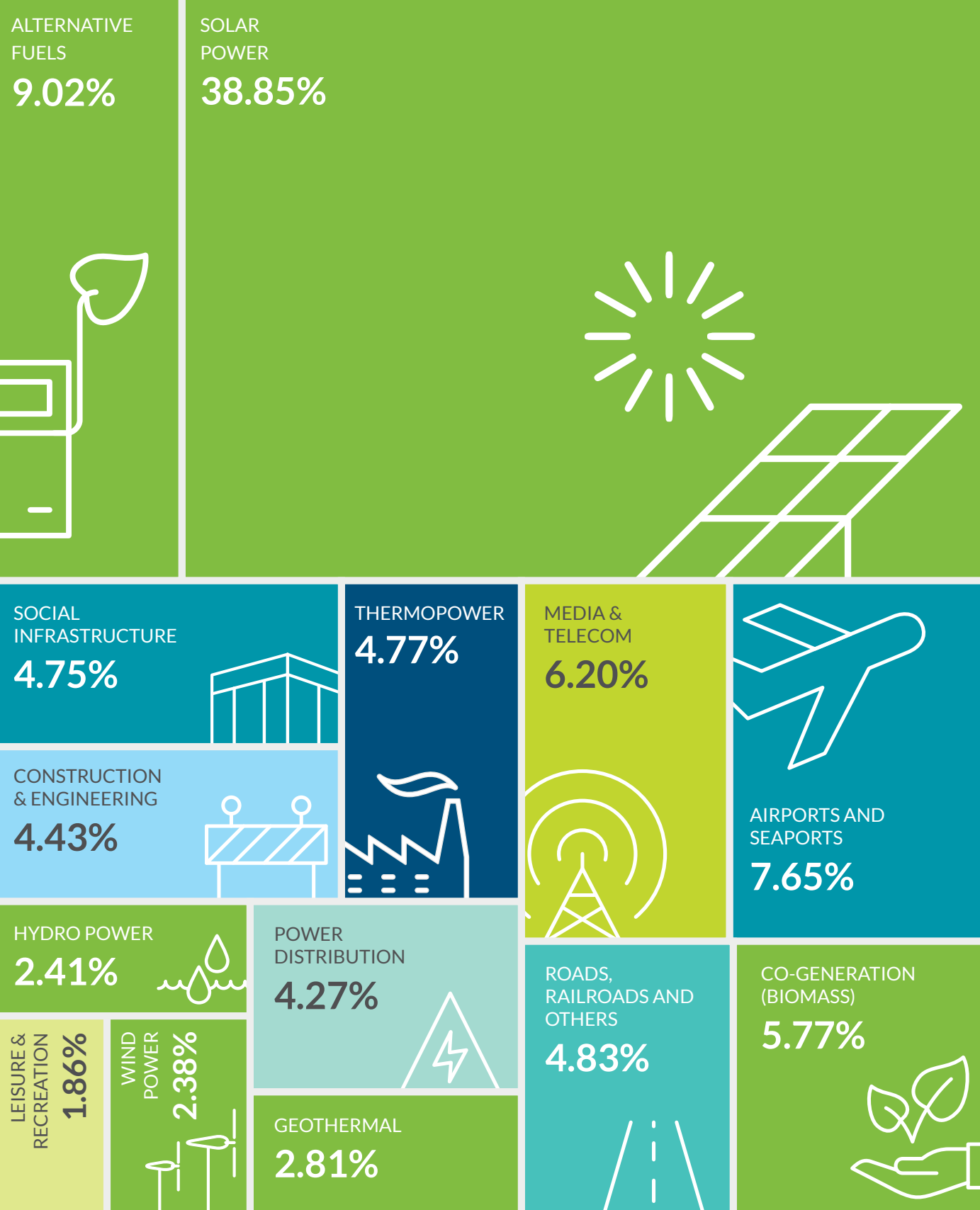
WASTE
MANAGEMENT

Portfolio by Infrastructure Sector

(% percentage, US\$ disbursed)

61.2%

GREEN SECTORS





Portfolio by Country

(% percentage, US\$ disbursed)

CIFI provides financial services throughout Latin America and the Caribbean, fostering sustainable economic growth in each of the nations where investments reach.



Investment Process

1

Origination

CIFI's team identifies opportunities that fit its investment criteria within the region.

2

Elegibility Committee

Review of the project's preliminary structure. It is the first assessment of major risk, sponsor quality and experience, debt sizing, risk appetite, ESG, Know Your Client (KYC), and pricing.

3

Due Diligence

Leverage the experience of the team with proprietary management tools and external advisors to evaluate the financial, technical, legal and market strengths and challenges of the project.

4

Credit Proposal Terms and Conditions

Prepare the investment proposal for the Credit Committee, introducing mitigants and enhancements needed to make the transaction bankable.







Corporate Governance

CIFI's corporate governance endeavors a sound reputation founded in high integrity and social responsibility standards, built on a long-term relationship with infrastructure developers, clients, contractors, shareholders, bondholders, investors, lenders, employees, and local communities in Latin American and Caribbean countries, among other stakeholders.

CIFI has developed a structure inspired by transparency, efficiency, and accountability among its functional instances. Furthermore, the governance structure is designed to follow the best practices of the strongest financial institutions worldwide, including independence standards for Board members and adequate responsibilities and oversight capabilities for standing Board committees. Also, the CIFI governance structure contemplates a streamlined, solid decision-making process for relevant decisions subject to full Board review and approval.

The senior management team and the Board work together closely to benefit CIFI. To that end, the Management Team members, especially the Chief Executive Officer (CEO), maintain regular contact with the Chair of the Board of Directors, along with the chairs of the committees in their relevant areas of responsibility.



Judith de Barany
*Chairwoman
 Independent Member*



Eivind Hildre
Independent Member



Pertti Nurmio
 FINNFUND



Javier Escorriola
 VALORA Infrastructure
 Partners



**Federico Fernández
 Woodbridge**
 NORFUND

CIFI boasts a robust organizational structure, comprising its Board of Directors and four specialized Committees. These Committees consist of experts well-versed in the material risks associated with the company. With at least 50% of its members being independent and possessing expertise in the Latin American and Caribbean infrastructure market, CIFI ensures the integration of key perspectives in its decision-making processes.



Alison Harwood
Independent Member



Joaquim Souza
Independent Member

Committees

Risk Committee

Oversees the actions of Senior Management to limit or control the material risks of CIFI's business. The Risk Committee also manages and reviews all risk management programs and activities for CIFI, along with ensuring compliance to such programs and activities.



Eivind Hildre
Risk Committee Chair



Javier Escorriola
VALORA



Pertti Nurmio
FINNFUND

Credit Committee

Reviews, approves, and oversees the lending activities of CIFI. Its main functions and responsibilities include reviewing and approving loan transactions, material waivers and credit agreement's amendments, monitoring underperforming assets, and the approval of new clients that have been identified as politically exposed persons, along with determining if additional due diligence is needed.



César Cañedo-Argüelles
CEO and Credit Committee Chair



Fabio Arciniegas
Chief Operating Officer



José Salaverría
General Counsel



Juan Pablo Moreno
Independent Member



Ana María Vidaurre
Independent Member

Nominating and Corporate Governance/ Compensation Committee

Establishes standards to ensure proper qualifications of members of the Board of Directors and Committees, monitors board effectiveness, and establishes corporate governance guidelines. Additionally, the Committee establishes standards and processes for compensation, incentives, and benefits of all employees and executives of CIFI.



Alison Harwood
Compensation Committee Chair



Judith de Barany
Independent Member



Joaquim Souza
Independent Member

Audit Committee

Assists in the oversight of the integrity of the financial statements, compliance with legal requirements, independent auditors' qualifications, performance audit, internal control and disclosure related to financials, and legal compliance, fostering continuous improvement and compliance with policies, procedures, and practices at all levels.



Joaquim Souza
Audit Committee Chair



Judith de Barany
Independent Member



Federico Fernández Woodbridge
NORFUND



Terry McCoy
Independent Member



Carlos Poveda
Internal Auditor

Management Team



César Cañedo-Argüelles
Chief Executive Officer

- » 30 years of experience in finance, infrastructure and investment banking.
- » Over 300 infrastructure projects worldwide, including Europe, Latin America, the Caribbean, Asia and Africa.
- » Has led over US\$20 billion in structured debt and project finance transactions.
- » Master's Degree in Finance from IE University in Spain.



Javier Escorriola
Managing Partner AM

- » 28 years of experience investing in a wide range of sectors including infrastructure, renewable energy and financial sector.
- » Master's Degree in Economics of Money Banking and Finance from the University of Sheffield in the United Kingdom.



Ramón Candia
Chief Investment Officer

- » 25 years of work experience, specialized in infrastructure investments in multiple types of investment structures, both debt and equity.
- » Master's Degree in Business Administration from Purdue University.



Carla Chízar
Head of Environment, Social and Governance

- » 18 years of experience in environmental management and sustainable development in Latin America and the Caribbean.
- » Specialized in climate change, impact investment and renewable energy.
- » Master's Degree in Environmental Sciences from Yale University.



Fabio Arciniegas
Chief Risk Officer

- » 25 years of experience in cross-border investment and infrastructure.
- » Juris Doctor, Master in International Comparative and Commercial LAW (LL.M), and Master in Business Administration.



José Salaverría
Legal Counsel

- » 25 years of experience in risk management in international and multilateral financial institutions within emerging markets.
- » Civil Engineer with a PhD in Statistics from Rensselaer Polytechnic Institute in New York.

Organizational Structure

SUBSIDIARIES



Grievance Mechanism

CIFI has adopted grievance policies to address external and internal complaints and grievances from affected parties. Both the External Grievance Mechanism (EGM) and Internal Grievance Mechanism (IGM) reflect CIFI's commitment to the EPs and the IFC Performance Standards and its policies on human rights, human resources, and Code of Ethics.

The EGM is designed to provide efficient, predictable, and fair means for individuals and communities affected by CIFI operations—or projects funded by CIFI—to express and seek resolution of grievances and complaints related to environmental and social matters, labor issues, human rights abuses, and other acts of CIFI's employees or clients, business partners, or contractors. CIFI is proud to announce that during 2023 there were zero cases. The EGM is available to the public at www.cifi.com/en/complaints.

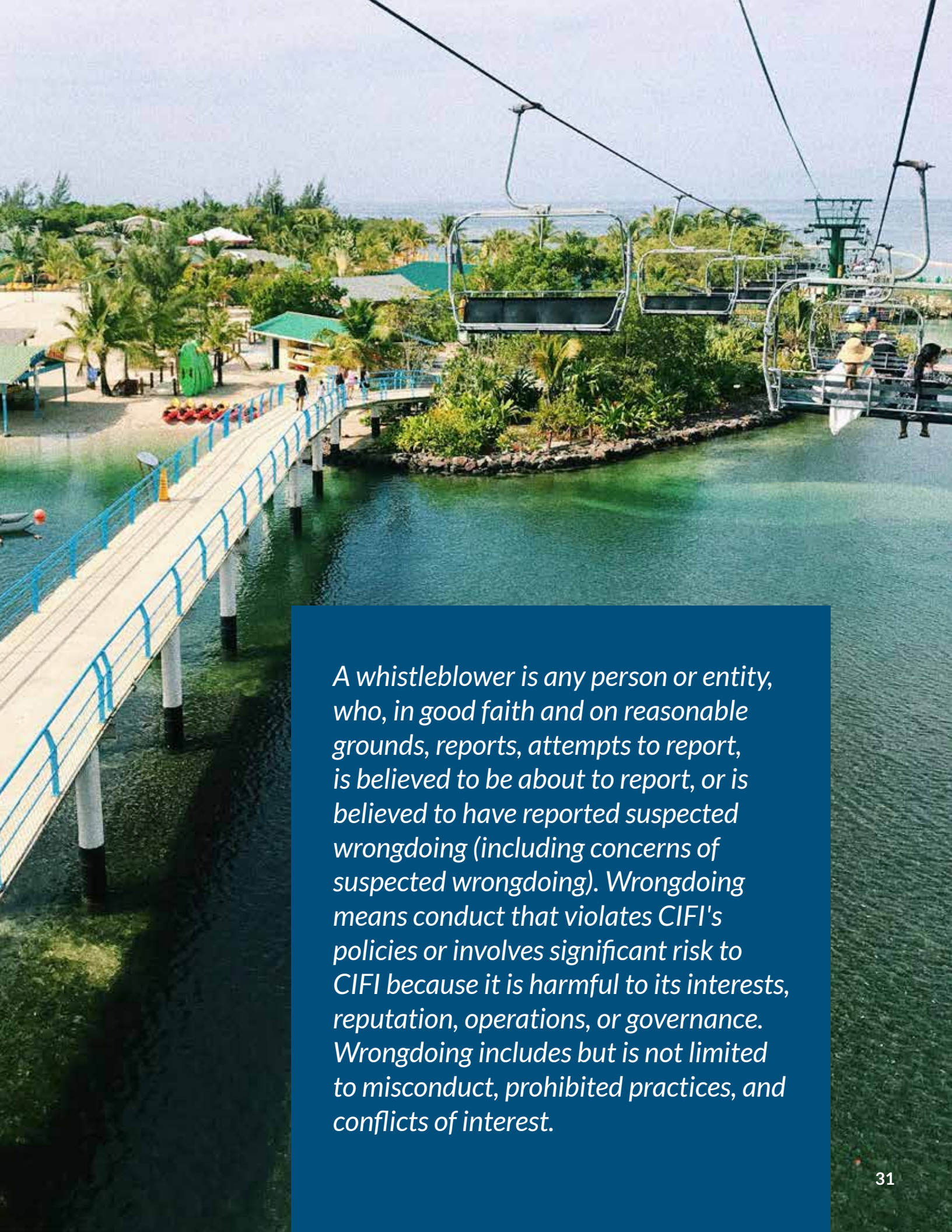
The IGM is similarly designed to provide efficient, predictable, and fair means for the receipt and resolution of internal workplace complaints involving CIFI's employees and contractors. Both policies define the scope of the types of complaints covered by the policy and establish clear responsibilities for handling complaints. They designate responsible Grievance Officers, define eligibility terms, and describe the procedures and timelines for receiving and resolving complaints.

Whistleblower Policy

Guided by its commitment to integrity, transparency, and accountability, CIFI has established a whistleblowing policy to prevent, detect, and address any form of fraud or corruption within the organization. Whistleblowers can choose to disclose information anonymously and confidentially and will be protected from potential retaliation. Anonymous allegations will be investigated, and consideration will be given to seriousness of the matter, its credibility, and the likelihood of confirming the allegation from other reliable sources.

The whistleblower, who in good faith reports such a matter, will not suffer harassment, retaliation, or other adverse consequences. Any Board member, CIFI Staff, or employee who harasses or retaliates against the whistleblower is subject to discipline up to and including termination of employment, or removal from the Board. Most importantly, no Board member or employee will be adversely affected because they refuse to carry out a directive which constitutes fraud or is a violation of any law of any jurisdiction. All Counterparties, External Members, and CIFI Staff are expected to share this commitment.





A whistleblower is any person or entity, who, in good faith and on reasonable grounds, reports, attempts to report, is believed to be about to report, or is believed to have reported suspected wrongdoing (including concerns of suspected wrongdoing). Wrongdoing means conduct that violates CIFI's policies or involves significant risk to CIFI because it is harmful to its interests, reputation, operations, or governance. Wrongdoing includes but is not limited to misconduct, prohibited practices, and conflicts of interest.

Risk Management Framework

CIFI has created an Enterprise Risk Management (ERM) framework, which involves a cyclical process of sequential steps that facilitates ongoing improvement in CIFI's decision-making process through identifying, measuring, monitoring, controlling, mitigating, and communicating risks associated with an activity, role, process, project, product, or asset. It encompasses managing all types of risks to which CIFI is exposed, in line with the company's size and complexity, enabling the organization to optimize its risk-capital tradeoff.

Different charters support CIFI's ERM framework, and employees are responsible for each functional area and process. CIFI's ERM corporate governance is based on laws and regulations, best practices, the shareholder's Agreement, and corporate governance charters, in addition to an independent Board of Directors, which is responsible for approving the company's strategy and relevant policies and ensuring that Management provides the required funding and resources for the ERM structure.

Below this structure, CIFI's risk management is supported by three defensive lines: the Business and Operational units (first line of defense), the Risk unit (second line of defense), and the Compliance unit (third line of defense), which includes the Corporate Compliance Officer, internal auditor, and external auditors.

The ERM is based on all employees' accountability, ongoing learning, and cost-benefit. This systematic framework promotes quality of operations while ensuring trust and accountability of CIFI towards stakeholders.



Prohibited Activities

CIFI will not provide financing to any project or company that is involved in the following prohibited activities:



POLLUTION

- » Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase out or bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, Polychlorinated biphenyls (PCBs), among others.
- » Cross-border trade in waste and waste products, unless compliant with the Basel Convention and the underlying regulation.
- » Production or trade in radioactive materials.
- » Production or trade in unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.



BIODIVERSITY

- » Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international phase out or bans related to wildlife or products regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES).
- » Drift-net fishing in the marine environment using nets more than 2.5 km in length.
- » Commercial logging operations for use in primary tropical moist forests.
- » Production or trade in wood or other forestry products other than from sustainably managed forests.
- » Destruction of High Conservation Value areas.



ETHICS & HUMAN RIGHTS

- » Production or activities involving harmful or exploitative forms of forced labor/harmful child labor.
- » Production or trade in weapons and munitions.
- » Production or trade in alcoholic beverages (excluding beer and wine).
- » Production or trade in tobacco.
- » Gambling, casinos, and equivalent enterprises.
- » Racist and/or anti-democratic media.
- » Pornography and/or prostitution.
- » Such other projects as the company shall determine are inconsistent with its policies and objectives.



CLIMATE CHANGE

Fossil Fuel Exclusion List

The following investment exclusions are considered as a minimum common requirement for all new direct financing and new dedicated lending:

- » Coal prospection, exploration, mining, or processing.
- » Oil exploration or production.
- » Stand-alone fossil gas exploration and/or production.
- » Transport and related infrastructure primarily used for coal for power generation.
- » Crude oil pipelines.
- » Oil refineries.



Photo by Mauricio Munoz on Unsplash



A hand holding a white pen, pointing at a document that features a bar chart with orange and blue bars. The background is blurred, showing what appears to be a laptop screen.

Financial Information

CIFI adheres to the International Financial Reporting Standards Accounting Principles, a set of accounting principles, standards, and interpretations issued by the IASB. These standards provide a common global framework for financial reporting, aimed at ensuring that financial statements are transparent, comparable, and understandable across different countries and industries.

CIFI's financial statements are available at www.cifi.com/en/investor-portal.

In June 2023, the IASB issued IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and the IFRS S2 Climate-related Disclosures, both effective for annual reporting periods beginning on or after January 1st, 2024.

The objective of IFRS S1 is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity.

The objective of IFRS S2 is to require an entity to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity. To explore how CIFI identifies, manages, and discloses climate related risks, please refer to the ESG Strategy section of this report.

Credit Ratings

FitchRatings

PCR | PACIFIC CREDIT RATING

NATIONWIDE	Issuer, Long Term	A(PAN)	Issuer, Long Term	PA AA
	Issuer, Short Term	F1(PAN)		
	Revolving Corporate Bond Program, Long Term	AAA(SLV)	Revolving Corporate Bond Program	PA AA
	Revolving Corporate Green Program, Long Term	A(PAN)	Revolving Corporate Green Bond Program	PA AA
OUTLOOK	Public Bonds, Long Term	AA-(COL)	Negotiable Commercial Securities Program	PA 1+
	Issuer, Long Term	STABLE	Issuer, Long Term	NEGATIVE
	Revolving Corporate Bond Program, Long Term	STABLE		



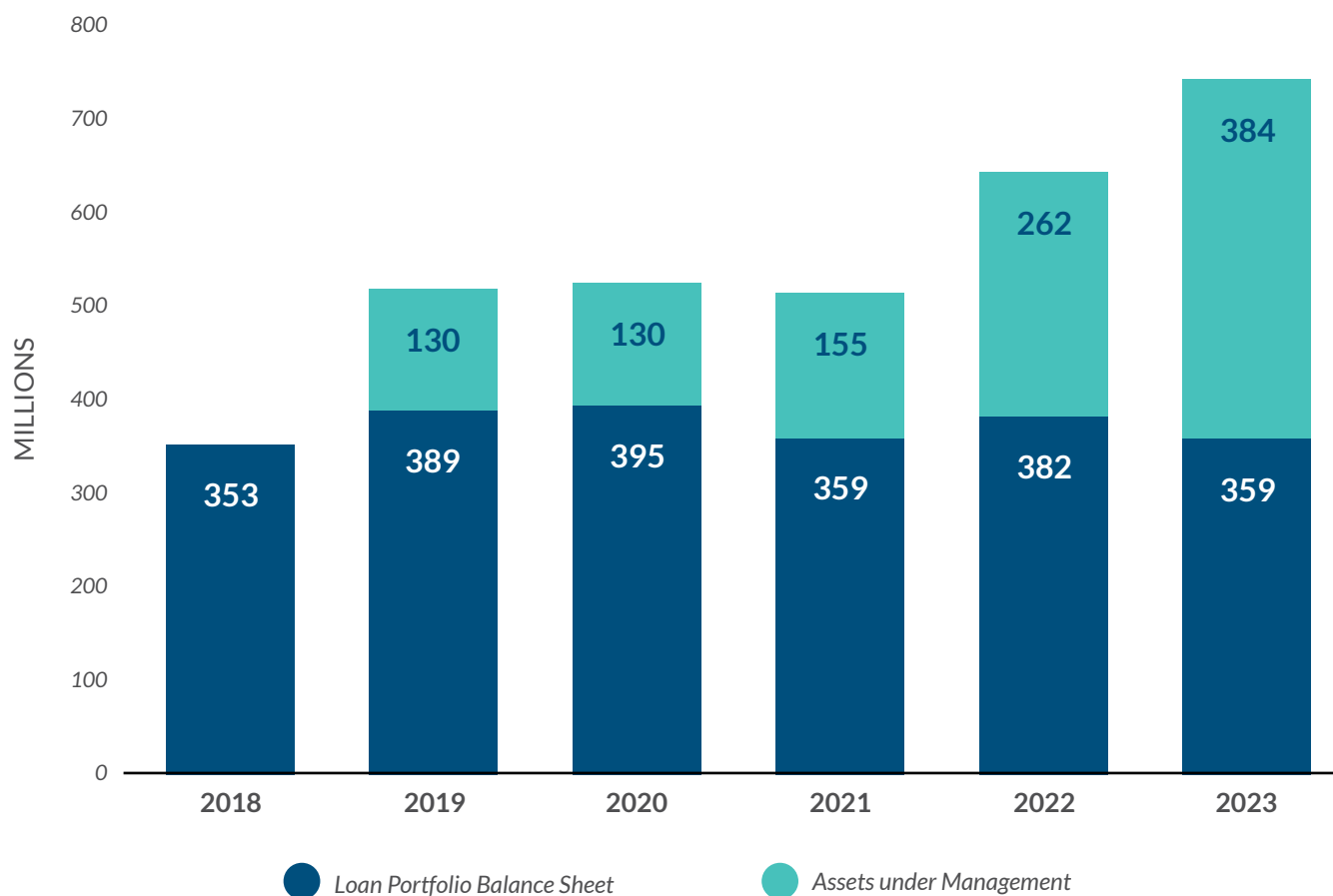
Financial Performance

		2019	2020	2021	2022	2023
BALANCE FIGURES	Total Loans Portfolio	389,250	394,347	359,189	382,254	359,388
	Total Assets	427,197	482,085	473,079	498,534	433,588
	Total Debt	320,352	361,457	335,926	368,572	317,165
	Total Liabilities	328,325	377,215	364,143	388,389	320,751
	Equity	98,872	104,869	108,936	110,145	112,837
PROFIT AND LOSS	Intermediation Income	15,911	11,531	11,513	11,771	11,403
	Advisory and Structuring Fees	6,061	7,140	7,246	5,693	13,202
	Asset Management Fees	680	879	827	1,446	2,403
	Operating Income	22,761	25,039	22,774	19,568	28,773
	Net Income	8,310	9,365	9,686	7,178	9,754
FINANCIAL INDICATORS SOLVENCY	ROE	8.2%	9.5%	9.2%	6.5%	8.9%
	Equity to Assets	23.1%	21.8%	23.0%	22.1%	26.0%
	Equity to Loan Portfolio	25.4%	26.6%	30.3%	28.8%	31.4%
	Capital Adequacy	13.0%	13.4%	14.7%	13.8%	13.7%

www.cifi.com/en/investor-portal/#financial-performance

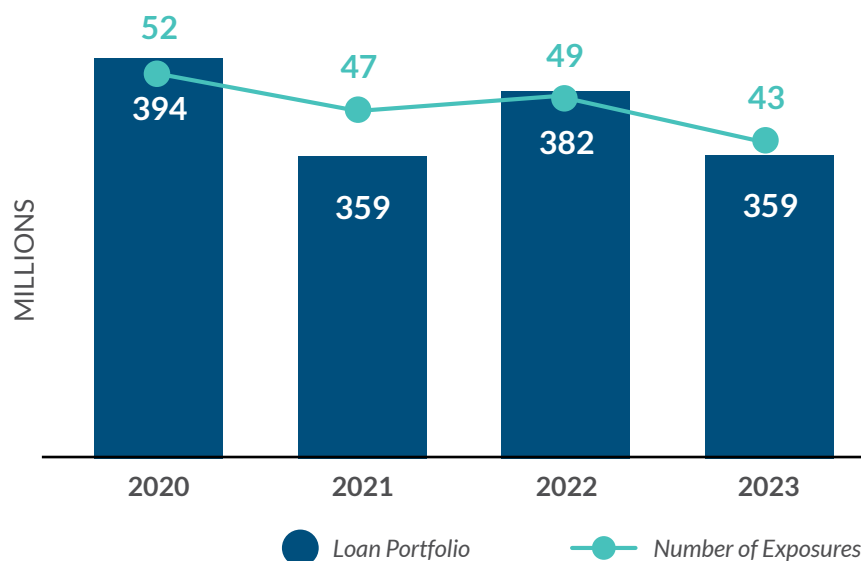
Figures in thousands of US\$.

DEBT PLATFORM FY2018-2023 (US\$ MILLIONS)



The debt platform of CIFI has grown by 111% between 2018 and 2023, mainly driven by the growth of the Asset Management business.

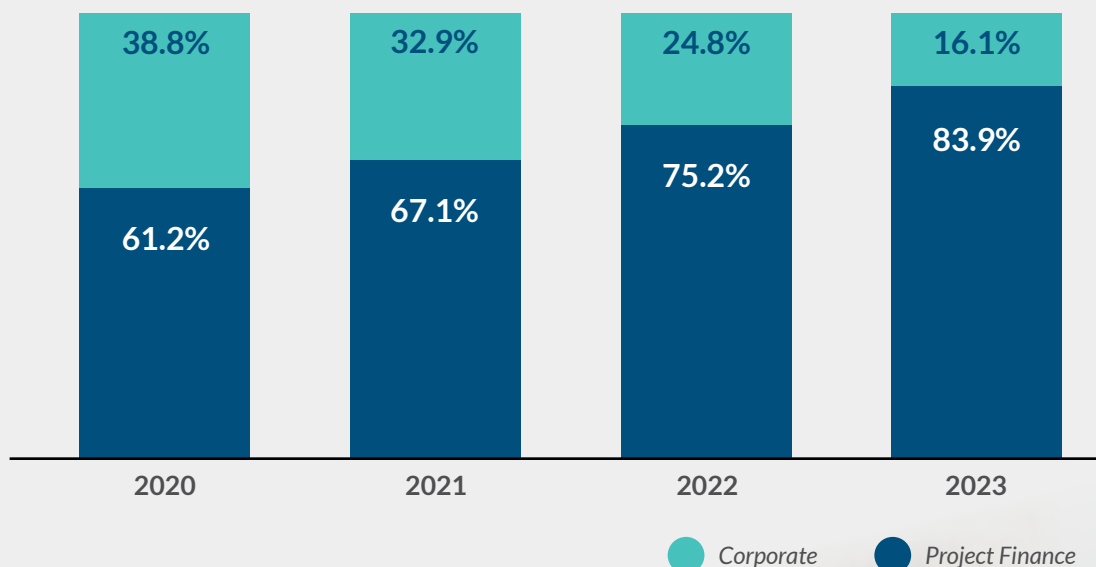
LOAN PORTFOLIO 2020-2023 (US\$ MILLIONS)



CIFI maintains a stable loan portfolio, aligned with its target of between US\$350 and US\$400 million, which is consistent with maintaining solid capital adequacy, allowing it to address associated risks.

FINANCIAL PRODUCTS FY2020-2023

Corporate Finance vs Project Finance Structures



Infrastructure ventures involve many complex matters that require well-structured financing coordinated and managed during the transaction lifecycle by an experienced partner. For more than 20 years, CIFI has been offering financial products specifically designed to meet such needs. Project finance is our signature financial product.

A project finance arrangement is a structured financing scheme focused on the long-term cash flows provided by a company created for a single project and using the company's assets and cash flows as collateral. The distinguishing feature of a project finance arrangement is that it is organized around the long-term predictability of its cash flows, as determined by a set of fixed contracts with customers, vendors, market regulators, and other parties.



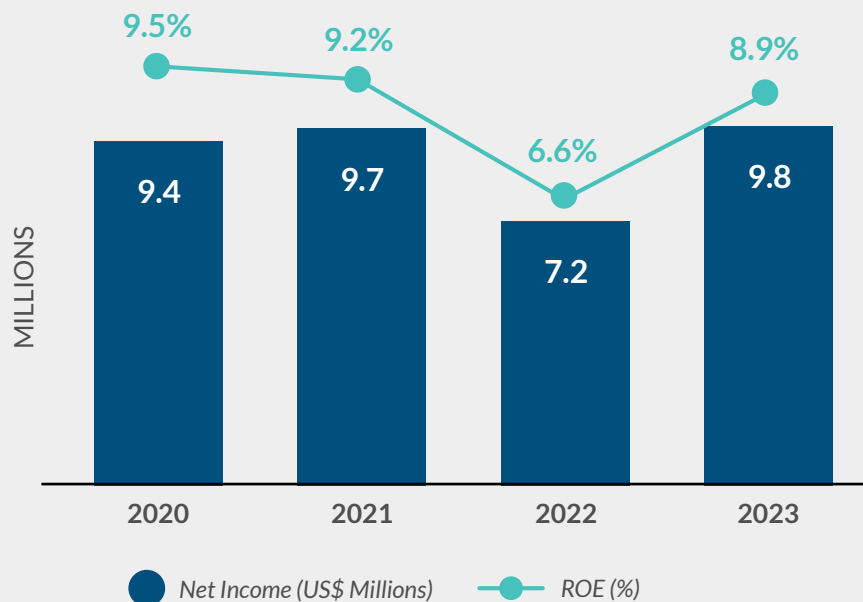


Photo by Guille Alvarez on Unsplash



Photo by Axp Photography on Unsplash

NET INCOME VS RETURN ON EQUITY FY2020-2023



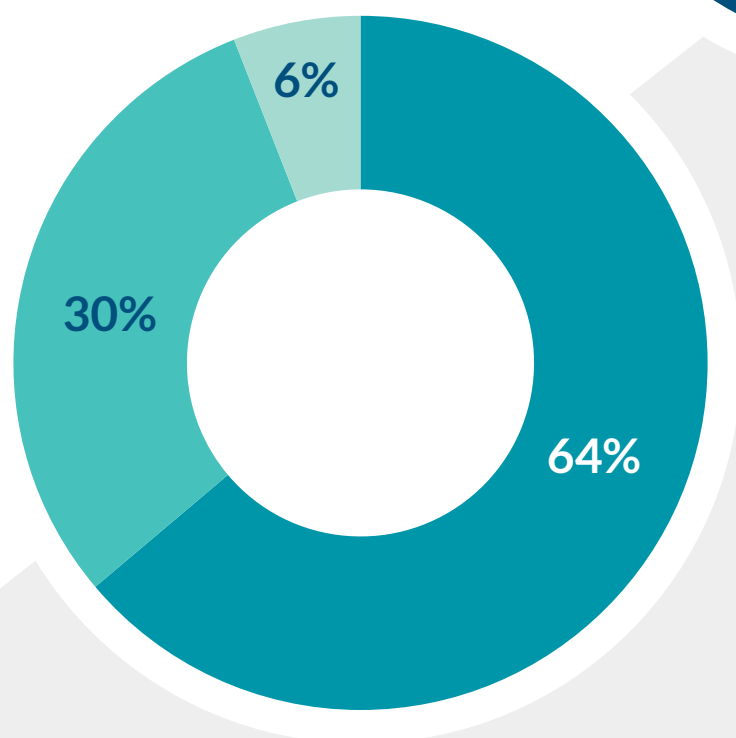
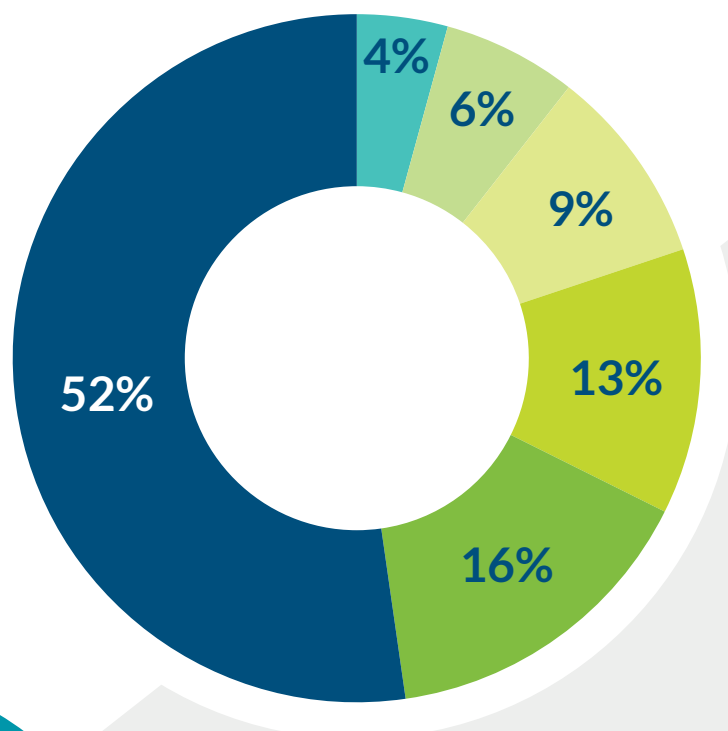
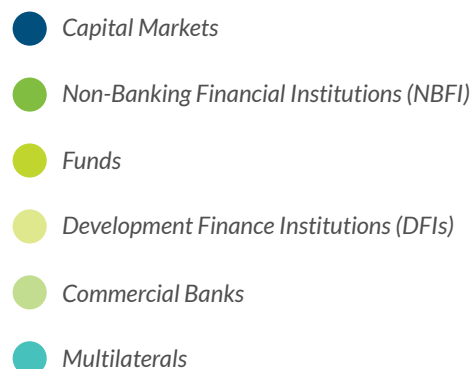
CIFI's average net income from 2020 to 2023 was US\$9 million, demonstrating CIFI's strength and its ability to maintain high and stable profitability over the years.

SOURCES OF INCOME FY2023

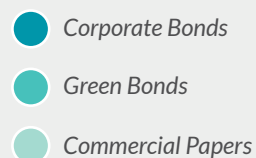
Over the years, CIFI has been able to diversify its sources of income, which has allowed it to minimize risks and achieve stable revenue growth, consolidating its position as a sector leader in the region.



FUNDING BY INVESTOR TYPE (US\$317MM)

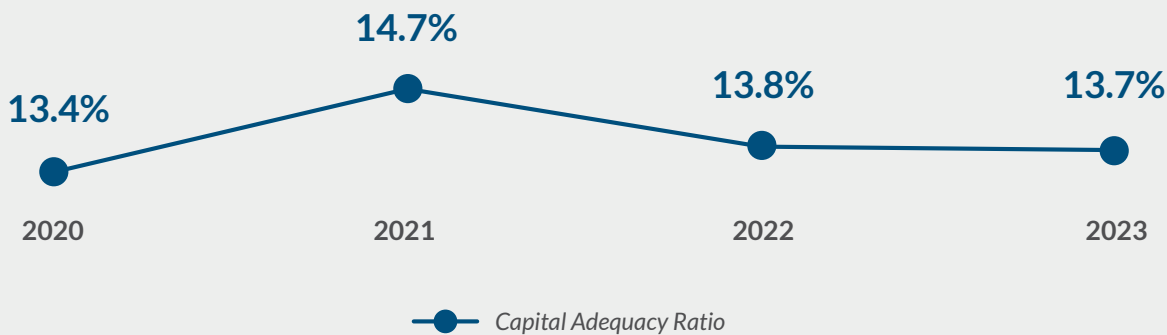


TYPE OF CAPITAL MARKET INSTRUMENTS

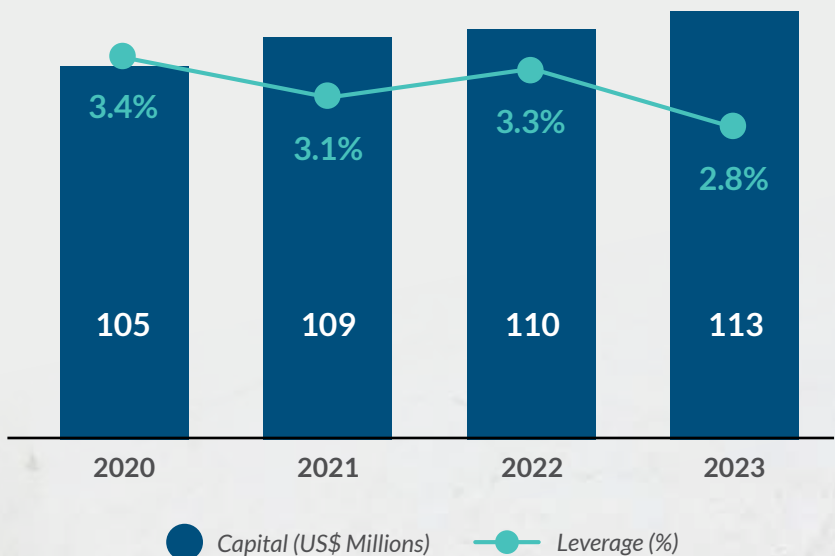


- » Optimization of the cost of funds by efficiently using the duration of liabilities.
- » Access to local, regional, and international financing entities in the capital markets.
- » Diversification of funding types: green bonds and lines, corporate bonds, long-term debt, and working capital lines.

CAPITAL ADEQUACY RATIO FY2020-2023



CAPITALIZATION FY2020-2023



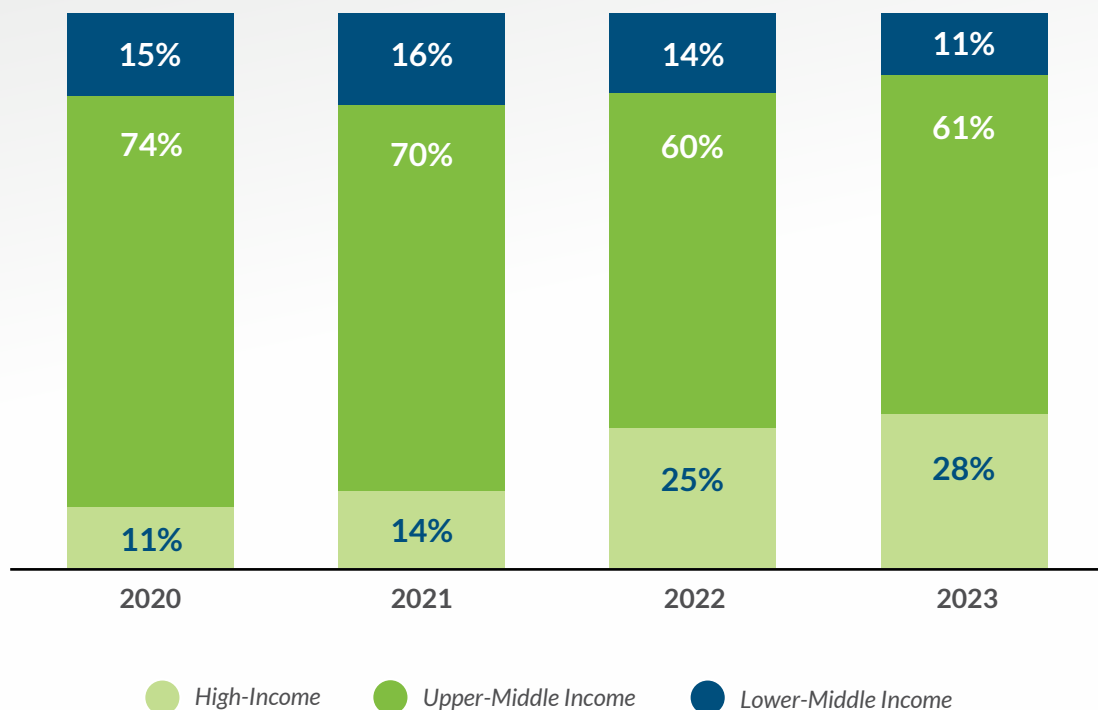
Strong capitalization and capital adequacy above 13%. CIFI maintains a solid capital structure that allows it to absorb an additional loss equivalent to US\$18 million and maintain capital adequacy above 12%.

Consistent with its mandate, CIFI has over 20 years of experience investing in a region with a significant gap in infrastructure investments focused on upper middle-income economies (61%) and the middle market.

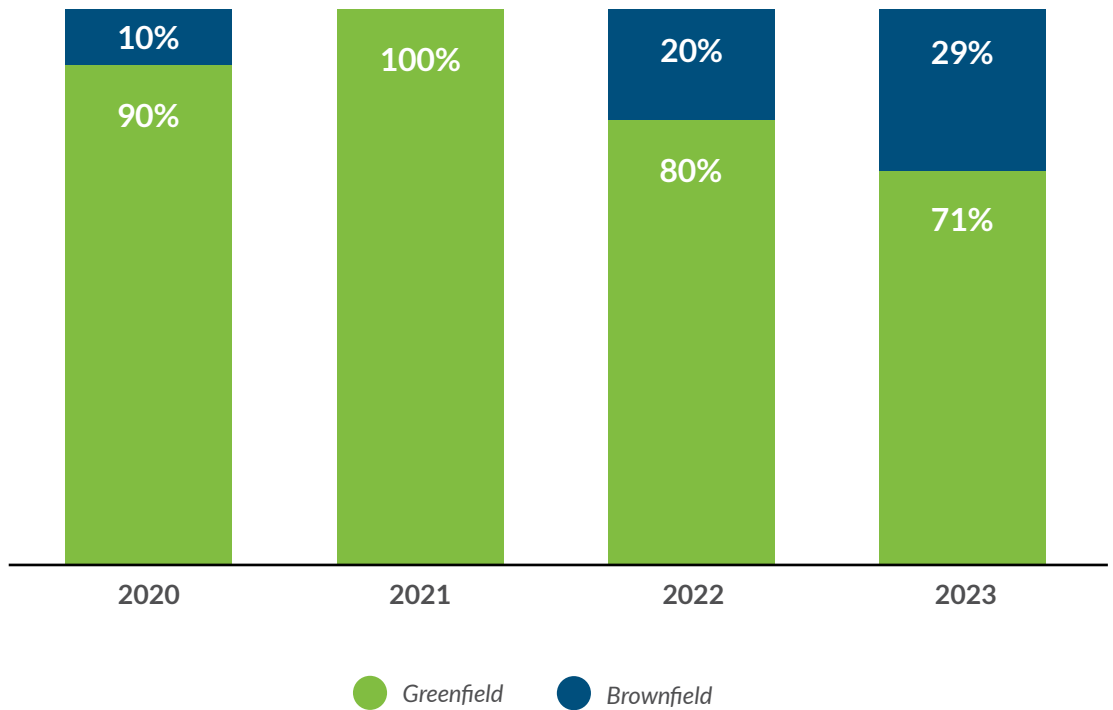
For each million of US dollars invested, CIFI has mobilized 10 times that amount in private capital towards greenfield infrastructure projects (85% average) in Latin America, showcasing the success of its business model.

This has also allowed for investment towards clean energy deployment (94% average versus conventional energy) supporting the most needed energy transition in the region, a key target to align efforts to mitigate climate change impacts, with 61% of CIFI's investments in 2023 dedicated to climate.

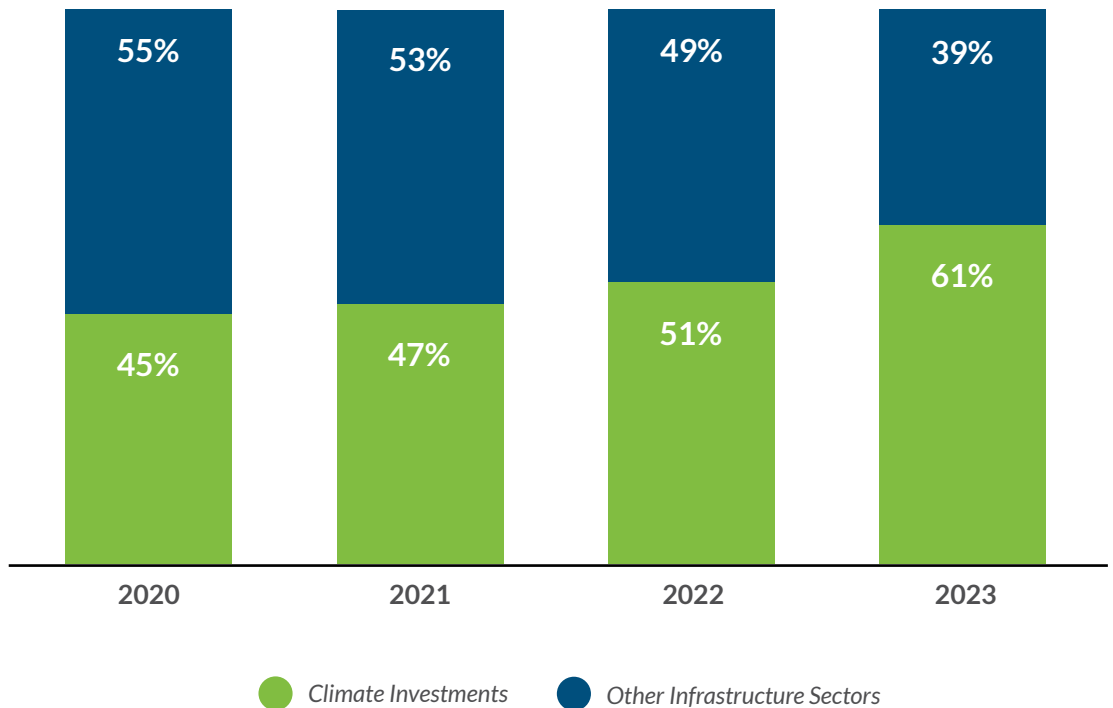
DISTRIBUTION OF INVESTMENT BY INCOME ECONOMIES FY2020-2023



TYPE OF PROJECT: GREENFIELD VS BROWNFIELD FY2020-2023

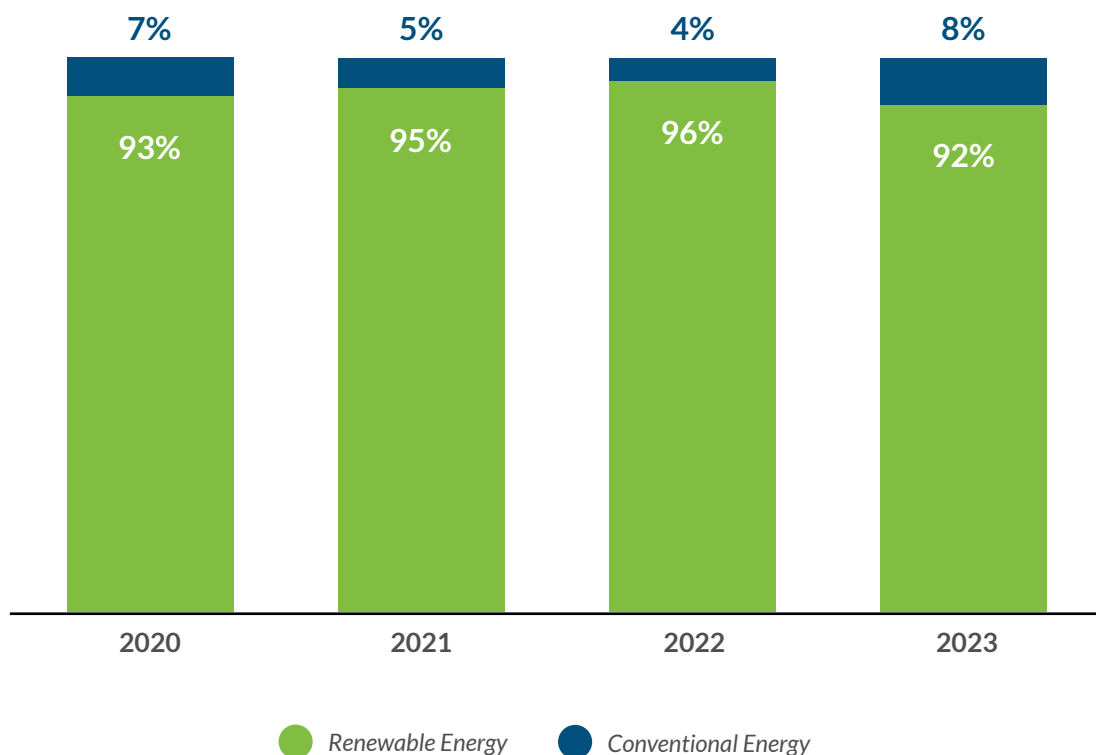


CLIMATE INVESTMENT VS OTHER SECTORS FY2020-2023



ENERGY INVESTMENTS FY2020-2023

Renewable Energy vs Conventional Energy



Following its Sustainability Strategy, CIFI revised its exclusion list in 2021 to limit its exposure to most fossil fuels. Accordingly, the phasing out of oil projects was completed in 2023. With 66% of CIFI's portfolio invested in energy, only 8% was devoted to conventional energy in 2023, represented by a single gas-powered energy project that has a key value for the energy transition in the Dominican Republic.





Issuance Programs in
Capital Markets

REVOLVING
CORPORATE BONDS

PROGRAM
US\$100MM
TENOR
Up to 10 years
USE OF FUNDS
Core Business

CORPORATE
GREEN BONDS

PROGRAM
US\$200MM
TENOR
Up to 10 years
USE OF FUNDS
**Financing of
green projects**

COMMERCIAL
PAPERS

PROGRAM
US\$50MM
TENOR
Up to 1 year
USE OF FUNDS
Core Business

INDICATIVE
RATES

VCN 1 YEAR	BONDS 3 & 4 YEARS
6.50%	7.25%
BONDS 2 YEARS	BONDS 5 YEARS
7.00%	7.50%

GREEN BOND PROGRAM

CIFI's Green Bond Program is in line with the Green Bond Principles created by the International Capital Markets Association (ICMA) and is based on promoting transparency and disclosure of information.

CIFI's green bonds are instruments issued at Panama's Stock Exchange through a program registered with the Superintendency of the Securities Market of Panama, whose funds are intended exclusively to finance eligible green projects in compliance with CIFI's Green Bond Framework, which sets out the characteristics that a project must meet to be considered for the use of funds issued under this program.

CIFI issued the first Green Bond Program in the Republic of Panama in 2019 for up to US\$200 million.



HYDROELECTRIC
POWER < 25 MW



WASTE
MANAGEMENT



SOLAR ENERGY



GEOTHERMAL



WIND ENERGY



CO-GENERATION

CIFI has joined the Inter-American Development Bank (IDB) Invest initiative in its Green Bond Transparency Platform¹.

PROJECT	DISBURSEMENT	SERIES	AMOUNT ISSUED
Mezapa	US\$13,000,000	Series L	US\$10,229,000
	US\$1,439,570	Series L	
San Juan	US\$4,240,259	Series B	US\$12,000,000
	US\$1,120,661	Series B	
	US\$6,782,527	Series B	
El Espinal & Bosforo	US\$3,151,238	Series D	US\$7,000,000
	US\$1,062,286	Series D	
	US\$2,511,558	Series D	
	US\$3,115,561	Series D	
	US\$1,016,949	Series E	US\$7,000,000
	US\$2,500,000	Series E	
	US\$2,500,000	Series E	
	US\$3,355,932	Series N & O	US\$2,880,000
Regeneration Energy	US\$13,221,732	Series C & P	US\$10,995,000

1. Inter-American Development Bank. Green Bond Transparency Platform. www.greenbondtransparency.com

Sustainability Indicators

PROJECT	COUNTRY	SECTOR	Installed capacity (MW)	Energy generation (MWh)	GHG avoided (tCO ₂ e)	Number of people benefitted from access to energy
San Juan	Argentina	Solar Power	80	223,472	95,211	72,581
Bosforo	El Salvador	Solar Power	100	239,180	163,118	255,242
Mezapa	Honduras	Hydropower	9	43,442	27,499	70,086
Regeneration Energy	Panama	Solar Power	10	16,315	7,939	7,904
El Espinal	Panama	Solar Power	9	13,237	6,441	6,413

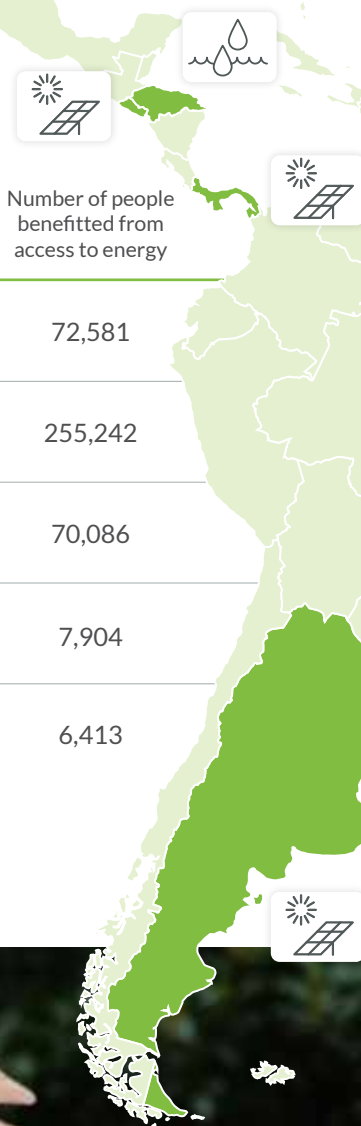


Photo by Paul Teyssen on Unsplash

Free Closed-End Investment Fund for the Development of Dominican Infrastructures I

CIFI, in its capacity as financing manager, and AFI Universal, an investment fund management company and subsidiary of Grupo Universal, have worked hand in hand in the launch and execution of the Free Closed Investment Fund for the Development of Dominican Infrastructures I for an amount of 14 billion Dominican pesos (US\$250 million). It was presented to the market in 2018 with the aim of promoting the development of infrastructure works that generate significant social value and contribute to sustainability within the Dominican Republic.

The Fund's investment portfolio is composed of four projects including renewable energy, hospitality and liquefied natural gas (LNG): the Canoa Photovoltaic Plant in Barahona, the Los Guzmancito Wind Farm in Puerto Plata, the SIBA LNG Thermoelectric Plant in Boca Chica, and the Blue Mall and JW Marriott complex in Santo Domingo. The four projects meet their credit and environmental obligations, contribute to the improvement of the living conditions of the population, and to the fulfillment of the country's environmental goals and the commitments of the Dominican Republic established in the United Nations 2030 Agenda for Sustainable Development.

In 2023, the Fund's investment portfolio sustained jobs for 864 Dominicans and contributed to the national energy matrix with 380 megawatts of installed capacity, which in turn supported the reduction of GHG by 275,295 tCO₂e and provided energy to nearly 370,000 Dominicans. These concrete and measurable impacts support the Dominican government in achieving the 2030 Sustainable Development Goals, contributing to Goal 7: Affordable and Clean Energy, Goal 8: Decent Work and Economic Growth, and Goal 13: Climate Action.

Through this fund, CIFI contributes to its mission to generate a long-term, transformative positive impact for its stakeholders with attractive returns and sustainable results. CIFI is grateful for the support and trust received to continue moving towards a more sustainable future for all.

An overview of the Free Closed-End Investment Fund for the Development of Dominican Infrastructures I

DOMICILE

Regulated Investment Fund in Dominican Republic

TERM AFTER THE DATE OF ISSUE

20 years

RELEASE YEAR

2018

RISK RATING

AAf – (N) Pacific Credit Rating

NOMINAL VALUE OF THE PARTICIPATION FEE

RD\$1 million

TOTAL ISSUANCE PROGRAM AMOUNT

RD\$14 billion

MINIMUM INITIAL SUBSCRIPTION AMOUNT

RD\$10 million

TOTAL SIZE

US\$250 million

EXPOSURE

US\$234 million

93.6%

DISBURSED

US\$232 million

92.8%

PERFORMANCE

Cutoff Date	Equity (RD\$)	Securities in Circulation (RD\$)	365 days
12/31/2021	7,185,784,866.17	7,010.00	2.58 %
12/31/2022	13,737,078,981.55	13,338.00	6.15 %
12/31/2023	14,413,580,475.40	13,338.00	8.81 %

INVESTMENT PORTFOLIO

The portfolio, structured by CIFI for the **Free Closed-End Investment Fund for the Development of Dominican Infrastructures I**, is composed of four assets in the renewable energy and social infrastructure sectors that comply with the established investment limits:



Canoa Photovoltaic Plant

EXPOSURE
US\$34.1MM
INSTALLED CAPACITY
25 MW



SIBA Thermoelectric Plant Phase I

EXPOSURE
US\$71.4MM
PHASE I INSTALLED CAPACITY
188 MW



Los Guzmancito Wind Farm

EXPOSURE
US\$60.0MM
INSTALLED CAPACITY
97 MW



Blue Mall & JW Marriott

EXPOSURE
US\$64.9MM
LEASABLE AREA
35,752 m²

Sustainable Infrastructure Debt Fund

Multiple situational factors served as justification for the creation of the Sustainable Infrastructure Debt Fund (SIDF). Globally, private-sector funding had become a pressing need to meet environmental and social development goals. Infrastructure needs have also played a limiting factor for countries' economic growth opportunities, and Latin American and the Caribbean is no exception. With this in mind, CIFI identified a clear opportunity to create a debt fund focused specifically on the sectors that contribute to sustainable social and economic infrastructure.

The SIDF seeks to provide attractive long-term investment returns by investing in a diversified portfolio which is composed of the following projects: Origo in Brazil, oEnergy in Chile, AXS in Brazil, and Monte Plata in the Dominican Republic. The four projects contribute to achieving global sustainability goals including reducing GHG emissions and promoting resiliency to climate change threats that are already occurring.

The SIDF showed great success just shortly after implementation. By the end of 2023, projects from the portfolio in their respective countries resulted in the creation of 1,824 jobs and contributed to each country's national energy matrix with a combined total of 181.7 megawatts of installed capacity, reducing GHG emissions by 45,850 tCO₂e and providing energy to 33,624 people. Additionally, the SIDF's alignment with Paris Agreement and the 2030 Sustainable Development Goals resulted in positive impacts. All four funded projects within the SIDF portfolio contributed to Goal 7: Affordable and Clean Energy, Goal 11: Sustainable Cities and Communities, and Goal 13: Climate Action.

Sustainable infrastructure offers the potential for investment in the areas that are most crucial for developing economies in addition to addressing environmental challenges. From an investment perspective, financing sustainable initiatives has all the promising factors for sound investment. CIFI is proud to lead this effort and is grateful to its stakeholders who have allowed for the SIDF to be successful in its implementation.

An overview of the Sustainable Infrastructure Debt Fund

FUND DESCRIPTION

Debt fund to participate in transactions with CIFI

FIRST CLOSE

US\$138 million

TOTAL DEBT

US\$75 million

TOTAL CAPITAL

US\$63 million

FINAL CLOSE

**Up to US\$300 million,
US\$150 million equity, and
US\$150 million debt Q4 2024**

TARGET IRR

10%

INVESTMENT PORTFOLIO

The portfolio for the Sustainable Infrastructure Debt Fund is composed of four projects in the Latin America and the Caribbean region within the energy sector and the renewable energy subsector, meeting funding eligibility criteria.

Monte Plata, Dominican Republic

TOTAL PROJECT COST
US\$109.1MM

SIDF AMOUNT INVESTED
US\$18.9MM

TOTAL DEBT
US\$57.9MM

TENOR
16 years



Origo, Brazil

TOTAL PROJECT COST
US\$27.6MM

SIDF AMOUNT INVESTED
US\$12.5MM

TOTAL DEBT
US\$19MM

TENOR
12 years



AXS, Brazil

TOTAL PROJECT COST
US\$52.5MM

SIDF AMOUNT INVESTED
US\$17.6MM

TOTAL DEBT
US\$31.3MM

TENOR
16 years



oEnergy, Chile

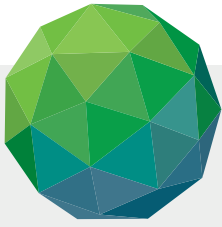
TOTAL PROJECT COST
US\$48.1MM

SIDF AMOUNT INVESTED
US\$18.9MM

TOTAL DEBT
US\$40.6MM

TENOR
16 years





**GREEN
CLIMATE
FUND**

Green Climate Fund Accreditation

The Green Climate Fund (GCF) is a fund under the United Nations Framework Convention on Climate Change (UNFCCC) established as a financial mechanism to assist developing countries in climate change adaptation and mitigation practices.

On March 5, 2024, during the 38th meeting of the GCF Board of Directors, CIFI's accreditation was made official. This is a significant step forward for financial sustainability in Latin America, as CIFI has marked a milestone by being accredited by the GCF.

This recognition not only highlights CIFI's vision, commitment and work in Panama and the region, but also opens new avenues to finance projects that contribute to climate change mitigation and adaptation in Latin America and the Caribbean.

"The views expressed in this information product are those of the author(s) and the GCF cannot be held responsible for any use which may be made of the information contained therein."





Photo by Art Rachen on Unsplash



ESG Strategy

CIFI's Focus: Responsible Investment and Positive Impact

In order to achieve effective responsible investments, ESG factors must be incorporated into fundamental processes of CIFI's operation.

CIFI's business model includes an ESG risk management framework that identifies, assesses, and manages environmental and social risks and impacts associated with its finance projects, in order to ensure that sustainability goes beyond ESG Risk Management to be fully incorporated into project implementation and monitoring.

ESG POLICIES

INVESTMENT
CRITERIA

RISK
MANAGEMENT

POSITIVE
IMPACT
OBJECTIVE

COMMITMENT TO
TRANSPARENCY

Environmental and Social Management System

In an effort to implement high-quality standards of Environmental and Social (E&S) sustainability, CIFI has fully incorporated an Environmental and Social Management System (ESMS) into its investment cycle. An ESMS is a set of policies, procedures, tools, and internal capacity to identify and manage a financial institution's exposure to the environmental and social risks of its clients/investees². CIFI's ESMS incorporates its ESG policy commitments, performance standards of the EPs, and the IFC 2012 Performance Standards (PS) on Environmental and Social Sustainability.

With this framework, CIFI can ensure that projects follow sound and equitable environmental and social systems that contribute to its vision for the region. CIFI's ESMS was last updated in 2021, and following best practices, CIFI will conduct a full revision in 2024 to strengthen key areas such as the Grievance Mechanism, Responsible Exiting, and Human Rights. The ESMS execution and implementation is the responsibility of the Head of ESG, supported by a senior ESG Officer, an E&S Specialist and a Social Analyst.

2. IFC. First for Sustainability. Financial Institutions: Resources, Solutions and Tools. What is an ESMS? https://firstforsustainability.org/risk-management/managing-environmental-and-social-risk-2_2/managing-environmental-and-social-risk-2_2/what-is-an-esms/#:~:text=A%20Environmental%20and%20Social%20Management,risk%20of%20its%20clients%20investees.

Policy Framework

CIFI is committed to fostering sustainable development in Latin America and the Caribbean by maximizing positive environmental and social outcomes whenever possible in the projects in which it invests. CIFI believes that enhancing the social and environmental sustainability of the projects it supports is a sound, prudent business practice that can reduce risks, enhance long-term project sustainability, and generate positive benefits for local communities. Accordingly, CIFI is committed to mainstreaming sustainability in its operations by building ESG factors into the investment process and adhering to the highest international standards of good practices.

CIFI's Policy Framework incorporates the policies, plans, and standards adopted to advance its commitment to sustainability regarding internal governance and those specifically applicable to its procedures for screening, assessment, and approval of projects for potential funding.

POLICIES

- » Environmental and Social Management System
- » ESG Policy
- » Climate Change Policy
- » Human Rights Statement
- » Gender Equality Policy
- » Grievance Mechanism
- » Exclusion List

SUSTAINABILITY STANDARDS

- » The Equator Principles (EP)
- » The International Finance Corporation's Performance Standards on Environmental and Social Sustainability
- » The World Bank Environmental Health and Safety (EHS) Guidelines
- » The United Nations Guiding Principles on Business and Human Rights
- » Task Force on Climate-related Financial Disclosures (TCFD)
- » Partnership for Carbon Accounting Financials (PCAF)
- » Sustainable Development Goals (SDGs)



Materiality Matrix

ESG materiality refers to the relevance and significance of environmental, social, and governance (ESG) factors to a company's business operations, performance, and long-term sustainability. It involves identifying the ESG issues that have the potential to impact a company's financial performance, reputation, and overall value creation. Material ESG factors vary depending on the industry, company, and stakeholder perspectives. Assessing ESG materiality helps companies prioritize their sustainability efforts, manage risks, and seize opportunities to create value for both shareholders and stakeholders.

Materiality is the determination of which sustainability issues are reasonably likely to impact the financial condition or operating performance of a company and therefore are most important to investors. Materiality is assessed from the perspective of a reasonable investor, considering the company's industry, business model, and specific circumstances. Issues are classified as material if they have a significant impact on the company's ability to create or preserve economic value (Sustainability Accounting Standards Board definition in the context of sustainability reporting).

CIFI has identified the areas of interest that are considered relevant to its operations both at the corporate level and through the financing of clients. The materiality matrix has been subject to revisions over the years to ensure that CIFI's priorities are well defined, and its decisions aligned with topics that matter to the company and its stakeholders. In addition, CIFI has set goals and KPIs to monitor progress.

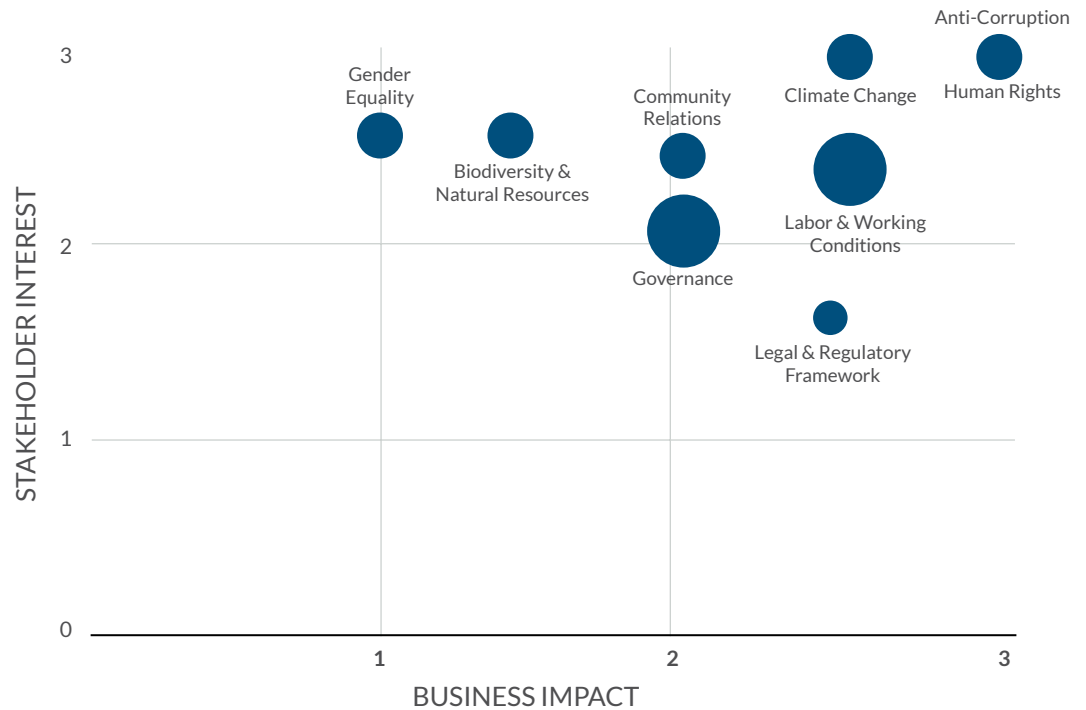


Photo by Venti Views on Unsplash

PRIORITY ISSUES

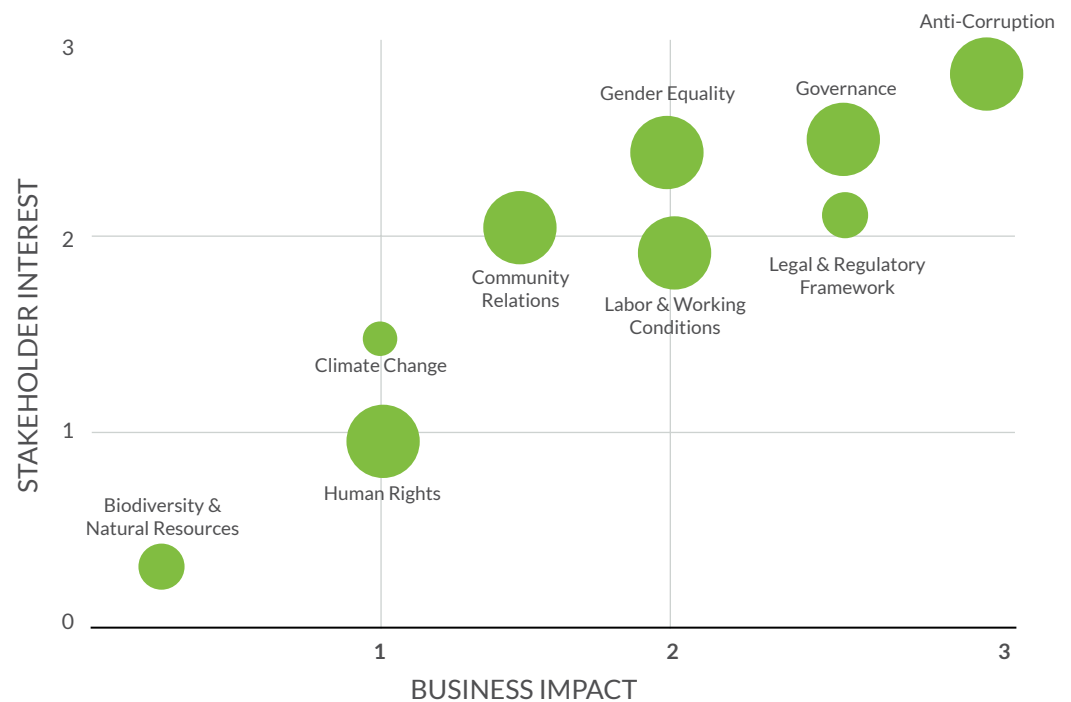
- » *Anti-Corruption*
- » *Biodiversity & Natural Resources*
- » *Climate Change*
- » *Community Relations*
- » *Gender Equality*
- » *Governance*
- » *Human Rights*
- » *Labor & Working Conditions*
- » *Legal & Regulatory Framework*

KEY AREAS OF INTEREST FOR CIFI AT A PORTFOLIO LEVEL



KEY AREAS OF INTEREST FOR CIFI AT A CORPORATE LEVEL

DEGREE OF CONTROL



PRIORITY ISSUES



ENVIRONMENT

Photo by Amanda Phung on Unsplash

Biodiversity & Natural Resources

Protecting plant and animal species, genetic diversity and natural ecosystems, ensuring that natural ecosystems can continue to provide for human health and local livelihoods. Including managing and minimizing waste of projects through reduction, recovery, reuse and recycling, and ensuring proper waste disposal and water footprint, particularly in areas where there is water scarcity or a risk of adversely affecting water availability in communities.

Climate Change

Managing CIFI's climate change related risks in projects and contributing to addressing climate change through adaptation and mitigation strategies in its investment portfolio.



SOCIETY

Photo by Ryoji Iwata on Unsplash

Gender Equality

Supporting cultures that embraces diversity and inclusion through valuing differences such as gender, age, ethnicity/ race, physical abilities/qualities and sexual orientation and implementing steps to prevent discriminatory behaviors and attitudes. Contributing to increased awareness and providing the ecosystem for women to thrive at all levels of corporate and project-based investments.

Community Relations

Taking action to minimize or mitigate adverse social and/or economic impacts related to worksite accidents, hazardous materials, spread of diseases or interactions with private security personnel. This includes impacts of projects related to land resettlement, indigenous people, and cultural heritage.

Labor & Working Conditions

Adhering to regulations and ensuring good labor-management relationships by treating workers fairly, providing safe and healthy working conditions.



GOVERNANCE

Governance

Establishing strong corporate governance for CIFI and its clients and investments through robust policies and procedures. Ensuring that there is accountability and transparency at all levels, as well as appropriate composition, independence and diversity of board members.

Anti-Corruption

Avoiding instances of fraud and corruption, including the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party.

Legal & Regulatory Environment

Managing and protecting against weak legal framework or the lack of rule of law in areas of investment, such as how to enforce collateral or contracts with clients.



HUMAN RIGHTS

Respecting and promoting the rights and freedoms inherent to all people, including the right to a healthy environment, especially considering vulnerable and marginalized groups, in the spirit of internationally recognized social and ethical standards.

Photo by Nicholas Green on Unsplash

GOALS AND KPIs BY PRIORITY ISSUE

Environment

ISSUE	GOAL	KPI	2023
Biodiversity & Natural Resources	GOAL 1 Screen all clients by using CIFI's extensive best practice policies, processes, and tools intended to prevent negative impacts to biodiversity in the region.	% of clients screened that trigger PS6 (Performance Standard 6 - Biodiversity Conservation and Sustainable Management of Living Natural Resources)	50%
	GOAL 2 Avoid projects with irreversible biodiversity impacts and risks.	# of projects rejected in Pipeline Committee due to biodiversity irreversible impacts	N/A
	GOAL 3 Screen all client projects by using best practice policies, processes, and tools to assess potential water risks relating to the environment, its use, and communities.	% of clients screened that trigger PS3 (Performance Standard 3 - Resource Efficiency and Pollution Prevention)	100%
Climate Change	GOAL 4 Reduce exposure to carbon-intensive or fossil-fuel investments, while evaluating on a case-by-case basis.	Carbon intensity tCO ₂ e/MM US\$	55
	GOAL 5 Establish a carbon budget aligned with the Paris Agreement.	Tons of CO ₂ emissions of portfolio (Scope 1, 2 and 3) % compliance with limits	100%



Society

ISSUE	GOAL	KPI	2023
Community Relations	GOAL 6 Ensure that robust policies and procedures in place for investment projects do not infringe on communities, indigenous people, or cultural heritage.	# of incidences	0
	GOAL 7 Provide all employees with opportunities to engage with local communities or initiatives each year to support activities with a positive community impact.	% of staff participation	46%
Gender Equality	GOAL 8 Ensure compliance with CIFI's Gender Equality Policy with proper channels to address and resolve complaints.	# of incidences	0
Human Rights	GOAL 9 Strive to achieve zero incidences of human rights abuses across CIFI's portfolio.	# of incidences	0
	GOAL 10 Screen all client's projects by using best practice policies, processes and tools to assess potential risks relating to human rights.	# Due Diligence including screening for human rights risks	100%
Labor & Working Conditions	GOAL 11 Support local job development through the projects CIFI finances.	# of jobs created	14,000
	GOAL 12 Ensure health and safety of employees (including during work-related travel).	# of incidences	0

Governance

ISSUE	GOAL	KPI	2023
Anti-Corruption	GOAL 13 Screen all clients by using best practice policies, processes, and tools intended to prevent, detect, and report instances of money laundering and corruption.	% of clients screened # of incidences	100% 0
	GOAL 14 Train all employees on CIFI's ethics code and money laundering, Know Your Client, whistleblower policies, and procedures annually.	# of training sessions received per staff member each year	1
Governance	GOAL 15 Transparency and full disclosure on CIFI governance structure, including Board of Directors.	# of sections detailing the governance structure and the Board of Directors on the corporate website	1
Legal & Regulatory Environment	GOAL 16 Screen all client projects using extensive best practice policies, processes, and tools intended to assess strength of country-level legal frameworks and application of rule of law in areas of investment.	# of deviations (audit)	0

To strengthen the Anti-corruption Key Area of Interest, throughout 2023, CIFI's Compliance and Legal teams received training sessions and capacity building workshops covering up-to-date and innovative best practices in the field.







Risk Management Framework

PROPRIETARY TOOLS

CIFI has developed risk scoring systems, impact screening tools, calculators, and digital apps to improve its environmental and social performance in an efficient and consistent fashion.

- 1 Categorization**

The ESG Risk Scoring tool measures the socio-environmental risk of each project and assigns a category based on the baseline risk and the severe risk, using a methodology that compares environmental and social global indicators that have been carefully selected.
- 2 Climate Change Risk Screening**

CIFI's Climate Change Screening tool considers a project's location vulnerability to climate change, the countries' readiness to improve resilience, and the effects of climate-related extreme weather events to assess the Project's Climate Change Risk Level and its correspondent adaptation or mitigation actions to be prevented before financing.
- 3 Impact Calculator**

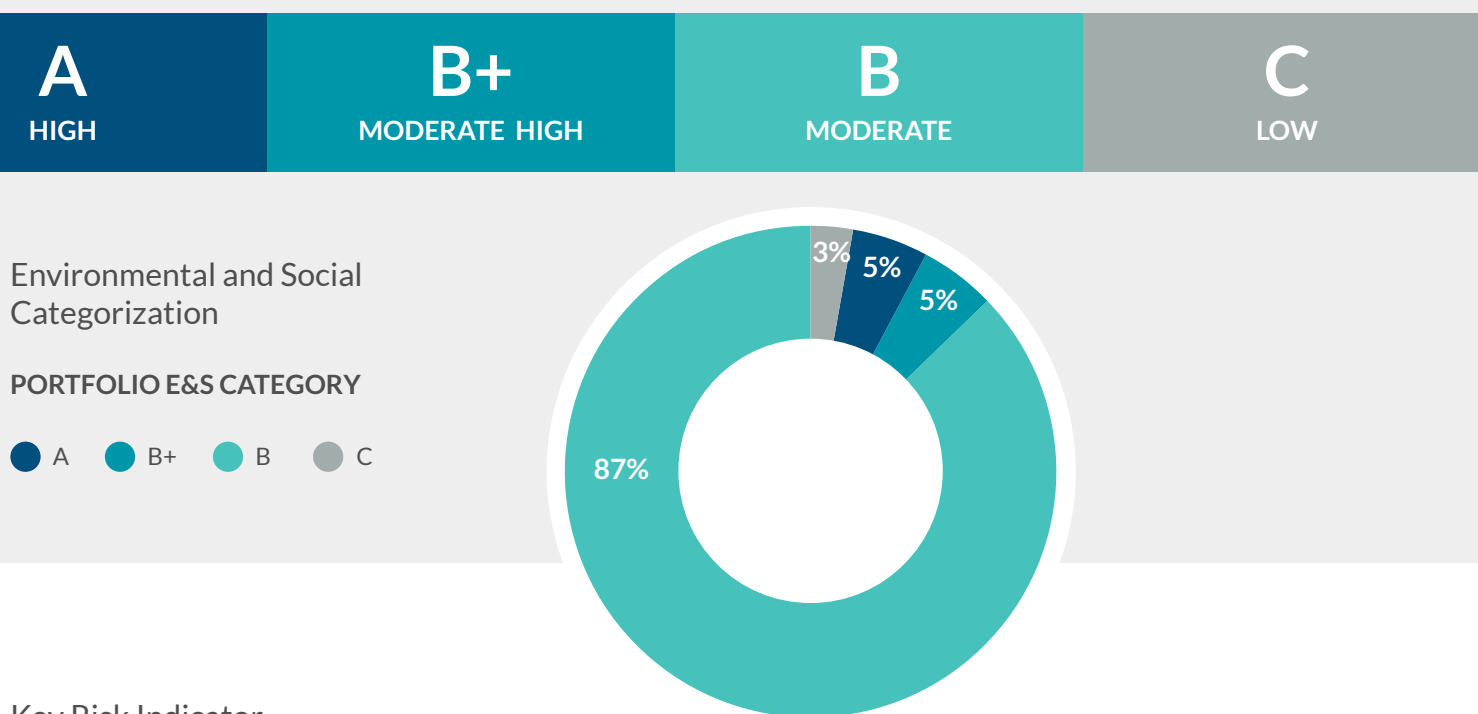
The calculator is a tool that incorporates a standard methodology to estimate the potential positive impact of the projects financed by CIFI using official data from countries and data reported by the client, resulting in comparable metrics for employment, carbon emissions, and beneficiaries for energy and telecommunications improved access.
- 4 Digital ESMS: Impacta App**

A digital application for the portfolio's ESG management. The App is a tailor-made, user-friendly, and comprehensive tool that records ESG management in the investment process. In addition, the platform allows clients to access their project's information and data, including templates to manage and deliver mandatory quarterly and annual E&S reports.

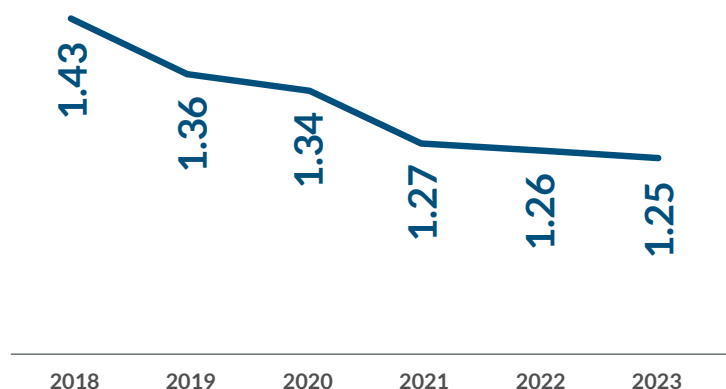
Categorization

The ESG Risk Scoring tool, designed by CIFI's ESG team in 2017 and updated periodically, measures the socio-environmental risk of each project. The tool allows for the estimation of the non-financial risk of a project, that is often overlooked during traditional financial analyses. The indicators used to assess each risk have been normalized to score on a scale from 1 to 3, according to a criterion based of the impact level. The resulting score will indicate the E&S Category of the project: A, B+, B or C.

The tool is structured in two sections: the first part assesses the baseline risk, a general evaluation related to overall project characteristics, and the second part assesses the severe risk, a detailed overview of vulnerabilities of specific project-related factors, using a methodology that compares environmental and social global indicators to determine each risk.



Key Risk Indicator



Established in 2018, the Key Risk Indicator (KRI) has a minimum score of 1.0 (lowest risk) and a maximum score of 3.0 (highest risk). The KRI was designed to serve as a compass for decision-making at CIFI, providing a general overview of the portfolio in terms of ESG risk. Over the years, CIFI has made efforts to remain within its maximum allowed limit of 1.5 and to progressively reduce exposure to E&S risks that can be managed with proactive engagement. By the end of 2023, CIFI's KRI was 1.25, maintaining the lowest result since its implementation.



Climate Change Risks Screening

The tool considers two primary sources for analyzing climate-related risks, i.e., a global ranking and index by country, specifically the Germanwatch's Global Climate Change Risk Index and Notre Dame's Global Adaptation Initiative.



The **Notre Dame's Global Adaptation Index (ND-GAIN)** summarizes a country's vulnerability to climate change, other global challenges, and its readiness to improve resilience.



The **Global Climate Risk Index** analyzes and ranks to what extent countries and regions have been affected by climate-related extreme weather events.



Screening Tool Process



ND-GAIN
Notre Dame Global
Adaptation Initiative

With these two sources, CIFI gets a first risk score by country, which it later correlates with laws and regulations available at first glance in each country for an initial score. In a second phase, CIFI incorporates the assessment of the direct risks on the project and those impacts exacerbated by the project in global climate change scenarios. This multidimensional analysis incorporates physical and transitional risks for a final climate change risk score.

1

2

HIGH

MODERATE HIGH

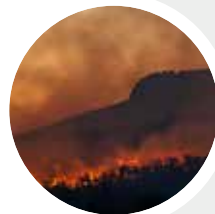
MODERATE

LOW

1st Risk Score
approach

3

Transitional & Physical Risk Analysis



Before getting a total score, we introduce an analysis of the consequences of climate change and its effects on the project, following the TCFD recommendations. Among several consequences, we analyzed mainly transitional risks, acute physical risks -including the severity of extreme weather events- and chronic physical risks -related to long-term shifts in climate patterns.

4

Final Risk Score

The Final Score weights the project's sector and subsector, the global ranking and index, and the severity of the consequences of climate-related risks.

VERY HIGH

HIGH

MODERATE

LOW

NONE OR STABLE

Impact Calculator

CIFI has designed and integrated into its management system calculators to measure the positive impact of its portfolio of investments. Key metrics and methodologies are presented below.

Greenhouse Gas Emissions

Reduction is calculated using the reported renewable energy generation on a yearly basis and the emission factor of the country obtained from official sources.

INITIAL DATA

COUNTRY	Dominican Republic
EMISSION FACTOR NES tCO ₂ / MWh	0.73
MWh/YEAR	93,300

RESULTS

tCO₂e 68,062

READY

People Benefitted from Access to

Energy/Clean Energy is estimated using the reported energy generation per project divided by the energy consumption per inhabitant in each country obtained from official sources.

INITIAL DATA

COUNTRY	Chile
ENERGY CONSUMPTION PER CAPITA	3,879.68
kWh/YEAR	8,196,000.00

RESULTS

PEOPLE
BENEFITTED
FROM ACCESS TO
ENERGY/YEAR 2,113

READY

People with Access to

Communication is estimated using the number, location, and type of telecom base stations constructed or managed by the client, and then, with this information, is extrapolated to the population according to official data sources. In addition, some projects reflect increased quality, capacity, or coverage.

INITIAL DATA

Select the following options

TYPE	Coverage
LOCATION OF TOWERS	Mountain_terrain
NUMBER OF TOWERS	1,500
TRAFFIC NEED	Place of higher need for traffic

RESULTS

COVERAGE AREA
(km²/TOWER) 50.854

POPULATION
DENSITY
(PEOPLE/km²) 25

PEOPLE
BENEFITTED
FROM TELECOMS
(#PEOPLE) 1,911,603

READY

Jobs is based on the direct and indirect (subcontractors) jobs generated by the construction and operation of an asset.

Digital ESMS: Impacta App

In an effort to increase the digitalization of its business practices, CIFI developed a digital application for the ESG management of the portfolio. The application is a tailor-made, user-friendly and comprehensive tool for carrying out each step ESG conducts during the investment process of each project loan. The app also has a platform for clients to have access to their project's information and data, including templates to manage and deliver E&S reports.

The app guides users through the ESMS, providing a practical platform to register and manage all ESG aspects including:

- » Initial E&S project screening and categorization
- » Due diligence process status
- » Specific E&S action plan
- » Impact indicators of the portfolio
- » E&S Key Risk Indicator
- » E&S annual monitoring reports
- » Development impact indicators report

CIFI's ESG App is a strategic platform that provides digital access for CIFI, clients and investors, to the Environmental, Social, and Governance (ESG) process of the projects and their positive impact.





Corporate Social Responsibility

For CIFI, Corporate Social Responsibility (CSR) is an approach that supports the well-being of its team and society, creates positive impact in its communities, and aligns with key areas of interest for its business.

Regarding **community relations**, in 2023, CIFI and its staff promoted professional pathways through academic achievement with the nongovernmental organization (NGO) Junior Achievement Panama and its “Our Nation Program”, at the Sara Sotillo Public School, close to its offices. Additionally, CIFI provided support to the 2023 National Oratory Contest, aimed at talented young speakers, who wrote and delivered a public speech about the energy transition in Panama. Similarly, CIFI supported Panama's First History Festival by NGO Fundación CREEA, sponsoring the participation of over 500 children. The event highlights Panama's diversity through collective memory building and education. CIFI also made an in-kind food donation to Panama's National Oncology Institute.

Regarding **biodiversity**, CIFI contributed to a reforestation scheme of native species by NGO ANARAP. CIFI also donated in support of NGO Fundación Tortuguías' sea turtle hatcheries and activities, promoting the protection of coastal ecosystems and marine biodiversity for one of the region's most vulnerable species.

Finally, regarding **working conditions** that provide a safe and healthy environment, CIFI provided 19 courses and workshops for the continual professional development of its employees, including topics such as finance, technology, ESG, leadership and communication skills, among others, with all staff participating in at least one training. Additionally, CIFI conducted workshops for employees' families on topics such as family nutrition and communication between parents and children. Finally, in 2023, CIFI provided six young professionals the opportunity to develop skills and leave a positive impact in the region through an internship program centered on project implementation.

Human Rights

“An adverse human rights impact occurs when an action or omission removes or reduces the ability of an individual to enjoy her or his human rights.”

THE DANISH INSTITUTE FOR HUMAN RIGHTS

CIFI understands that investing in infrastructure projects has tremendous potential to spur economic growth, further decent employment, spearhead innovation, access to sustainable energy and promote well-being; while simultaneously involve potential human rights risks and adverse impacts on rights such as property, labor, health and a healthy environment, indigenous rights, among others. These risks should be identified and addressed fairly and effectively to both respect human rights and safeguard the financial and reputational capital of a project.

OUR COMMITMENT

CIFI's business activities are guided by the EPs and the IFC PS for Social and Environmental Sustainability, and are in accordance with the International Bill of Human Rights, the International Labor Organization's (ILO) Declaration of Fundamental Principles and Rights at Work and the United Nations Guiding Principles for Business and Human Rights (UNGPs), along with other internationally recognized human rights standards. CIFI conducts business with the idea of identifying, avoiding, mitigating, and managing potential adverse human rights impacts, and has included their Human Rights Statement into CIFI's ESMS.

CIFI acknowledges that specific circumstances may require the consideration of additional human and environmental rights covenants to be properly addressed and considered, including addressing issues that may arise for indigenous peoples or other vulnerable groups, as well as minority groups. Additionally, CIFI ensures that all acts by its staff, clients, and business partners do not promote violence, intimidation, repression, or reprisals towards organizations that express dissenting opinions regarding CIFI's partners or activities.

CIFI expects its clients, business partners, and other companies involved in the projects it finances to assess their actual and potential human rights impacts, as well as to prevent, mitigate, and act upon their adverse impacts in ways that are consistent with the UNGPs, regardless of their size, sector, operational context, ownership, and structure. To support this effort, CIFI has provided tools, policies, plans, and procedures to ensure respect for human rights in all its operations.



CIFI'S APPROACH

- » Identify and assess human rights risks and impacts prior to making financing decisions;
- » Prevent, mitigate, and account for human rights impacts and risks during the financing lifecycle;
- » Externally report on the implementation of the Human Rights Statement annually, and encourage clients and business do so as well;
- » Prevent and mitigate adverse human rights impacts by providing capacity building and/or incentives to clients and business partners;
- » Implement and effectively manage a fair and legitimate external grievance mechanism for project-affected individuals and communities;
- » Require clients to design and implement a human rights policy and operational-level internal and external grievance mechanisms;
- » Promote and encourage meaningful stakeholder engagement with clients and business partners throughout the life of the project, especially vulnerable and project-specific groups, to ensure stakeholders' views and inputs are considered.

Climate Change

CLIMATE CHANGE POLICY

The global community, through the UNFCCC, has identified the financial sector as a crucial actor in the fight against climate change. CIFI fully acknowledges the financial sector's responsibility for achieving the Paris Agreement's objectives on climate change through its investment decisions and its corporate operations and mitigation plans. Furthermore, CIFI has decided to spearhead the necessary transition of financial institutions in Latin America and the Caribbean and raise ambitions to align with a 1.5°C global warming scenario economy.

CIFI recognizes climate change risks and impacts as a global challenge and aims to identify and manage those risks by financing projects aligned with the Paris Agreement, Good International Industry Practices (GIIP), the SDGs, and the Task Force on Climate-related Financial Disclosures (TCFD). To this end, CIFI:

- » Adopts a high-level commitment to act.
- » Assesses physical and transitional climate risks and impacts before investing through the due diligence process.
- » Develops adaptation and mitigation strategies at the project level for risks and impacts identified during due diligence.
- » Measures financed GHG emissions during the life of the loan.
- » Conducts scenario analyses and disclose residual, unmitigated risks to relevant stakeholders to inform decision-making.
- » Establishes targets in line with market-driven business strategies following global trends.
- » Reports progress to relevant stakeholders through regular TCFD reporting.

CLIMATE CHANGE STRATEGY

CIFI's climate change strategy aims to align its operations with an economy in a 1.5°C global warming scenario to reduce risks while creating sustainable, clean, and smart business-oriented investment opportunities.

OBJECTIVES

1. Contribute to a clean world through reduced GHG emissions financing opportunities.
2. Improve risk management and sustainability through compliance with CIFI's ESG standards and policies, risk management, transparency and disclosure, and reduction of financial losses.
3. Strengthen business operations through invigorated image and reputation, business opportunities improvement, long-term financial viability, and Climate Finance resources prospecting.



A photograph of a whale breaching the ocean surface at sunset. The whale's tail is visible, with water spraying from the top edge. The background shows a dark, silhouetted mountain range under a warm, orange and yellow sky. A large blue rectangular box is overlaid on the right side of the image, containing white text.

According to the Paris Agreement's international goals and the Portfolio Decarbonization Coalition (PDC), a multi-stakeholder initiative, GHG emissions reductions will be furthered by mobilizing a critical mass of institutional investors committed to decarbonizing their portfolios.

CIFI has chosen a decarbonization pathway focused on asset allocation in projects with low carbon intensity and progressively divesting from carbon-intensive sectors.



2019

ESG STRATEGY

- » With the support of SustainAbility, identification of climate change as a key priority with potential high impact on its performance
- » Climate Change Policy Framework
- » Carbon Footprint review and first data collection

2020

SOUTH POLE ADVISORY

- » Phase 1: High-level Carbon Footprint (from 2019 data), climate risk assessment and peer review
- » Phase 2: Decarbonization paths (2020) GHG Footprint scope 1 and 2
- » Phase 3: GHG Footprint, scope 3 by 2020

2021

POLICY UPDATE

- » Fossil Fuel Exclusion List (2021 update)
- » Partnership for Carbon Accounting Financials (PCAF) affiliation
- » Annual GHG Footprint

2022

PARIS ALIGNMENT

- » South Pole Assessment: Paris Alignment and transitional and physical risk assessment

2023

CLIMATE CHANGE STRATEGY

- » Annual GHG Footprint
- » Decarbonization – Net Zero target

2030

45% Emissions Reduction – Paris Agreement
Net Zero target 70% alignment

2050

NET ZERO TARGET 100%

- » 90% emissions reductions and 10% abatement

DECARBONIZATION PATHWAY

Understanding climate change-related impacts and risks and CIFI's decarbonization pathway

2020

Portfolio Analysis

Analyze portfolio's GHG emissions per project through primary data from investees' risks and opportunities along with portfolio risks and opportunities related to climate change.

Develop Strategy

Assess the portfolio's current gap with a 1.5°C trajectory and develop an alignment strategy.

Impact Assessment

Analyze ex-ante the potential impact of investments, including their individual contributions towards decarbonization goals.

2025

Outcome Analysis

Collect and analyze evidence of outcomes and impact and communicate results.

Establish Targets

Define science-based targets.

Strategy Adjustment

CIFI is currently adapting its allocation strategy to the targets defined.

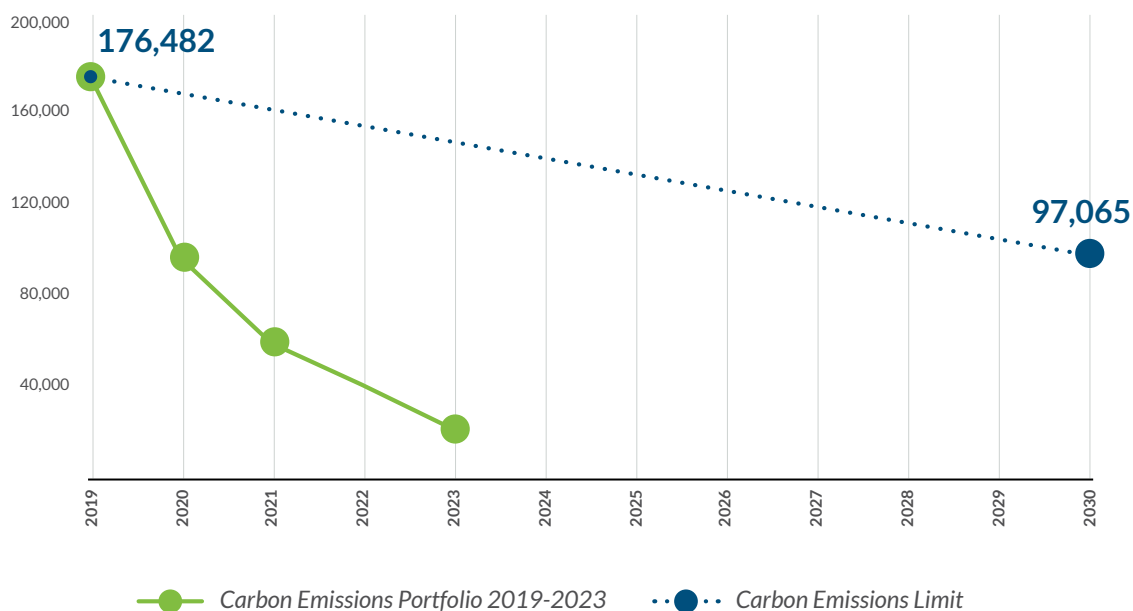
Cifi



SCIENCE-BASED TARGETS

In 2023, CIFI approved its Climate Change Strategy along with goals to align its portfolio with the Paris Agreement using a methodology from PCAF and modeling its carbon budget based on the current portfolio. It is worth mentioning that CIFI has consistently performed below targets (87% below) reflecting the potential for financial institutions to address climate change investments proactively and committing to reducing emissions through robust policies and high-quality data.

CARBON BUDGET 2030 (TOTAL tCO₂e)



PARIS AGREEMENT PORTFOLIO ALIGNMENT

The Paris Agreement is a landmark international treaty aimed at combating climate change. It was adopted at the 21st Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change (UNFCCC) held in Paris, France in December 2015. The agreement's goal is to limit global warming to well below 2 degrees Celsius above pre-industrial levels, with an aspiration to limit the temperature increase to 1.5 degrees Celsius.

The objective of the Paris alignment assessment is to measure and analyze the level of alignment of CIFI's portfolio with a decarbonization scenario that aims to achieve the goals of the Paris Agreement.

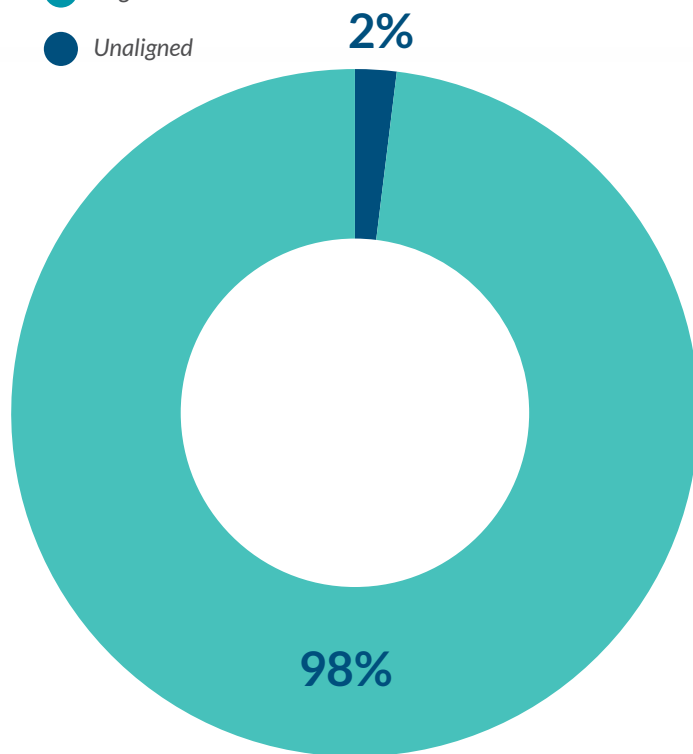
The International Energy Agency (IEA) has developed integrated assessment models and scenarios to estimate what it would take to limit global warming to 1.5°C–2°C. These scenarios outline how different industries should decarbonize.

A company is 'Paris-aligned' when its carbon intensity is below that observed in the model's pathways.

CIFI's 2023 investment portfolio shows a high level of alignment when assessed based on both investment weight (outstanding exposure) and from a climate perspective impact, with 98% of its investment volume and 89% of the finance emissions being aligned.

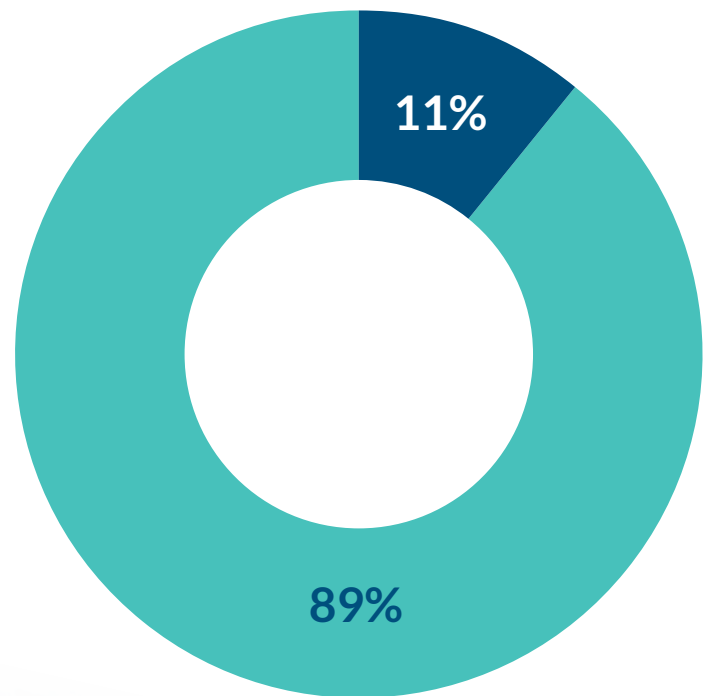
ALIGNMENT BASED ON
INVESTMENT WEIGHT FY2023

- Aligned
- Unaligned



ALIGNMENT BASED ON WEIGHT OF
FINANCED EMISSIONS FY2023

- Aligned
- Unaligned



CLIMATE CHANGE RISKS AND OPPORTUNITIES

CIFI follows the International Financial Reporting Standards (IFRS), issued and maintained by the International Accounting Standards Board, created to establish a common language so that financial statements³ can easily be interpreted from company to company and country to country.

In June 2023, the International Sustainability Standards Board (ISSB) issued IFRS S2 Climate-related Disclosures requiring an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance, or cost of capital over the short, medium, or long term (collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

The ISSB builds on the work of the TCFD, which CIFI has been using as its main guidance for its Climate Change Strategy.

Carbon financial disclosure refers to the practice of disclosing information related to a company's carbon emissions, climate-related risks, and strategies for mitigating those risks in its financial reports or other disclosures to stakeholders.

3. Corporate Finance Institute. Reading Financial Statements: Understanding the financial strength of a company and help us to make informed decisions. <https://corporatefinanceinstitute.com/course/learn-to-read-financial-statements-free-course/>

CLIMATE CHANGE RISK ASSESSMENT

The climate risk screening provides an assessment of CIFI's portfolio against climate-related physical and transition risks.

Each project is assessed against the different scenarios and assigned a level of risk according to the percentage of revenue at risk. The levels range from 'very low risk' to 'high risk'.

PHYSICAL RISK LEVELS

Very low risk

Low risk

Medium risk

High risk

TRANSITION RISK LEVELS

Very low risk: <10% potential revenue at risk

Low risk: 10% - 25% potential revenue at risk

Medium risk: 25% - 50% potential revenue at risk

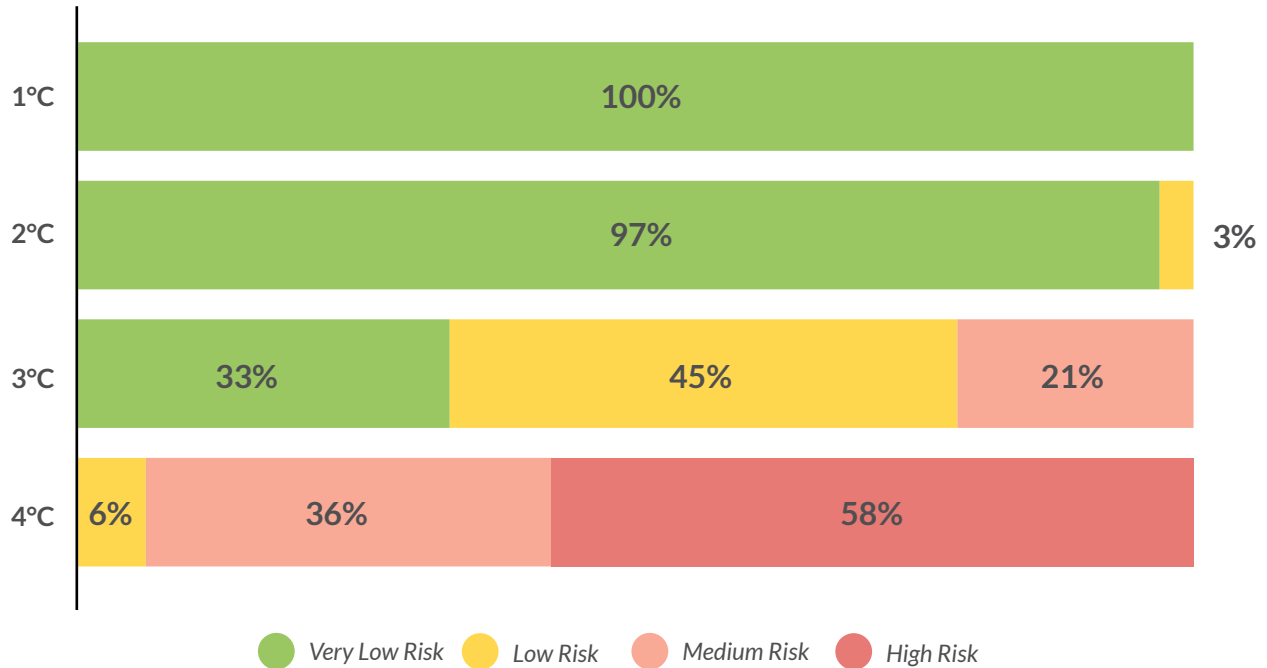
High risk: >50% potential revenue at risk

PORTFOLIO PHYSICAL RISK

Physical climate change risks refer to the adverse impacts and consequences of climate change-related phenomena on natural and human systems. These risks result from changes in temperature, precipitation patterns, sea level rise, extreme weather events, and other climate-related factors. Physical changes caused by climate change have already had tangible financial implications for some sectors of the economy. Therefore, CIFI conducts periodic portfolio assessments of risk levels.

At a 2°C scenario, 97% of the investment volume would be at a very low risk.

PORTFOLIO PHYSICAL RISK LEVELS



Transition Risk

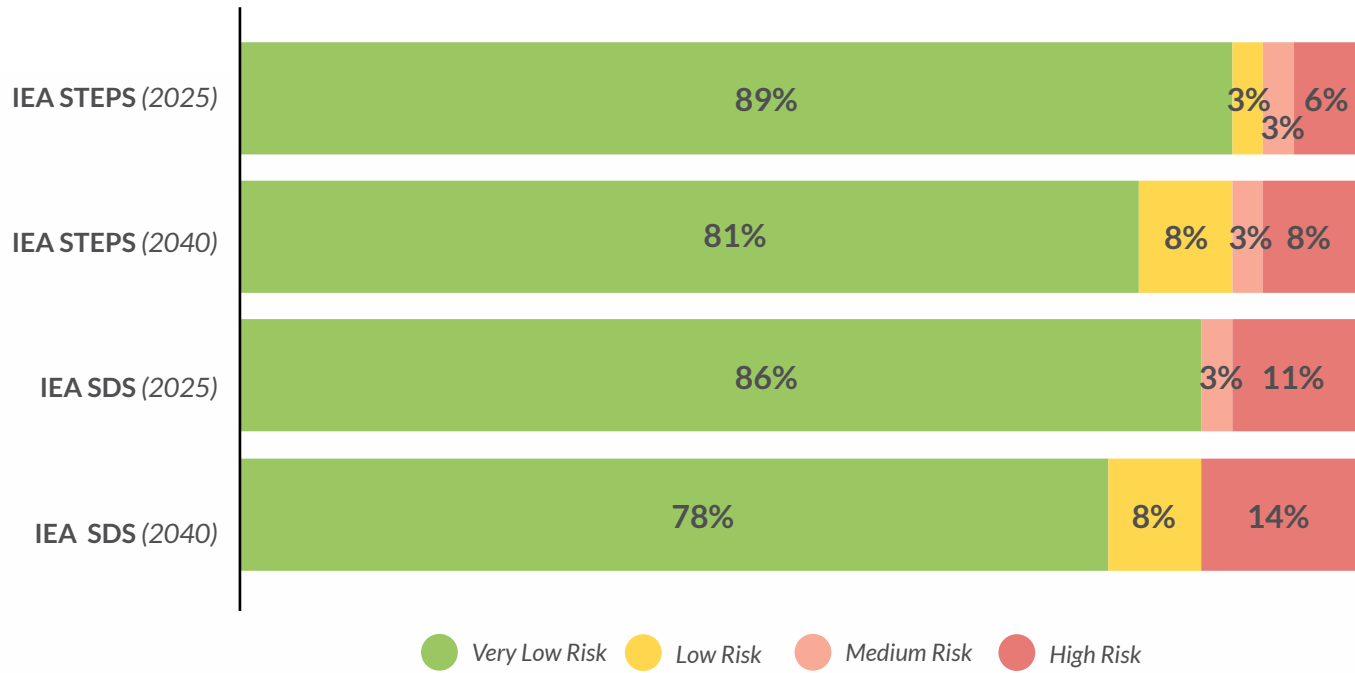
Transition risks refer to the financial risks associated with the transition to a low-carbon economy and the implementation of measures to mitigate climate change. These risks arise from changes in policy, technology, market preferences, and other factors that can affect the value of assets and investments. Transition risks are particularly relevant to industries and companies that are heavily reliant on fossil fuels or have high greenhouse gas emissions.

Since 2020, CIFI has been measuring its carbon footprint using scope 1, 2, and 3, and implementing a robust Climate Change Strategy to divest from carbon intensive projects, aiming to contribute to global goals and reduce the exposure to transitional risks.

In line with best practices and TCFD recommendations, the analysis considered two IEA 'World Energy Outlook' (WEO) scenarios, the Sustainable Development Scenario (SDS), and the Stated Policies Scenarios (STEPS).

The carbon cost depends on the industry and countries where the investee has its operations and is compared to the carbon intensity of each project from SDS and STEPS scenarios.

PORTFOLIO TRANSITION RISK LEVELS



Carbon Footprint

An essential component of CIFI's Climate Change Strategy is developing targets and indicators to measure progress in meeting these goals. Since 2019, CIFI has incorporated Sustainability KPIs to its annual strategic planning which includes measuring the company's carbon footprint.

CIFI's GHG accounting is based on Partnership for Carbon Accounting Financials (PCAF), a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the GHG emissions associated with their loans and investments.

PCAF focuses on measuring and reporting financed emissions through GHG accounting methodology that is science based. CIFI has been a member of PCAF since 2021.

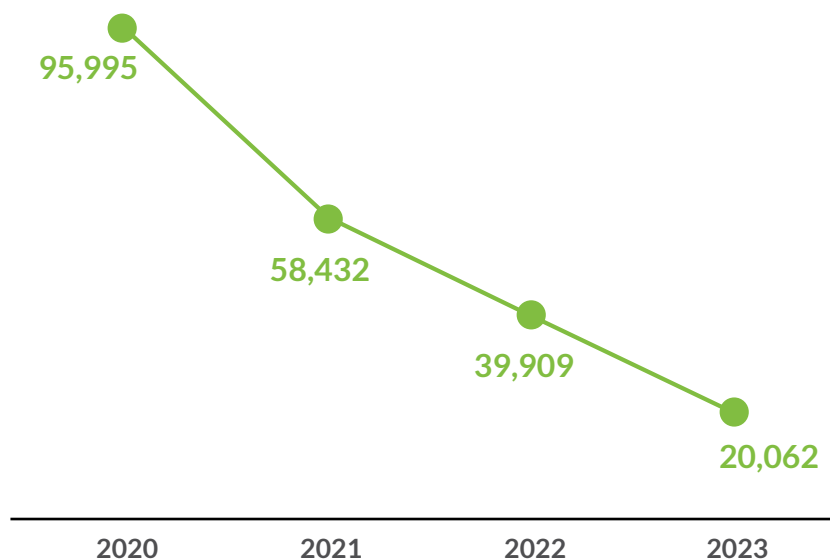
For operational emissions, the system's boundaries are defined using the control approach, i.e., CIFI's entities where it holds operational control: headquarters and direct employees. For investments, 78% of projects in its loan portfolio were considered, of which 88.8% were calculated using a physical activity-based approach and the rest using an economic activity-based approach.

CIFI collects scope 1, 2, and 3 data directly from clients and it is processed by CIFI's ESG team through its own calculators based on international standards.

CIFI's carbon footprint for direct loans has been significantly reduced in the last five years due to the successful implementation of the company's Climate Change Strategy, divesting from carbon intensive assets and increasing exposure to green sectors.

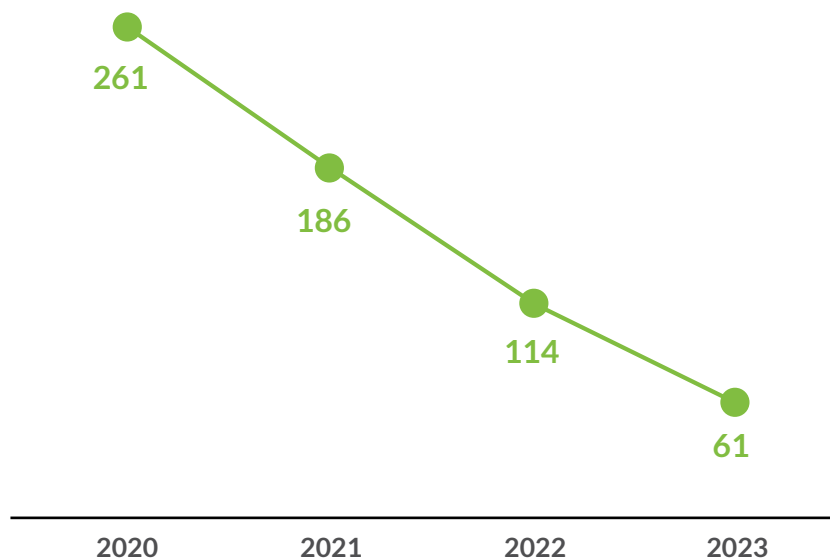
CARBON FOOTPRINT	2020	2021	2022	2023
tCO ₂ e/employee (excl. investments)	3.98	1.35	2.42	3.03
Total tCO ₂ e Corporate (Scope 1,2)	119	51	97	131
Total tCO ₂ e Investments (Scope 3)	95,996	58,432	39,909	20,061
tCO ₂ e/MM US\$ Investments	261	186	114	61
Portfolio Size (MM US\$)	368	315	351	330

TOTAL tCO₂e INVESTMENTS (SCOPE 3)



CIFI's carbon footprint from investments has decreased by 80% since 2020, showing an outstanding commitment towards climate change.

tCO₂e/MM US\$ INVESTMENTS



Measuring CIFI's carbon footprint is a key indicator to better understand the company's impact. However, the amount of tons of GHG financed per each million of US\$ invested is a strong indicator that is independent from the portfolio size.

Carbon financial disclosure provides investors and other stakeholders with valuable information to assess the climate-related risks and opportunities associated with a company's business activities, make informed investment decisions, and drive the transition to a low-carbon economy.

GHG Emissions Avoided

According to the United Nations, financial resources and sound investments are needed to address climate change, reduce emissions, promote adaptation to the already occurring impacts, and build resilience.

The role of financial institutions is key in fighting climate change, and more than ever, CIFI is committed to sharing the responsibility and becoming an agent of change.

For the past four years, CIFI has been measuring its generated and avoided emissions to better understand the impact of its investments in the fight against climate change. For both metrics, CIFI reports on directly attributable emissions (i.e., share of the total emissions in relation to direct investment).

The results of this effort guide the company in developing products, services, strategies, and tools to improve its risk management framework and boost positive impact wherever CIFI places its investments.

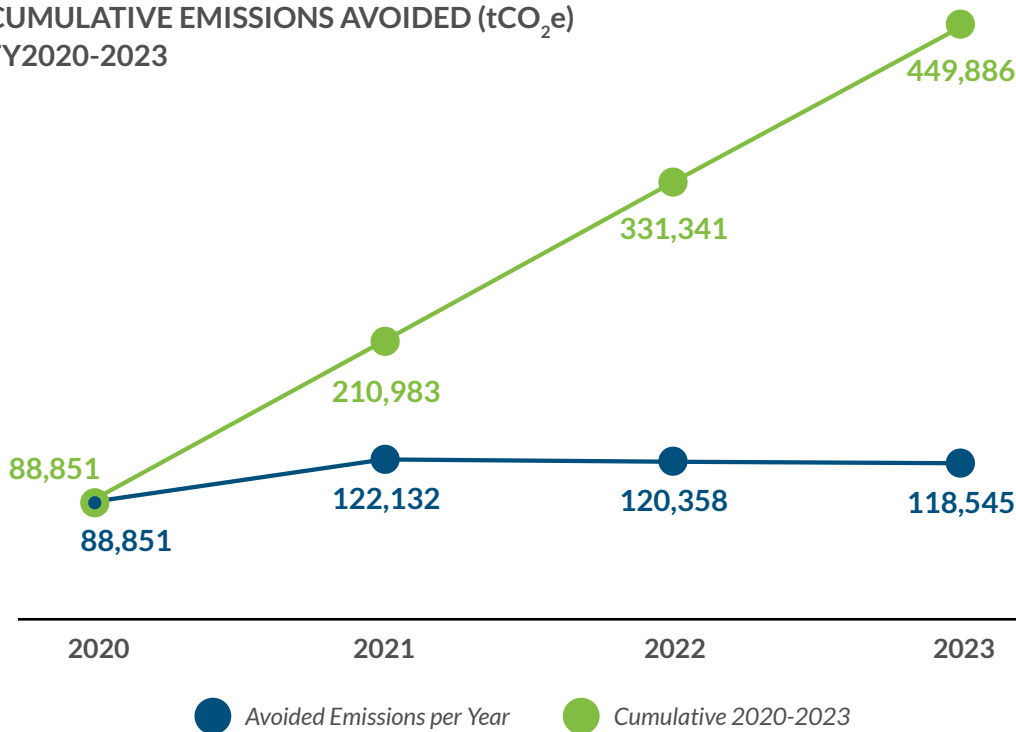
According to McKinsey⁴, the world faces a US\$41 trillion mitigation investment gap to 2030, with emerging markets facing a higher gap as a share of their GDP. There is also an adaptation financing gap of US\$600 billion required annually to 2050, which is 10–18 times greater than current flows.

KEY KPIs	2020	2021	2022	2023
Avoided emissions in renewable energy portfolio (tCO ₂ e)	933,355	1,079,394	1,142,380	1,197,743
Direct attributable avoided emissions (tCO ₂ e)	88,851	122,132	120,358	118,545
Renewable energy portfolio (% share)	49	47	51	61
Clean energy generation (millions of kWh)	1,749	1,726	1,825	2,053
People benefitted from access to clean energy	2,082,260	1,563,319	1,855,644	1,851,157
Jobs created in renewable energy sector	4,358	3,385	3,650	4,026

4. McKinsey Sustainability. COP28: Climate finance . <https://www.mckinsey.com/capabilities/sustainability/our-insights/sustainability-blog/cop28-climate-finance>

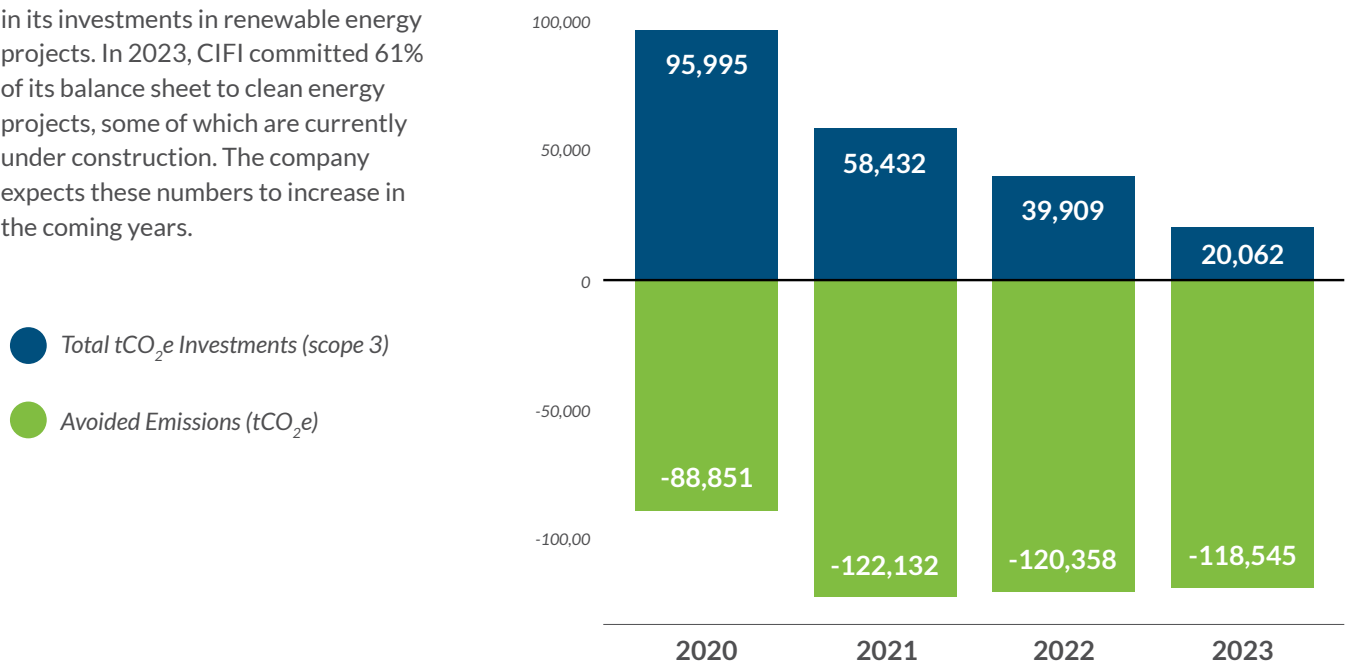
CIFI's investments in clean energy generation have consistently increased over the past four years to reach an outstanding 61% of its portfolio, above its 50% goal.

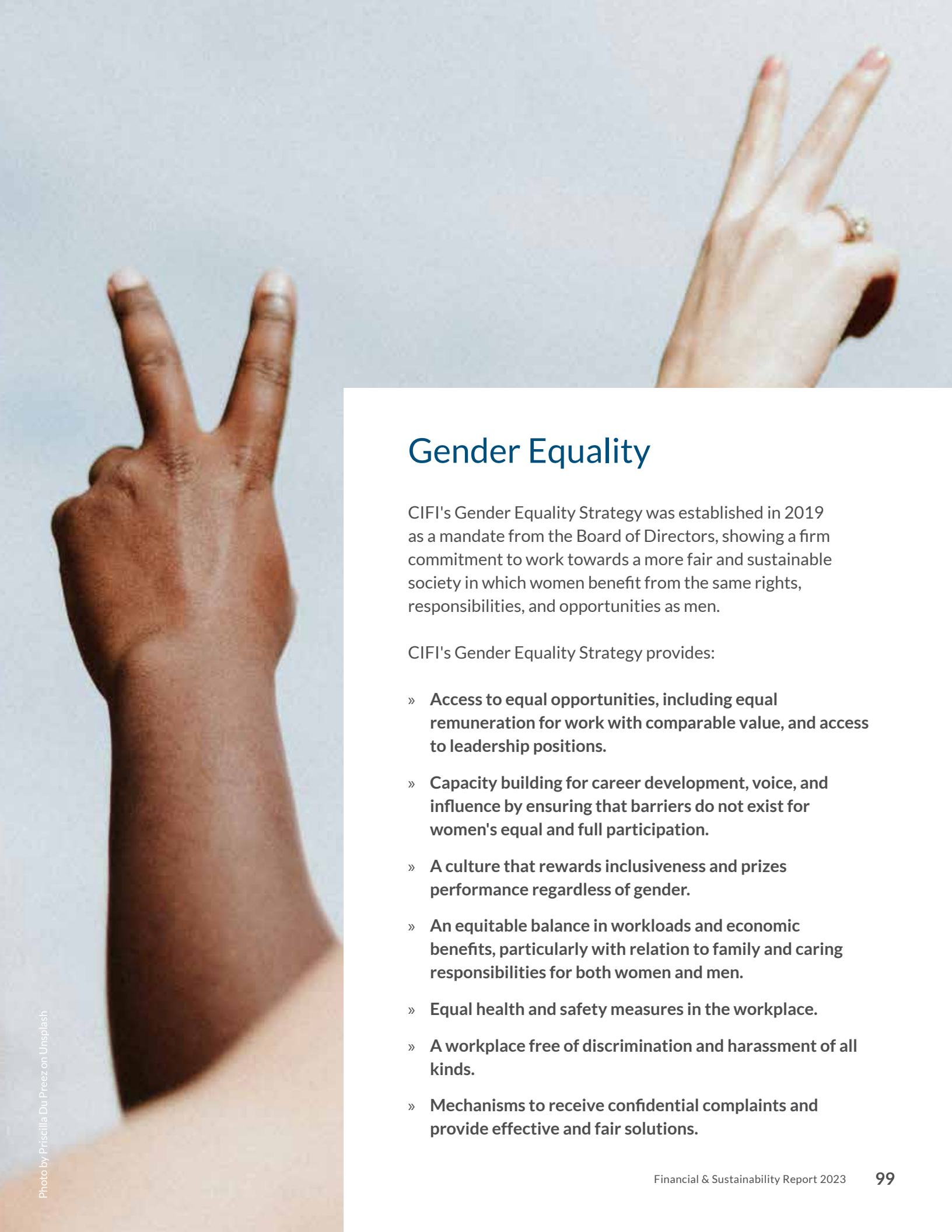
CUMULATIVE EMISSIONS AVOIDED (tCO₂e)
FY2020-2023



Avoided emissions are calculated based on actual energy production from CIFI's directly attributable share in its investments in renewable energy projects. In 2023, CIFI committed 61% of its balance sheet to clean energy projects, some of which are currently under construction. The company expects these numbers to increase in the coming years.

GENERATED EMISSIONS VS AVOIDED EMISSIONS
FY2020-2023





Gender Equality

CIFI's Gender Equality Strategy was established in 2019 as a mandate from the Board of Directors, showing a firm commitment to work towards a more fair and sustainable society in which women benefit from the same rights, responsibilities, and opportunities as men.

CIFI's Gender Equality Strategy provides:

- » **Access to equal opportunities, including equal remuneration for work with comparable value, and access to leadership positions.**
- » **Capacity building for career development, voice, and influence by ensuring that barriers do not exist for women's equal and full participation.**
- » **A culture that rewards inclusiveness and prizes performance regardless of gender.**
- » **An equitable balance in workloads and economic benefits, particularly with relation to family and caring responsibilities for both women and men.**
- » **Equal health and safety measures in the workplace.**
- » **A workplace free of discrimination and harassment of all kinds.**
- » **Mechanisms to receive confidential complaints and provide effective and fair solutions.**

In addition to measuring progress and transparently disclosing figures and efforts to improve, CIFI also focuses on investments. Since 2018, CIFI gathers gender-differentiated statistics in line with international best practices to measure progress. Since infrastructure projects may impact women and men differently due to socioeconomic roles and varying degrees of access to property, public services, and natural resources, among others, CIFI's assessments consider the gender variable. The company's understanding of labor dynamics allows it to provide guidance to clients and aims to reduce gender inequalities.

CIFI's statistics for 2023 show that the portfolio sectors with a higher and more equitable inclusion of women in the workforce are social infrastructure and telecommunications. However, projects from other sectors that implement strategies to further gender parity at all levels evidence the feasibility of more inclusive projects.

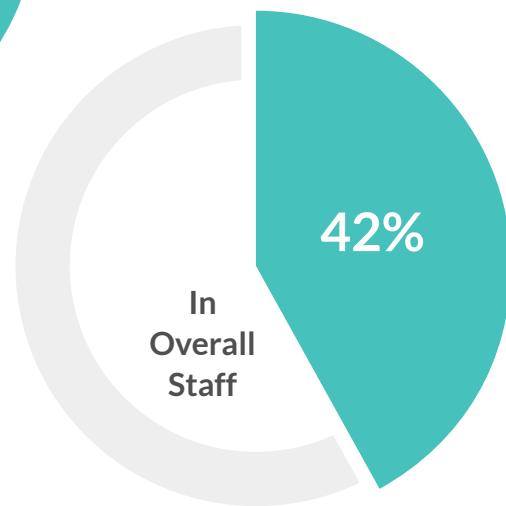
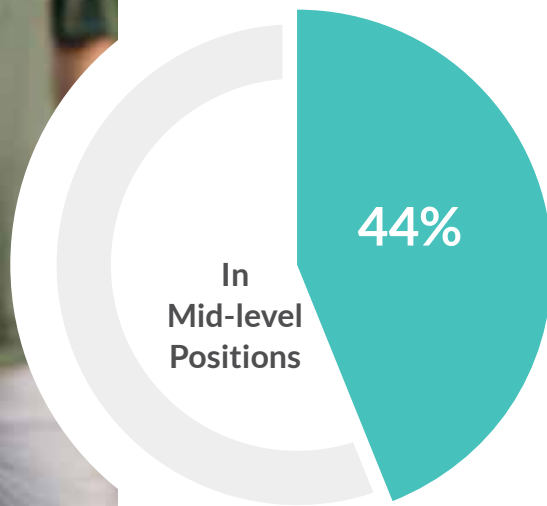
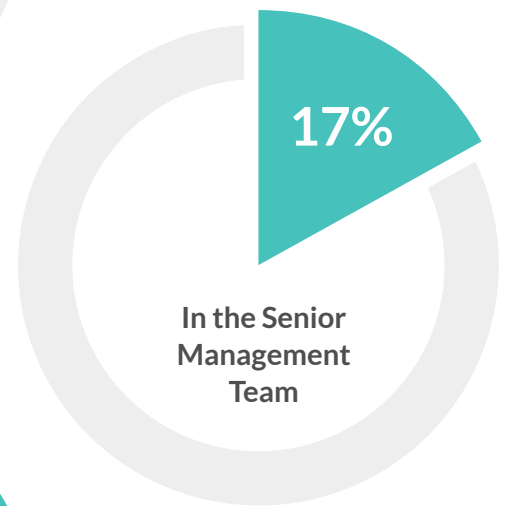
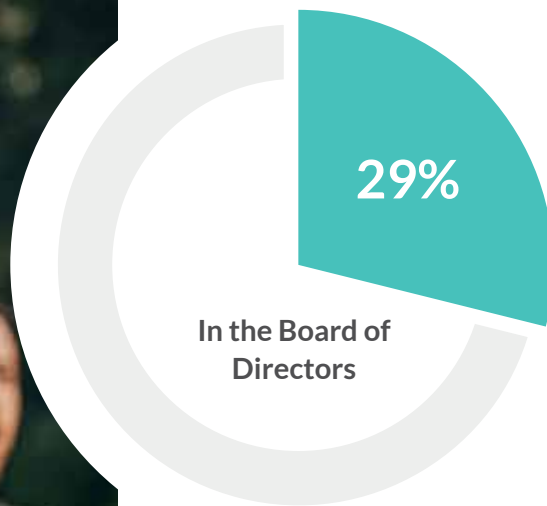
Social infrastructure can be broadly defined as the construction of facilities that support social services, such as hospitals, schools, universities, and community spaces.





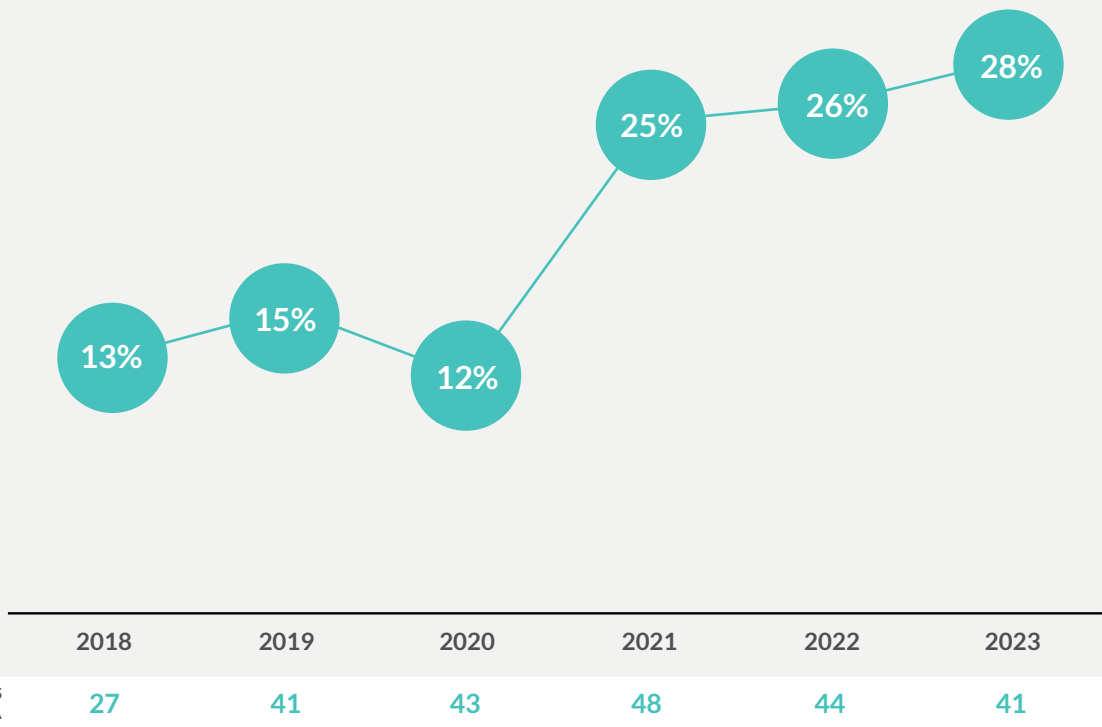
CORPORATE FIGURES

Percentage of representation by Women



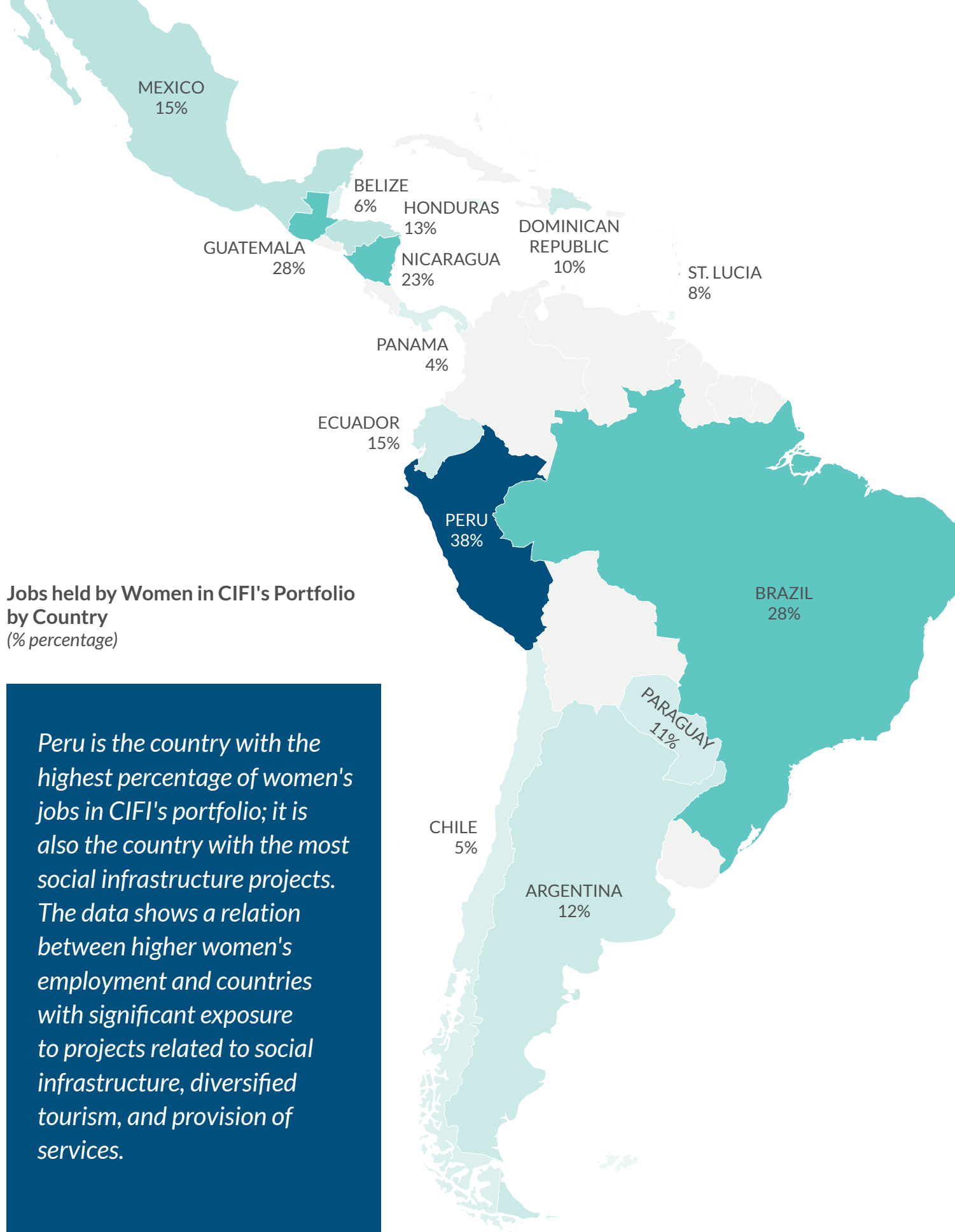
INVESTMENT FIGURES

Jobs held by Women in CIFI's Portfolio FY2018-2023

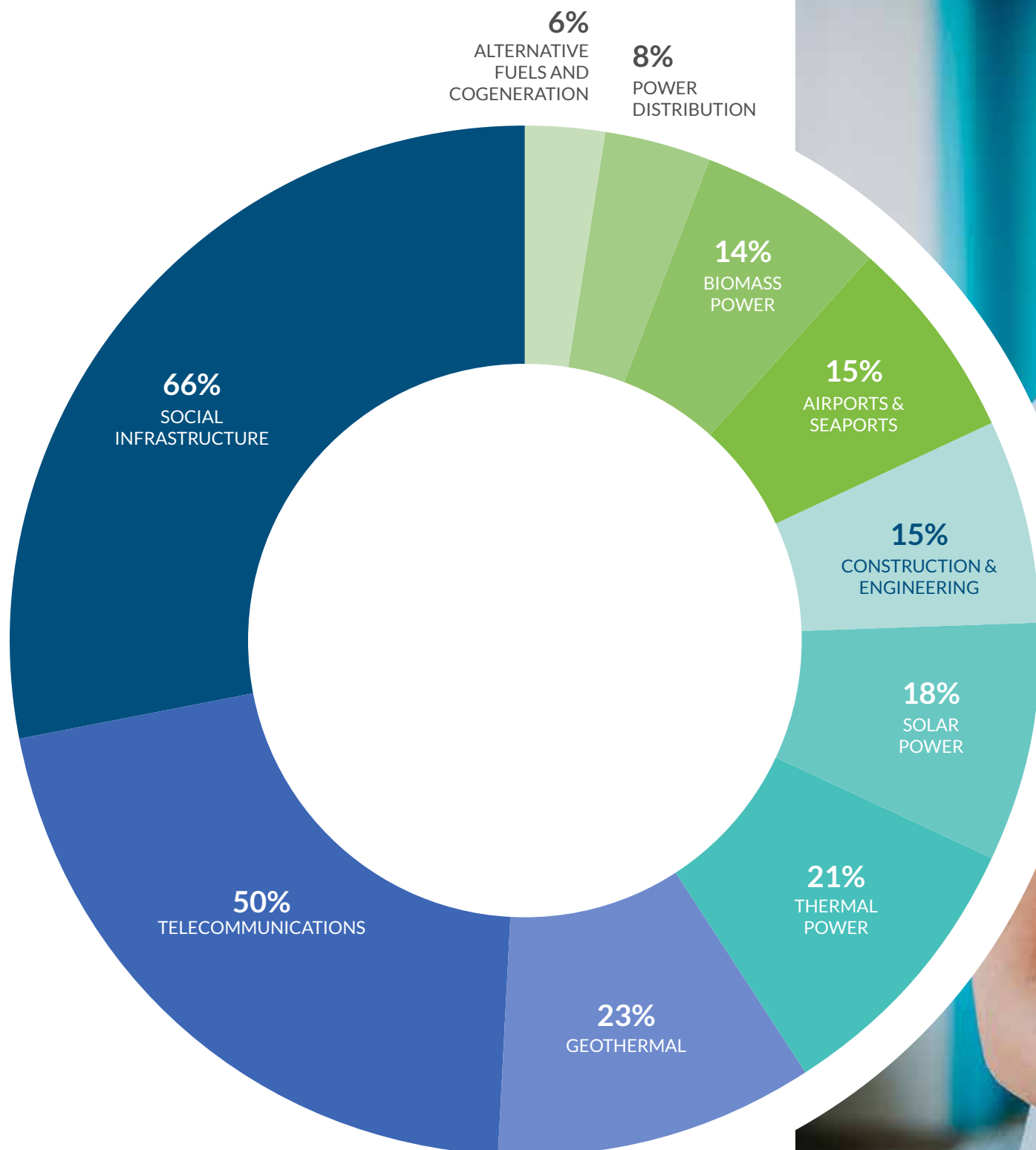


The data through the years shows an upward trend for the percentage of women's employment in CIFI's portfolio; it is steadily approaching the 30% milestone.





Jobs held by Women in CIFI's Portfolio by Sector

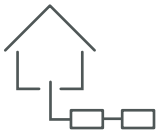




Investments Impact



Portfolio Impact



ENERGY GENERATION
(MILLIONS OF kWh)

2,322



OPERATIONAL INSTALLED
CAPACITY (MW)

895



tCO₂e EMISSIONS
AVOIDED

1,197,743



PEOPLE BENEFITED FROM
ACCESS TO ENERGY/YEAR

2,017,296



REFORESTED
HECTARES

35



TREES
PLANTED

5,049



203 TRAINING
BENEFICIARIES



JOBS CREATED OR
SUSTAINED

13,893



FEMALE JOBS

3,929



GALLONS OF
TREATED
WASTEWATER

33,000

SOLID WASTE
TREATMENT (TONS)

71

HAZARDOUS WASTE
DISPOSAL (LITERS)

4,800

HAZARDOUS WASTE
DISPOSAL (KG)

8,591



SOCIAL INVESTMENT (US\$)

1,226,296

INCOME AND OTHER TAXES (US\$)

79,345,893



1,500 TELECOMMUNICATION
TOWERS



1,911,603

PEOPLE BENEFITED FROM
TELECOMMUNICATIONS TOWERS

Dominican Republic Fund Impact



268,400 MWh
GAS ENERGY

271,980 MWh
WIND ENERGY



ENERGY
GENERATION
~600,000 MWh

25.0 MW
SOLAR ENERGY

96.8 MW
WIND ENERGY

INSTALLED
ENERGY
CAPACITY

380+ MW

258.4 MW
GAS ENERGY

275,000+
tCO₂e AVOIDED
PER YEAR

35,990 tCO₂e
SIBA
THERMOELECTRIC
PLANT

40,896 tCO₂e
CANOA
PHOTOVOLTAIC
PLANT

198,409 tCO₂e
LOS GUZMANCITO
WIND FARM

56,060 MWh
SOLAR ENERGY



13 CANOA PHOTOVOLTAIC PLANT



70 LOS GUZMANCITO WIND FARM



184 SIBA THERMOELECTRIC PLANT



860+
JOBS
GENERATED



597
BLUE MALL &
JW MARRIOTT



~370,000
PEOPLE WITH ACCESS TO
ENERGY PER YEAR



34,701
CANOA PHOTOVOLTAIC PLANT



166,138
SIBA THERMOELECTRIC PLANT



SIBA
THERMOELECTRIC
PLANT



CANOA
PHOTOVOLTAIC
PLANT



168,354
LOS GUZMANCITO
WIND FARM



BLUE MALL &
JW MARRIOTT



LOS GUZMANCITO
WIND FARM



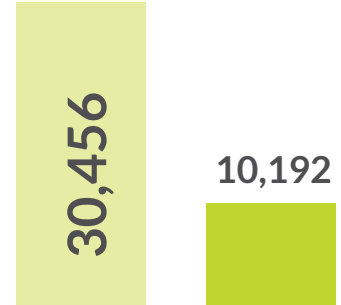
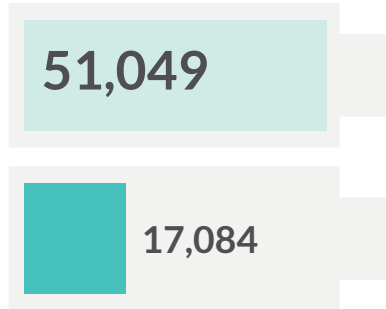
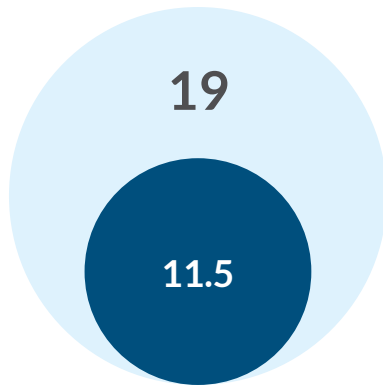
Sustainable Fund Impact

INSTALLED
CAPACITY (MW)

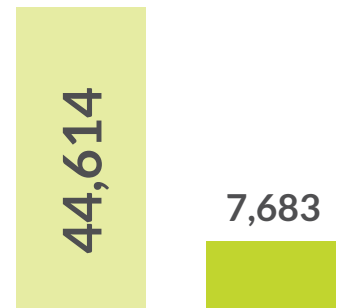
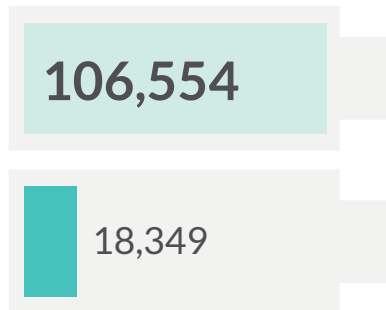
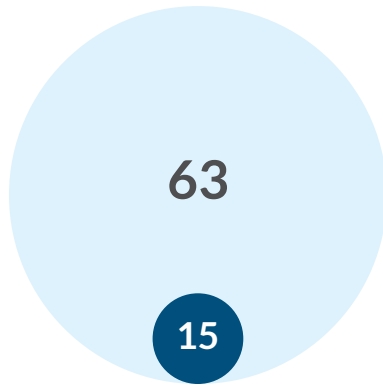
MWH/YEAR
PRODUCTION

tCO₂e/AVOIDED
EMISSIONS

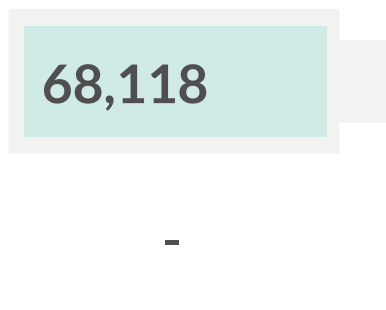
Origo /Brazil



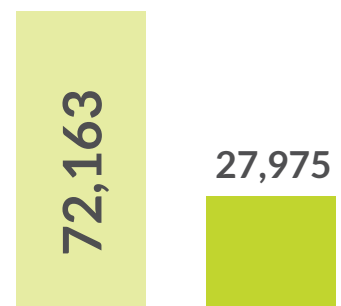
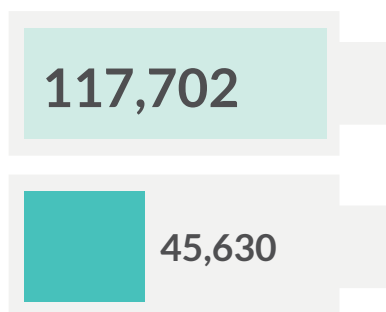
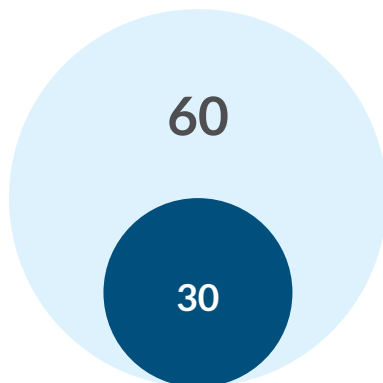
oEnergy /Chile



AXS /Brazil



Monte Plata /
Dominican Republic

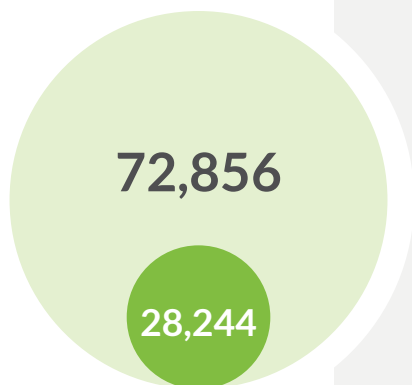
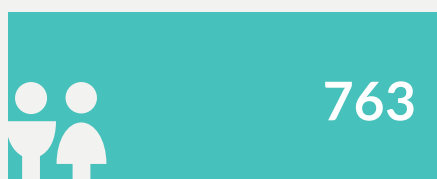
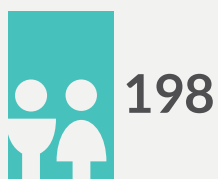
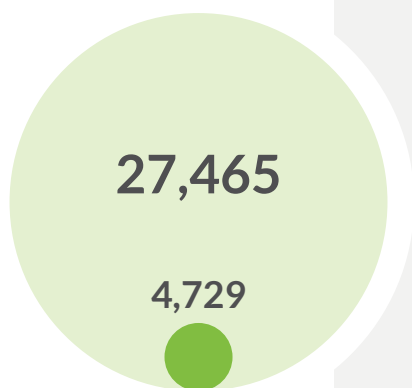
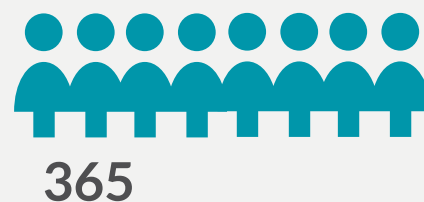
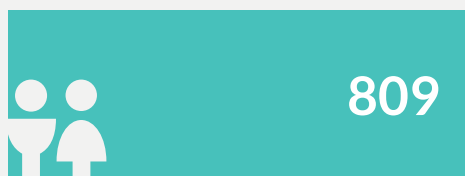
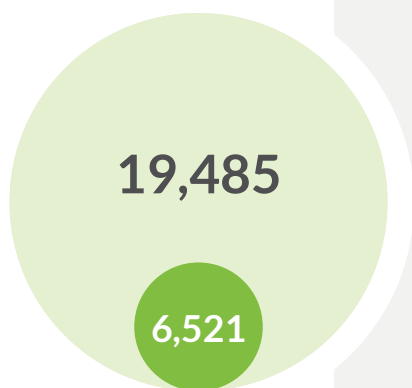




ACCESS TO ENERGY
(PEOPLE)

EMPLOYMENT

FEMALE
EMPLOYMENT



Equator Principles Annual Report 2023

CIFI has been a member of the Equator Principles Association, a financial industry benchmark for determining, assessing, and managing environmental and social risk in projects, since 2007.

In compliance with Principle 10: Reporting and Transparency, *Equator Principles Financial Institutions (EPFI)* will, at least annually, report publicly on transactions that have reached Financial Close and on its Equator Principles implementation processes and experience. The EPFI will report according to the minimum reporting requirements, taking into account appropriate confidentiality considerations. CIFI presents the transactions that reached financial close from January 1st 2023 to December 31st 2023 within the scope of the Equator Principles.





Project Finance

Project name	Sector	Sub-sector	Country
AXS	Power	Solar power	Brazil
SIBA	Power	Thermal power (gas)	Dominican Republic
Monte Plata	Power	Solar power	Dominican Republic
TOTAL			
Category B			3
SECTOR			
Power			3
REGION			
Americas			3
COUNTRY DESIGNATION			
Non-designated			3
Designated			0
INDEPENDENT REVIEW			
Yes			3
No			0

Acronyms

ANARAP	National Association of Reforesters and Related Workers of Panama (Asociación Nacional de Reforestadores y Afines de Panamá in Spanish)
APP	Application
°C	Degrees Celsius
CEO	Chief Executive Officer
CIFI	Corporación Interamericana para el Financiamiento de Infraestructura
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CO₂	Carbon dioxide
COP21	21st Conference of the Parties
CSR	Corporate Social Responsibility
DFIs	Development Finance Institutions
EGM	External Grievance Mechanism
EHS	Environmental, Health, and Safety
EP	Equator Principles
EPFI	Equator Principles Financial Institutions
ERM	Enterprise Risk Management
E&S	Environmental and Social
ESG	Environmental, Social, and Governance
ESMS	Environmental and Social Management System
Finnfund	Finnish Fund for Industrial Cooperation
CREEA	Culture, Responsibility, Education, Entrepreneurship and Alliances Foundation (Fundación Cultura, Responsabilidad, Educación, Emprendimiento y Alianzas in Spanish)
FY	Fiscal year
GCF	Green Climate Fund
GDP	Gross domestic product
GHG	Greenhouse gas
GIIP	Good International Industry Practice
IASB	International Accounting Standards Board
ICMA	International Capital Markets Association
IDB	Inter-American Development Bank
IEA	International Energy Agency
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IGM	Internal Grievance Mechanism
ILO	International Labor Organization
IRR	Internal rate of return
ISSB	International Sustainability Standards Board

Km	Kilometer
KPI	Key performance indicator
KRI	Key risk indicator
kWh	Kilowatt-hour
KYC	Know Your Client
LATAM	Latin America
LNG	Liquefied natural gas
m²	Square meter
MM	Millions
MW	Megawatt
MWh	Megawatt hour
NBFIs	Non-banking financial institutions
ND-GAIN	Notre Dame's Global Adaptation Index
NGO	Nongovernmental organization
NORFUND	Norwegian Investment Fund for Developing Countries
PCAF	Partnership for Carbon Accounting Financials
PCB	Polychlorinated biphenyl
PCR	Pacific Credit Rating
PDC	Portfolio Decarbonization Coalition
PS	Performance Standard
Q	Quarter
S.A.	Corporation (Sociedad Anónima in Spanish)
SDGs	Sustainable Development Goals
SDS	Sustainable Development Scenario
SIDF	Sustainable Infrastructure Debt Fund
STEPS	Stated Policies Scenarios
TCFD	Task Force on Climate-related Financial Disclosures
tCO₂e	Tons of carbon dioxide equivalent
UN	United Nations
UNGPs	United Nations Guiding Principles for Business and Human Rights
UNFCCC	United Nations Framework Convention on Climate Change
US\$	United States dollar
WEO	World Energy Outlook

