

A large, vertical photograph of a lush green landscape occupies the left half of the cover. It shows a calm body of water, possibly a reservoir or a wide river, surrounded by dense tropical forest. In the background, rolling hills and mountains are visible under a bright blue sky with scattered white clouds. The image is partially framed by a dark blue curved shape at the top left.

# **SUSTAINABLE BOND REPORT ALLOCATION AND IMPACT**

SEPTEMBER 2025

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# Strategic Alignment of **CABEI's Sustainable Bond Program**



CABEI's 2025-2029 Institutional Strategy outlines a clear roadmap to foster sustainable development across its member countries<sup>1</sup>, anchored on three pillars, one of which is High-Impact Finance. This pillar emphasizes the Bank's role in delivering comprehensive, competitive, and sustainable financial solutions by leveraging specialized resources and forging strong partnerships within the development finance ecosystem. At its core, CABEI's strategy recognizes that maintaining a robust financial position is essential to ensuring the long-term availability of resources that support impactful operations across the Latin American region.

CABEI's Financial Strategy plays a central role within our Institutional Strategy. As part of the Resource Mobilization and Financial Intermediation pillars, CABEI has deeply integrated Environmental, Social, and Governance (ESG) criteria into its financial policies and practices. This integration reflects the Bank's mission to promote sustainable economic growth, improve social welfare, and protect the environment throughout the region. By embedding ESG considerations across its funding and investment decisions, CABEI enhances its ability to deliver long-term value to its member countries and investors.

Sustainable Bonds are a cornerstone of CABEI's approach to aligning its financial

strategy with its sustainability commitments. These instruments allow the Bank to channel capital toward projects that support the United Nation's Sustainable Development Goals (UN SDGs) while maintaining transparency and accountability in the use of proceeds. Through its Sustainable Bond Framework, CABEI defines clear eligibility criteria, reporting standards, and impact metrics, providing investors with confidence in the environmental and social value of their investments.

Importantly, sustainable bond issuance also supports CABEI's funding strategy by diversifying its investor base and improving access to cost-effective financing. In an environment where demand for high-quality ESG instruments continues to grow, CABEI's Sustainable Bonds offer a compelling opportunity for investors seeking to combine financial returns with tangible impact.

Given the Bank's core objectives of fostering economic growth, improving social well-being, and protecting the environment in the Central American region, CABEI views Sustainable Bonds as a meaningful tool to finance regional environmental and social projects and further strengthen its project portfolio to support sustainable development.

<sup>1</sup> Member countries include Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Dominican Republic, Panama, Belize, Mexico, Republic of China (Taiwan), Argentina, Colombia, Spain, Cuba and Republic of Korea

# Sustainable Bond **Framework** and Sustainable Bond **Report** Overview

In November 2024, CABEL published its [Sustainable Bond Framework](#) (the “Framework”), underscoring its continued leadership in the sustainable finance capital markets and its commitment to promoting sustainable development across its member countries. This comprehensive framework consolidates the Bank’s previous Green and Blue Bond Framework (2022) and Social Bond Framework (2020) into a single cohesive document, expanding its scope to align with international best practices and evolving market trends. The Framework enables

CABEL to raise financing through Sustainable Bond Instruments (“SBIs”), in either public or private formats, including Green, Blue, Social, Sustainability and Thematic bonds.

The Framework aligns with ICMA’s Green Bond Principles (2021) and Social Bond Principles (2023), and Sustainability Bond Guidelines (2021) (the “Principles”), as well as the Bonds to Finance the Sustainable Blue Economy – A Practitioner’s Guide (2023), and follows the four core components of the Principles.

## 1. Use of Proceeds

The net proceeds will be used to finance and/or refinance Eligible Projects under two categorizations:

**Use of Proceeds Loans:** Loans to finance projects that achieve an environmental or social impact.

**Policy and Impact Loans:** Loans to strengthen public policy frameworks and support programs that advance sustainable and inclusive development.

## 2. Process for Project Evaluation and Selection

CABEL’s Sustainable Bond Working Group oversees the evaluation and selection of projects financed with SBI proceeds, ensuring compliance with CABEL’s Environmental and Social Policy, monitoring and updating the project portfolio, and validating the Annual Sustainable Bond Report.

## 3. Management of Proceeds

CABEL allocates proceeds from its SBIs to Eligible Projects using a portfolio approach, where projects may be added or removed over time. Separate portfolios are maintained for Green, Blue, Social, and Sustainability bonds, ensuring that each corresponds to at minimum the total net proceeds of its respective outstanding SBIs.

## 4. Reporting

CABEL will provide annual reporting on the allocation and impact of proceeds from its SBIs through a publicly available Annual Sustainable Bond Report. This includes:

**Allocation Reporting:** Details on proceeds allocated by project category.

**Impact Reporting:** Quantitative and qualitative data on environmental and social impacts.



## External Review

CABEL engaged Moody's Analytics to issue a [Second-Party Opinion \(SPO\)](#) confirming that the Sustainable Bond Framework aligns with ICMA Principles and best market practices. Moody's has assigned the Framework an SQS2 sustainability quality score, which corresponds to a "very good" rating.

Additionally, CABEL plans to engage an external verifier annually to assess whether the allocation of SBI proceeds aligns with the Framework's criteria, with findings included in the Annual Sustainable Bond Report.



## 2024 Report Overview

Given CABEL's continued portfolio growth, in line with its strategic commitment to sustainable finance and adherence to best market practices, the Bank has transitioned from a bond-by-bond reporting approach to a portfolio-level reporting approach. This first exercise, which covers our sustainable bond program as of December 31, 2024, sets the foundation for future annual reports of a similar nature, which investors and stakeholders can expect moving forward.



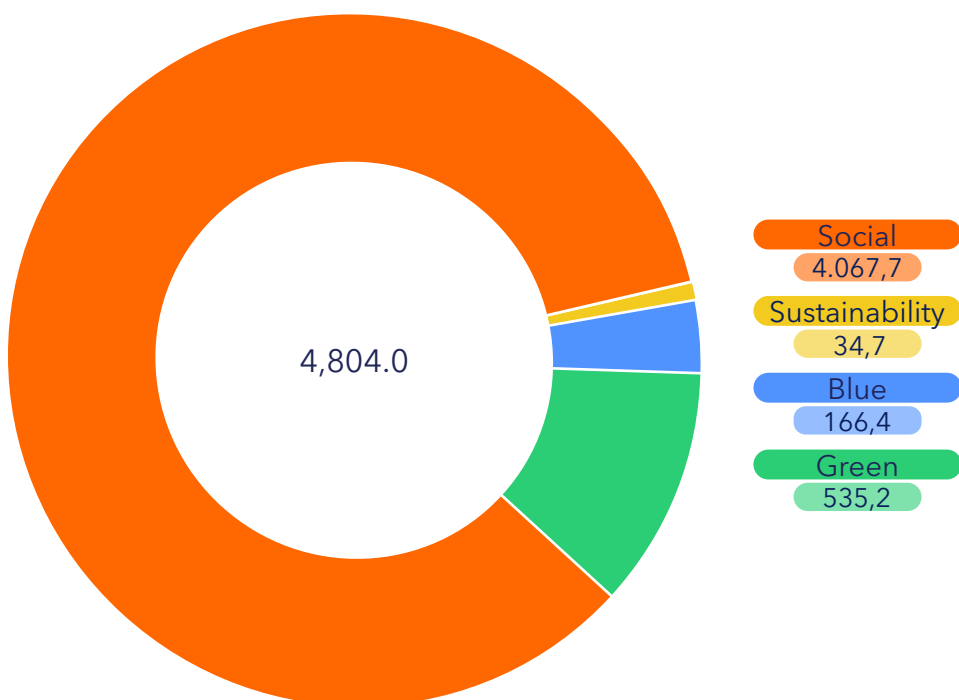
# Portfolio Overview

In 2024, CABEL issued five sustainable bonds totaling US\$943 million, representing 36% of its total bond funding for the year. These included the Bank's [first-ever Sustainability Bond](#) and the pioneering [Mother Health Bond](#).

<b>Social Bond</b>	<b>Social Bond</b>	<b>Social Mother Health Bond</b>
MXN 10,000,000,000 January 5, 2028	MXN 3,000,000,000 May 17, 2034	AUD 210,000,000 October 17, 2039
<b>Social Private Placement</b>	<b>Sustainability Private Placement</b>	
IDR 555,000,000,000 October 23, 2031	TRY 1,200,000,000 December 6, 2028	

As of December 31, 2024, CABEL had issued a total of 28 sustainable bond transactions since 2019 amounting to US\$5.4 billion, with 26 sustainable bonds outstanding for a total of US\$4.8 billion. The Bank's Sustainable Bond portfolio reflects its growing presence and diversification in the capital markets, with issuances in eight different currencies: AUD, CHF, EUR, IDR, JPY, MXN, TRY, and USD.

**Figure 3.1 - Label Breakdown for Outstanding Sustainable Bonds**  
(millions of US\$)



**Figure 3.2 - Currency Breakdown for Outstanding Sustainable Bonds**  
(millions of US\$)

USD	1,985.0	41%
MXN	1,454.8	30%
CHF	728.7	15%
AUD	414.6	9%
JPY	125.8	3%
IDR	35.6	1%
TRY	34.7	1%
EUR	24.7	1%
<b>Total</b>	<b>4,804.0</b>	

**Figure 3.3 - All outstanding sustainable issuances in CABEL's Sustainable Bond portfolio:**

Issue Date	ISIN	Label	Currency	Amount Issued (millions USD)	Maturity Date
2/9/21	US15238PAG19 US15238RAG74	Social	USD	500.0	2/09/2026
9/29/21	CH1135555576	Social	CHF	218.3	9/29/2031
12/15/21	CH1148308716	Green	CHF	237.1	12/15/2028
5/26/22	XS2481286669	Social	AUD	76.3	5/26/2042
5/31/22	XS2484449322	Social	AUD	50.4	5/31/2032
6/9/22	XS2488813994	Social	AUD	35.9	6/09/2027
6/30/22	CH1191066278	Green	CHF	158.6	11/30/2026
8/31/22	XS2501772243	Social	USD	55.0	8/31/2027
10/31/22	XS2542915520	Social	MXN	150.9	10/27/2025
11/16/22	XS2553215521	Green	EUR	24.7	11/16/2037
12/13/22	CH1231312682	Green	CHF	114.8	12/13/2027
12/27/22	XS2567238675	Blue	JPY	72.7	12/27/2027
12/29/22	XS2567239053	Blue	AUD	20.1	12/29/2027
1/13/23	XS2570817531	Social	USD	50.0	1/13/2033
1/31/23	XS2577780021	Blue	JPY	53.1	1/31/2033
1/31/23	XS2575911156	Social	USD	130.0	1/31/2033
2/7/23	US15238PAH91 US15238RAH57	Social	USD	1,250.0	2/09/2026
5/26/23	XS2619045607	Social	AUD	67.7	5/26/2038
6/6/23	XS2616075573	Social	MXN	201.5	5/24/2033
6/6/23	XS2616075490	Social	MXN	373.5	2/09/2027
7/28/23	AU3CB0301042	Blue	AUD	20.5	7/28/2033
5/29/24	XS2800720109	Social	MXN	171.0	5/17/2034
5/29/24	XS2800720018	Social	MXN	558.1	1/05/2028
10/17/24	XS2910543151	Social	AUD	143.6	10/17/2039
10/23/24	XS2922764431	Social	IDR	35.6	10/23/2031
12/6/24	XS2949283241	Sustainability	TRY	34.7	12/06/2028
				<b>4,804.0</b>	



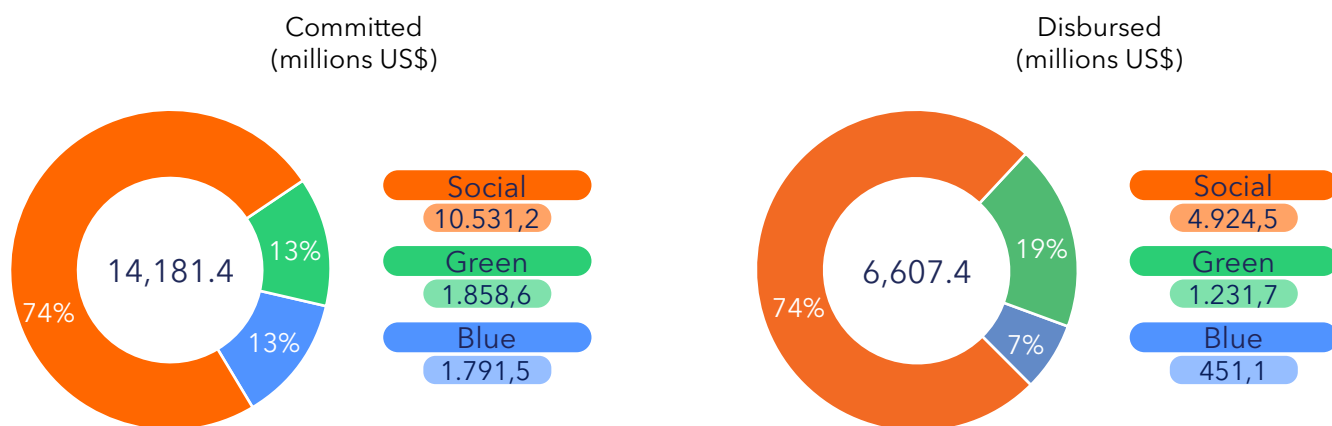
# Allocation Reporting

CABEI has fully allocated the proceeds from its outstanding sustainable bond issuances to Eligible Projects across its portfolio. The information provided includes both project commitments and disbursements. For reporting purposes, commitments refer to the total amount approved and committed for each project and disbursement figures exclude amounts disbursed and earmarked from other funding sources.

In 2024, new eligible project commitments exceeded US\$1.7 billion, covering nine projects across various categories, including Affordable Basic Infrastructure, Food Security and Sustainable Food Systems, Renewable Energy, Nature Protection, Sustainable Water Management, and Climate Change Adaptation.



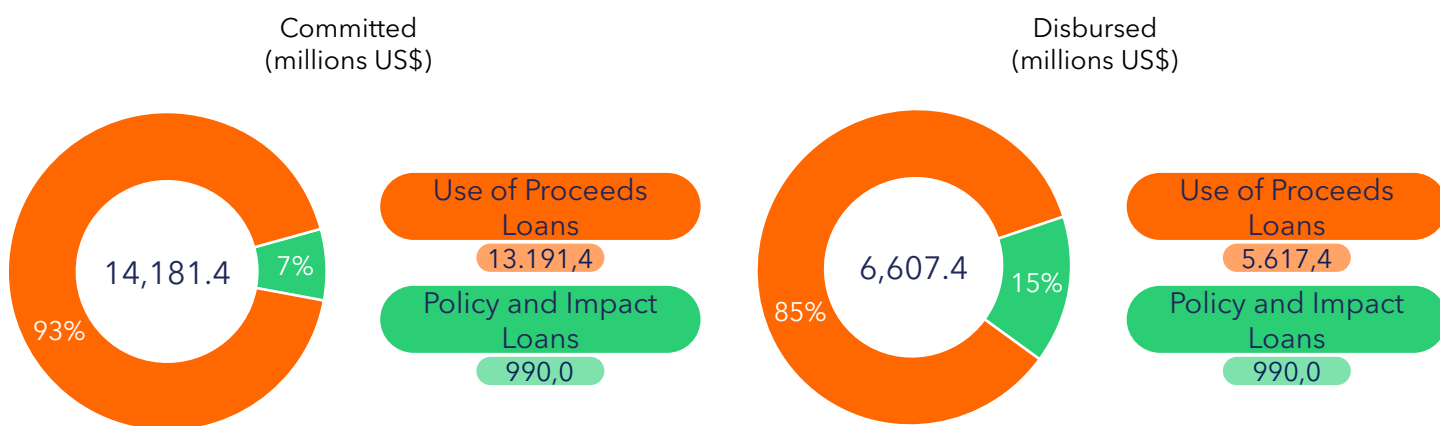
**Figure 4.1 - Label Breakdown for Committed and Disbursed Funds**



Of the total proceeds, 42% were allocated to the refinancing of Eligible Projects, while the remaining 58% supported new disbursements. For the purposes of this report, “refinancing” refers to allocations for projects whose most recent disbursement occurred during a bond’s defined lookback period. “New disbursements” refer to projects whose most recent disbursement took place either in the year of a bond issuance or within the subsequent 24-month period. See Annex 1 for [detailed allocation information](#).

As of 2024, Use of Proceeds Loans represent 93% of the committed eligible portfolio, whereas Policy and Impact Loans account for the remaining 7%. In line with its strategic focus, CABEI prioritizes the financing of Use of Proceeds Loans to directly support sustainable infrastructure and development projects across its member countries.

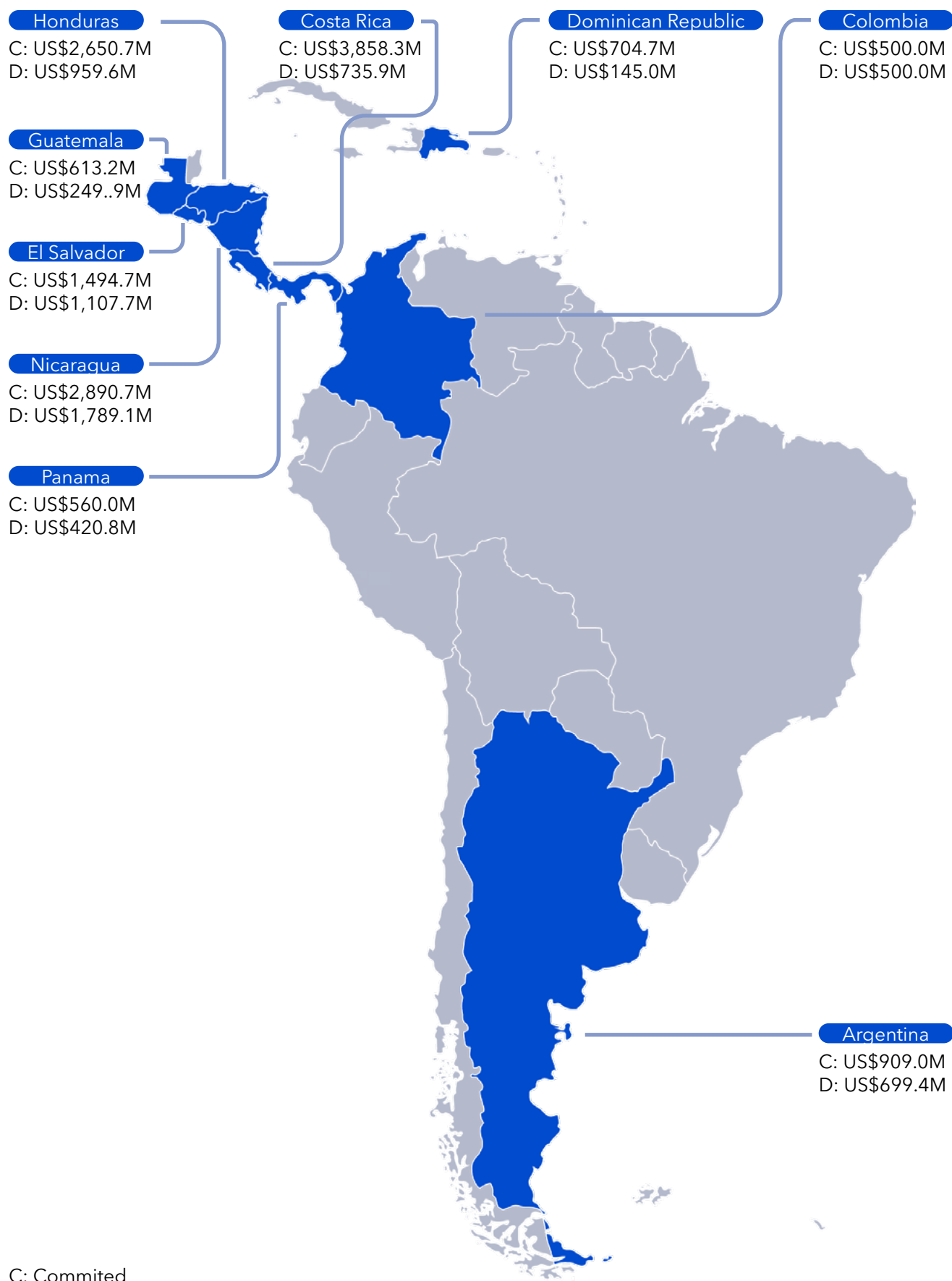


**Figure 5.1 - Portfolio Breakdown by Type of Loans**

CABEL's Eligible Projects are implemented across its member countries, reflecting the Bank's mandate to promote balanced regional development. The geographic allocation of proceeds illustrates the distribution of committed and disbursed proceeds by country.



**Figure 4.2 - Geographic Allocation of Eligible Project**



C: Committed  
D: Disbursed



# Impact Reporting

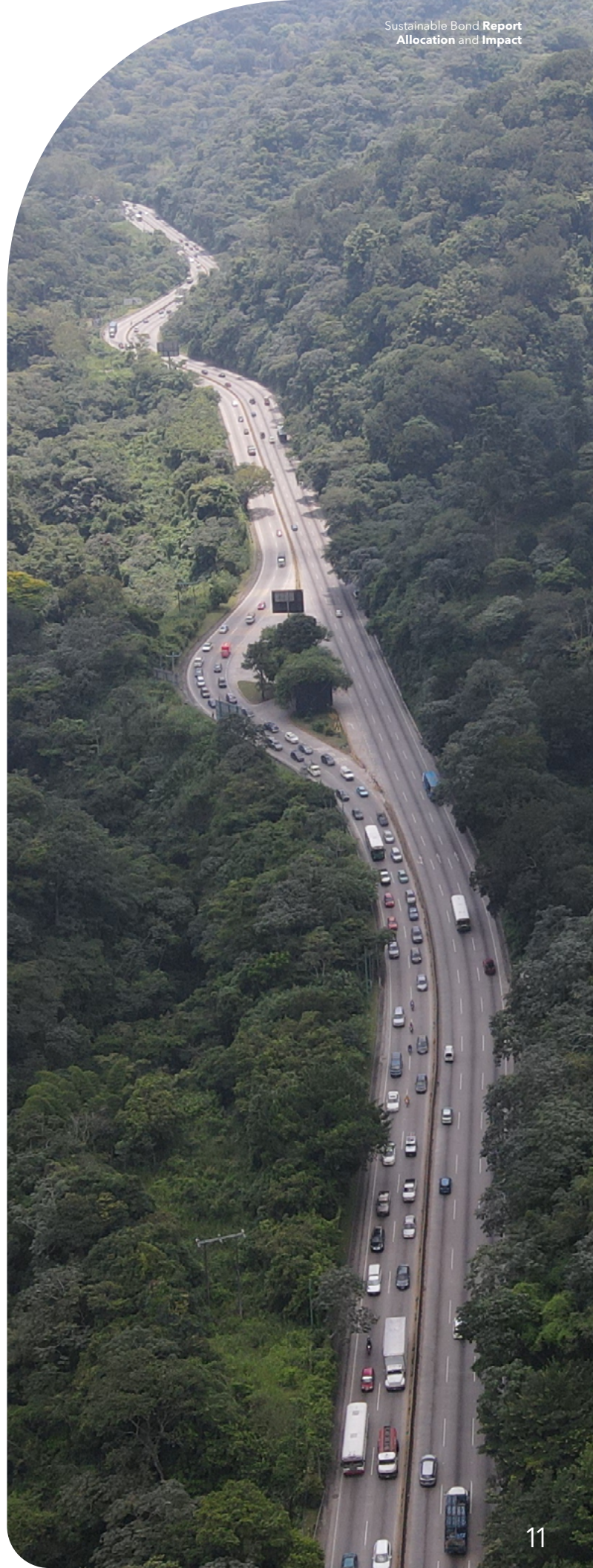
To assess the development results of its operations CABEL uses its Development Impact Evaluation System (SEID), a results-based management tool designed to clearly identify the cause-effect relationship between a project and its expected (ex-ante) and achieved (ex-post) outcomes. This approach recognizes that observed results may be influenced by external factors beyond the operation itself. The SEID includes the following stages:

**Ex-ante Evaluation:** Conducted prior to project approval, this stage defines the operation's objective, baseline, and targets.

**Project Monitoring:** Conducted during project execution, this stage continuously tracks progress and provides feedback on implementation across technical, financial, and physical aspects, aligning planning with execution.

**Ex-post Evaluation:** A systematic and objective assessment of a completed project to measure its achieved impact.

The impact metrics presented below correspond primarily to Ex-Ante Evaluations, reflecting the expected results of the operations. In cases where project execution has advanced sufficiently, Ex-Post Evaluation results have been used.



## 5.1 Use of Proceeds Loans

### Social

#### Access to Essential Services

##### Health System Development - 16 Projects

Healthcare facilities built/upgraded	86	facilities
Annual capacity of patient care	5,641,245	patients/year
Healthcare facilities built/upgraded (construction area)	455,566	m <sup>2</sup>
Patients Vaccinated	12,427,641	people

##### Education and Vocational Training and Infrastructure Improvement - 10 Projects

Educational facilities built/upgraded	4,568	facilities
Beneficiaries (students & teachers)	1,311,679	people

#### Employment Generation

##### Micro, Small and Medium Enterprises Financing - 5 Projects

Generated and/or preserved jobs	1,112,840	jobs
Loans to SMEs teachers)	116,887	loans

#### Affordable Basic Infrastructure

##### Social Development and Connectivity - 22 Projects

Electric distribution lines	6,258	km
New connections to the grid	134,243	households
Kilometers of roads constructed/ improved	3,537	km
Underserved/ rural communities	852	communities
Beneficiaries in underserved/ rural communities	12,255,335	people

##### Climate Adaptation, Disaster Prevention and Economic Recovery - 2 Projects

Affected population benefiting from recovery interventions	1,175,928	people
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#### Food Security and Sustainable Food Systems

##### Access to Adequate Food - 11 Projects

Agricultural production	876,394	tons
Beneficiaries with better access to affordable, safe, nutritious, and sufficient food	12,874,358	people

#### Affordable Housing and Food Systems

##### Social Housing - 6 Projects

Houses built/upgraded	38,118	houses
Beneficiary families	34,898	families



## Green

### Renewable Energy - 2 Projects

Annual power energy production	1,948.1	GWh
Installed capacity	405.5	MW

### Clean Transportation - 1 Project

Kilometers of new/upgraded public transport infrastructure	51.29	km
Beneficiaries	3,097,820	annual passengers

### Climate Change Adaptation Projects

#### Cities, Settlements, & Buildings - 1 Project

Beneficiaries of climate adaptation interventions	43,849	people
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## Blue

### Water Resources Protection

#### Water Pollution Prevention - 1 Project

Annual volume of waste prevented	29,200	tons
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### Sustainable Water Management

#### Water Distribution & Water Treatment - 15 Projects

New connections to the sewerage system	153,084	households
Volume of wastewater treated	9.42	m <sup>3</sup> /s
New connections to the drinking-water system	661,690	households
Volume of water produced	24.49	m <sup>3</sup> /s
Beneficiaries	2,919,200	people

### Nature Protection

#### Water Ecosystem Protection and Restoration - 1 Project

Maintenance, safeguarding of protected area	43,475	hectares
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[Detailed project impact information can be found in Annex 2.](#)





## 5.2. Policy and Impact Loans

### Green Eligible Categories

### Indicators/Metrics in Policy Matrix

#### DPO: Support for the Strengthening of the Energy Sector and Climate Action, Republic of Honduras

#### Renewable Energy

- Power Sector Efficiency: Loss reduction, tariff reform, and targeted subsidies.

#### Energy Efficiency

- Energy Access & Efficiency: Policies for universal access, energy efficiency, and e-mobility.

#### Climate Change Adaptation

- Renewables & Grid Expansion: Support for clean energy and transmission upgrades.
- Climate Strategy & Finance: NDC update, decarbonization roadmap, and climate finance planning.
- Transparency & Governance: Climate budget tracking and improved water sector oversight

#### DPO: Support to the Energy Transition in Response to Climate Change, Republic of Panama

#### Renewable Energy

- Energy Sector Modernization: National electricity strategies adopted and renewable auctions launched.

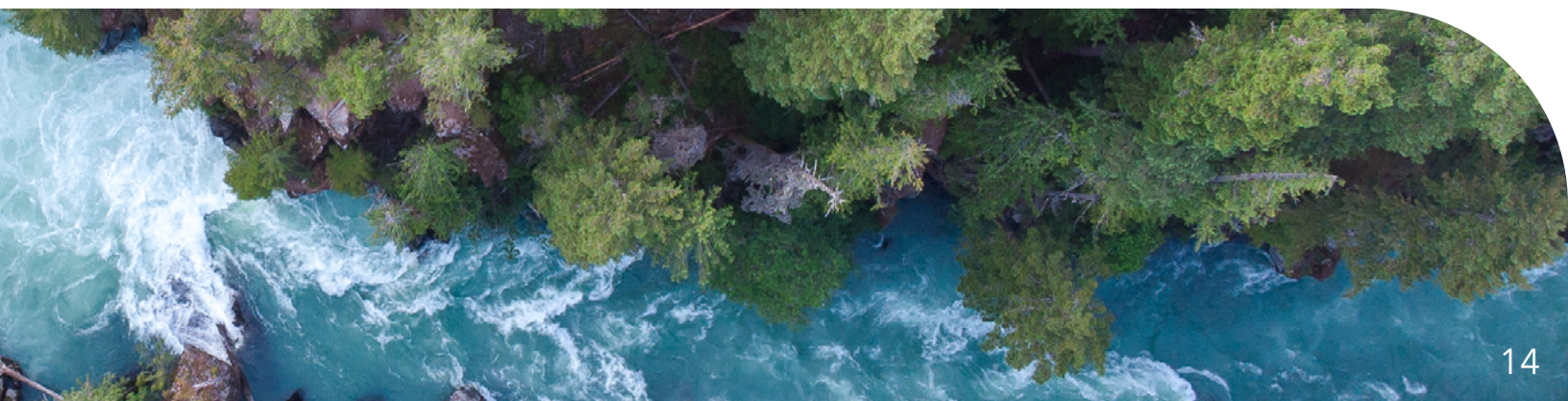
#### Energy Efficiency

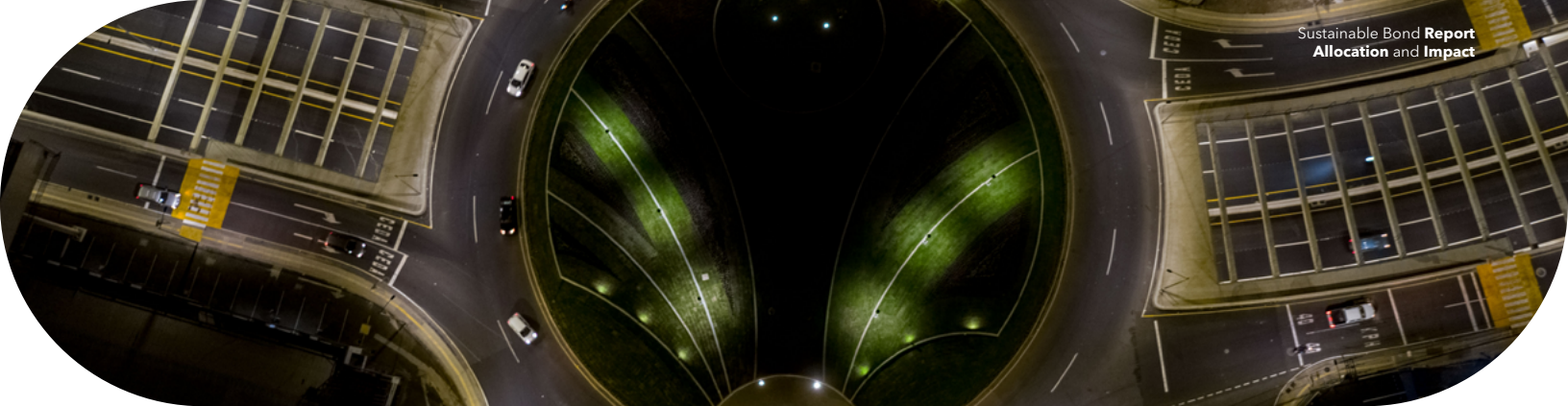
- Clean Energy Incentives: New tax benefits for solar projects and prefeasibility studies for green hydrogen.

#### Clean Transportation

#### Climate Change Adaptation

- Sustainable Mobility: Public EV charging stations installed and partial replacement of MiBus fleet.
- Energy Efficiency Standards: Implementation of MEPS for air conditioners and refrigerators.
- Climate Policy Implementation: Legal and planning instruments aligned with climate policy, updated climate scenarios, and climate tagging in public investment.





## Green Eligible Categories

## Indicators/Metrics in Policy Matrix

### DPO: Support for Climate Action, Just Energy Transition, and Green Fiscal Strengthening, Republic of Colombia

#### Renewable Energy

#### Energy Efficiency

#### Climate Change Adaptation

- Climate Mitigation & Risk Management: CO<sup>2</sup> emissions reduced, risk reduction projects implemented, and disaster risk budget allocated.
- Green Finance & Insurance: Sustainable bond issuances and agricultural insurance coverage for small producers.
- Clean Energy Development: Investments in green hydrogen, offshore wind, geothermal, and non-conventional renewables.
- Energy Market Strengthening: Auctions for firm energy obligations and reduced fossil fuel subsidies.
- Mobility & Fiscal Inclusion: Adoption of active mobility strategies, increased tax revenue, and registration of new taxpayers.

### DPO: Support for Climate Action and the Energy Transition

#### Renewable Energy

#### Energy Efficiency

#### Clean Transportation

#### Climate Change Adaptation

- Climate Commitments & Planning: Strengthened GHG reduction targets and publication of long-term low-emission strategies.
- Green Finance & Monitoring Tools: Issuance of sovereign green bonds and development of NDC investment tracking systems.
- Clean Energy Expansion: Growth of NCRES capacity in both interconnected and non-interconnected zones.
- Electromobility Infrastructure: Increase in electric vehicle registrations and public fast charging stations.
- Regional Environmental & Energy Cooperation: Biodiversity protection roadmap and agreements for the Colombia-Panama interconnection.

Table above includes high-level indicators and metrics. Details on baselines and targets are included in the Matrices of [Policy Actions and Development Results](#)

# Project Highlights

## Infrastructure Construction and Sports Venue Restoration Program (PRODEPORTE)

**Project Amount:** US\$115.2 million

**Country:** El Salvador

**Description:** The PRODEPORTE Program, aimed at upgrading sports infrastructure, involved the renovation, rehabilitation, and equipping of nine key sports venues in San Salvador and La Libertad. These world-class venues have benefited over 100,000 athletes, including more than 29,000 women, by enhancing conditions for training, promoting health, and fostering professional development. With an inclusive and preventive approach, the program also strengthens social cohesion by opening spaces for art, culture, and recreation, while actively contributing to education. Eight of the venues are connected to public educational institutions, and through coordination with the Ministry of Education and the National Institute of Sports, students use the facilities for physical education, school competitions at various levels, and extracurricular sports activities, reinforcing the program's role in youth development, violence prevention, and community well-being.

**Framework Category:** Social - Access to Essential Services - Education and Vocational Training and Infrastructure Improvement

### Impacts:

3 educational facilities built

17,845.67 m2 of educational facilities built

22 educational facilities upgraded

165,626.16 m2 of educational facilities upgraded

110,190 beneficiary athletes

130,701 beneficiary students with sports facilities

This project was partially financed through the issuance of the world's first thematic Sports Bond, raising approximately US\$67.7 million in May 2023 (ISIN: XS2619045607).





## Argentina Against Hunger Program (Phase I, II and III)

**Project Amount:** US\$680.0 million

**Country:** Argentina

**Description:** The Support Program for the National Plan “Argentina Against Hunger” aims to partially finance monetary transfers under the National Plan, which seeks to supplement the income of families in situations of social vulnerability in Argentina to strengthen food security. The plan supports the country’s social policies related to food security, including the continuation of key initiatives such as the Prestación Alimentar, led by the Ministry of Social Development (MDS) of Argentina. CABEL has approved three operations under this program to contribute to its implementation and ensure its sustained impact across multiple phases.

**Framework Category:** Social - Food Security and Sustainable Food Systems - Access to Adequate Food Improvement

### Impacts:

11,995,477 total beneficiaries including:

220,420 beneficiaries with disabilities

209,253 pregnant women

11,530,019 children

This project was partially financed through the issuance of the world’s first thematic Mother Health Bond, raising approximately US\$143.6 million in October 2024 (ISIN: XS2910543151).



## Improvement and Expansion of Drinking Water and Sanitation Systems in 7 Cities Project

**Project Amount:** US\$251.5 million

**Country:** Nicaragua

**Description:** The project, implemented by Nicaragua's national water utility ENACAL, will benefit the cities of Chichigalpa, Chinandega, El Viejo, León, Jinotepe, Telica, and Ciudad Darío. It involves the installation or replacement of water networks and pipelines, household connections, and faulty meters, as well as the construction and rehabilitation of wells, pumping stations, and storage tanks. Notably, it includes the installation of control units to regulate water pressure in high-altitude zones and measure flow rates to detect losses. The project also incorporates renewable energy systems to power ENACAL's operations.

**Framework Category:** Blue - Sustainable Water Management - Water Distribution & Water Treatment

### Impacts:

265,628 beneficiaries

51,788 households with new connections to the sewerage system

5,443 households with new connections to the drinking-water system

16 reservoirs built and upgraded

12 wastewater treatment plants built and upgraded

14.84 m<sup>3</sup>/s of water produced

0.28 m<sup>3</sup>/s of wastewater treated







## Verification

CABEI engaged Moody's Analytics to conduct a post-issuance external review ("Post-issuance [Second Party Opinion](#)") to assess the alignment of the allocations of its outstanding Sustainable Bond portfolio with the four core components of the Framework. Moody's concluded that CABEI's allocations are consistent with the International Capital Market Association's (ICMA) 2025 Green Bond Principles (GBP) and Social Bond Principles (SBP), reaching the same level of alignment as recognized in their November 2024 Second Party Opinion on CABEI's Sustainable Bond Framework.

## Disclaimer

This Sustainable Bond Report is published in accordance with the commitments outlined in CABEI's Sustainable Bond Framework. It aims to provide investors and stakeholders with relevant information on CABEI's Sustainable Bond issuances, including use of proceeds, portfolio allocation, and the environmental and social impacts associated with Eligible Projects.

The information contained in this report is provided for general informational purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any securities issued by CABEI. While reasonable efforts have been made to ensure the accuracy of the data presented herein, CABEI makes no representation or warranty, express or implied, as to the completeness, reliability, or accuracy of the information, metrics, or estimates included in this report. Impact indicators and examples of Eligible Projects are provided for illustrative purposes and may be subject to change based on ongoing project implementation and data availability.

