



Investor Fact Sheet

RATINGS

Moody's: Aa1/Stable | S&P: AA+/Stable |
Fitch: AA+/Stable

LOCATION

Wilkey, St. Michael, Barbados, West Indies

YEAR ESTABLISHED

1969

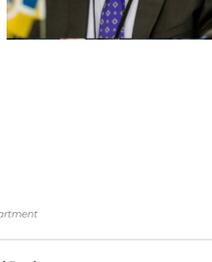
OVERVIEW

The Caribbean Development Bank (CDB) is a regional financial institution established by an Agreement signed in Kingston, Jamaica, in 1969. CDB intends to be the leading catalyst for development resources in the Region, working in an efficient, responsive and collaborative manner with our Borrowing Member Countries and other development partners, towards the systematic reduction of poverty in their countries through sustainable development.

PRESIDENT

Dr. William Warren Smith

Dr. William Warren Smith is the fifth President of CDB. He was first elected in October 2010, and assumed office in May 2011. In November 2015, Smith was re-elected to serve a second five-year term as President. He is an alumnus of Cornell University and has held senior management roles in the Caribbean for over 25 years. He is supported by a strong management team.



MANAGEMENT TEAM

Yvette Lemonias-Seale

Vice-President (Corporate Services) and Bank Secretary

Daniel Best

Director, Projects Department

Diana Wilson Patrick

Vice-President (Operations) (Ag.)

S. Nicole Liverpool Jordan

General Counsel (Ag.)

Malcolm Buamah

Chief Risk Officer

Ian Durant

Director, Department of Economics (Ag.)

Earl Estrado

Director of Finance and Information and Technology Solutions (Ag.)

Phillip Brown

Chief Transformation Officer

Katrina Sam Prescod

Director of Human Resources and Administration (Ag.)

MEMBERSHIP

CDB has a total of 28 member countries, including 19 regional borrowing members, 4 regional non-borrowing members, and 5 non-regional, non-borrowing members.

REGIONAL BORROWING SHAREHOLDERS

Anguilla	0.16%	Republic of Haiti	0.78%
Antigua and Barbuda	0.77%	Jamaica	17.31%
Commonwealth of The Bahamas	5.10%	Montserrat* * Classified as a single member	0.19%
Barbados	3.24%	St. Kitts and Nevis	0.77%
Belize	0.77%	Saint Lucia	0.77%
British Virgin Island* * Classified as a single member	0.19%	St. Vincent and the Grenadines	0.77%
Cayman Islands* * Classified as a single member	0.19%	Suriname	1.49%
Commonwealth of Dominica	0.77%	Republic of Trinidad and Tobago	17.31%
Grenada	0.66%	Turks and Caicos Islands* * Classified as a single member	0.19%
Co-operative Republic of Guyana	3.72%		

REGIONAL NON-BORROWING SHAREHOLDERS

Mexico	2.79%	Colombia	2.79%
Bolivarian Republic of Venezuela	2.79%	Brazil	1.12%

NON-REGIONAL NON-BORROWING SHAREHOLDERS

Canada	9.31%	Italy	5.58%
People's Republic of China	5.58%	United Kingdom	9.31%
Germany	5.58%		

OPERATIONS

CDB's main goals are to promote sustainable economic development and to reduce poverty. Its primary financial objective is to earn adequate operational income to maintain financial strength and to sustain its developmental activities. The operations of the Bank are divided into two categories, ordinary operations and special operations.

ORDINARY OPERATIONS

Ordinary operations are financed from the Bank's Ordinary Capital Resources (OCR) which comprises share capital, borrowings raised in the capital markets, lines of credit from commercial and other multilateral institutions and internally generated equity.

SPECIAL OPERATIONS

Special operations are financed from the Special Funds Resources (SFR), comprising the Special Development Fund (SDF) and Other Special Funds (OSF).

SECTORS

CDB provides loans, grants, equity investments and guarantees to Members to help them achieve their development goals. This is supported through investments in economic and social infrastructure; education and training; agriculture and rural development; private sector development; water and sanitation; environmental management; climate resilience; energy efficiency and renewable energy, and disaster risk management.

FINANCIAL POSITION

ANNUAL REPORTS

The Annual Report of the Board of Directors to the Board of Governors reviews CDB's operations, programmes and initiatives, human resources management, external relations and partnerships, and financial management, and includes the financial statements and reports of the independent auditors and appendices. The Report also reviews economic developments in the Bank's Borrowing Member Countries and Regional sector performance.

2018 Annual Report

June 5, 2019

2017 Annual Report

May 30, 2018

2016 Annual Report

May 24, 2017

FINANCIALS

All figures are as of December 31, 2018 unless otherwise specified.

Capital

Capable Capital	\$1,374.9 mn
Paid-In Capital	\$388.5 mn
Total Subscribed Capital	\$1,763.7 mn

Assets

Net Loan Portfolio	\$1363.5 mn
Total Assets	\$1747.7 mn
Outstanding Borrowings	\$796.3 mn
Total Equity	\$898.6 mn

Liquidity

CDB's strong liquidity position reflected in compliance with its monitoring threshold at net 3 years funding requirement or 40% of undisbursed commitments, whichever is greater. CDB has been in compliance with these thresholds in keeping with Management's decision to maintain high liquidity levels.

Funding

- Line of credit from Multi-Lateral Institutions
- Market Borrowings
- Equity from Shareholders
- Retained Earnings
- Contribution from Shareholders to Special Funds
- Contingency funding from highly rated international banks

CAPITAL MARKETS & BORROWINGS

The Bank completes its requirements based on its liquidity needs.

OUR FUNDING STRATEGY

- To offer investors a diversified product mix
- To borrow resources at rates below those which BMCs can access with their balance sheets
- To approximate the term of borrowings to that of its loans

BONDS

Bonds are issued when liquidity is needed.

OVERALL TREASURY PORTFOLIO DISTRIBUTION BY REGION



ENTERPRISE RISK MANAGEMENT

CDB has a dedicated independent Office of Risk Management function, responsible for managing the entire enterprise risk management position of the Bank. The function is led by a Chief Risk Officer reporting directly to the President and Board of Directors.

EXPOSURE MANAGEMENT

CDB actively manages its exposure through active credit surveillance, application of limit controls and monitoring of exposures.

LOAN PORTFOLIO COMPOSITION

CDB is seeking to broaden the loan portfolio within a contemporary risk management framework. Diversification efforts, in particular, seek to improve the geographic distribution and average rating of the portfolio over the medium term. As of December 31, 2018, the three largest country exposures were Barbados (16%), Jamaica (14%), and Antigua and Barbuda (11%).

In 2018, exposure to Jamaica, the Bank's largest borrower fell to 14% (previously 17%) relative to the entire portfolio, with the overall portfolio distribution significantly improving. This was achieved through limit controls and the cancellation of aged undisbursed balances. The exposure to the Government of Barbados however rose to 15% from 11%, following the provision of a Policy Based Loan support of its International Monetary Fund restructuring initiatives in the fourth quarter of 2018. The loan was advanced in accordance with the Bank's mandate to remain relevant in supporting its member countries in times of need. However, this was considered after careful risk assessment and consideration of the incremental impact on the Bank's capital adequacy position to ensure the Bank's external rating was not adversely impacted.

An overview of the loan portfolio as of December 31, 2018 is represented in the graph below. CDB's geographic diversification efforts continue to yield positive results.



PILLAR III RISK DISCLOSURE

CDB has undertaken to discharge our enhanced risk disclosure reporting obligations by ensuring our risk positions and developments are captured in our annual reports and website on a regular basis. (See Risk Review on page 56 of 2017 Annual Report).

GOVERNANCE

CDB has strengthened its governance significantly with improvements in its Internal Audit capacity, expansion of the role of its Board Assurance Oversight Committee to include risk, independent investigations and compliance; approved a Strategic Framework for Integrity, Compliance and Accountability and established an independent office in that regard.

SECTOR SNAPSHOT

RENEWABLE ENERGY AND ENERGY EFFICIENCY

CDB has been scaling up support to accelerate the implementation of projects and programmes to improve access to clean and affordable energy across the Caribbean.

CLIMATE ACTION

CDB has been working to improve environment and social safeguard issues, disaster risk reduction and climate resilience in its BMCs.

EDUCATION

CDB's investments in education focus on sustainable outcomes through quality and education systems enhancement.

PARTNERSHIPS

CDB, in collaboration with development partners, has been working to accelerate Regional development. Recent programme and project partnerships include the Canadian Support to the Energy Sector in the Caribbean Fund; European Investment Bank Climate Action Line of Credit; and the United Kingdom Caribbean Infrastructure Partnership Fund.

RATING AGENCY REPORTS

The major rating agencies Moody's and S&P have assigned a strong 'Aa1/Stable' & 'AA+/Stable' rating respectively to CDB's OCR, the bank's primary operations. The outlooks reflect the Bank's strong business profile, membership supports and continuous strengthening of its governance structures.

Fitch's Rating 2019

June 20, 2019

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