



AFRICAN DEVELOPMENT BANK GROUP

Building today, a better Africa tomorrow



INVESTOR PRESENTATION

May 2022

Table of contents

| | | |
|----------|---|----|
| 1 | Overview of the Bank Group | 3 |
| 2 | Financial Profile of the African Development Bank | 24 |
| 3 | Capital Market Activities | 35 |
| 4 | Financial Statements | 45 |



Overview of the Bank Group

Africa's premier development financial institution

The AfDB Group: three constituent institutions, separate legally and financially, with a common goal...



African Development Bank ("AfDB")

- Established in 1964
- 81 member countries
- Authorized capital: USD 250 billion
- Resources raised from capital markets
- 0% risk-weighting under Basel II
- Level 1 under Basel III



African Development Fund ("ADF")

- Concessional financing, established in 1972
- Financed by 29 State participants (including Angola) and 2 regional donors (Egypt and South Africa)
- Subscription: USD 47 billion
- Focus on low-income countries
- Replenished every 3 years



Nigeria Trust Fund ("NTF")

- Established in 1976 by Nigeria
- Targeted at the Bank's needier countries
- Maturing in 2023
- Total resources: USD 242 million

Governance and Oversight

Board of Governors

- Highest decision-making body
- Composed of Ministers of Finance and Ministers of Cooperation of the Bank's member countries

Board of Directors

- 20 Executive Directors elected by the Board of Governors, resident in Abidjan
- Oversees the general operations of the Bank

Decisions by both Boards
require two-thirds majority or
70%, should any member
request so

...focused on combating poverty, and improving living conditions on the continent

(as of 31 March 2022)



55 years of partnership for the development of Africa

Africa

| | | | |
|---------------|--------|---------------|--------|
| NIGERIA | 9.057% | MALAWI | 0.345% |
| EGYPT | 5.905% | NAMIBIA | 0.333% |
| ALGERIA | 4.929% | SOUTH SUDAN | 0.330% |
| SOUTH AFRICA | 4.904% | BURUNDI | 0.228% |
| MOROCCO | 3.770% | MALI | 0.217% |
| COTE D'IVOIRE | 3.767% | NIGER | 0.208% |
| LIBYA | 2.452% | BENIN | 0.197% |
| GHANA | 2.205% | LIBERIA | 0.193% |
| DEM.REP.CONGO | 1.846% | TOGO | 0.158% |
| ZIMBABWE | 1.688% | GAMBIA | 0.136% |
| ETHIOPIA | 1.572% | RWANDA | 0.133% |
| TUNISIA | 1.405% | SIERRA LEONE | 0.130% |
| KENYA | 1.396% | SUDAN | 0.125% |
| ZAMBIA | 1.152% | ESWATINI | 0.110% |
| ANGOLA | 1.122% | LESOTHO | 0.088% |
| CAMEROON | 1.055% | EQ.GUINEA | 0.076% |
| SENEGAL | 1.026% | SAO TOME & P. | 0.066% |
| TANZANIA | 0.843% | CABO VERDE | 0.062% |
| BOTSWANA | 0.749% | CHAD | 0.059% |
| MADAGASCAR | 0.637% | MAURITANIA | 0.055% |
| MAURITIUS | 0.627% | CENT.AFR.REP | 0.038% |
| MOZAMBIQUE | 0.597% | ERITREA | 0.030% |
| GABON | 0.518% | SOMALIA | 0.029% |
| GUINEA | 0.403% | SEYCHELLES | 0.012% |
| CONGO | 0.401% | DJIBOUTI | 0.010% |
| UGANDA | 0.395% | GUINEA BISSAU | 0.008% |
| BURKINA FASO | 0.395% | COMOROS | 0.008% |

African members
60%

Non-African members
40%

G-7 Shareholding
27%

Ireland
joined the
ADB Group
in April 2020

Europe

| | |
|-------------|--------|
| GERMANY | 3.985% |
| FRANCE | 3.600% |
| ITALY | 2.326% |
| U.K. | 1.720% |
| SWEDEN | 1.506% |
| SWITZERLAND | 1.406% |
| NORWAY | 1.130% |
| DENMARK | 1.123% |
| SPAIN | 1.016% |
| NETHERLANDS | 0.846% |
| IRELAND | 0.786% |
| BELGIUM | 0.615% |
| FINLAND | 0.469% |
| AUSTRIA | 0.428% |
| PORTUGAL | 0.231% |
| LUXEMBOURG | 0.198% |

Middle East

| | |
|--------------|--------|
| KUWAIT | 0.428% |
| TURKEY | 0.380% |
| SAUDI ARABIA | 0.186% |

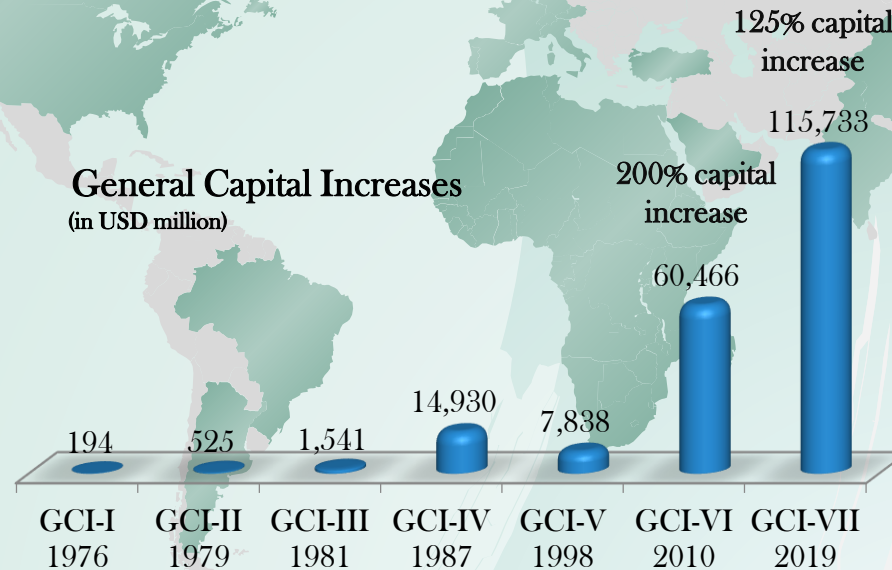
Americas

| | |
|-----------|--------|
| U.S.A | 6.351% |
| CANADA | 3.680% |
| BRAZIL | 0.171% |
| ARGENTINA | 0.086% |

Asia

| | |
|-------|--------|
| JAPAN | 5.264% |
| CHINA | 1.161% |
| KOREA | 0.461% |
| INDIA | 0.276% |

General Capital Increases (in USD million)



(as of 31 March 2022)



A responsive and effective partner

AfDB Sovereign Operations

17 middle-income countries eligible to receive AfDB funding

Criteria:

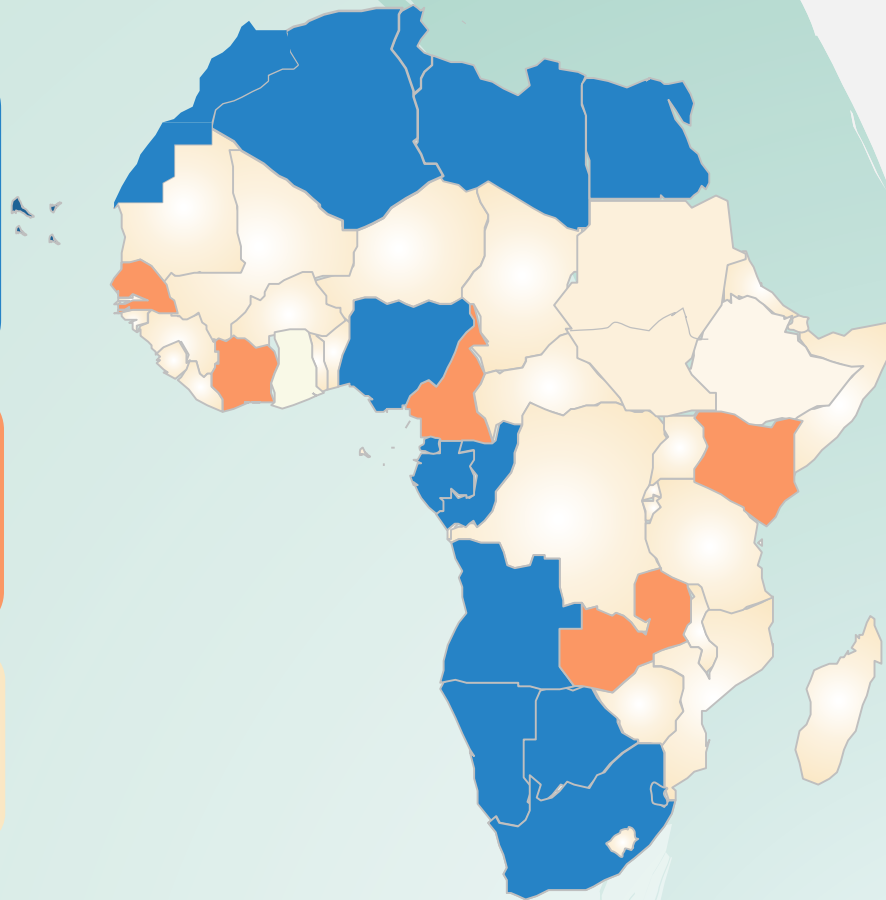
- GNI per capita
- Country's creditworthiness

Access to both AfDB and ADF financing

5 Blend countries: Cameroon, Cote d'Ivoire, Kenya, Senegal and Zambia

ADF Concessional Financing

32 low-income countries eligible to receive loans and grants from ADF only



Additionality and development outcome assessment – Indicators

- GDP growth (%)
- GDP per capita (constant 2010 \$) **
- Mo Ibrahim Index of African Governance ***
- Tax and non-tax fiscal revenues
- Gender Inequality Index
- Production Efficiency
- Resilience to water shocks (index)
- Number of refugees and internally displaced people

Private Sector Operations

Viable enterprises and multinational projects with an additionality and development outcome

- Direct loans
- Lines of credits
- Equity participation
- Guarantees

Enclave Finance

Self-sustaining, export-oriented projects, located in ADF countries

**Dollar GDP figures converted from domestic currencies using 2010 as a base year. Data reported in constant 2010 prices show data for 1990, 2000 and all other years in 2010 prices

***A statistical assessment of the performance of governance in every African country

Providing selective access to Bank resources for countries with sound macroeconomic position and sustainable debt profile

The High 5s, at the heart of Africa's development agenda

If the Sustainable Development Goals (SDGs) are not met in Africa, they will not be met globally



The High 5s will help Africa achieve close to 90% of the United Nation's SDGs and are intrinsically linked to the African Union's Agenda 2063



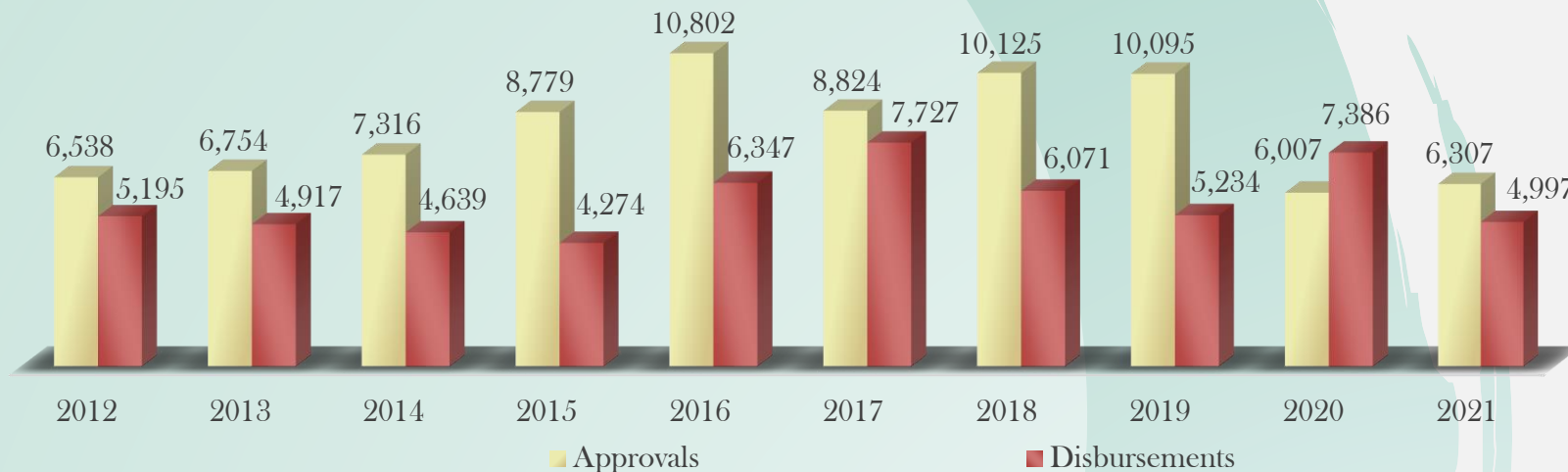
Delivering on the Bank's Ten-Year Strategy to achieve inclusive growth and help Africa gradually transition to green growth

Group operations investing in Africa's future

Offering Africa a real opportunity to accelerate its development and converge with the rest of the world

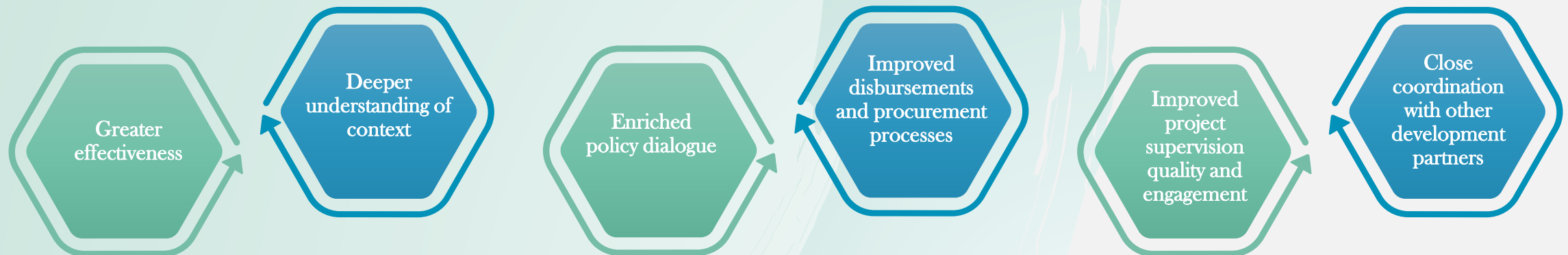
Bank Group approvals and disbursements

(in \$ million)



Note:

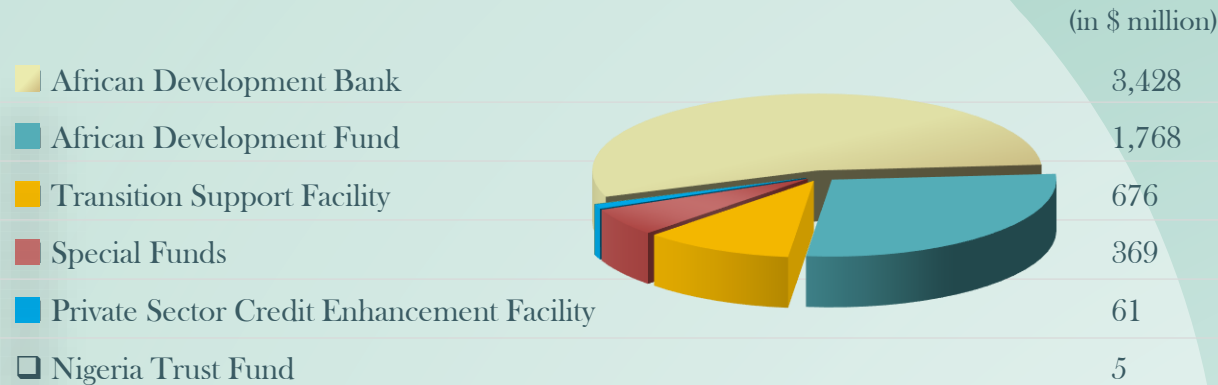
Includes loans, grants, equity investments, emergency operations, HIPC debt relief, loan reallocations, guarantees and the Post Conflict Country Facility



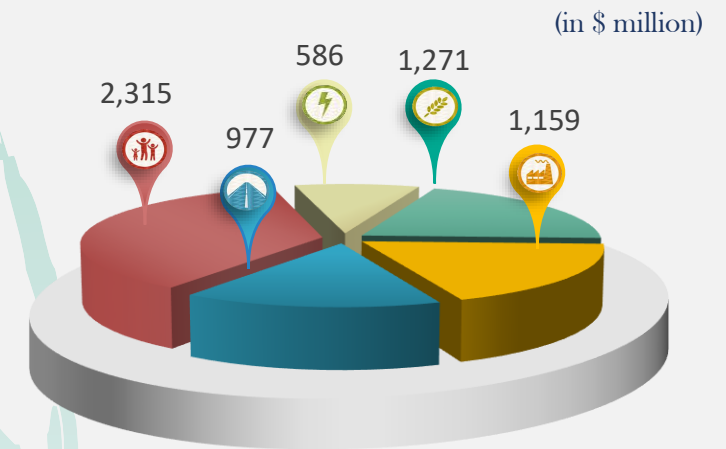
With the right investment and policies the SDGs can be achieved in Africa

High 5s: focused, strategic and achievable

Delivering across the organization

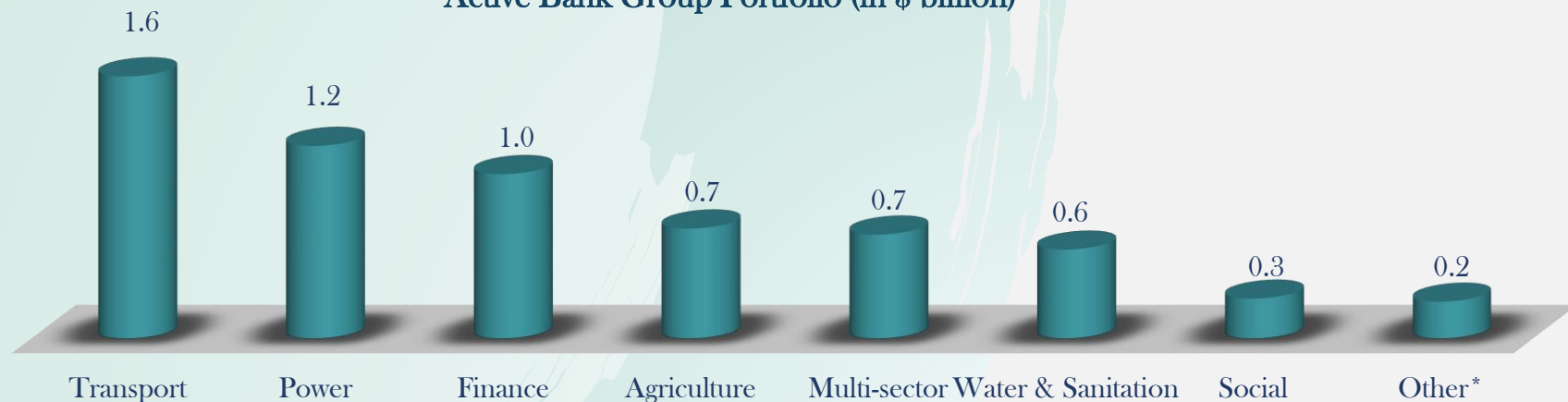


High 5s all round



2021 Bank Group approvals

Active Bank Group Portfolio (in \$ billion)



Africa's largest financier of transport infrastructure

* Industry, Communications and Environment

(As of 31 December 2021)



Energy for all, fueling inclusive growth



Immense power deficit across the continent

Energy use in Africa is the world's lowest

- 52% of households have access to electricity vs 45% in 2015
- 900 million people have no access to clean cooking solutions
- 20 countries in the world with lowest electrification are in Africa
- Annual per capita energy consumption is 730 kWh vs 13,000 kWh in the US and 6,500 kWh in Europe

- Installed power capacity of 191 GW vs 204 GW in Germany
- Power outages costing 0.2-4% GDP annually
- 90% of primary schools lack electricity
- Hampers hospitals and emergency services

Electricity demand projected to triple by 2030

Powering industrialization and lifting people out of poverty

Health and education attainment

Competitiveness

Unlock economic potential

Job opportunities

Energy is a human imperative

Reliable, affordable and green energy to achieve universal energy access needed for the continent

A considerable push toward cleaner, low-carbon energy

Abundant renewable energy potential 10 TW of solar, 350 GW of hydroelectric, 110 GW of wind and 15 GW of geothermal vs 46 GW currently installed

\$70 billion investments in infrastructure needed per year to develop renewables

Need for innovative technologies and financing instruments



Connecting electricity grids for enhanced access



- Investing in construction and upgrading of power lines and transformer stations to reduce energy costs, improve access and reliability and attract investment
- Interconnection projects to allow countries to rationalize their generation capacity and trade excess power

Development impact

from projects completed in 2021

- 1.3 million people with new electricity connections
- 285 MW of new power capacity installed, of which 72 MW renewable
- 1.1 million tons of CO₂ emissions reduced

Clean hydro energy stimulating green and inclusive growth

Gabon - Kinguele Aval Hydro Power Project

Project cost: EUR 179 million / Bank financing: USD 120 million

Year of approval: 2021

The hydropower plant will provide 34.1 MW of reliable, affordable, and clean energy generation capacity to the population. The project will contribute to improve socio-economic development through support of economic activity, while providing cost-effective reliable energy sources needed to boost economic sectors and contributing to the transition towards green growth in the energy sector.

Expected development outcomes:

- GHG emission reduction of 9.9 million tons of CO₂ annually
- 200,000 additional people will get access to electricity
- 700 GWh of additional power capacity installed
- 900 jobs created

Strengthening the national electricity grid to integrate renewable energy

Tunisia - Project to develop and equip the Power and Transmission Grid (PAERTE)

Project cost: EUR 290 million / Bank financing: EUR 108 million

Year of Approval: 2021

The project aims to improve the performance of the national electricity transmission network in order to meet the country's growing demand for electricity and contribute to Tunisia's economic and social development. Its goal is to improve the quality of electricity supply throughout the country and strengthen the electricity grid for the integration of renewable energies expected from solar and wind power plants that are being developed.

Expected development outcomes:

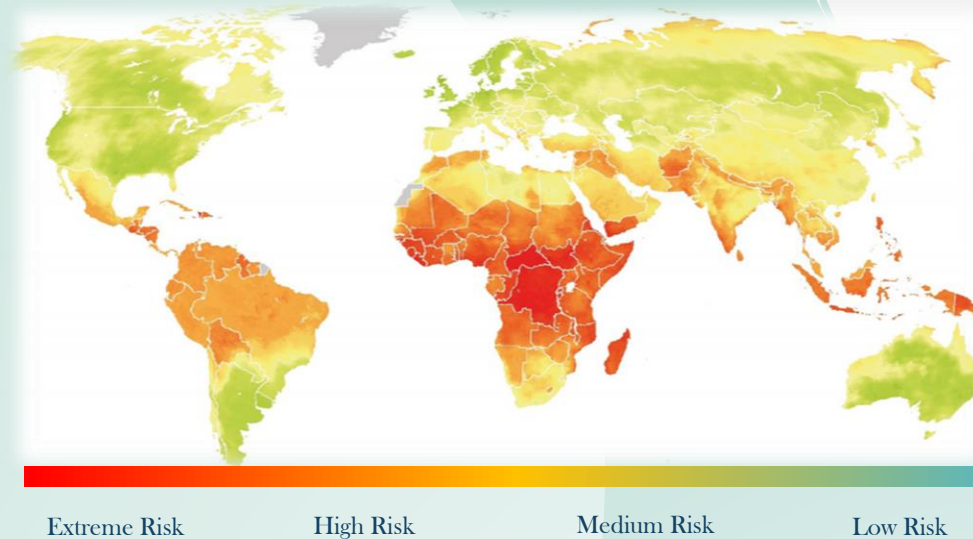
- 27.5% increase in share of renewable energies in national energy mix
- 2% decrease in energy losses in transmission and distribution system
- 2,020 MVA increase in transit capacity of electricity transmission network
- 1,220 jobs created

Fast-tracking Africa's climate change agenda

Africa needs \$150-350 billion per year to adapt to climate change by 2030

Climate risks impacting the poorest and most vulnerable communities

- Rising sea levels, droughts, floods
- Impeding agricultural productivity and food security
- Threatening water and energy security
- Exacerbating poverty
- Impacting sovereign credit ratings



4 out of 5
world's most
vulnerable
countries are
African

Africa accounts for
less than 4% of
world's greenhouse
gas (GHG)
emissions

Less than 3%
of global
climate finance
flows to Africa

Protecting the continent from extreme climate

Improving capacity to predict and issue effective early warning alerts

Fostering innovation to manage emerging climate threats

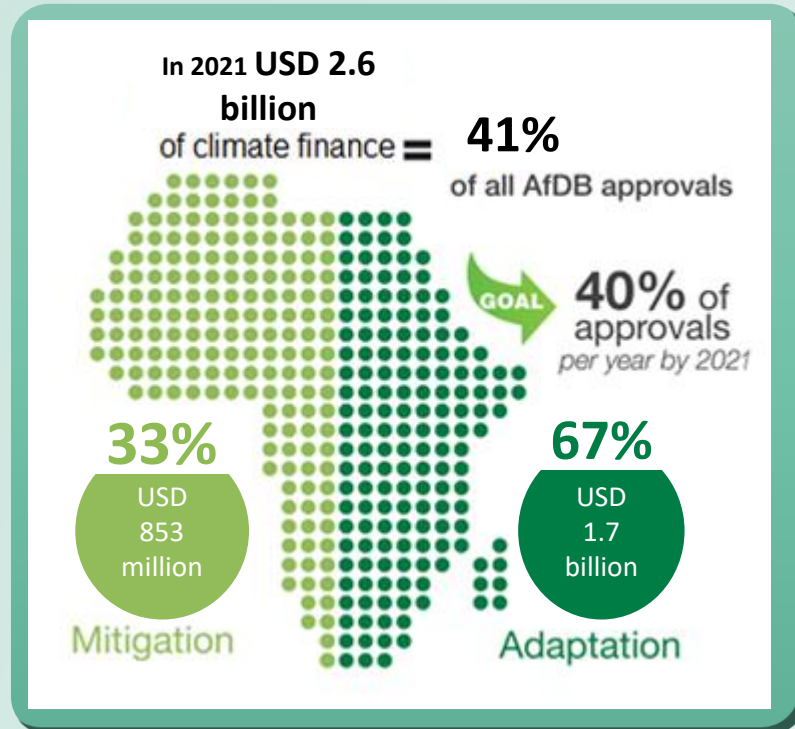
Strengthening governance, effective policies and institutions

Mobilizing global climate finance

Building climate resilience by planning for growth and development

Financing climate-smart development

Climate change mainstreamed in 92% of Bank operations in 2021



\$66 million mobilized in co-financing from external climate funds in 2021



Africa needs \$3 trillion to implement Nationally Determined Contributions (NDCs)

African Adaptation Acceleration Program (AAAP)

- Partnership with Global Center for Adaptation (GCA)
- \$25 billion commitment to support adaptation in Africa by 2025
- AfDB hosting GCA's Africa office

Africa NDC Hub to mobilize climate finance, provide technical assistance and foster partnerships for NDC targets delivery

- All 54 African countries ratified their NDCs
- Support the development of Long-Term Low Carbon and Climate Resilience Strategies (LTS) in Gabon, Liberia, Lesotho and Botswana
- USD 21 million fund under preparation to support RMCs develop LTSs, NDC updates and investment plans

Egypt - National Railway Modernization Project

Project cost: EUR 765 million / Bank financing: EUR 145 million

Year of Approval: 2021

Expected development outcomes:

- 600,000 tons of CO₂ emissions reduction
- Number of accidents to decrease from 1,000 to less than 100 annually
- 953 km of rail lines and 100 locomotives fitted with European Train Control System (ETCS) - Automatic Train Protection (ATP)
- 1,200 jobs created

Africa offers tremendous greenfield investment opportunities to support climate action



Harnessing the sun to power the Sahel region



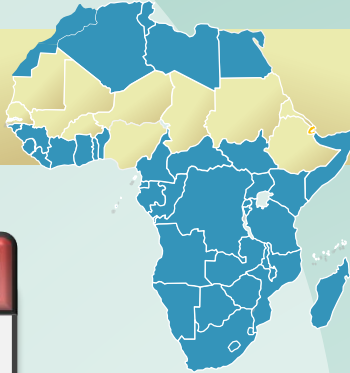
Transforming the Sahel into the largest solar power production zone in the world

New approach

- Innovative blended finance package
- Cooperation with financial and specialized institutions, developers and political initiatives
- Encouraging new technologies

Partnering with

60 million people in the Sahel will get access to electricity



High untapped solar potential

Desert-to-Power Initiative

- Transform economic, social and climate related fragility of Sahel region into resilience
- Create world's largest solar zone with 10 GW solar capacity by 2025

Expected Outcomes

- 250 million new connections

Desert to Power Initiative West Africa Regional Energy Program (WAREP) - Phase I

ADF grant: \$6 million / Year of approval: 2021

The program will support G5 Sahel countries in accelerating regional development of solar power generation, cross-border transmission and decentralized solar projects.

| Country | Desert-to-Power Initiative projects approved |
|---------------|--|
| Burkina Faso | Yeleen Solar Plant Development and National Power System Reinforcement Project |
| Burkina Faso | Yeleen Rural Electrification Project |
| Chad | Djermaya PV Project |
| Sudan | Solar PV Powered Pumping for Irrigation Project |
| Multinational | DtP Technical Assistance Program for Expanding Solar Energy Generation in G5 Sahel countries |
| Burkina Faso | Electrification and Power Connection Development Project (PEDECEL) |
| Multinational | DtP G5 Sahel Financing Facility |
| Multinational | East Africa Regional Energy Program (EAREP) |
| Multinational | G5 Sahel Technical Assistance Project |
| Multinational | Technical Assistance from the Transition Support Facility Project for Chad, Mali, and Niger |

Increase access to green electricity

Attract private sector in renewable energy

Slow migration and prevent conflicts

Reduce poverty and improve food security

Develop agriculture and other economic activities

Increase female participation and employment

Africa, the renewable energy powerhouse that will provide green solutions to combat climate change



Bringing agriculture to the forefront of development



Africa's challenges are a matter of global concern

Demographic

- More than 232 million people are hungry or malnourished (roughly 1 in 4)
- 11% GDP loss in Africa is caused by malnutrition
- 34% of children under 5 are stunted



Economic

- Over \$100 billion made in revenue each year from chocolate...
...of which Africa just receives 2%
- 60% of the world's arable land not yet put into production is in Africa



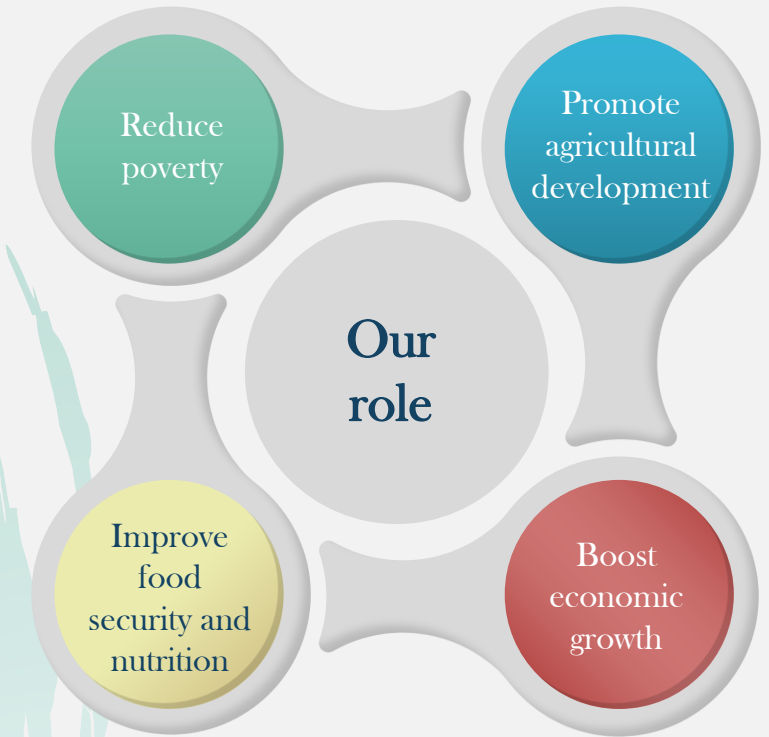
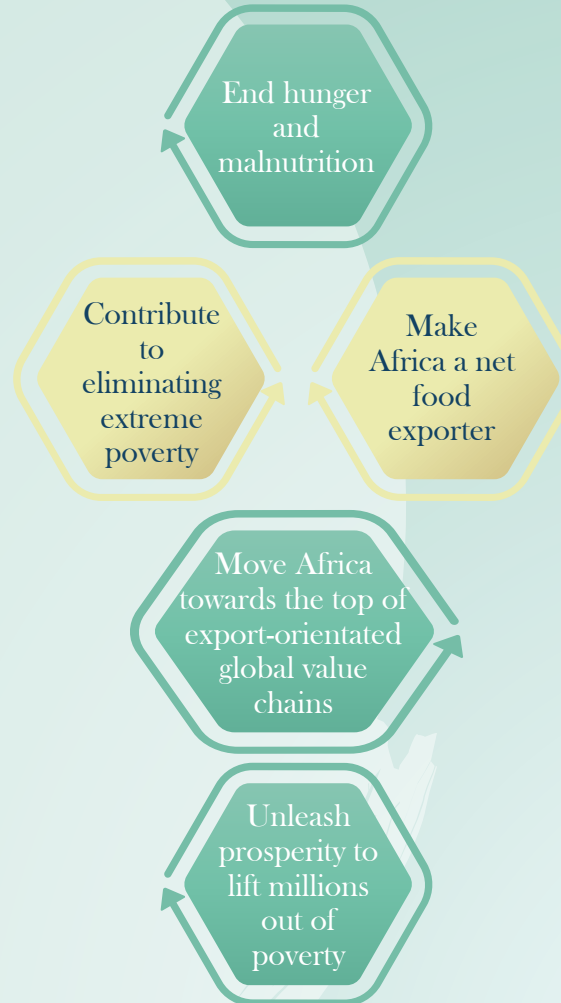
Environmental

Devastating storms and floods afflicted Southern Africa in 2019 and expected return of El Niño could suppress agricultural output and growth in East Africa

Weather shocks costing 2% contraction in GDP



Our over-arching goals



Development impact from projects completed in 2021

- 3.6 million people benefited from improvements in agriculture
- 1,386 km of feeder roads built or rehabilitated
- 9,500 ha of land with improved water management

Transforming agriculture, the wealth of Africa, is central to growth, poverty eradication and food security



Climbing up agricultural value chains



Approvals in 2021: USD 1.27 billion

Transform African agriculture into a globally **competitive, inclusive, business-oriented** sector

Cote d'Ivoire- Agro-Industrial Pole Project in the North

Project cost: EUR 240 million / Bank financing: EUR 42 million

Year of Approval: 2021

The project will contribute to the transformation of the agro-industrial sector and help increase the country's food and nutrition security, reduce its dependence on food imports and increase exports of agricultural products. The project aims at sustainably increasing agricultural productivity in targeted value chains (rice, maize, mango, cashew nuts, animal and fisheries products).

Expected development outcomes:

- Food security increased from 22% to 32%
- 300 agricultural SMEs created
- 90,000 households with access to basic services
- 23,000 farmers beneficiaries
- 13,000 hectares of agricultural land developed or rehabilitated
- 1,200 km of rural roads rehabilitated
- 70,000 jobs created

Multinational - Program to Build Resilience for Food and Nutrition Security in the Horn of Africa

Project cost: USD 140 million / Bank financing : USD 122 million

Year of Approval: 2021

The program will contribute to food security by enabling participating countries to increase agro-pastoral productivity and production systems in cross-border areas, make agro-pastoral value chains more competitive, thereby ultimately boosting trade and farmers' income and building communities' capacity to adapt to climate change.

Expected development outcomes:

- 3 million beneficiaries
- 30% increase in agricultural production
- 30% increase in annual income per capita
- 180,000 pastoralists & farmers to access innovative technologies
- 6,000 hectares of irrigated land developed
- 300,000 hectares of pasture rehabilitated
- 35,000 jobs created

Industrialize Africa to converge with the rest of the world

Strengthening regional ties and targeted policies can spur further industrial growth

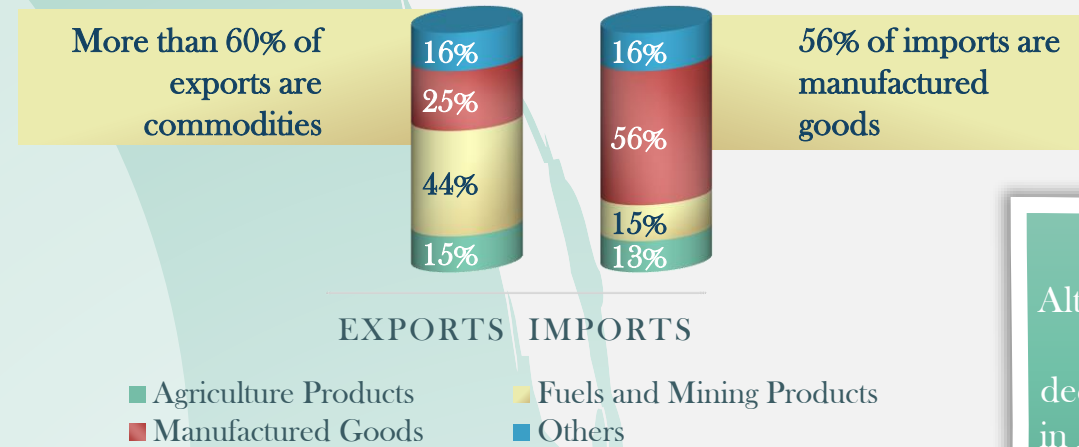

Improve global competitiveness



Our ambition is to help Africa move to the top of the value chain

- Foster successful industrial policies
- Attract and channel funding into infrastructure and industry projects
- Grow liquid and effective capital markets
- Support micro, small and medium enterprises
- Promote strategic partnerships in Africa
- Develop efficient industry clusters across the continent

Exporting raw commodities and importing manufactured goods




Although manufacturing doubled over past decade, 2/3 is produced in Algeria, South Africa, Nigeria and Egypt

Africa's global competitiveness is improving



Driving manufacturing to keep jobs and wealth within Africa



Processing locally to advance economic diversification

Boosts productivity

Adds economic value

Creates jobs

Improves trade balance

Additional government revenues

Development impact

from projects completed in 2021

- 857 km of roads constructed, rehabilitated or maintained
- 3.4 million people benefited from investee projects
- 133,600 owner-operators and micro, small, and medium enterprises provided with access to financial services

Cabo Verde- E-Governance and Public Administration Modernisation Programme

Project cost : EUR 53 million / AfDB financing: EUR 20 million
Year of approval: 2021

The programme aims to improve digital efficiency for enhanced public service provision, administration modernization, transparency and increased private sector investment. It stems from the realization that furthering digital governance is a response to the Covid-19 crisis. It is pursued through two complementary objectives: furthering E-Governance and Digital Economy related reforms.

Expected development outcomes:

- Improvement in the UN e-Government index rating from 0.56 to 0.6
- Improvement in the UN e-Participation index rating from 0.42 to 0.5
- Increase in ICT contribution to GDP from 2.9% to 3.2%
- 2 points increase on “Doing Business Score” (from 55 to 57)

Senegal - Accelerated Industrialization, Competitiveness and Employment Support Programme

Project cost: EUR 242 million / Bank financing: EUR 96 million
Year of approval: 2021

The project aims to support economic recovery, accelerated industrialization and job creation by improving value chains competitiveness, productivity and adoption of hardware and organizational technologies, access to financing, and private sector development.

Expected development outcomes:

- 36,000 enterprises supported in their efforts to achieve digital transformation
- EUR 90 million in loans granted to MSMEs
- 725 MSMEs benefitting from grants
- 50,000 jobs created

Shifting labor and capital resources to high productivity economic activities

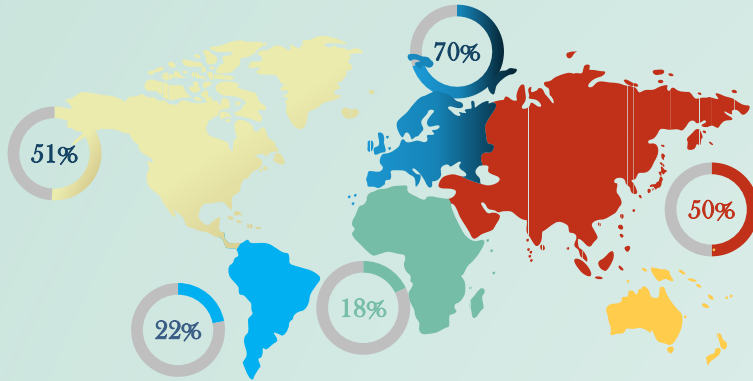


Connecting the continent to unlock and accelerate development

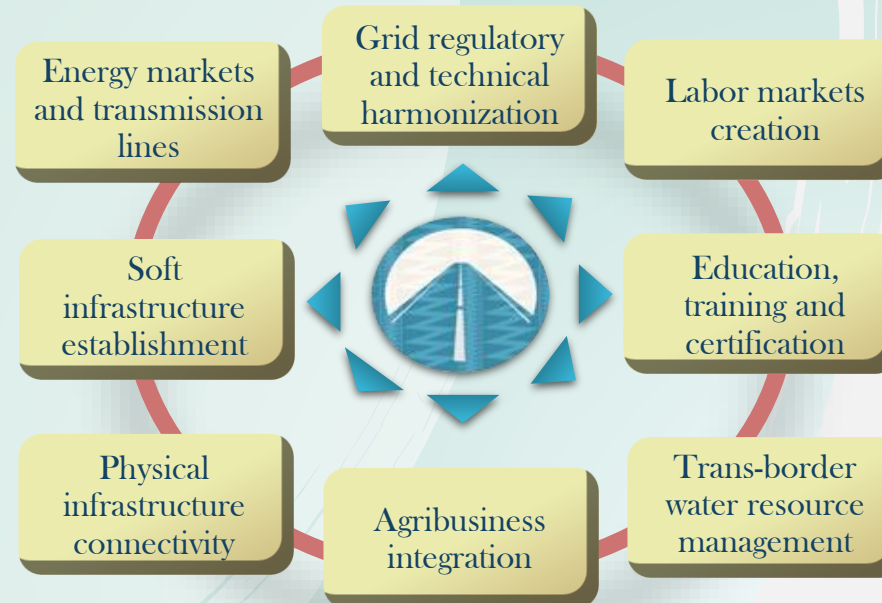


Ushering in a new era for intra-Africa trade and economic cooperation

Low intra-Africa trade



Regional integration through the High 5s



Impediments to intra-regional trade

- Poor infrastructure
- Non-tariff barriers
- High cross-border trade cost
- Low visa openness

Greater political will for integration



2018 Africa Continental Free Trade Area, a milestone

The world's largest free trade area

- Signed by 54 countries (30 ratifications)
- Promotion of freer, expanded trade and reduction of other non-tariff obstacles
- Regional trade to increase to 25% in next decade
- GDP to increase by 4.5%
- Will boost ability to compete in global value chains

Establishment of ACFTA secretariat by the AfDB for \$4.8 million



Crossing borders to drive competitiveness



Multinational - Horn of Africa Isiolo - Manderla corridor: El Wak - Rhamu road upgrading project

Project cost: EUR 192 million / Bank financing: EUR 65 million

Year of approval: 2021

The project road traverses a marginalized, relatively underdeveloped, arid area of Kenya with relatively high poverty rate and insecurity. The existing road is in poor condition resulting in long travel time and high transport costs. The prevailing conditions therefore present unattractive environment for doing business. The development of this road will ease transport, promote trade, alleviate poverty, and promote regional integration.

Expected development outcomes:

- Travel time reduced by 1.5 hours
- USD 30 million increase in Kenya's trade value with Ethiopia and Somalia
- 142 km of road upgraded
- 200 jobs created
- 325 people trained

Multinational - Pointe-Noire-Brazzaville-Bangui-Ndjamena Multimodal Transport Corridor Development Project, Phase I

Project cost: EUR 470 million / Bank financing: EUR 250 million

Year of approval: 2021

The project aims to contribute to the improvement of the inter-state road and river transport system and the promotion of intra-regional trade in Central Africa. It will also improve the quality of service offered by the road and river transport logistics chain on the Pointe-Noire-Brazzaville-Bangui-Ndjamena corridor, as well as the living conditions of the inhabitants of the project area.

Expected development outcomes:

- 670 additional vehicles/day passing through the road
- 52 hours reduction in travel time of heavy goods vehicles
- Reduction in waiting time at the Mongouba Port from 3 to 1 day
- 639 km of roads asphalted and rehabilitated
- 700 jobs created

Development impact from projects completed in 2021

- 6.6 million people gained access to better transport services
- 262 km of cross-border roads constructed or rehabilitated

Opening opportunities for trade and travel and encouraging greater foreign investments



Converting human potential into opportunities



| Africa today | ...By 2030 |
|---|--|
| <ul style="list-style-type: none">40% of Africans live below the poverty line *72% of non-agricultural work in the informal sector1/3 of youth unemployed10 million entering labor market yearly | <ul style="list-style-type: none">10 poorest countries in the world will be African83% of world's poor will be in Africa100 million youth without jobsOnly 50% of new labor entrants will find jobs |

Successfully absorbing Africa's workforce holds the key to creating Africa's demographic dividend



African population to reach 2 billion by 2050

20% of global population

Largest and youngest workforce of 1 billion by 2030

- Creating jobs and opportunities for the youth to reduce pressure for irregular migration
- Skilling-up youth in science and technology to take advantage of the 4th industrial revolution (4IR)
- Improving access to water and sanitation
- Strengthening health systems

Our strategy



72% of the population have access to safe drinking water
40% of the population have access to sanitation

*on less than \$2 per day

The youth are Africa's greatest assets



Equipping Africa to meet tomorrow's challenges



Nigeria - Family Homes Funds Project

Project cost: USD 204 million / Bank financing: USD 60 million

Year of approval: 2021

The project aims to stimulate the provision of sustainable and affordable mortgage financing to eligible lower to middle income households, and deepen the housing finance system as well as boost job creation in Nigeria. It aims to do so by catalyzing the provision of long-term local currency mortgage financing by primary mortgage lenders to eligible households, through a risk sharing mechanism.

Expected development outcomes:

- USD 405 million of additional mortgages provided
- 15,905 mortgage loans extended to end beneficiaries
- 40,000 jobs created
- 1,000 youth artisans trained

Development impact from projects completed in 2021

- 12.2 million people got better access to water and sanitation
- 130,000 people benefited from better access to skills for decent jobs
- 108,000 people received technical and vocational training

Cameroon - Yaoundé City Sustainable Enhanced Drainage and Sanitation Project

Project cost: EUR 36 million / Bank financing: EUR 32 million

Year of approval: 2021

The project aims to sustainably improve the storm water drainage, hygiene and health of the population of Yaoundé, through the construction of 17km of flood control basin, canals and a culvert. The project will also help improve the resilience to water-related shocks, increase inclusive employment and entrepreneurship.

Expected development outcomes:

- Flooding frequency reduced from 3 to 1 per year
- 2,550 jobs created
- 75 people trained
- 5 micro-enterprises trained in waste recovery, hygiene and sanitation

Preparing for the future



Empowering women to achieve the SDGs



AFAWA aims to unlock \$5 billion by 2026 to support women SMEs

Multinational - ETC group limited trade and agri-finance facility approved in 2021

AFAWA Technical Assistance Grant of USD 2 million to support women farmers and entrepreneurs in Tanzania, Mozambique and Zambia to increase their business capacities along agriculture value chains and improve access to finance.

AFAWA risk-sharing mechanism

\$126 million AFAWA Guarantee for Growth (G4G) to be on-lent to 788 women entrepreneurs and enhance financial institutions' appetite in lending up to \$3 billion to women-owned businesses

Women Entrepreneurship Enablers Program

- Enhanced capacity for 10 women business associations
- 16,000 women impacted from 20 countries

Africa's growth potential not fully utilized



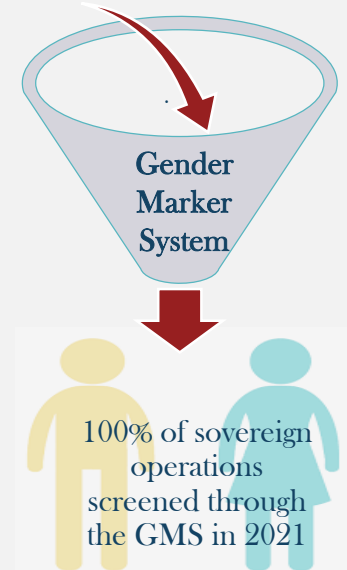
Bank Group Gender Strategy 2021- 2025



Approvals in 2021

USD 220 million to be lent to 1,064 women entrepreneurs
USD 13 million to enhance financial and managerial skills of 17,000 women farmers and business owners

Systematizing gender mainstreaming in Bank operations





Financial Profile of African Development Bank

Summary financial information

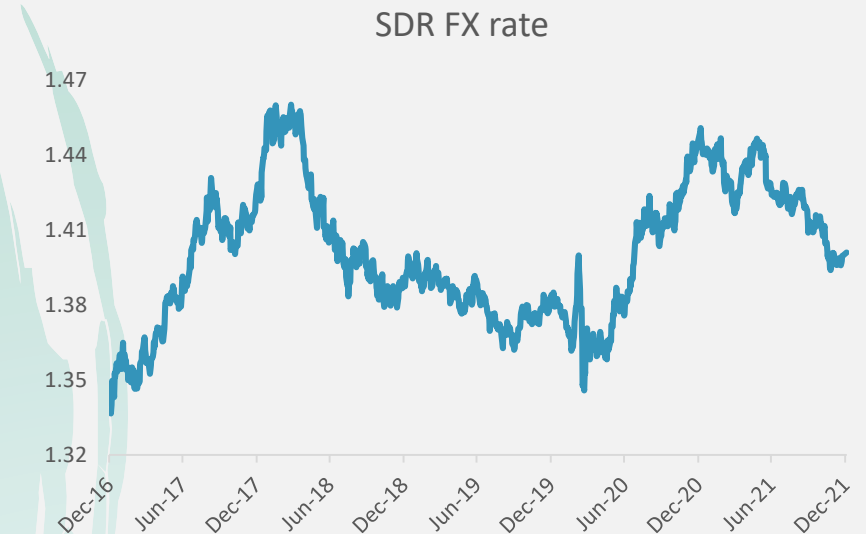
| (in USD million) | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|--------|--------|--------|---------|---------|
| Assets | 46,392 | 46,968 | 48,736 | 50,912 | 50,840 |
| Loans | 25,113 | 26,274 | 27,409 | 30,024 | 28,135 |
| Investments | 16,408 | 14,574 | 14,274 | 12,712 | 13,707 |
| Cash | 1,353 | 2,870 | 2,949 | 3,359 | 4,623 |
| Borrowings | 33,005 | 33,365 | 35,216 | 36,137 | 35,151 |
| Equity | 10,101 | 9,994 | 10,197 | 11,221 | 12,185 |
| Paid-in Capital * | 5,854 | 6,090 | 6,329 | 7,105 | 7,774 |
| Reserves | 4,247 | 3,903 | 3,868 | 4,116 | 4,410 |
| Income before distributions | 368 | 173 | 174 | 286 | 135 |
| Subscribed Capital | 93,278 | 90,551 | 91,469 | 145,246 | 207,801 |

* Net of Cumulative Exchange Adjustment on Subscriptions

** Unaudited figures

Note: Reporting currency is Special Drawing Rights (SDR) of the IMF. Data converted to USD at period-end exchange rates

SDRUSD: 1.34433 (2016); 1.42413 (2017); 1.39079 (2018); 1.38283 (2019); 1.44027 (2020); 1.39958 (2021)



AAA rating to support countries with their own priorities

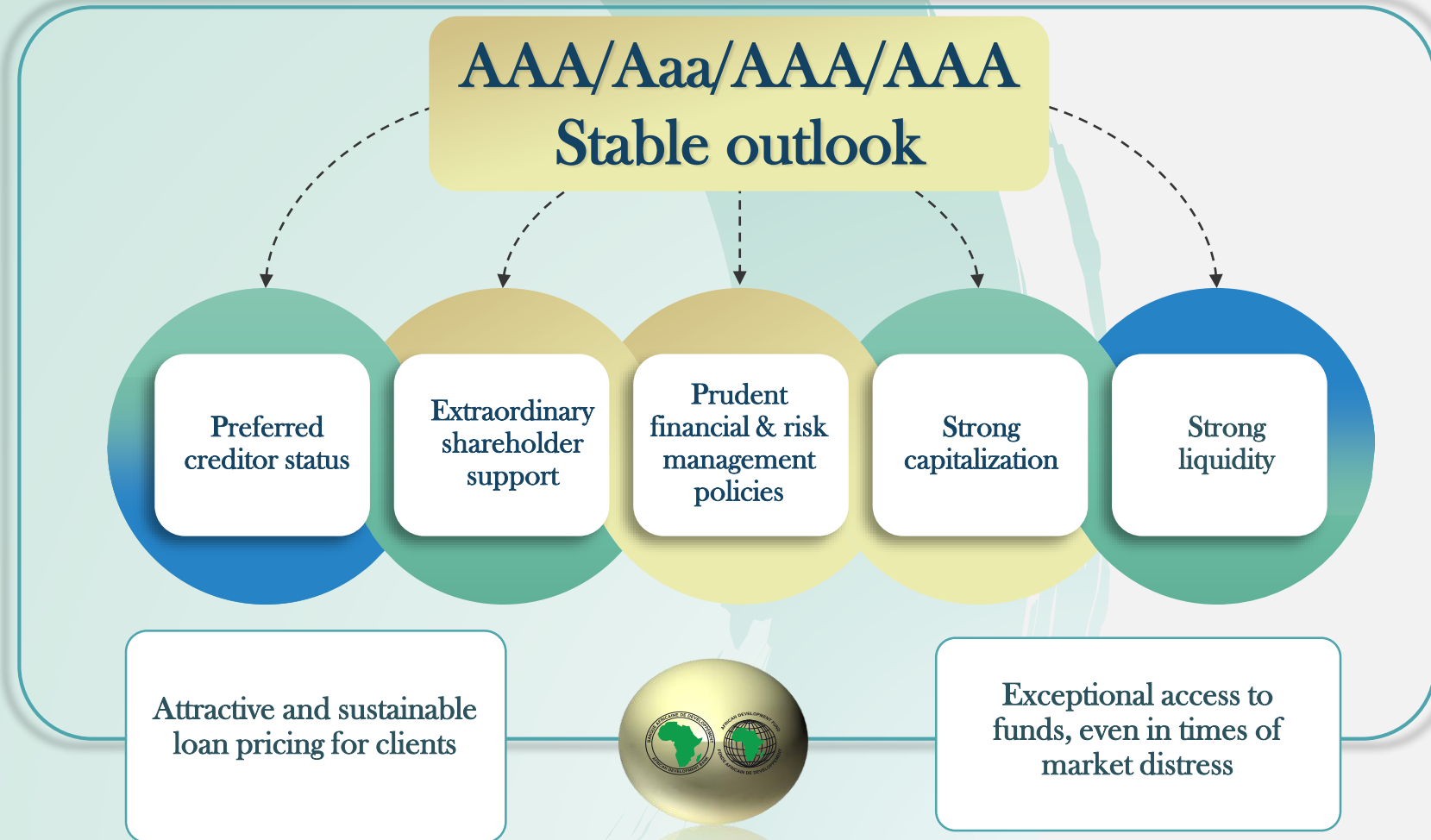
FitchRatings

MOODY'S

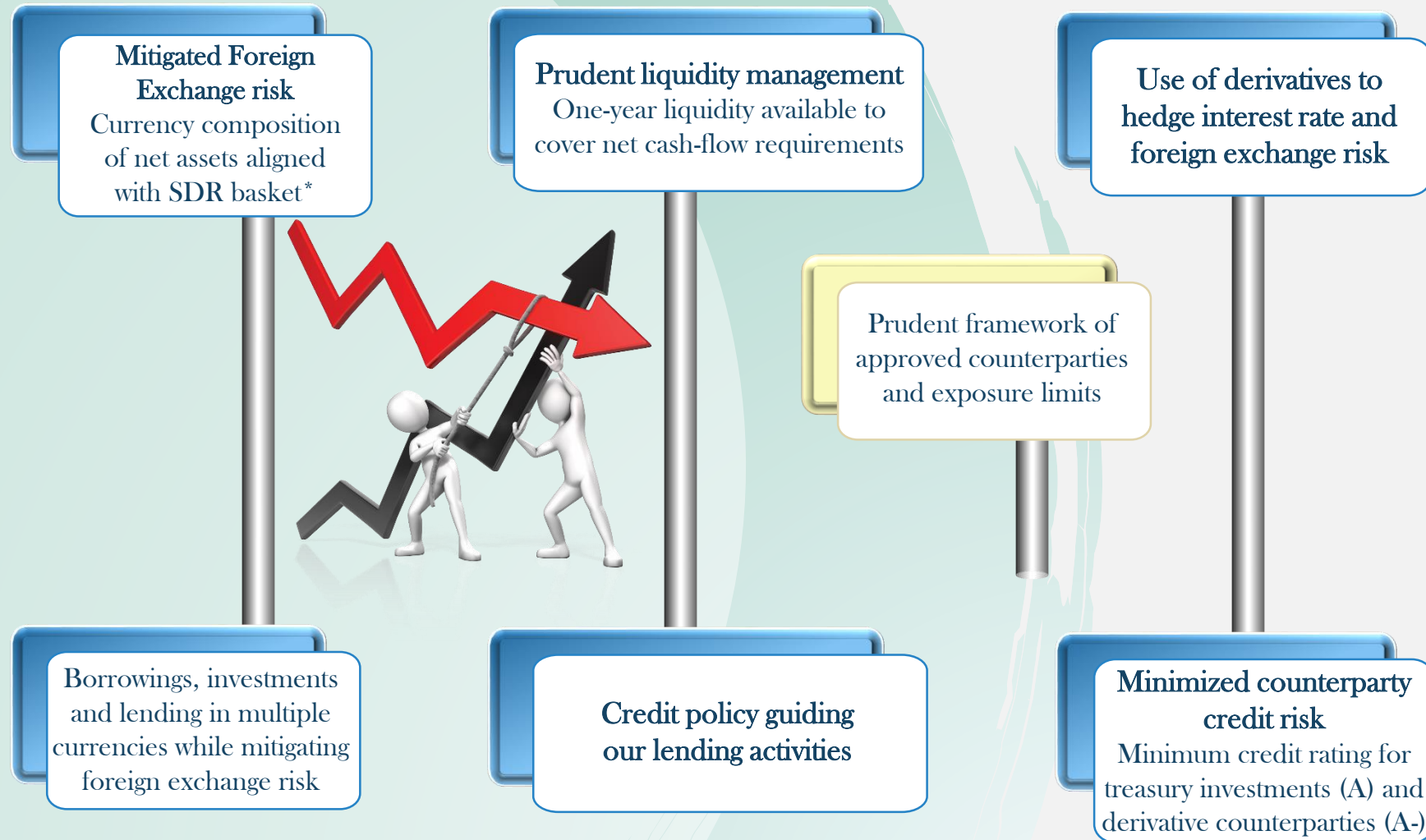
STANDARD
& POOR'S



Japan Credit Rating Agency, Ltd.



Prudent risk management policies consistent with our rating

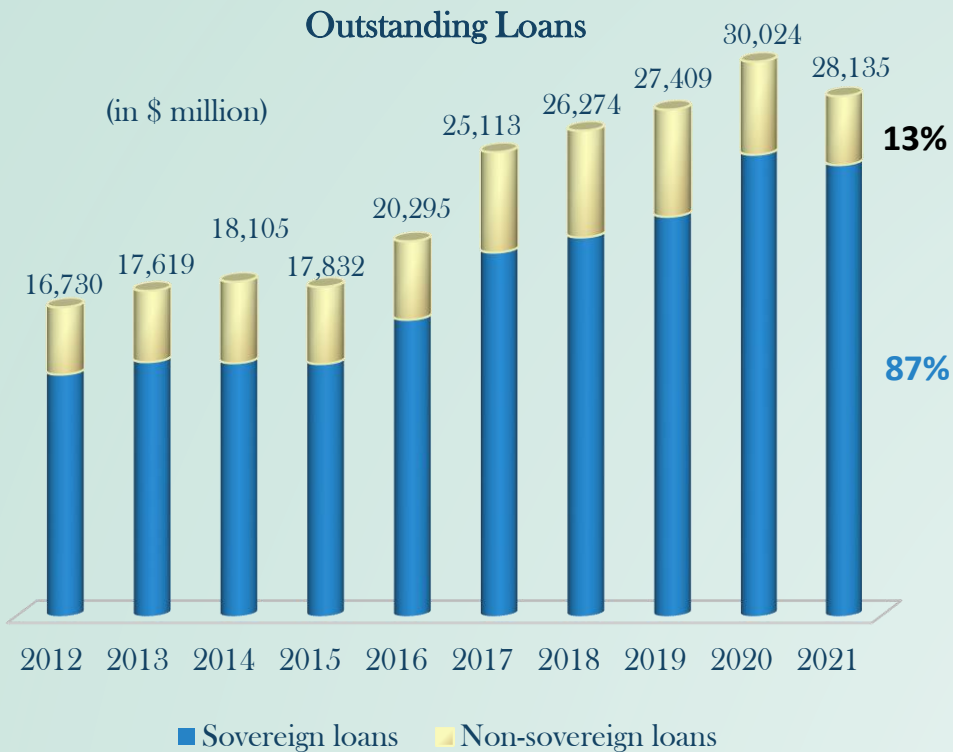


* Composed of USD, EUR, JPY, GBP, RMB

Lending to bolster Africa's transformation

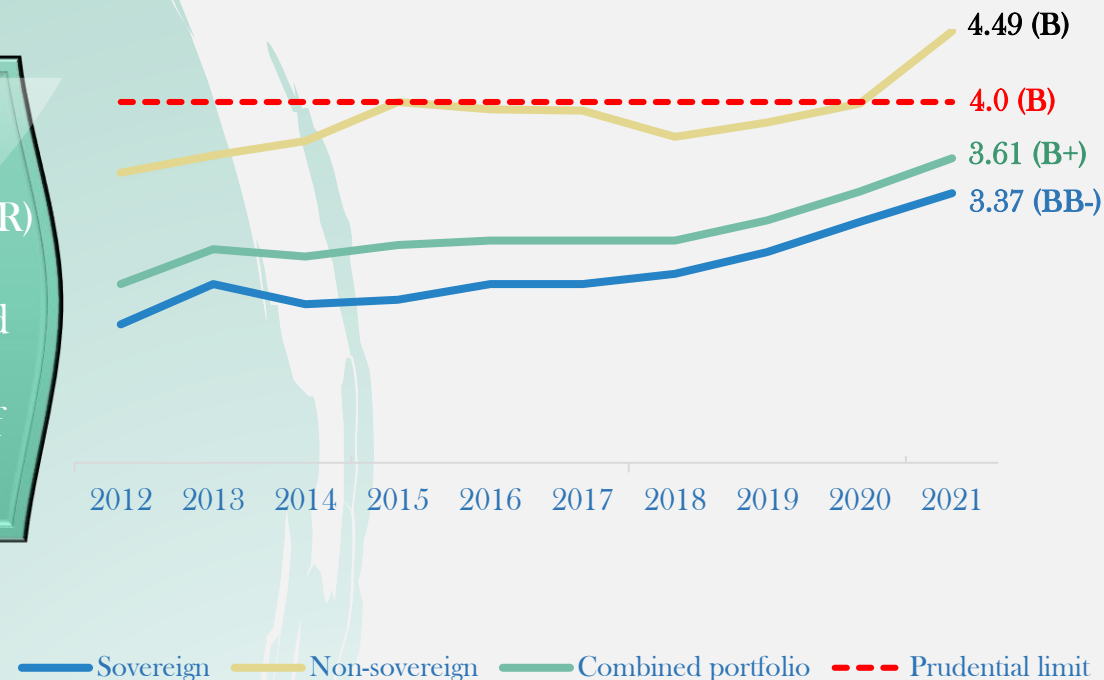
Outstanding Loans

(in \$ million)



Weighted Average Risk Rating (WARR) stable at “stronger” end of the Bank’s target range of BB to B

Portfolio credit profile

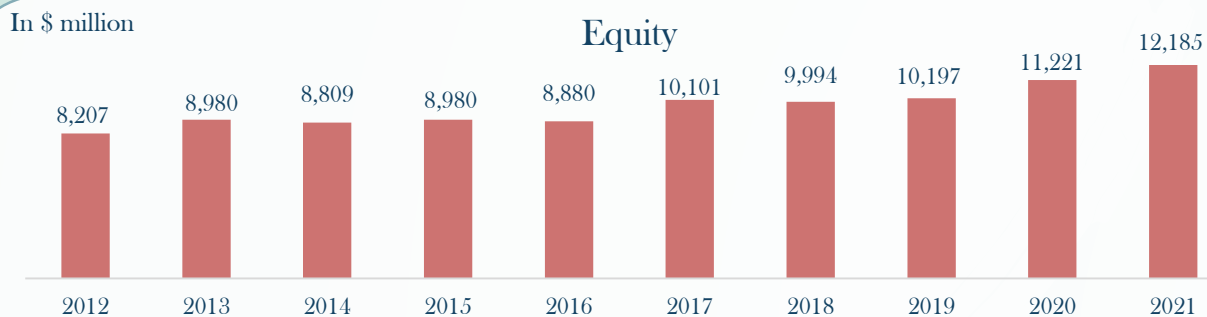
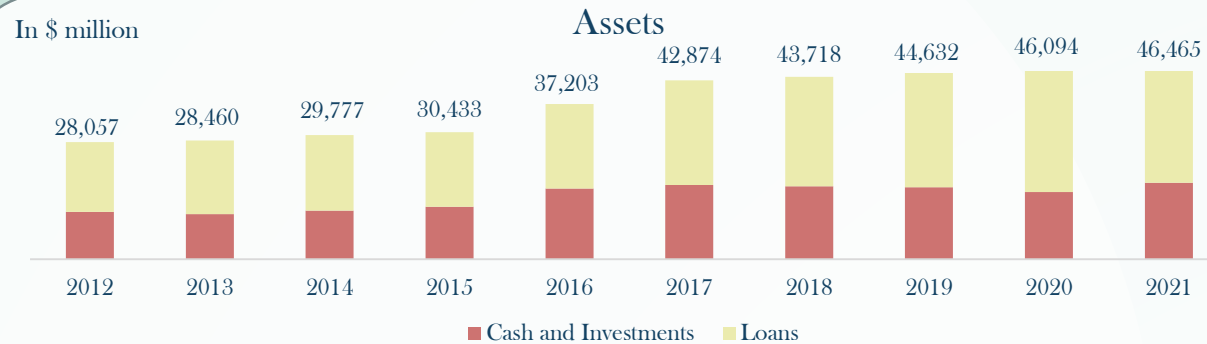


Extending lending while maintaining and sustaining risk profile in line with Bank’s risk appetite



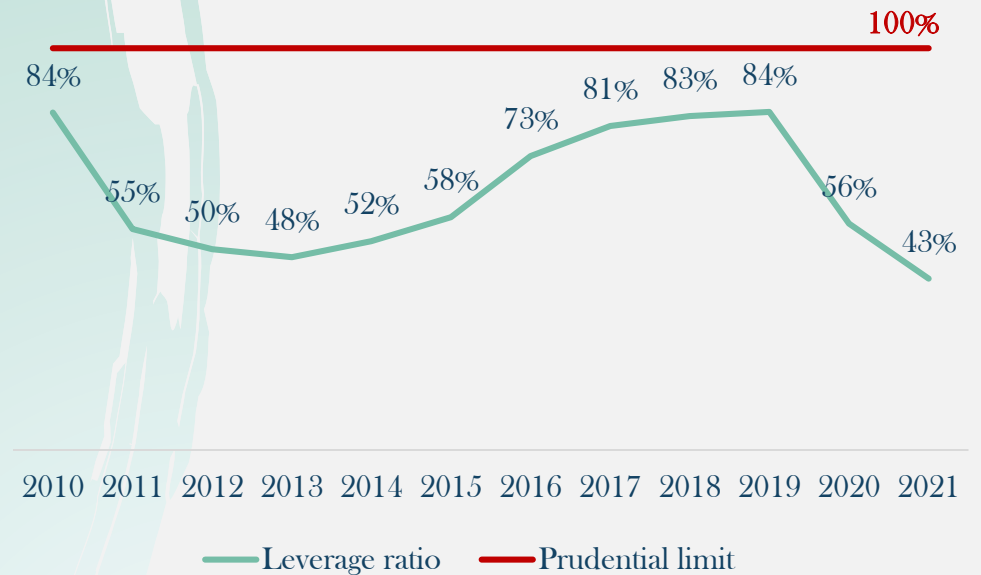
Leveraging capital to fund Bank's development mandate

Putting the balance sheet to work for Africa



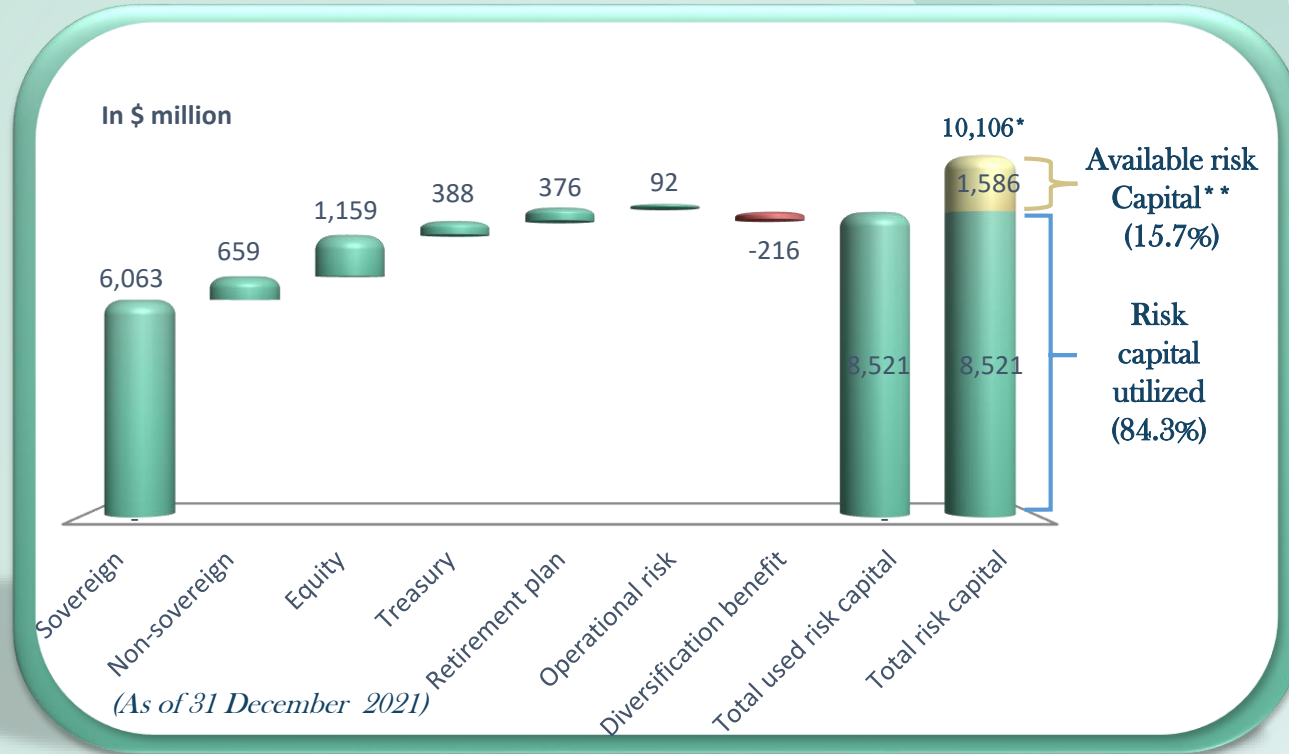
$$\text{Leverage} = \text{Debt} / \text{Usable Capital}$$

Usable capital = Σ (Paid-in capital, Reserves, Callable capital of non-borrowing countries rated A- and above)



Using capital to efficiently deliver on the continent

Bank's Risk Capital Utilization



Risk capital =
Paid-in capital + Reserves + Adjustments

Risk capital utilization rate = $\frac{\sum [\text{Exposure}] * [\text{Risk capital charge}]}{\text{Total risk capital}}$

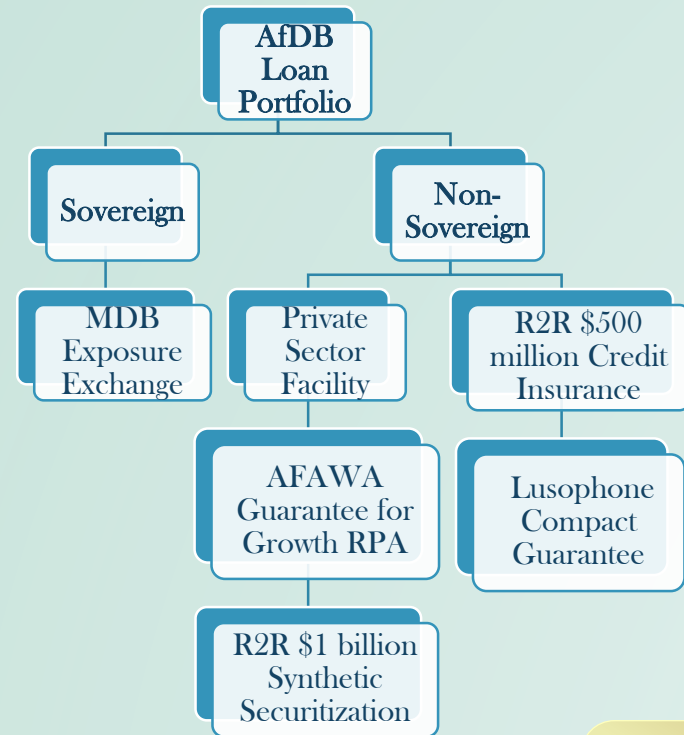
*Total risk capital after adjustments made for valuations of equity investments & borrowing

** Inflows from new General Capital Increase (GCI-7) will bring in more risk capital and create ample room to enable the Bank to deliver on its mandate

Note: Diversification benefit stems from correlation between risks

Teaming up for greater impact

Balance Sheet Optimization



2015

First MDB exposure exchange on its sovereign portfolio with World Bank and IADB

2015

First MDB to create a Private Sector Credit Enhancement Facility to share risk on NSO in Low-Income Countries

2018

Bank entered into first MDB portfolio credit insurance deal on non-sovereign financial sector portfolio with ATI

2018

First MDB synthetic securitization on non-sovereign loan portfolio with Mariner and Africa50

2019

First credit insurance deal on a sovereign PCG transaction with private insurers

2020

Approval of BSO governing policy

2 approved guarantees with capital benefit embedded at origination

2021

New credit insurance approved on Bank's largest private sector loan

Rebuilding safety margins on key rating agency ratios

Improving the Bank's risk profile and reducing capital consumption

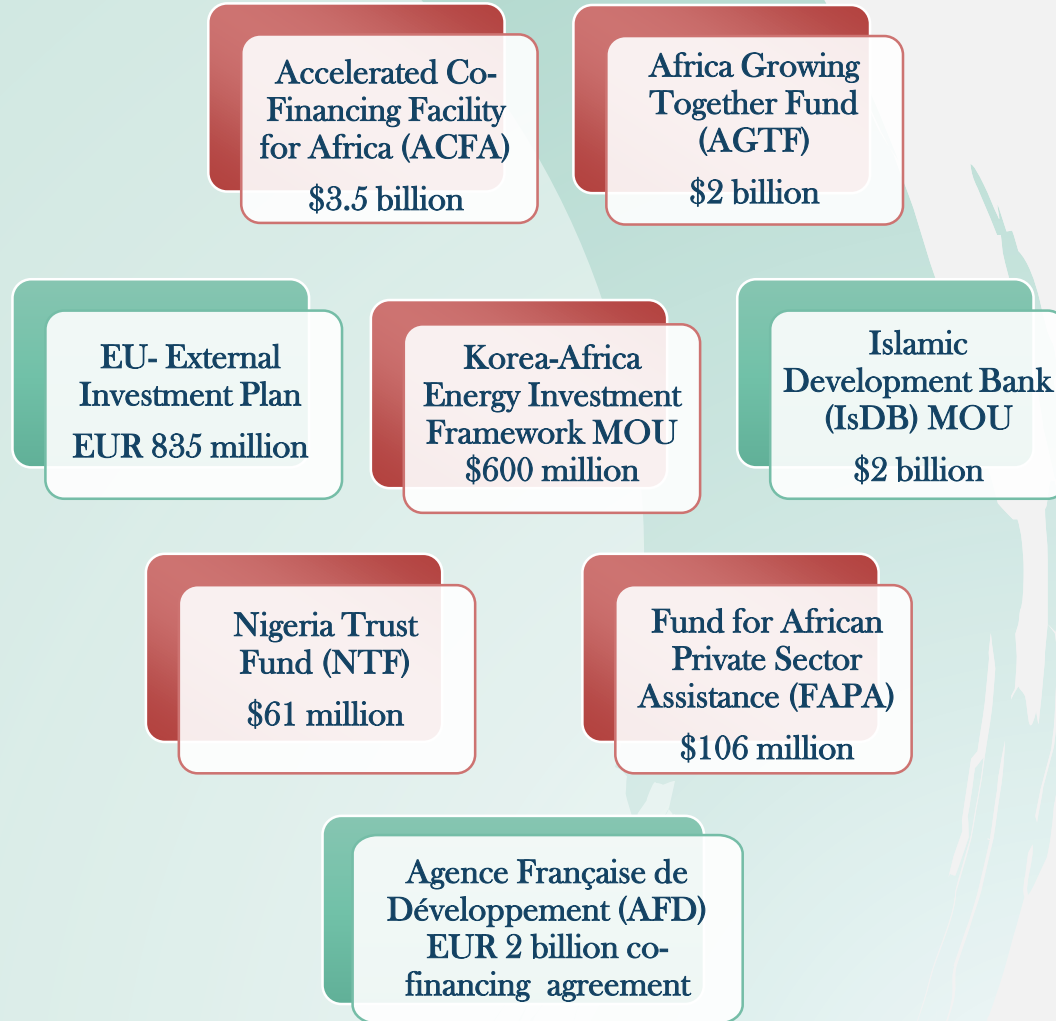
Creating additional headroom to provide more development lending

More efficient use of shareholder resources

Managing portfolio risk profile and exposure limits



Mobilizing funds from partners to leverage intervention



Strengthening the Bank while supporting development

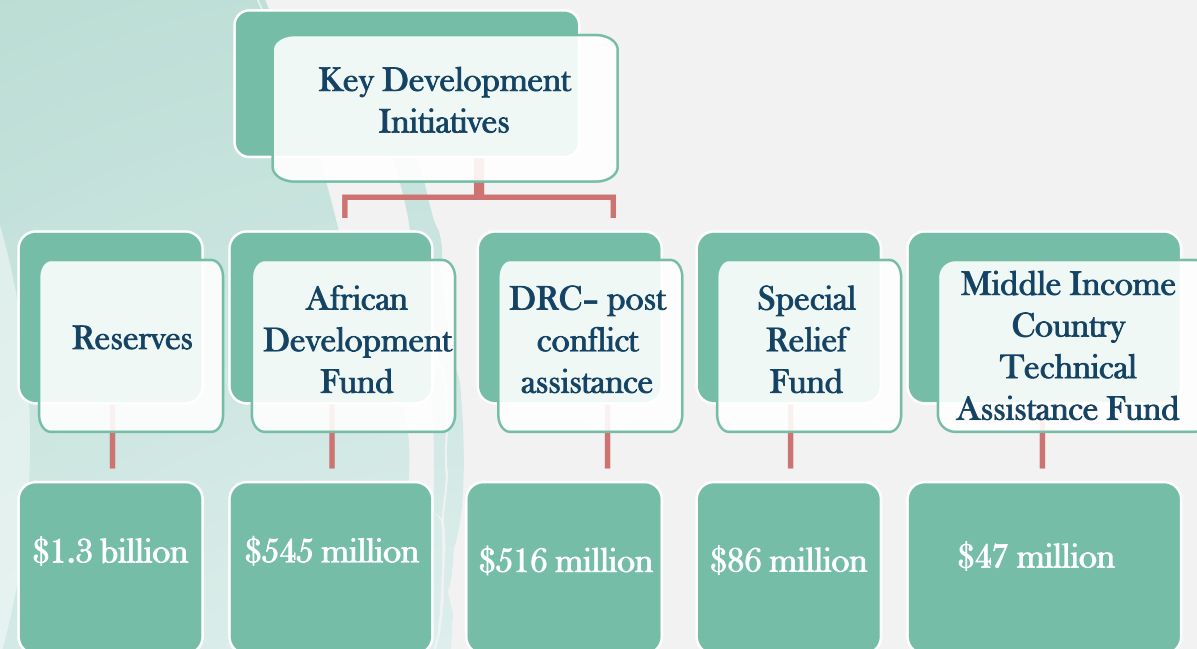


Operational income: Loan income and investment income (including related derivatives).

Allocable income: The Bank uses allocable income for making distributions out of its net income. Reserves have first claim on operational income.

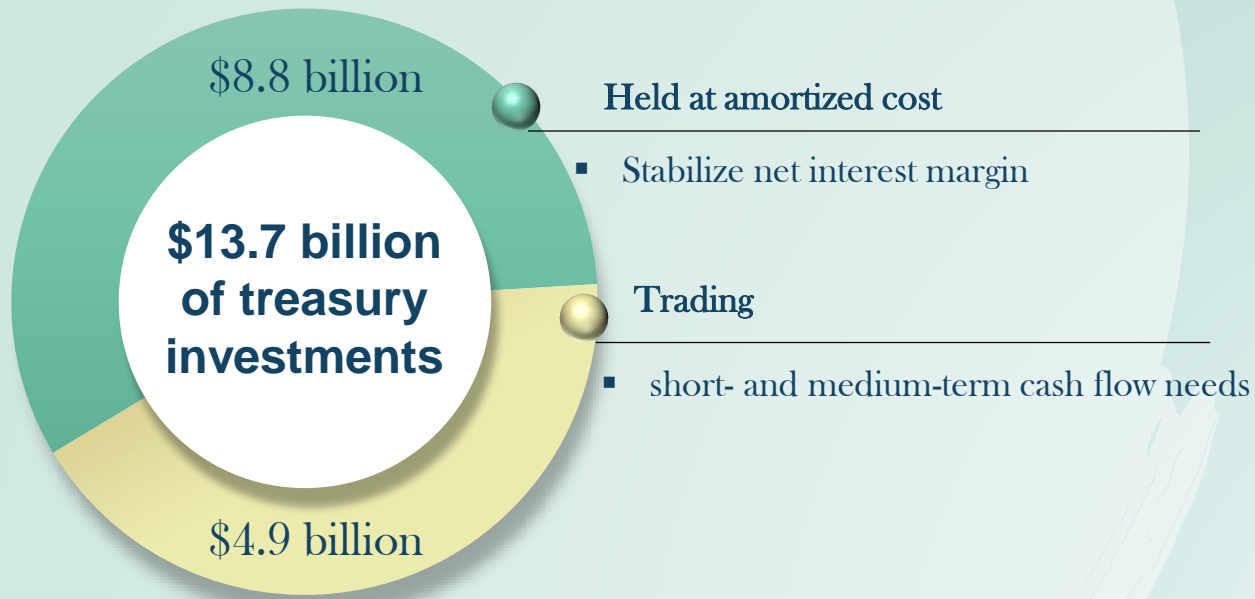
* Decrease in 2019 Allocable Income attributable to higher provision for impairment on loans under IFRS9 and increase in net administrative expenses

Net Income Distributions for 2012 - 2021

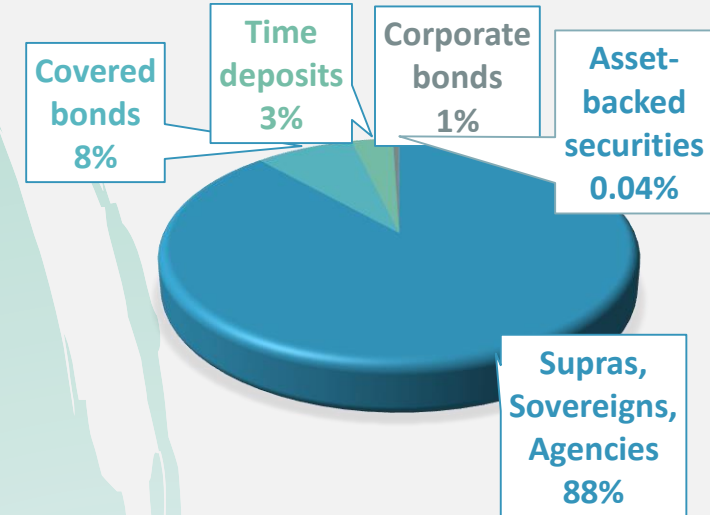


Note: The 2021 portion of distribution is proposed, subject to approval at the Annual Meetings. Special Relief Fund is used to mobilize funds, on a grant basis, for regional countries affected by natural disasters that constitute a threat to human health and agriculture.

High quality investments



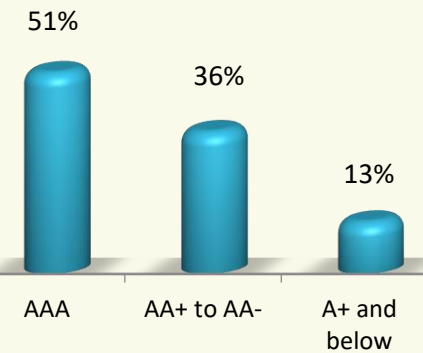
Conservative portfolio composition to meet objectives



Multi-currency portfolio



Very high quality portfolio



(as of 31 December 2021)



Capital Markets Activities

Leveraging our AAA rating to meet Africa's needs

A diversified funding profile in multiple markets and currencies across the world

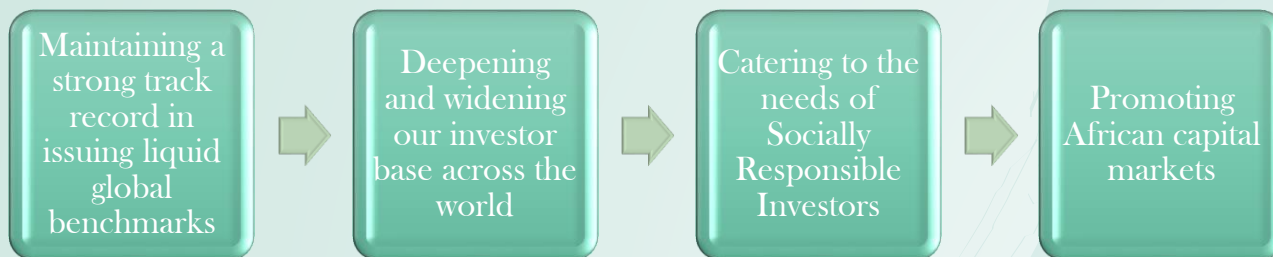
Outstanding
borrowings of
USD
35 billion
(As of 31
December 2021)



Borrowing program
(in USD billion)



* 34% executed as of May 2022



Attracting competitive funding levels for the benefit of the continent



Global presence with global benchmarks

March 2020

March 2021

July 2021



“Best issuer of Covid-19 Bonds”

- Largest Social Bond at time of issuance
- Largest AfDB transaction



USD 3.1 billion
0.75% Fight Covid-19 Social Bond
due April 2023
UST+47.95bps
MS+35bps



USD 2.5 billion
0.875%
Global Benchmark
due March 2026
UST+13.5bps
MS+5bps



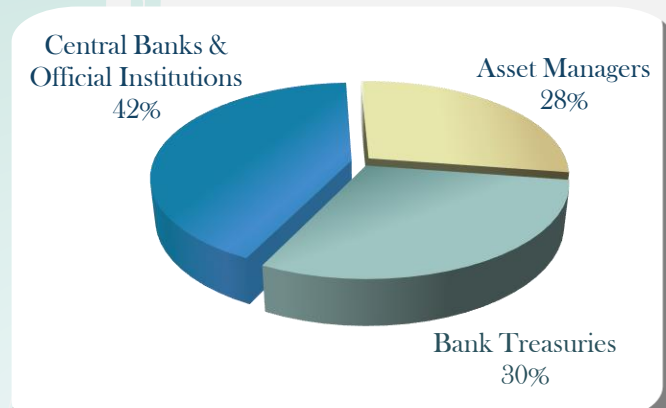
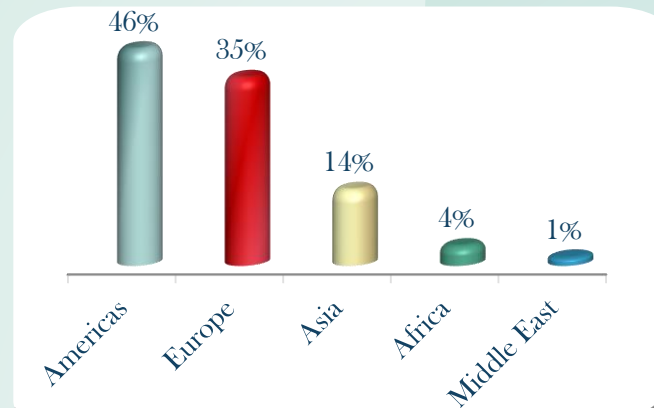
USD 2.75 billion
0.875%
Global Benchmark
due July 2026
UST+9.4bps
MS+1bp

- Strong fundamentals and AAA rating
- High quality order books
- High quality of execution
- Good secondary market performance
- Strong developmental mandate

Secondary performance
AfDB 0.875 July 2026



...deepening and widening the Bank's investor base



Source: Bloomberg



Euro issuance, expanding our footprint

March 2019

EUR 1 billion

0.50%

Global Benchmark
due March 2029

Bund +48 bps

OAT +11 bps

Midswaps -3 bps



March 2022

EUR 1.25 billion

0.50%

Global Benchmark
due March 2027

Bund +63.1 bps

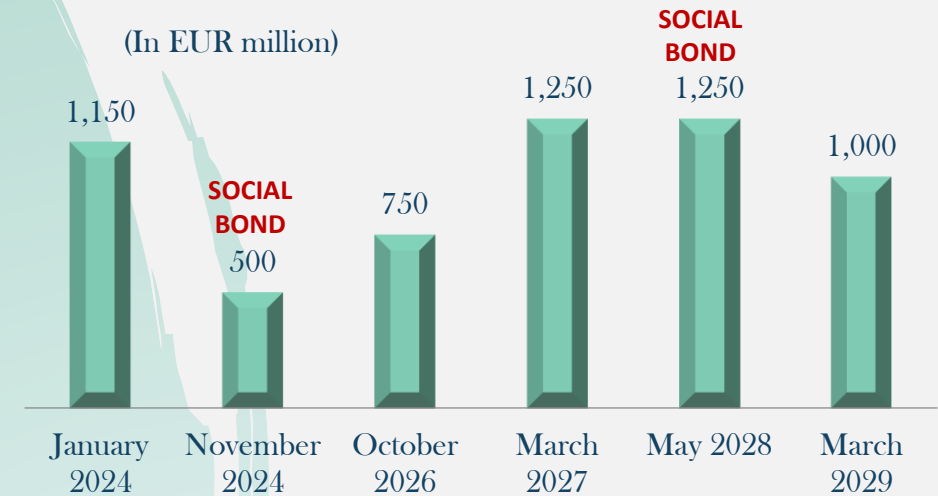
OAT +39 bps

Midswaps -11 bps

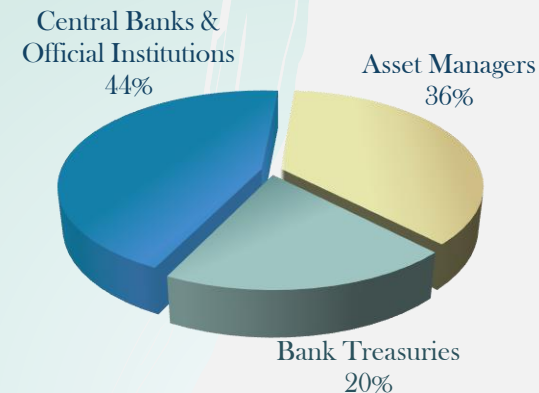
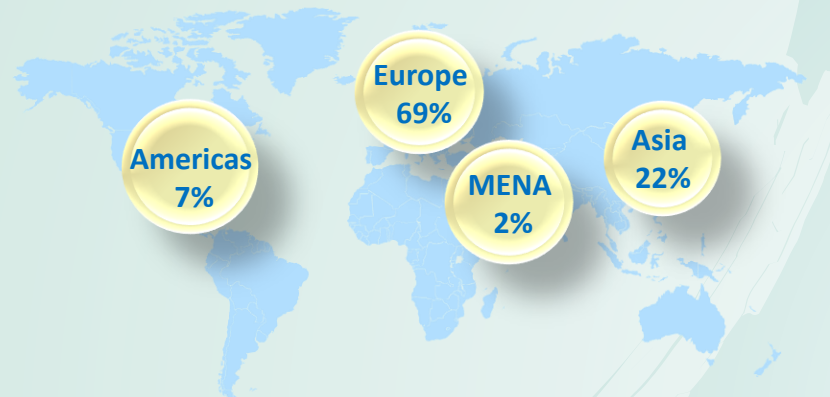


Building a curve since 2016...

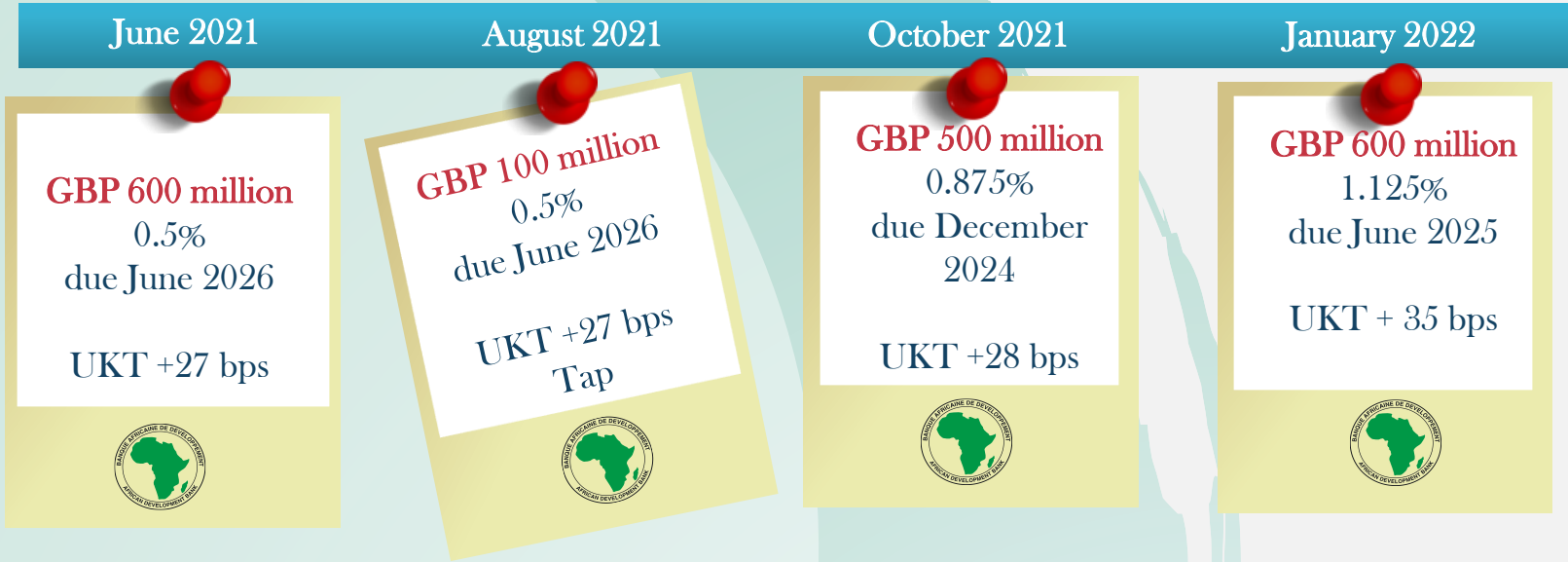
Close to EUR 6 billion in outstanding benchmarks



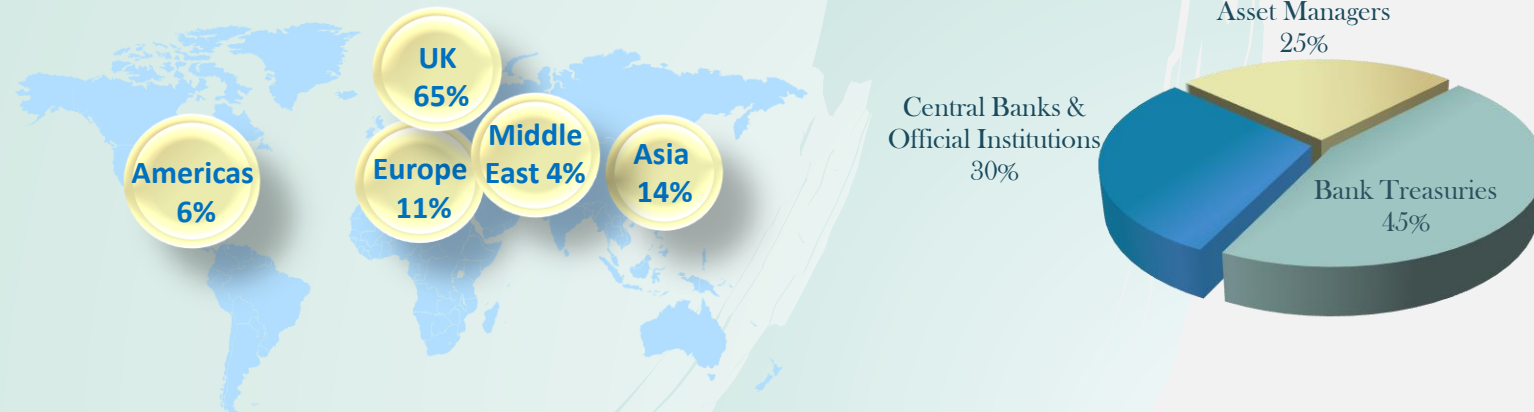
Attracting new investors...



Re-engaging with the Sterling market




Expanding its investor network...



From Nigeria to Australia: scouring the world for cost-effective funding


More than AUD 4 billion in outstanding Kangaroos

January 2022



AUD 300 million
4% Kangaroo due
Jan 2025_Tap
BBSW+8bps

April 2022



AUD 155 million
3.545% Social
Kangaroo due
Oct 2032
BBSW+36bps



Selected private placements issued in 2022

\$1.2 billion of Private Placements and uridashi issued in 2021, representing 13% of borrowings



HKD
200 million



BRL
1.03 billion



INR
439 million



RUB
2.5 billion



ZAR
185 million



NGN
6.25 billion



CNH
440 million



Sustainably Green

\$2.8 billion raised through 11 green bond transactions since 2013



- Greenfield renewable energy
- Vehicle energy efficiency
- Demand-side brownfield and greenfield energy efficiency
- Biosphere conservation projects
- Water supply and access
- Solid waste management
- Urban development

SRI investors

Blackrock, California State Teachers Retirement System, Calvert IM, Brown Advisory, Nordea IM, SEB AM, Storebrand, Pictet AM, Affirmative IM, Amundi, City of Chicago, Praxis Impact Fund, AP2, AP3, AP4, TIAA-CREF, Trillium AM, Alliance Bernstein, APG, PGGM, Syntus Achmea, Zurich Insurance



AfDB green bonds contributing to 43 million tons of CO₂ emission reduction (as of 31 December 2021)

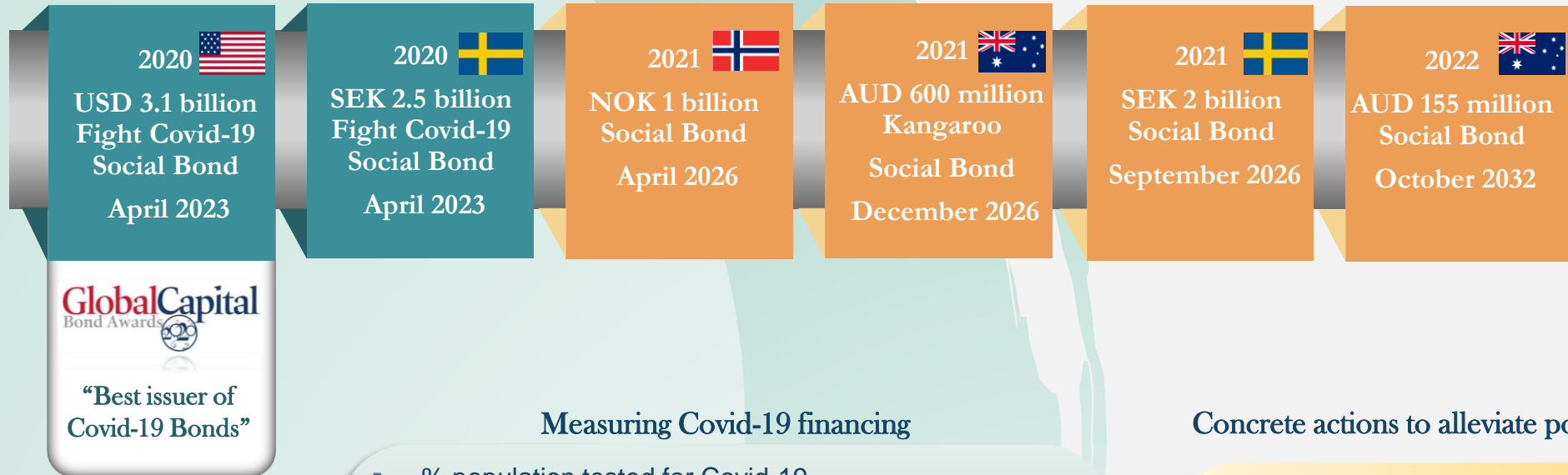
Country Selected Green projects

| | |
|--------------|---|
| Tunisia | Project to develop and equip the Power and Transmission Grid (PAERTE) |
| Burkina Faso | "Desert to Power Initiative" - Yeleen Solar Plant Development and National Electricity System Strengthening Project |
| Senegal | Water Valorisation for Value Chains Development Project |
| Benin | Support Project for Cotonou Stormwater Drainage Programme (PAPC) |
| Rwanda | Muvumba Multipurpose Water Resources Development Program |

A credible and transparent Green Bond framework to finance climate change mitigation and adaptation projects

Impactfully financing inclusive growth

\$6.5 billion raised through 8 social bonds transactions since 2017



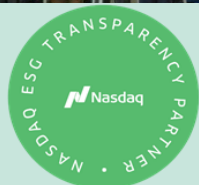
Measuring Covid-19 financing

- % population tested for Covid-19
- Number of healthcare facilities with isolation capacity and equipment
- % population covered with medical insurance
- Number of additional health personnel recruited
- Increase in number of ventilators
- Number of intensive care unit beds provided
- Number of households benefiting from cash transfers or waved utility bills
- Number of SMEs protected through tax relief
- Number of jobs created and/or protected through business relief initiative

Concrete actions to alleviate poverty

- Water supply and sanitation
- Agriculture and food security
- Job creation
- Education and vocational training
- Electricity distribution
- Information and communication technology
- Healthcare
- Gender

Inaugural listing
on London Stock
Exchange



“Copyright, Nasdaq 2021”

High 5s success in Japan

社会的責任投資

Private placements and Uridashi issued to satisfy specific investor demand

Attractive funding levels to mitigate overall cost of funds

Theme bonds to meet Japanese investors appetite for ESG investments

13 thematic bonds linked to the High 5s issued in 2022



Partnership to promote ESG investments



NZD 26 million due August 2031
“Light up and Power Africa”



EUR 70 million due February 2037
“Feed Africa”



ZAR 75 million due March 2025
“Industrialize Africa”



BRL 50 million due March 2024
“Integrate Africa”



MXN 21 million due May 2026
“Improve the Quality of Life for the People of Africa”

\$290 million issued under the High 5s in 2022



Harnessing the full potential of Africa's capital markets

Expanding the Bank's African lending currencies



**AFRICAN
FINANCIAL
MARKETS
INITIATIVE**

Grow liquid and effective capital markets

**African Financial Markets
Initiative contributing to local debt
markets' growth**

**Improving access to
market finance for African
enterprises**

Bloomberg®
African
Domestic
Bond Index

African
Domestic
Bond Fund

African Financial
Markets
Database

Advise
governments,
stock exchanges
and regulators
on development
of liquid capital
markets

Invest directly in
capital markets
to increase
liquidity

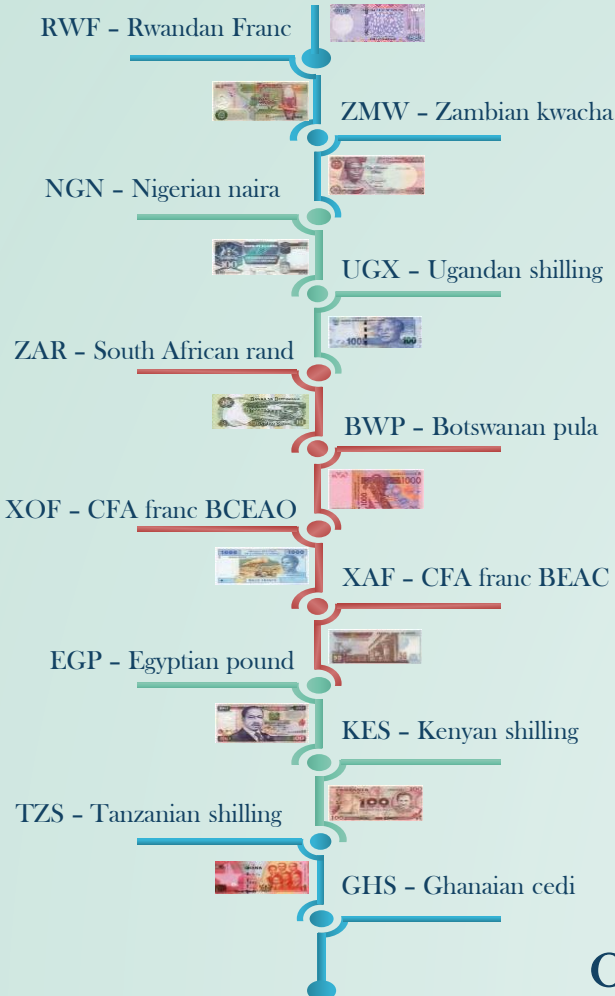
Composed of
local currency
government bonds of
South Africa, Egypt,
Nigeria, Kenya,
Namibia, Botswana,
Ghana and Zambia

Exchange
Traded Fund
investing in
African local
currency bond
markets

Leading source
of information
on African bond
markets covering
43 countries

Approved local issuance programs

ZMW 160 million MTN program
NGN 160 billion MTN program
UGX 125 billion MTN program
BWP 5 billion MTN program
ZAR 20 billion inward listing program



Offering African currencies for sustainable private sector development





Appendix

AfDB Balance Sheet highlights (UA million)

| Year ended 31 December | 2021 | 2020 | 2019 | 2018 | 2017 |
|--|------------------|------------------|------------------|------------------|------------------|
| Cash | 3,303.14 | 2,332.19 | 2,132.92 | 2,063.74 | 1,173.10 |
| Demand Obligations | 1.14 | 3.82 | 3.80 | 3.80 | 3.80 |
| Treasury Investments | 9,793.90 | 8,825.82 | 10,322.50 | 10,478.80 | 11,521.07 |
| Derivative Assets | 825.94 | 1,544.55 | 1,071.40 | 655.43 | 717.02 |
| Non-Negotiable Instruments on Account of Capital | - | - | - | 0.02 | 0.08 |
| Accounts Receivable | 1,178.23 | 590.77 | 676.30 | 680.37 | 594.97 |
| Outstanding Loans | 20,102.39 | 21,343.23 | 19,821.19 | 18,891.53 | 17,818.24 |
| Hedged Loans – Fair Value Adjustment | 48.52 | 163.78 | 115.86 | 53.42 | 54.45 |
| Accumulated provision for loan losses | (559.57) | (497.41) | (454.94) | (391.95) | (184.59) |
| Equity Participations | 983.20 | 937.27 | 1,001.32 | 848.70 | 781.22 |
| Other Securities | - | - | - | - | - |
| Other Assets | 88.75 | 104.67 | 98.77 | 94.77 | 96.37 |
| Total Assets | 36,325.22 | 35,348.69 | 35,244.06 | 33,770.59 | 32,575.73 |
| Liabilities, Capital and Reserves | | | | | |
| Accounts Payable | 1,105.92 | 1,544.26 | 1,760.08 | 1,550.66 | 1,255.59 |
| Derivative Liabilities | 949.00 | 923.72 | 643.15 | 1,044.29 | 1,051.63 |
| Borrowings | 25,115.71 | 25,090.10 | 25,466.87 | 23,989.86 | 23,175.69 |
| Capital Subscriptions Paid | 5,710.57 | 5,081.21 | 4,725.17 | 4,535.26 | 4,268.81 |
| Cumulative exchange adjustment on subscriptions | (155.84) | (148.21) | (148.45) | (156.14) | (158.04) |
| Reserves | 3,151.19 | 2,857.61 | 2,797.24 | 2,806.65 | 2,982.05 |
| Total Liabilities, Capital and Reserves | 36,325.22 | 35,348.69 | 35,244.06 | 33,770.59 | 32,575.73 |

1 UA = 1 SDR = 1.42413 (2017) ; 1.39079 (2018) ; 1.38283 (2019) ; 1.44027 (2020) ; 1.39958 (2021)



AfDB Income Statement (UA million)

| Year ended 31 December | 2021 | 2020 | 2019 | 2018 | 2017 |
|---|--------------|---------------|--------------|--------------|---------------|
| Operational Income and Expenses | | | | | |
| Income from Loans and related derivatives | 348.24 | 460.62 | 650.20 | 596.89 | 459.29 |
| Income from Investments and related derivatives | 129.34 | 181.44 | 263.20 | 240.07 | 195.04 |
| Income from Other Securities | 5.53 | 2.90 | - | 0.04 | 2.15 |
| Total income from Loans and Investments | 506.97 | 660.21 | 920.50 | 847.57 | 665.76 |
| Interest and amortized issuance costs | (393.78) | (501.12) | (524.06) | (489.95) | (428.92) |
| Net interest on borrowing-related derivatives | 322.73 | 248.18 | 47.95 | 56.88 | 154.02 |
| Unrealized gains/(losses) on borrowings, related derivatives and others | (111.21) | 63.17 | (7.15) | (35.14) | 48.13 |
| Provision for Impairment on Loan Principal and Charges Receivable | (24.97) | (59.86) | (112.88) | (76.84) | (16.97) |
| Provision for Impairment on Equity Investments | (0.26) | (1.71) | 0.40 | 0.39 | (0.02) |
| Provision for Impairment on Investments | (0.07) | (0.04) | 0.02 | (0.04) | - |
| Translation Gains/(Losses) | (1.48) | (23.18) | 8.13 | 6.41 | (1.45) |
| Other Income | 13.43 | 8.60 | 9.50 | 6.90 | 3.61 |
| Net Operational Income | 311.21 | 394.52 | 341.56 | 316.53 | 426.46 |
| Administrative Expenses | (174.55) | (158.41) | (179.34) | (165.71) | (147.77) |
| Depreciation - Property, Equipment and Intangible Assets | (32.75) | (33.16) | (27.62) | (17.93) | (15.22) |
| Sundry (Expenses)/Income | (7.36) | (4.55) | (8.43) | (8.21) | (5.04) |
| Total Other Expenses | (214.66) | (196.12) | (215.39) | (191.85) | (168.03) |
| Income before Distributions Approved by the Board of Governors | 96.55 | 198.40 | 126.17 | 124.68 | 258.43 |
| Distributions of Income Approved by the Board of Governors | (55.00) | (59.00) | (74.00) | (83.00) | (82.00) |
| Net Income for the Year | 41.55 | 139.40 | 52.17 | 41.68 | 176.43 |

1 UA = 1 SDR = 1.42413 (2017) ; 1.39079 (2018) ; 1.38283 (2019) ; 1.44027 (2020) ; 1.39958 (2021)



Disclaimer

This presentation has been prepared by the African Development Bank (“AfDB”) for information purposes only. Any opinions expressed in this presentation reflect the judgment of AfDB at the date and time hereof and are subject to change without notice and AfDB has no obligation to inform any recipient when opinions or information in this presentation change.

The AfDB makes no representation, warranty or assurance of any kind, express or implied, as to the accuracy or completeness of any of the information contained herein. This presentation is not an offer for sale, or a solicitation of an offer to buy, any notes or other securities of AfDB. It does not take into account the particular investment objectives, financial situations, or needs of individual investors. The price and value of the investments referred to in this presentation may fluctuate. Past performance is not a guide to future performance and future returns are not guaranteed. Under no circumstances shall AfDB be liable for any loss, damage, liability or expense incurred or suffered which is claimed to have resulted from use of these materials, including without limitation any direct, indirect, special or consequential damages, even if AfDB has been advised of the possibility of such damages.

Each recipient of this presentation is deemed to acknowledge that this presentation is a proprietary document of AfDB. All content (including, without limitation, the graphics, icons, and overall appearance of the presentation and its content) are the property of the AfDB. The AfDB does not waive any of its proprietary rights therein including, but not limited to, copyrights, trademarks and other intellectual property rights.