IFC PARTNERSHIP WITH PORTUGAL
IFC: A MEMBER OF THE WORLD BANK GROUP

<table>
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<tr>
<th>Year Established</th>
<th>Role</th>
<th>Clients</th>
<th>Products</th>
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- **IFC (International Finance Corporation)**
  - Role: To promote private sector development
  - Clients: Private companies in member countries
  - Products: Investment through Loan, Equity, and Quasi-Equity, Resource Mobilization, Advisory Services

- **IBRD (International Bank for Reconstruction and Development)**
  - Role: To promote institutional, legal and regulatory reform
  - Clients: Governments of member countries with per capita income between US$1,025 and US$6,055
  - Products: Technical assistance, Loans, Policy Advice

- **IDA (International Development Association)**
  - Role: To promote institutional, legal and regulatory reform
  - Clients: Governments of poorest countries with per capita income of less than US$1,025
  - Products: Technical assistance, Interest Free Loans, Policy Advice

- **MIGA (Multilateral Investment Guarantee Agency)**
  - Role: To reduce political investment risk
  - Clients: Foreign investors in member countries
  - Products: Political Risk Insurance

- **ICSID (International Centre for Settlement of Investment Disputes)**
  - Role: To settle international investment disputes
  - Clients: Member States and their nationals/investors
  - Products: Conciliation, arbitration, mediations and fact-finding proceedings

**Shared Mission: To Promote Economic Development and Reduce Poverty**
• A member of the World Bank Group
• AAA credit rating
• Over 60-year history in Emerging Markets (EM)
• Largest Global development institution focused exclusively on the private sector in emerging markets
• A global institution, now owned by 184 member countries
• More than 100 regional offices

~2,000 Private Sector Clients
Global Presence in Over 100 Countries
A Network of Over 900 Financial Institutions
Creating Opportunity Where It’s Needed Most

Product Areas: Integrated Solutions, Increased Impact

1. **Investment**
   - Competitive Long-term Financing Solutions
     - Loans
     - Equity
     - Trade and Supply Chain Finance
     - Syndications
     - Derivative and Structured Finance
     - Blended Finance

2. **Advice**
   - Innovative Solutions Combining IFC’s Expertise and Tools to
     - Help Create New Markets
     - Unlock Investment Opportunities
     - Strengthen Clients’ Performance and Impact
     - Improve Environmental, Social, and Corporate Governance Standards

3. **IFC Asset Management Company**
   - Mobilization and management of capital for businesses in developing countries and frontier markets on behalf of institutional investors

Focus industries:
- Manufacturing, Agribusiness and Services
- Financial Institutions
- Infrastructure and Natural Resources
- Disruptive Technologies and Funds
FISCAL YEAR 2021 HIGHLIGHTS

$23.3 billion in long-term investment:
- $12.5 billion for IFC’s own account
- $10.8 billion mobilized

$64 billion committed portfolio

Advice: $244 million total: 54% of program in IDA countries, 32% in sub-Saharan Africa.
IFC’S PORTFOLIO WITH PORTUGUESE SPONSORS

US$278 million committed portfolio as of December 31, 2022

Exposure to Portuguese sponsors by Region
- Latin America & the Caribbean: 68%
- Sub-Saharan Africa: 32%

Exposure to Portuguese sponsors by Industry
- Manufacturing, Agribusiness, Services: 18%
- Financial Institutions Group: 82%

Selected Portuguese clients working with IFC
ARA TIENDAS

IFC SUPPORTED ARA TIENDAS DURING THE COVID-19 PANDEMIC FOLLOWING A FIRST PROJECT IN 2018

Company: Jeronimo Martins Colombia SAS (“Ara Tiendas”)
Sector: Retail
Country of incorporation: Portugal
Country of investment: Colombia

- Jeronimo Martins SGPS SA (“Jeronimo Martins”) is the leading food distributor in Portugal, with an annual revenue of €18.6 billion. It successfully entered Poland in 1995, becoming the leading retailer in just over a decade.
- US$93m loan in 2018: The financing consisted in a corporate loan to Ara tiendas, the Colombian subsidiary of Jeronimo Martins to fund its expected capex over the next 2 years, for expansion of its logistic and stores’ infrastructure Colombia.
- IFC investment: corporate A-loan of up to US$93 million equivalent in Colombian Pesos and a corporate A-loan of up to US$95 million equivalent in Colombian Pesos under IFC Real Sector COVID envelope.
- Commitment: June 2018 and July 2020.
- Long maturity in local currency: Local currency lending with long tenor to finance ramping up operations and with a countercyclical action, during the COVID-19 pandemic.
- De-risking: IFC’s strong knowledge and presence in Colombia are valuable as part of Jeronimo Martins first investment in Colombia.
- IFC global footprint: Industry expertise and knowledge sharing in the retail sector.
- Address essential needs during the COVID-19 lockdown, as Ara provides consumers with easy and convenient access to essential goods at affordable prices.
- Create job opportunities, including in frontier regions, for local communities and women.
- Develop frontier regions by financing the expansion of proximity discount stores in the local neighborhoods across the country, including frontier regions, and boost formality and tax generation.
- Provide quality products at very competitive price, thus helping in improving the living standards for the local population.
- Strengthen SME suppliers and local supply chain (vast majority of products sourced-produced locally).
- IFC’s appraisal considered the environmental and social risk and impacts management, labor and working conditions, resource efficiency and pollution prevention, and community health, safety and security. It included supplier’s quality audits, Life and Fire Safety audits of existing facilities and new stores, and planed reviews of the client’s Environment, Health and Safety capacity within two years, when project has reached 900 stores.

Sponsor
Project Description
IFC Investment
IFC’s Additionality
Development Impact
Env. & Social actions

Jeronimo Martins
Colombia SAS
100% ownership

US$93m A-loan in 2018 + US$95 m A-loan in 2020

Jeronimo Martins Colombia SAS

IFC

Jeronimo Martins

Ara. Alegria al mejor precio
# IFC’S VALUE ADD TO PORTUGUESE CLIENTS

**A long-term partnership perspective, providing clients important countercyclical financing when commercial banks cut back**

## Long-term & Patient
- Fixed/Floating Rates, Local Currencies
- Up to 15 year Loan Maturity
- Flexible Amortization Profile
- International Stamp of Approval, catalyst for other Investors and Lenders
- Equity Participation
- Capital Mobilization

## Regional Knowledge
- Extensive Local Office Network
- Local Transaction Experience
- Strong bank partnerships through client networks and B loan participants
- World Bank Synergies
- Joint Venture partnership management

## Country Risk Mitigation
- Government Relations
- Preferred Creditor Status
- Neutral Broker Role
- Reduced Risk of Expropriation, Breach of Contract, Convertibility
- World Bank Synergies
- Withholding Tax Benefit

## Global Sector Expertise
- 40+ Years of Sector Expertise
- Group of Industry Specialists in the Agribusiness and Forestry sector
- Greenfield
- Expansion/Modernization
- Corporate Strategy
- Access to International Investors

## Env. & Social Risk Management
- Advice on Environmental & Social Best Practices
- Energy & Water Use Management
- Cleaner Technologies
- Equator Principles Modeled after IFC Standards
- Local Consultation and Disclosure

## Sustainability Toolkit
- Supply Chain strengthening: supporting productivity & farmer income
- Environmental/ Social Standards
- Corporate Governance
- Community Investment

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[IFC Logo] Creating Markets, Creating Opportunities
THANK YOU

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