



**Minutes of the Meeting of the Board of Directors of the
Asian Infrastructure Investment Bank
held on December 10-12, 2019**

Present:

Chair:

JIN Liqun, President

Directors:

Adel AL HOSANI* (Alrasheed)
Mehmet Alper BATUR
Philippe O'QUIN
Grigory BUTRIN
Sameer Kumar KHARE
Thirong PEN* (Suminto)
Chang HUH
Md Shahriar Kader SIDDIKY* (Joven)
Christopher LEGG
Emil LEVENDOĞLU
Katharine RECHICO*** (Samson)
ZHANG Wencai

Alternate Directors:

Khaled Mohammed AL-SUWAIDI (Alrasheed)**
Muhammad Aslam CHAUDHARY(Batur)
Cansel Şermet KILINÇASLAN (Batur) ***
Alberto COGLIATI (O'Quin)
Fabrizio COSTA (O'Quin)***
Birgit REICHENSTEIN (O'Quin)
Nurlan SHOKBABAYEV (Butrin)
Prasanna SALIAN (Khare)
Moe Thuzar WIN (Suminto)***
Marc LUBAN (Huh)***
Shari Ahmad SHAHARUDDIN (Joven)***
Khuong Thanh HA (Legg)
Paul Sverre Siljan THARALDSEN (Levendoglu)**
Maja SVERDRUP(Levendoglu) ***
Anchela NADARAJAH (Samson)***
CHANG Junhong (ZHANG)**
YANG Weifeng (ZHANG)***

* Alternate Director acting as Director for the duration of the meeting

** Alternate Director acting as Director for one or more agenda items

*** Temporary Alternate Director

Staff Participating

Danny ALEXANDER, Vice President and Corporate Secretary
Thierry DE LONGUEMAR, Vice President and Chief Financial Officer
D.J. PANDIAN, Vice President and Chief Investment Officer
Joachim VON AMSBERG, Vice President – Policy and Strategy
Luky WURYANTO, Vice President and Chief Administrative Officer
Gerard SANDERS, General Counsel
Martin KIMMIG, Chief Risk Officer
Konstantin LIMITOVSKIY, Chief Programming Officer and Senior Advisor to the President

F. Belitz, O. Burnage, S. Cho, A. Cross, E. Dilekli, O. Dyakova, K. Fang, E. Hartwick, P. Lam, D. Lee, B. Lim, S. Lintner, D. Nardelli, L. Ostfield, Y. Pang, C. Quek, I. Rossignol, H. Sharif, S. Shin, S. Teravaninthorn, T. Walenta, Q. Zheng

External Members of Audit and Risk Committee attending for agenda items one, two, three, four and five. J. ENGSTROM, C. MAH. The Chair of the Board did not participate in the discussion on item 4.

Update from the Committee Chairs

1. The Board of Directors received and discussed updates from the Chairs of the Audit and Risk Committee, the Budget and Human Resources Committee and the Policy and Strategy Committee.

Progress Report from Management

2. The Board of Directors received and discussed updates on the Bank's 2019 Business Plan and Budget progress, financial activities, risk reporting, and the Board of Directors' indicative workplan.

Update on Human Resources

3. The Board of Directors received and discussed an update on Human Resources.

Rules for the Election of the President

4. The Board of Directors considered the draft Rules for the Election of the President and recommended the submission of the draft resolution on the draft Rules to the Board of Governors for adoption.

Extension of the Deadlines for Ratification and Accession

5. The Board of Directors considered the draft Report on Extending the Deadlines for Accession to AIB and Ratification of its Articles of Agreement and recommended the submission of the related draft resolutions, as amended during the meeting, to the Board of Governors for adoption.

Update from the CEI Unit

6. The Board of Directors received and discussed an update from the Managing Director, CEI Unit.

Environmental and Social Policy Review Plan

7. The Board of Directors received and discussed the Environmental and Social Policy Review Plan.

Executive Session

8. The Board of Directors held an Executive Session.

2020 Business Plan and Budget

9. The Board of Directors considered the President's Memorandum and approved:
 - 1) the proposed 2020 business plan as reflected in the Milestones, Key Actions, and Key Business Indicators;
 - 2) the proposed administrative budget and capital budget;
 - 3) the proposed change to the Policy on Compensation and Benefits.

Multilateral Cooperation Center for Development Finance

10. The Board of Directors was updated on progress of the Multilateral Cooperation Center for Development Finance and agreed to the next preparatory steps being taken, prior to a future decision on any role for AIIB in the MCDF next year.

Corporate Strategy Outline

11. The Board of Directors received and discussed the Corporate Strategy Outline.

Annual Report on the Implementation of the Policy on Public Information

12. The Board of Directors received and discussed the Annual Report on the Implementation of the Policy on Public Information.

Risk Appetite Statement and Report on Stress Testing

13. The Board of Directors supported the Risk Appetite Statement 2020 Update and approved its top-down allocation of risk.

Review of Loan Pricing

14. The Board of Directors considered the annual review of loan pricing and approved the Recommendation in the President's Memorandum.

Revision of Financial and Risk Management Policy

15. The Board of Directors considered and approved the proposed Revision to the Financial and Risk Management Policy.

2020 Borrowing Authority

16. The Board of Directors considered and approved the 2020 Borrowing Authority.

Strategy on Digital Infrastructure

17. The Board of Directors received and discussed the draft Strategy on Digital Infrastructure.

Investment Operations Quarterly Monitoring Report

18. The Board of Directors received and discussed the Investment Operations Quarterly Monitoring Report.

Investment Pipeline Update

19. The Board of Directors received and discussed update on the Investment Pipeline.

Consideration of Investment Projects

20. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Republic of India for the West Bengal

Major Irrigation and Flood Management (Project Number 000054) and approved the proposed USD145 million loan as recommended.

21. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Russian Federation, for the Russian Federation Transport Sector Investment Loan (Project Number 000290) and approved the proposed USD500 million loan as recommended.
22. The Board of Directors considered the President's Memorandum and Recommendation on a proposed commitment into the CITIC Capital Pan Eurasia Fund (Project Number 000217) and approved the proposed USD75 million investment and the USD50 million co-investment sleeve as recommended.
23. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to Nepal for the Nepal Distribution System Upgrade and Expansion (Project Number 000086) and approved the proposed USD 112.3 million loan as recommended.
24. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Zhanatas Wind-Power Station LLP for the 100-Megawatt Wind Power Project in Southern Kazakhstan (Project Number 000225) and approved the proposed USD 46.7 million loan as recommended.
25. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the People's Republic of China, for the Beijing-Tianjin-Hebei Low Carbon Energy Transition and Air Quality Improvement Project (Project Number 000323) and approved the proposed USD500 million loan as recommended.
26. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Republic of Turkey, for the Istanbul Seismic Risk Mitigation and Emergency Preparedness Project (Project Number 000319) and approved the proposed USD300 million loan as recommended.
27. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Republic of Uzbekistan for the Uzbekistan Prosperous Villages Project (Project Number 000328) and approved the proposed USD82 million loan as recommended.
28. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the National bank of Egypt, for the National Bank of Egypt On-Lending Facility for Infrastructure (Project Number 000258) and approved the proposed USD150 million loan as recommended.

The following item(s) have been approved on an Absence of Objection Basis between November 12, 2019 and December 12, 2019

1. The Board of Directors recorded its approval of the appointment of Director Suminto to the Audit and Risk Committee and the Budget and Human Resources Committee for the remainder of the term of the Board of Directors on December 9, 2019.