WHO WE ARE
A Multilateral Development Bank (MDB) established by international treaty and headquartered in Beijing. AIIB was founded to address Asia’s infrastructure funding needs.

OUR MISSION
To improve economic and social development in Asia, through a focus on:
- Sustainable Infrastructure
  Helping members meet their environmental and development goals, especially in relation to the UN’s Sustainable Development Goals.
- Cross-border Connectivity
  Prioritizing cross-border infrastructure, ranging from roads and rail to airports, energy pipelines, ports and telecommunications networks.
- Private Capital Mobilization
  Devising innovative solutions to crowd in private capital, alongside MDBs and other partners, such as via cofinancings.

AAA CREDIT STRENGTH
- USD100 billion capital stock, with USD20 billion paid-in capital.
- Exceptional capital commitment from diverse shareholder base.
- Strong governance and risk management framework.
- Extremely sound financial profile.
- Very high projected liquidity position, expected to remain exceedingly liquid over the coming years.
- Very high strength of member support – via size of callable capital.
- Preferred creditor treatment.
- BIS 0% risk weighting & HQLA 1 status.

OWNERSHIP
102 approved members as shareholders. Enjoys the same general status, immunities and privileges granted to fellow MDBs. Seven largest shareholders are China, India, Russia, Germany, Korea, Australia and France. 90% of members are rated investment grade.

SUSTAINABILITY AT THE HEART OF AIIB
AIIB’s Environmental and Social Framework (ESF) is the cornerstone of its commitment to supporting environmentally and socially sustainable infrastructure projects. AIIB’s financial resources are directed to support sustainable economic and social development in Asia. It is part of our mission to help our members address their commitments to the Sustainable Development Goals (SDGs) and to achieve their nationally determined contributions under the Paris Agreement.

AIIB has chosen to reflect its sustainable nature in the Use of Proceeds language it has adopted for all borrowings, which references its mandate and adherence throughout the investments it supports to the Environmental and Social Policy (ESP). The ESP contains the procedures for addressing environmental and social issues in the preparation and implementation of Bank-supported investments and includes three Environmental and Social Standards – ESS 1, Environmental and Social Assessment and Management; ESS 2, Involuntary Resettlement; and ESS 3, Indigenous Peoples – and an Environmental and Social Exclusion List.

AIIB screens and categorizes each proposed project based on its environmental and social risks and impacts; requires environmental and social assessments; identifies actions to avoid, minimize, mitigate and/or offset impacts; and includes provisions for disclosure of information and public consultation. Every project has a Grievance Redress Mechanism accessible to the general public.

ESG RATINGS
AIIB has received ESG ratings by three rating agencies based on industry-specific social, environmental and governance (ESG) criteria. The Bank was assigned a “C+(Prime)” rating by ISS ESG, a score of 66 (Average Performer) out of 100 points by Sustainalytics, and a score of 51 (Robust) out of 100 points by Vigeo Eiris.

SUSTAINABLE FINANCING THEMES
Our funding of sustainable infrastructure finance is demonstrated by our investment in projects related to mitigation of the impact of climate change, climate adaptation and other environmental objectives.

Download AIIB’s ESG rating by ISS-ESG here.

April, 2020
LENDING ACTIVITIES

- Investments are made via sovereign and nonsovereign loans, equity participations and guarantees.
- No country, sector or regional strategy favors one type of project or member/region over the other. Our conservative investment approval process helps to ensure that projects are financially viable and incorporate AIIB’s commitment to sound environmental and social business practices.
- Over the coming two years, AIIB expects investments in the Energy and Transport sectors to represent between 60 and 70% of its total new exposure.
- AIIB will continue to cofinance projects with other lenders in addition to expanding its standalone portfolio.
- The loan book is forecast to reach USD327.7 billion by 2027.

AIIB IN THE CAPITAL MARKETS

AIIB’s goal is to optimize borrowing costs over the medium to long term, in line with its investor-driven funding strategy. Issuance will be via a combination of USD Global benchmark bonds, Eurobonds and private placements in various markets. AIIB’s funding program is expected to be several billion USD Dollars per annum over the next several years of capital markets issuance. Funding needs are expected to rise gradually to reach circa USD10 billion per annum by the mid-2020s. Investor marketing initiatives are managed on an on-going basis. The Funding Team’s core objective is to be viewed as a flexible, transparent and responsive issuer, providing liquid public offerings and reverse-inquiry, tailor-made investment solutions.

AIIB BALANCE SHEET

(USD billions, as of December 31, 2019)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities &amp; Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans¹</td>
<td>Equity⁴</td>
</tr>
<tr>
<td>2.273</td>
<td>19.986</td>
</tr>
<tr>
<td>Investments²</td>
<td>Borrowings</td>
</tr>
<tr>
<td>19.555</td>
<td>2.557</td>
</tr>
<tr>
<td>Other³</td>
<td>Other</td>
</tr>
<tr>
<td>0.804</td>
<td>0.089</td>
</tr>
<tr>
<td>TOTAL</td>
<td>TOTAL</td>
</tr>
<tr>
<td>22.632</td>
<td>22.632</td>
</tr>
</tbody>
</table>

1. Loan disbursements at amortized cost: total amount of approved financings is USD13.45 billion (excluding B loans) as at April 3, 2020.
2. Cash and cash equivalents, term deposits and certificates of deposit, investments at fair value through profit or loss, and bond investments at amortized cost.
3. Paid-in capital receivables, funds deposited for cofinancing arrangements, derivative, intangible, and other assets.

PRUDENT RISK MANAGEMENT

AIIB’s risk management framework is made up of policies, directives and procedures to analyze, measure, monitor and report on a range of risks. Exposure to quantifiable risks is managed via several layers of risk limits. All risk is managed to defend, preserve and protect AIIB’s triple-A ratings.

Economic Capital (Ecap) is the core metric of risk appetite and management, ensuring sufficient capital is preserved. Capital adequacy is stress tested for extreme events, within a 99.99% confidence interval over a 10-day period.

Credit Risk is managed by sound credit assessment and loan monitoring. Treasury’s exposures are limited by minimum ratings thresholds for bank counterparties. 2-way CSAs will be used for risk mitigation.

Liquidity portfolio required to hold at least 40% of net cash requirements for the upcoming 36 months, and 100% of net cash needs for any upcoming 12-month period. Liquid asset and investment activity is conservatively monitored. Liquid assets must be held with counterparties rated at a minimum of single-A or better (<13 months A-1/P-1).

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