FACT SHEET

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

Financing Infrastructure for Tomorrow

- **Green Infrastructure**
  Helping members meet their environment and development goals, especially in relation to the UN’s Sustainable Development Goals.

- **Connectivity and Regional Cooperation**
  Prioritizing cross-border infrastructure, ranging from roads and railways to airports, energy pipelines, ports and telecom networks.

- **Technology-Enabled Infrastructure**
  Applying technology to deliver better value, quality, productivity, efficiency, resilience, sustainability, inclusion, transparency and better governance along the project cycle.

- **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 a 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.
- Basel Framework 0% risk weighting.

SUSTAINABILITY AT THE HEART OF AIIB

AIIB’s **Environmental and Social Framework (ESF)** is at the cornerstone of the Bank’s commitment to supporting environmentally and socially sustainable infrastructure projects. AIIB’s financial resources are directed to fund sustainable economic and social development in Asia. It is part of the Bank’s mission to help its 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 the Bank’s mandate and adherence to its Environmental and Social Policy (ESP) throughout the investments it supports. The ESP contains the procedures for addressing environmental and social issues in the preparation and implementation of AIIB-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 has provisions for disclosure of information and public consultation. Every project has a Grievance Redress Mechanism accessible to the general public.

SUSTAINABLE FINANCING THEMES

AIIB’s financing of sustainable infrastructure is demonstrated by our investment in projects related to the mitigation of the impact of climate change, climate adaptation and other environmental objectives.

AIIB has published its Sustainable Development Bond Framework, which presents a summary of the policies, strategies, processes, and mechanisms that govern AIIB’s commitment to sustainable financing activities.

ESG RATINGS

AIIB has received ESG ratings from three rating agencies based on industry-specific social, environmental and governance (ESG) criteria. The Bank was assigned a “Prime” rating by ISS ESG, 13.9 Low Risk by Sustainalytics and Advanced by Vigeo Eiris.
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 the energy and transport sectors to be core to its investment operations.
- AIIB will continue to cofinance projects with other lenders in addition to expanding its stand-alone portfolio.

AIIB IN THE CAPITAL MARKET

AIIB’s goal is to optimize borrowing costs over the medium to long term, in line with our 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 US Dollars per annum over the next several years of capital markets issuance. Funding needs are expected to rise gradually to reach circa USD15 billion per annum by the late 2020s. Investor marketing initiatives are managed on an ongoing basis. AIIB’s Funding Team’s core objective is to be viewed as a flexible, transparent and responsive issuer, providing liquid public offerings and reverse enquiry, tailor-made investment solutions.

AIIB BALANCE SHEET

(USD billions, as at September 30, 2023)

<table>
<thead>
<tr>
<th>Assets</th>
<th>Liabilities and Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Operations</td>
<td>22.581</td>
</tr>
<tr>
<td>Portfolio²</td>
<td>21.086</td>
</tr>
<tr>
<td>Treasury Liquidity</td>
<td>27.766</td>
</tr>
<tr>
<td>Portfolio²</td>
<td>29.321</td>
</tr>
<tr>
<td>Others³</td>
<td>2.702</td>
</tr>
<tr>
<td>Other Liabilities⁵</td>
<td>2.641</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>53.049</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>53.049</strong></td>
</tr>
</tbody>
</table>

1. Loan investments at amortized cost, bond investments at amortized cost (investment operations), investment in associate, investments at fair value through profit or loss (investment operations). Total amount of approved financings is USD44.238 billion as of September 30, 2023.
2. Cash and cash equivalents, term deposits and certificates of deposit, bond investments at amortized cost (treasury liquidity), and investments at fair value through profit or loss (treasury liquidity).
3. Paid-in capital receivables, funds deposited for cofinancing arrangements, derivative assets, intangible assets, property, plant, equipment, and other assets.
5. Derivative liabilities, prepaid paid-in capital, and other liabilities.

PRUDENT RISK MANAGEMENT

AIIB’s Risk Management Framework is composed 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 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. Two-way CSAs will be used for risk mitigation.

Liquidility portfolio is 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 are conservatively monitored. Liquid assets must be held with counterparties rated at a minimum of single-A or better (<13 months A-1/P-1).

DISCLAIMER

The information herein is provided for information purposes only, may not be reproduced or redistributed and does not constitute an offer to sell, or the solicitation of an offer to buy, any securities or any other product. Any forward-looking statements included herein are not guarantees of future performance. This information is current as of the date of its publication only and has not been updated since such date; AIIB expressly disclaims any intention or obligation to update or revise any such information. AIIB accepts no liability for any consequences, including loss, damage, liability or expense, that may arise from the use of this information.