

**New
Development
Bank**

Investor Presentation

April 2021



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Empowering Nations Through Innovation and Sustainability

1. OVERVIEW OF NDB
2. CREDIT STRENGTHS
3. LENDING ACTIVITIES
4. ENVIRONMENTAL AND SOCIAL COMMITMENT
5. BORROWING ACTIVITIES
6. FINANCIAL SUMMARY
7. ANNEXURE



1

OVERVIEW OF NDB

Who We Are

- ▶ NDB is a multilateral development bank established by BRICS¹ countries to mobilise resources for infrastructure and sustainable development projects
- ▶ The membership is open to members of the United Nations



HIGH CAPITALISATION

- High level of initial **authorised capital of US\$ 100bn** with initial **subscribed capital of US\$ 50bn** and **paid-in capital of US\$ 10bn²** places NDB amongst the largest MDBs globally



CREDIT STRENGTHS

- **AA+/AA+/AAA/AAA** long-term international credit rating with **stable outlook** from **S&P/Fitch/JCR³/ACRA⁴**
- **Conservative risk management and financial policies**
- Sound governance structure, led by a **highly experienced management team**
- **One of the highest ratios of paid-in capital to subscribed capital (20%)** and one of the largest commitments amongst all MDBs



INNOVATION AND SUSTAINABILITY

- **Support the development of financial markets in member states**, provide financing in both local and hard currencies and apply country systems
- **Sustainability is fundamental to the founding principles of NDB** and overlays everything we do



FLEXIBILITY

- Support of public and private projects through **loans, guarantees, equity participation and other financial instruments**

¹ Brazil, Russia, India, China and South Africa

² US\$ 8.1bn of paid-in capital has been received as of December 31, 2020

³ Japan Credit Rating Agency

⁴ Analytical Credit Rating Agency

Organising Principles and Distinguishing Features

1

Key institution in BRICS cooperative framework

- Established by BRICS to invest in infrastructure and sustainable development projects and promote financial cooperation among BRICS
- Central role in BRICS cooperative framework evident in strong political and financial support

2

Core mandate is infrastructure and sustainable development

- NDB focuses on high quality, financially viable and environmentally friendly infrastructure projects

3

Lean operations, partnership with other development institutions

- Cooperation with global, regional and national development institutions is a core operating principle
- Enhances development impact of NDB operations and enables NDB to maintain a lean operating profile

4

Full member support for maintaining a very strong financial profile

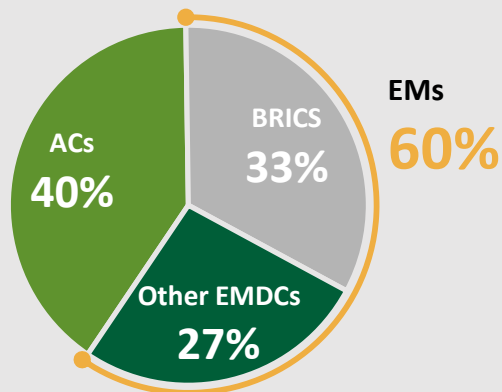
- Members fully committed to maintaining a very strong credit profile, equivalent to the strongest amongst NDB's peers
- Low leverage, rigorous project selection, conservative risk management policies and highly experienced management team are the key elements of NDB's business profile

Uniquely Positioned Multilateral Lender

BRICS as a key driver of the world economy faces a growing need for investment in infrastructure

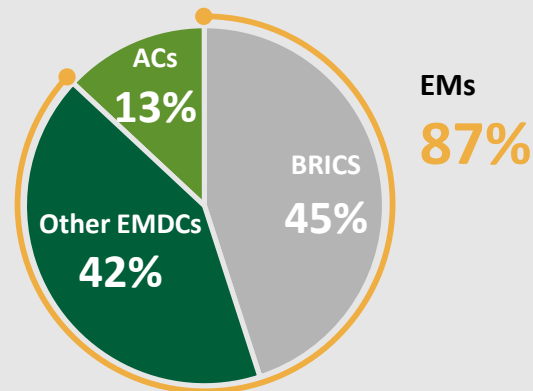
33%

OF TOTAL GLOBAL GDP



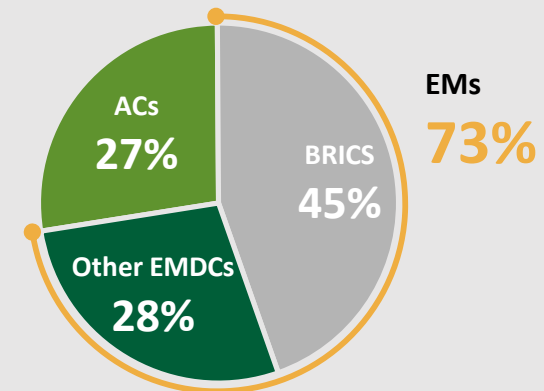
45%

OF TOTAL GLOBAL POPULATION



45%

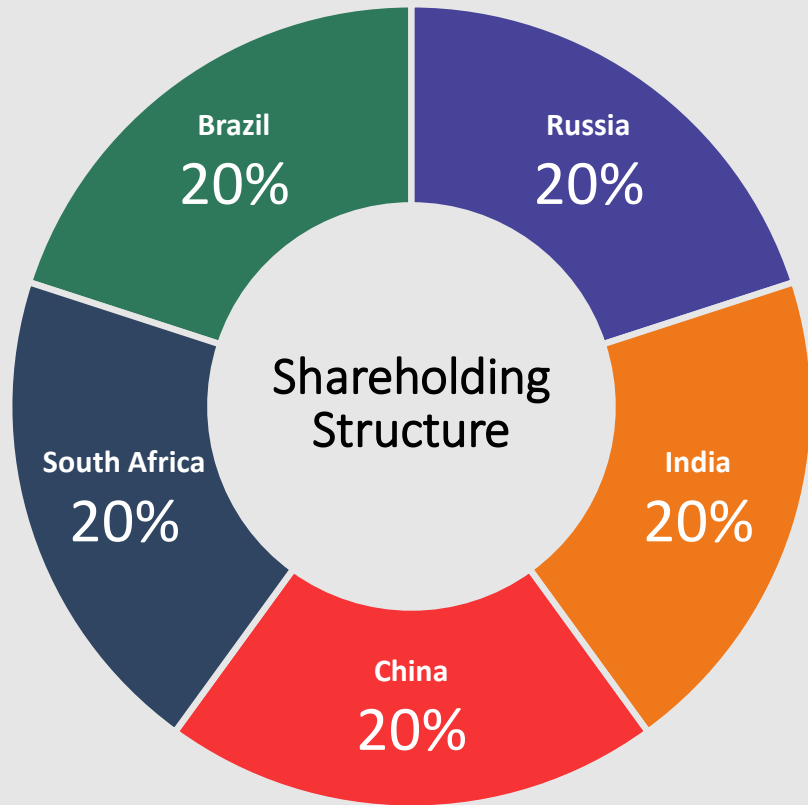
OF CONTRIBUTION TO GLOBAL GDP GROWTH



Note: ACs stands for Advanced Countries and EMDCs stands for Emerging market and developing countries according to the country classification of the IMF. The shares of global GDP and the contribution to global GDP growth are based on GDP in purchasing power parity (PPP) terms

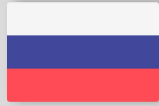
Source: IMF World Economic Outlook of April 2020 for GDP data and October 2019 for population data. Data may include IMF estimates and/or projections

Strong Shareholder Support and Long-Term Commitment



- **One of the highest ratios of paid-in capital to subscribed capital (20%)** and one of the largest commitments amongst all MDBs
- High commitment of member countries to NDB represents their **vested interest in the institution and a greater propensity to support NDB in times of distress**
- **Equal capital subscription amongst founding members**
- **No member holds veto power**
- **Preferential treatment in member countries with extensive immunities, privileges and exemptions**

Policy Mandate Represents a Concrete Avenue for BRICS Cooperation



November 17, 2020

Declaration of the Leaders of Brazil, Russia, India, China and South Africa at the 12th BRICS Summit, Moscow, Russia

- “We commend the NDB for providing financial resources to reduce human, social and economic losses caused by the coronavirus outbreak and to restore economic growth in the BRICS countries. We underscore timely measures taken by the NDB in order to combat the COVID-19 pandemic and its consequences embodied in the Emergency Assistance Program aimed to provide up to US\$ 10 billion for Emergency Loans to its member countries.
- We commend the NDB’s remarkable achievements made in the last 5 years and express our appreciation to the first President of the NDB Mr. Kundapur Vaman Kamath for his strong leadership in this institution during his tenure. We welcome Mr. Marcos Troyjo as the new President of the NDB and look forward to the Bank continuing its institutional development under his leadership. We welcome the opening of the NDB Eurasian Regional Center in Moscow – the third NDB regional office – and look forward to opening the NDB regional office in India next year.
- We support the NDB membership expansion process based on relevant decisions by the NDB Board of Governors. This will strengthen the NDB’s role as a global development finance institution and further contribute to the mobilization of resources for infrastructure and sustainable development projects in Bank’s member states. The process of expansion should be gradual and balanced in terms of geographic representation in its membership as well as supportive of the NDB’s goals of attaining the highest possible credit rating and institutional development. We welcome the launch of the formal negotiations with potential candidates based on these principles and work towards the timely expansion of NDB’s membership.”

EXISTING COOPERATIVE FRAMEWORK

BRICS Contingent Reserve Arrangement (CRA)

BRICS Annual Summit

New Development Bank

Strategy for BRICS Economic Partnership

BRICS Interbank Cooperation Mechanism

NDB Benefits from Strong and Tangible Stakeholder Support

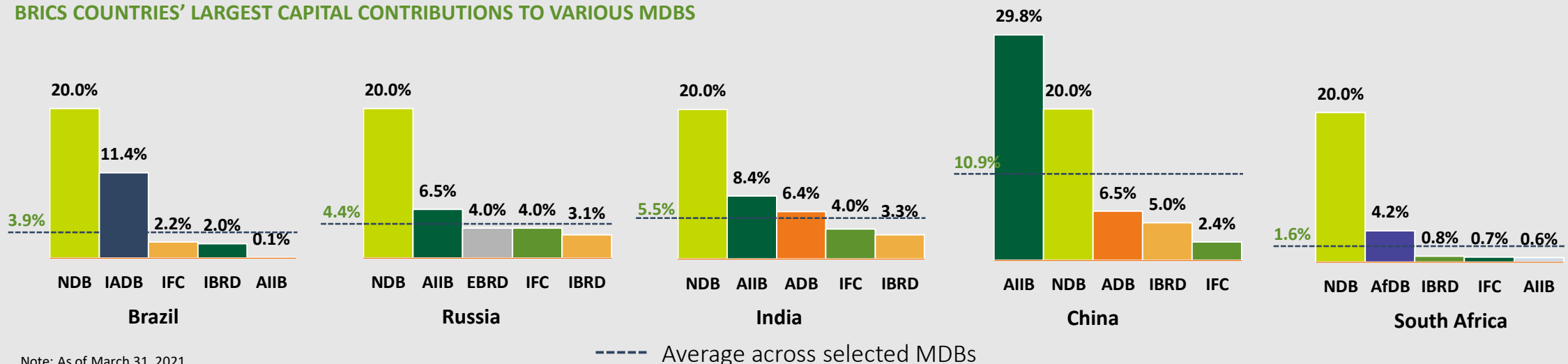
Preferred creditor status underpins preferential treatment on member countries' obligations to NDB

Articles of Agreement 31 (c)

To the extent necessary to carry out the purpose and functions of the Bank and subject to the provisions of this Agreement, all property and other assets of the bank shall be exempt from restrictions, regulations, controls and moratoria of any nature.

Member countries' commitment to NDB surpasses that to peer MDBs, representing their vested interest in the institution and a greater propensity to support NDB in times of distress

BRICS COUNTRIES' LARGEST CAPITAL CONTRIBUTIONS TO VARIOUS MDBS



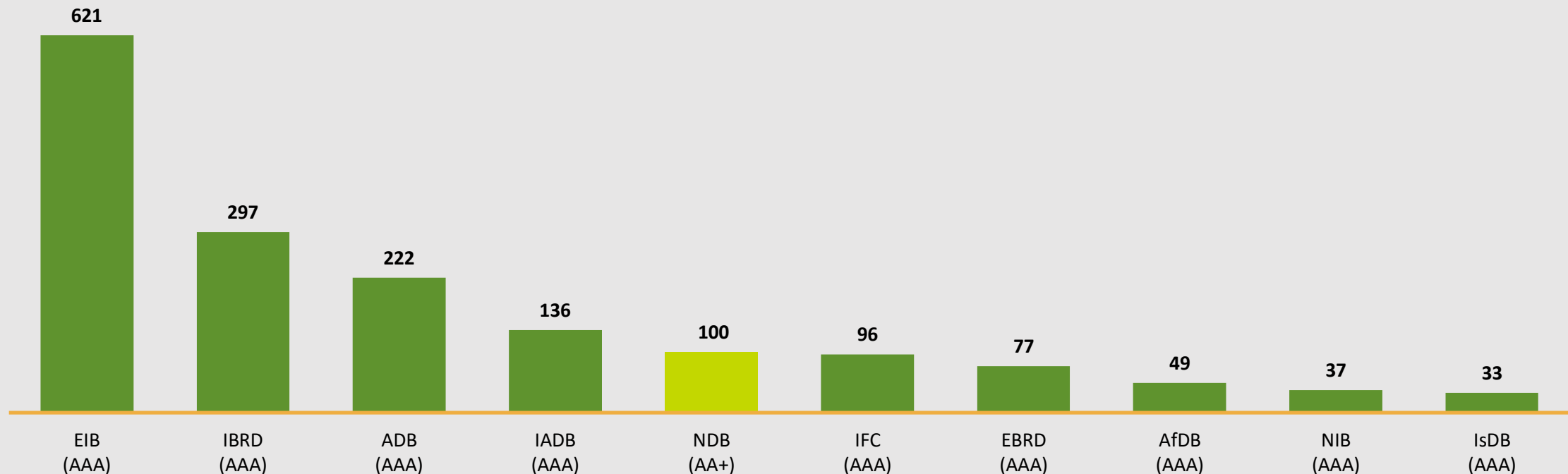
Note: As of March 31, 2021

Capital Endowment Places NDB Amongst the Largest MDBs Globally



With an initial authorized capital of US\$100bn, NDB is a significant resource for fostering development and increasing the economic competitiveness of its member countries

TOTAL ASSETS OF PEERS VERSUS AUTHORIZED CAPITAL OF NDB



Note: Numbers are presented in US\$ bn
Source: S&P Global Ratings "Supranationals Special Edition October 2020"

Key Milestones

- **AA+/AA+/AAA/AAA international credit ratings with a stable outlook** received from S&P/Fitch/JCR/ACRA
- **AAA China domestic ratings** received from two leading Chinese rating agencies, China Chengxin Credit Rating Co., Ltd. and China Lianhe Credit Rating Co., Ltd.

- **RMB Green Bond** issued in China in July 2016
- **RMB Bond Programme** registered in China in January 2019 and the 1st offering placed in February 2019
- **ZAR Bond Programme** registered in South Africa in April 2019
- **ECP Programme** established in April 2019 and the 1st offering placed in May 2019
- **RUB Bond Programme** registered in Russia in November 2019
- **EMTN Bond Programme** established in December 2019 and the 1st offering placed in June 2020
- **US\$ 8.1bn of paid-in capital** has been received¹

- **Partnerships** established with key global and national institutions, including EBRD, EIB, AIIB, EDB, IIB, CAF, the World Bank Group, ADB, etc.



- **Agreement on the NDB** signed in Fortaleza in July 2014 and entered into force in July 2015
- **Headquarters Agreement** with China and the MoU with the Shanghai Municipal People's Government signed in February 2016
- **Key governance, operational and risk policies and procedures** established covering all functional areas

- **73 investment projects in all member countries** for a total approved amount of **US\$ 28.5bn²**
- **Project Preparation Fund** contribution agreements signed with Russia, India and China

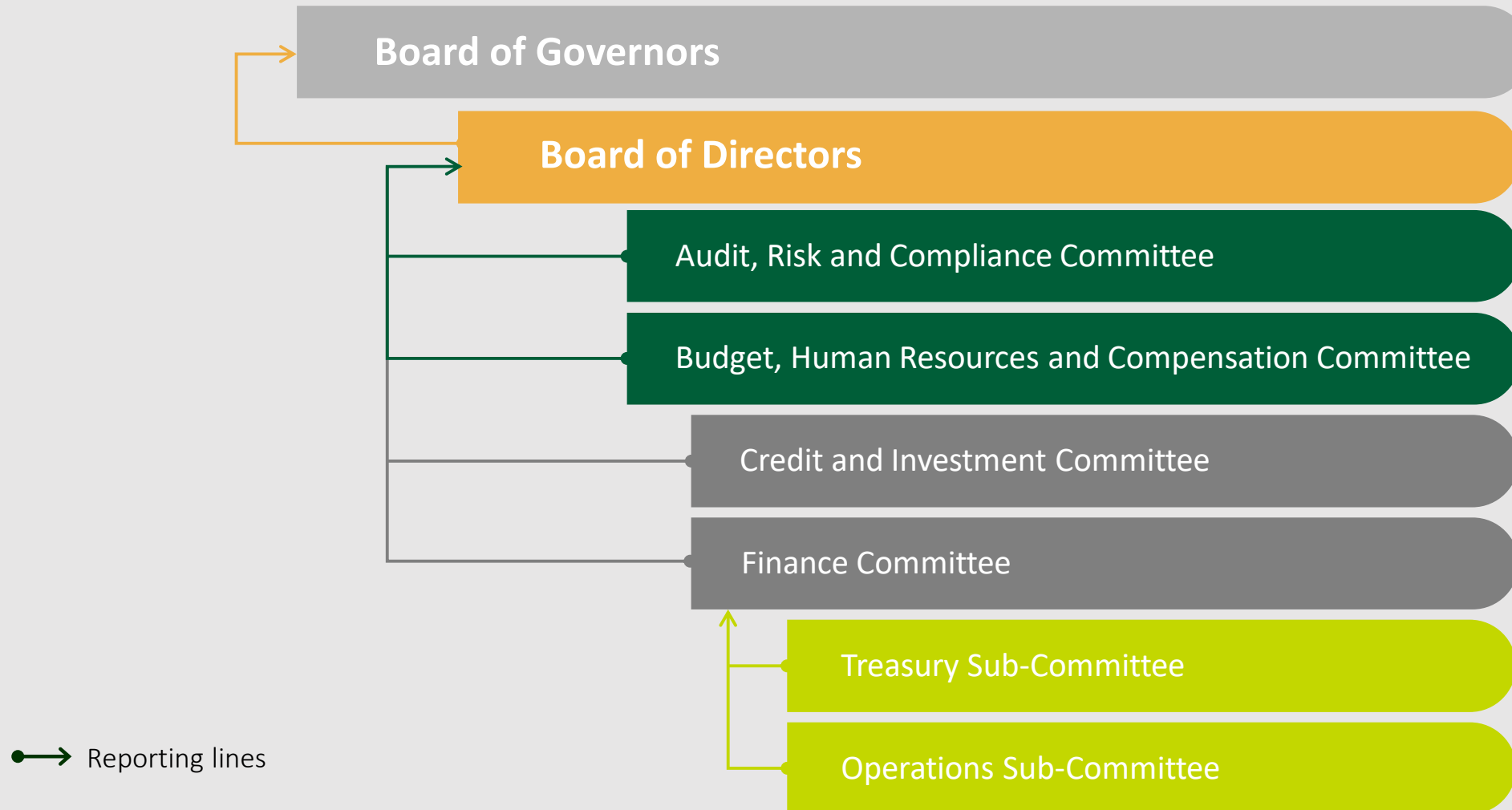
- **General Strategy** for 2017-2021 approved

- **Africa Regional Center** launched in Johannesburg, South Africa in August 2017
- **Terms, Conditions and Procedures for the Admission of New Member Countries** approved
- **Americas Regional Office** established in Sao Paulo, Brazil in November 2019
- **Eurasian Regional Center** opened in Moscow, Russia in October 2020

1. As of December 31, 2020. Paid-in capital of US\$ 10bn in 7 instalments, with the last payment due January 2022

2. As of April 2, 2021. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Governance Structure



Highly Experienced Management Team



President & Board Member
Mr. Marcos Troyjo

- Multi-layered career in government, business and academia. Actively involved in the public debate on economic development
- Served as Brazil's Deputy Minister of Economy and Special Secretary for Foreign Trade and International Affairs, represented the Brazilian Government in the boards of multilateral development institutions, was Chairman of Brazil's Commission on External Financing and National Investment Committee
- Co-founded and served as Director of the BRICLab at Columbia University. Lectured extensively at universities and research centers around the world and authored books on development, technology and global affairs
- Member of the World Economic Forum (WEF) Global Future Council on Responsive Financial Systems
- Economist and political scientist with a PhD and MSc in sociology of international relations from the University of Sao Paulo. Pursued postdoctoral studies at Columbia University. He is an alumnus of the Rio Branco Institute, the diplomatic academy of Brazil's Ministry of Foreign Affairs



- 25+ years of public and private sector experience
- Prior roles as Managing Director and President of Bank of America Merrill Lynch for Southern Africa, Vice Chairman of Barclays Capital and ABSA Capital
- Served as Special Advisor to the Minister of Labor of South Africa and as Deputy Director General in the Ministry of Public Enterprises
- Served as International Advisor to Goldman Sachs International



- Extensive experience (16y+) at World Bank and Asian Development Bank (ADB)
- Prior roles as Strategy and Operations Director at the World Bank for South Asia, responsible for South Asia Region's overall operations and portfolio management and Senior Advisor, Infrastructure Department, ADB
- Worked in various capacities in the Ministry of Finance of China
- Recipient of the Heinz Fellowship



- 38+ years of public sector experience at India's largest bank, State Bank of India (SBI)
- Served as Deputy Managing Director & CRO of SBI, was Deputy Managing Director & Chief General Manager of SBI Local Head Office in Chandigarh, India and CEO of SBI in Singapore
- Was a Council Member of Association of Banks in Singapore, a board member of IACPM, New York, Macquarie SBI Infrastructure Management Pte. Ltd. and Macquarie SBI Infrastructure Trustee Ltd.



- Extensive experience in the public sector and in the field of development finance
- Served in several senior roles in the Russian Ministry of Foreign Affairs and Presidential Executive Office
- Worked in executive position for the Russian National Development Bank (VEB) for 20 years and greatly contributed to the development of BRICS Interbank cooperation mechanism



2

Credit Strengths

Credit Ratings

| Rating Agency | Long-Term | Short-Term | Outlook | Rating Drivers |
|--------------------------------------------|-----------|------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| International Credit Ratings | | | | <ul style="list-style-type: none"> • Robust and solid capitalisation endowed with large subscribed paid-in capital and ample liquidity • Strong access to capital markets for fund raising • Extraordinary shareholders' support and commitment • Systemic importance to founding members • Sound and prudent risk management, reflecting the bank's self-imposed prudential rules • Very strong level of aggregated expertise and seniority of the bank's management team • Rapid growth guaranteed by robust demand for financing of infrastructure and sustainable development projects in member countries • Strong preferred creditor status |
| S&P Global Ratings | AA+ | A-1+ | Stable | |
| Fitch Ratings | AA+ | F1+ | Stable | |
| Japan Credit Rating Agency | AAA | | Stable | |
| Analytical Credit Rating Agency | AAA | | Stable | |
| Domestic Credit Ratings | | | | |
| China Chengxin International Credit Rating | AAA | | Stable | |
| China Lianhe Credit Rating | AAA | | Stable | |
| Analytical Credit Rating Agency | AAA(RU) | | Stable | |

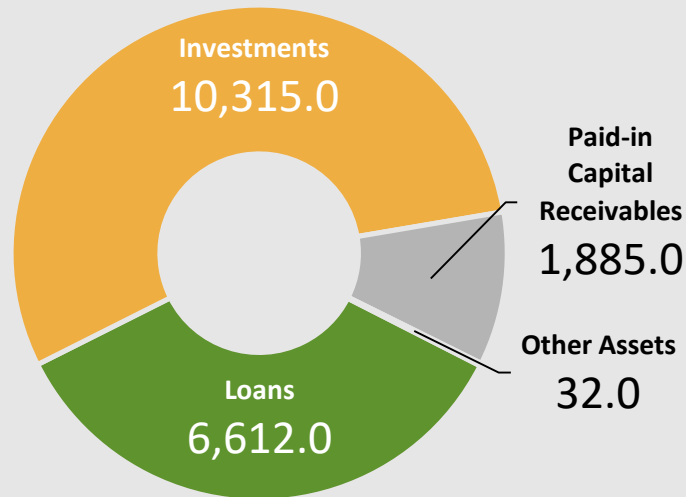
Note: S&P ratings affirmed on February 26, 2021. Fitch ratings affirmed on July 29, 2020. JCR rating affirmed on September 18, 2020. ACRA ratings affirmed on December 16, 2020. China Chengxin rating affirmed on July 23, 2020. China Lianhe rating affirmed on July 24, 2020

Highly Capitalised Institution

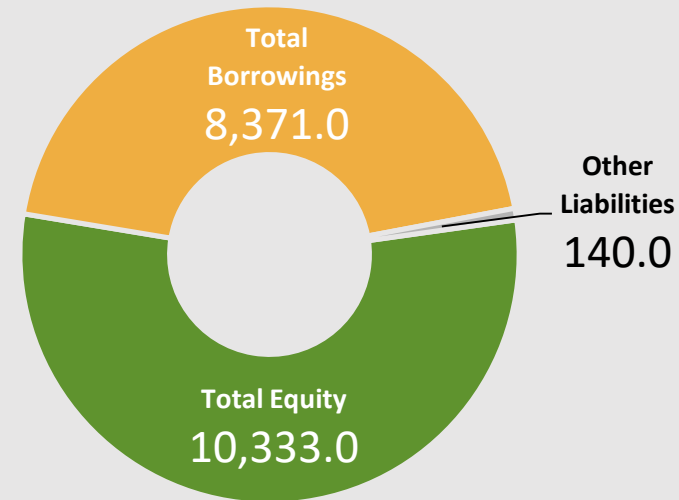
- **Policies and key risk limits are in line with AAA rated MDBs**
 - **Conservative capitalisation ratio:** minimum Equity-to-Asset ratio at 25% ✓ 50%
 - **Highly-liquid balance sheet:** liquid assets to cover minimum 12-month net cash outflow without accessing capital markets ✓ 125%
 - **Prudent capital management:** maximum Capital Utilization ratio at 90% ✓ 9.76%

As of December 31, 2020

ASSETS



LIABILITIES AND EQUITY



Source: NDB IFRS Financial Statements as of December 31, 2020

1. Numbers are presented in US\$ mn. Balance sheet total is US\$ 18,844mn

2. Investments, including cash and cash equivalents (US\$ 2,193mn), due from banks other than cash and cash equivalents (US\$ 6,762mn), financial assets held under resale agreements (US\$ 66mn), financial assets at FVTPL

(US\$ 400mn), debt instruments at fair value through OCI (US\$ 131mn) and debt instruments measured at amortised cost (US\$ 763mn)

3. Total equity, including equity (US\$ 10,000mn), retained earnings (US\$ 359mn) minus reserves (US\$ 26mn)

4. Total borrowings, including financial liabilities designated at FVTPL (US\$ 5,556mn), note payables (US\$ 2,815mn)

Benchmarking to Peer Group

Extremely low leverage

Liquidity metrics in line or better than AAA rated MDBs

Weighted average credit rating of projects approved is BBB-

| | NDB | AIIB | ADB | AfDB | EBRD | EIB | IADB | IBRD | IFC |
|----------------------------------------------------|------|-------|-------|------|------|-------|-------|-------|------|
| Credit Rating | AA+ | AAA | AAA | AAA | AAA | AAA | AAA | AAA | AAA |
| Total Assets (US\$ billion) | \$12 | \$23 | \$222 | \$49 | \$77 | \$621 | \$136 | \$297 | \$96 |
| Total Purpose Related Exposure (US\$ billion) | \$2 | \$2 | \$121 | \$31 | \$36 | \$501 | \$97 | \$211 | \$47 |
| Liquidity (%) ¹ | 95% | 89% | 16% | 35% | 47% | 18% | 26% | 29% | 48% |
| 12-month liquidity coverage ratio (x) ² | 1.6x | 10.3x | 1.3x | 1.5x | 1.2x | 1.1x | 1.4x | 1.2x | 1.4x |
| Leverage (%) ³ | 23% | 12% | 47% | 72% | 67% | 81% | 71% | 82% | 58% |

Source: S&P Global Ratings "Supranationals Special Edition October 2020"

1. Liquidity = liquid assets / adjusted total assets

2. 12-month liquidity coverage ratio (net derivate payables)

3. Leverage = gross debt / adjusted total assets



3

LENDING ACTIVITIES

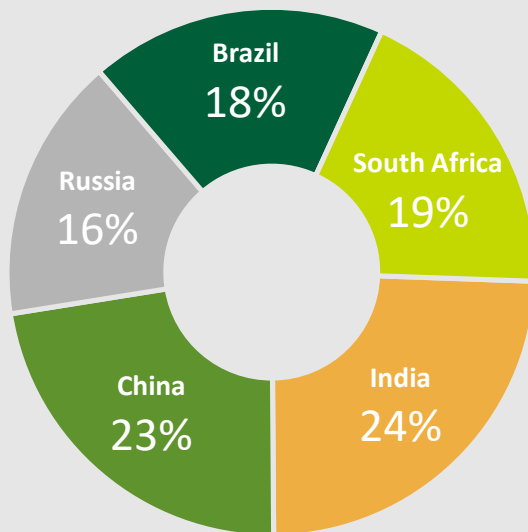
Support for Infrastructure and Sustainable Development

Development of sustainable infrastructure, being one of the key priorities for emerging economies in the coming decades, is the core focus of NDB's operations

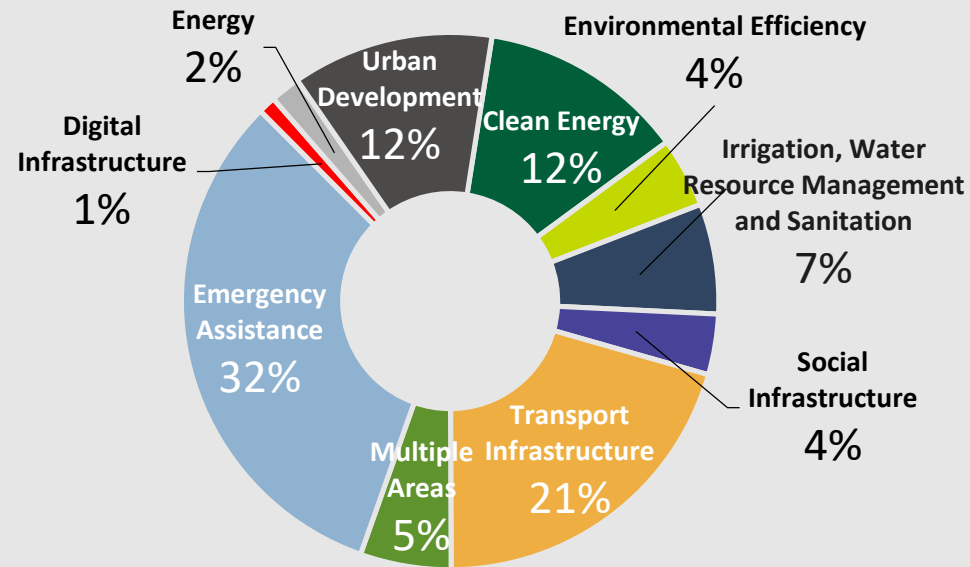
NDB Board of Directors approved 73 projects in all member countries for a total amount of US\$ 28.5bn¹

79% of the total amount of approved projects are denominated in hard currencies (USD 68%, EUR 9%, CHF 2%), 21% in local currencies of member countries (CNY 17%, ZAR 4%, INR 0.4%)

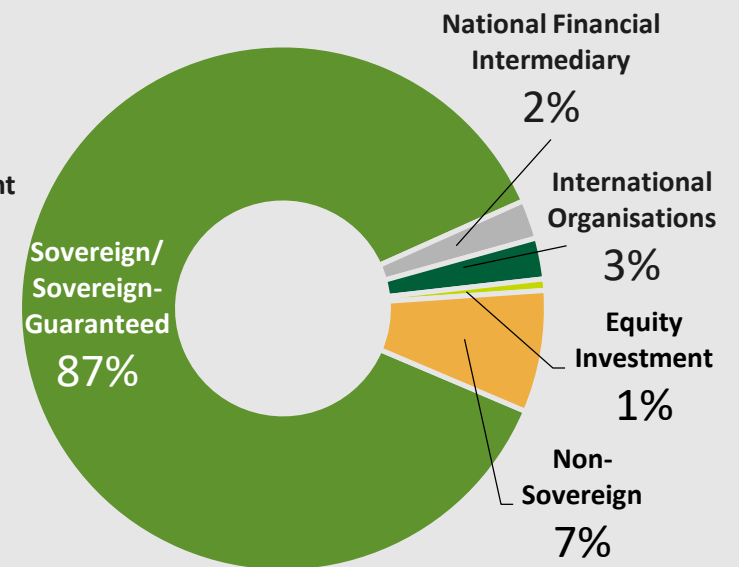
BY COUNTRY



BY OPERATION AREA



BY TYPE



Note: Loans are classified by total loan notional, in approximate US\$ terms. Figures may not tally due to rounding differences
 1. As of April 2, 2021. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Substantial Role in Providing Emergency Funding During the COVID-19 Outbreak

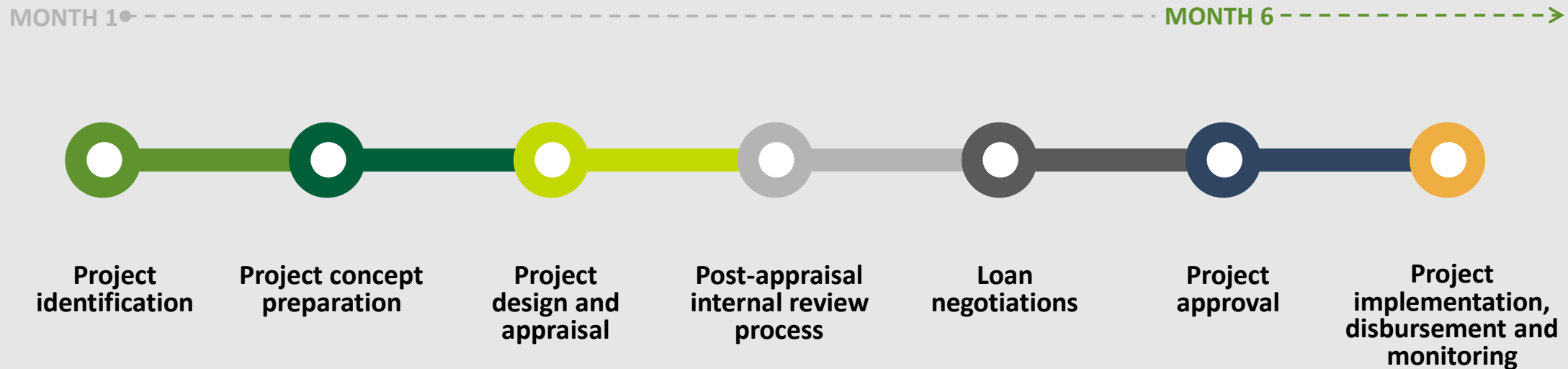


NDB targets the provision of up to a total of US\$ 10bn in crisis-related assistance including health and social safety expenditures, as well as supporting member states' economic recovery

| | Brazil | | Russia | | India | | China | | South Africa |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board Approval Date | July 20, 2020 | December 7, 2020 | March 25, 2021 | April 30, 2020 | December 11, 2020 | March 19, 2020 | February 26, 2021 | June 19, 2020 | April 2, 2021 |
| Project Amount | US\$ 1bn | US\$ 1bn | US\$ 1bn | US\$ 1bn | US\$ 1bn | CNY 7bn (~US\$ 1bn) | CNY 7bn (~US\$ 1.1bn) | US\$ 1bn | US\$ 1bn |
| Implementation Agency | Ministry of Citizenship | Brazilian Development Bank (BNDES) | Ministry of Finance | Ministry of Finance | | Hubei, Guangdong and Henan Provincial Governments | Export-Import Bank of China and Agricultural Development Bank of China | National Department of Health and Department of Social Development | Government of South Africa |
| Objective | Support the Government of Brazil to strengthen social safety nets and to address immediate socio-economic impacts arising from the COVID-19 outbreak, particularly on the most vulnerable population, who have been heavily impacted | Improve SMEs' access to credit by providing guarantees to help them overcome any temporary liquidity problem, ensure the continuity of their operations, and strengthen their financial sustainability, thereby preventing significant loss of jobs | Support of frontline health workers, including doctors, nurses and junior medical staff, who provide medical care for the diagnosis and treatment of COVID-19 | Support the Government of India in its efforts to contain the spread of COVID-19 and reduce human, social and economic losses | Support economic recovery through natural resource management works to facilitate economic activity and rural employment generation to stimulate rural demand | Provide an emergency assistance to China in combating the outbreak of COVID-19, through fiscal support to key stakeholders, at the national level, the provincial levels of the 3 provinces and the municipal levels within the provinces | Support projects in the sectors directly hit by the COVID-19 pandemic such as trade, logistics, agriculture, health, labor intensive infrastructure sectors, as well as innovative and high-tech infrastructure | Assist the Government of South Africa in its efforts to combat the outbreak of COVID-19, minimize the loss of human life, and reduce social and economic losses | Contribute to creating and supporting employment opportunities in public sector and to helping temporarily jobless population remain in the labor market |

Rigorous Project Appraisal

NDB aims to structure, negotiate, review and approve loans within a period of 6 months without compromising project quality and risk management standards



- Environmental, social and developmental analysis
- Thorough screening and approval requirements
- Credit risk analysis and appraisal
- Screening/review from legal perspective
- Compliance, environmental, anti-money laundering and counter terrorism management checks



4

ENVIRONMENTAL AND SOCIAL COMMITMENT

Sustainability remains the bedrock of our mission and the work we do

Our perception of sustainability is also sculpted and influenced by the prevailing environment

We intend to craft a new sustainability paradigm with its promise to alleviate poverty, reduce sickness and enhance access to knowledge

Key Elements of NDB's Environmental and Social Framework

Sustainability is fundamental to the founding principles of NDB and overlays everything we do

-  **Environmental and Social Framework**
 - Ensures environmental and social soundness and sustainability of operations and support the integration of environmental and social considerations into the operation decision-making process
-  **Environmental and Social Policy**
 - Manages environmental and social risks and impacts of projects
-  **Environmental and Social Exclusion List**
 - Manages operational and reputational risks of NDB and its stakeholders
-  **Environmental and Social Standards**
 - Mainstreams environmental and social considerations into decision-making processes of all parties
 - Encourages the international good environmental and social practices in its operations and in doing so strengthen the country systems
-  **Environmental and Social Guideline**
 - Guides NDB operations and sets the requirements to the borrowers to implement projects in environmentally and socially sustainable manner
-  **Sustainable Financing Policy Framework**
 - Describes NDB's principles in governing the use and management of the proceeds of green, social and sustainability bonds and other debt instruments

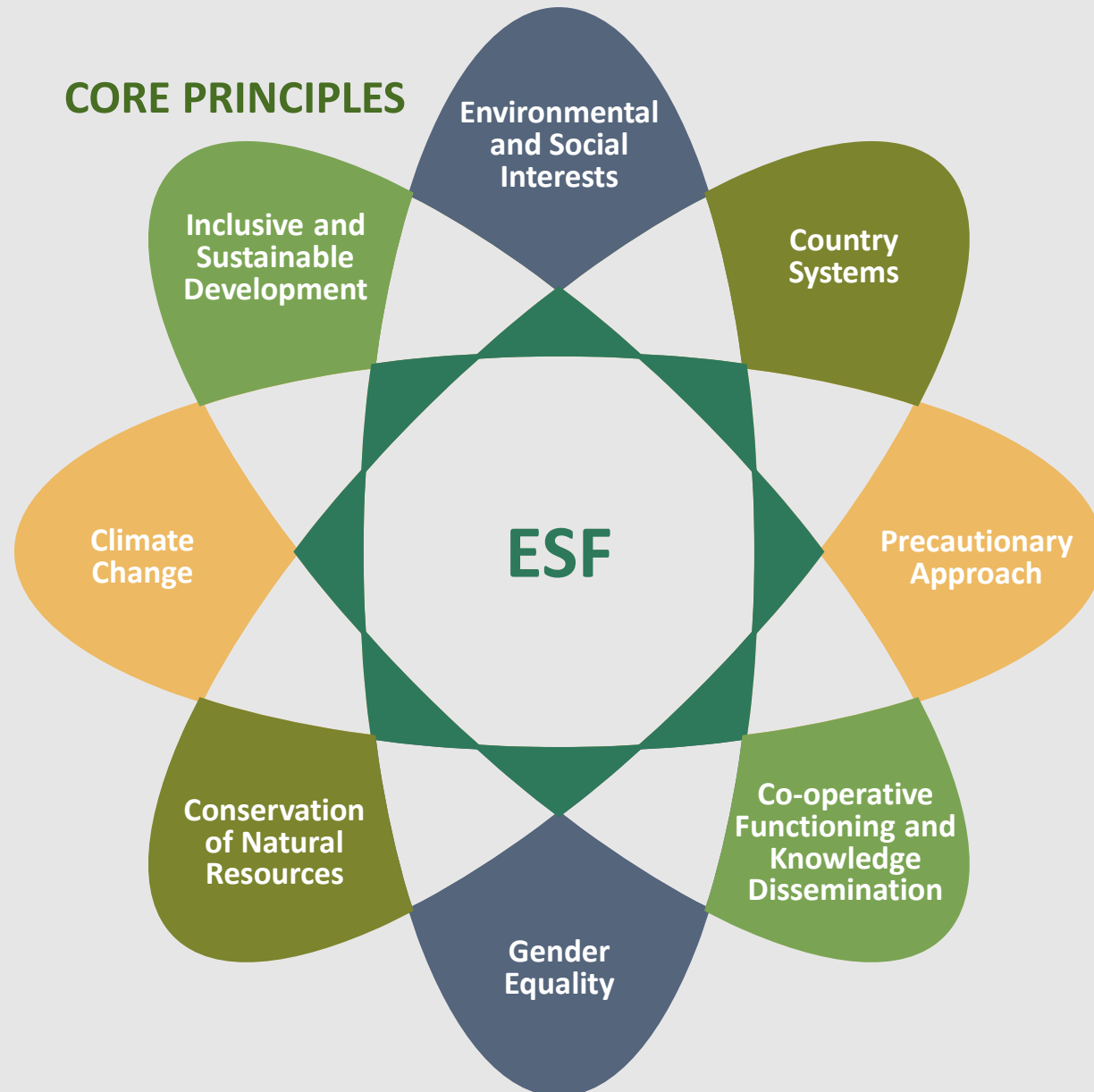
Environmental and Social Framework Underpins NDB's Operations

ENVIRONMENTAL AND SOCIAL POLICY REQUIREMENTS

- Screening and Categorization
- Environmental and Social Assessment and Management Plans
- Public Consultation
- Transparency and Information Disclosure
- Monitoring and Reporting
- Grievance Redressal Mechanisms

ENVIRONMENTAL AND SOCIAL STANDARDS

- Environmental and Social Assessment
- Involuntary Resettlement
- Indigenous Peoples





5

BORROWING ACTIVITIES

Funding Strategy

2021 approved borrowing programme is US\$ 7bn



Diversification of funding by instrument, currency, tenor and type of interest rate



Access to international capital markets



Domestic borrowing programmes in BRICS



Regular issuances



Benchmark size transactions



Focus on green, social and sustainability debt instruments

| Established Borrowing Programmes | Size |
|-------------------------------------|----------------------------|
| International | |
| EMTN Programme (Reg S) ¹ | US\$ 50bn |
| ECP Programme | US\$ 8bn |
| Domestic | |
| RUB bond Programme | RUB 100bn (~US\$ 1.3bn) |
| CNY bond Programme ² | CNY 20bn (~US\$ 3.1bn) |
| ZAR bond Programme | ZAR 10bn (~US\$ 0.7bn) |

1. Outstanding issuance amount is US\$ 3.6bn

2. Outstanding issuance amount is CNY 18bn (~US\$ 2.7bn)

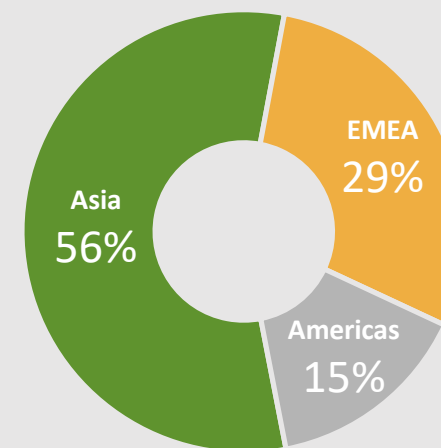
Case Study: Inaugural US\$ 1.5bn 3-year Covid Response Bond

Highlights of the NDB Covid Response Bond

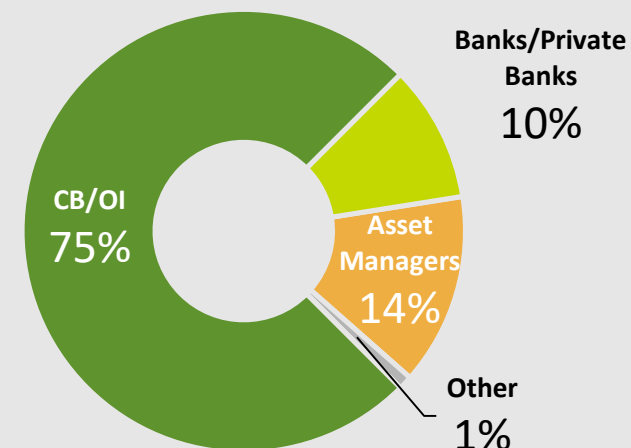
| | |
|----------------------------|------------------------------------|
| Format | RegS (Registered Form) |
| Size | US\$ 1.5bn |
| Pricing | June 16 th , 2020 |
| Settlement | June 23 rd , 2020 (T+5) |
| Maturity | June 23 rd , 2023 |
| Coupon | 0.625% |
| Issue Spread | Mid Swaps +38bps UST +43bps |
| Joint Lead Managers | CITI, CACIB, GSI, HSBC, JPM |

- Priced inaugural RegS US\$ 1.5bn 3-year Covid Response Bond at mid swaps +38bps equivalent to UST +43bps, which is 7bps tighter than IPTs
- The transaction generated high-quality investor support, with orders in excess of US\$ 2.1bn and strong participation from central banks and official institutions, which took 75% of allocations
- The transaction was well-diversified in terms of geography, with investors in Asia taking 56% of allocations, followed by EMEA (29%) and the Americas (15%)
- The net proceeds from the sale of the Notes will be used as general corporate resources of the Issuer and will be used to finance sustainable development activities in the Issuer's member states. Such financing transactions will be largely focused on emergency support loans to the Issuer's member countries to fight the COVID-19 outbreak

DISTRIBUTION BY REGION



DISTRIBUTION BY INVESTOR TYPE



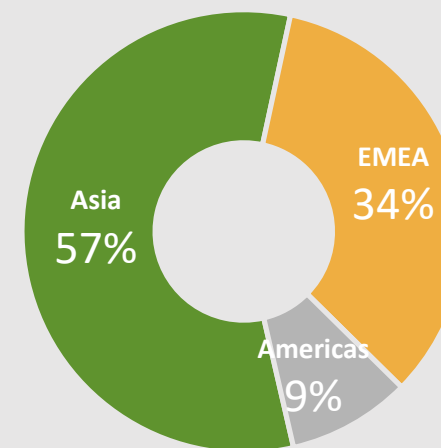
Case Study: US\$ 2.0bn 5-year Covid Response Bond

Highlights of the NDB Covid Response Bond

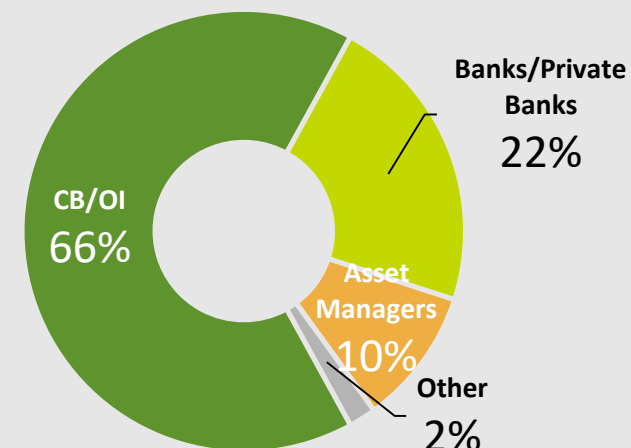
| | |
|----------------------------|-----------------------------------------|
| Format | RegS (Registered Form) |
| Size | US\$ 2.0bn |
| Pricing | September 22 nd , 2020 |
| Settlement | September 29 th , 2020 (T+5) |
| Maturity | September 29 th , 2025 |
| Coupon | 0.625% |
| Issue Spread | Mid Swaps +37bps UST +43bps |
| Joint Lead Managers | BOC, BARC, CITI, GSI, SCB |

- Priced RegS US\$ 2.0bn 5-year Covid Response Bond at mid swaps +37bps equivalent to UST +43bps, which is 3bps tighter than IPTs
- The orderbook closed in excess of US\$ 2.4bn. The transaction generated high-quality investor support, with strong participation from central banks and official institutions, which took 66% of allocations
- The transaction was well-diversified in terms of geography, with investors in Asia taking 57% of allocations, followed by EMEA (34%) and the Americas (9%)
- The net proceeds from the sale of the Notes will be used as general corporate resources of the Issuer and will be used to finance sustainable development activities in the Issuer's member states. Such financing transactions will be largely focused on emergency support loans to the Issuer's member countries to fight the COVID-19 outbreak

DISTRIBUTION BY REGION



DISTRIBUTION BY INVESTOR TYPE



Case Study: Inaugural CNY 3bn Green Bond in China

Highlights of the Inaugural Green Bond Issuance

| | |
|--------------------------------|---------------------------------------|
| Instrument | Senior Unsecured Green Financial Bond |
| Listing | China Interbank Bond Market |
| Pricing | July 13 th , 2016 |
| Settlement | July 19 th , 2016 |
| Tenor | 5-year |
| Maturity | July 19 th , 2021 |
| Size¹ | CNY 3bn (~US\$ 450mn) |
| Coupon | 3.07% |
| Joint Lead Underwriters | BOC, ICBC, CCB, CDB, HSBC, SCB |

- First time an international financial institution issued a green financial bond in the China Interbank Bond Market
- Rated AAA by leading domestic rating agencies in China
- Final order-book was more than 3x oversubscribed
- More than 30 investors participated in the bidding process
- The proceeds are used for “Green” infrastructure and sustainable development projects
- Independent certification agency (EY) provided assurance to confirm that the bond meets the criteria of ICMA Green Bond Principles and the Green Bond regulations in China² to be qualified as “Green”

1. At the exchange rate at the time of issuance

2. The Issuance of Green Financial Bonds in the National Inter-bank Bond Market (Letter [2015] No. 39) and the Green Financial Bond Endorsed Project Catalogue (2015) published by the People’s Bank of China

Selected Projects for the Use of Proceeds from the inaugural Green Bond



> **Lingang Distributed Solar Power Project in Shanghai, China**

- 100 MW solar rooftop PV and avoided 73,000t CO₂/year

> **Putian Pinghai Bay Offshore Wind Power Project in Fujian, China**

- 700 MW offshore wind power and avoided 869,900t CO₂/year

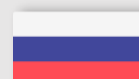


> **Renewable Energy Projects and Associated Transmission in Brazil**

- 600 MW renewable energy and avoided 1,000,000t CO₂/year

> **Petrobras Environmental Protection Project in Brazil**

- harmful emissions significantly reduced, water and soil contamination avoided



> **Hydroelectric Power Project in Karelia, Russia**

- 50 MW renewable energy and avoided 48,000t CO₂/year

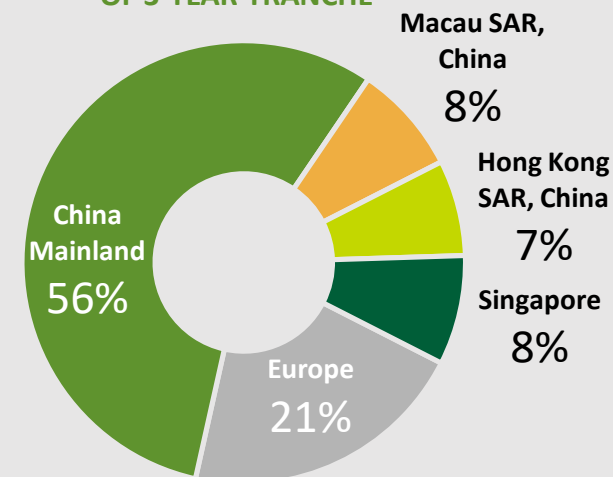
Case Study: CNY 3bn Dual-Tranche Transaction in China

- January 2019 – CNY 10bn bond Programme registered
- February 2019 – 3-year CNY 2bn and 5-year CNY 1bn bonds issued

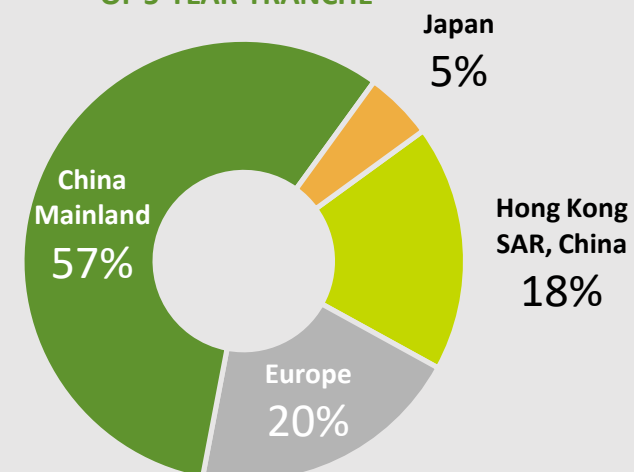
| | | |
|--------------------------------|----------------------------------|----------------------------------|
| Instrument | Senior Unsecured | |
| Listing | China Interbank Bond Market | |
| Pricing | February 25 th , 2019 | |
| Settlement | February 26 th , 2019 | |
| Joint Lead Underwriters | ICBC, BOC, ABC, CCB | |
| Tenor | 3-year | 5-year |
| Maturity | February 26 th , 2022 | February 26 th , 2024 |
| Size¹ | CNY 2bn (~US\$ 300mn) | CNY 1bn (~US\$ 150mn) |
| Coupon | 3.00% | 3.32% |

- First international financial institution to register and issue bond in the China Interbank Bond Market under the “Panda Bond” Rules² issued by the People’s Bank of China and China’s Ministry of Finance
- Final order-book was more than 3x oversubscribed
- More than 20 investors from domestic state-owned, joint-venture and rural banks, fund companies, securities companies, foreign banks and sovereign funds participated in the bidding process

DISTRIBUTION BY REGION OF 3-YEAR TRANCHE



DISTRIBUTION BY REGION OF 5-YEAR TRANCHE



1. At the exchange rate at the time of issuance

2. Interim Measures for the Administration of Bond Issuance by Overseas Institutions in the National Interbank Bond Market under the People’s Bank of China and Ministry of Finance Announcement [2018] No. 16 issued on September 25, 2018

Case Study: CNY 5bn Coronavirus Combating Bond in China

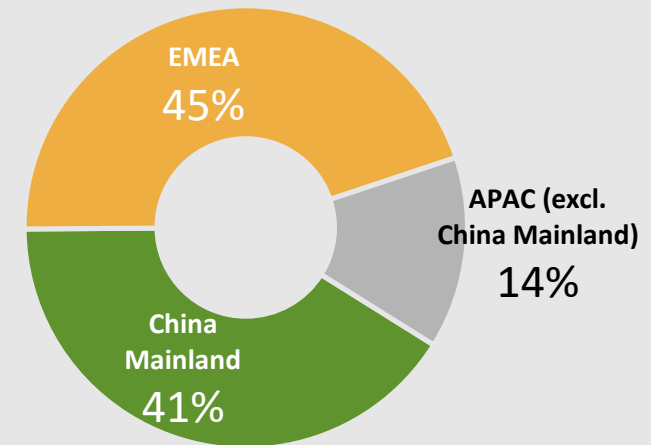
Highlights of the NDB Coronavirus Combating Bond

| | |
|--------------------------------|--------------------------------|
| Instrument | Senior Unsecured |
| Listing | China Interbank Bond Market |
| Pricing | April 1-2 nd , 2020 |
| Settlement | April 3 rd , 2020 |
| Joint Lead Underwriters | ICBC, BOC, ABC, CCB |
| Tenor | 3-year |
| Maturity | April 3 rd , 2023 |
| Size¹ | CNY 5bn (~US\$ 700mn) |
| Coupon | 2.43% |

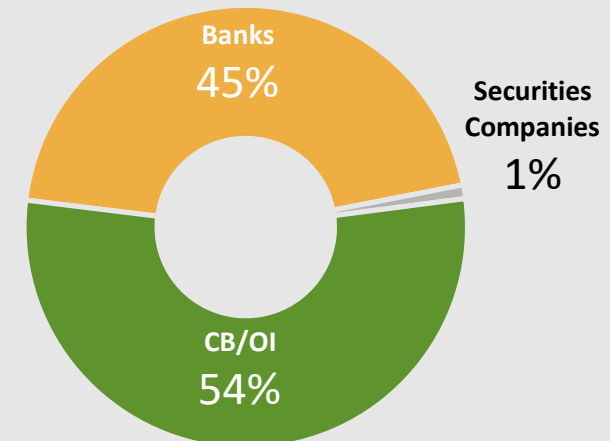
- Largest ever “Panda Bond” issued by international financial institution (IFI) in the China Interbank Bond Market to date as well as the first Coronavirus Combating Bond issued by IFI in China
- Final orderbook was more than 3x oversubscribed and reached CNY 15bn
- More than 20 investors participated in the transaction, showing broad diversification by geography and type despite volatile market conditions
- The proceeds of the NDB Coronavirus Combating Bond will be fully used to fund the NDB CNY 7 billion Emergency Assistance Program Loan to the People’s Republic of China

1. At the exchange rate at the time of issuance

DISTRIBUTION BY REGION



DISTRIBUTION BY INVESTOR TYPE





6

FINANCIAL SUMMARY

Key Financial Metrics

| | Statement of Profit or Loss (US\$ mn) | Jan 1, 2020–Dec 31, 2020 | Jan 1, 2019–Dec 31, 2019 | Jan 1, 2018–Dec 31, 2018 | Jan 1, 2017–Dec 31, 2017 |
|-------------|-------------------------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | Net interest income | 181.0 | 197.7 | 109.8 | 49.8 |
| | Net Fee income ¹ | 5.0 | 1.6 | 0.4 | 0 |
| | Net gains/(losses) on financial instruments at FVTPL | (191.0) | 21.9 | 7.8 | 1.3 |
| | Staff costs and other operating expenses ² | (64.0) | (51.3) | (37.2) | (26.0) |
| | Impairment losses ³ | (38.0) | (2.1) | (3.8) | (0) |
| | Foreign exchange gains / (losses) | 208.0 | (17.4) | (5.0) | 5.8 |
| | Operating profit | 101.0 | 150.5 | 72.0 | 30.9 |
| | Unwinding of interest on paid-in capital receivables | 49.0 | 72.4 | 93.8 | 127.2 |
| | Total comprehensive income | 151.0 | 222.9 | 165.9 | 158.0 |
| | Statement of Financial Position (US\$ mn) | As at Dec 31, 2020 | As at Dec 31, 2019 | As at Dec 31, 2018 | As at Dec 31, 2017 |
| Assets | Cash and cash equivalents | 2,193.0 | 1,023.5 | 123.0 | 1,019.9 |
| | Due from banks other than cash and cash equivalents | 6,762.0 | 5,494.8 | 4,800.6 | 3,212.4 |
| | Derivative financial assets | 27.0 | 5.4 | 0.7 | - |
| | Financial assets held under resale agreements | 66.0 | - | - | - |
| | Financial assets at FVTPL | 400.0 | - | - | - |
| | Debt instruments at fair value through OCI | 131.0 | - | - | - |
| | Debt instruments measured at amortised cost | 763.0 | 33.8 | - | - |
| | Loans and advances | 6,612.0 | 1,544.9 | 628.1 | 23.9 |
| | Paid-in capital receivables | 1,885.0 | 3,713.5 | 4,846.8 | 5,933.4 |
| | Other assets ⁴ | 5.0 | 4.6 | 3.3 | 34.6 |
| | Total assets | 18,844.0 | 11,820.6 | 10,402.4 | 10,224.1 |
| Liabilities | Derivative financial liabilities | 98.0 | 12.2 | 6.4 | 3.3 |
| | Financial liabilities designated at FVTPL | 5,556.0 | 882.8 | 443.8 | 449.4 |
| | Borrowings | - | 110.1 | - | - |
| | Note payables | 2,815.0 | 623.3 | - | - |
| | Other liabilities ⁵ | 42.0 | 21.0 | 7.4 | 2.8 |
| | Total liabilities | 8,511.0 | 1,649.2 | 457.6 | 455.5 |
| Equity | Paid-in capital | 10,000.0 | 10,000.0 | 10,000.0 | 10,000.0 |
| | Reserves | (26.0) | (86.5) | (162.4) | (266.7) |
| | Retained earnings | 359.0 | 257.8 | 107.3 | 35.3 |
| | Total equity | 10,333.0 | 10,171.3 | 9,944.9 | 9,768.6 |
| | Total equity and liabilities | 18,844.0 | 11,820.6 | 10,402.4 | 10,224.1 |

Strong NII growth driven by capital contributions received from the members

In keeping to NDB's operating principles as a lean organisation, administrative expenses are expected to be kept low

Credit exposures arising from investments due from banks are rated at senior investment grade

Credit exposures arising from financial assets at FVTPL are rated AAA

Financial liabilities relate to NDB bonds

Note payables relate to NDB ECPs

Total capital contributions received and paid-in capital receivables due

Difference between the present value and the nominal value of outstanding paid-in capital

Source: NDB Audited IFRS Financial Statements. Note: Figures may not tally due to rounding differences

1. Net fee income, including other operating income

2. Staff costs and other operating expenses, including other income and other expense

3. Impairment losses under expected credit loss model, net of reversal

4. Other assets, including property and equipment, intangible assets and right-of-use assets

5. Other liabilities, including contract liabilities and lease liabilities



7 ANNEXURE

NDB in International and Domestic Markets

| Established Borrowing Programmes | Established | Size | Validity of the Programme | Tenor of Bonds/Papers | Listing | Governing Law | Lead-Managers/Arrangers | Dealers |
|----------------------------------|---------------|-------------------------|---------------------------|-----------------------|--------------------------------------------|----------------------|--------------------------------------------------------------------|---------------------------------------------------------------------|
| International | | | | | | | | |
| EMTN Programme (Reg S) | December 2019 | US\$ 50bn | Unlimited | No restriction | Euronext Dublin-Irish Stock Exchange (ISE) | English law | HSBC | |
| ECP Programme | April 2019 | US\$ 8bn | Unlimited | 364 days | | English law | Citigroup | Citigroup, Barclays, Goldman Sachs, JPMorgan, BRED Banque Populaire |
| Domestic | | | | | | | | |
| RUB bond Programme | November 2019 | RUB 100bn (~US\$ 1.3bn) | Unlimited | Up to 20 years | Moscow Exchange (MOEX) | Laws of Russia | Gazprombank, Rosbank (SocGen Group) | |
| CNY bond Programme | October 2020 | CNY 20bn (~US\$ 3.1bn) | October 2022 | No restriction | China Interbank Bond Market (CIBM) | Laws of China | ABC, BOC, BOCOM, CCB, CICC, CITIC, CACIB, DB, DBS, HSBC, ICBC, SCB | |
| ZAR bond Programme* | April 2019 | ZAR 10bn (~US\$ 650mn) | Unlimited | No restriction | Johannesburg Stock Exchange (JSE) | Laws of South Africa | Standard Bank of South Africa, Absa Bank (co-arranger) | Absa Bank, Nedbank, FirstRand Bank, Standard Bank of South Africa |

* JSE debt sponsor is Standard Bank of South Africa

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Thank you
