

New
Development
Bank

Investor Presentation

September 2021



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Empowering Nations Through Innovation and Sustainability

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



1

OVERVIEW

- ▶ 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
- ▶ Our mission is to support public and private projects through loans, guarantees, equity participation and other financial instruments



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
- **Prudent capital management:** maximum Capital Utilization ratio at 90%



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
- **Weighted average credit rating of projects approved is BBB-**



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



EFFICIENCY

- NDB aims to structure, negotiate, review and **approve loans within a period of 6 months** without compromising project quality and risk management standards
- **Lean operations**, partnership with other development institutions

¹ Brazil, Russia, India, China and South Africa

² US\$ 8.8bn of paid-in capital has been received as of August 31, 2021

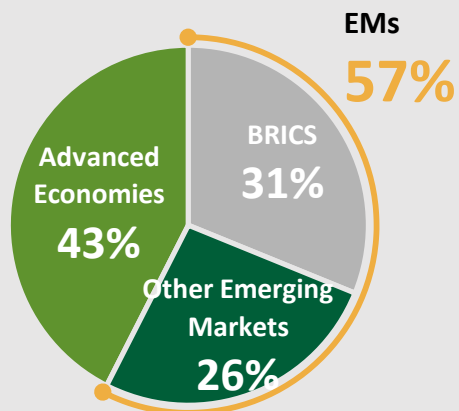
³ Japan Credit Rating Agency

⁴ Analytical Credit Rating Agency

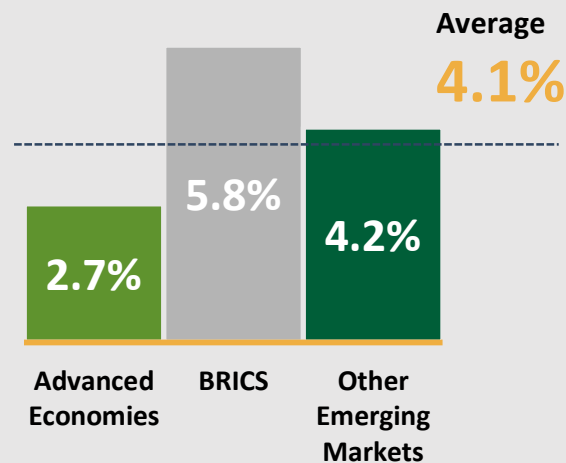
Uniquely Positioned Multilateral Lender

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

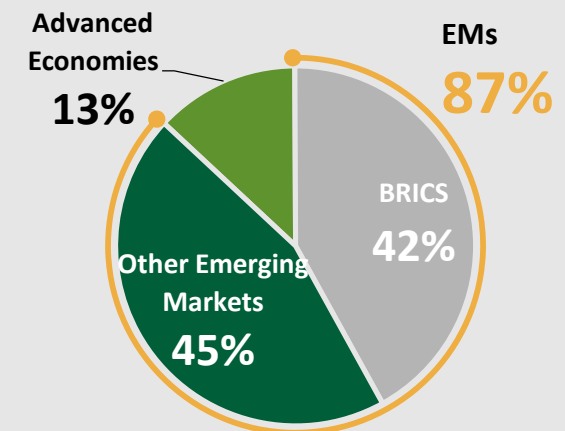
31%
OF TOTAL GLOBAL GDP



5.8%
AVERAGE GDP GROWTH 2021-2025



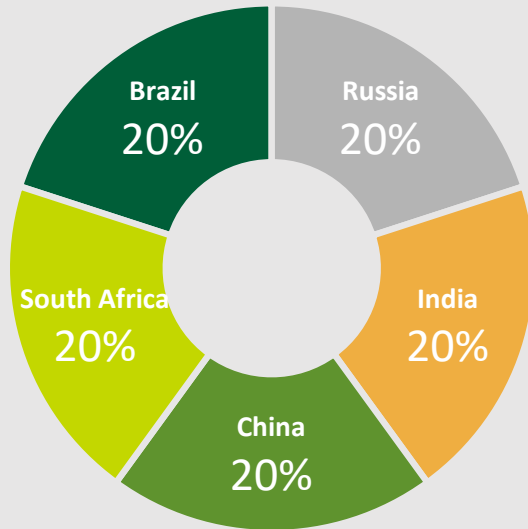
42%
OF TOTAL GLOBAL POPULATION



Note: EMs stands for "Emerging market and developing economies" 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 2020 data. Data may include IMF estimates and/or projections

Strong Shareholder Support

SHAREHOLDING



- **Key institution in BRICS cooperative framework**
- **Equal capital subscription** amongst founding members
- **Full member support** for maintaining a very strong financial profile
- High commitment of founding countries to NDB represents **a greater propensity to support the institution in times of distress**
- **No member holds veto power**
- **Preferential treatment in member countries** with extensive immunities, privileges and exemptions

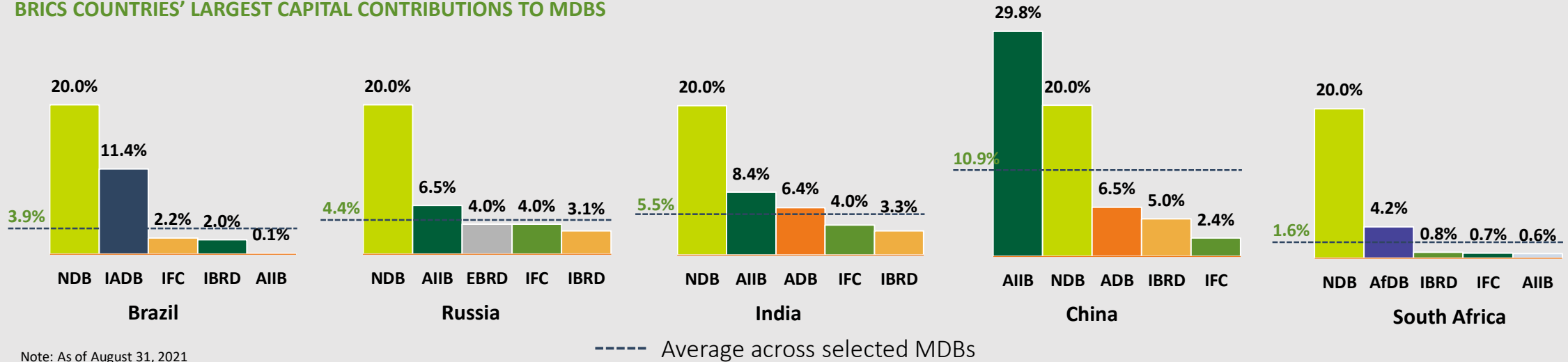
Declaration of the Leaders of Brazil, Russia, India, China and South Africa at the 13th BRICS Summit, New Delhi, India on September 9, 2021

- “We appreciate the NDB’s substantive progress in membership expansion despite challenges emanating from the COVID-19 pandemic.
- We reiterate that 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 note with satisfaction the discussions held at the Annual meeting of the Board of Governors of the New Development Bank and look forward to the Bank’s second General Strategy for 2022-26.
- We recognize the role of New Development Bank as vital to addressing health and economic consequences of the pandemic and encourage the NDB to explore the possibility of financing more social infrastructure projects, including those that use digital technologies.”

High Commitment of Founding Members

Founding members' commitment to NDB surpasses that to peer MDBs, representing their strategic interest in the institution

BRICS COUNTRIES' LARGEST CAPITAL CONTRIBUTIONS TO MDBS



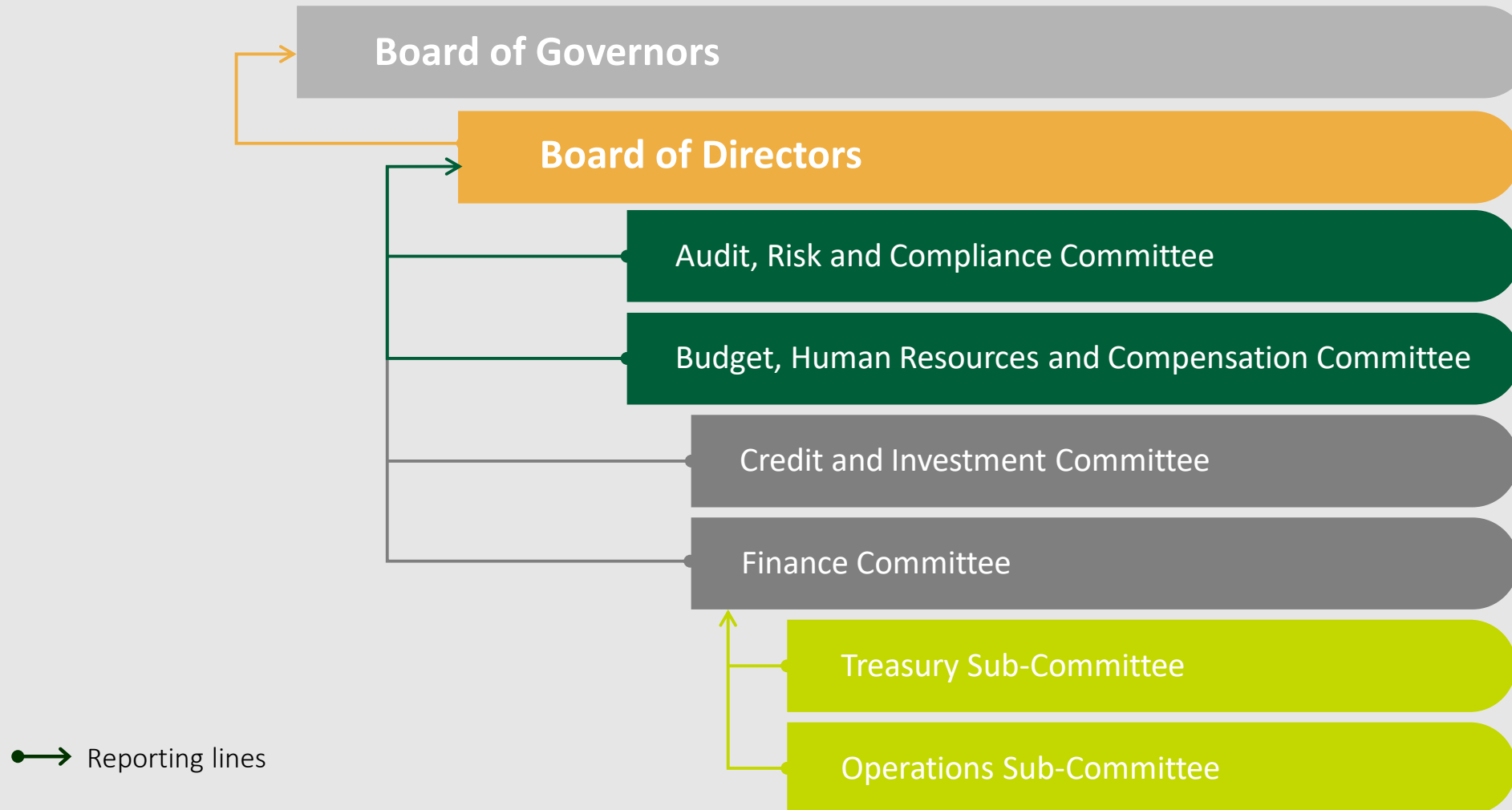
Note: As of August 31, 2021

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.

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 in the public sector and in the area 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



- 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
- Served as Director General level official in the Ministry of Finance of China, while holding the positions of International Development Association (IDA) Deputy, and GEF Council member for China
- Worked in the UN's Administrative and Budgetary Committee, representing the Government of China and served as Advisor and then Senior Advisor to the Executive Director for China in the World Bank Group

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
- **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
- **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
- **75 investment projects in all member countries** for a total approved amount of **US\$ 29bn¹**
- **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 August 31, 2021. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>



2

Credit Strengths

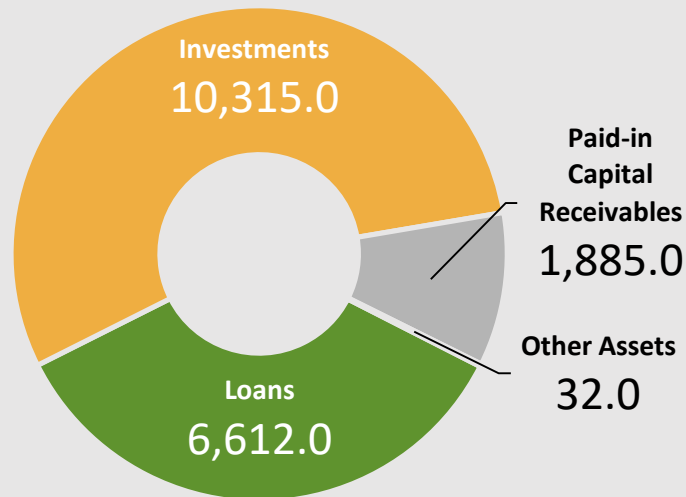
Highly Capitalised Institution

Policies and key risk limits are in line with AAA rated MDBs

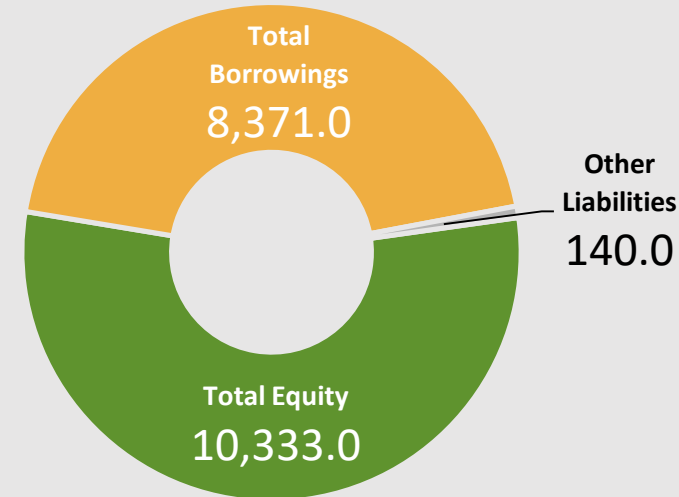
As of December 31, 2020

- **Conservative capitalisation ratio:** minimum Equity-to-Asset Ratio at 25% ✓ 50%
- **Highly-liquid balance sheet:** minimum Primary Liquidity Ratio at 100%. 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%
 - Capital Adequacy Ratio ✓ 81.97%

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)

Credit Ratings

Rating Agency	Long-Term	Short-Term	Outlook	Rating Drivers
International Credit Ratings				<ul style="list-style-type: none"> • Robust capitalisation endowed with large subscribed and paid-in capital • Ample liquidity • Strong access to capital markets for funding needs • Extraordinary shareholders' support and commitment • Systemic importance to founding members • Sound and prudent risk management, reflected in the bank's self-imposed prudential rules • Very strong level of aggregated expertise and seniority of the bank's management team • Significant growth potential, 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 26, 2021. JCR rating affirmed on September 18, 2020. ACRA ratings affirmed on June 4, 2021. China Chengxin rating affirmed on July 30, 2021. China Lianhe rating affirmed on July 28, 2021

Benchmarking with Peers

- **Extremely low leverage**
- **Liquidity metrics in line or better than of AAA rated MDBs**
- **Very high asset quality:** 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 derivative payables)

³ Leverage = gross debt / adjusted total assets

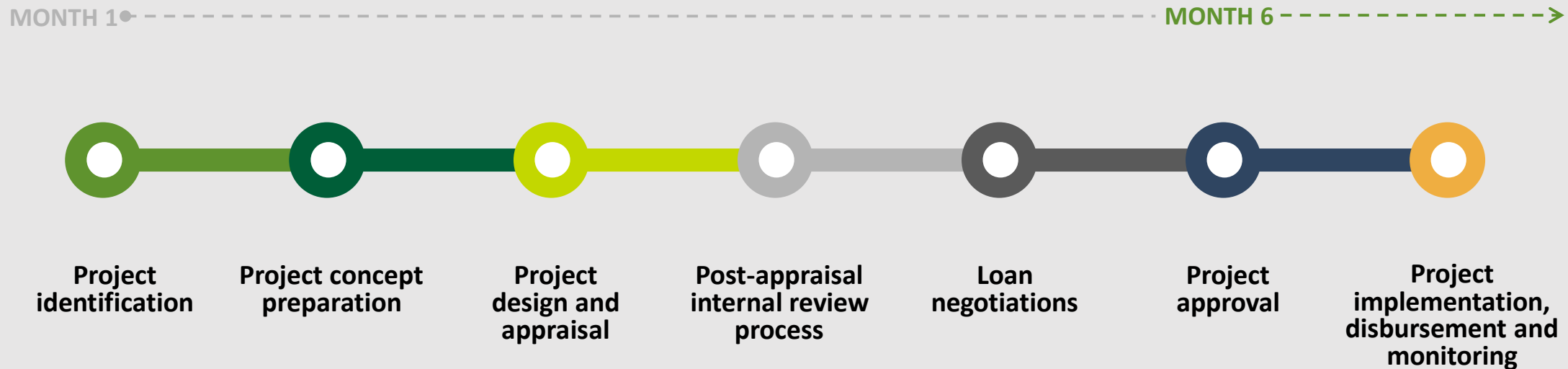


3

LENDING ACTIVITIES

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

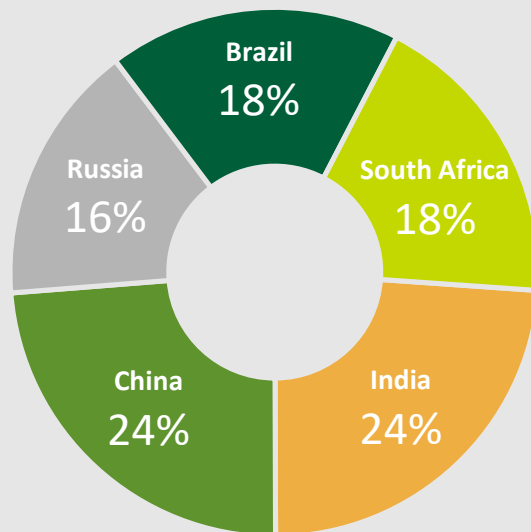
Support for Infrastructure and Sustainable Development

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

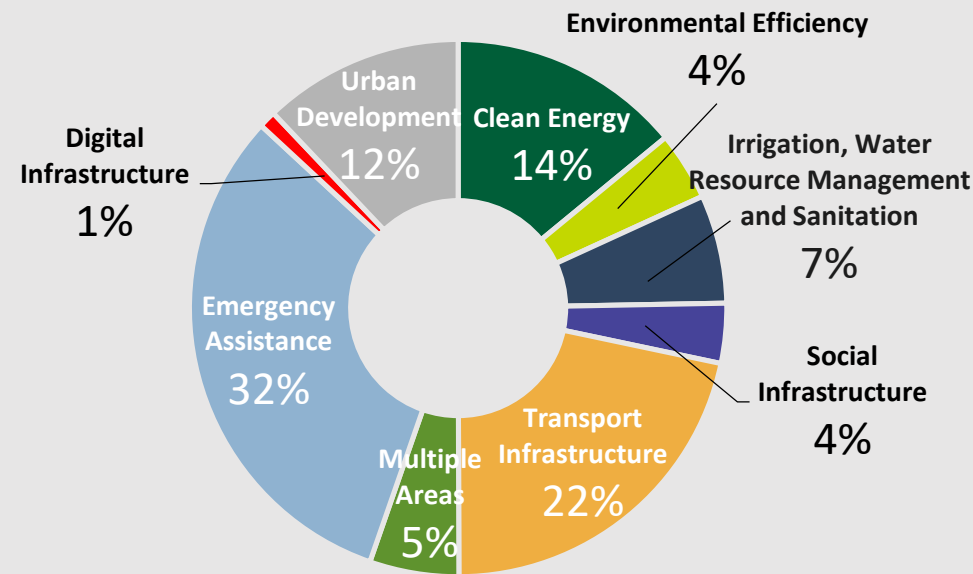
NDB Board of Directors approved 75 projects in all member countries for a total amount of US\$ 29bn

79% of the total amount of approved projects are denominated in hard currencies (US\$ 67%, EUR 10%, CHF 2%), 21% in local currencies of member countries (CNY 16%, ZAR 4%, INR 0.3%)

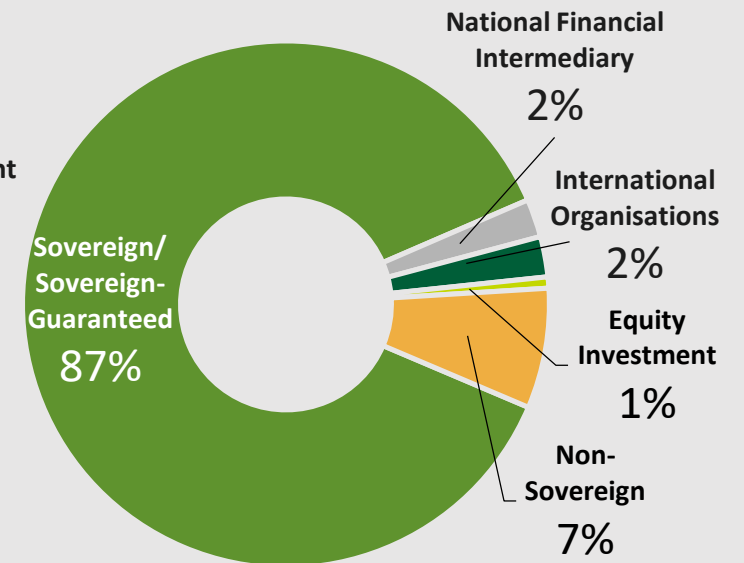
BY COUNTRY



BY OPERATION AREA



BY TYPE



¹ Loans are classified by total loan notional, in approximate US\$ terms. Figures may not tally due to rounding differences

² As of August 31, 2021. Weighted average credit rating of projects approved is BBB-. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Providing Emergency Funding During the COVID-19 Outbreak

NDB disbursed more than US\$ 7bn in crisis-related assistance, including for health and social safety expenditures, as well as supporting member states' economic recovery

- NDB has committed to providing up to **US\$ 10 billion** for the crisis-related Emergency Assistance Facility



- **US\$ 5 billion** for member countries' most urgent needs, including health-related current expenditures and social safety nets



- **US\$ 5 billion** to support economic recovery

¹ As of August 31, 2021. NDB Board of Directors approved 9 projects in all member countries for a total amount of more than US\$ 9bn under Emergency Assistance Facility

² NDB COVID-19 Emergency Program is available at: <https://www.ndb.int/covid-19-response-programme/>

Select Projects that are Making Difference to People's Lives

TRANSPORT INFRASTRUCTURE



North region transportation infrastructure improvement project

Brazil

US\$ 300mn

Double-tracking and remodeling of the Carajas Railway and the expansion of the Ponta da Madeira Port Terminal



DIGITAL TECHNOLOGY



Judicial system support project (JSSP)

Russia

US\$ 460mn

Implementation of a set of innovative technology solutions incorporating digital workplace and digital justice



IMPROVING CONNECTIVITY



Madhya Pradesh major district roads I

India

US\$ 350mn

Construction works have rebuilt or upgraded about 1,215 km of road length, benefiting 917 villages



CLEANER ENERGY



Putian Pinghai Bay offshore wind power

China

CNY 2bn

Project entails the generation of 873mn kWh of electricity avoiding the emission of 870,000 tonnes of CO₂ per year



SUSTAINABLE POWER GENERATION



Renewable energy integration and transmission augmentation project

South Africa

US\$ 180mn

Project will add 1,000 MVA transmission transformer capacity and 352.5 km transmission lines





4

ENVIRONMENTAL AND SOCIAL COMMITMENT

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

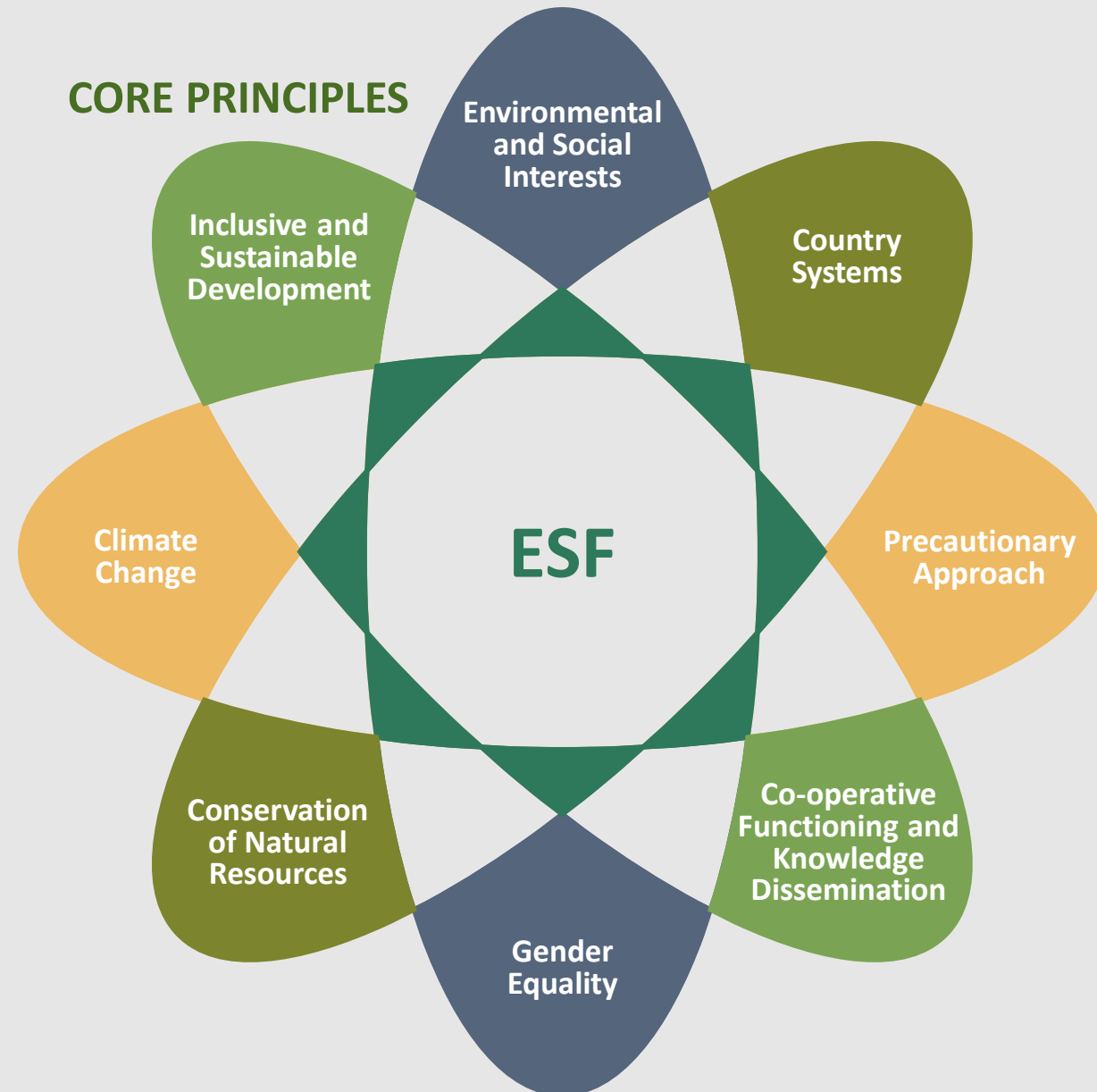
Environmental and Social Framework Underpins NDB's Operations

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



Expected Development Impact of NDB's Operations





Our financing aims to deliver transformative impact to help member countries achieve development aspirations aligned with the 2030 Agenda for Sustainable Development and the Paris Agreement on Climate Change

Development Indicator	Expected Outcome	SDG Alignment
Schools to be built or upgraded	58	 Quality education
Sewage treatment capacity to be increased	535,000 m ³ /day	 Clean water and sanitation
Drinking water supply capacity to be increased	159,000 m ³ /day	 Clean water and sanitation
Water tunnel/canal infrastructure to be built or upgraded	1,300 km	 Clean water and sanitation
Renewable and clean energy generation capacity to be installed	2,800 MW	 Affordable and clean energy
Roads to be built or upgraded	15,300 km	 Industry, innovation and infrastructure
Bridges to be built or upgraded	820	 Industry, innovation and infrastructure
Urban rail transit networks to be built	230 km	 Sustainable cities and communities
Cities to benefit from NDB's urban development projects	40	 Sustainable cities and communities
CO ₂ emissions to be avoided	5.5 million tons/year	 Climate action

Note: Expected development results are presented for projects that NDB financed in collaboration with partners, irrespective of the share of the Bank's financial contribution. The numbers are rounded and are based on the information available at the time of approval
 Source: NDB Annual Report 2020 is available at: <https://www.ndb.int/annual-report-2020/>

Alignment of NDB's Operations with the SDGs

- NDB has developed and tested an evidence-based method to monitor and report the alignment of the Bank's financing with the SDGs
- NDB's project portfolio contributes to 12 out of the 17 SDGs

Primary SDG Alignment	Number of Projects	Cumulative Approvals (US\$ million)	Share of Total Approvals (%)	Direct Contribution to Additional SDGs
 No poverty	2	2,000	8.09	 Good health and well-being
 Zero hunger	1	345	1.40	 Clean water and sanitation
 Good health and well-being	2	2,070	8.37	 Sustainable cities and communities
 Quality education	2	550	2.22	 Decent work and economic growth,  Sustainable cities and communities
 Clean water and sanitation	6	1,546	6.25	 Good health and well-being,  Sustainable cities and communities,  Climate action
 Affordable and clean energy	14	3,496	14.13	 Industry, innovation and infrastructure,  Sustainable cities and communities,  Responsible consumption and production,  Climate action
 Decent work and economic growth	2	2,000	8.09	 Clean water and sanitation,  Industry, innovation and infrastructure
 Industry, innovation and infrastructure	24	8,301	33.56	 Good health and well-being,  Clean water and sanitation,  Affordable and clean energy,  Sustainable cities and communities,  Responsible consumption and production,  Climate action
 Sustainable cities and communities	13	3,466	14.01	 Clean water and sanitation,  Decent work and economic growth,  Industry, innovation and infrastructure,  Climate action
 Climate action	1	500	2.02	
 Peace and justice strong institutions	1	460	1.86	



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

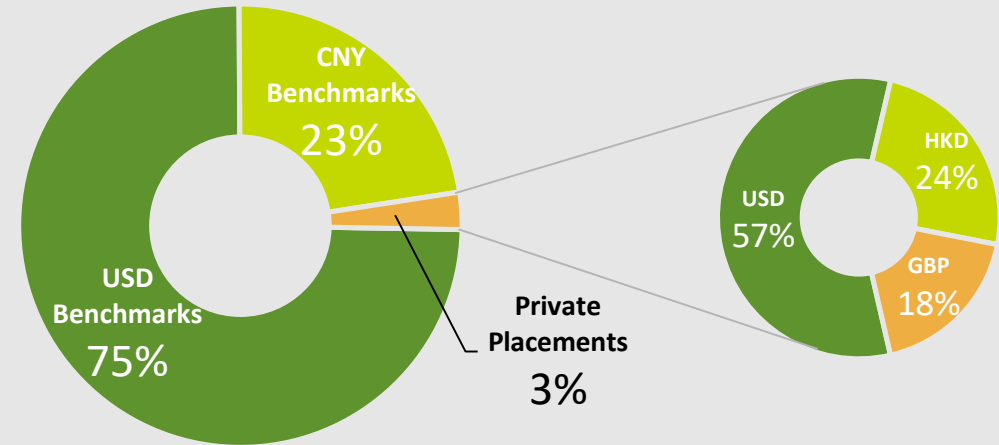


Benchmark size transactions



Focus on green, social and sustainability debt instruments

OUTSTANDING BORROWINGS



Established Borrowing Programmes Size

International

EMTN Programme (Reg S)	US\$ 50bn
ECP Programme	US\$ 8bn

Domestic

RUB bond Programme	RUB 100bn (~US\$ 1.3bn)
CNY bond Programme	CNY 20bn (~US\$ 3.1bn)
ZAR bond Programme	ZAR 10bn (~US\$ 0.7bn)

¹ Outstanding issuance amount under EMTN programme (Reg S) is US\$ 7.5bn

² Outstanding issuance amount under ECP programme is US\$ 2.8bn

³ Outstanding issuance amount under CNY bond programmes is CNY 15bn (~US\$ 2.3bn)

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 ¹	April 2019	ZAR 10bn (~US\$ 0.7bn)	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

¹ JSE debt sponsor is Standard Bank of South Africa

NDB Outstanding Benchmark Bonds



ISIN	Size	Coupon	Placement	Maturity	Issue Spread
International					
XS2192077514	US\$ 1.5bn	0.625%	June 16 th , 2020	June 23 rd , 2023	Mid Swaps +38bps UST +43bps
XS2366704497	US\$ 2.25bn	0.625%	July 15 th , 2021	July 22 nd , 2024	Mid Swaps +14bps UST +24bps
XS2237442574	US\$ 2.0bn	0.625%	September 22 nd , 2020	September 29 th , 2025	Mid Swaps +37bps UST +43bps
XS2336053959	US\$ 1.5bn	1.125%	April 20 th , 2021	April 27 th , 2026	Mid Swaps +25bps UST +34bps
Domestic					
CND10001YCH8	CNY 2.0bn	3.00%	February 26 th , 2019	February 26 th , 2022	CDB +0bps CGB +31bps
CND100031KN4	CNY 5.0bn	2.43%	April 3 rd , 2020	April 3 rd , 2023	CDB +0bps CGB +42bps
CND10001YCJ4	CNY 1.0bn	3.32%	February 26 th , 2019	February 26 th , 2024	CDB -2bps CGB +40bps
CND100045KJ2	CNY 5.0bn	3.22%	March 25 th , 2021	March 25 th , 2024	CDB +0bps CGB +31bps
CND10003F6W9	CNY 2.0bn	3.00%	July 7 th , 2020	July 7 th , 2025	CDB +1bps CGB +39bps

Note: As of August 31, 2021

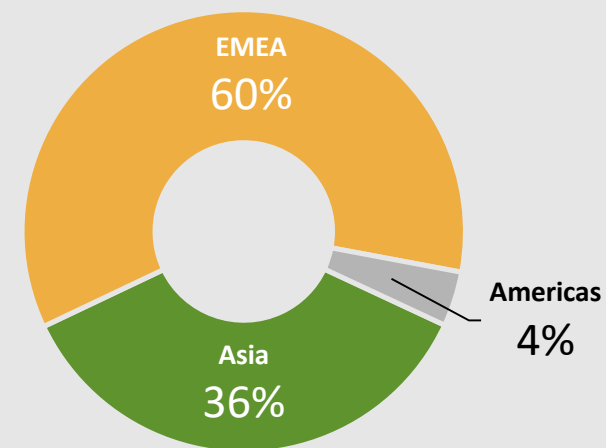
Case Study: US\$ 1.5bn, 1.125%, April 2026 Bond

Highlights

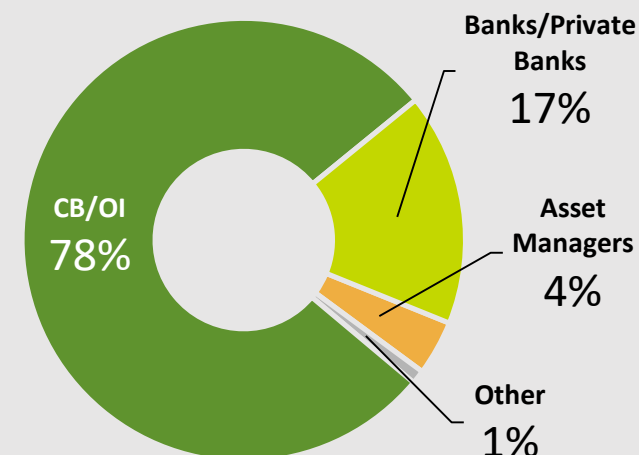
Format	RegS (Registered Form)
Size	US\$ 1.5bn
Pricing	April 20 th , 2021
Settlement	April 27 th , 2021 (T+5)
Maturity	April 27 th , 2026
Coupon	1.125%
Issue Spread	Mid Swaps +25bps UST +34bps
Joint Lead Managers	CITI, HSBC, ICBC, JPM, SCB, TD

- Priced US\$ 1.5bn at mid swaps +25bps (UST +33.95bps)
- NDB's first benchmark US\$ transaction in 2021
- Book reached more than US\$ 1.975bn with over 50 orders
- Price tightened by 2bps over the bookbuilding process
- High quality book, anchored by central banks and official institutions (78%)
- Transactions demonstrates NDB's appeal to a diverse group of investors seeking high quality instrument alongside sustainable investment
- Net proceeds will be used for financing sustainable development activities as well as COVID-19 Emergency Program Loans to NDB's member countries

DISTRIBUTION BY REGION



DISTRIBUTION BY INVESTOR TYPE



Case Study: CNY 5bn, 3.22%, March 2024 SDG Bond



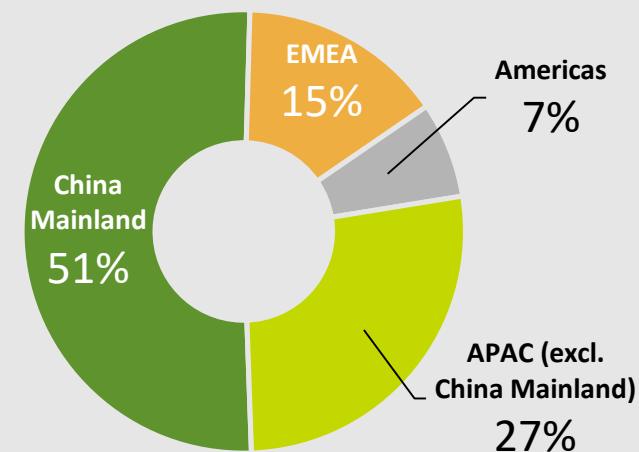
Highlights

Instrument	Senior Unsecured
Listing	China Interbank Bond Market
Pricing	March 23-24 th , 2021
Settlement	March 25 th , 2021
Joint Lead Underwriters	BOC, ICBC, ABC, BOCOM, DB, DBS, CITIC
Tenor	3-year
Maturity	March 25 th , 2024
Size¹	CNY 5bn (~US\$ 750mn)
Coupon	3.22%

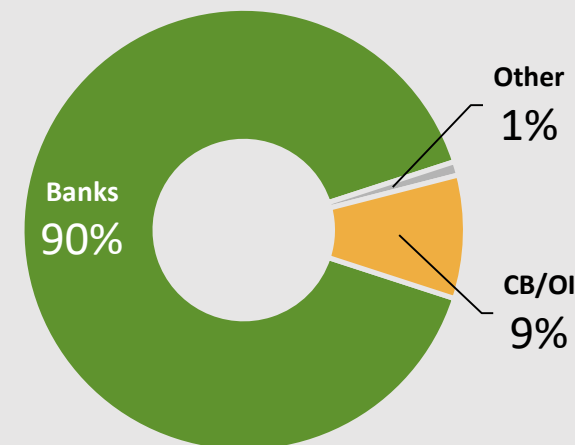
- Priced CNY 5bn at the tighter end of price guidance (3.22%)
- NDB's first transaction under CNY 20bn bond programme in 2021
- Book was in excess of CNY 10bn, more than 2 times oversubscribed
- First issuer to use the UNDP Sustainable Development Goals Impact Standards for Bonds (UNDP SDG Standard) and the SDG Finance Taxonomy (China)
- Transaction garnered notable demand from a geographically diverse investor base
- Net proceeds will be utilized to finance CNY 7bn Emergency Program Loan to China for Supporting Economic Recovery from COVID-19

Note: 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: <https://www.ndb.int/data-and-documents/financial-statements/financial-statements-ndb/>

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

Response to COVID-19

NDB targets to provide up to US\$ 10bn in crisis-related assistance, including for 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

Useful Links

- **Core Documents**
<https://www.ndb.int/data-and-documents/ndb-core-documents/>
- **Investor Marketing Materials**
<https://www.ndb.int/investor-relations/for-investors/>
- **Credit Ratings**
<https://www.ndb.int/investor-relations/credit-ratings/>
- **Financial Statements**
<https://www.ndb.int/data-and-documents/financial-statements/financial-statements-ndb/>
- **Annual Reports**
<https://www.ndb.int/data-and-documents/annual-reports/>
- **Environment and Social Framework**
<https://www.ndb.int/wp-content/uploads/2017/02/ndb-environment-social-framework-20160330.pdf>
- **Sustainable Financing Policy Framework**
https://www.ndb.int/wp-content/uploads/2020/05/2020_FC22_AI13_018_b-NDB-Sustainable-Financing-Policy-Framework.pdf

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Thank you
