
**MINUTES OF THE TWENTY-NINTH AUDIT, RISK AND COMPLIANCE COMMITTEE
MEETING OF THE NEW DEVELOPMENT BANK HELD IN DUBAI, THE UNITED
ARAB EMIRATES ON NOVEMBER 27, 2023 AT 09:00 (GULF STANDARD TIME)**

PRESENT:

Committee Members - Directors and Alternate Directors

- i. Mr. Zhijun Cheng (Director for China, Chairperson of the Committee)
- ii. Mr. Bo Zhang (Alternate Director for China)
- iii. Mr. Dondo Mogajane (Director for South Africa)
- iv. Mr. Marlon Geswint (Alternate Director for South Africa)
- v. Ms. Tatiana Rosito (Director for Brazil)
- vi. Ms. Ekaterina Guseva (Temporary Alternate Director for Russia)
- vii. Dr. Prasanna V. Salian (Alternate Director for India) (via video)
- viii. Ms. Thuraiya Alhashmi (Additional Director for the Constituency of Bangladesh, United Arab Emirates and Egypt)
- ix. Mr. Atter Hannoura (Additional Alternate Director for the Constituency of Bangladesh, United Arab Emirates and Egypt) (via video)

Advisors

- i. Ms. Rebeca Gouget Miranda, Coordinator, Ministry of Finance, Brazil
- ii. Mr. Dmitry Atapin, Leading Advisor, Department of International Financial Affairs, Ministry of Finance, Russia
- iii. Mr. Junjie Su, Director, Division IFI IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- iv. Mr. Lei Zhang, Deputy Director, IFI Division IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- v. Mr. Yazhou Yan, Staff, Division IFI IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- vi. Mr. Mfundo Hlatshwayo, Chief Director, BRICS, Global and Emerging Markets, International and Regional Economic Policy, National Treasury, South Africa
- vii. Ms. Marwa Rashid Al Mahmood, Executive, International Financial Organizations Affairs, Ministry of Finance, United Arab Emirates

- viii. Mr. Mostafa Qotbi, Senior Economist, Ministry of Finance, Egypt (via video)

Senior Management

- i. H.E. Mrs. Dilma Rousseff, President and Committee Member
- ii. Mr. Vladimir Kazbekov, Vice-President and Chief Operating Officer (“COO”)
- iii. Mr. Anil Kishora, Vice-President and Chief Risk Officer (“CRO”)
- iv. Mr. Qiangwu Zhou, Vice-President and Chief Administrative Officer (“CAO”)
- v. Mr. Leslie Maasdorp, Vice-President and Chief Financial Officer (“CFO”)

Secretary to the Committee

- i. Ms. Yolande Dwarika, Director General and Corporate Secretary

Other New Development Bank Staff and Independent Auditors

(Attachment I)

1. Adoption of the Agenda

The Committee considered and adopted the Draft Agenda of the 29th Meeting of the Committee (2023-ARC29-DOC-001).

2. Opening Remarks by the NDB President

The Committee took note of the Opening Remarks by the President.

3. Leave of Absence

The Directors for Russia and India were represented by Temporary Alternate Director and Alternate Director respectively. The meeting had the requisite quorum.

4. Approval of the Minutes and Summaries of the 28th ARC Meeting held on September 12, 2023

The Committee considered and approved the Minutes (2023-ARC29-DOC-003), the Summary (2023-ARC29-DOC-004-a), and the Summary of the Closed Session (2023-ARC29-DOC-004-b) of the 28th ARC Meeting held on September 13, 2023.

5. Record of Decisions during the Inter-Sessional Period Since the 28th ARC Meeting

The Committee considered and took note of the Note on Inter-sessional Decisions of the Audit, Risk and Compliance Committee since the 28th Meeting (2023-ARC29-DOC-023).

6. Matters Arising from the Previous Meeting

The Committee considered the Matters Arising from the 28th ARC Meeting (2023-ARC29-DOC-005-a-REV1) and the Matters Arising from the Closed Session of the 28th ARC Meeting (2023-ARC29-DOC-005-b) and took note of the progress of matters arising.

7. Financial Statements

a. Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2023

The Committee considered the Note on the Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2023 (2023-ARC29-DOC-006-a) and the Report on Review of Condensed Financial Statements and Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2023 (2023-ARC29-DOC-006-b). The Committee recommended that the Report on Review of Condensed Financial Statements and Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2023 be submitted to the Board of Directors (“Board”) for approval.

b. Condensed Financial Statements of the Project Preparation Fund of the New Development Bank for the nine months ended September 30, 2023

The Committee considered the Note on the Condensed Financial Statements of the Project Preparation Fund (“PPF”) of the New Development Bank for the nine months ended September 30, 2023 (2023-ARC29-DOC-007-a), and Report on Review of Condensed Financial Statements and Condensed Financial Statements of the NDB PPF for the nine months. The Committee recommended that the Report on Review on the Condensed Financial Statements and Condensed Financial Statements of the Project Preparation Fund of the New Development Bank for the nine months ended September 30, 2023 be submitted to the Board for approval.

c. Profit or Loss Analysis of the New Development Bank for the nine months ended September 30, 2023

The Committee considered the Financial Analysis of the New Development Bank for the nine months ended September 30, 2023 (2023-ARC29-DOC-009) and took note thereof.

8. Independent Auditor

a. Note on Audit Fees of the Independent Auditors for 2024

The Committee considered the Note on Audit Fees of the Independent Auditors (2023-ARC29-DOC-009) and recommended that the Board approve the proposed audit fees of the Independent Auditor for 2024.

b. Note on Non-Audit Services and Fees of the Independent Auditors for 2024

The Committee considered the Note on Non-Audit Fees of the Independent Auditors (2023-ARC29-DOC-010) and recommended that the Board approve the proposed non-audit services and fees of the Independent Auditor for 2024. The Committee also requested the Management to submit a comprehensive note on rotation of the Independent Auditor to the next Committee meeting.

9. Note on Non-Consolidation of the Project Preparation Fund

The Committee considered the Note on Non- Consolidation of Project Preparation Fund (2023-ARC29-DOC-011) and took note thereof.

10. Risk Management Report for the period ended September 30, 2023

The Committee considered the Risk Management Report for the period ended September 30, 2023 (2023-ARC29-DOC-012) and took note thereof.

11. Review of Policies

a. Code of Business Conduct and Ethics

The Committee considered the Note on the Redrafted Code of Business Conduct and Ethics (2023-ARC29-DOC-013-a), the Schedule of Changes for the Code of Business Conduct and Ethics (2023-ARC29-DOC-013-b), the Summary of Bilateral Discussions for the Code of Business Conduct & Ethics (2023-ARC29-DOC-013-c), the Redrafted Code of Business Conduct and Ethics in track-change mode (2023-ARC29-DOC-013-d), and the Redrafted Code of Business Conduct and Ethics in clean version (2023-ARC29-DOC-013-e), and requested the Compliance and Investigations Department to resubmit the redrafted Code of Business Conduct and Ethics for inter-sessional consideration.

b. Whistleblower Procedures

The Committee considered the Note on Revised Whistleblower Procedures (2023-ARC29-DOC-014-a), the Schedule of Changes for the Whistleblower Procedures (2023-ARC29-DOC-014-b), the Summary of Bilateral Discussions for the Whistleblower Procedures (2023-ARC29-DOC-014-c), the Redrafted Whistleblower Procedures in track-change mode (2023-ARC29-DOC-014-d), and the Redrafted Whistleblower Procedures in clean version (2023-ARC29-DOC-014-e), and requested the Compliance

and Investigations Department to resubmit the revised Whistleblower Procedures for inter-sessional consideration along with the redrafted Code of Business Conduct and Ethics.

12. Internal Rating Methodology for Sovereigns without External Ratings

The Committee considered the Note on Internal Rating Model for Assigning Credit Ratings to Unrated Sovereign Counterparties (2023-ARC29-DOC-015-a) and the Presentation on Credit Rating Model for Unrated Sovereigns (2023-ARC29-DOC-015-b) and recommended that the Board approve the Internal Rating Model for Assigning Ratings to Unrated Sovereign Counterparties.

13. Note on the Project “Information Security Risks Assessment and Recommendations”

The Committee considered the Note on the Project “Information Security Risks Assessment and Recommendations” (2023-ARC29-DOC-016) and requested the Management to further work on the Project of Information Security Risks Assessment and Recommendation, taking into account recommendations by the Committee.

14. Compliance Update

The Committee considered the Note on Compliance Update (2023-ARC29-DOC-017) and took note thereof.

15. Internal Audit

a. Status Update from the Internal Audit Department

The Committee considered the Note from the Internal Audit Department to the Committee (2023-ARC29-DOC-018) and took note thereof.

b. Status of Audit Issues Reported in the Previous Committee Meetings

The Committee considered the Note to the Committee for the Status of Audit Issues Reported in the Previous Committee Meetings (2023-ARC29-DOC-019-a) and the Summary of Total Outstanding Audit Issues Reported in the Previous Committee Meetings (2023-ARC29-DOC-019-b). The Committee took note of the status of the audit issues reported in the previous Committee meetings and requested to close outstanding audit issues as per the previously agreed timeline.

c. Recommendation by the Internal Audit Department on Closing Open Audit Issues

The Committee considered the Note to the Audit, Risk and Compliance Committee for Issue Management Framework (2023-ARC29-DOC-020) and took note thereof.

d. Report on IT-related Audit Issues

The Committee considered the Note to the Audit, Risk and Compliance Committee (ARC) for Status of IT audit issues (2023-ARC29-DOC-021) and took note of the status of outstanding IT-related audit issues from the Internal Audit Department.

16. Closed Session

The Committee met with the representatives of the Independent Auditor, the Director General, Internal Audit, as well as the Chief, Ethics and Investigations in a closed session respectively.

17. Any Other Business

The Meeting ended with thanks from the Chairperson of the Committee.

The following staff members and representatives of the Independent Auditor attended the meeting for relevant agenda items with the approval of the Chairperson:

Corporate Secretary Department:

- i. Mr. Weijie Liu, Principal Professional (via video)
- ii. Ms. Miya Liu, Professional
- iii. Mr. Alexander Efimov, Young Professional
- iv. Mr. Alex du Plessis, Young Professional (via video)
- v. Ms. Angela Gu, Senior Officer (via video)
- vi. Ms. Shuang Zhao, Officer
- vii. Mr. Christopher Newby, Intern (via video)

Office of the President

- i. Mr. Marcelo Takami, Principal Professional (via video)
- ii. Ms. Lusha Zhang, Professional, Office of the President (via video)
- iii. Mr. Marco Tulio De Oliveira Mendonca, Short Term Consultant
- iv. Mr. Aguinaldo Barbieri, Short Term Consultant
- v. Ms. Melissa Yu, Short Term Consultant

Executive Assistants to Vice-Presidents

- i. Mr. Evgeny Kochkin, Executive Assistant to COO
- ii. Mr. Ningqian Zhang, Executive Assistant to CAO

Other Departments/Divisions

- i. Mr. Sergei Kuznetsov, Director General and Legal Counsel
- ii. Ms. Halima Nazeer, Director General, Finance, Budget and Accounting
- iii. Mr. Lourival De Mattos, Director General, Internal Audit
- iv. Ms. Sharmila Govind, Director General, Human Resources
- v. Mr. Kuldeep Goel, Chief, Credit Risk
- vi. Mr. Leon Myburgh, Chief, Portfolio Management
- vii. Mr. James Zhou, Chief, Integrity and Regulatory Compliance
- viii. Mr. Morgan Pillay, Chief, Ethics and Investigations
- ix. Mr. Paritosh Pandit, Chief, Financial Controller
- x. Mr. Kamal Ahuja, Chief, Internal Audit (via video)
- xi. Mr. Marcelo Cardoso, Chief, Legal (via video)
- xii. Mr. Gustavo Jerez, Chief, Enterprise and Operational Risk (via video)
- xiii. Mr. Qinghua Gu, Principal Professional, IT
- xiv. Mr. Daniel Freitas, Principal Professional, Human Resources

- xv. Ms. Anna Aletta Prinsloo, Principal Professional, Ethics and Investigations (via video)
- xvi. Mr. Zhenchen Zhang, Principal Professional, Market Risk (via video)
- xvii. Mr. Dusty Botha, Senior Professional, Information Technology (via video)
- xviii. Mr. Shubham Prakash, Senior Professional, Enterprise and Operational Risk (via video)
- xix. Mr. Alberto Coehlo Pita, Senior Professional, Credit Risk (via video)
- xx. Mr. Sidharth Kamani, Senior Professional, Credit Risk (via video)
- xxi. Ms. Laurel Zhu, Senior Professional, Ethics and Investigations (via video)
- xxii. Ms. Elvira Zhang, Young Professional, Human Resources
- xxiii. Mr. Anderson Goulart, Short Term Consultant, IT (via video)

Independent Auditors

- i. Mr. Han Jian, Deloitte
- ii. Mr. Su Yichen, Deloitte