
**MINUTES OF THE THIRTY-THIRD AUDIT, RISK AND COMPLIANCE COMMITTEE
MEETING OF THE NEW DEVELOPMENT BANK HELD ON DECEMBER 5, 2024 AT
10:30 (CHINA STANDARD TIME)**

PRESENT:

Committee Members

- i. Ms. Thuraiya Alhashmi (Additional Director for the Constituency of Bangladesh, UAE and Egypt, Chairperson of the Committee)
- ii. Mr. Atter Hannoura (Additional Alternate Director for the Constituency of Bangladesh, UAE and Egypt)
- iii. Ms. Tatiana Rosito (Director for Brazil)
- iv. Mr. Timur Maksimov (Director for Russia)
- v. Dr. Prasanna V. Salian (Alternate Director for India)
- vi. Mr. Bo Zhang (Alternate Director for China)
- vii. Dr. Duncan Pieterse (Director for South Africa)
- viii. H.E. Mrs. Dilma Rousseff (NDB President and Committee Member)

Advisors and Other Participants Accompanying Directors and Alternate Directors

- i. Ms. Livia Batista Maciel Braga, Infrastructure Analyst, Ministry of Finance, Brazil
- ii. Ms. Ekaterina Guseva, Deputy Director, Department of International Financial Relations, Ministry of Finance, Russia¹
- iii. Mr. Dmitry Atapin, Deputy Head, Cooperation with International Financial Institutions Division in the Department for International Financial Affairs, Ministry of Finance, Russia
- iv. Mr. Erik Elkibaev, Advisor, Department for International Financial Relations, Ministry of Finance, Russia
- v. Mr. Kalyan Revella, Counsellor (Economic), Embassy of India to the People's Republic of China
- vi. Mr. Xiaoyi Lei, Staff, IFI Division IC, Department of International Economic and Financial Cooperation, Ministry of Finance, China

¹ Temporary Alternate Director until Director for Russia joined the meeting.

- vii. Mr. Victor Luvhengo, Director, BRICS, Global and Emerging Markets, International and Regional Economic Policy, National Treasury, South Africa
- viii. Mr. Abdul Quader, Deputy Secretary, Economic Relations Divisions, Ministry of Finance, Bangladesh

Vice-Presidents

- i. Mr. Vladimir Kazbekov, Vice President and Chief Operating Officer (“COO”)
- ii. Mr. Anil Kishora, Vice President and Chief Risk Officer (“CRO”)
- iii. Mr. Qiangwu Zhou, Vice President and Chief Administrative Officer (“CAO”)
- iv. Mr. Monale Ratsoma, 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 33rd Meeting of the Committee (2024-ARC33-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 India and China were absent and were represented by their respective Alternate Directors. The Director for Russia was represented by Temporary Alternate Director until joining the meeting starting from the agenda item on Financial Statements. The meeting had the requisite quorum.

4. Approval of Minutes and Summaries of the 32nd Meeting of the Audit, Risk and Compliance Committee held on August 28, 2024

The Committee considered and approved the Minutes (2024-ARC33-DOC-003), the Summary (2024-ARC33-DOC-004-a), and the Summary of the Closed Session (2024-ARC33-DOC-004-b) of the 32nd ARC Meeting held on August 28, 2024.

5. Matters Arising

The Committee considered the Matters Arising from the 32nd Audit, Risk and Compliance Committee Meeting (2024-ARC33-DOC-005) and took note of the progress of matters arising.

6. Financial Statements

a. Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2024

The Committee considered the Note on Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2024 (2024-ARC33-DOC-006a), the Independent Auditor's Report on Review of Condensed Financial Statements and Condensed Financial Statements for the nine months ended September 30, 2024 (2024-ARC33-DOC-006b), and the Independent Auditor's Presentation to the Committee on Q3 2024 review of the NDB and NDB Project Preparation Fund (2024-ARC33-DOC-006c). The Committee recommended that the Independent Auditor's Report on Review of Condensed Financial Statements and Condensed Financial Statements of the New Development Bank for the nine months ended September 30, 2024 be submitted to the Board for approval.

b. Condensed Financial Statements of the Project Preparation Fund of the New Development Bank for the nine months ended September 30, 2024

The Committee considered the Note on Condensed Financial Statements of the Project Preparation Fund for the nine months ended September 30, 2024 (2024-ARC33-DOC-007a), the Independent Auditor's Report on Review of Condensed Financial Statements and Condensed Financial Statements of the Project Preparation Fund for the nine months ended September 30, 2024 (2024-ARC33-DOC-007-b). The Committee recommended that the Independent Auditor's Report 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, 2024 be submitted to the Board for approval.

c. Financial Statement Analysis for Q3 2024

The Committee considered the Financial Statement Analysis for Q3 2024 (2024-ARC33-DOC-008) and took note thereof.

7. Independent Auditor

a. Audit Fees of the Independent Auditor for 2025

The Committee considered the Note on Audit Fees of the Independent Auditor (2024-ARC33-DOC-009) and recommended that the Board approve proposed audit fees of the Independent Auditor for CY2025.

b. Non-Audit Fees of the Independent Auditor for 2025

The Committee considered the Note on Non-Audit Fees of the Independent Auditor (2024-ARC33-DOC-010) and recommended that the Board approve the proposed non-audit services and estimated non-audit fees of the Independent Auditor for CY2025.

8. Risk Management Report for the period ended September 30, 2024

The Committee considered the Risk Management report Q3 2024 (2024-ARC33-DOC-011) and took note thereof.

9. Capital Plan and Financial Model

The Committee considered the Note on Assumptions for the Financial Model (2024-ARC33-DOC-012-a) and the Note on Capital Plan (2024-ARC33-DOC-012-b). The Committee recommended that the Board of Directors approve proposed assumptions to be used in the projections underpinning the financial model and the capital plan for the period of 2025-2027.

10. Single Currency Funding Limit

The Committee considered the Note on the Single Currency Funding Limit (2024-ARC33-DOC-013) and recommended that the Board approve further extension of temporary increase of the limit on the total outstanding debt instruments issued in a single currency until June 30, 2025.

11. Transfer Pricing Framework

The Committee considered the Note on Transfer Pricing (2024-ARC33-DOC-014) and took note thereof.

12. Compliance Update

The Committee considered the Note on Compliance Update (2024-ARC33-DOC-015) and took note thereof.

13. Internal Audit

a. Status Update from the Internal Audit Department

The Committee considered the Status Update from the Internal Audit Department (2024-ARC33-DOC-016) and took note thereof.

b. Review of Internal Audit Charter and Internal Audit Policy

The Committee considered the Note and Schedule of Changes of the Internal Audit Charter (2024-ARC33-DOC-017), the revised Internal Audit Charter (“Charter”) in track-change mode (2024-ARC33-DOC-018-a) and the revised Internal Audit Charter in clean version (2024-ARC33-DOC-018-b). In addition, the Committee also considered the Internal Audit Policy in track-change mode (2024-ARC33-DOC-019-a) and the Internal Audit Policy in clean version (2024-ARC33-DOC-019-b). The Committee recommended the revised Internal Audit Charter and revised Internal Audit Policy to the Board for approval.

c. Multi-year Risk-based Internal Audit Plan for CY2025 to CY2027

The Committee considered the Note to the ARC for the Multi-year Risk-based Internal Audit Plan (“Plan”) (2024-ARC33-DOC-020-a) and the Note on Risk Based Audit Plan (2024-ARC33-DOC-020-b). The Committee recommend submission of the Multi-year Risk-based Internal Audit Plan for 2025-2027 to the Board for approval.

d. Internal Audit Reports

The Committee considered Internal Audit for Project Procurement Process (2024-ARC33-DOC-021a), Internal Audit Report for Employee Relationship Management and Learning and Development Processes (2024-ARC33-DOC-021-b), Internal Audit Report for Integrity and Regulatory Compliance Management processes (2024-ARC330DOC-021c) and took note thereof.

e. Status of Audit Issues Reported in the Previous ARC Meetings

The Committee considered Status of Outstanding Audit Issues (2024-ARC33-DOC-022) and took note thereof.

14. 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.

15. 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. Oreste Pedro Maia Andrade, Principal Professional
- ii. Ms. Miya Liu, Senior Professional
- iii. Mr. Alexander Efimov, Professional
- iv. Ms. Angela Gu, Senior Officer
- v. Ms. Shuang Zhao, Senior Officer
- vi. Mr. Christopher Newby, Short-term Consultant

Office of the President:

- i. Mr. Aguinaldo Barbieri, Short-term Consultant
- ii. Mr. Marco Tulio de Oliveira Mendonca, Short-term Consultant
- iii. Mr. Marco Aurelio Picini de Moura, Short-term Consultant
- iv. Mr. Humberto Santana, Professional

Executive Assistants to Vice-Presidents:

- i. Mr. Evgeny Kochkin, Executive Assistant to the COO
- ii. Ms. Gayathri Chandra Menon, Short-Term Consultant to the CRO
- iii. Mr. Ningqian Zhang, Executive Assistant to the CAO
- iv. Mr. Saurabh Ghugre, Executive Assistant to the CFO
- v. Ms. Tshepiso Moahloli, Short-Term Consultant to the CFO

Other Departments/Divisions

- i. Ms. Halima Nazeer, Director General, Finance, Budget and Accounting
- ii. Mr. Zhongxia Jin, Director General, Treasury and Portfolio Management
- iii. Mr. Yury Surkov, Director General, Public Sector
- iv. Mr. Bin Han, Director General, Private Sector and Non-Sovereign Transactions
- v. Mr. Andrey Bokarev, Director General, Eurasian Regional Centre
- vi. Mr. D.J. Pandian, Director General, Indian Regional Office (via video)
- vii. Mr. Kuldeep Goel, Director General, Risk Management
- viii. Mr. Lourival De Mattos, Director General, Internal Audit
- ix. Mr. Sergei Kuznetsov, Director General and Legal Counsel
- x. Mr. Ashwani Muthoo, Director General, Independent Evaluation Office
- xi. Ms. Svetlana Radchenko, Chief, Infrastructure
- xii. Mr. Leon Reinier Myburgh, Chief, Portfolio Management

- xiii. Mr. Daniel Maria Alves, Chief, Treasury
- xiv. Mr. Paritosh Pandit, Chief, Financial Controller
- xv. Mr. James Zhou, Chief, Integrity and Regulatory Compliance
- xvi. Mr. Morgan Pillay, Chief, Ethics and Investigations
- xvii. Mr. Gustavo Jerez, Chief, Enterprise and Operational Risk
- xviii. Mr. Qinghua Gu, Chief, Information Technology
- xix. Mr. Kamal Ahuja, Chief, Internal Audit
- xx. Mr. Thadeu Abicalil, Principal Professional, Americas Regional Office (via video)
- xxi. Mr. Sidharth Kamani, Senior Professional, Credit Risk

Independent Auditors:

- i. Mr. Jason Han, Deloitte
- ii. Ms. Valerie Wang, Deloitte