
**MINUTES OF THE THIRTY-FOURTH AUDIT, RISK AND COMPLIANCE COMMITTEE MEETING
OF THE NEW DEVELOPMENT BANK HELD IN SHANGHAI, CHINA ON MARCH 18, 2025, AT
09:00 (CHINA STANDARD TIME)**

PRESENT:

Committee Members

- i. Ms. Thuraiya Alhashmi (Additional Director for the Constituency of Bangladesh, UAE and Egypt, Chairperson of the Meeting)
- ii. Mr. Atter Hannoura (Additional Alternate Director for the Constituency of Bangladesh, UAE and Egypt)
- iii. Mr. Ivan Tiago Machado Oliveira (Director for Brazil)
- iv. Ms. Ekaterina Guseva (Temporary Alternate Director for Russia)
- v. Ms. Manisha Sinha (Director for India)
- vi. Mr. Solomon Arokiaraj (Alternate Director for India)
- vii. Mr. Bo Zhang (Alternate Director for China)
- viii. Dr. Duncan Pieterse (Director for South Africa)
- ix. H.E. Mrs. Dilma Rousseff (NDB President and Committee Member)

Advisors and Other Participants Accompanying Directors and Alternate Directors

- i. Mr. Dmitry Atapin, Deputy Head, Cooperation with International Financial Institutions Division in the Department for International Financial Affairs, Ministry of Finance, Russia
- ii. Mr. Shang Gao, Officer, Finance and Project Management Division, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- iii. Mr. Mfundo Hlatshwayo, Chief Director, BRICS, Global and Emerging Markets, International and Regional Economic Policy, National Treasury, South Africa
- iv. Mr. Abdul Quader, Deputy Secretary, Economic Relations Division, 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 34th Meeting of the Audit, Risk and Compliance Committee (“ARC” or “Committee”) (2025-ARC34-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 Director for China was absent and was represented by the Alternate Director. The Director for Russia was absent and was represented by the Temporary Alternate Director. The meeting had the requisite quorum.

4. Approval of Minutes and Summaries of the 33rd Meeting of the Audit, Risk and Compliance Committee held on December 5, 2024

The Committee considered and approved the Minutes (2025-ARC34-DOC-003), the Summary (2025-ARC34-DOC-004-a), and the Summary of the Closed Session (2025-ARC34-DOC-004-b) of the 33rd ARC Meeting held on December 5, 2024.

5. Record of Inter-sessional Decisions

The Committee considered and took note of the Note on the Inter-sessional Decisions of the Audit, Risk and Compliance Committee following its 33rd Meeting (2025-ARC34-DOC-005).

6. Matters Arising

The Committee considered the Matters Arising from the 33rd ARC Meeting (2025-ARC34-DOC-006) and took note of the progress of matters arising.

7. Financial Statements

a. Annual Audited Financial Statements of the New Development Bank for the year ended December 31, 2024

The Committee considered the Note on Annual Financial Statements of the New Development Bank for the year ended December 31, 2024 (2025-ARC34-DOC-007-a), the Annual Audited Financial Statements of the New Development Bank for the year ended December 31, 2024 (2025-ARC34-DOC-007-b) and the Presentation to the ARC 2024 Annual Audit of NDB and NDB PPF (2025-ARC34-DOC-007-c). The Committee recommended that the Board of Directors approve submission of the Independent Auditor's Report and Financial Statements of the New Development Bank for the year ended December 31, 2024 to the Board of Governors for approval.

b. Annual Audited Financial Statements of the New Development Bank Project Preparation Fund for the year ended December 31, 2024

The Committee considered the Note on Annual Financial Statements of the Project Preparation Fund ("PPF") for the year ended December 31, 2024 (2025-ARC34-DOC-008-a) and the Annual Audited Financial Statements of the Project Preparation Fund of the New Development Bank for the year ended December 31, 2024 (2025-ARC34-DOC-008-b). The Committee recommended that the Board of Directors approve the submission of the Independent Auditor's Report and Financial Statements of the New Development Bank Project Preparation Fund for the year ended December 31, 2024 to the Board of Governors for approval.

c. Financial Statement Analysis of the New Development Bank for the year ended December 31, 2024

The Committee considered the Financial Statement Analysis of the New Development Bank for the year ended December 31, 2024 (2025-ARC34-DOC-009) and took note thereof.

8. Note on Rotation of Independent Auditor

The Committee considered the Note on the Rotation of the Independent Auditor (2025-ARC34-DOC-010-REV1) and recommended that the Board of Directors approve the same.

9. Risk Management Report for the period ended December 31, 2024

The Committee considered the Risk Management Report Q4 2024 (2025-ARC34-DOC-011) and took note thereof.

10. Compliance

a. Compliance Update

The Committee considered the Note on Compliance Update (2025-ARC34-DOC-012) and took note thereof.

b. Compliance Assessment Report and Annual Compliance Management Plan for 2025

The Committee considered the Compliance Assessment Report and Annual Compliance Management Plan for 2025 (2025-ARC34-DOC-013). The Committee took note of the Compliance Assessment Report for 2024 and recommended submission of the Annual Compliance Management Plan for 2025 to the Board of Directors for approval.

c. Update on the Policy on Handling Disputes Arising from People Affected by NDB Projects

The Committee considered the Cover Note for Issues Paper on Independent Accountability Mechanism (2025-ARC34-DOC-020-a) and the Issues Paper: Developing a 'fit-for-purpose' Independent Accountability Mechanism (2025-ARC34-DOC-020-b) and provided guidance for the next steps on establishing the Bank's independent accountability mechanism.

11. Internal Audit

a. Status Update from the Internal Audit Department

The Committee considered the Status Update from the Internal Audit Department (2025-ARC34-DOC-014) and took note thereof.

b. Internal Audit Reports

The Committee considered the Internal Audit Report for Cash and Bank Account Management and Treasury Back Office Processes (2025-ARC34-DOC-015-a), the Internal Audit Report for Legal Processes (2025-ARC34-DOC-015-b), Internal Audit Report for Lending and Operations (Public Sector, Private Sector and NSG Transactions) (2025-ARC34-DOC-015-c), Internal Audit Report for Operational Risk Management (2025-ARC34-DOC-015-d) and took note thereof.

c. Internal Audit Annual Report for 2024

The Committee considered the Internal Audit Annual Report for 2024 (2025-ARC34-DOC-016) and took note thereof.

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

The Committee considered Annexure A: Summary of outstanding audit issues as reported in the previous ARC meetings (2025-ARC34-DOC-017) and took note thereof.

e. Approval for Appointment of Auditors for Internal Audit Department for 2025

The Committee considered the Note to the Audit, Risk and Compliance Committee for the Procurement of Internal Audit Services for CY2025 (2025-ARC34-DOC-018-a) together with the proposals. The Committee recommended that the Board of Directors approve the proposed appointment of the outsourced internal audit service providers for CY2025 with the total cost.

12. 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.

13. 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
- ii. Mr. Oreste Pedro Maia Andrade, Principal Professional
- iii. Ms. Miya Liu, Senior Professional
- iv. Mr. Alexander Efimov, Professional
- v. Ms. Angela Gu, Senior Officer
- vi. Ms. Shuang Zhao, Senior Officer
- vii. Mr. Christopher Newby, Short-term Consultant

Office of the President:

- i. Mr. Humberto Santana, Professional
- ii. Mr. Aguinaldo Barbieri, Short-term Consultant
- iii. Mr. Marco Tulio Mendonca, Short-term Consultant
- iv. Mr. Marco Aurelio, short-term Consultant
- v. Mr. Alessandro Golombiewski Teixeira, Short-term Consultant

Executive Assistants and Advisors to Vice-Presidents:

- i. Mr. Evgeny Kochkin, Advisor to the COO
- ii. Mr. Ningqian Zhang, Executive Assistant to the CAO
- iii. Ms. Gayathri Chandra Menon, Short-term Consultant, Office of the CRO
- iv. Mr. Tshepiso Moahloli, Short-term Consultant, Office of the CFO

Other Departments/Divisions

- i. Ms. Halima Nazeer, Director General, Finance, Budget and Accounting
- ii. Mr. Kuldeep Goel, Director General, Risk Management
- iii. Mr. Hanyong Liu, Director General, Administration
- iv. Mr. Yury Surkov, Director General, Public Sector
- v. Mr. Sergei Kuznetsov, Director General and Legal Counsel
- vi. Mr. Lourival de Mattos, Director General, Internal Audit
- vii. Mr. Ashwani Muthoo, Director General, Independent Evaluation Office
- viii. Mr. Paritosh Pandit, Chief, Financial Controller
- ix. Mr. Gustavo Jerez, Chief, Enterprise and Operational Risk
- x. Mr. Morgan Pillay, Chief, Compliance and Investigations
- xi. Mr. James Zhou, Chief, Integrity and Regulatory Compliance

- xii. Mr. Qinghua Gu, Chief, Information Technology
- xiii. Ms. Dan Xu, Principal Professional, Administration
- xiv. Mr. Sidharth Kamani, Senior Professional, Credit Risk

Independent Auditors:

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