



**Minutes of the Meeting of the Board of Directors of the
Asian Infrastructure Investment Bank
held on April 10-11, 2018**

PRESENT:

Chair:

JIN Liqun, President

Directors:

Adel AL HOSANI* (Al-Kudairy)
Mehmet Alper BATUR
BOONCHAI Charassangsomboon
Grigory BUTRIN
CHEN Shixin
Ahmed KOUCKOUK
M.M. KUTTY
Christopher LEGG
Emil LEVENDOGLU
Nikolai PUTSCHER
Rionald SILABAN
Taesik YOON

Alternate Directors:

Rocio ALBERDI (Putscher)
Muhammed Aslam CHAUDHARY (Batur)
Alberto COGLIATI (Putscher)
Dada Katrina DECENA** (Boonchai)
Michelle GYSIN (Levendoglu)
Dao Thuy HANG (Legg)
Md. Zahidul HAQUE (Boonchai)
Angkhansada MOUNGKHAM (Silaban)
Ofer PELEG (Yoon)
Radek PYFFEL (Levendoglu)
R.M. Priyantha RATHNAYAKE (Silaban)
Ekaterina ROMANCHUK** (Butrin)
Rick STEWART** (Kouchouk)
WU Guoqi (Chen)

* Alternate Director acting as Director

** Temporary Alternate Director

Staff Participating

Danny ALEXANDER, Vice President and Corporate Secretary
Thierry DE LONGUEMAR, Vice President and Chief Financial Officer
D.J. PANDIAN, Vice President and Chief Investment Officer
Joachim VON AMSBERG, Vice President – Policy and Strategy
Luky WURYANTO, Vice President and Chief Administrative Officer
Gerard SANDERS, General Counsel
Martin KIMMIG, Chief Risk Officer
O. Barron, I. Bain, S. Elbech, D. Lee, K. Fang, A. Lim, A. Mendoza, Y.E. Pang, H. Sharif, D. Shim, S. Teravaninthorn, H. Tian, J. Yoo, W. Zhang, Q. Zheng.

External Members of Audit and Risk Committee attending for the following agenda items: Progress Update from Management; 2017 Financial Statements and Auditors' Report; and Review of Loan Pricing.

J. ENGSTROM, C. MAH.

External Auditors (PricewaterhouseCoopers) attending for discussion of 2017 Financial Statements and Auditors Report: A. EVERETT

Progress Report from Management

1. The Board of Directors received and discussed updates on the Bank's 2018 Business Plan and Budget progress, human resources, financial activities, risk reporting and the Board of Directors' indicative workplan.

Report from the Board Visit to Indonesia

2. The Board of Directors received a report from the Board's visit to the Republic of Indonesia, which took place in March 2018.

Update from the Committee Chairs

3. The Board of Directors received updates from the Chairs of the Audit and Risk Committee; the Budget and Human Resources Committee; and the Policy and Strategy Committee.

Accountability Framework

4. The Board of Directors considered the President's Memorandum on the proposed Accountability Framework and approved the President's recommendation, as amended during the meeting.

2017 Financial Statements and Auditors' Report

5. The Board of Directors considered the President's Memorandum on the audited financial statements and the allocation of net income and approved the recommendations to:
 - i. Submit the audited financial statements of the Bank and the Special Fund to the Board of Governors with the recommendation for their approval by the Board of Governors.
 - ii. Recommend to the Board of Governors to determine that AIIB's net income for financial year 2017 be allocated to retained earnings.

Update on the Policy on Public Information

6. The Board of Directors received an update on the development of the Bank's Policy on Public Information.

Review of Loan Pricing

7. The Board of Directors reviewed the Bank's sovereign-backed loan and guarantee pricing.

Matters pertaining to the Board of Governors

8. The Board of Directors received an update on preparation for the 2018 Annual Meeting, to be held in Mumbai, the Republic of India, on June 25-26, 2018.
9. The Board of Directors considered the President's Memorandum and Recommendation on the proposed rules for the 2018 election of Directors and approved the recommendation to submit to the Board of Governors the proposed rules.
10. The Board of Directors considered the President's Memorandum and Recommendation on the fifth group of new member applications to join the Bank and approved the

recommendation to submit to the Board of Governors the Report and draft Resolutions on the admission of Kenya and Papua New Guinea.

Update on the Complaints' Handling Mechanism

11. The Board of Directors received an update on the development of the Bank's Complaints Handling Mechanism.

Transport Strategy

12. The Board of Directors received an update on the development of the Bank's Transport Strategy.

Energy Sector Strategy Results Monitoring Mechanism

13. The Board of Directors considered the President's Memorandum and Recommendation on a proposed monitoring framework of the energy sector strategy and approved the recommendation to adopt the revised Results Monitoring Framework.

Consideration of Investment Project

14. The Board of Directors considered the President's Memorandum and Recommendation on a proposed loan to the Republic of India for the Madhya Pradesh Rural Connectivity Project, and approved the proposed USD140 million loan as recommended.

Investment Operations Quarterly Monitoring Report

15. The Board of Directors discussed the Bank's Investment Operations Quarterly Monitoring Report.

Investment Pipeline Update

16. The Board of Directors received an update on the Bank's investment pipeline.

Other business

17. The Board of Directors supported the President's appointment on an interim basis of Mr. Tony Wan as Chief Ethics Officer under the Codes of Conduct for Bank Personnel and Board Officials.

The following Board session took place *in camera* on April 11, 2018, chaired by Sir Danny Alexander, Vice President and Corporate Secretary.

Update with the Compliance, Effectiveness and Integrity Unit

The Board of Directors received an update from Mr. Hamid Sharif, Management Director of the Compliance, Effectiveness and Integrity Unit.