



**Draft Minutes of the Meeting of the Board of Directors of the
Asian Infrastructure Investment Bank
held at the Oberoi Trident Hotel, Mumbai, India, on June 23-24, 2018**

PRESENT:

Chair:

JIN Liqun, President

Directors:

Khalid AL KHUDAIRY
Mehmet Alper BATUR
BOONCHAI Charassangsomboon
Grigory BUTRIN
CHEN Shixin
Prashant GOYAL (Khare)*
Ahmed KOUCHOUK
Christopher LEGG
Emil LEVENDOĞLU
Nikolai PUTSCHER
Rionald SILABAN
Taesik YOON

Alternate Directors:

Adel AL HOSANI (Al Khudairy)
Khaled Al-Suwaidi (Al Khudairy)
Rocio ALBERDI (Putscher)
Muhammed Aslam CHAUDHARY (Batur)
Alberto COGLIATI (Putscher)
Michelle GYSIN (Levendoglu)
Dao Thuy HANG (Legg)
Md. Zahidul HAQUE (Boonchai)
Mark JOVEN (Boonchai)
Fisseha KIDANE (Kouchouk)
Daniyar MERGENBAYEV (Butrin)
Angkhansada MOUNGKHAM (Silaban)
Ofer PELEG (Yoon)
Radek PYFFEL (Levendoglu)
R.M. Priyantha RATHNAYAKE (Silaban)
Ekaterina ROMANCHUK*** (Butrin)

* Alternate Director acting as Director

** Acted as Director for discussion on Investment Operations Quarterly Report and Investment Pipeline Update

*** 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
I. Bain, O. Barron, H. Baskar, O. Burnage, S. Elbech, K. Fang, D. Lee, H. Lee, H. Lim, F. Liu, R. Misra, L. Ostfield, YE Pang, G. Shafi, H. Sharif, S. Teravaninthorn, H. Tian, S. Toor, A. Ugut, T. Wan, Q. Zheng

External Members of Audit and Risk Committee attending for Progress Report; Publication of Interim Financial Statements; Capital Adequacy and Stress Testing Policy; Update from Committee Chairs.
J. ENGSTROM, C. MAH

Progress Report from Management

1. The Board of Directors received and discussed updates on the Bank's 2018 Business Plan and Budget progress; financial activities; ethics; matters pertaining to the 2018 Annual Report; and the Board of Directors' indicative workplan.

Publication of Interim Financial Statements

2. The Board of Directors considered the President's Memorandum on the Publication of the Interim Financial Statements and the report from the Chair of the Audit and Risk Committee and approved the publication of the Interim Financial Statements on the Bank's website.

Capital Adequacy and Stress Testing Policy

3. The Board of Directors considered the President's Memorandum on the proposed Capital Adequacy and Stress Testing Policy and approved the Policy substantially in the form proposed.

Update from the Committee Chairs

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

Update on Human Resources

5. The Board of Directors received and discussed an update on Human Resources.

Update on the Policy on Public Information

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

Update on the Project-affected People's Mechanism

7. The Board of Directors received and discussed an update on the development of a Project-affected People's Mechanism.

Draft Sustainable Cities Strategy

8. The Board of Directors received and discussed an update on the development of the Bank's Sustainable Cities Strategy.

Oversight Mechanism

9. The Board of Directors discussed the development of the Bank's Oversight Mechanism.

Consideration of Investment Projects

10. The Board of Directors considered the President's Memorandum on a proposed loan to Boru Hatlari Ile Petrol Tasima A.S. (BOTAS) with a guarantee of the Republic of Turkey for the Turkey Gas Storage Expansion Project and approved the USD600 million loan as recommended.

11. The Board of Directors considered the President's Memorandum on a proposed loan to the Republic of Indonesia for the Strategic Irrigation Modernization and Urgent Rehabilitation Project and approved the USD250 million loan as recommended.
12. The Board of Directors considered the President's Memorandum on a proposed equity investment in the India National Investment and Infrastructure Fund Phase I Project, and approved the USD100 million investment as recommended.

Investment Operations Quarterly Monitoring Report

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

Investment Pipeline Update

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

The following Board session took place *in camera* on June 24, 2018, chaired by Sir Danny Alexander, Vice President and Corporate Secretary.

Update with the Compliance, Effectiveness and Integrity Unit

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

Record of Decision:

The following item has been approved on an Absence of Objection Basis between June 13, 2018, to June 22, 2018

1. The Board of Directors considered the President's Memorandum on the 2017 AIIB Annual Report and approved the Report as recommended.