

Investor Relations



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Treasury and Portfolio Management

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Who We Are

- NDB is a **multilateral development bank** established by BRICS countries
- The **membership is open** to members of the United Nations

Our Mission

- To mobilize resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, complementing the existing efforts of multilateral and regional financial institutions for global growth and development
- To support of public and private projects through **loans, guarantees, equity participation and other financial instruments**

Key Features

HIGH CAPITALISATION

- High level of initial **authorised capital of US\$ 100bn** with initial **subscribed capital of US\$ 50bn** and **paid-in capital of US\$ 10bn** places NDB amongst the largest MDBs globally

CREDIT STRENGTHS

- AA+/AA+/AAA/AAA** long-term international credit rating from S&P/Fitch/JCR/ACRA
- Conservative risk management and financial policies**
- Sound governance structure, led by a **highly experienced management team**
- One of the highest ratios of paid-in capital to subscribed capital (20%)** and one of the largest commitments amongst all MDBs
- Weighted average credit rating of projects approved is BB+**

INNOVATION AND SUSTAINABILITY

- Support the development of financial markets in member states**, provide financing in both local and hard currencies and apply country systems
- Sustainability is fundamental to the founding principles of NDB** and overlays everything we do

EFFICIENCY

- NDB aims to structure, negotiate, review and **approve loans within 6 months** without compromising project quality and risk management standards
- Lean operations**, partnership with other development institutions

Substantial Role in Providing Emergency Funding During the COVID-19 Outbreak

- NDB rapidly provided **US\$ 9bn** to its member states for health and social safety expenditures, as well as for supporting economic recovery through the Bank's US\$ 10bn crisis-related assistance facility

¹ NDB COVID-19 Emergency Program is available at: <https://www.ndb.int/covid-19-response-programme/>

Strong Shareholder Support

Members	Shareholding
Brazil	19.42%
Russia	19.42%
India	19.42%
China	19.42%
South Africa	19.42%
Bangladesh	1.83%
UAE	1.08%
Egypt	Prospective member
Uruguay	Prospective member

Note: Prospective members listed herein have been admitted by NDB's Board of Governors and will officially become a member country once they deposit their instrument of accession

- **Key institution in BRICS cooperative framework**
- **Equal capital subscription** amongst founding members
- **Full member support** for maintaining a very strong financial profile
- High commitment of founding countries to NDB represents a **greater propensity to support the institution in times of distress**
- **No member holds veto power**
- **Preferential treatment in member countries** with extensive immunities, privileges and exemptions

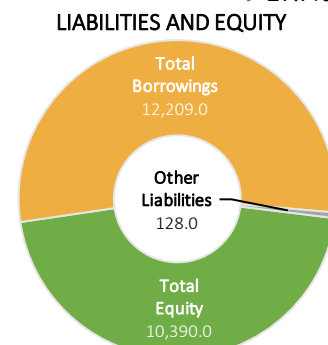
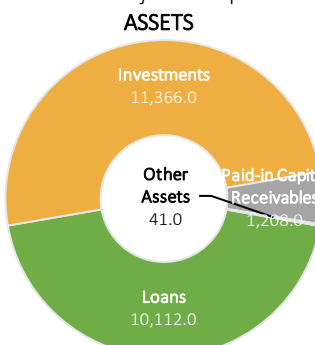
Credit Ratings

	Long-Term	Short-Term	Outlook
S&P Global Ratings	AA+	A-1+	Stable
Fitch Ratings	AA+	F1+	Negative
Japan Credit Rating Agency	AAA		Stable
Analytical Credit Rating Agency	AAA		Stable

Highly Capitalised Institution

Policies and key risk limits are in line with AAA rated MDBs **As of Jun 30, 2021**

- **Conservative capitalisation ratio:** minimum Equity-to-Asset ratio at 25% **✓ 43%**
- **Highly-liquid balance sheet:** liquid assets to cover minimum 12-month net cash outflow without accessing capital markets **✓ 136%**
- **Prudent capital management:** maximum Capital Utilization ratio at 90% **✓ 11.62%**
- Risk Adjusted Capital **✓ 27.7%**



Source: NDB IFRS Financial Statements as of June 30, 2021
¹ Numbers are presented in US\$ mn. Balance sheet total is US\$ 22,727mn

Funding Strategy

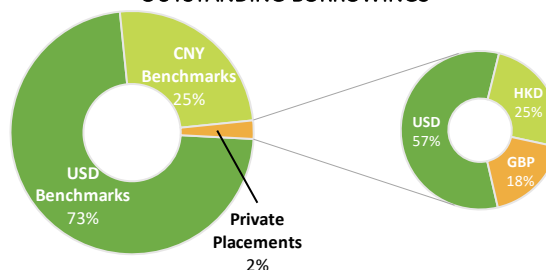
- **Diversification by currency, tenor and type of interest rate**
- **Domestic borrowing programmes in BRICS**
- **Focus on Green and Sustainability financing instruments**

Programmes in place

- EMTN programme (Reg S)
- ECP programme
- RUB bond programme
- CNY bond programme
- ZAR bond programme

Size
US\$ 50bn
US\$ 8bn
RUB 100bn (~US\$ 1.3bn)
CNY 20bn (~US\$ 3.1bn)
ZAR 10bn (~US\$ 0.6bn)

OUTSTANDING BORROWINGS



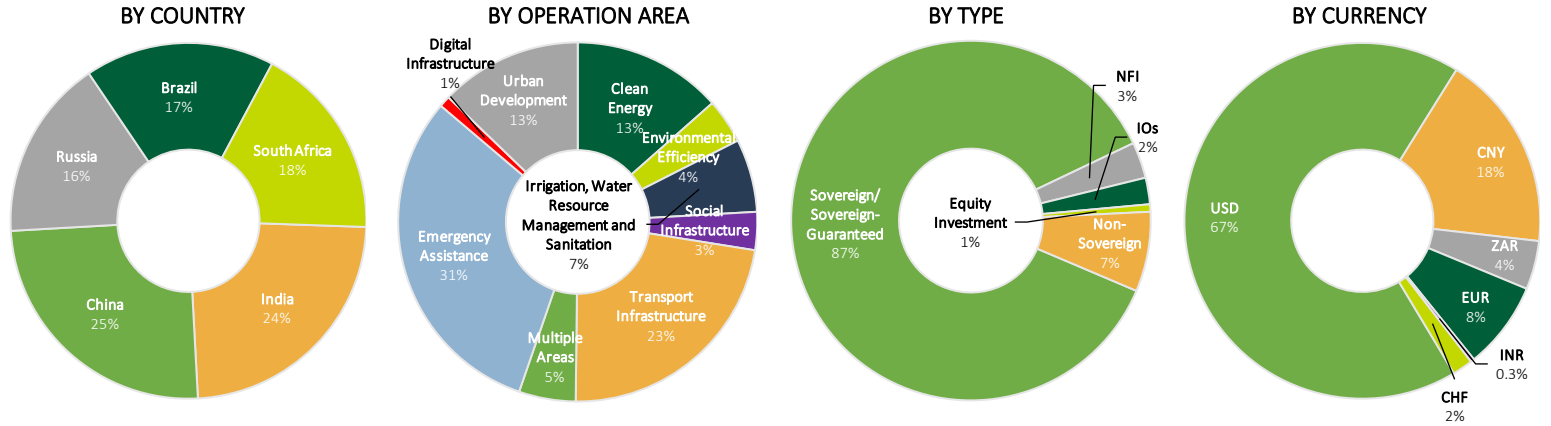
¹ Outstanding issuance amount under EMTN programme (Reg S) is US\$ 8.0bn
² Outstanding issuance amount under ECP programme is US\$ 3.3bn
³ Outstanding issuance amount under CNY bond programmes is CNY 17bn (~US\$ 2.7bn)

Elements of Environmental and Social Commitment

- **Environmental and Social Framework**
 - Ensures environmental and social soundness and sustainability of operations and support the integration of environmental and social considerations into the operation decision-making process
 - Manages environmental and social risks and impacts of projects
 - Manages operational and reputational risks of NDB and its stakeholders
 - Mainstreams environmental and social considerations into decision-making processes of all parties
 - Encourages the international good environmental and social practices in its operations and in doing so strengthen the country systems
- **Sustainable Financing Policy Framework**
 - Describes NDB's principles in governing the use and management of the proceeds of green, social and sustainability bonds and other debt instruments

Project Breakdown

- NDB Board of Directors approved 77 projects in all member countries for a total amount of US\$ 29.7bn
- Weighted average credit rating of projects approved is BB+
- NDB project portfolio contributes to achieving 12 out of the 17 SDGs



¹ Loans are classified by total loan notional, in approximate US\$ terms. Figures may not tally due to rounding differences. NFI – National Financial Intermediary. IOs – International Organisations

² As of December 31, 2021. List of all approved investment projects is available at: <https://www.ndb.int/projects/list-of-all-projects/>

Key Financial Metrics

Statement of Profit or Loss (US\$ mn)		Jan 1, 2021–Jun 30, 2021	Jan 1, 2020–Dec 31, 2020	Jan 1, 2019–Dec 31, 2019	Jan 1, 2018–Dec 31, 2018
Net interest income		72.0	181.0	197.7	109.8
Net Fee income ¹		4.0	5.0	1.6	0.4
Net gains/(losses) on financial instruments at FVTPL		(16.0)	(191.0)	21.9	7.8
Staff costs and other operating expenses ²		(37.0)	(64.0)	(51.3)	(37.2)
Impairment losses ³		9.0	(38.0)	2.1	(3.8)
Foreign exchange gains / (losses)		8.0	208.0	(17.4)	(5.0)
Operating profit		40.0	101.0	150.5	72.0
Unwinding of interest on paid-in capital receivables		12.0	49.0	72.4	93.8
Total comprehensive income		51.0	151.0	222.9	165.9
Statement of Financial Position (US\$ mn)		As at Jun 30, 2021	As at Dec 31, 2020	As at Dec 31, 2019	As at Dec 31, 2018
Assets					
Cash and cash equivalents		5,223.0	2,193.0	1,023.5	123.0
Due from banks other than cash and cash equivalents		3,923.0	6,762.0	5,494.8	4,800.6
Derivative financial assets		36.0	27.0	5.4	0.7
Financial assets held under resale agreements		77.0	66.0	-	-
Financial assets at FVTPL		510.0	400.0	-	-
Debt instruments at fair value through OCI		155.0	131.0	-	-
Debt instruments measured at amortised cost		1,478.0	763.0	33.8	-
Loans and advances		10,112.0	6,612.0	1,544.9	628.1
Paid-in capital receivables		1,208.0	1,885.0	3,713.5	4,846.8
Other assets ⁴		5.0	5.0	4.6	3.3
Total assets		22,727.0	18,844.0	11,820.6	10,402.4
Liabilities					
Derivative financial liabilities		75.0	98.0	12.2	6.4
Financial liabilities designated at FVTPL		7,848.0	5,556.0	882.8	443.8
Borrowings		-	-	110.1	-
Note payables		4,361.0	2,815.0	623.3	-
Other liabilities ⁵		53.0	42.0	21.0	7.4
Total liabilities		12,337.0	8,511.0	1,649.2	457.6
Equity					
Paid-in capital		10,000.0	10,000.0	10,000.0	10,000.0
Reserves		(9.0)	(26.0)	(86.5)	(162.4)
Retained earnings		399.0	359.0	257.8	107.3
Total equity		10,390.0	10,333.0	10,171.3	9,944.9
Total equity and liabilities		22,727.0	18,844.0	11,820.6	10,402.4

Source: NDB Audited IFRS Financial Statements: <https://www.ndb.int/data-and-documents/financial-statements/financial-statements-ndb/>

Note: Figures may not tally due to rounding differences

¹ Net fee income, including other operating income

² Staff costs and other operating expenses, including other income and other expense

³ Impairment losses under expected credit loss model, net of reversal

⁴ Other assets, including property and equipment, intangible assets and right-of-use assets

⁵ Other liabilities, including contract liabilities and lease liabilities