CREDIT OPINION
9 April 2026

Update

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RATINGS

AIIB

	Rating	Outlook
Long-term Issuer	Aaa	STA
Short-term Issuer	P-1	--

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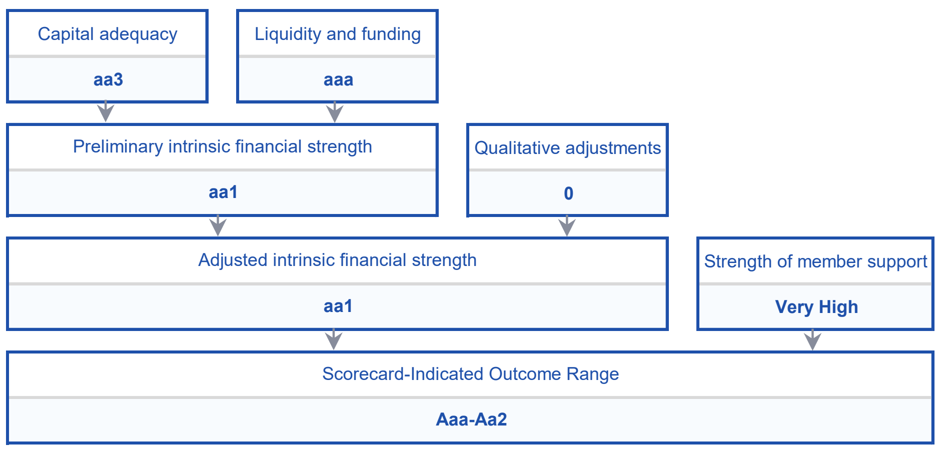
Asian Infrastructure Investment Bank – Aaa stable

Regular update

Summary

The credit profile of the Asian Infrastructure Investment Bank (AIIB) reflects solid capital adequacy, strong liquidity and very high shareholder support. AIIB's capital base will continue to be very large relative to its development assets as the bank ramps up its lending operations, providing ample financial capacity to fulfill its mandate.

Exhibit 1
AIIB's credit profile is determined by three factors



Source: Moody's Ratings

Credit strengths

» Solid capital base reflecting a large paid-in capital cushion and gradually expanding operations

» A strong governance framework that is in line with other Aaa-rated peers

» Very high shareholder support from a large membership base

Credit challenges

» A concentrated loan portfolio, with relatively high country and single name exposures, which is however on an improving trend

Rating outlook

The stable outlook reflects our view that AIIB will continue to manage its growth plan in a prudent and successful manner, thus keeping its strong financial profile intact. The bank is targeting an increase in its development-related asset portfolio by close to 10% per year on average over the next three years. But while lending growth will be high, AIIB's leverage metrics will continue to be strong, given the substantial paid-in equity buffer and growing retained earnings at the bank's disposal.

Factors that could lead to a downgrade

An upgrade of AIIB's ratings is not possible as its Aaa ratings are at the highest level of Moody's rating scale. Downward pressure on the rating could emerge if AIIB's underwriting and risk management processes are not applied effectively and consistently, leading to a marked and sustained deterioration in its asset performance and overall credit metrics. The rating could also come under downward pressure if signs of increasing interference by shareholders were to emerge, or if the Bank were to implement a shift in strategy that resulted in a greater geographic concentration of lending and investment than we expect. Evidence of diminished capacity or willingness to support from key shareholders – in particular China (A1 negative) – would also weigh on the credit profile.

Key indicators

Exhibit 2

Asian Infrastructure Investment Bank	2019	2020	2021	2022	2023	2024
Total Assets (USD million)	22,632	32,082	40,238	47,409	53,793	57,116
Leverage Ratio [1]	16	45	68	95	119	138
Weighted Average Borrower Rating (WABR)	Ba2	Ba2	Ba3	B1	B1	Ba3
Sovereign exposure / Loans and Guarantees %	61.7	79.3	84.9	88.5	90.6	91.5
Equity Investments / DRA	3.2	1.8	2.5	3.2	3.9	4.1
Non-Performing Assets / DRA %	0.0	0.2	0.6	0.5	0.4	0.0
Return On Equity	2.3	0.8	0.1	1.3	4.7	4.6
Availability of Liquid Resources Ratio (ALR %) [2]	705.1	364.2	299.9	169.5	141.2	179.3
Weighted Average Shareholder Rating (WASR)	Baa1	Baa1	Baa1	Baa3	Baa3	Baa3
Callable Capital / Gross Debt %	3,025.6	667.5	401.8	316.9	254.3	235.6

[1] Development-related assets (DRA) + Treasury assets rated A3 or lower / Usable equity
[2] Liquid assets / Projected net cash outflows during upcoming 18 months
Source: Moody's Ratings

Profile

AIIB was established by 57 founding member countries and began operations in January 2016. By March 2026, the number of approved members has grown to 111. Based on capital subscriptions as of December 2024, the top five shareholders are China with 30.7% of total subscriptions, India (Baa3 stable, 8.6%), Russia (6.7%), Germany (Aaa stable, 4.6%) and Korea (Aa2 stable, 3.9%). Its broad membership base is larger than the Asian Development Bank (ADB, Aaa stable, 68 members) and other regional MDBs. The distribution of voting power between member countries is in line with peers. Non-regional members collectively hold significant voting power (27.5% for 50 non-regional members). Major decisions require an affirmative vote of two-thirds of the total number of Governors of AIIB, representing at least 75% of the total voting power of the members.

The bank's mandate is to meet Asia's infrastructure funding gap. Its financings are focused on green and technology-enabled infrastructure as well as investments to increase regional trade and connectivity in Asia. It also aims to act as a catalyst for mobilising private investment in infrastructure in the region. While most of AIIB's lending so far has been to sovereigns or benefitting from a sovereign guarantee, the bank aims to increase the share of private-sector financing approvals to 50% by 2030, from around 34% of signed lending as of 2024. By sector, transport and energy are the largest exposures, accounting for 22% and 17% of approved financings respectively, besides the Crisis Recovery Facility (31%), which has now been terminated. Climate action finance reached 70%

of annual financing approvals in 2025, the highest share to date, following consistent outperformance of the bank's minimum target of at least 50% since 2022.

Detailed credit considerations

Our determination of a supranational's rating is based on three rating factors: capital adequacy, liquidity and funding and strength of member support. For Multilateral Development Banks, the first two factors combine to form the assessment of intrinsic financial strength, as shown on the cover page graphic. Additional factors can affect the intrinsic financial strength, such as risks stemming from the operating environment or the quality of management. The strength of member support is then incorporated to yield a rating range. For more information please see our Supranational Rating Methodology.

FACTOR 1: Capital adequacy score: aa3

AIIB's "aa3" capital adequacy score reflects its large paid-in equity and its very strong asset performance metrics to date, combined with good development asset credit quality. The bank's strong capital position implies ample capacity to absorb losses and weather any near-term challenges to the credit quality of some of its current investments. As AIIB continues to ramp up its operations over the coming years, we expect the institution's metrics to weaken somewhat from the current very solid levels, with rising leverage and potentially somewhat weaker asset quality and performance.

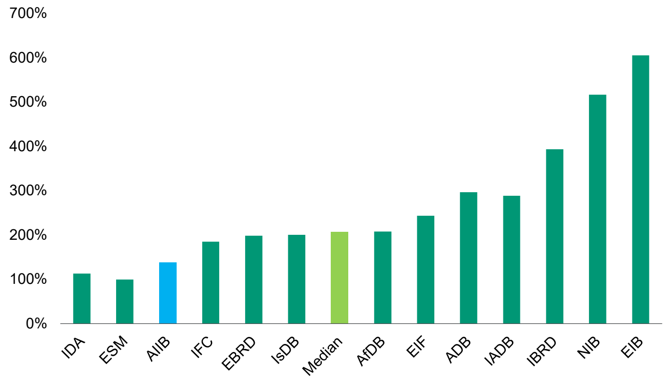
AIIB's leverage will likely rise from low levels, as it ramps up lending

AIIB continues to benefit from an ample cushion of paid-in capital, amounting to over $19.4 billion as per the 2024 financial statements. Combined with accumulated retained earnings of more than $3.2 billion up to December 2024, the bank has a very comfortable cushion of useable equity. Development-related assets have grown to around $30 billion in 2024 (+20% compared to 2023), although growth has slowed significantly following the near-tripling in 2020 due to the pandemic. Consequently, its leverage metrics continue to compare very well with most MDBs, standing at 138% as 2024 compared to the median of 256% for Aaa-rated MDBs as of 2023 (see Exhibit 3).

AIIB aims to continue to grow its loan portfolio at a rapid pace in the coming years, but its ample capitalization will ensure that leverage will remain moderate. We estimate that under the bank's longer-term strategic plans, leverage would rise to close to 230% by 2032. We reflect the trend of rising leverage in a downward adjustment to the capital position, which we score at "a1", one notch below the initial score of "aa3".

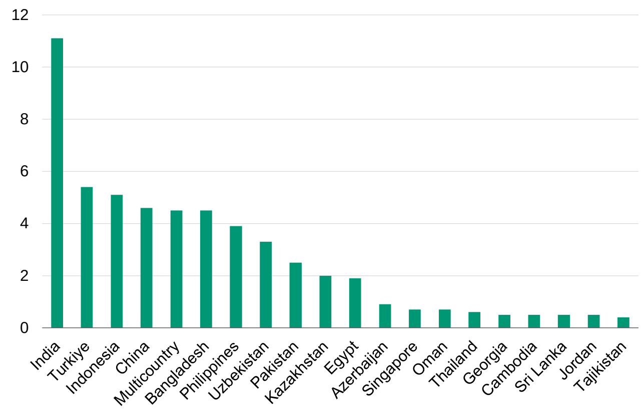
Compared to its original plans for portfolio growth, AIIB's loan portfolio has expanded more slowly, recognizing that it takes time to build client relationships and grow the loan portfolio. The bank is developing multi-year project pipelines with key borrowing countries to help it ramp up operations more quickly.

Exhibit 3
AIIB's leverage is far lower than peers and will remain so for years to come
Leverage ratio, %



Data refers to 2024, with the exception of IDA, IFC, IADB and IBRD for which data refers to 2025
Source: Moody's Ratings

Exhibit 4
Exposure to India remains AIIB's largest
Cumulative approved projects by country (excluding terminated projects)*, $ billion, as of 14 February 2025



*The remaining 18 borrowers not shown above have approved projects amounting to nearly $3.7 billion, or around 7% of the total
Sources: AIIB and Moody's Ratings

Development asset credit quality is in line with peers

AIIB's development asset credit quality (DACQ) is scored at "a", in line with its regional peer, the ADB, and median for Aaa and Aa-rated MDBs. This score incorporates our forward-looking view that the growth in the bank's portfolio will likely reduce concentration risk while strong risk management will help to preserve strong asset quality and performance. Unlike other MDBs, which differentiate between their members in their eligibility to receive financing, AIIB explicitly authorized investments in any member, regional or non-regional, in its founding articles of agreement. Lending to non-regional members is currently limited to 15% of total approved financings, over any rolling three-year period.

We estimate the bank's weighted average borrower rating (WABR), the starting point of our DACQ assessment, at"ba3"as of end-2024, an improvement since 2022 but weaker than in earlier years. The score balances moderate outstanding exposures to lowly-rated countries such as Sri Lanka (Caa1 stable), Pakistan (Caa1 stable) and Bangladesh (B2 negative) against more rapid growth in projects in higher-rated jurisdictions such as India, China and Indonesia (Baa2 negative). Our DACQ assessment incorporates a one-notch uplift for AIIB's preferred creditor status, given the emerging track record of AIIB being treated as preferred creditor in sovereign defaults. AIIB alongside fellow MDB lenders ADB an International Bank for Reconstruction & Development (World Bank) (IBRD, Aaa stable) has been exempt from Sri Lanka's debt restructuring and Sri Lanka has remained current on its obligations to AIIB. We expect AIIB's preferred status to be recognized in other potential sovereign debt restructurings involving its borrowers as well.

We also consider concentration metrics within our DACQ assessment. While AIIB's infrastructure development mandate means that the bank has a heavy concentration within a single asset class, concentration by sector, country and single name exposure has consistently improved over the past few years as the portfolio has grown. The bank has a policy limit to restrict the share of its three largest country signed exposures to below 50% and its single largest exposure to less than 20% of its total investment operations by the end of 2030. The bank's exposure to Russia is small, accounting for less than 1% of the outstanding development assets in 2024, and has continued to perform.

Strong asset performance to resume in 2025-26

AIIB's asset performance has shown improvements in 2025 from an already strong position, with very limited non-performing assets (NPAs) to date, reflected in a score of "aaa".

Asset quality remains strong and is expected to remain resilient in 2026. As of year-end 2025, the bank reported zero sovereign NPAs and non-sovereign NPAs of $5 million, down from $15 million at end-2024, translating into an NPA ratio of 0.1% for the non-sovereign portfolio and 0.02% for the overall investment operations portfolio. Watch list exposures represented 5% of committed non-sovereign debt and reflect a conservative risk classification amid heightened global uncertainty rather than emerging credit stress; these exposures are expected to be closely monitored and actively managed, limiting downside risks to asset quality.

Portfolio risks remain well contained and are expected to remain so, supported by improving concentration metrics, strong underlying credit quality and conservative exposure limits. Concentration risk is managed through limits on top-one and top-three economy exposures in the investment operations portfolio, complemented by controls on the largest economy exposure across investment and treasury portfolios. These metrics have continued to strengthen and are expected to remain comfortably within internal limits as the pipeline develops. Credit quality improved modestly in 2025, reflected in slightly higher weighted-average ratings across both sovereign and non-sovereign portfolios and a very low level of non-performing assets, providing buffers against potential downside risks

Provisioning outcomes were favorable in 2025 and are expected to continue supporting the bank's risk profile. The release of $81.2 million of impairment provisions was driven mainly by the repayment at maturity of a ruble-denominated non-sovereign loan to Russian Railways and improvements in the sovereign portfolio, partly offset by higher provisions on select non-sovereign exposures. Looking ahead, provisioning is expected to remain aligned with portfolio performance and evolving macroeconomic conditions. Credit risk mitigation is expected to continue to underpin asset quality, supported by credit insurance and loan syndication structures, with total insurance coverage of around $655 million as of December 2025.

FACTOR 2: Liquidity and funding score: aaa

AIIB's “aaa” liquidity and funding score reflects our expectation that the bank will strictly adhere to its conservative liqiduity policy and that its access to market funding will strengthen further over time .

AIIB's liquidity buffers can easily cover loan disbursements, debt servicing and other potential cash outflows

AIIB's liquidity metrics are strong, and the bank has successfully established itself as a recognized issuer in global capital markets. It holds ample liquid resources on its balance sheet, leading to a score of “aa1” for this metric, which compares projected net outflows over the coming 18 months to liquid assets in a stressed scenario of no market access.

AIIB's risk management framework and liquidity policies are prudent and aligned with those of Aaa-rated peers, supporting strong liquidity resilience. The bank requires a liquidity portfolio exceeding 40% of projected net cash flow requirements over the next 36 months, while actual liquidity is maintained well above this minimum to preserve operational flexibility and ensure reliable market access. In addition, the bank holds an adequate stock of high-quality liquid assets to withstand a 30-day stress scenario, and its risk appetite framework requires the capacity to meet all payment obligations for up to 12 months under extreme stress conditions, even in the absence of market access. (see Exhibit 5).

Liquid assets were at 200% of required levels in 2024, compared to 212% in 2023 and 316% in 2020. By comparison, most peers have minimum net cash requirements of 100% of projected needs for 12 months, with the exception of International Finance Corporation (IFC, Aaa stable) which requires at least 45% of the next three years' net cash requirements and European Bank for Reconstruction and Development (EBRD, Aaa stable) with a minimum coverage of 75% of the next two years' needs. Regardless of specific policy requirements, Aaa-rated MDBs typically maintain liquid resources well above their minimum requirement

Growing access to funding from a diverse investor base

AIIB has rapidly scaled up its presence in global funding markets, with bonds outstanding rising to $32.9 billion at end-2024 from $24.5 billion at end-2022 and $2.6 billion at end-2019. Its investor base is broadly comparable to that of other Aaa-rated peers, with a significant share held by central banks, while issuance across multiple markets, currencies and formats supports strong diversification. This underpins our assessment of very strong funding quality, reflected in an “aaa” score. Funding costs remain closely aligned with peers, supported by successful issuance of $9.9 billion in 2024 and around $10 billion in 2025. Looking ahead, a gradual increase in annual issuance toward $15 billion by the end of the decade, together with a well-distributed maturity profile, is expected to support stable market access and funding flexibility.

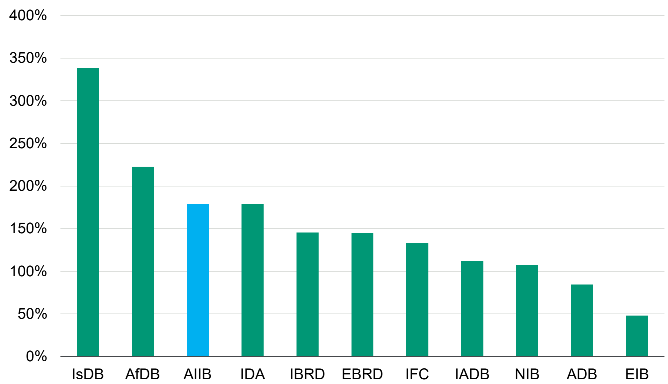
Private placements remain an important funding tool for AIIB, often allowing access to longer maturities than public issuances. In 2024, the bank became the first Asian issuer to launch a digital bond on Euroclear's D-FMI platform and the first to scale a digital bond to benchmark size, with $500 million outstanding.

Similar to 2025, the 2026 funding programme is expected to total around $10 billion, with continued access across currencies and maturities, reflected in tight spreads relative to peers and sustained investor diversification. In 2025, AIIB completed its inaugural public benchmark issuance in Hong Kong dollars, the first public-format HKD bond by an international issuer settling locally through the Central Moneymarkets Unit, further broadening its investor base. While digital bonds are not a funding priority for 2026, the inaugural issuance demonstrated the potential of digital market infrastructure, and the bank remains open to future issuance as existing digital bonds approach maturity.

AIIB's issuances benefit from favorable regulatory treatment of its debt securities for bank capital purposes. The Basel Committee on Banking Supervision assigns a zero risk weight to AIIB securities, consistent with long-established, highly rated MDBs such as ADB, AfDB, EBRD and IADB, supporting strong institutional demand. In addition, AIIB bonds have been designated high-quality liquid assets (HQLA1) by the Bank for International Settlements and several central banks and are eligible as collateral for central bank operations, underpinning continued investor appetite and reliable market access.

Exhibit 5

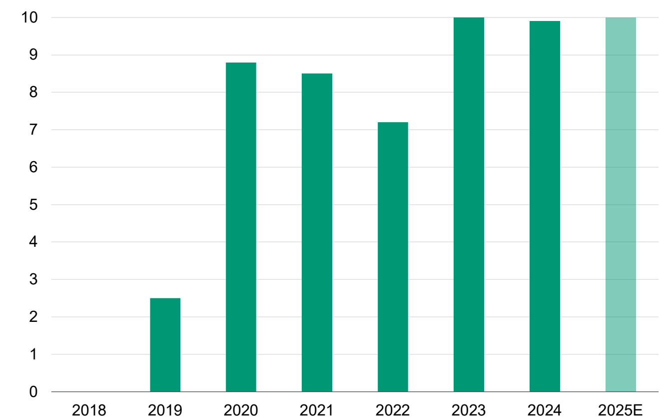
AIIB has ample liquidity beyond its required policy level
Liquidity ratio, %



Data for IDA, IBRD, IFC, and IADB refers to 2025; for all others, data is from 2024
Sources: AIIB and Moody's Ratings

Exhibit 6

AIIB's issuance momentum has remained strong
Annual bond issuances, $ billion



Sources: AIIB and Moody's Ratings

Qualitative adjustments to intrinsic financial strength

Operating environment

We do not apply a negative adjustment for AIIB's operating environment. While focused on Asia, AIIB also lends to non-regional borrowers, broadening its regional diversification and lessening the risks from a regional or systemic shock to its operating environment.

Quality of management

Given AIIB's relatively short operating history, no positive adjustment has been applied to management quality to date. However, the orderly and well-signaled leadership transition reinforces institutional stability and policy continuity. AIIB's new President, Zou Jiayi, formally assumed office in January 2026 following her election by the Board of Governors in June 2025, succeeding founding President Jin Liqun after the completion of his second non-renewable term.

We assess that the leadership transition, conducted through a full electoral process, reduces uncertainty around strategy execution and supports continuity under AIIB's Corporate Strategy 2021–2030, reaffirmed in 2025. Core strategic priorities and operating policies are therefore expected to remain intact, with any refinements more likely to shape the bank's medium to long term orientation rather than its near-term risk profile. While there have been additional senior management changes, including the departure of the CFO to pursue other opportunities, experienced management remains in place and we expect no material operational or strategic impact. Overall, AIIB's operational capabilities, governance arrangements and risk management framework remain consistent with those of the highest-rated MDBs, supported by full operational autonomy from major shareholders and super-majority approval requirements for changes to core risk management policies, which underpin institutional stability and continuity.

AIIB's risk management framework is well developed and forward-looking, supporting effective risk oversight as the bank continues to scale its operations. Risk management practices are designed to preserve financial resilience and maintain capacity for counter-cyclical lending through periods of stress. Regular stress assessments of capital and liquidity provide the Board with assurance that buffers remain sufficient under severe but plausible downside scenarios, while ongoing monitoring of liquidity conditions supports prudent balance sheet management. Together, these practices are expected to continue underpinning AIIB's strong risk profile and ability to absorb shocks as lending volumes increase and the operating environment becomes more challenging.

Stress testing incorporates a wide range of plausible downside risks, including macroeconomic, geopolitical, climate-related and operational shocks, supporting a forward-looking assessment of AIIB's risk-bearing capacity. Recent exercises indicate that the bank could accommodate a significant increase in counter-cyclical financing while maintaining key risk metrics within internal limits, with pressures on credit quality and liquidity remaining manageable. Governance and risk frameworks continue to evolve alongside the bank's growth, reinforcing its ability to manage a more complex operating environment and supporting expectations of sustained financial resilience over the medium term.

Sustainability considerations are increasingly embedded in AIIB's operations. Since July 2023, all new investment operations have been aligned with the Paris Agreement using the joint MDB approach, supplemented by AIIB-specific guidance. Climate finance reached 70% of annual financing approvals in 2025, the highest share to date, following consistent outperformance of the bank's minimum target of at least 50% since 2022. In addition, AIIB has committed to mainstreaming nature-related considerations through its participation in the joint MDB statement on Nature, People and Planet and the launch of the Common Principles on Nature-Positive Financing, reinforcing long-term policy alignment and supporting the sustainability profile of its portfolio.

FACTOR 3: Strength of member support score: Very High

We adjust our score for AIIB's strength of member support to "Very High" from a scorecard indicated outcome of "High". This adjustment reflects our view that China and the bank's non-borrowing members, which together comprise about 70% of capital subscriptions, would be able and willing to provide support beyond their contractual obligation if it ever was needed.

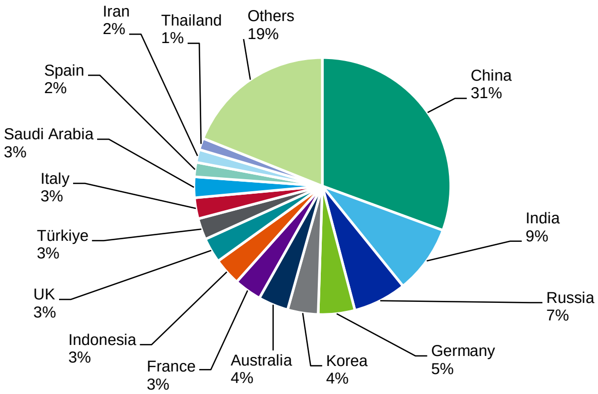
AIIB members' ability to provide support is broadly in line with Aaa-Aa3 rated MDBs

Our assessment for shareholders' ability to support is based on a weighted average shareholder rating (WASR) of "baa3" at the end of 2024, unchanged from the previous year. The score is similar to IBRD and higher than the Inter-American Development Bank 's (IADB, Aaa stable) and Islamic Development Bank 's (IsDB, Aaa stable) WASR at "ba1" and "ba2" respectively.

Members' willingness to support is very strong

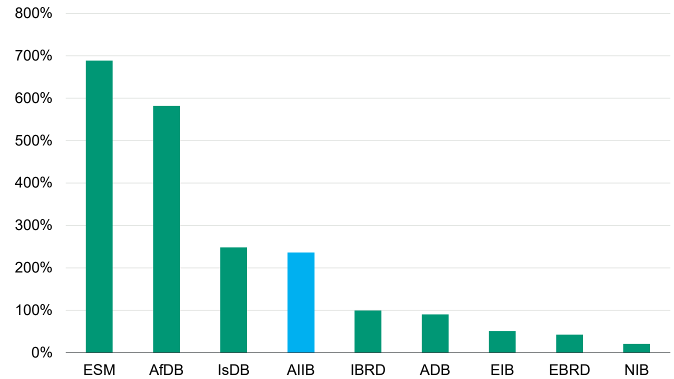
Our key metric for assessing contractual willingness to provide support is the ratio of callable capital to the stock of debt. AIIB has a large cushion of $77.6 billion of callable capital, a contractual obligation of each shareholder to provide additional equity in the unlikely event that AIIB encounters difficulties repaying its borrowings (see Exhibit 8). The coverage ratio will continue to decline over the coming years as AIIB increases its borrowings but will remain comparatively high in the coming years.

Exhibit 7
China, India and Russia are AIIB's largest shareholders
Subscribed capital, %, 2024



Sources: AIIB and Moody's Ratings

Exhibit 8
The bank's stock of callable capital to debt is relatively high compared with Aaa-rated peers
Callable capital/total debt ratio, %



Data is as of 2024, with exception of IBRD which refers to 2025
Source: Moody's Ratings

AIIB has been set up with a large paid-in equity buffer of 20% of subscribed capital (similar to EBRD) and shareholders expect the bank to be run on a stand-alone basis. As of December 2024, AIIB has accumulated retained earnings of around $3.2 billion, which are added to reserves and it expects to generate over $10 billion in cumulative retained earnings by 2032 which will support its capital adequacy metrics, obviating the need for additional capital.

In December 2024, the Board of Directors approved a modified capital adequacy and stress testing policy, recognizing a prudent portion of the Bank's callable capital into internal capital adequacy limits, following the G20 Capital Adequacy Framework working group's recommendation, demonstrating the strength of shareholder support for the Bank.

We also assess AIIB's non-contractual support at "Very High". We believe that there is a strong likelihood that shareholders with a strategic interest in sustaining the bank's operations will provide extraordinary support beyond committed amounts represented by callable capital. This is particularly true for China because of its role in founding AIIB, and it being the bank's single largest shareholder.

In addition, AIIB's broad shareholder base– at 111 (approved) members as of March 2026, its membership is larger than most other Aaa-rated MDBs – mitigates concentration risks arising from economic and financial linkages that could impede the provision of extraordinary support in the unlikely event of need.

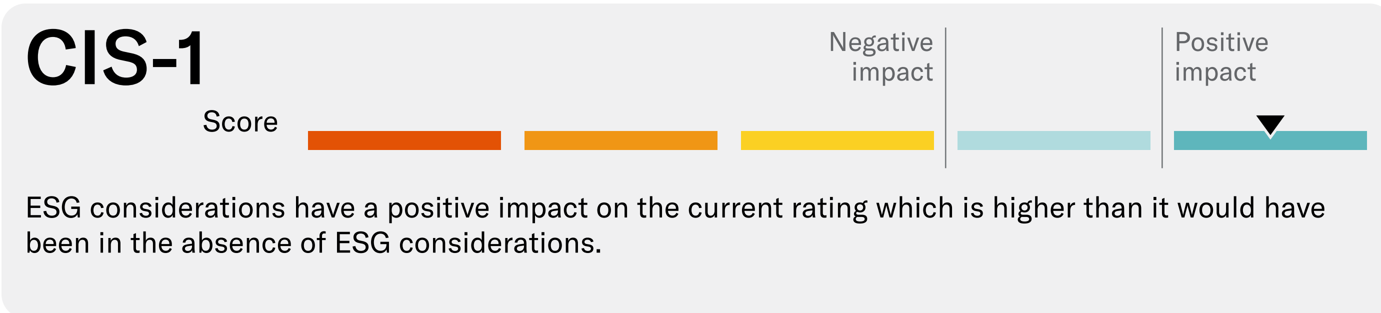
Membership in the bank can be seen as a financial investment that transcends related geopolitical considerations. Amid territorial disputes in the South China Sea, for example, borrowers such as Malaysia (A3 stable), the Philippines (Baa2 stable) and Vietnam (Ba2 stable) have retained their membership despite periodic bilateral tensions with China. Similarly, despite tensions related projects under China's Belt and Road Initiative (BRI), Malaysia the Maldives (Caa2 stable) and Sri Lanka have also continued to engage with AIIB. India, AIIB's largest borrower and its second-largest shareholder, has not joined the BRI, while many of the bank's non -borrowing members have been critical of the Chinese initiative .

The government of Canada (Aaa stable) has so far not concluded its review into its relation with AIIB. However, Canada is a small shareholder in AIIB, holding only 1.02% of the shares, giving it a voting share of 0.8315%. None of the other non -regional shareholders has followed Canada's lead and the country is not directly involved in setting the operational direction and strategy of the bank. At this point, we assess that a withdrawal by Canada from AIIB would not be a significant credit or rating driver.

ESG considerations

Asian Infrastructure Investment Bank's ESG credit impact score is CIS-1

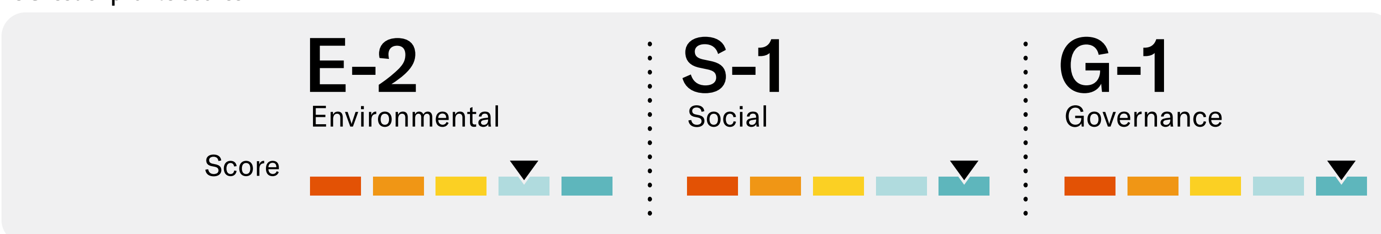
Exhibit 9
ESG credit impact score



Source: Moody's Ratings

AIIB's **CIS-1** indicates that the credit rating is higher than it would have been in the absence of ESG considerations. This is mainly driven by the institution's very strong risk management, coupled with very limited exposure to environmental and social risks, which is further supported by the diverse global membership.

Exhibit 10
ESG issuer profile scores



Source: Moody's Ratings

Environmental

AIIB's **E-2** environmental issuer profile score is in line with the sector median and reflects limited exposure to environmental risks. AIIB has relatively high exposure to countries with high exposure to environmental risks, both with regards to physical climate and carbon transition risk. However, AIIB's loan portfolio is growing rapidly and its increasing diversification will reduce risk exposure. Also, AIIB has been set up specifically as an MDB with sustainability as part of its mandate. All projects are being screened and assessed under its Environmental and Social Framework (ESF) right from the start. Consequently, AIIB has no legacy assets that have not been screened against the ESF, reducing exposure to carbon transition risks for instance.

Social

AIIB's issuer profile is positively affected by social considerations, reflected in a **S-1** social issuer profile. AIIB's focus on financing sustainable infrastructure in Asia and its commitment to sustainability and social progress is aligned with key demographic and societal trends. Similarly, AIIB's focus on responsible production, as well as efficient processes and client needs have a positive influence on the credit profile, allowing rapid disbursement of loans, as seen in the Covid response in 2020. Similar to other leading MDBs, AIIB has established an independent evaluation office and has robust processes in place for stakeholders to air grievances and complaints, with information easily accessible.

Governance

AIIB's very strong governance exerts positive influence on the credit rating and is reflected in a **G-1** governance issuer profile score. The Bank has established its risk management practices with the highest standards in mind, on par with the strongest MDBs; its financial and risk management is very robust and management has established a strong track record, with a focus on efficiency, and lean and transparent operations.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click here to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Recent developments

Conflict in the Middle East poses limited risk to AIIB's credit profile

The ongoing military conflict in the Middle East has heightened global geopolitical and macro-financial uncertainty, mainly through increased energy price volatility, risks to key trade and shipping routes, and weaker investor risk appetite. AIIB's direct exposure to conflict-affected countries remains limited within its broadly diversified loan portfolio of around $59 billion across 40 borrowing members. Indirect exposure to the Middle East is modest and largely consists of sovereign-guaranteed or co-financed infrastructure projects alongside other MDBs, which limits AIIB's standalone credit risk.

More broadly, while some borrowers in South and Southeast Asia may face higher near-term external and fiscal pressures stemming from rising import costs, exchange-rate volatility and tighter capital flows, AIIB's preferred creditor status, high share of sovereign-guaranteed lending and conservative risk management framework are expected to contain asset-quality risks. The bank's strong liquidity position and limited refinancing needs further reduce the likelihood that market stress translates into funding or capital pressures. As a result, even under a scenario of heightened regional stress affecting a subset of exposures, AIIB retains substantial shock-absorption capacity, supporting its resilience and credit strength in a more volatile global operating environment.

Expansion plans reflect AIIB's growing presence globally

AIIB is progressing with its Global Presence plans approved by the Board of Directors in 2024, with an initial focus on establishing offices in key regional members. Following the opening of its first overseas office in Abu Dhabi (Aa2 stable) in 2023, the bank is exploring additional offices in major financial hubs in Asia and Europe. These initiatives are intended to strengthen engagement with market participants, support treasury and capital market activities, and enhance deal-sourcing and private capital mobilization.

Over time, a broader geographic footprint is also expected to support greater diversification of operations and mitigate concentration risks associated with large exposures to economies such as India, Turkiye (Ba3 stable) and Indonesia. Any expansion is expected to be gradual and measured, limiting execution risk.

Rating methodology and scorecard factors: Asian Infrastructure Investment Bank - Aaa stable

Factor / Subfactor	Metric	Initial score	Adjusted score	Assigned score
Factor 1: Capital adequacy (50%)			aa3	aa3
Capital position (20%)			a1	
	Leverage ratio	aa3		
	Trend	-1		
	Impact of profit and loss on leverage	0		
Development asset credit quality (10%)			a	
	DACQ assessment	a		
	Trend	0		
Asset performance (20%)			aaa	
	Non-performing assets	aaa		
	Trend	0		
	Excessive development asset growth	0		
Factor 2: Liquidity and funding (50%)			aaa	aaa
Liquid resources (10%)			aa1	
	Availability of liquid resources	aa1		
	Trend in coverage outflow	0		
	Access to extraordinary liquidity	0		
Quality of funding (40%)			aaa	
Preliminary intrinsic financial strength				aa1
Other adjustments				0
Operating environment		0		
Quality of management		0		
Adjusted intrinsic financial strength				aa1
Factor 3: Strength of member support (+3,+2,+1,0)			High	Very High
Ability to support (50%)			Baa3	
	Weighted average shareholder rating	Baa3		
Willingness to support (50%)				
	Contractual support (25%)	aaa	aaa	
	Strong enforcement mechanism	0		
	Payment enhancements	0		
	Non-contractual support (25%)		Very High	
Scorecard-Indicated Outcome Range				Aaa-Aa2
Rating Assigned				Aaa

Note: Our ratings are forward-looking and reflect our expectations for future financial and operating performance. However, historical results are helpful in understanding patterns and trends of an issuer's performance as well as for peer comparisons. Additional considerations that may not be captured when historical metrics are used in the scorecard may be reflected in differences between the adjusted and assigned factor scores. Furthermore, in our ratings we often incorporate directional views of risks and mitigants in a qualitative way. For more information please see our Multilateral Development Banks and Other Supranational Entities rating methodology.

Source: Moody's Ratings

Related websites and information sources

» Moody's Supranational web page

» Moody's Sovereign and supranational rating list

» Asian Infrastructure Investment Bank web page

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