

17th August, 2020

Daiwa Securities Group Inc.

The Arrangement of Social Bond issued by Corporación Andina de Fomento

Attention

This document is an unofficial translation of a press release announced on August 17th, 2020 by Daiwa Securities Group Inc. The original release is in Japanese.

On Friday 14th August, Corporación Andina de Fomento (“CAF”), rated Aa3/A+/AA by Moody’s/S&P/JCR, successfully launched an JPY 5 billion 3-year Social Bond (“the Bond”). Daiwa Capital Markets America Inc. acted as underwriter for the issuance and Daiwa Securities Co. Ltd is distributor of the bond.

CAF is an international development bank that has 19 shareholder countries and provides loans for sustainable development and regional integration in Latin American and Caribbean member countries. The bond is for Japanese retail investors and corporate investors in a private placement format.

The net proceed will be used for (1) Healthcare Systems Support including responses to COVID-19 pandemic, (2) Emergency Economic Support for people affected by COVID-19 etc. in Latin American and Caribbean member countries. Through investing in the Bond, Japanese investors will be able to support SDGs initiatives and manage their assets simultaneously.

Daiwa Securities Group has proven strong initiatives on addressing social issues through its continuous efforts in product development and provision for more than a decade. To accelerate our initiatives, the SDGs Promotion Committee was established chaired by Seiji Nakata (President and CEO) and recently Keiko Tashiro (Deputy President) was assigned as the Head of SDGs. Underwriting and the sales of the Bond is one of our ongoing efforts to achieve SDGs and to create a sustainable society.

Summary terms of the social bond

Issuer	Corporación Andina de Fomento Aa3(Moody's) / A+(S&P) / AA(JCR)
Issue Amount	JPY 5 billion
Maturity	3 years (due on 14th August 2023)
Coupon	0.5%
Selling Unit	JPY 1 million
Lead Manager	Daiwa Capital Markets America Inc.