

26th August, 2020

Daiwa Securities Group Inc.

The Arrangement of Social Bond issued by Corporación Andina de Fomento

On Wednesday 26th August, Corporación Andina de Fomento (“CAF”), rated Aa3/A+/AA by Moody’s/S&P/JCR, successfully launched an JPY 20 billion 5-year Social Bond (“the Bond”). Daiwa Capital Markets America Inc. acted as a sole lead manager for this issuance.

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. CAF's Social Bond Program aligns with the Social Bond Principles. Funds raised by CAF's social bonds 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 on a best effort basis.. In March, CAF has set up a USD 2.5 billion COVID-19 facility to support Latin American and Caribbean member countries affected by the economic downturn caused by the spread of COVID-19.

Daiwa Securities Group has proven strong initiatives on addressing social issues through its continuous efforts in product development and provision for more than ten years. To accelerate our initiatives, Daiwa established the SDGs Promotion Committee chaired by Seiji Nakata (President and CEO) and recently assigned Keiko Tashiro (Deputy President) as the Head of SDGs. The distribution of this social 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
Issue Amount	JPY 20 billion
Maturity	5 years (due on 26th August 2025)
Coupon	0.727%
Lead Manager	Daiwa Capital Markets America Inc.