

Attention

This document is an unofficial translation of the press release announced on 26 October, 2020 by Daiwa Securities Group Inc. The original press release is in Japanese.

Distribution of ADB's first Health Bonds Uridashi to Japanese Investors

～Supporting health care development in Asia and the Pacific through investment～

Daiwa Securities Group (“Daiwa”) announces the Asian Development Bank (“ADB”)’s planned issuance of its first Health Bonds Uridashi (“ADB Health Bonds”) in the Japanese market to finance ADB’s work in the health care sector in Asia and the Pacific.

In June 2015, ADB launched a 2015-2020 operational plan for health, providing a wide range of integrated strategies and solutions to assist Developing Member Countries (“DMCs”) with key priorities for investing in health infrastructure, governance and financing.

In order to tackle the ongoing health challenges facing the region, ADB has committed a strategy to 2030 to support the universal health coverage efforts of its DMCs, improving the breadth and quality of needed services. As ADB implements its 2030 strategy, it will continue to strengthen its health sector portfolio and engage with its DMCs to advise, support and implement innovative and responsive health programs.

ADB launched its inaugural Health Bond in 2017 and this program has worked hand in hand with other ADB financing sources to help fund health projects in the region.

On back of the COVID-19 pandemic, ADB announced an enhanced package of \$20 billion to help its DMCs cope with the consequences resulting from this health emergency, allowing ADB to streamline its processes and operations for more responsive and faster delivery of assistance.

This issue will be arranged by Daiwa Securities Co. Ltd. and distributed to Japanese retail and institutional investors. During the life of the Notes, ADB will use its best efforts to apply an amount equal to the net proceeds thereof for use in its ordinary operations to finance a pool of projects related to the health sector. In case it would be unable to apply an amount equal to the proceeds as provided above, ADB will apply the remaining proceeds thereof to its ordinary operations in accordance with the Agreement Establishing ADB.

Daiwa has been a driving force for initiatives in 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 arrangement of the ADB Health Bonds is one of our ongoing efforts to achieve SDGs and to create a sustainable society.

Summary Terms of ADB Health Bonds

Issuer	Asian Development Bank	
Currency	Brazilian Real (BRL)	South African Rand (ZAR)
Tenor	4 years	
Indicative Coupon*	3.60% ±2.00% per annum	3.30% ±2.00% per annum
Denomination	BRL 10,000 (BRL 20,000 as minimum)	ZAR 100,000
Offering Period	Nov 12, 2020 ~ Nov 20, 2020	
Delivery of the Notes in Japan	Nov 25, 2020	
Maturity Date	Dec 5, 2024	Nov 20, 2024

*Coupon rate is expected to be announced in mid November, 2020.

The actual coupon rate could be out of the range indicated above.

■ Asian Development Bank

The Asian Development Bank (ADB) is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. It assists its members and partners by providing loans, technical assistance, grants, and equity investments to promote social and economic development.

ADB is celebrating 54 years of development partnership in the region. From 31 members at its establishment in 1966, ADB has grown to encompass 68 members— 49 from the region, with 19 outside.

■ About the Daiwa Securities Group

Daiwa Securities Group Inc., founded in 1902, is one of the largest independent and comprehensive securities company in Japan. The Group contributes to the development of society and economy by providing a broad range of financial services worldwide through its global network. The Group's core business includes brokerage, investment banking, asset management, investment, and technology services. Additionally, the Group entered into banking business in 2011.

Operational base of the Group spreads around the world, including Japan, the United States, Europe, and Asia-Oceania. The Group employs near 16,000 personnel worldwide, and customer asset under custody of Daiwa Securities Co. Ltd. is approximately JPY63.2 trillion (all figures are as of the end of Jun. 2020).

End

(Reference) Daiwa Securities Group's SDGs initiatives :

https://www.daiwa-grp.jp/english/sdgs/?cid=ad_eir_ensdgspress