Developing Social Bond Markets in Asia: A Primer on Social Bonds

MS Teams Event
8 October 2020, 9:00 AM Manila Time

Date: 8 October 2020
Time: 9:00 – 10:45 am (Manila Time)
Venue: Online (MS Teams)
Session 1

A Primer on Social Bonds
A PRIMER: DEVELOPING A ROBUST SOCIAL BOND MARKET IN ASIA

JANE HUGHES AND JASON MORTIMER, PRESENTERS
TODAY’S ROADMAP

• An opportunity for financial innovation
• ESG BONDS: Taxonomy, guidelines, principles
• SOCIAL BONDS: Current market profile
• Asian Social Bond market
• Urgent need for robust Social Bond market in Asia
• The way forward
AN OPPORTUNITY FOR FINANCIAL INNOVATION
FINANCIAL INNOVATIONS ENABLE PROGRESS
ASIAN DEVELOPMENT BANK PRESIDENT
MASATSUGU ASAKAWA

- Asia has already been a leader in fostering innovation of all sorts
- “In the midst of such unprecedented economic disruption, innovative thinking is vital to overcome the current difficulties and rebound quickly”
HISTORICAL AND MARKET CONTEXT

• 25% of AUM and growing is invested in ESG-linked assets

• Green Bonds led the way in fixed income market, but Social Bonds on the rise

• Pandemic poses unique threat to human development

• But also an opportunity to grow and mainstream Social Bonds
GLOBAL SOCIAL BOND ISSUANCE 2016-2020

(SOURCE: BLOOMBERG)

Global Social Bond issuance greatly accelerated in the first 8 months of 2020.
ESG BONDS: TAXONOMY, GUIDELINES, PRINCIPLES
• International Capital Markets Association (ICMA)
• GREEN BONDS: Used for projects with environmental benefits
• SOCIAL BONDS: Used for projects with social benefits
• SUSTAINABILITY BONDS: Used for projects with both social and environmental benefits
ICMA SOCIAL BOND PRINCIPLES: JUNE 2020 UPDATE

• SOCIAL PROJECT CATEGORIES
  • Affordable basic infrastructure and housing
  • Access to essential services
  • Employment generation
  • Food security
  • Socioeconomic advancement and empowerment

• TARGET POPULATIONS
  • Living below the poverty line
  • Excluded / marginalized populations
  • People with disabilities
  • Migrants
  • Undereducated, underserved, uneducated
  • Women, aging populations, vulnerable youth
ASEAN SOCIAL BOND STANDARDS

- Eligible issuers
- Ineligible projects
- Continuous accessibility to information
- More frequent reporting
- External review
EUROPE STILL DOMINATES SOCIAL BOND ISSUANCE, BUT ASIA IS PICKING UP STEAM (SOURCE: BLOOMBERG)

Asia is now consistently the second largest region for Social Bond issuance after Europe, with sustained growth.
ASIAN SOCIAL BOND MARKET AT A GLANCE
(SOURCE: BLOOMBERG)

• Asian Social Bond Issuance is dominated by higher-income countries, especially Japan and Korea
• Asian Social Bond issuance accelerated rapidly in 2020 from a low base

ASIA SOCIAL BOND ISSUANCE, by Year, Issuer Ultimate Parent Country of Origin in USD Millions
COVID-19 SOCIAL BONDS

PAN = ALL

Pandemic has given new urgency to Social Bond market
Global Social Bond issuance accelerated along with pandemic in April 2020

(Source: Bloomberg)
GLOBAL GREEN, SOCIAL, AND SUSTAINABLE BOND ISSUANCE

- Green Bond issuance has dominated the ESG Bond market since 2014
- Despite emerging later, Sustainability Bond issuance exceeded Social Bonds until 2019
- Due to the COVID pandemic, market focus has shifted to the Social Bond market in 2020

Data does not include Indonesian sovereign “Covid Response” bond or Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements. 2020 data is Year-to-date as of August 7.
GLOBAL SOCIAL BOND ISSUANCE, BY YEAR AND CLASSIFICATION

- ICMA Social Bond Principles launched in 2017
- Social Bond issuance has accelerated in 2020
- Issuance tends to be focused on public-sector entities with socially-aligned mandates

Data does not include Indonesian sovereign “Covid Response” bond or Thai treasury Sustainability Bond, and excludes China “Covid bonds” & private placements.

2020 data is Year-to-date as of August 7.
The Asian Social Bond market is the second largest in the world after Europe, with more sustained and rapid growth in 2020.
The Asian Social Bond market has a relatively high share of annual ESG Bond issuance, accounting for 37% of Asia’s ESG Bond market in 2020 YTD.

Percentage share of ESG-Bond annual issuance, by Asian* and Non-Asian Issuers

Data does not include Indonesian sovereign “Covid Response” bond or or Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements.

* ADB Asia Regional Members, sum of USD and equivalent notional amounts. 2020 data is Year-to-date as of August 7.
Asian Social Bond issuance is led by high-income economies (Japan and Republic of Korea), in contrast to Green Bonds.

Data does not include Indonesian sovereign “Covid Response” bond or or Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements. 2020 data is Year-to-date as of August 7.
OUTSTANDING ASIA SOCIAL BOND MARKET COMPOSITION BY CLASSIFICATION

- The Asian Social Bond market is heavily weighted to public-sector debt, with a 78% combined share vs 70% for Social Bonds globally.

- Asian private sector issuance is limited to 11% vs 21% globally.

Data does not include Indonesian sovereign “Covid Response” bond or or Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements.

COMPARISON OF ASIA ESG BOND OUTSTANDING MARKET, BY ISSUER CLASSIFICATION

- Government agency issuers make up nearly one half of outstanding Asian Social Bonds

- More Asian Social Bond issuance from private sector financials may be possible

- The Social Bond market has the potential to add issuer diversity to the Asian ESG Bond market

Data does not include Indonesian sovereign “Covid Response” bond or Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements.

Market composition excluding Supranational issuance. Individual ESG-Bond issues with less than 10 million USD or equivalent are excluded.
ASIA SOCIAL BOND ISSUERS BY TOTAL OUTSTANDING

- Agency issuers with clear Social finance-aligned mandates have successfully issued Social Bonds.

- Most Asian bank issuers are policy or government-related although private-sector issuance is expected to increase.

- Road infrastructure issuers in Japan that have not yet sold Green bonds have been able to sell Social Bonds.

Data does not include Indonesian sovereign “Covid Response” bond or of Thailand treasury Sustainability Bond, and excludes China “Covid bonds” & private placements. Market composition excluding Supranational issuance. Individual ESG-Bond issues with less than 10 million USD or equivalent are excluded.
URGENT NEED FOR ROBUST SOCIAL BOND MARKET IN ASIA
CUMULATIVE ASIAN SOCIAL BOND ISSUANCE BY INCOME LEVEL AND COUNTRY, 2017-2020 YTD

(SOURCE: BLOOMBERG)
ASIAN ECONOMIC DEVELOPMENT NEEDS

(SOURCE: ADB)
ASIAN SOCIAL DEVELOPMENT NEEDS

- Micro, small, medium sized enterprises
- Inequality
- Resilience
- Health
- Sanitation
- Infrastructure (especially digital)
- Education (especially for girls)
- Poverty and inequality
- Gender equity
FUNDING GAP

• UNCTAD estimates that $5-7 trillion will be required annually to achieve SDGS by 2030
• This includes $3.3-4.5 trillion per annum in developing countries
• And $1.5 trillion in developing Asia
• NOTE: These estimates are pre-pandemic
Asia is currently not on track to meet the sustainable development goals by 2030 (UN ESCAP)

- By 2030, region will be worse on 20% of the SDGs than they were in 2015
- Asia-Pacific is unlikely to meet any of the SDGs without major new initiatives
- NOTE: These assessments are pre-pandemic
RISK OF SOCIAL-WASHING

NEED FOR TRANSPARENT & CONSISTENT DISCLOSURE ON IMPACT MEASUREMENT

DUE DILIGENCE

LACK OF SUPPLY

OBSTACLES TO SOCIAL BOND MARKET DEVELOPMENT IN ASIA
OVERCOMING THE OBSTACLES: GOVERNMENT, PHILANTHROPY, SUPRANATIONALS

- Regulatory and policy support
- Thought leadership
- Halo effect
- First-loss capital and guarantees to crowd in private investment
- Technical support
GENDER LENS INVESTING

- Jeff Skoll: Girls’ education is the silver bullet
- OECD: 7.5% of global GDP is lost due to gender discrimination
- More than one billion people in Asia are unbanked; in India and China, 60% of these are women
- Over 70% of women-led SMEs are unserved/underserved financially in the developing world
THE WAY FORWARD

• SOCIAL BONDS: A financial opportunity whose time has come

• A critical funding gap requires private capital

• Investors are willing and eager, but supply is short

• Asian Social Bond issuance is growing sharply, spurred by COVID pandemic

• Agency issuers lead the way; corporate and sovereign issuers face more obstacles

• Overcoming these obstacles: from gender-lens investing to public policy

• A robust Asian Social Bond market will pave the way to “build back better”
Discussion of “A Primer on Social Bonds” by Jane Hughes & Jason Mortimer

Ulrich Volz

ADB Workshop on “Developing Social Bond Markets in Asia: A Primer on Social Bonds”
8 October 2020

Centre for Sustainable Finance
SOAS University of London
Outline

• General remarks
• Social Impact Bonds & Development Impact Bonds
• The “Urgent Need for Robust Social Bond Market in Asia”
• What is the value added of Social Bonds?
• Sustainability-Linked Bonds
• Policy recommendations
• Thinking further
General remarks

• An informative paper that provides a good overview of the current state of play for social bonds.
• Well written and easy to read.

But…

• The reader would benefit from a clearer structure.
  • Add an outline of the paper at the end of the introduction to inform the reader what to expect.
  • The paper has 11 sections – can this be trimmed down?
  • A bit of overlap in presenting data on development of ESG/SB markets.
    • [Will surely be added, but section numbers would have made the reading easier.]
• Add numbering to tables and figures and refer to them in the text.
• Include proper references for citations and data sources.
• The text would benefit from more interaction with scholarly and grey literature.
Social Impact Bonds (SIBs) & Development Impact Bonds (DIBs)

• SIBs and DIBs are quickly dismissed:
  • “not really bonds at all”
  • “suffer from many deficiencies, including a dependence on philanthropy to fund outsize project development costs; complexity; small size; the potential for adverse consequences; and a spotty track record”

• Perhaps this is an adequate assessment of SIBs and DIBs, but this should be backed up by empirical evidence.
  • For now, there is not a single reference.
The “Urgent Need for Robust Social Bond Market in Asia”

• Economic Development Needs
  • Mentions UNCTAD estimates of financing needs of $5-7tn p.a. to achieve the SDGs by 2030.
  • Presents figures of economic impact of COVID-19 on Asian economies, and latest ADB growth projections.

• Social Development Needs
  • “The coronavirus pandemic threatens to wipe away many of the hard-won gains in social indicators of development in Asia.”
    • Gig workers, informal economy, tourism, SMEs, digital divide are mentioned, but no data, no analysis.

• Funding Gap
  • Mentions same UNCTAD estimates for investment needs of $5-7tn p.a., incl. $3.3-4.5tn in developing countries.

• It would be good to have more specific analysis relating to Developing Asia, and areas where Social Bonds could be used for financing, e.g. investment needs in healthcare, education, …

• Is there really an “urgent need” & would Social Bonds make a difference?
What is the value added of Social Bonds?

• Undoubtedly, there is a great need for investment in social areas, in Asia and beyond (and even greater in times of COVID-19).
• This needs to be financed.
• But does issuing a bond that is labelled and structured as a Social Bond make any difference?
• Do Social Bonds generate any additionality?
  • The basic principle behind impact bonds is to allocate money to new projects that bring social and/or green benefits.
• Additionality from green bond issuance has been a contentious point of discussion – this should be discussed for Green Bonds!
Sustainability-Linked Bonds (SBLs)

• Can SBLs facilitate good policies and outcomes?

• ICMA (2020): “Sustainability-Linked Bonds aim to further develop the key role that debt markets can play in funding and encouraging companies that contribute to sustainability (from an environmental and/or social and/or governance perspective).”

• SLBs are a forward-looking performance-based instrument.
  • Issuers commit explicitly to future improvements in sustainability outcome(s) within a predefined timeline.

• Mentioned only in a footnote.
Policy recommendations

• P. 66: “Every actor in the ecosystem has a role to play. Governments, supranationals, and philanthropic institutions can all support the development of this market, offering technical assistance, guarantees of capital, education, thought leadership, and a positive regulatory environment. Issuers can seek out social investment opportunities and put into place the scaffolding for Social Bond issues that can be quickly erected and completed in accordance with ICMA and ASEAN guidelines. And investors – the key to making this work – should seek out well-constructed and well-documented Social Bond investments while remaining ever vigilant for social-washing.”

• Can the recommendations be made more specific?
Thinking further

• What about current debt sustainability challenges?
• It would be interesting to discuss Social Bonds in the context of debt-for-sustainability-swaps for countries with unsustainable debt burdens.
  • E.g. bondholders accept a haircut and receive new SBLs with a guarantee attached, i.e. they trade old debt against new, safer ESG assets.
Session 2

Panel discussion
Social bonds and the international Principles

Asian Development Bank workshop

Mushtaq Kapasi, ICMA
8 October 2020, Hong Kong
Green, social and sustainability bonds

- Green, social and sustainability bonds are any type of bond where the proceeds will be exclusively applied to eligible environmental and social projects.

- ICMA’s Green Bond Principles (GBP) and Social Bond Principles (SBP), as well as the Sustainability Bond Guidelines (SBG), referred to as the “Principles” have become the world’s leading framework for green, social and sustainability bonds.

- Green, social and sustainability bonds are subject to the same capital market and financial regulation as other listed fixed income securities.

<table>
<thead>
<tr>
<th>Bond Type</th>
<th>Use of Proceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Bond</td>
<td>Finance projects with clear environmental benefits (e.g. renewable energy, energy efficiency, climate change adaptation)</td>
</tr>
<tr>
<td>Social Bond</td>
<td>Finance projects that seek to achieve positive social outcomes especially for a target population (e.g. poor, vulnerable, unemployed, uneducated)</td>
</tr>
<tr>
<td>Sustainability Bond</td>
<td>Finance a mix of green and social projects</td>
</tr>
</tbody>
</table>
ICMA and the Principles

Best practices for issuing Green, Social and Sustainability Bonds

- GBP, SBP and SBG (“the Principles”) were launched with ICMA’s help, and now ICMA serves as the secretariat for the Principles.

Four pillars of the Principles:
1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

Guidelines for External Reviews provide guidance on professional and ethical standards for external reviewers, as well as to the organization and content of their reports.
What can social bonds finance?

Social Project categories include:

- Affordable clean drinking water, sewers, sanitation, transport, energy
- Access to healthcare, education and financial services
- Affordable housing
- Employment (including through SME financing and microfinance)
- Food security
- Socioeconomic advancement and empowerment, equitable access to services, resources, and opportunities, reduction of income inequality

Examples of target populations:

- Living below the poverty line
- Excluded and/or marginalised populations
- People with disabilities
- Migrants and/or displaced persons
- Undereducated
- Underserved
- Unemployed
- Women and/or sexual and gender minorities
- Aging populations and vulnerable youth
- Other vulnerable groups, including as a result of natural disasters

“Target populations” can vary depending on local contexts and, in some cases, may address the general public.
In March, the Social Bond Principles working group underlined that Social and Sustainability Bonds are immediately applicable to COVID-19.

Q&A on COVID-19 with advice for issuers to address the coronavirus crisis with social bonds.

1. What types of issuers can issue Social Bonds related to COVID-19?
2. What types of proceeds are eligible for a COVID-19 focused Social Bond?
3. Would an existing Social or Sustainability Bond issuer require a change to its framework to enable issuances related to COVID-19?

Case studies from issued COVID-19 themed social bonds as well as illustrative case studies, authored by IFC, that highlight how issuers from various industries may use social bonds to raise financing which will go towards addressing social issues that have emerged as a consequence of the COVID-19 pandemic.
Sustainability-linked bonds

A new standard, the Sustainability-Linked Bond Principles (SLBP), was released in June 2020.

- SLBs are any type of bond instrument for which the **financial and/or structural characteristics** can vary depending on whether the issuers achieve **predefined Sustainability/ESG objectives**
- Issuers are committing, to **future improvements in sustainability outcome(s)** within a predefined timeline. It is a forward-looking performance-based instrument.
- Such outcomes are:
  - measured by **predefined KPIs** and
  - assessed against **Sustainability Performance Targets**.
- Within these parameters, SLBs are to be used for general purposes.

**Five core components:**
1. Selection of KPIs
2. Calibration of SPTs
3. Bond characteristics
4. Reporting
5. Verification
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PHILIPPINE EXPERIENCE:
DEVELOPING SOCIAL BOND MARKETS IN ASIA
A PRIMER ON SOCIAL BONDS

08 October 2020
WHY SOCIAL/SUSTAINABILITY BONDS?

- **“SOCIAL”** Use of Proceeds are more intuitive
  - Philippine domestic Issuers, Intermediaries and Investors all seem to be more comfortable identifying “Social” use of proceeds.
  - In comparison, “Green” use of proceeds perceived to be very technical

- Large overlap between Green and Social projects
  - Green + Social = Sustainability
  - e.g. Energy efficient low cost housing; waste water treatment
Definition of “SOCIAL” can be context-specific

- e.g. For developed countries, Education and Healthcare may not be considered as “social,” however this is not necessarily true for developing countries which still lack adequate provision of education and healthcare.

- Poses an issue for SPOs - Further assessment by third-party verifiers is sometimes needed to validate use of proceeds for social bonds

Objective Criteria/Metrics of “SOCIAL” more difficult

- Difficulty in measuring “Social” impact
- Were “Social” objectives attained?
# BPI’S COVID ACTION RESPONSE (CARE) BONDS (2020)

**Issuer**
Bank of the Philippine Islands (BPI)

**Issue**
COVID Action Response (CARE) Bonds

**Facility**
PHP 21.5 Bn (~US$ 443 MM equiv)

**Tenor**
1.75 years

**Use of Proceeds**
For financing or refinancing eligible SMEs or MSMEs

**Joint Lead Managers and Bookrunners**
BPI Capital HSBC

**Final Spread**
42.76 bps over the 3-day average interpolated 1.75Y BVAL

**Coupon**
3.05% per annum

**Listing**
PDEx

## TERMS AND CONDITIONS

### ISSUER BACKGROUND
- The 168-year-old Bank of the Philippine Islands is the first bank in the Philippines and Southeast Asia.
- The Bank established its Sustainable Funding Framework on June 3, 2020.

### TRANSACTION HIGHLIGHTS
- The BPI CARE Bonds are the first COVID-19 response bonds in the country, compliant with ASEAN Social Bond Standards.
- Execution took only ~three (3) months, inclusive of the workstreams in relation to the expansion of BPI’s framework.
- More than 7 times oversubscribed from its original target issuance size of PhP3Billion and have attracted a diverse pool of both Institutional and Retail investors.
- Proceeds of the bonds will be used to finance or refinance MSME loans under the BPI Group that meet qualifications under its Sustainable Funding Framework.
**TERMS AND CONDITIONS**

<table>
<thead>
<tr>
<th><strong>Issuer</strong></th>
<th>Manila Water Company, Inc. (MWC)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue</strong></td>
<td>USD Sustainability Bonds</td>
</tr>
<tr>
<td><strong>Facility</strong></td>
<td>USD 500m</td>
</tr>
<tr>
<td><strong>Tenor</strong></td>
<td>10 years</td>
</tr>
<tr>
<td><strong>Use of Proceeds</strong></td>
<td>will be used to fund Manila Water’s eligible sustainable projects</td>
</tr>
<tr>
<td><strong>Joint Lead Managers and Bookrunners</strong></td>
<td>BPI Capital Corporation, Citi, Credit Suisse, HSBC, Mizuho Securities and UBS</td>
</tr>
<tr>
<td><strong>Final Spread</strong></td>
<td>priced at 99.002%; yield of 4.50%; in line with the final price guidance and 25bp inside the initial price range of 4.75% area</td>
</tr>
<tr>
<td><strong>Coupon</strong></td>
<td>4.375% per annum</td>
</tr>
<tr>
<td><strong>Listing</strong></td>
<td>SGX-XT</td>
</tr>
</tbody>
</table>

**ISSUER BACKGROUND**

- Manila Water holds the exclusive right to provide water and wastewater services to the eastern side of Metro Manila in the Philippines. Outside of the Philippines, Manila Water’s operations include investments in Vietnam, Thailand and Indonesia.

- Manila Water established a sustainable financing framework with DNV GL providing a second party opinion. The framework is aligned with Green Bond Principles 2018 and Social Bond Principles 2018, while complying with the ASEAN Sustainability Bond Standard.

**TRANSACTION HIGHLIGHTS**

- This is the single largest green, social or sustainability bond issued by a listed private water utility in Asia and the first ASEAN sustainability bond by a corporate issuer out of the Philippines.

- The deal generated a final order book of US$1 billion – reaching a peak of nearly US$1.96 billion – from 85 accounts, with 79% of the bonds distributed in Asia and 21% in Europe. By type of investors, fund managers bought 57% of the paper, private banks 19%, insurance companies 14% and banks 10%.
**TERMS AND CONDITIONS**

<table>
<thead>
<tr>
<th><strong>Issuer</strong></th>
<th>Development Bank of the Philippines (DBP)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue</strong></td>
<td>Peso-denominated ASEAN Sustainability Bond</td>
</tr>
<tr>
<td><strong>Facility</strong></td>
<td>PHP 18.125 billion (~US$373MM equiv)</td>
</tr>
<tr>
<td><strong>Tenor</strong></td>
<td>2 years</td>
</tr>
<tr>
<td><strong>Coupon</strong></td>
<td>4.25% p.a., quarterly</td>
</tr>
<tr>
<td><strong>Use of Proceeds</strong></td>
<td>To finance and/or refinance DBP’s loans to customers or its own operating activities in Eligible Green and Social Categories as defined in DBP’s Sustainable Financing Framework</td>
</tr>
<tr>
<td><strong>Standard Chartered Role</strong></td>
<td>Issue Manager and Structuring Advisor, Joint Lead Arranger, Bookrunner and Selling Agent</td>
</tr>
</tbody>
</table>

**ISSUER BACKGROUND**

- The DBP, under its new charter, is classified as a development bank and may perform all other functions of a thrift bank.
- Its primary objective is to provide banking services principally to cater to the medium and long-term needs of agricultural and industrial enterprises with emphasis on small and medium-scale industries.

**TRANSACTION HIGHLIGHTS**

- First Sustainability Bond Programme in the Philippines.
- DBP’s First Peso Bond Issuance
- Largest Sustainability Bond Issuance From a Philippine Issuer: The 2-year Bond Issuance is the largest Sustainability Bond issuance from a Philippine Issuer, with a total issue size of PHP18.125 billion or USD348.55 billion.
- The transaction was met with favorable reception in the market, enabling the bank to raise PHP13.125 billion (~USD252.40 million) more than its target offering size of PHP5 billion (~USD93.15 million), leading to an orderbook which was more than 3.5x oversubscribed.
Sustainable/Social: Philippine issuers have raised $1.76 billion across five transactions.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Currency</th>
<th>Type</th>
<th>Date</th>
<th>Spread (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCBC USD (Sustainability)</td>
<td>USD</td>
<td>Sustainable</td>
<td>September 11, 2019</td>
<td>170</td>
</tr>
<tr>
<td>Manila Water USD (Sustainability)</td>
<td>USD</td>
<td>Sustainable</td>
<td>July 30, 2020</td>
<td>378.34</td>
</tr>
<tr>
<td>RCBC PHP (Sustainability)</td>
<td>PHP</td>
<td>Sustainable</td>
<td>June 04, 2019</td>
<td>71.2</td>
</tr>
<tr>
<td>DBP PHP (Sustainability)</td>
<td>PHP</td>
<td>Sustainable</td>
<td>November 11, 2019</td>
<td>36.80</td>
</tr>
<tr>
<td>BPI PHP (Social)</td>
<td>PHP</td>
<td>Social</td>
<td>August 07, 2020</td>
<td>42.76</td>
</tr>
</tbody>
</table>
ASEAN GREEN, SOCIAL & SUSTAINABLE (GSS) STANDARDS

**GREEN INVESTORS**

**US$103.4Tr**

- Renewable Energy
- Mass Transit
- Sustainable Water
- Resilient Infra

**ASEAN GREEN ISSUERS**

**US$7.6 billion**

- **No Fossil Fuel Power**
- **Mass Transit**
- **Sustainable Water**
- **Resilient Infra**

Additional Features:
- a) ASEAN Issuer/Issue
- b) No Fossil Fuel Power
- c) Disclosure on website
- d) Encourage more frequent reporting
- e) Qualifications for external reviewers

**1. Use of Proceeds**
**2. Framework for Selection**
**3. Management of Proceeds**
**4. Annual Reporting**

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*Data as of September 22, 2020*
### 4 Priority Areas

**Priority Area I: Strengthening foundations**
- Promoting Corporate Sustainability Disclosures
- Promoting Institutional Investor Disclosures
- Examining a Common Taxonomy
- Exploring Transition Standards

**Priority Area II: Catalysing products and enabling access to under-served areas**
- Developing Sustainable and Responsible Fund Standards
- Improving Market Access for Sustainable Products
- Developing ESG Indices
- Utilising Digital Technology to Facilitate Cross-border Participation in Sustainable Products
- Exploring Incentives

**Priority Area III: Raising awareness and capacity building**
- Enhancing Technical Competence
- Promoting Knowledge Transfer
- Increasing Public Awareness

**Priority Area IV: Increasing connectivity**
- Developing a Public Database of Sustainable Products, Projects and Investors
- Leveraging Multilateral and Philanthropic Efforts
- Coordinating Efforts with Public & Financial Sectors
THANK YOU!

The views and opinions that are expressed in relation to this presentation are only that of the presenter and do not necessarily reflect those of the Commission, the Commissioners, or the other staff members.
Developing Social Bond Markets in Asia: A Primer on Social bonds

8 October 2020
The SME sector is one of Thailand’s key engines of growth

Over three million SME entities, generating over 12 million jobs for the Thai population.

Key issues related to SMEs and entrepreneurship development includes their access to finance

There is a need to broaden the range of financing instruments available to SMEs and women entrepreneurs

Introduction of new asset class for investors which benefits socially-responsible initiatives/enterprises
### Bank of Ayudhya: ESG’s Highlights

**High-profile mandates and successful O&D transactions in ESG**

<table>
<thead>
<tr>
<th>Bank of Ayudhya</th>
<th>GPSC</th>
<th>PTT</th>
</tr>
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<tbody>
<tr>
<td>USD 220 Million Women Social Bond</td>
<td>THB 5 Billion Green Bond 2025, 2030, 2035</td>
<td>THB 15 Billion Green THB Notes due 2023, THB Notes due 2027</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Debut Sustainability Bond</th>
<th>Established Sustainable Finance Framework &amp; SPO</th>
<th>1st bond in Thailand to fund COVID-19 expenditures</th>
<th>1st issuance of overall THB 100 billion green &amp; social bonds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of Ayudhya</td>
<td>✓</td>
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</tr>
<tr>
<td>GPSC</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>PTT</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Debut Social and USD Bond**
- Established Social Bond Framework & SPO
- 1st private-sector Gender bond in APAC
- 1st social bond in Asia complying with ICMA & ASEAN Social Bond Principles and Standards

**Sole Placement Agent and ESG Structuring Advisor**
- October 2019, Thailand

**Debut Green Bond**
- Established Green Finance Framework & SPO
- 1st Green bond in Thailand funding a WTE project
- 1st digital bond priced via Thai BMA e-book building platform

**High-profile mandates and successful O&D transactions in ESG**

- Debut Sustainability Bond
- Established Sustainable Finance Framework & SPO
- 1st bond in Thailand to fund COVID-19 expenditures
- 1st issuance of overall THB 100 billion green & social bonds

- Debut Social and USD Bond
- Established Social Bond Framework & SPO
- 1st private-sector Gender bond in APAC
- 1st social bond in Asia complying with ICMA & ASEAN Social Bond Principles and Standards

- Debut Green Bond
- Established Green Finance Framework & SPO
- 1st Green bond in Thailand funding a WTE project
- 1st digital bond priced via Thai BMA e-book building platform

**Green Structuring Advisor & JLM**
- August 2020, Thailand

**Union Bank of Ayudhya**
- August 2020, Thailand

**Bank of Ayudhya**
- October 2019, Thailand

**GPSC**
- August 2020, Thailand

**PTT**
- July 2020, Thailand
“This issuance reaffirms our commitment to corporate citizenship practices and our broader ambition to meet the UN Sustainable Development Goals.”

Mr. Seiichiro Akita,
President and Chief Executive Officer
Bank of Ayudhya Public Company Limited
Social Bonds Case study in Japan

SMBC Nikko Securities
SDGs Finance
2020/10/08
**Qualification & Credentials on Green, Social, Sustainability (GSS) bond Issuance**

### SMBC Nikko’s Track Record as Structuring Agent

<table>
<thead>
<tr>
<th>Bank</th>
<th># of Deals</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLP J-REIT</td>
<td>2</td>
<td>Dec 2018</td>
</tr>
<tr>
<td>SMBC Group</td>
<td>3</td>
<td>Dec 2018</td>
</tr>
<tr>
<td>TOGENIC</td>
<td>1</td>
<td>March 2019</td>
</tr>
<tr>
<td>ANA Holdings</td>
<td>1</td>
<td>May 2019</td>
</tr>
<tr>
<td>United Urban</td>
<td>1</td>
<td>May 2019</td>
</tr>
<tr>
<td>SMBC Group</td>
<td>1</td>
<td>May 2019</td>
</tr>
<tr>
<td>Meidensha</td>
<td>1</td>
<td>July 2019</td>
</tr>
<tr>
<td>Japan Hotel REIT</td>
<td>1</td>
<td>July 2019</td>
</tr>
<tr>
<td>Mitsubishi REIT</td>
<td>1</td>
<td>July 2019</td>
</tr>
<tr>
<td>Daiwa House REIT</td>
<td>1</td>
<td>July 2019</td>
</tr>
<tr>
<td>Sumitomo Mitsui Finance and Lease</td>
<td>1</td>
<td>May 2020</td>
</tr>
<tr>
<td>Nippon Accommodations Fund</td>
<td>1</td>
<td>July 2020</td>
</tr>
<tr>
<td>CRE Logistics REIT</td>
<td>1</td>
<td>July 2020</td>
</tr>
<tr>
<td>Sumitomo Mitsui Auto</td>
<td>1</td>
<td>Sep 2020</td>
</tr>
<tr>
<td>GLP J-REIT</td>
<td>1</td>
<td>Nov 2019</td>
</tr>
<tr>
<td>Daiwa House REIT</td>
<td>1</td>
<td>Mar 2020</td>
</tr>
</tbody>
</table>

**GSS Bond Structuring Agent League Table (FY 2019)**

<table>
<thead>
<tr>
<th>Bank</th>
<th># of Deals</th>
<th>Amount</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMBC Nikko</td>
<td>20</td>
<td>3,050</td>
<td>22.8%</td>
</tr>
<tr>
<td>Mizuho</td>
<td>15</td>
<td>2,518</td>
<td>18.8%</td>
</tr>
<tr>
<td>MUMSS</td>
<td>12</td>
<td>2,326</td>
<td>17.4%</td>
</tr>
<tr>
<td>Nomura</td>
<td>7</td>
<td>2,259</td>
<td>16.9%</td>
</tr>
<tr>
<td>Daiwa</td>
<td>5</td>
<td>448</td>
<td>3.3%</td>
</tr>
<tr>
<td>Total</td>
<td>59</td>
<td>13,332</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Note: If bonds are issued in multiple maturities at the same time, the number of issuers is counted (not the number of bonds issued).

### SMBC Nikko’s Recent Track Records of GSS bonds

<table>
<thead>
<tr>
<th>Bank</th>
<th>Amount</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honda Finance</td>
<td>2,250</td>
<td>€1,250mn</td>
</tr>
<tr>
<td>GLP J-REIT</td>
<td>2,250</td>
<td>€1,250mn</td>
</tr>
<tr>
<td>Chugoku Bank</td>
<td>2,250</td>
<td>€1,250mn</td>
</tr>
</tbody>
</table>

**Global GSS Bond league Table (As of July 31st, 2020)**

Concerning global green bond underwriting, we are ranked 2nd amongst Japanese securities companies.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Banks</th>
<th>Amount</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HSBC</td>
<td>4,448</td>
<td>5.97%</td>
</tr>
<tr>
<td>2</td>
<td>CACIB</td>
<td>4,316</td>
<td>5.79%</td>
</tr>
<tr>
<td>3</td>
<td>BoA</td>
<td>4,102</td>
<td>5.41%</td>
</tr>
<tr>
<td>4</td>
<td>BNPP</td>
<td>3,954</td>
<td>5.31%</td>
</tr>
<tr>
<td>5</td>
<td>Mizuho</td>
<td>3,800</td>
<td>4.84%</td>
</tr>
<tr>
<td>6</td>
<td>Nomura</td>
<td>1,350</td>
<td>1.81%</td>
</tr>
</tbody>
</table>

Note: Includes Enel’s SDG-Linked Bond

Source: SMBC Nikko, as of July 31st, 2020
SMBC Nikko received a Silver Award in Financial Services Category of the “ESG Finance Award Japan”, by the Ministry of the Environment (MoE)

SMBC Nikko is the only securities company to be awarded in the Financial Services Category for the ESG Finance Awards hosted by MoE, not only for its excellent structuring agent ability for green bonds, but simultaneously an issuer, where we acted as the green bond structuring agent, also received the same silver award in the Bond Category.

ESG Finance Awards

- This award was established by Mr. Koizumi, Minister of the Environment in October 2019 to promote ESG finance.
- Awards consists of the following categories:
  - Investor
  - Loan
  - Financial Services
  - Bond
  - Environmentally Sustainable Company

Silver Award in the Financial Services Category

- SMBC Nikko received the Minister of Environment Award (Silver Award), ranking amongst the highest within domestic securities companies.
- Meidensha, where SMBC Nikko acted as sole bookrunner and green bond structuring agent, also received a Silver award in the Bond category. This shows that SMBC Nikko can deliver high quality service to green bond issuers.

<Selection evaluation>

- SMBC Nikko Securities clearly indicates in its policy of focusing on green finance.
- Especially SMBC Nikko have many track records of supporting issuers in green bond issuance.
- The Selection Committee of the award highly evaluated that SMBC Nikko supported many green bond issuers and contributed to expanding the horizon of the domestic green bond market.

<table>
<thead>
<tr>
<th>Financial Services Category</th>
<th>Bond Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold award</td>
<td>S &amp; P Dow Jones Index (rating company) Fuyo General Leasing (SA: Ministry of the Environment Model Project)</td>
</tr>
<tr>
<td>Silver award</td>
<td>SMBC Nikko Securities (securities firm) Meidensha (SA: SMBC Nikko Securities)</td>
</tr>
<tr>
<td>Silver award</td>
<td>Sampo Japan Insurance Inc. (insurance company) Tokyo Tatemono (SA: Daiwa Securities)</td>
</tr>
<tr>
<td>Silver award</td>
<td>Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. -</td>
</tr>
</tbody>
</table>

Note: No Award of Minister of the Environment after the Bronze Award
Source: Ministry of the Environment website

(Left: Mr. Kira, Managing Executive Officer, Right: Mr. Koizumi, Japanese Minister of Environment)
**Case Study** Chugoku Bank Social Bond

In September 2020, Chugoku Bank issued its first social bond where Use of Proceed is loans to customers affected by the pandemic of COVID-19.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Industry</th>
<th>Use of Proceeds</th>
<th>Type of Socio-economic Outcome OR Specific social issue addressed or mitigated</th>
<th>Target Population (for socio-economic outcomes)</th>
<th>SDG Linkages (if any)</th>
<th>Indicators</th>
</tr>
</thead>
</table>
| Chugoku Bank | Bank | Loans to customers directly or indirectly affected by the pandemic of COVID-19 | Direct impact:  
• Stabilizing customers’ cash flow and strengthening customers’ financial base  
Indirect impact:  
• Customers affected by COVID-19 | • Customers affected by COVID-19 | | • Total loans outstanding and number of eligible loans |
| 1) Central Bank Emergency Special Loan for corporate and/or self-employed individual directly or indirectly affected by COVID-19 (in case of capital investment, eligible facilities are limited to infection control measures) | | | | |
| 2) Prefecture's loan program to respond pandemic crisis (including net interest-free, unsecured loan) | | | | |
| 3) Capital Loans to corporates temporarily affected by pandemic of COVID-19 in order to stabilize customers’ cashflow and/or strengthen customers’ financial base | | | | |
| 4) Other loans related to COVID-19 in accordance with the above | | | | |

**Link to the Second Party Opinion**  
### (Case Study) H.U. Group Holdings (previously Miraka Holdings) Social Bond

In October 2019, H.U. Holdings which provides outsourced clinical laboratory testing service and manufacturing/selling clinical diagnostics reagents and testing equipments.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Industry</th>
<th>Use of Proceeds</th>
<th>Type of Socio-economic Outcome OR Specific social issue addressed or mitigated</th>
<th>Target Population (for socio-economic outcomes)</th>
<th>SDG Linkages (if any)</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>H.U. Holdings</td>
<td>Bank</td>
<td>• Introduction of equipment and IT systems upon the establishment of the state of the art testing laboratory</td>
<td>• Create new value in healthcare and contribute to the prosperity of People</td>
<td>General public</td>
<td></td>
<td>Output</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Research and Development for the improvement of testing and development of innovative technologies</td>
<td>• Develop innovative diagnostic solutions to enhance trust in Healthcare and drive its evolution</td>
<td></td>
<td></td>
<td>• New CLT Laboratory</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Summary, investment, operational time, etc of newly introduced equipment/IT systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• R&amp;D</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Summary of R&amp;D</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Outcome</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• New CLT Laboratory</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Rate of increased tests</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Rate of cost reduction</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• R&amp;D</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Progress in R&amp;D</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Number of published research papers</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Number of joint researchs in and outside of group</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Number of patent application</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Case leading to commercialization</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Impact</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Reduction of medical remuneration points for testing leading to the restraint of social security expenses</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Expansion of local medical care and progress in comprehensive local care systems</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Progress in cutting edge medical care/individualized medical care as a result of R&amp;D in new testing techniques, and improvement in QOL through them</td>
</tr>
</tbody>
</table>


Source: Issuer's HP and R&I's HP
### (Case Study) ANA Holdings Inc. Social Bond

ANA Holding, a Japanese airline, issued a first social bond, as a Japanese private company.

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Industry</th>
<th>Use of Proceeds</th>
<th>Type of Socioeconomic Outcome OR Specific social issue addressed or mitigated</th>
<th>Target Population (for socio-economic outcomes)</th>
<th>SDG Linkages (if any)</th>
<th>Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANA Holdings Inc.</td>
<td>Airlines</td>
<td>Website Renovation (Compliance with international W3C accessibility guidelines)</td>
<td>• Access to essential services (public transportation)</td>
<td>• Persons with disabilities • Elderly</td>
<td></td>
<td>• Functions of websites that have completed universal compatibility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Renovation of domestic airport facilities and equipment</td>
<td>1) A customer service counter (low counter) is set up at the check-in counter.</td>
<td></td>
<td></td>
<td>• Number of airports whose universal facilities and equipment have been renovated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2) Lounge renovation (Installation of low counters at reception, expansion of doors and passageways, establishment of priority areas for wheelchair users, etc.)</td>
<td></td>
<td></td>
<td></td>
<td>• Number of passengers with disabilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3) Modification of boarding gates (Increasing the width of ticket gates)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Renovation of facilities and equipment at domestic sites</td>
<td>• Socioeconomic advancement and empowerment</td>
<td>• Persons with disabilities, LGBT.</td>
<td></td>
<td>• Number of business establishments that have completed universal facility and equipment renovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Installation of wheelchair-accessible parking spaces, introduction of multifunctional toilets, and securing door and passageway widths</td>
<td></td>
<td></td>
<td></td>
<td>• Ratio of employees with disabilities</td>
</tr>
</tbody>
</table>

Link to the Second Party Opinion
- [https://www.jcr.co.jp/download/4b5674455e6450565618b60406676176aa0d65a5058070006/19d0050-1.pdf](https://www.jcr.co.jp/download/4b5674455e6450565618b60406676176aa0d65a5058070006/19d0050-1.pdf)

Source: Social Bond Working Group Members, Company filings
Since 2017, we have involved in more than 30 GSS bond transactions, including corporate bonds, FILP agency bonds and retail bonds as lead manager.

### GSS Corporate Bond (FY2018~FY2020YTD)

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Bond Category</th>
<th>Date</th>
<th>Amount (JPYbn)</th>
<th>SMBC Nikko Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sumitomo Mitsui Auto Service</td>
<td>Green</td>
<td>2020/9</td>
<td>10</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>NISSHIN REAL ESTATE MASTER FUND</td>
<td>Green</td>
<td>2020/8</td>
<td>7</td>
<td>JLM</td>
</tr>
<tr>
<td>Seiko Epson Corp</td>
<td>Green</td>
<td>2020/7</td>
<td>50</td>
<td>Manager</td>
</tr>
<tr>
<td>Comfortia Residential REIT</td>
<td>Green</td>
<td>2020/7</td>
<td>1.5</td>
<td>JLM</td>
</tr>
<tr>
<td>Nippon Accommodations Fund</td>
<td>Green</td>
<td>2020/7</td>
<td>4</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Japan Housing Finance Agency</td>
<td>Green</td>
<td>2020/7</td>
<td>35</td>
<td>JLM</td>
</tr>
<tr>
<td>Asahi Kasei</td>
<td>Green</td>
<td>2020/6</td>
<td>10</td>
<td>JLM</td>
</tr>
<tr>
<td>NTT Finance</td>
<td>Green</td>
<td>2020/6</td>
<td>40</td>
<td>JLM</td>
</tr>
<tr>
<td>Daiwa House REIT</td>
<td>Green</td>
<td>2020/5</td>
<td>5</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Tohoku Electric Power Corp</td>
<td>Green</td>
<td>2020/2</td>
<td>5</td>
<td>Sole Lead Manager</td>
</tr>
<tr>
<td>Kajima Corp</td>
<td>Green</td>
<td>2020/2</td>
<td>10</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Mistu-Soko Holdings</td>
<td>Green</td>
<td>2020/3</td>
<td>5</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Sumitomo Mitsui Finance and Leasing</td>
<td>Green</td>
<td>2020/3</td>
<td>15</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>SEIKISUI HOUSE REIT</td>
<td>Green</td>
<td>2020/2</td>
<td>2</td>
<td>JLM</td>
</tr>
<tr>
<td>LaSalle LOGIPORT REIT</td>
<td>Green</td>
<td>2020/2</td>
<td>3</td>
<td>JLM</td>
</tr>
<tr>
<td>Health Care &amp; Medical Investment Corp</td>
<td>Social</td>
<td>2020/1</td>
<td>2</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>EAST JAPAN RAILWAY/JR EAST</td>
<td>Sustainability</td>
<td>2020/1</td>
<td>30</td>
<td>JLM</td>
</tr>
<tr>
<td>NEXCO EAST</td>
<td>Social</td>
<td>2020/1</td>
<td>30</td>
<td>JLM</td>
</tr>
<tr>
<td>NEXCO EAST</td>
<td>Social</td>
<td>2020/1</td>
<td>60</td>
<td>JLM</td>
</tr>
<tr>
<td>Kenedix Residential Next Investment Corp</td>
<td>Social</td>
<td>2019/12</td>
<td>1.5</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Nagoya Bank</td>
<td>Green</td>
<td>2019/12</td>
<td>10</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>TOUCHU Advance Logistics Investment Corp</td>
<td>Green</td>
<td>2019/12</td>
<td>1.5</td>
<td>JLM</td>
</tr>
<tr>
<td>SEIKI HOLDINGS</td>
<td>Green</td>
<td>2019/12</td>
<td>10</td>
<td>JLM</td>
</tr>
<tr>
<td>Nidec Corp</td>
<td>Green</td>
<td>2019/11</td>
<td>30</td>
<td>JLM</td>
</tr>
<tr>
<td>Nidec Corp</td>
<td>Green</td>
<td>2019/11</td>
<td>20</td>
<td>JLM</td>
</tr>
<tr>
<td>Nidec Corp</td>
<td>Green</td>
<td>2019/11</td>
<td>50</td>
<td>JLM</td>
</tr>
<tr>
<td>Gunma Bank</td>
<td>Green</td>
<td>2019/11</td>
<td>10</td>
<td>JLM</td>
</tr>
<tr>
<td>NEXCO EAST</td>
<td>Social</td>
<td>2019/11</td>
<td>30</td>
<td>JLM</td>
</tr>
<tr>
<td>NEXCO EAST</td>
<td>Social</td>
<td>2019/11</td>
<td>40</td>
<td>JLM</td>
</tr>
<tr>
<td>Daiwa House REIT</td>
<td>Green</td>
<td>2019/11</td>
<td>6</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>GLP J-REIT</td>
<td>Green</td>
<td>2019/11</td>
<td>5</td>
<td>Lead Manager</td>
</tr>
<tr>
<td>Activia Properties</td>
<td>Green</td>
<td>2019/11</td>
<td>4</td>
<td>JLM</td>
</tr>
<tr>
<td>Sekisui House Reit</td>
<td>Green</td>
<td>2019/11</td>
<td>5</td>
<td>JLM</td>
</tr>
<tr>
<td>Miraca Holdings Inc.</td>
<td>Social</td>
<td>2019/10</td>
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<td>JLM</td>
</tr>
<tr>
<td>Miraca Holdings Inc.</td>
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<td>5</td>
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</tr>
<tr>
<td>NISSHIN REAL ESTATE MASTER FUND</td>
<td>Green</td>
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<td>3</td>
<td>JLM</td>
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<td>Sumitomo Warehouse Co.</td>
<td>Green</td>
<td>2019/9</td>
<td>5</td>
<td>Lead Manager</td>
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</tbody>
</table>
Since 2017, we have involved in more than 30 GSS bond transactions, including corporate bonds, FILP agency bonds and retail bonds as lead manager.

### GSS FILP Agency Bond (FY2017~FY2019YTD)

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Bond Category</th>
<th>Date</th>
<th>Amount</th>
<th>SMBC Nikko Role</th>
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<tbody>
<tr>
<td>NEXCO EAST</td>
<td>Social</td>
<td>2020/7</td>
<td>50 JLM</td>
<td></td>
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<td>Orient Corporation</td>
<td>Social</td>
<td>2020/7</td>
<td>10 JLM</td>
<td></td>
</tr>
<tr>
<td>Tokyo Tatemono</td>
<td>Sustainability</td>
<td>2020/7</td>
<td>40 JLM</td>
<td></td>
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<tr>
<td>JICA</td>
<td>Social</td>
<td>2020/6</td>
<td>23 JLM</td>
<td>Lead Manager</td>
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<tr>
<td>Tokyo Metro</td>
<td>Sustainability</td>
<td>2020/5</td>
<td>30 JLM</td>
<td></td>
</tr>
<tr>
<td>Japan Student Services Organization</td>
<td>Social</td>
<td>2020/5</td>
<td>10 JLM</td>
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<tr>
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<td>2019/6</td>
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<tr>
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Note: As of July 31st, 2020
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