

PRICING SUPPLEMENT



**ASIAN DEVELOPMENT BANK
GLOBAL MEDIUM-TERM NOTE PROGRAM**

Series No.: 1227-00-1

KZT8,400,000,000

10.15 per cent. Notes due 17 December 2030

Issue price: 100 per cent.

Manager
Tengri Partners

The date of this Pricing Supplement is 9 February 2021.

This pricing supplement (the “Pricing Supplement”) is issued to give details of an issue of KZT8,400,000,000 10.15 per cent. Notes due 17 December 2030 (the “Notes”) by the Asian Development Bank (“ADB”) under its Global Medium-Term Note Program and to provide information supplemental to the Prospectus referred to below.

This Pricing Supplement supplements the terms and conditions of the Notes set forth in the Prospectus dated 9 December 2020 (as amended and supplemented and together with the documents incorporated by reference therein, the “Prospectus”) and should be read in conjunction with the Prospectus. Unless otherwise defined in this Pricing Supplement, capitalized terms used herein have the meanings given to them in the Prospectus.

The issue of the Notes was authorized pursuant to a global borrowing authorization of the Board of Directors of ADB dated 9 December 2020.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation, and no action is being taken to permit an offering of the Notes or the distribution of this Pricing Supplement in any jurisdiction where such action is required.

The Notes are not required to be and have not been registered under the U.S. Securities Act of 1933, as amended. The Notes have not been approved or disapproved by the U.S. Securities and Exchange Commission or any state securities commission nor has the Commission or any state securities commission passed upon the accuracy or adequacy of this Pricing Supplement. Any representation to the contrary is a criminal offense in the United States.

The distribution of this Pricing Supplement or the Prospectus and the offer and sale of the Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Pricing Supplement or the Prospectus comes are required by ADB and the Manager to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on the distribution of this Pricing Supplement or the Prospectus, see “Plan of Distribution” in the Prospectus.

The Notes are not the obligation of any government.

TERMS AND CONDITIONS

The following items are the particular terms and conditions of the Notes to which this Pricing Supplement relates. In case of any conflict between such terms and conditions and the terms and conditions set forth in the Prospectus, the terms and conditions set forth in this Pricing Supplement shall govern.

General Provisions

1. Issuer: Asian Development Bank (“ADB”).
2. Series Number: 1227-00-1
3. (i) Specified Currency (Condition 1(c)): The lawful currency of the Republic of Kazakhstan (“Kazakhstan Tenge” or “KZT”).
- (ii) Specified Principal Payment Currency if different from Specified Currency (Condition 1(c)): Not applicable.
- (iii) Specified Interest Payment Currency if different from Specified Currency (Condition 1(c)): Not applicable.
- (iv) Alternative Currency (Condition 7(i)) (if applicable): In the event of KZT Unavailability, U.S.\$ (further particulars specified in paragraph 31 below).
4. Aggregate Nominal Amount: KZT8,400,000,000.
5. (i) Issue Price: 100 per cent. of the Aggregate Nominal Amount.
- (ii) Net proceeds: KZT8,400,000,000.
6. Specified Denominations (Condition 1(a)): KZT1,000.
7. (i) Issue Date (Condition 5(d)): 12 February 2021.
- (ii) Interest Commencement Date (if different from the Issue Date) (Condition 5(d)): 15 February 2021.
- (iii) Kazakhstan Stock Exchange (“KASE”) Auction Date: 9 February 2021.

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| 8. | Maturity Date or Redemption Month (Condition 6(a)): | 17 December 2030. |
| 9. | Interest Basis (Condition 5): | Fixed Rate (Condition 5(a)) (further particulars specified below). |
| 10. | Redemption/Payment Basis (Condition 6(a)): | Redemption at par. |
| 11. | Change of Interest or Redemption/Payment Basis: | Not applicable. |
| 12. | Put/Call Options (Conditions 6(e) and (f)): | Not applicable. |
| 13. | Status of the Notes (Condition 3): | Senior. |
| 14. | Listing: | KASE (see Subscription and Settlement Process set forth in Annex A). |
| 15. | Method of distribution: | Non-syndicated. |

Provisions Relating to Interest Payable

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| 16. | Fixed Rate Note Provisions (Condition 5(a)): | Applicable. |
| (i) | Rate(s) of Interest: | 10.15 per cent. per annum, payable semi-annually in arrear. |
| (ii) | Interest Payment Date(s): | 17 March and 17 September of each year, from and including 17 September 2021, when a long first coupon is payable, up to and including 17 September 2030 and the Maturity Date, when a short final coupon is payable, adjusted in accordance with the applicable Business Day Convention. |
| (iii) | Interest Period End Date(s): | 17 March and 17 September of each year, from and including 17 September 2021, up to and including 17 September 2030 and the Maturity Date. |
| (iv) | Interest Period End Date(s) adjustment: | Unadjusted. |
| (v) | Fixed Coupon Amount(s): | KZT50.75 per Specified Denomination on each Interest Payment Date (except for the first |

	Interest Payment Date on 17 September 2021 and the last Interest Payment Date on the Maturity Date which are subject to the Broken Amounts as per paragraph 16(vii) below), subject to paragraph 16(xii) below.
(vi) Business Day Convention:	Following Business Day Convention.
(vii) Broken Amount(s):	KZT59.77 per Specified Denomination payable on 17 September 2021 and KZT25.38 payable on the Maturity Date, subject to paragraph 16(xii) below.
(viii) Relevant Financial Center:	Nur-Sultan, Republic of Kazakhstan.
(ix) Additional Business Center(s) (Condition 5(d)):	London, United Kingdom.
(x) Day Count Fraction (Condition 5(d)):	30E/360.
(xi) Determination Date(s):	Not applicable.
(xii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	The Fixed Coupon Amount per Specified Denomination or Broken Amount per Specified Denomination, as applicable, payable on the relevant Interest Payment Date shall be multiplied by 8,400,000 to arrive at the total Fixed Coupon Amount or Broken Amount, as applicable, with respect to the relevant Interest Payment Date.
17. Floating Rate Note Provisions (Condition 5(b)):	Not applicable.
18. Zero Coupon/Deep Discount Note Provisions (Conditions 5(c) and 6(c)):	Not applicable.
19. Index-Linked Interest Note Provisions:	Not applicable.
20. Dual Currency Note Provisions:	Not applicable.

Provisions Relating to Redemption

21. Call Option (Condition 6(e)): Not applicable.
22. Put Option (Condition 6(f)): Not applicable.
23. Final Redemption Amount: KZT8,400,000,000.
- The Final Redemption Amount per Specified Denomination will be calculated as follows:
- KZT 8,400,000,000 divided by 8,400,000.
- Such resulting amount shall be rounded to two places.
- (i) Alternative Payment Mechanism (Conditions 7(a) and (c)): Not applicable.
- (ii) Long Maturity Note (Condition 7(f)): Not applicable.
- (iii) Variable Redemption Amount (Condition 6(d)): Not applicable.
24. Early Redemption Amount:
- (i) Early Redemption Amount(s) payable on an Event of Default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions): As set out in the Conditions.
- (ii) Unmatured Coupons to become void (Condition 7(f)): Not applicable.

Additional General Provisions Applicable to the Notes

25. Form of Notes: Registered Notes.
- (i) Definitive Registered Notes: Registered Global Note available on Issue Date; not exchangeable for individual Definitive Registered Notes.
- (ii) New Safekeeping Structure (NSS Form): No.

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| 26. Talons for future Coupons to be attached to definitive Bearer Notes (and dates on which such Talons mature): | Not applicable. |
| 27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of ADB to forfeit the Notes and interest due on late payment: | Not applicable. |
| 28. Details relating to Installment Notes: | Not applicable. |
| 29. Redenomination, renominialization and reconventioning provisions: | Not applicable. |
| 30. Consolidation provisions: | Not applicable. |
| 31. Other terms or special conditions: | |

KZT Unavailability:

If KZT is no longer used by the Republic of Kazakhstan or for the settlement of transactions by public institutions in the Republic of Kazakhstan or within the international banking community (including if Clearstream, Luxembourg suspends or ceases acceptance of KZT as a settlement currency), or if KZT is otherwise not expected to be available to ADB or freely transferable from the Republic of Kazakhstan to recipients residing in another country as a result of circumstances beyond the control of ADB, then ADB shall be entitled to satisfy its obligations to the holders of the Notes in respect of such payment by making such payments in the United States dollars (“U.S.\$”) equivalent amount calculated on the basis of the U.S.\$/KZT exchange rate agreed between ADB and the Calculation Agent, acting in good faith and in a commercially reasonable manner. Any payment made by ADB under such circumstances in U.S.\$ shall constitute a valid payment and shall not

constitute a default in respect of the Notes.

In the event of KZT unavailability as described in this paragraph 31, the Business Day in relation to any payment made by ADB in U.S.\$ shall mean a day other than a Saturday or a Sunday on which commercial banks and securities market participants settle payments and are open for general business in Nur-Sultan, Republic of Kazakhstan, London, United Kingdom and New York City, United States.

Distribution

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| 32. | (i) If syndicated, names of Managers: | Not applicable. |
| | (ii) Stabilizing Manager (if any): | Not applicable. |
| | (iii) Commissions and Concessions: | Not applicable. |
| 33. | If non-syndicated, name of Dealer: | JSC “Tengri Partners Investment Banking (Kazakhstan)”. |
| 34. | Additional selling restrictions: | Not applicable. |
| 35. | Prohibition of Sales to EEA and U.K. Retail Investors: | Not applicable. |

Operational Information

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| 36. | ISIN: | XS2294363416 |
| 37. | Common Code: | 229436341 |
| 38. | Details of benchmarks administrators and registration under Benchmarks Regulation: | Not applicable. |
| 39. | Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): | Clearstream, Luxembourg only. |
| 40. | Delivery: | Delivery free of payment to Kazakhstan Central Securities Depository (“ <u>CSD</u> ”) and delivery against payment in CSD (further |

- particulars specified in the Subscription and Settlement Process as set forth in Annex A).
41. Additional Paying Agent(s) (if any): Not applicable.
 42. Calculation Agent: JSC “Tengri Partners Investment Banking (Kazakhstan)”.
 43. Governing Law: English.
 44. Intended to be held in a manner which would allow Eurosystem eligibility: Not applicable.

Use of Proceeds

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 eligible projects which promote gender equality and women’s empowerment, directly or indirectly through governments of ADB members or financial or other institutions or investments in private sector projects.

Eligible projects include those funded either in whole or in part from ADB’s ordinary capital resources that target narrowing gender disparities and promoting empowerment of women and girls. To achieve this, such projects would typically address one or more of the following five areas/dimensions of gender equality and women’s empowerment, either as part of the overall objective of the project (referred to by ADB as a “gender equity theme” project) or by incorporating them into specific project components (referred to by ADB as an “effective gender mainstreaming” project):

- *women’s economic empowerment* – access to finance/credit; micro, small and medium-sized enterprise development; agriculture development; value chain support; financial literacy and entrepreneurship training;
- *gender equality in human development* – education, skills development and technical and vocational education and training, including “nontraditional” female subjects/job sectors such as science and mathematics, engineering, technology, industry; health, reproductive health, and sanitation;
- *reduced time poverty of women* – reduced drudgery and time spent on unpaid care and domestic work through basic infrastructure (transport, water, sanitation, energy) or affordable child, elderly or family care support;
- *participation in decision-making and leadership* – through community groups, local governments, and public and private sector management; and/or
- *women’s resilience against risks and shocks including climate change and disaster impacts* – environmental protection/ rehabilitation; flood and disaster risk management; budget support and social protection; prevention of gender-based violence.

The above examples of eligible projects are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by ADB during the term of the Notes. In case it would be unable to apply an amount equal to the net proceeds of the Notes as provided above, ADB will apply the remaining proceeds thereof to its ordinary operations in accordance with the Agreement Establishing the Asian Development Bank.

Payment of principal of and interest on the Notes will be based solely on the creditability of ADB, and not on the performance of investments and loans under ADB's projects on gender equality and women's empowerment.

Listing Application

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the listing of the Global Medium-Term Note Program of ADB.

Material Adverse Change Statement

There has been no material adverse change in the financial position or prospects of ADB since the date of the financial statements included in the Information Statement of ADB, which was most recently published on 24 April 2020.

Recent Developments

On 22 May 2020, ADB's Board of Governors approved the following with respect to its 2019 reported net income of U.S.\$1,530.5 million, after appropriation of guarantee fees to the special reserve:

- a. U.S.\$461.2 million representing adjustments for the net unrealized gains for the year ended 31 December 2019, be added to the cumulative revaluation adjustments account;
- b. U.S.\$615.7 million be allocated to the ordinary reserve;
- c. U.S.\$259.5 million be allocated to the Asian Development Fund;
- d. U.S.\$130.0 million be allocated to the Technical Assistance Special Fund;
- e. U.S.\$30.0 million be allocated to the Regional Cooperation and Integration Fund;
- f. U.S.\$24.0 million be allocated to the Climate Change Fund; and
- g. U.S.\$10.0 million be allocated to the Asia Pacific Disaster Response Fund.

On 1 September 2020, Ashok Lavasa succeeded Diwakar Gupta as Vice-President for Private Sector Operations and Public-Private Partnerships.

On 1 February 2021, Bruce Gosper succeeded Deborah Stokes as Vice-President for Administration and Corporate Management.

Responsibility

ADB accepts responsibility for the information contained in this Pricing Supplement which, when read together with the Prospectus referred to above, contains all information that is material in the context of the issue of the Notes.

ASIAN DEVELOPMENT BANK

By: PVP.t
Name: PIERRE VAN PETEGHEM
Title: Treasurer

ANNEX A

Subscription and Settlement Process

A. Subscription

The Notes will be placed among investors on the KASE via the subscription method described below, which will be conducted in accordance with the KASE Rules of Conducting Subscription to Securities with effect from 31 October 2014 as amended from time to time (the "KASE Subscription Rules"). The process includes the following main steps:

1. At least three (3) Business Days before the subscription day, the “seller” (being a KASE member acting as the Manager for the issue) files an application with the KASE on subscription of the Notes (the "Subscription Application");
2. The KASE requests the CSD to confirm that the CSD agrees to: (i) carry out the relevant checks if requested by the “seller”, and (ii) provide additional information on the investors' sub-accounts if requested by the “seller” in the Subscription Application;
3. Not later than one (1) Business Day following the receipt of the request from the KASE, the CSD shall take a decision to carry out (or refuse to carry out) a subscription;
4. Not later than one (1) Business Day following the receipt of CSD's decision to carry out the subscription, the KASE shall take a decision to carry out (or refuse to carry out) the subscription;
5. Not later than one (1) Business Day following the date when KASE was informed of CSD's decision to carry out the subscription, the KASE shall (i) notify the CSD in writing of the KASE's decision on assignment to the contemplated subscription of a unique number and (ii) publish an announcement relating to the subscription, parameters and terms thereof on the KASE's official web page;
6. On the subscription day, the “buyers” (each “buyer” being a member of the KASE who participates in the subscription of the Notes as “buyer”, including on behalf of its clients) shall make their bids through the KASE's "Subscription" trade system;
7. After the bids are registered in the KASE's “Subscription” trade system, the bids shall be transferred to the CSD for checking. If a bid does not meet the criteria set by the “seller”, it will be rejected by the KASE's "Subscription" trade system;
8. The KASE shall disclose additional information (which the KASE had previously obtained from the CSD) on the investors' sub-accounts to the “seller”;
9. Typically, on the same date but not later than one (1) Business Day following the day on which subscriptions are made, the KASE shall prepare a register of accepted bids and send it to the “seller”;

10. The “seller”, upon being instructed by ADB, shall decide on the cut-off price, determine the final terms of the Notes and prepare a register of satisfied bids. The “seller” may, in consultation with ADB, refuse to satisfy any of the bids or satisfy any of the bids partially;
11. Typically, on the same day as the “seller” receives the register of accepted bids but not later than five (5) Business Days after receiving the register of accepted bids, the “seller” must send the register of satisfied bids to the KASE; and
12. The KASE shall check the register of satisfied bids for any change in the parameters and/or the number of accepted bids. If the “seller” fails to rectify the errors in the register of satisfied bids within one (1) Business Day following the day on which the “seller” has received KASE’s notice with a request to rectify the errors in the register of satisfied bids, the KASE may declare the subscription cancelled.

B. Settlement

Delivery of the Notes free of payment

Following the subscription of the Notes, ADB shall issue the Notes and register them with Clearstream, Luxembourg under English law. Once the Notes are reflected in the Clearstream, Luxembourg system, they will be delivered free of payment to the CSD’s account in Clearstream, Luxembourg and subsequently reflected in a sub-account for the benefit of ADB in the “seller’s” account in the CSD. Such delivery will be carried out as follows:

1. The Global Agent shall file an instruction through Clearstream, Luxembourg to arrange the delivery of the Notes to the CSD’s account in Clearstream, Luxembourg on a free of payment basis;
2. The Manager shall file an instruction with the CSD to register the acceptance of the Notes and reflect them accordingly in ADB’s sub-account in the Manager’s account in the CSD;
3. Not later than one (1) Business Day following receipt of the instruction from the Manager, the CSD shall file an instruction through Clearstream, Luxembourg to arrange the acceptance of the Notes on a free of payment basis into the CSD’s account in Clearstream, Luxembourg; and
4. The Notes shall be delivered free of payment to the CSD’s account in Clearstream, Luxembourg and the CSD shall further reflect the Notes in a sub-account for the benefit of ADB, being the beneficial owner of the Notes, in the “seller’s” account in the CSD.

Delivery Against Payment in CSD

The subscription with the Notes shall be settled by the CSD on a "delivery against payment" basis, as follows:

1. The KASE shall prepare a statement of orders to register the transactions in respect of the Notes and send it to the CSD for settlement;
2. The CSD shall reflect within its system the transfer of the Notes from the relevant section of ADB's sub-account in the Manager's account in the CSD to the "settlement" section of the same sub-account;
3. The CSD shall send a payment instruction to transfer to the CSD's transitional money account the funds standing to the credit of the "buyer's" bank account in the CSD or the interbank system of money transfer;
4. Upon receipt of the funds to the CSD's transitional money account, the CSD shall (i) transfer the Notes from the "settlement" section of ADB's sub-account in the Manager's account in the CSD to the relevant account of the "buyer" and for subsequent transfer to investors' accounts (or sub-accounts) and (ii) send a payment instruction to transfer the funds standing to the credit of the CSD's transitional money account to the "seller's" bank account; and
5. The settlement of the trade will be deemed final once the CSD obtains confirmation that the funds have been credited to the "seller's" bank account or, if the "seller's" bank account is opened with the CSD, once the funds are credited to the "seller's" bank account opened in the CSD.

ISSUER

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KAZAKHSTAN STOCK EXCHANGE LISTING AGENT

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