ASIAN DEVELOPMENT BANK
GLOBAL MEDIUM-TERM NOTE PROGRAM

Series No.: 1202-00-2

CNY48,000,000 2.50 per cent. Notes due 1 December 2025

Issue price: 100 per cent.

Manager

BofA Securities

The date of this Pricing Supplement is 27 November 2020.
This pricing supplement (the “Pricing Supplement”) is issued to give details of an issue of CNY48,000,000 2.50 per cent. Notes due 1 December 2025 (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 28 April 2011 (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 15 June 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.

Purchasers of the Notes should note that the Renminbi is not a freely convertible currency. Subject to Condition 7(i) as amended by paragraph 3(iv) of this Pricing Supplement, all payments in respect of the Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations, and ADB cannot be required to make payment by any other means (including in currency or by transfer to a bank account in the mainland People's Republic of China). In addition, there can be no assurance that access to Renminbi funds for the purposes of making payments on the Notes or generally may not remain or become restricted.

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


2. Series Number: 1202-00-2.

3. (i) Specified Currency (Condition 1(c)): Renminbi (“CNY”)*

*Purchasers of the Notes should note that the Renminbi is not a freely convertible currency. Subject to Condition 7(i) as amended by paragraph 3(iv) of this Pricing Supplement, all payments in respect of the Notes will be made solely by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations, and ADB cannot be required to make payment by any other means (including in currency or by transfer to a bank account in the mainland People’s Republic of China). In addition, there can be no assurance that access to Renminbi funds for the purposes of making payments on the Notes or generally may not remain or become restricted.

(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):

Applicable.

Condition 7(i) shall be replaced in its entirety with the following:

“If the Specified Currency is no longer used by the government of the PRC for the payment of public and private debts or no longer used for settlement of transactions by public institutions in the PRC or within the international banking community, or in the reasonable opinion of the Calculation Agent, if such Specified Currency is otherwise not expected to be available to ADB, when any payment on the Notes is due, as a result of circumstances beyond the control of ADB, then ADB shall be entitled to satisfy its obligations to holders of Notes in respect of such payment by making such payment in U.S. dollars on the basis of the Spot Rate on the second Business Day prior to such payment (the “Determination Date”) or, if such rate is not available on the Determination Date, on the basis of the Spot Rate most recently available prior to such Determination Date, as determined by the Calculation Agent. Any payment made by ADB under such circumstances in U.S. dollars, will constitute valid payment, and will not constitute a default in respect of the Notes.

For the purpose of Condition 7(i), the following definitions apply:

“Business Day” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in Hong Kong and New York;

“Calculation Agent” means Citibank, N.A.;

“PRC” means the mainland People’s Republic of China; and
“Spot Rate” means:

(a) the CNY/U.S. Dollar official fixing rate, expressed as the amount of CNY per one U.S. dollar for settlement in two business days, as reported by the Treasury Markets Association which appears on Reuters page <CNHFIX01> at or around 11:15 a.m. (Hong Kong time); or

(b) if such rate is not available, the Calculation Agent will determine the Spot Rate at or around 11:00 a.m. (Hong Kong time) on the Determination Date as the most recently available CNY/U.S. Dollar official fixing rate for settlement in two business days as reported by The State Administration of Foreign Exchange of the PRC (which is reported on the Reuters Screen Page CNY=SAEC).

Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate.”

4. Aggregate Nominal Amount: CNY48,000,000.

5. (i) Issue Price: 100 per cent. of the Aggregate Nominal Amount.

   (ii) Net proceeds: CNY48,000,000.

6. Specified Denominations (Condition 1(a)): CNY500,000.

7. (i) Issue Date (Condition 5(d)): 1 December 2020.

   (ii) Interest Commencement Date (if different from the Issue Date) (Condition 5(d)): Not applicable.

8. Maturity Date or Redemption Month (Condition 6(a)): 1 December 2025, adjusted in accordance with the Modified Following Business Day Convention.
9. Interest Basis (Condition 5): Fixed Rate (Condition 5(a)) (further particulars specified in paragraph 16 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.


**Provisions Relating to Interest Payable**

16. Fixed Rate Note Provisions (Condition 5(a)): Applicable.

   (i) Rate(s) of Interest: 2.50 per cent. per annum, payable annually in arrear.

   (ii) Interest Payment Date(s): 1 December of each year, commencing on 1 December 2021, up to and including the Maturity Date, adjusted in accordance with the Modified Following Business Day Convention.

   (iii) Fixed Coupon Amount(s): Each Fixed Coupon Amount per Specified Denomination on each Interest Payment Date shall be calculated by multiplying the product of the Rate of Interest and the Specified Denomination by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, with CNY0.005 being rounded upwards.

   (iv) Broken Amount(s): Not applicable.

   (v) Relevant Financial Center: Hong Kong.

   (vi) Additional Business Center(s) (Condition 5(d)): Beijing, London and New York.
(vii) Day Count Fraction (Condition 5(d)): Actual/365 (Fixed), adjusted.

(viii) Determination Date(s): Not applicable.

(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes: The Calculation Period shall be adjusted in accordance with the Business Day Convention specified below in paragraph 16(x) below.

The last paragraph of Condition 5(a) shall be replaced in its entirety by the following:

“Interest will cease to accrue on each Fixed Rate Note on the Maturity Date unless, upon due presentation thereof, payment of principal is improperly withheld or refused, in which event interest will continue to accrue at the specified Rate of Interest up to but excluding the earlier of (i) the date on which actual payment of principal is made, or (ii) the 15th calendar day following the receipt of such payment of principal by the Paying Agent.”

(x) Business Day Convention Modified Following Business Day Convention.

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.


**Provisions Relating to Redemption**

21. Call Option (Condition 6(e)): Not applicable.

22. Put Option (Condition 6(f)): Not applicable.


(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.

   Definitive Registered Notes: Registered Global Note available on Issue Date.

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, renominalization and reconventioning provisions: Not applicable.

30. Consolidation provisions: Not applicable.

31. Other terms or special conditions: Not applicable.
**Distribution**

32. (i) If syndicated, names of Managers: Not applicable.

(ii) Stabilizing Manager (if any): Not applicable.

(iii) Commissions and Concessions: 0.00 per cent.

33. If non-syndicated, name of Dealer: Merrill Lynch International.

34. Additional selling restrictions: The following paragraphs shall be deemed to replace the sections in their entirety as set out under the headings “United Kingdom”, “People’s Republic of China”, “Japan”, “Hong Kong” and “Singapore” in the section entitled “Plan of Distribution” in the Prospectus:

*United Kingdom*

The Manager has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the “FSMA”)) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to ADB; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.
People’s Republic of China

The Manager has represented and agreed that the Notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the mainland People’s Republic of China, except as permitted by the securities laws of the mainland People’s Republic of China.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; “FIEA”), and the Manager has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

The Manager has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to persons whose ordinary business is to buy or sell shares or debentures (whether as principal or agent); or (ii) to "professional investors" as defined in the Securities and Futures Ordinance (Cap.
571) (the “SFO”) of Hong Kong and any rules made under the SFO; or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) (the “C(WUMP)O”) of Hong Kong or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purpose of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the SFO and any rules made under the SFO.

Singapore

The Manager has agreed that it understands that the Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore (the “MAS”). As ADB is an international financial institution in which Singapore holds membership, pursuant to Section 279 of the Securities and Futures Act, Chapter 289 of Singapore, as modified or amended from time to time (the “SFA”),
Subdivisions (2) and (3) of Division 1 of Part XIII of the SFA shall not apply to an offer of the Notes to persons in Singapore and, accordingly, no prospectus is required to be registered with the MAS in relation to any such offer of the Notes.

The Notes may only be distributed by way of placement to (a) an accredited investor, (b) an expert investor, (c) an institutional investor, or (d) any other person that is not an individual (as such terms are defined under the SFA).

**Operational Information**

35. ISIN: XS2262826378

36. Common Code: 226282637

37. Any clearing system(s) other than Euroclear, Clearstream, Luxembourg and DTC and the relevant identification number(s): Euroclear and Clearstream, Luxembourg only.

38. Delivery: Delivery against payment.

39. Additional Paying Agent(s) (if any): Not applicable.


41. Service of Process (Condition 15(c)): ADB irrevocably appoints Law Debenture Corporate Services Limited at Fifth Floor, 100 Wood Street, London EC2V 7EX, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

**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.
Risk Factors

There are certain special risks associated with investing in the Notes. For a discussion of additional matters that should be considered by you before investing in the Notes, see “Risk Factors” beginning on page 11 in the Prospectus.

The Renminbi is not completely freely convertible; there are significant restrictions on remittance of Renminbi into and outside the People's Republic of China ("PRC") which may adversely affect the liquidity of Renminbi Notes

Renminbi is not completely freely convertible at present. The PRC government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC government of control over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions under current accounts. However, remittance of Renminbi by foreign investors into the PRC for the purposes of capital account items, such as capital contributions, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities in a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are developing gradually.

Although starting from 1 October 2016, the Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund and policies further improving accessibility to Renminbi to settle cross-border transactions in foreign currencies were implemented by the People’s Bank of China (“PBOC”) in 2018, there is no assurance that the PRC government will continue to liberalise control over cross border remittance of Renminbi in the future or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of ADB to source Renminbi to finance its obligations under the Notes.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and ADB’s ability to source Renminbi outside the PRC to service the Notes

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited.

While the PBOC has entered into agreements on the clearing of Renminbi business with financial institutions in a number of financial centres and cities (the “RMB Clearing Banks”), including but not limited to Hong Kong (the “Settlement Agreements”), and are in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the
current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC. The relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purpose of squaring open positions of participating banks for limited types of transactions. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the settlement agreement will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Notes. To the extent ADB is required to source Renminbi in the offshore market to service the Notes, there is no assurance that ADB will be able to source such Renminbi on satisfactory terms, if at all.

**Investment in the Notes is subject to exchange rate risks**

The value of the Renminbi against the U.S. dollar, Hong Kong dollar and other foreign currencies fluctuates and is affected by changes in the PRC and international political and economic conditions and by many other factors. Subject to Condition 7(i) of the Terms and Conditions of the Notes as amended by paragraph 3(iv) of this Pricing Supplement, ADB will make all payments of interest and principal with respect to the Notes in Renminbi. As a result, the value of these Renminbi payments may vary with the prevailing exchange rates in the marketplace. If the value of the Renminbi depreciates against the U.S. dollar, Hong Kong dollar or other foreign currencies, the value of a Noteholder’s investment in U.S. dollar, Hong Kong dollar or other applicable foreign currency terms will decline.

**Payments in respect of the Notes will only be made to investors in the manner specified in the Notes**

Subject to Condition 7(i) of the Terms and Conditions of the Notes as amended by paragraph 3(iv) of this Pricing Supplement, all payments to investors in respect of the Notes will be made solely (i) for so long as the Notes are represented by a Registered Global Note held with the common depositary for Euroclear and Clearstream, Luxembourg, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and procedures for Euroclear and Clearstream, Luxembourg, or (ii) for so long as the Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong in accordance with prevailing rules and regulations. ADB cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).
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.

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.
ISSUER

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