



CEB issues USD 1bn 4.625% 3-year Global Social Inclusion Bond Benchmark

Press Release – 4th June 2024

Highlights

- The new 3-year priced at SOFR MS+24bps and UST +7.6bps, making this transaction both the tightest SOFR MS spread and US Treasury spread for a USD 3-year SSA syndication so far in 2024.
- This transaction gathered the largest-ever orderbook for a 3-year USD benchmark by CEB, with strong support from a diverse range of high-quality investors. This is also CEB's second largest USD orderbook ever, following the USD 1.5bn 5-year Global issued in January 2024.
- This is CEB's 18th Social Inclusion Bond issued to-date and the 5th issued in USD. Today's transaction also brings CEB's combined 2024 Social Inclusion Bond issuance to a record 40% share of the annual Borrowing Authorisation.
- Central Banks & Official Institutions strongly supported the deal, representing 71.7% of allocations.

Final terms

Issuer	Council of Europe Development Bank (Ticker "COE")
Rating	Aaa/AAA/AAA (stable/stable/stable)
Format	Global, SEC Registered
Issue Amount	USD 1bn
Pricing Date	4 th June 2024
Settlement Date	11 th June 2024 (T+5)
Maturity Date	11 th June 2027
Coupon	4.625%
Re-offer vs. SOFR Mid-Swaps	SOFR MS+24bps
Re-offer vs. Benchmark	+7.6bps
Re-offer Price/Yield	99.947% / 4.644% s/a
Joint Bookrunners	Citi, J.P. Morgan, Nomura, Société Générale

Deal details

- The mandate for this USD Global Social Inclusion Bond benchmark was announced to the market on Monday 3rd June at 11.51 CET with IPTs of SOFR MS+26bps area.
- The transaction was met with strong demand from the outset and by the following morning at 09.02 CET, indications of interest had reached in excess of USD 2.5 billion (excl. JLM interest). Books officially opened with spread guidance of SOFR MS+25bps area. The size of USD 1 billion "Will Not Grow" was communicated at this time.
- By 10.29 CET, books had reached over USD 3.9 billion (excl. JLM interest), allowing the spread to be set at SOFR MS+24bps. Books for Asia and Europe closed at 11.00 CET and books for the Americas closed at 14.00 CET.
- Final books were in excess of USD 5.3 billion (excl. JLM interest), making this the largest-ever 3-year USD book for CEB. This is also CEB's second largest USD orderbook ever after the USD 5-year Global benchmark issued in January 2024.
- The transaction priced at 15.50 CET, offering a coupon of 4.625% and a semi-annual yield of 4.644%, equivalent to a re-offer price of 99.947% and a spread of 7.6bps over the UST 4.500% due May-2027.
- The final orderbook was diverse and consisted of over 105 accounts across the globe.
- By geographic distribution, the majority of allocations went towards the EMEA region (59.0%), followed by the Americas (29.2%) and Asia (11.8%).
- In terms of investor type, Central Banks & Official Institutions took most of the allocations (71.7%), followed by Banks (22.2%), Fund Managers (5.7%) and Hedge Funds (0.4%).

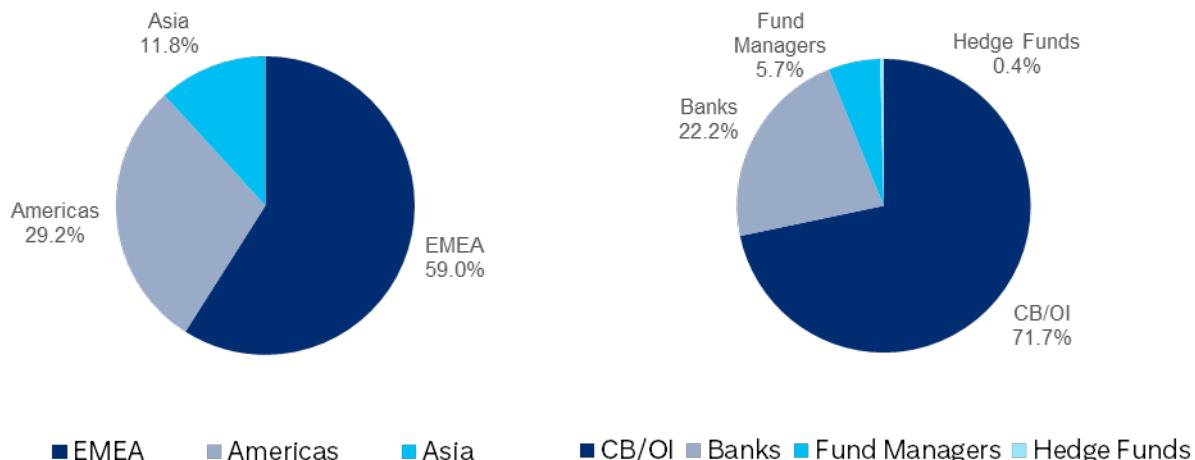


J.P.Morgan

NOMURA

SOCIETE GENERALE

Distribution statistics



Background

- For the Council of Europe Development Bank (CEB), sustainability is pivotal to how the Bank delivers on its social mandate for a lasting positive impact on people, especially the most vulnerable, society and planet. As a social development bank, the CEB strives to maximise its positive social impact, leverage the potential for environmental co-benefits and minimise any negative downsides when financing projects in its member states, for example, through its alignment with the Paris Agreement.
- The CEB also pursues opportunities to uphold its social values and attract ESG investors with its issuances of Social Inclusion Bonds.
- In line with the issuer's framework, proceeds of this new Social Inclusion Bond will be used for eligible loans in one or several of the following categories: Social Housing for low-income persons, Education and vocational training, Health and social care and Supporting MSMEs for the creation and preservation of viable jobs.
- The CEB is committed to transparent reporting on the allocation and impact of eligible social loans that are financed by its social inclusion bonds. In March 2024, the CEB published its latest Social Inclusion Bond report that can be found here: <https://coebank.org/en/news-and-publications/news/ceb-publishes-2023-social-inclusion-bond-report/>