

MiFID II product governance / Retail investors, professional investors and ECPs target market

Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, "MiFID II"); and (ii) all channels for distribution of the Notes are appropriate, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable. Any person subsequently offering, selling or recommending the Notes (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

For the purposes of this provision, the expression "**manufacturer**" means the Dealer.

European Bank for Reconstruction and Development (the "**Issuer**") does not fall under the scope of application of MiFID II. Consequently, the Issuer does not qualify as an "investment firm", "manufacturer" or "distributor" for the purposes of MiFID II.

PROVISIONAL¹ PRICING SUPPLEMENT

(for marketing during the Subscription Period only (20 July 2018 – 24 September 2018))

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

Up to USD 100,000,000 Fixed Rate Step-up Callable Environmental Sustainability Notes due 28 September 2023 issued pursuant to a Global Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 3 July 2012. This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer, at One Exchange Square, London, EC2A 2JN, United Kingdom.

SUMMARY OF THE NOTES

1	Specified Currency:	United States Dollars ("USD")
2	Nominal Amount:	Up to USD 100,000,000

¹ This Pricing Supplement is provisional only with respect to the Nominal Amount. Any current references to 'Up to USD 100,000,000' will be replaced with the actual issued amount prior to or on the Issue Date.

3	Type of Note:	Fixed Rate
4	Issue Date:	28 September 2018
5	Issue Price:	100.00 per cent. of the Nominal Amount
6	Maturity Date:	28 September 2023
7	Fungible with existing Notes:	No

FORM OF THE NOTES

8	Form of Note:	Bearer
9	New Global Note:	No
10	(a) Specified Denomination(s):	USD 1,000
11	Exchange of Bearer Notes:	Temporary Global Note exchangeable for permanent Global Note on certification as to non-US beneficial ownership on or after 40 days after the Issue Date and thereafter permanent Global Note exchangeable only upon an Exchange Event
12	(a) Talons for future Coupons to be attached to definitive Bearer Notes:	No
	(b) Date(s) on which the Talons mature:	Not applicable
13	(a) Depository for and registered holder of Registered Global Note:	Not applicable
	(b) Exchange of Registered Global Note:	Not applicable

PROVISIONS RELATING TO INITIAL PAYMENT

14	Partly Paid Notes:	No
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PROVISIONS RELATING TO INTEREST

15	Interest Commencement Date:	Issue Date
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Fixed Rate Notes:

16	(a) Fixed Rate(s) of Interest:	The Fixed Rates of Interest per annum, payable annually, on each Fixed Interest Date are shown in the table below:
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Fixed Interest Date	Fixed Rate of Interest
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28 September 2019	1.75 per cent.
28 September 2020	1.85 per cent.
28 September 2021	1.95 per cent.
28 September 2022	2.05 per cent.
28 September 2023	2.15 per cent.

- (b) Fixed Interest Date(s): 28 September of each year, from and including 28 September 2019 up to and including the Maturity Date, subject in each case to adjustment in accordance with the Business Day Convention
- (c) Initial Broken Amount per Specified Denomination: Not applicable
- (d) Final Broken Amount per Specified Denomination: Not applicable
- (e) Fixed Day Count Fraction: 30/360
- (f) Business Day Convention: Following Business Day
- (g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(a)(iii) applies and for the avoidance of doubt, TARGET shall be the principal financial centre. New York City and London shall be additional business centres
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

PROVISIONS REGARDING PAYMENTS/DELIVERIES

- 17** Definition of “Payment Day” for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies
- 18** Dual Currency Notes: Not applicable
- 19** Physically Settled Notes: Not applicable

PROVISIONS REGARDING REDEMPTION/MATURITY

- 20** (a) Redemption at Issuer’s option: Yes
The Issuer has the right to redeem the Notes (in whole but not in part) on an Optional Redemption Date (as defined below) at 100 per cent. of the Nominal Amount, by giving notice to the Agent and the Dealer of such redemption not

less than five (5) Business Days prior to the Optional Redemption Date.

The Agent shall give notice of such redemption to the holders of the Notes as soon as practicable, but in any event not later than two (2) Business Days thereafter, i.e. by giving notice to the holders of the Notes of such redemption not less than three (3) Business Days prior to the Optional Redemption Date, in accordance with Condition 5(b) (except that the timing of such notice as referred to therein shall be amended as set out above).

“**Optional Redemption Date**” means 28 September 2019, 28 September 2020, 28 September 2021 and 28 September 2022, subject to adjustment in accordance with the Following Business Day Convention.

	(b) Redemption at noteholder’s option:	No
21	(a) Final Redemption Amount for each Note:	100 per cent. of the Nominal Amount
	(b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount:	Not applicable
22	Instalment Note:	Not applicable
23	Early Redemption Amount for each Note payable on an event of default:	Condition 5(d) applies

DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS

24	Method of distribution:	Non-syndicated
25	If Syndicated, names and addresses of Managers or, if Non-Syndicated name and address of Dealer:	Deutsche Bank AG, London Branch Winchester House, 1 Great Winchester Street, EC2N 2DB London, United Kingdom
26	Date of Syndication Agreement:	None
27	Stabilising Manager(s):	None
28	Additional selling restrictions:	Any offer, sale or delivery of the Notes or distribution of copies of the Offering Circular, this Pricing Supplement or any other document relating to the Notes in the Republic of Italy must be:

		<p>(1) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Italian Legislative Decree No. 58 of 24 February 1998 (otherwise known as the <i>Testo Unico della Finanza</i>), CONSOB Regulation No. 11971 of 14 May 1999, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993 (otherwise known as the <i>Testo Unico Bancario</i>), in each case as amended from time to time; and</p> <p>(2) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy or any other competent authority.</p>
29	Details of additional/alternative clearing system approved by the Issuer and the Agent:	Euroclear and Clearstream, Luxembourg only
30	Intended to be held in a manner which would allow Eurosystem eligibility:	No
31	Common Code:	185954960
	ISIN Code:	XS1859549609
32	Listing:	Application will be made for the Notes to be admitted to listing and trading on the Multilateral trading facility (MTF) EuroTLX of EuroTLX SIM S.p.A.
33	In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a “Redenomination Clause”), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro.	Not applicable
34	Total Commissions:	Not applicable.

The language set out under the heading “Use of Proceeds” in the Offering Circular shall be replaced for these Notes by the following:

The proceeds of the Notes issuance will be used towards the Issuer’s environmental projects in accordance with and subject to the following provisions:

An amount equivalent to the net proceeds of the Notes will be allocated within the Issuer’s Treasury liquidity pool to a portfolio that is separately monitored by the Issuer. So long as any of these Notes is outstanding, if the overall balance of such portfolio exceeds the overall amount of the Issuer’s Green Project Portfolio (as defined below), the remaining balance may only be invested by the Issuer in certificates of deposits, commercial paper, bank deposits, repurchase transactions or other money-market instruments, as determined by the Issuer.

“Green Project Portfolio” shall mean, as determined by the Issuer, the sum of all loans and equity investments that are funded, in whole or in part, by the Issuer and in respect of which the entire or substantially the entire amount disbursed or invested is directed at, as determined by the Issuer, any of the following areas: energy efficiency, clean energy, water management, waste management, sustainable living, environmental services, and public transport.

Examples of projects in the Green Project Portfolio include, without limitation, financings of:

- Renewable energy projects, such as
 - photovoltaic installations, and production of photovoltaic cells/modules,
 - Installation of wind turbines,
 - construction of mini-hydro cascades,
 - geothermal and biomass facilities
- Rehabilitation of transmission/distribution facilities to reduce total greenhouse gas ("GHG") emissions
- Modernisation of industrial installations to reduce total GHG emissions

- New technologies that result in significant reductions in total GHG emissions, e.g. smart distribution networks
- Greater efficiency in mass transportation, such as investment in fuel-efficiency (fleet replacement) or more energy efficient infrastructure
- Methane capture on waste landfills and waste water treatment plants
- Rehabilitation of municipal water/waste water infrastructure to improve drinking water quality and wastewater treatment and reduce water consumption and waste water discharges
- Improvements to solid waste management (minimisation, collection, recovery, treatment, recycling, storage and disposal)
- Energy efficiency investments in existing buildings (insulation, lighting, heating/cooling systems)
- Investments to improve efficiency of industrial water use
- Sustainable and stress-resilient agriculture, including investments in water-efficient irrigation
- Sustainable forest management, reforestation, watershed management, and the prevention of deforestation and soil erosion

The above examples are illustrative only and no assurance can be provided that investments in projects with these specific characteristics will be made.

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the multilateral trading facility (MTF) EuroTLX of EuroTLX SIM S.p.A. of the Notes described herein pursuant to the Euro 35,000,000,000 Global Medium Term Note Programme of European Bank for Reconstruction and Development (as from 28 September 2018 or as soon as practicable thereafter).

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement other than the information contained under the heading “MiFID II product governance / Retail investors, professional investors and ECPs target market”.

For and on behalf of

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:

Authorised signatory

CITIBANK, N.A. (as Agent)

By:

Authorised signatory

