



# THE WORLD BANK'S GREEN GROWTH BOND 05/2023

A 'green bond' with a potentially significant return for your portfolio  
– as well as for the planet!

**Subscription period:** from 10 March 2015 to 23 April 2015 (subject to early closing)<sup>1</sup>

**Investment framework:** • France: Securities account or life insurance

• Other countries: please contact your bank or your financial advisor

**Recommended investment horizon:** 8 years

## Eco-citizenship:

The proceeds of the bond are used by the World Bank to support projects aimed at addressing climate change.

## Peace of mind:

Upon the 8-year maturity, investor entitled to the repayment of 100% of their original capital<sup>2</sup> invested in United States dollars<sup>3</sup> by the World Bank (International Bank for Reconstruction and Development, IBRD, rated Aaa/AAA)<sup>4</sup>.

## Return on capital:

Redemption premium linked to the equity index Ethical Europe Equity, built to potentially generate sound long-term performance<sup>5</sup>.

Green Growth Bond 05/2023 will be issued by the World Bank under its Global Debt Issuance Facility for issues of notes with maturities of one day or longer as described in the Prospectus<sup>6</sup> issued in respect of the Facility dated 28 May 2008 and in the relevant Final Terms for the issue, as well as for investors in Switzerland, in the Swiss Offering Prospectus pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations. Any decision to invest in Green Growth Bond 05/2023 should be taken on the basis of the Prospectus and the Final Terms, as well as for Swiss investors, on the basis of the Swiss Offering Prospectus, in which the risks, expenses and conditions with regard to Green Growth Bond 05/2023 are described. In the event of any discrepancy between the information set forth herein and the information in the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus, the content of the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus shall prevail. To consult the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus, please visit [www.GreenGrowthBond.com](http://www.GreenGrowthBond.com).

**For further information about the product and the distributing banks, please visit [www.GreenGrowthBond.com](http://www.GreenGrowthBond.com).**

1) At the discretion of the Issuer – please refer to the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus.

2) As used in this brochure, the terms 'capital' and 'capital invested' refer to the specified denominations of securities (i.e. US\$1,000) multiplied by the number of securities purchased by the investor.

3) Excluding fees and taxes, subject to foreign exchange risk if the investor converts the capital and the potential redemption premium that are paid to them to their own currency, and subject to the absence of default by the World Bank.

4) Moody's/Standard & Poor's credit ratings as of 28 February 2015.

5) Positive performance of the Index is not assured and historical data is not necessarily a guide to future performance. This performance is calculated excluding dividends.

6) The Prospectus is not subject to regulatory review, and therefore has not been reviewed by any European regulator.

As an investor, you're looking for opportunities to follow your personal values when making investment decisions.

What's more, you want your investments to have a positive impact on the environment and help address climate change by supporting real projects for the benefit of local populations and the planet.

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**Green Growth Bond 05/2023 is a solution that gives meaning to your investment while keeping your return objectives.**

### Your investment in Green Growth Bond 05/2023...

... supports the financing of local projects in various regions worldwide **in response to climate change and the transition to a low carbon economy**.

... is **reimbursed at minimum 100% of the capital** (in US dollars)<sup>1</sup> at maturity and is lent to the World Bank, a supranational entity with the highest credit rating (Aaa/AAA)<sup>2</sup>.

... provides you with a potential **redemption premium** due to its link to the 'Ethical Europe Equity Index'<sup>3</sup>.

Green Growth Bond 05/2023 is a diversification instrument and should not be the sole component of an investment portfolio.

1) Excluding fees and taxes, subject to foreign exchange risk if the investor converts the capital and the potential redemption premium that are paid to them to their own currency, and subject to the absence of default by the World Bank.

2) Moody's/Standard & Poor's credit ratings as of 28 February 2015.

3) "Ethical Europe Equity Index" is owned by SOLACTIVE AG. ISIN code: DE000SLA5EE6.



## Give meaning to your investment...

Your investment in Green Growth Bond 05/2023 will be used by the World Bank to help support exclusively climate-friendly projects in developing countries.

### What is a World Bank Green Bond?

- The bond proceeds **support the financing of projects aimed at mitigating the impact of climate change or helping the populations adapt to its effects**. The proceeds are exclusively used for this purpose: if one of the projects financed stops, the proceeds are reallocated to other climate-friendly projects.
- **The projects are carefully selected by the World Bank**, based on the eligibility criteria that underwent an independent review by CICERO (Center for International Climate and Environmental Research of the Oslo University).
- **The projects are monitored throughout their implementation**: government agencies report the projects' progress and the World Bank monitors the agreed milestones towards achieving the project's objectives.

For more information about what makes a World Bank Green Bond 'green', please see the implementation guidelines available on line at <http://treasury.worldbank.org/cmd/pdf/ImplementationGuidelines.pdf>

#### About the World Bank

The International Bank for Reconstruction and Development (IBRD), commonly known as 'the World Bank', was founded in 1944 with the mission of financing the reconstruction of Europe after World War II. Nowadays, the mission of the World Bank is to work with middle income countries to reduce poverty and promote shared prosperity by providing them with financing and knowledge services.

The World Bank supports sustainable development, poverty reduction and inclusive growth across a range of sectors including among others: agriculture and food security; education; energy; finance; trade and industry; healthcare and social services; law and governance; transport; and water and sanitation. World Bank projects undergo a rigorous review and approval process including early screening to identify environmental and social impacts and designing concrete mitigation actions. Projects eligible for Green Bond financing are a subset of the World Bank's activities promoting sustainable development where addressing the impacts of climate change is the primary objective.

### Examples of eligible projects supported by the World Bank Green Bonds



MEXICO

#### Efficient Lighting and Appliances Program

- **Objective:** Mitigate climate change by reducing Green House Gas (GHG) emissions through increasing use of energy efficient technologies in residential lighting, refrigerators and air conditioning.
- **Target outcomes:** Cumulatively reduce CO<sub>2</sub> emissions by more than 3.32 million tons over 5 years – equivalent to taking 700,000 cars off the road<sup>1</sup>.



INDONESIA

#### Water Resources and Irrigation Management Program

- **Objective:** Improve climate resilience of water resources and food production through improved water basin resource and irrigation management and increased irrigated agriculture productivity.
- **Target outcomes:** 500,000 farmer households benefit from increased crop productivity because of more efficient and reliable irrigation.



CHINA

#### Eco-Farming Project

- **Objective:** Mitigate climate change by reducing GHG emissions through converting methane from livestock wastes into biogas fuel in order to meet everyday energy needs of farming households.
- **Target outcomes:** Reduce CO<sub>2</sub> emissions by nearly 1 million tons annually – equivalent to taking 190,000 cars off the road each year<sup>1</sup>.

<sup>1</sup>) Calculated using the Environmental Protection Agency (EPA) Greenhouse Gas Equivalency Calculator at <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

For more information on the projects supported by World Bank Green Bonds, please visit the website <http://treasury.worldbank.org/cmd/html/MoreGreenProjects.html>

The above examples of Mitigation Projects and Adaptation Projects are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by the World Bank during the lifetime of the securities.

## Comments on Green Bonds

### Doris Herrera-Pol

Director and Head of Global Capital Markets at the World Bank

*“Green bonds are building an engaged investor base to finance low-carbon development. Green Growth Bond 05/2023 represents a further step in the development of the green bond market because it reaches retail investors seeking to benefit from the financial performance of a sustainable equity index, while supporting climate-focused activities in World Bank member countries.”*

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### Fan Jiaqiang

Employee of a biogas management company in the Gongcheng region in China, involved in the World Bank's Eco-Farming Project

*“Our company signed an agreement with pig farms to help dispose the waste which we bring to farmers to feed their biogas digesters. This way, we ensure adequate supply of waste for biogas and also reduce pollution caused by large pig farms.”*

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### Frank

Investor in green bonds

*“When investing in green bonds I know that the funds will be used to finance projects having a real impact on the environment and on the life of the people affected. Moreover, with Green Growth Bond 05/2023, my investment is in the World Bank, which has the safest rating on the market.”*

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Green Growth Bond 05/2023 is redeemed in US dollars. This implies a foreign exchange risk if investors decide to convert the capital and the potential redemption premium that are paid to them in their own currency.

Positive performance of the index, to which Green Growth Bond 05/2023 is linked, is not assured and historical data is not necessarily a guide to future performance.



## The redemption premium of Green Growth Bond 05/2023 is linked to the performance of the 'Ethical Europe Equity Index'.

### The Ethical Europe Equity Index

This equity index, calculated by Solactive, aims to deliver sound long-term performance. It is made up of the equities of 30 European companies, selected based not only on financial criteria, but above all according to sustainability criteria defined by recognized independent organizations:

- The investment universe focuses on company shares having an extra-financial performance better than the average of their sector and better than the global average (with regard to Environmental, Social and Governance responsibility – ESG) (Vigeo rating) and excludes the companies not meeting international ethical standards.

This is based on the research of Vigeo Rating, an independent and well-established agency, specializing in ESG risks and opportunities evaluation. The final selection is certified on a quarterly basis by Forum Ethibel, an independent auditor of products that meet ESG and ethical standards.

- Out of these company shares, only those for which expected dividends are above the market average and the risk indicator (i.e. their 6-month historical volatility) is the lowest are selected for inclusion in the Ethical Europe Equity Index.

The selection is reviewed every three months.

Sources: Solactive, Vigeo, Ethibel

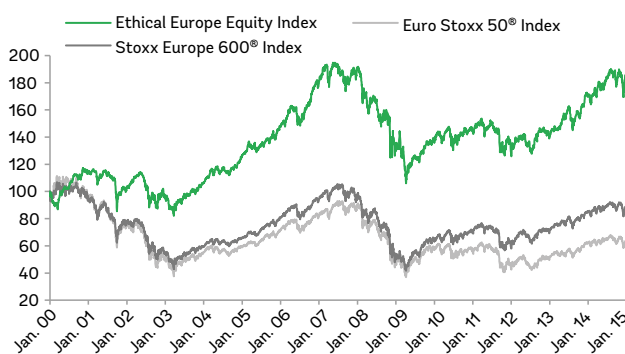


### A sound long-term performance objective

The Ethical Europe Equity Index was created on 16 April 2013. Since then, it has outperformed the Euro Stoxx 50® and Stoxx Europe 600® indices, benchmarks for the European equity market. Simulations show that between 2000 and its creation in 2013, the Index would also have offered a better risk/reward ratio.

Evolution of the Ethical Europe Equity Index, compared to that of the Euro Stoxx 50® and the Stoxx Europe 600® indices, from 30 January 2000 to 30 January 2015

**Warning:** Performances are real from 16 April 2013 to 30 January 2015 only. Before 16 April 2013, they are simulated. In the simulation, the investment universe has been fixed and corresponds to the Vigeo global universe as of 16 April 2013, and only the financial filters (dividend and risk indicators) have been applied on each quarterly reshuffle. Past performance is not a guide to future performance. Positive performance of the Index is not assured.



Source: Solactive, 28 February 2015.

	Ethical Europe Equity Index	Stoxx Europe 600® Index	Euro Stoxx 50® Index
Annualized performance	5.52%	0.11%	-2.21%
Annualized volatility	14.76%	20.16%	24.39%

Further information in respect of the Index (including its daily closing price, its components and the selection process) can be found on the website <http://www.solactive.com/en/?s=ethical%20europe%20equity&index=DE000SLA5EE6>

Maturity: 12 May 2023	Specified denomination: US\$1,000
Investor entitled to the repayment of 100% of the original investment in US\$ at maturity <sup>1</sup>	Variable return at maturity linked to the performance of the Ethical Europe Equity Index

## How is the redemption premium calculated?

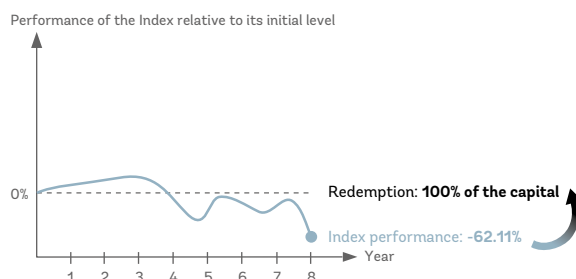
- On the initial observation date, the closing level of the Ethical Europe Equity Index is noted and adopted as initial level.
- On the final observation date, the closing level of the Index is noted and adopted as final level. The Index performance is then calculated by comparing the final level with the initial level.
- At maturity, you receive:
  - **The capital invested** (in US dollars)<sup>1</sup> + **a redemption premium** (in US dollars) **equal to the Index performance<sup>1</sup>**, if the latter is positive.
  - If the Index performance is negative, no redemption premium is paid but you still receive: **The capital invested** (in US dollars)<sup>1</sup>.

## Illustrations

The following scenarios have informative value. They are no guide to future results.

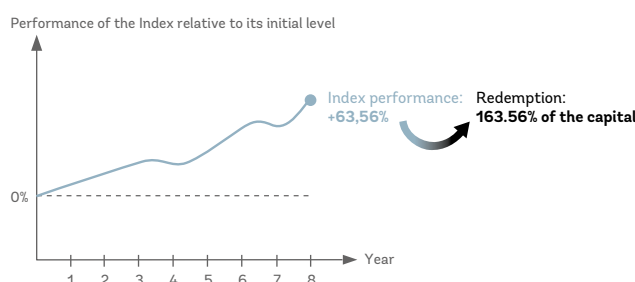
### Adverse Scenario

- The Index follows a downward trend. On the final observation date, the Index closes 62.11% below its initial level. Therefore, the Index performance amounts to -62.11%.
- At maturity, you only receive: **The capital** (in US dollars)<sup>1</sup>  
The IRR amounts to 0.00% (superior to the IRR of the index, which is equal to -11.42% due to its final performance of -62.11%; this difference comes from the fact that the capital is 100% protected).



### Favorable Scenario

- The Index follows an upward trend. On the final observation date, the Index closes 63.56% above its initial level. Therefore, the Index performance amounts to +63.56%.
- At maturity, you benefit from a redemption premium equal to 63.56% and you receive: **The capital + 63.56% = 163.56% of the capital** (in US dollars)<sup>1</sup>  
The IRR amounts to 6.34% (equal to the IRR of the index).



<sup>1</sup> Excluding fees and taxes, subject to foreign exchange risk if the investor converts the capital and the potential redemption premium that are paid to them to their own currency, and subject to the absence of default by the World Bank.

Green Growth Bond 05/2023 is a complex instrument. You should only invest in it if you have a good understanding of its characteristics, and in particular if you understand the risks it entails. Your bank should determine whether you have sufficient knowledge and experience for this product. If the product is not appropriate for you, your bank should warn you of this. If the bank recommends to you a product as part of its investment advisory services, it must assess whether this product is suitable based on your knowledge and experience of the product, your investment objectives and your financial situation.

### Advantages

- **Investment in a green bond** supporting World Bank loans to climate-friendly projects.
- Return linked to the performance of the Ethical Europe Equity Index, built to potentially generate **sound long-term performance**.
- **Upon maturity, protection of the capital invested** (in US dollars)<sup>1</sup>, irrespective of the Index performance, paid by a premium quality issuer, rated Aaa/AAA<sup>2</sup> (the highest possible rating).

### Main Risks

Investors should carefully read the risks set out in the Prospectus and the Final Terms and, if applicable, in the Swiss Offering Prospectus, and the below are only a few of the risks entailed by an investment in Green Growth Bond 05/2023 and is not intended to be complete:

- **Risk of partial or total loss of capital:**
  - In the event of **the securities being sold prior to maturity**, the market price of the securities may be very different (higher or lower) from the specified denomination of these securities, as it may be subject to severe fluctuations during the lifetime of the securities, depending not only upon the performance of the Index, but also on other parameters, in particular, on index volatility and interest rates.
  - In the event of **default by the World Bank**.
- **No minimum redemption premium guaranteed** in the event of Index underperformance.
- **Foreign exchange risk:** Issued in US dollars, Green Growth Bond 05/2023 is an answer to investors who wish to diversify their investments within their portfolio. This implies a foreign exchange risk if they decide to convert the capital and the potential redemption premium that are paid to them to their own currency. Indeed, the final return in their own currencies will be determined, not only by the amount of the redemption premium received, but also by the evolution of the US dollar against this currency. Assuming that this currency is the euro and that, on payment date, €1 is equivalent to US\$ 1.25, to purchase US\$10,000 of securities on that date, investors spend €8,000. If, upon maturity, Green Growth Bond 05/2023 is redeemed US\$10,000:
  - In the case when, on that date, the US dollar has increased in value by 10% against the euro, resulting in €1 equivalent to US\$1.14, the final return in euro will be improved: converting US\$10,000 in euros will make €8,800 for investors.
  - Conversely, in the case when the US dollar has decreased in value by 15% against the euro, resulting in €1 equivalent to US\$1.47, the final return in euro will be deteriorated: converting US\$10,000 in euros will make €6,800 for investors.
- **Liquidity risk:** Even though the securities are listed on a regulated market, there is no guarantee that you can sell them before maturity. In normal market conditions, the Market Maker will endeavor to make a secondary market in the securities.
- **Index-related risks:** Investors do not benefit from the dividends paid by the components of the Index. The future performance of the Index cannot be predicted based on its historical performance. If Solactive discontinues or suspends the calculation of the Index, the Calculation Agent may in its sole discretion designate a successor index, or determine that no comparable index exists. In that case, the amount investors receive above the capital invested (if any) may be determined by the Calculation Agent in its sole discretion. Any of these actions could adversely affect the value of the securities. Investors are invited to read carefully the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus for more information.

<sup>1</sup> Excluding fees and taxes, subject to foreign exchange risk if the investor converts the capital and the potential redemption premium that are paid to them to their own currency, and subject to the absence of default by the World Bank.

<sup>2</sup> Moody's/Standard & Poor's credit ratings as of 28 February 2015.



## Main characteristics

<b>Type of investment</b>	Green Growth Bond 05/2023 is a structured debt security issued under the Issuer's 2008 Global Debt Issuance Facility. By subscribing to it, you lend money to the Issuer, who agrees to repay to you 100% of the capital invested <sup>1</sup> in US dollars at maturity and to pay you any redemption premium linked to the positive performance (if any) of the Underlying index. In the event of default of the Issuer, you might not retrieve the sums to which you are entitled, and lose the capital invested
<b>Public offer</b>	During the subscription period, Green Growth Bond 05/2023 will be offered to the public simultaneously in a number of European countries, including France, Luxembourg, and Switzerland
<b>Investment framework</b>	<ul style="list-style-type: none"> <li>Investors in France: Securities account or life insurance</li> <li>Investors in other countries: please contact your bank or your financial advisor</li> </ul>
<b>ISIN code</b>	XS1201913651
<b>Issuer</b>	International Bank for Reconstruction and Development (or "World Bank") (Moody's Aaa / stable outlook; Standard & Poor's AAA / stable outlook; as of 28 February 2015)
<b>Calculation agent</b>	BNP Paribas S.A.
<b>Specified denomination</b>	US\$1,000
<b>Offer price</b>	US\$1,000
<b>Commission borne by the investor and included in the offer price</b>	Commission for distributing and promoting the securities received up-front at once by the distributing banks and equivalent to a maximum annual amount of 0.25% of the specified denomination of the securities distributed
<b>Subscription period</b>	From 10 March 2015 to 23 April 2015 (subject to early closing, at the discretion of the Issuer – please refer to the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus)
<b>Issue/payment Date</b>	30 April 2015
<b>Maturity date</b>	12 May 2023
<b>Redemption at maturity<sup>1</sup></b>	minimum 100% of specified denomination (in US dollars)
<b>Fixed coupon</b>	None
<b>Redemption premium paid at maturity<sup>1</sup></b>	$S_0$ means the official closing level of the Underlying index on initial observation date $S_T$ means the official closing level of the Underlying index on the final observation date $S_T/S_0 - 1$ is the Underlying index performance - If $S_T/S_0 - 1 \leq 0$ (Underlying index performance negative or null): no premium - If $S_T/S_0 - 1 > 0$ (Underlying index performance positive): premium = US\$1,000 × [ $S_T/S_0 - 1$ ] (specific denomination multiplied by the Underlying index performance)
<b>Underlying index</b>	Ethical Europe Equity Index (ISIN code: DE000SLA5EE6)
<b>Initial observation date</b>	30 April 2015
<b>Final observation date</b>	28 April 2023
<b>Market value</b>	Published daily and available from your bank or your financial advisor
<b>Selling before maturity</b>	To sell your securities before maturity, please contact your bank. The Market Maker will under normal market conditions endeavour to make a secondary market during open business hours with a bid-ask spread no larger than 1%. Please contact your bank or your financial advisor to know the applicable brokerage fees, if any
<b>Listing</b>	Luxembourg Stock Exchange (regulated market)
<b>Market Maker</b>	BNP Paribas Arbitrage S.N.C.

<sup>1</sup> Excluding fees and taxes, subject to foreign exchange risk if the investor converts in their own currency the capital and the potential redemption premium that are paid to them, and subject to the absence of default by the World Bank.

The accuracy, the exhaustiveness or the relevance of the information provided in this brochure are not guaranteed, although such information has been obtained from sources which are serious and believed to be reliable. Nothing in this brochure should be construed as a solicitation or offer, legal, tax or other advice, or recommendation to engage in any transaction. The information in this brochure does not constitute a recommendation of the instrument referred to. It merely provides information and is not intended to be either a recommendation to acquire financial products or an offer or invitation to tender. Any offer of Green Growth Bond 05/2023 will solely take place on the basis of the Prospectus and the Final Terms and, if applicable, the Swiss Offering Prospectus prepared by the Issuer or on behalf of the Issuer. Investors should carefully read the risks set out in the Prospectus and the Final Terms and, if applicable, in the Swiss Offering Prospectus. In particular, they should bear in mind the risk of partial or total loss of capital in the event of the securities being sold prior to maturity, and in the event of default by the World Bank. Investors must examine the compatibility of an investment in Green Growth Bond 05/2023 with their own patrimonial and financial situation and their investment objectives; they must undertake their own analysis, without exclusively relying on the information provided to them, of the merits and the risks associated to the securities regarding legal, tax and accounting issues, by consulting if necessary their own relevant advisors or any other qualified professional. Green Growth Bond 05/2023 is intended to be distributed by way of an offer to the public in a number of European countries, including France, Luxembourg, and Switzerland. For investors in France, Green Growth Bond 05/2023 can be held either through a securities account, or by way of a unit-linked insurance contract in France (as defined in the French "Code des Assurances"). In the latter case, the insurance commits to the number of units, but not their value, which it does not guarantee. To find out investment frameworks in other countries, please ask your bank or your financial advisor.

Solactive AG strives to the best of its ability to ensure the correctness of the calculation of the Index. There is no obligation for Solactive AG – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the Index. The issue of the securities is not sponsored, endorsed, sold, or promoted by Solactive, and Solactive makes no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the index stands at any particular time on any particular date or otherwise.

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