

Warning: the final Aggregate Nominal Amount will be known once the Offer Period is closed. The results of the offer of the Notes and the final Aggregate Nominal Amount will be published as soon as possible after the closing of the Offer Period on the following website: <https://switzerland.sustainablegrowthbond.com>. For the avoidance of doubt, all the other terms and conditions are and will remain as disclosed in the below Final Terms.

FINAL TERMS dated September 10, 2018

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
(the “Issuer”)**

**Issue of minimum USD 2,000,000 and maximum USD 30,000,000 Notes
Linked to the Solactive Sustainable Development Goals World MV Index
due October 12, 2022**

**(the “Notes” or the “Sustainable Growth Bonds”)
under the Issuer’s Global Debt Issuance Facility**

The Prospectus dated May 28, 2008 referred to below (as completed by these Final Terms) has been prepared on the basis that, except as provided in sub-paragraph (ii) below, any person making or intending to make an offer of the Notes may only do so in:

- (i) circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus or to distribute the Prospectus or any amendment or supplement thereto issued in connection with the offering of any of the Notes or any other offering material, or in any jurisdiction where there are no requirements for such purpose to be complied with; or
- (ii) Switzerland (the “Public Offer Jurisdiction”) as described in the Terms and Conditions of the Public Offer set out below, provided such person is one of the persons mentioned in the Terms and Conditions of the Public Offer set out below and that such offer is made during the Offer Period specified for such purposes therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the “**Conditions**”) set forth in the Issuer’s Global Debt Issuance Facility Prospectus dated May 28, 2008 (the “**Prospectus**”).

THIS DOCUMENT CONSTITUTES THE FINAL TERMS OF THE NOTES DESCRIBED HEREIN AND MUST BE READ IN CONJUNCTION WITH SUCH PROSPECTUS.

SUMMARY OF THE NOTES

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| 1. | Issuer: | International Bank for Reconstruction and Development (“ IBRD ”) |
| 2. | (i) Series Number: | 100523 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies (Condition 1(d)): | United States Dollar (“ USD ”) |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | Minimum USD 2,000,000 and maximum USD 30,000,000 |
| | (ii) Tranche: | Minimum USD 2,000,000 and maximum USD 30,000,000 |
| 5. | (i) Issue Price: | 100 per cent. of the Aggregate Nominal Amount |
| | (ii) Net Proceeds: | Means the Aggregate Nominal Amount, as determined after the closing of the Offer Period |
| 6. | (i) Specified Denominations (Condition 1(b)): | USD 1,000 |
| | (ii) Calculation Amount (Condition 5(j)): | USD 1,000 |
| 7. | Issue Date: | October 12, 2018 |
| 8. | Maturity Date (Condition 6(a)): | October 12, 2022 unless the Final Observation Date is postponed pursuant to Term 18(a) in which case the Maturity Date shall be postponed as described therein. For the avoidance of doubt, no additional amounts shall be payable by IBRD in the event that the Maturity Date is postponed due to postponement of any Final Observation Date due to the operation of Term 17(iv). |
| 9. | Interest Basis (Condition 5): | Zero Coupon
(further particulars specified below) |
| 10. | Redemption/Payment Basis (Condition 6): | Index Linked Redemption
(further particulars specified below) |
| 11. | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | Call/Put Options (Condition 6): | None |
| 13. | Status of the Notes (Condition 3): | Unsecured and unsubordinated |

14. Listing: Luxembourg Stock Exchange (Regulated Market). The settlement and issuance of the Notes are however not subject to a successful application for such listing.
15. Method of distribution: Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Zero Coupon Note Provisions (Condition 5(c)):
- Applicable for the purpose of Condition 5(c) only provided that the Early Redemption Amount of the Notes shall be calculated as set out in Term 19.
- (i) Amortization Yield (Condition 6(c)(ii)):
- Solely for purposes of calculating the Rate of Interest for any overdue principal under Condition 5(c), the Amortization Yield shall equal to expected to be around 2.78 per cent. per annum.
- (ii) Day Count Fraction (Condition 5(l)):
- Solely for purposes of calculating the Rate of Interest for any overdue principal under Condition 5(c), the Day Count Fraction shall be 30/360.
- (iii) Any other formula/basis of determining amount payable:
- Not Applicable

PROVISIONS RELATING TO REDEMPTION

17. Final Redemption Amount of each Note (Condition 6):
- Applicable
- (i) Index/Formula/variable:
- The Final Redemption Amount is linked to the Solactive Sustainable Development Goals World MV Index (the “**Index**”) (Bloomberg ticker: SOLWGOAL <Index>).
- The Index is a composite index that is further described on the [Index Sponsor website](https://www.solactive.com/solactive-sustainable-development-goals-world-mv-index/) <https://www.solactive.com/solactive-sustainable-development-goals-world-mv-index/>
- The Index may not result in any Index Linked Interest Amount at Maturity.
- (ii) Party responsible for calculating the Final Redemption Amount (if not the Calculation Agent):
- BNP Paribas will serve as the Calculation Agent.
- All determinations made by the Calculation Agent will be at the sole discretion of the Calculation Agent and, absent a determination of a manifest error, will be conclusive for all purposes and binding on the holders and beneficial owners of the Notes.
- (iii) Provisions for determining Final Redemption Amount where calculated by reference to Index and/or Formula and/or other variable:
- If no Amendment Event has occurred on or prior to the Final Observation Date, the Final Redemption Amount, calculated per Calculation Amount, shall be payable on the Maturity Date and will be an amount in USD calculated

by the Calculation Agent in accordance with the following:

USD 1,000 *plus* the Index Linked Interest Amount

If an Amendment Event has occurred on or prior to the Final Observation Date, the Final Redemption Amount payable per Calculation Amount on the Maturity Date will be equal to the Specified Denomination.

Whereby:

“**Amendment Event**” has the meaning given to it in Term 18 below.

“**Closing Level**” on any Trading Day means the official closing level of the Index or any Successor Index published by the Index Sponsor at the Scheduled Closing Time as determined by the Calculation Agent.

“**Final Observation Date**” means September 28, 2022, (the “**Scheduled Final Observation Date**”), subject to postponement in the event such day is not a Trading Day or is a Disrupted Day as per Term 17(iv)(a) below.

“**Initial Observation Date**” means the Strike Date (the “**Scheduled Initial Observation Date**”), subject to postponement in the event such day is not a Trading Day or is a Disrupted Day as per Term 17(iv)(a) below.

“**Index Linked Interest Amount**” means the product of USD 1,000 multiplied by the Participation Rate multiplied by the greater of (i) the Index Return and (ii) zero (0).

“**Index Return**” means the quotient, expressed as a percentage, as calculated by the Calculation Agent, equal to (i) the Final Index Level *minus* the Initial Index Level *divided by* (ii) the Initial Index Level.

“**Initial Index Level**” means the Closing Level (as defined above) of the Index on the Initial Observation Date as calculated by the Calculation Agent.

“**Final Index Level**” means the Closing Level (as defined above) of the Index on the Final Observation Date, as calculated by the Calculation Agent.

“**Participation Rate**” means expected to be at least 100%

(iv) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other

(a) Scheduled Final Observation Date or Scheduled Initial Observation Date, as applicable, is not a Trading Day or is a Disrupted Day:

variable is impossible or impracticable or otherwise disrupted:

If in the opinion of the Calculation Agent the Scheduled Final Observation Date or Scheduled Initial Observation Date, as applicable, occurs on a day that is not a Trading Day or is a Disrupted Day, then the Final Observation Date or Initial Observation Date, as applicable, will be postponed until the first following Trading Day that is not a Disrupted Day, unless each of the eight consecutive Trading Days immediately following the Scheduled Final Observation Date or Scheduled Initial Observation Date, as applicable, is a Disrupted Day. In that case, (i) the eight such consecutive Trading Day shall be deemed to be the Final Observation Date or Initial Observation Date, as applicable, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant Closing Level of the Index on such Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the exchange traded or quoted price as of the official Closing Time on the last such consecutive Trading Day of each Component Security (or, if an event giving rise to a Disrupted Day has occurred in respect of a Component Security on such eight consecutive Trading Day, its good faith estimate of the value for the relevant security as of the official closing time on such eight consecutive Trading Day).

If the Final Observation Date is postponed as set forth above, then the Maturity Date will be postponed by an equal number of Trading Days; *provided, however*, that no interest or other payment will be payable because of any such postponement of the Maturity Date.

(b) Successor Index and Index Cancellation:

If the Index Sponsor discontinues publication of the Index (an “**Index Cancellation**”) and another entity (the “**Successor Index Sponsor**”) publishes a successor or substitute Index that the Calculation Agent determines, in good faith and according to the best market practice to be comparable to the Index (a “**Successor Index**”), then, the Calculation Agent will substitute the Successor Index as calculated by the Successor Index Sponsor for the Index.

In the event of an Index Cancellation and:

- the Calculation Agent does not select a Successor Index, or
- the Successor Index is no longer published on any of the relevant Trading Days,

the Calculation Agent will (but without prejudice to the occurrence and the consequences of the occurrence of an

Amendment Event pursuant to Term 18) compute a substitute level for the Index in accordance with the procedures last used to calculate the level of the Index before any discontinuation but using only those securities that composed the Index prior to such discontinuation until such time as a Successor Index is selected or the Final Observation Date, whichever is earlier.

If in accordance with the previous paragraphs, a Successor Index is selected or the Calculation Agent calculates such level as a substitute for the Index as described above the Successor Index or level will be used as a substitute for the Index for all purposes after such selection or substitution, including for purposes of determining whether a Market Disruption Event exists, even if the Index Sponsor elects to begin republishing the Index, unless the Calculation Agent in its sole discretion decides to use the republished Index.

(c) Index Modification:

If at any time the method of calculating the level of the Index or the level of the Successor Index, changes in any material respect, or if the Index or Successor Index is in any other way modified so that the Index or Successor Index does not, in the opinion of the Calculation Agent, fairly represent the level of the Index had those changes or modifications not been made, then, from and after that time, the Calculation Agent will on each date that the closing level of the Index is to be calculated, make any adjustments as, in the good faith judgment of the Calculation Agent, may be necessary in order to arrive at a calculation of a level of a stock index comparable to the Index or such Successor Index, as the case may be, as if those changes or modifications had not been made, and calculate the Closing Level with reference to the Index or such Successor Index, as so adjusted. Accordingly, if the method of calculating the Index or a Successor Index is modified and has a dilutive or concentrative effect on the level of such index (including, but not limited to a share or stock split), then the Calculation Agent will adjust such index in order to arrive at a level of such index as if it had not been modified (including, but not limited to, as if a share or stock split had not occurred).

(d) Correction of the Index:

With the exception of any corrections published after the day which is five Trading Days prior to the Final Observation Date, if the level of the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Notes is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, no later than five Trading Days

following the date of the original publication, the level to be used shall be the level of the Index as so corrected. Corrections published after the day which is five Trading Days prior to the Final Observation Date will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

(v) Payment Date:	The Maturity Date		
(vi) Minimum Final Redemption Amount:			USD 1,000 per Calculation Amount
(vii) Maximum Final Redemption Amount:			Not Applicable
18. Amendment Event / Early Index Linked Interest Amount:	In the event of the occurrence of an Amendment Event, the Issuer shall be required to pay an amount (which may be zero), calculated per Calculation Amount, equal to the Early Index Linked Interest Amount as soon as practicable after the Amendment Event occurs. For the avoidance of doubt, the occurrence of an Amendment Event shall not alter the Issuer's obligation to pay an amount equal to the Specified Denomination per Calculation Amount on the Maturity Date.		

The term “**Amendment Event**” means the occurrence of either of the following events:

- (i) an Index Cancellation occurs on or before the Final Observation Date and the Calculation Agent determines, in good faith and according to the best market practice, that the application of the provisions of Term 17(iv) does not achieve a result providing investors with a comparable financial exposure; or
- (ii) the Calculation Agent determines that a Hedging Event has occurred.

The Calculation Agent shall forthwith give notice (the “**Notice**”) to the Issuer and the Global Agent of a determination made under paragraph (i) or (ii) above.

The Issuer shall give notice to the Noteholders as soon as practicable in accordance with Condition 12(c) and (d), to the extent applicable, stating the receipt of the Notice, giving details of the relevant determination made by the Calculation Agent and the date on which the Early Index Linked Interest Amount will be paid.

“**Change In Law**” means that, on or after the Trade Date, (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any

court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines in good faith and according to the best market practice that:

- (a) it has become illegal for it to hold, acquire or dispose of any relevant hedge positions relating to the Index; or
- (b) it would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Notes in issue or in holding, acquiring or disposing of any relevant hedge position relating to the Index.

“Early Index Linked Interest Amount” means the fair market value of the equity option embedded in each Note, as determined by the Calculation Agent in good faith and according to the best market practice. The Early Index Linked Interest Amount could be zero, but shall not be less than zero.

The Early Index Linked Interest Amount will be determined by the Calculation Agent on or as soon as reasonably practicable after the Amendment Event occurs.

“Hedging Disruption” means that the Issuer is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) (including swap transactions) or asset(s) or any futures or options contract(s) it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer or issuing and performing its obligations with respect to the Notes, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or futures or option contract(s) or any relevant hedge positions relating to the Index.

“Hedging Event” means each of Change in Law, Hedging Disruption and Increased Cost of Hedging.

“Increased Cost of Hedging” means that the Issuer would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) (including swap transactions) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price

risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), *provided that* any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its respective affiliates shall not be deemed an increased cost of hedging.

The Issuer shall be entitled to determine the Early Index Linked Interest Amount and to determine whether an Amendment Event has occurred in lieu of the Calculation Agent, in the event the Calculation Agent is unable to fulfil its obligations hereunder due to its bankruptcy, insolvency (or other similar proceedings), or it becoming subject to the appointment of an administrator or other similar official, with insolvency, rehabilitative or regulatory jurisdiction over it.

19. Early Redemption Amount
(Condition 6(c)):

The Early Redemption Amount per Calculation Amount shall be the fair market value of the Notes taking into account the event leading to the event of default less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion.

20. Additional Definitions:

“Component Security” means any security comprised in the Index.

“Disrupted Day” means a Trading Day in respect of which the Calculation Agent has determined a Market Disruption Event has occurred or is continuing.

“Exchange” means in respect of each Component Security the principal stock exchange on which such Component Security is principally traded.

“Early Closure” means the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its normally Scheduled Closing Time unless such earlier closing time is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the close of trading on such Exchange Business Day.

“Exchange Business Day” means any Trading Day on which the Index Sponsor publishes the level of the Index, each Exchange and Related Exchange is open for business during its regular trading session, notwithstanding any

such Exchange or Related Exchange closing prior to its scheduled weekday closing time and the Issuer determines in good faith and according to the best market practice that it is able to hedge its obligations in respect of the Index.

“Exchange Disruption” means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent in good faith and according to the best market practice) the ability of market participants in general to effect transactions in or obtain market values for (A) any Component Security on the Exchange in respect of such Component Security or (B) futures or options contracts relating to the Index on the Related Exchange.

“Index Sponsor” means Solactive AG.

“Market Disruption Event,” as determined by the Calculation Agent in good faith and according to the best market practice, means in respect of any Trading Day:

- (i) that the Index Sponsor fails to publish the level of the Index, or
 - (ii) in respect of any Component Securities, that an Exchange or any Related Exchange fails to open for trading during its regular trading session or
 - (iii) the occurrence or existence of any of the following events:
 - a Trading Disruption in respect of such Component Security, if the Calculation Agent determines it is material, at any time during the one hour period that ends at the close of trading for an Exchange or Related Exchange on which such Component Security is principally traded; or
 - an Exchange Disruption in respect of such Component Security, if the Calculation Agent determines it is material, at any time during the one hour period that ends at the close of trading for an Exchange or Related Exchange on which such Component Security is principally traded; or
 - an Early Closure in respect of such Component Security
- and
- the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of the Index.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at any time, then the relevant percentage contribution of that security to the level of the Index will be based on a comparison of (i) the portion of the level of the Index attributable to that Component Security and (ii) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event.

Notwithstanding the occurrence of a Market Disruption Event in respect of any Trading Day as described above, if such Market Disruption Event occurs solely as a result of the failure of the Index Sponsor to publish a level for the Index, the Calculation Agent may (but is not obliged to) disregard such Market Disruption Event in respect of such day and determine the level of the Index for such day as described under Term 17(iv) “Provisions for determining Final Redemption Amount where calculation by reference to Index and/or Formula and/or other variable is impossible or impracticable or otherwise disrupted – Successor Index and Index Cancellation”.

“Related Exchange” means each exchange or quotation system on which futures or options contracts relating to the Index are traded and where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the futures or options contracts relating to such Index has temporarily relocated (*provided* that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original related exchange).

“Scheduled Closing Time” means the scheduled closing time of an Exchange or the Related Exchange, as applicable, on any Trading Day, without regard to after hours or any other trading outside of the regular trading hours.

“Strike Date” means September 28, 2018

“Trade Date” means September 10, 2018

“Trading Day” means any day on which the Index Sponsor is scheduled to publish the level of the Index, the Exchange and Related Exchange is scheduled to be open for trading during its regular trading sessions and the

Issuer determines in its sole and absolute discretion that it is able to hedge its obligations in respect of the Index.

“Trading Disruption” means any suspension of or limitation imposed on trading by the Exchange or Related Exchange or otherwise, whether by reason of movements in price exceeding limits permitted by the Exchange or Related Exchange or otherwise, (i) relating to any Component Security on the Exchange or in respect of such Component Security or (ii) in options contracts or futures contracts relating to the Index on the Related Exchange.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

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| 21. Form of Notes (Condition 1(a)): | Registered Notes

Global Registered Certificate available on Issue Date |
| 22. New Global Note: | No |
| 23. Financial Centre(s) or other special provisions relating to payment dates (Condition 7(h)): | London and New York and TARGET2 |
| 24. Governing law (Condition 14): | English |
| 25. Additional Risk Factors: | AN INVESTMENT IN THE NOTES IS SUBJECT TO THE RISKS DESCRIBED BELOW, AS WELL AS THE RISKS DESCRIBED UNDER “RISK FACTORS” IN THE ACCOMPANYING PROSPECTUS. THE NOTES ARE A RISKIER INVESTMENT THAN ORDINARY FIXED RATE NOTES OR FLOATING RATE NOTES. INVESTORS SHOULD CAREFULLY CONSIDER WHETHER THE NOTES ARE SUITED TO THEIR PARTICULAR CIRCUMSTANCES. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD CONSULT THEIR FINANCIAL AND LEGAL ADVISERS AS TO THE RISKS ENTAILED BY AN INVESTMENT IN THE NOTES AND THE SUITABILITY OF THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES. |

Suitability and appropriateness of Investment

An investment in the Notes is only suitable and appropriate for investors who have the requisite knowledge and experience in financial and business matters to evaluate the information contained in the Prospectus and the Final Terms, who have made their own independent decision to invest in the Notes and as to whether the Notes are suitable and appropriate for them, and who are capable of bearing the economic risk of an investment in the Notes.

The Index may not result in any Index Linked Interest Amount at Maturity

The objective of the Index is to track the performance of developed markets companies, incorporated in the world and traded on developed American, European and Asian markets, which are selected based on qualitative and quantitative criteria, including strong environmental, social and corporate governance (ESG) standards. Because the extent of past increases in the prices of particular stocks is not a factor used in selecting the Component Securities, the Index does not necessarily include stocks that have experienced price increases in the past. No assurance can be given that the stock selection criteria for the Index will result in any Index Linked Interest Amount or that the Index will perform well or outperform any alternative investment that might be constructed from the Component Securities.

Noteholders will not receive interest payments on the Notes

Noteholders will not receive any periodic interest payments on the Notes. Payment at maturity for each USD 1,000 nominal amount of the Notes that Noteholders own will be the Final Redemption Amount consisting of the Issue Price and, if the Index Return is greater than zero, an Index Linked Interest Amount, the size of which will depend on the extent, if any, to which the Final Index Level exceeds the Initial Index Level, relative to the Initial Index Level. Even if such Final Redemption Amount exceeds the Issue Price of the Notes, the overall return earned on the Notes may be less than a Noteholder would otherwise have earned by investing in a non-indexed debt security of comparable maturity that bears interest at a prevailing market rate.

In case of an Amendment Event, Noteholders will receive for each USD 1,000 nominal amount of Notes held an Early Index Linked Interest Amount which may not reflect the performance of the Index throughout the term of the Notes.

In the event of the occurrence of an Amendment Event (which includes an Index Cancellation, as described in Term 18 “Amendment Event / Early Index Linked Interest Amount”), the Issuer shall be required to pay an amount (which may be zero), calculated per USD 1,000 nominal amount of Notes, equal to the Early Index Linked Interest Amount (as defined in Term 18), as soon as possible after the occurrence of such Amendment Event, which may be earlier than the scheduled Maturity Date. Such Early Index Linked Interest Amount will be the fair market value

of the equity option embedded in each Note, as determined by the Calculation Agent in good faith and according to the best market practice and may not reflect the performance of the Index throughout the term of the Notes. Should an Amendment Event occur prior to the Maturity Date, there will be no Index Linked Interest Amount at Maturity, and therefore Noteholders will not benefit from or participate in any increase in the value of the Index after such Amendment Event.

Currency exchange rate risks – the Notes are not principal protected in Swiss Franc or EUR

Because the Notes are denominated in USD and all payments under the Notes will be made in USD, Noteholders who intend to convert the payments under the Notes into Swiss Franc or EUR will be exposed to currency exchange rate risks with respect to such currencies. Changes in exchange rates relating to any of the currencies involved may result in a decrease in the effective yield of the Notes and, in certain circumstances, could result in a loss of a substantial portion of the principal of the Notes (including the Final Redemption Amount).

An investment in the Notes is not the same as an investment in the securities underlying the Index

Investing in the Notes is not equivalent to investing in the Index or the Component Securities. As investors in the Notes, Noteholders will not have voting rights or any right to receive dividends or other distributions or any other rights with respect to the Component Securities.

The market price of the Notes may be influenced by many factors

The Notes are not designed to be short-term trading instruments. Many factors, most of which are beyond IBRD's control, will influence the value of the Notes and the price at which the Dealer may be willing to purchase or sell the Notes in the secondary market, including: the current level of the Index, interest and yield rates in the market, the volatility of the Index, economic, financial, political and regulatory or judicial events that affect the securities underlying the Index or stock markets generally and which may affect the appreciation of the Index, the time remaining to the maturity of the Notes, the dividend rate on the securities underlying the Index, and IBRD's creditworthiness. Some or all of these factors may influence the price that Noteholders will receive if they choose to sell their Notes prior to maturity. The impact of any of the factors set forth above may enhance or offset

some or all of any change resulting from another factor or factors.

Noteholders have no recourse to the Index Sponsor or to the issuers of the “Component Securities”

The Notes are not sponsored, endorsed, sold or promoted by the Index Sponsor or by any issuer of the Component Securities. Neither the Index Sponsor nor any such issuer has passed on the legality or suitability of, or the accuracy or adequacy of descriptions and disclosures relating to, the Notes. Neither the Index Sponsor nor any such issuer makes any representation or warranty, express or implied, to prospective investors in the Notes or any member of the public regarding the advisability of investing in the Component Securities generally or the Notes particularly, or the ability of the Index to track general stock performance. The Index Sponsor has no obligation to take the needs of IBRD or the needs of the Noteholders into consideration in determining, composing or calculating the Index. Neither the Index Sponsor nor any issuer of the Component Securities comprising the Index is responsible for, and none of them has participated in the determination of, the timing, prices or quantities of the Notes to be issued. Neither the Index Sponsor nor any such issuer has any liability in connection with the administration, marketing or trading of the Notes.

Historical performance of the Index is not indicative of future performance

The future performance of the Index cannot be predicted based on its historical performance. IBRD cannot guarantee that the level of the Index will increase. The Index was created on January 20, 2017.

The Index Sponsor may discontinue publication of the Index

If the Index Sponsor discontinues or suspends the calculation of the Index, it may become difficult to determine the market value of the Notes or the amount payable in respect of the Notes. The Calculation Agent may designate a successor index selected in good faith and according to the best market practice. If the Calculation Agent determines in good faith and according to the best market practice that no successor index comparable to the discontinued or suspended Index exists, the amount Noteholders receive may be determined by the Calculation Agent in good faith and according to the best market practice. Any of these actions could adversely affect the value of the Notes. Adjustments to the Index could adversely affect the Notes

The Index Sponsor can add, delete or substitute the securities underlying the Index or make other methodological changes that could change the value of the Index at any time. The Index Sponsor may discontinue or suspend calculation or dissemination of the Index. The Index Sponsor has no obligation to consider the interests of the Noteholders in calculating or revising its Index.

26. Other final terms:

Disclaimers and Agreements

(a) The issue of the Notes is not sponsored, promoted, sold or supported in any other manner by Solactive AG (the “**Index Sponsor**”) nor does the Index Sponsor offer any express or implicit guarantee or assurance either with regard to the results of using the Index and/or Index trade mark or the Index price at any time or in any other respect. The Index is calculated and published by the Index Sponsor. The Index Sponsor uses its best efforts to ensure that the Index is calculated correctly. The Index Sponsor has no obligation to point out errors in the Index to third parties including but not limited to investors and/or financial intermediaries of the Notes. Neither publication of the Index by the Index Sponsor nor the licensing of the Index or Index trade mark for the purpose of use in connection with the Notes constitutes a recommendation by the Index Sponsor to invest capital in said Notes nor does it in any way represent an assurance or opinion of the Index Sponsor with regard to any investment in these Notes.

(b) The Issuer shall have no liability for any act or failure to act by an Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. The Issuer does not have any affiliation with or control over the Index or Index Sponsor or any control over the computation, composition or dissemination of the Index. All information contained in these Final Terms regarding the Index, and their respective make-up, method of calculation and changes in components, is derived from, and based solely upon, information obtained from publicly available sources it believes reliable, and in particular the Index Sponsor’s website, and is for informational purposes only and should not be relied upon by the Noteholder or prospective investor. As such, neither the Calculation Agent nor Issuer will have any responsibility for errors or omissions in calculating or disseminating information regarding the Index or any Successor Index or as to modifications, adjustments or calculations by the Index Sponsor or any Successor Index Sponsor in order to arrive at the level of the Index or any Successor Index. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the

accuracy, completeness and timeliness of information concerning the Index or Successor Index.

(c) By investing in the Notes, each investor represents and agrees that:

- (i) it has made its own independent decision to invest in the Notes based upon its own judgment and upon advice from such advisers as it has deemed necessary. It is not relying on any communication (written or oral) of the Issuer, the Index Sponsor, the Calculation Agent, or the Dealer as investment advice or as a recommendation to invest in the Notes, it being understood that information and explanations related to the terms and conditions of the Notes shall not be considered to be investment advice or a recommendation to invest in the Notes. No communication (written or oral) received from the Issuer, the Calculation Agent, the Index Sponsor or the Dealer shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Notes;
- (ii) it is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts the terms and conditions and the risks of the investment in the Notes, including but not limited to the risks set out in these Final Terms (which are not, and do not intend to be, exhaustive). It is also capable of assuming, and assumes, the risks of the investment in the Notes;
- (iii) it has fully considered the market risk associated with an investment linked to the Index. Each Noteholder and investor in the Notes understands that none of the Issuer, the Calculation Agent, the Dealer or the Index Sponsor purports to be a source of information on market risks with respect to the Index; and
- (iv) it understands and acknowledges that the value of the Index is calculated based on the rules of the Index as set out in the Index conditions. The Index conditions may be amended by the Index Sponsor at any time, and such amendments may be prejudicial to the Noteholder.

DISTRIBUTION

- | | | |
|-----|--|---|
| 27. | (i) If syndicated, names of Managers and underwriting commitments: | Not Applicable |
| | (ii) Stabilizing Manager(s) (if any): | Not Applicable |
| 28. | If non-syndicated, name of Dealer: | BNP Paribas |
| 29. | Total commission and concession: | The Issuer will not pay any commission for the offering of the Notes.
For more information on the commissions borne by the investors, see "Offer Price" under "Terms and Conditions of the Public Offer" set forth below. |
| 30. | Additional selling restrictions: | With respect to offering of the Notes, the first sentence of "Sales Restrictions" appearing under Plan of Distribution on page 55 of the Prospectus shall be deleted and replaced with the following sentence:

"Save in respect of the Public Offer Jurisdiction no action has been or will be taken in any jurisdiction by any Dealer or IBRD that would permit a public offering of any of the Notes, or that would give rise to an obligation for the Issuer or any Dealer to publish a prospectus or to distribute the Prospectus or any amendment or supplement thereto issued in connection with the offering of any of the Notes or any other offering material." |

OPERATIONAL INFORMATION

- | | | |
|-----|---|------------------------------|
| 31. | ISIN Code: | XS1876156669 |
| 32. | Common Code: | 187615666 |
| 33. | Delivery: | Delivery against payment |
| 34. | Registrar and Transfer Agent: | Citibank N.A., London Branch |
| 35. | Intended to be held in a manner which would allow Eurosystem eligibility: | No |
| 36. | Paying Agent : | Citibank N.A., London Branch |

GENERAL INFORMATION

The following documents of IBRD are incorporated by reference in this Final Terms: (i) Global Debt Issuance Facility Prospectus dated May 28, 2008 (the “**Prospectus**”); (ii) IBRD’s most recent Information Statement dated September 19, 2017. These documents have been filed with the U.S. Securities and Exchange Commission (“**SEC**”) and are available on the SEC’s website as well as on the following website of IBRD: <http://treasury.worldbank.org/cmd/htm/index.html>. Alternatively, to obtain copies of these documents, contact one of the Authorized Offerors (as defined below) or your financial advisor.

During the Offer Period the Notes will be offered to investors in Switzerland as more fully described below under “TERMS AND CONDITIONS OF THE PUBLIC OFFER”.

USE OF PROCEEDS

Supporting sustainable development in IBRD’s member countries.

The net proceeds from the sale of the Notes will be used by IBRD to finance sustainable development projects and programs in IBRD’s member countries (without being committed or earmarked for lending to, or financing of, any particular project programs). IBRD’s financing is made available solely to middle-income and creditworthy lower-income member countries who are working in partnership with IBRD to eliminate extreme poverty and boost shared prosperity, so that they can achieve equitable and sustainable economic growth in their national economies and find sustainable solutions to pressing regional and global economic and environmental problems. Projects and programs supported by IBRD are designed to achieve a positive social impact and undergo a rigorous review and internal approval process aimed at safeguarding equitable and sustainable economic growth.

IBRD integrates five cross cutting themes into its lending activities helping its borrowing members create sustainable development solutions: climate change; gender; jobs; public-private partnerships; and fragility, conflict and violence.

IBRD’s administrative and operating expenses are covered entirely by IBRD’s various sources of revenue (net income) consisting primarily of interest margin, equity contribution and investment income (as more fully described in the Information Statement).

CONFLICT OF INTEREST

BNP Paribas will be Calculation Agent under the Notes and will also be IBRD’s counterparty in a related swap transaction entered into by IBRD in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for BNP Paribas creates possible conflicts of interest. All amounts payable under the related swap transaction are expected, as of the Issue Date, to be calculated on the same basis as the amounts payable by IBRD under the Notes. As a result, the determinations made by BNP Paribas in good faith and according to the best market practice as Calculation Agent for the Notes may affect the amounts payable by BNP Paribas under the related swap transaction, and, in making such determinations, BNP Paribas may have economic interests adverse to those of the Noteholders. The Noteholder understands that although IBRD will enter into the related swap transaction with BNP Paribas as swap counterparty in order to hedge its obligations under the Notes, IBRD’s rights and obligations under the related swap transaction will be independent of its rights and obligations under the Notes, and Noteholders will have no interest in the related swap transaction or any payment to which IBRD may be entitled thereunder.

TERMS AND CONDITIONS OF THE PUBLIC OFFER

The Issuer has agreed to allow the use of these Final Terms and the Prospectus by the Dealer and by any offerors authorised by the Issuer (the “**Authorised Offerors**”) in connection with a possible offering of the Notes to the public in Switzerland (the “**Public Offer Jurisdiction**”) during the Offer Period (as defined below). The list of the Authorised Offerors is published on the following website: <https://switzerland.sustainablegrowthbond.com>.

All offers of Notes will be made only in accordance with the selling restrictions set forth in the Prospectus and the provisions of these Final Terms and in compliance with all applicable laws and regulations, provided that no such offer of Notes shall require the Issuer or the Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive (or supplement a prospectus pursuant to Article 16 of the Prospectus Directive) or to take any other action in any jurisdiction other than as listed above.

- (i) Offer Period: From and including September 10, 2018 at 9.00 am CET time to and including September 28, 2018, at 4.00 pm CET time, subject to any early closing of the Offer Period as described under (iii) below
- (ii) Offer Price: 100%
The Authorised Offerors will offer and sell the Notes to their customers by reference to the Offer Price and market conditions prevailing at the time.

The Offer Price includes, per Specified Denomination, a commission for the distribution and promotion of the Notes, retained up-front and once by the Authorised Offerors of the Notes and borne by the investors, equivalent to a maximum annual amount of 0.25% (including VAT, if any) of the Specified Denomination.
- (iii) Early closing and cancellation: The Offer Period may be closed early due to oversubscription or to changes in market conditions as determined by the Dealer or the Issuer in their sole discretion. In that case, allotment of the Notes will be made based on objective allotment criteria according to which the subscriptions will be served in the chronological order of their receipt by the Dealer and, if required, the last subscriptions will be reduced proportionately in order to correspond with the total amount of Notes that will be issued. Any payments made in connection with the subscription of Notes and not allotted will be redeemed within 7 Zurich Business Days (i.e., days, other than a Saturday or Sunday, on which banks are open for general business in Zurich) after the date of payment and the holders thereof shall not be entitled to any interest in respect of such payments.

By subscribing to or otherwise acquiring the Notes, the holders of the Notes are deemed to have knowledge of

all the Terms and Conditions of the Notes and to accept the said Terms and Conditions.

ALSO, THE ISSUER RESERVES THE RIGHT, PRIOR TO THE ISSUE DATE, IN ITS ABSOLUTE DISCRETION TO CANCEL OR MODIFY THE OFFER OF THE NOTES ("**CANCELLATION**").

The Issuer will promptly and prior to the Issue Date notify the Dealer and the Authorised Offerors about such Cancellation so that they can inform in due time the prospective investors. In case of such Cancellation, no subscription monies shall be due by prospective investors to the Issuer (either directly or indirectly through the Authorized Offerors) in respect of the Notes. If relevant, prospective purchasers should contact their Authorised Offerors of choice for details of the arrangements for the return of application monies in such circumstances. The Issuer shall have no responsibility for, or liability arising out of, the relationship between prospective purchasers and their respective Authorised Offerors and clearing system operators, including, without limitation, in respect of arrangements concerning the return of monies by such persons to their clients.

- | | | |
|-------|---|---|
| (iv) | Conditions to which the offer is subject: | Offers of the Notes are conditional on their issue. As between Authorised Offerors and their customers, offers of the Notes are further subject to such conditions as may be agreed between them and/or as is specified in the arrangements in place between them. |
| (v) | Description of the application process: | A prospective Noteholder will purchase the Notes in accordance with the arrangements in place between the relevant Authorised Offeror and its customers, relating to the purchase of securities generally. Noteholders (other than the Dealer) will not enter into any contractual arrangements directly with the Issuer in connection with the offer or purchase of the Notes. |
| (vi) | Details of the minimum and/or maximum amount of application (whether in number of Notes or aggregate amount to invest): | <p>Total amount of the offer:</p> <p>Minimum USD 2,000,000 and Maximum USD 30,000,000 based on the needs of the Issuer and on the demand from the investors.</p> <p>Minimum subscription amount per investor: USD 1,000</p> |
| (vii) | Method and time limits for paying up the Notes and for delivery of the Notes: | The Notes will be sold by the Issuer to the Dealer on a delivery against payment basis on the Issue Date. Prospective Noteholders will be notified by the relevant |

	Authorised Offeror of their allocations of Notes and the settlement arrangements in respect thereof.
(viii)	<p>Manner and date in which results of the offer are to be made public:</p> <p>The results of the offer of the Notes will be published as soon as possible on the following website https://switzerland.sustainablegrowthbond.com as well as on the website of the Luxembourg Stock Exchange.</p>
(ix)	<p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:</p> <p>Not Applicable</p>
(x)	<p>Details of any tranche(s) reserved for certain countries:</p> <p>Not Applicable</p>
(xi)	<p>Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made:</p> <p>Prospective Noteholders will be notified by the relevant Authorised Offeror in accordance with the arrangements in place between the Authorised Offerors and its customers. (See also above the manner and date in which results of the offer are to be made public).</p> <p>No dealings in the Notes on a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU may take place prior to the Issue Date.</p>
(xii)	<p>Amount of any expenses and taxes specifically charged to the Noteholders:</p> <p>(A.) Selling and distribution commissions: see above Term 30</p> <p>(B.) Administrative and other costs relating to the issue of the Notes and the holding of the Notes (service fees, custodians fees, brokerage fees, financial services, etc): the prospective purchaser is invited to check those costs with its financial intermediary.</p>
(xiii)	<p>Name(s) and address(es), to the extent known to the Issuer, of the Authorised Offerors in Switzerland:</p> <p>See list on the following website: https://switzerland.sustainablegrowthbond.com</p>

LISTING APPLICATION

These Final Terms comprise the final terms required for the admission to the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg Stock Exchange's regulated market of the Notes described herein issued pursuant to the Global Debt Issuance Facility of International Bank for Reconstruction and Development.

RESPONSIBILITY

IBRD accepts responsibility for the information contained in these Final Terms.

Signed on behalf of IBRD:

By: Nam Jong Woo
Name: JONG WOO NAM
Title: Duly authorized

ANNEX

This Annex is to be read in conjunction with and forms part of the Prospectus and the Final Terms and, although there is no legal obligation whatsoever, under any applicable law, for the Issuer or the Dealer to provide you with such information as mentioned herein, this Annex is meant to answer some practical questions that you might have regarding the Notes, however, in general terms only. It does not contain all the information which may be important to you. You should read the terms and conditions of the Notes included in the Prospectus and the Final Terms together with the more detailed information contained in the remainder of the Prospectus. You should carefully consider, amongst other things, the risks set out in the Prospectus and in the Final Terms. In addition, we urge you to consult with your investment, legal, accounting, tax and other advisors with respect to any investment in the Notes. The information contained in this section is subject in its entirety to the terms and conditions of the Notes included in the Prospectus and the Final Terms.

What are the Notes?

The Notes are issued by the International Bank for Reconstruction and Development (the "**Issuer**"). The Notes are structured debt securities linked to the performance of an index, the Solactive Sustainable Development Goals World MV Index. A Note entitles the holder to receive from the Issuer and at Maturity the USD 1,000 per Calculation Amount plus an amount equal to the Index Linked Interest Amount (if any – see below). There is no coupon payment at any time during the life of the Notes. As the Notes have a minimum payout of USD 1,000 per Calculation Amount on the Maturity Date, the Issuer is also the entity which protects the payment on the Maturity Date of no less than the Specified Denomination. The principal is therefore not at risk if the Notes are held to maturity, subject to Issuer credit risk (insolvency or payment default of the Issuer) and subject to the potential foreign exchange risk if the Noteholder converts into Euro or Swiss franc the payout (nominal amount and Index Linked Interest Amount if any) it receives in USD.

Where does my money go?

The net proceeds from the sale of the Notes will be used by IBRD to support sustainable development in IBRD's member countries.

Will I receive income?

Yes, but only if performance of the Index is positive as set out in the Final Terms. Positive performance of the Index is not guaranteed. The Notes do not entitle the investor to receive coupons at any time during the life of the Notes.

How is the Index Linked Interest Amount calculated?

The Index Linked Interest Amount will be equal to the performance of the Index multiplied by the Calculation Amount, or zero, whichever is greater. If the performance of the Index is equal to or below zero, the Index Linked Interest Amount will be zero. If the performance of the Index is positive, the Index Linked Interest Amount will be equivalent to 100% of this performance assuming the Participation Rate is set at 100%.

The performance of the Index is calculated the following way:

On the Initial Observation Date (which is the Strike Date), the closing level of the Solactive Sustainable Development Goals World MV Index (the "**Index**") is recorded as an initial observation of the Index. Two weeks prior to the Maturity Date (defined in the Final Terms as the Scheduled Final Observation Date), the closing level of the Index is recorded as the final observation of the Index. The performance of the Index will be the difference between the final

observation of the Index, and the initial observation of the Index, divided by the initial observation of the Index:

$$\frac{\text{final observation of the Index} - \text{initial observation of the Index}}{\text{initial observation of the Index}}$$

Is there a limit on how much I can earn over the life of the Notes?

No. If the performance of the Index is positive, there is no cap on the potential Index Linked Interest Amount to be paid under the Notes. However, a positive performance of the Index is not guaranteed.

How does the Index link to the Notes?

The value of the potential Index Linked Interest Amount depends on the positive performance of the Index. However, in case of negative performance of the Index, the capital is guaranteed (which, nevertheless, remains subject to any applicable costs, tax, currency exchange difference).

Do I have any right to receive any of the assets in the Index?

No. Except for the calculation of the Index Linked Interest Amount, there is no link with the Index and the assets used as a reference for this Index. Noteholders have no right to the assets in the Index.

Can I redeem early?

No. There is no provision in the Notes for a holder's early redemption right, other than in accordance with Condition 9 ("*Default*") of the Terms and Conditions of the Notes. However, BNP Paribas Arbitrage SNC has informed the Issuer that, except in case of exceptional market circumstances, it will, on a best efforts basis, endeavour to make a secondary market during open business hours, with a bid-ask spread no larger than 1%. The Noteholder is invited to check with its financial intermediary if brokerage fees apply.

Can the Notes be redeemed early by the Issuer?

No. There is no provision in the Notes for the Issuer to redeem the Notes early. However, in the event of the occurrence of an Amendment Event the Issuer will be required to make a payment in respect of each Calculation Amount (which may be zero) equal to the Early Index Linked Interest Amount, as soon as possible after the occurrence of such Amendment Event, which may be earlier than the scheduled Maturity Date.

The occurrence of an Amendment Event shall not affect (i.e., will neither limit nor accelerate) the Issuer's obligation to pay the Specified Denomination on the Maturity Date. An Amendment Event is either an Index Cancellation or a Hedging Event (which includes a Change of Law, a Hedging Disruption or an Increased Cost of Hedging, each as described in Term 18 of the Final Terms ("*Amendment Event*")).

What are the fees?

The investors will subscribe the Notes at an offer price of 100%. This price includes, per denomination of USD 1,000, a commission for the distribution and promotion of the Notes retained up-front by the Authorised Offerors of the Notes, and therefore borne by the investors, equivalent to a maximum annual amount of 0.25% (including VAT, if any) of the USD 1,000 denomination.

How will the fees impact my investment?

The fees retained by the Authorised Offerors will not affect the amounts due in accordance with the terms and conditions of the Notes.

What is the Issuer's credit rating?

The Issuer's long-term senior debt rating is, as at the date hereof, Aaa (Moody's Investor Services) and AAA (S&P). Investors should note, however, that the ratings may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

What are some of the risks in owning the Notes?

Investing in the Notes involves a number of risks. We have described the most significant risks relating to the Notes in the Prospectus (under the heading "Risk Factors" at page 14 and following) and the Final Terms (under Term 25 "Additional Risk Factors").

Is there Currency Risk?

Since the Notes are issued in USD, you incur a foreign exchange risk if you decide to convert the principal amount and the potential Premium that are paid to you at maturity into another currency (e.g. euro or Swiss franc). Indeed, such final return when so converted will be affected, not only by the amount of the principal and Index Linked Interest Amount received, but also by the evolution of the USD against the relevant currency. If, upon maturity, the USD has increased in value against such currency, the final return in such currency will be higher. Conversely, a decrease in value of the USD will have the opposite impact.

Are the Notes a suitable investment for me?

The Notes can only be offered to the investors by the Authorised Offerors (the distributors) if they are suitable and appropriate for the investors.

Should an investor decide to invest in the Notes, without getting any advice from its bank, its bank should in any case warn him/her if the Notes are not appropriate or suitable for him/her.

Will I always be able to sell my Notes in a secondary market prior to the Maturity Date?

There is no assurance as to the development or liquidity of any trading market for the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that would provide them with a yield comparable to similar investments that have a developed secondary market. BNP Paribas Arbitrage SNC has informed the Issuer that, except in the case of exceptional market circumstances, it will, on a best efforts basis, endeavour to make a secondary market during open business hours, with a bid-ask spread no larger than 1%. Also, a brokerage fee may be applied by the financial intermediaries. The Noteholder is invited to check with its financial intermediary if brokerage fees apply.

Who is the Calculation Agent and what is its role?

BNP Paribas is the Calculation Agent for the Notes. As Calculation Agent for the Notes, BNP Paribas makes all calculations and determinations under the Notes. BNP Paribas will also be the Issuer's counterparty in a related swap transaction entered into by the Issuer in order to hedge its obligations under the Notes. The existence of such multiple roles and responsibilities for BNP Paribas creates possible conflicts of interest, as set out in the Final Terms.

Are there any taxes payable by me in relation to the Notes?

Schedule II contains a summary with regard to certain tax aspects which are of significance in connection with the Notes for certain jurisdictions. This summary does not purport to exhaustively describe all possible tax aspects and does not deal with specific situations which may be of relevance for individual potential investors. It is recommended that potential purchasers of the Notes consult with their legal and tax advisors as to the tax consequences of the purchase, holding or sale of the Notes under the tax laws of the country of which they are resident for tax purposes.

Where and in which form are the Notes held?

The Notes will initially be held by Euroclear Bank N.V./S.A. and Clearstream Banking S.A. (the "**Clearing Systems**") in the form of a global note which will be exchangeable for definitive securities only in the exceptional circumstances described in the Prospectus. For as long as any Notes are held by the Clearing Systems, payments of the principal and Index Linked Interest Amount, if any, will be made through the Clearing Systems. Investors must therefore rely on the Clearing System to distribute all payments attributable to the Notes which are received from the Issuer. Accordingly, investors will be exposed to the credit risk of, and default risk in respect of, the Clearing Systems, as well as the Issuer. Investors should note that neither the Issuer nor the Paying Agent (Citibank, N.A., London Branch) shall be responsible for the acts or omissions of the Clearing Systems. Furthermore, investors should be aware of the fact that the Clearing Systems may charge fees for the opening and operation of an investment account, transfers of Notes, custody services and on payments of interest, principal and other amounts or delivery of notes. Potential investors are therefore advised to investigate the basis on which any such fees will be charged on the Notes.

SCHEDULE I TO THE FINAL TERMS

The information contained in this Schedule I (including, website addresses and details of publication methods and dates) is stated as at the Issue Date of the Notes only, and is subject to change. This information has been compiled using publicly available sources. The Issuer makes no representation or warranty, whether express or implied, as to the completeness or accuracy of such information.

Solactive Sustainable Development Goals World MV Index

The Solactive Sustainable Development Goals World MV Index (the "Index") tracks the performance of developed markets companies with comparably high dividend yield and, at the same time, construct a portfolio which exhibits low volatility and avoid sector and regional concentration and pass several corporate social responsibility screens applied by the Index Adviser (Vigeo Eiris) and the SDGs.

This Index has been designed to provide exposure to a portfolio of listed companies that contribute to the Sustainable Development Goals (SDGs) through their involvement in sustainable products or have a leading sustainable behaviour, and (i) incorporating certain environmental, social and governance (ESG) standards; (ii) not involved in disputable activities or critical controversies; and (iii) not part of the most intensive carbon emitters unless they have a robust energy transition strategy. The Index relies also on financial criteria to select the companies every quarter.

More information on the Index can be found on the following website:
<https://www.solactive.com/solactive-sustainable-development-goals-world-mv-index/>

The selection process is a 3-step process within an investment universe of ~1650 World listed companies assessed by Vigeo Eiris.

Vigeo Eiris is a global provider of environmental, social and governance (ESG) research to investors and public and private corporates. The agency evaluates the level of integration of sustainability factors into organisations' strategy and operations, and undertakes a risk assessment to assist investors and companies' decision-making.

Vigeo Eiris methodologies and rating services adhere to the strictest quality standards and have been certified to the independent ARISTA® standard. Vigeo Eiris is CBI (Climate Bond Initiative) Verifier. Vigeo Eiris' research is referenced in several international scientific publications.

Vigeo Eiris is present in Paris, London, Boston, Brussels, Casablanca, Milan, Montreal, Santiago and Tokyo and has a team of 200. The agency works with partners through its Vigeo Eiris Global Network.

For more information: www.vigeo-eiris.com

First step: ESG control

Exclusion of companies:

- ✗ not meeting the minimum ESG score: Vigeo Eiris rates companies on an opposable methodology compliant with international conventions and treaties (ILO, OECD, UN...) based on 38 environmental, social and governance criteria ("ESG") grouped in 6 domains, with grades on a scale from 0 to 100. Only companies with an ESG Score above their region average can be selected in the Index.
- ✗ involved in alcohol, armament, gambling, nuclear, pornography or tobacco, or in critical controversies about the environment, human and labour rights
- ✗ that are part of the most intensive carbon emitters unless they have a robust energy transition strategy

Second step: SDGs methodology

Selection of companies contributing to the SDGs

- ✓ a significant part of their activity dedicated to sustainable products
- ✓ or a leading sustainable behaviour in their sector

Third step: financial filter

The list of companies obtained after applying the Vigeo Eiris ESG and SDGs steps is further screened according to financial criteria:

Liquidity: Average Daily Volume on 1 month and 6 months above 10M EUR equivalent

High dividend: Among the remaining stocks, only those in the top tier in terms of estimated dividend yield can be selected

FINAL PORTFOLIO OPTIMISATION

Number of stocks: 30

Weighting: the weight of each stock must be comprised between 1% and 5%

Sectorial diversification: max. 25% stocks from the same Sector (as defined by Factset “Economy”)

Geographical diversification: min. 10% and Max. 50% stocks from the same region (Europe, North America, Asia Pacific)

Low volatility: the final portfolio is the one meeting all the criteria aforementioned with the lowest expected volatility

Price Return: dividends are not reinvested

On September 5, 2018, the composition of the Index is the following:

Name	ISIN
A2A SPA	IT0001233417
APERAM SA	LU0569974404
ASTRAZENECA PLC	GB0009895292
AT&T	US00206R1023
BCE INC	CA05534B7604
BERKELEY GROUP HOLDINGS PLC	GB00B02L3W35
CAPITALAND LTD ORD	SG1J27887962
CAPITALAND MALL TRUST	SG1M51904654
COMFORTDELGRO CORP LTD ORD	SG1N31909426
EDP ENERGIAS DE PORTUGAL SA	PTEDP0AM0009
ERSTE GROUP BANK AG	AT0000652011
GAS NATURAL SDG SA	ES0116870314
JERONIMO MARTINS SGPS SA	PTJMT0AE0001
LAGARDERE SCA	FR0000130213
NATIONAL AUSTRALIA BANK LTD	AU000000NAB4
NOMURA REAL ESTATE MASTER FUND INC	JP3048110005
NORTHWESTERN CORP	US6680743050

Name	ISIN
ORANGE SA	FR0000133308
PATTERN ENERGY GROUP INC	US70338P1003
ROYAL MAIL PLC	GB00BDVZY77
SANOFI SA	FR0000120578
SSE PLC	GB0007908733
SUEZ	FR0010613471
SUMITOMO CHEMICAL CO LTD	JP3401400001
TELSTRA CORP LTD	AU0000000TLS2
TERNA SPA	IT0003242622
UNIBAIL-RODAMCO-WESTFIELD	FR0013326246
VENTAS INC	US92276F1003
WESTPAC BANKING CORPORATION	AU0000000WBC1
WOODSIDE PETROLEUM LTD	AU0000000WPL2

How does the re-weighting of the Index work?

The composition of the Index is reviewed every quarter at the end of February, May, August and November. The methodology described above is used to determine the new composition of the Index.

Who is the Index Sponsor and what is its role?

Solactive AG is the Index Sponsor. It calculates and publishes the Index.

What happens to distributions made by the Index Companies?

The Index is designed to reflect the price performance of the shares in the Index companies. This means that dividends and similar income distributed by the Index Companies will not be included in the calculation of the value of the Index.

How can I track the Index?

The performance of the Index can be tracked on the following web page:

<https://www.solactive.com/solactive-sustainable-development-goals-world-mv-index/>

What was the past performance of the Index?

The Index was launched on January 20, 2017.

**Performance of the Solactive Sustainable Development Goals World MV Index
(Simulations until 19 January 2017)**



Year	Solactive Sustainable Development Goals World MV (SOLWGOAL)	MSCI World EUR (MSERWI)	Euro Stoxx 50 (SX5E)
2017	0.16%	5.50%	6.49%
2016	10.22%	8.47%	0.70%
2015	1.63%	8.34%	3.85%
2014	15.13%	17.21%	1.20%
2013	10.01%	18.73%	17.95%
2012	14.31%	11.45%	13.79%
2011	4.71%	-4.53%	-17.05%
2010	10.05%	17.16%	-5.81%
2009	32.27%	23.02%	21.14%
2008	-32.71%	-39.08%	-44.37%
2007	3.27%	-3.41%	6.79%

2006	23.07%	5.51%	15.12%
2005	19.56%	23.95%	21.28%

Warning: Simulated performance based on Vigeo Eiris data until 19 January 2017, historical performance thereafter. **Past performance is not a reliable indicator of current or future performance. Positive performance of the Index is not assured.**

Source: BNP Paribas, Bloomberg as of 31 July 2018

Further information in respect of the Index can be found on the website <https://www.solactive.com/solactive-sustainable-development-goals-world-mv-index/>

Current price, past performance and the volatility of the Index are available from Bloomberg screen page: SOLWGOAL <Index>.

SCHEDULE II TO THE FINAL TERMS

TAXATION

You should carefully consider the matters set forth under “Tax Matters” in the accompanying Prospectus. This summary supplements the section “Tax Matters” in the accompanying Prospectus and is subject to the limitations and exceptions set forth therein.

The following is only a general description of certain tax considerations relating to the Notes with regard to a limited number of jurisdictions. It does not purport to be a complete analysis of all tax considerations relating to the purchase, beneficial ownership, and disposition of the Notes.

Prospective purchasers of Notes should consult their tax advisers as to the consequences under the tax laws of the country of which they are resident for tax purposes.

This summary is based upon the law as in effect on the date of this Final Terms and is subject to any change in law that may take effect after such date (or even before with retroactive effect).

The Issuer makes no representation or warranty, whether express or implied, as to the completeness or accuracy of this summary.

SWISS TAXATION OF THE NOTEHOLDERS

The following Swiss tax summary is valid at the time of the issuance of the Notes. It is for general information only and does not purport to be a comprehensive description of all Swiss tax consequences that may be relevant to a decision to purchase, own or dispose of the Notes. Swiss tax laws and the practice of the Swiss tax authorities may change, possibly with retroactive effect. Prospective purchasers of the Notes should consult their own tax advisers concerning the tax consequences of purchasing, holding and disposing of the Notes in the light of their particular circumstances.

a) Swiss Withholding Tax

The Notes are not subject to Swiss withholding tax.

However, on November 4, 2015 the Swiss Federal Council announced a mandate to the Swiss Federal Finance Department to institute a group of experts tasked with the preparation of a new proposal for a reform of the Swiss withholding tax system. The new proposal is expected to include in respect of interest payments the replacement of the existing debtor-based regime by a paying agent-based regime for Swiss withholding tax similar to the one published on December 17, 2014 by the Swiss Federal Council and repealed on June 24, 2015 following the negative outcome of the legislative consultation with Swiss official and private bodies. Under such a new paying agent-based regime, if enacted, a paying agent in Switzerland may be required to deduct Swiss withholding tax on any payments or any securing of payments of interest in respect of a Note for the benefit of the beneficial owner of the payment unless certain procedures are complied with to establish that the owner of the Note is not an individual resident in Switzerland.

b) Swiss Stamp Duties

For Swiss stamp duty purpose, the Notes are treated as analogous to a foreign bond. Therefore, the issuance of the Notes is not subject to Swiss stamp duty (primary market). However, secondary market transactions of the Notes are subject to Swiss stamp duty ("*Umsatzabgabe*") if a Swiss securities dealer is a party or an intermediary to the transaction and no exemption applies.

c) Swiss Income Tax

The following income tax treatment is only applicable for private investors with tax domicile in Switzerland holding the Notes as part of their private assets.

For Swiss income tax purpose the Notes are transparent structured financial products composed of a bond and one or more option and classify as "bonds with a predominant one-time interest payment" (*Obligationen mit überwiegender Einmalverzinsung; IUP*). For private investors with tax domicile in Switzerland the increase of the value of the bond part (according to the "*Modifizierte Differenzbesteuerung*") at sale or at redemption is subject to Swiss federal as well as cantonal and communal income tax. Such an investor is taxed on the difference between the value of the bond part at purchase* and the value of the bond part at sale* or redemption*. However, any gain derived from the option is considered as capital gain and is therefore for such investors in general subject to neither Swiss federal nor cantonal and communal income tax. The value of the bond part at issuance is USD 889.45 (indicative) per Note.

*each to be converted into CHF at the prevailing exchange rate at purchase and sale or redemption (if applicable).

d) Automatic Exchange of Information in Tax Matters

Switzerland has implemented the Automatic Exchange of Information in Tax Matters ("AEOI") as of 1st January 2017 with the EU and various other countries and is negotiating the introduction of the AEOI with further countries. The website "www.sif.admin.ch" provides an overview of all partner states Switzerland has signed an agreement for the introduction of the AEOI.