

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

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

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

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

## **Pricing Supplement**

10 February 2020

### **European Bank for Reconstruction and Development**

**PKR 1,550,000,000 7.00 per cent. Notes due 30 January 2021 (the "Notes") (to be consolidated and form a single series with the Issuer's PKR 1,550,000,000 7.00 per cent. Notes due 30 January 2021 issued on 30 January 2020) (payable in United States Dollars) issued pursuant to the European Bank for Reconstruction and Development EUR 45,000,000,000 Global Medium Term Note Programme for the issue of notes**

### **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 3 July 2012, as supplemented by the Supplementary Offering Circular dated 22 July 2019 (together, the "**Offering Circular**"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. The Offering Circular is available for viewing and copies may be obtained from the Issuer at One Exchange Square, London, EC2A 2JN, United Kingdom.

#### **SUMMARY OF THE NOTES**

- |          |                     |   |
|----------|---------------------|---|
| <b>1</b> | Specified Currency: | Pakistani Rupee (" <b>PKR</b> "), the lawful currency of the Islamic Republic of Pakistan, provided that all payments in respect of the Notes will be made in United States dollars (" <b>USD</b> ") only, subject to the provisions set out in the Annex hereto. |
| <b>2</b> | Nominal Amount:     | PKR 1,550,000,000   |
| <b>3</b> | Type of Note:       | Fixed Rate  |
| <b>4</b> | Issue Date:         | 12 February 2020  |
| <b>5</b> | Issue Price:        | 99.9841 per cent. of the Nominal Amount plus 13 days' accrued interest (PKR 2,493.00 per Specified Denomination) on the Nominal Amount from and including 30 January 2020 to but excluding the Issue Date.  |

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|----------|-------------------------------|---|
| <b>6</b> | Maturity Date:                | 30 January 2021 (subject to the provisions set out in the Annex hereto)   |
| <b>7</b> | Fungible with existing Notes: | Yes. The Notes will be consolidated and form a single series with the Issuer's PKR 1,550,000,000 7.00 per cent. Notes due 30 January 2021 issued on 30 January 2020, at the Issue Date. |

#### FORM OF THE NOTES

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|-----------|--|--|
| <b>8</b>  | Form of Note:  | Registered   |
| <b>9</b>  | New Global Note:   | No   |
| <b>10</b> | (a) Specified Denomination:  | PKR 1,000,000 and minimum increments of PKR 100,000  |
|           | (b) Calculation Amount   | PKR 100,000  |
| <b>11</b> | Exchange of Bearer Notes:  | Not Applicable   |
| <b>12</b> | (a) Talons for future Coupons to be attached to definitive Bearer Notes: | Not Applicable   |
|           | (b) Date(s) on which the Talons mature:                                  | Not Applicable   |
| <b>13</b> | (a) Depository for and registered holder of Registered Global Note:      | Registered Global Note to be deposited with a common depository for Euroclear and Clearstream, Luxembourg and registered in the name of Citivic Nominees Limited as nominee for the common depository. |
|           | (b) Exchange of Registered Global Note:                                  | Registered Global Note will only be exchangeable for definitive Registered Notes upon 45 days' written notice in the limited circumstances as described on page 42 of the Offering Circular.           |

#### PROVISIONS RELATING TO INITIAL PAYMENT

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|-----------|--------------------|----------------|
| <b>14</b> | Partly Paid Notes: | Not Applicable |
|-----------|--------------------|----------------|

#### PROVISIONS RELATING TO INTEREST

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|-----------|-----------------------------|--|
| <b>15</b> | Interest Commencement Date: | 30 January 2020  |
|           | Fixed Rate Notes:           |  |
| <b>16</b> | (a) Fixed Rate of Interest: | 7.00 per cent. per annum, payable annually in arrear. For the avoidance of doubt, an amount equal to PKR 7,000 per Calculation Amount (the " <b>Fixed Interest Amount</b> ") shall be payable on the Maturity Date, provided that the Fixed Interest Amount shall be payable in USD, as further described in the Annex hereto. |
|           | (b) Fixed Interest Dates:   | The Maturity Date, subject to adjustment for payment purposes in accordance with the Business Day Convention specified below and   |

further subject to the provisions set out in the Annex hereto.

- (c) Initial Broken Amount per Specified Denomination: Not Applicable
- (d) Final Broken Amount per Specified Denomination: Not Applicable
- (e) Fixed Day Count Fraction: Actual/Actual – ICMA
- (f) Business Day Convention: Modified Following Business Day Convention
- (g) Business Day definition if different from that in Condition 4(a)(iii): Condition 4(a)(iii) applies (and for the avoidance of doubt, Karachi shall be the principal financial centre). Singapore, London and New York City shall be additional business centres.
- (h) Calculation of interest to be adjusted in accordance with Business Day Convention specified above: No

**17** Zero Coupon Notes: Not Applicable

**18** Floating Rate Notes and Indexed Notes: Not Applicable

#### **PROVISIONS REGARDING PAYMENTS/DELIVERIES**

**19** Definition of "Payment Day" for the purpose of Condition 6(e) if different to that set out in Condition 6: Condition 6(e) applies subject to the provisions set out in the Annex hereto.

**20** Dual Currency Notes: Not Applicable

**21** Physically Settled Notes: Not Applicable

#### **PROVISIONS REGARDING REDEMPTION/MATURITY**

**22** (a) Redemption at Issuer's option: No

(b) Redemption at Noteholder's option: No

**23** (a) Final Redemption Amount per Specified Denomination (other than an Indexed or Formula Note where the index or formula applies to the redemption amount): 100 per cent. subject to the provisions set out in the Annex hereto

(b) Final Redemption Amount for each Indexed Note where the Index or Formula applies to the Final Redemption Amount: Not Applicable

**24** Instalment Note: Not Applicable

**25** Early Redemption Amount for each Note payable on an event of default: 100 per cent. of the Specified Denomination, subject to the provisions set out in the Annex hereto

#### **DISTRIBUTION, CLEARING AND SETTLEMENT PROVISIONS**

- 26 Method of distribution: Non-syndicated
- 27 If Syndicated, names and addresses of Managers or, if Non-Syndicated names and address of Dealer: J.P. Morgan Securities plc  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom
- 28 Date of Syndication Agreement: Not Applicable
- 29 Stabilising Manager(s): None
- 30 Additional selling restrictions: **The Islamic Republic of Pakistan**  
The Notes are not intended to be offered, sold or transferred directly or indirectly in Pakistan, or to any person residents of Pakistan. In addition, no information memorandum or other promotional material or any notice that issues or offers or makes invitations to purchase directly or indirectly the Notes including the Offering Circular and the Pricing Supplement in respect of the Notes shall be distributed or published in Pakistan. Accordingly, no person receiving in Pakistan a copy of any informational material pertaining to the Notes including the Offering Circular and/or the Pricing Supplement may treat the same as constituting an invitation or offer to him to purchase or otherwise deal with the Notes. Furthermore, any dealing in the Notes by residents of Pakistan may attract restrictions under the Pakistan Foreign Exchange Regulations Act, 1947.  
  
By the purchase of any Notes, each holder of such Notes will be deemed to represent and warrant that it is not a Person who is a resident of Pakistan (each, a "**Restricted Entity**"). A "**Person**" includes any firm, company, corporation, trust, government, agency, regulatory body, any association or partnership (whether or not having separate legal personality) or any individual, or any combination of two or more of the foregoing. Further, each holder of such Notes will be deemed to undertake and agree that it is in full compliance with the selling restrictions above and it will not offer, sell or transfer such Notes to a Restricted Entity.
- 31 Details of additional/alternative clearing system approved by the Issuer and the Agent: Euroclear and Clearstream, Luxembourg only
- 32 Intended to be held in a manner which would allow Eurosystem eligibility: No

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|-----------|--|---|
| <b>33</b> | Common Code:   | 210762680   |
|           | ISIN Code:   | XS2107626801  |
|           | CUSIP Number:  | Not Applicable  |
|           | FISN   | EUROPEAN BANK F/7EMTN 20210130  |
|           | CFI Code:  | DTFCFR  |
| <b>34</b> | Listing:   | Application will be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Financial Conduct Authority and to be admitted to trading on the Regulated Market of the London Stock Exchange plc. |
| <b>35</b> | In the case of Notes denominated in the currency of a country that subsequently adopts the euro in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union, whether the Notes will include a redenomination clause providing for the redenomination of the Specified Currency in euro (a " <b>Redenomination Clause</b> "), and, if so specified, the wording of the Redenomination Clause in full and any wording in respect of redenominalisation and/or consolidation (provided they are fungible) with other Notes denominated in euro. | Not Applicable  |
| <b>36</b> | Additional Information:  | The provisions set out in the Annex shall apply to the Terms and Conditions in accordance herewith.   |
| <b>37</b> | Total Commissions:   | Not Applicable  |

This Pricing Supplement comprises the pricing supplement required for issue and admission to trading on the London Stock Exchange plc's Regulated Market of the Notes described herein pursuant to the Euro 45,000,000,000 Global Medium Term Note Programme of the European Bank for Reconstruction and Development as from 12 February 2020, or as soon as practicable thereafter.

#### **RESPONSIBILITY**

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

For and on behalf of

**EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT**

By:  .....

Authorised signatory



.....  
**CITIBANK, N.A.**  
(as Agent)

## PART B – OTHER INFORMATION

### 1 LISTING

Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the UK Financial Conduct Authority and to trading on the London Stock Exchange plc's Regulated Market with effect from 12 February 2020 or as soon as practicable thereafter. No assurance can be given that such listing and admission to trading will be obtained on or prior to such date, or, if obtained, that it will be maintained.

### 2 RATINGS

The Issuer and/or its debt obligations have been assigned an AAA credit rating from Standard & Poor's Credit Market Services Europe Limited ("**S&P**"), an Aaa credit rating from Moody's Investors Service Limited ("**Moody's**") and an AAA credit rating from Fitch France S.A.S. ("**Fitch**"). As defined by S&P, an "AAA" rating means that the ability of the Issuer to meet its financial commitment on its obligations is extremely strong. As defined by Moody's, an "Aaa" rating means that the Issuer's ability to meet its financial obligations is judged to be of the highest quality, with minimal credit risk. As defined by Fitch, an "AAA" rating denotes the lowest expectation of credit risk and means that the Issuer has an exceptionally strong capacity for timely payment of its financial commitments.

### 3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 4 REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- |                                 |  |
|---------------------------------|--|
| (i) Reasons for the offer       | The net proceeds of the issue of the Notes (which is expected to be PKR 1,553,617,700 but payable in USD in the amount of USD 10,059,033.34) will be included in the ordinary capital resources of the Issuer and used in its ordinary operations. |
| (ii) Estimated net proceeds:    | PKR 1,553,617,700<br>(USD equivalent: USD 10,059,033.34)   |
| (iii) Estimated total expenses: | £10,000  |

### 5 YIELD

Indication of yield: 7.00 per cent. per annum.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

**6 HISTORIC INTEREST RATES**

Not Applicable

**7 PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING**

Not Applicable

**8 PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT**

In the circumstances described in the Annex hereto, the amount received by holders of the Notes may be affected by the USD/PKR foreign exchange rate. Information in respect of the USD/PKR foreign exchange rate can be found on Bloomberg.



## Annex

### **Calculation of Fixed Interest Amount per Calculation Amount, Early Redemption Amount per Calculation Amount and Final Redemption Amount per Calculation Amount**

The Final Redemption Amount per Calculation Amount or the Early Redemption Amount per Calculation Amount will be payable in USD on the Maturity Date or the Early Redemption Date as applicable, and determined by the Calculation Agent as follows, on the corresponding Rate Fixing Date:

Calculation Amount x (1/Reference Rate on the applicable Rate Fixing Date) rounded to the nearest cent with USD 0.5 being rounded up

The Fixed Interest Amount per Calculation Amount will be payable in USD on each Fixed Interest Date and determined by the Calculation Agent as follows, on the corresponding Rate Fixing Date:

Fixed Interest Amount x (1/Reference Rate on the applicable Rate Fixing Date) x Day Count Fraction rounded to the nearest cent with USD 0.5 being rounded up

The Calculation Agent shall notify the Issuer, the Agent and the Noteholders of its determination of the Final Redemption Amount per Calculation Amount, the Early Redemption Amount per Calculation Amount and Fixed Interest Amount payable on the Maturity Date, the Early Redemption Date and/or relevant Fixed Interest Date (as applicable), as soon as practicable after such determination (but in no event later than four (4) Business Days prior to the Maturity Date, Early Redemption Date and/or relevant Fixed Interest Date (as applicable)).

If the Reference Rate is not available for any reason on the Reuters Screen Page USDPKRFIX=SBPK, or on any successor page on any Rate Fixing Date, then the Calculation Agent shall determine that a price source disruption event (a "**Price Source Disruption Event**") has occurred, and shall promptly inform the Issuer and Agent of such occurrence. Following the determination of the occurrence of a Price Source Disruption Event, Noteholders will not be entitled to any amounts in respect of the Notes until the earlier to occur of (i) the day falling five (5) Business Days after the day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the Postponed Fixed Interest Date (as defined below), the Postponed Early Redemption Date (as defined below) or the Postponed Maturity Date (as defined below), as the case may be.

If on the tenth (10<sup>th</sup>) Business Day following the original Rate Fixing Date the Reference Rate as published on the Reuters Screen Page USDPKRFIX=SBPK, or any successor page is still unavailable then the Reference Rate shall be the average of such firm quotes (expressed as the number of PKR per one USD) from three (3) Reference Dealers (as defined below) as the Calculation Agent is able to obtain for the sale of PKR and the purchase of USD at or about 3:30p.m., Karachi time on the applicable Rate Fixing Date for settlement two Karachi Business Days thereafter, provided, however, that if fewer than three (3) (but at least two (2)) Reference Dealers provide such firm quotes then the average of the quotes actually obtained shall apply.

If none, or only one, of the Reference Dealers provides such a firm quote the Calculation Agent will determine the Reference Rate in good faith and in a commercially reasonable manner.

For the purposes of these provisions:

"**Business Day**" means any day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign

currency deposits) in the business centre(s) specified or, if no business centre is specified, in London, New York City, Singapore and Karachi.

**"Calculation Agent"** means J.P. Morgan Chase Bank, N.A. in accordance with the provisions of the Calculation Agency Agreement entered into between the Issuer and the Calculation Agent on 9 February 2007 (as amended and/or supplemented from time to time). All references to the Calculation Agent shall include any successor or successors to the JP Morgan Chase Bank, N.A. as Calculation Agent in respect of the Notes. The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent under the Notes and pursuant to the Calculation Agency Agreement shall (in the absence of manifest error) be final and binding on all parties (including, but not limited to, the Issuer and the Noteholders) and shall be made in its sole discretion in good faith and in a commercially reasonable manner in accordance with the Calculation Agency Agreement. In performing its duties under the Notes, the Calculation Agent shall act in accordance with the Calculation Agency Agreement.

**"Early Redemption Date"** means the date on which the Notes become due and payable pursuant to Conditions 5(d) and 9.

**"Karachi Business Day"** means a day on which commercial banks are open for business including dealings in foreign exchange in accordance with the market practice of the foreign exchange market in Karachi.

**"Postponed Early Redemption Date"** means the tenth (10<sup>th</sup>) Business Day following the Early Redemption Date (if any).

**"Postponed Fixed Interest Date"** means the tenth (10<sup>th</sup>) Business Day following the originally scheduled Fixed Interest Date.

**"Postponed Maturity Date"** means the tenth (10<sup>th</sup>) Business Day following the originally scheduled Maturity Date.

**"Rate Fixing Date"** means the date which is five (5) Business Days prior to the each of the applicable Fixed Interest Date, Maturity Date or Early Redemption Date (if any). If a Price Source Disruption Event occurs or otherwise subsists on such day, the Rate Fixing Date shall be the earlier of (i) the Business Day on which the Issuer is notified by the Calculation Agent that a Price Source Disruption Event no longer subsists and (ii) the tenth (10<sup>th</sup>) Business Day following the original Rate Fixing Date.

**"Reference Dealers"** means leading dealers, banks or banking corporations which regularly deal in the USD/PKR exchange market, as selected by the Calculation Agent in its sole discretion, acting in good faith and in a commercially reasonable manner.

**"Reference Rate"** means the USD/PKR Reference Rate, expressed as the amount of Pakistani Rupee per one U.S. Dollar, for settlement two (2) Karachi Business Days as published on the Reuters Screen page USDPKRFIX=SBPK, (or its successor page) (or such other page or service as may replace any such page for the purposes of displaying the USD/PKR reference rate selected as the EMTA market standard) on or about 3:30 p.m. Karachi local time on each Rate Fixing Date.

**"Reuters Screen"** means, when used in connection with any designated page, the display page so designated on the Thomson Reuters service, or (i) any successor display page, other published source, information vendor or provider that has been officially designated by the sponsor of the original page or source; or (ii) if the sponsor has not officially designated a successor display page, another published source, service or provider (as the case may be), the successor display page, other published source, service or provider, if any, designated by the relevant information vendor or provider (if different from the sponsor).