CEB

COUNCIL OF EUROPE DEVELOPMENT BANK
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE

Sustainability Report 2023



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About the CEB

The Council of Europe Development Bank (CEB) is a multilateral development bank with an exclusively social mandate from its 43 member states. The CEB finances investment in social sectors, including education, health and affordable housing, with a focus on the needs of vulnerable people. Borrowers include governments, local and regional authorities, public and private banks, non-profit organisations and others. As a multilateral bank with a triple-A credit rating, the CEB funds itself on the international capital markets. It approves projects according to strict social, environmental and governance criteria, and provides technical assistance. In addition, the CEB receives funds from donors to complement its activities.

The CEB was originally established as a resettlement fund in 1956 by eight of the 15 member states that made up the Council of Europe at the time. The CEB is Europe's oldest multilateral development bank and is a legally and financially separate entity from the Council of Europe.

For more about CEB, visit coebank.org/en/about/

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Highlights

- Sharpened ESG focus of CEB's key performance indicators (KPIs)
- Maintained strong ESG ratings
- Achieved higher level of EDGE certification for gender equality
- Approved first social investment projects in Ukraine, which joined CEB in June 2023
- Completed the Regional Housing Programme after delivering homes to 36 000 vulnerable people
- Issued record €2.3 billion equivalent trademark Social Inclusion Bonds (SIBs)
- Developed sustainable procurement guidelines and framework
- Established fully renewable electricity supply for the Bank's premises

(See sections for more highlights)

Key figures at end-2023



216 permanent staff, **32** nationalities



56% of permanent staff are women, **38%** of senior roles



€4.1 billion in loans approved for **48** projects across **25** countries



€891 million, **22%** of loans approved, for climate action



€2.3 billion in Social Inclusion Bonds across five currencies



€55 million of grants financed and loans guaranteed thanks to trust fund resources



9.3 million beneficiaries of social projects completed



10 Sustainable Development Goals mapped with loan project approvals

Message from the Governor

Sustainability at the CEB

Sustainability is at the heart of the CEB's social mandate, guiding the Bank's project financing and its internal operations.



> We promote sustainability by leveraging the growing interest in socially responsible investments

The CEB sees social investments as a powerful means to ensuring a just and inclusive transition and advancing climate action. We are committed to addressing the social dimensions of climate change in line with the Council of Europe's Reykjavik Declaration (May 2023), which calls upon us "to focus on the social dimensions of climate change and environmental degradation, and to help member states achieve a fair and inclusive transition that leaves no one behind." We also remain committed to mainstreaming the Sustainable Development Goals (SDGs) and the Paris Agreement on climate change into our operations.

In 2023, we worked to strengthen environment, social and governance (ESG) due diligence in our investments and to optimise their promotion of social cohesion, while identifying climate-related opportunities. Our new loan approvals amounted to €4.1 billion in 2023 spanning 48 projects in 25 countries. Each project was linked to at least one of the following two SDGs: No Poverty (SDG1) and Reduced Inequalities (SDG10); almost one in two projects contributed to Sustainable Cities (SDG 11); and one in three projects contributed to Good Health (SDG 3) or Climate Action (SDG 13). Furthermore, we require every new CEB operation to undergo a comprehensive assessment for alignment with the objectives of the Paris Agreement, effective January 2024.

The CEB continues to promote sustainability by leveraging the growing interest in socially responsible investments on international capital markets. We fund a third of our operations through the issuance of Social Inclusion Bonds (SIBs). This year, our support for the social financing market translated into a record €2.3 billion equivalent SIB issuance as well as the diversification of SIBs into new currencies like the Swedish krona, Canadian dollar and Australian dollar.

A first-ever CEB loan to Ukraine was approved in November 2023, providing €100 million to help restore healthcare.

We were particularly honoured that Environmental Finance recognised the CEB's SIB issued in April 2022 in response to the war in Ukraine as the Social Bond of the Year 2023 (Supranational category). We are using the proceeds of this seven-year, euro denominated SIB to promote housing for low-income families, health and social care, education and vocational training and micro, small and medium-sized enterprises to create stable jobs in Ukraine's neighbouring countries that are CEB member states. A first-ever CEB loan to Ukraine was approved in November 2023, providing €100 million to help restore healthcare.

Looking at internal operations, the Bank also focused on furthering diversity and inclusion of staff, developing more sustainable procurement practices and seeking to limit its environmental footprint as part of its Paris alignment framework. Additionally, the CEB is aligning its treasury investments with ESG criteria, with these types of investments accounting for 20% of our portfolio in 2023. We look forward to building on this comprehensive approach in 2024 and amplifying the social-climate impact in our project financing and internal operations to the benefit of our member states and their citizens, especially the most vulnerable.



Paris, 6 March 2024
Carlo Monticelli, CEB Governor

MANAGING SUSTAINABILITY

For the CEB, "sustainability" is pivotal to how the Bank delivers on its social mandate for a lasting positive impact on people, especially the most vulnerable, society and the planet.



Highlights

- 11 of the CEB's 17 key performance indicators (KPIs) are new, including five that are ESG-focused
- Published first TCFD report (climate-related financial disclosures)
- Maintained strong ESG ratings
- Accounted for ESG in the Compliance risk assessment

Managing sustainability effectively involves well-defined responsibilities at all levels and Bank-wide. It means ensuring the development and implementation of key strategies and policies in place, a clear definition of what is "material", adherence to appropriate reporting and disclosures, ongoing stakeholder engagement, as well as accountability, including key roles for compliance and independent evaluation.

The CEB aims to develop a cross-cutting approach to sustainability that rests on complying with environment, social and governance (ESG) criteria and on contributing to the 2030 Agenda for Sustainable Development at corporate

level; ensuring environmental and social safeguards at project level; and addressing climate change, focusing on the people-planet-prosperity equation through a people-centred lens, especially for the most vulnerable.

Operational framework

Sustainability is embedded in all of the CEB's activities, **from its core business to its internal operations**, accounting for both the CEB's mission to promote social cohesion in Europe by financing projects that serve vulnerable people and its own means and resources. The Bank helps to lead the global trend towards a just and socially inclusive climate transition in its 43 member states and is also committed to **transparency and accountability**, conducting its business according to the highest standards of integrity and compliance.

Further mainstreaming sustainability in the Bank's practices and day-to-day activities will remain both a priority and a challenge at working level.

Governance and management

The CEB is a multilateral institution that is organised, administered and supervised by the **Governing Board**, which sets out the general direction for the Bank's activity; the **Administrative Council**, which exercises the powers delegated to it by the Governing Board; the **Governor** (supported by Vice-Governors), who is the Bank's legal representative and head of the Bank's operations and responsible for the staff under the general supervision of the Administrative Council; and the **Auditing Board**, which checks the accuracy of the annual accounts after they have been examined by an external auditor (see Report of the Governor 2023, Governance section).

At management level, the Bank's Directorates ensure that the dimensions of sustainability relevant to their activities are ingrained in day-to-day operations. The Corporate Responsibility & ESG Reporting Division handles matters of a general and bank-wide nature, such as corporate sustainability as well as overall disclosure and reporting, ESG ratings and coordination between directorates through a network of ESG Correspondents (GRI Report, Item 2-13 and TCFD Report). On climate, the implementation of the CEB's Paris Alignment Framework and Roadmap is coordinated by a dedicated Steering Committee and Working Group.

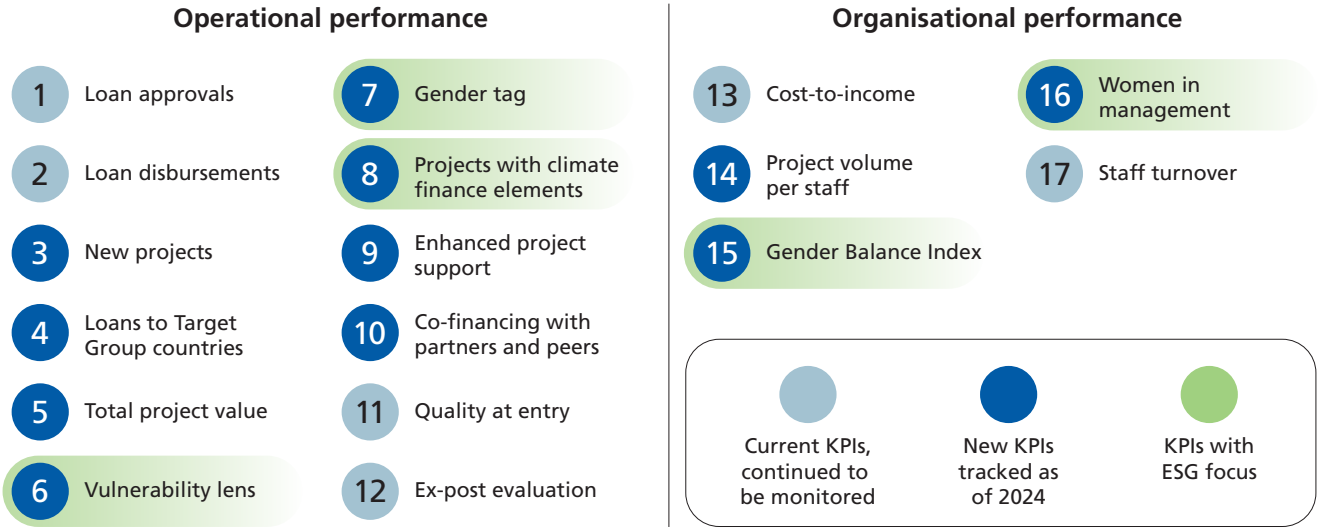
CEB's new key performance indicators (KPIs)

Sustainability is an underlying principle in the CEB's Strategic Framework 2023-2027, endorsed by its member states in December 2022, and is reflected in its in three overarching priorities: 1) investing in people and enhancing human capital; 2) promoting inclusive and resilient living environments; and 3) supporting jobs and economic and financial inclusion. Gender and climate change are cross-cutting considerations.

To achieve these goals, the CEB monitors its operational performance (linked to project financing), which hinges on 11 KPIs, and its organisational performance (linked to internal operations) through six KPIs, all forming the Bank's corporate results framework[1]. In 2023, 11 of the 17 indicators have been newly introduced, including five that more specifically underpin the CEB's strong commitment to social inclusion and ESG more broadly (see figure).

1. As from 2025, there will be reporting on these KPIs on 2024 data to Governing Board and Administrative Council.

Figure 1: **The CEB tracks numerous new key performance indicators (KPIs) linked to sustainability**



Reporting and disclosure

Since 2009, the CEB has provided an annual account of its approach to sustainability, with the Sustainability Report serving as a gateway to more technical reports such as the GRI and the TCFD Report, which the Bank has published for the first time in 2023. This ensures transparency and accountability, while addressing the specific needs of some target audiences through more detailed and technical information (See *About Sustainability Reporting* at the end of this report).

Stakeholder engagement

As an international organisation, the CEB is accountable for its actions to a wide range of stakeholders and engages with some of them regularly on topics related to the CEB's core business, including:

- **Shareholders, borrowers and final beneficiaries** alongside industry peers like multilateral development banks as well as other international institutions such as the Council of Europe, the European Union as well as bilateral donors, regulators and external auditors
- **Other financial actors**, including capital market investors, credit and ESG rating agencies and financial sector associations
- **Civil society** stakeholders, including NGOs, the media and researchers

Stakeholder engagement in initiatives in 2023 included:

- In October 2023, the CEB signed a Memorandum of Understanding with the Caisse des Dépôts, enhancing social cohesion and supporting the most vulnerable in France
- As an observer to the United Nations Framework Convention on Climate Change (UNFCCC), the Bank participated in COP 28 (see also The CEB and Climate Change)
- The CEB organised the fourth CEB Award for Social Cohesion.

For more information, see the GRI Report, "stakeholder engagement", including the stakeholder map, item 2-29; see also the Sustainability section of the CEB's website

Accountability

Compliance and evaluation are strong assets for a social development bank that seeks to lead by example. Both functions help underpin the CEB's transparency and accountability towards its stakeholders.

Compliance, integrity and ethics in 2023

The mission of the Office of the Chief Compliance Officer (OCCO) is to safeguard the Bank from financial and non- financial reputational risks. From 2024

onwards, its work is guided by the CEB's Integrity and Compliance Policy[2].

In its prevention role, OCCO conducts a compliance risk assessment (CRA) for each counterparty on the Bank's asset and liability side, i.e. for each project and for all treasury counterparties. In 2023, OCCO implemented a significant update to its CRA matrix, incorporating ESG criteria into the assessment models for both sovereign and non-sovereign entities, alongside considerations on Anti-Money Laundering/Counter-Financing of Terrorism.

For non-sovereign entities, the CRA continues to assess both transactional and counterparty non-compliance risks as well as new ESG indicators that provide the foundation for the CEB's internal ESG compliance assessment and may draw on external ratings and media sources, supplemented by expert judgment where necessary.

Furthermore, OCCO has contributed to enhancing CEB project documentation through a practical worksheet with clear criteria for applying the appropriate level of the integrity due diligence. There is now also a dedicated *compliance paragraph* in every loan proposal to describe the integrity due diligence performed and confirm the absence of integrity *red flags*.



Visit coebank.org/en/about/integrity-and-compliance/

Compliance cases

OCCO handles complaints and grievances from stakeholders. As the Bank's principal investigative office, OCCO receives all project-related complaints from any party, assesses their admissibility, analyses and evaluates their substance and recommends actions until their final resolution. The table below contains the project-related compliance cases, including both direct complaints from stakeholders and cases examined by OCCO upon information provided from inside or outside the Bank.

To contact OCCO, use: compliance@coebank.org or OCCO-whistleblowing@coebank.org.

Table 1:Project-related compliance cases

Cases	2019	2020	2021	2022	2023
Registered	4	3	6	9	5
Confirmed	3	0	1	5	1
Closed	4	3	5	4	4

For a more detailed breakdown including information on disciplinary procedures and corrective measures taken, please see the GRI Report, item 2-27.

2. The CEB's Integrity and Compliance Policy was formally approved by the Administrative Council in January 2024.

Independent evaluation

The Office of Evaluation (EVO) contributes to the Bank's accountability and learning by independently evaluating CEB-financed projects in line with multilateral development banks' good practices, with the aim of drawing lessons that help improve the performance of future operations and deliver social development results in line with the Bank's mandate.

In 2023, a series of evaluations on the CEB's engagement with selected national development banks was completed with a final evaluation focused on Spain's Instituto de Crédito Oficial. This evaluation recommended to clarify and reinforce synergies between the CEB and its national development partners with regard to the targeting, measurement and monitoring of social development results.

EVO also launched a new series of evaluations in 2023, focusing on the CEB's support to microfinance institutions. As the CEB's Strategic Framework indicates, microfinance is particularly aligned with the Bank's focus on the more vulnerable population groups. The evaluation started in 2023 is assessing CEB-financed microfinance operations in Bosnia and Herzegovina, Georgia, Italy and Spain, notably against social development objectives.

To learn more about the CEB's complaints process, see the GRI Report, items 2-26 and 2-27. Visit the compliance section of the CEB's website and the latest Integrity and Compliance Report; the evaluation section of the CEB's website and the latest publications



ESG ratings

Non-financial rating agencies regularly analyse the Bank's sustainability and their ratings underline the CEB's robust practices and overall ESG performance.

At the end of 2023, the CEB held the following "unsolicited" **ESG rating assessments**:

Corporate ESG Performance – Prime – RATED BY ISS ESG	**"Prime"**: 1st decile of best performance *July 2023*	ISS ESG's Prime status being awarded to companies with an ESG performance above the sector-specific Prime threshold, which means that they fulfil ambitious absolute performance requirements.
Moody's | ESG Solutions	**"Advanced"**: score 65/100 *October 2022*	Moody's ESG Solutions ranks the Bank in the best performance category.
MSCI ESG RATINGS – AAA – CCC B BB BBB A AA AAA	**"Leader"**: rating AAA *September 2023*	MSCI ESG's assessment shows that CEB is leading in its industry in managing most significant ESG risks and opportunities.[1]
Rated – MORNINGSTAR | SUSTAINALYTICS	**"Negligible ESG Risk"**: rank 5/91 in development banks *July 2023*	Sustainalytics sees the CEB having the lowest ESG Risk out of the five categories of ESG risk severity that could impact a company's enterprise value.

In addition to these ESG ratings, ESG criteria are also factored into Credit Rating Agencies' assessments of the CEB with a specific section on ESG included in each credit rating report issued.

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Further reading

- CEB Report of the Governor 2023, Mar 2023
- CEB Strategic Framework 2023-2027, Jan 2023
- See the CEB's materiality approach, in Corporate Social Responsibility Report 2019
- The CEB and SDGs: Achieving the UN Sustainable Development Goals, webpage
- CEB's Paris Alignment Framework and Roadmap, May 2023
- CEB Integrity and Compliance Report, Jul 2023
- Independent Evaluation at the CEB, webpage
- CEB Public Information Policy, Jul 2020
- Environmental and Social Safeguards Policy, 2016
- CEB's Environmental Statement, Jul 2019

FINANCING SOCIAL PROJECTS

As a social development bank, the CEB strives to maximise its positive social impact, leverage the potential for environmental co-benefits and minimise any negative downsides when financing projects in its member states, for example, through its alignment with the Paris Agreement. The CEB also pursues opportunities to uphold its social values and attract ESG investors with its issuances of Social Inclusion Bonds, through which the Bank obtains a significant share of its funding on competitive terms, enabling borrowers to reduce their financing costs significantly.



Highlights of 2023

- Approved first grant and loan projects for Ukraine, after the country became the CEB's 43rd member state in June 2023
- Completed the Regional Housing Programme, which successfully delivered homes to around 36 000 vulnerable displaced people in the Western Balkan countries
- Enabled €220 million in partial financing of high-risk microfinance projects as part of the InvestEU Guarantee
- Issued record €2.3 billion equivalent Social Inclusion Bonds in a diverse set of currencies
- Reinforced approach to climate, including an increase in climate financing to €0.9bn and Paris alignment for all projects approved from January 2024

Project financing: Supporting the most vulnerable

In line with its social mandate the CEB's social investments in 2023 focused on improving people's living environments and their capabilities, in an effort to help forge more inclusive and resilient societies and support the fundamental rights of the Bank's borrowers in 25 of its member countries.

In 2023 the CEB began applying a "vulnerability lens" to assessing loan projects, in the form of an assessment methodology that scores all new projects, to be submitted for approval starting from January 2024, against two vulnerability dimensions: living environments, and equity and inclusion.

In the first year of implementation of the CEB Strategic Framework 2023-2027, new loan approvals reached €4.1 billion, of which €2 billion were for 15 Target Group countries[1], or 49% of all loan projects approved in 2023[2]. A first-ever CEB loan to Ukraine was approved in November 2023, providing €100 million to meet urgent needs for health services.

In line with the CEB's statutory priority of helping the victims of natural disasters, a loan of €250 million was agreed to assist the Republic of Türkiye's health sector recover from the devastating earthquakes that hit the country in February 2023. In addition, the CEB's participation in the European Commission's InvestEU Guarantee initiative has already helped launch €370 million in new loans for projects with high social added value, particularly in microfinance, representing 5% of CEB's total portfolio of new projects for the year 2023.

The CEB is also an Advisory Partner under the InvestEU Advisory Hub.

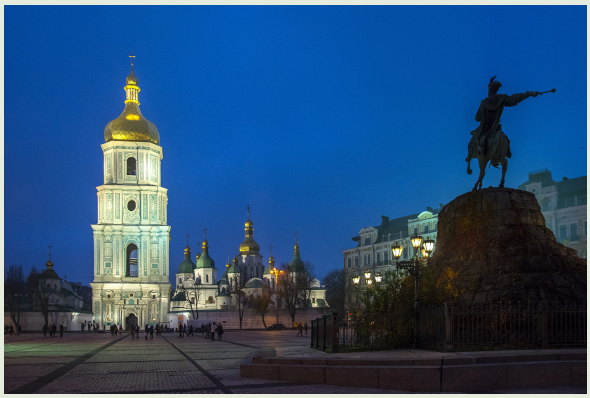
The CEB also uses donor funding to provide extra support to projects and enhance their social impact. Grants are used to make CEB's high impact projects more viable, both financially and operationally. The extra support can take the form of technical assistance to help borrowers implement projects in line with best practices. It can also consist of investment grants or interest subsidies to reduce the financial burden for borrowers. Lastly, the Bank also uses fiduciary accounts or third-party guarantees to secure projects that would otherwise not be eligible for CEB loans due to their risk profile, as is the case respectively with the CEB Social Dividend Account (SDA) and the InvestEU guarantee provided by the EU (see above).

In 2023, the Bank approved €31 million in grants and supported €24 million in loans with SDA guarantees. The year was also marked by the successful completion of the Regional Housing Programme (RHP), a joint initiative of Bosnia and Herzegovina, Croatia, Montenegro and Serbia to provide housing for vulnerable persons displaced during the conflicts in the former Yugoslavia. Financed mainly by the international community, including the EU, and managed by the CEB, the Programme delivered housing to 36 000 people.

See more on the cooperation with EU as a donor on the CEB website Partnering with Donors.

1. Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Georgia, Hungary, Estonia, Kosovo, Latvia, Lithuania, Malta, Republic of Moldova, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovak Republic, Slovenia, Türkiye and Ukraine.
2. For an overview on the sectors the CEB is financing, see the GRI Report "Activities, value chain, and other business relationships", item 2-6).

Beginning social investment operations in Ukraine



Ukraine officially became the 43rd member of the CEB in June 2023, and the Bank's operations started immediately. In July 2023, a month after Ukraine's accession, the Bank approved its first grant for a project on Ukrainian territory: €2 million for repairing homes that have been damaged as a result of the war. The grant is expected to benefit more than 500 vulnerable households, including many elderly people.

In November, the CEB approved a €100 million loan to Ukraine for the restoration of health infrastructure damaged by the war. The CEB loan is part of the Health Enhancement and Life-Saving (HEAL) project, a US$500 million framework operation developed by the World Bank in collaboration with the Ukrainian authorities. The CEB is committed to supporting Ukraine's long-term social development. Other projects are already in preparation, especially in the crucial social housing sector.

To access an overview of all grants approved by the CEB in 2023 see here.

Contributing to the UN Sustainable Development Goals

In 2020, the Bank began mapping all of its projects to the SDGs, identifying ten priority Goals that closely align with the CEB's social mandate.

Of the 48 projects approved in 2023:

- Each project was linked to at least one of the following two SDGs: 25% of projects to SDG 1 (No Poverty) and 92% of projects to SDG 10 (Reduced Inequalities)
- Almost one in two projects contributed to SDG 11 (Sustainable Cities)
- One in three projects contributed to SDG 3 (Good Health) or SDG 13 (Climate Action)
- One in four projects were linked to either, SDG 4 (Quality Education), SDG 5 (Gender Equality), or SDG 8 (Decent Work)

The significant increase in projects with a gender component (SDG 5: 25% in 2023 vs 8% in 2022) is mainly due to the higher number of microfinance operations, including gender targets, that the Bank financed in 2023 compared with previous years.

Figure 2: **Making the link between projects approved and the SDGs**

			2023		Total 2020-2023		
		Reason for prioritising the SDG	Number of projects approved supporting each SDG	% of projects approved supporting each SDG	Number of projects approved supporting each SDG	% of projects approved supporting each SDG	Relative weight of each SDG (% of all SDGS assigned)
	**SDG 10 Reduced Inequalities**	Alignment with CEB's social mandate	44	92	180	91	34
	**SDG 1 No Poverty**		12	25	42	20	7
	**SDG 5 Gender Equality**	Cross-cutting issues, screening of all CEB projects	12	25	23	7	3
	**SDG 13 Climate Action**		17	35	58	28	10
	**SDG 3 Good Health**	Project-specific, sector-based relevance	16	33	64	32	12
	**SDG 4 Quality Education**		12	25	40	19	7
	**SDG 6 Clean Water**		3	6	7	3	1
	**SDG 8 Decent Work**		13	27	49	24	9
	**SDG 11 Sustainable Cities**		21	21	90	46	17
	**SDG 16 Peace and Justice**		0	0	1	1	0

Sustainability in the due diligence of CEB-financed projects

The Bank has put systems in place to identify project-level environmental and social risks. The CEB engages with its borrowers to minimise and mitigate these potential risks to sustainability, thereby enhancing the sustainability of the projects. The Environmental and Social Safeguards Policy (ESSP), which accounts for climate-related risk at project level, applies to all projects. It is complemented by two environmental and social safeguards standards in the CEB Handbook for the Preparation and Implementation of Projects.

Through its environmental and social safeguards assessment and due diligence and monitoring processes, the CEB seeks to ascertain that the projects it finances are designed and implemented to: comply with appropriate social and environmental standards; minimise adverse environmental and social impacts; and maximise social and environmental benefits, with a special focus on vulnerable groups.

The Bank's Loan and Project Financing Policy lists activities that are excluded from CEB financing.

Cases studies illustrating CEB's social impact

Poste Italiane's investments in social inclusion, safety and sustainability

Poste Italiane is a valuable partner for the Italian Government in delivering essential services, enhancing e-government initiatives and supporting various administrative functions. With its extensive infrastructure and comprehensive reach, Poste Italiane is the largest service distribution network in Italy and considered an important social policy instrument and delivery mechanism for the Government.

The CEB's €250 million loan to Poste Italiane co-finances investments in social inclusion, safety and sustainability. By focusing on southern regions and small towns, the project works to reduce territorial disparities and ensure that "no one is left behind" in the digital and financial transformation of Italian society. The CEB loan will contribute to sustainable service delivery, including increased quality and accessibility of financial services, particularly for those at risk of exclusion, such as migrants, the elderly and younger people. Supporting Poste Italiane's low-carbon transition and energy efficiency investments, the loan will deliver significant climate benefits, coupled with an improved long-term sustainability of its services.

Poste Italiane project

Total project cost/CEB loan	€537 million/€250 million
Sector	Urban, rural and regional development; protection of the environment
Country	Italy
CEB approval date/project schedule	2023/2022-2026
Sustainable Development Goals (SDGs)	

Supporting energy efficiency investments for low-income households in Bosnia and Herzegovina

The CEB loan to *Partner Microfinance Foundation (Partner MCF)* provided financing to private households and micro-enterprises for energy efficiency (EE) actions that reduce energy consumption and CO2 emissions as well as contribute to cost savings. By supporting residential energy efficiency in Bosnia and Herzegovina, the loan proceeds helped improve the comfort of dwellings and working conditions and reduce the burden of energy bills on households' disposable incomes, particularly for low-income households that are unable to apply for banking loans. In concrete terms, the loan financed 3 295 energy efficiency measures in 1 973 dwellings. The average investment cost per sub-project was €2 430.

Partner MCF project

Total project cost/CEB loan	€8 million/€4 million
Sector	Protection of the environment
Country	Bosnia and Herzegovina
CEB approval date/project schedule	2021/2021-2023
Sustainable Development Goals (SDGs)	

Figure 3: **Overview of projects completed in 2023**

Number of projects completed	**34**
In number of countries	**12**
Total CEB loans to projects completed	**€3.9 billion**
Total project cost	**€11.5 billion**
SDGs	**Eight SDGs supported** SDG 1 – No Poverty SDG 3 – Good Health SDG 4 – Quality Education SDG 5 – Gender Equality SDG 6 – Clean water SDG 8 – Decent Work SDG 10 – Reduced Inequalities SDG 11 – Sustainable Cities 
Impact: Total number of beneficiaries	**9.3 million**

Impact: A few examples of facilities constructed, rehabilitated or equipped

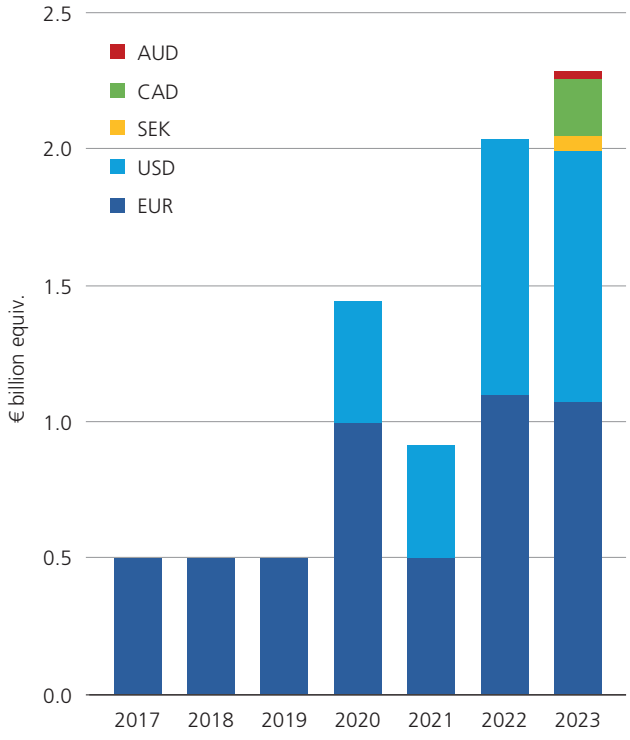
- **Educational facilities: 1 100**
- **Municipal infrastructure and facilities: 200**
- **Sports facilities: 3 100**
- **Administrative/judicial infrastructure: 20**
- **Health and social care facilities: 75**
- **MSME: Jobs created or maintained: 179 000**
- **Cultural institutions: 35**

Funding and treasury

For the CEB, 2023 was **another record-breaking year** for SIB issuance, which reached €2.3 billion equivalent or one third of the total funding programme for the year. Since the pioneering SIB in 2017, the Bank has issued €8.2 billion equivalent.

Furthermore, the CEB supplemented the EUR and USD denominated SIB benchmarks by diversifying issuance into three additional currencies: SEK, CAD and AUD. Through this diversification strategy, the CEB is able to reach new investors, while strengthening the social bond market.

Figure 4: The growth of the CEB's Social Inclusion Bond annual issuance since 2017



Spotlight on a transaction

The CEB successfully issued a SEK 650 million, five-year SIB on the back of strong investor demand for the Bank's social mission. In addition to being the largest social bond in the Swedish market, the transaction is also the first such social bond from an SSA[1] issuer, showcasing the growing role of social sustainability in the Swedish capital markets. The bond was dual-listed on the Nasdaq Sustainable Bond Market in Stockholm and the Luxembourg Green Exchange.

Social bond award from Environmental Finance



The new and analysis service Environmental Finance recognised the CEB's fast contribution to the Ukrainian refugee crisis by awarding the €1 billion seven-year SIB, issued in 2022, "Social Bond of the Year" in the Supranational category.

Partnering with Luxembourg Green Exchange (LGX) Academy

The CEB partnered with LGX Academy on a teaching video on the social bonds issued by the Bank, which shared the CEB's structuring and issuance experiences with a broad audience and highlighted key topics such as impact reporting.

Focus on the impact of CEB's Social Inclusion Bonds

The CEB reports on an annual basis on its SIBs, including on the sectors supported (e.g. education, housing, health, or MSMEs), the countries where projects were financed the number of people benefitting from supported projects (e.g. number of residents in social housing, number of students in schools or the number of jobs created). For details, see the latest SIB Report, Funding on coebank.org, and further reading at the end of this section.

The CEB treasury's ESG investments

With the 2022 update of the CEB's Financial and Risk Policy, the Bank now explicitly embraces ESG and green and social funds, further strengthening a practice that had already been in use since 2014 when the CEB made its first ESG investment. As a result, the Bank's ESG investments amounted to 20% (Green Bonds were 9%) of its medium- and long-term investment portfolios at 31 December 2023, up from 15% at year-end 2022.

1. "SSA" stands for Supranational, Sub-sovereign and Agency.

The CEB and climate change

The CEB is committed to a just and inclusive transition. Its Strategic Framework 2023-2027 identifies climate action as a cross-cutting consideration that is instrumental to achieving social cohesion. Given the disproportionate impact of climate change on lower-income and vulnerable people, the Bank's Paris Alignment Framework and Roadmap (endorsed by the Administrative Council in November 2021) emphasises the potential for positive social transformations in conjunction with climate action, provided these transformations are focused on social inclusiveness. A series of measures were implemented in 2023 to strengthen the CEB's due diligence on operations and optimise the identification of climate-related opportunities while promoting social cohesion. The CEB sees social investments as a powerful means of advancing climate action and ensuring a just and inclusive transition, particularly for the most vulnerable (see case study on Bosnia and Herzegovina).

Enforcing the CEB's commitment to align with the Paris Agreement

In November 2023, the Bank presented the guidance note on Paris alignment for all Bank's operations to the Administrative Council. Every new operation will undergo a comprehensive assessment for alignment with the objectives of the Paris Agreement, effective January 2024. The note expands on the initial guidance adopted in 2022, which only applied to direct financing operations of the CEB.CEB The methodology outlined in the revised guidance note finds its roots in the Paris alignment framework established by Multilateral Development Banks (MDBs), a framework published in 2023.

The methodology itself has two primary approaches, assessing operations against both the mitigation and adaptation objectives of the Paris Agreement:

- a *transaction-based approach* evaluates alignment based on the use of proceeds and project location, and
- a *counterparty-based approach* scrutinises the counterparty's practices, policies and exposure to high transition and physical climate risks. For certain project types that do not quite fit these definitions a combination of the transaction- counterparty-based approach is foreseen.

The result of a Paris-alignment assessment for a project can either be *aligned* or *non-aligned*. Non-aligned projects cannot be financed by the CEB[2].

Focusing on climate related risks and cooperation

In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the CEB published its first report on climate-related risks in 2023. It complements the Sustainability report, specifically addressing climate risks and opportunities.

During the United Nations Climate Change Conference in the United Arab Emirates (COP28), alongside its peer MDBs, the CEB was a signatory of a joint statement presenting concrete and urgent actions such as scaling up finance, enhancing climate outcomes measurement, or increasing co-financing and private sector engagement.

Moreover, the CEB's active participation in COP28 was primarily directed towards advancing its vision of just and socially inclusive climate activities, notably around topics such as addressing energy poverty, ensuring that benefits of the transition reach everyone, including the most vulnerable, so that no one is left behind.

Tracking climate finance and project GHG emissions

Over the course of 2023, the CEB financed €0.9 billion in climate mitigation and adaptation activities and continued to perform due diligence on all the projects approved.

Climate change due diligence, climate finance and greenhouse gas (GHG) emissions reporting for projects approved in 2023: As part of its comprehensive due diligence process, the Bank screens all projects for climate-related risks. In doing so, it identifies both climate mitigation and adaptation components across all its operations. The Bank consistently tracks the climate finance share of its

2. The Loan and Project Financing Policy, approved by the AC in 2022, which provides that "the Bank will ascertain the alignment of the activities it finances with the goals and principles of the Paris Agreement."

annual lending volumes and reports on the absolute and relative greenhouse gas GHG emissions stemming from its operations. This is now also reflected in the Bank's new Key Performance Indicator that specifically measures the percentage of new CEB loans that incorporate climate finance elements and deliver climate co-benefits (see above). In addition, the Bank has fine-tuned its technical screening criteria guided by climate criteria in the EU Taxonomy. Another milestone was achieved in 2023 as the CEB for the first time fully disclosed its climate finance contributions in the Joint Report on Multilateral Development Banks' Climate Finance, alongside all other MDBs[3]. In 2023, climate financing was in line with previous years, making up 22% of total financing approved. The 2023 TCFD Report will inform in more detail about the latest status of implementing the CEB Paris Alignment roadmap. See also the Joint MDB Climate Finance Report.

Table 2: CEB climate finance: mitigation and adaptation in 2019-2023 (in € M)

	2019	2020	2021	2022	2023
Total CEB financing approved	3 983	6 025	4 156	4 244	4 106
Climate finance total	1 037	798	525	867	891
% of total approved	26	13	13	20	22
-climate mitigation finance	703	649	467	657	812
% of climate finance total	68	81	89	76	91
-climate adaptation finance	334	149	58	210	80
% of climate finance total	32	19	11	24	9

The CEB's 2023 GHG emissions were estimated on the basis of the CEB's internal methodology, in line with the MDB methodology.

Estimated relative emissions (savings) saw a marked decrease in 2023 due to project approvals mainly characterised by social infrastructure spending and no new projects on renewable electricity or district heating being added in 2023.

Table 3:Carbon footprint of projects approved – tonnes of CO_2 eq. emissions per year

	2019	2020*	2021	2022	2023
Absolute emissions	50 000	#	110 000	52 000	42 000
Relative emissions**	-130 000	30 000	-65 000	-110 000	-27 400

*Note that in 2020, the CEB approved only a small number of projects for which there was sufficient data to assess their carbon footprint, leading to non-comparable data with previous years. Figures are ex ante estimates. **Emission savings from mitigation projects approved

3. In the past, the CEB had contributed to the report but had not provided information for all the datapoints disclosed.

Green Social Investment Fund (GSIF)

In 2023, the CEB approved a €1 million grant from its Green Social Investment Fund (GSIF), alongside a €20 million loan, in support of an innovative social housing project in Moldova. Authorities will refurbish and improve the energy efficiency of existing buildings covering 56 000m^2 and turn them into rental social housing, student residences and homes for the elderly. The project is expected to have high social and environmental benefits. More than 3 000 beneficiaries will enjoy improved living conditions, most of them from socially vulnerable groups such as persons with disabilities, elderly, families of children with special needs and students. At the same time, the energy labels of the renovated buildings are expected to improve from class "E" to class "B", resulting in greenhouse gas savings of 6 200 tonnes per year.

The GSIF supports CEB Member countries to transition towards low-carbon and climate-resilient economies. The Bank approved €2.3 million in technical assistance and investment grants from the Fund in 2023.

Further reading

- Projects approved by the CEB, complete list from 2010 to current year
- CEB Trust Funds for Social Impact, including key data on donor-funded operations
- Regional Housing Programme (RHP), 2014-2023.
- CEB Social Inclusion Bond Framework
- CEB Social Inclusion Bond Reports, latest edition Mar 2024
- Funding at the CEB, coebank.org/en/investor-relations/funding/
- CEB and Climate Change, overview of CEB Strategic Framework, Paris Alignment approach and joint MDB methodologies towards alignment
- The CEB at COP28: Committed to Just and Socially Inclusive Climate Action, Nov 2023
- Joint MDB statement at COP28, Dec 2023
- Joint MDB methodology for tracking climate change adaptation finance, Nov 2022
- MDB/International Development Finance Club (IDFC) Common principles for climate mitigation finance tracking, Dec 2023

INTERNAL OPERATIONS

The CEB is committed to continuously improving the way its internal operations are run. In 2023, actions focused on furthering diversity and inclusion within the CEB's staff, developing more sustainable procurement and seeking to limit the Bank's operational environmental footprint as part of its Paris alignment framework.



Human resources

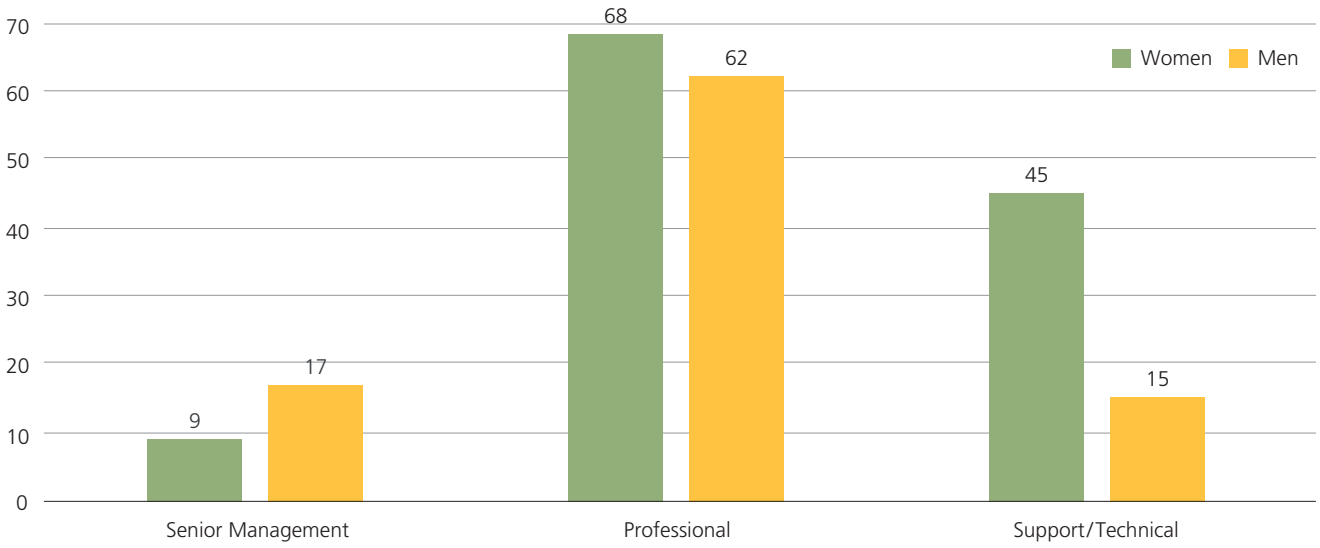
The CEB is determined to do more to further promote diversity and inclusion in its internal operations, including on gender equality.

Gender diversity and inclusion

Gender equality in the workplace, including ensuring equal pay for equal work, is an institutional priority for the Bank. In 2023, gender equality and diversity representation in management roles improved and CEB's efforts were recognised by EDGE recertification, whose entry level, *EDGE Assess,* was first awarded with in 2018.

Out of the 216 regular staff members, 56% are women and 44% are men. There has been a positive evolution in gender balance with women in senior management positions [1] rising from 23% in 2022 to 35% in 2023, but the persistent disparity, especially with women constituting 75% at the support/technical level, underscores the ongoing need for greater gender parity at all levels. As part of its commitment to diversity and inclusion, in the Strategic Framework 2023-2027, the CEB will seek to reach a minimum of 40% female representation in senior roles (grades A4 and above)[2], one of the Bank's new KPIs – a figure that currently stands at 38% (2022: 34%).

Figure 5: **Number of staff by level and by gender**



1. Senior Management comprises all Directors, Heads of Offices and Heads of Division, regardless of grade.

2. The CEB's grade scale can be found here.

EDGE re-certification completed

In 2023, the CEB obtained the second highest level of the Economic Dividends for Gender Equality (EDGE) certification, *EDGE Move*, showcasing progress towards fostering a gender-equitable workplace.

Since its initial EDGE Assess, the Bank has maintained a "very good" gender balance across junior, middle and top management levels. The pay gap analysis concluded in 2022 indicates a minimal gender pay gap of -1.6%, below the EDGE threshold of +/-3%, suggesting no high risk of an unexplained gender pay gap in the organisation. Policies and practices have also seen continuous improvement since 2017, particularly on equal pay, recruitment, training and flexible work, although there is still potential for growth in organisational culture and inclusive decision-making. Employee experience surveys have improved overall, but differences in gender perceptions remain with women "agreeing" or "strongly agreeing" less than men on the level of progress made. Actions have been taken to address these perceptions.



An inclusive workplace and culture: diversity in hiring

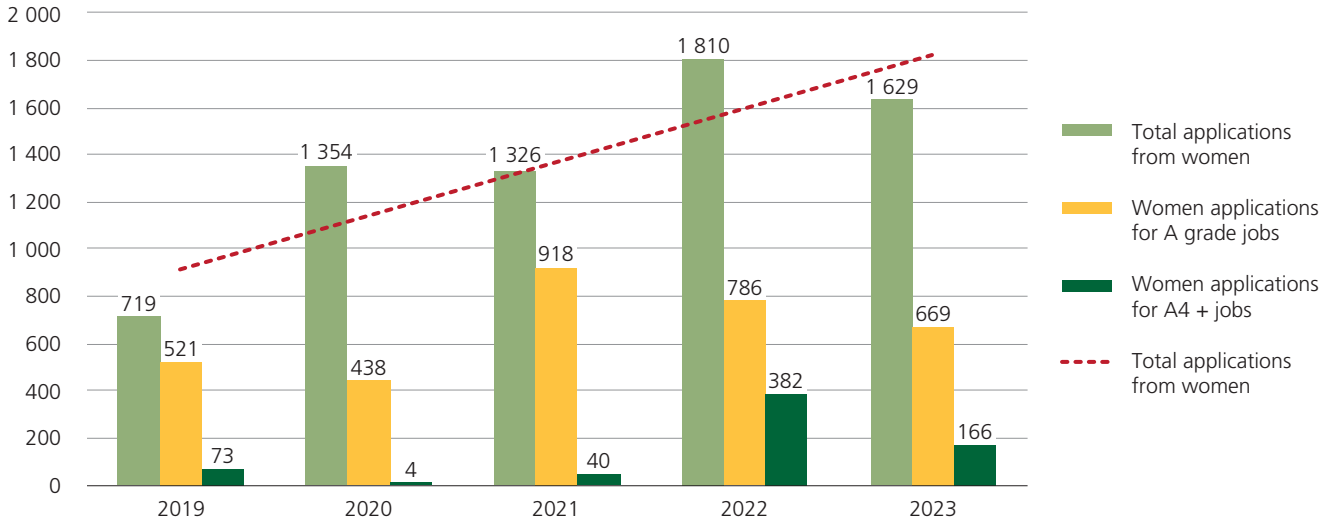
The Bank has experienced a surge in the number of applications over the past five years. In 2023, the Bank received almost 3 400 applications from almost all member countries (on 39 vacancies, of which 15 internships), including newly joined Ukraine. Female applications accounted for 48% of total applications, up from 45% last year.

In 2023, 22 appointments were made, of which 12 were new hires. Overall, women accounted for 73% of the appointments and men for 27%. The CEB remains committed to considering gender parity in future appointments, aligning them with the rate of departures and potential retirements, in order to maintain gender balance across all levels of the organisation.

Among the 22 appointments, 16 different nationalities are represented, including some from countries, such as Estonia, Finland, Hungary, Montenegro, North Macedonia and Switzerland, that have not had new additions to the Bank's staff for a long time. The recruitment of nationals from under-represented or non-represented member countries remains, however, a challenge, with the CEB continuing to develop and implement dedicated outreach initiatives to address it.

As in previous years, there have been several opportunities to engage on diversity and inclusion topics, with almost 25% of staff (75% women, 25% men) participating in workshops dedicated to this theme.

Figure 6: **Women applying for jobs at the CEB**



Key HR data at end 2023

At year-end 2023, the CEB's workforce amounted to 216 regular staff, seven temporary staff in Paris and five in Ankara, with the following characteristics:

- Number of nationalities represented: 32
- Staff turnover: 6.1%
  - Departures: 13, including four resignations (one woman, three men), four end-of-contracts (three women, one man), four retirements (three women, one man), one early retirement (one man).
  - New external hires: 12
- Breakdown by gender: 56% (122) women, 44% (94) men
  - Professional staff, including senior roles: 72%, of which 49% women, 51% men
  - Support/technical staff: 28%, of which 75% women, 25% men
- Average age: 49 years, average job tenure: 11.5 years
- Percentage of staff following one or more training courses: 65%, of which 73% women, 27% men
- Workers not directly employed (IT, security & facilities, trainees) in full-time equivalent: 45

Staff health and well-being

At the CEB, the office infrastructure supports hybrid work, with HR policies facilitating teleworking and complemented by onsite well-being facilities. Physical and recreational activities are widely encouraged to promote good health, well-being and facilitate staff interaction.

The Bank is committed to encouraging preventive healthcare and provides continuous support to staff on the matter. In 2023, it renewed its staff vaccination campaign, with 80 staff benefitting from the flu and COVID vaccine. Ongoing support mechanisms include fitness-for-work assessments, regular medical check-ups, online medical consultations and access to the CEB Mediator. The CEB collaborates with an experienced ergo-therapist who, in 2023, visited the premises to conduct 22 individual consultations on ergonomic workstation set-up, along with offering online sessions for staff to improve their teleworking environments. Additionally, CEB provides support and advice to both staff and managers on work-related issues, while also identifying additional ways to foster a healthy work environment. This includes raising awareness about key risk factors such as stress management and mental health, offering crisis counselling services for staff, and organising first-aid training sessions, all of which contribute to a holistic approach to employee health and well-being.

Staff-driven Diversity and Inclusion Group

Since 2022, the Bank has had a staff-driven *Diversity & Inclusion (D&I) Group*, that has its origins in the CEB Gender Equality and Diversity Strategy adopted by the Administrative Council in 2018. The group, composed of staff members from different directorates and job functions, aims to promote a multi-dimensional approach on D&I at the CEB, including gender, age, sexual orientation, ethnicity, religion, physical ability, neurodiversity, education and social and national origins.

The D&I group is in constant contact with similar employee-led teams in other International Organisations to exchange ideas, share challenges and increase coordination. Thanks to this network, in December 2023, the group joined the association *Dialogue on Inclusion, CulturalDiversity& Equity* at OECD Cultural Diversity & Equity at OECD to celebrate the International Day of Persons with Disabilities. This provided an occasion to deepen the understanding of the experiences of individuals with visible and invisible disabilities, both at work and in society at large.

Green and socially responsible procurement

The CEB's new procurement guidelines and framework aim to encourage more socially and environmentally responsible procurement, both at project level[3] and for the Bank's internal operations.

New procurement guidelines

The Administrative Council approved new *Guidelines for the procurement of Services, Goods and Works for the CEB's own account* in September 2023. These new rules underline the basic principles that procurement for the CEB has to respect equal treatment, non-discrimination, proportionality and transparency. Furthermore, the CEB's procurement practices reflect the Bank's commitment to sustainable development, namely integrating green and socially responsible procurement criteria in all phases of the procurement cycle.

Defining the principle of sustainable procurement is part of the CEB's commitment to the Paris alignment of its operations. CEB member states and peer institutions are undertaking similar efforts. In practical terms, the Bank has committed to the systematic screening of procurement activities to verify that sustainable procurement considerations are included in the process. This can be done either: 1) by the selection criteria applied to identify the type of vendors that can do business with the CEB; 2) through the actual specifications of goods, services and works, to ensure that they meet the highest standards as applicable; 3) by the application of award criteria that will prioritise proposals that include more social or environmental advantages; and 4) through the introduction of contractual obligations for providers to comply with.

Prior to the adoption of the guidelines, the CEB conducted a seminar to inform its member states of this new approach and its implications, helping to secure full backing of the new rules.

The guidelines will be complemented by an operational framework (e.g. procurement manuals, etc.) to provide practical guidance and advice to CEB staff on how to conduct sustainable procurement and establish reporting obligations for the Bank to be able to monitor the gradual adoption of the sustainable considerations in procurement activities.

To start, in October 2023, the CEB launched a tender for the renovation of its IT infrastructure where the qualitative elements account for 70% of the award decision and, within those, 20% of the score is attributed to the offers' social and environmental features.

CEB's own environmental footprint

For its internal operations, the Bank is committed to limiting its own environmental footprint, including its greenhouse gases (GHG) emissions, as detailed in its Environmental Statement and Paris alignment framework and roadmap.

3. For the environmental and social dimensions included in the CEB's project procurement guidelines (e.g., environmental/social covenant and promoting sustainable procurement practices when feasible) see the Guidelines for procurement of goods works and services for projects financed by the CEB.

Concrete actions taken in 2023

As part of the efforts to implement the Paris alignment framework, the CEB has established a cross-directorate Task Force on Aligning Internal Operations (TFIO). The task force brings together senior experts in facilities management, travel, procurement, HR, climate, ESG and corporate responsibility to develop and implement concrete actions to help limit the CEB's own environmental footprint.

TFIO Action Plan developed

Based on this process so far, the following key levers for keeping the CEB's GHG emissions in check have been identified[4]:

- Sustainable office facilities, e.g. a plan for sustainable energy
- Green mobility, e.g. greener and smarter business travel and commuting
- Green and socially-responsible procurement, e.g. implementation strategy and measures
- Key enablers such as IT and staff engagement, as well as monitoring and reporting

The Bank systematically considers physical climate risks, such as natural disasters but also cyber incidents or pandemics, in its operational risk management through mitigation measures in its business continuity plan and internal control framework.

In addition to continuously updating and implementing the existing action plan, more will need to be done on developing emission reduction pathways and using scenario analysis for planning.

Actions taken on the CEB's environmental footprint

The TFIO action plan proposes future, medium-term actions to progressively align the Bank's internal operations with the objectives of the Paris Agreement. In 2023, **a series of tangible steps** were completed, including:

- The Bank's new sustainable procurement framework (see above)
- Full renewable electricity supply for the CEB office
- Tender for a travel agency helping to minimise emissions from business travel
- Additional networked water dispensers installed
- Series of practical recommendations and tips for staff on eco-friendly behaviour: using IT, traveling, or commuting
- Bank's main conference venues now allow for hybrid meetings, including for the governing bodies
- Third-party checking for audit-preparedness of the Bank's sustainability reporting

Climate contribution

The CEB continued its carbon contribution ('carbon offset') work with *Agoterra*, an innovative start-up that brings together local farmers willing to invest in carbon-reducing actions and organisations seeking to support these actions financially. The approach is closely aligned with the CEB's core focus as a development bank: to provide funding to small enterprises, to support rural regions and lower income groups in Europe, and to accompany the shift to a more sustainable economy.

In 2023, the CEB chose to buy 'carbon offsets' from two new, family-sized farms in Germany, which use bio-stimulants for soil recovery to reduce their environmental impact. Beyond lower GHG emissions, co-benefits of these projects include better water and soil quality and higher biodiversity. The expected emission savings from the two farms (638 tonnes of CO_2 emissions), enabled through CEB's financial support, go beyond the Bank's own internal carbon footprint (604 tonnes of CO_2 emitted during the year).

Greenhouse gas emissions in 2023

The trend of normalising business conduct, after COVID in 2020 and 2021, continued over 2023, most notably with a further rebound of business travel, an increase in heating and to a lesser extent in water and materials consumption. In addition, the CEB further expanded the scope of its reported emissions, and changed its methodology from the previously used

4. The key levers are drawing up on the technical guidance designed by MDBs to help align their internal operations with the objectives of the Paris Agreement.

French *BEGES*[5] to the more widely use international *GHG Protocol*[6]in order to align itself with peer MDBs.

All this resulted in increased emissions for the year 2023, despite the actions taken to limit the Bank's own environmental footprint mentioned above, still being below pre-COVID levels (see also Table 4, and Figure 8). Compared to 2022, the main factors contributing to the change in emissions amounting to +103 tCO2e or +21% can be broken down as follows (rounded figures):

- Expanded scope of reported emissions: +66 tCO_2e (+13%)
- Changes in methodology: -31 tCO_2e (-6%)
- Rising activity and consumption volumes: +68 tCO_2e (+14%)

Each main factor is detailed below.

1. Following on the established practice of the past years, the Bank has worked to broaden the boundaries of its 2023 GHG assessment, adding the following new items to the scope:

- annual electricity consumption from the Bank's two external data centres
- staff smartphones and tablets
- newly bought office furniture such as tables and desks acquired in 2023
- increased share of a larger co-owned building's common consumption perimeter adding electricity for communal areas (e.g. elevators)

2. The change in assessment methodology from French BEGES to GHG Protocol reduced the carbon impact of IT capital expenditure in 2023, due to different accounting approaches of the IT equipment purchases. Less significantly, the methodology for calculating the additional impact of teleworking on household emissions has been adjusted in line with recent ADEME recommendations.

3. Rising activity and consumption volumes for 2023 included the following:

- a 11% increase in emissions from travel, mainly linked to an increase in business travel by plane, while being still almost half of pre-COVID levels of air travel emissions
- a 29% increase in emissions from heating

In total, the Bank's greenhouse gas emissions for 2023 stand at 604 tonnes of CO_2, representing a **GHG emissions intensity** of 2.8 tCO_2e/employee, up from 501 tonnes of CO_2 (2.1 tCO_2e/employee) in 2022, but down compared to pre-COVID levels of 924 tonnes of CO_2 (4.5 tCO_2e/employee) in 2019.

A breakdown by GHG emission scopes 1-3 is available in the GRI Report, items 305-1 to 305-5.

5. French acronym for Bilan des émissions de gaz à effet de serre (previously ADEME's Bilan Carbone ©)

6. The main differences between the GHG Protocol and BEGES methodologies concern the accounting of renewable energy and fixed assets. Under the GHG Protocol methodology, the valuation includes fixed assets obtained during the period specified for calculating the carbon footprint, as well as the valuation of guarantees of origin for renewable energy. For BEGES, all the entity's fixed assets, smoothed over their depreciation period, are taken into account, and guarantees of origin cannot be considered.

Figure 7: **GHG emissions per employee from 2019 to 2023 in tonnes of CO_2 equivalent**

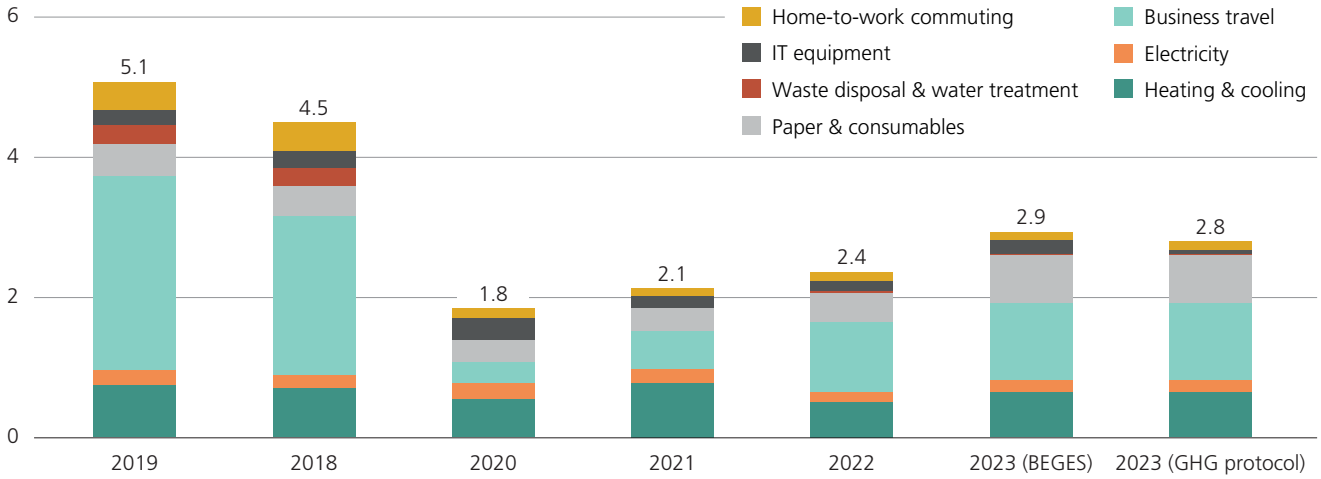
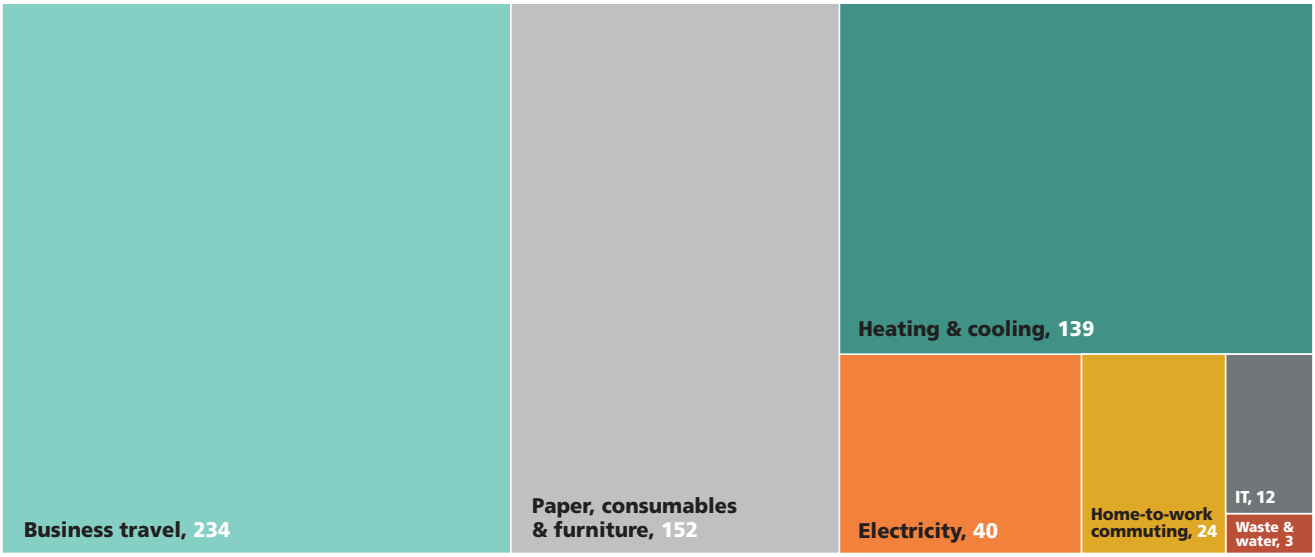


Figure 8: **2023 GHG emissions by source in tonnes of CO_2 equivalent**



For more information on the CEB's absolute emissions and the underlying *GHG Protocol* methodology, see the GRI Report, item 305-5. For even more detailed information on the Bank's GHG emissions from own operations and their trend over the past five years, see the overview below (Table 4).

Further reading

- CEB GRI Report, items 301-308, 405-406
- Sustainability | CEB (coebank.org)
- CEB Human Resources website: Jobs | CEB (coebank.org)
- CEB Guidelines for procurement, Sep 2023
- Agoterra's website with details on the CEB's carbon contribution

Table 4a: The CEB's GHG emissions in detail – By source, in tonnes of CO_2 equivalent

DASHBOARD	Variation 2023 GHG protocol / 2019		2023 (GHG protocol)		2022 (BEGES)		2019 (BEGES)	
	Total variation	Variation per employee	Total 2023	Per employee 2023	Total 2022	Per employee 2022	Total 2019	Per employee 2019
Surface – m²	7%	2%	8 163	37.79	7 713	36.55	7 600	36.89
CEB staff – FTE	5%	-	216	-	211	-	206	-
Overall emissions	**-35%**	**-38%**	**603.9**	**2.80**	**500.9**	**2.37**	**923.8**	**4.48**
Buildings	**-3%**	**-8%**	**179.5**	**0.83**	**145.9**	**0.69**	**185.5**	**0.90**
Buildings – Heating & cooling	**-4%**	**-9%**	**139.3**	**0.64**	**107.8**	**0.51**	**145.2**	**0.70**
Vapour network emission	-4%	-9%	138.9	0.64	107.5	0.51	144.9	0.70
Cooling use emissions	36%	30%	0.4	0.00	0.3	0.00	0.3	0.00
Total – Electricity	**0%**	**-5%**	**40.2**	**0.19**	**38.1**	**0.18**	**40.3**	**0.20**
Building – Electricity	**-27%**	**-27%**	**29.4**	**0.14**	**33.0**	**0.16**	**40.3**	**0.19**
Electricity emissions	-27%	-30%	29.4	0.14	33.0	0.16	40.3	0.20
Other – Electricity	**-**	**-**	**10.9**	**0.05**	**2.9**	**0.01**	**-**	**-**
Electricity – Data centres – emissions	-	-	9.6	0.04	-	-	-	-
Electricity – Working from home – emissions	-	-	1.3	0.01	2.9	0.01	-	-
Travelling	**-53%**	**-55%**	**258.3**	**1.20**	**232.3**	**1.10**	**546.5**	**2.65**
Travelling – Commuting	**-71%**	**-72%**	**24.0**	**0.11**	**23.7**	**0.11**	**81.6**	**0.40**
Emissions linked to commuting by soft mobility (e-bike, e-scooter, EV, bike, walk)	-	-	4.6	0.02	4.5	0.02	0.0	-
Emissions linked to commuting by car	-77%	-78%	16.8	0.08	16.7	0.08	73.1	0.36
Emissions linked to commuting by motorbike	-67%	-68%	1.4	0.01	1.3	0.01	4.1	0.02
Emissions linked to commuting by public transport (including train)	-	-	1.3	0.01	1.2	0.01	0.0	-
Travelling - Business travelling	**-50%**	**-52%**	**234.2**	**1.08**	**208.6**	**0.99**	**464.9**	**2.26**
Emissions linked to travelling by plane	-48%	-51%	230.8	1.07	206.0	0.98	445.0	2.16
Emissions linked to travelling by train	3%	-2%	0.8	0.00	0.5	0.00	0.8	0.00
Emissions linked to travelling by taxi	-88%	-	1.4	0.01	1.2	0.01	11.0	-
Emissions linked to travelling by CEB car	-85%	-86%	1.2	0.01	0.9	0.00	8.1	0.04
Paper, consumables & furniture	**71%**	**63%**	**151.5**	**0.70**	**87.3**	**0.41**	**88.5**	**0.43**
Emissions linked to water bottles	-100%	-100%	0.0	0.00	0.0	-	1.4	0.01
Emissions linked to consumables	-35%	-38%	20.7	0.10	18.3	0.09	32.1	0.16
Emissions linked to post services	10%	5%	11.4	0.05	12.2	0.06	10.3	0.05
Emissions linked to magazines and newspapers	23%	18%	41.3	0.19	38.4	0.18	33.5	0.16
Emissions linked to printing brochures	352%	331%	27.2	0.13	16.5	0.08	6.0	0.03
Emissions linked to printing paper	-65%	-66%	1.8	0.01	1.9	0.01	5.2	0.03
Emissions linked to office furniture	-	-	49.1	0.23	-	-	-	-
Waste disposal and wastewater	**-95%**	**-95%**	**2.9**	**0.01**	**2.7**	**0.01**	**54.6**	**0.27**
Emissions linked to wastewater	51%	44%	0.9	0.00	0.8	0.00	0.6	0.00
Emissions linked to garbage	-96%	-96%	2.0	0.01	2.0	0.01	54.1	0.26
IT equipment	**-76%**	**-77%**	**11.7**	**0.05**	**32.7**	**0.15**	**48.6**	**0.24**
Emissions linked to printers	-100%	-100%	0.0	0.00	0.0	-	1.4	0.01
Emissions linked to laptops	-	-	4.4	0.02	12.0	0.06	0.0	-
Emissions linked to desktop computers	-100%	-100%	0.0	0.00	0.0	-	2.0	0.01
Emissions linked to large screens	197%	183%	6.6	0.03	20.7	0.10	2.2	0.01
Emissions linked to photocopiers/scanners	-100%	-100%	0.0	0.00	0.0	-	43.0	0.21
Emissions linked to tablets	-	-	0.3	0.00	0.0	-	0.0	-
Emission linked to smartphones	-	-	0.4	0.00	0.0	-	0.0	-

The figures in blue are those that would have differed if we had continued to apply the BEGES methodology to the 2023 year. At aggregate level, the changes are as follows:

Table 4b: CEB's Greenhouse Gas Emissions at aggregate level

In tCO_2 e	2023 BEGES		2023 GHG Protocol vs BEGES		Variation BEGES 2023/2019	
	Total	Per employee	Total	Per employee	Total	Per employee
Overall emissions	633.5	2.93	-29.6	-0.13	-32%	-35%
due to IT equipment	41.3	0.19			-	-

The scope of reported emissions expanded between 2019 and 2023. Note also that a breakdown by emission scopes 1-3 is available in the GRI Report, items 305-1, 305-2, 305-3 and 305-5.

About sustainability reporting

The Sustainability Report is supplemented by the GRI Report. Since 2023, the CEB also publishes an annual report according to the standards set by the Task Force on Climate-related Financial Disclosures (TCFD).

The sustainability reporting framework is complemented by the Integrity and Compliance Report and the CEB's Social Inclusion Bond Reports, as well as disclosure on lessons learnt from the Bank's project monitoring and evaluation activities.

GRI Report 2023

This 2023 Index of sustainability indicators has been prepared on the basis of the internationally recognised standard for sustainability reporting, namely the Global Reporting Initiative (GRI) Standards. The GRI Report provides an overview of sustainability considerations in the CEB's lending and non-lending services as well as in its day-to-day functioning and management.

Member Countries

The CEB has 43 member states who are the Bank's shareholders. All countries that are members of the Council of Europe are eligible to join the CEB.

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Bosnia and Herzegovina ★
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Denmark
Estonia ★
Finland
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Georgia ★
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Hungary ★
Iceland
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Italy
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Latvia ★
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