



Foreword by the Governor

GRI 102-14

I am proud to share with you our annual Corporate Social Responsibility report for 2018, which, along with the Global Reporting Initiative Index (GRI), provides information on all aspects of the CEB's work in socially and environmentally sustainable development.

For the CEB, social responsibility does not only represent a firm commitment to transparency, accountability, sustainability and good governance in line with the highest international standards. It is, by definition, an integral part of what we do. It is deeply rooted in our history as the oldest development bank in Europe, and in our exclusively social mandate. It is who we are.

Since 1956, we have been tirelessly working to promote social cohesion and sustainable growth in Europe. Sustainability has many different facets and we fully embrace these in our strategic framework and planning, our operations, and day-to-day business.

The Office of the Chief Compliance Officer (OCCO) and the specialised Corporate Social Responsibility Department, through regular reporting and publications as well as other internal activities, ensure that we conduct our business in a responsible and sustainable way and in accordance with international best practices.

In 2018, we maintained the previous year's record-high level of loans approved and also increased disbursements. We finance projects with a high social impact and through these we continue to make a real difference

in the lives of thousands of vulnerable people across Europe. Strengthening employment, enhancing public infrastructure, particularly in vital sectors such as health, education and housing, and supporting climate action, remain a priority for us. Responding to a strong demand for sustainable finance, in 2018 we issued our second Social Inclusion Bond, which attracted substantial interest from investors.

Environmental concerns are not only part of the strict selection and monitoring criteria that we employ in our project financing operations, but we give serious consideration to these in all aspects of our activities. We have been taking steps to ensure alignment with the United Nations Framework Convention on Climate Change (UN FCCC), to which we recently obtained a permanent observer status, and we closely monitor our carbon footprint and make every effort to minimise it.

I am glad to see that our efforts continue to receive recognition and appreciation. In 2018, ISS-oekom and Sustainalytics renewed their confidence in us, with the former maintaining our "Prime" status and upgrading our rating, and the latter affirming our "Outperformer" status.

Paris, 27 February 2019

Rolf WENZEL