

CEB

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

Responsabilité sociale d'entreprise

Index GRI

2018



Annexe - Index GRI 2018

GRI 102-54 • 102-55

L'index 2017 des indicateurs de durabilité a été établi conformément aux normes de reporting développement durable reconnues à l'échelle internationale, à savoir les normes – *Global Reporting Initiative* (GRI) *Standards* ; il s'attache à respecter l'"option de base".

L'index GRI **(en anglais uniquement)** rend compte de la dimension de durabilité des activités de prêts et hors-prêts de la CEB, du fonctionnement courant de la Banque et de la gestion de ses agents.

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General Disclosures – GRI 102

ORGANISATIONAL PROFILE

102-1 Name of the organisation
Council of Europe Development Bank (CEB).

102-2 Primary brands, products, and services
The CEB invests in social projects that foster inclusion and contribute to improving the living conditions of the most vulnerable populations across Europe. To this effect, the CEB provides loans and guarantees in its 41 member states to finance projects meeting a certain number of criteria. Potential borrowers include governments, local or regional authorities and financial institutions. Loan applications are rigorously reviewed, and related projects are designed and implemented within national sectorial policies, when applicable. From a financing perspective, the CEB has at its disposal a number of different lending instruments (Project loans, Programme loans, Public co-finance facility, EU co-finance facility, Cross-sectoral loans), PPP financing, guarantees and, through specific programmes (such as Migrant and Refugee Fund) or, on an ad-hoc basis, grants.

102-3 Location of headquarters
Paris, France.

102-4 Location of operations
According to its mandate, the CEB can provide loans and guarantees in any of its 41 member states. The Bank may also receive voluntary contributions from its members, through fiduciary accounts.

As a sign of solidarity among the CEB member states, the Bank is able to provide increased support to a group of 22 "target countries" in Central, Eastern and South-Eastern Europe: Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Kosovo, Latvia, Lithuania, Malta, Moldova (Republic of), Montenegro, North Macedonia, Poland, Romania, Serbia, Slovak Republic, Slovenia and Turkey.

102-5 Ownership and legal form
The CEB is an international organisation governed by public international law which, according to its mandate, operates as an international financial institution. As an international financial institution, the CEB is owned by its shareholders, namely its 41 member states.

102-6 Markets served
The CEB invests in social projects that foster inclusion and contribute to improving the living conditions of the most vulnerable populations across Europe.

More specifically, the CEB's sectors of action are as follows:
- Aid to refugees, migrants and displaced persons
- Housing for low-income persons
- Creation and preservation of viable jobs
- Improvement of living conditions in urban and rural areas
- Natural or ecological disasters
- Protection of the environment
- Protection and rehabilitation of historic and cultural heritage
- Health
- Education and vocational training
- Infrastructure of administrative and judicial public services

For more details, see:
- the Loan and Project Financing Policy
- the Handbook for the Preparation and Implementation of Projects

102-7 Scale of organisation
As at 31 December 2018, the CEB had 206 staff members - plus 3 appointed officials (Governor and 2 Vice-Governors). The Bank approved 45 project loans for a total amount of € 3.9 billion. The profit for the year 2018 reached € 97.5 million.

102-8 Information on employees and other workers
As at 31 December 2018, the CEB's workforce was made up of 206 staff members (55% women / 45% men). Of these staff members, 68% were professional staff (44% women / 56% men) and 32% were support staff (77% women / 23% men) comprising 33 different nationalities. Out of the 206 staff members, 192 were on indefinite-term contracts and 14 on fixed-term contracts. The CEB only has one office, located in Paris.

102-9 Supply chain
The CEB procures supplies, works and services for its own operational needs. In addition, the Bank uses external service providers to provide, among other things, IT services, cleaning and security services on the organisation's premises.

As an international organisation - to which national legislation on public procurement does not apply - the CEB has its own internal procurement rules. The organisation's supply chain for its own operational needs is governed by the Guidelines on the Internal Procurement of Services, Supplies and Works by the CEB. The related Internal Procurement Procedures were updated in 2017.

It is the CEB's policy that its Procurement Guidelines and procedures follow the principles of:
- equal treatment
- non-discrimination
- transparency

The Bank considers that, as a general rule, these principles can best be implemented by effective and fair competition among qualified tenderers and by transparent selection based on considerations of both cost and quality.

The CEB also aims to ensure that the purchase of supplies, works and services required for its satisfactory operation:
- is handled in a timely, efficient and effective manner with due regard to the Bank's needs, including a high level of qualifications and quality of services, efficiency and economic use of resources. The notion of quality of services includes compliance with best practices in terms of occupational health and safety policies.
- takes into account sustainability issues with respect to human resources and the environment, in line with its Environmental and Social Safeguards Policy.

These rules are aligned with those of other international organisations.

For the projects financed by the CEB, there are separate project and loan procurement policies and guidelines. These Procurement Guidelines detail the principles and methods to be applied when awarding contracts to be financed by CEB loans. Implementing them ensures that funds are used solely for purposes covered by the loan and that special emphasis is placed on economical and efficient implementation of the projects it finances. It is recognised that fairness and transparency of public spending are essential to sound governance and to the sustainability of projects.

For more information, see the CEB's Policies and Guidelines.

102-10 Significant changes during the reporting period regarding the organisation and its supply chain
No significant changes occurred in 2018.

102-11 Precautionary principle or approach
Application of the precautionary principle is integrated in the CEB's Environmental and Social Safeguards Policy (para. 18). *"The CEB may apply the precautionary principle when it considers that the potentially adverse effects of a Project are not adequately mitigated or that the likely residual environmental impacts outweigh the expected social benefits"*.

102-12 External initiatives
As stated in the CEB's Development Plan 2017-2019: *"The CEB operates within the institutional framework established under the supreme authority of the **Council of Europe**; it therefore supports the Council's social and environmental priorities and principles aimed at protecting human rights and the environment. The Bank's approach in terms of social responsibility thus draws upon the principles enshrined in the Council of Europe Convention for the Protection of Human Rights and Fundamental Freedoms and the European Social Charter"* (§ 79).

Moreover, "applications for loans or guarantees shall be submitted to the [Bank's] Administrative Council after receipt of the Secretary General [of the Council of Europe]'s opinion as to admissibility based on the project's conformity with the political and social aims of the Council of Europe" (Article XIII of the Bank's Articles of Agreement).

From an environmental perspective, *inter alia*, the CEB has signed the Declaration on the European Principles for the Environment (EPE) concerning the environmental management component in the financing of projects; the CEB has also been working together with its stakeholders and peers to reflect on the design of adaptation strategies and to elaborate guidance for resilient project development including for urban centres, as well as exploring metrics for measuring adaptation outcomes (in particular, within the EUFIWACC - European Financing Institutions Working Group on Adaptation to Climate Change); furthermore, in 2017, the CEB joined the global Climate action in financial institutions initiative, thereby endorsing five voluntary principles for Mainstreaming Climate Action. The CEB joined the

coalition as part of the multilateral development bank (MDB) group. In 2018, the CEB obtained permanent observer status to the UN Framework Convention on Climate Change (UN FCCC) and joined the initiative for 'Harmonized Indicators for Private Sector Operation' (HIPSO).

102-13 Memberships of associations

Over the years, the CEB has forged partnerships with other international organisations and donors to bring additional financing and greater expertise to the projects it supports. In addition to its natural links with the Council of Europe, the CEB has become a partner of choice to the European Union and regularly cooperates with other international financial institutions (IFIs), and with several United Nations specialised agencies (in 2017, the CEB and UNDP agreed to extend their cooperation for another five years, aiming to scale up their support for achieving the UN Sustainable Development Goals (SDGs) in South-Eastern Europe, Turkey, Republic of Moldova and Georgia). In 2018, CEB started a partnership with '100 Resilient Cities' (100RC) initiative, launched by The Rockefeller Foundation.

For more details, see:

- the "Donors and Partnerships" section in the 2018 Report of the Governor
- the web sections "Partnerships" and "Donors and trust funds".

STRATEGY

102-14 Statement from senior decision-maker

Foreword by the Governor in the 2018 Corporate Social Responsibility Report.

102-15 Key impacts, risks, and opportunities

The Council of Europe Development Bank (CEB) is a multilateral bank with a unique social vocation. The CEB is tasked to contribute to the social cohesion and sustainable social development of its 41 member states, which are also its shareholders.

Corporate social responsibility (CSR) is thus rooted in the Bank's core mission. The focus is to ensure that growth is socially inclusive and pursued in a manner that is both economically empowering and environmentally sustainable. The CEB acknowledges that achieving this vision is contingent upon implementing environmental, social and climate-change safeguards.

For more details, see:

- the 'Foreword by the Governor', in the 2018 Corporate Social Responsibility Report
- the Development Plan 2017-2019

ETHICS AND INTEGRITY

102-16 Values, principles, standards and norms of behaviour

The Office of the Chief Compliance Officer (OCCO) is the principal organisational unit within the CEB that is specifically tasked to address integrity and corruption issues. To ensure OCCO's independence from all operational departments, OCCO is headed by the Chief Compliance Officer (CCO) who reports directly to the Governor.

The CEB's overall compliance policy framework was revised by the Administrative Council and the Governing Board in 2012. The framework defines the compliance function's mission as being "*to ensure that the Bank conducts its activities in compliance with its own rules, current legislation, the Codes of Conduct as well as with good practices, in order to avoid any risk of irregularity in the functioning of the institution, of its Organs or of its Staff*". The compliance function's purpose is therefore to enable the CEB to limit its exposure to the risk of legal, administrative or regulatory sanctions, material financial loss or loss of reputation incurred in the event of non-compliance. This is of the greatest importance for a development bank, and particularly one with a social vocation placed *"under the 'supreme authority' of the Council of Europe"*.

102-17 Mechanisms for advice and concerns about ethics

The CEB has a comprehensive and publicly available compliance framework, including *inter alia* a Compliance Policy, an Anticorruption Charter, a Policy on Non-Compliant/Uncooperative Jurisdictions, Internal Procurement Guidelines, Codes of Conduct, Integrity and Dignity at Workplace, and a Whistleblowing Policy.

OCCO identifies compliance risk, assesses compliance risk, advises the Governor and management committees on relevant rules and standards and ensures that the CEB is aware of, and follows, best market principles and international standards regarding the prevention of money laundering and terrorist financing, fraud and corruption and other

prohibited practices. OCCO also designs, recommends and maintains the policies, rules and procedures governing dignity, ethical behaviour and integrity towards counterparties and third parties, advises staff and gives guidance on conflicts of interest, prevention of insider trading, protection of confidential information and ethical issues. When a request for opinion arises, the entry points used as advice and help lines, both internally and externally, are compliance@coebank.org and whistleblowing@coebank.org.

Apart from the entry points mentioned above, OCCO has a full set of procedures, terms of reference and dedicated forms that specifically refer to reporting unlawful / unethical behaviour or misconduct.

GOVERNANCE

102-18 Governance structure

Like other international organisations/international financial institutions governed by public international law, the CEB has a specific governance structure established by virtue of its Articles of Agreement.

The CEB has the following statutory bodies:

1) the **Governing Board,** which is the CEB's "supreme body", competent for all matters not delegated to the Administrative Council;
2) the **Administrative Council**, which, amongst its delegated powers, approves lending operations in favour of proposed projects and gives its opinion on all decisions having financial consequences; and
3) the **Auditing Board,** which is independent from all the other statutory bodies and inspects the CEB's annual accounts.

The **Governor** is elected by the Governing Board. The Governor, who is assisted by one or more Vice-Governors, is the Bank's legal representative and the head of its operational services. The Governor conducts the day-to-day business within the framework of the decisions adopted by the Governing Board and the Administrative Council. The Governor, while attending the meetings of the Governing Board and the Administrative Council, is not a voting member of those bodies.

For more information on the governance structure, see the Annual Report ("Governance structure") or the CEB's website.

102-22 Composition of the highest governance body and its committees

Both the Governing Board and the Administrative Council are composed of a Chairperson and one representative appointed by each member state.

102-23 Chair of the highest governance body

Both the Governing Board and the Administrative Council chairpersons are elected by the Governing Board. It is important to note that the chairpersons do not have voting powers.

102-25 Conflicts of interest

The CEB has a Codes of Conduct which set out the ethical rules that must govern the conduct of those working for the CEB (Chairmen and members of the Collegial Bodies, Governor, Vice-Governors, staff members, contractual collaborators, and service providers) and help them to abide by those rules, as well as to inform their colleagues, the CEB's organs and the general public of the standard of conduct they are entitled to expect.

The Codes of Conduct, approved by the Governing Board on 27 November 2009 and effective as of 1 January 2010, apply respectively to:

- the Governor, Vice-Governors, staff members and to contractual collaborators or service providers
- the Chairmen and members of the Collegial Bodies (Governing Board and Administrative Council)
- the members of the Auditing Board

Each Code of Conduct has a specific provision that deals with the issue of conflicts of interest in full. As an example, the one applicable to the chairpersons and members of the Collegial Bodies provides that "*The chairmen and members of the Collegial Bodies must ensure that no personal interests or any particular financial interests in any way affect their activities on behalf of the CEB or jeopardise the image of the CEB, given the information of which they have knowledge within the framework of the performance of their duties. The chairmen and members of the Collegial Bodies remain bound to respect these obligations after their mandate expires. Should an actual or apparent conflict of interest arise, the Collegial Body chairman or member shall promptly disclose the matter to the Chief Compliance Officer (CCO) for guidance. They shall recluse themselves by withdrawing from any attendance of or participation in deliberations or decision-making connected with their particular case, unless the CCO deems otherwise*" (CoC for Chairmen and members of the Collegial Bodies, Article 3).

102-26 Role of highest governance body in setting purpose, values and strategies

The Governing Board, which, pursuant to the CEB's Articles of Agreement is "the supreme body" of the CEB, is competent, notably, to set out the general orientations for the CEB's activity and to approve the annual report and financial statements.

Among the powers delegated to it by the Governing Board, the Administrative Council establishes and supervises operational policies and approves lending operations in favour of projects.

102-29 Identifying and managing economic, environmental and social impacts

As a multilateral development bank with a social purpose, the CEB provides finance and expertise for economically, environmentally and socially sound investment projects across its European membership, which contribute to improving the living conditions of the most vulnerable populations, including refugees and migrants, and more broadly to strengthening social cohesion.

The Directorate for Technical Assessment and Monitoring (TAM) is responsible for the technical appraisal and monitoring of projects financed by the Bank. TAM's appraisal and monitoring processes include the assessment of economic, environmental, and social opportunities and risks. Environmental and social risks are screened and managed in accordance with the CEB's Environmental and Social Safeguards Policy. TAM's analysis of these risks and recommendations for their management are integrated in the Loan Document that is presented to the Administrative Council and reflected in the Framework Loan Agreement for the project. During implementation of the project, TAM reviews the management of environmental and social risks, carrying out site visits where appropriate. The results of the monitoring are reported to the Bank's Management.

In addition, the Directorate for Loans & Social Development (L&D) has monitoring experts which follow up on project quality and oversee that projects are implemented according to the specifications outlined initially.

The CEB also has an Evaluation Department (EVD) which contributes to improving the quality of future projects based on in-depth and rigorous analyses of past project and programme outputs and outcomes.

102-30 Effectiveness of risk management processes

Risk management at the CEB is based on a prudent Risk Management Framework through strong governance, policies, procedures, limits and controls that provide the Bank with the appropriate tools to identify, assess, monitor, report, mitigate and control risks throughout the Bank. While the Bank is not subject to member states' regulations, it considers the European Union Directives on banking regulation and the recommendations of the Basel Committee on Banking Supervision as the references for its Risk Management Framework.

The Bank's risk and control policies are based on international best banking practices and validated by internal committees composed of members of the CEB's senior management and ultimately approved by the Bank's governing bodies. The Bank continuously reassesses its Risk Management and Control Framework to ensure that it is able to fulfil its objective.

The Directorate for Risk and Control (R&C) is responsible for implementing the Risk Management Framework within the CEB and is independent from other operational and business directorates, reporting directly to the Governor. The departments within the Directorate for R&C are dedicated to specific risk areas: credit, operational risk, financial transactions, derivatives and collateral management. The Asset & Liability Management (ALM) Department in the Finance Directorate is in charge of managing the Bank's market risk (interest and currency exchange rates) and liquidity risk.

Decision-making committees in charge of defining and overseeing the Risk Management Framework are chaired by the Governor:

- The **Regular Credit Risk Committee (CRC)** meets on a weekly basis and takes credit decisions in relation to lending and treasury exposure, based on internal credit risk assessments and recommendations. In addition, a special CRC meeting takes place once a month to deal with specific topics and issues within an extended committee.
- The **Asset & Liability Management Committee (ALCO)** meets on a monthly basis to formulate strategic orientations and, on a forward-looking basis, to address interest rate, foreign exchange rate and liquidity risks arising throughout the balance sheet. In addition, on a quarterly basis, a "Special ALCO" meeting addresses ALM and funding issues.
- Capital market information is provided at the weekly meetings of the **General Management Committee**.
- The **Committee for Operational Risks & Organisation** reviews operational risk issues at the CEB on a semi-annual basis and ensures that adequate steps are taken to mitigate, monitor and control these risks.
- The **IT Steering Committee** reviews information systems issues and takes the appropriate actions to ensure operational resilience and business continuity.

In view of the Bank's credit track record, the organisation and processes have proven to be effective, with almost no impairments in over 60 years since the institution's inception.

102-31 Review of economic, environmental and social topics

Helping social and environmental development, thereby improving people's lives and strengthening social cohesion across Europe, is at the core of the CEB's mandate and operational priorities. The Bank's approach is reflected in a number of public documents, including *inter alia* the CEB's Development Plan 2017-2019 and in its key corporate policies and guidelines such as the Loan and Project Financing Policy, the CEB Handbook for the Preparation and Implementation of Projects and the Environmental and Social Safeguards Policy.

It is also worth noting that, among the CEB's statutory bodies, the Administrative Council is the body responsible, among other things, for approving lending operations in favour of projects.

Its decisions are based on: (i) the Governor's Report including the anticipated economic, environmental and social impacts of the project; and (ii) the opinion of the Secretary General of the Council of Europe as to the admissibility of the project, based on its conformity with the political and social aims of the Council of Europe.

102-35 Remuneration policies

Compensation for the Governing Board and Administrative Council chairpersons as well as for "elected Officials" (Governor and Vice-Governors) is individually and fully disclosed in the Annual Report (see Note A – Item 7 in the Financial Report).

STAKEHOLDER ENGAGEMENT

102-40 List of stakeholder groups engaged by the organisation
102-42 Identifying and selecting stakeholders
102-43 Approach to stakeholder engagement
102-44 Key topics and concerns raised

As an international public organisation and a financial institution with a social mandate, placed under the "supreme authority" of the Council of Europe, the CEB has a wide range of stakeholder groups. For more details, see the stakeholder map.

The CEB maintains open and continuous dialogue with its shareholders (i.e. 41 member states, each represented on the Administrative Council and the Governing Board) and its key stakeholders, namely:

- the Bank's customers (borrowers and project promoters), investors, the Council of Europe and the European Union
- the staff.

As stated in the CEB's Public Information Policy, the Bank also *"acknowledges the merits of constructive dialogue with representatives of civil society (nongovernmental organisations, etc.), and recognises that any such dialogue must necessarily be proportioned to its size and to its sectors of action."* The CEB engages in such dialogue on a case-by-case basis.

102-41 Percentage of total employees covered by collective bargaining agreements

The CEB's employees are staff of an international finance institution. Based on the CEB's legal status, as an international organisation with its privileges and immunities, neither the host country's labour laws nor those of its member countries apply to its staff members. There is no system of collective bargaining agreements.

The system of remuneration at the CEB is part of a legal and institutional framework defined by the Bank's Regulations and its Staff Regulations. Furthermore, as an organisation attached to the system of Coordination Organisations due to its link with the Council of Europe, the CEB follows the Coordinated Organisations' rules on matters of remuneration and salary adjustments.

The structure of the total compensation is specifically outlined in Article 41 of the Staff Regulations and Appendix IV thereto (Regulations governing Staff salaries and allowances).

Each year, the Co-ordination Committee on Remunerations calculates the adjustment index that defines the progression of the basic salary for the Coordinated Organisations and attached Organisations such as the CEB.

All the CEB's staff members enjoy the full right to associate and may belong to trade unions or professional organisations, subject to the CEB's staff-related documents and the Codes of Conduct.

The **Staff Committee** represents the general interests of the staff and contributes to the smooth running of the CEB by providing the staff with a channel for the expression of their opinions. The Staff Committee participates directly or is represented by staff members whom it appoints to sit on a number of commissions and committees created within the Bank and which require staff participation. Staff members are thus represented on the:

- Health and Safety Committee
- Advisory Pension Committee

- Personal Data Protection Commission
- Advisory Committee on Disputes and the Disciplinary Board

The CEB also has a **General Meeting of Staff** which enables all staff members to express their opinions on their conditions of employment and work. The General Meeting of Staff is a body in which all retired staff members may also express their opinions on the conditions that concern them. It meets at least once a year in ordinary session and may also be convened in extraordinary session.

The **Joint Committee** is a consultative organ in charge of facilitating cooperation between the Administration and staff on questions of a general nature. It may be consulted by the Governor or by the Staff Committee accordingly. It also gives its opinion on measures for the termination of service as provided for in the Regulations on indemnity for loss of job.

REPORTING PRACTICE

102-45 Entities included in the consolidated financial statements

Council of Europe Development Bank (CEB).

102-46 Defining report content and topic boundaries

102-47 List of material topics

Approach for determining Materiality

In 2018, the CEB had not yet conducted a full "materiality assessment" including both internal and external stakeholder surveys. **A comprehensive materiality assessment was launched in early 2019.** However, the topics deemed relevant for disclosure in this GRI Index were identified, within the CEB, by considering the annual corporate priorities outlined by the Bank's organs, stakeholder input (e.g. from ESG rating agencies), and the sustainability impacts of carrying out the CEB's mission and operational strategy. Close attention was also paid to the work and disclosures carried out by the CEB's peer IFIs, especially the World Bank Group, the European Investment Bank and the Nordic Investment Bank.

Report Boundary

The differentiation between "operational" and "corporate" indicators establishes the boundaries of the GRI Index disclosures.

Operational impacts

- Economic performance
- Indirect economic impact
- Human rights
- Local communities
- Anti-corruption and compliance (environmental and social)

Corporate impacts

- Staff (occupational health and safety, training and education, diversity and equal opportunity, etc.)
- The CEB's own environmental impact, including its carbon footprint.

Questions and comments about the GRI Index should be addressed to Info@coebank.org

102-48 Restatements of information

The CEB would like to restate selected items for its 2017 reporting on own carbon footprint.

The first correction is with regards to "*Products & services bought and used*" and is due to a misuse of carbon impact indicators for 2 types of services:

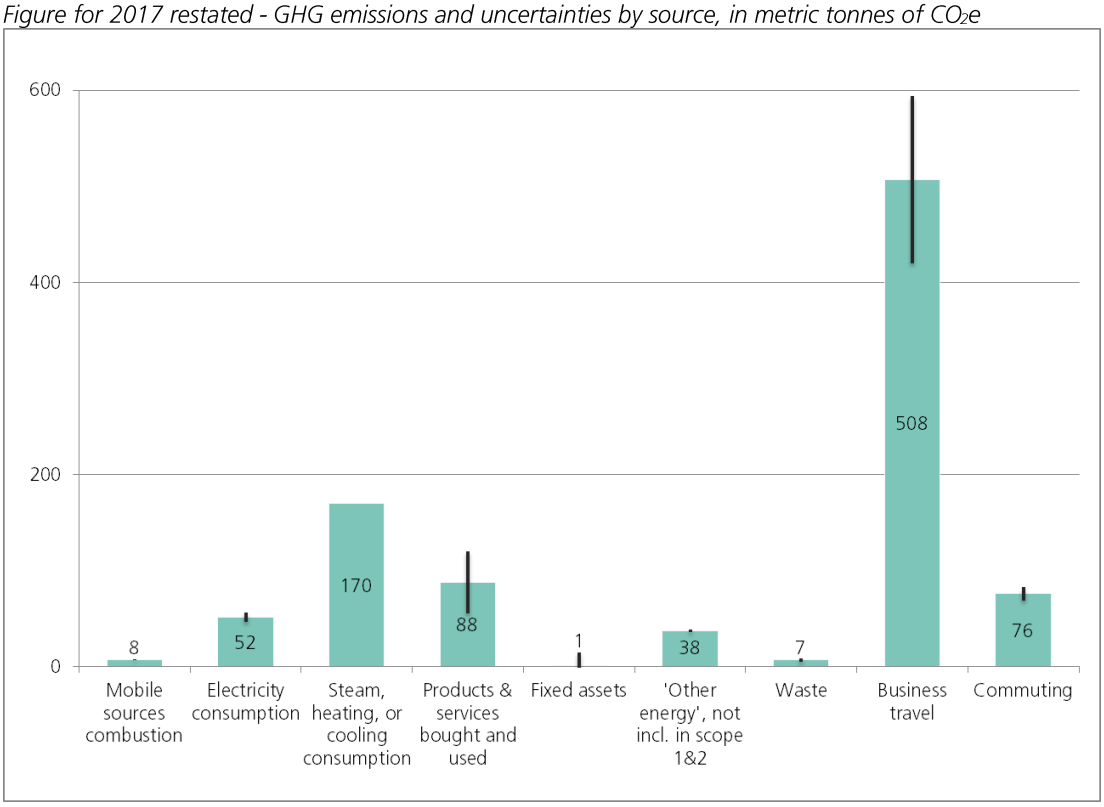
- Initially, printing services for commercial brochures as well as editing services for newspapers and magazines were considered as 'new paper' with a carbon impact of 900 $kgCO_2e/k€spent$
- In the revision, they are now considered more correctly with a carbon impact of 280 $kgCO_2e/k€spent$ for editing services, and 170 $kgCO_2e/k€spent$ for printing services. The real emissions are 88 tCO_2e for 2017, instead of the previously reported 101 tCO_2e.

The second error regards "*Commuting*" and is the results of a misinterpretation in the mobility study conducted in 2017 which surveyed the employees of the CEB on their commuting practice:

- The initial result of this study highly overestimated the yearly commuting distance of employees, resulting in a similar high overestimation of the emissions due to commuting
- The revision brings the emissions back to the value of 76.4 tCO_2e for 2017, instead of the previously reported 342 tCO_2e

Total 'own emissions' are now revised and amount to 941 tCO_2e for year 2017, using the *Bilan Carbone* methodology. Emissions per employee were updated accordingly to 4.64 tCO_2e/employee.

Figure for 2017 restated - GHG emissions and uncertainties by source, in metric tonnes of CO_2e



102-49 Changes in reporting
None.

102-50 Reporting period
The CEB reports on a calendar year basis from 1 January to 31 December. This report covers the year 2018.

102-51 Date of most recent previous report
April 2018.

102-52 Reporting cycle
Annual.

102-53 Contact point for questions regarding the report
Corporate Responsibility & Studies Department (info@coebank.org)

102-54 Claims of reporting in accordance with the GRI Standards
The CEB's 2018 GRI Index was prepared in accordance with the GRI Standards' "Core option".

102-55 GRI content index
The GRI Index 2018 is available on the Bank's website.

102-56 External assurance
The CEB does not seek external assurance for its sustainability reporting.

103-1 Explanation of the material topic and its boundary
103-2 The management approach and its components
103-3 Evaluation of the management approach
In 2018, the CEB had not yet conducted a full "materiality assessment" including both internal and external stakeholder surveys. A comprehensive materiality assessment was launched in early 2019. The management approach for issues deemed material is presented individually in the chapters on 'Operational Impacts' and 'Corporate Impacts' below.

Specific Disclosures

Operational impacts

ECONOMIC – GRI 200

ECONOMIC PERFORMANCE – GRI 201

Management approach

The CEB provides loans to co-finance projects in any of its 41 member states, in accordance with its social mandate. Potential borrowers include governments, regional or local authorities, and public or private financial institutions and banks. Benefitting from its excellent rating (AAA with Standard & Poor's, outlook stable[1], Aa1 with Moody's, outlook stable, and AA+ with Fitch Ratings, outlook stable), the CEB has access to the most favourable funding conditions on the international capital markets, which enables the Bank to offer attractive interest rates to its borrowers. The CEB generates a moderate but stable net income, the aim being to maintain and enhance its financial soundness by gradually strengthening its capital base.

201-1 Direct economic value generated and distributed

See the 2018 Financial Report (including the Key Figures and the Financial Summary) for extensive information.

201-2 Financial implications and other risks and opportunities due to climate change

The CEB incorporates environmental considerations in all the projects it finances. It acknowledges the importance of climate change, as underscored by the Development Plan 2017-2019 which introduced "climate change" as one of the strategic lines of action. Climate change risks and opportunities as regards the CEB's lending operations are addressed in the Environmental and Social Safeguards Policy (section 2.4). Projects considered for financing are screened for four climate change parameters (GHGs emitted, mitigation potential, adaptation potential, and vulnerability to climate change).

201-4 Financial assistance received from government

The CEB is owned by its 41 member states. In accordance with its Articles of Agreement, the CEB's capital is subscribed by the member states. The CEB may borrow on the capital markets to raise the funds necessary for fulfilling its mandate. In certain cases, it may be entrusted with funds from member states, the Council of Europe and, subject to certain requirements, third parties (such as the EU) to implement activities supporting its mandate.

INDIRECT ECONOMIC IMPACT – GRI 203

Management approach

The Bank invests in sustainable social sector infrastructure projects with a view to maximising the social impact of its operations and promoting economic and social inclusion. The CEB aims to design its projects in such a way as to benefit the largest number of potential final beneficiaries, with a specific focus on vulnerable groups.

203-1 Infrastructure investments and services supported

Most CEB investments are in physical infrastructure projects but it can also support "soft" investments in supporting equipment and services, such as access to vocational training schemes. For a detailed breakdown of financing provided by the CEB, see the Governor's Report ('Annual Report').

203-2 Significant indirect economic impacts

Investment in one sector of the Bank's activity often results in significant co-benefits in economic terms. For example, careful design of new social housing construction part-financed through a CEB loan will also positively contribute to the energy efficiency of the dwellings. In the same way, renovation of a housing block could serve as a catalyst for urban renewal in a wider area. Moreover, the job creation impact of construction projects financed by the CEB must also be considered.

[1] On 15 February 2019, Standard & Poor's upgraded the CEB's rating from 'AA+, outlook positive' to 'AAA outlook stable'.

The CEB's Development Plan 2017-2019 allows for closer follow-up on different inter-linked aspects of each project financed. In particular, the introduction of cross-sectoral loans in the Development Plan 2017-2019 responds to the cross-sectoral dimension and economic and social inter-linkages of an increasing portion of the CEB's projects.

ANTI-CORRUPTION – GRI 205

Management approach

The Office of the Chief Compliance Officer (OCCO) is clearly supported by "tone from the top" and is committed to achieving the highest standards of integrity and transparency in the conduct of all the CEB's activities. The CEB has a comprehensive and publicly available compliance framework, including inter alia a Compliance Policy, an Anticorruption Charter, a Policy on Non-Compliant/Uncooperative Jurisdictions, Internal Procurement Guidelines, Codes of Conduct, and a Whistleblowing Policy (as mentioned in item 102-17). OCCO identifies and assesses the compliance risk and advises the Governor and management committees on relevant rules and standards and ensures that the CEB is aware of, and follows, best market principles and international standards regarding the prevention of money laundering and terrorist financing, fraud and corruption and other prohibited practices.

205-1 Operations assessed for risks related to corruption

On average, the bank's compliance function conducts specific investigations on less than five claims of corruption related to CEB-financed operations per year.

205-2 Communication and training about anti-corruption policies and procedures

Each year, OCCO delivers a mandatory induction class to newly recruited staff members. As awareness raising activity and specialised training, in 2018 OCCO launched a participative Ethical Game.

Communication activities in 2018 were strengthened by a corporate awareness game and a publication of a periodic Newsletter.

205-3 Confirmed incidents of corruption and actions taken

None.

ENVIRONMENTAL – GRI 300

BIODIVERSITY – GRI 304

Management approach

Biodiversity is addressed in the CEB's Environmental and Social Safeguards Policy (section 2.5). The policy requires that projects proposed for financing are subject to environmental screening and environmental impact assessment, if applicable, and specifies that the Bank will not finance projects that may cause the loss of critical natural habitats and endangered species.

304-3 Habitats protected or restored

In accordance with its Loan and Project Financing Policy, the CEB may finance projects that aim to protect and develop biodiversity (e.g. ecological corridors).

SOCIAL – GRI 400

HUMAN RIGHTS ASSESSMENT – GRI 412

Management approach

Although the CEB has a separate legal identity and full financial independence, as a partial agreement of the Council of Europe, it nevertheless operates under the Council of Europe's *"supreme authority"* (Article I "Establishment of the Bank" of the CEB's Articles of Agreement). The Council of Europe is kept regularly informed of the CEB's activities and its Secretary General plays an important role in issuing an opinion on admissibility from a political and social point of view for every project submitted to the CEB's Administrative Council for approval.

In this context, successive Council of Europe Summits, held at the highest political level of Heads of State and Government, have each given new impetus to the CEB's action and contributed to shaping its current identity as the

social development bank in Europe. The third of these summits, held in Warsaw in 2005, invited the CEB to contribute in its own way to the development of a free, democratic and socially cohesive European society and concretely resulted in the introduction of human rights safeguards in its Loan and Project Financing Policy and Environmental and Social Safeguards Policy.

Thus, acting within the framework of the Council of Europe, the CEB supports its principles, values and overall objectives. The Bank's approach in terms of social responsibility draws upon the principles enshrined in the Council of Europe's "Convention for the Protection of Human Rights and Fundamental Freedoms" and "European Social Charter".

Within this framework, the CEB considers that the risks associated with incidents of child labour, forced or compulsory labour or violations of rights of indigenous peoples to be non-applicable in its countries of operation, themselves also members of the Council of Europe and, for a significant number of them, the European Union - nonetheless, the CEB deploys thorough screening mechanisms and would not knowingly finance projects presenting these risks.

412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening

In accordance with the CEB's Loan Regulations, which constitute the general conditions governing all the CEB's loans, in the event that the implementation of a project financed by the CEB should lead to any violation of the "Convention for the Protection of Human Rights and Fundamental Freedoms" or the "European Social Charter", the CEB may suspend/cancel undisbursed loan amounts under the CEB loan regulations and/or demand early reimbursement of disbursed amounts.

LOCAL COMMUNITIES – GRI 413

Management approach

413-1 Operations with local community engagement, impact assessments and development programs

413-2 Operations with significant actual and potential negative impacts on local communities

Loans to local communities can be made on a direct basis or via on-lending through a financial institution. Given the specificity of the CEB's overarching social mission, the Bank's loans are to be considered for the most part and in more general terms as resulting in tangible "community engagement", since the final beneficiaries of CEB loans are members of local communities in the Bank's member states.

With respect to the issue of potential negative impacts, the CEB's Environmental and Social Safeguards Policy in particular *"requires the Borrower to address Project-related Community Health and Safety matters and Stakeholder Information and Consultation"*.

Over the course of 2018, it was brought to the Bank's attention that two of the projects it supports have the potential to trigger some negative impacts on local communities which were not foreseen during project screening, i.e. appraisal phase.

SOCIO-ECONOMIC COMPLIANCE – GRI 419

Management approach

All projects undergo compliance due diligence. Banks that partner with the CEB for on-lending use "Know Your Customer" questionnaires.

419-1 Non-compliance with laws and regulations in the social and economic area

None.

Specific Disclosures

Corporate impacts

ECONOMIC – GRI 200

ECONOMIC PERFORMANCE – GRI 201

Management approach
201-3 Defined benefit plan obligations and other retirement plans
The CEB's Pension Schemes apply to staff members holding indefinite-term or fixed-term appointments and who have a minimum of 10 years of service. The Bank guarantees the payment of a lifetime pension for its retired staff members. The pension entitlement starts as of age 65 – except for those staff members hired prior to 1/1/2014, where the entitlement can start as of age 60.

In order to ensure the long-term economic performance and sustainability of its pension scheme, the CEB has adopted rigorous and sound assessment mechanisms, which are evaluated by external actuaries and follow international accounting standards (IAS).

An Advisory Pension Committee meets twice a year and may advise on proposals relating to the administration of the pension schemes such as the interpretation of the pension scheme rules, the assessment of the actuarial equilibrium of the schemes, the actuarial assumption underlying the pension scheme liabilities, and the appointment of the Bank's actuarial adviser.

Both the Advisory Pension Committee and the actuarial assessment provide the necessary checks and balances to ensure the financial soundness and sustainability of the pension schemes.

External auditors also review the methodology and the assumptions used by the CEB's actuaries to obtain the actuarial valuation of the post-employment benefits related to the retirement plan and to the other related post-employment obligations, in line with IAS 19 and the financial information disclosed in the financial statements.

ENVIRONMENTAL – GRI 300

Management approach (301 – 302 – 303 – 305 – 306)
Since 2017, the CEB has been working with GreenFlex and its "custom-made" GreenFlex IQ platform to obtain more precise measurement of some environmental indicators (especially energy metrics) and to extend the environmental management approach to new topics: logistics, indirect GHG emissions (life-cycle analysis of goods), non-physical services, water consumption, etc. As a result, the precision of the carbon footprint has been improved and the perimeter of the carbon footprint has been extended.

In 2018, thanks to these efforts, the CEB has engaged itself in a more comprehensive Environmental Management System to reduce its environmental impacts and increase its operating efficiency.

MATERIALS – GRI 301

301-1 Materials used by weight or volume
In 2018, the CEB used 6.62 tonnes of office paper (non-renewable or not specified), compared to 7.25 tonnes in 2017.

The CEB staff and visitors consumed 8 328 plastic water bottles of 50 cl (non-renewable or not specified) in 2018; against 8 816 such bottles in 2017.

301-2 Recycled input materials used
301-3 Reclaimed products and their packaging materials
As a non-physical service provider, the CEB is not concerned by this topic.

ENERGY – GRI 302

Management approach (additional information)

The CEB's policy is to strike a balance between minimising its environmental footprint while offering good working conditions to its staff. The CEB is located in a historic building which was not designed according to modern energy efficiency standards. However, the CEB's facility management aims to progressively improve the building's energy efficiency by phased refurbishment and the replacement of energy intensive equipment.

302-1 Energy consumption within the organisation

Energy consumption by type in 2018:

Type	*Consumption*	*Comment*
Electricity	788 MWh	
Heating	1 162 metric tonnes of steam	
Cooling	33.6 MWh cold	
Fuel	4 118 litres	CEB service vehicles

302-2 Energy consumption outside of the organisation

The CEB being an organisation located in a single building, energy consumption outside the CEB mainly stems from business travel (see GRI – 305).

302-3 Energy intensity

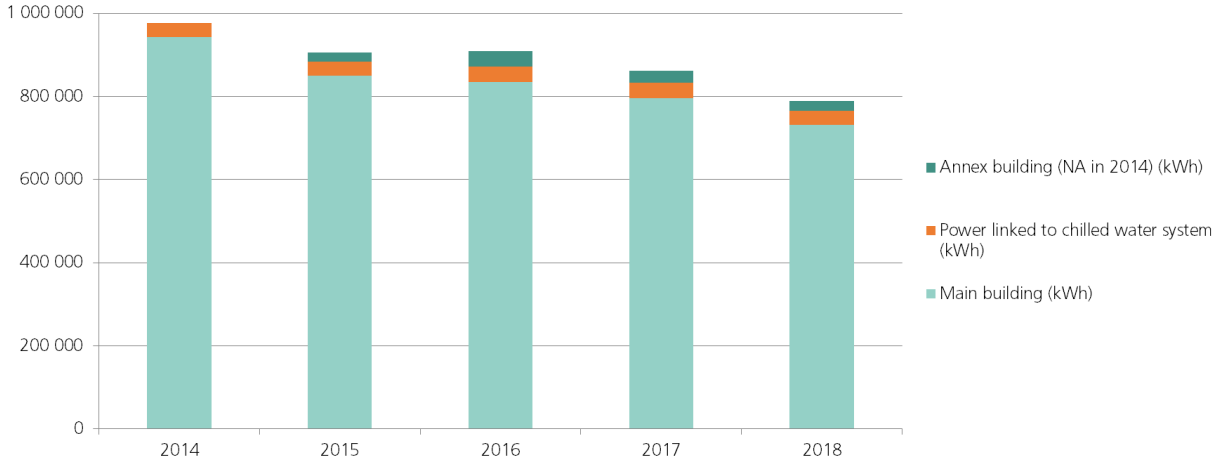
The CEB being a non-physical service provider, the energy intensity ratio is presented per employee (where the number of employees is 206), and also per square meter (where the total office space is 7 600 m²).

For calculating the two energy intensity ratios below the electricity consumed was taken as a basis (i.e. heating and cooling is excluded). Energy intensity (2018):

- 3 826 kWh/employee (4 376 kWh/employee in 2017)
- 104 kWh/m² (113 kWh/m² in 2017)

302-4 Reduction of energy consumption

Figure - Reduction of energy consumption, electricity (kWh)



WATER – GRI 303

303-1 Water withdrawal by source

Municipal water: 2 250 m3 in 2018 (2 595 m^3 in 2017).

303-2 Water sources significantly affected by withdrawal of water

All the water consumed by the CEB comes from municipal water in a closed-loop system, hence there is no water source significantly affected by withdrawal.

EMISSIONS – GRI 305

Management approach (additional information)

The CEB is committed to improving the reduction of emissions from different sources such as day-to-day activity, business travels or facilities maintenance.

Working along with GreenFlex and using its "custom-made" GreenFlex IQ platform enabled the CEB to obtain a more precise measurement of some environmental indicators (especially energy metrics) and to extend the environmental management approach to new topics over 2018, such as the inclusion of printed paper products and office goods in the 2018 GHG emission assessment. As a result, the quality of both the data and the calculation of related GHG emissions has also improved.
The methodology for assessing the GHG emissions follows Bilan Carbone®, the official French methodology for calculating the GHG emissions of organisations according to the latest international references (GHG Protocol, ISO 14069, Carbon Disclosure Project etc.), in its version 8 dated December 2017.

The *Bilan Carbone* approach used to define the CEB's organisational scope follows the *"operational control"* methodology, meaning that *"emissions from installations operated by the organization are taken into account."*

Further information can be found on the English website of the French Agency for the Environment and Energy Efficiency (ADEME): http://www.bilans-ges.ademe.fr/en
The base year for 305-1, 305-2, 305-3 and 305-4 is 2018.

305-1 Direct (Scope 1) GHG emissions

Gross direct (Scope 1) GHG emissions: 9 metric tons of CO_2 equivalent.
All the CEB's gross direct GHG emissions are associated with the vehicles operated by the CEB.

305-2 Energy indirect (Scope 2) GHG emissions

Gross location-based energy indirect (Scope 2) GHG emissions: 206 metric tons of CO_2 equivalent.
The CEB's gross location-based energy indirect GHG emissions are associated with the electricity consumption (47t CO_2 eq) and the municipal heating and cooling systems (159t CO_2 eq).

305-3 Other indirect (Scope 3) GHG emissions

Gross other indirect (Scope 3) GHG emissions: 782 metric tons of CO_2 equivalent.

The CEB's gross other indirect GHG emissions are mainly associated with the goods and services bought and used by the organisation, and the emissions linked to the fuels of the consumed energy (non-included in scope 2), business travel and employee commuting.

305-4 GHG emissions intensity

As the CEB is a non-physical service provider, the GHG emissions intensity ratio is presented per employee (where the number of employees is 206). All types of GHG emissions are included (i.e. scopes 1, 2 and 3).

2018 GHG emissions intensity ratio for the organisation: 4.81 CO_{2eq}/employee, based on the *Bilan Carbone* methodology.

305-5 Reduction of GHG emissions

	2014	2015	2016	2017*	2018
Heating & cooling	151	143	139	187	175
Electricity consumption	55	50	48	65	59
Business travel	760	763	649	517	573
Home-to-work commuting	43	41	44	76	84
Paper & consumables	12	12	9	88	92
Waste disposal	4	4	4	7	7

** Since 2017, a new methodology has been used to calculate GHG emissions. For more information please see the CEB's CSR Report 2017, page 29.*

EFFLUENTS AND WASTE – GRI 306

306-1 Water discharge by quality and destination

Based on the public information about the municipal water network of Paris, and assuming that about one fifth of the water used by the CEB is not discharged:

- Approximate volume of water discharges: around 1 800 m^3 in 2018 (2 000 m^3 in 2017)
- Destination of water discharge: municipal water treatment plant
- Quality of water discharges: domestic waste water
- The water discharges will be used again in the municipal water system

306-2 Waste by type and disposal method

Total weight of non-hazardous waste: municipal waste of 145 tonnes, with any disposal methods except reuse, recycling and composting (2017: 143 tonnes).

SOCIAL – GRI 400

EMPLOYMENT – GRI 401

Management approach

The Bank supports measures that help maintain and develop its staff members. When staff members join the CEB, they are immediately considered as part of their teams and benefit from the same resources in terms of training and guidance on their development needs as any other staff member, regardless of their contract type or grade. In 2018, the CEB continued to rely on its staff members' high level of expertise, with an average age of 48 years, and an average tenure of 11 years (10 years for men and 12 years for women).

The CEB also seeks to attract talented people through a recruitment process and procedures which provide clarity, dialogue, transparency, contractual clarification and flexibility. The recruitment process at the Bank follows different steps including preliminary selection, assessment, and interviews. Newly hired staff members also participate in an induction session to help them integrate the Bank smoothly and meet their peers.

401-1 New employee hires and employee turnover

The turnover is defined as the total number of Bank staff leaving the organisation in a given financial year divided by the total population in the same year. In 2018, the CEB's turnover rate was 4.43%. The CEB's low turnover is rather similar to other International Organisations with similar contractual policies.

Any national of one of the Bank's member states may apply for employment. Nationals of countries that have joined since 1994 are particularly encouraged to apply. A total of 18 recruitments (61% women and 39% men) were concluded (with 14 external recruitments) from 12 different nationalities. Out of the 18 new recruits, 12 were professional staff (50% women and 50% men) and 6 were support staff (83% women and 17% men). Out of the 9 staff departures, 7 were professional staff (57% women and 43% men) and 2 were support staff (100% women). This low turnover rate is a consequence of the Bank having a large number of staff members on indefinite-term contracts who develop their careers at the Bank over long periods of time.

401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees

Part time staff members receive the same benefits as full time staff members.

Staff members on temporary contracts whose duration does not exceed 9 months per year are not eligible for all the benefits received by staff members, such as bonuses, basic family allowance, education allowance, expatriation allowance (although temporary staff members are eligible for a residence allowance).

401-3 Parental leave

The table below summarises 2018 data for parental leave by total number of women and men.

	Women	Men
Employees entitled to parental leave	5	2
Employees taking parental leave	5	2
Employees returning to work in the reporting period after parental leave ended	5	2
Employees returning to work after parental leave ended that were still employed 12 months after their return to work	5	2
Return to work & retention rate of employees that took parental leave	100%	100%

LABOUR/MANAGEMENT RELATIONS – GRI 402

Management approach

Based on the CEB's legal status, as an international finance institution with its privileges and immunities, neither the host country's labour laws nor its other member countries' labour laws apply to its staff members. The Articles of Agreement (Article XI, section 1, d.) provide that *"[t]he Council of Europe Staff Regulations shall be applicable to the staff of the Bank in any matter not covered by a specific decision of the Administrative Council."* In other words, the Staff Regulations of the Council of Europe, as modified from time to time, automatically apply to the staff members of the Bank, except if the Administrative Council (AC) has adopted a specific decision in order for the Bank to have its own applicable provision(s) in a given area. In some instances, the Bank has its own needs due to its activity and size. If there is such a need, the Governor will submit a proposal to the AC in the form of a Resolution for adoption. Once the Bank has adopted its own provision(s), any further modification in this area also needs to be approved by the AC.

As further outlined below, the CEB provides its staff members with a comprehensive internal justice system to resolve and provide redress for staff's issues and grievances using informal and formal mechanisms.

402-1 Minimum notice periods regarding operational changes

There is no system of collective bargaining agreements and, as stated above, the staff members' employment related issues are governed by the Staff Regulations and their implementing rules.

For termination notices, reference is made to Articles 17 and 23 of the Staff Regulations, as well as to Articles 11 and 14 of Appendix II to the Staff Regulations. As to operational changes, particular reference is made to abolition of post (Article 23.b.i) and internal transfers and secondments (Article 5 of Appendix II to the Staff Regulations).

OCCUPATIONAL HEALTH AND SAFETY – GRI 403

Management approach

The CEB continues to develop initiatives that provide its staff members with a safe and healthy working environment.

Not only are working conditions taken into account, but staff well-being is also included in many communication and management training sessions. For many years now, the Bank has trained volunteer staff members to participate in the first aid programme and in the business continuity plan. A total of 14% of staff members are therefore trained in emergency first aid measures and fire safety. In addition, the CEB introduced a travel management programme which provides staff members who travel for professional reasons with travel management systems and services. The CEB now offers its staff 24hour/7day services from *International SOS* in order to provide safety information and assistance in case of an emergency situation during travel.

The CEB also offers its staff flexible working hours through regular or occasional teleworking. Occasional teleworking: not exceeding 20 working days per calendar year. Regular teleworking: not exceeding 1 day per week and/or 5 days per month. In 2018, a total of 27 staff members were teleworking on a regular basis and 81 staff members were on occasional teleworking.

Furthermore, staff members have the opportunity to maintain physical fitness through regular sports practice in the Bank's on-site sports facilities, thereby creating a pleasant atmosphere through informal get-togethers, all of which has a positive influence on the Bank's social climate. Every year since 2009, half of the Bank's staff members have taken advantage of these facilities available at the CEB.

403-1 Workers representation in formal joint management–worker health and safety committees

The Health and Safety Committee is composed of:

- A chair appointed annually by the Governor
- The Director of Human Resources or his/her representative
- The Director of Facility Management & Security or his/her representative
- The Director of Operational Risks or his/ her representative
- Two representatives appointed by the Staff Committee or their substitutes
- The CEB's Medical Officer

The Health and Safety Committee may, after the Governor's consent, consult any qualified person within or outside the CEB.

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

Staff members may be on uncertified leave for health reasons up to 4 days per year. They may also benefit from 6 days per child to take care of their children under the age of 16 (subject to medical certificates under certain conditions). The total period of absence for health reasons cannot exceed 36 months (or until stabilisation of the staff member's state of health in case of work accident or occupational disease). Staff members may also be granted additional days in case of serious illness of their spouse/ partner, children and parents (up to 3 days per year for each case).

The Bank monitors its absenteeism rate on quarterly and annual bases through its key performance indicators.

As at 31 December 2018, the rate of short term absenteeism stood at an average of 7.75 days per staff member per year for short term illnesses which is below the 8 days set out in the key performance indicator.

Only 1.9% of staff were on long-term illness, which is below the 5% key performance indicator.

TRAINING AND EDUCATION – GRI 404

Management approach

Staff members have access to training in four broad areas of skills: language, technical, information technology (IT) and management (soft skills). These actions not only enhance staff skills but also help contribute to the development of both the Bank's internal values and its management culture in line with current best practices. The development tool contributes to the identification of needed skills. Staff training and development are part of good management practices and provide a basis for mobility.

404-1 Average hours of training per year per employee

In 2018, on average, staff members spent 1 day in training – about the same time for women and men.

404-2 Programs upgrading employee skills and transition assistance programmes

Constant changes in the outside environment impact each and every organisation: there is therefore a need for adjusted training and development to help the workforce remain competitive and respond quickly to these changes. The CEB has organised an increasing amount of in-house inter-disciplinary team training in technical and communication areas, thereby enhancing knowledge transfer and team cooperation. Staff members' training and development are fundamental to keeping the workforce engaged and ready to face future challenges. In 2018, 77% of staff participated in training, whether language, technical or managerial. 44% of training participants followed managerial training while 30% followed language training and 12% followed technical training. Only 0.3% of staff members followed a speciality certification programme enabling them to reinforce their knowledge or acquire life-long education certificates.

The CEB aims to keep its staff employable and flexible through targeted staff development. The appraisal system, which includes both performance and development reviews, enables the Human Resources teams to move towards a more strategic partnership with both managers and staff by keeping abreast of needed skillsets, identifying job bridges and building better customised and efficient training paths. During the development review, the technical and behavioural competencies of staff members are assessed by the managers.

404-3 Percentage of employees receiving regular performance and career development reviews

All staff members no longer in their probationary period must undergo both an annual performance review and a development review. Staff members in their probationary period must undergo more frequent performance reviews.

DIVERSITY AND EQUAL OPPORTUNITY – GRI 405

Management approach

The Bank's increasing activities underscore the enduring objectives of HR management at the Bank: (i) to attract and retain staff of the highest quality with a diversity of gender and nationalities, and appropriate skills, experience, and career preferences; and (ii) to manage staff efficiently, in an environment that rewards excellence, fosters teamwork and promotes diversity, inclusion and fairness.

The Staff Regulations establish the principle of non-discrimination in various domains. In effect, the concept of diversity covers a wide variety of individual and cultural characteristics linked to age, sexual orientation, racial, ethnic or social origin, colour, nationality, handicap, marital or parental status, gender, as well as political, philosophical and religious

opinions. All these components are naturally important, but the main focus generally retained by international organisations is on gender and national diversity.

a. Gender: In the event of equal merit between a woman and a man, both of whom are candidates in an external recruitment or internal competition procedure, preference shall be given to the candidate of the gender which is under-represented in the grade and category to which the vacancy belongs. One gender is under-represented in relation to the other when the proportion of staff of that gender in the grade and category to which the vacancy belongs is below 40 percent. Although women are generally well represented at the Bank, efforts are undertaken to enhance the representation of women at senior levels and in management positions.

b. National diversity: Since the Bank's objective is to recruit its staff from the widest possible geographical base (assuming the requirement for high standards of efficiency and technical competency are met), the benchmark for an equitable breakdown of nationalities across the workforce could be set according to the share of the capital subscribed by each member state.

405-1-Diversity of governance bodies and employees

While the concept of "diversity" covers a wide variety of individual and cultural characteristics, the CEB's main areas of focus, as is generally the case with other international organisations, are on national diversity and gender.

At 31 December 2018, 33 out of 41 CEB member countries were represented among the 206 staff members. Each country is also represented on the Governing Board and in the Administrative Council.

In terms of gender, as at 31 December 2018, the CEB had one female Vice-Governor (33% of its appointed officials) and four women (27%) on its Management team. The Administrative Council is currently chaired by a woman and the Governing Board by a man.

The Bank's workforce is made up of 206 staff members (93 men - 45% and 113 women - 55%). Of the 206 staff members, 140 are professional staff (78 men - 56% and 62 women - 44%) and 66 are support staff (15 men - 23% and 51 women - 77%).

405-2 Ratio of basic salary and remuneration of women to men

The average grade level of men is grade A3 step 4 while for women, the average grade level is A1 step 2. For more information see the salary grade.

NON-DISCRIMINATION – GRI 406

Management approach

The Staff Regulations establish the principle of non-discrimination and prohibits the show of any illicit discrimination based on age, sexual orientation, racial, ethnic or social origin, colour, nationality, handicap, marital or parental status, gender, as well as political, philosophical and religious opinions.

The principles of respect for diversity and non-tolerance of discrimination are also enshrined in the Codes of Conduct. Furthermore, the CEB has a protection of dignity at work policy.

406-1 Incidents of discrimination and corrective actions taken

No incident of discrimination filed.