



EIB Group 2018

Sustainability Reporting Disclosures
In accordance with the GRI Standards

About the report

The EIB Group applies the GRI Standards framework by the Global Reporting Initiative to comprehensively disclose information relevant to its stakeholders. While the framework applies the materiality principle – meaning that information is disclosed, which is deemed material – the EIB Group discloses additional information relevant to its stakeholders, which may not necessarily be considered material, based on a previous assessment. For a list of material topics, see page 18.


Given that the EIB Group highly values accountability and transparency, the following information is additionally disclosed, but has not been deemed material in a previous assessment: GRI 202, GRI 204, GRI 303, GRI 307, GRI 308, GRI 401, GRI 403, GRI 404, GRI 414, GRI 419. Although not a requirement in the context of the GRI Standards, some of the mentioned disclosures also lay out a management approach to inform stakeholders how a topic is managed within the Group, including GRI 401, GRI 403, GRI 404, GRI 414, GRI 419. This enables stakeholders to obtain supplementary information they require beyond the materiality report boundary.


Figures provided in the report are sourced from other reports. Links are included where available.

Key


To help readers navigate the report, icons are used to indicate type and scope of the disclosures.


Disclosure

 Material

 Additional (not material)

Scope

 Operations

 Institution

EIB Group 2018 Sustainability Report

For the complimentary EIB Group 2018 Sustainability Report, please visit <http://www.eib.org/infocentre/publications/all/sustainability-report-2018.htm>

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GRI 101:2016 Foundation GRI 102:2016 General Disclosures Organisational profile

102-1 Name of the organisation

European Investment Bank Group — the EIB Group consists of the European Investment Bank (EIB) and the European Investment Fund (EIF).

102-2 Activities, brands, products, and services

EIB

As the largest multilateral borrower and lender by volume, the EIB provides finance and expertise for sound and sustainable investment. The products of the EIB are lending, blending and advising.

For more information, visit

<http://www.eib.org/en/products/index.htm>

EIF

The EIF supports Europe's small and medium-sized businesses (SMEs) by helping them to access finance. The products of the EIF are equity and debt. It works with financial institutions, which act as financial intermediaries of the EIF.

For more information, visit

http://www.eif.org/what_we_do/index.htm



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

102-3 Location of headquarters

EIB

98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
Luxembourg

EIF

37B, avenue J.F. Kennedy
L-2968 Luxembourg
Luxembourg

102-4 Location of operations

The EIB is active in the EU and outside. As of 31 December 2018, the EIB has 23 offices inside the European Union, and 27 outside.

For a map and addresses of all office locations, visit

<http://www.eib.org/infocentre/contact/offices/index.htm>

The EIF is active across the European Union, in candidate countries, in countries of the European Free Trade Association, the Western Balkans and in participating countries of InnovFin – an initiative launched by the European Commission and the EIB Group.

For more information, visit

http://www.eif.org/what_we_do/where/index.htm

102-5 Ownership and legal form

The shareholders of the EIB are the 28 Member States of the European Union. Each Member State's share in the Bank's capital is based on its economic importance within the European Union (expressed in GDP) at the time of its accession (except Italy and Spain). France, Germany, Italy and the United Kingdom constitute the largest shareholders. The shareholders of the EIF are the EIB, the European Union – represented by the European Commission – and a wide range of public and private banks and financial institutions.

Established in 1958 under the Treaty of Rome, the EIB has full legal personality within the EU and sole legal responsibility for its own debt. The EIB Statute determines its governance, which constitutes Protocol N°5 annexed to the Treaty of the European Union (TEU) and the Treaty on the Functioning of the European Union (TFEU). In accordance with article 51 of the TEU, the EIB Statute forms an integral part of both the TFEU and the TEU. Having the same legal force as these treaties, the EIB Statute has primacy over national law of European Union Members States.

102-6 Markets served

More than 90 % of our lending volumes are in the European Union. Outside the Union, the EIB is active in enlargement countries, where the EU is working towards accession negotiations. We further have activities in neighbouring EU Eastern countries and within the European Free Trade Association (EFTA). The EIB also serves markets in the southern Mediterranean spanning across North Africa and the Middle East. Worldwide market activity is in (Central) Asia and Latin America, the Caribbean and Pacific, and Sub-Saharan Africa, including South Africa.

EIB funding is delivered to sovereigns, sub-sovereigns and corporates or indirectly, as is EIF support, through a range of intermediary banks, guarantee, microfinance institutions, equity funds, etc. that provide equity finance, loans, micro-loans and guarantees to micro, SME and mid-cap sized beneficiaries.

Table 102-6.1 2018 breakdown by sector of financed projects (EIB)

Sectors	Volume (EUR)
Agriculture, fisheries, forestry	710,937,064.63
Composite infrastructure	542,037,514.21
Credit lines	15,894,962,072.95
Education	1,751,127,145.89
Energy	7,025,268,466.79
Health	982,108,067.82
Industry	6,068,985,114.64
Services	3,730,252,419.01
Solid waste	419,440,119.74
Telecommunications	2,736,740,319.65
Transport	10,172,067,757.22
Urban development	2,626,664,566.67
Water, sewerage	2,468,079,291.75
Total amount	55,201,216,395.93

102-7 Scale of the organisation

In 2018, the EIB signed operations worth EUR 55.6 billion (2017: 69.9 bn), and EIF commitments amounted to EUR 10.1 billion (2017: 9.3 bn). This supported and mobilised EUR 230 billion (2017: 250 bn) of total investment. The EIB thereby supports projects that make a significant contribution to growth and employment in Europe. The aggregate subscribed capital of the EIB amounts to EUR 243 billion, as laid out in the EIB Statute of July 1, 2013. As of 31 December 2018, 3,896 employees were employed by the EIB, working in 50 offices inside and outside the EU.

Table 102-7.1 2018 activities of the EIB by priority area

Priority area	Volume (EUR)
Innovation and skills	13.5 bn
SMEs	23.3 bn
Infrastructure	12.3 bn
Environment	15.2 bn

Table 102-7.2: Total workforce

	2016	2017	2018
EIB	2,872	3,203	3,410
EIF	418	479	486
EIB Group	3,290	3,682	3,896

102-8 Information on employees and other workers

Table 102-8.1: Total number of employees by employment contract and by gender

	Employment contract	Female		Male		Total
EIB	Fixed-term	567	48.3 %	606	51.7 %	1,173
	Permanent	1,178	52.7 %	1,059	47.3 %	2,237
	Total	1,745	51.2 %	1,665	48.8 %	3,410
EIF	Fixed-term	113	53.3 %	99	46.7 %	212
	Permanent	120	43.8 %	154	56.2 %	274
	Total	233	47.9 %	253	52.1 %	486
EIB Group	Fixed-term	680	49.1 %	705	50.9 %	1,385
	Permanent	1,298	51.7 %	1,213	48.3 %	2,511
	Total	1,978	50.8 %	1,918	49.2 %	3,896

No assumptions were made in compiling the data. Employee numbers are expressed as a headcount. Employees of the EIB Group come from all 28 EU Member States.

Table 102-8.2: Total number of employees by employment and by gender

	Employment contract	Female		Male		Total
EIB	Full-time	1,580	49.1 %	1,635	50.9 %	3,215
	Part-time	165	84.6 %	30	15.4 %	195
	Total	1,745	51.1 %	1,665	48.9 %	3,410
EIF	Full-time	226	47.2 %	253	52.8 %	479
	Part-time	7	100 %	0	0 %	7
	Total	233	47.9 %	253	52.1 %	486
EIB Group	Full-time	1,806	48.9 %	1,888	51.1 %	3,694
	Part-time	172	85.1 %	30	14.9 %	202
	Total	1,978	50.8 %	1,918	49.2 %	3,896

No assumptions were made in compiling the data. Employee numbers are expressed as a headcount. Employees of the EIB Group come from all 28 EU Member States.

102-9 Supply chain

Related to the activities of the Group as an international financial institution, the main elements of the supply chain comprise services and, to a lesser extent, works and goods. The principal types of suppliers include consultants, providers of office space, building maintenance, security, IT, maintenance and development providers.

With respect to procurement, tenderers are required to comply with applicable labour laws as well as national and international standards of environmental protection, health and safety and human rights including those contained in any relevant International Labour Organisation (ILO) conventions and international agreements on environmental protection.

when there is a risk of significant and irreversible damage to the environment. In such cases, measures should be taken by the project promoter to avoid the risk in the first place. If a feasible alternative was not available, such risk should be reduced to an acceptable level. This applies even where there may not be conclusive evidence of a causal link between the project and potential negative consequences. Where such impacts are demonstrably unavoidable, the Bank requires the promoter to apply mitigation measures, and for impacts that cannot be fully mitigated, compensation and/or offsets should be implemented in accordance with EU Directives.

Table 102-9.1: Suppliers of the EIB Group

	2017	2018
Number of suppliers	1,604	1,623
Suppliers located in EU Member States (of value spent)	95 %	94 %
Monetary value of payments made to suppliers	EUR 240 million	EUR 248 million

Outside the EU, the Group mostly contracts local suppliers near its offices worldwide.

102-10 Significant changes to the organisation and its supply chain

There were no significant changes to either the organisation or the supply chain of the EIB Group in 2018.

102-11 Precautionary principle or approach

In accordance with EU policy on the environment, the EIB aims at a high level of protection based on the application of the precautionary principle's guiding role in decision-making. When human activities might cause serious or irreversible threats to the environment, human health and/or well-being, the principle requires that actions be taken to avoid or diminish the potential harm. Scientific uncertainty should not be used as a reason to postpone preventive measures. Consistent with this principle, the EIB applies the mitigation hierarchy, which calls for the avoidance, minimisation, mitigation, rehabilitation or restoration and compensation or remedy for any residual adverse environmental and/or social impacts.

The Bank's aim is to minimise any negative environmental impacts arising from the projects it finances. The EIB will consider the need for applying the precautionary principle

102-12 External initiatives; 102-13 Membership of associations

Guided by EU policy, including commitments to the Paris Agreement on Climate Action and to the United Nations Sustainable Development Goals, the EIB Group fosters sustainable growth within the EU and abroad. We cooperate and work on global challenges with a wide range of civil society organisations, Multilateral Development Banks and contribute to associations and subscribe to various economic, environmental and social charters and principles and other initiatives, such as the International Aid Transparency Initiative (IATI), the Global Reporting Initiative (GRI) as a Gold Community Member, as well as Climate Action in Financial Institutions – Principles for mainstreaming climate action and the Sustainable Blue Economy Finance Principles.

Strategy

102-14 Statement from senior decision-makers

Sustainable finance is in the DNA of the European Investment Bank Group and underpins our activities. In 2018, the Bank celebrated 60 years dedicated to supporting this objective in Europe and beyond. Together with the European Investment Fund, we have financed thousands of companies and projects to promote innovation and social cohesion, to protect the environment and support vital infrastructure. In 2018 alone, we provided EUR 64.2 billion in financing, triggering around EUR 230 billion of total investment.

We also want to use the power of bond issuance to focus on sustainable finance. In 2018, the Bank launched its first Sustainability Awareness Bond, whose proceeds will initially focus on investments in water supply, sanitation and flood protection and later expand into social sectors, such as healthcare or education.

Another of the achievements in 2018 is the success of the European Fund for Strategic Investments. Having surpassed its initial objective to mobilise EUR 315 billion of investments by mid-2018 based on an initial guarantee of EUR 21 billion by the European Commission and the Bank, EFSI's new target was set at EUR 500 billion by 2020. 'EFSI 2.0' will continue to have a major focus on sustainable projects, with at least 40 % of its financing for infrastructure and innovation supporting investments dedicated to climate action. EFSI demonstrates both the appeal of sustainable finance and the importance of crowding in resources from the private sector.

Climate action remains one of our biggest commitments both inside and outside the EU. Scientific evidence shows the urgent need to reduce greenhouse gas emissions across the globe. We have the resources, the mandate and the will to continue on our journey to finance a low-carbon, resilient economy.

— Werner Hoyer (EIB President), Pier Luigi Gilibert (EIF Chief Executive)

102-15 Key impacts, risks, and opportunities

The EIB is the world's largest multilateral public lender. In pursuit of the creation of a sustainable and inclusive economy, the Group's ultimate objective is to improve the lives of citizens of the EU and the world. The activities of the EIB Group focus on four priority areas, namely, innovation and skills, SMEs and job creation, infrastructure, and climate and environment. The promotion of economic and social cohesion

is one of the principles that guide the EIB Group throughout its activities. The key impacts fall into these priorities.

More broadly, there is an urgent need to retool Europe, from its infrastructure and innovation ecosystem, through to its businesses and workers, to enhance prosperity and social cohesion.

Although the recovery from the economic crisis is broadening within the European Union, investment in infrastructure remains depressed, and investment in climate change mitigation must accelerate with an enhanced focus on energy efficiency. As the recovery is underway, it is revealing a structural gap in skills, while at the same time, the EU is losing ground on innovation, particularly in terms of global leadership by firms. Embracing digitalisation, barriers for firms remain to that extent. Although financial conditions are favourable overall, the financial sector is ill-suited to supporting innovation and transformation.

In terms of investment in climate change mitigation, the removal of fossil fuel subsidies, a higher carbon price and the alignment of market design with the low carbon transition objective is of significant importance. Financial instruments and information can promote energy audits as an effective way to help unblock energy-efficiency investments. Sustainable finance instruments such as Climate-awareness Bonds (commonly referred to as Green Bonds) have a vital role to play in mobilising finance for climate action.

The skill gap needs to be recognised as an opportunity for joint action in the EU. This involves agenda-setting, funding and the creation of conditions that encourage quality public and private investment in skills. This will make a difference, both in economic and social terms.

Therefore, the EU needs more equity finance for innovation and digitalisation and enhanced efforts to improve the environment for investment. Europe's economy still lacks the 'tools' to meet the urgent challenges of the future: remaining globally competitive in the face of rapid innovation and digitalisation, achieving sustainability, and creating an inclusive and cohesive society.

Ethics and integrity

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

The EIB is an EU Body that applies a range of policies and standards to its operations and relations with stakeholders. These are reviewed and updated periodically and demonstrate how the Bank operates in an open, transparent and responsible manner. Compliance forms an integral part of the Bank's ethical, professional and business approach. The independent EIB compliance function promotes the highest standards of integrity and ensures that they are applied to all of the Bank's activities. The Compliance function strengthens our corporate culture, which is based on ethical values and professional conduct. The Codes of Conduct set out the ethical behaviour expected of EIB staff members, contractors, consultants and members of the governing bodies. Compliance at the EIF is operated within the EIB Group compliance policy framework. The EIF Compliance Charter reflects the fundamental principles, roles and responsibilities in relation to the assessment and management of compliance risk within the EIF. Below is a non-exhaustive list of documents in relation to codes of conduct.

EIB

- Code of Conduct for the members of the Audit Committee of the EIB
http://www.eib.org/attachments/thematic/conduct_AC_en.pdf
- Code of Good Administrative Behaviour for the staff of the EIB in its relations with the public
http://www.eib.org/attachments/general/code_en.pdf
- Code of Conduct for the members of the Board of Directors of the EIB
http://www.eib.org/attachments/thematic/conduct_CA_en.pdf
- EIB Staff Code of Conduct
http://www.eib.org/attachments/thematic/code_conduct_staff_en.pdf
- EIB Management Committee Code of Conduct
http://www.eib.org/attachments/thematic/code_conduct_MC_en.pdf
- EIB Integrity Policy and Compliance Charter
http://www.eib.org/attachments/general/occo_charter_en.pdf
- EIB Whistleblowing Policy
https://www.eib.org/attachments/strategies/eib_s_whistleblowing_policy_en.pdf

EIF

- Code of Conduct for Members and the Alternate Member of the Audit Board of the EIF
http://www.eif.org/news_centre/publications/code-of-conduct-eif-board-of-directors.pdf
- Code of Conduct for Members and Alternate Members of the Board of Directors of the EIF
http://www.eif.org/news_centre/publications/code-of-conduct-eif-board-of-directors.pdf
- EIF Staff Code of Conduct
http://www.eif.org/news_centre/publications/eif-staff-code-of-conduct.pdf
- Code of Conduct for the Chief Executive and the Deputy Chief Executive of the EIF
http://www.eif.org/attachments/about/management/EIF_Codes_of_Conduct_for_CEO_and_DCEO.pdf
- Code of Good Administrative Behaviour for the Staff of the EIF
http://www.eif.org/attachments/publications/about/eif_code_on_good_administrative_behaviour_1996.pdf
- EIF Compliance Charter
<http://www.eif.org/attachments/publications/about/2017 EIF Compliance Charter.pdf>
- EIF Whistleblowing Policy
<https://www.eif.org/attachments/publications/about/2009 EIF Whistleblowing Policy.pdf>

Environmental and Social Standards

The EIB Environmental, Climate and Social Standards (ECS Standards or the "Standards") set out specific and mandatory requirements that EIB's clients are required to comply with in assessing and managing environmental, climate and social impacts and risks during project preparation, implementation and operation, as relevant. The Bank considers that the application of the standards will not only mitigate against environmental, climate and social risks but also support clients in embedding sustainability considerations in their business strategy and helping them to realise the business case for sustainability.

The standards are grouped across 10 thematic areas covering the full scope of environmental, climate and social impacts and issues. They were originally adopted in September 2010 as part of the EIB Environmental and Social Handbook, which is subject to periodic review, revision and approval by the Bank's Governing Bodies. The EIB Statement on Environmental and Social Principles and Standards, and the Environmental and Social Handbook have been approved by the Board of Directors and the Management Committee, respectively.

Table 102-16.1: 10 thematic areas of the Environmental and Social Standards

Environmental	Social
Assessment and management of environmental and social impacts and risks	Cultural heritage
Pollution prevention and abatement	Involuntary resettlement
Biodiversity and ecosystems	Rights and interests of vulnerable groups
Climate-related standards	Labour standards
	Occupational and public health, safety and security
	Stakeholder engagement

For more information, please see <http://www.eib.org/en/infocentre/publications/all/environmental-and-social-standards.htm>

102-17 Mechanisms for advice and concerns about ethics

The EIB Group and its staff have a duty to adhere to the highest levels of integrity, ethical and professional standards. This is a primary feature of appropriate business conduct which the Group applies to the relationships with colleagues and project counterparts, as well as to the full range of its activities. The Compliance function also supports a corporate culture based on ethical values and professional conduct.

Compliance risk

In accordance with the principles laid down by the Basel Committee, Compliance is an independent Directorate under the guidance and responsibility of the EIB's Group Chief Compliance Officer ("GCCO"). The GCCO reports directly to the President of the Bank under the functional authority of the relevant Vice-President.

Compliance risk is managed at EIB Group level by the GCCO, who coordinates:

- The Office of the Chief Compliance Officer (OCCO), in charge of European Investment Bank Compliance,
- and Compliance and Operational Risk (COR), in charge of European Investment Fund Compliance and Operational Risk.

The Office of the Chief Compliance Officer (OCCO) is the key control function for ensuring the integrity of EIB staff, management and activities. The main aspects covered by the

EIB compliance function include ethics, anti-money laundering/combating the financing of terrorism ("AML-CFT"), integrity due diligence of EIB counterparties and operations, regulatory compliance, training, and clearance of procurement processes for the Bank's own account.

OCCO's remit includes the responsibility for administering the EIB Staff Code of Conduct and managing any associated compliance issues. Requests relating to advice and concerns are treated confidentially, and mechanisms can be used anonymously. In particular it defines values of common standard for staff conduct in the EIB, thus it advises staff members (and equivalent) and members of the governing on relevant rules and standards and ensures that they are aware of, and are abiding by, the Bank's ethics and integrity legal framework, including the rules governing the discharge of professional duties, the behaviour expected by the staff members, the Independence and impartiality, the respect of the Bank's interest, in particular its property, interest and reputation, the protection of confidential information, the prevention of insider trading, the prevention of conflicts of interest, the prohibitions on personal investments, external working activities, gifts and other personal advantages, the mutual respect between colleagues and up and down the hierarchy. It also identifies misconduct and possible breaches of the Codes of Conduct, systematically conducts administrative inquiries on allegations of breach of professional duties, issues recommendations and monitors their follow-up.

Table 102-17.1: Total number of requests cleared

Clearances	2016	2017	2018
Appointments to external organs	61	73	78
External activities	57	82	119
Gifts	30	16	28

OCCO preliminary assessment and informal advice is also sought by staff and members of the Management Committee in connection with conflicts of interest, private investments, gifts and external activities prior to the transmission of formal declarations.

Complaints Mechanism

The EIB Complaints Mechanism (EIB-CM) is designed to facilitate and handle complaints from individuals, organisations, local authorities or corporations against EIB Group activities.

Complainants do not need to be directly affected by the EIB decision, action or omission and are not required to identify the applicable rule, regulation or policy that may have been breached. Any member of the public has access to a two-tier procedure: Initially, the EIB-CM Division, which is operationally independent from the EIB Group's other departments, will seek a solution and may advise the EIB on corrective action. If the complainant is not satisfied with the EIB's response to the complaint, s/he may refer the case to the European Ombudsman, a fully independent EU body.

In 2018, 108 new cases were received (114 in 2017). Of these 108 complaints, 94 were declared admissible (102 in 2017). 19 cases were brought before the EO in 2018 (11 in 2017). After handling 209 cases in 2018 (173 in 2017) there were 89 cases outstanding at the end of 2018 (101 in 2017).

102-17.2: Total number of incoming complaints

Complaints	2016	2017	2018
Received	89	114	108
Inadmissible	(5)	(12)	(14)
Complaints brought before other institutions:			

European Ombudsman	(7)	(11)	(19)
European Data Protection Officer	-	-	-
Aarhus Convention Compliance Committee	-	-	-
Complaints registered by the EIB-CM	77	91	75

102-17.3: Total number of complaints handled

Complaints	2016	2017	2018
Received	89	114	108
Outstanding at year-end	59	101	89
Complaints dealt with	122	173	209

102-17.4: Type of admissible complaints by type

Complaints	2016	2017	2018
Environmental/social/developmental impacts (E)	29	53	44
Own governance and administration (G)	7	7	0
Governance of financed projects (F)	6	7	5
Procurement-related complaints (P)	24	17	13
Access to information (A)	1	0	2
Human resources (H)	8	8	8
Customer Relations (C)	2	0	0
Own Procurement (R)	0	0	3
Total	77	92	75

Governance

102-18 Governance structure

EIB

As the EIB is simultaneously an EU body and a bank, it is governed by both public and corporate governance principles.

The EIB Governance relies on three decision-making bodies:

- Board of Governors (ministers designated by the Member States)
- Board of Directors (non-resident members appointed by the Board of Governors, following nomination by the Member States or the Commission)
- Management Committee (the resident executive management board of the EIB whose members are appointed by the Board of Governors on a proposal from the Board of Directors)

Together with the Bank's independent Audit Committee, these make up the statutory bodies of the EIB. The Board of Governors is the institution's highest body and comprises ministers designated by each of the 28 Member States. The office of Chairman is held by each member of the Board of Governors in rotation according to the order of protocol of the Member States established by the Council of the European Union. For more information, please see the EIB Group Corporate Governance Report, http://www.eib.org/attachments/general/reports/eib_group_corporate_governance_report_2017_en.pdf

EIF

The EIF is governed by a three-layer structure:

- General Meeting (consisting of one representative of the EIB, one member of the European Commission representing the European Union, and a representative from each financial institution that is a shareholder of the EIF)
- Board of Directors (consisting of seven members and seven alternates, designated by the shareholders of the EIF)
- the Chief Executive (nominated by the shareholder holding the largest number of shares, i.e. the EIB)

Together with the Audit Board, they make up the statutory bodies of the EIF.

102-19 Delegating authority

EIB

The Environment, Climate and Social Office (ECSO), located within the Projects Directorate, is the division responsible for

policy development in the area of environment, social and climate at the EIB. The ECSO drafted the EIB Statement on Environmental and Social Principles and Standards, and the Environmental and Social Handbook.

The EIB Environmental and Social Handbook (the Handbook) provides an operational translation of the policies and principles contained in the 2009 EIB Statement on Environmental and Social Principles and Standards. The Handbook consists of two parts. Part I of the Handbook provides external actors with a description of the standards to achieve, grouped across 10 thematic areas covering the full scope of environmental, climate and social impacts and issues. Part II describes the internal environmental and social due diligence processes and practices of the Bank, to ensure that all financing activities are consistent with its environmental and social standards. The EIB Statement on Environmental and Social Principles and Standards, and the Environmental and Social Handbook have been approved by the Board of Directors and the Management Committee, respectively. This demonstrates the support provided by the management and shareholders. Internally, ECSO organises regular training and awareness-raising sessions to promote the knowledge of standards and increase capacity on environment, social and climate among the staff. The Projects Directorate (PJ) assesses the economic, environmental and social, financial and technical sustainability of projects and compliance with EU and EIB sector policies. Introductory training sessions are organised regularly for new staff in the Projects Directorate with the aim of introducing professional staff to the Bank's environmental and social safeguards. Additional training and awareness sessions are organised throughout the year to improve the knowledge and capacity of the professional staff in this area. Under the General Secretariat, the Corporate Social Responsibility (CSR) is one of the two divisions of the Corporate Responsibility Department. It coordinates corporate social responsibility activities throughout the EIB Group, promotes the CSR Strategy across the EIB Group, raises awareness and promotes sustainability practices.

EIF

At the EIF, the Chief Executive is responsible for the day-to-day management and, within the policies and guidelines adopted by the Board, is responsible for deciding on the transactions, mandates, policies and strategic approaches which may be presented to the Board for approval. The Chief Executive also submits the three-year Corporate Operational Plan, entailing operational, strategic and budgetary implications, to the Board for approval. The Board of Directors decides on the above proposals submitted by the Chief Executive, with authority extending, for example, to the determination of the objectives and limits of EIF's borrowing operations and the

approval and submission of the annual report and annual accounts to the General Meeting. The EIF follows a sustainable and consistent strategy to achieve its mission by means of a strong risk management culture that permeates all areas of EIF's business functions and processes with the objective of maintaining value creating risk management and the AAA rating. The EIF's first layer of control is exercised through internal processes and procedures developed and implemented by means of financial and operational controls designed to enable effective and efficient day-to-day operations, ensure reliable financial reporting and compliance with regulations. The second layer of control consists of an independent Risk Management (RM) function, including risk and portfolio management as well as compliance and operational risk. The third layer includes both internal and external audit, the activities of which are coordinated by the Audit Board. Internal Audit (which is operated by the EIF's Internal Audit function under a service contract with the EIF) examines and evaluates the relevance, design and effectiveness of the internal control systems and procedures within the EIF. The EIF is supported by a strong in-house legal service whose remit, within its area of responsibility, is to pursue the strategic goals and protect and preserve the legal integrity of the Fund.

102-20 Executive-level responsibility for economic, environmental, and social topics

Members of the Management Committee, the permanent collegiate executive body of the Bank, consisting of a President and 8 Vice-Presidents, are allocated different areas of oversight including economic, environmental and social topics. A list of oversights is published as an annex to the annual Corporate Governance Report, the oversights of each Management Committee Member are listed under each member's profile on the EIB Website http://www.eib.org/about/governance-and-structure/statutory-bodies/management_committee/index.htm

102-21 Consulting stakeholders on economic, environmental, and social topics

As a public institution, the EIB actively promotes the right of access to information, as well as public consultation and participation. Promoters are required to maintain an open, transparent and accountable dialogue with all project-affected communities and relevant stakeholders in an effective and appropriate manner. The value of public participation in the decision-making process is stressed throughout the preparation, implementation and monitoring phases of a project. The right of access to remedy, including through grievance resolution, is actively mandated.

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

The EIB is governed by both public and corporate governance principles. Under its Statute, the EIB Governance relies on three decision-making bodies: The Board of Governors, comprised of ministers designated by the Member States, the Board of Directors, composed of non-resident members appointed by the Board of Governors (following nomination by the Member States or the Commission) and of a maximum of six non-voting experts, and the Management Committee, the resident executive management board of the EIB. Together with the Bank's independent Audit Committee, these make up the statutory bodies of the EIB whose respective members are appointed by the Board of Governors, which comprises Ministers designated by each of the 28 EU Members States, usually Finance Ministers.

102-22.1: Composition of the highest governance body (situation as of 31 December 2018)

	Board of Governors	Board of Directors	Management Committee
Female	4	21	1
Male	24	25	7
Total	28	46 (*)	8 (**)

(*) excluding 8 vacant positions, (**) excluding 1 vacant position

For more information, please visit

http://www.eib.org/en/about/governance-and-structure/statutory-bodies/board_of_governors/index.htm

102-23 Chair of the highest governance body

In accordance with the EIB's Rules of Procedure, the office of Chairman of the Board of Governors is held by each member of the Board in a yearly rotation according to the order of protocol of the Member States established by the Council of the European Union. The Chairman is a minister designated by a Member State and is therefore a non-executive officer.

The President of the EIB is also the Chairperson of the EIB Board of Directors. The EIB President does not have voting rights on the Board of Directors. The chairpersonship of both bodies serves the purpose of guaranteeing continuity in the decision-making between the non-resident Board of Directors and the resident Management Committee.

102-24 Nominating the highest governance body

The EIB's Statute determines the composition of the highest governing body of the EIB, which is the Board of Governors. Governors are ministers, mostly Ministers for Economy and Finance, representatives of democratically elected governments. Regular changes arise in the composition of the Board of Governors, most often following changes in the government of Member States.

The Board of Governors appoints the members of the Board of Directors and of the Management Committee, including the EIB President. Its Chairperson does not belong to either the Board of Directors or the Management Committee.

The Appointment Advisory Committee provides non-binding opinions on candidates' suitability to perform the duties of member of the Management Committee of the EIB to the Member State presenting the candidate, prior to the Member State formally presenting the candidate to the Board of Directors and Board of Governors under the appointment procedure. The Committee comprises five members external to the Bank, appointed by the Board of Governors upon proposal of the President. The overall composition of the Committee aims to reflect a broad range of expertise as well as gender diversity.

102-25 Conflicts of interest

The Ethics and Compliance Committee provides a ruling on any potential conflict of interest for a member of the Board of Directors or for the Management Committee and former members of the Board of Directors or for the Management Committee, during the cooling-off period. The Ethics and Compliance Committee also provides opinions on any ethical matter concerning members of the Board of Directors or of the Management Committee regulated in their respective Codes of Conduct or in related relevant provisions, during the period of their mandate. Decisions of the Ethics and Compliance Committee are periodically communicated to the Board of Directors and to the Board of Governors in an annual report.

This committee reinforces the role of the Board of Directors in overseeing the implementation of corporate values, especially in the field of conflicts of interest that might emerge within the Management Committee or the Board of Directors and ethical matters. Unlike other Board Committees, the operating rules of the Ethics and Compliance Committee are adopted by the Board of Governors. These rules also provide the possibility for a member of the Audit Committee to request the opinion of the Committee on a voluntary basis.

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

The Board of Governors lays down general directives for the credit policy of EIB (in accordance with the Union's objectives), approves the annual report, the annual balance sheet and the profit and loss account, decides on the Bank's participation in financing operations outside the European Union, and approves capital increases. The Board of Governors appoints the members of the Board of Directors and of the Management Committee, as well as the members of the Audit Committee and the Appointment Advisory Committee.

The Board of Directors is charged with ensuring that the Bank is properly run and managed in accordance with the provisions of the Treaties, the EIB Statute and the general directives laid down by the Board of Governors. The Board of Directors is responsible for making decisions in respect of granting finance, particularly in the form of loans and guarantees, raising loans, fixing of interest rates on loans granted, as well as commission and other charges. The Board of Directors also approves a global borrowing authorisation on an annual basis. The Management Committee is the Bank's permanent collegiate executive body. It is responsible for the current business of the Bank, under the authority of the President and the supervision of the Board of Directors. The Management Committee prepares the decisions of the Board of Directors and ensures that these decisions are implemented.

102-27 Collective knowledge of highest governance body

The highest governance body of the EIB is composed of 28 Ministers from the EU Member States, mainly Ministers of Finance and Economy. These Ministers of Finance and Economy, together with relevant EU Commissioners make up the Economic and Financial Affairs Council, commonly known as the ECOFIN Council. The ECOFIN Council is responsible for EU policies in three main areas: economic policy, taxation issues and the regulation of financial services.

102-28 Evaluating the highest governance body's performance

As governors are ministers, mostly Ministers for Economy and Finance, representatives of democratically elected governments, there is no evaluation of the Board of Governors' performance, including with respect to economic, environmental and social performance.

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

The Board of Governors issues the general directives for the credit policy of the Bank, in accordance with the policy

objectives of the European Union. This includes economic, environmental and social objectives. The EIB supports sound operations that have been designed and structured to meet EIB environmental and social standards and requirements as well as international best practice.

According to its own policy requirements, the EIB shall satisfy itself that projects to be financed (including related ancillary/associated infrastructure and facilities and the area of influence) comply with its environmental and social principles, standards and requirements, as framed in the EIB Statement of Environmental and Social Principles and Standards and its ten Environmental and Social Standards, in particular that:

- Projects to be financed within the EU, Candidate and potential Candidate countries comply with the EU *acquis* for the protection of the environment and human well-being;
- Projects to be financed in third countries are assessed on the basis of EU environmental and social principles, standards and practices. In all cases, projects comply with applicable national and relevant international environmental and social legislation and conventions; and
- Projects in all regions satisfy the EIB environmental and social standards.

The EIB Project Team, led by the contact person (Projects Directorate) and the loan officer (Operations Directorate), has the overall responsibility for the operation, including environmental and social aspects.

The EIB Project Team carries out environmental, social and climate due diligence, as well as on the promoter's capacity and capability to implement a project in alignment with the Bank's standards. In terms of stakeholder engagement and public consultation, the Bank reviews projects to ensure a meaningful engagement process that allows for the efficient implementation of a financed operation and, in particular, the early and effective identification, assessment, and management of any environmental and social risks, impacts, and opportunities.

102-30 Effectiveness of risk management processes

The Group Risk Management Charter sets out, according to best banking practice, the high-level principles underlying the management of Group (or Consolidated) Risk and defines the associated required oversight. The Charter is developed and maintained by the EIB Risk Management function and it is reviewed on an annual basis.

At the EIB, the Management Committee ensures the development and implementation of an Internal Capital Adequacy Assessment Process (ICAAP), risk appetite framework and stress testing framework in accordance with the directives, framework and decisions on the activity and

management of the Bank laid down by the Board of Governors and the Board of Directors. The Board of Directors' Risk Policy Committee provides recommendations to the Board of Directors in relation to Bank risk policies so as to facilitate the decision-making process of the Board.

At the EIF, the EIF Board of Directors and the Management, which is composed of a Chief Executive and a Deputy Chief Executive, retain the ultimate responsibility for EIF's activities and risks. The development and implementation of the framework form part of the remit of the independent risk management functions reporting to the Management and the Audit Board.

The oversight of risk at Group level is performed by the EIB. The EIB Risk Management Directorate coordinates the prudential consolidation of the EIF into the EIB as concerns amongst others the Risk Appetite, ICAAP and Stress Testing Frameworks. The Audit Committee of the EIB is updated on a regular basis on consolidated risks.

102-31 Review of economic, environmental, and social topics

The highest governing body of the EIB is the Board of Governors, which is composed of 28 Ministers from the EU Member states. Together with the Board of Directors and the Management Committee these make up the statutory bodies of the EIB. The EIB's Environmental and Social Policies and Standards are based on the EU approach to environmental sustainability. The general approach of the Bank is described in a number of public documents:

- European Principles for the Environment
http://www.eib.org/attachments/strategies/european_principles_for_the_environment_en.pdf
- Environmental Statement
http://www.eib.org/attachments/strategies/eib_statement_esps_en.pdf
- Environmental and Social Practices Handbook
http://www.eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf
- The EIB and its Contribution to Sustainable Development
http://www.eib.org/attachments/strategies/environment_doc_en.pdf
- The EIB Project Cycle
<http://www.eib.org/projects/cycle/>

The promotion of sustainable development – in particular the preservation of environmental and social capital that exists today for future generations – underpins the EIB's lending strategy and objectives. The EIB Statement on Environmental and Social Principles and Standards sets the policy context for the protection of the environment and human well-being. An EIB Environmental and Social Handbook provides an operational translation of those standards.

The EIB aims to maximise the environmental benefits and to minimise the environmental costs of the projects that it finances through appropriate screening, mitigation and compensation measures. Environmental considerations are taken into account at all stages of the project cycle. In the case of co-financing with other institutions, the Bank may agree to apply the environmental standards of the co-financing institution, where these are comparable to EU standards, in the light of local conditions. However, the EIB will always carry out its own independent assessment.

The main responsibility for scrutinising the environmental aspects of projects lies with the Bank's Projects Directorate, consisting of environmental specialists, social specialists, climate specialists, and engineers and economists, who undertake the assessment of projects at the EIB.

Environmental management is further reinforced by a number of dedicated support units to provide direction and advice on the Bank's environmental policy, ensure a consistently high quality of assessment, improve awareness and create stronger capacity for external dialogue with relevant third parties:

- Environmental Assessment Group (ENVAG)
- Environment, Climate and Social Office (ECSO)

The EIB has taken social development aspects into account for many years as part of its overall environmental assessment of projects. The Social Standards of the Bank are derived from EU and best international practices and focus on labour standards, occupational and community health and safety (including major communicable diseases), population movement (including involuntary resettlement issues), minority rights (including indigenous people, women and vulnerable groups), public consultation and participation, and cultural heritage.

102-32 Highest governance body's role in sustainability reporting

The Sustainability Report receives tacit approval from the Management Committee, and the Board of Directors is provided with the report for information.

102-33 Communicating critical concerns

The EIB Complaints Mechanism Division (EIB-CM) is the EIB Group's function responsible for the implementation of the Complaints Mechanism Policy and Procedures, including its status, authority, responsibilities, rules of conduct and relationship with the European Ombudsman and other EIB Group services.

The Management Committee of the EIB, the Chairman of the EIB's Audit Committee and the EIF Chief Executive receive a quarterly report of the EIB-CM. The Mechanism meets with the

EIB Management Committee and the EIF Chief Executive on an annual basis to review its work programme.

An annual report, including decisions taken on recommendations by the EIB-CM or the European Ombudsman, is submitted to the EIB Management Committee and the EIF Chief Executive. The EIB Management Committee and the EIF Chief Executive submit it respectively to the EIB Board of Directors and to the EIF Board. Twice per year, the EIB-CM informs the EIB Board of Directors or the EIF Board of Directors of the status and outcome of complaints that have been submitted to the EIB-CM as well as of complaints against the EIB Group that have been lodged with the European Ombudsman.

102-34 Nature and total number of critical concerns

Nature and total number of cases submitted to external non-judicial review mechanisms

In 2018, the EIB Complaints Mechanism (EIB-CM) received 19 new complaints (2017: 11) against the EIB lodged with the European Ombudsman (EO). Of these 19 complaints (2017: 11), 4 escalated from previous complaints to EIB-CM (2017: 6).

With regard to the subject matter, 11 complaints (2017: 4) concerned personnel-related cases while 7 cases concerned own governance of the EIB (2017: 7) and 1 case related to access to information. In 2018, the EO closed 21 cases (2017: 6) that had been brought against the EIB.

Bearing in mind that some complaints contain multiple and diverse allegations, which may result in different outcomes, the outcomes of the cases and additional components of outcomes closed by the EO in 2018 were as follows:

- Insufficient grounds to open an inquiry: 1 (2017: 0)
- Withdrawn by complainant: 1 (2017: 0)
- No maladministration: 10 (2017: 2)
- Settled: 8 (2017: 3)
- Recommendation*: 3 (2017: 1)

*Recommendations can be made whenever the Ombudsman finds maladministration. For more information, please see <https://www.ombudsman.europa.eu/en/annual/en/110768>.

In six of the cases closed in 2018 (2017: 0), the EO made suggestions for improvement. Suggestions for improvement seek to ensure systemic improvement in the EU administration and can be made regardless of the outcome.

In 2018, there were no cases (same as in 2017) brought against the Bank before the European Data Protection Supervisor (EDPS) or the Aarhus Convention Compliance Committee.

102-35 Remuneration policies

Board of Governors

The members of the Board of Governors are ministers. Their participation in the Board of Governors is considered to be part of their ministerial duties. Therefore, the Governors receive no remuneration from the EIB.

Board of Directors

In accordance with the Statute and the Rules of Procedure, the members of the Board of Directors, when participating in meetings convened by the Bank, are entitled to:

- an attendance fee as set by the Board of Governors;
- the reimbursement of travel expenses;
- a flat-rate subsistence allowance as set by the Board of Governors.

The amount of the attendance fee (currently EUR 600) is paid per meeting-day regardless of the number of meetings attended per day. The attendance fee for the Board Committees and Working Groups is paid only to their members. The Bank reimburses the travel expenses of Board members in respect of their attendance at meetings of the EIB Board of Directors, meetings of Board Committees or Working Groups and other events convened by the governing bodies of the Bank. When travelling, members of the Board of Directors have to use the most efficient and economical route possible. Private expenses must be strictly separated from expenses linked to the purposes of fulfilling duties connected with membership of the EIB's Board of Directors and should never give rise to an increase of the expenses incurred by the EIB.

A flat-rate subsistence allowance (currently EUR 250) is credited to Board members for each hotel night to attend Board meetings or other events convened by the governing bodies of the Bank in Luxembourg.

The members of the Board of Directors do not receive a bonus and are not paid for preparation times between Board meetings or for written decisions.

Management Committee

According to a rule established in 1958 by the Board of Governors, the President of the EIB receives the same monthly salary as the President of the European Commission, and the Vice-Presidents of the European Investment Bank receive the same monthly salary as the Vice-Presidents of the European Commission. The President and Vice-Presidents of the EIB do not receive a bonus.

Audit Committee

Audit Committee members do not receive remuneration from the Bank. For each meeting of the Committee (normally ten a year) that they attend, members and observers of the Audit Committee receive an attendance fee of EUR 1,050 a day. In

addition, the Bank pays a flat-rate subsistence allowance of EUR 250 as a lump-sum reimbursement for hotel and related expenses incurred by individual Audit Committee members, and also reimburses their travel expenses. The members of the Audit Committee do not receive a bonus and are not paid for preparation times between the meetings.

102-36 Process for determining remuneration

The Board Committee on Staff Remuneration and Budget provides non-binding opinions to the Board of Directors in relation to proposals by the Management Committee concerning budget and staff remuneration matters, including remuneration policies and practices, developments in remuneration levels, as well as variable remuneration. The Board of Directors decides on the budget proposal linked to remuneration of existing staff by the approval of the Operational Plan.

102-37 Stakeholders' involvement in remuneration

Besides the Board of Directors (each shareholder nominating one Director, the European Commission nominating one Director) who approve the budget each year as well as specific proposals linked to remuneration policies and practices, the main stakeholders are the College of Staff Representatives. Staff Representatives are invited to express their views on staff remuneration issues before the Board Committee on Staff Remuneration and Budget comes to its conclusions. They provide formal opinions on proposals submitted to the Management Committee falling within the scope of the consultation procedure (including remuneration), participate to the discussion of these proposals at the Management Committee and attend, as observers, discussions of the Board of Directors whenever the latter is examining a proposal concerning the general interests of all or part of the staff.

102-38 Annual total compensation ratio

The ratio of the annual total compensation for the highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) is 3.37 to 1. The types of compensation included in the calculation is the Base Salary. The information was compiled using full-time equivalent pay rates.

102-39 Percentage increase in annual total compensation ratio

Omission: The disclosure is omitted because the information is unavailable. The annual total compensation ratio is initially reported in this period, and therefore, there is no comparison point to reflect its percentage increase.

Stakeholder engagement

102-40 List of stakeholder groups

The following list provides an overview of direct stakeholder groups engaged by the EIB Group. (The list is not exhaustive and presented in alphabetical order.)

- Associations, foundations and think tanks
- Civil society and non-governmental organisations
- Clients, investors, commercial banks, funds and other institutions
- ESG analysts, financial analysts, rating agencies
- EU Institutions and affiliates
- Media
- Multilateral development banks and international financial institutions
- Project promoters and financial beneficiaries
- Public (including local communities)
- Representative body of the EIB Group shareholders
- Researchers and academia
- Staff

102-41 Collective bargaining agreements

The social policy defined in the Treaty on the European Union encourages all organisations to engage in social dialogue, notably by implementing specific measures in the areas of employment, staff representation, social welfare systems, and collective bargaining, which represents a form of joint decision-making concerning the EIB Group's operation.

As laid out in the Convention Governing Staff Representation, the Staff Representation shall represent the entire Staff of the Bank, which shall be able to meet together in an assembly to consider any current problem, including any matter involving consultation with the Administration (Department of the Bank responsible for personnel management).

The College of the Staff Representatives is the sole Bank Staff Representation. It consists of 13 elected members who:

- represent the interests of staff in relation to their contract of employment, the Staff Regulations, the Staff Rules and all agreements with the Bank;

- are consulted by management on issues of staff policy, in areas like remuneration, the staff appraisal procedure, the Bank policy on titles and careers, training, welfare schemes etc. and on more general matters which may affect the Bank and consequently its staff;
- ensure that the staff has a collective voice, allowing for its interests to be permanently taken into account.

For more information, please visit

https://www.eib.org/attachments/general/convention_staff_representation_en.pdf

102-42 Identifying and selecting stakeholders

As a public body and a bank, the EIB engages with a wide variety of stakeholders. There are no specific stakeholder groups with which the Bank has decided not to engage.

102-43 Approach to stakeholder engagement

Stakeholder engagement principles

The EIB Group promotes transparency to strengthen its accountability. Therefore, more than simply disclosing standardised information and more than just a one-way flow of information, the EIB aims to provide stakeholders with the information they require, thereby positively contributing to enhancing the quality of the Bank's activities. Such transparency requires an ongoing dialogue between the Bank and stakeholders over information provision.

Our stakeholder engagement follows best practice, aimed at increasing mutual understanding, addressing stakeholders' concerns and adjusting our activities accordingly, decreasing the gap between expectations, policy and practice and achieving greater coherence and accountability in the Group's policies and practices.

For more information, please visit

<http://www.eib.org/en/infocentre/publications/all/eib-group-transparency-policy.htm>

Stakeholder engagement in projects

At project level, public consultation and participation is a requirement of a number of EU Directives. The EIB Group is strongly committed to the principles of stakeholder engagement as defined in its Standard on Stakeholder Engagement and it promotes similar good practice amongst its clients.

The primary responsibility for information and engagement with local stakeholders on a project basis lies with the project promoter and/or borrower in line with the Bank's Environmental and Social Handbook. If deemed necessary, the EIB Group would facilitate the organisation of meetings, through or in cooperation with the project promoter and/or borrower, with concerned parties to better understand their issues regarding the specific project.

The EIB Group recognises it can benefit from the establishment of a constructive dialogue with well-informed stakeholders in the appraisal and monitoring of projects. Stakeholders can contribute to the legitimacy of a project and their knowledge and understanding of local issues can help improve the performance and minimise project risks.

For more information on the Transparency Policy, please visit [eib.org/en/infocentre/publications/all/eib-group-transparency-policy.htm](http://www.eib.org/en/infocentre/publications/all/eib-group-transparency-policy.htm)

For more information on the Environmental and Social Handbook, please visit [eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf](http://www.eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf)

Public consultations

The EIB Group is committed to engage, on a voluntary basis, in formal public consultation on selected policies as appropriate. This participatory process allows external stakeholders and EIB Group staff to participate in the preparation and review of policy documents, contributing to their quality and credibility. The EIB will normally organise a one-round public consultation process prior to submission of the respective policy document to the Bank's Board of Directors (or Management Committee, as applicable). The final draft policy will be published on the EIB website, together with a draft Consultation Report, the stakeholder submissions and the Bank's reasoned comments on their contributions.

For more information on public consultations, please visit <https://www.eib.org/en/about/partners/cso/index.htm>

102-44 Key topics and concerns raised

The EIB Group strives to be exemplary in terms of the transparency and accountability of our work. We proactively publish information and actively engage with stakeholders. The EIB attaches great importance to engaging and building cooperative relations with its stakeholders, e.g. by public consultation with civil society. This is essential to improve public knowledge of and trust in the EIB Group as well as our ability to respond to public expectations. A non-exhaustive list of key topics and concerns, raised through stakeholder groups in 2018, is shown in the table below.

Table 102-44.1 2018 Key topics and concerns

Topics raised	Response
Potential negative environmental and social impact of hydropower projects	Workshop on the EIB's draft Guideline for Investments in Hydropower Development. For more information, please see http://www.eib.org/en/events/workshop-eib-draft-environmental.htm
EIB lending in the energy sector	On 21 December 2018, the EIB announced it would be launching a public consultation on the review of its energy lending policy. This consultation process seeks to solicit views on how the Bank can best support EU energy policy and long-term climate and energy targets. For more information, please see https://www.eib.org/en/about/partners/cso/consultations/item/public-consultation-energy-lending-policy.htm
Weakly Regulated, Non-Transparent and Uncooperative Jurisdictions	The EIB's Office of the Chief Compliance Officer, in collaboration with the Bank's Civil Society Division, held its fourth event with stakeholders regarding the revision of the EIB Group Policy towards Weakly Regulated, Non-Transparent and Uncooperative Jurisdictions ("EIB Group NCJ Policy"). For more information, please see https://www.eib.org/en/events/2018-eib-stakeholder-engagement-seminar.htm

The table above is not exhaustive and reflects a selection of topics and concerns raised by external stakeholder groups.

For more information, please see <https://www.eib.org/attachments/events/eibs-engagement-with-civil-society-2018-highlights.pdf>

Reporting practice

102-45 Entities included in the consolidated financial statements

A list of all entities included in the Bank's consolidated financial statements or equivalent documents is included in these links:

- EIB Financial Report 2018
<https://www.eib.org/en/infocentre/publications/all/financial-report-2018.htm>
- EIF Annual Report 2018
http://www.eif.org/news_centre/publications/EIF_annual_report_2018.htm

102-47.1: Material topics (in alphabetical order)

Material topic	Topic description	Boundary	
		Institution	Operations
Biodiversity and ecosystems	Protection of biodiversity and healthy ecosystems		✓
Climate and environment	Transition to a low-carbon and climate-resilient economy, adaptation and mitigation to climate change and the protection of the environment		✓
Environmental and Social Standards	Adherence to social standards and environmental standards at the project level		✓
Human rights and vulnerable groups	Protection of vulnerable individuals and groups, full respect for dignity, human rights, aspirations, cultures and customary livelihoods		✓
Infrastructure	Competitive and secure energy, strategic transport projects and urban renewal		✓
Innovation and skills	Support of education, research and innovation policies		✓
Pollution and emissions	Prevention, reduction of and the compensation for pollution and emissions	✓	✓
SMEs and job creation	Creation of jobs by financing micro, small and medium-sized companies		✓
Transparency and accountability	Commitment to transparency, accountability and the willingness to listen to and engage with stakeholders	✓	✓

102-46 Defining report content and topic boundaries

In preparation of the 2018 sustainability reporting period, the EIB Group updated its materiality assessment in a multi-step process. It involved internal and external stakeholders covering a wide spectrum of expertise, as well as a quantified assessment of the impacts on society at large. The exercise resulted in the identification of topics that are material to the EIB Group in respect of the reporting principles of the GRI Standards. The topics are listed under 102-47.

102-47 List of material topics

The EIB Group not only reports the topics that are material, but, in addition, further topics of interest to concerned stakeholders. Whether a GRI disclosure in this report is material, or reported in addition, is indicated throughout the report.

102-48 Restatements of information

The EIB Group offers comprehensive documentation in a single source, providing information in line with the latest Standards of the Global Reporting Initiative (GRI). No information was restated.

102-49 Changes in reporting

In preparation of the 2018 sustainability reporting period, the EIB Group updated its materiality assessment. The exercise resulted in the identification of topics that are material to the EIB Group, see 102-47.1: Material topics.

102-50 Reporting period

The EIB Group presents the Sustainability Reporting Disclosures at hand for the calendar year 2018.

102-51 Date of most recent report

The preceding EIB Group 2017 Sustainability Report as well as the Sustainability Reporting Disclosures in accordance with the GRI Standards were published on 30 May 2018.

102-52 Reporting cycle

The reporting cycle of the EIB Group Sustainability Report and the Sustainability Reporting Disclosures is annual, running from 1 January to 31 December.

102-53 Contact point for questions regarding the report

Please contact csr@eib.org for any questions or comments in respect of sustainability reporting.

102-54 Claims of reporting in accordance with the GRI Standards

This report has been prepared in accordance with the GRI Standards: Comprehensive option.

102-55 GRI content index

The GRI Disclosures on hand constitute the GRI content index.

102-56 External assurance

The EIB Group commissioned its external auditors, KPMG, to provide a limited assurance report on selected statements and figures in the Sustainability Report. These are marked with and highlighted in *italics* in the report. The Sustainability Reporting Disclosures are not subject to standalone external assurance.

GRI 200:2016

Economic

GRI 201:2016

Economic performance

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB provides finance and expertise for sound and sustainable investment projects. Within the Group, the European Investment Fund (EIF) enhances access to finance for SMEs by working with a broad range of financial intermediaries (banks, funds, microfinance institutions etc.).

The EIB Group targets four priority areas in support of growth and job creation: innovation and skills, SMEs, climate action and strategic infrastructure. The Bank ensures maximum impact through lending to sound projects, combining EU funds with its loans and advising on technical and financial aspects. The EIB Group is supporting Europe's economic recovery by implementing the European Fund for Strategic Investments (EFSI).

As the EIB is at the same time an EU body and a bank, it is governed by both public and corporate governance principles. The EIB has three decision-making bodies: Board of Governors, Board of Directors and the Management Committee. The Board of Governors determines the general direction of the EIB, the Board of Directors is responsible for strategic management and the Management Committee is in charge of day-to-day management of the EIB.

The EIB is not subject to prudential banking supervision, but the Bank follows relevant best banking practice in all domains of its business activities. In the context of the EIB, best banking practice refers to relevant EU rules and financial sector practices, identified by the EIB, and applicable to the EIB activities that the Bank considers appropriate for application as long as they do not conflict with its core legal framework (the EU Treaties and the EIB Statute).



201-1 Direct economic value generated and distributed

In 2018, the EIB signed operations worth EUR 55.6 billion (2017: 69.9 bn), and EIF commitments amounted to EUR 10.1 billion (2017: 9.3 bn). EIB Group Surplus for the financial year 2018 was EUR 2,393 million compared to EUR 2,859 million in 2017. General administrative expenses of the Group were EUR 1,134 million of which EUR 850 million are attributed to staff costs. In 2017, these expenses were EUR 1,130 million and EUR 771 million respectively.

For more information, please see EIB Financial Report 2018, <https://www.eib.org/en/infocentre/publications/all/financial-report-2018.htm>

As a key pillar of the EIB Group's community and citizenship engagement, the EIB Institute issues grants for purposes of disaster relief and organises donations of IT equipment no longer used by the EIB Group to non-profit organisations, local community centres or schools registered in an EU country. In 2018, special grants amounted to EUR 771,260 (2017: 1 mln) and 93 schools and non-profit organisations in 18 countries benefited from the donation of 1,396 desktops, laptops, printers and other IT equipment. In addition, the EIB donated more than 1,000 pieces of used IT equipment to African schools under a partnership with Close the Gap. Since 2014, the EIB has donated more than 3,000 pieces of IT equipment to the organisation.

For more information, please see <https://institute.eib.org/wp-content/uploads/2019/01/2018-Philanthropy-Report-2018.pdf>



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

The EU takes a global lead in addressing climate change. The EIB recognised this challenge early on and developed a leading position among international finance institutions in the field of climate action. The EIB has made climate action one of the top priorities, and the Bank uses its lending and advisory activities to help mobilise financial resources across the planet and channels them to investments in climate change mitigation and climate change adaptation.

The Bank ensures that at least 25 % of its financing each year is dedicated to climate change mitigation or adaptation. The EIB investments in climate action either curb or avoid GHG emissions to the atmosphere or build resilience to the expected impacts of climate change. The EIB's approach to climate action has evolved over time and has progressively been embedded within the Bank's activities and actions inside and outside the EU. Today, the Bank integrates climate change

considerations across its standards, methods and processes, through implementation of its 2015 Climate Strategy. In order that its standards, processes and methodologies remain at the forefront of best practice, the EIB revises its sector policies as needed, to take climate change issues into account. It also plays a leading role in establishing and harmonising standards among bilateral and multilateral finance institutions, and more broadly in the financial community.

There is a growing body of knowledge pointing to potential systemic risks to the financial system linked to the direct and indirect effects of climate change. The Bank has developed a system to assess climate risk and vulnerability of its investment projects, to improve their resilience to expected climate change impacts. However, climate change will not only generate physical threats to assets and people, but also the extent and speed of the transition to a low carbon economy will create threats and opportunities resulting from significant shifts in technological trends and business models. The Bank therefore recognises that all types of climate change related risks need to be taken into consideration and incorporated into its due diligence and portfolio risk management.

The EIB is a long-term lending institution that applies strict sustainability standards during due diligence and in its indirect equity holdings form a relatively modest share of the balance sheet. Nevertheless, the EIB has debt positions on a number of counterparts with activities in various sectors that could theoretically be affected by the kind of risks described above. For this reason, the Bank is not only looking at climate risks in new projects, but as part of its Climate Strategy implementation, has created a cross-Bank task force to look at climate risk in the EIB portfolio.



201-3 Defined benefit plan obligations and other retirement plans

The EIB's and the EIF's main pension schemes are funded by contributions from staff and from the EIB and the EIF covering all employees. All contributions made are invested in the assets of the EIB and the EIF. On 31 December 2018, the staff pension plan amounted to EUR 2,676,508,000 (2017: 2,416,081,000). The figures do not include the liability to members of staff relating to the Optional Supplementary Provident Scheme (a defined contribution pension scheme). The corresponding amount being EUR 585 million (2017: 527 mln). The provision for future retirement and health insurance benefits was valued by an independent actuary using the projected unit credit method as at 30 September 2018. The actuarial valuation was updated at 31 December 2018 with an extrapolation ('roll forward' method) for the last three months of 2018 using the prevailing market rates of 31 December 2018 and other assumptions.



201-4 Financial assistance received from government

The EIB is owned by the Member States of the EU. In accordance with Article 4 of the EIB's Statute, the capital of the Bank is subscribed by the Member States. The Bank shall borrow on the capital markets the funds necessary for the performance of its tasks (EIB Statute - Art 20). In certain cases, it may be entrusted with further funds from Member States and/or the EU budget to implement activities supporting EU policy goals.

GRI 202:2016

Market presence



202-1 Ratios of standard entry level wage by gender compared to local minimum wage

The EIB and the EIF offer fair terms of employment and a competitive remuneration package. It is composed of the base salary, variable remuneration, allowances and benefits, including the pension scheme. The Bank conducts regular remuneration surveys to monitor the external competitiveness of its pay conditions. Based on the current salary bands (in gross terms), the minimum salary is EUR 33,760.39 irrespective of gender or background. The minimum wage in Luxembourg is EUR 24,582, as of August 2018.



202-2 Proportion of senior management hired from the local community

The EIB Group employs diverse staff from all 28 European Member States. Besides our headquarters in Luxembourg, there are several smaller regional offices, which are representative and/or operational units. Their personnel are usually appointed from the Head Office for a fixed period. The EIB Group may also hire local agents to reinforce its regional offices. The recruitment activities are centralised in Luxembourg.

GRI 203:2016

Indirect economic impacts

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

As a public institution, the EIB Group looks at the economic impact of its activities. To be able to consider the range of such aspects and to form a more comprehensive view of the economic impact, a modelling approach is used.

Within the EU

Complementary to the bottom-up approach that mainly assesses the direct effects of EIB Group-supported operations, the EIB pursues a macroeconomic modelling approach to better capture the indirect and induced effects of the EIB Group-supported investments in Europe.

The framework, called RHOMOLO-EIB, capitalises on the RHOMOLO model, initially developed by the Joint Research Centre (JRC) of the European Commission to evaluate the performance of EU policies, and extends it to cover the business model of the EIB group. The methodology helps capture both the short-term and long-term effects of implemented investment projects, exploiting cross-sector synergies and geographical interlinkages.

For more information, please see

<http://www.eib.org/en/infocentre/publications/all/assessing-the-macroeconomic-impact-of-the-eib-group.htm>

Outside the EU

The EIB Group is active in over 130 countries outside the EU, lending to projects to support EU external cooperation and development policies. In order to further strengthen its assessment, measurement and reporting on the results and impacts of its operations outside the EU, the EIB has introduced the Results Measurement framework (ReM).

The ReM improves the ex-ante assessment of expected project results and enhances the Bank's ability to report on actual results achieved. The ReM framework demonstrates how EIB operations such as loans, equity participations and technical assistance generate outputs, enabling outcomes and leading, over time, to impacts which are in line with the Bank's mandate objectives. The focus of the framework is on the EIB's contribution to national and EU policy objectives, as well as the Bank's own mandate objectives; on project quality and

soundness, based on results and the ability of the project promoter or intermediary to achieve this in a given operating environment; and the contribution of the EIB – the 'additionality' that goes beyond the market alternative.

As far as possible, the ReM indicators are harmonised with those of other international financial institutions to simplify client-reporting requirements for co-financed operations. The indicators are also harmonised with the European Commission within the framework of the EU "blending platform" for development projects that require a mix of grant and loan funding.

For more information, please see

<http://www.eib.org/projects/cycle/monitoring/rem.htm>



203-1 Infrastructure investments and services supported

EIB has made it a top priority to continue investing in cleaner transport, energy efficiency and sustainable urban development. In 2018, the EIB provided EUR 12.3 billion to support infrastructure projects inside and outside the EU (2017: EUR 18 bn). This, for example, resulted in 34.3 million households which were powered (2017: EUR 10.4 m) and 26,000 km of power lines which were constructed or upgraded (2017: 76,500 km).

In addition to infrastructure lending, the EIB seeks to add value through technical advisory services, particularly in less developed regions or on projects involving complex structures, such as public-private partnerships.



203-2 Significant indirect economic impacts

Examples of significant indirect economic impacts include:

Microfinance

The EIB Group has a longstanding record in microfinance through the activities of the EIB, the EIF and the EIB Institute. The Group has supported microfinance institutions (MFIs), fund managers and other industry stakeholders in addressing specific market failures and promoting sustainable and responsible financial services for smaller businesses and those who are self-employed with low income.

The EIB Group is committed to taking part in microfinance operations that demonstrate enhanced social and environmental policies, impact and added value. Operations are financed from the EIB's own resources or under the European Union's mandates using a combination of financial and non-financial instruments.

To date, the EIB Group has been active through microfinance in these regions:

- African, Caribbean and Pacific countries (ACP region), including Overseas Countries and Territories (OCT)
- Neighbouring Countries (Southern Neighbourhood: Middle Eastern and North African countries; Eastern Neighbourhood: Moldova, Georgia, Ukraine)
- Europe and Accession Countries

To date, the total invested amount in terms of microfinance operations is EUR 1.2 billion, with an active portfolio of EUR 1 billion.

Foreign direct investment

The EIB plays an important catalytic role in promoting sound investment projects to support EU policy goals in Europe and beyond. The Bank generally finances one-third of each project, but it may be as much as 50 %. This long-term, supportive financing often encourages private and public-sector players to commit to investment which might not otherwise be made. In 2018, the EIB provided EUR 55.6 billion (2017: 69.9 bn) in long-term finance to support private and public productive investment, and the EIF contributed a leveraged amount of EUR 10.1 billion (2017: 9.3 bn). All the projects financed by the EIB must not only be bankable, but must also comply with strict economic, technical, environmental and social standards in order to yield tangible results in improving people's lives. Alongside lending, the Bank's blending activities can help leverage available funding by, for example, helping to transform EU resources under the European Structural and Investment Funds (ESIF) into financial products such as loans, guarantees, equity and other risk-bearing mechanisms. Advisory activities and technical assistance can help projects to get off the ground and maximise the value-for-money of investments.

Social, environmental and governance due diligence, combating fraud and corruption within projects, ensuring respect for human rights, and protecting the rights of vulnerable individuals and groups are all significant to EIB Group stakeholders in a context of indirect economic impacts.

GRI 204:2016 Procurement practices



204-1 Proportion of spending on local suppliers

The Group can indirectly contribute to the local economies in which it operates by supporting local suppliers. Sourcing in communities where offices are located can strengthen the economic infrastructure and positively affect community relations. This is particularly the case in converging economies. The EIB Group has more than 40 offices across the world. In 2018, the EIB spent 94 % of the procurement budget on EU suppliers close to significant locations of operation (2017: 95 %). Its major office location is Luxembourg – its headquarters. Luxembourg-based suppliers accounted for 57 % of its procurement expenditure (2017: 56 %).

GRI 205:2016 Anti-corruption

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB Group has a zero tolerance of Prohibited Conduct whether occurring in connection with projects and activities financed by the EIB Group or perpetrated by its own staff. Prohibited Conduct includes fraud, corruption, collusion, coercion, obstruction, money laundering and financing of terrorism affecting the EIB Group's operations and activities. The EIB Group sets forth policies on preventing and deterring Prohibited Conduct:

EIB

Policy on preventing and deterring prohibited conduct in European Investment Bank activities

<http://www.eib.org/en/infocentre/publications/all/anti-fraud-policy.htm>

EIF

Policy on preventing and deterring prohibited conduct in European Investment Fund activities (EIF Anti-Fraud Policy)

http://www.eif.org/news_centre/publications/anti_fraud_policy.htm

The EIB Group endeavours to ensure that its funds are used for the purpose they are intended for and that they comply with the EIB Group's zero tolerance of fraud and corruption. The Inspectorate General's Fraud Investigations Division (IG/IN) leads the EIB Group's efforts in relation to investigating and preventing fraud and corruption in its activities to protect the EIB Group's financial interests and reputation. Its six core activities include:

- Assessment and, where necessary, investigations of allegations of Prohibited Conduct
- Policy work, such as advising on the wording of EIB Group policies and documentation, and giving advice to colleagues throughout the EIB Group on addressing fraud and corruption-related issues
- Fraud detection / Proactive Integrity Reviews (PIRs) to identify red flags or indicators of Prohibited Conduct
- Fraud awareness training for EIB Group staff
- Participation in international efforts on raising awareness of fraud and corruption-related issues in the public and private sectors
- Analysis and information gathering to support the above five activities

There is significant cross-fertilisation between these pillars: proactive work uncovers concerns which may lead to investigations; investigation findings and recommendations may lead to policy changes; lessons learned from proactive work and investigations are used to raise staff awareness on fraud and corruption risks and all require information support and analysis. Investigations into allegations of suspected Prohibited Conduct in relation to EIB Group operations constitute the focus of its work. Allegations are received from a wide range of sources, both internal and external. Investigation Procedures are based on guidelines harmonised with other international financial institutions. The efforts of the EIB Group to battle corruption do not take place in isolation. They are part of a broader context of anti-fraud and corruption efforts across the globe, and particularly within the EU.

The Group, through its Fraud Investigations Division, cooperates with international financing institutions, national law enforcement bodies and the European Anti-Fraud Office (OLAF), exchanging information and running joint missions and investigations where appropriate. In the framework of a fraud detection process, the Fraud Investigations Division applies an in-house risk assessment methodology to help

identify operations more exposed to fraud and corruptions risks. Operations selected through this assessment are then the focus of a Proactive Integrity Review.



205-1 Operations assessed for risks related to corruption

The EIB Group has a zero-tolerance policy on fraud or corruption whether occurring in connection with projects or transactions supported by the EIB Group or perpetrated by its own staff.

The EIB and EIF Anti-Fraud Policies contain specific measures to prevent fraud and corruption during project appraisal. The EIB operational departments are the first line of protection in preventing Prohibited Conduct through the project appraisal process. They are the first line of detection for possible integrity concerns during the project appraisal process given their knowledge of the potential counterparts and the circumstances in which the project will be undertaken. Integrity concerns arising during the loan appraisal process are reported on a timely basis to the respective EIB Group compliance functions.

Furthermore, the Inspectorate General's Fraud Investigations Division (IG/IN), which leads the EIB Group's efforts in relation to investigating and preventing fraud and corruption in its activities, uses an in-house risk assessment methodology (the Fraud Risk Scoring Model) to help identify operations more exposed to fraud and corruptions risks. Operations selected through this assessment are then the focus of a Proactive Integrity Review. Projects which are subject to Proactive Integrity Reviews tend to be highly complex or implemented in a difficult environment. Both factors increase the risk of exposure to fraud and corruption. Proactive Integrity Reviews aim at identifying "red flags" or possible indicators of fraud and/or corruption. This approach increases the EIB Group's capability to detect fraud and increases deterrence against abuse of EIB Group finance.



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

The Bank's fraud awareness programme is composed of several mandatory courses, including an "Ethics and Integrity" course, a "Control and Accountability Mechanisms" training

session and a “Fraud and Corruption Awareness” training session:

- The Fraud and Corruption Awareness training has been running since 2009 and aims at training Bank’s operational and control functions’ staff to recognise red flags of fraud and corruption and to know how to react to the possible occurrence of Prohibited Conduct. Training sessions on Fraud and Corruption Awareness are also delivered to staff members of the EIF.
- The Ethics and Integrity and the Control and Accountability Mechanisms training courses are part of the Bank’s induction programme and are mandatory for all newcomers.



205-3 Confirmed incidents of corruption and actions taken

Typical allegations received are those of collusion among bidders in an EIB Group-financed procurement process, corruption in the award of a contract by a bidder, government officials and/or intermediaries, fraud perpetrated in the implementation of a project; and misconduct by staff members of the EIB Group.

In 2018, the EIB Group worked on a total of 379 cases (2017: 302), of which 184 were new allegations (2017: 149). 120 cases were closed during 2018 (2017: 126). 200 cases remained open at year-end (2017: 136). Turnaround time for cases is impacted by a number of variables, including the investigator-to-case ratio, the complexity of the cases, whether mission travel is required, and the availability of subjects or witnesses. These same issues impact other similarly mandated offices.

Table 205-3.1 Received allegations

EIB Group	2016	2017	2018
New cases received during the year	120	149	184
Cases closed during the year	116	126	120
Cases under active investigation or assessment (as of 31 December)	113	136	200
Cases under monitoring (as of 31 December)	40	59	44

GRI 300:2016 Environmental

GRI 302:2016 Energy

[GRI 103:2016 Management Approach \(Disclosures 103-1, 103-2, 103-3: Grouped – Energy, Emissions, Effluents and Waste\)](#)

A key priority for the EIB Group is environmental commitment which encompasses all of its activities. At its own office facilities, the Group takes steps to decrease its impact on the environment.



EMAS Certification

In July 2018, with the EMAS Environmental Policy, the EIB Group committed to improving its environmental performance across all of its internal business activities, and encourages its business partners and members of the wider community to join in its effort. As consequence, the EIB Group took steps to register its Environmental Management System (EMS) in accordance with the EU Eco-Management and Audit Scheme (EMAS) Regulation and was certified in December 2018. The implementation of an EMS in accordance with EMAS will reinforce systematic environmental review processes to determine the environmental impacts (energy, waste generation, water use etc.).

Corporate carbon footprint

Since 2007, the EIB Group has been managing its carbon emissions resulting from internal activities as part of its corporate responsibility efforts every year. The EIB Group uses the operational control approach to calculate its carbon footprint for purposes of reporting greenhouse gas emissions. Reporting includes the Group's headquarters in Luxembourg, where it operates several office facilities and a day nursery. However, external offices are not included. This is due to their relatively small sizes and they therefore exert a minimal impact on the total carbon footprint, and in part – albeit minutely – to difficulties in retrieving consistent data on a global scale.

Emission reduction targets

The EIB Group adopts the same environmental requirements in the management of its own facilities as it does to its financing activities. The Group set a target to reduce emissions by 20-30 % by 2020. This includes emissions from energy use in the buildings (natural gas for heating and power generation, and purchased electricity and steam for power), from mobility activities (owned vehicles, business travel and employee commuting), from waste disposal and from the production of paper used in its offices. The EIB Group has policies in place for travel classes to minimise both, emissions and cost, and it sets requirements for the consideration of alternatives, including teleconferencing and videoconferencing.

Efficiency initiatives

Staff are encouraged to use more sustainable means of transport on their daily commute. The Group raises awareness through targeted initiatives and offers free bus travel cards within Luxembourg City. It has significant control over transport emissions and has implemented a policy to replace poorly performing company cars (in terms of carbon efficiency) and increasing the use of more fuel-efficient vehicles. As it pursues a process of continuous improvement, the Group regularly reviews its footprint boundary, especially with the focus on Scope 3 emissions that third parties cause as they perform an activity for the Group. Firstly in 2014, the EIB Group reported emissions associated with external data centres the Group uses to conduct its operations.

Looking forward, the EIB Group continues to explore opportunities to expand its reporting scope. Examples include emissions derived from business travel during hotel stays and conferences or indirect emissions from recruitment drives.



Climate standards of the project cycle

The EIB climate-related standards of the Environmental and Social Standards require its financing to be aligned with EU climate policies, which should be taken into account at all stages of the project cycle. In particular, the standard necessitates the economic cost assessment of GHG emissions within the context of climate vulnerability. Project promoters must ensure that all projects comply with appropriate national and, where applicable, EU legal requirements, including multilateral agreements, related to climate change policy.

Project carbon footprint

The EIB calculates and reports the carbon footprint of the projects it finances to provide transparency on the GHG emissions footprint of its financing activities. The GHG footprint of individual investment projects are reported on the

project's Environmental and Social Data Sheet (ESDS). Aggregated results are reported as part of the annual Carbon Footprint Exercise (CFE), as featured in the complimentary Sustainability Report.

Climate due diligence

During the project appraisal stage, a climate due diligence process determines the actual expected GHG emissions from a project and the increase or reduction of greenhouse gas emissions resulting from a project. For the Carbon Footprint Exercise, greenhouse gas emissions from projects where emissions are expected to be significant are estimated and reported. The EIB Project Carbon Footprint Methodologies provides guidance to EIB staff on how to calculate the carbon footprint of the investment projects financed by the EIB.

Pollution prevention

Standard 2 of the EIB Environmental and Social Standards EIB Environmental and Social Standards, pollution prevention and abatement, has the objective to avoid and minimize pollution from EIB-supported operations. It outlines a project-level approach to resource efficiency and pollution prevention and control in line with best available techniques and internationally disseminated practices.

Energy lending criteria

The [Energy Lending Criteria](#) determine, what types of energy projects are consistent with the Bank's objective, how energy projects are assessed and prioritised by the Bank and how the Bank supports the EU energy policy. A public consultation process will be rolled out in 2019, examining how future EIB backed investment can reduce energy consumption through energy efficiency, better support renewable power generation, improve financial and advisory backing for energy innovation and secure infrastructure essential for energy transition.



302-1 Energy consumption within the organisation

Table 302-1.1 Energy consumption by type

Type	Consumption in MWh		
	2016	2017	2018
Electricity consumption	17,271	18,855	20,240
Steam consumption	13,347	14,736	14,673

Heating consumption	13,501	14,891	14,803*
Cooling consumption	3,725	3,640	4,075

*Includes purchased steam plus natural gas for SKI and Creche

For more information, please see the [EIB Group Carbon Footprint Report 2018, Appendix IV: GRI Standard Disclosures](#).

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



302-2 Energy consumption outside of the organisation

Table 302-2.1 Energy consumption by type, outside the Group

Consumption type	Consumption in thousand km		
	2016	2017	2018
Air travel	44,961	49,751	51,717
Car travel	12,177	13,549	13,151
Other travel	2,009	1,668	1,800
Paper	172 tonnes	150 tonnes	147 tonnes
Water	55,209 cubic metres	58,493 cubic metres	66,242 cubic metres*
Natural gas	155 MWh	155 MWh	130 MWh
Waste	698 tonnes	756 tonnes	1,096 tonnes*

*Increase partly attributable to the construction of the new LHO building

For more information, please refer to the [EIB Group Carbon Footprint Report 2018, Section 2, Carbon Footprint](#).

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



302-3 Energy intensity

The energy intensity ratio for the EIB Group is 8,995 kWh per employee (2017: 9,165 kWh/employee). The metric specific to the Group chosen to calculate the ratio is the energy per employee, where the number of employees is 3,896 (2017: 3,682). Types of energy included in the intensity ratio are electricity, natural gas and steam. The ratio uses energy consumption inside the Group.

For more information, please refer to the EIB Group Carbon Footprint Report 2018, Appendix IV: GRI Standard Disclosures.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



302-4 Reduction of energy consumption

Energy savings due to conservation and efficiency improvements have resulted in a decrease by 46.9 % (2017: 44.8 %) of the fuel and energy purchased by the EIB Group per employee since 2007, as shown in the following table.

Table 302-4.1 Reduction of energy consumption

Energy source	2018	2007	Variance	% change
Natural gas (MWh)	130	4,041	-3,911	-96.8 %
Electricity (MWh)	20,240	15,620	4,620	29.6 %
Steam (MWh)	14,673	5,785	8,888	153.6 %
Total (MWh)	35,044	25,445	9,599	37.7 %
Number of employees	3,896	1,501	2,395	159.6 %
Energy per employee (kWh)	8,995	16,952	-7,957	-46.9 %

Within existing buildings, the EIB continues to conduct various technical optimisations to minimise energy wastage. These optimisations include:

- Regulation and distribution of heating and cooling systems (adapting consumption to demand in real time),

- Lighting management,
- Ventilation systems management, and
- Maintenance of the Quality Label from SuperDrecksKäschte® fir Betreiber for the EKI and WKI buildings (since 2007).

For more information, please refer to the EIB Group Carbon Footprint Report 2018, Appendix IV: GRI Standard Disclosures.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



302-5 Reductions in energy requirements of products and services

EIB Energy lending focuses on energy efficiency, renewable energy, energy networks, as well as related research and innovation. In 2018, EIB loans helped to construct some 26,000 km of power lines and generate 15,228 MW of electricity, out of which more than 86 % from renewables. Our financing of such projects supports the EU's goal of increasing energy efficiency in the Union by 20 % by the year 2020 so as to reduce energy consumption. The Energy Lending Criteria (http://www.eib.org/attachments/strategies/eib_energy_lending_criteria_en.pdf) determine, what types of energy projects are consistent with the Bank's objective, how energy projects are assessed and prioritised by the Bank and how the Bank supports EU energy policy.

GRI 303:2016 Water



303-1 Water withdrawal by source

The EIB Group withdraws water from municipal supplies. The EIB Group has been managing and reporting on water consumption since 2013. Water consumption is recorded on a monthly basis at each building across our Luxembourg head office campus and overall performance is reported on a quarterly and annual basis.

Table 303-1.1 EIB Water consumption (m³)

	2016	2017	2018
Water consumption (m³)	55,209	58,493	66,242
Number of employees	3,290	3,682	3,896
Water intensity per employee (m³)	16.8	15.9	17.0

Since 2013, EIB Group headcount has increased by 64.5 %, driving a 40.8 % increase in total water consumption from 47,031 m³ to 66,242 m³. The variance can be attributed to the expansion of the campus needed to accommodate additional staff. However, from 2013 to 2018 the water intensity per employee decreased by 14.4 %, from 19.9 m³ per FTE in 2014, down to 17,0 m³ per FTE in 2018.

Table 303-1.2 EIB Water consumption since 2013 (m³)

	2018	2013	Variance	% change
Water consumption (m³)	66,242	47,031	19,211	40.8%
Number of employees	3,896	2,369	1,527	64.5%
Water intensity per employee (m³)	17.0	19.9	-2.9	-14.4%

For more information, please refer to the EIB Group Carbon Footprint Report 2018, Section 3.1 Emissions by scope.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



303-2 Water sources significantly affected by withdrawal of water

The EIB Group withdraws water from municipal supplies.



303-3 Water recycled and reused

Activities of the EIB Group do not require physical production process cycles. The rate of water reuse and recycling as a measure of efficiency does not therefore translate into optimised production procedures.

Reducing water consumption through reuse and recycling may only occur at office locations.

The EIB Group recently started collecting rain water for use in some buildings but does not yet report information on volumes.

GRI 304:2016

Biodiversity

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

Biodiversity keeps life on earth in balance and regulates the climate. The planet's biodiversity and natural resources are under threat from global warming, pollution and accelerated development as a result of human activity.

The EIB acknowledges the intrinsic value of biodiversity and that its operations may have a potential impact on biodiversity ecosystems. It has therefore taken a balanced approach to managing its operations in order to avoid and minimise any adverse impacts by applying the precautionary principle, and to enhance positive impacts on biodiversity and ecosystems. The Standards on Biodiversity and Ecosystems strengthen the implementation of the EIB's biodiversity objectives. The EIB aims to maintain important biodiversity areas and the natural functions and processes of ecosystems. It also aims to increase their resilience to obtain no net loss of biodiversity. The EIB determines the biodiversity footprint of a project and assesses the existence of no-go areas by using available data and an early screening and scoping process. The pursuit of an objective of "no net loss" implies that any impact on biodiversity and ecosystems needs to be either avoided or minimised through mitigation. This is not limited to impacts on areas designated under legal provisions (protected areas) or informal schemes (areas of important biodiversity) but to all environments, regardless of their state of conservation. In principle, all projects should seek to increase the biodiversity value and where it will be diminished, to compensate this loss through the restoration of a similar environment. Compensation for residual harm is a last resort and comes after consideration of how impacts can be avoided in the first place and then, if that is not possible, mitigated.

For more information on the EIB Standards on Biodiversity and Ecosystems, please see

http://www.eib.org/attachments/strategies/guidance_note_for_standard_3_on_biodiversity_and_ecosystems_en.pdf



304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas

EIB Group office facilities in Luxembourg, the significant location of operation, are not situated within a protected area or an area of relatively higher biodiversity value.



304-2 Significant impacts of activities, products, and services on biodiversity

The World Conservation Union (IUCN) and the European Investment Bank (EIB) have been cooperating since 2006 to strengthen awareness about nature when financing investment projects. The common framework comprises four aspects, consultation and advice on biodiversity concerns in investment projects, capacity building, monitoring and information exchange.

In 2016, the EIB became a coalition partner of the Coalition for Private Investment in Conservation (CPIC), founded by IUCN, Credit Suisse and The Nature Conservancy. It is a global multi-stakeholder initiative focused on enabling conditions that support a material increase in private, return-seeking investment in conservation. Within CPIC EIB is leading the working group on Forest Landscape Conservation and Restoration.

To promote the conservation, restoration, management and enhancement of natural capital, the European Commission collaborated with the EIB in establishing a financial mechanism, the Natural Capital Financing Facility (NCFF). The EIB is developing a market-based approach to projects that promote the conservation, restoration, management and enhancement of biodiversity and adaptation benefits, including ecosystem-based solutions to challenges related to land, soil, forestry, agriculture water and waste inside the EU. The projects need to be bankable and measurable. This approach enables the EIB to advance for example on green infrastructure which relies on natural ecosystems, vegetation and soils to create healthier environments. At the same time, projects mitigate risk through flood protection, explore opportunities in clean water and air and provide a habitat for flora and fauna. The underlying principle of this concept is that healthy ecosystems can generate multiple benefits for the environment and the community alike.

In line with its own standards and requirements on biodiversity and ecosystems, the EIB has developed a comprehensive and mainstreamed approach, system and processes to biodiversity risk screening and management (particularly with regards to critical habitats). The Biodiversity Risk Management System is a framework that has been designed to ensure that biodiversity risks are adequately identified, managed and addressed in all of EIB's operations.



304-3 Habitats protected or restored

(This disclosure is not material for direct impacts caused by the EIB’s premises.)

It is a requirement of the Bank to ensure that its impacts on critical biodiversity habitats and on areas of high conservation value are low and that internationally recognised sites for conservation are respected. The Bank supports the EU in defining a common approach to the implementation of the “no net loss” principle, and is targeting investments in pro-biodiversity opportunities and applying more rigorous biodiversity standards. The Natural Capital Financing Facility (NCF) is a financial instrument that combines EIB financing and European Commission funding under the LIFE Programme, the EU’s funding instrument for the environment and climate action. The NCF will support projects that are focused on biodiversity and ecosystem services (BES). The Bank also works in partnerships with third parties to protect habitat areas. For example, the Wildlife Work REDD+ project in the Kasigau corridor in Kenya is validated and verified under the Verified Carbon Standard and the Climate, Community and Biodiversity Standard. The project protects over 2,000 km² of threatened forest.



304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

EIB Group office facilities in Luxembourg, the significant location of operation, are not situated within a protected area or an area of relatively higher biodiversity value.

GRI 305:2016 Emissions

For the management approach, please see page 26.

Emission factors are calculated ratios relating GHG emissions to a measure of activity at an emissions source. They are used to convert activity data to carbon emissions. Consistent with prior years, the emission factors represent carbon dioxide equivalent (CO₂e). They convert the impact of each of the six greenhouse gases covered by the Kyoto Protocol, namely carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulphur hexafluoride (SF₆), into a common unit of tonnes of CO₂e based on their Global Warming Potential (GWP). All emission data reported in this section (305-1, 305-2, 305-3, 305-4, 305-5) are net emissions.



305-1 Direct (Scope 1) GHG emissions

Table 305-1.1 Direct (Scope 1) GHG emissions

	2016	2017	2018	2007 (Baseline)
Scope 1 GHG emissions in metric tons of CO ₂ equivalent	98	91	75	933

For more information, please see the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



305-2 Energy indirect (Scope 2) GHG emissions

Net location-based indirect (Scope 2) emissions amounted to 83 tCO₂e (metric tons of CO₂ equivalent) in 2018 (2017: 743 tCO₂e). The baseline year for the calculation is 2007. For the very first time that year, the EIB Group measured its carbon footprint. Emissions in the baseline year amounted to 373 tCO₂e.

Table 305-2.1 Energy indirect (Scope 2) GHG emissions

	2016	2017	2018	2007 (Baseline)
Scope 2 GHG emissions in metric tons of CO ₂ equivalent	798	743	83*	373

*Reduction in Scope 2 GHG emissions is attributable to a 26 % reduction in electricity emissions intensity for Luxembourg in 2018.

For more information, please refer to the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



305-3 Other indirect (Scope 3) GHG emissions

Table 305-3.1 Other indirect (Scope 3) GHG emissions

	2016	2017	2018	2007 (Baseline)
Scope 3 GHG emissions in metric tons of CO ₂ equivalent	19,356	21,190	22,270	16,626

Transport fuel and power used by air and rail transport operators for EIB business travel, by the outsourced mini-bus service that operates between the Luxembourg sites and by employee-owned vehicles for commuting to and from work; emissions from waste management operations due to incineration or recycling of waste generated by the EIB; emissions from energy consumption in external data centres that store EIB data; and, emissions generated in the production of office paper purchased by the EIB.

For more information, please refer to the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



305-4 GHG emissions intensity

The EIB Group compiles its net GHG emissions intensity ratio with the number of employees (FTE or full-time equivalent) as denominator. Types of GHG emissions included in the intensity ratio are direct, energy indirect and other indirect emissions (Scopes 1, 2 and 3).

Table 305-4.1 GHG emissions intensity

	2016	2017	2018	2007 (Baseline)
Intensity per employee in metric tons of CO ₂ equivalent	6.16	5.98	5.76	11.95

For more information, please refer to the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



305-5 Reduction of GHG emissions

As a direct result of reduction initiatives, the EIB Group decreased its net greenhouse gas emissions by -0.22 tCO₂e/employee in 2018 (2017: -0.17 tCO₂e/employee). The EIB is on track to achieve its carbon reduction target based on per employee carbon intensity levels, which is in line with the EU's target of a 20-30 % reduction by 2020. The most significant source of emissions (97.7 % of total net emissions (2017: 94.3 %) relates to mobility activities. With 84.2 %, air travel represents the biggest share of this (2017: 80.4 %). Policies related to travel class are in place to minimise emissions, but due to the nature of the EIB Group as a global financier, business travel is inherently linked to the Group's business activities and therefore cannot be avoided. The Group requires that alternative means such as teleconferencing and videoconferencing are considered.

Greater business volumes caused upward pressures on absolute emissions. An increase in staff numbers leading to higher business travel, occupancy emissions and higher emission factors, the EIB Group managed to reduce relative emissions by -51.8 % in per capita emissions since 2007 (2017 49.9 %).

For more information, please refer to the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>

GRI 306:2016 Effluents and waste

For the management approach, please see page 26.



306-1 Water discharge by quality and destination

Water discharge is limited to the office facilities in Luxembourg. The discharge occurred in the municipal infrastructure through intermediaries such as local water utilities.

For more information, please refer to the EIB Group Carbon Footprint Report 2018.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>



306-2 Waste by type and disposal method

The EIB disposes of waste through the Luxembourg municipal authorities. Waste is sorted in-house to the extent possible so that it can ultimately be recycled. All unsorted waste is incinerated with energy recovery. Details of the quantities of waste by the official categorisation are shown in the EIB Group Carbon Footprint Report 2018, Appendix IV - Waste by type and disposal method, pages 34-37.

<http://www.eib.org/infocentre/publications/all/carbon-footprint-report-2018.htm>

GRI 307:2016 Environmental compliance



307-1 Non-compliance with environmental laws and regulations



The EIB Group commits to compliance with all relevant environmental laws and regulations in its EMAS Environmental Policy, in accordance with the EU Eco-Management Audit Scheme (EMAS).



Under the EIB Environmental and Social Standards, all operations located in the EU, Candidate or potential Candidate countries will be designed and will operate in compliance with the applicable EU environmental requirements and standards as they are laid down in the Community environmental acquis, as well as with relevant international treaties and other equivalent instruments concluded by the EU on environmental matters. In the case where national environmental standards and requirements are more stringent than those contained in EU environmental legislation, as may be the case for emission limit values or discharges into air or water, or for environmental quality standards, national standards will have to be complied with.

In order to ensure consistency, the time frames for reaching compliance with specific EU environmental legislation agreed between the EU and any Member States, Candidate or

potential Candidate countries, through bilateral agreements and/or action plans (Accession Treaties), should be considered in the operations financed by the EIB and properly reflected in the project promoter's overall environment and social management plan.

The operations outside of the EU, Candidate and potential Candidate countries should be designed and operated in consistency with EU environmental standards and requirements. However, the promoter should adhere to international best environmental practice and to any obligations and standards in the applicable multilateral environmental agreements to which the host country is party to.

Where EU standards are more stringent than national standards, the higher EU standards are required, if practical and feasible, taking local conditions into account. In such cases the EIB will agree the applicable requirements with the project promoter on a project by project basis. The promoter is responsible for legal compliance whereas regulatory and enforcement tasks remain with the relevant authorities.

[For complaints concerning environmental, social and developmental impacts, please see the EIB Complaints Mechanism Activity Report or GRI disclosure 102-17.](#)

GRI 308:2016

Supplier environmental assessment



308-1 New suppliers that were screened using environmental criteria

The EIB Group screens new physical goods suppliers selected in the context of calls for tenders using environmental criteria. In 2018, there were no significant new physical goods suppliers.

The EIB is included in an inter-institutional Framework Contract, that took effect in Q2 2017, to provide efficient, direct and practical helpdesk service to assist staff dealing with procurement procedures. The service aims at providing support to integrate green criteria into all stages of procurement procedures. The Bank's procedures are based on those described in Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement.

In July 2018, the EIB Group formally adopted the EIB Eco-Management and Audit Scheme (EMAS) environmental policy including two specific objectives which focus on the Group's procurement decisions. These are to:

- Purchase sustainable products for its own account wherever feasible [e.g. recycled, FSC or low environmental impact products and energy from renewable sources].
- Enhance environmental considerations in procurement decisions for its own account where appropriate, e.g. environmental considerations are systematically inserted in tenders published for IT hardware. As far as office and cleaning materials are concerned, the EIB Group requires products which are not harmful to the environment. Group tenderers should have an environmental management system in place, such as ISO 14001.



308-2 Negative environmental impacts in the supply chain and actions taken

In the reporting year, the EIB Group did not assess any suppliers for environmental impacts. However, it should be borne in mind that the EIB does not sell physical goods or related services owing to the nature of its activities involving the responsible provision of financial services. The majority of the Bank's suppliers are service providers (as opposed to goods and works) and it did not identify any suppliers in its supply chain considered to present a significant risk of negative environmental impact.

GRI 200:2016

Social

GRI 401:2016

Employment



GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

Some 3,900 highly qualified and diverse staff from all 28 European Member States contribute to providing finance and expertise for sustainable investment that promote EU policy objectives. The Group supports undertakings that make a significant contribution to growth and employment in Europe and across the world. The ultimate goal of the EIB Group – through its employees – is to contribute to building the future of Europe and the wider world; and assist in furthering economic, social and human development. The Group offers a work environment where people can achieve their professional goals while maintaining a work-life balance, with professional development opportunities through training, internal mobility and career growth. A competitive remuneration package is commensurate with staff responsibilities and challenges.



401-1 New employee hires and employee turnover

At the end of the reporting period for calendar year 2018, new employee hires were as shown in the table below. The lion's share of employee hires relates to the headquarters in Luxembourg, the significant location of operation.



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

All personnel are eligible for a wide range of benefits, subject to the fulfilment of specific criteria. In this context, the EIB Group does not differentiate between full-time and part-time employees. The EIB and EIF packages include family, pension and health care benefits, as well as, for example, life and

accident insurances, disability and invalidity coverage, and parental leave. Other benefits, such as an expatriate package or housing loan interest subsidy, are also offered. Other in-kind benefits are, amongst others, the provision of sports or children's day-care facilities, subsidised meals and similar general employee welfare programmes.



401-3 Parental leave

All personnel are eligible to take parental leave, subject to conditions. The EIB Group does not differentiate between full-time and part-time employees. 100 % of staff members who took parental leave during the reporting period of 2018 returned to work at the end of their leave period (2017: 100 %).

Table 401-3.1 Employees who took parental leave

	Female	Male	Total
EIB	285	139	424
EIF	49	14	63
EIB Group	334	153	487

Table 401-3.2 Employees who returned to work after parental leave

	Female	Male	Total
EIB	285	139	424
EIF	49	14	63
EIB Group	334	153	487

Table 401-3.3 Employees who left twelve months after their return to work after parental leave end

	Female	Male	Total
EIB	4	4	8
EIF	9	0	9
EIB Group	13	4	17

Table 401-1.1 New employee hires by age group and gender

	Age group	Female		Male		Total	
EIB	Under 30 years	41	22.4 %	34	20.9 %	75	21.7 %
	30-50 years	134	73.2 %	118	72.4 %	252	72.8 %
	Over 50 years	8	4.4 %	11	6.7 %	19	5.5 %
	Total	183	100 %	163	100 %	346	100 %
EIF	Under 30 years	8	34.8 %	1	3.4 %	9	17.3 %
	30-50 years	15	65.2 %	28	96.6 %	43	82.7 %
	Over 50 years	0	0 %	0	0 %	0	0 %
	Total	23	100 %	29	100 %	52	100 %
EIB Group	Under 30 years	50	23.8 %	35	18.2 %	84	21.1 %
	30-50 years	149	72.3 %	146	76.0 %	295	74.1 %
	Over 50 years	8	3.9 %	11	5.7 %	19	4.8 %
	Total	206	100 %	192	100 %	398	100 %

At the end of the reporting period, employee turnover was as shown in the table below. The lion's share of employee turnover relates to the headquarters in Luxembourg, the significant location of operation.

Table 401-1.2 Employee turnover by age group and gender

	Age group	Female		Male		Total	
EIB	Under 30 years	15	20.5 %	14	17.1 %	29	18.7 %
	30-50 years	35	47.9 %	39	47.6 %	74	47.7 %
	Over 50 years	23	31.5 %	29	35.4 %	52	33.5 %
	Total	73	100 %	82	100 %	155	100 %
EIF	Under 30 years	6	31.6 %	4	30.8 %	10	31.3 %
	30-50 years	13	68.4 %	8	61.5 %	21	65.6 %
	Over 50 years	0	0 %	1	7.7 %	1	3.1 %
	Total	19	100 %	13	100 %	32	100 %
EIB Group	Under 30 years	21	22.8 %	18	18.9 %	39	20.9 %
	30-50 years	48	52.2 %	47	49.5 %	95	50.8 %
	Over 50 years	23	25.0 %	30	31.6 %	53	28.3 %
	Total	92	100 %	95	100 %	187	100 %

May include deferred pension, early retirement, retirement with pay, end of fixed-term contract, non-confirmation trial period, resignation, illness/disability. Does not include transfer between EIB and EIF.

GRI 403:2016

Occupational health and safety



GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB Group provides occupational health and preventative medical services to all staff. These services include periodical medical check-ups; psychological counselling; ergonomics: all staff benefit from personalised ergonomics advice to set up their workstation and have adjustable desks; blood pressure checks; nutritional assessments and guidance on losing weight; follow up and advice during pregnancy; and support for staff to stop smoking.

Going beyond regular occupational health services, the Bank has moreover put in place a holistic approach to managing staff health – the EIB Organisational Health programme. This programme takes into account the predominantly psychosocial nature of health and safety risks for financial industry workers, and covers not only preventive medicine and physical health and safety measures, but gives particular attention to identifying and addressing psychosocial stress factors related to the work environment and work relations, conflict management, role clarity, control, resources allocation and support. Within this programme, the Bank has dedicated officers in charge of awareness raising campaigns, risk prevention campaigns and risk detection processes, development and delivery of dedicated skills training courses, and workplace counselling. Furthermore, the EIB and EIF have in place a network of confidential counsellors, EIB staff who have received training to counsel and give support in cases of possible instances of harassment and/or bullying.



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

100% of EIB staff is covered by the health and safety rules. The EIB has a joint Health and Safety Committee, comprised of members designated by the Administration, the College of Staff Representatives and the Retirees' Association, which:

- issues opinions and proposals on all activities and working conditions, related to health and safety,
- is kept informed of measures taken to prevent occupational risks,
- receives reports on accidents, incidents and occupational diseases and any information revealing a hazard in the field of health and safety on the Bank's premises, and
- makes recommendations to offset any risks.



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

Due to the business nature of the EIB Group, injuries, occupational diseases and work-related fatalities are very low. No fatal injuries occurred. The rate of absenteeism for the reporting period is shown in the table below.

Table 403-2.2 Absentee rate

	Female	Male	Total
EIB	5.35 %	2.15 %	3.76 %
EIF	3.26 %	2.06 %	2.63 %
EIB Group	5.09 %	2.14 %	3.61 %

The absentee rate is calculated using the total number of days lost to unplanned absences divided by the total number of scheduled work days.



403-3 Workers with high incidence or high risk of diseases related to their occupation

The need to closely monitor the physical and mental health of staff required to perform their duties on posts which might entail a risk to themselves and/or others has been embedded in the EIB and EIF Staff Rules.

Certain positions with risk have been identified (drivers; employees asked to perform night shifts) and are closely followed by the EIB Occupational Health Centre (OHC). In addition, the OHC closely follows staff who travel frequently on business, advising on pre-travel matters and providing specific guidance in relation to the travel location. A meeting with the medical adviser will usually take place 4-6 weeks before the trip, particularly if vaccinations may be required.

EIB's Occupation Health Travel Clinic provides EIB and EIF staff information on:

- Immunisations
- Yellow fever vaccine requirements
- Malaria risk and prevention
- Wilderness medicine (altitude, climbing, diving)
- Travelling with infants and children
- Travelling and pregnancy
- Air and cruise ship travel
- Travel and chronic diseases



403-4 Health and safety topics covered in formal agreements with trade unions

Omission:

This disclosure is not applicable. As EU Institution, business trade unions are not applicable to the EIB Group.

GRI 404:2016

Training and education



GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

Training and education are essential to the development of personnel. The EIB Group learning and development policy applies to all employees. The EIB Group records learning and development aspects in the "Growing Talent" platform to facilitate the execution of its strategy. Trainings are, first and foremost, linked to EIB Group business needs in terms of competency and skills development to enable staff members to fulfil the requirements of their roles and to prepare staff for taking on future roles. The Group reviews training and education on a regular basis with a view to complementing it with career development. To assist in strategic alignment, the EIB is developing a talent management strategy to be rolled out in 2019.



404-1 Average hours of training per year per employee

Table 404-1.1 Average hours of training

	Employee category	Female	Male
EIB	Manager	27.17	22.63
	Executive staff	46.11	50.08
	Support staff	38.38	55.15
	Local agents	15.49	9.68
EIF	Manager	9.38	8.54
	Executive staff	32.79	29.98
	Support staff	33.57	14.57
EIB Group	Manager	26.42	21.9
	Executive staff	44.31	48.01
	Support staff	38.14	52.95

Training hours include language courses and conferences.



404-2 Programmes for upgrading employee skills and transition assistance programmes

At the EIB Group, each employee has a development plan, which includes learning and development objectives and related activities. On a managerial level, the Group offers a managerial toolkit, made up of class-room trainings and online learning options, as well as coaching and personal development under the umbrella of the Management and Leadership Development Programme. This is an in-house training designed to align performance with strategy by ensuring that competencies and skills will meet future organisational goals. Part of the programme encompasses the Emerging Leaders Programme, Managers Leadership Programme, an Experienced Managers Leadership Programme and two Senior Management Leadership Programmes. To facilitate the management of career endings resulting from retirement, the EIB offers a partial (early) retirement scheme, allowing staff to gradually reduce their working hours prior to retirement.



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

Managers have a discussion at the beginning of each year to clarify expectations in terms of objectives to achieve and competencies to display. These are defined in the employee's Performance document. In parallel, managers and employees assess development needs and opportunities, set development objectives and agree on learning and development activities to achieve the development goals. They can record these in the employee's Development Plan. Progress on objectives, as well as the application and development of competencies is discussed regularly, with two formal mandatory reviews at mid-year and at year-end. Following the year-end performance evaluation and based on a peer comparison, employees are recognised as Top-Performer, Performing or Under-Performing and rewarded accordingly. The EIB Group has established a Talent Management function with a view to conducting talent reviews and career development discussions, initially in the form of pilots, throughout 2018, with subsequent full roll-out in 2019.

Table 404-3.1 Percentage of employees receiving regular performance and career development reviews

	Employee category	Female	Male
EIB Group	Total	100 %	100 %

GRI 405:2016

Diversity and equal opportunity

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)



The EIB Group aspires to live up to the EU's principle United in Diversity. Both EIF and EIB codes of conduct set out the Group's policy on non-tolerance of discrimination based on age, gender, sexual orientation, religion or belief, disability, race, ethnic group or social origin, colour, genetic features, language, nationality, membership of a national minority, political or any other opinion, property, or birth. The President fully supports diversity and inclusion, and regularly participates in events. One member of the Management Committee has been assigned lead oversight of diversity and inclusion.

In November 2017, the Management Committee approved the 2018-2021 [Strategy for Diversity & Inclusion](#). The strategy focuses on four main areas: continuing to ensure non-discrimination and equal treatment (Protect); building a more inclusive work environment (Impact); investing in internal and external talent (Invest); and accountability, monitoring and reporting (Achieve). Directorate-level action plans and targets are the cornerstone of the implementation strategy to ensure that all areas of the Bank are contributing to the achievement of its D&I objectives.

Strengthening the Bank's commitment to diversity and inclusion, the core competency organisational commitment is applicable to all staff. To reinforce the diversity of its workforce and with the aim of attracting diverse candidates, significant resources continue to be deployed to increase the EIB's presence on social media and in recruitment fora targeting particular groups (women, people with disabilities, different nationalities, LGBTQ community etc.). To foster a more inclusive work environment, the on-boarding for newcomers includes cultural awareness training.



The EIB Group further adopted a Gender Strategy aimed at increasing its impact on gender equality by promoting its embeddedness in the business model, covering lending, blending and advising activities, both within and outside the EU. Entitled 'Protect, Impact, Invest: the EIB Group Strategy on Gender Equality and Women's Economic Empowerment',

supports the protection of women's and girls' rights, empowers the EIB Group to increase its positive impact on gender equality, and helps funnel support to projects that increase the participation of women in the labour market and the overall economy.

For more information on The EIB Group Strategy on Gender Equality and Women's Economic Empowerment, please see <http://www.eib.org/infocentre/publications/all/eib-group-strategy-on-gender-equality.htm>.



405-1 Diversity of governance bodies and employees

Data are provided for the reporting period, end of calendar year 2018.

405-1.2 EIB employees and age groups

EIB	Age group	Female	Male	Total
Manager	Under 30 years	0 %	0 %	0 %
	30-50 years	14.4 %	19.4 %	33.8 %
	Over 50 years	14.7 %	51.6 %	66.3 %
	Total	29.1 %	70.9 %	100 %
Executive staff	Under 30 years	0.8 %	1.0 %	1.8 %
	30-50 years	35.7 %	45.3 %	81.0 %
	Over 50 years	5.8 %	11.5 %	17.3 %
	Total	42.2 %	57.8 %	100 %
Support staff	Under 30 years	7.5 %	4.2 %	11.7 %
	30-50 years	63.0 %	7.5 %	70.5 %
	Over 50 years	15.3 %	2.4 %	17.7 %
	Total	85.8 %	14.2 %	100 %
Local agents	Under 30 years	5.0 %	2.5 %	7.5 %
	30-50 years	42.5 %	30.0 %	72.5 %
	Over 50 years	7.5 %	12.5 %	20.0 %
	Total	55.0 %	45.0 %	100 %

405-1.3 EIF employees and age groups

EIF	Age group	Female	Male	Total
Manager	Under 30 years	0 %	0 %	0 %
	30-50 years	2 %	52 %	54 %
	Over 50 years	10.4 %	35.6 %	46 %
	Total	12.4 %	87.6 %	100 %
Executive staff	Under 30 years	4 %	2 %	6 %
	30-50 years	41 %	51 %	92 %
	Over 50 years	1.5 %	0.5 %	2 %
	Total	46.5 %	53.5 %	100 %
Support staff	Under 30 years	9 %	0 %	9 %
	30-50 years	74 %	12 %	86 %
	Over 50 years	5 %	0 %	5 %
	Total	88 %	12 %	100 %



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

The EIB offers a remuneration package, composed of the basic salary, variable remuneration, benefits and pension scheme. EIB annual basic salaries are determined according to the level of responsibility of the job, irrespective of gender. Salary increase and promotion to higher responsibilities are based on performance and professional development. Evaluation of merit is expressed in a performance profile following an annual performance evaluation exercise conducted by management for all staff members.

Table 405-2.1 Ratio of basic salary of women to men

	Employee category	Ratio of basic salary of women to men		
		2016	2017	2018
EIB	Manager	0.92	0.91	0.94
	Executive staff	0.9	0.9	0.91
	Support staff	1.09	1.07	1.04
EIF	Manager	1.05	1.15	1.18
	Executive staff	0.9	0.88	0.93
	Support staff	0.99	1.26	1.01

Differences in basic salaries result from the successive appraisal steps, reflecting the number of years of service irrespective of gender. Data are provided for the end of calendar year 2018.

GRI 406:2016

Non-discrimination

[GRI 103:2016 Management Approach \(Disclosures 103-1, 103-2, 103-3\)](#)

The EIB and EIF Staff Codes of Conduct promote a sound and balanced working environment, through integrity, loyalty, honesty, impartiality and professionalism, where principles of non-discrimination, equal opportunities, respect, mutual support and compliance with applicable laws and regulations are firmly embedded in the culture of the organisation.

All EIB and EIF staff members must refrain from any form of discrimination on the grounds of various personal characteristics such as age, gender, sexual orientation, religion or belief, disability, race, ethnic group or social origin, colour, genetic features, language, nationality, membership of a national minority, political or any other opinion, property, or birth, as well as, in general, the manner in which members of staff choose to conduct their private lives, provided that this remains compatible with the principle enunciated in the Staff Regulations.

The non-discrimination principles cover all relevant aspects of employment, including recruitment, job assignment, promotion, remuneration, training and benefits. The EIB and the EIF prohibits any form of harassment and discrimination.



406-1 Incidents of discrimination and corrective actions taken

In 2018, personnel has not received any request for conciliation pursuant to Article 41 of the Staff Regulations with regard to unequal treatment and gender discrimination, and therefore, no corrective actions had to be taken.

GRI 407:2016

Freedom of association and collective bargaining



[GRI 103:2016 Management Approach \(Disclosures 103-1, 103-2, 103-3: Grouped – Freedom of association and collective bargaining, Child labour, Forced or compulsory labour, Rights of indigenous peoples\)](#)

The EIB is committed to a process of continuous improvement for its social and environmental performance standards in a manner that protects and promotes human well-being. In the Social and Environmental Handbook, the EIB lays out the labour standards covering, among others, topics such as child labour and forced or compulsory labour. An overarching requirement is that any promoter of a project must comply as a minimum with the relevant national labour laws and implement and operate the project in respect of the principles of the core Labour standards outlined in the ILO Declaration on Fundamental Principles and Rights at Work.

The EIB will not finance projects that employ, use or benefit from harmful child labour, use or knowingly benefit from forced labour, and do not comply with national legislation on worker representation and organisation. The EIB recognises the difficult challenges associated with eliminating all forms of discrimination but expects promoters nonetheless to pursue equal opportunity policies and to respect human rights in their business practices. When financing projects, the promoter will not employ forced or compulsory labour. The EIB sets out to avoid or minimise, or otherwise mitigate and remedy, potential harmful effects of EIB operations to vulnerable individuals and groups whilst seeking that these populations duly benefit from such operations. Vulnerable individuals or groups may include women, children, the elderly, the poor, ethnic, religious, cultural or linguistic minorities, or indigenous groups. A detailed social assessment duly tailored to the cultural and socio-economic specificities and sensitivities of indigenous communities will be undertaken to protect vulnerable groups where necessary. With regard to workers engaged through third parties, such as first-tier suppliers and primary contractors, the promoter will determine that such

third parties are legitimate, reputable and that their workers are protected consistently with these standards. Outside the EU, promoters are mandated to include in the procurement documents and contracts the requirement for the tenderers and contractors to fill and provide an “Environmental and Social Covenant”, which commits them to comply with environmental and social performance obligations, labour laws and regulations applicable in the country of implementation, and the principles of the Core ILO Standards. The Covenant commits contractors to ensure that their sub-contractors also comply with these obligations.



407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk



The EIB Group does not sell or manufacture physical goods or related services owing to the nature of its activities. Its organisational supplier base is concentrated on services. Goods are limited to items such as IT hardware, office furniture and office supplies. With regard to suppliers, activities with adverse impacts related to the freedom of association or collective bargaining at suppliers have not been brought to the attention of the EIB in 2018.

The EIB is, in its dealings with external providers, committed to respecting the fundamental EU principles regarding public procurement, notably the principles of equal treatment, non-discrimination and transparency. The Bank considers that, as a general rule, these principles can be best implemented by competition among qualified tenderers and by a selection based both on cost and quality considerations.

Accordingly, in full respect of the tasks and activities assigned to it by the Treaty establishing the European Community, the Bank acts in principle in accordance with Community law on public procurement, in particular Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 (repealing Directive 2004/18/EC) which revises and modernises the previous Directive.



Any project promoter must respect collective bargaining agreements undertaken with workers’ organisations and promote fair working conditions. These should not be less favourable than comparable national conditions and industrial relations. When comparability cannot be assessed, at the very least compensations must be adequate to satisfy the basic needs of workers and their families.

Where the host country does not protect workers’ associations and collective bargaining rights, the promoter will

nevertheless allow for alternative acceptable mechanisms to express grievances and protect their rights regarding the working environment and terms of employment. In either case, or where the law is silent, the promoter will not restrict workers from, or discriminate or retaliate against workers, who seek to participate in collective organisations and bargaining.

GRI 408:2016 Child labour

For the management approach, please see page 43.



408-1 Operations and suppliers at significant risk for incidents of child labour



The EIB Group does not sell physical goods or related services owing to the nature of its activities involving the responsible provision of financial services. The Group did not therefore identify suppliers in its supply chain considered to present a significant risk for incidents of child labour in 2018.

The EIB Group in its dealings with external providers, is committed to respecting the fundamental EU principles regarding public procurement, notably the principles of equal treatment, non-discrimination and transparency. The Group considers that, as a general rule, these principles can be best implemented by competition among qualified tenderers and by a selection based both on cost and quality considerations. Accordingly, in full respect of the tasks and activities assigned to it by the Treaty establishing the European Community, the Group acts in principle in accordance with Community law on public procurement, in particular Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 (repealing Directive 2004/18/EC) which revises and modernises the previous Directive. Control of the observance of the environmental, social and labour law provisions are performed at the relevant stages of the procurement procedure and in particular when applying the exclusion criteria and when applying the provisions concerning abnormally low tenders.



In line with the ILO Minimum Age Convention No. 138 and the Worst Forms of Child Labour Convention No. 182, project promoters will not employ, use or benefit from the exploitation of child labour. This covers work by children that is economically exploitative or likely to be hazardous or that deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental

development. The project promoters are required to report to the EIB the presence of persons under the age of 18 and the nature of work they perform. Minors shall not be employed informally, even when this is a socially or culturally acceptable practice in the sector, country or region. The promoters are further required to ensure that all work of persons under the age of 18 is subject to an appropriate risk assessment and regular monitoring of health, working conditions and hours of work. Further, no project involving the worst forms of child labour (as defined in article 3 of Convention 182) is eligible for financing. The project promoter also oversees that primary contractors and first-tier suppliers apply the same standards and practices concerning child labour.

GRI 409:2016 Forced or compulsory labour

For the management approach, please see page 43.

409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour



The EIB Group does not sell physical goods or related services owing to the nature of its activities involving the responsible provision of financial services. The Group did not therefore identify suppliers in its supply chain considered to present a significant risk for incidents of forced or compulsory labour in 2018. The EIB Group, in its dealings with external providers, is committed to respecting the fundamental EU principles regarding public procurement, notably the principles of equal treatment, non-discrimination and transparency. Forced Labour is implicitly included in trafficking as per Article 2 of Directive 2011/36/EU of the European Parliament and of the Council and as such is one of the exclusion criteria included in the 'Declaration on honour on exclusion and selection criteria' which all tenderers who respond to EIB tenders are obliged to sign.



EIB does not tolerate forced labour in projects it finances. Forced or compulsory labour is understood as all work or service expected from a person under the threat of penalty or for which the person has not offered her or himself voluntarily. This covers any kind of involuntary or compulsory labour, such as indentured labour, bonded labour, or similar labour-contracting arrangements as well as human trafficking.

Taking into account security considerations and the nature of work, the project promoter must avoid any restriction of freedom of movement of its labour force during the course of their employment. Further, the project promoter shall not engage in or tolerate the use of corporal punishment, mental or physical coercion and verbal abuse of personnel. If forced labour is identified in the project promoter's workforce, including direct and contracted workers throughout its supply chain, immediate steps should be taken to terminate the practice, offer conditions of work that are not coercive and refer the case to the competent law enforcement authorities.

GRI 411:2016 Rights of indigenous peoples

For the management approach, please see page 43.



411-1 Incidents of violations involving rights of indigenous peoples

Indigenous peoples are specific in terms of their history, social and political organisation, land-dependent livelihood strategies, rights to self-determination and the need to safeguard both collective and individual human rights. Where EIB operations encounter, affect or threaten the customary rights and interests of indigenous peoples, and where specific actions and outputs are required from promoters, particular attention is mandated to social due diligence. The UN Declaration on the Rights of Indigenous Peoples (UNDRIP) is the guiding document of reference in this respect for the EIB. In all instances involving indigenous peoples, the EIB requires promoters to prepare an Indigenous Peoples Development Plan, abiding by the principle of free, prior and informed consent (FPIC) and accounting, amongst others, for the recognition awarded by the state to the indigenous groups or communities affected, the duty of the state to consult them, the safeguarding of both their tangible and intangible cultural heritage, their link to resources and territories, and considerations of benefit sharing arrangements with them. The FPIC refers to the process whereby the affected community of indigenous peoples arrives at a decision in accordance with their legal provisions, cultural traditions and practices.

GRI 412:2016

Human rights assessment

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB seeks to promote sustainable and inclusive growth while protecting the natural and social environment in a holistic manner. This is reflected in requirements relating to the protection of human well-being that are integrated in the definition, preparation and implementation of all operations financed by the EIB. The Bank recognises the need for a proactive approach in order to ensure that social considerations are taken into account during the early stages of strategic decision-making by promoters so that a real influence can be exerted on the choice of alternative developments.

The environmental and social policies, principles and standards, as well as the procedures and practices of the EIB, derive from and reflect the evolving EU approach and that of other international institutions towards the promotion of environmental sustainability, social development and human wellbeing, in the broader context of the goal of sustainable development. The respect and protection of human rights are deemed as central to the social sphere, EIB's social standards and the subsequent application of its social due diligence.

The assessment of social impacts and risk, including their significance and materiality, as well as the development of adequate management plans and programmes are key tools for achieving sound social performance. At minimum, all EIB-financed operations are required to comply with national legislation and international conventions and agreements ratified by the host country. Beyond compliance with these relevant legal frameworks and instruments, the EIB verifies that the identification and remediation of environmental and social impacts and risks of operations by our clients is consistent with the Bank's standards and requirements, including promoting international best practice. In addition, operations within the EU, candidate and potential candidate countries must comply with EU horizontal and/or applicable sectoral legislation.



412-1 Operations that have been subject to human rights reviews or impact assessments

In 2018, the EIB's social due diligence continued being performed against the 2014 EIB Environmental and Social Standards, which purposefully integrate human rights considerations. No stand-alone Human Rights Impact Assessments (HRIAs) were deemed necessary to be carried out during 2018. Moreover, in line with the EIB's human rights-responsive social due diligence framework, social due diligence was guided by:

- the recognition of the materiality of risk to affected persons, acknowledged as right-holders;
- the consideration of a human rights mitigation hierarchy that addresses severity, likelihood and frequency of human rights violations in an operation, thereby informing the prioritisation of mitigation measures;
- a broader view of the supply chain and considering legacy issues; and,
- the analysis of the specific country and project context, political economy and institutional and legal parameters.



412-2 Employee training on human rights policies or procedures

As respect for human rights is one of the EIB's core business principles and is mandated under the EIB's Environmental, Climate and Social Standards (ECS), all training on the latter automatically entails human rights elements. In this regard, the Bank actively monitors the number of hours of training in E&S Standards across the following events:

In 2018, the Bank rolled out an internal Knowledge Sharing Programme, with modules adjusted to different internal audiences and focusing on different aspects of its ECS Standards and associated due diligence. In total, a series of fourteen training sessions totalling 98.5 man-days were delivered to a total of over 152 Bank staff. A significant portion of each session was dedicated to the human rights obligations of the Bank and how these were to be henceforth operationalised in the Bank's due diligence processes by way of the EIB Environmental and Social Handbook.

Additionally, two rounds of training sessions on EIB's conflict sensitive approach for relevant operations in conflict-affected and fragile situations were organised during 2018, offering good practice guidance to staff working in challenging environments. These were provided to staff across three different operationally active directorates in the Bank, capturing a total of 54 staff members. An additional training

session focusing on promoting gender equality in conflict-affected and fragile contexts was piloted with participation of 10 staff members and will be repeated in 2019.

Further, specialised training sessions focusing on gender equality and women's economic empowerment in different sectors were rolled out and attended by 81 staff members in 2019.

Lastly, two dedicated workshops on Land Acquisition, Resettlement and Social Sustainability were organised in 2018, serving a total of 29 staff members. These workshops were key in highlighting and sensitising staff in the rights affected under this domain, namely:

- avoiding and/or preventing forced evictions and ensuring that any eviction which may be exceptionally required is carried out lawfully and respects the rights to life, dignity, liberty and security of those affected who must have access to an effective remedy against arbitrary evictions;
- respecting individuals', groups' and communities' right to adequate housing and to an adequate standard of living, as well as other rights that may be impacted by resettlement;
- respecting the right to property of all affected people and communities and mitigating any adverse impacts arising from their loss of assets, or access to assets and/or restrictions of land use, whether temporary or permanent, direct or indirect, partial or in their totality; and
- upholding the right to adequate housing, promoting security of tenure at resettlement sites.



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

The EIB's social standards and practices (adopted by Management in October 2013) and with an explicit reference to the EU and international human rights law have been effective since January 1, 2014 for all EIB operations. The standards seek alignment with the policy objectives enshrined in several key reference documents issued and/or endorsed by the EU, whereby respect for human rights is regarded as central to the EIB's understanding of the social sphere and its social due diligence obligations. While EIB generally requires from its promoters to integrate any impacts on human rights in the Environmental and Social Impact Assessment (ESIA), the standards also stipulate that, if deemed necessary by the EIB, based on the nature of the project and country context, the promoter might be required to carry out a stand-alone human rights impact assessment (HRIA) and/or other supplementary assessments.

The Bank's social standards are applicable across the entire territorial scope of EIB lending. However, social due diligence remains enacted primarily in projects outside the EU (including EU Accession States); within the EU, the EIB adopts in this respect the principle of the presumption of legality and engages in social due diligence only in those cases where there is legitimate cause for concern over violations.

GRI 413:2016

Local communities

GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB requires that all projects which are likely to have a significant effect on the environment, as well as on human health and well-being and that may interfere with human rights, be subjected to an Environmental and Social Impact Assessment (ESIA) procedure. In the EU, Candidate and potential Candidate countries, this process shall be conducted in accordance to the EU EIA Directive, and outside of these regions the ESIA process must be consistent with the principles contained in the EU EIA Directive and best international practice and taking into account national laws and regulations and any obligations and standards of multilateral agreements to which the host country is a party.

The ESIA process, which is the responsibility of the promoter and the competent authorities, encompasses public consultation and stakeholder engagement, including with local communities. The EIB Standard on Stakeholder Engagement outlines a systematic approach to stakeholder engagement that the promoter is expected to build and maintain by way of a constructive relationship with relevant stakeholders. Stakeholder engagement is an inclusive and iterative process that involves, in varying degrees, stakeholder analysis and engagement planning, timely disclosure and dissemination of/access to information, public consultations and stakeholder participation, and a mechanism ensuring access to grievance and remedy. The ESIA process for investment loans and framework loans should be completed prior to Board approval, and the process as well as its findings and recommendations need to satisfy the requirements of the EIB.



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

The EIB requires all projects in the EU, candidate and potential candidate countries that are likely to have a significant effect on the environment to be subject to an EIA, according to the definitions and requirements of the EIA Directive. With regard to projects in third countries the ESIA process and content must be consistent with the principles of the EU EIA Directive. The ESIA process, which is responsibility of the promoter and the competent authorities, encompasses public consultation and stakeholder engagement, including with local communities. The EIB Standard on Stakeholder Engagement outlines a systematic approach to stakeholder engagement that the promoter is expected to build and maintain by way of a constructive relationship with relevant stakeholders. Stakeholder engagement is an inclusive and iterative process that involves, in varying degrees, stakeholder analysis and engagement planning, timely disclosure and dissemination of/access to information, public consultations and stakeholder participation, and a mechanism ensuring access to grievance and remedy.

The process of stakeholder engagement must take into account the views, roles and rights of local communities affected by the project, including the assessment of impacts on the local communities, and the promotion of sustainable development.



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

The assessment of social impacts and risk, including their significance and materiality, as well as the development of adequate management plans and programmes are key tools for achieving sound social performance. In this respect, all EIB-financed operations are required to comply with national legislation and international conventions and agreements ratified by the country of operation. In addition, operations within the EU, Candidate and potential Candidate countries must comply with EU horizontal and/or applicable sectoral legislation while the operations outside the EU, Candidate and potential Candidate countries must meet best international practice with regards to the assessment and management of social impacts and risks, promote good social governance and align with relevant EU principles and standards. Procedural requirements of project promoters include – amongst others – a screening to identify potential adverse social impacts and risks. The assessment, management, and monitoring of potential adverse impacts commensurate to project’s social

impacts and risks is undertaken by a project promotor as a result of the screening phase. The project promoter is further required to set up and maintain a grievance mechanism accessible to stakeholders, again proportionate to the project’s impacts and risks.

GRI 414:2016 Supplier social assessment



GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

The EIB Group is committed to respecting the fundamental EU principles regarding public procurement. Accordingly, in full respect of the tasks assigned to it by the Treaty on the functioning of the European Union, the Bank acts in accordance with Community law on public procurement, in particular the directives dealing with public procurement as amended from time to time. Currently, the main legal basis for EIB Group corporate procurement is Directive 2014/24/EU of the European Parliament and of the Council of 26/2/2014.

Article 57 of the above-mentioned directive covers grounds for excluding economic operators from participation in a procurement procedure where the Contracting Authority has established or is otherwise aware that the economic operator has been the subject of a conviction by final judgement. The grounds for mandatory exclusion are participation in a criminal organisation, corruption, money-laundering, child labour or other human trafficking, terrorist offences, non-fulfilment of tax payments, non-fulfilment of social security contributions. The grounds for discretionary exclusion include violation of environmental, social or labour law. Therefore, the EIB Group has at its disposal the necessary measures to ensure the integrity of economic operators to whom it awards contracts following procurement procedures.



414-1 New suppliers that were screened using social criteria

The Group’s supply chain entails the procurement of goods necessary to conduct service-oriented operations. As no new significant physical goods suppliers were recorded in the reporting period, no new suppliers were therefore screened using social criteria.



414-2 Negative social impacts in the supply chain and actions taken

Maladministration may occur if the EIB Group fails to act in accordance with the applicable legislation and/or established policies, standards and procedures, fails to respect the principles of good administration or violates human rights. Some examples of failure to respect the principles of good administration, as defined by the European Ombudsman, are provided by administrative irregularities, unfairness, discrimination, abuse of power, failure to reply, refusal of information, unnecessary delay. Maladministration may also relate to the environmental or social impacts of the EIB Group's activities and to project cycle related policies and other applicable policies of the Group.

Under all calls for tenders for services, works and supplies procured in the context of corporate procurement, bidders are required to declare that there are no grounds for excluding them from participating in the tendering procedure. The reasons for mandatory exclusion are serious offences: money laundering, corruption, participation in a criminal organisation, fraud, child labour or other human trafficking, terrorist offences, non-fulfilment of tax payments, non-fulfilment of social security contributions. In this context, in 2018, the EIB Group identified no suppliers who submitted tenders as having significant actual and potential negative social impacts. No improvements were therefore initiated as a result of any assessment and no supplier relationships were terminated.

the EIB Group operations contribute to the EU development goal of poverty alleviation and sustainable development. The EIB Group also verifies that operations are aligned with international conventions on human rights and that they do not result in human rights abuses.



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

The EIB Group has not identified any non-compliance with laws and regulations.

GRI 419:2016 Socioeconomic compliance



GRI 103:2016 Management Approach (Disclosures 103-1, 103-2, 103-3)

A key objective of the EIB Group in EU Member States is to enhance social cohesion and support investments that promote social inclusion in the interests of enhancing equity and equitable access to goods and services. Outside the Union,



The EIB Group consists of the European Investment Bank and the European Investment Fund.

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Sustainability Reporting Disclosures
In accordance with the GRI Standards

