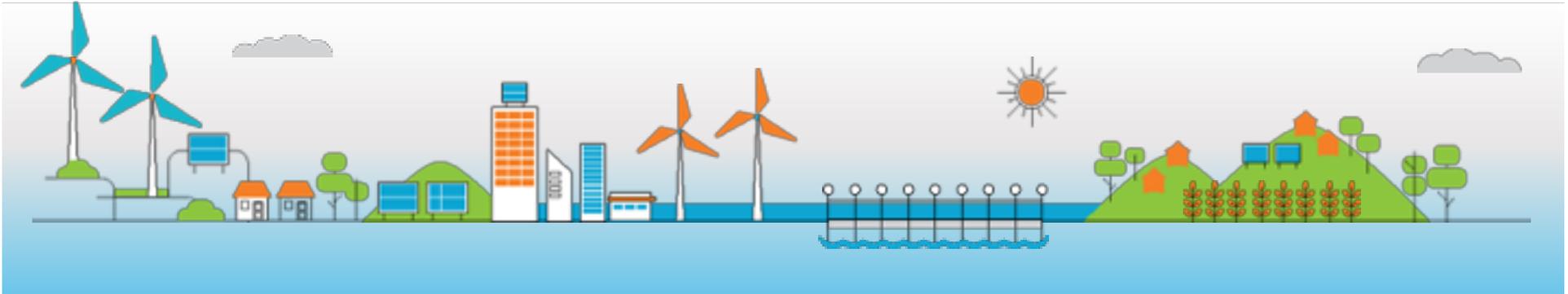


Sustainability Reporting at the EIB



Nicola Pochettino

Head of Project Impact and Reporting

Sustainability Reporting Forum

Brussels, 17 June 2019

The EIB: the EU bank

- ▶ The world's largest multilateral lender and one of the biggest provider of climate finance
- ▶ Around 90% of lending is within the EU
- ▶ Governed by the EU Member States

**Improving the
quality of life for
people in Europe
and beyond**

Our priorities

Innovation



€ 13.5bn

Environment



€ 15.2bn

Infrastructure



€ 12.3bn

SMEs



€ 23.3bn

Our commitment to Climate Action

EUR16.1bn in 2018

Commit to invest **USD 100bn**
in climate action
over five years (2016-2020)



Act in line with the
Paris Agreement



Below **2°** Celsius
Mobilise the **financial power**
needed to tackle global warming

Now aiming at **1.5° Celsius...**

We deliver impact where it is needed



1.1 m jobs
supported during
project
implementation



1.7 million persons
impacted by flood
mitigation
infrastructure



13 000 MW
electricity
generation capacity
from renewable
energy sources



24.5 m households
to be powered with
clean energy



29 m very high
speed **digital**
connections



20 m persons
benefiting from
safe drinking
water



27 m persons
covered by
improved health
services



290 m additional
passengers on
safer and cleaner
transport

Sustainability underpins all EIB Group's activities

“The Union’s aim is to promote peace, its values and the wellbeing of its peoples. (...)

*It shall work for the **sustainable development** of Europe based on balanced economic growth.”*

(Consolidated version of the Treaty on European Union)

The **Sustainability Report** is, since 2007, a key instrument for reporting on the EIB Group’s **sustainability performance**

- based on **materiality assessment** in accordance with Global Report Initiative (GRI)
- subject to **external assurance**



EIB project cycle

We support sound and sustainable projects



Mainstreaming Climate Action in our investments

- Key priority for the EIB: delivering growth while supporting a **low carbon and resilient future** for Europe and across the globe.
- Measuring and reporting **carbon footprint** of projects.
- Incorporate the **economic cost of greenhouse gas emissions**.
- **Emissions Performance Standard** applied.
- Committed to dedicate **at least 25%** of our investments to climate change mitigation and adaptation worldwide.
- **Leading by example**: measuring, managing and reporting internal carbon footprint

The EIB Environmental and Social Standards

An integrated Approach



Assessment and Management of E&S Impacts and Risks



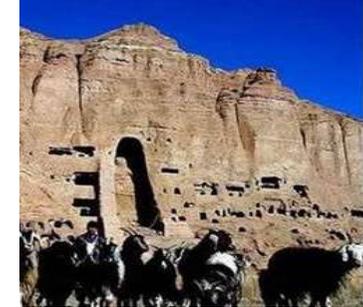
Pollution Prevention and Abatement



Biodiversity and Ecosystems



Climate-Related Standards



Cultural Heritage



Involuntary Resettlement



Rights & Interests of Vulnerable Population Groups



Labour Standards



Occupational and Public Health, Safety and Security



Stakeholder Engagement

Thinking ahead about sustainability

in a multi-dimensional way

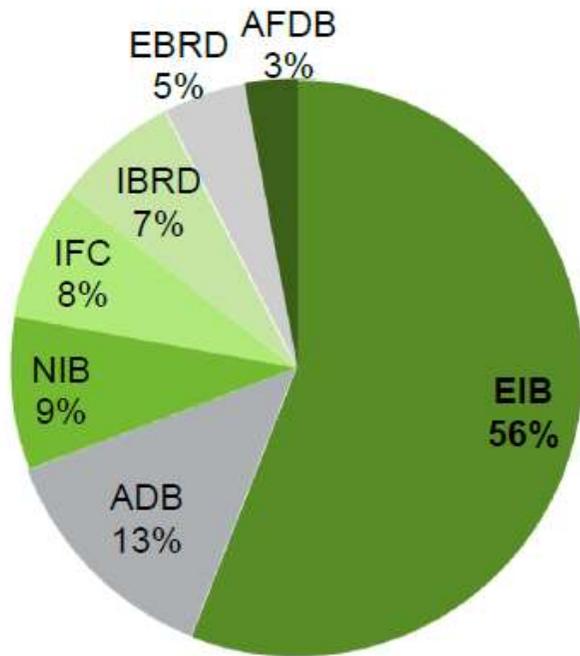
- **Climate Strategy 2015-2020**, currently under review as foreseen
- An approach to **Conflict Sensitivity**
 - to guide staff in making informed decisions on projects in conflict-affected/fragile areas
- EIB Group Strategy on **Gender Equality and Women's Economic Empowerment**
 - to protect women's rights and support their participation in the economy
- **Social Impact Accelerator**
 - public-private partnership addressing equity finance to support European social enterprises
- **Social Innovation Tournament**
 - supports European entrepreneurs aiming to generate social, ethical or environmental impact

Pioneering sustainable borrowing

EIB's CABs – The world's first green bond

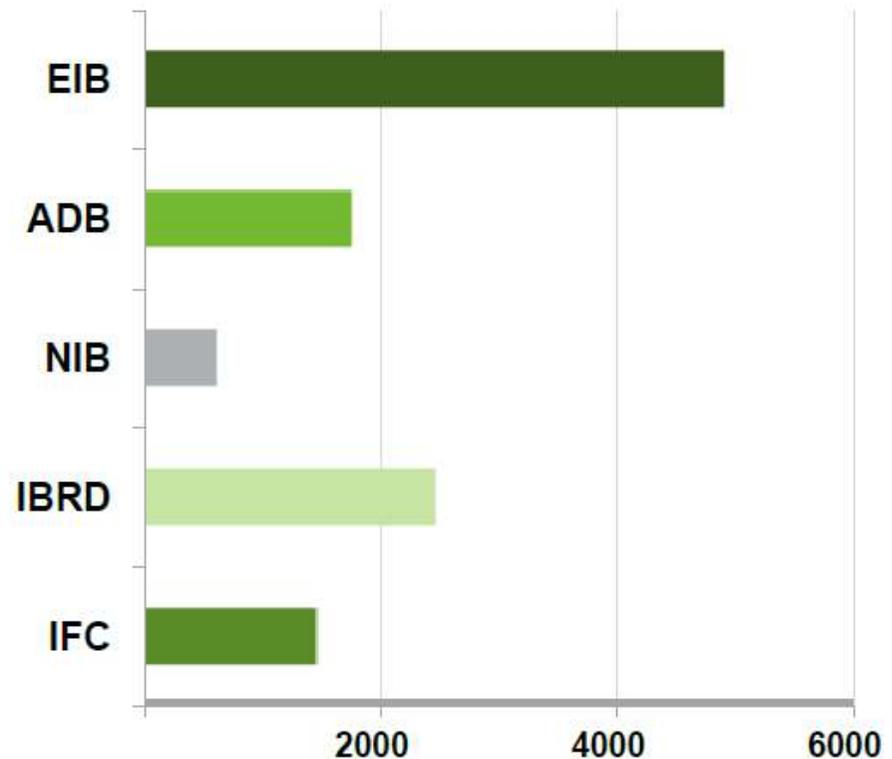


Outstanding supra Green Bonds*
(over USD 100m)



*Source: Crédit Agricole CIB, as of 31 March 2019

Leading supply of Supra Green Bonds**
(2018 issuance in USD m)



**Source: Bloomberg

Pioneering sustainable borrowing

Why a sustainability bond?



EIB towards Sustainable Finance's new frontiers with dedicated use-of-proceeds bond

EIB launched its first Sustainability Awareness Bond (SAB) on 6 September 2018

EUR 500m
0.375%
due 15 May 2026



Sustainability Awareness Bond (SAB)



EIB supports sustainable projects, beyond the climate finance area



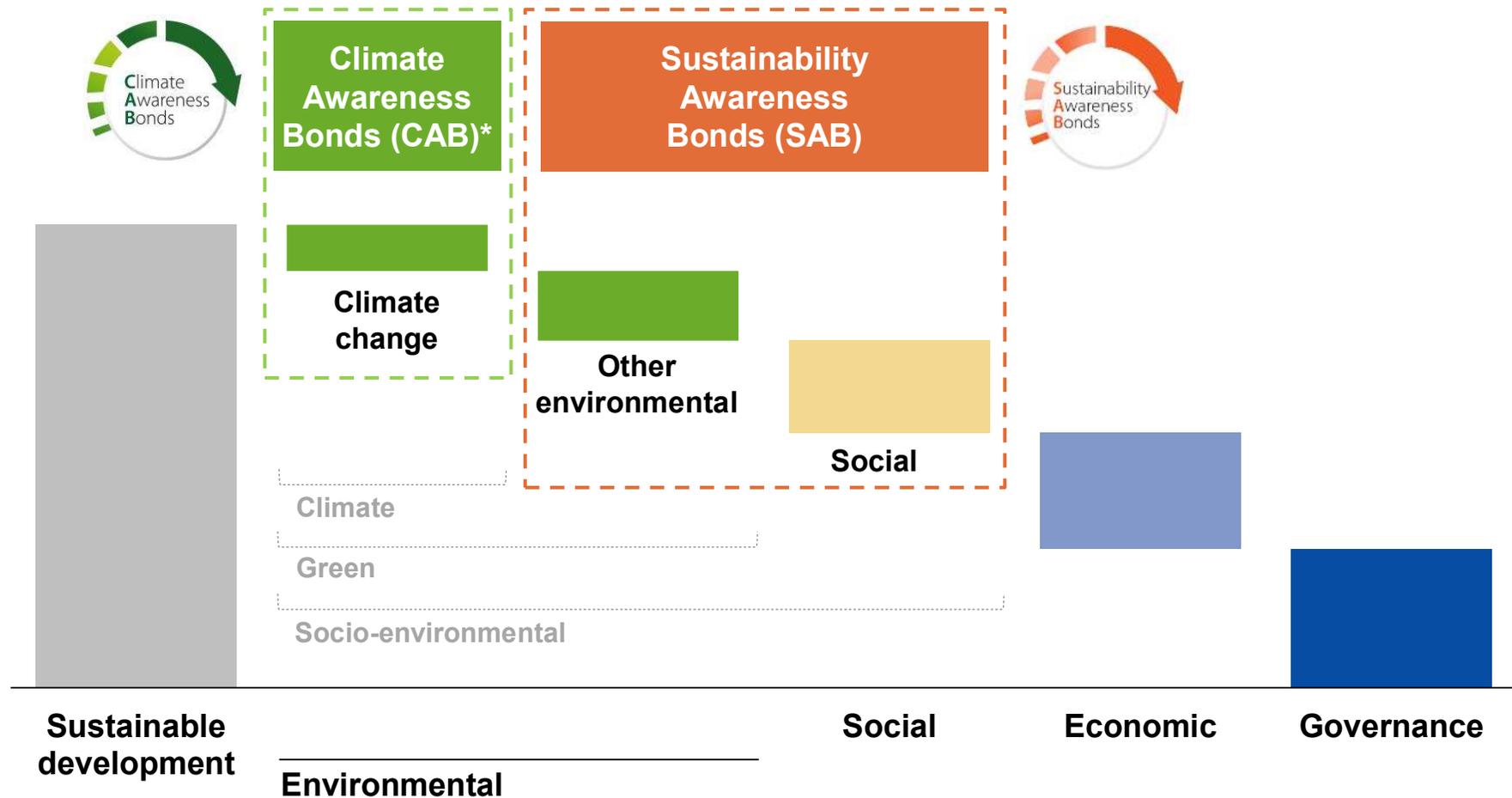
EIB's due diligence for all its projects comprise social and environmental standards



The Bank is committed to the Sustainable Development Goals since their inception in 2015

Pioneering sustainable borrowing

SABs to support sustainable projects beyond CC



UNEP Framework, UNEP Inquiry Definitions and Concepts: Background Note 2016

*Climate Awareness Bonds currently focus on climate change mitigation with renewable energy and energy efficiency

Sustainable lending

further examples

- **Clean Oceans Initiative:**
Up to EUR 2bn 2019-23
with KfW and AFD
- Supporting the **Circular Economy:**
lending, advising, CE
Guide
- **Natural Capital Finance
Facility** – nature as an
asset class



THIS IS NOT A JELLYFISH.
THIS IS A DRIFTING PLASTIC BAG.



Sustainable Development Goals

EIB operations inside the EU, 2017



Cross-cutting poverty reduction impacts – EUR18.2bn for cohesion



Production of 140 500 t/y dairy and 150 000 t/y meat foodstuffs



42 million citizens have access to improved healthcare services



1.1 million students benefit directly from EIB projects



21m benefit from improved water supply, 29m from improved sanitation



Energy production from renewables for 5.3m households



5.5m jobs sustained in supported SMEs, MidCaps, microenterprises



30m h/y saved by improved transport infrastructure; 7.4m additional households covered by very high-speed broadband



9.6m citizens benefit from improved urban public infrastructure; 1.6m people face a reduced risk of flooding



8.4 TWh/y of energy savings; 4.6 MtCO₂eq/y GHG emission reduction



Improved management on 80,000 ha of forest land

A transparent and accountable bank

- **Transparency** policy reflecting EU regulations and banking practices
- **Public Disclosure of Information**
 - Striving to release a **maximum amount of key information** concerning projects, policies, operational strategies, procedures and activities
 - Availability **to all interested stakeholders**
- **Dialogue** with society and NGOs



Concluding remarks

As a responsible institution, we are committed to:

- **improving the lives** of people by promoting sustainable and inclusive growth
- appraising and monitoring the **environmental and social sustainability** of all of our investment projects
- taking account of all resources used by the project and the externalities generated, to **determine whether society at large gains from investments**
- continuously monitoring, reporting, and taking action to reduce **our own internal environmental footprint**
- ensuring strong **governance, transparency and accountability**, for us and our counterparts

Thank you

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