



Eurasian  
Development Bank

# 2023 SUSTAINABILITY REPORT OF THE EURASIAN DEVELOPMENT BANK



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# 1

## Message from the Chairman of the Management Board







**Promoting sustainable development is an integral part of the mission, Strategy, and approach in all operations of the Eurasian Development Bank (EDB).**

**When forming our project portfolio, we are guided by the target impacts of sustainable development, including carbon footprint, environmental and social risks, and opportunities. We openly share our experience and expertise, including deep insights into the sustainable development aspects of Central Asia. We do not stand aside in emergency situations.**

**In our activities, we rely on global best practices and strive every day to improve, integrating sustainable development aspects into our operations and considering the interests of stakeholders.**

**This is precisely what we aim to highlight, along with our corporate innovations and achievements in the ESG sphere, in the first EDB Sustainability Report for 2023.**

GRI 2-22



## Promoting prosperity

The EDB believes that a commitment to sustainability principles is a prerequisite for achieving long-term prosperity in the region and improving the quality of life of its people — the goals facilitated by the EDB's unique mandate and status as an international development finance institution. The EDB does is not limited to playing only the role of a lender — we also provide technical assistance and comprehensive project support, engage in analytical work and international cooperation, and act as a reliable partner for member states to pursue their national economic, environmental, and social priorities.

Eurasian countries are vulnerable to the impacts of climate change, which are already affecting the availability of water, energy, and food. According to our estimates, Central Asia would face chronic water shortages by the end of this decade unless the problems of the water and energy complex are addressed comprehensively, with the active involvement of governments, multilateral development institutions, businesses, and academia.



## Achieving high results

Despite the challenges, Eurasian countries have shown steady growth, and the EDB's efforts have grown along with it. In 2023, the Bank successfully met the benchmarks set out in its Strategy for 2022–2026, including an increased share of projects contributing to the UN Sustainable Development Goals in member countries that amounted to 22.8% by the end of the year.

In 2023 alone, due to the Bank's support, more than 30,000 jobs were created, and the total output amounted to USD 11,926 million. The key investment mega-projects — the Central Asian Water and Energy Complex, the Eurasian Transport Network, and the Eurasian Commodity Distribution Network — aim to provide long-term solutions to the region's complex development challenges and are steadily implemented, forming a patchwork of investment projects, analytical support, and international cooperation.

In the reporting year, the EDB invested over USD 600 million in green projects aimed at improving the environment and combating climate change, and the cumulative portfolio of green projects amounted to USD 1.2 billion. These include renewable energy, clean transport, and energy efficiency projects.

Major climate finance projects in the Bank's portfolio in 2024 include the upgrading of Almaty CHPP-3 in Kazakhstan, the construction of Kulanak HPP in Kyrgyzstan, and the upgrading of the Sevan-Razdan HPP cascade in Armenia.



## Adopting best practices

One of the key objectives for 2023 was to improve the Bank's internal processes to align with the best approaches of leading multilateral development banks. Notable initiatives included the creation of a standing high-level body — the Sustainability Committee — and the adoption of the EDB Sustainability Principles, which apply to all operations of the Bank.

The EDB adheres to high standards of environmental and social responsibility, promotes best practice among its clients. In order to assess the environmental and social impacts of its projects more holistically, in 2023 the Bank adopted a new Environmental and Social Framework, which introduced various tools for ESG analysis of projects and borrowers. We have also revised our approach to activities inconsistent with sustainability principles, which the Bank does not intend to finance. Last year, the EDB undertook its first comprehensive climate impact assessment, estimating greenhouse gas emissions from a range of activities, office services and employees commuting to investment projects.

In terms of corporate governance, in 2023 the EDB diversified its share capital structure, improved the functioning and enhancing the powers of its collegial bodies. The Bank's management now also reports annually and quarterly on its sustainability performance to the Bank's Council.

The most important resource for the EDB's continued growth, development, innovation, and expertise is its people. We believe that diverse teams foster more creative solutions,

and in 2023, more than half of our new employee hires were women. All employees of the Bank attend mandatory training, are offered professional development opportunities, and receive regular feedback. In addition, we are developing a system of training sessions, expert meetings, and workshops on ethics, responsible business conduct, green living, and other issues. We are proud that in 2023, our Employee Engagement Index hit an all-time high since 2012, reaching 79%.



## Working with international partners

In 2023, the EDB became a member of the United Nations Environment Programme (UNEP) Finance Initiative. We are confident that the EDB's membership of the UNEP Finance Initiative will help unlock long-term value for our shareholders and enhance the sustainability credentials of our clients.

We have successfully presented our region's key sustainability themes at various international platforms. Hallmark events in 2023 included the Annual Meeting of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) and roundtable discussions entitled "Promoting Sustainable Development in Central Asia"; presentations at UN events including the UNIDO Conference and the UN Water Conference; and the launch of a number of analytical reports on the green agenda in the Eurasian region, efficient irrigation, and water supply. On the sidelines of the UN Climate Change Conference (COP 28), the Bank was granted observer status with the UN Framework Convention on Climate Change. The EDB also joined the Green Investment Principles (GIP) for the Belt and Road Initiative and the Water Finance Coalition and signed strategic cooperation memoranda with



Latin American development banks — FONPLATA Development Bank and Brazilian Development Bank (BNDES) — that include achievement of the Sustainable Development Goals as a strategic focus of cross-regional cooperation.

The achievements and lessons learned over the past year will help us build the expertise needed to evaluate investment projects, provide balanced solutions to the complex sustainability challenges faced by member states, expand the network of international and regional partnerships, and engage stakeholders in the ESG agenda. We intend to further improve our own processes by implementing and adapting best ESG practices, openly sharing our experiences, and detailing the results in our annual sustainability reports.

Sincerely,  
Nikolai Podguzov  
Chairman of the Management Board  
Eurasian Development Bank





# 2

## About the Report





# GRI Indicators

GRI 2-2

GRI 2-3

GRI 2-4

GRI 2-5

GRI 2-14

GRI 2-29

GRI 3-1

GRI 3-2

GRI 2-2

GRI 2-3

GRI 2-4

The Eurasian Development Bank (the Bank, EDB) publishes its first Sustainability Report (the Report). The debut 2023 Report provides information on the Bank’s ESG performance, including data on corporate governance, management of sustainability issues, sustainable financing approaches, human resources management, ethics and compliance activities for the reporting period from 1 January 2023 through 31 December 2023. The Report also includes material information relating to prior periods, which was not revised in the preparation of the Report. The information disclosed in the Report relates directly to the Eurasian Development Bank as an international financial institution and does not include data on other legal entities. Financial data in the Report are presented using the 2023 IFRS consolidated financial statements. Certain quantitative operational ESG indicators include consolidated data for the Bank’s headquarters in Almaty and its representative offices in member countries.

GRI 2-5

GRI 2-14

This Report has been prepared in accordance with international non-financial GRI Standards and covers a number of GRI indicators. Although no independent external assurance of the Report has been undertaken, the Bank will explore the possibility of independent assurance in its future reporting. The draft Report was reviewed by the EDB Sustainability Committee on November 8, 2024 and approved by the Bank’s Management Board on December 19, 2024. Other information on the Bank’s operations not disclosed in this Report is contained in the [EDB Annual Reports](#) and on the [EDB website](#).



Sustainability Principles

GRI 2-29

GRI 3-1

GRI 3-2

In line with the [Sustainability Principles](#), the EDB strives to disclose information on its sustainability performance and progress in a timely, comprehensive, and accessible manner to all stakeholders, taking into account feedback received. In preparing the Sustainability Report, and to improve objective setting in this area in line with stakeholder expectations, the Bank carried out a materiality assessment in 2023. This included: an analysis of sources (applied literature, experience of peer development banks, non-financial reporting standards, credit and ESG rating agency criteria, EDB’s Strategy for 2022–2026); drawing up a preliminary list of sustainability aims based on these sources; preparation of a stakeholder questionnaire; selection of respondents from among the stakeholders; and survey and analysis of responses. 122 respondents were invited to rank 19 sustainability topics on a scale of 1 to 5, depending on their importance to EDB’s operations and the attention they felt the EDB should give to them. The respondents were also given the opportunity to expand the list of sustainability topics and provide feedback on the survey’s content.

↓ **Table 1.**  
**Stakeholder Groups that Participated in EDB Survey to Identify Material Sustainability Goals**

| External stakeholders                          | Internal stakeholders (employees)                                          |
|------------------------------------------------|----------------------------------------------------------------------------|
| Shareholder                                    | Chairman of the Management Board / Deputy Chairman of the Management Board |
| Eurasian Economic Commission                   | Directorate / department / division head                                   |
| Researcher / expert                            | Other employee                                                             |
| Commercial bank                                |                                                                            |
| Company / enterprise                           |                                                                            |
| International agency                           |                                                                            |
| Non-governmental organisation (NGO)            |                                                                            |
| Government body                                |                                                                            |
| Professional service providers and consultants |                                                                            |
| Rating agency                                  |                                                                            |
| Mass media                                     |                                                                            |
| Development finance institution                |                                                                            |

The list of key stakeholders of the Bank, their expectations, and the means of communication with them are presented in the [EDB Strategy](#) and in the [About the Bank](#) Chapter.

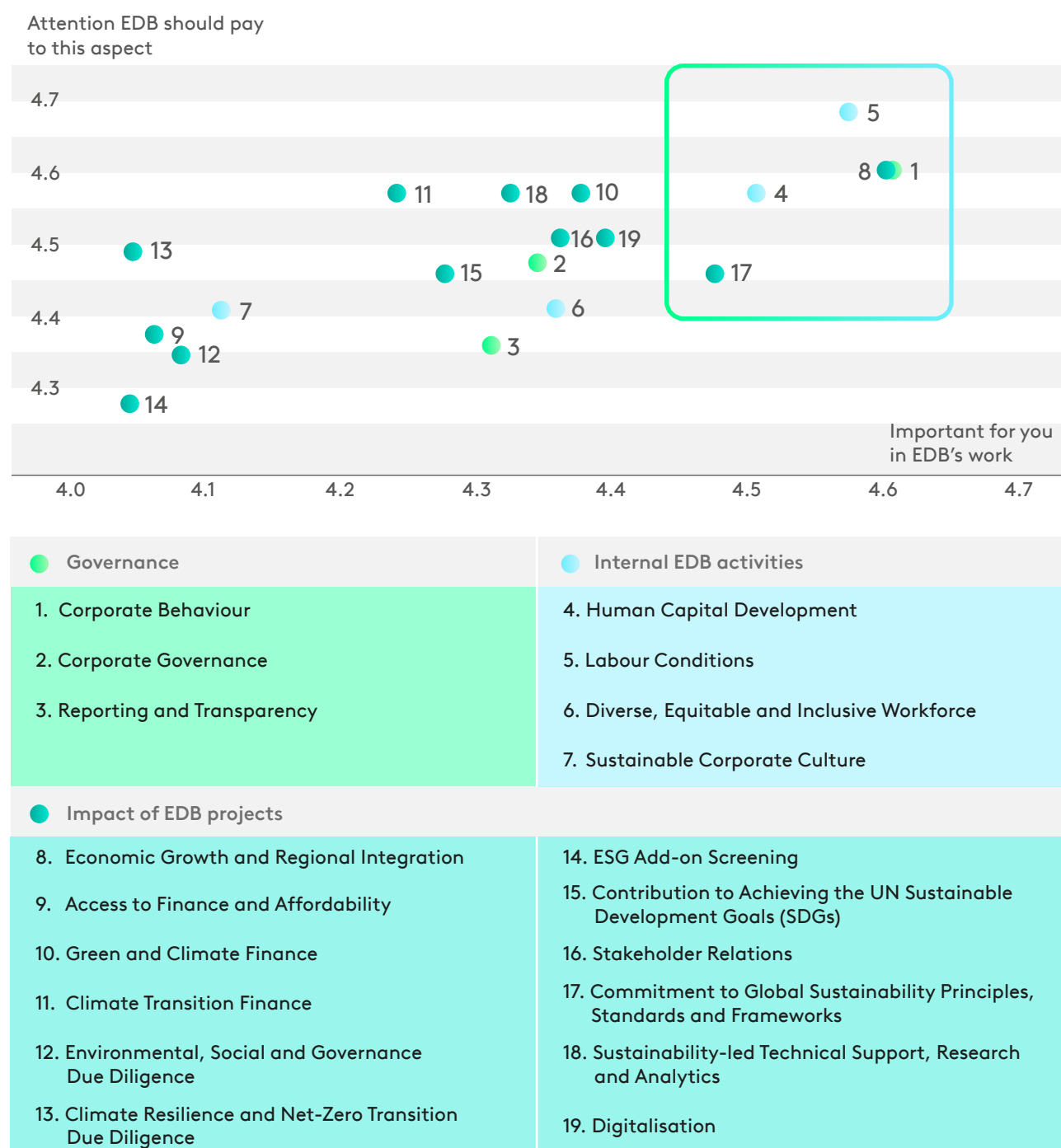
The survey results were presented as a matrix of aspects. The most significant of these, in terms of their importance to stakeholders and the EDB’s potential impact, are in the top right-hand corner.

The Report on the EDB materiality assessment is available [here](#).





↓ **Figure 1. Materiality Matrix**



In this Report, the Bank aims to highlight sustainability goals that were identified as the most important in the materiality assessment, namely working conditions and human capital development (see the [Human Resources Management](#) Chapter), corporate conduct (see the [Corporate Governance](#) Chapter), commitment to international standards and sustainability principles (see the [Sustainable Finance](#) Chapter), whilst discussing, in addition, other aspects of sustainability linked to the Bank's operations and the environment in which it functions, which have an impact on its performance and strategic priorities.





# 3

## About the Bank





### 3.1 EDB Profile

Applicable documents

→ Agreement Establishing the Eurasian Development Bank and Charter

→ EDB Strategy for 2022–2026

→ Investment Regulations

→ Procurement Policy for Projects Financed by EDB

#### GRI Indicators

GRI 2-1

GRI 2-2

GRI 2-6

GRI 2-26

GRI 2-29

GRI 203-1

GRI 204-1

GRI 2-1

The Eurasian Development Bank is an international financial institution whose **mission** is to promote a market economy, sustainable economic growth, and the expansion of trade and economic ties in its member states through investment. In the countries in which it operates, the EDB plays a unique role as a regional development partner, focusing on non-sovereign financing of projects with a strong integration effect and contributing to the achievement of the Sustainable Development Goals in its member states. EDB's lending and investment are mainly funded through long-term borrowing on capital markets and the Bank's own funds.

GRI 2-2

The Bank was established on 12 January 2006. The current members of the Bank are: the Republic of Armenia; the Republic of Belarus; the Republic of Kazakhstan; the Kyrgyz Republic; the Russian Federation; and the Republic of Tajikistan. The Agreement Establishing the Eurasian Development Bank is registered with the UN Secretariat, and since 2007 the EDB has been an observer with the UN General Assembly. The Bank welcomes accession enquiries from interested states and international organisations that share its goals.



The Bank's values are responsibility, teamwork, professionalism, internationalism, development, and passionarity.

The Bank's headquarters are in Almaty, Republic of Kazakhstan. The authorised capital is USD 7.0 billion. The Bank's governing body is the EDB Council. As at 31 December 2023, the EDB Council was chaired by A.A. Smailov, Prime Minister of the Republic of Kazakhstan. The Chairman of the EDB Management Board manages the Bank's activities and the Management Board under the competencies and rights defined by the EDB Charter and resolutions of the Bank's Council. The Chairman of the EDB Management Board is Nikolai Podguzov. As at the end of 2003, the Bank had 343 employees.

GRI 2-6

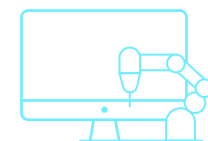
The Bank' aims to support sustainable economic development and further integration between EDB member states. Under its **Charter**, the Bank has four **key objectives**:



To upgrade energy, transport, communications, and agro-industrial infrastructure in order to promote trade and economic cooperation between member states;



To achieve quality structural shifts in the economies of member states;



To increase the output of competitive high-tech products with high added value in non-commodity industries; and



To build a financial and investment framework to support integration.

The Bank finances major investment projects in the Eurasian region by providing investment loans and debt financing, equity holdings, mezzanine financing and guarantees, and by financing investment funds and financial institutions which themselves support real sector enterprises and trade operations. The EDB is guided by the principles of the **Investment Regulations**, which include environmental and social responsibility. The Bank borrows funds for investment from financial institutions, international organisations and member state governments and issues public debt instruments on the financial markets.

In addition to project financing, the Bank offers technical assistance for project development, advice on structuring project finance, information and analytical support, and assistance for development initiatives as requested by the Bank's member countries.

GRI 2-6

GRI 204-1

As an international financial institution, EDB's value chain is made up of the provision of services and, to a lesser extent, the procurement of goods and equipment. In its operations, the Bank follows its Rules for Procurement of Goods, Works, and Services for EDB's Needs. The **Procurement Policy for Projects Financed by EDB** governs procurement for projects financed in whole or in part by the Bank. Such procurement is managed in accordance with member states laws and is based on the principles of competition and transparency to guard against the use of proscribed practices. The Bank does not monitor the cost of purchases from local suppliers but requires borrowers to consider bidders registered in the Bank's member countries on the same basis and to the same extent as bidders registered in the borrower's country.



## Strategy for 2022–2026

## GRI 2-23



In 2021, the Bank's Council approved its Strategy for 2022–2026, which sets out the Bank's strategic priorities over the five-year period, including:

### → Strengthening the EDB's unique contribution

to integration as a development bank in its countries of operation and focusing on cultivating and implementing investment projects with a strong integration effect

### → Increasing the annual value of the Bank's investment to

USD  
**3.0**  
billion  
by 2026

### cumulative investment value

USD  
**10.9**  
billion  
for 2022–2026

### → Implementing key investment mega-projects with total investment from the bank of around

USD  
**1.2**  
billion

1. The Central Asian Water and Energy Complex
2. The Eurasian Transport Network
3. The Eurasian Commodity Distribution Network

### → Enhancing operations in the EDB's minority shareholder countries —

Armenia, Kyrgyzstan, and Tajikistan — with EDB investment in these countries totalling

USD  
**500**  
billion

## GRI 2-26

## GRI 2-29

Stakeholder engagement is important in enabling the Bank to define, adjust and achieve its goals. The EDB uses traditional and innovative stakeholder engagement methods, strengthens its focus on the external communications agenda and encourages open dialogue. The main communication channels are the official website and social media, conferences and forums, joint research, factsheets and analytical bulletins, surveys, expert councils and clubs. Feedback forms, contact details on the website and in social media, and a compliance hotline are also available for all stakeholders.

The main method of communicating with **shareholders** is through meetings of the Bank's Council where key corporate issues and annual reports are discussed. The Bank's member state priorities are reflected in the EDB country strategies. The Bank's management reports annually on the implementation of its country strategies, thereby increasing the transparency of the Bank's performance against its mission for shareholders.

The Bank offers its **clients** a wide range of products and solutions tailored to their interests, including lending to private sector projects, public-private partnerships, capital investment, technical assistance, documentary operations, and dedicated credit lines to support **small and medium-sized enterprises**. Representatives of the Bank's Directorates communicate directly with clients throughout the project cycle and at dedicated events. The EDB holds closed-door meetings several times a year with clients, partners, government bodies and the parastatal sector on key issues relating to the Bank's operations and projects in the region. Recent events have focused on the Central Asian water and energy complex, transport and logistics, the agro-industrial complex, food security and logistics.

The EDB is also developing country-specific discussion platforms to focus on development of small economies and to gather substantive feedback from stakeholders.

**Employees** contribute to the quality and efficient delivery of the Bank's operational and strategic agendas, and are a source of inspiration and ideas for continuous improvement. The Bank conducts regular employee surveys and feedback events (e.g., annual engagement surveys or surveys on the quality of work of support units), offline and online events with management, support newsletters (e.g., information security digests), the internal corporate portal, the internal Telegram community — EABRoom.

The EDB works actively with **international organisations and international financial institutions** to promote the social and economic development of its member states and the UN Sustainable Development Goals. The EDB is an observer with the UN General Assembly and UNCTAD, and creates partnerships and joint projects in a spirit of complementarity with the UNDP, UNIDO, UNEP, UN ESCAP, UN FAO, UNECE, the Eurasian Economic Commission, and others. The Bank cooperates with **expert analysts** on joint reports and studies, participating in events and appraising projects.

The EDB maintains regular contact with the **media** to promote the Bank and increase the openness and transparency of its activities. As well as using traditional channels of communication (publishing on its website and on social media, interviews, columns, commentaries and coverage of the Bank's events in relevant publications), the EDB organises an annual Creative Media Competition, which recognises outstanding work on key development issues in Eurasia.

The Bank's key stakeholders, their expectations and means of communicating with them are listed in the **EDB Strategy**. The key results of communication and partnership on ESG in 2023 are set out in the **Promoting Sustainable Development** chapter.

## Strategy for 2022–2026

### → Promoting digital transformation in member states

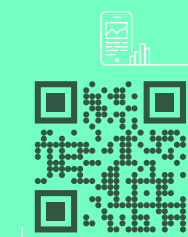
### → Promoting the UN Sustainable Development Goals

and developing green finance

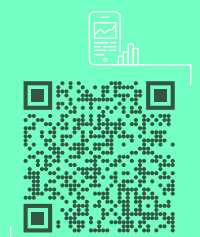
### → Using the technical assistance tool to improve the Bank's investment opportunities

### → Building the EDB's analytical competencies and expertise

### → Expanding the EDB's shareholder structure and increasing its capital



EABR.org/en



LinkedIn



## 3.2 EDB in 2023

### GRI Indicators

GRI 2-6 | GRI 2-24 | GRI 201-1 | GRI 203-1

GRI 2-6

GRI 2-24

GRI 201-1

In 2023, the EDB continued to implement its Strategy, meeting all benchmarks and operational objectives set for the year.

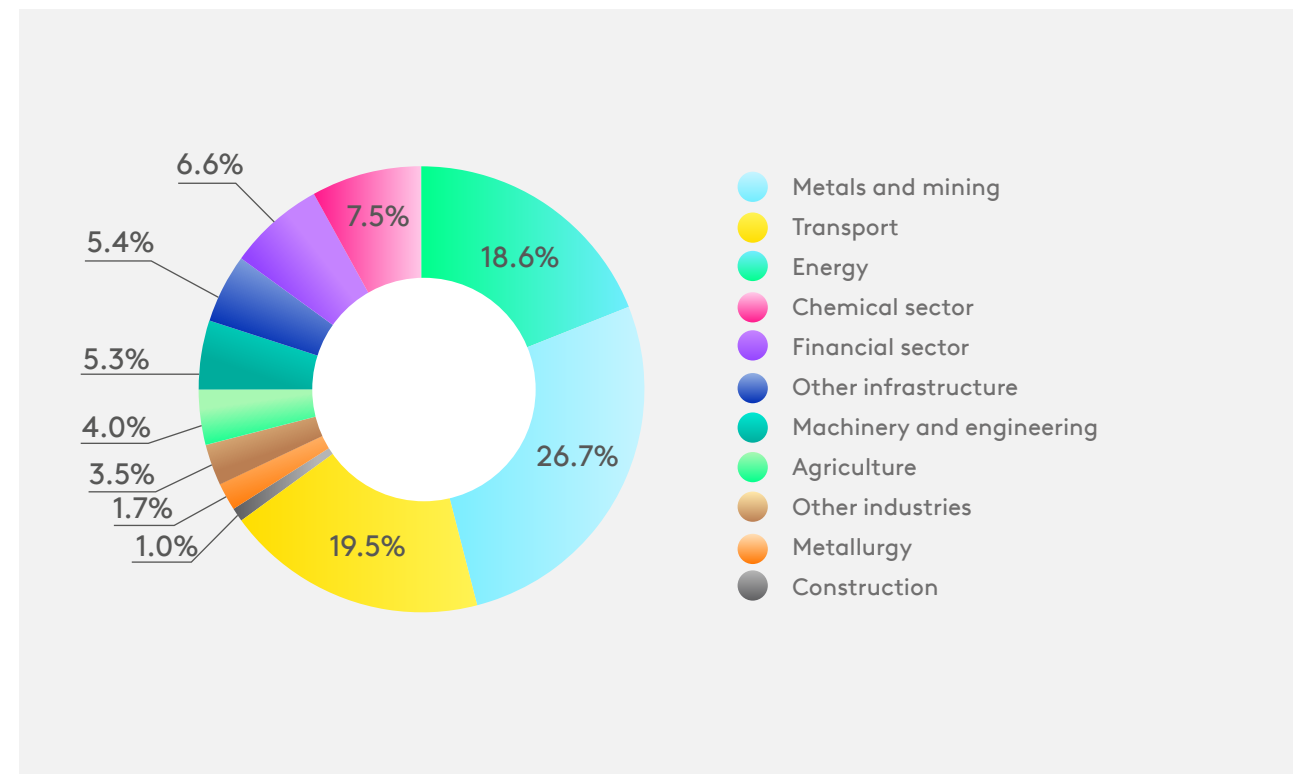
↓ **Table 2.**  
**Strategy Indicators and their Achievement in 2023**

| Indicator                                                                                              | Actual 2023                         | 2022–2026 Strategy                  |                                                 |                                                 |                                                 |
|--------------------------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
|                                                                                                        |                                     | 2023                                | 2024                                            | 2025                                            | 2026                                            |
| Annual transaction (investment) value, USD billions                                                    | 1.7                                 | 1.7                                 | 2.3                                             | 2.6                                             | 3.0                                             |
| Return on average equity (ROAE)                                                                        | 6.5%                                | 2.0%                                | 2.4%                                            | 2.6%                                            | 2.9%                                            |
| Implementation of key investment mega-projects                                                         | Approved mega-project 1             | Approved mega-project 1             | Commitment of USD 0.4 billion to mega-project 1 | Commitment of USD 0.4 billion to mega-project 2 | Commitment of USD 0.4 billion to mega-project 3 |
|                                                                                                        | Approved concept for mega-project 2 | Approved concept for mega-project 2 | Approved mega-project 2                         | Approved mega-project 3                         |                                                 |
| Projects in Armenia, Kyrgyzstan, and Tajikistan as % of current investment portfolio                   | 6.1%                                | 2.9%                                | 3.1%                                            | 3.7%                                            | 4.4%                                            |
| Projects with an integration effect as % of current investment portfolio                               | 63.8%                               | Not less than 55%                   | Not less than 60%                               | Not less than 65%                               | Not less than 70%                               |
| Projects contributing to the Sustainable Development Goals (SDGs) as % of current investment portfolio | 22.8%                               | Not less than 10%                   | Not less than 15%                               | Not less than 15%                               | Not less than 25%                               |

In 2023, the EDB signed 18 new projects totalling USD 1,546 million and increased its credit facilities for six previously signed projects by USD 164 million. The Bank had a net profit of USD 125 million and operating costs of USD 58.6 million, the majority of which (USD 40.8 million) was for salaries and employee remuneration. Further details are available in the [EDB 2023 Financial Statements](#).

The EDB focuses its investment on projects and sectors that contribute to upgrading, intensify trade, economic cooperation and integration between member states, increase the output of competitive high-tech products, and which improve the efficient consumption of natural resources and people’s quality of life. In 2023, projects in the mining, transport and energy sectors accounted for the largest share of the Bank’s investment.

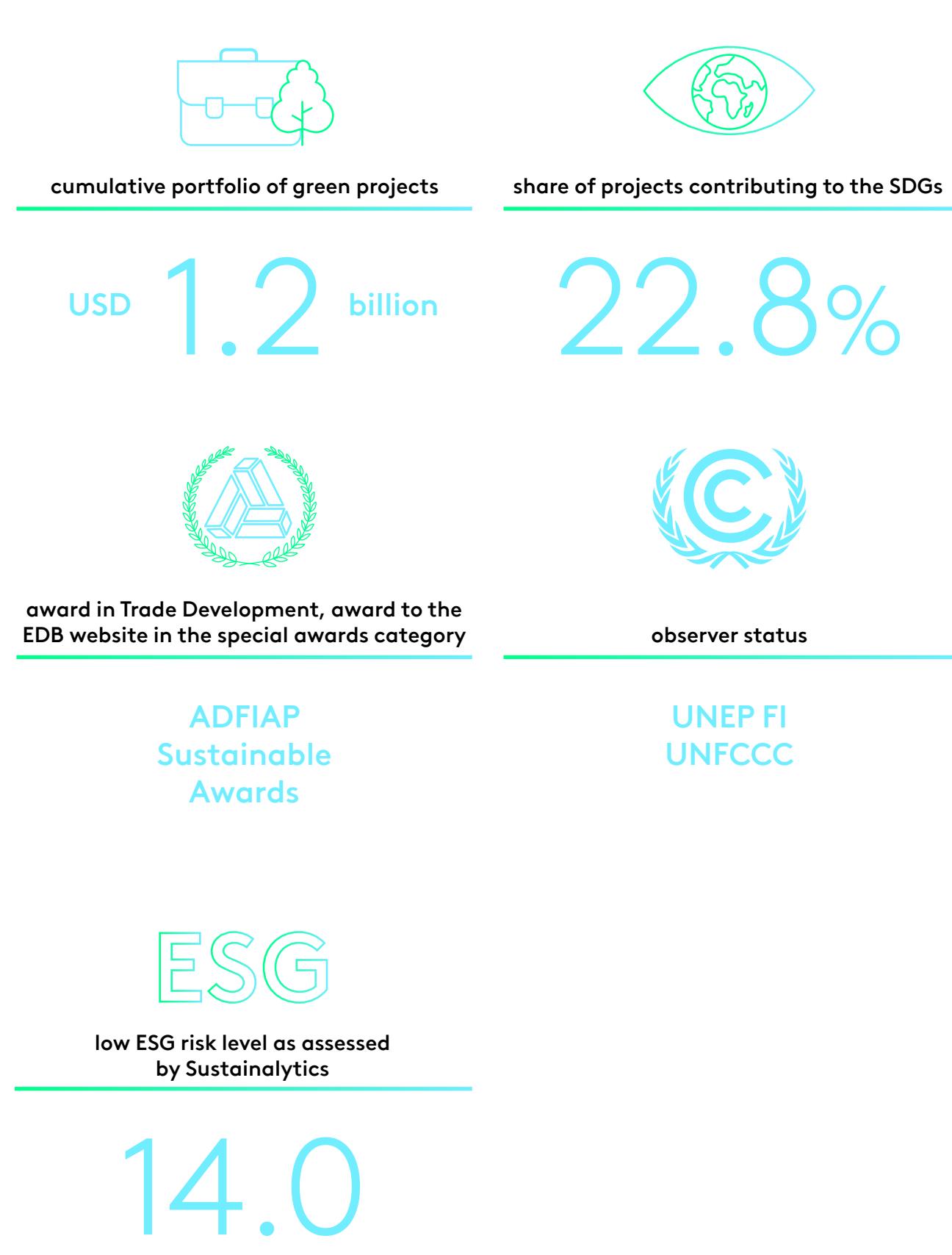
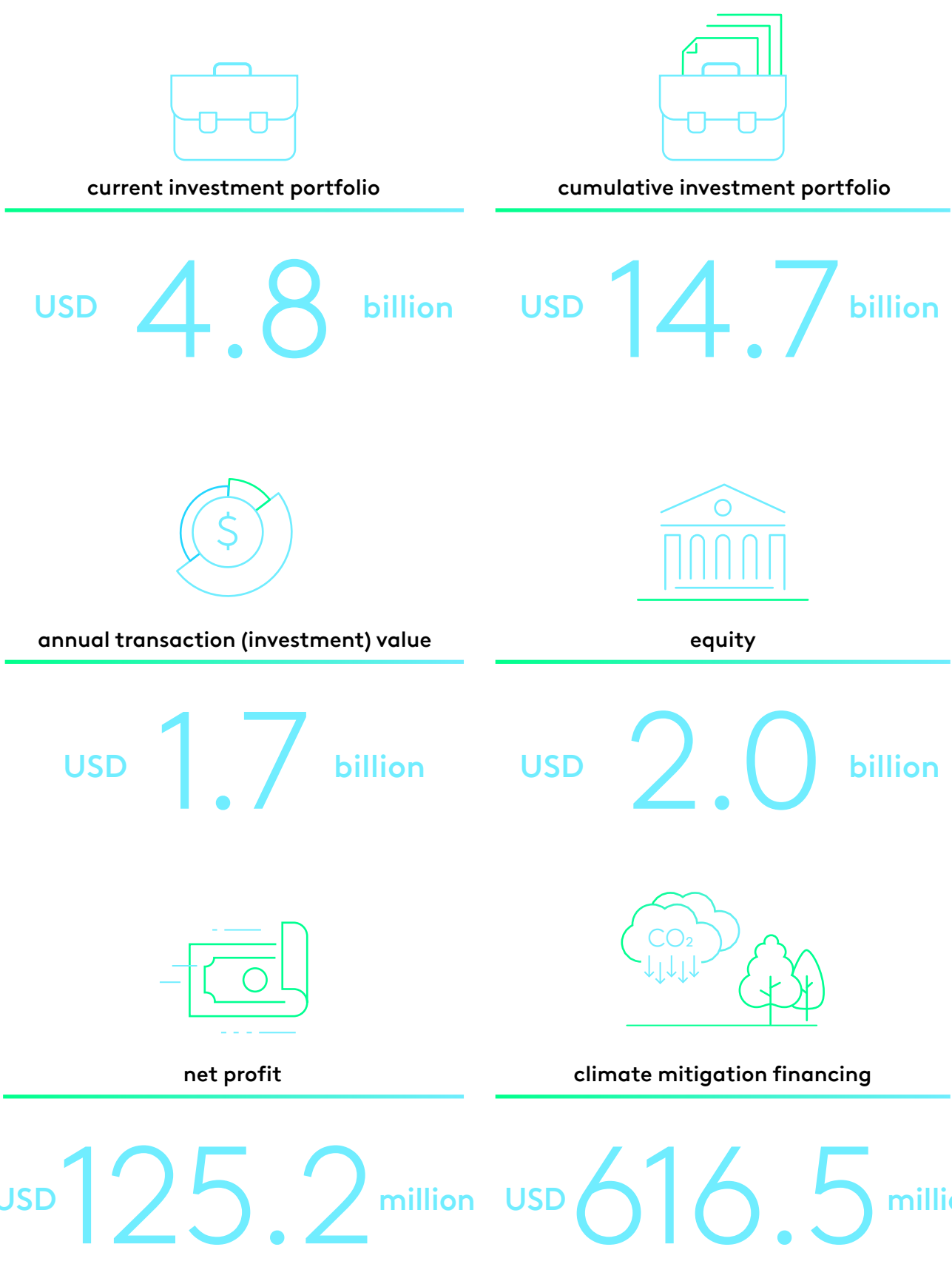
↓ **Figure 2.**  
**Current Investment Portfolio, by sector**



In each of these sectors, the Bank seeks opportunities to identify, support, and finance green projects that have a positive environmental impact and contribute to climate action. For more details on the Bank’s portfolio of green projects, see the Chapter on [Sustainable Finance](#).



# Key results 2023





# 4

## Sustainable Finance





## 4.1 EDB Key Investment Principles and Priorities

### Applicable documents

- [EDB Strategy for 2022–2026](#)
- [Investment Regulations](#)
- [EDB Sustainability Principles](#)
- [Environmental and Social Framework](#)
- [EDB Green and Social Debt Instruments Framework](#)

The Bank's **Investment Regulations** define the principles, forms, and procedures for the EDB's investment activities, which have the following key objectives:



1 To develop and upgrade energy, transport, communications, and agro-industrial infrastructure in order to boost trade and economic cooperation between member states;



2 To achieve positive structural shifts in member state economies by financing projects that develop the market economy and eliminate infrastructural and other barriers to sustainable growth;



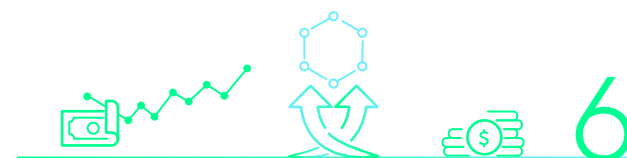
3 To increase the efficient use of natural resources, and enhance the status and protection of the environment;



4 To increase the output of competitive high-tech products with high added value in non-commodity industries;



5 To develop small and medium-sized enterprises through lending or direct investment in organisations that support small and medium-sized businesses; and



6 To build financial and investment frameworks that support integration in EDB member states, including support for financial markets.



Social and environmental responsibility involves mitigating risk and maximising benefit in these two spheres. It is a key prerequisite of the Bank's investment activity alongside compliance with international banking standards, openness, and alignment with the Bank's mission and strategic goals.

The Bank builds continuously on the expertise and best practice of international financial institutions to improve its ESG management in investment and operations. In 2023, the EDB continued to review and update its sustainability guidance documents and embed ESG measures in all its business practices. The approval of the **EDB Sustainability Principles** by the Bank's Management Board was a key event in 2023. This creates the framework to integrate environmental, climate, social, and governance considerations in the Bank's business practices and financial operations spanning its entire value chain, and which are consistent with its mandate and benefit sustainable development in the Eurasian region.

The EDB has always been attentive to protecting the environment, using resources efficiently, and helping member countries achieve Sustainable Development Goals.

Environmental and social risk assessment was included in the EDB's first Investment Project Financing Rules in 2007.

**The first version of The Environmental Policy** was adopted as a separate document in 2012, and **the contract for the first green project** — the construction of the Polotsk HPP on the Western Dvina River — was signed in 2010.

In 2019, **the Bank's Council approved a five-year Renewable Energy Project Financing Programme**, under which the EDB earmarked USD 600 million for RES facilities with installed capacity of up to 500 MW.

Under the Programme for 2020–2023, the Bank allocated around USD 240 million for the implementation of RES facilities with installed capacity of about 350 MW. Prior to the launch of the Programme, the RES project portfolio financed by the Bank was around 450 MW, a total of 800 MW of renewable energy potential unlocked by EDB in its member states for that period.



## EDB Sustainability Principles

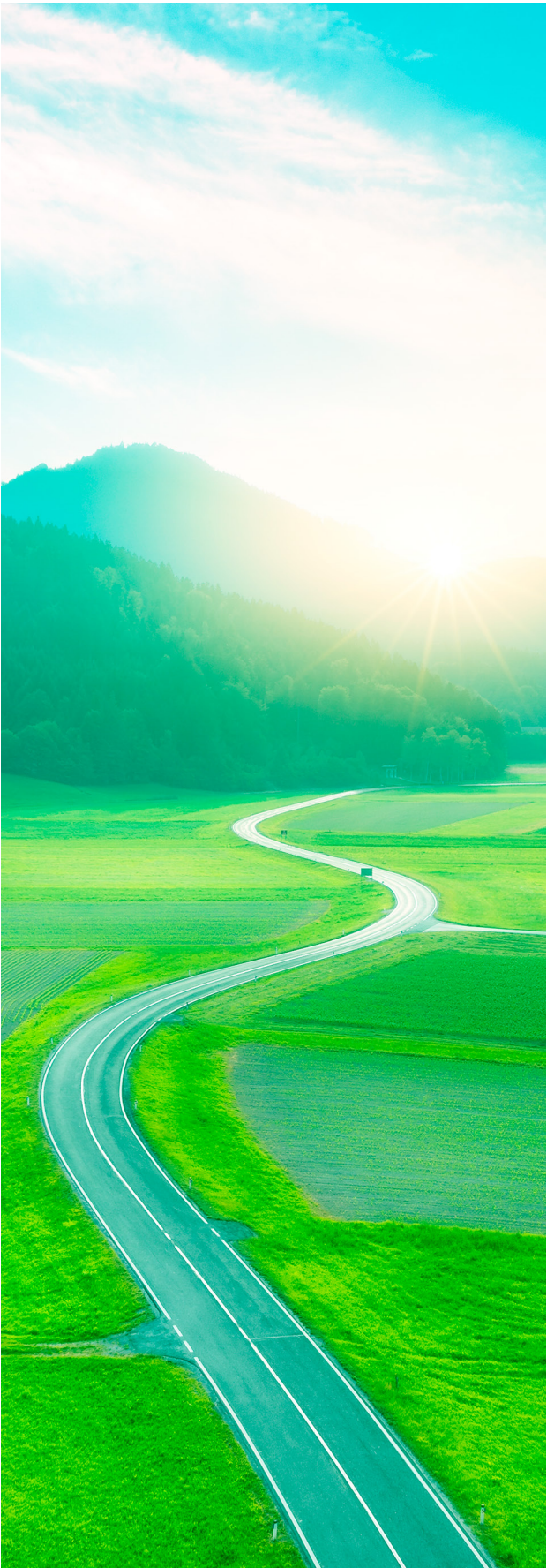
**The Bank acknowledges the interdependency** of sustainable development, long-term economic growth and human prosperity and believes that commitment to the sustainability principles is **essential** for achieving long-term prosperity in the Eurasian region and improving the well-being of the people living there. The **EDB Strategy for 2022–2026** highlights its role in supporting its member states to achieve the UN Sustainable Development Goals. **The Bank aims to become Eurasia’s leading sustainable financial institution**, creating significant positive impacts on society and promoting a more ethical and environmentally friendly approach to doing business. Further integration of ESG factors into the Bank’s business processes is facilitated by the **EDB Sustainability Principles**.

↓ Рисунок 3.  
EDB Sustainability Figure Principles



In order to implement the Principles consistently, the Bank is reviewing its business practices and strengthening their ESG credentials. For example, it has revised its approach to assessing the environmental and social impact of its investments (for more details, see the [Environmental and Social Framework](#) Section), the Management Board established a Sustainability Committee (for more details, see the [Corporate Governance](#) Chapter), and the Sustainability Directorate’s mandate was updated to reflect the challenges and opportunities the Bank is facing in this area. The focus on increasing the proportion of sustainable projects in its portfolio and integrating ESG factors is also reflected in the EDB’s revised **Rules for Participation in Private Equity Funds**. In particular, the strategy of funds with EDB participation should be aligned with the EDB Sustainability Principles and incorporate ESG factors into investment decision-making.

The EDB has also developed and adopted a [Green and Social Debt Instruments Framework](#), independent verification of which has confirmed its compliance with the International Capital Markets Association’s Green Bond Principles and Social Bond Principles. Under the Framework, the Bank issued KZT 20 billion each of green and social bonds in 2021 and is considering issuing sustainable debt financial instruments in the future when market conditions become favourable.





## 4.2 Strategic Focus on Sustainability by EDB Member States

### GRI Indicators

GRI 2-22 | GRI 2-23

GRI 2-22

GRI 2-23



Annual Report

The updated [EDB Strategy for 2022–2026](#) (the Strategy) came into effect in 2022. The Bank’s strategic goal is to strengthen its role as the leading multilateral development bank (MDB) in its region of operation, and to increase annual investment by a factor of 2.7 to USD 3.0 billion per year by 2026. Read more about the Strategy implementation in 2023 in the [Annual Report](#).

During the new strategy period, the Bank aims to enhance its role as a leading development bank in the countries in which it operates and to nurture and launch cross-border investment projects which foster integration. In fact, all the Bank’s priorities in this area are related to sustainable development and the generation of long-term economic, environmental and social impact in member states by supporting projects in end-to-end transport infrastructure, logistics, water, manufacturing, energy, and digital infrastructure.

Building a green economy is a strategic priority for most MDBs operating in Central Asia, and the EDB is no exception. The EDB’s new operating and business model for 2022–2026 includes green financing as a key focus.

Under the new strategic model, the Bank acts as a catalyst and partner for small economies helping them to achieve the [UN Sustainable Development Goals](#) (UN SDGs). In major economies, the Bank sees itself as a leader in implementing green economy projects and mobilising private investment. Meeting these ambitious goals requires in-depth country and sector expertise, and the approval and implementation of country strategies that identify key areas of focus in our member states. It also relies on support for and development of the institutional environment, and a pipeline of projects based on non-financial evaluation criteria, including their contribution to the UN SDGs. Their contribution to achieving such non-financial targets should be monitored. In fact, the Bank’s Strategy includes a commitment to increase the proportion of its investment portfolio that contributes to the UN SDGs from 10% (2022) to 25% (2026).

## 4.3 Environmental and Social Framework

### GRI Indicators

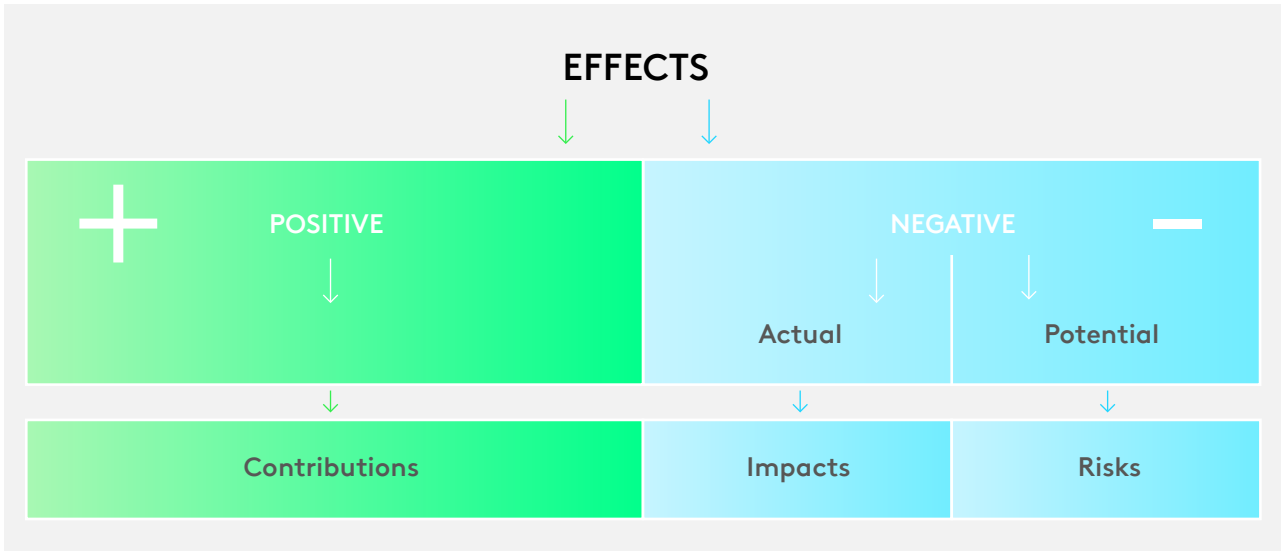
GRI 2-24 | GRI 2-25 | GRI 2-26 | GRI 2-27 | GRI 3-3 | GRI 408 | GRI 409 | GRI 411 | GRI 413-1 | GRI 413-2

Under the Strategy, the EDB is mainstreaming ESG principles as part of the process of establishing and harmonising its policies with MDB best practice. Developing a comprehensive framework to assess the exposure of new projects to ESG risks, and to diagnose and monitor such risks throughout the project life cycle, is a fundamental part of the Bank’s activities.

GRI 2-24

GRI 2-25

↓ **Figure 4.**  
**System for Assessing the Effects of Investment Project under EDB Environmental and Social Framework**



Analysing each investment project’s compliance with international standards, identifying its potential environmental impact, and its social effects, are integral parts of the project cycle and of a loan memorandum. The Bank assesses environmental and social impacts and risks at all stages of the projects financed or to be financed by the Bank. These procedures are governed by the [Environmental and Social Framework of the Eurasian Development Bank](#) (the Framework). The Framework was developed in 2023 and replaces the Environmental and Social Responsibility Policy in force from 2020. The corporate governance assessment of potential borrowers and projects is governed by the Compliance Control Framework detailed in the [Corporate Governance](#) Chapter.



Environmental  
and Social Framework  
of the Eurasian  
Development Bank





The EDB recognises that the environmental and social risk management procedure for projects should be tailored to the sectoral characteristics of the Bank's investment portfolio, a significant proportion of which is in heavy industry and the metallurgy and energy sectors, and should include comprehensive but enforceable requirements which do not unduly burden its clients while encouraging them to manage their environmental and social impacts responsibly. The Bank's approach was revised in light of these requirements, and experience of assessing and monitoring environmental and social risks, member states' national strategies and priorities, international standards and best practices. The updated Framework envisages multi-stage environmental and social project analysis, extends the client due diligence procedure to cover commitment to sustainable development principles (so-called ESG profiling), and includes data collection on each project's environmental and social contributions. A key innovation was the introduction of the Bank's own Environmental and Social Safeguards. The Framework's procedures are carried out by the Bank's Sustainability Directorate. Projects demonstrating significant sustainability risks may be reviewed by the Management Board's Sustainability Committee. Bank staff can also engage independent environmental and/or social consultants to assess and monitor relevant risks and to conduct site visits.

The updated Framework reflects and builds on agreements and guidelines including the [UN SDGs](#), the [Principles of the UN Global Compact](#), the [UN Principles for Responsible Investment](#), the [UN Framework Convention on Climate Change](#), the [UN Universal Declaration of Human Rights](#), the [Equator Principles](#), the [International Labour Organisation Declaration on Fundamental Principles and Rights at Work](#), and the [World Heritage Convention](#). The Framework serves the following purposes:

- To mitigate the potential adverse environmental and social impacts of the Bank's investment activities and enhance the positive ones;
- To incentivise borrowers to develop and maintain environmental and social risk management systems and to promote their use of best corporate sustainability practices;
- To factor in public opinion relating to the environmental and social impact of projects when making decisions to finance and realise projects;
- To assess the environmental and social risks of each project and to take them into account in the Bank's investment activity;
- To align the Bank's approach with the best practice of multilateral development banks, to promote cooperation within the region of operation, and to define the roles and responsibilities of the Bank and borrowers when financing projects under the Framework;
- To ensure that borrowers take timely action to avoid adverse environmental and social impact prior to, or at least in the early stages of, the project.

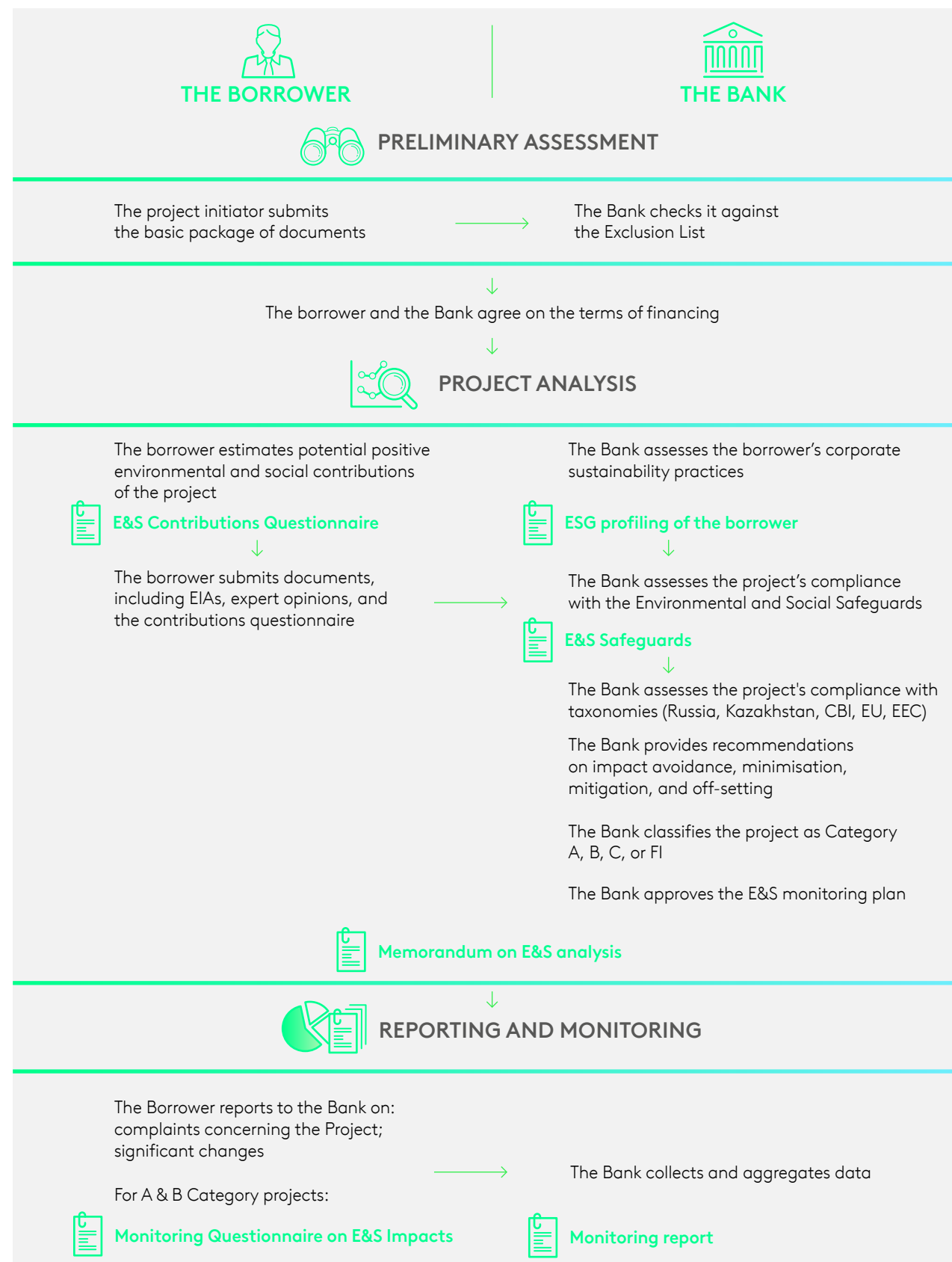
The environmental and social assessment tools used by the EDB are:

- Excluding financing certain activities;
- Ensuring EDB projects comply with the Environmental and Social Safeguards;
- Collecting data on the positive environmental and social impact of projects;
- ESG client profiling; and
- Regular monitoring of the environmental and social impacts of projects.

The environmental and social analysis of projects is split into several stages: preliminary assessment; assessment of environmental and social impact; categorisation and preparation of memorandum; regular monitoring of environmental and social performance (see Figure 5).



↓ **Figure 5.**  
**Project Environmental and Social Analysis Process**



At the preliminary assessment stage, the Bank screens the project against the **Environmental and Social Exclusion List**. The activities that the Bank does not finance are listed in the **EDB Investment Regulations** and include: a) activities that use forced and child labour; b) production and distribution of tobacco and alcohol products; c) gambling; d) activities prohibited by the legislation of the Bank's member states or international conventions relating to the protection of biodiversity or cultural heritage. The Environmental and Social Exclusion List, which is an integral part of the **Environmental and Social Framework**, contains a comprehensive list of activities that are banned by law and other applicable standards, or that do not align with the EDB's mandate and sustainability principles. The Exclusion List was drawn up to reflect the Bank's project finance experience, best practice of MDBs, and the climate strategies of the Bank's member states. The EDB reserves the right to make the final investment decision on a case-by-case basis, taking into account the national priorities of the host country, transition financing opportunities, availability of viable sustainable alternatives, economic viability, and other aspects. The **Exclusion List Guidelines** supports Bank staff, clients and other stakeholders in using the list.

When it assesses environmental and social impact, the Bank requests from the borrower the necessary documentation (e.g., Environmental Impact Assessments) and a completed Environmental and Social Contributions Data Collection Questionnaire. It also undertakes further ESG profiling of the borrower. These allow the Bank not only to assess risks and impact, but also enable it to evaluate the positive contributions of each project compared to a baseline scenario where the project is not implemented. Environmental contributions can include reducing greenhouse gas emissions, discharge into water bodies, air emissions, and water consumption and improving energy efficiency. Social contributions can include job creation, improved access to social infrastructure, engaging local suppliers, etc. As well as assessing positive project outcomes through its questionnaire, the Bank checks projects against applicable taxonomies, such as the Republic of Kazakhstan Green Taxonomy, the Russian Federation Green and Adaptation Taxonomy, the EU Taxonomy, the EEC Model Taxonomy, and the Climate Bond Initiative Taxonomy.

Evaluating the project's compliance with the **EDB Environmental and Social Safeguards** is an integral part of the analysis and is based on a specific checklist. The Safeguards set out best practice in managing the potential environmental and social impact of project or project-related activities. The Safeguards cover activities that do not have an environmental and social impact and measures to mitigate or avoid such impact. They are tailored to address the most pressing environmental and social issues in member states, as well as the industry-specific nature of the projects and associated risks.

For instance, for projects in the agro-industrial sector, mining, transport, the chemical industry, energy, machinery, metallurgy, and construction, specific safeguards have been developed to address the most significant risks in each industry. Where adverse environmental and social impacts are identified, or if the measures to manage them are insufficient, the Bank recommends measures to mitigate or eliminate them. The environmental and social impact of each project is also monitored regularly.

GRI 2-25

GRI 2-27

GRI 408

GRI 409

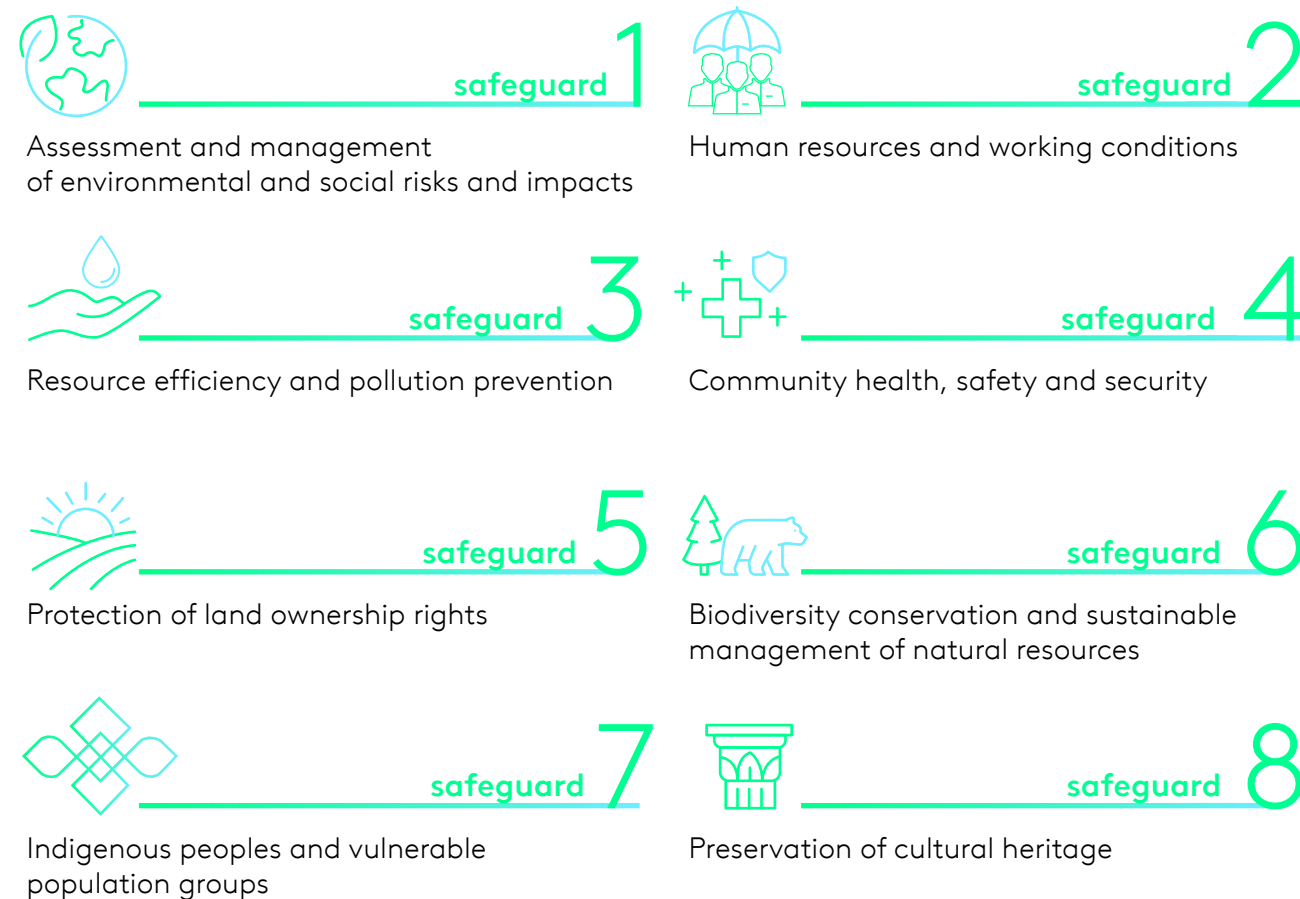
GRI 2-25

GRI 411

GRI 413-1



↓ **Figure 6.**  
**EDB Environmental and Social Safeguards**



Next, the Bank categorises the project according to its environmental and social impact. The **EDB Guidelines for Project Categorisation** were developed to align with the Equator Principles and Standards of the International Finance Corporation. They define the criteria for categorising projects depending on the nature, scale and reversibility of adverse environmental and social impacts. The Bank applies different requirements for the borrower, their project documentation, and the monitoring of adverse effects depending on the project category, of which there are four:

**A**  
category

Category A projects have adverse environmental and social impacts which are potentially significant, multifaceted and irreversible.

**B**  
category

Category B projects have potentially significant adverse local environmental and social impacts that are usually reversible and/or can be avoided.

**C**  
category

Category C projects are those with minimal or no adverse environmental or social impacts.

**FI**  
category

Category FI projects involve debt and/or equity financing from financial institutions to lend to or otherwise finance and lease property to sub-borrowers.

The Guidelines for Project Categorisation are sector-specific and contain examples of projects in each category in different sectors including energy, infrastructure and construction, mining, the chemical industry and agriculture.

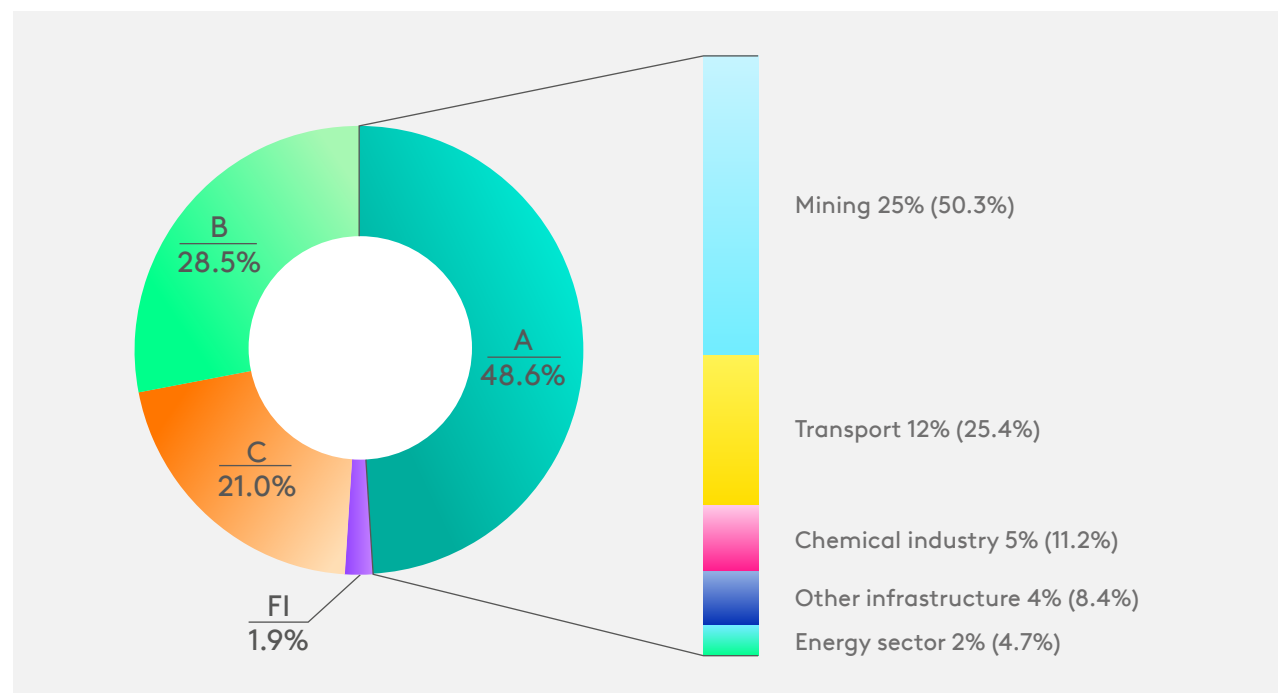
Once the assessment is complete, the Bank drafts a report assigning the project categorisation and summarizing the environmental and social analysis. This covers the project's environmental and social impacts, risks, contributions, mitigation measures, an ESG profile, compliance with applicable taxonomies and Safeguards, the Bank's recommendations for mitigating negative impacts, and monitoring indicators.



Throughout the project-financing cycle, the Bank asks the borrower to complete an environmental and social impact questionnaire as part of regular monitoring. The borrower must also inform the Bank of changing circumstances, such as complaints received or significant changes in technology.

In 2023, Category A projects accounted for the largest share of the Bank's current investment portfolio due to the evolution of market economies in its member countries. The Bank is involved in major Category A mining and transport projects, which represent 37% of the total current investment portfolio.

↓ **Figure 7.**  
**Current Investment Portfolio Composition, by category of environmental and social impacts; Composition of Category A Projects, by sector (Share of Total Current Investment Portfolio), %**



GRI 2-26

GRI 413-2

To better manage the risks of a Category A project, in 2023, the Bank engaged an independent consultant to prepare an environmental review of the Amulsar Gold Mine Development Project in Armenia, which included a site visit and discussions with local community representatives. The Bank's decision to finance the project will be based on the outcome of this review and subject to an environmental and social action plan being agreed with stakeholders to minimise the adverse impacts of the project.

## 4.4 Contribution of EDB Projects to Sustainable Development

### 4.4.1 EDB's Assistance to Member Countries in Achieving UN Sustainable Development Goals

#### Applicable GRI Indicators

GRI 203-1 | GRI 203-2 | GRI 413 | GRI 305-3 | GRI 305-5

Central Asian countries aim to achieve the UN SDGs by 2030 and are already integrating relevant targets into national strategies and plans. Despite significant progress, the UNECE estimates that additional sustainable and climate finance required in Central Asian countries **amounts to USD 38 billion per year**. The role of international development banks in achieving global goals is unique in many respects: in addition to providing finance, they create favourable, low-risk conditions for channelling private funds, co-finance sustainable projects, ensure the environmental and social safety of projects, and provide technical assistance, research and analysis of current development issues faced by their member states.

The Bank's strategic model involves active measures to stimulate economic growth in its countries of operation and help them attain SDGs. The model is applied by incorporating countries' priority SDGs into the Bank's country strategies and assessing the contribution of each prospective project to SDGs. It should be noted that the share of projects contributing to SDGs in the current investment portfolio is one of the benchmarks of the Bank's Strategy — the Bank intends to increase the share of such projects from 10% (2022) to 25% (2026).

Contribution to SDGs is an important component of the **Methodology for Assessing Projects' Alignment with EDB Mission and Strategic Goals**. Project contribution to SDGs is assessed using baseline indicators of promotion of economic growth and the targeted (additional) contribution to achieving the EDB country strategy outcomes for the relevant period set out in the priorities for developing EDB's operations in member countries. The indicator the EDB uses to assess a project's baseline contribution to economic growth include output growth in the economy, job creation, and tax revenues. Indicators of baseline contribution to economic growth for member states in line with the SDG 8 Decent Work and Sustainable Growth are among the Bank's development priorities in all member states. To assess the targeted (additional) contribution of projects to economic growth, the EDB uses indicators established for each of its objectives in each member state, such as annual electricity generation from renewable energy sources (RES), length of roads built or rehabilitated, increase in product outputs, and others.





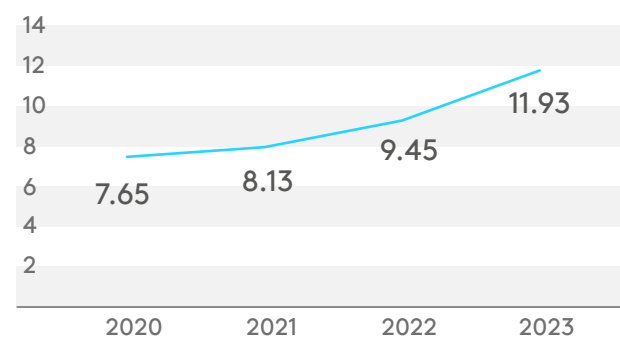
GRI 203-2

GRI 413-1

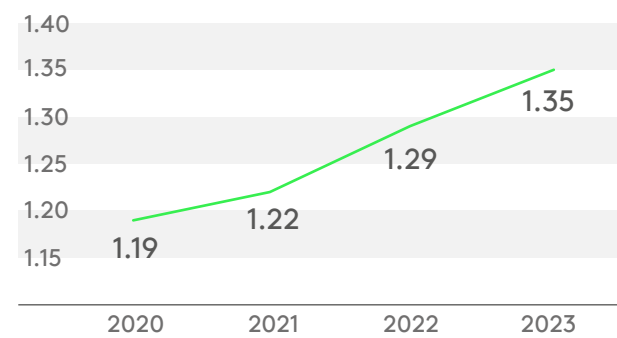
The share of projects contributing to the SDGs in the current investment portfolio as at 31 December 2023 was 22.8%, which is 12.8% above target (not less than 10%). The Bank estimates that, by the end of 2023, EDB investment projects had the potential to generate the following social and economic effects:

- Gross output per year of USD 11,926 million;
- Tax payments to national and local budgets of USD 1,353 million per year; and
- 37,000 new jobs.

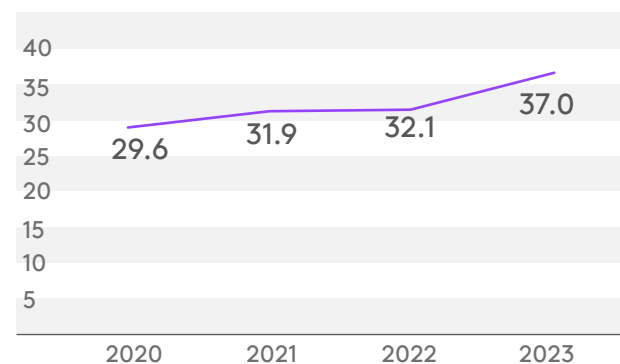
↓ **Figure 8.**  
Gross Output,  
USD billions



↓ **Figure 9.**  
Tax Payments to Budgets,  
USD billions



↓ **Figure 10.**  
Number of Jobs Created resulting from  
the Bank's investment projects,  
thousands



## 4.4.2 EDB Green Project Portfolio and Climate Impact

Climate change and the risks and opportunities of transition to low-carbon development have a significant impact on EDB member states since most of them are very vulnerable to the impacts of climate change. Climate change in Central Asian countries exacerbates water scarcity, increases the frequency of natural disasters, and threatens food security. Climate transition risks pose a threat to the long-term competitiveness of Central Asian products and may exacerbate the shortage of financing for infrastructure upgrades and brownfield industries. Read more about the challenges and opportunities of the transition to low-carbon development in Eurasia in the [EDB Report](#).

EDB member countries are committed to their Nationally Determined Contributions (NDCs) under the Paris Agreement, and some of them (Russia and Kazakhstan) have created low-carbon development strategies. Due to extensive investment need, the ambitious climate goals of some countries — such as Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan — can only be achieved with international financial support.

MDBs are committed to increasing financing for climate change mitigation and adaptation projects, providing technical assistance to countries in developing appropriate regulations, and helping to mobilise private climate investment. According to the [Joint Report on Multilateral Development Banks' Climate Finance](#), in 2022, MDBs disbursed USD 60.9 billion to low- and middle-income countries, with Central Asian countries accounting for USD 2.6 billion, or just 4.3%.

The EDB Sustainability Principles include support for member states and clients in their sustainability journey and financing of meaningful sustainable development in line with member states' priorities. The Bank is committed to expanding its green project portfolio and increasing climate finance. The Bank assesses green projects based on international and national taxonomies, and monitors climate finance and investment portfolio compliance with the Paris Agreement using MDB methodologies.





In  
**2023**,  
the Bank's green  
projects totalled  
over  
**USD  
600  
million**



In 2023, the Bank's green projects totalled over USD 600 million, and the cumulative portfolio of green projects was around USD 1.2 billion. According to the [Common Principles for Climate Mitigation Finance Tracking](#), the EDB's entire current portfolio of green projects relates to climate mitigation finance, i.e., mitigation of the adverse impacts of climate change by avoiding or reducing greenhouse gas emissions or increasing greenhouse gas sequestration. The largest climate finance packages were for projects in Kyrgyzstan and Armenia. According to the [Joint MDB Methodological Principles for Assessment of Paris Agreement Alignment of New Operations](#), 35% of the EDB's current real sector investment portfolio was aligned with the Paris Agreement targets in 2023.

↓ **Table 3.**  
**Climate Mitigation Finance in EDB Current Investment Portfolio,**  
USD million

| Sector                                                        | 2022          | 2023          |
|---------------------------------------------------------------|---------------|---------------|
| Energy                                                        | 365.00        | 422.24        |
| Buildings, public installations and end-use energy efficiency | 26.81         | 24.02         |
| Manufacturing                                                 | 208.22        | 120.22        |
| Transport                                                     | 0.00          | 50.08         |
| Water supply and sanitation                                   | 81.24         | 0.00          |
| <b>Total</b>                                                  | <b>681.47</b> | <b>616.55</b> |

RES projects accounted for the largest share (68%) of total climate mitigation financing in the current investment portfolio in 2023, with energy efficiency projects at 16% and low-carbon transport projects at 8%. RES projects accounted for 48% of energy projects in the current investment portfolio at the end of 2023.

For the first time, in 2023, the EDB calculated Scope 4 emissions — emissions reduced and avoided by green projects that have positive climate effects. The estimate was based on two methodologies: the [Avoided Emissions Framework](#) developed by Mission Innovation, and [Estimating and Reporting the Comparative Emissions Impacts of Products](#) developed by the World Resources Institute. The data was sourced from project documentation. In 2022, the Bank's ongoing projects resulted in the avoidance of 244,000 t of CO<sub>2</sub> equivalent and reduction of 1,400 t of CO<sub>2</sub> equivalent of greenhouse gas emissions. In 2023, these indicators were 205,000 t of CO<sub>2</sub> equivalent and 1,200 t of CO<sub>2</sub> equivalent respectively<sup>1</sup>.

The EDB acknowledges that its greatest climate impact is determined by the size and type of the projects it finances. Accounting for emissions from investments allows the investment portfolio's exposure to climate change risk to be assessed and for mitigations measures to be taken. In 2023, the Bank calculated Scope 3 emissions (other indirect emissions) for the first time, including emissions from investments (Category 15), which account for the largest share (99%) of its total emissions. The calculation was based on the [GHG Protocol](#) and the [Global GHG Accounting & Reporting for the Financial Industry Standard](#) (PCAF) and included data on security holdings and equity-based project financing. The EDB's emissions from investments were 5.76 million t of CO<sub>2</sub> equivalent in 2022 and 6.2 million t of CO<sub>2</sub> equivalent in 2023.

↓ **Table 4.**  
**Greenhouse Gas Emissions from EDB Investments (Scope 3, Category 15),**  
million t of CO<sub>2</sub> equivalent

| Type of investment              | 2022        | 2023       |
|---------------------------------|-------------|------------|
| Securities (treasury portfolio) | 1.14        | 0.58       |
| Project financing               | 4.61        | 5.62       |
| <b>Total</b>                    | <b>5.76</b> | <b>6.2</b> |

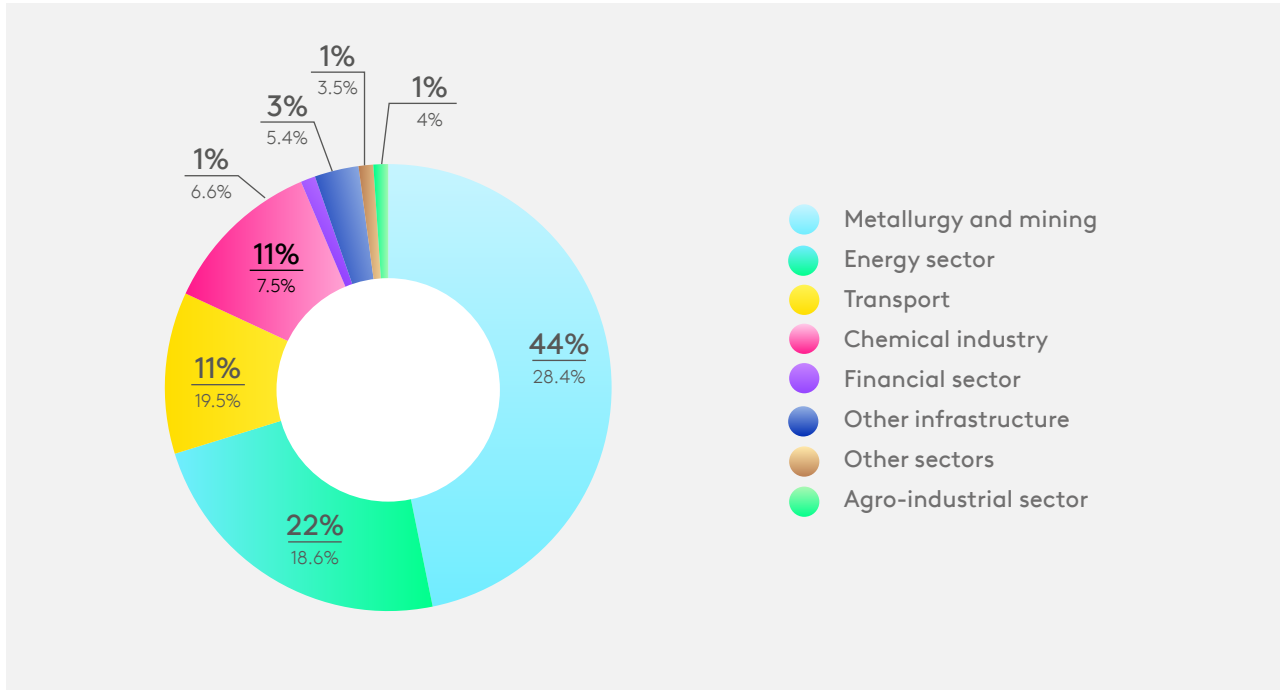
GRI 305-5

GRI 305-3

<sup>1</sup> Note that not all green projects are included in the estimate, only those for which the Bank has sufficient data to calculate the effects

Information on emissions in other categories is available in the [Promoting Sustainable Development](#) Chapter. A summary list of emission indicators is available in the [Annexes](#) to the Report and on the EDB website.

↓ **Figure 11.**  
**Sector Shares in Emissions from Project Investments (Sector Shares in Current Investment Portfolio), 2023**



## Examples of EDB’s 2023 green projects

GRI 203-1

The EDB Strategy for 2022–2026 envisages the implementation of a key investment mega-project in the water and energy complex (WEC) in Central Asia. The project aims to ensure economic development, improve the living standards of the population, contributing to SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy), and SDG 13 (Climate Action). The region faces water shortages due to the deterioration of irrigation systems, low levels of technological modernisation, and suboptimal regulation of river flows. At the same time, the region has high hydroelectric potential, only 22.7% of which is currently utilised. Experts estimate that new HPPs being designed could cover up to 16% of the growing demand for electricity and reduce greenhouse gas emissions in Central Asian countries by 15 million tonnes by 2035.

Existing water and energy systems in Central Asia were created as a single complex, necessitating closer cooperation between the countries of the region. Annual economic damage and unrealised economic benefits of joint water and energy complex management in Central Asia are estimated to be as much as USD 4.5 billion, which is 1.5% of regional GDP. Given these circumstances, regional initiatives and the engagement of international development institutions is crucially important in strengthening cooperation between Central Asian countries.

The Bank plans to invest more than USD 400 million in the Central Asian WEC by 2026. The EDB selects WEC projects based on their contribution to achieving WEC development objectives, including their ability to meet the growing demand for electricity and water, allocate water resources more efficiently and regulate river flows, reduce GHG emissions from electricity generation and reduce water consumption per unit of irrigated area through reclamation initiatives.

### Construction and operation of the Kulanak HPP in the Kyrgyz Republic

Project 2023

| Capacity                                                                                             | Project cost    | EDB participation                                                                                                    |
|------------------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------------------------------|
| 100 MW<br><small>(equivalent to 3% of the country total renewable energy installed capacity)</small> | USD 127 million | USD 44 million +<br><small>additional support through interest rate subsidy for the borrower via the EDB TAF</small> |

#### Implementation effects

|                                                 |                                                                    |                                                           |                                                                                   |
|-------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------|
| energy shortage in Kyrgyzstan reduced by<br>18% | irrigated agricultural land increased<br>6 769 ha<br>↑<br>4 650 ha | 346 000 tons of greenhouse gas emissions avoided per year | 835 new jobs created (770 at the construction stage, 65 at the operational stage) |
|-------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------|





Many Central Asian countries remain dependent on carbon-intensive power generation and need financing to convert existing coal-fired generation to cleaner fuels. In particular, the [Strategy for Achieving Carbon Neutrality of the Republic of Kazakhstan until 2060](#) envisages that the greatest reduction of greenhouse gas emissions in the energy sector will be achieved through the transition to more sustainable energy sources, including natural gas as an intermediate fuel. The Strategy calls for accelerating the conversion of generating facilities from coal to natural gas, and the EDB is supporting Kazakhstan in this endeavour.

In 2023, in addition to the above projects, the EDB financed the construction of solar and wind energy plants in Kazakhstan with a total capacity of over 350 MW, and the construction and operation of seven solar energy plants with a total capacity of up to 35 MW in Armenia.

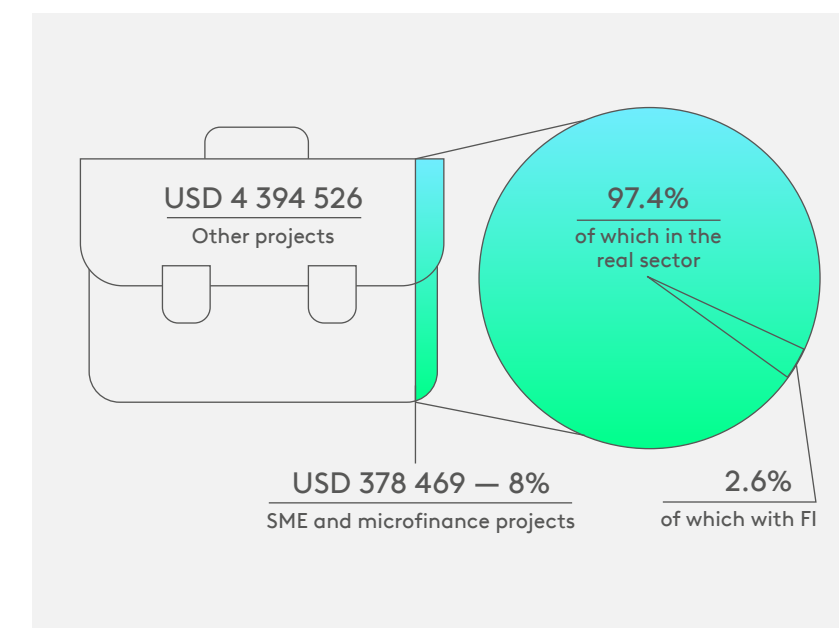
The EDB also promotes the green agenda in its member states through dedicated credit lines to financial institutions under the energy efficiency programme. A borrower or sub-borrower can apply for such a credit line if the project aligns with the programme's targets, including the reduction of the energy intensity of production, the creation of new RES generation, and the improvement of resource efficiency in the transport sector.

### 4.4.3 Support for Small and Medium-Sized Business Projects

The development of small and medium-sized enterprises (SMEs) through lending or direct investment in organisations supporting SMEs is one of the main objectives of the Bank's investment. The Bank helps SMEs to gain access to finance by developing the markets in the region and providing funding to commercial banks, private equity funds, and other actors in the financial ecosystem.

As at the end of 2023, the value of projects financing SMEs in the Bank's current investment portfolio totalled USD 378 million, with projects in the real sector representing the largest share. In total, projects to finance SMEs, directly or through financial institutions, accounted for 7.9% of the Bank's current investment portfolio.

↓ **Figure 12.**  
**Projects to Finance SMEs in Current Portfolio,**  
2023 r.



The EDB also focuses on providing credit lines to local financial institutions to support SMEs through on-lending to local businesses. The Bank has adopted the **Regulations on Dedicated Credit Lines to Financial Institutions**. Under the Regulations, dedicated credit lines can be provided to a borrower to finance its own projects or those of its sub-borrowers that meet the requirements of support programmes, including the SME Support Programme and the Microfinance Support Programme. As at the end of 2023, the cumulative portfolio of such projects totalled USD 324,000.



#### Conversion from coal to gas and capacity increase of Almaty CHPP-3 in the Republic of Kazakhstan

Project 2023

| Capacity                                                                                      | Project cost          | EDB participation                                                                                                                        |
|-----------------------------------------------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| 500<br>MW                                                                                     | USD<br>750<br>million | USD<br>420<br>million                                                                                                                    |
| (equivalent to 2.5%<br>of the country total<br>non-renewable<br>energy installed<br>capacity) |                       | +<br><br>+ additional support in the form of funding<br>for verification of sustainability-linked bonds<br>at the expense of the EDB TAF |

#### Implementation effects

| capacity<br>increased       | specific<br>greenhouse gas<br>emissions<br>reduced by | financing through the region's<br>debut issue of sustainability-linked<br>bonds |
|-----------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------|
| 500<br>MW<br>↑<br>173<br>MW | ↓62%<br>by 2030                                       |                                                                                 |

## 4.4.4 Creating an Enabling Environment for Quality Investment and Sustainability Projects

The EDB is actively expanding, through its Technical Assistance Fund (TAF), the use of tools to develop and improve the quality of investment, including projects aimed at achieving member countries' sustainable development goals. The TAF supports the preparation and implementation of investment projects, marketing and applied research, training, the development of recommendations, and advisory services aimed at achieving the Bank's strategic goals. Projects applying for technical assistance are evaluated according to their potential contribution to the UN SDGs in the host country, the inclusive nature of the project, their environmental effects, and others.



In the reporting period, the EDB approved seven TAF projects with environmental or social effects totalling



USD  
**5.3**  
million

At the end of 2023, the cumulative portfolio of TAF projects which had long-term sustainability impact in the member states exceeded USD 7.8 million. Such projects included assistance for concept preparation and programmes for developing the Central Asian water and energy complex and hydrogen energy, engagement of independent consultants to conduct environmental and social project reviews, assistance for feasibility studies of RES projects, engagement of independent consultants to verify sustainability bonds, and support for projects implemented by SMEs. In the reporting period, the EDB approved seven TAF projects with environmental or social effects totalling USD 5.3 million or 61.2% of the TAF project portfolio, with the majority in the smaller economies — Kyrgyzstan (USD 4 million or 46%) and Armenia (USD 1.24 million or 14%).

Landmark technical assistance projects for quality sustainability investment in 2023 include:

- Verification of the international compliance of Almaty Power Plants JSC's policy on sustainability-linked financing;
- Subsidising the interest rate of Imon International MDO, CJSC, to support micro and small businesses in Tajikistan;
- Verification of Kulanak HPP's compliance with green loan principles;
- Verification of compliance with international principles of KazWind Energy LLP's policy on sustainability-linked financing for the Arkalyk Wind Farm construction project and engagement of a consultant to complete a financial and technical audit and monitor construction; and
- IFRS implementation for construction and operation of 35 MW solar power plants in the Republic of Armenia.

Landmark technical assistance projects with social impact launched in 2023 include:

- Enhancing the capacity of government agencies in the Republic of Tajikistan to plan and launch public-private partnership projects in priority sectors of the economy;
- Developing the institutional environment in the Republic of Armenia through PPP university programme; and
- USD 1 million of humanitarian aid to Turkey to help deal with the aftermath of the February 2023 earthquake.

Read more about the TAF performance in 2023 in the [EDB Annual Report](#).

## 4.4.5 Promoting Digital Transformation of Member Countries

Supporting the digital agendas of its member countries is a key development aim of the EDB's Strategy. The EDB is committed to its role as a digital transformation partner and aims to achieve total investment in digital projects of over USD 100 million in 2026, including the digital elements of projects in transport and energy infrastructure, manufacturing, natural resources and agriculture and finance.

Established by the Bank's Council in 2020, the EDB Fund for Digital Initiatives is the main vehicle for developing the Bank's digital expertise and achieving ambitious digital transformation goals in the region. According to its [Regulations](#), the purpose of the Fund is to support EDB member states in shaping the tools of digital transformation, in particular by integrating their information resources and participating in the development and financing of projects, including those implemented under the Main Directions of the Digital Agenda of the Eurasian Economic Union until 2025. Bank financing for projects of the Fund for Digital Initiatives in 2023 was about USD 2.6 million.

The Fund for Digital Initiatives is developing a number of projects with significant sustainability effects, including a joint project with the United Nations Industrial Development Organisation (UNIDO) "Promoting Digital Transformation of Small and Medium-sized Enterprises in Armenia".

Details of the Fund for Digital Initiatives' activity in 2023 are available in a separate [Report](#).

Projects of the Fund for Digital Initiatives contribute to EDB member countries' SDGs, including support for integration, improvement of the quality of life and employment of people, and facilitation and greater transparency of investment and public administration. Significant projects and innovations of the Fund for Digital Initiatives in the reporting period include:

**Putting the "Work in the EAEU" app into commercial operation** in Armenia and Kyrgyzstan to digitise and simplify labour migration procedures for EAEU and CIS citizens;

**Designing key components** of the International Platform for the Development of Skills and Professions; and

**Creating an international digital platform** for business development and expansion of light industry — Bee-online.ru — to promote interaction between stakeholders in the textile and fashion industry and support cooperation in light industry.





# 5

## Corporate Governance





Applicable documents

- [Regulations on Corporate Governance](#)
- [Sustainability Principles](#)

The EDB was established by a bilateral agreement between the Republic of Kazakhstan and the Russian Federation. The Republic of Tajikistan, the Republic of Armenia, the Republic of Belarus and the Kyrgyz Republic joined the Bank subsequently. States and international organisations that share the Bank’s goals may become shareholders, subject to resolution of the Bank’s Council, upon accession to the Agreement Establishing the Eurasian Development Bank and payment for their share acquisition.

In late 2022, the Bank’s Council decided to reduce the Russian Federation’s share of the paid-in authorised capital from 66.0% to 44.8%, reallocating the difference evenly between other EDB shareholders.

Taking into account the Bank’s international mandate and its member state structure, its corporate governance is underpinned by the [Regulations on Corporate Governance](#):

1

Compliance



The Bank complies with its constituent documents and internal regulations, as well as the laws of its member countries.

3

Responsibility



The Bank’s governance bodies recognise and respect the rights of all stakeholders; the Bank does not take sides.

5

Transparency



The Bank ensures timely and accurate disclosure of information on all material issues concerning the Bank.

7

Political neutrality



The Bank, its officers and employees shall not interfere in political processes and events.

2

Fairness



The Bank ensures that the rights of its member states are protected and equal.

4

Accountability



The Bank’s governing bodies and the business units reporting to them are accountable to the Bank’s shareholders in their activities and are responsible to them in properly discharging their duties.

6

No conflict of interests



Members of the Bank’s governing bodies report their interest in transactions or matters affecting the Bank’s interests.

According to Sustainability Principle 1, the Bank integrates sustainability principles into its operations and adopts responsible business practices. Moreover, the Bank is committed to equipping its managers with the advanced knowledge and skills required to keep pace with the dynamic sustainability agenda. All this helps to ensure that material sustainability factors are properly managed, monitored and prioritised in strategic and operational decision-making.

## 5.1 Governance Structure and Composition of Governance Bodies

Applicable documents

- [Agreement Establishing the Eurasian Development Bank and EDB Charter](#)
- [Regulations on Corporate Governance](#)
- [Procedural rules of the EDB Council](#)
- [Procedural rules of the EDB Management Board](#)

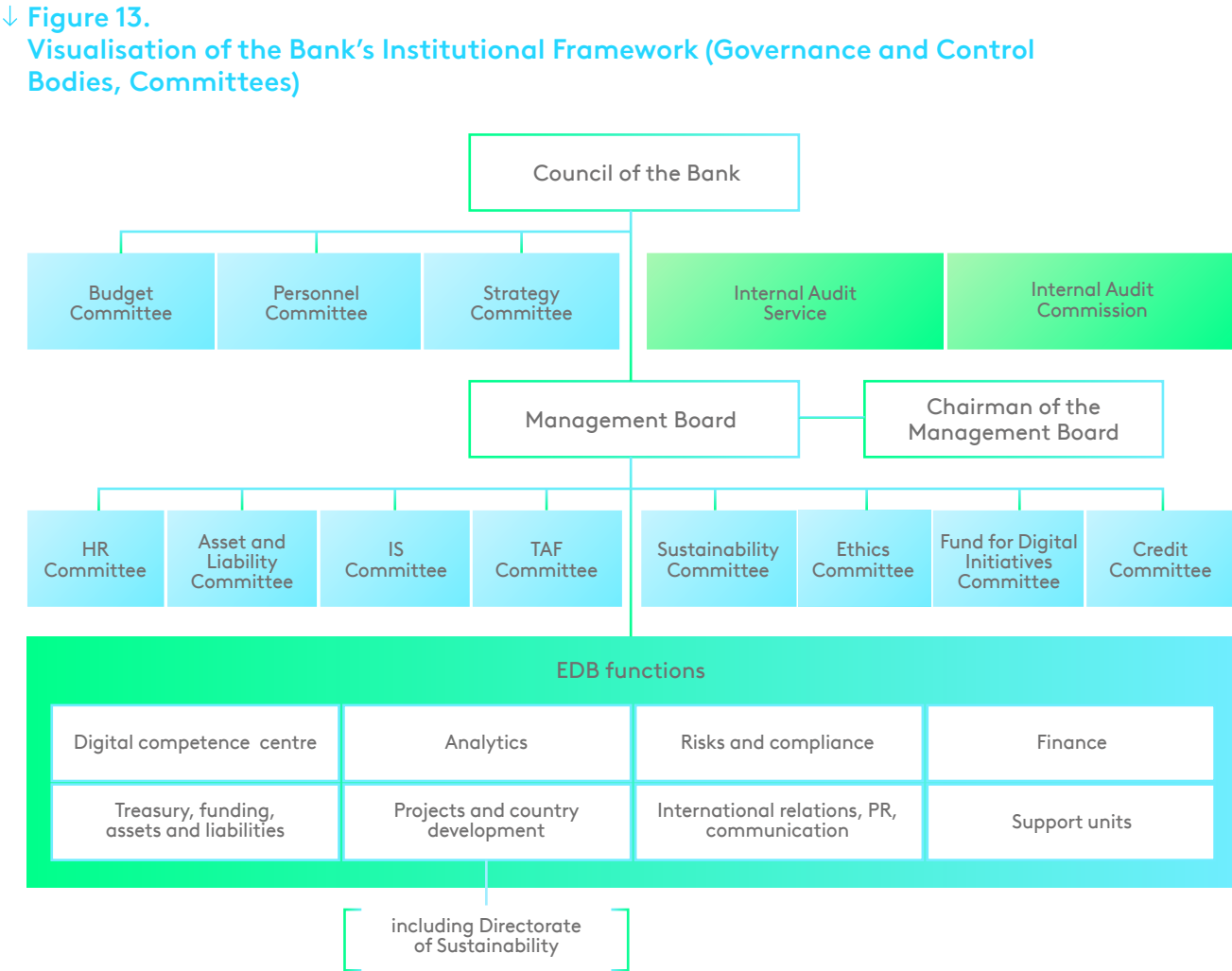
### GRI Indicators

GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-12 | GRI 2-13 | GRI 2-15 | GRI 2-16 | GRI 2-17 | GRI 2-19

The Bank is governed by its Council, the Management Board, and the Chairman of the Management Board (Table 6). The Bank’s corporate governance structure ensures the Council’s accountability to the Bank’s shareholders, effective day-to-day management of the Bank’s activities by its executive bodies, and control over the Bank’s executive bodies by its shareholders through efficient allocation of functions and responsibilities between the Council, executive and control bodies. The powers of the corporate governance bodies are distributed in accordance with the [EDB Charter](#).

The **Council of the Bank** is the highest governing body, whose members are plenipotentiary representatives officially appointed by the member states of the Bank. The Council of the Bank reports to the member states and determines the overarching goals and focus of the Bank’s activities, approves the Bank’s Strategy, and monitors the activities of its executive bodies. The Chairman of the Bank’s Council is elected for one year from among the plenipotentiary representatives. No remuneration is paid to the Chairman and Deputy Chairmen of the Bank’s Council, or to plenipotentiary representatives and their deputies for performing their duties in the Council. In 2023, the Chairman of the EDB Council was Prime Minister of the Republic of Kazakhstan Alikhan Smailov.





When voting in the EDB Council, each plenipotentiary representative of a shareholder is entitled to one vote per paid-up share in the Bank’s authorised capital. Most of the decisions of the EDB Council are adopted by ordinary resolution, but decisions on certain issues require 75% of votes. Meetings of the Council are held at least twice a year, and a regular meeting of the Council can be convened at the request of either the Management Board of the Bank or its Chairman, or a shareholder or shareholders of the Bank holding at least 25% of the authorised capital. A total of 27 meetings of the EDB Council were held in 2023, including one in-person meeting.

Applicable documents

→ Regulations on Budget Committee of EDB Council

→ Regulations on Personnel Committee of EDB Council

→ Regulations on Strategy Committee of EDB Council

→ Regulations on Internal Audit Service

Pursuant to Clause 8, Article 15 of the EDB Charter, the Bank’s Council has three standing Committees. In 2023, the mandates of the Council’s Committees were extended to allow them to examine in advance most of the issues to be placed on the agenda of the EDB Council meeting.

- 1
- The Budget Committee reviews budgeting issues in the Bank and the engagement of an external auditor.
- 2
- The Personnel Committee prepares recommendations on the Bank’s institutional framework and the composition of its executive and control bodies.
- 3
- The Strategy Committee examines in advance the Bank’s main areas of activity and priorities, as well as the Bank’s membership.

| Committee under EDB Council | Number of meetings in 2023 |
|-----------------------------|----------------------------|
| Budget Committee            | 3                          |
| Personnel Committee         | 7                          |
| Strategy Committee          | 6                          |

The **Management Board of the Bank** is responsible for day-to-day operational management and performance. The Management Board has a mandate to oversee strategic and investment matters, and to decide on participation in international associations. The EDB Management Board reports to the Council of the Bank on an annual and quarterly basis. Annual reports are published on the Bank’s external website. Members of the Management Board are appointed by the Council and may combine their position on the Board with that of head of a Bank business unit. Similar to other collegial bodies within the Bank, there is no separate remuneration for members of the Management Board.

Meetings of the EDB Management Board are held at least once every two months or more frequently if the Chairman of the Management Board so decides. A Management Board meeting is quorate if at least 2/3 of its members are present. A resolution is passed by a majority of those present voting by show of hands.

In 2023, there were nine members of the Management Board, all of whom were male. The Bank’s Management Board held 84 meetings passing resolutions on project financing, as mandated by the Bank’s Council, and discussing documents, including project appraisals, for subsequent approval by the Bank’s Council. The Management Board also discussed investing and fundraising to support liquidity and generate profits, approved the Bank’s internal regulations, and considered other matters within its mandate.

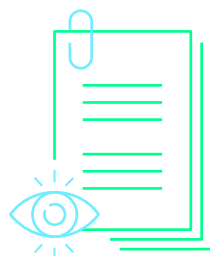
GRI 2-9

GRI 2-10

GRI 2-19

#### GRI 2-12

#### GRI 2-17



Information on the Bank's sustainability performance, including data on the environmental and social impacts of the Bank and its investments, and changes in the Bank's approach to these impacts, is included in the annual and, from 2023, quarterly reports of the Bank's Management Board to the EDB Council. This approach helps to maintain management and shareholder commitment to and awareness of the Bank's environmental and social impacts, the sustainability portfolio, and the best sustainability practices to which the Bank is committed.

#### Applicable documents

- **Regulations on Human Resources Committee**
- **Regulations on Asset and Liability Committee**
- **Regulations on Information Security Committee**
- **Regulations on Technical Assistance Fund Committee**
- **Regulations on Sustainability Committee**
- **Regulations on Ethics Committee**
- **Regulations on Fund for Digital Initiatives Committee**
- **Regulations on Credit Committee**

The Bank's Management Board has eight advisory bodies. These Committees may consider matters in advance and recommend that they be included on the agenda of the Board meeting, and note information on specific aspects of the Bank's activities.

- The Human Resources Committee reviews the Bank's overall approach and individual employment cases and makes proposals to improve the Bank's HR policies and procedures.
- The Asset and Liability Committee develops and implements the Bank's asset and liability, liquidity, market risk, and profitability management policies.
- The Information Security Committee reviews issues relating to information security in the Bank.

- The Technical Assistance Fund Committee was established in accordance with the Technical Assistance Fund Regulations and is a standing collegial body responsible for reviewing and approving the terms and conditions for allocating resources to eligible projects. The Regulations on Technical Assistance Fund Committee are approved by the EDB Council. The composition of the Technical Assistance Fund Committee is approved by the EDB Management Board.
- The Sustainability Committee organises and coordinates the Bank's social and environmental responsibility and management, including their impact on the Bank's reputation and its relations with stakeholders.
- The Ethics Committee reviews ethical conflicts and instances of non-compliance with the Bank's Code of Business Conduct and Ethics.
- The Fund for Digital Initiatives Committee was established under the Regulations on Fund for Digital Initiatives and is a standing collegial body that reports on the Fund's priority activities, endorsing initiatives and projects, and making recommendations on its activities to the EDB Council. These include proposals to improve the Fund's performance. The Regulations on Fund for Digital Initiatives Committee and the composition of the Fund for Digital Initiatives Committee are approved by the EDB Council.
- The Credit Committee examines the terms and conditions of investment and makes decisions independently (within its mandate) and with subsequent consideration and approval by the Bank's Management Board (in this case, the Credit Committee's resolutions serve as recommendations to the Management Board).

| Committee under EDB Management Board   | Number of meetings in 2023 <sup>2</sup> |
|----------------------------------------|-----------------------------------------|
| Human Resources Committee              | 3                                       |
| Asset and Liability Committee          | 45                                      |
| Information Security Committee         | 4                                       |
| Technical Assistance Fund Committee    | 27                                      |
| Sustainability Committee               | 2                                       |
| Ethics Committee                       | 3                                       |
| Fund for Digital Initiatives Committee | 3                                       |
| Credit Committee                       | 80                                      |

<sup>2</sup> In compliance with the minimum required number of meetings as provided for some regulations.



GRI 2-9

GRI 2-11

The **Chairman of the EDB Management Board** is elected by the Council of the Bank for a term of four years, although it is possible to be re-elected for a further term. In 2023, the Chairman of the Management Board of the Eurasian Development Bank was Nikolai Podguzov. The Chairman is vested with powers in accordance with the Bank’s Charter, including managing the Bank’s day-to-day operations pursuant to resolutions of the Council and the Management Board of the Bank, conducting operations and transactions on behalf of the Bank, representing the Bank’s interests in relations with states, international financial and other organisations, making personnel decisions and giving orders, instructions, etc.

GRI 2-19

The Council sets the remuneration of the Chairman and approves annual reports on achievement against Key Performance Indicators (KPIs) set for the Chairman. The remuneration of the Chairman of the Management Board comprises fixed and variable sums, the latter determined on the basis of financial and non-financial KPIs. The KPIs set for the Chairman include the EDB strategic benchmarks, including the share of projects in the Bank’s portfolio that contribute to SDGs (Table 2), and number of annual operational indicators. The Chairman’s remuneration is approved by the Council of the Bank with terms and conditions prescribed by the Regulations on Bonus Payments to Chairman of EDB Management Board.

The Chairman of the Management Board is also entitled to employee benefits in accordance with the Bank’s internal regulations.

The Bank’s **control bodies** — the Internal Audit Commission and the Internal Audit Service — report to the EDB Council and exercise control over the Bank’s financial and economic activities and independent control over all areas of the Bank’s activities, respectively.

The Internal Audit Service submits annual reports to the Bank’s Council on any deficiencies and irregularities detected in the Bank’s operations and measures taken to remedy them.

The Bank’s Council examines the Internal Audit Commission’s annual reports, which include an analysis of the Bank’s activities during the year, audit findings and relevant recommendations approved for implementation by the Bank’s Management Board (11 recommendations were approved for implementation in 2023).

GRI 2-13

The EDB Management Board and the Chairman of the Management Board are responsible for achieving the objectives set out in the Bank’s Strategy, including top-level oversight of the management of the Bank’s economic, environmental and social impacts. At a high level, sustainability issues are addressed by the Sustainability Committee (see the [Sustainability Committee](#) Section). Environmental and social initiatives are implemented by the Directorate of Sustainability in cooperation with other units of the Bank.







↓ Table 5. EDB Governance Bodies

|                     | Council of the Bank                                                                                                | Management Board of the Bank                                                                                            | Chairman of the Management Board                                                                                                                                                                                                                            |
|---------------------|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Type of body        | Highest governance body                                                                                            | Collegial executive body                                                                                                | Sole executive body                                                                                                                                                                                                                                         |
| Accountability to   | EDB member states                                                                                                  | Council of the Bank                                                                                                     | Council of the Bank                                                                                                                                                                                                                                         |
| Functions           | General management of the Bank's activities and strategic decision-making on the Bank's operations and development | Management of the Bank's day-to-day operations and implementation of the Strategy formulated by the Council of the Bank | Chairmanship of the Bank's Management Board and allocation of responsibilities among its members, participation in meetings of the Bank's Council in an advisory capacity, adoption of operational and executive decisions concerning the Bank's activities |
| Governing documents | EDB Charter and Rules of Procedure of EDB Council                                                                  | EDB Charter, Rules of Procedure of EDB Management Board, as well as Resolutions of EDB Council                          | EDB Charter, Resolutions of EDB Council and EDB Management Board                                                                                                                                                                                            |
| Number of members   | 11 (6 plenipotentiary representative and 5 deputy plenipotentiary representatives)                                 | 9                                                                                                                       | 1                                                                                                                                                                                                                                                           |
| Remuneration        | None                                                                                                               | None                                                                                                                    | To be determined by the EDB Council. Consists of a fixed and a variable part, which depends on meeting the KPIs                                                                                                                                             |
| Term of office      | Not limited (appointed and dismissed by the Bank's members)                                                        | Not limited (appointed and dismissed by resolution of EDB Council)                                                      | 4 years + potential re-election for a new term                                                                                                                                                                                                              |

GRI 2-15

GRI 2-19

Addressing conflicts of interest at the highest level of corporate governance is within the remit of the Bank's Council. The EDB Regulations on Corporate Governance approved by the Bank's Council contain principles and procedures regarding conflicts of interest in the Bank. Members of the Bank's Council and members of the Management Board, including the Chairman of the Management Board, are required to disclose in advance and in full any (potential) conflicts of interest that may arise. Where a conflict of interest may arise, the member of the relevant body should abstain from voting or discussing the transaction. The system for managing conflicts of interest in the Bank's day-to-day operations is described in the [Compliance Control and Anti-Corruption Framework](#) Section.

## 5.2 Sustainability Committee

### Applicable documents

#### → Regulations on the Sustainability Committee

The EDB is committed to ensuring that ESG matters are considered in all areas of its operations and that sustainability management is fully embedded. To this end, a Sustainability Committee was established in 2023. The Chairman of the EDB Management Board also chairs the Sustainability Committee, receiving first-hand information on the Bank's ESG activities and overseeing the implementation of the Committee's resolutions.

The Committee's agenda includes a review of the annual ESG action plan, green and social finance projects, EDB member states' contribution to the UN Sustainable Development Goals, improving the Bank's ESG ratings, and other topical issues in this area. The Committee can also review enquiries relating to sustainable development activities. The Committee functions under the Management Board of the Bank and can recommend internal regulations for its consideration and approval.

The Committee meets at least twice a year and its members are all senior executives. In addition, all business units, and most of the support units, are involved in the Committee's activities. The Sustainability Committee Working Group, comprising representatives from 15 Bank units, reviews and prepares materials on specific issues to be considered at Committee meetings.

In 2023, the Committee held two meetings to review and approve the Sustainability Principles and the updated Environmental and Social Framework of the Eurasian Development Bank, among other endeavours. Findings on material sustainability and estimates of greenhouse gas emissions from the Bank's operations and investments also presented to the Committee.

## 5.3 Risk Management Framework

### Applicable documents

- [Risk Management Policy](#)
- [Internal Audit Service Regulations](#)
- [Internal Audit Commission Regulations](#)

According to the [Risk Management Policy](#), significant risks to the Bank include credit, market, liquidity, operational, and reputational risk. The main objectives of the EDB risk management framework are: to provide reasonable assurance that the Bank's strategic

goals will be achieved without compromising its business continuity and financial stability; to ensure the efficient allocation of the Bank's resources with an acceptable risk/return ratio; and to maintain a high level of stakeholder confidence.



## Risk Classification under EDB Risk Management Policy

|                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <h3>Credit risk</h3>                                                                                                                                                                                                                                                | <p><b>Risk description</b><br/>Probability of losses due to the failure of the borrower or counterparty to discharge its obligations under the terms and conditions of the contract</p>                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p><b>Risk management policies</b></p> <ul style="list-style-type: none"> <li>→ Risk Management Policy</li> <li>→ Investment Regulations</li> <li>→ Rules for Investment Project Financing</li> <li>→ Project Cycle Regulations</li> <li>→ Classification and Provision Rules for Expected Credit Losses</li> <li>→ Investment Declaration</li> </ul> | <p><b>Approach to risk management and assessment</b></p> <ul style="list-style-type: none"> <li>→ Tailored analysis and structuring of investment projects</li> <li>→ Security for investment projects</li> <li>→ Monitoring</li> <li>→ Provision for expected credit losses</li> <li>→ Use of a system of limits within treasury activities</li> </ul>                                                                                                                                                                                                                                                                |
|  <h3>Market risk</h3>                                                                                                                                                                                                                                               | <p><b>Risk description</b><br/>Probability of losses due to unfavourable changes in market factors such as interest rates, exchange rates, prices of financial instruments, and others. The main sub-types of the market risk are:</p> <ul style="list-style-type: none"> <li>→ <b>the interest rate risk</b> (...unfavourable changes in interest rates on the Bank's balance sheet and off-balance sheet items)</li> <li>→ <b>the foreign exchange risk</b> (...unfavourable exchange rate fluctuation)</li> <li>→ <b>the price risk</b> (...unfavourable changes in quotations of financial instruments)</li> </ul> |
| <p><b>Risk management policies</b></p> <ul style="list-style-type: none"> <li>→ Risk Management Policy</li> <li>→ Rules for Managing Market and Balance Sheet Liquidity Risks</li> <li>→ Regulations on Hedging</li> </ul>                                                                                                                            | <p><b>Approach to risk management and assessment</b></p> <ul style="list-style-type: none"> <li>→ Market risk assessment based on special metrics</li> <li>→ Use of a system of limits</li> <li>→ Use of hedging instruments</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                |
|  <h3>Liquidity risk</h3>                                                                                                                                                                                                                                           | <p><b>Risk description</b><br/>Probability of losses due to insufficient financial resources to meet the Bank's payment obligations as they fall due or the Bank's ability to access these financial resources only at excessive cost</p>                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Risk management policies</b></p> <ul style="list-style-type: none"> <li>→ Risk Management Policy</li> <li>→ Rules for Managing Market and Balance Sheet Liquidity Risk</li> <li>→ Rules for Calculating Internal and Financial Ratios</li> <li>→ Rules for Stress Testing</li> </ul>                                                            | <p><b>Approach to risk management and assessment</b></p> <ul style="list-style-type: none"> <li>→ Maintaining a sufficient level of liquid assets (liquidity buffer)</li> <li>→ Compliance with liquidity ratios</li> <li>→ Conducting liquidity gap analysis</li> <li>→ Stress testing</li> </ul>                                                                                                                                                                                                                                                                                                                     |

|                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <h3>Operational risk</h3>                                                                                                                                                   | <p><b>Risk description</b><br/>Probability of losses due to inadequate and/or insufficient internal processes, human resources, and systems, including information systems, and the impact of other internal or external factors</p>                                                                          |
| <p><b>Risk management policies</b></p> <ul style="list-style-type: none"> <li>→ Risk Management Policy</li> <li>→ Operational Risk Management Rules</li> <li>→ Information Security Policy</li> <li>→ Information Security Risk Management Procedure</li> </ul> | <p><b>Approach to risk management and assessment</b></p> <ul style="list-style-type: none"> <li>→ Maintaining proper business processes and internal control procedures</li> <li>→ Ensuring information security</li> <li>→ Ensuring business continuity and other measures</li> </ul>                        |
|  <h3>Reputational risk</h3>                                                                                                                                                  | <p><b>Risk description</b><br/>Probability of losses due to Probability of losses, failure to gain expected income as a result of narrowing customer base, deterioration of other development indicators due to negative perception of the Bank, its management, mission, and strategy among stakeholders</p> |
| <p><b>Risk management policies</b></p> <ul style="list-style-type: none"> <li>→ Risk Management Policy</li> <li>→ Compliance Control Framework</li> <li>→ Code of Business Conduct and Ethics</li> </ul>                                                        | <p><b>Approach to risk management and assessment</b></p> <ul style="list-style-type: none"> <li>→ Recommendations of Ethics Committee</li> </ul>                                                                                                                                                              |

The full list of risks is regularly analysed and assessed in line with international standards and best practice to ensure the sustainability of the business. Risk management is the responsibility of the Bank's Council and Management Board, collegial bodies and the Bank's business units that perform specific risk management functions and are responsible for the development and implementation of the Bank's risk management policies. The collegial governance bodies involved in this process include the Asset and Liability Committee, the Credit Committee, the Information Security Committee, the Human Resources Committee, and the Ethics Committee. Business units regularly prepare appropriate management reports for the Bank's collegial bodies for each type of risk.

The **Internal Audit Service (IAS)**, which is an independent unit, performs an internal audit of the EDB in order to manage corporate governance risk. The IAS regularly audits each function to review the effectiveness of corporate governance, financial and business operations, bank risk management, compliance with internal regulations and the Code of Business Conduct and Ethics, and the accuracy of reporting. The IAS also evaluates and resolves conflicts of interest arising in the day-to-day activities of the Bank's employees. The IAS carries out its functions on an ongoing basis, independently, objectively, and impartially. The IAS submits quarterly and annual reports to the Bank's Council on the deficiencies and irregularities detected in the Bank's operations and the measures taken by the Bank to remedy them.

Financial performance information, including the Bank's Annual Report, is subject to independent internal audit by the Internal Audit Commission which is appointed by the Council of the Bank for a term of four years. This is made up of the Chairman and three members as per Article 25 of the Bank's Charter.

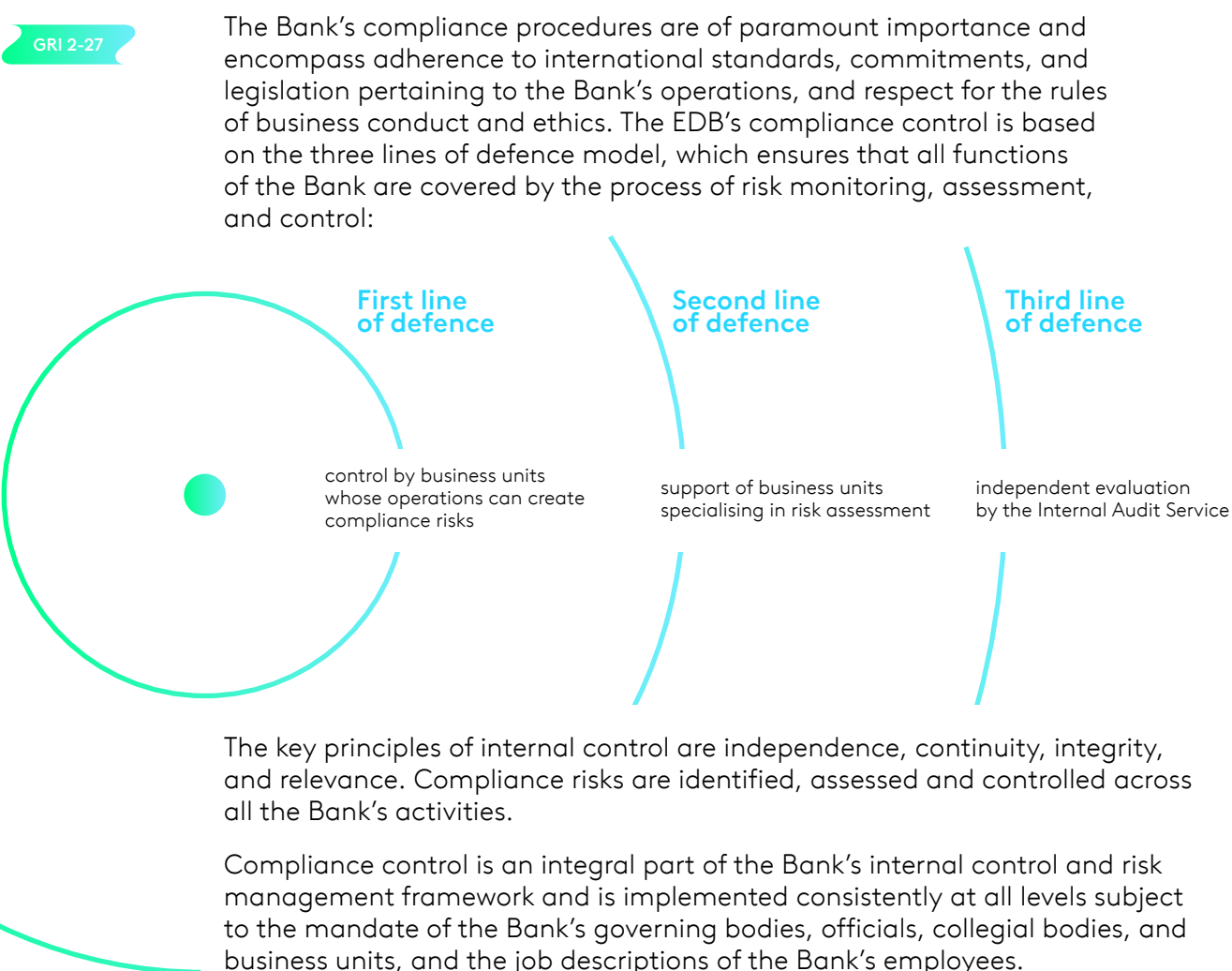
## 5.4 Compliance Control and Anti-Corruption Framework

### Applicable documents

- [Compliance Control Framework](#)
- [Regulations on Compliance Control](#)
- [Regulation on Economic Security](#)
- [Regulations on Prevention and Management of Conflict of Interest](#)
- [Internal Control Rules for Anti-Money Laundering and Combating Financing of Terrorism](#)
- [Regulations on Internal Audit Commission](#)

### GRI Indicators

[GRI 2-15](#) | 
 [GRI 2-27](#) | 
 [GRI 205-1](#) | 
 [GRI 205-2](#) | 
 [GRI 206-1](#) | 
 [GRI 415](#)



The Security and Compliance Control Department, which reports to the Chief Compliance Officer of the Bank, is responsible for the implementation of compliance policies and requirements approved by the Bank's governing bodies.

To manage compliance risk, the Bank uses the following basic compliance control tools:

- Process regulation;
- Customer and counterparty due diligence;
- Compliance risk assessment. The Bank assesses the compliance risk of customers and counterparties, regularly updates information on customers and counterparties, and reviews the compliance risk level assigned to them. In addition, the Bank assesses the compliance risks of projects, transactions, and new products and services;
- Analysing information and data (including complaints/grievances) related to instances of abuse, non-compliance, misconduct or improper or incorrect actions;
- Training on compliance control. The Bank conducts regular (at least once a year) **training of employees** on compliance control. A webinar on current compliance issues and the application of compliance control tools was held for all employees in 2023 (99% of the Bank's employees attended the training). Each new employee of the Bank receives an individual induction briefing on compliance control comprising information on the Bank's corporate values and the anti-corruption measures in place, including the gift giving policy. In 2023, 93 compliance control induction briefings were arranged; and
- Monitoring international sources, national legislation of the Bank's member states, and international banking practice in compliance control.

The Bank is not involved in **public policy**, does not support political goals, and does not lobby. One of the objectives of compliance control is to prevent the Bank's involvement in politics, so it cannot finance political parties, politically engaged non-profit organisations, unions or foundations. To this end, it carries out a detailed assessment of clients and counterparties.

In 2023, the Bank was not involved in any legal action for **anti-competitive behaviour**, anti-trust or monopoly practices. There were no instances of dismissal or disciplinary liability of the Bank's employees for these violations in 2023.

**GRI 205-2**

**99%**  
of the Bank's employees attended the training on compliance

**GRI 415**

**GRI 206-1**



GRI 205-1

With regard to **corruption**, the Bank adheres to the principle of zero tolerance for illegal practices; maintains corporate values based on honesty, transparency, trust, professional responsibility, and intolerance of corruption and bribery; does not tolerate the use of prohibited practices and communicates this position to clients and other counterparties. It includes an anti-corruption clause in all contracts with suppliers requiring compliance with the provisions of applicable anti-corruption laws.

The Bank has a strict policy on the giving and receiving of gifts and other material benefits in business relationships.

GRI 2-15

The Bank has established a framework for the **prevention and management of conflict of interest**. The tools used include:

- Clear definition of areas of responsibility and authority;
- Regular internal audits;
- Collegiate decision-making on the most sensitive and prevalent issues;
- Analysing responsibilities of all participants in projects the Bank is involved in;
- Internal regulations governing transactions/operations, including those involving securities and financial instruments;
- Obtaining the client’s consent/providing the Bank’s consent to publish data and information on economic activity, agreeing the timing of publication;
- Avoiding securities issuers and related parties influencing the Bank’s financial research and analysts, including through the payment of compensation by issuers; and
- Prohibition of joint activities by the Bank’s business and analytical units if such activities may undermine the objectivity of analysis and reports.

The Bank’s specialised compliance control unit, in consultation with the Chief Compliance Officer and the IAS, may take additional measures where there is a high probability of conflict of interest.

The Bank’s Rules for **anti-money laundering and combatting the financing of terrorism** are aligned with the Financial Action Task Force (FATF) international standards on combatting money laundering and terrorist financing, financing of proliferation of weapons of mass destruction, and the EDB’s agreements with the Russian Federation and the Republic of Kazakhstan in the relevant area. In applying these Rules, the Bank analyses the source of customers’ funds, and monitors and controls transactions according to suspicious transaction criteria established under member state jurisdictions.

The Bank engages in international cooperation on compliance and events promoting compliance best practice in Eurasia. The Bank has observer status with the Eurasian Group on Combating Money Laundering and Financing of Terrorism and actively participates in its work, in particular by providing technical assistance for the development of national frameworks for combating money laundering and financing of terrorism in the member states of the Eurasian Group.

# 5.5 Ethics, Integrity, and Responsible Business Practices

Applicable documents

- [Code of Business Conduct and Ethics](#)
- [Regulations on Ethics Committee](#)

## GRI Indicators

GRI 2-26 | GRI 3-3

GRI 3-3

The **EDB Code of Business Conduct and Ethics** was developed based on generally accepted principles and international law and the Charter of the Eurasian Development Bank and was incorporated into the Bank’s internal regulations. In line with the Bank’s approach and its mandate as an international development bank, the Bank’s core corporate values include:

1
Responsibility


2
Teamwork


3
Professionalism


4
Internationalism


5
Development


6
Passionarity


## GRI 2-26

The Bank's Ethics Committee monitors compliance with the rules of business ethics. The Chairman of the Committee is also the Ethics Commissioner – responsibilities delegated by the Bank's Management Board. The Committee reports to the Management Board and is responsible for resolving disputes and emerging employee relations issues, ethical conflicts and non-compliance with the Code of Business Conduct and Ethics. The Committee is also responsible for developing a workforce culture based on high ethical standards and maintenance of an atmosphere of trust, mutual respect and decency within the team. Employees who fail to comply with these rules and regulations may be subject to disciplinary action, with the Ethics Committee responsible for arbitrating on such matters. The Committee also develops procedures to ensure that discrimination, employee rights violations, and instances of non-compliance with business conduct and ethics are reported in a safe and confidential manner.

In 2023, the Ethics Committee received no requests to arbitrate on ethical matters or non-compliance with the Code of Business Conduct and Ethics. The Ethics Committee met three times to approve its work plan.



The Bank operates a confidential Complaints and Grievances Hotline for the public to report non-compliance. Cases are reviewed by the Chief Compliance Officer and the independent compliance unit. The Compliance Hotline can be accessed on the Bank's external website at <https://eabr.org/to-clients/hot-line/>. In 2023, it received three queries, one of which led to an internal investigation; the contract of the employee who had violated the Bank's standards was terminated.

The ethics course  
was attended by



In 2023, the Bank launched a **Business Conduct and Ethics** course for its employees which was posted on the Bank's external website. The course offers practical tips to help employees better navigate the corporate culture, make informed decisions in controversial situations, and identify attitudes and actions that are not in line with the Bank's ethical standards. The ethics course was attended by 259 employees, including 29 new hires. The course is of interest to external stakeholders because it helps them understand the high standards of business conduct to which the Bank's employees adhere.

## 5.6 Information Security

### Applicable documents

- **Information Security Policy**
- **Declaration of the scope of the Information Security Management**
- **Information Security Training and Awareness Raising Procedures**
- **Regulations on Confidential Information**
- **List of Information that is Confidential**
- **Regulations on the Information Security Committee**
- **Information Security Policy when Dealing with Counterparties**
- **Instructions on Information Security**
- **Information Security Risk Management Procedure**
- **EDB Regulations on Processing PD of Counterparties and Other Third Parties**
- **EDB Regulations on Processing PD of Employees and Applicants**

### Applicable GRI Indicators

#### GRI 418

As an international financial institution, the EDB regards information security (IS) concerns as a matter of urgency, and therefore IS objectives require compliance with the highest international and internal IS standards and protection of the Bank's assets, including human resources and business reputation, employee professional development, improvement of the corporate IS culture, and management of IS incidents and risks.

IS management activities are initiated, resourced and monitored by the Bank's senior management. Mitigated threats and new security measures are included in the annual and quarterly reports submitted to the Bank's Council. The Information Security Committee takes decisions on IS issues that are consistent with the Bank's goals, functions and commitments and clears documentation, analysis of the IS management system, and system improvements. Counterparties with access to the Bank's information assets (databases, files, documentation) undertake to comply with the Bank's strict IS requirements.

The Bank is certified according to the international information security standard ISO/IEC 27001 (the Standard) and has implemented an Information Security Management System (ISMS) for the most critical processes for the Bank from an IS perspective — project activities and client settlement and clearing services. The Bank's IS requirements are communicated to all employees, clients, and counterparties, and all employees must undertake a basic IS course and test at least once a year. In 2023, 229 people completed the test. In addition, all employees receive the ITSec Sapiens Information Protection Newsletter every two weeks to ensure that they are aware of the Bank's IS activities their own digital hygiene. The newsletter contains statistics on internal cyber defence and up-to-date news from the IS industry.



The Bank has a process approach to IS management which aligns with the Standard. The IS risk management process is also in place to protect the Bank's information assets. Under International Accreditation Forum (IAF) rules, the validity of the ISO/IEC 27001 certificate must be updated annually through an annual surveillance audit of the Bank's ISMS. The audit conducted in 2023 by TÜV AUSTRIA (accredited by Dakks, the German accreditation body) confirmed that the Bank has a properly functioning ISMS compliant with the ISO/IEC 27001 requirements. Certification is valid without restriction until 2026.

#### GRI 418

The Bank adheres to strict rules on **confidentiality**. Ensuring confidentiality, integrity and availability of information is key to the Bank's business continuity. Personal data (PD) of the Bank's counterparties and employees should be kept for the purposes assigned, should not be used in any way that is incompatible with those purposes, and should be recognised as confidential information. Bank employees and other persons to whom confidential information is disclosed should sign a non-disclosure agreement, and contracts with counterparties should include obligations not to disclose confidential information that becomes known to the counterparty in connection with the execution of the contract. The Bank has an official List of Information that is Confidential, which includes clients' personal data. Familiarisation with the List, and the Regulations on Confidential Information, is part of mandatory training for new employees.

In 2023, no complaints of breach of privacy or loss of client data were received and therefore no IS incidents were recorded.





# 6

## Human Resources Management





The EDB takes a responsible approach to building a productive employee team, recognising that people are the Bank’s main asset. This approach ensures business continuity and supports the high quality of its business practices. The Bank regularly holds events and implements measures to improve the personnel management and development system based on best international practice. A values-based corporate culture reflecting the highest standards of ethical, respectful business conduct and integrity, transparency and accountability at all levels and in all business practices, is an important guarantor of the EDB’s sustainability. The relevant approaches are set out in the EDB HR Policy and the [EDB Sustainability Principles](#).

The Bank’s key HR management document is the EDB HR Policy approved by the Bank’s Council — a set of approaches aimed at preserving and developing the Bank’s talent pool to ensure its mission and strategy are effectively implemented. The Bank’s HR Policy is based on objectivity, fairness, transparency, and equal treatment of all employees.

The Bank’s Council approved the EDB Code of Business Conduct and Ethics which is based on generally accepted principles, international law and the EDB Charter, and is incorporated into the Bank’s internal regulations. The Code of Business Conduct and Ethics extends to all members of the Bank’s team, regardless of their position, seniority or place of work.

The Bank has three standing collegiate bodies — the Personnel Committee under the EDB Council, the Human Resources Committee, and the Ethics Committee — to regulate HR management and employment relations issues, and to resolve and prevent disputes within the team. More details on the Committees’ activities are available in the EDB Annual Report. The Bank’s approach to business ethics is described in the EDB Code of Business Conduct and Ethics.

The EDB Strategy for 2022–2026 sets an ambitious agenda for the Bank, and its implementation depends to a large extent on creating a successful team. In 2023, to realise the HR transformation envisaged in the Strategy, the Bank adopted its HR Strategy for 2023–2026. It was developed following an independent HR audit, trend analysis, and benchmarking of the institutional framework against best HR practices, and interviews with the Bank’s key staff. The HR audit showed that the Bank performs reliably in key HR management areas such as workforce and budget planning, employee recruitment and selection, adaptation, training and development, remuneration and motivation. Based on the identified development needs, the HR Strategy includes initiatives in developing workforce culture, competency and talent management, and organisational transformation.

## 6.1 Personnel Diversity and Structure

### Applicable documents

- [EDB HR Policy](#)
- [EDB Code of Business Conduct and Ethics](#)

### GRI Indicators

GRI 2-7 | GRI 202-2

#### GRI 2-7

As at 31 December 2023, the Bank had 343 employees, including 156 women (45%) and 187 men (55%). 341 employees worked full-time (46% women / 54% men). The number of employees working under fixed term contracts was 343 in 2023 (all employees of the Bank).

↓ **Table 6.**  
**Total Number of Employees**

| Employees                            | Unit of measurement | 2021 | 2022 | 2023 |
|--------------------------------------|---------------------|------|------|------|
| Total number of employees            | persons             | 335  | 336  | 343  |
| Total number of employees by gender: |                     |      |      |      |
| Men                                  | persons             | 192  | 192  | 187  |
| Women                                | persons             | 143  | 144  | 156  |
| Percentage of women                  | %                   | 43%  | 43%  | 45%  |
| Total number of employees by region: |                     |      |      |      |
| Kazakhstan                           | persons             | 167  | 156  | 171  |
| Russia                               | persons             | 155  | 166  | 155  |
| Armenia                              | persons             | 2    | 2    | 3    |
| Belarus                              | persons             | 4    | 5    | 6    |
| Kyrgyzstan                           | persons             | 4    | 4    | 5    |
| Tajikistan                           | persons             | 3    | 3    | 3    |

GRI 202-2

The appointment of the Chairman of the Management Board, Deputy Chairmen of the Management Board, and members of the Management Board is regulated by the Agreement Establishing the Eurasian Development Bank and the Bank’s Charter. The Council of the Bank approves appointments to the management team. The Chairman of the Management Board is elected for four years and can be re-elected for a further term. For more details on the Bank’s governance bodies, see the [Corporate Governance](#) Chapter. Senior management constituted 5.6% of the total workforce in 2022 and 5.2% in 2023 (18 staffing positions). Of these, 2% (7 people) worked in Kazakhstan, 2.9% (10 people) in Russia, and 0.3% (1 person) in Armenia in 2023.

↓ **Table 7.**  
**Percentage of Senior Management, by country offices**

| Employees                                              | Unit of measurement | 2021 | 2022 | 2023 |
|--------------------------------------------------------|---------------------|------|------|------|
| Kazakhstan                                             |                     |      |      |      |
| Foreign employees                                      | persons             | 2    | 1    | 1    |
| Local employees                                        | persons             | 6    | 4    | 6    |
| Percentage of employees hired from the local community | %                   | 75%  | 80%  | 86%  |
| Russia                                                 |                     |      |      |      |
| Foreign employees                                      | persons             | 2    | 3    | 2    |
| Local employees                                        | persons             | 13   | 11   | 8    |
| Percentage of employees hired from the local community | %                   | 87%  | 79%  | 80%  |

For more details on the diversity of governance bodies and personnel by age, gender and position, see the [Annexes](#).

## 6.2 Employee Recruitment and Retention

Applicable documents

- **Recruitment Rules**
- **HR Policy**

GRI Indicators

GRI 401-1



The Bank takes a responsible approach to personnel recruitment, ensuring compliance with the principles of openness, objectivity, equal opportunities, and non-discrimination. Candidates applying for a particular vacancy in the Bank are selected in accordance with the EDB Recruitment Rules.

Candidates are recruited using internet resources (EDB corporate website, specialist recruitment websites and professional communities on social media), referrals, recruitment agencies, and participation in special external events.



9 students participated in an internship programme



In addition, the Bank is actively developing an internship programme, in which nine students participated in 2023. In 2023, a study placement programme was piloted and implemented. More than 70 students from leading universities applied for placements through the programme, nine of whom completed their study placement with the Bank.

The Bank recruits at least 50 new employees each year based on staffing needs. Statistics for the last two years show that the proportion of women has increased to equal that of men — in 2022, the 47% of employees hired were women and 53% men; in 2023, the figures were 52% and 48% respectively.



↓ **Table 8.**  
**Total Number and Percentage of New Employees, by age group and gender**

| Indicator                                      | Unit of measurement | 2021 | 2022 | 2023 |
|------------------------------------------------|---------------------|------|------|------|
| Number of new employees (total)                | persons             | 91   | 51   | 68   |
| Number of women hired                          | persons             | 36   | 24   | 35   |
| under 30 years old                             | persons             | 3    | 6    | 7    |
| 30–50 years old                                | persons             | 31   | 16   | 27   |
| over 50 years old                              | persons             | 2    | 2    | 1    |
| Percentage of women among all new hires        | %                   | 40%  | 47%  | 52%  |
| Number of men hired                            | persons             | 55   | 27   | 33   |
| under 30 years old                             | persons             | 5    | 4    | 3    |
| 30–50 years old                                | persons             | 42   | 22   | 25   |
| over 50 years old                              | persons             | 8    | 1    | 5    |
| Percentage of men among all new hires          | %                   | 60%  | 53%  | 48%  |
| Percentage of new employee hires aged under 30 | %                   | 9%   | 20%  | 15%  |
| Percentage of new employees aged 30–50         | %                   | 80%  | 75%  | 76 % |
| Percentage of new employees aged over 50       | %                   | 11%  | 5%   | 9%   |

The Bank has a sustainable programme for inducting new employees. In 2023, the programme was extended — new employees receive information about the Bank, key projects and business specifics before they start so they can familiarise themselves with the main aspects of the job. On their first day they receive a Welcome Book, which provides brief information about the office, contact details for HR, IT, and Accounting, and a checklist to help them get started. New employees also receive a Welcome Pack containing a notepad, a pen, a phone charger, an eco-friendly water bottle, and other branded items to help them settle into the workplace. They also receive an email linking them to the Induction Course that can be considered as a handy navigator through the first days at the Bank, containing useful information for the settling-in period.

In order to facilitate the successful induction of new employees, the Bank plans to launch the Corporate Friend Programme in 2024, which will enable new starters to choose a mentor from a list on the Bank’s intranet whom they can go to for help with issues related to life and work at the Bank. The programme is designed to run for 3 months, to cover the induction period of new employees, but communication is certainly not limited and we hope that the interaction will continue after this period.

GRI 401-1

In 2023, 58 out of 343 employees had their contracts terminated. Undesirable employee turnover at year-end was 3.76%. For more information on employee turnover, see the [Annexes](#).

## 6.3 Performance Management System and Feedback

Applicable documents

→ **Regulations on Employee Performance Management System**

### GRI Indicators

GRI 404-3

GRI 404-3

To develop an effective corporate culture, the Bank encourages open and honest dialogue and feedback between managers and employees. The Bank has an employee performance management system, which involves setting key performance indicators (KPIs) for the Bank, its units, and employees, that contribute to the Bank’s strategic goals in the short and long term. The annual performance management cycle includes three stages:

- I stage

setting KPIs
- II stage

half-yearly evaluation based on interim results with the option adjust the annual KPIs
- III stage

assessment of the KPIs for the year

At each stage, the line manager and employee meet to discuss and agree on the actions identified at each stage. Every employee has the right to know their assessment and to give feedback. In addition to setting KPIs at stage I, the manager and employee discuss and agree the resources and support required for the employee to achieve their KPIs, the level of the employee’s skills and development needs in the light of past work experience, and the indicators and objectives relevant to the employee and the unit. Once training needs have been identified, the manager and the employee draw up an individual development plan for the year — a tool for managing the employee’s professional development and improving their efficiency.

The annual performance review is based on the employee’s annual performance results, achievement of assigned KPIs, and progress in professional development. Based on the annual review, employees are eligible for annual bonuses and length of service awards. The annual bonus depends on the employee’s grade, and achievement of the KPIs of the Bank, the unit, and the employee. In 2023, 16% of employees were granted career development opportunities at the end of their annual review and were promoted.

In order to improve the process of setting goals and KPIs for the Bank, its units and employees for each calendar year, and given ongoing changes in the performance management systems, in 2023, online meetings (Meetups) were introduced between the Chairman of the Bank and his deputies with all employees.

As part of the performance review process, and to improve its HR practices, the Bank conducts regular employee surveys.

A Bank-wide survey on awareness of the Bank’s mission and values was conducted in June 2023 which showed that 98% of employees were aware of the Bank’s mission and 94% shared the Bank’s mission and values. Thus, we can confidently say that in 2023, employees shared the Bank’s mission and values and demonstrated a high level of engagement, which is undoubtedly a strength of EDB’s corporate culture.



**The EDB’s mission is to promote a market economy, economic growth, and the expansion of trade and economic ties in its member states by means of investment.**

**The EDB’s values are Responsibility, Professionalism, Passionarity, Internationalism, Development, and Teamwork.**



The Employee Engagement Index reached an all-time high of

79%  
in  
2023

Since 2012, an annual Employee Engagement Survey has been carried out, giving each employee the opportunity to provide feedback on their work at the Bank, their engagement and satisfaction with the organisational environment, and to suggest ways of improving the Bank’s practices. The Engagement Survey is conducted anonymously by an external provider using an international methodology. The Employee Engagement Index, which is one of the Bank’s KPIs, reached an all-time high of 79% in 2023, up 11% compared with 2022 and 6% above the benchmark for the financial sector (73%). For the first time since the survey was introduced, the level of employee engagement was higher than the level of satisfaction, indicating an increase in employee motivation and satisfaction with their work at the Bank.

Survey results indicate that the main drivers of engagement and motivation at the EDB are its corporate values and goals, the benefits package, personnel training and development, interaction with line managers, work-life balance, employer reputation, and attitude to work.

The Bank is planning a comprehensive overhaul of employee communications in 2024, including an analysis of existing employee feedback and communication tools, and phased roll-out of new feedback channels to the Bank’s workforce.

## 6.4 Motivation and Remuneration

### Applicable documents

- Regulations on Employee Remuneration
- Regulations on Bonus Payments to Employees
- Regulations on Social Safety Nets, Benefits, and Compensations for Employees
- Regulations on Bonus Payments to Employees
- Personnel Mobility Regulations
- Regulations on Employee Recognition Programmes
- Regulations on Employee Performance Management System

### GRI Indicators

GRI 202-1 | GRI 3-3 | GRI 401-2 | GRI 401-3



## 6.4.1 Employee Remuneration

GRI 202-1   GRI 3-3   GRI 2-20

The Bank's approach to setting salary levels for its employees is informed by remuneration packages at peer International Financial Institutions (IFIs) and local labour markets. The procedure for analysing remuneration in IFIs and comparable labour markets, and the principles for setting and reviewing salary bands, are set out in the Methodology for Determining Employee Basic Salaries. Salary benchmarking in the labour markets of the Bank's geographical area of operations is carried out at least once every three years. Based on this analysis, the Bank establishes a new matrix of official basic salaries and regional coefficients.

According to an independent HR audit, the principles of the Bank's remuneration policy are generally in line with best practice of financial institutions and IFIs and do not require significant adjustment. Remuneration levels at the Bank are competitive and take into account the risk of brain drain. However, the Bank is seeking to improve the efficiency of the existing remuneration plan. To this end, the procedure for calculating and paying rewards and indexation bonuses was updated in 2023, and new arrangements for employee and management bonuses, including for the Chairman of the Management Board, were approved.

Lump-sum bonuses are also paid to employees for completing certain one-off tasks and urgent work at a high level, for showing initiative in emergency situations, for implementing innovative ideas to improve the efficiency of their division or the Bank as a whole, and for accomplishing other tasks.

Equal pay regardless of gender is a priority for the Bank. For more details on the ratio of the remuneration of men and women by position, see the [Annexes](#).



## 6.4.2 Benefits and Employee Wellbeing

GRI 401-2

In order to create the conditions that encourage employees to improve their performance and the quality of their work, and to attract talent and prevent brain drain, the Bank has a comprehensive system of compensation, benefits and employee incentives.

GRI 401-3

The Bank offers:



Voluntary medical insurance for employees and their family members in accordance with the Regulations on Voluntary Medical Insurance. The Bank takes into account the wishes of its employees and collects feedback regularly to increase satisfaction with the services of health insurance companies;



Accident and illness insurance for employees (including life insurance). The Bank may offer additional insurance for health-related risks, including insurance against cancer; and



Maternity allowances to support the employee's family if the employee on maternity leave commences work before the child is 18 months old, and additional breastfeeding breaks. For detailed statistics on parental leave, see the [Annexes](#).

The Bank offers its employees a pension plan as an alternative to their state pension. It includes mandatory and matched contribution pension plans.

In addition, the Bank has:

- A programme to subsidise the interest rates on external housing loans for employees as an alternative to state tax rebates. The subsidy terms are regulated by the Rules for Subsidising Interest Rate on External Loans of Employees of the Eurasian Development Bank; and
- A personnel mobility programme to attract and relocate the Bank's personnel in order to improve the efficiency of the Bank's operations, achieve strategic goals, and fulfil the Bank's mission by recruiting professionally skilled personnel and sharing the Bank's corporate values and mission, regardless of the employee's citizenship, religion and gender identity.

Employee recognition programmes are another example of employee motivation at the EDB. For example, corporate awards are offered for effective teamwork and outstanding individual contributions. In 2023, 74 employees (21% of the Bank's personnel) received corporate awards. Employees can receive incentive points from their line manager or another unit on an annual basis and exchange them for a financial reward.

## 6.5 Safe Working Conditions

Applicable documents

→ Occupational Health and Safety Regulations

→ Fire Safety Regulations

GRI Indicators

GRI 403-1

GRI 403-4

GRI 403-5

GRI 403-6

GRI 403-9

GRI 403-1

The Bank ensures safe working conditions for its employees in accordance with Occupational Health and Safety Regulations and Fire Safety Regulations.

The Bank’s occupational health and safety standards are monitored by employees of the Administrative Department. There are four occupational health and safety officers in total.

GRI 403-5

The Bank arranges for regular occupational health and safety training and testing for authorised employees at least once every three years, delivered by external specialist organisations. In 2023, all four officers attended Occupational Health and Safety training. One employee has electrical safety certification which is renewed annually.

GRI 403-4

Induction and regular employee briefings include information on what to do in the event of an accident, on potential dangers or harm in the workplace, electrical safety, and safety when working with computers.

GRI 403-9

The Bank protects and cares for the health and safety of its employees and tries to prevent exposure to harm. Its premises are equipped with evacuation aids in case of emergency, and first aid kits with medicines and dressings in case of illness and injury.



In 2022 and 2023, there were no dangerous incidents or occupational injuries affecting employees in the workplace.

GRI 403-6

The Bank enables employees to pursue a healthy lifestyle by partially reimbursing the costs of sport and leisure activities and by financing the costs of team or group sports enjoyed by employees. In addition, the Bank organises regular corporate sports competitions and tournaments for employees. For example, from 3 August to 9 October 2023, the 3<sup>rd</sup> table tennis tournament was held at the EDB headquarters in Almaty.

## 6.6 Human Capital Development

Applicable documents

→ Regulations on Training and Development of Eurasian Development Bank Employees

GRI Indicators

GRI 3-3 | GRI 404-1 | GRI 404-2

GRI 3-3

The training and development of each and every employee is important to the Bank, contributing to its values, an open corporate culture and the Bank’s key performance indicators. Improvements to the personnel management system and organisational changes at the Bank due to the changing requirements of the modern labour market also drive timely personnel training at the EDB.

The Bank analyses the training and development needs of its employees, using this to prepare an annual training plan to meet their goals and objectives and adjust its Strategy to improve the bank’s business practices and ensure compliance with its internal regulations and job descriptions. Changes in the Bank’s external and internal environment, the introduction of new products, technologies and operations are also important motivations for acquiring new knowledge and skills.

GRI 404-2

The Bank endeavours to develop the professional skills and competencies of its employees by providing different types of training, including corporate, individual, and employer-sponsored long-term training.

Individual training is offered to employees based on their needs and annual personal development plans. Individual training includes vocational training, professional certification, employer-sponsored long-term training, and language training.

Corporate training is offered under the EDB Training Plan. In 2023, the Bank held 88 training events. Employees acquired and improved skills in areas such as project finance, financial modelling, investment project management and risk management. The Bank offered advanced training for corporate lawyers and other programmes. For more information on employee skills and transition assistance programmes see the [Annexes](#).

As well as corporate training, employees can take advantage of a wide range of training with providers with which the Bank co-operates, including: EY (Ernst & Young), Eduson Academy education platform, AlmaU (Almaty Management University), and Alpina Digital (an electronic business library). For example, the catalogue of the Eduson Academy platform includes more than 950 interactive courses offered by lecturers from leading business schools (e.g., Wharton, INSEAD, London Business School), successful business people and managers of major international companies.



The Bank can arrange for employees to undertake additional higher education, academic degrees or MBAs in their field. Four of the Bank's managers are currently enrolled in an MBA programme.

**170** employees 

(~50% of the Bank's workforce)  
have completed professional and corporate  
training

**30** employees 

have completed language training

**10** employees 

have obtained international professional  
certification (CIPM, FRM, CFP, CCI, GRI  
Standards)

**1,5** hours 

average number of training hours  
per employee per year

#### GRI 404-1

Based on the 2023 audit, the Bank's Internal Audit Commission recommended that the Bank's Management Board should continue to implement programmes under the current HR Strategy for 2023–2026.





# 7

## Promoting Sustainable Development





## 7.1 Partnerships and Membership of Associations

### GRI Indicators

GRI 2-28 | GRI 3-3

The Eurasian Development Bank attaches particular importance to international and regional partnerships. The Bank progressively expands its strategic cooperation with international organisations, including UN agencies, international financial institutions and development banks, public and private sector organisations, foundations and non-governmental organisations, academia, think tanks, and other key partners in the field of sustainable development. Enhanced bilateral and multilateral cooperation facilitates the exchange of experience, capacity building for cooperation, joint research, innovation, mobilisation of sustainable capital, and the promotion of sustainable development in Eurasia. The Bank aims to build a developed network of international partnerships and deepen cooperation with multilateral and national development institutions by 2026.



observer status



GRI 2-28

GRI 3-3

In 2023, on the sidelines of the UN Climate Change Conference (COP), the EDB was granted observer status with the United Nations Framework Convention on Climate Change (UNFCCC). The Bank's accreditation as an observer was an important step in building partnerships with various UN agencies and coordinating support for countries in the region on their low-carbon development path. Obtaining observer status with the UNFCCC also provides additional opportunities to expand interaction with other international development banks on the climate agenda in the interests of the Bank's member states.

Another important milestone in cooperation with the UN was obtaining observer status with the United Nations Environment Programme Finance Initiative (UNEP FI) in 2023. Established in 1992, UNEP FI is a partnership between the United Nations Environment Programme and the global financial sector to integrate sustainability principles and contribute to the achievement of the UN Sustainable Development Goals. For the EDB, observer status confirms the Bank's commitment to the principles of sustainable development and responsible finance, as well as to international environmental and social standards. It also allows access to the organisation's practical advice, tools and a wide range of contacts, and participation in events and research. In 2023, the Bank worked actively towards signing the Principles for Responsible Banking (PRB) and becoming a member of UNEP FI.

In November 2023, on the sidelines of the twentieth session of the General Conference of the United Nations Industrial Development Organisation (UNIDO), UNIDO and the EDB reaffirmed their commitment jointly to promote sustainable development in Central Asia through a Joint Declaration signed by the Director General of UNIDO and the Chairman of the EDB Management Board. The agreement between the parties envisages closer cooperation in the areas of SME development, infrastructure development, environmental protection and climate action, including energy and resource efficiency.

In addition, in 2023, the Bank joined the [Green Investment Principles for Belt and Road or GIP](#) as an observer. Developed in 2019 by the China Green Finance Committee and the City of London in cooperation with reputable international organisations, the Principles encourage financial institutions to promote green investment and sustainable development under the Belt and Road Initiative. The initiative aims to support projects that aid climate action, protect the environment, and promote economic development in the New Silk Road region. For the Bank, joining the Principles means expanding cooperation with Chinese and other Asia-Pacific counterparts, sharing experience and participating in international platforms. It also gives the Bank access to the GIP climate project assessment data base.

The Bank is expanding partnerships and cooperation on the strategically important topic of water management. For example, in the reporting year, the EDB became a member of the [Water Finance Coalition \(WFC\)](#), an alliance of national and international development institutions that coordinates finance for the water supply and sanitation sector to promote achievement of UN Sustainable Development Goal 6, the Paris Agreement targets, and to protect biodiversity. The WFC was established in 2021 by the French Development Agency (AFD), the Development Bank of Latin America (CAF), the European Investment Bank (EIB), the World Bank, and Sanitation and Water for All (SWA). The Coalition currently has more than 70 member organisations in Asia, Africa, the Americas and Europe. The main purpose of joining the organisation is for the EDB to expand international cooperation in the field of sustainable development and to represent the Bank in forums, roundtable discussions, working groups and other discussions on water projects.

In 2023, the [Multilateral Cooperation Centre for Development Finance \(MCDF\)](#) approved the Bank's application to access the database of project proposals and analytics of leading MDBs to search for investment opportunities and partners. The MCDF was established to receive grants from the Asian Infrastructure Investment Bank (AIIB), which is the implementation partner of the MCDF financial mechanism. The JIGSAW Platform has two elements: a database of AIIB countries' projects (including technical assistance projects) seeking financing from international financial institutions, and an analytical database for sharing news, information and best practice in sustainable development.

The EDB and FONPLATA signed a Memorandum of Cooperation to support sustainable development, infrastructure projects, business development and trade in countries of interest to both parties. Under the Memorandum, the EDB and FONPLATA plan to co-finance and provide financial support for sustainability and infrastructure development projects in countries, regions and locations of mutual interest. They also intend to bring together the public and private sectors, facilitate access to new markets and business flows, expand cross-border trade links and conduct research on sustainable development, ESG, macroeconomics and regional development.

Pursuing opportunities for cooperation in Latin America, the EDB and the Brazilian Development Bank (BNDES) signed a Memorandum of Cooperation at COP 28 to expand cross-border trade relations between Brazil and Eurasian countries. BNDES is one of the largest national development banks in the world. Its functions include long-term financing for manufacturing and infrastructure, social and environmental investment, and support for small and medium-sized enterprises, innovative and green technologies, and public and private sector companies in Brazil for these purposes. The EDB and BNDES intend to cooperate on treasury operations, trade and project finance, as well as ESG, industry, sustainability, macroeconomic research, and other areas. Among other things, the parties expressed their intention to promote cooperation and share information and knowledge on financing opportunities for sustainability and infrastructure projects in countries and regions of mutual interest.





## 7.2 Research and Analytics

The Eurasian Development Bank is a recognised leader in applied economic analysis of the Eurasian space. The Bank's analytical and research activities are a foundation for achieving the goals set out in its Strategy for 2022–2026, and the EDB is therefore building and enhancing its analytical competencies and expertise.

The Bank's main research areas are macroeconomics, integration, and sector analysis. The EDB's research is presented in regularly published analytical papers: macroeconomic reviews of the current state of the economies and outlook for the economic development of countries in the region; sector reviews; special working papers and studies on economic integration and regional cooperation.

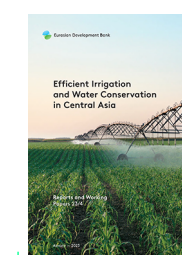
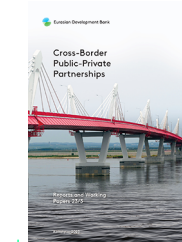
In 2023, the Bank issued a series of reports, including papers on sustainability. [Global Green Agenda in the Eurasian Region](#) provides a comprehensive analysis of the region's climate policies and priorities for the decarbonisation of their economies. In particular, it proposes regulatory and sectoral solutions for climate action, taking into account the UN global climate agenda, and the successes achieved by the EU and ASEAN. The focus is on the role of international development institutions and sustainable finance in the transition to a low-carbon economy.

As the Central Asian water and energy complex is one of the Bank's priority investment areas and is also the most vulnerable to climate change, EDB analysts pay close attention to in-depth research on related issues and the assessment of risk for the region's countries. In 2023, the EDB released a report on [efficient irrigation and water conservation](#), outlining 10 practical steps to ensure irrigated land potential and water conservation, the implementation of which will save enough water to ensure sustainable development as long as there is close cooperation between the states, the business community, and multilateral development institutions.

In order to promote sustainable development in Eurasia and investment cooperation, the Bank drafted and published a report entitled [Cross-Border Public-Private Partnerships](#), which analysed best practice in major cross-border infrastructure projects and offered guidelines for cross-border PPPs. Their application will facilitate the process of initiating and launching cross-border PPP projects in Eurasia, reduce the risks associated with their implementation, and thus contribute to the development of regional cooperation and regional economic integration.

The Bank also publishes a monthly digest of sustainability news in the EAEU+ countries on its official Telegram channel. This digest covers relevant news on green finance, social development, and corporate governance, events, research and expert opinions on different aspects of ESG transformation of the EAEU countries.

More details on the EDB's research are available in the [Annual Report](#) and on the Bank's official website.





## 7.3 Bank's Participation in External Events

Achieving ambitious Sustainable Development Goals, financing major projects with significant environmental and social effects, and developing optimal approaches and procedures, require a constant exchange of experience and knowledge with development partners, active participation in hallmark events, and monitoring of best practice. The Bank's Strategy for 2022–2026 envisages enhancement of international cooperation and the Bank's visibility in the global arena, promoting the EDB's image as a leader of the ESG agenda in the region. These objectives are best achieved through the active participation of the Bank's representatives in external events.

The EDB initiates dialogue and partnership at regional and international levels, inviting experts and representatives from governments, international organisations and development

banks, business and NGOs. The Bank often hosts and sets the agenda for such events, where new partnerships and means of cooperation are forged, including ones relating to sustainable development.

For example, one of the most important events organised by the Bank in May 2023 in Almaty was the 46<sup>th</sup> Annual Meeting of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). **ADFIAP** is the focal point for all development banks and other institutions engaged in financing development in the Asia-Pacific region. Founded in 1976, ADFIAP currently has 90 member institutions in 40 countries. The 2023 ADFIAP Annual Meetings, which attracted over 240 delegates, featured panel sessions with representatives from government bodies, international banks, organisations and institutions.

### ↓ Timeline of activities related to sustainable development in 2023



|                                                                                                                                                                 |                                                                                                                                                                                     |                                                                                                                                                                         |                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>22–24 March</b></p> <p>UN Water Conference</p>                        |  <p><b>10 April</b></p> <p>UNECE Regional Forum on Sustainable Development Goals</p>             |  <p><b>13 April</b></p> <p>24<sup>th</sup> Yasin Conference</p>                    |  <p><b>12 May</b></p> <p>Annual Meetings of the Islamic Development Bank Group</p>                                                              |  <p><b>15–17 May</b></p> <p>46<sup>th</sup> Annual Meetings of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP)</p> |  <p><b>31 May</b></p> <p>Annual Meeting of the New Development Bank</p>                                                                         |
|  <p><b>7 June</b></p> <p>Annual financial conference Astana Finance Days</p> |  <p><b>25–26 September</b></p> <p>Annual Meeting of the Asian Infrastructure Investment Bank</p> |  <p><b>26 October</b></p> <p>Meeting of the CIS Heads of Government in Bishkek</p> |  <p><b>16 November</b></p> <p>Eurasian Development Bank roundtable discussion entitled "Promoting Sustainable Development in Central Asia"</p> |  <p><b>31–02 Oct Nov</b></p> <p>World Hydropower Congress</p>                                                                                            |  <p><b>29 November</b></p> <p>Twentieth session of the General Conference of the United Nations Industrial Development Organisation (UNIDO)</p> |
|  <p><b>30–13 Nov Dec</b></p> <p>UN Climate Change Conference (COP 28)</p>    |                                                                                                                                                                                     |                                                                                                                                                                         |                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                      |





The EDB hosted  
a roundtable discussion



In November 2023, the EDB hosted a roundtable discussion entitled “Promoting Sustainable Development in Central Asia” with representatives from international development banks, including the World Bank, the Asian Development Bank (ADB) and the Asian Infrastructure Investment Bank (AIIB). Discussions focused on challenges and development opportunities in the water and energy sector in Central Asia: water scarcity and efficient irrigation; water use and conservation; the introduction of new technologies and infrastructure; and the development of and support for regional partnerships. Representatives of the EDB, ADB and AIIB also discussed their experiences and best practices in applying environmental and social standards in financing projects in Central Asia.

Another highlight in terms of international events was the Bank’s participation in the **UN Water Conference 2023** in March 2023. The main goal of the Water Conference was to gain voluntary commitments from the UN Member States, international organisations, financial institutions and other stakeholders on the sustainable use of water resources to influence the formation of a defined agenda for the second half of the decade and beyond 2030. The Conference also aimed to create conditions for the international community to better understand and value water, and to take joint action and sign agreements for the prudent management of water resources. The Global UN Water Conference was held for the first time in 50 years, and the Republic of Tajikistan co-chaired the event. At the Conference, the Central Asian countries — Kazakhstan, Tajikistan, Uzbekistan, and Turkmenistan — presented a **Joint Statement** on the need for cooperation and the coordination of water management efforts in the region. Speaking at the high-level peripheral event “Central Asia: Commitments to Water Action Agenda”, the Chairman of the EDB Management Board shared the Bank’s plans to implement priority projects in the water and energy sector in Central Asia and invest at least USD 400 million in this area in the next three years.

In April 2023, the EDB participated in the UNECE Regional Forum on Sustainable Development Goals in Geneva, where it shared ideas and views on accelerating progress towards the goals. The Forum brings together governments representatives from UNECE member states, international organisations, civil society, the private sector, and academia.

Also in April 2023, at the 24th Yasin Conference, the EDB presented a new vision for the Central Asian economy and announced the first study on the global green agenda in the Eurasian region. Additional information is available in the **Research and Analytics** Section above.

The EDB also actively participates in events hosted by other development banks — these serve as an important platform for interaction between world leaders, politicians, financial institutions, and other stakeholders. At the Annual Meetings of the Islamic Development Bank (IsDB) Group in May 2023, the EDB discussed with its IsDB counterparts issues related to cooperation on project activities and joint economic research. The Bank is engaged in a dialogue with the IsDB on cooperation in the field of Islamic finance, which the two financial institutions discussed on the sidelines of the Annual



Meetings of the World Bank Group and the International Monetary Fund. Such cooperation aligns with the Bank’s objectives to develop Islamic finance in Central Asian countries.

In May 2023, at the 8<sup>th</sup> Annual Meeting of the New Development Bank in Shanghai, the EDB presented five projects in the Central Asian water and energy complex to the investment community. These include projects with significant environmental, economic and social benefits. If implemented, they will double the efficiency of water use by introducing water-saving technologies, increase energy exchange between countries by a factor of more than five, and reduce seasonal water shortages by 40% through more efficient regulation of river flows at HPPs. Water use, a priority theme for the Bank, was also discussed at the meeting of the governments of the EAEU and CIS member states in Bishkek in October 2023. The Chairman of the Bank’s Management Board presented the analytical report “Efficient Irrigation and Water Conservation in Central Asia”. The meeting discussed, among other things, joint efforts to ensure climate action, avoid water pollution and support biodiversity conservation.

In June 2023, the Bank participated in the Astana Finance Days — an annual financial conference — and moderated a session on the role of sustainable finance in low-carbon development. During the session, regional and international experts shared their experiences in the deployment of innovative sustainable finance instruments in the region and discussed measures to develop the sustainable finance market.

In September 2023, at the AIIB Annual Meeting “Sustainable Growth in a Challenging World”, the EDB discussed with its AIIB counterparts promising areas of cooperation in project activities and technical assistance with a focus on green projects. At the event, the EDB also signed an agreement with MCDF to connect the EDB to the JIGSAW Platform.

In December 2023, the EDB Delegation participated in the UN Climate Change Conference (COP 28). The Bank participated in several panel sessions at the Central Asia Pavilion, discussed the unique features of investing in sustainable development and climate resilience in Central Asia, the challenges and opportunities of transition to low-carbon development in the Eurasian region, and shared its experience of implementing green projects that help to mitigate climate change.

## 7.4 Green Office

### GRI Indicators

GRI 302-1 | GRI 302-4 | GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 306-1 | GRI 306-2 | GRI 306-3

One of the EDB’s Sustainability Principles is to manage its own environmental impact. The Bank is improving its own environmental impact assessment, seeking to achieve carbon neutrality in its processes, developing a green office, implementing responsible waste management practices, and promoting environmental ethics among its employees.



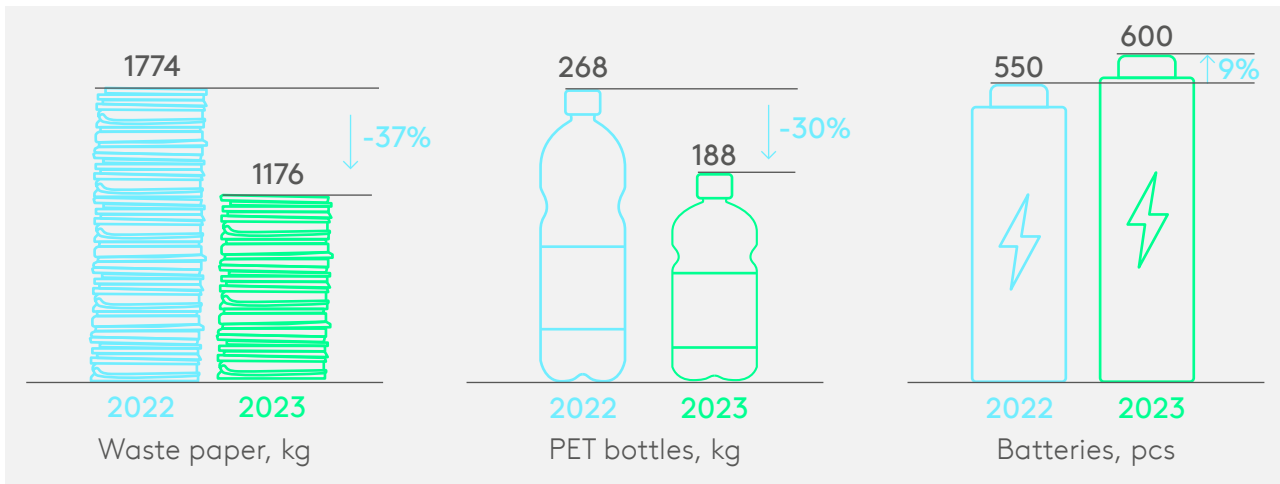

As a responsible organisation, the Bank has embarked on a process to implement best green office practices that will create an environmentally sustainable and energy efficient workspace, thereby reducing the Bank’s negative impact on the environment. The initiative also includes sensitisation measures to increase employee awareness of and responsibility towards the environment.

GRI 306-1 | GRI 306-2 | GRI 306-3

In 2023, the two offices with the largest number of employees (Moscow and Almaty) arranged separate waste collections for paper, plastic and batteries, which were then taken for recycling. The practice is expected to be rolled out in Almaty and Astana in 2024, with an eco-audit of the Bank’s headquarters to assess current energy and resource conservation measures.

The Bank is committed not only to the responsible management of municipal solid waste but also to reducing its generation. For example, in the fourth quarter of 2023, the Moscow office switched to using water coolers instead of water in plastic bottles, which had a positive effect on waste generation.

↓ Table 14.  
Waste Generation in Moscow Office



GRI 305-1 | GRI 305-2 | GRI 305-3

Greenhouse gas (GHG) emissions reflect the contribution of each asset, company, country or even individual to **climate change**. To limit global warming to 1.5°C (the goal of the Paris Agreement) and avoid other devastating effects of climate change, GHG emissions must peak before 2025 at the latest and decline by 43% by 2030.

The EDB promotes low-carbon development in its member states and endeavours to monitor the climate effects of its own day-to-day operations and investment.

In 2023, the Bank calculated direct (Scope 1), energy indirect (Scope 2), and other indirect (Scope 3) GHG emissions for the first time. The Bank also assessed the positive climate effects of financed projects, namely reduced and avoided emissions (Scope 4). Information on emissions and avoided emissions is available in **Sustainable Finance** Chapter.

The assessment of climate impacts from the Bank’s operations includes Scope 1 and Scope 2 GHG emissions, Scope 3 GHG emissions under Categories 5 (waste generated) and 7 (employee commuting). In order to estimate emissions from employee commuting, the EDB undertook a bank-wide survey of the modes of transport used, covering all offices in the countries of operation. Compared to the estimate for 2022 and previous periods, the Bank was able to significantly improve the quality of data collected and the reporting coverage in emissions estimates for 2023. GHG Scope 1 and Scope 2 emissions for 2023 include information on leased offices, and Scope 3 emissions include Category 6 (business travel).

The EDB plans to assess and publish greenhouse gas emissions data on an annual basis, improving data collection techniques to estimate emissions, and the quality and extent of information disclosure related to climate impacts. The Bank expects that the introduction of environmental initiatives in its offices and improved environmental awareness among its employees will support a steady reduction in greenhouse gas emissions from its operations without compromising the efficiency of its business practices or the comfort of its employees.

↓ Table 9.  
EDB Greenhouse Gas Emissions,  
t of CO<sub>2</sub> equivalent

| Scope 1 — direct emissions          | 2020       | 2021       | 2022       | 2023       |
|-------------------------------------|------------|------------|------------|------------|
| Mobile combustion (petrol)          | 146        | 172        | 176        | 122        |
| Mobile combustion (diesel fuel)     | 13         | 13         | 14         | 15         |
| Stationary combustion (diesel fuel) | 0.2        | 0.2        | 0.2        | 0.2        |
| Use of refrigerants                 | -          | 0.73       | -          | 0.01       |
| <b>Total</b>                        | <b>159</b> | <b>186</b> | <b>190</b> | <b>137</b> |





| Scope 2 — indirect emissions            | 2020       | 2021       | 2022       | 2023         |
|-----------------------------------------|------------|------------|------------|--------------|
| Emissions from electricity consumption* | 608        | 654        | 651        | 880          |
| Emissions from heating consumption      | 100        | 100        | 107        | 156          |
| <b>Total</b>                            | <b>708</b> | <b>754</b> | <b>757</b> | <b>1,036</b> |

| Scope 3 — other indirect emissions | 2020     | 2021     | 2022             | 2023             |
|------------------------------------|----------|----------|------------------|------------------|
| Emissions from waste disposal      | -        | -        | 108              | 74               |
| Emissions from business travel     | -        | -        | -                | 1,001            |
| Emissions from employee commuting  |          |          | 184              | 184              |
| Emissions from investments         |          |          | 5,757,052        | 6,199,180        |
| <b>Total</b>                       | <b>0</b> | <b>0</b> | <b>5,757,344</b> | <b>6,200,439</b> |

|                            |            |            |                  |                  |
|----------------------------|------------|------------|------------------|------------------|
| <b>Total (Scope 1,2,3)</b> | <b>867</b> | <b>940</b> | <b>5,758,291</b> | <b>6,201,612</b> |
|----------------------------|------------|------------|------------------|------------------|

GRI 302-1

GRI 302-4

Scope 1 and 2 emissions were estimated based on energy consumption data.

↓ **Table 10. Energy Consumption in the Bank’s Offices**

| Energy consumption                  | Unit of measurement | 2020      | 2021      | 2022      | 2023      |
|-------------------------------------|---------------------|-----------|-----------|-----------|-----------|
| Total consumption                   | kWh                 | 1,743,852 | 1,929,396 | 1,970,762 | 2,736,547 |
| Electricity                         | kWh                 | 617,281   | 663,650   | 660,750   | 1,352,267 |
| Heating                             | kWh                 | 305,981   | 305,130   | 325,640   | 551,588   |
| Fuel consumption:                   | kWh                 | 820,590   | 960,615   | 984,372   | 832,692   |
| Stationary combustion — diesel fuel | litres              | 60        | 60        | 60        | 80        |
| Mobile combustion — diesel fuel     | litres              | 5,158     | 5,329     | 5,778     | 6,058     |
| Mobile combustion — petrol          | litres              | 63,609    | 75,201    | 76,737    | 63,683    |

\* Increased electricity and heating consumption is associated with improved data collection. Until 2023, estimates included only the headquarters in Almaty.

In 2023, the fluorescent lighting at the EDB headquarters was replaced with energy-saving LED (light-emitting diode) lighting. The average energy saving per light per month was 57.6kW or 40%.

## 7.5 ESG Ratings and Awards

Recognising the importance of ESG ratings for investors and stakeholders in today’s environment, the Bank is seeking to improve its non-financial reporting by making it more comprehensive, accessible and transparent. The EDB also focuses on ESG factors material to multilateral development banks and monitors its own sustainability performance and the progress of its counterparts.

The EDB’s sustainability performance is currently assessed by two reputable international ESG rating agencies — MSCI and Sustainalytics. The ratings have remained within the same range over the past years, but the EDB is committed to improving its performance and implementing the corresponding action plan.

↓ **Table 11. ESG Ratings of EDB**

| Agency         | 2022 | 2023 |
|----------------|------|------|
| MSCI           | B    | B    |
| Sustainalytics | 13.2 | 14.0 |

In 2023, the EDB won the Best Website award in the special awards category of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). Efforts are underway to improve the public disclosure of information on the Bank’s official website. Content updates are focused on showcasing the Bank’s projects and their economic effects in member countries, while demonstrating how the EDB’s activities contribute to the Sustainable Development Goals.

The Bank’s key investment mega-project — the Eurasian Transport Network (ETN) — also won ADFIAP’s Sustainable Award in the Trade Development Category. The ETN infrastructure project is designed to improve the economic, trade and transport connectivity of Central Asian countries by developing transport corridors and routes that traverse the region and connect it with markets in Asia, Europe and the Middle East.

# 8

## Annexes





# 8.1 GRI Indicator Table

↓ Table 12.

| GRI indicator              | Description                                                                | Section of the Report               | Page number        | Notes                                                                                                                                                                                                                                                                                                             |
|----------------------------|----------------------------------------------------------------------------|-------------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2: General Disclosures |                                                                            |                                     |                    |                                                                                                                                                                                                                                                                                                                   |
| General Information        |                                                                            |                                     |                    |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-1                    | Organisational details                                                     | About the Bank                      | p. 18              | <a href="https://eabr.org/en/about/">https://eabr.org/en/about/</a><br><a href="https://eabr.org/en/about/states-participants/">https://eabr.org/en/about/states-participants/</a><br><a href="https://eabr.org/en/contacts/">https://eabr.org/en/contacts/</a><br><a href="mailto:esg@eabr.org">esg@eabr.org</a> |
| GRI 2-2                    | Entities included in the organisation’s sustainability reporting           | About the Report, About the Bank    | pp. 12, 18         |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-3                    | Reporting period, frequency, and contact point                             | About the Report                    | p. 12              |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-4                    | Restatements of information                                                | About the Report                    | p. 12              |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-5                    | External assurance                                                         | About the Report                    | p. 12              |                                                                                                                                                                                                                                                                                                                   |
| Activities and Workers     |                                                                            |                                     |                    |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-6                    | Activities, value chain, and other business relationships                  | About the Bank                      | pp. 19, 19, 22     | The Bank does not have this type of worker                                                                                                                                                                                                                                                                        |
| GRI 2-7                    | Employees                                                                  | Human Resources Management, Annexes | pp. 77, 115        |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-8                    | Workers who are not employees                                              |                                     |                    |                                                                                                                                                                                                                                                                                                                   |
| Governance                 |                                                                            |                                     |                    |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-9                    | Governance structure and composition                                       | Corporate Governance                | pp. 55, 55, 57, 60 |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-10                   | Nomination and selection of the highest governing body                     | Corporate Governance                | pp. 55, 57         |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-11                   | Chair of the highest governing body                                        | Corporate Governance                | p. 60              |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-12                   | Role of the highest governing body in overseeing the management of impacts | Corporate Governance                | p. 58              |                                                                                                                                                                                                                                                                                                                   |
| GRI 2-13                   | Delegation of responsibility for managing impacts                          | Corporate Governance                | p. 60              |                                                                                                                                                                                                                                                                                                                   |

|          |                                                                |                                                                        |                    |                                                                              |
|----------|----------------------------------------------------------------|------------------------------------------------------------------------|--------------------|------------------------------------------------------------------------------|
| GRI 2-14 | Role of the highest governing body in sustainability reporting | About the Report                                                       | p. 12              | No evaluation of the performance of the highest governing body is undertaken |
| GRI 2-15 | Conflicts of interest                                          | Corporate Governance                                                   | pp. 62, 68         |                                                                              |
| GRI 2-16 | Communication of critical concerns                             | Corporate Governance                                                   | p. 55              |                                                                              |
| GRI 2-17 | Collective knowledge of the highest governing body             | Corporate Governance                                                   | p. 58              |                                                                              |
| GRI 2-18 | Evaluation of the performance of the highest governing body    |                                                                        |                    |                                                                              |
| GRI 2-19 | Remuneration policies                                          | Corporate Governance                                                   | pp. 55, 57, 60, 62 |                                                                              |
| GRI 2-20 | Process to determine remuneration                              | Corporate Governance, Human Resources Management                       | p. 84              |                                                                              |
| GRI 2-22 | Statement on sustainable development strategy                  | Message from the Chairman of the Management Board, Sustainable Finance | pp. 6, 32          |                                                                              |
| GRI 2-23 | Policy commitments                                             | About the Bank, Sustainable Finance                                    | pp. 20, 32         |                                                                              |
| GRI 2-24 | Embedding policy commitments                                   | Sustainable Finance                                                    | pp. 22, 33         |                                                                              |
| GRI 2-25 | Processes to remediate negative impacts                        | Sustainable Finance                                                    | pp. 33, 37, 37     |                                                                              |
| GRI 2-26 | Mechanisms for seeking advice and raising concerns             | About the Bank, Sustainable Finance, Corporate Governance              | pp. 20, 40, 70     |                                                                              |
| GRI 2-27 | Compliance with laws and regulations                           | Sustainable Finance, Corporate Governance                              | pp. 37, 66         |                                                                              |
| GRI 2-28 | Membership associations                                        | Promoting Sustainable Development                                      | p. 92              |                                                                              |
| GRI 2-29 | Approach to stakeholder engagement                             | About the Bank, About the Report                                       | pp. 12, 20         |                                                                              |

|                                           |                                                                                |                                                                                                          |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2-30                                  | Collective bargaining agreements                                               |                                                                                                          |                        | The Bank does not enter into collective bargaining agreements                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>GRI 3: Material Topics 2021</b>        |                                                                                |                                                                                                          |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 3-1                                   | Process to determine material topics                                           | About the Report                                                                                         | p. 12                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 3-2                                   | List of material topics                                                        | About the Report                                                                                         | p. 12                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 3-3                                   | Management of material topics                                                  | Sustainable Finance, Corporate Governance, Human Resources Management, Promoting Sustainable Development | pp. 35, 69, 87, 84, 92 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>GRI 201: Economic Performance 2016</b> |                                                                                |                                                                                                          |                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 201-1                                 | Direct economic value generated and distributed                                | About the Bank                                                                                           | p. 22                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| GRI 201-2                                 | Financial implications and other risks and opportunities due to climate change |                                                                                                          |                        | An assessment of risks due to climate change is in development                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| GRI 201-3                                 | Defined benefit plan obligations                                               | -                                                                                                        |                        | The Bank is exempt from mandatory contributions to pension funds in the member states. The Bank provides non-state pension benefits to its employees in accordance with its internal regulations. The Bank's pension plans are similar to a defined benefits plan and are recognised as operating expenses in its Consolidated Income Statement and as other liabilities in its Statement of Financial Position. Accrued savings are transferred to the employee on the date of retirement or departure from the Bank |
| GRI 201-4                                 | Financial assistance received from government                                  | -                                                                                                        |                        | In 2023, the Bank received no financial assistance from government                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|                                                 |                                                                                  |                                     |            |                                                                    |
|-------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------|------------|--------------------------------------------------------------------|
| <b>GRI 202: Market Presence 2016</b>            |                                                                                  |                                     |            |                                                                    |
| GRI 202-1                                       | Ratios of standard entry level wage by gender compared to local minimum wage     | Human Resources Management          | p. 84      |                                                                    |
| GRI 202-2                                       | Proportion of senior management hired from the local community                   | Human Resources Management          | p. 78      |                                                                    |
| <b>GRI 203: Indirect Economic Impacts 2016</b>  |                                                                                  |                                     |            |                                                                    |
| GRI 203-1                                       | Infrastructure investments and services supported                                | About the Bank, Sustainable Finance | pp. 23, 47 |                                                                    |
| GRI 203-2                                       | Significant indirect economic impacts                                            | Sustainable Finance                 | p. 42      |                                                                    |
| <b>GRI 204: Procurement Practices 2016</b>      |                                                                                  |                                     |            |                                                                    |
| GRI 204-1                                       | Proportion of spending on local suppliers                                        | About the Bank                      | p. 19      |                                                                    |
| <b>GRI 205: Anti-corruption 2016</b>            |                                                                                  |                                     |            |                                                                    |
| GRI 205-1                                       | Operations assessed for risks related to corruption                              | Corporate Governance                | p. 68      |                                                                    |
| GRI 205-2                                       | Communication and training about anti-corruption policies and procedures         | Corporate Governance                | p. 67      |                                                                    |
| GRI 205-3                                       | Confirmed incidents of corruption and actions taken                              |                                     |            | No cases of corruption were confirmed in the reporting period      |
| <b>GRI 206: Anti-competitive Behaviour 2016</b> |                                                                                  |                                     |            |                                                                    |
| GRI 206-1                                       | Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | Corporate Governance                | p. 67      |                                                                    |
| <b>GRI 207: Tax 2019</b>                        |                                                                                  |                                     |            |                                                                    |
| GRI 207-1                                       | Approach to tax                                                                  |                                     |            | The Bank is exempt from paying taxes in its countries of operation |
| GRI 207-2                                       | Tax governance, control, and risk management                                     |                                     |            | The Bank is exempt from paying taxes in its countries of operation |
| GRI 207-3                                       | Stakeholder engagement and management of concerns related to tax                 |                                     |            | The Bank is exempt from paying taxes in its countries of operation |



|                                   |                                                                                                                                           |                                                                 |                  |                                                                       |
|-----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------------|-----------------------------------------------------------------------|
| GRI 207-4                         | Country-by-country reporting                                                                                                              |                                                                 |                  | The Bank is exempt from paying taxes in its countries of operation    |
| <b>GRI 301: Materials 2016</b>    |                                                                                                                                           |                                                                 |                  |                                                                       |
| GRI 301-3                         | Reclaimed products and their packaging materials                                                                                          |                                                                 |                  | In 2022, the Bank purchased 2,000 pens made from recycled PET bottles |
| <b>GRI 302: Energy 2016</b>       |                                                                                                                                           |                                                                 |                  |                                                                       |
| GRI 302-1                         | Energy consumption within the organisation                                                                                                | Promoting Sustainable Development, Annexes                      | pp. 102, 125     | There is no energy consumption outside the Bank                       |
| GRI 302-2                         | Energy consumption outside the organisation                                                                                               |                                                                 |                  |                                                                       |
| GRI 302-3                         | Energy intensity                                                                                                                          | Annex                                                           | p. 126           |                                                                       |
| GRI 302-4                         | Reduction of energy consumption                                                                                                           | Promoting Sustainable Development                               | p. 102           |                                                                       |
| GRI 302-5                         | Reductions in energy requirements of products and services                                                                                |                                                                 |                  | Not applicable to the Bank's operations                               |
| <b>GRI 304: Biodiversity 2016</b> |                                                                                                                                           |                                                                 |                  |                                                                       |
| GRI 304-1                         | Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas |                                                                 |                  | The Bank's operations have no direct impact on biodiversity           |
| <b>GRI 305: Emissions 2016</b>    |                                                                                                                                           |                                                                 |                  |                                                                       |
| GRI 305-1                         | Direct (Scope 1) GHG emissions                                                                                                            | Promoting Sustainable Development, Annexes                      | pp. 101, 124     |                                                                       |
| GRI 305-2                         | Energy indirect (Scope 2) GHG emissions                                                                                                   | Promoting Sustainable Development, Annexes                      | pp. 101, 124     |                                                                       |
| GRI 305-3                         | Other indirect (Scope 3) GHG emissions                                                                                                    | Sustainable Finance, Promoting Sustainable Development, Annexes | pp. 45, 101, 124 |                                                                       |



|                                                 |                                                                                                    |                                     |                        |                                                                                                                                                                                                                                                                                                             |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------|-------------------------------------|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 305-4                                       | GHG emissions intensity                                                                            | Annexes                             | p. 125                 | The Bank's operations generate no ozone-depleting emissions                                                                                                                                                                                                                                                 |
| GRI 305-5                                       | Reduction of GHG emissions                                                                         | Sustainable Finance, Annexes        | pp. 45, 124            |                                                                                                                                                                                                                                                                                                             |
| GRI 305-6                                       | Emissions of ozone-depleting substances                                                            |                                     |                        |                                                                                                                                                                                                                                                                                                             |
| GRI 305-7                                       | Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions                   |                                     | No assessment was made |                                                                                                                                                                                                                                                                                                             |
| GRI 306: Waste 2020                             |                                                                                                    |                                     |                        |                                                                                                                                                                                                                                                                                                             |
| GRI 306-1                                       | Waste generation and significant waste-related impacts                                             | Promoting Sustainable Development   | p. 100                 | The Bank's operations generate mainly non-hazardous municipal solid waste. All waste generated under contractual relations is transferred to third party organisations that undertake waste management activities under licences for the collection, transport, treatment, recycling, and disposal of waste |
| GRI 306-2                                       | Management of significant waste-related impacts                                                    | Promoting Sustainable Development   | p. 100                 |                                                                                                                                                                                                                                                                                                             |
| GRI 306-3                                       | Waste generated                                                                                    | Promoting Sustainable Development   | p. 100                 |                                                                                                                                                                                                                                                                                                             |
| GRI 308: Supplier Environmental Assessment 2016 |                                                                                                    |                                     |                        |                                                                                                                                                                                                                                                                                                             |
| GRI 308-1                                       | New suppliers that were screened using environmental criteria                                      |                                     |                        | No screening is made                                                                                                                                                                                                                                                                                        |
| GRI 308-2                                       | Negative environmental impacts in the supply chain and actions taken                               |                                     |                        | No screening is made                                                                                                                                                                                                                                                                                        |
| GRI 401: Employment 2016                        |                                                                                                    |                                     |                        |                                                                                                                                                                                                                                                                                                             |
| GRI 401-1                                       | New employees and employee turnover                                                                | Human Resources Management, Annexes | p. 81                  |                                                                                                                                                                                                                                                                                                             |
| GRI 401-2                                       | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Human Resources Management          | p. 85                  |                                                                                                                                                                                                                                                                                                             |

|                                                     |                                                                                         |                                     |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 401-3                                           | Parental leave                                                                          | Human Resources Management, Annexes | pp. 85, 122 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>GRI 402: Labour/Management Relations 2016</b>    |                                                                                         |                                     |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 402-1                                           | Minimum notice periods regarding operational changes                                    |                                     |             | Pursuant to the Regulations on Corporate Labour Policy, in the event of liquidation of the Bank or its local office, as well as in the event of downsizing, the minimum notice period for communicating and familiarising employees with forthcoming changes should be at least one month before the date of termination of their employment contracts. In the event of termination of an employment contract due to the liquidation of the Bank or its local office or due to downsizing, the Bank should provide severance pay equal to three months' average salaries |
| <b>GRI 403: Occupational Health and Safety 2018</b> |                                                                                         |                                     |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 403-1                                           | Occupational health and safety management system                                        | Human Resources Management          | p. 86       | There are no work-related diseases among the Bank's employees                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| GRI 403-4                                           | Worker participation, consultation, and communication on occupational health and safety | Human Resources Management          | p. 86       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 403-5                                           | Worker training on occupational health and safety                                       | Human Resources Management          | p. 86       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 403-6                                           | Employee health promotion                                                               | Human Resources Management          | p. 86       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 403-9                                           | Work-related injuries                                                                   | Human Resources Management          | p. 86       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| GRI 403-10                                          | Work-related ill health                                                                 |                                     |             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

| GRI 404: Training and Education 2016                           |                                                                                                                |                                     |             |                                                                                                                                                                             |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|-------------------------------------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 404-1                                                      | Average hours of training per year per employee                                                                | Human Resources Management, Annexes | pp. 88, 123 | Regular performance and career development reviews are conducted for 100% of employees                                                                                      |
| GRI 404-2                                                      | Programmes for upgrading employee skills and transition assistance programmes                                  | Human Resources Management, Annexes | pp. 87, 123 |                                                                                                                                                                             |
| GRI 404-3                                                      | Percentage of employees receiving regular performance and career development reviews                           | Human Resources Management          | p. 81       |                                                                                                                                                                             |
| GRI 405: Diversity and Equal Opportunity 2016                  |                                                                                                                |                                     |             |                                                                                                                                                                             |
| GRI 405-1                                                      | Diversity of governing bodies and employees                                                                    | Annexes                             | p. 118      |                                                                                                                                                                             |
| GRI 405-2                                                      | Ratio of basic salary and remuneration of women to men                                                         | Annexes                             | p. 119      |                                                                                                                                                                             |
| GRI 406: Non-discrimination 2016                               |                                                                                                                |                                     |             |                                                                                                                                                                             |
| GRI 406-1                                                      | Instances of discrimination and corrective actions taken                                                       |                                     |             | There were no instances of discrimination in the Bank during the reporting period                                                                                           |
| GRI 407: Freedom of Association and Collective Bargaining 2016 |                                                                                                                |                                     |             |                                                                                                                                                                             |
| GRI 407-1                                                      | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk |                                     |             | The Bank cooperates with reputable bona fide suppliers. The procedure for dealing with suppliers is governed by the Bank's Procurement Policy.                              |
| GRI 408: Child Labour 2016                                     |                                                                                                                |                                     |             |                                                                                                                                                                             |
| GRI 408-1                                                      | Operations and suppliers at significant risk for incidents of child labour                                     | Sustainable Finance                 | p. 37       | The Bank does not use child labour. Pursuant to the Eurasian Development Bank Investment Regulations, the Bank does not finance activities that use forced and child labour |
| GRI 409: Forced or Compulsory Labour 2016                      |                                                                                                                |                                     |             |                                                                                                                                                                             |
| GRI 409-1                                                      | Operations and suppliers at significant risk for incidents of forced or compulsory labour                      | Sustainable Finance                 | p. 37       | The Bank has no operations or suppliers at significant risk for incidents of forced or compulsory labour                                                                    |



| GRI 411: Rights of Indigenous Peoples 2016 |                                                                                            |                     |            |                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------|--------------------------------------------------------------------------------------------|---------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 411-1                                  | Incidents of violations involving rights of indigenous peoples                             | Sustainable Finance | p. 37      | There are no incidents of violations                                                                                                                                                                                                                                                                                                                                               |
| GRI 413: Local Communities 2016            |                                                                                            |                     |            |                                                                                                                                                                                                                                                                                                                                                                                    |
| GRI 413-1                                  | Operations with local community engagement, impact assessments, and development programmes | Sustainable Finance | pp. 37, 42 | The Bank's Regulations on Environmental and Social Responsibility envisage conducting an EIA for large-scale projects with significant environmental impacts, including public consultation. Public consultation is used to identify public preferences relating to of the project's impact on the natural environment, which will prevent or reduce adverse environmental impacts |
| GRI 413-2                                  | Operations with significant actual and potential negative impacts on local communities     | Sustainable Finance | p. 40      |                                                                                                                                                                                                                                                                                                                                                                                    |
| GRI 414: Supplier Social Assessment 2016   |                                                                                            |                     |            |                                                                                                                                                                                                                                                                                                                                                                                    |
| GRI 414-1                                  | New suppliers that were screened using social criteria                                     |                     |            | No screening is made                                                                                                                                                                                                                                                                                                                                                               |
| GRI 414-2                                  | Negative social impacts in the supply chain and actions taken                              |                     |            | No screening is made                                                                                                                                                                                                                                                                                                                                                               |
| GRI 415: Public Policy 2016                |                                                                                            |                     |            |                                                                                                                                                                                                                                                                                                                                                                                    |
| GRI 415-1                                  | Political contributions                                                                    | -                   | p. 67      | The Bank makes no political contributions                                                                                                                                                                                                                                                                                                                                          |
| GRI 416: Customer Health and Safety 2016   |                                                                                            |                     |            |                                                                                                                                                                                                                                                                                                                                                                                    |
| GRI 416-1                                  | Assessment of the health and safety impacts of product and service categories              |                     |            | In the reporting year, there were no instances the Bank's products and services failing to comply with the requirements for human health and safety impacts of products and services                                                                                                                                                                                               |

| GRI 416-2                             | Instances of non-compliance concerning the health and safety impacts of products and services |  |       | In the reporting year, there were no instances of the Bank's products and services failing to comply with the requirements for human health and safety impacts of products and services |
|---------------------------------------|-----------------------------------------------------------------------------------------------|--|-------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 417: Marketing and Labelling 2016 |                                                                                               |  |       |                                                                                                                                                                                         |
| GRI 417-1                             | Requirements for product and service information and labelling                                |  |       | Not applicable to the Bank's operations                                                                                                                                                 |
| GRI 417-2                             | Incidents of non-compliance concerning product and service information and labelling          |  |       | Not applicable to the Bank's operations                                                                                                                                                 |
| GRI 418: Customer Privacy 2016        |                                                                                               |  |       |                                                                                                                                                                                         |
| GRI 418-1                             | Substantiated complaints concerning breaches of customer privacy and loss of customer data    |  | p. 72 | In the reporting period, the Bank received no complaints concerning breaches of customer privacy and loss of customer data                                                              |

## 8.2 Additional Data on Human Resources Management

↓ **Table 13.**  
Number of Employees

| GRI 2-7                                   |                     |      |      |      |
|-------------------------------------------|---------------------|------|------|------|
| Indicator                                 | Unit of measurement | 2021 | 2022 | 2023 |
| Actual headcount                          | persons             | 335  | 336  | 343  |
| Number of permanent employees by gender:  |                     |      |      |      |
| Men                                       | persons             | 192  | 192  | 187  |
| Women                                     | persons             | 143  | 144  | 156  |
| Percentage of women                       | %                   | 43%  | 43%  | 45%  |
| Number of permanent employees by country: |                     |      |      |      |
| Kazakhstan                                | persons             | 167  | 156  | 171  |
| Russia                                    | persons             | 155  | 166  | 155  |

|                                                           |         |       |       |       |
|-----------------------------------------------------------|---------|-------|-------|-------|
| Armenia                                                   | persons | 2     | 2     | 3     |
| Belarus                                                   | persons | 4     | 5     | 6     |
| Kyrgyzstan                                                | persons | 4     | 4     | 5     |
| Tajikistan                                                | persons | 3     | 3     | 3     |
| Number of temporary employees                             | persons | 6     | 3     | 4     |
| Number of temporary employees by gender:                  |         |       |       |       |
| Men                                                       | persons | 1     | 1     | 1     |
| Women                                                     | persons | 5     | 2     | 3     |
| Percentage of women                                       | %       | 0.83% | 0.66% | 0.75% |
| Number of temporary employees by country:                 |         |       |       |       |
| Kazakhstan                                                | persons | 3     | 3     | 4     |
| Russia                                                    | persons | 3     | 0     | 0     |
| Armenia                                                   | persons | 0     | 0     | 0     |
| Belarus                                                   | persons | 0     | 0     | 0     |
| Kyrgyzstan                                                | persons | 0     | 0     | 0     |
| Tajikistan                                                | persons | 0     | 0     | 0     |
| Number of employees with fixed term contracts             | persons | 335   | 336   | 343   |
| Number of employees with fixed-term contracts by gender:  |         |       |       |       |
| Men                                                       | persons | 192   | 192   | 187   |
| Women                                                     | persons | 143   | 144   | 156   |
| Percentage of women                                       | %       | 43%   | 43%   | 45%   |
| Number of employees with fixed-term contracts by country: |         |       |       |       |
| Kazakhstan                                                | persons | 167   | 156   | 171   |
| Russia                                                    | persons | 155   | 166   | 155   |
| Armenia                                                   | persons | 2     | 2     | 3     |
| Belarus                                                   | persons | 4     | 5     | 6     |
| Kyrgyzstan                                                | persons | 4     | 4     | 5     |
| Tajikistan                                                | persons | 3     | 3     | 3     |
| Number of full-time employees                             | persons | 334   | 333   | 341   |

|                                           |         |       |       |       |
|-------------------------------------------|---------|-------|-------|-------|
| Number of full-time employees by gender:  |         |       |       |       |
| Men                                       | persons | 191   | 189   | 185   |
| Women                                     | persons | 143   | 144   | 156   |
| Percentage of women                       | %       | 0.43% | 0.43% | 0.46% |
| Number of full-time employees by country: |         |       |       |       |
| Kazakhstan                                | persons | 167   | 156   | 171   |
| Russia                                    | persons | 154   | 163   | 154   |
| Armenia                                   | persons | 2     | 2     | 3     |
| Belarus                                   | persons | 4     | 5     | 6     |
| Kyrgyzstan                                | persons | 4     | 4     | 5     |
| Tajikistan                                | persons | 3     | 3     | 2     |
| Number of part-time employees             | persons | 1     | 3     | 2     |
| Number of part-time employees by gender:  |         |       |       |       |
| Men                                       | persons | 1     | 3     | 2     |
| Women                                     | persons | 0     | 0     | 0     |
| Percentage of women                       | %       | 0     | 0     | 0     |
| Number of part-time employees by country: |         |       |       |       |
| Kazakhstan                                | persons | 0     | 0     | 0     |
| Russia                                    | persons | 1     | 3     | 1     |
| Armenia                                   | persons | 0     | 0     | 0     |
| Belarus                                   | persons | 0     | 0     | 0     |
| Kyrgyzstan                                | persons | 0     | 0     | 0     |
| Tajikistan                                | persons | 0     | 0     | 1     |



↓ **Table 14.**  
**Diversity of Governance Bodies and Employees**

GRI 405-1

| Indicator                                     | Unit of measurement | 2021 | 2022 | 2023 |
|-----------------------------------------------|---------------------|------|------|------|
| Percentage of senior management               |                     |      |      |      |
| Total, of which:                              | persons             | 21   | 19   | 18   |
| women                                         | persons             | 2    | 2    | 3    |
| men                                           | persons             | 19   | 17   | 15   |
| Under 30 years old, of which:                 | persons             | 0    | 0    | 0    |
| women                                         | persons             | 0    | 0    | 0    |
| men                                           | persons             | 0    | 0    | 0    |
| 30–50 years old, of which:                    | persons             | 13   | 12   | 10   |
| women                                         | persons             | 2    | 2    | 2    |
| men                                           | persons             | 11   | 10   | 8    |
| Over 50 years old, of which:                  | persons             | 8    | 7    | 8    |
| women                                         | persons             | 0    | 0    | 1    |
| men                                           | persons             | 8    | 7    | 7    |
| Percentage of employees per employee category |                     |      |      |      |
| Categories, of which:                         |                     |      |      |      |
| Senior management                             | %                   | 6%   | 6%   | 5%   |
| Middle management                             | %                   | 7%   | 8%   | 8%   |
| Junior management                             | %                   | 26%  | 10%  | 12%  |
| Experts                                       | %                   | 30%  | 48%  | 47%  |
| Specialists                                   | %                   | 31%  | 29%  | 28%  |
| Under 30 years old, of which:                 |                     |      |      |      |
| Senior management                             | %                   | 0%   | 0%   | 0%   |
| Middle management                             | %                   | 0%   | 0%   | 0%   |
| Junior management                             | %                   | 0%   | 0%   | 0%   |
| Experts                                       | %                   | 28%  | 32%  | 26%  |
| Specialists                                   | %                   | 72%  | 68%  | 74%  |

|                              |   |     |     |     |
|------------------------------|---|-----|-----|-----|
| 30–50 years old, of which:   |   |     |     |     |
| Senior management            | % | 5%  | 5%  | 4%  |
| Middle management            | % | 4%  | 5%  | 5%  |
| Junior management            | % | 26% | 7%  | 11% |
| Experts                      | % | 34% | 53% | 53% |
| Specialists                  | % | 31% | 30% | 27% |
| Over 50 years old, of which: |   |     |     |     |
| Senior management            | % | 15% | 13% | 14% |
| Middle management            | % | 25% | 26% | 26% |
| Junior management            | % | 32% | 24% | 21% |
| Experts                      | % | 15% | 28% | 25% |
| Specialists                  | % | 13% | 9%  | 14% |

↓ **Table 15.**  
**Ratio of Basic Salary of Men and Women for Each Employee Category, by significant locations (regions) of operation**

GRI 405-2

| Region     | Employee category | 2021 | 2022 | 2023 |
|------------|-------------------|------|------|------|
| Kazakhstan | Senior management | 1.9  | 1.9  | 2    |
|            | Middle management | 1.11 | 1.04 | 0.85 |
|            | Junior management | 1.13 | 1.16 | 1.18 |
|            | Experts           | 1.08 | 1.11 | 1.17 |
|            | Specialists       | 0.84 | 0.9  | 0.96 |
| Russia     | Senior management | 1.26 | 1.11 | 1.39 |
|            | Middle management | 0.9  | 0.83 | 0.8  |
|            | Junior management | 1.04 | 0.89 | 1.06 |
|            | Experts           | 1.14 | 1.26 | 1.25 |
|            | Specialists       | 0.72 | 0.8  | 0.75 |

|            |                   |   |     |      |
|------------|-------------------|---|-----|------|
| Belarus    | Senior management | - | -   | -    |
|            | Middle management | - | -   | -    |
|            | Junior management | - | -   | -    |
|            | Experts           | - | -   | 1.56 |
|            | Specialists       | - | -   | -    |
| Kyrgyzstan | Senior management | - | -   | -    |
|            | Middle management | - | -   | -    |
|            | Junior management | - | -   | -    |
|            | Experts           | - | 0.8 | 0.8  |
|            | Specialists       | - | -   | -    |

↓ **Table 16.**  
**Total Number of Employees and Employee Turnover during the Reporting Period, by age group, gender, and region**

GRI 401-1-b

| Indicator                                                       | Unit of measurement | 2021 | 2022 | 2023 |
|-----------------------------------------------------------------|---------------------|------|------|------|
| Employee turnover — employees who left the organisation (total) | persons             | 48   | 55   | 58   |
| By region:                                                      |                     |      |      |      |
| Kazakhstan                                                      | persons             | 23   | 27   | 33   |
| Russia                                                          | persons             | 24   | 23   | 22   |
| Armenia                                                         | persons             | 0    | 0    | 0    |
| Belarus                                                         | persons             | 1    | 2    | 1    |
| Kyrgyzstan                                                      | persons             | 0    | 2    | 0    |
| Tajikistan                                                      | persons             | 0    | 1    | 2    |
| Women who left the organisation, of which:                      | persons             | 12   | 27   | 18   |
| under 30 years old                                              | persons             | 0    | 1    | 1    |
| 30–50 years old                                                 | persons             | 11   | 22   | 12   |
| over 50 years old                                               | persons             | 1    | 4    | 5    |
| Percentage of women who left the organisation                   | %                   | 25%  | 49%  | 31%  |

|                                                                 |         |        |        |        |
|-----------------------------------------------------------------|---------|--------|--------|--------|
| Men who left the organisation, aged:                            | persons | 36     | 28     | 40     |
| under 30 years old                                              | persons | 2      | 2      | 1      |
| 30–50 years old                                                 | persons | 20     | 17     | 29     |
| over 50 years old                                               | persons | 14     | 9      | 10     |
| Percentage of men who left the organisation                     | %       | 75%    | 51%    | 69%    |
| Reasons for leaving — retirement:                               | persons | 0      | 0      | 0      |
| women                                                           | persons | 0      | 0      | 0      |
| men                                                             | persons | 0      | 0      | 0      |
| Reasons for leaving — early resignation / by mutual agreement:  | persons | 39     | 34     | 41     |
| women                                                           | persons | 10     | 19     | 13     |
| men                                                             | persons | 29     | 15     | 28     |
| Reasons for leaving — end of contract:                          | persons | 9      | 20     | 17     |
| women                                                           | persons | 2      | 8      | 5      |
| men                                                             | persons | 7      | 12     | 12     |
| Reasons for leaving — dismissal:                                | persons | 0      | 1      | 0      |
| women                                                           | persons | 0      | 0      | 0      |
| men                                                             | persons | 0      | 1      | 0      |
| Percentage of employees who left due to retirement              | %       | 0      | 0      | 0      |
| Percentage of employees who resigned / left by mutual agreement | %       | 81%    | 62%    | 71%    |
| Percentage of employees who left due to end of contract         | %       | 19%    | 36%    | 29%    |
| Percentage of employees who left due to dismissal               | %       | 0      | 2%     | 0      |
| Total employee turnover                                         | %       | 14.93% | 16.83% | 16.24% |



↓ **Table 17.**  
**Number of Employees Who Took Parental Leave**

GRI 401-3

| Indicator                                                                                                                                         | Unit of measurement | 2021 | 2022 | 2023 |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------|------|------|
| Total number of employees who were entitled to parental leave, of which:                                                                          | persons             | 334  | 333  | 341  |
| women                                                                                                                                             | persons             | 191  | 189  | 185  |
| men                                                                                                                                               | persons             | 143  | 144  | 156  |
| Total number of employees who took parental leave, of which:                                                                                      | persons             | 5    | 11   | 8    |
| women                                                                                                                                             | persons             | 5    | 11   | 8    |
| men                                                                                                                                               | persons             | 0    | 0    | 0    |
| Total number of employees who returned to work in the reporting period after parental leave ended, of which:                                      | persons             | 1    | 3    | 2    |
| women                                                                                                                                             | persons             | 1    | 3    | 2    |
| men                                                                                                                                               | persons             | 0    | 0    | 0    |
| Total number of employees who returned to work after parental leave ended who were still employed 12 months after their return to work, of which: | persons             | 1    | 2    | 2    |
| women                                                                                                                                             | persons             | 1    | 2    | 2    |
| men                                                                                                                                               | persons             | 0    | 0    | 0    |
| Retention rates of employees who took parental leave                                                                                              | persons             | 100% | 66%  | 100% |
| women                                                                                                                                             | %                   | 100% | 66%  | 100% |
| men                                                                                                                                               | %                   | 0%   | 0%   | 0%   |

↓ **Table 18.**  
**Total Hours of Employee Training by gender and employee category**

GRI 404-1

| Employee category and gender | 2022 | 2023 |
|------------------------------|------|------|
| Men:                         | 69   | 95   |
| Senior management            | 1    | 3    |
| Middle management            | 3    | 6    |
| Junior management            | 9    | 17   |
| Experts                      | 37   | 43   |
| Specialists                  | 19   | 26   |
| Women:                       | 51   | 75   |
| Senior management            | 1    | 1    |
| Middle management            | 2    | 1    |
| Junior management            | 6    | 14   |
| Experts                      | 24   | 34   |
| Specialists                  | 18   | 25   |

↓ **Table 19.**  
**Programmes for Upgrading Employee Skills and Transition Assistance Programmes in 2023**

GRI 404-2

| Name of programme                       | Number of trainees |
|-----------------------------------------|--------------------|
| Smart Leadership                        | 2                  |
| Sloan Artificial Intelligence           | 1                  |
| Stanford LEAD programme                 | 1                  |
| Islamic Finance                         | 3                  |
| Compliance                              | 3                  |
| IFRS                                    | 1                  |
| Advanced Training for Corporate Lawyers | 1                  |

## 8.3 Greenhouse Gas Emissions

↓ Table 20.

|           | Indicator                                               | Unit of measurement             | 2020 | 2021 | 2022      | 2023      |
|-----------|---------------------------------------------------------|---------------------------------|------|------|-----------|-----------|
|           | Greenhouse gas (GHG) emissions                          |                                 |      |      |           |           |
| GRI 305-1 | Total (Scope 1 + Scope 2) GHG emissions                 | t of CO <sub>2</sub> equivalent | 867  | 940  | 947       | 1,202     |
| GRI 305-2 | Total (Scope 1 + Scope 2 + Scope 3) GHG emissions       | t of CO <sub>2</sub> equivalent |      |      | 5,758,291 | 6,201,641 |
| GRI 305-3 | Avoided and reduced (Scope 4) emissions                 | t of CO <sub>2</sub> equivalent |      |      | 243,623   | 205,760   |
| GRI 305-5 | EDB direct (Scope 1) emissions                          | t of CO <sub>2</sub> equivalent | 159  | 186  | 190       | 161       |
|           | Refrigerants                                            | t of CO <sub>2</sub> equivalent |      | 1    |           | 0.01      |
|           | Mobile combustion sources                               | t of CO <sub>2</sub> equivalent | 158  | 185  | 190       | 161       |
|           | Stationary combustion sources                           | t of CO <sub>2</sub> equivalent | 0.15 | 0.15 | 0.15      | 0.20      |
|           | Electricity and heat consumption (Scope 2) <sup>2</sup> | t of CO <sub>2</sub> equivalent | 708  | 754  | 757       | 1,041     |
|           | Electricity from the grid                               | t of CO <sub>2</sub> equivalent | 608  | 654  | 651       | 885       |
|           | Central heating                                         | t of CO <sub>2</sub> equivalent | 100  | 100  | 107       | 156       |
|           | Other indirect (Scope 3) emissions                      | t of CO <sub>2</sub> equivalent |      |      | 5,757,343 | 6,200,439 |
|           | Category 5: Waste generated                             | t of CO <sub>2</sub> equivalent |      |      | 108       | 74        |
|           | Category 6: Business travel                             | t of CO <sub>2</sub> equivalent |      |      |           | 1,001     |
|           | Category 7: Employee commuting                          | t of CO <sub>2</sub> equivalent |      |      | 184       | 184       |
|           | Category 15: Investments                                | t of CO <sub>2</sub> equivalent |      |      | 5,757,052 | 6,199,180 |
|           | Avoided and reduced (Scope 4) emissions                 | t of CO <sub>2</sub> equivalent |      |      | 243,623   | 205,760   |
|           | Avoided emissions                                       | t of CO <sub>2</sub> equivalent |      |      | 242,224   | 204,587   |

|           |                                                                                     |                                                               |           |           |            |           |
|-----------|-------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------|-----------|------------|-----------|
|           | Reduced emissions                                                                   | t of CO <sub>2</sub> equivalent                               |           |           | 1,400      | 1,173     |
| GRI 302-1 | Energy                                                                              |                                                               |           |           |            |           |
|           | Total energy consumption                                                            | kWh                                                           | 1,743,852 | 1,929,396 | 1,970,762  | 2,736,547 |
|           | Purchased electricity for consumption                                               | kWh                                                           | 617,281   | 663,650   | 660,750    | 1,352,267 |
|           | Purchased heating for consumption                                                   | kWh                                                           | 305,981   | 305,130   | 325,640    | 551,588   |
|           | Primary consumption of fossil fuels                                                 | kWh                                                           | 820,590   | 960,615   | 984,372    | 832,692   |
|           | Diesel fuel consumption by standby generators                                       | l                                                             | 60        | 60        | 60         | 80        |
|           | Diesel fuel consumption by transport                                                | l                                                             | 5,158     | 5,329     | 5,778      | 6,058     |
|           | Petrol consumption by transport                                                     | l                                                             | 63,609    | 75,201    | 76,737     | 63,683    |
| GRI 305-4 | Specific greenhouse gas emissions                                                   |                                                               |           |           |            |           |
|           | Total (Scope 1 + Scope 2) GHG emissions per employee                                | t of CO <sub>2</sub> equivalent per employee                  | 2.95      | 2.81      | 2.82       | 3.50      |
|           | Total (Scope 1 + Scope 2) GHG emissions over earnings                               | t of CO <sub>2</sub> equivalent per USD 1 million of earnings | 26.60     | 25.32     | 30.91      | 9.60      |
|           | Total (Scope 1 + Scope 2) GHG emissions over current investment portfolio           | t of CO <sub>2</sub> equivalent per USD 1 million of CIP      | 0.20      | 0.21      | 0.19       | 0.25      |
|           | Total (Scope 1 + Scope 2 + Scope 3) GHG emissions per employee                      | t of CO <sub>2</sub> equivalent per employee                  |           |           | 17,137.77  | 18,080.59 |
|           | Total (Scope 1 + Scope 2 + Scope 3) GHG emissions over earnings                     | t of CO <sub>2</sub> equivalent per USD 1 million of earnings |           |           | 187,835.69 | 49,537.04 |
|           | Total (Scope 1 + Scope 2 + Scope 3) GHG emissions over current investment portfolio | t of CO <sub>2</sub> equivalent per USD 1 million of CIP      |           |           | 1,148.74   | 1,299.32  |

<sup>2</sup> The increase in Scope 2 emissions in 2023 compared to 2022 is mainly due to the coverage of leased offices



| GRI 302-3 Specific energy consumption               |                                 |           |           |           |           |
|-----------------------------------------------------|---------------------------------|-----------|-----------|-----------|-----------|
| Energy consumption per employee                     | kWh / employee                  | 5,931.47  | 5,759.39  | 5,865.36  | 7,978.27  |
| Energy consumption over earnings                    | kWh / USD 1 million of earnings | 53,521.94 | 51,977.26 | 64,286.34 | 21,858.80 |
| Additional indicators to calculate carbon intensity |                                 |           |           |           |           |
| Number of employees                                 | employee                        | 294       | 335       | 336       | 343       |
| Annual earnings                                     | USD millions                    | 33        | 37        | 31        | 125       |
| Current investment portfolio (CIP) <sup>3</sup>     | USD millions                    | 4 422,83  | 4 512,65  | 5 012,69  | 4 772,99  |
| USD millions <sup>3</sup>                           | 4,422.83                        | 4,512.65  | 5,012.69  | 4,772.99  |           |

## 8.4 List of Abbreviations and Acronyms

|                 |                                                                                    |
|-----------------|------------------------------------------------------------------------------------|
| ADB             | Asian Development Bank                                                             |
| ADFIAP          | Association of Development Financing Institutions in Asia and the Pacific          |
| AFD             | Agence française de développement (French Development Agency)                      |
| AIIB            | Asian Infrastructure Investment Bank                                               |
| ASEAN           | Association of Southeast Asian Nations                                             |
| BNDES           | Brazilian Development Bank                                                         |
| CAF             | Corporacion Andina de Fomento (Development Bank of Latin America)                  |
| CCI             | Certificate in Climate and Investing                                               |
| CFP             | Certified Financial Planner                                                        |
| CHP             | Combined heat and power plant                                                      |
| CIP             | Current investment portfolio                                                       |
| CIPM            | Certificate in Investment Performance Measurement                                  |
| CIS             | Commonwealth of Independent States                                                 |
| CJSC            | Closed Joint-Stock Company                                                         |
| CO <sub>2</sub> | Carbon Dioxide                                                                     |
| COP             | Conference of Parties to the United Nations Framework Convention on Climate Change |

|               |                                                                                            |
|---------------|--------------------------------------------------------------------------------------------|
| EAEU          | Eurasian Economic Union                                                                    |
| EDB, the Bank | Eurasian Development Bank                                                                  |
| EEC           | Eurasian Economic Commission                                                               |
| EIB           | European Investment Bank                                                                   |
| ESCAP         | Economic and Social Commission for Asia and the Pacific                                    |
| ESG           | Environment, Social, and Governance                                                        |
| ETN           | Eurasian Transport Network                                                                 |
| EU            | European Union                                                                             |
| EY            | Ernst & Young                                                                              |
| FATF          | Financial Action Task Force on Money Laundering                                            |
| FIs           | Financial Institutions                                                                     |
| FRM           | Financial Risk Manager                                                                     |
| GDP           | Gross domestic product                                                                     |
| GHG           | Greenhouse gases                                                                           |
| GIP           | Green Investment Principles                                                                |
| GRI           | Global Reporting Initiative                                                                |
| HEI           | Higher education institution                                                               |
| HPP           | Hydroelectric power plant                                                                  |
| HR            | Human Resources                                                                            |
| IAF           | International Accreditation Forum                                                          |
| IAS           | Internal Audit Service                                                                     |
| IFI           | International Financial Institution                                                        |
| IFRS          | International Financial Reporting Standards                                                |
| IPS           | Intrusion prevention system                                                                |
| IS            | Information security                                                                       |
| IsDB          | Islamic Development Bank                                                                   |
| ISMS          | Information Security Management System                                                     |
| ISO/IEC       | International Organisation for Standardisation / International Electrotechnical Commission |
| JSC           | Joint-Stock Company                                                                        |

<sup>3</sup> Source — EDB Financial Statements: <https://eabr.org/investors/information-disclosure/financial-statements-ifs/>

|      |                                                         |
|------|---------------------------------------------------------|
| KPI  | Key performance indicator                               |
| LED  | Light-emitting diode                                    |
| MBA  | Master of Business Administration                       |
| MCDF | Multilateral Cooperation Centre for Development Finance |
| MDB  | Multilateral Development Bank                           |
| MDO  | Micro deposit organisation                              |
| MW   | Megawatt                                                |
| NDC  | Nationally Determined Contribution                      |
| NGO  | Non-governmental organisation                           |
| PCAF | Partnership for Carbon Accounting Financials            |
| PD   | Personal data                                           |
| PET  | Polyethylene terephthalate                              |
| PRF  | Principles for Responsible Banking                      |
| RES  | Renewable energy sources                                |
| ROAE | Return on Average Equity                                |

|         |                                                         |
|---------|---------------------------------------------------------|
| SMEs    | Small and medium-sized enterprises                      |
| SWA     | Sanitation and Water for All                            |
| TAF     | EDB Technical Assistance Fund                           |
| UN      | United Nations                                          |
| UN FAO  | Food and Agriculture Organisation of the United Nations |
| UN SDGs | United Nations Sustainable Development Goals            |
| UNCTAD  | United Nations Conference on Trade and Development      |
| UNDP    | United Nations Development Programme                    |
| UNECE   | United Nations Economic Commission for Europe           |
| UNEP    | United Nations Environment Programme                    |
| UNEP FI | United Nations Environment Programme Finance Initiative |
| UNFCCC  | United Nations Framework Convention on Climate Change   |
| UNIDO   | United Nations Industrial Development Organisation      |
| WEC     | Water and energy complex                                |
| WFC     | Water Finance Coalition                                 |



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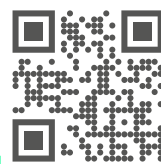
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