

# ANNEX 1: GLOBAL REPORTING

## GUIDELINES COMPARISON TABLE

The Global Reporting Initiative (GRI) is a multi-stakeholder process and independent institution whose mission is to develop and disseminate globally applicable Sustainability Reporting guidelines. The guidelines are for voluntary use by organisations for reporting on the economic, environmental and social dimension of their activities, products and services. The table below compares the content of the EBRD's Sustainability Report 2007 with the GRI 2002 Guidelines and Financial Services Supplement. In 2006 GRI revised its guidelines, known as "G3". The EBRD is currently exploring if and how it might apply "G3" and its new financial sector supplements to its next Sustainability Report.

## KEY

IFC	Inside front cover
BC	Back cover
AR	Annual Report
TR	Transition Report
SR04	Sustainability Report 2004
SR05	Sustainability Report 2005
Note 1	Not applicable to Banks generally
Note 2	Not applicable because the EBRD is an International Financial Institution
–	Not currently covered by the Bank's reports
00	Internal operations
00	Portfolio operation

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## ANNEX 2: ORGANISATION AND PROCEDURES

This annex gives additional information about responsibilities, organisation and procedures within the EBRD.

### RESPONSIBILITY FOR SUSTAINABILITY MANAGEMENT

The Environmental Policy and other EBRD policies, country strategies and the Bank's budget are approved by the EBRD's Board of Directors. All projects submitted for approval to the EBRD's Board of Directors include a summary of the environmental and social issues associated with the project and how these will be addressed to ensure that the objectives of the Environmental Policy are achieved. Responsibility for implementing the Bank's mandate lies with the Executive Committee. It comprises: the President; the Chief Economist; the First Vice President, Banking; the General Counsel; the Secretary General; the Vice President, Finance; the Vice President, Risk Management, Human Resources and Nuclear Safety; and the Vice President, Environment, Procurement and Administration. Prime responsibility for the implementation of the Bank's Environmental Policy lies with the Environment, Procurement and Administration Vice Presidency and its Environment and Sustainability Department. The Vice President, Environment, Procurement and Administration, is primarily responsible for health, safety and security aspects relating to Bank staff and the management of the Bank's Headquarters and resident office premises and transport. Senior management within the Banking Vice Presidency ensure that environmental issues are taken into consideration in project preparation and implementation and in the preparation of country strategies and sector policies.

### PROJECT APPROVAL

All potential EBRD projects are reviewed by the Bank's Operations Committee. The Committee comprises: the First Vice President, Banking (Chair); the Vice President, Finance; the Vice President, Risk Management, Human Resources and Nuclear Safety; the Business Group Director, Monitoring; the General Counsel; the Chief Economist; and the Director, Risk Management. The Operations Committee approval process is normally based on a Concept Review and a Final Review before a project is submitted to the Board of Directors for approval. After a project has been approved and signed by the EBRD Board, with financing fully or partially disbursed, the Committee remains involved by approving material changes to the project.

### PROJECT DEROGATIONS

A derogation is when the EBRD's Board of Directors decides that it is prepared to waive a condition of the Bank's Environmental Policy. If in any project going before the Board there are areas where full compliance with our policy has not been reached, it will be flagged to our Board before their decision-making session as a potential derogation from our policy. The Board considers derogations from our environmental policy as extremely serious and the intention is that all projects should comply fully.

### HARMONISING STANDARDS

In our general consultation with stakeholders we include IFIs and environmental bodies. To help develop a consistent approach to environmental issues among IFIs we participate in the Multilateral Financial Institutions Environmental Working Group and the Development Financing Institutions Social Issues Working Group. Part of this relationship is the harmonising of standards and approach. We are also in regular dialogue with the UN Environment Programme's Financial Institutions Initiative that promotes sustainability in the financial community.

### FINANCIAL REPORTING

Treasury Risk Management is responsible for identifying, controlling and managing risks incurred by Treasury. The EBRD has adopted the "Internal Control – Integrated Framework" to certify internal controls over external financial reporting. The framework was issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), has been adopted by other IFIs and represents the broadest international best practice. COSO and Operational Risk Management is responsible for coordinating and developing operational risk Bank-wide (reporting to Risk Management). It also manages the Bank's certification process over internal controls on financial reporting (reporting to Finance).



#### **CAPITAL MARKET INVESTMENTS**

The EBRD's Treasury Department undertakes capital market investments for the Bank. Environmental or social criteria are not explicit investment parameters but form part of the investment decision. The average rating of the portfolio is AA/Aa or better: over 75 per cent of the investment exposures are to regulated financial industries with the remainder largely invested in AAA/Aaa assets. Treasury's credit parameters allow investment in sovereign and sovereign-guaranteed paper with a minimum rating of A-/A3. In accordance with these parameters, limits have been established for 22 countries, all of which are members of the Financial Action Task Force (FATF), an intergovernmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering and terrorist financing.

#### **RETIREMENT PLAN COMMITTEE FOR EBRD STAFF**

The EBRD's Retirement Plan Committee oversees the retirement arrangements and benefits for EBRD staff. It is made up of: two elected staff members; the President; the Vice President, Finance; the Secretary General; the Vice President, Human Resources and Administration; the General Counsel; and two representatives of the Board of Directors.

# ADDITIONAL INFORMATION

## WEB SITE

The EBRD web site ([www.ebrd.com](http://www.ebrd.com)) contains comprehensive information on every aspect of the Bank's activities. It includes a range of publications, policies, country strategies and full contact details for the Bank's local offices.

## EXCHANGE RATES

Non-euro currencies have been converted, where appropriate, into euro on the basis of the exchange rates current on 31 December 2007. (Approximate euro exchange rates: £0.73, US\$1.47, ¥164.87.)

## ABBREVIATIONS AND ACRONYMS

<b>The Bank, EBRD</b>	The European Bank for Reconstruction and Development	<b>IRM</b>	Independent Recourse Mechanism
<b>BAS</b>	Business Advisory Services	<b>KfW</b>	Kreditanstalt für Wiederaufbau
<b>BEERECL</b>	Bulgarian Energy Efficiency and Renewable Energy Credit Line	<b>MCCF</b>	Multilateral Carbon Credit Fund
<b>CHP</b>	Combined heat and power	<b>MEI</b>	Municipal and environmental infrastructure
<b>CSF</b>	Chernobyl Shelter Fund	<b>MSEs</b>	Micro and small enterprises
<b>DfID</b>	Department for International Development, UK	<b>MSMEs</b>	Micro, small and medium-sized enterprises
<b>EAP</b>	Environmental Action Plan	<b>MW</b>	Megawatt
<b>EAR</b>	European Agency for Reconstruction	<b>MWh</b>	Megawatt-hour
<b>EIA</b>	Environmental impact assessment	<b>NDEP</b>	Northern Dimension Environmental Partnership
<b>EIB</b>	European Investment Bank	<b>NEFCO</b>	Nordic Environment Finance Corporation
<b>EMS</b>	Energy Management System	<b>NGO</b>	Non-governmental organisation
<b>ESD</b>	Environment and Sustainability Department, EBRD	<b>NSA</b>	Nuclear Safety Account
<b>ETCs</b>	Early transition countries	<b>OECD</b>	Organisation for Economic Cooperation and Development
<b>EU</b>	European Union	<b>PIP</b>	Public Information Policy
<b>EU EEFF</b>	EU Energy Financing Facility credit line	<b>PPC</b>	Project Preparation Committee
<b>EvD</b>	Evaluation Department	<b>RSBF</b>	Russia Small Business Fund
<b>FI</b>	Financial Intermediary	<b>SECO</b>	Swiss State Secretariat for Economic Affairs
<b>Finnfund</b>	Finnish Fund for Industrial Cooperation	<b>SEEFF</b>	Slovak Energy Efficiency Financing Framework
<b>FMO</b>	Netherlands Development Finance Company	<b>SEI</b>	Sustainable Energy Initiative
<b>FYR Macedonia</b>	Former Yugoslav Republic of Macedonia	<b>SMEs</b>	Small and medium-sized enterprises
<b>GDP</b>	Gross domestic product	<b>TAFF</b>	Tajik Agricultural Finance Facility
<b>GEF</b>	Global Environment Facility	<b>TAM</b>	TurnAround Management
<b>IDSF</b>	International Decommissioning Support Fund	<b>TC</b>	Technical cooperation
<b>IFC</b>	International Finance Corporation	<b>TFP</b>	Trade Facilitation Programme
<b>IFI</b>	International financial institution	<b>TMSEFF</b>	Tajikistan Micro and Small Enterprise Finance Facility

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