1. Introduction

President's message

Welcome to the EBRD's *Sustainability Report* for 2023, a year in which the Bank continued to deliver on the sustainability goals set by our shareholders against a backdrop of alarming geopolitical tension, inflationary pressures and environmental challenges.

Supporting Ukraine in its efforts to maintain and rebuild its economy remained a top priority in 2023 and I am proud that we were able to deploy €2.1 billion to do so. Among many other things, we helped Ukraine keep the lights on, heat homes and businesses, keep trains running, repair war damage and safeguard human capital.

We responded swiftly to the immediate threat to livelihoods of the devastating earthquakes in Türkiye and Morocco this year. A multi-year €1.5 billion investment plan for the affected region of Türkiye will support its recovery, reconstruction and reintegration. Our initial response package of €250 million will help Morocco rebuild its economy.

In 2023, we also did more than ever to tackle the climate emergency. Egypt's EBRD-supported Nexus on Water, Food and Energy was hailed as a successful example of how a broad-based country sector platform can mobilise private investment for decarbonisation. This programmatic approach is being replicated in North Macedonia, where we are supporting the country's Just Energy Transition Investment Platform, and in Türkiye, where we are helping develop a platform for industrial decarbonisation.

We held our 2023 Annual Meeting in Samarkand. Thanks to our partnerships, we have invested over €3 billion in Uzbekistan in the last six years. Standout examples of that achievement include three solar plants that can generate almost 900 megawatts (MW) of energy, for which we announced financing in April. Another is the Bank's largest ever renewable energy project in its regions – two wind plants in Bukhara, which will have a combined power-generation capacity of 1 gigawatt (GW).

Our investments in the green economy reached a record level of €6.5 billion in 2023, a result that could not have been achieved without the collaboration of our clients, shareholders, donors, co-financers and civil-society organisations (CSOs). The EBRD has committed to increasing the proportion of its green investments to at least 50 per cent of total annual investment by 2025. We once again reached that target and, from the start of 2023, all of the Bank's new investment projects were aligned with the goals of the Paris Agreement. We also made significant progress on promoting gender equality, with 44 per cent of projects opening up access to economic opportunity for women.

Our responses to the global challenges faced in our regions this year were also characterised by innovation. We financed a pioneering project that will use Starlink satellite technology to keep people in Ukraine connected to the internet, even in the most remote areas. We showed innovation in our approach to nature, which will explore new models for financing blue-green infrastructure, pollution prevention and the circular economy. Our innovative financial solutions, such as climate-resilient debt clauses, will support countries affected by climate change or natural disasters. The innovative design of our new London headquarters saw the building win ever more awards for the way it embeds energy efficiency, recyclability and circular economy principles.

Collaboration is what bolsters our long experience, local knowledge, unique mandate and trademark focus on the private sector and policy reform. These are powerful strengths that the Bank deploys for the benefit of existing countries of operation and will soon deploy for new ones. Iraq joined the Bank in 2023 and Benin, Côte d'Ivoire, Ghana and Senegal are due to join in 2024, with a view to applying for recipient country status.

We are looking forward to collaborating and innovating further with a wide range of stakeholders as we revise the policies that form the bedrock of the EBRD's approach to sustainability. Updates to our Environmental and Social Policy (ESP) and our Access to Information Policy (AIP) will allow us to take stock of emerging issues and ensure that we remain aligned with best practice.

Odile Renaud-Basso
EBRD President

The EBRD's approach to sustainability

An array of publications, including the *Sustainability Report* and the *Annual Review*, provide information about the EBRD's approach to sustainability and the impact of its operations.

Sustainability Report	Global Reporting Initiative (GRI) Report: Sustainability Disclosures	Task Force on Climate-related Financial Disclosures (TCFD) Report
Reports on the Bank's sustainability-related activities and milestones during the year	Provides a comprehensive overview of the EBRD's approach to environmental, social and governance issues	Gives transparent information on the financial risks and opportunities associated with climate change

The EBRD's goals are closely aligned with the United Nations 2030 Agenda for Sustainable Development. The Sustainable Development Goals (SDGs) constitute a globally shared blueprint for ending poverty, improving health and education, spurring inclusive economic growth, tackling climate change and working to preserve our oceans and forests.

Sustainability is fundamental to the EBRD's transition-impact mandate of supporting progress towards sustainable market economies and is underpinned by six transition qualities. Environmental and social impact aligns directly with two of them – "green" and "inclusive". The others are "competitive", "resilient", "well governed" and "integrated".

In fostering these qualities, the EBRD sets and adheres to the highest standards of governance while minimising its own footprint. It measures, monitors and reports on the impact of its work to ensure transparency and accountability in promoting the development of sustainable, private sector-led economies in central and eastern Europe, Central Asia and North Africa.

Key sustainability figures in 2023

A record **€6.5 billion** invested in 337 green projects

Four new cities joined EBRD Green Cities, bringing the total number to 60

All new EBRD investment projects since January 2023 align with the goals of the Paris Agreement

Almost **26 GW** of renewable energy capacity financed since 2006, including more than 5 GW in 2023

Projects signed in 2023 will provide clean drinking water for an estimated **1.3 million** people

Forty-four per cent of EBRD investments promoted gender equality