

GRI INDEX 2017



This *World Bank GRI Index 2017* provides an overview of sustainability considerations within the World Bank's lending and analytical services as well as its corporate activities. This index of sustainability indicators has been prepared in accordance with the internationally recognized standard for sustainability reporting, the GRI Standards: Core option (<https://www.globalreporting.org>).

The *GRI Index* covers activities from fiscal year 2017, July 1, 2016, through June 30, 2017.

ABOUT THE WORLD BANK

The World Bank Group plays a key role in the global effort to end extreme poverty and boost shared prosperity. It consists of five institutions: the World Bank, which includes the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA); the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Working together in 140 countries, these institutions provide financing, advice, and other solutions that enable countries to address the most urgent challenges of development.

The *GRI Index* addresses the activities of the World Bank. Except for the eligibility of support and terms of lending to member countries, IBRD and IDA are tightly integrated and work as a single unit. Certain activities span across the World Bank Group and are therefore cited as such in the content.

DEFINING THE REPORT

Methodology for Determining Materiality

The topics deemed relevant for disclosure in the *GRI Index* were determined by assessing: (1) the potential impact on the Bank's business and (2) the sustainability impacts from its operations.

The business case was determined based on three key categories: (1) potential reputational risks to the organization, (2) the importance to stakeholders, and (3) the linkages with the Bank's mission/goals.

In addition to understanding the business case and stakeholder concerns, equal weight was given to the sustainability impact of the Bank's business. After assessing the various sustainability frameworks available, the basic environmental, social, and economic conditions, as outlined by the Natural Step, were considered most appropriate.

Each criterion above (the three for the business case and the three for the sustainability impact) is given a point and a threshold is set to prioritize GRI aspects to include in the report. The Bank's materiality approach and resulting reporting was validated and strengthened through a Stakeholder Panel in May 2014.

The **Natural Step framework**, which complements the GRI, defines three basic "system conditions" that must be met if we want to maintain the essential environmental services that sustain human society. Further, because human action is the primary cause of the rapid change we see in the natural environment today, the framework includes a fourth system condition that focuses on the social and economic considerations that drive those actions.

For the purposes of this exercise, the four sustainability principles of the Natural Step are applied by asking: (1) Does this aspect draw upon material extracted from the earth's crust and lead to accumulation of persistent or toxic emissions, or is it an extractive industry or destructive processes? (2) Does this aspect undermine the extent of people's ability to meet their needs? A criterion was added to ensure economic representation within the tool: (3) Does this aspect impact the local economy?

Report Boundary

Boundaries are defined based on the management control of impacts—indirect impacts lay within the “operational” boundary while direct impacts fall within the “corporate” boundary.

Impacts external to the organization (“operational boundary”)

Indirect impacts occur in member countries as a result of World Bank lending and analytical services and may not be directly controlled by the Bank’s management. Impacts stemming from the World Bank’s work with clients are specified as “operational impacts.”

Impacts internal to the organization (“corporate boundary”)

“Corporate boundary” refers to the impact from activities over which the Bank has direct control, such as operating World Bank facilities and managing staff members.

RESULTS: WHAT IS MATERIAL?

Operational impact

The World Bank’s most pertinent sustainability impacts from financial and technical services to clients can be summarized in the following GRI-related aspects:

1. Economic Performance—Because creating and distributing economic value is part of the mission of eliminating extreme poverty, shareholders and investors care about the sustainable economic performance of the institution.
2. Indirect Economic Impacts—These impacts are an essential aspect of the Bank’s goal of reducing poverty and boosting shared prosperity.
3. Anti-Corruption—Critical to the World Bank’s mission to alleviate extreme poverty is a well-functioning public sector that delivers quality public services consistent with citizen preferences. It also must foster private, market-led growth while managing its fiscal resources in a prudent manner. Opinion leaders in the Bank’s client countries listed anti-corruption as one of their development priorities.

4. Biodiversity—Through lending and grant support to client countries, the World Bank Group is one of the largest international funding sources for biodiversity worldwide.
5. Human Rights / Child Labor / Indigenous Rights—The World Bank promotes human rights through its projects, for example, improving poor people’s access to health, education, food, and water; promoting the participation of Indigenous Peoples in decision making, strengthening the accountability and transparency of governments to their citizens; supporting justice reform; and fighting corruption. In addition, civil society actively followed the World Bank’s process of updating its safeguard policies, concluded in fiscal year 2016.
6. Local Communities—The World Bank recognizes that community driven development (CDD) approaches and actions are important elements of an effective poverty reduction and sustainable development strategy.

Corporate Impact

The most material aspects of the Bank’s internal operations include the following:

1. Staff are the World Bank’s greatest asset. They bring a wide range of perspectives to bear on poverty-reduction issues and emerging development challenges, and are critical to the effectiveness of the Bank’s core operational and knowledge services. Staff-related indicators are pulled from the following GRI aspect categories: Economic Performance, Market Presence, Employment, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, and Nondiscrimination.

The Bank recognizes that reducing its own corporate environmental impacts is in line with the institutional mission to reduce poverty, as environmental degradation affects the world’s poor disproportionately. Increasing the efficiency of how the organization runs its business—through facility-level and staff-behavior changes—reduces natural-resource waste and decreases the cost of day-to-day operations. Key aspects related to the Bank’s environmental footprint include: Materials, Energy, Water, Emissions, Effluents and Waste, and Procurement Practices.

Questions and comments about the *GRI Index* should be addressed to Corporate Responsibility, crinfo@worldbank.org.

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Legend

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GENERAL DISCLOSURES

Organizational profile

102-1 Name of the organization

The World Bank consists of the International Bank of Reconstruction and Development (IBRD) and the International Development Association (IDA). It is part of the World Bank Group, which includes the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID).

For more information, see <http://www.worldbank.org/en/about/what-we-do>.

102-2 Activities, brands, products, and services

The World Bank offers a wide range of solutions to meet development challenges, all designed to support governments as we work toward our twin goals, ending extreme poverty by 2030 and promoting shared prosperity:

- Innovative financing instruments and products for an array of investments in such areas as education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management. Some of our projects are co-financed with governments, other multilateral institutions, commercial banks, export credit agencies, and private sector investors. The Bank also provides or facilitates financing through trust fund partnerships with bilateral and multilateral donors. Many partners have asked the Bank to help manage initiatives that address needs across myriad sectors and developing regions.
- Research, analysis, partnership coordination, and technical assistance services designed to share the best knowledge available to achieve development results underpin World Bank financing.

For more information, see <http://www.worldbank.org/en/about/what-we-do>.

102-3 Location of headquarters

Washington, DC, United States

102-4 Location of operations

The World Bank is a global organization. IBRD is owned by 189 member countries and IDA by 173. The Bank operates in 140 countries globally. There are 148 World Bank facilities worldwide.

For a complete list of locations, see <http://www.worldbank.org/contacts>.

102-5 Ownership and legal form

The World Bank is not a bank in the traditional sense, but a unique partnership committed to reducing poverty and supporting development. IBRD is governed by and works with its 189 member countries to achieve equitable and sustainable economic growth in their national economies, and to find solutions to pressing regional and global problems in economic development and other important areas, such as environmental sustainability. Project loans are financed by World Bank bonds issued in the capital markets, guarantees, risk management products, and advisory services. IDA works with its 173 member countries—offering financing to the world's poorest countries—to reduce poverty by providing loans and grants for programs that boost economic growth, reduce inequalities, and improve people's living conditions.

102-5 Ownership and legal form (cont.)

For a full list of member countries, see <http://www.worldbank.org/en/about/leadership/members>.

Each of the World Bank organizations operates according to procedures established by its Articles of Agreement.

The agreements outline the conditions of membership and the general principles of organization, management, and operations.

102-6 Markets served

The World Bank works globally to achieve equitable and sustainable economic growth in member country economies and to find solutions to the pressing regional and global problems in economic development. Its work is distributed throughout the following regions: Africa, East Asia and Pacific, Europe and Central Asia, Latin America and the Caribbean, Middle East and North Africa, and South Asia.

World Bank projects cover the following Global Practices: Agriculture; Education; Energy and Extractives; Environment and Natural Resources; Finance and Markets; Governance; Health, Nutrition, and Population; Macroeconomics and Fiscal Management; Poverty; Social Protection and Labor; Social, Urban, Rural, and Resilience; Trade and Competitiveness; Transportation and Information and Communication Technologies; and Water. For more information on the Bank's work by region and by sector, see www.worldbank.org/unit.

102-7 Scale of the organization

Total World Bank commitments: World Bank lending commitments for development support totaled \$42.1 billion in fiscal year 2017.

IBRD commitments and resources: New lending commitments by IBRD totaled \$22.6 billion for 133 operations in fiscal year 2017. As of June 30, 2017, net commitments in IBRD's active portfolio stood at \$106.7 billion. In fiscal year 2017, IBRD raised US dollar equivalent (USDeq) 56 billion by issuing bonds in 22 currencies. IBRD's equity comprises primarily paid-in capital and reserves. Under the terms of the general and selective capital increase resolutions approved by the Board of Governors on March 16, 2011, subscribed capital is expected to increase by \$87 billion, \$5.1 billion of which will be paid in. As of June 30, 2017, the cumulative increase in subscribed capital totaled \$78.7 billion. Related paid-in amounts in connection with the capital increase were \$4.6 billion.

IDA commitments and resources: IDA commitments amounted to \$19.5 billion for 261 operations in fiscal year 2017, including \$16.2 billion in credits, \$3.2 billion in grants, and \$50 million in guarantees. As of June 30, 2017, net commitments in IDA's active portfolio stood at \$105.6 billion. IDA is financed largely by contributions from partner governments. Additional financing comes from transfers from IBRD's net income, grants from the International Finance Corporation, and borrowers' repayments of earlier IDA credits. Total resources for the IDA17 Replenishment, which covered fiscal years 2015–17, amounted to \$38.7 billion in Special Drawing Rights (equivalent to \$57.9 billion).

For more information, see the World Bank Annual Report 2017: www.worldbank.org/annualreport.

102-8 Information on employees and other workers

In fiscal year 2017, the World Bank employed 11,897 staff and 4,948 full-time-equivalent (FTE) short-term consultants and temporaries who worked in 140 countries worldwide.

102-9 Supply chain

Each year, about \$1.6 billion in goods and services are purchased by the World Bank. Major contracts include consulting firms, travel, information technology and telecommunications, health and benefits, and construction materials. All vendors are required to adhere to the World Bank Corporate Procurement Policy. For more information, see <http://www.worldbank.org/en/about/corporate-procurement>.

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

The World Bank has implemented a new procurement framework, which aims to maximize the strategic role of procurement in achieving development effectiveness goals. For more information, see <http://www.worldbank.org/en/projects-operations/products-and-services/brief/procurement-new-framework>.

There were no significant changes to the World Bank's size, structure, ownership, or supply chain.

102-11 Precautionary principle or approach

The World Bank applies the precautionary approach through its safeguard policies.

The Bank's environmental and social safeguard policies are a cornerstone of its support to sustainable poverty reduction. The objectives of these policies are to prevent and mitigate harm to people and their environment in the development process. These policies provide guidelines for Bank and borrower staff in the identification, preparation, and implementation of programs and projects. The effectiveness and development impact of programs and projects supported by the Bank has substantially increased as a result of attention to these policies. Safeguard policies have often provided a platform for the participation of stakeholders in project design, along with being an important instrument for building ownership among local populations.

For more information, see <http://www.worldbank.org/safeguards>.

102-12 External initiatives

The World Bank is committed to helping developing countries end poverty and boost shared prosperity in a sustainable manner. The Bank is a partner of choice for countries seeking to reach many of the Sustainable Development Goals (SDGs), adopted in September 2015, particularly in the context of financing, data, and supporting implementation. The World Bank is also an active member of many external initiatives, such as the United Nations Environmental Management Group and the Multilateral Financial Institutions Working Group on the Environment. As a United Nations (UN)-specialized agency, the Bank also supports the mission of the UN and the multilateral agreements for which the Bank acts as an implementing agency, such as the Global Environment Facility (GEF), the Multilateral Fund for the Montreal Protocol, and the Convention to Combat Desertification. These facilities have enabled the Bank to become the largest funder of projects in support of the Convention on Biological Diversity and the Stockholm Convention on Persistent Organic Pollutants. The World Bank also worked closely with the G20 in developing the G20 Hamburg principles on crowding in private finance.

102-13 Membership of associations

The World Bank Group is not a formal member of industry or business associations, or national or international advocacy organizations, but it is working with a wide range of civil society organizations, foundations, and private sector partners on multiple global issues. These partnerships build support for the Bank's twin goals through our End Poverty campaign and around specific development issues, such as financial inclusion, education, health, and climate change, in order to operate more effectively. A few examples are:

- In February 2015, the World Bank Group became a founding member of the Partnership on Religion and Sustainable Development, which continues to bring together bilateral donors and multilateral development partners that seek to more effectively engage with religious communities and organizations to achieve the goals of the 2030 Agenda on Sustainable Development.
- In fiscal year 2016, the World Bank Group spearheaded the creation of the Carbon Pricing Leadership Coalition, which was launched at the Paris COP21. The Coalition brings together 20 governments and more than 90 international corporations.
- In fiscal year 2017, the World Bank Group became an Affiliated Member of the European Foundation Centre, which represents more than 200 philanthropic organizations that work to support positive social change in Europe and beyond. The World Bank Group also continued to be a partner within the Global Philanthropy Forum (GPF). In April 2017, World Bank Group President Jim Yong Kim provided the opening keynote conversation with Jane Wales, President and CEO of the GPF and World Affairs Council, at the GPF annual gathering.

Strategy

102-14 Statement from senior decision-maker

Refer to the *World Bank Annual Report 2017* for messages from Dr. Jim Yong Kim, President of the World Bank Group; Kristalina Georgieva, CEO of the World Bank; and a statement from the World Bank's Board of Executive Directors.

For more information, see www.worldbank.org/annualreport.

102-15 Key impacts, risks, and opportunities

The work of the World Bank is anchored in its goals: to end extreme poverty—reducing the share of the global population living in extreme poverty to 3 percent by the year 2030—and to promote shared prosperity—increasing the income of the bottom 40 percent of the population. Both goals must be met in a sustainable manner. The World Bank Group Strategy, released in 2013, discusses the significant areas in which the World Bank makes economic, social, and environmental impacts, as well as the associated challenges and opportunities along the path toward ending poverty and boosting shared prosperity in a sustainable manner. The strategy combines the strength of the International Bank for Reconstruction and Development (IBRD), the International Development Association (IDA)—collectively known as the World Bank—the International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA). The strategy places the institutions in a position to work with the public and private sectors in partnership in order to achieve the twin goals sustainably.

102-15 Key impacts, risks, and opportunities (cont.)

Dealing with global political and economic policy uncertainties: The World Bank Group's Chief Risk Officer monitors the global political and economic environments that could impact the institution's finances. In fiscal year 2017, the global economy entered a period characterized by some recovery but high uncertainty. Economic growth in advanced economies remains weak, lower commodity prices have hurt developing economies, and high corporate leverage and related external borrowing in the larger emerging markets constitute a further key vulnerability for the World Bank's borrowing countries. Policy uncertainty presents a key overarching risk, and there is a significant chance that economic activity could diverge from the baseline that foresees a gradual strengthening of global activity. Potential protectionist pressures are a significant risk. There remains considerable uncertainty, however, as to what extent and when such pressures might translate into concrete measures and the form these might take. Countries with open economies and dependent on trade, including many low-income countries, would be among the most vulnerable. Increased protectionism could also impact foreign direct investment flows to developing countries. The policy stance of major central banks as they move at varying paces to normalize monetary policy is another source of uncertainty. Market interest rate expectations could adjust abruptly in response to higher inflation or fiscal policy developments, affecting both interest rates and risk appetite. The most vulnerable countries are those dependent on portfolio investment to finance current account imbalances. Divergence from monetary policy expectations could also lead to further exchange rate movements. Corporate sectors that need to service large unhedged foreign currency borrowing could face stress in light of sharp exchange rate moves. In some countries, large contingent liabilities could be a source of risk and disruption.

The World Bank continues to innovate and adapt to meet the needs of individual countries, and to address the needs of global public goods. To address them and other challenges, the Bank is developing innovative forms of financing in partnership with the public and private sectors. The transformational IDA18 Replenishment, finalized in December 2016, resulted in a record replenishment size of \$75 billion to finance projects from July 1, 2017, to June 30, 2020. The IDA18 package will introduce a hybrid financing model that blends contributions with market debt, using IDA's first-ever public credit rating—triple-A—which it received in 2016. Three IDA18 special themes were retained from IDA17—climate change; gender and development; and fragility, conflict, and violence—and two new themes were introduced—governance and institutions, and jobs and economic transformation—which align with the overarching theme of "Toward 2030: Investing in Growth, Resilience, and Opportunity."

Significant IDA resources will be devoted to the program's priority areas. The new Private Sector Window will leverage \$2.5 billion of IDA's capital over the next three years to mobilize at least \$6 billion–\$8 billion in additional private sector investments in the poorest and most fragile markets, and resources for countries affected by fragile, conflict, and violence situations as a group will double to more than \$14 billion, including new financing mechanisms such as \$2 billion to support refugees and host communities.

For more information on the World Bank Group Strategy, see <https://openknowledge.worldbank.org/handle/10986/16095>.

For more information on progress toward corporate targets, see <http://corporatescorecard.worldbank.org/>.

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

Fiscal year 2017 was critical for values and principles of behavior at the Bank Group: the organization committed to refreshing the corporate values it put into place in 1997. In addition to taking a new look at the corporate values, the Bank Group committed to applying them to each part of Bank Group consistently; previously, the World Bank and IFC had separate values statements, and MIGA had none. This has been a bottom-up exercise to develop a modern values statement, provide cues for behavior and decision-making, and help motivate staff to deliver at full capacity.

The Ethics and Business Conduct (EBC) Vice Presidency is leading the “Refreshing Our Values” initiative. EBC and the Human Resources Vice Presidency are co-chairing its widely representative Steering Committee.

For the initiative, nearly 450 staff from across the World Bank Group provided input to the new core values through focus groups in Washington, DC, and several country offices. Also, all staff worldwide had the opportunity to give their input online.

The core values that emerge from these consultations will be crafted into a statement submitted to senior management with the expectation that it will be launched in October 2017. A new Bank Group Code of Conduct will be written in line with the refreshed values statement, and the organization will move to integrate the values into many aspects of core business and human resources decisions.

While the Refreshing Our Values initiative is moving forward, the status quo under the previous values regime remains in place. There is a mandatory e-learning training on the Code of Conduct for all new staff, including consultants with contracts of more than 30 days. A summary of the Code of Conduct is available in nine languages. There is a separate Code of Conduct for Board officials. Business partners are informed of ethics expectations through a separate document. Adherence to high ethical standards is specified in contracts with employees, Board officials, and business partners. Section 1(c) of the Code for Board Officials requires them to sign the code document upon assuming duty and deposit it with the Ethics Committee of the Board.

In addition to the required training for new staff, the institution offers a number of ethics training courses. EBC continuously expands its range of training for headquarters and country office staff on values, expected business conduct, recourses available against misconduct and retaliation, and the prevention of conflicts of interest.

Staff members are required to uphold World Bank Group Staff Rules as a condition of employment.

102-16 Values, principles, standards, and norms of behavior (cont.)

The head of EBC is a Bank Group Vice President. The leadership of this function by a Vice President reflects the importance of EBC's mandate, comprised of four key areas of responsibility: (1) setting standards through the design and stewardship of ethical policy, practices, decisions, and behavior, including administering Declarations of Interest Programs to ensure public confidence; (2) reaching out to staff and offering training to strengthen values, foster a culture of respect and integrity, and build bridges between scientific research and practice in ethical development; (3) advising staff and clients by sharing ethics expertise and spotting trends, and providing counsel on conflicts of interest and compliance-related issues as needed; and (4) addressing misconduct by reviewing concerns, recommending actions, and facilitating resolutions. For more information on the World Bank's Code of Conduct and EBC functions, see <http://worldbank.org/ethics>.

102-17 Mechanisms for advice and concerns about ethics

EBC enables staff members (both past and present) to seek ethics-related advice or report suspected misconduct and other ethical issues. EBC informs employees, business partners, and other stakeholders of EBC's services through a range of communications and training programs.

EBC maintains an email service account (ethics_helpline@worldbank.org) accessible to staff and advertised on the external website. Employees also can seek advice directly from EBC staff during office hours or arrange to speak with team members at a convenient time. Most services are provided in English, which is the working language of the organization. Staff members can also contact the Ethics Helpline by phone (800-261-7497) 24/7. This line is administered in multiple languages by an outside vendor.

Advisory requests are treated with the highest possible level of confidentiality given the requirements of the case. Requests for advice can be made anonymously.

Details are outlined for staff in the World Bank Group Code of Conduct. See <http://worldbank.org/ethics>.

For reports of suspected misconduct, all information is confidential and subject to disclosure on a strict need-to-know basis. Anonymous complaints are accepted.

EBC received 846 requests for advice in fiscal year 2017. In more than 90 percent of the cases, answers were provided within two business days. The most frequently received queries concerned a staff member's outside activities, pre- or post-Bank Group employment, and couples or family relationships. EBC does not currently administer a satisfaction survey to individuals who contact the office for advice, though most express their gratitude for advice, and EBC staff invite feedback via email. EBC does conduct a service quality survey for complainants, witnesses, and subjects involved in reviews of allegations of suspected misconduct. Both participation in the survey and ratings are consistently good.

102-17 Mechanisms for advice and concerns about ethics

EBC received 228 allegations of misconduct in fiscal year 2017. The most frequently received allegations involved non-compliance with staff rules, harassment, and abuse of authority. The large majority of allegations were reviewed and closed after intake or initial review. EBC found enough basis to investigate 21 cases. Of those, seven resulted in the submission of an investigative report to the Vice President of Human Resources, who has the authority to determine if misconduct occurred and to impose sanctions. In four cases, sanctions were imposed; the cases are pending as of this writing.

The Bank Group has a non-retaliation policy that protects against any direct or indirect detrimental action threatened or taken because a person engaged in a protected activity. Retaliation is considered misconduct, and will be investigated and sanctioned accordingly.

In addition, the Bank's Integrity Vice Presidency works to improve compliance with corruption-related policies. The unit trains staff to detect and deter fraud and corruption, and investigates allegations in activities conducted or financed by the Bank Group—as well as allegations of significant fraud and corruption involving staff. EBC and Integrity Vice Presidencies cooperate to ensure a consistency of approach.

Governance

102-18 Governance structure

The World Bank is a development institution for which its 189 member countries are shareholders. Member countries govern the Bank through the Boards of Governors and the Board of Executive Directors (EDs).

The Boards of Governors consist of one Governor and one alternate Governor appointed by each member country. The office is usually held by the country's minister of finance, governor of its central bank, or a senior official of similar rank. The Governors and alternates serve for terms of five years and can be reappointed. His Excellency Imad N. Fakhoury, Minister of Planning and International Cooperation, Jordan, is the Chairman for the 2017 Annual Meetings. The Governors delegate specific duties to the 25 EDs, who sit as a resident Board of Directors in Washington, DC. The five largest shareholders appoint an Executive Director, while other member countries are represented by elected Executive Directors.

Together, the Boards of Governors and the EDs make all major decisions for the organization, including policy, financial, and membership issues.

102-18 Governance structure (cont.)

In addition to representing their own countries and others they are elected to represent, EDs serve on one or more of five standing committees: Audit Committee, Budget Committee, Committee on Development Effectiveness (CODE), Human Resources Committee, and Committee on Governance and Executive Directors' Administrative Matters (COGAM). The committees help the Board execute its oversight responsibilities through in-depth examinations of policies and practices, overseeing and making decisions about the Bank's policies and procedures, financial condition, risk-management and assessment processes, adequacy of governance and controls, and effectiveness of development and poverty-reduction activities. In addition, the Ethics Committee provides guidance on matters covered by the Code of Conduct for Board officials. These committees function independently of all World Bank Group executive officers.

For more information, see <http://www.worldbank.org/en/about/leadership>.

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

The World Bank Group integrates the principles of sustainable environmental and social development into its work with clients across all sectors and regions. This is done through the Office of the Vice President for Sustainable Development, which reports through the Office of the IBRD/IDA Chief Executive Officer, in turn to the President of the World Bank Group.

For more information about the current Vice President, Sustainable Development, see <http://www.worldbank.org/en/about/people/laura-tuck> and <http://www.worldbank.org/sustainabledevelopment>.

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

All powers of the World Bank Group are vested in the Boards of Governors (Ministers of Finance and Development of 189 WBG member countries), the Bank's senior decision-making body according to the Articles of Agreement. They are the only non-executives who can decide on the following:

- Admit and suspend members;
- Increase or decrease the authorized capital stock;
- Determine the distribution of the net income of the Bank;
- Decide appeals from interpretations of the Articles of Agreement by the Executive Directors;
- Make formal comprehensive arrangements to cooperate with other international organizations;
- Suspend permanently the operations of the Bank;
- Increase the number of elected Executive Directors; and
- Approve amendments to the Articles of Agreement.

All other decisions are delegated to the Executive Directors. Member governments oversee the remainder of the responses requested.

102-23 Chair of the highest governance body

The Chair of the Board of Executive Directors serves as the President of the organization, as set out in the World Bank's Articles of Agreement, Section 5. See <http://siteresources.worldbank.org/EXTABOUTUS/Resources/ibrd-articlesofagreement.pdf>.

102-24 Nominating and selecting the highest governance body

Nominating Governors of the Bank depends on the political systems of the individual 189 member governments. The main criterion is that a Governor is a minister of finance, development, or other national ministry. Other criteria like diversity, independence, and expertise may factor into the independent, government-led decision-making process. The Bank has no direct influence over Governor nomination, which is a sovereign matter related to countries' internal governance and decision-making.

102-35 Remuneration policies

Per the World Bank Articles of Agreement, "[The] Board of Governors shall determine the remuneration to be paid to the Executive Directors and the salary and terms of the contract of service of the President." To recruit and retain highly qualified staff, the World Bank Group has developed a compensation and benefits system designed to be internationally competitive, to reward performance, and to take into account the special needs of a multinational and largely expatriate staff. The Bank Group's staff salary structure is reviewed annually by the Executive Directors and, if warranted, is adjusted on the basis of a comparison with salaries paid by private financial and industrial firms and by representative public sector agencies in the US market.

The Articles also state that Governors (the highest governance body) "...shall serve as such without compensation from the Bank, but the Bank shall pay them reasonable expenses incurred in attending meetings."

Stakeholder engagement**102-40 List of stakeholder groups**

As a global citizen and a global employer, the World Bank Group consults and collaborates with thousands of stakeholders throughout the world. The Bank groups the stakeholders into two main categories: internal and external.

Internal stakeholders include shareholder governments (Governors), EDs, and Bank employees (staff).

External stakeholders include civil society; faith-based organizations; academics; foundations; parliamentarians; the private sector (including sustainable and responsible investors, companies, and social entrepreneurs); and international, national, and local media.

102-41 Collective bargaining agreements

At the World Bank Group, the percentage of total employees covered by collective bargaining agreements is zero. However, the World Bank Group Staff Association represents and protects the rights and interests of all (that is, 100 percent) of the staff as part of its mandate. The Staff Association negotiates with the Human Resources Vice Presidency, senior management, line management, and the EDs to ensure the interests of staff are met. More than 11,000 World Bank Group staff are members of the Staff Association, and 90 country offices have established Country Office Staff Associations. Founded in 1972, the Staff Association is not a union and does not engage in collective bargaining. It serves a critical role by representing the rights of all World Bank Group staff, as provided in Staff Rule 10.01.

102-42 Identifying and selecting stakeholders

The World Bank Group works with diverse stakeholders who share the commitment to advance the Bank's twin goals and are active in development. Internal stakeholders include the member governments and employees. External stakeholders range from civil society organizations (which include faith-based organizations), media, labor unions, foundations, parliamentarians, and the private sector and investors.

102-43 Approach to stakeholder engagement

The World Bank Group engages with a broad cross-section of stakeholder groups in ways that are both context-specific and situational. Engagement takes the form of numerous approaches, including policy dialogue; operational partnerships; consultations; convenings and global platforms such as the Annual and Spring Meetings; and joint issue-based advocacy on campaigns, such as End Poverty and the Early Years campaign on early childhood development.

1. Member governments: EDs and Governors engage regularly with a wide spectrum of stakeholders, including national stakeholders in their own country and with international civil society organizations (CSOs) on the margins of the organization's Spring and Annual Meetings, as well as during travel to client countries for Bank Group operations. Each fall and spring, the Boards of Governors of the World Bank Group and International Monetary Fund (IMF) hold Annual and Spring Meetings to discuss a range of issues related to poverty reduction, international economic development, and finance. The Annual Meetings provide a forum for international cooperation and enable the Bank Group and the IMF to better serve their client countries. In addition to the Annual and Spring Meetings, the Development Committee convenes to advise the Boards of Governors on issues of global concern, including the world economic outlook, poverty eradication, economic development, and aid effectiveness.

102-43 Approach to stakeholder engagement (cont.)

2. Employees: Engaging employees to boost pride in the institution and commitment to a shared mission is the primary goal of the new World Bank Employee Engagement Strategy, launched in fiscal year 2017. Engagement channels include the employee intranet; internal events such as live webcast leadership town halls and cultural performances; social media announcements and opinions; learning opportunities; and targeted (for example, dedicated briefings and news digests for managers) and broad-reach newsletters and emails from leadership. The World Bank's intranet—available on mobile devices and desktops—reaches all staff in 140 countries as the default browser homepage on World Bank devices. The intranet features leadership communications, announcements, stories, webinars, social media calls-to-action, staff profiles, and staff conversations, all curated by the dedicated Employee Engagement team in coordination with a network of communication professionals across the organization. The Bank also promotes various corporate communication campaigns, such as the Community Connections Campaign to raise funds for the local community and client countries. Each year, the in-depth Employee Engagement Survey invites staff to voice their opinions on comprehensive key issues, from leadership to career development, from inclusiveness to the work environment. The Bank participation rate for the 2017 survey was 85 percent, with an overall engagement index of 80 percent.

3. Civil Society: The World Bank engages CSOs (which include faith-based and religious organizations) regularly at the global, regional, and local level. The Bank shares information, solicits input on policy reform, consults with CSOs on our strategy, collaborates with them on Bank-financed projects, and forges partnerships to further our dual goals. For example: the Civil Society team hosts a monthly update call with more than 300 CSOs, and distributes a monthly CSO eNewsletter, which reaches roughly 8,000 subscribers. Twice a year, during the Annual and Spring Meetings, the World Bank Group hosts the Civil Society Policy Forum. Six hundred eighty-six CSO participants attended the Annual Meetings (October 2016) and 850 CSO participants attended the Spring Meetings (April 2017). During the meetings these civil society representatives from around the world deliberated on priority development issues with a broad group of stakeholders. Forty-plus dialogue sessions were held, organized primarily by CSOs in collaboration with the Bank on topics ranging from safeguards, citizen engagement, and public and private partnerships to inequality, health, and food security. Through the Strategic Framework for Mainstreaming Citizen Engagement in World Bank Group Operations, the Bank Group engages with CSOs and citizens to achieve better development results. This effort is grounded in the commitment to include beneficiary feedback in World Bank Group-financed projects in which there are clearly identifiable beneficiaries. See <http://www.worldbank.org/en/about/what-we-do/brief/citizen-engagement>.

The Bank also engages with local non-governmental organizations (NGOs) in our communities through volunteer activities and through our workplace giving and matching program, the Community Connections Campaign. To learn more about the NGOs we engage, see <http://www.worldbank.org/en/programs/community-connections>.

102-43 Approach to stakeholder engagement (cont.)

4. Opinion Leaders: The Country Opinion Survey (COS) Program systematically assesses and tracks the views of external opinion leaders across client countries. The World Bank Group has collected thousands of opinions in this mandated program since its inception, in fiscal 2012. Each client country is surveyed once every three years; each year, about 40 to 45 countries are included. In this manner, over a three-year cycle, the COS Program obtains feedback from stakeholders in nearly all client countries. No other multilateral organization engages in a feedback mechanism of such breadth and depth.

5. ESG Investor Community: The World Bank engages with investors including those with environmental, social, and governance (ESG) investment considerations. These are of general interest to them. But questions arise directly from ESG research and rating firms that rate and rank issuers based on their “E,” “S,” and “G” aspects of daily operations—both internally (for example, fair labor standards, staff satisfaction, carbon footprint based on business-as-usual activities) and externally, as its operational work impacts its client countries and other stakeholders (for example, safeguards applied to and risk assessments to consider in project implementation, and so on). The questions come with proposed responses, drafted by the ESG research firms, that reflect stories originating from multilateral development bank watchdog press releases. Investors with ESG considerations receive these reports. The questions we regularly provide feedback on are used as part of the materiality exercise for the *GRI Index*.

6. Local, national, and international media: The World Bank regularly reaches out to media to cover the Bank’s major report launches, corporate priority campaigns and messages, including events involving President Jim Yong Kim. At key opportunities, such as the Annual and Spring Meetings, the Bank proactively drives the primary messages of the institution, such as its commitment to the twin goals of ending extreme poverty by 2030 and boosting shared prosperity. The Bank approaches traditional media outlets (via interviews and op-eds) and actively uses social media to promote issues that need to be addressed to achieve those goals, such as major reports on climate change. It also responds to all media queries and interview requests to help the media better understand the Bank and what it does. In addition, the Bank’s reputation is managed by working with reporters to clarify Bank priorities and activities, providing institution views so they can write balanced and well-represented articles. Press releases, speeches, transcripts, and feature stories from the Bank appear on the World Bank’s website homepage, <http://www.worldbank.org>, and on the news site, <http://worldbank.org/en/news>.

102-43 Approach to stakeholder engagement (cont.)

7. Foundations: The Foundations Program mobilizes political and financial support from the philanthropic world to advance the institution's twin goals. Partnerships range from direct or parallel grant contributions to research, knowledge sharing, and joint advocacy. These partnerships often provide crucial early seed funding and access to innovative ideas and new expertise. They also allow the Bank to reach a broad network of civil society grantees. The World Bank has partnerships with more than 100 foundations in all regions of the world. In fiscal year 2017, the Bank Group launched a number of important new partnerships with foundations that focused on scaling up investment and advocacy efforts on priority issues, in addition to strengthening its existing partnerships. New partnerships that were initiated in fiscal year 2017 included: (1) Identification for Development (ID4D): The Bill & Melinda Gates Foundation was the first donor to the ID4D multi-donor partnership, which helps countries establish robust and inclusive identification systems. The foundation's role has been integral to expanding ID4D's technical assistance to more countries, developing technical guidance materials, and conducting research, including impact evaluations; (2) ESMAP: The Rockefeller Foundation is collaborating with the World Bank Group's Energy Sector Management Assistance Program (ESMAP) to help governments and donors better quantify and understand energy that is being provided for economic development; and (3) Education for Competitiveness (E4C): The Bank Group announced a new strategic partnership with the Abdulla Al Ghurair Foundation for Education linked to the E4C initiative. It is focused on improving the quality and relevance of education for Arab children and youth. The Foundation's Advisory Council, which is an annual action-oriented meeting designed to build political will and to kick-start transformative partnerships, convened a select group of high-level influential philanthropic leaders, alongside senior Bank Group leadership, around the topic of early childhood development. See <http://documents.worldbank.org/curated/en/910971468184790958/The-World-Bank-Group-and-foundations-stories-of-partnership-2016>.

102-44 Key topics and concerns raised

Topics of concern raised in the past year include:

1. Member states issue communiques during Annual and Spring Meetings. These can be found online. Recent Development Committee Communiques from October 2016: [http://siteresources.worldbank.org/DEVCOMMINT/Communiques/23733103/FM2016Communique\(E\).pdf](http://siteresources.worldbank.org/DEVCOMMINT/Communiques/23733103/FM2016Communique(E).pdf) and April 2017: <http://siteresources.worldbank.org/DEVCOMMINT/Communiques/23747151/CommuniquesE.pdf>.

2. Employees: Key topics raised by employees in fiscal year 2017 via the engagement survey and through online and in-person staff engagements included: efficiency of internal processes, trust between staff and management, career opportunities and development, and managerial effectiveness.

102-44 Key topics and concerns raised (cont.)

3. CSOs: In fiscal year 2017, the team consulted on the IDA18 replenishment with a cross-section of CSOs and faith-based organizations (FBOs), including through an IDA Forum that took place during the Spring and Annual Meetings. The team also consulted with CSOs about the creation of the Gender-Based Violence Task Force. In collaboration with the Africa region, three regional workshops took place in fiscal year 2017, which included site visits to World Bank-financed projects in Abuja, Dakar, Johannesburg, and Nairobi and deepened engagement with civil society in client countries. During the Africa workshops, CSOs and FBOs raised a number of issues, including (1) the need for greater capacity building; (2) the importance of ongoing rather than episodic or ad hoc engagement; and (3) the desire to see the WBG engage CSOs and FBOs more in World Bank operations as implementing partners and monitors of Bank-financed projects. CSO and FBO participants in each workshop produced an action plan that outlined goals and commitments to interact more systematically and successfully with World Bank country offices in order to advance shared development priorities and improve development effectiveness. The Civil Society Team is exploring partnering with other regions to organize similar workshops in fiscal year 2018.

The World Bank also interacted with CSOs on reports such as the annual *World Development Report* (WDR) and evaluations conducted by the Independent Evaluation Group (IEG).

Senior management also participated in public advocacy activities with civil society, including the Interaction Annual Forum and the Results Annual Summit. These organizations were among the supporters who mobilized their members to support IDA18, which resulted in the largest replenishment in IDA history.

At the country level, the World Bank consults with a broad spectrum of CSOs on the Systematic Country Diagnostic, the Country Partnership Framework, sector studies, and individual Bank-funded development projects. Often these interactions involve multiple stakeholders and CSOs, governments, businesses, and donor agencies. Within these operations, the Bank is helping to build sustainable national systems for citizen engagement with governments and the private sector.

To further support development results and reach the Bank goals of ending extreme poverty and boosting shared prosperity, the Global Partnership for Social Accountability (GPSA) encourages civil society and governments to work together to solve critical governance challenges in developing countries. To achieve this objective, the GPSA provides strategic and sustained support to CSOs' social accountability initiatives.

For more information on the Bank's engagement with civil society, see <http://www.worldbank.org/civilsociety>.

102-44 Key topics and concerns raised (cont.)

4. Opinion Leaders: In fiscal year 2017, the mean rating for the Bank Group’s effectiveness and impact on development results (combined rating for two variables) in the Bank Group’s client countries was 6.6 on a 10-point scale across all COS respondents. Participants in the fiscal year 2017 COS and the fiscal year 2016 COS had statistically similar ratings for the Bank Group’s effectiveness and impact on development results (the mean in fiscal year 2017 was 6.6; the mean in fiscal year 2016 was 6.6). Clients (those respondents who work with the institution) rated the Bank Group’s collaboration with other donors and development partners in IDA countries positively: 7.4 (statistically similar to the fiscal 2016 COS rating: 7.3). On responsiveness and staff accessibility (combined rating for two variables), the client ratings were relatively lower: 6.8 (statistically similar to the fiscal year 2016 COS rating: 6.9). For more information, see <http://country-surveys.worldbank.org/>.

5. ESG Investor Community: Investors ask the World Bank about project implementation and how safeguards help reduce social and environmental risks. This includes preventing risks behind resettlement, the procurement labor and supply chain during project implementation, and how well the companies procured for project implementation are vetted in order to prevent any violation of human rights and child labor within the country where the projects are being financed.

6. Media: The key priority in fiscal year 2017 was the continued promotion and implementation of the World Bank Group goals and the three ways in which the organization is working to achieve them: (1) fostering sustainable growth; (2) investing in human capital; and (3) building resilience. The communications emphasis was on the need for new approaches to development finance and to crowd in private finance. Specific issues included forced displacement, pandemics, and women’s economic empowerment. The issuance and promotion of our biannual global economic prospects also garnered strong media coverage.

Reporting practice

102-45 Entities included in the consolidated financial statements

The content and data in this document relate to the International Bank of Reconstruction and Development (IBRD) and the International Development Association (IDA), together, the World Bank. The *GRI Index 2017* does not cover activities of the other three agencies of the World Bank Group: the International Finance Corporation (IFC), the Multilateral Investment Guarantee Agency (MIGA), and the International Centre for Settlement of Investment Disputes (ICSID). These agencies publish separate annual reports. Some references to the World Bank Group have been made in this report as appropriate.

For more about the World Bank and its sibling agencies, see www.worldbank.org/about.

102-46 Defining report content and topic Boundaries

The topics deemed relevant for disclosure were identified by assessing annual corporate priorities outlined by the institution's Boards and President, considering stakeholder input, as well as ascertaining sustainability impacts of carrying out the mission and vision. Stakeholder feedback is gained through three key channels: the COS Program, civil society feedback, and queries from investor research groups.

To determine if a GRI aspect is material for the World Bank to report on, an assessment is carried out based on the potential impacts on the Bank's business, and sustainability impacts stemming from its business. The business-case category evaluates potential reputational risks to the organization, the importance to stakeholders (based on the above sources), the linkages with the Bank's mission and goals and those identified as material in the World Bank Corporate Responsibility Strategic Plan. The sustainability impact refers to environmental and social criteria, as outlined by the Natural Step, namely, material extracted from the earth's crust; the accumulation of persistent or toxic emissions; extractive industry or destructive processes; and the extent to which people's ability to meet their needs are undermined. To ensure representation of sustainable development, an additional criterion was added to give preference for impact on the local economy.

The Principles for Defining Report Content have been applied to identify, prioritize, and validate the information to be disclosed by considering the World Bank's activities, impacts, and the substantive expectations and interests of its stakeholders. Each criterion above is given a point and a threshold is set to prioritize GRI aspects to include in the report.

102-47 List of material topics

Boundaries are defined based on the management control of impacts: indirect impacts lay within the "operational" boundary while direct impacts fall within the "corporate" boundary.

Impacts external to the organization ("operational boundary"): Indirect impacts occur in member countries as a result of World Bank lending and analytical services and may not be directly controlled by the Bank's management. Impacts stemming from the World Bank's work with clients are specified as "operational impacts."

Impacts internal to the organization ("corporate boundary"): "Corporate boundary" refers to the impact from activities over which it has direct control, such as operating World Bank facilities and managing staff members.

Operational impact

The World Bank's most pertinent sustainability impacts from financial and technical services to clients can be summarized in the following GRI-related aspects:

1. Economic Performance – Because creating and distributing economic value is part of the mission of eliminating extreme poverty, shareholders and investors care about the sustainable economic performance of the institution.
2. Indirect Economic Impacts – These impacts are an essential aspect of the Bank's goal of reducing poverty and boosting shared prosperity.

102-47 List of material topics (cont.)

3. Biodiversity – Through lending and grant support to client countries, the World Bank Group is one of the largest international funding sources for biodiversity worldwide.
4. Human Rights / Child Labor / Indigenous Rights – The World Bank promotes human rights through its projects, for example, improving poor people’s access to health, education, food, and water; promoting the participation of Indigenous Peoples in decision making, strengthening the accountability and transparency of governments to their citizens; supporting justice reform; and fighting corruption. In addition, civil society actively followed the World Bank’s process of updating its safeguard policies, concluded in fiscal 2016.
5. Local Communities – The World Bank recognizes that CDD approaches and actions are important elements of an effective poverty reduction and sustainable development strategy.
6. Anti-Corruption – Critical to the World Bank’s mission to alleviate extreme poverty is a well-functioning public sector that delivers quality public services consistent with citizen preferences and fosters private, market-led growth while managing its fiscal resources in a prudent manner. Opinion leaders in the Bank’s client countries listed anti-corruption as one of their development priorities.

Corporate Impact

The most material aspects of the Bank’s internal operations include the following:

1. Staff are the World Bank’s greatest asset. They bring a wide range of perspectives to bear on poverty-reduction issues and emerging development challenges, and are critical to the effectiveness of the Bank’s core operational and knowledge services. Staff-related indicators are pulled from the following GRI aspect categories: Economic Performance, Market Presence, Employment, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, and Nondiscrimination.
2. The Bank recognizes that reducing its own corporate environmental impacts is in line with the institutional mission to reduce poverty, as environmental degradation affects the world’s poor disproportionately. Increasing the efficiency of how the organization runs its business—through facility-level and staff-behavior changes—reduces natural-resource waste and decreases the cost of day-to-day operations. Key aspects related to the Bank’s environmental footprint include: Materials, Energy, Water, Emissions, Effluents and Waste, and Procurement Practices.

102-48 Restatements of information

In EC1, certain reclassifications of financial information have been made to show net revenues that take into account change in presentation of revenue from externally funded activities.

102-49 Changes in reporting

There were no changes from previous reporting periods in the list of material topics and topic Boundaries.

102-50 Reporting period

The *GRI Index 2017* covers fiscal year 2017, July 1, 2016, through June 30, 2017.

102-51 Date of most recent report	The previous <i>Sustainability Review</i> and <i>GRI Index</i> were made available in October 2016.
102-52 Reporting cycle	The World Bank updates its <i>GRI Index</i> annually and provides a summary of the year's activities in the <i>World Bank Annual Report</i> . An in-depth <i>World Bank Sustainability Review</i> is published biennially.
102-53 Contact point for questions regarding the report	For more information, email the Corporate Responsibility Program: crinfo@worldbank.org .
102-54 Claims of reporting in accordance with the GRI Standards	The <i>GRI Index 2017</i> has been prepared in accordance with the GRI Standards: Core option
102-55 GRI content index	The <i>GRI Index 2017</i> is available on the following webpage: http://worldbank.org/corporateresponsibility .
102-56 External assurance	The World Bank has not set a policy on gaining external assurance for its <i>GRI Index</i> and <i>Sustainability Review</i> . In practice, limited assurance is carried out for the Bank's corporate carbon emissions data periodically. The carbon inventory is also assured every year by the <i>IFC Annual Report</i> auditors.

OPERATIONAL IMPACT

GRI 200 Economic Standard Series

Economic Performance

The World Bank is an important source of financial resources and technical assistance for developing countries around the world. It is not a bank in the ordinary sense, but a unique partnership formed to reduce poverty and support development. The Bank supports a wide array of investments in such areas as education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management.

The World Bank's lending is aimed at two different groups of countries: IBRD strives to reduce poverty in middle-income and credit-worthy poorer countries through loans, guarantees, risk-management products, and analytical and advisory services. Its companion organization, IDA, offers below-market-rate financing to the world's 78 poorest countries, primarily through credits and grants. IBRD funds itself through high-quality bonds offered in the international capital markets. IDA's funding is predominantly from contributions by donor countries, including OECD countries and, increasingly, middle-income nations.

The Bank has established ambitious but achievable goals to galvanize international and national efforts: to end extreme poverty—reducing the share of the global population living in extreme poverty to 3 percent by the year 2030—and to boost shared prosperity—increasing the income of the bottom 40 percent of the population. Both of these goals must be met in a sustainable manner. The World Bank Corporate Scorecard is designed to provide a snapshot of the Bank's overall performance in the context of development results. It facilitates strategic dialogue between management and the Board on progress made and areas that need attention. Aspects of financial strength are measured under the Scorecard's Tier III, which reviews the overall success of Bank activities in achieving development goals and examines the effectiveness of Bank operations, including the performance of its lending portfolio. For more information on the Corporate Scorecard, see <http://scorecard.worldbank.org>.

201-1 Direct economic value generated and distributed

In fiscal year 2017, IBRD's net revenues totaled \$1.98 billion (\$1.89 billion and \$1.96 billion for 2016 and 2015, respectively), and IDA's net revenues were \$1.32 billion (\$1.93 billion and \$1.53 billion for 2016 and 2015, respectively). Sources of revenues include net revenue from loans, net revenue from IBRD's Equity Management, revenue from investments trading, and transfers from affiliated organizations. This is different from last year due to a change in the presentation of revenue from externally funded activities, which is offset by a corresponding amount in administrative expenses. These amounts are being shown net.

In fiscal year 2017, IBRD's administrative expenses were \$1.18 billion (\$1.30 billion and \$1.28 billion for 2016 and 2015, respectively), and IDA's administrative and development grant expenses for fiscal year 2017 were \$4.09 billion (\$2.41 billion and \$3.63 billion for 2016 and 2015, respectively). The Bank has delivered a strong lending program while containing its administrative expenses.

To better understand the business models of each entity, please see the IBRD Management's Discussion & Analysis (MD&A) and the IDA MD&A. See Financial Statements, <http://www.worldbank.org/financialresults>.

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

Climate change is already affecting countries and communities around the world, and the poorest and most vulnerable are being hit the hardest. Concerted and rapid action will be key to mitigate the effects of climate change. A shift to low-carbon development is already under way around the world as countries see the potential for climate action to create jobs, drive economic growth, improve air quality, and reduce congestion in cities. The World Bank is working on several fronts to help countries achieve their national climate targets, the Nationally Determined Contributions, which were submitted by more than 140 Bank client countries as part of the Paris Agreement on climate change.

The World Bank Group has committed to increase its climate financing to 28 percent of the Bank Group's portfolio by 2020, in response to client demand. To meet this commitment, the organization adopted a Climate Change Action Plan that lays out ambitious targets to be met by 2020 in such areas as clean energy, climate-smart agriculture, disaster risk management, and sustainable urbanization. The Bank Group has been moving quickly toward meeting these targets. In 2016 and 2017, projects representing 10 gigawatts of renewable energy capacity were approved or are in an advanced stage of preparation, with fund mobilization of \$6.5 billion. During the same period, 10 new operations were approved that when put into place, will improve the climate resilience of over 50 million people.

For details on climate-related projects, see <http://www.worldbank.org/climatechange>.

Risks and opportunities and the subsequent implications of the Bank's activities due to climate change are reported through the Climate Disclosure Project. For the complete report, see www.cdp.net.

201-4 Financial assistance received from government

World Bank member countries, or shareholders, are represented by a Board of Governors, who are the ultimate policymakers at the World Bank. Generally, the governors are member countries' ministers of finance or ministers of development. They meet once a year at the Annual Meetings of the Boards of Governors of the World Bank Group and the International Monetary Fund. The governors delegate specific duties to 25 Executive Directors, who work onsite at the Bank. The five largest shareholders appoint an Executive Director, while other member countries are represented by elected Executive Directors.

Member contributions: IBRD has a diversified shareholder base that supports IBRD's financial strength through both paid-in and callable capital. Callable capital may be called only when required to meet obligations of IBRD for funds borrowed or on loans guaranteed by it. For capital contributed by a member country, see Financial Statements, <http://www.worldbank.org/financialresults>.

Trust funds: Generally accounted for separately from the Bank's own resources, trust funds are financial and administrative arrangements with external donors that lead to grant funding of high-priority development needs, such as technical assistance, advisory services, debt relief, post-conflict transition, and co-financing.

Taxes: As an organization established by international treaty, the World Bank receives tax-exempt status from its member countries.

Indirect Economic Impact

The World Bank is an important source of financial resources and technical assistance for developing countries around the world. It is not a bank in the ordinary sense, but a unique partnership formed to reduce poverty and support development. The Bank supports a wide array of investments in such areas as education, health, public administration, infrastructure, financial and private sector development, agriculture, and environmental and natural resource management.

The Bank has established ambitious but achievable goals to galvanize international and national efforts: to end extreme poverty—reducing the share of the global population living in extreme poverty to 3 percent by the year 2030—and to boost shared prosperity—increasing the income of the bottom 40 percent of the population. These goals must be met in a sustainable manner. The World Bank Corporate Scorecard measures the progress on these goals. It reports key sectoral and multisectoral results achieved by clients with the support of the World Bank Group. For more information on the Corporate Scorecard, see <http://scorecard.worldbank.org>.

203-1 Infrastructure investments and services supported

Infrastructure development—in the energy, water, transport, and information and communication technology sectors—is critical to accelerating economic growth and to reducing poverty. The World Bank supports governments by providing analysis and advice, financial instruments, convening power, and crucially, a solid evidence base to help them make informed decisions about improving access to and the quality of infrastructure services, which can include, where appropriate, leveraging private sector financing and public–private partnerships.

For more information about the infrastructure projects financed by the World Bank, see the *World Bank Annual Report 2017*, www.worldbank.org/annualreport.

203-2 Significant indirect economic impacts

Equitable policies and institutions help every country's poorest people to benefit from economic growth. The World Bank supports policymakers to reach well-informed, evidence-based decisions that promote equity and inclusion, sustainable macroeconomics, public sector transparency and efficiency, productivity, and financial sector deepening and stability—all foundational elements for reducing poverty and promoting inclusive, sustainable economic growth. The Bank pursues its principal goals by providing loans, expertise on development-related disciplines, and risk management products and by coordinating responses to regional and global challenges. The Bank's financial resources are significant, and equally valuable is its knowledge. The Bank's scale, range, and diversity lie at the core of its specialized role as a key contributor to global development knowledge.

For a breakdown of the fiscal year 2017 portfolio by theme, sector, and region, see “The Roles and Resources of the World Bank” in the *World Bank Annual Report 2017*, www.worldbank.org/annualreport.

See the Corporate Scorecard for the Bank's overall performance in the context of development results: <http://scorecard.worldbank.org>.

Anti-Corruption

Critical to the World Bank Group's mission is a well-functioning public sector that delivers quality public services consistent with citizen preferences, while managing its fiscal resources in a prudent manner. World Bank Group (WBG) operations across sectors systematically incorporate governance and anticorruption measures into project design. The objective is to better mitigate corruption and fiduciary risks and ensure that development funds are used for their intended purposes.

The Bank Group's Sanctions System is comprised of three independent offices: the Integrity Vice Presidency (INT) and two adjudicative units, the Office of Suspension and Debarment, and the Sanctions Board. INT investigates allegations of fraud and corruption in Bank Group-supported activities (external investigations), as well as allegations of significant fraud and corruption involving Bank staff and vendors (internal investigations). Any resulting Bank Group debarments made through the Sanctions System prevent these parties from participating in future Bank Group-financed projects and serve as a deterrent to other potential wrongdoers. INT also helps client countries through its joint investigations and forensic reviews, the investigative findings it refers to national authorities, and by sharing its insights with relevant ministries to help bolster their business systems and administration. INT further works with the private sector and NGOs through its Integrity Compliance Office to institute integrity compliance programs that sanctioned entities must satisfy to be released from a WBG sanction. By combining investigations with an enhanced focus on compliance, detection of red flags, and building preventive measures in projects, INT promotes a proactive approach to managing fraud and corruption risks. It is vital to manage these risks in an efficient and effective manner, as they can impact development resources, particularly in fragile contexts and high-risk sectors. For more information on the Governance Global Practice, see www.worldbank.org/governance. For more information on INT, see www.worldbank.org/integrity.

205-1 Operations assessed for risks related to corruption

INT assesses and investigates allegations of corruption involving WBG financing. In fiscal year 2017, INT opened 51 external investigations into possible corruption, fraud, collusion, coercion, and obstruction in 55 Bank Group-financed projects in 33 countries. The investigations substantiated in the fiscal year involved 52 projects and included the review of 147 contracts, totaling approximately \$727 million.

Keeping staff who work on projects attuned to risks arising from investigations and forensic audits is critical to ensuring high-risk operations, in particular, are able to deliver results. As of the end of fiscal year 2017, INT had identified 157 WBG-financed projects as being exposed to specific integrity risks, consisting of 117 projects under implementation and 40 in the pipeline. The projects were identified on the basis of specific criteria, including relevant ongoing and recently substantiated investigations, and the existence of multiple credible complaints. INT alerted the relevant project teams so that the risks could be addressed through strengthened project design or supervision.

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

Board: INT provides all new Executive Directors of the Board and their Advisors with an overview of INT's mandate, structure, and case portfolio and highlights relevant issues during the Board Induction program. The Audit Committee of the Board, made up of eight Executive Directors, is briefed in more detail on a quarterly basis on these same activities. Thirty-eight Advisors to Executive Directors attended INT's Integrity Clinic in fiscal year 2017. This clinic raises awareness about how corruption can impact Bank Group-financed projects so that Board members are better able to assess projects before approving them.

Employees: All new employees receive an overview of relevant staff rules and how to report suspected corruption issues. Eight hundred seventy-nine persons working for ministries and implementing agencies in client countries, enforcement agencies, and CSOs received information and training from INT related to integrity in Bank Group-financed operations. INT organized training for more than 1,200 staff on topics such as forensic auditing, integrity due diligence, and spotting indicators of corruption in fiscal year 2017. That same year, the Operations Policy and Country Services (OPCS) Vice Presidency ran one targeted clinic on Anti-Corruption in Projects that reached 25 participants. OPCS's Governance and Anti-Corruption-in-Operations community of practice (300 staff) also fosters outreach and training to Bank Group staff on corruption risks at a project's level. Also, in fiscal year 2017, more than 600 staff attended the Governance Forum, which featured two sessions focused on corruption and illicit financial flows.

Business partners: The Bank Group harmonized investigative procedures and definitions of sanctionable practices (including corruption) with the Asian Development Bank, the African Development Bank, the Inter-American Development Bank, and the European Bank for Reconstruction and Development. Firms and individuals who are blacklisted by the Bank Group must meet specific conditions, such as establishing and implementing an effective corporate compliance program or improving an existing program, before they are again eligible to bid on Bank Group-funded projects. These conditions are based on the Integrity Compliance Guidelines. To date, 289 entities have been sanctioned with such conditions. In fiscal year 2017, the Integrity Compliance Office notified 45 newly debarred entities of their conditions for release, and 13 entities met their conditions for release. For more information on the Integrity Compliance Guidelines, see <http://pubdocs.worldbank.org/en/489491449169632718/Integrity-Compliance-Guidelines-2-1-11.pdf>.

205-3 Confirmed incidents of corruption and actions taken

Twenty-two of 32 substantiated cases in fiscal year 2017 involved corruption by firms or individuals working on Bank Group-funded projects.

One short-term consultant was permanently barred from rehire.

No corporate vendors were debarred in fiscal year 2017.

No corruption cases were brought against the World Bank Group or its employees in fiscal year 2017.

GRI 300 Environmental Standards Series

Biodiversity

Biodiversity supports economic growth and human wellbeing. And it is essential for sustainability and to maintain ecological as well as social resilience to disturbances such as climate change. But the world is experiencing a dramatic loss of biodiversity, which has negative effects on livelihoods, water supply, food security, and resilience to extreme events. It has consequences for 78 percent of the world's extreme poor who live in rural areas, many of whom rely on ecosystems and the goods they produce to make a living. The World Bank estimates that crimes affecting natural resources and the environment inflict damage on developing countries worth more than \$70 billion a year. The livelihoods, welfare, and safety nets of the rural poor, especially women, are often inextricably dependent on natural and semi-natural ecosystems. Biodiversity is especially significant for the 300 million indigenous peoples of the world, for whom nature—apart from being a source of livelihood and wellbeing—is the foundation for their cultural and spiritual identities.

The World Bank's Environmental and Natural Resources (ENR) Global Practice works with national and local stakeholders to improve natural resource management. We address biodiversity through country-specific and regional projects, for example:

- (1) Dedicated conservation projects, including with the Bank's Global Environment Facility (GEF) funding, such as the South Africa iSimangaliso Wetland Park; the Amazon Landscape Program; and the Global Wildlife Program (supported by GEF plus IDA and Trust Funds);
- (2) Broader agricultural and natural resource management projects (including landscape-level interventions) such as in Burundi, where biodiversity-friendly shade coffee in PADZOC is scaled up to a larger agriculture project; the Sahel and West Africa Program in support of the Great Green Wall (funded by GEF plus IDA and Trust Funds); and Colombia Sustainable Cattle Ranching (funded by GEF and Trust Funds); and (3) Infrastructure and other large-scale development projects that address biodiversity conservation in order to maintain environmental services, mitigate adverse impacts, and enhance biodiversity outcomes, for example, the Cameroon Lom Pangar Dam and Lao Nam Theun 2 Dam. Both support large conservation areas as biodiversity offsets.

Wherever feasible, Bank-financed projects are sited on already converted lands to preserve critical natural habitats. The World Bank does not support projects that involve the significant conversion or degradation of critical natural habitats unless there are no feasible alternatives for the project and its siting, and comprehensive analysis demonstrates that overall benefits from the project substantially outweigh the environmental costs.

In response to a 2013 Independent Evaluation Group review of the Bank's portfolio in the forest sector, the WBG developed a Forest Action Plan for fiscal years 2016–2020 that aims to boost the potential of forests to lift people out of poverty and generate lasting social, economic, and environmental returns in developing countries. Forests and trees provide vital resources and ecosystem services for humanity through the regulation of climate and hydrological systems. The number of people deriving direct and indirect benefits from trees—in the form of employment, forest products, and contributions to livelihoods and incomes—is estimated at 1.3 billion.

304-3 Habitats protected or restored

The Bank supports the protection, maintenance, and rehabilitation of natural habitats—and their functions in its advisory work, project financing, and policy dialogue. From fiscal years 2006–2016, 92 projects supported habitat protected or restored areas, with a geographic emphasis on the Latin America and the Caribbean region (LAC) and Africa (33 and 31 projects, respectively), and 17 in East Asia and the Pacific, six in East and Central Asia, two in Middle East and North Africa, and three in South Asia. Habitat restoration was supported through five projects (two in Africa, one in East and Central Asia, and two in LAC).

Our ongoing programs include: the New York Declaration on Forests; the African Resilient Landscapes Initiative and its forest component, the African Restoration Initiative; the Global Partnership on Forest Landscape Restoration; the TerrAfrica Partnership; the Initiative LAC 20x20; the Global Partnership on Wildlife Conservation and Crime Prevention for Sustainable Development; the International Consortium on Combating Wildlife Crime; and the Amazon Sustainable Landscapes Program.

GRI 400 Social Standards Series

Child Labor

The World Bank recognizes that child labor is one of the most devastating consequences of persistent poverty. All standard World Bank bidding documents contain a clause prohibiting the use of child or forced labor in contracts financed under any World Bank projects. Staff in Bank-supported operations are required to assess social issues, such as child labor, within the environmental and social aspects of the projects and develop specific measures that would be implemented during the project to mitigate the risk. The World Bank has been actively supporting the diversification of agricultural production beyond cotton and wheat into other high-value crops such as fruit and vegetables, and livestock. This support is clearly defined in the World Bank Group Country Partnership Framework that was approved in 2016. The World Bank-financed agriculture projects in Uzbekistan focus on improving agricultural productivity, promoting sustainable management of land and water resources, increasing the efficiency of irrigation infrastructure, and enhancing the economy's competitiveness. This is also supported through analytical and advisory services. Results of the 2016 cotton harvest monitoring, conducted by the International Labor Organization (ILO), were made public on February 1, 2017. The ILO report concludes that organized child labor has been “phased out” in Uzbekistan and calls this a major achievement. However, concerns remain regarding the risks of forced labor associated with the widespread organized recruitment of adults. The World Bank does not condone forced labor in any form and takes seriously reports of incidents in the cotton production system of Uzbekistan. We continue to voice our strong concerns on labor issues to the Government of Uzbekistan and we are supporting its efforts to eliminate forced labor by cutting cotton production, diversifying agriculture, and increasing mechanization. We also support private sector players who demonstrate commitment to responsible labor practices.

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

In fiscal year 2017, the World Bank continued to ensure that at-risk projects, such as those in Uzbekistan, included measures to prevent the occurrence of child or forced labor by beneficiaries of Bank-supported projects. The Bank continued pursuing policy dialogue aimed at transforming the cotton sector with the Government of Uzbekistan. Third Party Monitoring, conducted by the ILO, which started in 2015, continued in 2016. Both in 2015 and 2016, ILO monitors found no systematic use of child labor, and the organization stated the practice has been “phased out” and has become “socially unacceptable.” However, both the ILO and the World Bank still have concerns about the risk of forced labor associated with the mass mobilization of adults to pick cotton. The ILO, in collaboration with the Bank, is conducting a range of training, awareness, and outreach activities aimed at improving labor relations in agriculture. All projects in agriculture, as well as other sectors affected by the risks of child and forced labor, include legal requirements in their financial agreements related to and government compliance with national legislation that prohibits the use of child or forced labor; and implementation of a third-party monitoring and a feedback mechanism that focuses on child or forced labor issues in connection with the project activities or within project areas.

For more information, see “Third Party Monitoring of measures against child and forced labor during the Uzbekistan 2016 Cotton Harvest: An assessment submitted to the World Bank by the International Labour Office,” January 2017: <http://pubdocs.worldbank.org/en/269051485892885586/IOL-Monitoring-Report.pdf>; and “Q&A on the World Bank’s Agriculture Sector Policy in Uzbekistan in the Context of Child and Forced Labor Concerns,” last updated January 2017: <http://pubdocs.worldbank.org/en/580951496269667203/Uzbekistan-QA-Updated-2017.pdf>.

Rights of Indigenous Peoples

Central to the Bank’s mission of reducing poverty and promoting sustainable development is ensuring that the development process fully respects the dignity, human rights, economies, and cultures of Indigenous Peoples. The Bank recognizes that the identities and cultures of Indigenous Peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. These distinct circumstances expose Indigenous Peoples to different types of risks and levels of impacts from development projects, including loss of identity, culture, and customary livelihoods. Gender and intergenerational issues among Indigenous Peoples are also complex. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limits their capacity to defend their interests in and rights to lands, territories, and other productive resources, or restricts their ability to participate in and benefit from development. At the same time, the Bank recognizes that Indigenous Peoples play a vital role in sustainable development and that their rights are increasingly being addressed under both domestic and international law.

Rights of Indigenous Peoples (cont.)

The World Bank safeguards policy on Indigenous Peoples, OP/BP 4.10, Indigenous Peoples, underscores the need for borrowers and Bank staff to identify Indigenous Peoples, consult with them, and ensure that they participate in and benefit from Bank-funded operations in a culturally appropriate way. It also emphasizes that adverse impacts on them are avoided or, where not feasible, minimized or mitigated. For all projects that are proposed for Bank financing and involve Indigenous Peoples, the Bank requires the borrower to engage in a process of free, prior, and informed consultation. The Bank provides project financing only where there is broad community support to the project by the affected Indigenous Peoples.

In August 2016, the World Bank Board of Executive Directors approved a new Environmental and Social Framework for protecting people and the environment in World Bank-financed investment projects, marking the end of a four-year review process that concluded in fiscal 2016. This was the most extensive consultation the World Bank has ever conducted. The World Bank will now implement an intensive preparation and training period (12–18 months) to prepare for the transition to the new framework (expected in calendar year 2018).

The new framework advances the Bank's existing Indigenous Peoples policy by including Free, Prior, and Informed Consent (FPIC), and by addressing peoples in voluntary isolation, and pastoralists. This provision is well harmonized with those of other International Financial Institutions. The safeguards review included a Global Dialogue and Engagement process with Indigenous Peoples that sought to incorporate Indigenous Peoples in the review and update of the World Bank's Environmental and Social Framework, as well as to strengthen World Bank support to and engagement with Indigenous Peoples, more generally. The consultations on the framework included several dedicated Indigenous Peoples dialogue sessions, which yielded important results in terms of participation, information gathered, and the beginning of a renewed and stronger relationship with Indigenous Peoples.

For more information, see <http://www.worldbank.org/indigenouspeoples>.

For more information on the safeguards review process, see <https://consultations.worldbank.org/consultation/review-and-update-world-bank-safeguard-policies>.

411-1 Incidents of violations involving rights of indigenous peoples

In fiscal 2016, two projects were processed under the pilot approach for early solutions. Paraguay: Sustainable Agriculture and Rural Development Project was closed in March, and Kenya: Electric Expansion Project was investigated and is under review.

For more information, see case updates on the Inspection Panel website: <http://www.worldbank.org/inspectionpanel>.

Human Rights

Social development and inclusion are critical for all the World Bank's development interventions and for achieving sustainable development for our member countries. For the Bank, inclusion means empowering all people to participate in, and benefit from, the development process. Inclusion encompasses policies to promote equality and non-discrimination by improving the access of all people, including the poor and disadvantaged, to services and benefits such as education, health, social protection, infrastructure, affordable energy, employment, financial services, and productive assets. It also embraces action to remove barriers against those who are often excluded from the development process, such as women, children, persons with disabilities, and youth and minorities, and to ensure that the voices of all are heard. In this regard, the World Bank's activities support the realization of human rights expressed in the Universal Declaration of Human Rights. Under the projects financed by the Bank, in a manner consistent with its Articles of Agreement, the World Bank seeks to avoid adverse impacts, and will continue to support its member countries as they strive to progressively achieve their human rights commitments.

The World Bank recognizes the importance of human rights principles in development: transparency, accountability, non-discrimination, equality of opportunity, governance, empowerment, participation, and inclusion. These principles are reflected in all projects the World Bank finances. The Bank screens each project proposed for financing to determine the appropriate extent and type of environmental and social analysis to be undertaken during project preparation, and whether the project may involve the application of safeguard policies. Policies that may be triggered include: OP/BP 4.01, Environmental Assessment; OP/BP 4.04, Natural Habitats; OP 4.09, Pest Management; OP/BP 4.10, Indigenous Peoples; OP/BP 4.11, Physical Cultural Resources; OP/BP 4.12, Involuntary Resettlement; OP 4.36, Forests; and OP/BP 4.37, Safety of Dams. In addition, the Bank recognizes that gender issues are an important dimension of its poverty reduction, economic growth, human wellbeing, and development effectiveness agenda. OP/BP 4.20 establishes a country-level, strategic approach to mainstreaming gender issues in Bank work. For more information on gender issues, see <http://www.worldbank.org/en/topic/gender>.

The Bank classifies each proposed project into one of four safeguard categories (A, B, C, or FI) depending on the type, location, sensitivity, and scale of the project and the nature and magnitude of its potential environmental impacts. The borrower is responsible for any assessment required by the safeguard policies, with Bank staff providing advice on the application of the policies. Depending on the type of project and its safeguard policy category, the Bank project design incorporates such issues as public consultation, environmental and social assessments, Indigenous Peoples' plans, and resettlement frameworks and/or resettlement action plans. Compliance with these policies forms part of the legal agreements for Bank grants, credits, and loans.

In August 2016, the World Bank's Board of Executive Directors approved a new Environmental and Social Framework to protect people and the environment in its projects. A 2011 evaluation of the previous framework helped motivate the review and update. The new framework will be launched in 2018 and will contribute to sustainability and development effectiveness in Bank projects and programs by helping to avoid or mitigate harm to people and the environment. For updates, see <http://worldbank.org/esf>.

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

One hundred percent of the projects financed by World Bank were appraised in accordance with requirements per the Bank's policies to protect the environment and people potentially affected by Bank-supported projects. The Bank screens each proposed project to determine the appropriate extent and type of environmental and social analysis to be undertaken during project preparation and whether the project may involve the application of safeguard policies. Environmental and social risk management, including risk mitigation measures, are also referenced in the project legal agreement, and therefore are part of the contract with the borrower. For details on projects, see <http://projects.worldbank.org>.

412-2 Employee training on human rights policies or procedures

World Bank environmental and social safeguard policies are a cornerstone of our support of sustainable development and poverty reduction. The objective of these policies is to prevent and mitigate undue harm to people and their environment in the development process.

In fiscal year 2017, 96 hours (35 sessions) of the Bank's corporate safeguards training program were delivered to 1,297 Bank staff. In fiscal year 2016, 126 hours (21 sessions) of training on safeguard policies were delivered to 600 staff members in Washington, DC. In fiscal year 2015, 144 hours (24 sessions) of training on Bank safeguard policies were delivered to 500 staff members in Washington, DC. In addition, various regional offices hosted training workshops, which are not included in these totals.

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

Environmental and social risk management are part of the contract with the borrower. The World Bank does not include human rights clauses in its contracts and does not screen contracts for human rights. The World Bank is not a human rights-enforcing institution.

Local Communities

The Bank screens all projects proposed for financing to determine the appropriate extent and type of potential impacts on communities and the environment. As each of the proposed projects is screened, it is classified into one of four safeguard categories (A, B, C, or FI) depending on the type, location, sensitivity, and scale of the project, and the nature and magnitude of its potential impacts. The borrowing country government is responsible for any assessments required by the safeguard policies; World Bank staff members provide general advice. The Legal Department monitors compliance with policies that involve international law, such as those for international waterways and disputed areas.

If a project is considered to have adverse impacts on a community, the borrower must carry out an environmental and social impact assessment. This impact assessment will consider gender issues as part of its social analysis. The borrower is required to consult on environmental and social impacts and mitigation measures with the communities affected by the project. For meaningful consultations between the borrower and project-affected groups and local NGOs, the borrower is required to provide relevant material in a timely manner prior to consultation, in a form and language that are understandable and accessible to the groups being consulted. For projects with significant risks (category A and B), the Bank discloses the environmental and social assessment. The borrower is required to establish a project-level grievance redress mechanism for all projects with adverse impacts.

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

A total of 418 projects were screened in fiscal year 2017, of which 46 were classified as Category A and 153 as B. The rest are distributed among FI, Category C, and PforR (not categorized).

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

A total of 418 projects were screened in fiscal year 2017, of which 46 were classified as Category A and 153 as B. The rest are distributed among FI, Category C, and PforR (not categorized).

CORPORATE IMPACT

GRI 200 Economic Standard Series

GRI 204: Procurement Practices

Our supply chain impacts are potentially the largest sustainability effects of the World Bank, with annual purchasing of the Bank topping \$1 billion. Supply chain was also identified as a key impact area by stakeholders, including Sustainable & Impact investors. The World Bank Corporate Procurement unit is responsible for coordinating and overseeing the sourcing strategy, selection, and contract execution for Bank offices around the globe, including adherence to the Bank's policies on socially and environmentally responsible corporate procurement policies. Corporate Procurement partnered with Facilities Management in reviewing main categories to align the Bank's sourcing strategy, selection, and contract execution with those of leading companies working to minimize environmental impact. Assessments of major corporate material purchases (including office construction and renovations, paper, computers, and furniture) are being conducted to strengthen and mandate environmental specifications. The World Bank Group Procurement Review Committee of senior managers reviews all planned procurements valued above \$5 million to ensure that socially and environmentally responsible criteria are present from the project's outset.

204-1 Proportion of spending on local suppliers

The World Bank Group is refining its approach to local vendor screening, leveraging the newly established category management and electronic tendering system. Commodity segmentation has been completed, and the identification and inclusion of local criteria in the screening and evaluation process is underway. The tendering system will capture information on vendors screened versus selected, based on the local criteria. A pilot of this two-prong approach will commence in July 2017.

GRI 300 Environmental Standards Series

GRI 301: Materials

Consumption of materials is minimal in the World Bank's corporate operations, but nonetheless important. Stakeholders, which include Sustainable & Impact investors, recognized that the materials used in our internal operations and the associated supply chain practices are highly relevant to our business impact.

Key materials include office supplies and electronics purchased to support the work of our staff globally. Reducing the environmental impact of these materials by minimizing consumption and maximizing the use of recycled content and rapidly renewable choices ensures resources are available for future generations. The World Bank identifies products and services with large environmental impacts or those that it procures in large amounts. The Bank then works to identify environmentally and socially preferable alternatives. Quarterly reports from key suppliers reflect the percentage of products that meet key environmental criteria, such as percentage of recycled content, environmental certifications including Energy Star ratings and Forest Stewardship Council (FSC) certification, and other sustainable criteria. We are currently assessing the approach to manage our material inputs and associated supply chains and will have more to report in future years.

301-1 Materials used by weight or volume

As a service organization, the World Bank does not use a large amount of materials to produce or package products; materials input primarily support our office-based environment. This includes the use of office supplies such as paper, information technology equipment, and food-service-related consumables. In fiscal year 2017, the total amount of non-renewable materials used was 235 metric tons, including 43 tons of electronic equipment, 97 tons of office products, and 95 tons of bottled water. In the same period, the total amount of renewable material used was 595 tons, including 550 tons of paper and 45 tons of food-service-related consumables.

301-2 Recycled input materials used

The World Bank is committed to using resources that are made from recycled or rapidly renewable materials for its internal operations. The largest material purchases include paper, office supplies, office furniture, cafeteria napkins, and electronics.

World Bank standard copier and printer paper is 100 percent post-consumer waste recycled content and FSC certified. The Bank tracks the percentage of all paper used at the institution that was made of recycled content. In fiscal year 2017, this amount was 68 percent, up from 62 percent in fiscal year 2016. The Bank also tracks the percentage of paper used that is 100 percent recycled content. In fiscal year 2017, this amount was 64 percent, up from 60 percent in fiscal year 2016.

The Bank also tracks the percentage by weight of all items purchased from our office supply vendor that contain at least 10 percent post-consumer recycled content. In fiscal year 2017, 16 percent of all purchases from the office supply vendor contained at least 10 percent post-consumer recycled content, compared to 22 percent in fiscal year 2016. This decrease was due to the Bank's use of a managed print service, which eliminated the use of recycled-content printer cartridges in favor of a centralized service provider.

More than 40 percent of our office furniture contains a minimum of 10 percent post-consumer recycled content, and the majority of furniture in use at the World Bank has been refurbished or reupholstered.

In our food services, all cafeteria napkins are made from 100 percent post-consumer recycled paper and produced with a 100 percent bleach-free process. In fiscal year 2017, we purchased six tons of napkins.

We also use sustainability criteria for our information technology purchases to ensure components of our computers, laptops, and monitors are made of recycled input materials. The percentage of recycled components in our technology purchases is not tracked.

GRI 302: Energy

Energy is a key input to the World Bank's business operations. Stakeholders, which include Sustainable & Impact Investors, consider energy as an important impact from the Bank's internal business. The purchase and use of energy can have various impacts because of the extraction of materials from the earth's crust and the production of persistent toxic emissions from the combustion of fuels. Combustion of fossil fuels can result in severe health consequences, and affects the expense-to-business revenue ratio.

The World Bank manages its energy use carefully by tracking use in each owned facility. Quarterly tracking of the Bank's energy use is evaluated by the Director of General Services. Energy use is evaluated as an absolute figure and on an intensity basis to determine progress. Responsibility for increasing the energy efficiency of the Washington, DC, headquarters campus, with the goal of bringing all owned facilities to Leadership in Energy and Environmental Design (LEED) minimum requirements, falls with the Senior Project Manager in the Bank's Corporate Real Estate unit.

Data from country offices lag by one year; therefore, fiscal year 2016 data (including that from headquarters) are presented in the *GRI Index 2017*.

302-1 Energy consumption within the organization

The World Bank purchases natural gas, propane, gasoline, and diesel fuel for combustion onsite. In fiscal year 2016, total global fuel use was 85,557 GJ, compared to 99,041 GJ in fiscal year 2015, 92,793 GJ in fiscal year 2014, and 90,135 GJ in fiscal year 2013.

The portion of this fuel consumption from renewable resources is not tracked, because data from fuel providers are not appropriately detailed. Total global energy use in fiscal year 2016 equaled 495,645 GJ, compared to 538,966 GJ in fiscal year 2015. Offices located in the US used 325,712 GJ, compared to 346,526 GJ in fiscal year 2015, 337. In fiscal year 2016, data collected from the Bank's 126 offices outside of the US totaled 169,934 GJ of energy, compared to 192,440 GJ in fiscal year 2015.

Energy Consumption (GJ)	FY16	FY15	FY14	FY13
Total	495,645	538,966	519,589	548,172
Electricity	404,166	434,087	420,951	425,382
Heating (including natural gas, propane)	17,291	16,195	18,704	25,167
Cooling	0	31	28	48
Steam	5,923	5,807	5,817	7,149

302-1 Energy consumption within the organization (cont.)

The remainder was from diesel and other fuel consumption for energy generation.

The World Bank does not sell any electricity, heating, cooling, or steam.

Information about World Bank standards, methodologies, and assumptions used, including conversion factors, can be found in the World Bank Group's Inventory Management Plan for fiscal year 2016.

For more information, see <http://worldbank.org/corporateresponsibility>.

302-2 Energy consumption outside of the organization

Energy consumption outside the organization includes fuel used in contractor-owned vehicles as well as commercial airlines used for employee business travel. In fiscal year 2016, 18,468 GJ stemmed from contractor vehicle use, compared to 18,413 GJ in fiscal year 2015, 21,900 GJ in fiscal year 2014, and 14,636 GJ in fiscal year 2013. Data for fuel use in commercial airliners are not available, as this information is not provided by commercial airlines.

Information about World Bank standards, methodologies, and assumptions used, including conversion factors, are in the World Bank Group's Inventory Management Plan for fiscal year 2016.

For more information, see <http://www.worldbank.org/corporateresponsibility>.

302-3 Energy intensity

Energy intensity decreased in fiscal year 2016, with the World Bank using 0.81 GJ of energy per square meter, as compared to 0.90 GJ per square meter in fiscal year 2015, and 0.88 GJ per square meter in fiscal year 2014.

This is based on 612,226 total occupied square meters in fiscal year 2016, 596,562 total square meters in fiscal year 2015, and 548,795 total square meters in fiscal year 2014. This ratio includes all energy (onsite combustion fuel, electricity, heating, cooling, and steam) except for energy consumption outside of the organization.

302-4 Reduction of energy consumption

In fiscal year 2017, the Bank undertook efficiency measures that reduced its energy consumption by 879 GJ, predominately through reductions in electricity use.

In our non-US offices, this included the following:

- In our Dhaka, Bangladesh, office, CFL lights were replaced with LED fixtures, reducing electricity use by over 32 GJ per year.
- In our Addis Ababa, Ethiopia, office, solar LED lights were installed in the parking area and security gate, reducing electricity use by over 33 GJ per year.
- In our Juba, South Sudan, office, we installed solar security lighting throughout the compound, reducing electricity use by 172 GJ per year.
- In our Chennai, India, office, we replaced inefficient sodium halide lighting with solar-powered LED perimeter lights, and upgraded other fixtures from CFL to LED, reducing electricity use by 643 GJ per year.

302-4 Reduction of energy consumption (cont.)

Reduction reporting is based on major initiatives taken in fiscal year 2017.

Methodologies and assumptions for calculating reductions are specific to each initiative and are sourced from engineering proposals.

GRI 303: Water

Water security is among the top global risks in terms of development impact. The world will not be able to overcome the sustainable development challenges of the 21st century—including human development, livable cities, climate change, food security, and energy security—without improving management of water resources and ensuring access to reliable water and sanitation services. Water was identified as a key impact by stakeholders, including Sustainable & Impact Investors.

Quarterly evaluation of the use of water, like other utilities, is conducted by the Director of General Services. Water use is evaluated both as an absolute figure and on an intensity basis to determine progress. Responsibility for increasing the water efficiency of the Washington, DC, campus, with the goal of bringing all owned facilities to Leadership in Energy and Environmental Design (LEED) minimum requirements, falls with the Senior Project Manager in the Bank's Corporate Real Estate unit.

303-1 Water withdrawal by source

The World Bank Washington, DC, offices use municipal water supply from the Potomac watershed. In fiscal year 2016, 193,716,752 liters of municipal water was used in our Washington, DC, offices, primarily for domestic and drinking water purposes. No surface water, groundwater, rainwater collected by the organization, or wastewater from other organizations was used in Washington, DC, offices in fiscal year 2016. Of 126 offices outside the US, the total water used could be reported by only 37 offices, due to metering constraints or lack of utility bills from landlords. In fiscal year 2016, this value was 48,185,883 liters. The source of withdrawal is not available for these offices, as this information is not currently collected, but will be in fiscal year 2017. Water use is based on utility bills from the local water utility, DC Water, in Washington, DC, and from utility bills or meters in those non-US offices that can report.

303-3 Water recycled and reused

In fiscal 2017, the Nairobi office established a rainwater collection system to reuse water for landscaping and cleaning external surfaces. Globally three World Bank campuses (Nairobi, Juba, Antananarivo) have water collection and reuse systems. To improve data availability in country offices, systems for improved data collection and reporting are currently being put in place.

GRI 305: Emissions

Addressing climate change is part of the World Bank's core mission of helping countries end extreme poverty and boost shared prosperity. Climate change threatens to erode development gains around the world—and its effects are greatest on the poorest and most vulnerable countries, which are the World Bank's clients.

As a demonstration of its corporate commitment to addressing climate change, the Bank continues to deepen its efforts to measure, reduce, offset, and report its greenhouse gas (GHG) emissions associated with its global internal operations, including its facilities, key meetings, and corporate air travel. The Bank has measured the GHG emissions from its facilities in Washington, DC, since 2005 and globally since 2007. Emissions are calculated in accordance with the World Resources Institute and World Business Council for Sustainable Development's GHG Protocol, with additional information on proxies, emissions factors, and the complete boundary available in the annually updated World Bank Group's Inventory Management Plan. A third party regularly verifies the Inventory Management Plan and the GHG inventory to ensure they meet international best practices.

In fiscal year 2010, the World Bank set a goal of reducing GHG emissions by 10 percent from owned and managed facilities by fiscal year 2017. As of fiscal year 2016, the Bank was on track to meet this goal. Data from country offices lag by one year, therefore fiscal year 2016 data (including that from headquarters) are presented in the *GRI Index 2017*. We will continue to work toward reducing emissions further and report on our progress in meeting the 10 percent goal in the *GRI Index 2018*.

Data from country offices lag by one year; therefore, fiscal year 2016 data (including that from headquarters) are presented in the *GRI Index 2017*.

305-1 Direct (Scope 1) GHG emissions

The World Bank measures direct GHG emissions for its internal operations based on site-specific data for facilities. Estimates are made for those facilities with missing data.

In fiscal year 2016, total gross direct (Scope 1) GHG emissions equaled 8,343 mtCO₂e, of which 957 mtCO₂e were emissions from the Bank's US facilities. The remaining 7,386 mtCO₂e stemmed from offices and vehicle use in our 126 offices outside of the US. Base-year (fiscal year 2010) emissions equaled 5,844 mtCO₂e. The increase in Scope 1 emissions was due to a slight increase in generator use in country offices.

305-1 Direct (Scope 1) GHG emissions (cont.)

Scope 1 emissions (mtCO ₂ e)	FY16	FY15	FY14	FY13	Base year FY10
Direct greenhouse gas emissions	8,343	8,016	9,387	12,094	5,844
US facilities and vehicles	957	1,009	1,181	1,548	1,615
Country office facilities and vehicles*	7,386	7,007	8,152	10,546	4,228

* The increase in country office emissions was due to improved measurement practices.

Gases included in the calculation are CO₂, CH₄, N₂O, HFCs, and PFCs. There are no known emissions of SF₆ or NF₃, as detailed in the World Bank Group's Inventory Management Plan, and no biogenic CO₂ emissions. Information on methodology, emissions factors, Global Warming Potential (GWP) rates, and consolidation approach are in the Inventory Management Plan for fiscal year 2016. For more information, see <http://www.worldbank.org/corporateresponsibility>.

305-2 Energy indirect (Scope 2) GHG emissions

The World Bank measures indirect GHG emissions for its internal operations based on site-specific data for facilities. Estimates are made for those facilities with missing data. In fiscal year 2016, Scope 2 emissions from the Bank's global offices continued to decrease, to 46,926 mtCO₂e. Base-year (fiscal year 2010) Scope 2 emissions were 60,546 tCO₂e. Information on base-year selection is in the Inventory Management Plan.

Scope 2 emissions (mtCO ₂ e)	FY16	FY15	FY14	FY13	Base year FY10
Indirect greenhouse gas emissions	46,926	49,950	54,648	55,258	60,546
US	33,569	36,268	40,670	40,841	46,756
Country office*	13,357	13,682	13,979	14,417	13,790

* Includes emissions from purchased steam, chilled water, and electricity.

305-2 Energy indirect (Scope 2) GHG emissions (cont.)

Gases included in the calculation are CO₂, CH₄, N₂O, HFCs, and PFCs. There are no known emissions of SF₆ or NF₃, as detailed in the World Bank Group's Inventory Management Plan, and no biogenic CO₂ emissions. Information on methodology, emissions factors, GWP rates, and consolidation approach can be found in the Inventory Management Plan for fiscal 2016. For more information, see <http://www.worldbank.org/corporateresponsibility>.

305-3 Other indirect (Scope 3) GHG emissions

The World Bank measures indirect GHG emissions from air travel by Bank employees, as well as delegate air travel, and other indirect emissions associated with major meetings that the Bank organizes. In fiscal year 2012, the Bank began measuring GHG emissions from contractor-owned vehicles.

In fiscal year 2016, these emissions totaled approximately 106,774 mtCO₂e, a slight increase from fiscal year 2015's emissions of 102,518 mtCO₂e. Base-year emissions in fiscal year 2010 equaled 115,545 mtCO₂e.

Emissions scopes	FY16	FY15	FY14	FY13	Base year FY10
Scopes 1 and 2 (mtCO ₂ e per square meter)	0.090	0.097	0.108	0.116	0.107
Scope 3 (mtCO ₂ e per FTE)	9.35	8.43	8.24	9.5	9.9

Gases included in the calculation were CO₂, CH₄, N₂O, HFCs, and PFCs. There were no known emissions of SF₆ or NF₃, as detailed in the World Bank Group's Inventory Management Plan, and no biogenic CO₂ emissions. Information on methodology, emissions factors, GWP rates, and consolidation approach are in the Inventory Management Plan for fiscal year 2016. For more information, see <http://www.worldbank.org/corporateresponsibility>.

305-4 GHG emissions intensity

The World Bank measures GHG emissions intensity in two distinct categories. Scope 1 and Scope 2 emissions are normalized per square meter, while Scope 3 emissions, pertaining to employee air travel, are normalized per full-time equivalent (FTE) employee.

Gases included in the calculation are CO₂, CH₄, N₂O, HFCs, and PFCs. There are no known emissions of SF₆ or NF₃, as detailed in the World Bank Group's Inventory Management Plan. Information on methodology, emissions factors, GWP rates, and consolidation approach can be found in the Inventory Management Plan for fiscal 2016. For more information, see <http://www.worldbank.org/corporateresponsibility>.

305-5 Reduction of GHG emissions

Estimated reduction in CO₂, CH₄, and N₂O emissions from Scope 2 activities from fiscal year 2015 to fiscal year 2016 totaled 2,418 metric tons, including the projects listed below:

Lighting upgrades at headquarters resulted in significant savings of over 2,300 metric tons of CO₂e per year. Smaller projects in our offices in Addis Ababa, Juba, Chennai, and elsewhere resulted in savings of around 70 mtCO₂e per year.

Reduction reporting is based on major initiatives taken in fiscal year 2016 as related to achieving reductions from the fiscal year 2010 base year. Fiscal year 2010 was chosen as the base year because it was the first year that confidence for data related to emissions from country offices was high.

Methodologies and assumptions for calculating reductions are based on initiative proposals for each reduction project.

GRI 306: Effluents and Waste

The World Bank views reducing effluent and waste production as a material aspect because of the possible negative environmental impacts, which include the release of persistent toxic chemicals through waste disposed of in landfills and through incineration. Bank stakeholders have also raised waste management as an important corporate impact.

The Bank has worked to reduce the amount of waste sent to landfills through a combination of source reduction, reuse, and recycling. Minimizing the amount of material brought into Bank facilities is the first way the Bank manages the amount of waste created. Avoiding unnecessary packaging for purchased items, including encouraging minimum purchase thresholds for office supplies, is one way the Bank accomplishes this. Another way is by mandating that large purchases from vendors, such as the Bank's latest computer monitor purchase, be delivered in bulk instead of individually packaged. In fiscal year 2016, the Bank continued to pursue efficiencies in the standardization of waste management in its headquarters facilities.

In 2016, standardizing bins in offices and common areas resulted in an increase in diversion rate. All offices in Washington, DC, facilities received a standard bin for both landfill and recyclable waste. A program to improve signage and locations of waste bins, including capturing compostable waste in common areas, was piloted in one of the Bank's Washington, DC, buildings. Results demonstrated marked success, with the diversion rate increasing by over 15 percent and the amount captured as compostable material drastically increasing. The program will be rolled out to the entire Washington, DC, headquarters campus before the end of 2017. Following this, a waste audit will be carried out and results will be shared in next year's *GRI Index*.

306-2 Waste by type and disposal method

Typical waste items from World Bank facilities include paper, bottles, cans, cardboard, food waste, toner cartridges, carpet tiles, and electronics.

Total nonhazardous waste produced by the Bank's Washington, DC, offices in fiscal year 2017 was 2,020 metric tons, compared to 1,836 metric tons in fiscal year 2016.

306-2 Waste by type and disposal method (cont.)

Waste streams (tons)	FY17	FY16	FY15	FY14
Total nonhazardous waste in Washington, DC	2021	1,836	1,965	1,913
Landfill	794	786	858	822
Recycling *	861	808	935	1,025
Compost	365	242	171	148
* Includes paper, bottles, cans, cardboard, toner cartridges, carpet tiles, and electronics.				

The information is provided by the waste-disposal contractor that manages landfill, recyclables, and compostable waste categories; the electronic-waste recycler, subcontracted through the computer electronics provider, provides information on the number of computers and other IT assets recycled yearly. Weights from roll-off compactors used for landfilled waste and recycling are exact weights to the closest one tenth of a ton. Proxies for estimating composting weight from trashcans are not yet available, but will be included in future reports.

No hazardous waste is generated by the World Bank.

GRI 200 Economic Standard Series

GRI 201: Economic Performance

The World Bank values the diversity, health, safety, and security of all our staff working in Washington, DC, and in 140 countries worldwide.

The institution's diverse workforce brings a wide range of perspectives and experience to bear on poverty-reduction issues and emerging development challenges. Our staff diversity is a strategic business asset that directly contributes to the achievement of our twin goals: reducing extreme poverty by 2030 and boosting shared prosperity for the bottom 40 percent of the population in every country where the Bank works.

The FY2017–2019 World Bank Group People Strategy was endorsed by Management and the Board in fiscal year 2017. The strategy was developed taking into account multiple inputs, including (1) the business strategy (articulated in the "Forward Look: A vision for the World Bank Group in 2030"); (2) a retrospective view of progress and lessons learned from the FY2014-2016 Human Resources (HR) Strategy; (3) a review of global workforce trends; (4) benchmarking against comparable institutions; (5) analysis of internal trends and engagement surveys; and (6) insights gathered via an unprecedented level of outreach to Bank leadership and staff. The FY2017-2019 People Strategy articulates a clear vision to (1) build a workforce with the right skills, in the right place, at the right time who can offer the best development solutions to our clients; and (2) be the best place to work in development.

GRI 201: Economic Performance (cont.)

To achieve that vision, the People Strategy identified five strategic areas of focus and three cross-cutting themes. Areas of focus include: (1) leverage the World Bank's global and diverse talent; (2) build and develop managerial and leadership capacity; (3) strengthen performance and rewards; (4) promote the health, safety, and wellbeing of our people; and (5) improve the World Bank's organizational effectiveness. Cross-cutting themes include: (1) focus on the HR fundamentals—strengthen policies, processes, platforms, and support that underpin everything HR does; (2) strengthen support in fragility, conflict, and violence (FCV) situations; and (3) advance diversity and inclusion. To ensure successful delivery of the new People Strategy, HR developed a robust implementation plan, which was endorsed by the Board in January 2017. Implementation is well underway.

201-3 Defined benefit plan obligations and other retirement plans

The World Bank offers its staff defined benefit plans. Participation in the pension plan is mandatory. The Staff Retirement Plan (pension) and Retired Staff Benefits Plan (medical) assets are held in separate irrevocable trusts, and the Post Employment Benefit Plan assets (other benefits) are included in IBRD's investment portfolio. The assets of the plans are used for the exclusive benefit of the participants and their beneficiaries, and represent the accumulated contributions paid into the plans net of benefit payments, together with the accumulated value of investment earnings, net of related expenses.

201-3 Defined benefit plan obligations and other retirement plans (cont.)

The World Bank is a responsible long-term investor; therefore, the plans' investments incorporate consideration of material environmental, social, and governance (ESG) factors across asset classes. This is in accordance with the fiduciary standard applicable to the administration and investment of plan assets. ESG awareness promotes responsible investment practices among external managers. Examples of this approach include due diligence on external managers on how they account for, manage, and report on relevant ESG risk factors such as environmental practices, worker safety and health standards, and corporate governance, as well as long-term issues such as climate change, resource scarcity, and others. This review resulted in various managers being motivated to enhance and formalize their ESG policies and practice.

The employer contribution to the pension plan is based on a specified funding methodology and varies from year to year in response to changes in the plan's financial position. Participants in the gross plan (closed plan) contribute 7 percent of the pensionable gross salary. Participants in the net plan (open to new entrants) contribute 5 percent of their net salary to the mandatory cash balance component. Participants in the net plan may choose to contribute up to an additional 6 percent of their net salary to the cash balance.

As of June 30, 2017, the value of accrued pension liabilities for IBRD/IDA was \$17.7 billion, supported by assets of \$16.8 billion held in a trust. The funded ratio (assets over liabilities) was 94.5 percent.

Assets are evaluated at their fair value, and liabilities are measured as the Projected Benefit Obligation, discounted with high-quality corporate bonds rates. The two amounts are estimated in full compliance with the US accounting standards (ASC 715).

GRI 202: Market Presence

For details, please see Management Approach for Economic Performance GRI 201 above.

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

To recruit and retain highly qualified staff, the World Bank has developed a compensation and benefits system designed to be internationally competitive, reward performance, and consider the special needs of a multinational and largely expatriate staff. The Executive Directors annually review the staff salary structure and, if warranted, the salary structure is adjusted based on a Board-approved methodology that entails comparison with salaries paid by private financial and industrial firms and by representative public sector agencies in the US market. The salary structure is reported for job positions for Washington, DC, staff, which comprises almost 60 percent of total staff. For staff in offices outside the US, compensation programs are developed based on local market practices consisting of private sector firms, and representative quasi-public and nonprofit organizations. The grading system and benchmark job positions in country offices follow the same framework as in Washington, DC. Globally, World Bank salary structures do not differentiate by gender. Remuneration of executive management, Executive Directors, and staff are disclosed in the World Bank Annual Report. For more information, see www.worldbank.org/en/about/annual-report.

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

Out of all 541 managers (professional grade GH+) on board in fiscal year 2017, nationals of countries defined as Part II (roughly equivalent to developing countries) accounted for 43 percent of management positions. In fiscal year 2016, 44 percent of the 526 managers were nationals of Part II countries. (The staff and management grade scale ranges from GA through GK.)

Sub-Saharan African and Caribbean nationals, a criterion used as a proxy for race, represented 12 percent of management positions in fiscal year 2017. This has remained the same since fiscal year 2016. For information about the Bank's career tracks, see www.worldbank.org/jobs.

GRI 400 Social Standards Series

GRI 401: Employment

To be the best place to work in development, the World Bank needs an Employment Value Proposition (EVP) that attracts, motivates, and retains staff with the critical skills, mindsets, and behaviors to fulfill the mission. The EVP, which was articulated in the FY2017–2019 World Bank Group People Strategy, is centered around five core elements: people, organization, work, opportunity, and rewards. The Bank is committed to attracting and retaining the best talent, developing their capabilities, ensuring their wellbeing, and affording them opportunities to make a difference in the world.

Bank staff members come from over 170 countries—their diversity and global reach is unparalleled among international financial institutions and other development organizations. Bank staff include economists, educators, environmental scientists, financial analysts, foresters, agronomists, engineers, information technology specialists, social scientists, and so on, and they offer clients a unique combination of global expertise and local knowledge. To capitalize on these comparative advantages requires an understanding of where the business is headed and the skills mix required, coupled with the ability to identify, grow, and deploy talent in a proactive and deliberate way, as envisioned under the People Strategy.

Supporting a positive and respectful work environment not only assists the Bank in retaining the world's top talent, it allows the workforce to be more productive. Due to its immunities from most national courts, the Bank provides staff comprehensive grievance mechanisms to address and resolve workplace issues using informal and formal services. These services encourage collaboration among staff, provide space for the effective management of conflict, and increase the Bank's capacity to build and retain a globally representative workforce.

401-1 New employee hires and employee turnover

In fiscal year 2017, 1,249 full-time staff were hired, as compared to 1,418 in fiscal year 2016. The rate of new employee hires equaled 11 percent (12 percent in 2016). Of those hired, 49 percent were hired in non-US offices, and 52 percent were female.

In fiscal year 2017, 754 staff left the Bank—a turnover rate of 6.5 percent (of which, 2.4 percent was voluntary). In fiscal year 2016, 1,920 staff left the Bank—a turnover rate of 16.4 percent, partly due to the phasing out of 1,029 extended-term consultant and temporary appointments. In fiscal year 2017, 32 percent of employees who left the Bank were located in non-US offices, and 50 percent were female.

401-1 New employee hires and employee turnover (cont.)

Staff hired	FY17		FY16		FY15		FY14	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
United States	634	51%	795	56%	656	61%	1,077	61%
Female	333	27%	425	30%	337	31%	558	32%
Male	301	24%	370	26%	319	30%	519	29%
Non-US offices	615	49%	623	44%	416	39%	693	39%
Female	320	26%	319	22%	225	21%	346	20%
Male	295	24%	304	21%	191	18%	347	20%
Total Hires	1,249		1,418		1,072		1,770	
Of which Female	653	52%	744	52%	562	52%	904	51%
Of which Male	596	48%	674	48%	510	48%	866	49%
Staff Terminated	FY17		FY16		FY15		FY14	
	Number	% of Total	Number	% of Total	Number	% of Total	Number	% of Total
United States	515	68%	1,293	67%	963	64%	1,039	63%
Female	263	35%	702	37%	526	35%	559	34%
Male	252	33%	591	31%	437	29%	480	29%
Non-US offices	239	32%	627	33%	546	36%	609	37%
Female	115	15%	331	17%	268	18%	310	19%
Male	124	16%	296	15%	278	18%	299	18%
Total Terminations	754		1,920		1,509		1,648	
Of which Female	378	50%	1,033	54%	794	53%	869	53%
Of which Male	376	50%	887	46%	715	47%	779	47%

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

The World Bank is committed to providing benefits that respond to staff needs globally and are aligned with best practices in other international financial institutions and similar organizations. Bank benefits include life insurance, health care, disability and invalidity coverage, retirement provisions, parental leave, and opportunities for flexible work arrangements, as well as mobility, relocation, and resettlement benefits.

These benefits vary with appointment type (whether full-time staff or short-term consultants/temporaries) and the position's location, at headquarters, in Washington, DC, or in one of the 140 countries with Bank operations.

The World Bank's compensation and benefits policy is to provide a package to attract and retain diverse and highly talented staff, while responding to external market situations and our shareholders. These policies are specified in the internal Staff Manual, which is available to all staff. The Board meets every year to review compensation and determine changes to the salary structure.

Benefits for staff on open-ended or fixed-term contracts include:

- Life insurance and accidental death and dismemberment coverage are offered to staff and eligible dependents. These benefits help protect the financial security of beneficiaries.
 - Medical plans are offered to staff and retirees and their dependents. These plans provide medical, dental, vision, and pharmacy benefits. The plans cover the staff member, one spouse or domestic partner, and dependent children or stepchildren under the age of 26. The staff member pays 25 percent of the premium costs, and the Bank pays 75 percent. Staff leaving the organization and their dependents may elect to receive continuation of their medical, dental, vision, and pharmacy coverage for up to 36 months at their own cost (retirees may continue individual coverage indefinitely).
 - Staff with child planning expenses not covered under the medical benefits plan, such as expenses related to adoption, surrogacy, or the freezing of genetic materials, can seek reimbursement (up to a specified amount) for eligible child planning costs for up to two events in a lifetime. The benefit amount is tied to a percentage of salary.
 - Staff who are on sick leave for more than 20 consecutive days can apply for short-term disability, which pays 70 percent of salary for up to 24 months. Staff must first exhaust any accrued sick leave before disability pay starts. If a staff member remains disabled beyond the 24-month period, long-term disability benefits are provided at 70 percent of salary until the earliest of retirement, death, or recovery from disability. While staff are on long-term disability, medical coverage and pension contributions are 100 percent paid by the Bank.
 - Staff receive between 26 and 30 days of paid annual leave, depending on the length of service, and 15 days of sick leave per year, as well as paid leave for various specific circumstances such as adoption and paternity/maternity leave (10 days and 70 days, respectively, with 100 percent pay).
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401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees (cont.)

- In fiscal year 2015, the mandatory retirement age for staff on board and future staff increased from age 62 to age 67. The normal retirement age for staff on board on December 31, 2015, remains age 62, and it increased to age 65 in fiscal year 2016 for staff hired after December 31, 2015. The Bank offers a variety of options to help staff save and plan for retirement. The Staff Retirement Net Plan (SRP) has two components: (1) Defined Benefit Component, which is Bank-funded and based on 1 percent of the highest average of three years' net annual salary for each year of plan participation, not to exceed 35 years; and (2) Cash Balance Component, wherein the Bank contributes 10 percent of net annual salary, and the staff member contributes a mandatory 5 percent of net annual salary and can voluntarily increase contributions to as high as 11 percent of net annual salary. In addition to the SRP, Washington, DC-based staff can voluntarily participate in a 401(k) plan. Effective January 1, 2015, staff located outside the US could elect to participate in the Country Office Savings Plan.
 - There are also services to support staff and their families, such as the opportunity for flexible working arrangements and the World Bank Family Network (WBFN), which provides assistance to staff, spouses, and domestic partners.
 - In addition, internationally recruited staff in the US receive a mobility premium. Staff outside the US, not located in their home country, receive relocation and resettlement benefits to assist with global mobility.
 - Short-term consultants and short-term temporaries, paid on a daily or hourly rate, are not eligible for leave, life insurance, or pension benefits. However, short-term consultants and short-term temporaries are covered under Worker's Compensation, and have accidental death and dismemberment insurance of three times' net annual salary, up to a maximum of \$250,000, while on official Bank business travel. They are also eligible for limited medical expense coverage while on official Bank business for emergency medical care.
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GRI 403: Occupational Health and Safety

The World Bank is committed to its staff and their wellbeing, safety, and security, recognizing the complexities of the challenging environment where they work. We appreciate the value of the rich, diverse perspectives that staff bring, paramount to our success as a global knowledge organization. About 70 percent of employees travel throughout the world to serve our global clients, thus the institution considers appropriate and accessible health care through international vendors, regional health advisors, and onsite clinic facilities as an important service component. Promoting the health, safety, and wellbeing of staff is one of the focus areas of the FY2017–2019 People Strategy. In this area, key highlights include: (1) developing a phased, five-year strategy to enhance the culture of health; (2) improving pre-deployment health and resiliency briefings for relocating staff; (3) enhancing outreach and remote capacity for staff in non-US offices, particularly in FCV situations, improving occupational health, and safety, and so on.

The Health Services Department (HSD) serves the World Bank workforce by protecting and promoting people’s health, wherever they may be, based on individual health status and risks, the working and general environment, and job demands. In a new Health and Wellness Program launched in fiscal year 2018, the Bank has appointed vendor partners to expand Health, Safety, and Wellbeing support for staff. This includes a personal health risk assessment and management program for staff (including online risk assessment and health advice, personal health coaching, and chronic disease management), and an expanded onsite clinic providing full primary care and referral services for staff and retirees, and their dependents.

The World Bank is also committed to creating a supportive workplace for people with disabilities that enables them to fulfill their job responsibilities while fully using and developing their capacities. The Health Services (HS) Occupational Health Unit (OHU) is the lead unit in determining workplace accommodations for disability. Reimbursement of accommodation costs is facilitated by the centrally funded Disability Accommodation Fund (DAF), managed by HS.

The World Bank Occupational Health and Safety Committee (OHSC), which reports to Management, is tasked with developing, implementing, and overseeing an occupational health and safety management system that applies to Bank employees worldwide.

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

The World Bank’s OHSC meets quarterly to address health and safety issues related to staff. The group is chaired by senior management (HRDVP), and includes occupational health specialists, environmental consultants, and senior management representatives from headquarters and offices outside the US, Health Services and other parts of HR, Facilities Management, Security, Fire and Safety, Legal, Procurement, Corporate Responsibility, the Staff Association, and Budget and additional specialists and members as required. To address staff’s concerns, the committee forms multidisciplinary ad hoc working groups, such as a working group for air pollution, which developed guidelines for staff and managers in country offices where air quality is a recognized health hazard.

To address global health issues, the committee collaborates with the United Nations (UN) and other international organizations. The committee has also approved several OHS initiatives such as the Automated External Defibrillator (AED) program and Staff Road Safety, for which a survey was launched in fiscal year 2017. Analysis of the survey results will serve as input for the ongoing work of improving procedures and the current Staff Road Safety Directive. In addition, the OHSC has provided concept approval of an OHS Incident/Accident Reporting system and the use of the Online Learning Campus for OHS learning. The OHSC includes both management and staff representation.

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

A third-party partner program (the REED Group) and HSD monitor Worker's Compensation claims as accidents and report statistics. Data analysis and interpretation are limited to ad hoc reports, and quarterly and annual aggregate REED Group reporting. HSD uses an integrated medical database system to evaluate trends in medical and pharmacy insurance costs in comparison with disease profiles. The REED Group and Health Services monitor the effectiveness of return-to-work programs and minimize absenteeism through active participation in return-to-work management for staff. Data analysis and interpretation are limited to ad hoc reports at present.

For the World Bank Group, the incidence rate in fiscal year 2016 was 0.58. Data are not yet available for fiscal 2017, or by region or by gender.

GRI 404: Training and Education

The Open Learning Campus (OLC) is a single destination to accelerate development solutions through learning for World Bank Group staff, clients, and global partners. OLC offers a broad range of learning resources via Talks, Academy, and Connect. It currently houses over 9,500 courses and continues to expand. As of June 30, 2017, 87 percent of staff had attended at least one learning session.

The OLC was launched by President Jim Yong Kim in January 2016 with a dual mandate to provide a platform (1) to provide continuous learning for staff to remain cutting edge; and (2) where staff and clients can co-create solutions to complex development challenges. The OLC is managed by the Global Theme – Knowledge Department and services key learning divisions of the Bank (HR, OPCS, Finance, ITS, Technical, Corporate, and Leadership) as well as IFC and MIGA.

All learning on the OLC is evaluated for scale and impact. On the staff side, we evaluate all classes entered in OLC that are greater than or equal to one day. All classes that are less than a day can be selected by course catalog builders for evaluation as needed. On the client side, we evaluate all learning programs, and regularly inform senior management, including through three-year trend analysis, to guide programs, course corrections, and learning innovations. For more information about OLC, see <https://olc.worldbank.org/staff-learning>.

404-1 Average hours of training per year per employee

In fiscal year 2017, the World Bank delivered 1,653 courses and 60,710 days of learning. Thirty-two percent of the training days were delivered either in offices outside the US or via location-neutral formats such as e-learning and webinars.

Eighty-seven percent of the salaried workforce attended at least one learning event in fiscal year 2017, not including the corporate mandatory programs: 87 percent based in non-US and 87 percent at headquarters, in Washington, DC. These individuals attended the equivalent of 46,435 days of training, averaging 3.9 days per staff member, with 4.2 in days taken by staff based in offices outside the US and 3.7 days taken by Washington, DC-based staff. This is a 21 percent increase over fiscal year 2016, when the total participant training days taken by staff was 38,502 training days.

404-1 Average hours of training per year per employee (cont.)

All staff	2017		2016		2015	
	Days	Hours	Days	Hours	Days	Hours
Average training	3.9	31.2	3.4	26.9	3.4	26.9
Of which Female	4	31.9	3.4	27.6	3.5	27.7
Of which Male	3.8	30.5	3.3	26.2	3.3	26.1
Breakdown by	Days	Hours	Days	Hours	Days	Hours
Support Staff average	2.5	20	2.4	19.2	2.7	21.6
Of which Female	3	24	2.8	22.4	3.3	26.4
Of which Male	1.5	12	1.6	12.8	1.5	12
Analyst Grade average	3.1	24.8	3.1	24.8	2.5	20
Of which Female	3.4	27.2	3.1	24.8	2.7	21.6
Of which Male	2.8	22.4	3.1	24.8	2.2	17.6
Specialist Grade average	4.8	38.4	4	32	3.8	30.4
Of which Female	4.9	39.2	4	32	3.8	30.4
Of which Male	4.7	37.6	3.9	31.2	3.9	31.2
Lead Grade average	3.6	28.8	2.9	23.2	3.4	27.2
Of which Female	3.7	29.6	3.2	25.6	3.4	27.2
Of which Male	3.5	28	2.7	21.6	3.4	27.2
Consultants average	Not Available		2.3	18.4	3.3	26.4
Of which Female			3	24	3.4	27.2
Of which Male			1.5	12	3.1	24.8
Special Assignments (JPO, JPA, SPAS) average	4.6	36.8	4.7	37.6	4.9	39.2
Of which Female	5.2	41.6	5.1	40.8	5.5	44
Of which Male	4.3	34.4	4.4	35.2	4.3	34.4

404-1 Average hours of training per year per employee (cont.)

In fiscal year 2017, investment in staff learning increased by 6 percent over fiscal year 2016 and by 6 percent from fiscal year 2015 levels. In addition, the World Bank invested \$68.9 million in staff learning, of which 36 percent was spent on developing and delivering learning activities, and 64 percent was spent to cover direct and indirect expenses for staff members to participate in learning (provided internally and/or from external providers), including staff time and other costs.

404-2 Programs for upgrading employee skills and transition assistance programs

HR learning programs boost staff's professional skills to help them perform more effectively and achieve greater impact for personal and professional growth, mobility, and career development. This improves their ability to meet future business needs and therefore their employability. Program offerings facilitate the application of technical skills in culturally diverse contexts through communications skills (writing, public speaking, language acquisition, and cross-cultural competency) and business skills (collaboration and communities, influence and negotiation, team building, analytical skills, and client engagement). These are the professional skills needed to work with others and apply technical skills effectively. The programs combine modalities of learning, such as face-to-face classes both in the field and in Washington, DC, webinars, online discussions, and self-paced e-learning. The combination of formal and peer-to-peer learning in various communities ensures continuous learning and relevance to staff's needs and challenges. The business model is designed to upgrade professional skills of more than 3,000 staff per year and to stay agile by monitoring changing business needs and constantly improving the relevance, quality, and impact of our programs.

In practice since fiscal year 2014, formal leadership and management development programs continue to support leaders and staff across the Bank to strengthen skills to help them be more effective in their role. This includes role-based programs, for example, Director Leadership Program, Senior Leadership & Management Program, Mastering Leadership and Management (for new managers), Managing Roles of Country Directors and Country Managers, and Supervisors' Program, as well as open enrollment-based programs, for example, Strengthening Leadership Skills. Executive Coaching is also available for managerial cadre and senior non-managerial staff. All managers across the World Bank are also invited to monthly Managing@WBG, peer learning, and webinar series to enhance understanding of institutional policy and to exchange people management practices.

Also, in fiscal year 2015, HR established a transition support program to assist staff whose jobs could be at risk due to reorganization and evolving business needs. The program works together with relevant Bank units responsible for pensions, tax issues, benefits, and health services, among others, and is delivered in partnership with external vendors. The program team meets with staff individually and in groups to explain the exit process, ensure that affected staff receive the support they need, and inform them about available services, such as individual coaching on job searches and career management, by an internal team of career consultants or an outplacement vendor.

404-2 Programs for upgrading employee skills and transition assistance programs (cont.)

An internal website serves as the central repository for information for staff about transition support services. In addition, a monthly series of seminars on career and job-search related topics, such as resume writing, interviewing, networking, and career planning, is offered on an open enrollment basis to all staff. These seminars serve not only staff who are exiting the Bank, but also those who are moving within the organization. Many of these seminars are also provided in webinar and e-learning formats to better serve our geographically dispersed workforce. The team also works with managers to equip them with a thorough understanding of the Bank's ending-employment process and better prepare them to manage exits.

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

At least once in a 12-month period, the manager or designated supervisor performs a review of the World Bank staff member (excludes short-term appointees). The evaluation is based on objectives agreed on with the staff's manager at the start of the year cascading from the level above, and assesses achievements against those objectives, strengths, and areas for improvement, as well as future development needs. The World Bank encourages ongoing feedback about the staff member's work program; this takes place throughout the performance year and includes a formal mid-year check-in. The annual conversation also touches on plans for the upcoming performance cycle and training needs. The Performance Management Process is outlined in the Staff Manual 5.03.

In fiscal year 2017, at the World Bank, 96 percent of staff completed fiscal year 2016 end-year evaluations, 72 percent of staff completed fiscal year 2017 objectives, and 96 percent of staff completed fiscal year 2017 mid-year evaluations on time. During the fiscal year 2016 end-year evaluations, 96 percent of women and 96 percent of men completed the regular performance evaluation process. During the 2017 mid-year review, 90 percent of staff indicated they had a performance conversation with their supervisor; this included 90 percent of women and 89 percent of men.

In addition to the regular performance evaluations, an annual development-focused talent review is undertaken by management to give the organization a better understanding of the skills and aptitudes of staff, and, importantly, to identify next steps for the staff's professional development, including targeted learning programs, stretch assignments, or rotations to other business units, as well as readiness to take on greater responsibilities.

GRI 405: Diversity and Equal Opportunity

The World Bank is committed to creating a workplace where everyone is valued, where differences are respected and celebrated, and where opportunity and equitable treatment is afforded to all. Ensuring diversity and inclusion are integrated into our daily work means creating a positive culture through practices that recognize, value, and harness what makes every individual unique in the broader sense, and by acknowledging and respecting differences, including nationality, gender and gender identity, race, religion, ethnicity, age, sexual orientation, disability, and educational background.

Beyond the moral imperative, empowering others and respecting differences is much more than part of our institution's core values: it makes good business sense. A diverse staff mirrors the diversity of the clients we serve and the partners we work alongside around the world, and that reflection is key to our credibility as an institution seeking equity and opportunity for all. In addition, it has been demonstrated that a diverse staff stimulates the creativity and innovation our clients expect, drawn from the collective energy of individual experience, knowledge, and perspectives.

World Bank staff in 140 countries work in core finance, administrative, legal, economics, and technical specializations in more than 20 sectors. Staff contribute an impressive breadth and depth of professional expertise, academic background, industry, and international experience. The acknowledged diversity of our staff allows the Bank, the world's leading development organization, to attract, retain, and grow the finest talent from the broadest span of different backgrounds possible. When we leverage the diversity and perspectives of all our talent, the solutions that we offer—through our projects, programs, and assistance—are those that will meet our clients' development goals.

The World Bank recognizes that meeting the demands and needs of its diverse client base more effectively means the Bank must consider a range of ideas and perspectives to find the best solution to development challenges. Achieving shared prosperity in a sustainable way is about equal opportunity, empowerment, and economic and social inclusion. The Articles of Agreement for IBRD and IDA emphasize the need to "pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible" when appointing Bank officers and staff, "subject to the paramount importance of securing the highest standards of efficiency and of technical competence." This directive was reiterated in the 1983 Principles of Staff Employment, approved by the Executive Directors, to set forth the broad policies according to which the President shall manage staff. These principles direct the Bank to "encourage diversity in staffing consistent with the nature and objectives of the Organizations." In addition to reflecting the World Bank's global nature, the importance of staff diversity in enhancing the effectiveness and credibility of the Bank's institutions has been underscored by ongoing reforms to increase the voice and participation of emerging markets and developing countries at the Bank. The World Bank manages these commitments and directives through an integrated approach that focuses on three pillars: advocacy (demonstrate leadership and build partnerships), accountability (set goals and measure outcomes), and inclusion (embed diversity and inclusion into talent processes and create an inclusive environment).

The World Bank measures the effectiveness of its efforts through Diversity and Inclusion Compacts, which establish both diversity and inclusion targets and identify specific actions to achieve the targets. The diversity targets include parity in management by gender and country part (Part I versus Part II—roughly equivalent to developed and developing countries, respectively), as well as by gender among full-time staff at professional grades (grade GF+) in non-managerial roles. An additional institutional target is 12.5 percent for Sub-Saharan African (SSA) and Caribbean (CR) nationals among full-time staff at professional grades (grade GF+).

GRI 405: Diversity and Equal Opportunity (cont.)

Inclusion targets are derived from staff responses on the annual engagement survey, which includes a set of questions comprising the Inclusion Index. The World Bank Compact, which is signed by the President and his senior team, is cascaded through all vice-presidential units. Progress against the Compact targets and actions are reported monthly and reviewed quarterly. In addition to the Compacts, actions to improve staff perceptions on the engagement survey, including the Inclusion Index, are developed and tracked at the World Bank and vice-presidential unit level.

405-1 Diversity of governance bodies and employees

On the World Bank Boards of Governors and Board of Executive Directors, representatives are determined by member countries. Of the 25 Executive Director Board members, five were women in fiscal year 2017. For more information about the Boards, see <http://worldbank.org/about>.

Nationals of Part II countries accounted for 43 percent of staff in management positions. Women accounted for 39 percent of staff in management positions, and for 44 percent of full-time staff at professional grades (grade GF+) in technical positions. SSA and CR nationals represent 13 percent of full-time staff at professional grades (grade GF+).

Since 1998, nationality, gender, and race have been the dimensions of diversity for which the Bank has set and monitored quantitative targets. Nationality has been measured in the aggregate by Part I and II contributing member status, whereas SSA and CR nationality has served as the proxy for race, specifically for Black staff.

The HeForShe solidarity movement for gender equality, created by UN Women, provides a systematic approach and targeted platform where a global audience can engage and become change agents for the achievement of gender equality in our lifetime. To commemorate the 2017 International Women's Day, President Jim Yong Kim was recognized as the Inaugural HeForShe Thematic Champion for International Financial Institutions for committing to close the gender gap within Management by 2020. The other commitments made for the organization were:

- Achieve the gender parity target for women and men in technical fields by 2022.
- Achieve the second level of EDGE (Economic Dividends for Gender Equality) certification by 2020.
- Implement, in operations, the action plan encompassing recommendations coming from the Global Gender-based Violence Task Force.

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

In fiscal year 2017, the World Bank Group Development Research Group, in collaboration with the Gender Cross-Cutting Solution Area and Human Resources, completed a landmark study: "Compensation, Diversity, and Inclusion at the World Bank Group." This study leveraged 25+ years of HR data to explore the issue of pay parity among Bank populations, including by gender. Key results included the observation that we have an aggregate salary gap between genders, but that the gap has decreased significantly over the 25+ years of the analysis. The aggregate salary gap is mainly caused by the gender composition of different grades at entry. The study is currently being disseminated. Key follow-up action items include the production of a report that HR and managers will use to address compensation outliers and more closely monitor salary parity upon entry to the institution. In fiscal year 2018, the World Bank Group will examine a standard indicator to monitor pay parity by gender and grade level, and aims to include this in fiscal year 2019 GRI reporting.

GRI 406: Non-discrimination

The World Bank Group core values are personal honesty, integrity, and commitment; working together in teams with openness and trust; empowering others and respecting differences; encouraging risk-taking and responsibility; and enjoying both work and family, as detailed in the Code of Conduct.

There is a mandatory e-learning training on the Code of Conduct for all new staff, including consultants with contracts of more than 30 days. A summary of the Code of Conduct is available in nine languages. There is a separate Code of Conduct for Board officials. Business partners are informed of ethics expectations through a separate document. Adherence to high ethical standards is specified in contracts with employees, Board officials, and business partners. Section 1(c) of the Code for Board Officials requires them to sign the code document upon assuming duty and deposit it with the Ethics Committee of the Board. Staff members are required to uphold World Bank Group Staff Rules as a condition of employment.

Due to its immunities from most national courts, the Bank provides staff comprehensive grievance mechanisms to address and resolve workplace issues through informal and formal services. These services encourage collaboration among staff, provide space for the effective management of conflict, and increase the Bank's capacity to build and retain a globally representative workforce.

Most workplace issues are addressed and resolved using the informal core services of the Internal Justice Services (IJS). The informal services include the Respectful Workplace Advisors (RWA) Program, Ombuds Services (OMB), and Mediation Services (MEF). Peer Review Services (PRS) is a core formal service that uses a panel of peers to determine whether the Bank's actions are consistent with the staff member's contract of employment and/or terms of appointment. The results of the hearings, conducted by a panel of peers, results in a recommendation that is then shared with the line Vice President for his or her approval. In fiscal year 2017, a two-tier Administrative Review and Performance Management Review was implemented to address performance management issues (performance evaluations, salary review increases, Opportunity to Improve) in a more efficient and expeditious manner.

Various offices within the IJS provide evaluations to staff who retain its services. These offices include MEF, PRS, and the Ethics and Business Conduct (EBC) Vice Presidency. In fiscal year 2017, the evaluations and the input of stakeholders was examined as part of a formal Metrics Review. The outcome of the review and its recommendations will be shared with stakeholders and implemented in fiscal year 2018. In addition to the Metrics Review, the IJS will disseminate its first integrated IJS Annual Report in fiscal year 2018.

406-1 Incidents of discrimination and corrective actions taken

In fiscal year 2017, EBC reviewed seven allegations of discrimination. These included alleged instances of discrimination based on race, nationality, religious/creed, and gender. None of these allegations resulted in a report of investigation or finding of misconduct.

EBC recognizes that discrimination can be hard to prove because of its nature, which is often covert and subtle, and because of the “clear and convincing” standard of proof required of this and other serious allegations of misconduct pursuant to the World Bank Group’s Administrative Tribunal jurisprudence. EBC, therefore, is reviewing the process by which the Bank Group addresses alleged discrimination, to make it easier for staff members to successfully bring forward a claim of alleged discrimination, increase the effectiveness of EBC reviews, and provide more support to potential victims.
