

# 2019 Sustainability Review



**THE WORLD BANK**  
IBRD • IDA | WORLD BANK GROUP

## LETTER FROM THE MANAGING DIRECTORS

We are pleased to present the streamlined World Bank Sustainability Review 2019 and the supplemental indicators in the accompanying Global Reporting Initiative (GRI) Index, summarizing our sustainability efforts over the past fiscal year.

We are committed to operating in a sustainable manner, with our finances, our people, and our places. Living our core values of impact, integrity, respect, teamwork and innovation demands nothing less. Our shareholders and investors who have entrusted us with their resources demand the same. On behalf of the entire senior management team of the World Bank Group, we are proud to share our accomplishments in FY19.

- IDA's entrance in the capital markets in 2018, with an inaugural \$1.5 billion benchmark bond, has enabled the institution to significantly scale up its support toward achieving the Sustainable Development Goals, while offering investors an efficient way to contribute to global development.
- The annual Staff Engagement Survey shows that we have a very engaged workforce with 83 percent of staff participating in the survey and 92 percent of staff expressing pride in working for the World Bank Group.



**Shaolin Yang**  
Managing Director and WBG Chief Administrative Officer  
Co-chair of Corporate Responsibility Oversight Committee

- We have continued to increase the share of our corporate procurement going to women-owned or led businesses in line with our goal to reach 7 percent by 2023.
- We reinvigorated our internal governance body to deepen sustainability efforts and to have the ability to act more quickly.
- After surpassing our last greenhouse gas reduction target, we have committed to reducing direct and indirect carbon emissions from our global facilities by 28 percent by 2026, using 2016 as a baseline.
- In all World Bank Group buildings in Washington, a centralized waste collection system was introduced, including composting, that eliminated bins from individual offices. Plastic bottles were also phased out.

We encourage you to read this document in conjunction with the GRI index, the financial and operational specifics presented in the World Bank Annual Report 2019, and the Financial Report. Your comments and reactions are welcome and should be directed to: [crinfo@worldbank.org](mailto:crinfo@worldbank.org).

Environmental degradation disproportionately affects the poor and managing our corporate environmental and social impacts is fully aligned with our mission to reduce extreme poverty. We will continue to report on our journey as we safeguard the wellbeing of staff and manage the impact of our work.



**Axel van Trotsenburg**  
Managing Director, Operations  
Co-chair of Corporate Responsibility Oversight Committee

## STRATEGIC PATH

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 promoting shared prosperity in a sustainable manner. In fiscal year 2017, the *Forward Look*, a collaboration between management and the Board, helped shape a common view among shareholders on how the World Bank Group can reach the institution's goals and support the 2030 development agenda.

» For more information on the World Bank Group Strategy, visit: [worldbank.org/about](http://worldbank.org/about)

The impacts highlighted in this Sustainability Review are related to the Bank's "corporate" impacts with details in the 2019 GRI Index.



# Governance

Our core values articulate what we care about most. They guide how we work with each other, with our clients, and our partners. And most importantly, they help us become a better institution delivering on the goals of ending extreme poverty and boosting shared prosperity. Our values include:

S	impact	We help our clients solve their greatest development challenges.
E	integrity	We do what is right.
L	respect	We care for our people, our clients, our partners, and our planet.
A	teamwork	We work together to achieve our goals.
V	innovation	We learn and adapt to find better ways of doing things.

## Shareholders

Member countries govern the Bank through the Boards of Governors and the Board of Executive Directors. The Boards of Governors consist of one Governor and one alternate Governor appointed by each member country. The Governors delegate specific duties to the 25 Executive Directors, 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 Executive Directors make all major decisions for the organization, including policy, financial, and membership issues.

The World Bank Group President chairs meetings of the Boards of Directors and is responsible for overall management of the Bank. The President is selected by the Board of Executive Directors for a five-year, renewable term.

## Stakeholders

In the context of World Bank-supported activities, stakeholders are considered to be anyone who is in some way—positively or negatively—impacted by the potential outcomes of these activities. The World Bank categorizes stakeholders into two main groups: internal and external.

Internal stakeholders include shareholder governments (the Boards of Governors), Executive Directors and Senior Management, and Bank employees.

External stakeholders include parliamentarians; civil society; faith-based organizations; academics; professionals; the private sector (including sustainable, responsible, and impact investors in World Bank bonds, companies, and social entrepreneurs); beneficiaries of Bank-supported activities, and international, national, and local media, among others. See details in GRI disclosure 102-42.

## Environmental & Social Policies for Projects

When providing financing to governments, the World Bank looks to protect people and the environment from potential

adverse impacts. This is done through policies that identify, avoid, and minimize harm to people and the environment. These policies require the borrowing governments to address certain environmental and social risks in order to receive World Bank support for investment projects. This includes, among other things, community consultations and public disclosure of key documents. The World Bank currently applies two sets of environmental and social policies: the Safeguard Policies, for projects with concept notes before October 1, 2018; and the Environmental and Social Framework (ESF), for projects with concept notes after October 1, 2018. The ESF was adopted in August 2016 and will incrementally replace the Safeguard Policies; the two are expected to operate in parallel for about seven years. The ESF offers broader and more systematic coverage of environmental and social risks, including important advances on transparency, non-discrimination, social inclusion, public participation, and accountability.

For details, see: [worldbank.org/en/projects-operations/environmental-and-social-policies](https://worldbank.org/en/projects-operations/environmental-and-social-policies)

## Accountability Mechanisms

Four key groups hold the Bank accountable to its clients and shareholders, ensure the highest performance standards in development effectiveness, protect the integrity of the projects financed, and constantly improve the efficacy of its internal operations:

**The Inspection Panel**, established by the Bank's Board of Directors as the first independent accountability mechanism at an international financial institution, provides people and communities who believe that they have been or are likely to be harmed by a project funded by IBRD or IDA access to an independent body, where they can express their concerns and seek recourse. The Inspection Panel's annual reports are available online at [inspectionpanel.org](https://inspectionpanel.org).

**The Independent Evaluation Group (IEG)** aims to strengthen the Bank Group's development effectiveness through evaluations that assess results and performance and provide recommendations for improvements. IEG's evaluations contribute to accountability and learning, helping inform the Bank Group's directions, policies and procedures, and country partnership frameworks. IEG reports are available online at [ieg.worldbankgroup.org](https://ieg.worldbankgroup.org).

**The Integrity Vice Presidency (INT)** investigates allegations of fraud, corruption, collusion, coercion, and obstruction in Bank Group-financed projects, including those involving Bank Group staff and corporate vendors. INT's annual report is available online at [worldbank.org/en/about/unit/integrity-vice-presidency](https://worldbank.org/en/about/unit/integrity-vice-presidency).

**The Group Internal Audit (GIA)** provides independent, objective, and insightful risk-based assurance and advice to protect and enhance the value of the World Bank Group. GIA provides senior management and the Board with an independent view and reasonable assurance that processes for managing and controlling risks—as well as their overall governance—are adequately designed and functioning effectively. GIA's annual and quarterly reports are available online at [worldbank.org/internalaudit](https://worldbank.org/internalaudit).

The World Bank monitors operational performance through the **World Bank Corporate Scorecard, the IDA Results Measurement System**, and regular opportunities to discuss progress on operations with the Bank's Executive Directors. The World Bank Corporate Scorecard is available online at [scorecard.worldbank.org](https://scorecard.worldbank.org). IDA results are available at [ida.worldbank.org/results](https://ida.worldbank.org/results). Boards of Directors' Work Programs, Calendars, and Meeting minutes are available at [worldbank.org/en/about/leadership/directors](https://worldbank.org/en/about/leadership/directors).



# OUR FINANCES



As a development institution, the Bank must maintain financial strength to serve growing demand from clients and meet an ambitious development agenda. Our economic performance is better understood by grasping the unique business models and associated risks for the two agencies that make up the World Bank.

FY19

In October 2018, the Board of Governors approved a capital package consisting of a \$7.5 billion capital increase—our largest ever—and a series of financial and policy reforms. This will enable the Bank to

support borrowers with an average annual financing capacity of about \$100 billion during fiscal 2019–30, up from \$65 billion during fiscal 2014–16.

## WORLD BANK BONDS

To fund development projects in member countries, IBRD finances its loans from its own equity and from funds borrowed in the capital markets through the issuance of World Bank bonds. IBRD is rated Aaa by Moody's and AAA by Standard & Poor's, and investors view its bonds as high-quality securities. IBRD's ability to intermediate the funds it raises in international capital markets to developing member countries is important in helping to achieve its goals. IBRD's strategy has enabled it to borrow at favorable market terms and pass the savings on to its borrowing members. Information about IBRD innovative bonds, including Green Bonds, is available at [www.treasury.worldbank.org](http://www.treasury.worldbank.org).

In fiscal 2018, IDA entered the capital markets for the first time with an inaugural \$1.5 billion benchmark bond. This has enabled IDA to significantly scale up its support toward achieving the Sustainable Development Goals, while offering investors an efficient way to contribute to global development.



	FY19
IBRD bonds raised (27 currencies)	\$54.0 billion
IDA bonds total orders	\$4.6 billion

(US dollar equivalent)

## GLOBAL COMMITMENTS

**\$45.1 billion Global Commitments**  
(consists of loans, grants and guarantees)

For monitoring, reporting, and better decision-making about its commitments, the World Bank applies a taxonomy of codes to all lending operations to reflect the sectors and themes into which it directs its resources. Theme codes reflect the goals and objectives of Bank-supported activities and are used to capture the Bank's support to the Sustainable Development Goals. Breakdowns of lending data are available at <http://www.worldbank.org/financialresults>.

### IBRD & IDA Commitments by Theme, Fiscal 2019 (millions of dollars)

	IBRD	IDA
Economic Policy	1,363	1,073
Environment and Natural Resources Management	8,514	9,680
Finance	3,546	2,418
Human Development and Gender	7,227	7,860
Private Sector Development	4,438	5,145*
Public Sector Management	2,912	2,513
Social Development and Protection	2,453	2,722
Urban and Rural Development	6,511	7,866

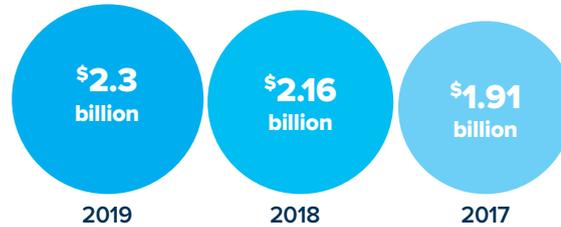
Note: Because lending commitments for individual operations can be applied to multiple theme categories, figures organized by theme do not add up to fiscal year commitment totals, and therefore should not be summed.

\* Figure does not include \$393 million in approved IDA18 IFC-MIGA PSW instruments, of which IDA has exposure of \$106 million in guarantees, \$25 million in derivatives, and \$1 million through funding of IFC-PSW related equity investment.

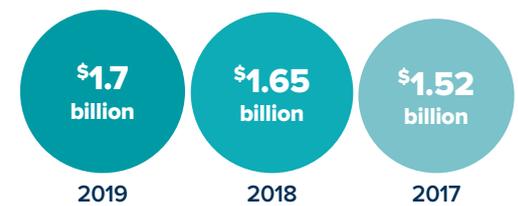
## NET REVENUES

The financial performance of IBRD reflects the impact of the measures put in place in previous years to increase its financial capacity and ensure its long-term financial sustainability.

### IBRD net revenue



### IDA net revenue



Note: Sources of IBRD revenue include net revenue from loans, Equity Management, and investment trading. IDA's revenues include revenue from loans and from investments, net of borrowing costs. The financial performance of IBRD reflects the impact from the measures put in place in previous years to increase its financial capacity and ensure its long-term financial sustainability.

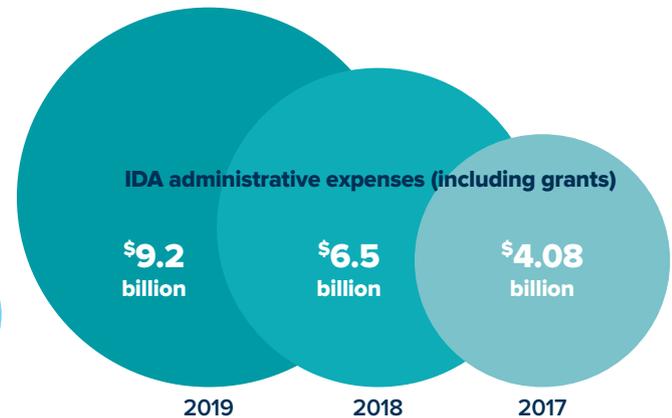
## EXPENSES

Significant progress has been made to ensure budget spending discipline and efficiency, which has resulted in an improvement in the Budget Anchor (an efficiency measure that shows net administrative expenses as a percentage of loan spread revenue.)

### IBRD net administrative expenses



### IDA administrative expenses (including grants)



Note: The figure provides IBRD administrative expenses and IDA administrative and development grant expenses.



# OUR PEOPLE

**GRI 102**

**GRI 400**

**3** GOOD HEALTH AND WELL-BEING

**8** DECENT WORK AND ECONOMIC GROWTH

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.

**FY19**

The annual staff engagement survey provides an opportunity for staff to share their views on the workplace and to provide feedback to management on areas to strengthen our Employee Value Proposition. Results show that we have a strongly engaged workforce with 83 percent of staff participating and 92

percent of staff expressing their pride in working for the Bank. There was improvement in staff responses to questions such as (1) being inspired by the institution to do their best work, and (2) the Bank is the best place to work in development.

## HUMAN RESOURCES

Bank staff includes economists, educators, environmental scientists, financial analysts, foresters, agronomists, engineers, information technology specialists, social scientists, etc., and offer clients a unique combination of global expertise and in-depth local knowledge. To deliver on its mission, the World Bank strives to be the best place to work in development by offering an Employment Value Proposition that attracts, motivates,

and retains world-class, diverse talent with the critical skills, experiences, mindsets, and behaviors needed to effectively respond to complex and constantly evolving client needs. The People Strategy sets out a three-year roadmap of HR programs and priorities focused on achieving the business objectives outlined in the Forward Look.

**12,283 staff**

**43%** work in 140 countries

**52%** are female

**29%** Self-Employed Workers  
409 extended term consultants  
5,097 full-time equivalent short-term consultants

**6%** Rate of New Employee Hires

**6.7%** Employee Turnover Rate

## DIVERSITY

World Bank staff come from over 170 countries. Their diversity and global reach stand out among international financial institutions and other development organizations.

### Diversity of governance body



4 of 25 Executive Directors are women

## DISCRIMINATION

The World Bank promotes a positive and respectful workplace. Staff have numerous avenues to raise a concern and comprehensive grievance mechanisms to address and resolve workplace issues through informal and formal services. These services provide space for the effective management of conflict and increase the Bank's capacity to build and retain a globally-representative workforce.

## STAFF HEALTH AND SAFETY

The World Bank Group's Occupational Health and Safety Management System identifies and systematically controls health and safety hazards in our workplaces, with an approach guided by international health and safety standards.

## STAFF TRAINING

The World Bank invests in staff learning to enhance technical skills and knowledge, strengthen problem-solving skills, and foster innovation to attain the Bank Group's twin goals efficiently and creatively. Staff take courses to retain and enhance cutting-edge skills on emerging strategic priorities as they carry out the World Bank's mission and develop their careers.

## COMMUNITY CONNECTIONS

Around the world, where Bank staff live and work, we engage locally. Through volunteering, staff donations, corporate matching funds, and asset donations we take seriously our responsibility as a neighbor in our host communities.

### Diversity targets

	FY19	Target
Managers from developing countries	42%	50%
Female Managers	43%	50%
Female Technical (Professional level)	46%	50%
Sub-Saharan/Caribbean (Professional & Managerial level)	14%	12.5%

### Age diversity



4% less than 30



**4 allegations of discrimination reviewed in FY19**

These included alleged instances of discrimination based on race, nationality, religion/creed, and gender. None of these resulted in a report of investigation or finding of misconduct.

### FY18 workers compensations claims due to illness



**14 cases** for full-time staff  
**8 cases** for short-term consultants  
(e.g. infectious diseases related to travel)

### FY18 workers compensation claims due to injury



**53 cases** for full-time staff  
**7 cases** for short-term consultants  
(e.g. sprains and fractures)



**91** % of salaried workforce attended at least one learning event  
**5,100** # training courses delivered globally



# OUR PLACES



The World 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.

## FY19

In fiscal 2019, the World Bank adopted a new corporate carbon emissions reduction target to reduce direct and indirect carbon emissions from our global facilities by 28 percent between 2016-2026.

Plastic bottles were phased out in Bank buildings in Washington. Offices in Ethiopia, France, and Pakistan

have also eliminated single-use plastic bottles from their sites, while others are looking to reduce use.

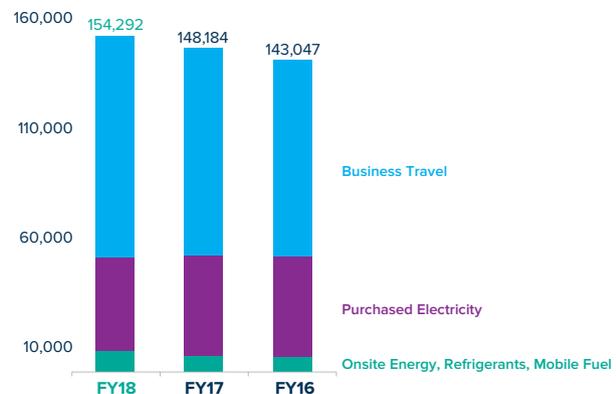
In all Bank buildings in Washington, a centralized waste collection system was introduced, including composting and recycling, that eliminated bins from individual offices.

## GHG EMISSIONS

The Bank committed to reduce direct and indirect carbon emissions from our global facilities by 28 percent by 2026 from a 2016 baseline. A range of measures are being considered, including using renewable energy wherever feasible and improving energy efficiency. To offset direct and indirect carbon emissions that were not curtailed, carbon offsets as well as Renewable Energy Credits were purchased and retired.

Note: Fiscal year 2018 data was collected from the Bank’s 136 country office facilities and 14 facilities in the U.S. GHG emissions data lags by one fiscal year. 2016 is the base year. Information on the methodology are in the [Inventory Management Plan](#) for fiscal year 2018.

World Bank Global GHG Emissions (mtons CO<sub>2</sub>e)



## MATERIALS

Major corporate material purchases (including office construction and renovations, paper, IT hardware, and furniture) are made with sustainability impacts in mind and incorporate mandatory environmental and social specifications as well as evaluation criteria to reward sustainability best practices. To encourage a diverse supplier base, the Bank Group has a goal of doubling corporate procurement from women-owned businesses to 7 percent of our total procurement spending by 2023.

	FY19	FY18	FY17
 Materials Used			
Single-use plastic water bottles purchased in HQ (metric tons)	4	100	95
 FSC-certified paper used in HQ (%)	100	100	100
100% recycled-content paper used in HQ (%)	57	50	64
 Corporate procurement spent with women-owned businesses in global offices (%)	4	3.7	3.1

Note: A phase-out of plastic bottles at the Bank's headquarters was completed early in fiscal year 2019. The only bottled water purchases were residual orders from the previous fiscal year.

## ENERGY CONSUMPTION

We measure and manage the energy utilized in our 140 country locations with an aim to minimize our impact on host communities and curtail climate impacts, while reducing costs. The World Bank has 14 buildings certified to sustainable building standards, including two buildings certified in 2019—in Afghanistan and Myanmar—which were the first in their respective countries to be certified as LEED Gold.



Note: Total global energy use from onsite fuel use includes vehicle fuel use, and purchased electricity, cooling, and steam. Fiscal year 2018 data was collected from the Bank's 136 country office facilities outside of the U.S. Energy use data lags by one fiscal year. 2016 is the base year.

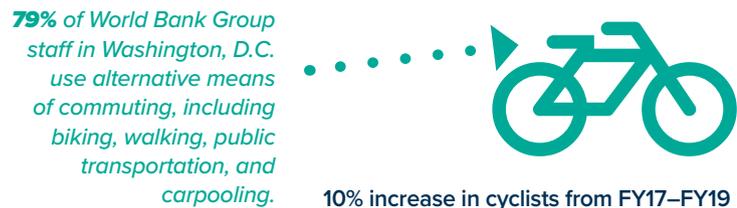
## WATER

World Bank facilities conserve the amount of water used through technological upgrades and proactive maintenance practices. This includes purchasing water-efficient fixtures, proactively checking for leaks, and investing in water-efficient equipment in our HVAC systems.



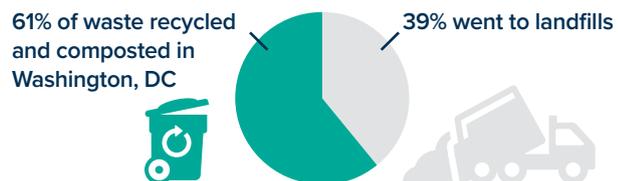
## LOW-IMPACT COMMUTING

Choosing sustainable modes of transportation to commute to work is becoming easier for staff working at HQ. The World Bank has been a gold-level Bike Friendly Business since 2017.



## WASTE

A combination of source reduction, reuse, and recycling efforts aims to reduce the amount of waste sent to landfills through World Bank offices globally. Typical waste items from World Bank facilities include paper, bottles, cans, cardboard, food waste, toner cartridges, carpet tiles, and electronics. Collection of waste data from country offices is being improved.



# The World Bank

The World Bank is a **vital source of financial and technical assistance to developing countries around the world**. The World Bank Group comprises five institutions managed by their member countries.

Established in 1944, the World Bank Group is headquartered in Washington, D.C. We have more than 10,000 employees in more than 140 locations worldwide.

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—by increasing the incomes of the poorest 40 percent of people in every country. Both goals must be met in a sustainable manner.

To attain its goals, the **World Bank offers:**

- **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 the Bank's projects are cofinanced 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** that are designed to share the best knowledge available to achieve development results and that underpin World Bank financing.

We work throughout the following regions: Africa, East Asia and the Pacific, Europe and Central Asia, Latin America and the Caribbean, the Middle East and North Africa, and South Asia.

- **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. Through global capital markets, IBRD has been mobilizing financing for our client countries for over 70 years, raising nearly \$900 billion since its first bond in 1947.
- **IDA** works with its 173 member countries, offering financing on highly concessional terms to governments of the poorest countries to boost economic growth, reduce inequalities, and improve people's living conditions.

Each of the World Bank entities operates according to procedures established by their respective Articles of Agreement. These agreements outline the conditions of each entity's membership and the general principles of organization, management, and operations.

## About the Report

The Sustainability Review 2019 highlights World Bank activities undertaken in fiscal year 2019 (July 1, 2018 - June 30, 2019), to manage the environmental, social, and economic impacts of internal business operations. The Review complements the standalone index of indicators prepared in accordance with the GRI Standards: Core option, which can be found [here](#).

**Scope:** 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 Sustainability Review 2019 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 [worldbank.org/about](http://worldbank.org/about). Except for the eligibility of support and terms of lending to client countries, IBRD and IDA are tightly integrated and work as a single unit.

**Materiality:** The topics deemed relevant for disclosure in the Sustainability Review were identified by considering annual corporate priorities outlined by the institution's Boards and President and by valuing stakeholder input, as well as by ascertaining sustainability impacts of carrying out the Bank's mission and strategy. GRI aspect categories were used to determine topics to be included in the Sustainability Review. Relevance was determined by assessing (1) the potential impact on the Bank's business and (2) the sustainability impacts stemming from our business.

**Boundary:** The World Bank's corporate operations address how Bank buildings and staff, and the communities that host Bank offices, are managed with the environment, society, and economy in mind. This type of impact is referred to as "corporate," and is the basis of this year's Sustainability Review. Simultaneously, GRI indicators related to these impacts are categorized as "corporate" indicators. This Review complements the [World Bank Annual Report 2019](#), which addresses the World Bank's impacts from lending to client countries. This type of impact is referred to as "operational" impact. Topics stemming from Bank work with clients are discussed in further detail in the [GRI Index 2019](#) indicators specified as "operational," as well as in the World Bank Annual Report 2019.

» Send questions and comments to [crinfo@worldbank.org](mailto:crinfo@worldbank.org).