



CARBON DISCLOSURE REPORT

2023/24



Executive Summary

This report outlines Global IME Bank's commitment to sustainability, aligning with national and international development goals while ensuring transparency for all stakeholders. As part of this commitment, Global IME Bank became a signatory of the Partnership for Carbon Accounting Financials (PCAF) on 12th June, 2024. The bank has adopted the PCAF Global Greenhouse Gas (GHG) Accounting and Reporting Standard for the Financial Industry and is utilizing PCAF's emission factor database to consistently measure and disclose the GHG emissions related to its financing activities. This approach supports the bank's goal of fostering greater transparency and accountability in its financing activities while contributing to broader global sustainability objectives.

The reporting period for this disclosure covers July 16, 2023 to July 15, 2024. The bank has disclosed key metrics related to its financial portfolio and emissions during this period. A total of 50.02% of the bank's loan portfolio, amounting to €1342.38 million, has been disclosed, with comprehensive coverage across business loans and project finance asset classes.

Avoided Emissions:

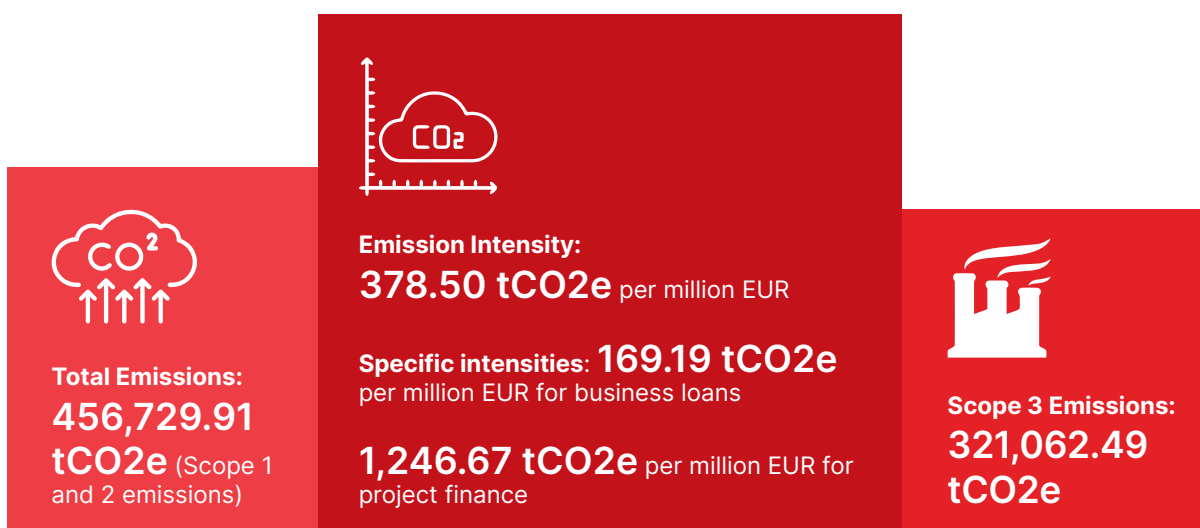
The bank has demonstrated significant commitment to emission avoidance through its financing in hydropower and solar energy projects. These investments have led to the avoidance of 14,001.12 tCO₂e, attributed to a total renewable energy capacity of 723.32 MW. This corresponds to an investment exposure of €135.68 million, with an emission avoidance intensity of 103.19 tCO₂e per million EUR invested.

Data Quality and Reporting Transparency:

Global IME Bank is committed to providing transparent and accurate emissions data which have resulted in a range of data quality scores from 2 to 5. As the bank's data collection process matures, it anticipates expanding the coverage and improving the quality of future disclosures.

This report marks an important step in Global IME Bank's ongoing journey to better understand and address its environmental impacts. The bank remains focused on reducing its environmental impact, improving its sustainability reporting, and supporting projects that contribute to the global transition toward a more sustainable future. Moving forward, the bank will continue to refine its data and expand its disclosures to provide a clearer picture of its financial and environmental impact.

Key Emissions Metrics:



Commitment to Sustainability

Global IME Bank is committed to being a responsible bank for all, leading the way towards sustainable banking and creating a positive impact on society as a whole. The bank's approach to sustainability is built on three key pillars: Environmental Responsibility, Social Impact, and Governance Excellence. These principles are not only embedded in the strategic foundation of bank's core business but are also integrated across every aspect of the bank's operations, ensuring it leads the transition to a more sustainable future.

01

Environmental Responsibility

- The bank aims to reduce its environmental impact through the adoption of energy-efficient technologies, waste reduction, and responsible resource management across all its operations.
- The bank is dedicated to creating a positive environmental impact by supporting businesses that contribute to safeguarding the environment. It finances projects that promote renewable energy, energy efficiency, eco-friendly infrastructure, environmental conservation, pollution prevention, and circular economy initiatives, all of which align with its commitment to environmental sustainability.
- The bank is committed to supporting businesses and communities in enhancing climate resilience through adaptation to climate change while also mitigating its impacts by reducing greenhouse gas emissions and fostering low-carbon technologies.

02

Social Impact

- The bank's approach integrates socio-economic considerations into its banking operations, ensuring that financial inclusion and social welfare steer its business practices. It offers products tailored to underserved communities, agricultural credits, and gender financing to empower women and individuals from diverse economic, cultural, and ethnic backgrounds.
- The bank is dedicated to making a positive impact in the communities it serves by supporting local initiatives, promoting financial literacy, and partnering with organizations to enhance sustainable development and social well-being.

03

Governance Excellence

- The bank upholds the highest standards of governance, ethical conduct, and transparency in all its operations.
- The bank fully abides by national policies, commitments, rules, and regulations, as well as remains dedicated to adopting international best practices.
- The bank prioritizes risk management practices through comprehensive assessments, proactive mitigation strategies, and a culture of continuous improvement.
- The bank empowers its employees to make change in their own communities and work to build a brighter future together.



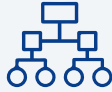









Moving forward, Global IME Bank remains dedicated to creating long-term value for its stakeholders and fostering a sustainable future. By embedding responsible practices across its operations and business practices, the bank strives to drive economic growth, protect the environment, and enhance the well-being of the communities it serves.

Reporting Methodology

This section outlines the approach used to assess and report greenhouse gas emissions associated with Global IME Bank, following the guidelines and standards of the PCAF Global GHG Accounting and Reporting Standard (2022). This section provides a detailed breakdown of key elements such as the reporting period, emission calculation options, data

quality scores, classification systems, emission factors, and the sectors covered within the portfolio. The figure below presents the criteria and corresponding details used in this assessment, offering clarity on how emissions were calculated and disclosed.

 <p>Reporting Period July 16, 2023 – July 15, 2024</p>	 <p>Emission Calculation Options Option 1b (Unverified emissions), Option 2b (Production based); Option 3a (Revenue-based), Option 3b (Asset-based)</p>	 <p>Classification System Exiobase Classification</p>
 <p>Emissions Standard PCAF Global GHG Accounting and Reporting Standard (2022), Part A</p>	 <p>Data Quality Scores (DQS): 2, 3, 4, 5</p>	 <p>Region Emerging economies (Nepal-specific emission factors for avoided emissions)</p>
 <p>Emission Factors Database PCAF Emission Factor Database September 2024</p>	 <p>Emissions Scopes</p> <ul style="list-style-type: none"> - Scope 1: Direct emissions - Scope 2: Indirect emissions - Scope 3: Indirect emissions from supply chains 	 <p>Emission Intensity GHG emissions per million EUR of financing for each asset class/sector</p>
		 <p>Portfolio Disclosed 50.02% of the loan portfolio (€1,342.38 million)</p>



Absolute Emissions

1,206.70 Million
 Financed Amount (EUR)

456,729.91
 Total Financed
 Emissions (tCO₂e)

378.50
 Financed Emissions Intensity
 (tCO₂e/Million EUR)

ABSOLUTE FINANCED EMISSIONS BY ASSET CLASS

Asset Class	Total Outstanding (EURM)	Scope 1 Financed Emissions (tCO ₂ e)	Scope 2 Financed Emissions (tCO ₂ e)	Scope 1 & 2 Financed Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/EURM)	Weighted Data Quality Score
Business Loans	972.29	126,163.20	38,337.49	164,500.70	169.19	5.00
Project Finance	234.41	281,437.46	10,791.75	292,229.22	1,246.67	4.29
Total Financed Emissions	1,206.70	407,600.67	49,129.25	456,729.91	378.50	

ABSOLUTE FINANCED EMISSIONS IN PROJECT FINANCE SECTOR

Sectors	Total Outstanding (EURM)	Scope 1 Financed Emissions (tCO ₂ e)	Scope 2 Financed Emissions (tCO ₂ e)	Scope 1 & 2 Financed Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/EURM)	Weighted Data Quality Score
Air Transport Services	13.56	4,965.79	180.04	5,145.83	379.46	4.01
Telecommunication	18.54	137.33	86.26	223.60	12.06	2.00
Cement	94.44	196,365.29	7,975.89	204,341.18	2,163.63	4.00
Basic Iron and Steel	77.51	79,638.42	2,470.34	82,108.76	1,059.39	4.96
Hydropower (Under Construction)	30.36	330.62	79.22	409.84	13.50	5.00
Total Financed Emissions	234.41	281,437.46	10,791.75	292,229.22	1,246.67	

ABSOLUTE FINANCED EMISSIONS BY BUSINESS LOANS SECTOR

Sectors	Total Outstanding (EURM)	Scope 1 Financed Emissions (tCO ₂ e)	Scope 2 Financed Emissions (tCO ₂ e)	Scope 1 & 2 Financed Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/EURM)	Weighted Data Quality Score
Agriculture, Forestry & Fishing	102.87	57,936.06	8,228.87	66,164.93	643.17	5
Electrical & Machinery	21.18	596.81	776.71	1,373.53	64.84	5
Food Production, Beverages & Tobacco	159.20	9,078.25	9,707.29	18,785.54	118.00	5
Metal & Metal Products	19.40	643.06	174.61	817.68	42.14	5
Petroleum, Chemicals & Non-metallic Mineral Products	80.49	12,789.27	6,563.90	19,353.17	240.45	5
Education; Health; Recreation; Other Services	120.18	2,070.25	1,254.83	3,325.08	27.67	5
Wholesale and Retail Trade; Automotive Services	420.93	41,840.09	9,943.33	51,783.42	123.02	5
Textiles, Leather & Wearing Apparel	28.87	680.05	1,108.68	1,788.73	61.96	5
Transport Equipment	4.23	49.93	72.52	122.45	28.94	5
Wood, Paper & Publishing	14.93	479.42	506.75	986.17	66.07	5
Total Financed Emissions	972.29	126,163.20	38,337.49	164,500.70	169.19	5

Scope 3 Emissions

544.17 Million
 Financed Amount (EUR)

321,062.49
 Total Scope 3
 Emissions (tCO₂e)

SCOPE 3 EMISSIONS BY ASSET CLASS

Asset Class	Total Outstanding (EURM)	Scope 3 Financed Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/EURM)	Weighted Data Quality Score
Business Loans	328.30	209,433.05	637.93	5.00
Project Finance	215.87	111,629.44	517.12	4.49
Total Financed Emissions	544.17	321,062.49	590.01	

SCOPE 3 EMISSIONS BY SECTORS

Sectors	Total Outstanding (EURM)	Scope 3 Financed Emissions (tCO ₂ e)	Emission Intensity (tCO ₂ e/EURM)	Weighted Data Quality Score
Project Finance				
Air Transport Services	13.56	4,021.65	296.56	4.01
Cement	94.44	39,541.28	418.68	4.00
Basic Iron and Steel	77.51	60,242.54	777.26	4.96
Hydropower (Under Construction)	30.36	7,823.97	257.74	5.00
Business Loans				
Electrical & machinery	21.18	15,643.33	738.43	5
Food Production, Beverages & Tobacco	159.20	104,360.93	655.54	5
Metal & Metal Products	19.40	14,796.80	762.55	5
Petroleum, Chemicals & Non-Metallic Mineral Products	80.49	51,133.44	635.30	5
Textiles, Leather & Wearing Apparel	28.87	15,267.32	528.87	5
Transport Equipment	4.23	3,141.57	742.34	5
Wood, Paper & Publishing	14.93	5,089.66	340.98	5

Avoided Emissions

135.68 Million
Financed Amount (EUR)

14,001.12
Total Financed Avoided Emissions (tCO₂e)

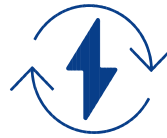
103.19
Financed Emissions Intensity (tCO₂e/Million EUR)

AVOIDED EMISSIONS

Asset Class	Total Outstanding (EURM)	Financed Emissions Avoided (tCO ₂ e)	Total Avoided Emissions From Project (tCO ₂ e)	Financed Avoidance Intensity (tCO ₂ e/EURM)	Project Capacity (MW)
Hydropower Projects	129.02	13,824.25	116,213.05	107.15	709.32
Solar Power Projects	6.66	176.87	317.37	26.55	14.00
TOTAL	135.68	14,001.12	116,530.41	103.19	723.32



723.32 MW
Renewable Energy Projects Currently Generating Electricity



547 MW
Renewable Energy Projects In Progress



Conclusion

Global IME Bank recognizes the urgency of addressing climate change and its far-reaching consequences. Through this Carbon Disclosure Report, the bank reaffirms its commitment to transparency, sustainability and climate action. The bank will continue to track, measure and reduce the carbon emissions associated with the portfolio, while actively supporting the transition to a low-carbon economy. This inaugural report marks an important step towards environmental sustainability and economic growth. By disclosing the bank's financed emissions, the bank holds itself accountable, promotes transparency, and guides its transition to a sustainable, low-carbon future.

Forward-Looking Strategy and Goals: In line with the bank's sustainability efforts, the following initiatives are part of the bank's ongoing strategy to reduce the carbon footprint of its portfolio:

- **Green Financing:** Expanding support for renewable energy, sustainable infrastructure, and low-carbon technologies.
- **Energy-Efficient Products:** Offering products for energy-efficient buildings, electric vehicles, and sustainable agriculture.
- **Client Engagement:** Supporting clients' eco-friendly transitions with green financial products and services.

The bank remains committed to integrating sustainability into its operations and measuring the carbon impact of its portfolio, ensuring alignment with national as well as global climate goals such as the Paris Agreement and the UN Sustainable Development Goals.

First Disclosure – Annual Carbon Reporting Initiation

This disclosure marks **Global IME Bank's** inaugural carbon footprint report, which will be published annually to track and mitigate the environmental impacts associated with the bank's financing activities.

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References:

PCAF (2022). The Global GHG Accounting and Reporting Standard for the Financial Industry

PCAF Database, September 2024





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