ASIAN INFRASTRUCTURE INVESTMENT BANK

2024 AIIB CARBON FOOTPRINT REPORT

Greenhouse Gas Emissions Resulting from AIIB Internal Operations

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INVESTMENT BANK

2024
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CO2

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ABBREVIATIONS

AIIB	Asian Infrastructure Investment Bank
AR6	IPCC Sixth Assessment Report
BSI	British Standards Institution
CH_4	methane
CO_2	carbon dioxide
CO_2e	carbon dioxide equivalent
FAS	Facilities and Administration Services Department
GHG	greenhouse gas
GHG Protocol	Greenhouse Gas Protocol
GWP	global warming potentials
HFC	hydrofluorocarbon
ICEM	Institutional Carbon Emission Management
MDB	multilateral development bank
MRV	monitoring-reporting-verification
NF_3	nitrogen trifluoride
N_2O	nitrous oxide
PFC	perfluorocarbon
SF_6	sulfur hexafluoride

EXECUTIVE SUMMARY

The Asian Infrastructure Investment Bank (AIIB, or the Bank) aims to lead by example in managing its carbon emissions and disclosing the impact of its internal operations. It analyzed the carbon emission impacts associated with its internal operations for the first time in September 2020 (covering 2017–2019 emissions) and again in September 2021 (for 2020 emissions), tracking the carbon footprint from the scopes linked to its internal operations. Starting with the 2021 report, published in 2022, AIIB has continuously monitored and verified its carbon emissions on an annual basis and discloses this information to the public.

This report, the fourth verified annual carbon footprint report, provides a comprehensive analysis of the carbon footprint generated by the internal operations of the Bank's headquarters in Beijing and its backup office in Tianjin. The annual data covers the 12-month period from January 1, 2024, to December 31, 2024. As in previous reports, it identifies the sources of greenhouse gases (GHGs) and categorizes them in accordance with ISO 14064-1:2018 and the Greenhouse Gas Protocol (GHG Protocol).

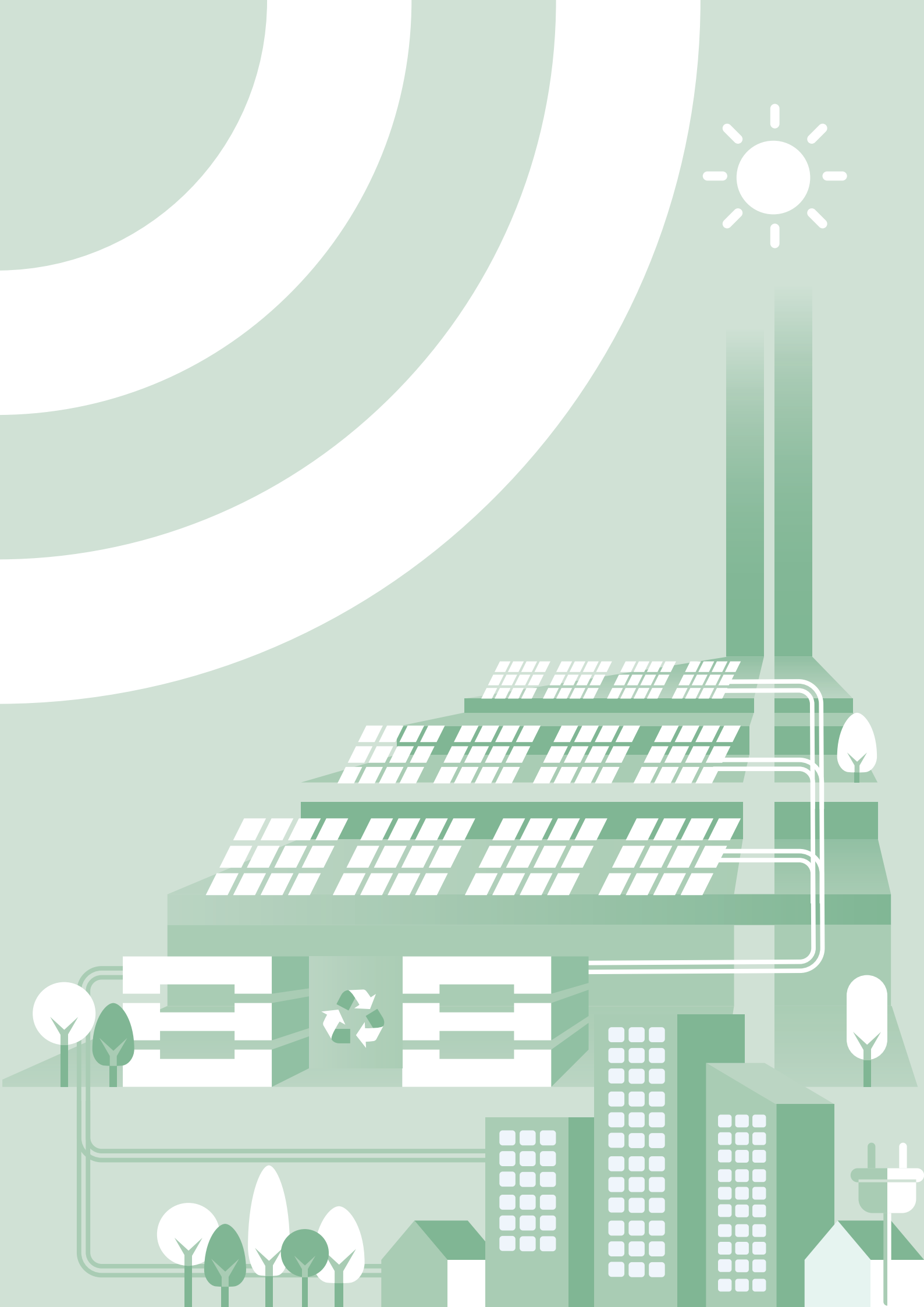
In 2024, emissions from AIIB's internal operations totaled 23,891.72 metric tonnes of carbon dioxide equivalent (CO_2e) using the location-based method, or 19,871.01 metric tonnes using the market-based method. Due to significant efforts to save energy and prioritize green electricity, total emissions from electricity declined between 2023 and 2024, despite the increasing size and scale of business operations. In 2024, over 90% of the electricity used at its headquarters came from roof panels and purchased green electricity, with the rest of the non-renewable-sourced electricity aiming to be offset by Green Electricity Certificates or International Renewable Energy Certificates.

However, Scope 3 emissions from business travel have surged significantly, posing a major challenge for emission reduction. Emissions from business travel accounted for over 48% of total emissions, a significant increase from the 32% in 2023 and 10% in 2022.

This is the first year in which corporate procurement emissions have been included in the inventory. Except for a few rare procurements where accurate emissions data is available (e.g., purchased water and iCloud services), the rest of the procurement emissions are calculated using a revenue-based method. While this method is not fully accurate, it is currently the only available method for calculating emissions from the supply chain.

This report outlines the methodology for selecting and collecting data and computing carbon emissions for all relevant emission categories, using internal and external documentation, interviews with key AIIB personnel and service suppliers, and source data. To ensure the accuracy of the calculations and findings, GHG data is managed in strict accordance with the ISO 14064-1:2018 standard. This document prioritizes open data, data processing to provide results, and the enhancement of the data's usability and annual maintenance. Data quality assessment for 2024 shows that the data quality corresponds to Level 1, indicating good reliability in information transparency.

This report does not address AIIB's lending or technical support activities for its clients.



1: GENERAL DETAILS, PURPOSE, AND POLICY

1.1 Introduction

This report includes the complete greenhouse gas (GHG) emissions inventory of all offices of the Asian Infrastructure Investment Bank (AIIB) for 2024. AIIB's reporting procedures and emission categorizations adhere to international regulations and standards. Similar to the first report, this report conforms to the standards of ISO 14064-1:2018. The information given adheres to the standards established in Part 9.3.1, and when applicable, Part 9.3.2 of the said ISO.

This document provides organization-wide information, including corporate overview and goals, boundary conditions of the inventory, emissions quantification methods, data management methods, base year selection discussion, list of management tools, and auditing and verification processes. The report sets forth the current scope and vision of AIIB's commitment to inventory and managing GHG emissions for its internal global business operations and contains AIIB's GHG inventory methodology. It sets forth AIIB's intention to create a GHG inventory that is consistent with the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) GHG Protocol Initiative for its internal corporate GHG accounting and reporting. The inventory methodology is designed to meet the most rigorous and complete accounting and reporting standards.

This report includes information that applies to AIIB's Permanent Headquarters in Beijing, Tianjin Backup Office located in China, and Abu Dhabi Hub in United Arab Emirates (UAE). Emissions from all offices are calculated using the same methodology to ensure consistency in the quantification process. This report is utilized for reporting to external stakeholders.

1.2 Purpose of this Report

AIIB aims to (a) follow the best practices of multilateral development banks (MDBs) regarding consistency, comparability, and completeness in the accounting of GHG emissions, (b) lead by example by managing its own carbon emissions, and (c) align its internal activities with a pathway toward low GHG emissions and with the objectives of the Paris Agreement.

This report:

- relates to AIIB emissions from internal activities in 2024. AIIB's portfolio emissions, such as those from investments, financing, and treasury activities, are not included in this report.
- reflects AIIB's initial attempt to report its GHG emissions in compliance with the standards of ISO 14064-1: 2018, as well as its attempts to better understand and eventually enhance its monitoring-reporting-verification (MRV) performance concerning emissions.
- has been prepared in line with the standards of ISO 14064-1:2018 by the Facilities and Administration Service Department (FAS) of AIIB.
- attempts to use primary data whenever possible, particularly for all major emission sources. In the absence of primary data, a consistent and conservative calculation method is used.
- does not include confidential information attempts to use primary data whenever possible, particularly for all major emission sources. In the absence of primary data, a consistent and conservative calculation method is utilized.
- does not include confidential information.

1.3 Introduction to AIIB

By investing in infrastructure and other productive sectors, AIIB aims to encourage sustainable economic development, create wealth, and strengthen infrastructural connections in Asia. Working with other international and bilateral development institutions, AIIB is also tasked with fostering regional cooperation and partnerships to address development concerns. AIIB adapts and innovates continuously to provide its clients with personalized investment solutions that overcome obstacles.

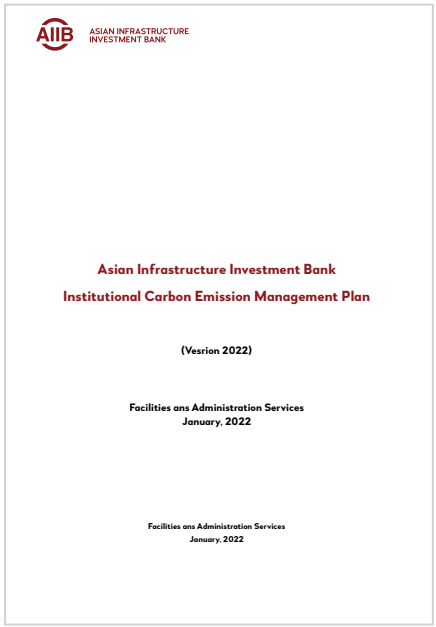
They rely on AIIB's resiliency to assist them in achieving their goals even during the most difficult times.

For further information, please visit www.AIIB.org.

1.3.1 Institutional Carbon Management Policies and Strategies

AIIB announced its Institutional Carbon Emission Management (ICEM) Plan (the Plan) (see Figure 1) in January 2022 to assist the Bank in achieving carbon neutrality by 2025 and align its internal activities with the Paris Alignment. The Plan presents a five-year overview of AIIB's institutional GHG management strategy (2021–2025), which prioritizes emission tracing and management and information disclosure. It identifies steps for the Bank to monitor, verify, and report its institutional carbon footprint, as well as the high-level strategies the Bank might employ to cut and decarbonize its institutional energy use.

Figure 1: AIIB's Institutional Carbon Emission Management Plan (2021–2025)


AIIB ASIAN INFRASTRUCTURE INVESTMENT BANK

Asian Infrastructure Investment Bank

Institutional Carbon Emission Management Plan

(Vesrion 2022)

Facilities ans Administration Services
January, 2022

Facilities ans Administration Services
January, 2022

The Plan also sets four decarbonization targets for 2021–2025 as part of AIIB's efforts to curb climate change:

- AIIB will measure and manage its carbon footprint, continuously enhancing the data quality of its institutional carbon footprint wherever possible. AIIB will continue to hone its methods to enhance coverage and transparency and to prepare for disclosure.
- AIIB will publish its institutional GHG emissions resulting from business travel and facilities by the end of 2022.
- In 2023/2024, AIIB will begin purchasing renewable electricity to cut indirect emissions, eventually covering 100% of the electrical needs of its offices.
- Prior to 2025, AIIB will offset its remaining GHG emissions from internal activities.

The targets are progressing according to the timeline:

- Starting with the 2022 inventory, AIIB began to measure, verify, and disclose its administrative, facility, and mobility emissions annually. Beginning with the 2024 inventory, AIIB will also measure and disclose emissions from corporate procurement.
- AIIB has published its institutional carbon footprint for 2021, 2022, and 2023, and aims to disclose its carbon footprint annually.
- Starting in 2024, AIIB began purchasing green electricity, and the HQ office roof solar panels started providing electricity as well.
- In 2025, AIIB will implement ISO 14068, aiming to officially announce its carbon neutrality for internal operations.

In recent years, AIIB has implemented multiple initiatives to reduce its carbon footprint. Chapter 6 provides more details.

1.3.2 Institutional Carbon Monitoring, Reporting, and Verification

The ICEM Plan established the MRV system for AIIB's internal carbon footprint. AIIB analyzed carbon emission impacts associated with its internal operations for the first time in September 2020 (for 2017–2019 emissions) and then again in September 2021 (for 2020 emissions), tracking the carbon footprint through scopes linked with its internal operations. Starting with the 2022 report (for 2021 emissions), AIIB has been continuously monitoring and verifying its emissions annually and disclosing this information to the public.

This report provides a comprehensive analysis of the carbon footprint generated by AIIB's internal operations at its Permanent Headquarters in the Chaoyang area of Beijing, its backup office in Binhai New District of Tianjin, and its Interim Operational Hub in UAE. It was compiled using both internal and external documentation, submitted by key AIIB personnel and service suppliers, as well as source data and data-gathering systems. Additionally, the report outlines the methodology for selecting and collecting data, and for calculating carbon emissions across all relevant emission categories. It prioritizes the openness of data sources, the processing of data to produce results, and the enhancement of its usability and annual maintenance. This report does not address AIIB's lending or technical support activities for its clients.

To clarify, following AIIB's expansion of its global presence, the Bank opened its first office outside of China in April 2023—the Interim Operational Hub in Abu Dhabi, UAE. 2024 marks the first full operational year for this office, and AIIB has undertaken efforts to build capacity and capture the environmental impact of its offices. This report is the first to disclose the UAE office's inventory.

ISO 14064 Part 1 is generally consistent and compatible with the GHG Protocol developed by the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI). Furthermore, it provides a framework for GHG accounting and verification to organizations looking to quantify and reduce their GHG emissions.

The Carbon Footprint Report is released annually in AIIB website: AIIB Carbon Footprint Reports.

1.3.3 AIIB Climate Action Plan

AIIB released its first Climate Action Plan in mid-2023, which consolidates AIIB's climate commitments and achievements, aligning them with the principles of climate financing and outlining key actions that will guide AIIB's investments in support of our members. Regarding internal activities, it mentioned that AIIB will focus on improving its capacities, corporate practices, and culture with regard to its own internal operations and its engagement with stakeholders and clients. AIIB will:

- Adopt, report on, and disseminate evolving standards with climate implications, including on impact metric requirements from the International Sustainability Standards Board (ISSB) and relevant recommendations.

- Explore and implement good practices for the Bank's internal operations (e.g., building management, staff commuting and travel, pension management) to minimize its carbon footprint as envisaged in Building Block Six of the Joint MDB Paris Alignment Framework. On the internal activities related to facility management and staff travel, AIIB will measure and monitor carbon footprint and achieve carbon neutrality prior to 2025.

For further information on this plan, please visit AIIB Climate Action Plan.

1.3.4 Sustainability Report

As mentioned in the Climate Change Action Plan, AIIB will adopt, report on, and disseminate evolving standards with climate implications in its annual sustainability report. Information from this report will be disclosed in accordance with relevant standards, along with other pertinent information.

1.3.5 Act Green Together Initiative

The Act Green Together (AGT) initiative, AIIB's sustainable event management framework for its annual meetings since 2019, combines key learnings from international best practices in sustainable event management and carbon emissions accounting standards. The initiative focuses on four components for the annual meeting:

- sustainable meeting design and management;
- carbon emissions measurement and offset;
- participant actions and engagement; and
- carbon reporting and disclosure.

Since its inception in 2019, AGT has been successfully implemented for AIIB's annual meetings in Luxembourg (2019), Egypt (2023), and Uzbekistan (2024). Due to the travel restriction caused by the COVID-19 pandemic, AIIB organized its Annual Meetings in electronic form from 2020 to 2022. Currently, AGT for the 2025 meeting in China is in the pipeline, co-led by AIIB's Corporate Secretariat (CorpSec) and Facilities and Administration Services Department (FAS).

Since the launch of the initiative, the Bank has made tremendous efforts to capture the impact of the events by implementing comprehensive data collection and analysis processes. This includes measuring the carbon footprint of each meeting in detail and identifying areas where emissions can be reduced. The Bank has also focused on addressing residual emissions through rigorous carbon monitoring practices, ensuring that any unavoidable emissions are effectively offset through verified carbon offsets.

In addition to these technical measures, the Bank has been committed to transparency by regularly disclosing detailed information about the environmental impact of its events to the public. This transparency fosters accountability and encourages continuous improvement in sustainable practices.

More importantly, the AGT initiative has played a crucial role in capacity building for host members. Through extensive training and support, the Bank has helped annual meetings' host members develop and implement their own sustainable event management practices. This is particularly significant for less developed countries, which often lack experience and resources in managing carbon emissions. By providing technical assistance, sharing best practices, and facilitating knowledge exchange, the Bank has empowered these members to improve their sustainability efforts and contribute to global climate goals.

1.4 Persons Responsible

1.4.1 Governance of the Institutional Carbon Emission Management Plan

ICEM governance is explained by the following:

- AIIB institutional carbon emissions are the subject of the analyses (Scope 1, 2,[1] and part of 3[2], including travel, commuting, waste management, water consumption, etc.)
- Staff responsible for ICEM:
  - Vice President and Chief Administration Officer or Director General, Facilities and Administration Services (FAS) Department: leads the function.
  - Institutional Carbon Management Specialist: supports the entire function.
  - Facility Officer(s) and facility management service providers: provides energy and electrical statistics, building energy efficiency measures, etc.
  - Administrative Officer(s) and corporate service providers: provides information regarding waste management, water use, vehicle operation, staff commute data, and other green activities.
  - Procurement Officer(s): provides procurement data, green procurement programs, etc.

Staff training: ICEM provides regular training to increase awareness of the importance of low-carbon emissions and environmental preservation. Specific trainings have been provided by third-party verifiers to data managers (see 1.4.2) for data collection and maintaining rules.

Document keeping: ICEM documents (UL360) are kept in an electronic format and maintained using a third-party inventory management system that is accessible to both internal and external parties. ICEM documents and management system are examined annually as part of internal and external auditing/verification.

1.4.2 Persons Responsible

AIIB prepared the AIIB Carbon Footprint Report 2024 with significant collaboration among departments of the Bank and service providers.

Overall responsibility lies with

- Guorong Ding, Director General of FAS
- Zhan Wang, Manager of the Administrative and Facilities Division

Responsibility for the preparation of the GHG inventory and report:

- Yuan Lin, Senior Institutional Carbon Management Specialist

Data managers:

- Zhang Ying, Administration Officer
- Yechao Zhu, Senior Administration Officer
- Lihai Yin, Senior Facility Management Officer
- Yang Zhang, Head of Security and Emergency
- Wanning Zhong, Corporate Procurement Analyst
- Chong An, Digital Program Specialist

Collaborators:

- AGT: Kai Chen, Senior Events Management Officer
- ISSB: Xiaojia Chen, Senior Finance Officer

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1 United States Environmental Protection Agency Scope 1 and Scope 2 Inventory Guidance.
2 United States Environmental Protection Agency Scope 3 Inventory Guidance.

1.5 Audience and Dissemination Policy

This report is intended for all AIIB stakeholders interested in AIIB's GHG emissions inventory and the accompanying reporting format, notations, and explanations. It is made available to the public after appropriate third-party verification. In addition, the report communicates:

- AIIB's institutional GHG performance and
- AIIB's institutional resolve to achieve GHG performance improvements.

The intended users of this document are:

- stakeholders and peers,
- intergovernmental entities, and
- the public.

1.6 Reporting Period and Frequency of Reporting

This GHG report covers the calendar year from January 1 to December 31, 2024. GHG reports are produced annually.

1.7 Reporting Standards, Approach, and Verification

1.7.1 Compliance with ISO 14064-1:2018

The GHG report for the year ending on December 31, 2024 has been prepared in accordance with ISO 14064-1:2018.

1.7.2 Audit of GHG Inventory

This report has been verified to reasonable assurance by the British Standards Institution (BSI).

1.8 Declaration Statement by AIIB

AIIB, in its capacity as a "Reporting Organization" for the purposes of this report, therefore, certifies that the inventorying and reporting of GHG emissions have been performed in accordance with ISO 14064-1:2018 (Specification with Guidance at the Organization Level for Quantification and Reporting of Green House Gas Emissions and Removals).

AIIB initiated data collection and reporting in a structured format in accordance with ISO 14064-1:2018 requirements.

2: PRINCIPLES FOLLOWED IN GREENHOUSE GAS REPORTING

In preparing this report, AIIB followed the following five principles set forth under ISO 14064-1:2018 to ensure that GHG-related information is true and accounted fairly:

- Relevance,
- Completeness,
- Consistency,
- Accuracy, and
- Transparency.

Relevant GHG sources and sinks at the Bank were identified and quantified for the purpose of GHG reporting based on the methodology described in the respective chapters of this report. In the event of uncertainty or a lack of data, reasonable assumptions were made based on information accessible on various data platforms to limit the uncertainty and risk associated with GHG accounting.

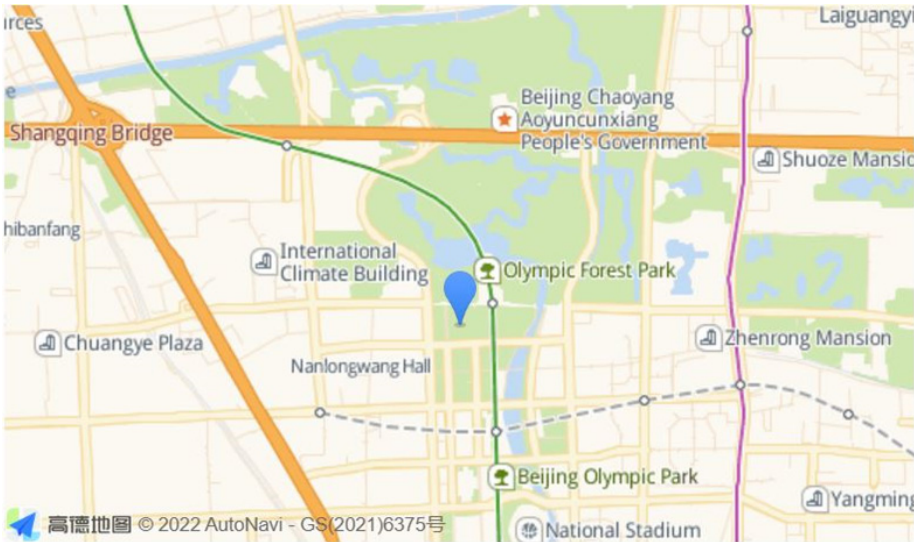
AIIB maintains the records used to collect data for the quantification of GHG emissions. Collecting sufficient and relevant GHG-related information allows the intended users to make decisions with an acceptable degree of confidence and enable the formulation of a road map to reduce internal GHG emissions.

3: GREENHOUSE GAS INVENTORY BOUNDARIES

3.1 Geographic Boundaries of the Inventory

AIIB calculates its carbon footprint using the operational control approach. This method considers emissions from all areas where AIIB has direct physical or operational control, but not necessarily financial control. As such, it includes the Bank's headquarters in the Chaoyang area of Beijing, where its office facilities and administrative functions are located; it also includes the Bank's Tianjin Backup office and the Abu Dhabi Interim Operations Hub.

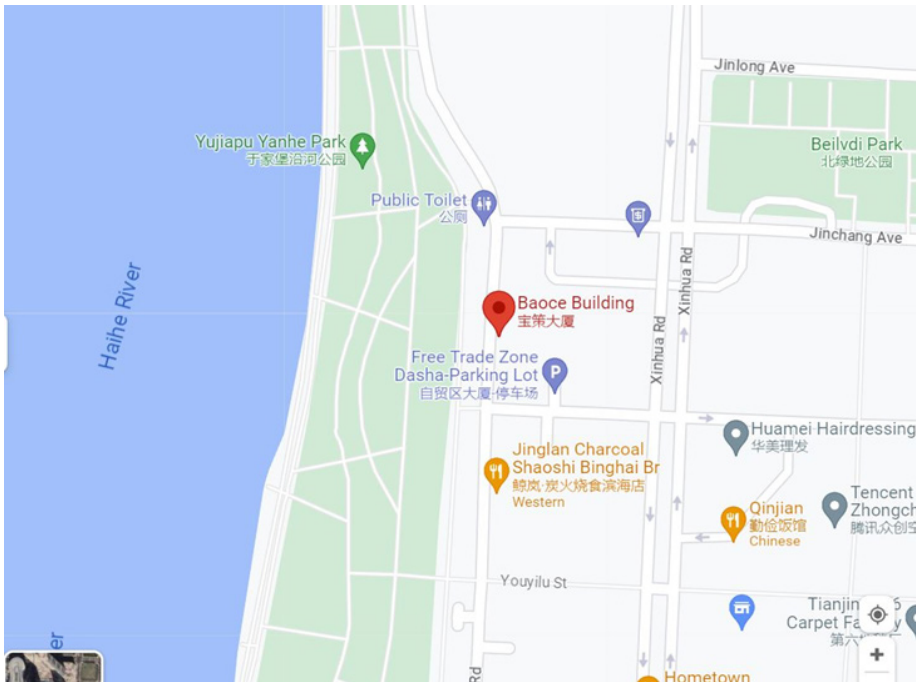
Figure 2: AIIB Headquarters Location



Address: AIIB, Tower A, Asia Financial Center, No.1 Tianchen East Road, Chaoyang District, Beijing 100101

Figure 3: AIIB Headquarters

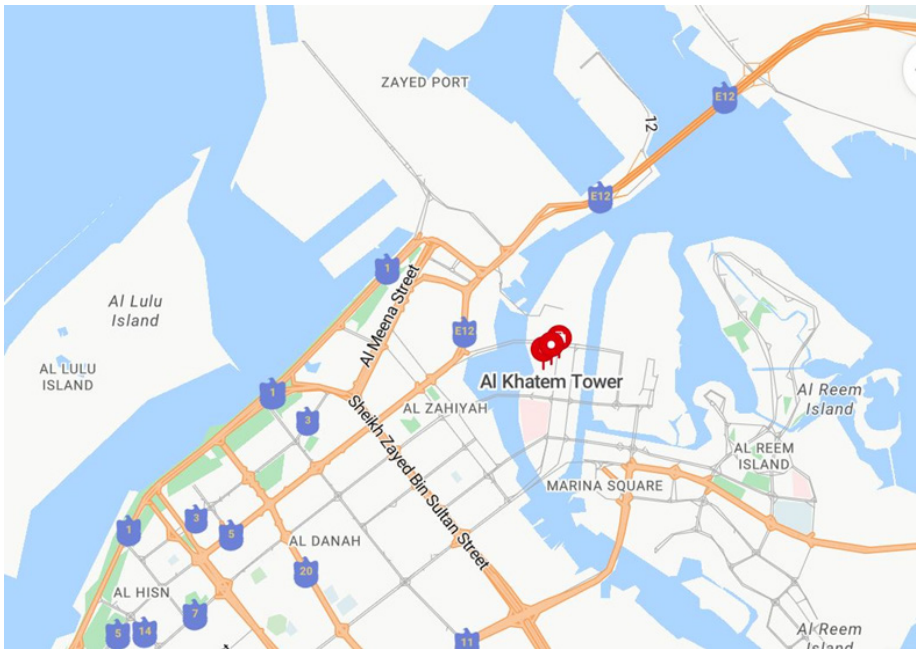
Figure 4: AIIB Tianjin Backup Office Location



Address: Floor 25-26, No. 681 Ronghe Road, Binhai New District, Tianjin, 300450

Figure 5: AIIB Tianjin Backup Office

Figure 6: AIIB Abu Dhabi Interim Operational Hub Location



Address: Floor 35, Al Khatem Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, UAE 43004

Figure 7: AIIB Abu Dhabi Interim Operational Hub

3.2 Reporting Boundary

3.2.1 Emissions Categories and Classification

AIIB has chosen to set its organizational boundaries for the GHG inventory according to the operational control approach. Consistent with this approach, AIIB accounts for GHG emissions from its locations for which it has direct control over operations, and where it can influence decisions that impact GHG emissions. This includes all owned and leased facilities and vehicles operated by AIIB. A portion of leased facilities operate under full service gross leases, where the building owner/manager pays the utilities directly and AIIB does not have access to actual energy consumption information. AIIB includes these facilities in its definition of operational control and estimates the energy consumption as well as refrigerant use if this data is unavailable as described in the Data Management section.

This report is directed by FAS of AIIB. Reporting boundaries have been established within the AIIB offices, including emissions from facilities and office use in the headquarters and Tianjin office, emissions from corporate vehicles, Bank staff commuting and travel, and emissions from the use of certain products. The boundary does not encompass AIIB investment projects or their associated upstream and downstream emissions. AIIB's carbon footprint from investment projects are managed and disclosed by AIIB's other initiatives.

The sources of GHG emissions have been identified and categorized in accordance with ISO 14064-1:2018. Although ISO 14064-1:2018 is consistent with the GHG Protocol, the system classifies emissions into six categories, which differ slightly from Scopes 1 through 3 of the GHG Protocol. Following are the six categories and their corresponding scopes in the GHG Protocol:

- Category 1 (Scope 1): Direct GHG emissions and removals
- Category 2 (Scope 2): Indirect GHG emissions from imported energy
- Category 3 (Scope 3): Indirect GHG emissions from transportation
- Category 4 (Scope 3): Indirect GHG emissions from products used by the organization
- Category 5 (Scope 3): Indirect GHG emissions associated with the use of products from the organization
- Category 6 (Scope 3): Indirect GHG emissions from other sources

According to the requirements of ISO 14064-1:2018, GHGs include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF_6), and nitrogen trifluoride (NF_3).

3.2.2 Significance and Materiality

All of AIIB's direct emissions (Category 1) are monitored and reported. For indirect emissions (Category 2-6), we use the principles of significance and materiality to determine inclusions and exclusions. Factors for consideration in assessing significance and materiality include:

- Emission size
- Difficulty in obtaining data
- AIIB's influence on the emission source
- Validity in available quantification and estimation approaches
- Risks and opportunities
- Staff engagement possibilities

AIIB selected inclusions and exclusions in strict accordance with the ISO 14064-1:2018 standard. Table 1 displays the significance scores of all identified emission sources within the geographic boundaries of the inventory. All direct and indirect emission sources with significant or medium impacts are reported in this document. Emission sources with scores of 20 or higher are marked as **significant**, those with scores between 15 and 19 are marked as **medium**, and sources with scores of 14 or lower are marked as **insignificant**. Based on the results of the significance assessment, emission sources with insignificant impact are not included in this report but are elaborated upon in Chapter 3.2.4. For those minor emission sources, we acknowledge their existence and are actively exploring ways to quantify them in the future.

Table 1: Significance Score of Indirect Emissions Sources, 2024

Subcategory		Emission Sources	Quantitative Method	Emission Factor Availability	Influence	Risk		Opportu-nity	Sectoral Guidance Availability	Outsourcing	Staff Engagement	Total	Summary
						Possibility	Impact						
Category 2: Indirect GHG Emissions from Imported Energy													
2.1	Indirect GHG emissions from imported electricity	Electricity from grid	5	5	3	1	1	2	3	1	1	22	Significant
2.2	Indirect emissions from imported energy	Hot water	5	5	1	1	1	2	3	1	1	20	Significant
		Regional cooling	5	5	1	1	1	2	3	1	1	20	Significant
		Heating	5	5	3	1	1	2	3	1	1	22	Significant
Category 3: Indirect GHG Emissions from Transportation													
3.1	Emissions from upstream transport and distribution for goods	Not identified within the reporting scope											
3.2	Emissions from downstream transport and distribution for goods	Waste transport	5	5	1	1	1	1	1	1	1	17	Medium
3.3	Emissions from employee commuting	Staff commuting	1	2	2	1	1	1	1	1	3	13	Insignificant
3.4	Emissions from client and visitor transport	Visitor transport	1	2	1	1	1	1	1	1	1	10	Insignificant

Subcategory		Emission Sources	Quantitative Method	Emission Factor Availability	Influence	Risk		Opportu-nity	Sectoral Guidance Availability	Outsourcing	Staff Engagement	Total	Summary
						Possibility	Impact						
3.5	Business travel	Business travel - flight	5	5	2	1	1	1	1	1	1	18	Medium
		Business travel - train	5	5	2	1	1	1	1	1	1	18	Medium
		Business travel - hotel	5	5	2	1	1	1	1	1	1	18	Medium
		Business travel - local transport	1	5	1	1	1	1	1	1	1	13	Insignificant
Category 4: Indirect GHG Emissions from Products Used by the Organization													
4.1	Emissions from purchased goods	Cloud service	5	5	1	1	1	1	1	1	1	17	Medium
		Tap water	5	5	1	1	1	2	1	1	1	18	Medium
		Other purchased goods	5	3	3	1	1	2	1	1	1	18	Medium
4.2	Emissions from capital goods	Not identified within the reporting scope											
4.3	Emissions from disposal of solid and liquid	Waste	2	5	2	2	2	1	1	1	3	19	Medium
		Sewage	1	5	1	1	1	1	1	1	1	13	Insignificant
		Oil separator	1	3	1	1	1	1	1	1	1	11	Insignificant
4.4	Emissions from use of assets	Not identified within the reporting scope											
Category 5: Indirect GHG Emissions Associated with the Use of Products from the Organization													
5.1	Emissions or removals from the use stage of the product	Not identified within the reporting scope											

Subcategory		Emission Sources	Quantitative Method	Emission Factor Availability	Influence	Risk		Opportu-nity	Sectoral Guidance Availability	Outsourcing	Staff Engagement	Total	Summary
						Possibility	Impact						
5.2	Emissions from downstream leased assets	Not identified within the reporting scope											
5.3	Emissions from end-of-life stage of the product	Not identified within the reporting scope											
5.4	Emissions from investments	Not identified within the reporting scope											
Category 6: Indirect GHG Emissions from Other Sources													
6	Indirect GHG emissions from other sources	Not identified within the reporting scope											

3.2.3 Summary of Emissions Source Inclusions

Establishing operational limits for AIIB GHG emissions is mostly influenced by fossil fuel usage in purchased electricity and energy consumption, refrigerant gas consumption in chillers and air conditioning units at the headquarters, staff business travel, waste disposal, etc.

Table 2: Summary of Included Sources of Emissions, 2024

Emission Sources	Category	Data Source	Methodology
Diesel for emergency generator	Category 1 (Scope 1)	Fuel consumption statistics — emergency generator engine operation record	Fuel use provided in liters
Corporate fleet		Fuel consumption statistics — gasoline procurement records	Fuel use provided in liters and refrigerant refilled in kilogram (kg)
Natural gas		Fuel billing and meter record	Fuel use provided in cubic meter (m^3)
Release of refrigerant		Refrigerant billing	Fuel use provided in kg
Fire extinguisher		Extinguisher quality and capacity Fire drill records	Carbon dioxide (CO_2) and refrigerant refilled in kg
Septic tank		Total man-days and depth of tank	Assumed by Biochemical Oxygen Demand (BOD) conversion factor, tank depth, etc.
Heating	Category 2 (Scope 2)	Heating billing	Billing by gigajoule (GJ)
Hot water		Hot water billing	Billing by GJ
Centralized cooling		Cooling billing	Billing by kilowatt-hour (kWh)
Purchased electricity (renewables, non-renewables)		Electricity billing	Billing by kWh
Staff Commuting	Category 3 (Scope 3)	Survey	Staff provided information on their commuting methods
Business travel – flight		Provider reports on emissions	Direct emission reports
Business travel – train		Provider reports on emissions	Distance provided in kilometers (km)
Business travel – hotel		Provider reports on total room nights	People night in different regions provided by the travel agency
Waste transportation		Provider reports on vehicle information and transportation distance	Distance provided in km
Cloud service	Category 4 (Scope 3)	Provider reports on emissions	Direct emission reports
Other procurement		Payment report Procurement report	Assumed by payment of different procurement items
Waste disposal		Provider reports on tonnes	Assumed by tonnes of different types of waste
Tap water		Water billing	Billing by m^3

Regarding Categories 3 and 4, AIIB chose staff commuting, business travel (flight, train, hotel), tap water, cloud service, other procurement, and waste transport and disposal based on their relevance, applicability to AIIB, and availability of raw data.

Emissions derived from biomass have not been identified within the organization boundary and the reporting boundary.

3.2.4 Summary of Emissions Source Exclusions

As defined in the previous reports, the AIIB Carbon Footprint Report evaluated emission sources exclusively from its internal operations. AIIB's lending or technical support activities for its clients are not addressed by this report.

The following sources (see Table 3) of emissions have been discovered but are not included in the emissions inventory. The stakeholders and context of the inventory do not deem these sources substantial or material, nor is it possible or viable to calculate them at this time. These emission sources have been identified as insignificant and have been excluded from this report according to Table 1 on the Significance Score of the Direct and Indirect Emission Sources.

There are no Category 5 and 6 emissions identified as falling within the reporting boundary.

Table 3: Summary of Excluded Sources of Emissions, 2024

Emission Sources	Category	Reason for Exclusion
Business travel – local transport, e.g., taxi	Category 3	AIIB's business travel expense reimbursement system, SAP Concur, can only record reimbursed cab expenditures without distance information. AIIB expects this part of emissions to be below 1% of the total emissions. AIIB does not calculate the price of a local cab for this report due to the wide pricing disparity between regions.
Emissions from client and visitor transport	Category 3	Visitors to the AIIB headquarters are responsible for their own transportation reimbursement. AIIB expects this part of emissions to be below 1% of the total emissions.
Sewage and oil separator	Category 4	We recognize that sewage treatment and oil separator treatment should also be part of our internal operations' carbon footprint. However, since the entire building's sewage and oil separator treatment are managed by the property owner, and it is difficult to separate AIIB's share of responsibility, we have temporarily excluded these emissions.
Emissions from Investment	Category 5	The boundary does not encompass AIIB investment projects or their associated upstream and downstream emissions. AIIB's carbon footprint from investment projects are managed and disclosed by AIIB's other initiatives.


CO2

4: QUANTIFIED INVENTORY OF GREENHOUSE GAS EMISSIONS

4.1 Consolidated Statement of Greenhouse Gas Emissions

Table 4: Summary of CO_2e Emissions by ISO 14064 (Category 1–6)

Category 1	**Beijing CO_2e (tonne)**	**Tianjin CO_2e (tonne)**	**UAE CO_2e (tonne)**
Subtotal for Category 1		**142.89**	
Emergency generators	0.86	-	-
Kitchen cookers	68.19	-	-
Official vehicles	31.43	Calculated with Beijing	-
Refrigerators	0.00	0.00	-
Air conditioners	0.00	0.00	-
Chillers	2.82	-	-
Fire extinguishers	0.00	0.00	-
Septic tanks	39.28	0.30	-
Total	**142.59**	**0.30**	**0**
Category 2	**Beijing CO_2e (tonne)**	**Tianjin CO_2e (tonne)**	**UAE CO_2e (tonne)**
Subtotal for Category 2		***7,393.99 (3,445.27)**	
Municipal heating	2,070.08	46.43	-
Municipal hot water supply	89.21	-	-
Regional cooling	-	0.24	86.40
Purchased electricity	*4,695.08 (746.36)	396.18	10.36
Total	***6,854.37 (2,905.65)**	**442.85**	**96.77**
Category 3	**Beijing CO_2e (tonne)**	**Tianjin CO_2e (tonne)**	**UAE CO_2e (tonne)**
Subtotal for Category 3		**9,614.61**	
Staff commuting (car, tram, metro, etc.)	167.77	Calculated with Beijing	Calculated with Beijing
Staff business travel (high-speed rail)	10.25	Calculated with Beijing	Calculated with Beijing
Staff business travel (by air)	9,086.56	Calculated with Beijing	Calculated with Beijing
Staff business accommodation	349.70	Calculated with Beijing	Calculated with Beijing
Waste transportation (food waste)	0.08	0.000336	0.05
Waste transportation (other waste)	0.19	0.0003906	-
Waste transportation (recyclable)	0.02	0.0001995	-
Total	**9,614.56**	**0.0009261**	**0.05**

Category 4	Beijing CO_2e (tonne)	Tianjin CO_2e (tonne)	UAE CO_2e (tonne)
Subtotal for Category 4		**6,668.23**	
Cloud service	150.20	Calculated with Beijing	Calculated with Beijing
Procurement	6,513.33	Calculated with Beijing	Calculated with Beijing
Waste disposal (food waste)	-0.06	-0.000384	0.000366424
Waste disposal (other waste)	0.07	0.00017391	
Waste disposal (recyclable)	0.00	0.00	
Domestic water supply	4.64	0.03	0.02
Total	**6,668.18**	**0.03**	**0.02**
Total Emissions (Category 1–6)	***23,279.70 (19,330.98)**	**443.18**	**96.84**
Total for All Categories		***23,819.72 (19,871.01)**	

* AIIB commenced trading green electricity from the market on January 1, 2024. In accordance with ISO 14064, both the location-based and market-based methods were applied to calculate the carbon footprint. Black numbers are the location-based and the red numbers are the market-based.
- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%
Note: Numbers may not add up due to rounding.

Table 5: Summary of CO_2e Emissions by Greenhouse Gas Protocol (Scopes 1–3)

Emission Category by GHG Protocol	Total Emission Scopes 1–3 (tonne)
Scope 1	142.89
Scope 2	*7,393.99 (3,445.27)
Scope 3	16,282.84
Total	***23,819.72 (19,871.01)**

* AIIB commenced trading green electricity from the market on January 1, 2024. In accordance with ISO 14064, both the location-based and market-based methods were applied to calculate the carbon footprint. Black numbers are the location-based and the red numbers are the market-based.

This document does not provide any recommendations or requirements for removal.

4.2 Methodologies for the Collection and Quantification of Data

Although the majority of the data sources are part of FAS' everyday operations, the format and level of detail of the original data vary markedly because AIIB has only just begun to collect fundamental data on carbon emissions from various service providers and sources. In accordance with the ISO 14064-1:2018 standard, the emissions summary consolidates and standardizes emissions data and provides a full explanation of working and estimation.

The overview of emissions sources and their respective data sources is provided in Section 3.2.3. The best available data and computation methods are utilized when estimation is necessary.

The combustion process is defined by the rapid oxidation of substances (i.e., fuels) with the release of thermal energy (i.e., heat). Category 1 activities emit direct GHG such as CO_2, CH_4, and N_2O, as well as ambient air pollutions. Emission of these gases from Category 1 sources depend upon fuel characteristics and size, along with combustion technology. Emissions also vary with operation and maintenance practices. This guidance only addresses direct emissions of the following types of GHG, i.e., CO_2, CH_4, and N_2O.

This report tries to use regional emission factors instead of international emission factors. It uses the most relevant factor indicated by:

- China Greenhouse Gas Emission Coefficient Library for Product Life Cycle
- GB/T 2589-2020
- Department for Environment, Food & Rural Affairs, Government of the United Kingdom (DEFRA)
- Environmentally-extended input output (EEIO)
- Ecoinvent
- Guidelines for the Preparation of Provincial Greenhouse Gas Inventories
- Announcement by the Ministry of Ecology and Environment and the National Bureau of Statistics on the Release of the 2022 Electricity CO_2 Emission Factors
- DB11/T 1787-2020 Requirements for Carbon Dioxide Emission Accounting and Reporting
- IPCC Sixth Assessment Report Global Warming Potentials
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories
- 2022 China Garbage Classification and Treatment Industry In-Depth Research and Analysis Report

4.2.1 Calculation of Greenhouse Gas Emission, Beijing Headquarters

A fuel-based approach is applied to calculate GHG emissions. The approach typically requires the collection of activity data, in the form of the type and quantity of fuel consumed for combustion purposes. To calculate emissions using fuel type, fuel consumption and emission factor data, the following equations are applied:

Emission from Diesel Consumption:

Emission (tonnes of carbon dioxide equivalent [tCO_2e]) = consumption (liter [L]) * density (kilogram [kg]/L) * emission factor (t/t)/1,000
= 324 (L) * (0.835+0.855)/2 (kg/L) * 3.15 (t/t)/1,000
= 0.86 (tCO_2e)

Diesel is used exclusively in AIIB's emergency generator, with consumption data recorded in the generator's operating logs. Diesel density information, typically ranging from 0.835 to 0.855 kg/L, is provided by the diesel supplier's hotline. The GHG emission factors for diesel are calculated using the IPCC methodology, with the local calorific value (43.26 GJ/tonne) also provided by the diesel supplier.

Emission from Petrol Consumption:

Emission (tCO_2e) = consumption (L) * density (kg/L) * emission factor (t/t)/1,000
= 13800.6 (L) * (0.72+0.775)/2 (kg/L) * 3.05 (t/t)/1,000
= 31.43 (tCO_2e)

Petrol is exclusively used in AIIB's corporate vehicles and is purchased from Sinopec. Consumption data is recorded in the procurement records. Petrol density information, with an average range of 0.720–0.775 g/cm^3, is sourced from the Sinopec website. The GHG emission factors for petrol are calculated using the IPCC methodology and local Chinese average petrol factors (43.07 GJ/tonne).

Some of AIIB's corporate vehicles are leased rather than owned by the bank; however, since all of the leased corporate vehicles are 100% used for AIIB, we consider the emissions from these vehicles to be part of our Scope 2 emissions rather than Scope 3 emissions.

Emission from Natural Gas Consumption:

Emission (tCO_2e) = consumption (m^3) * emission factor (kg/m^3)/1,000
= 34179 (m^3) * 1.9952 (kg/m^3)/1,000
= 68.19 (tCO_2e)

Natural gas is exclusively used in AIIB's two canteen kitchens, with consumption data recorded by the natural gas meter. The GHG emission factors for natural gas are calculated using the IPCC methodology, and the local natural gas calorific value (35,902 MJ/Nm^3) is provided by the gas supplier, Beijing Gas, via their hotline.

Emission from Fire Extinguishers:

Emission (tCO_2e) = Quantity of CO_2 refilled in 2024 (kg)/1,000 + quantity of heptafluoropropane refilled in 2024 (kg) * GWP of heptafluoropropane/1,000
= 0/1,000 + 0*3,600/1,000
= 0 (tCO_2e)

In 2024, 32 2-kg HFC-227ea fire extinguishers were retired. Since all of them are still stored at AIIB and the retirement method has not yet been confirmed, we did not calculate the emissions from these as part of the 2024 emissions. However, we will include them in the 2025 inventory. In 2024, no fire drill was conducted at the headquarters, resulting in no CO_2 emissions for the year.

Emission from Refrigerant Make Up for Air Conditioners, Refrigerators, and Chillers:

Emission (tCO_2e) = Quantity of refrigerant refilled in 2024 (kg) * Global Warming Potential [GWP]/1,000
= 1.25 kg * 2,255.5/1,000 (tCO_2e)
= 2.82 (tCO_2e)

R134a, R404a, and R32, which are used in AIIB's refrigeration and air conditioning systems, are GHGs with GWP significantly higher than that of CO_2. Therefore, the uncontrolled release of these gases into the atmosphere may have a substantial impact on climate change. However, due to the lack of refrigerant charge data for two facilities, the uncontrolled release of these gases could not be used to calculate emissions. Instead, the quantity of refrigerant refilled was used. In 2024, 1.25 kg of R410a was added to the chillers.

Emission from the Septic Tank:

Emission (tonnes of methane [tCH_4]) = total people * total day/3 * (BOD) generation (grams [g]/per capita per day) BOD transfer factor (tCH_4/tBOD) * coefficient of correction emission (for 4.4m tank) /1,000/1,000
= 1,000 (people) * 220 (day)/3 * 40 (g/per capita per day) * 0.6 * 0.8/1,000/1,000
= 1.408 (tCH_4)

Emission (tCO_2e) = Emission (tCH_4) * CH_4 GWP (tCO_2e/tCH_4)
= 3.46 (tCH_4) * 27.9 (tCO_2e/tCH_4)
= 39.28 (tCO_2e)

As monitored previously, the depth of the septic tank is 4.4 meters, and the corresponding transfer factors for a 4.4-meter tank have been used. In 2024, AIIB did not track the total number of employees and service providers who visited the HQ office. However, based on an estimate from AIIB's security team, an average of 1,000 employees and service providers per day worked in the office.

Unlike in previous years, this year we recognized that the factor for BOD generation per day is based on a 24-hour period, while staff work in the office for about eight hours. Therefore, we used the total number of hours in a day divided by three to calculate the actual BOD generation in the office.

Emission from Electricity Consumption (location-based method):

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 8414118.49 (kWh) * 0.5580 (kg/kWh)/1,000
= 4695.08 (tCO_2e)

Emission from Electricity Consumption (market-based method):

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 896533.03 (kWh) * 0.8325 (kg/kWh)/1,000
= 746.36 (tCO_2e)

Emission (tCO_2) = Emission (tCO_2e)
= 525.01 (tCO_2)

The emission factor for electricity consumption has been updated for this report.

In 2024, three types of electricity were used at the AIIB HQ.

Onsite Roof Panel Solar Electricity: The panel is owned and operated by the building owner, and the electricity generated from it is partially used by AIIB HQ. In 2024, AIIB used 131,858 kWh of onsite roof panel solar electricity. According to the standard, this portion of electricity consumption is not included in either the location-based or market-based methods.

Purchased Green Electricity: In 2024, a total of 7,517,585.46 kWh of green electricity was purchased from the market.

Purchased Non-Green Electricity: Due to a lack of green electricity supply, not all of the HQ's electricity demand was met by green electricity in 2024. A total of 896,533.03 kWh was purchased from non-renewable sources.

Emission factors are applied separately for the location-based and market-based methods, both sourced from the "Announcement by the Ministry of Ecology and Environment and the National Bureau of Statistics on the Release of the 2022 Electricity CO_2 Emission Factors." According to the policy, the location-based emission factor uses the latest Beijing electricity consumption emission factor, which is 0.5580 kg/kWh, and the market-based emission factor uses the fossil fuel emission factor of the China state grid, which is 0.8325 kg/kWh.

Emissions from Heat and Hot Water Consumption

- Hot Water

Emission (tCO_2e) = consumption (GJ) * emission factor (kg/GJ)/1,000
= 811 (GJ) * 110 (kg/GJ)/1,000
= 89.21 (tCO_2e)

- Heat

Emission (tCO_2e) = consumption (GJ) * emission factor (kg/GJ)/1,000
= 18818.92 (GJ) * 110 (kg/GJ)/1000
= 2070.08 (tCO_2e)

From 2022, we changed the emission factors from DB11/T 1787-2020 Requirements for Carbon Dioxide Emission Accounting and Reporting. The emission factor is nearly doubled from 2021 to 2022; however, we believe the emission factor from the latter standard is more reliable than the previous one from research paper. In 2024, since no updated emission factors for heating and hot water were released, we continued using the 2022 factors.

Emissions from Tap Water Consumption

Emission (tCO_2e) = consumption (m^3) * emission factor (kg/m^3)/1,000)
= 27645.00 (m^3) * 0.168 (kg/m^3)/1,000
= 4.64 (tCO_2e)
Emission (tCO_2) = Emission (tCO_2e)
= 4.64 (tCO_2)

In 2024, the China Greenhouse Gas Emission Coefficient Library for Product Life Cycle has been published with the latest water consumption emission factors. China's latest average emission factor of 0.168 kg/m^3 is applied. Since no updated emission factors were released, this report still uses this emission factor.

Emission from Business Travel – Flight and Train

Emission (tCO_2e) = Train + Flight
= 10.25 (tCO_2e) + 9086.56 (tCO_2e)
= 9096.81

Emissions from flights in 2024 have been calculated and provided by AIIB's travel service provider, CWT, which offers carbon emission data for each flight based on DEFRA's GHG Conversion Factors. After reviewing their methodologies and finding them reasonable, we utilized their emission data.

- Factors published by DEFRA are released yearly, typically in the middle of the year. To maintain consistency, the factors published in one year are applied to tickets issued in the subsequent year.
- CO_2e values are calculated at the flight segment level, and values reported at "higher" levels (subtrip and ticket) are summed based on the associated flight segments (coupons).
- Short haul flights are those less than 785 km.
- Medium haul flights are those greater than 785 km but less than 3,700 km.
- Long haul flights are those greater than 3,700 km.

CWT can also provide emissions data for train travel. After reviewing their methodologies, we found that 99% of AIIB's train travel occurred within China in 2024. Using the European train emission factor of 0.035 kg/km seemed unreasonable in this context. Therefore, we used the mileage data provided by CWT and applied China's average train emission factor of 0.026 kg/km from the China Greenhouse Gas Emission Coefficient Library for Product Life Cycle.

Emission from Business Travel – Hotel

Emission = Σ nights in one country * emission factor/1,000 (kg/night)
= 349.70 (tonne)

As we did previously, in 2024 the Bank recorded detailed country-specific information for hotels and used country averages instead of global averages to achieve more precise results. In cases where no hotel factors were available for a country on the list, emission factors from neighboring countries were used instead. All country emission factors are sourced from IPCC.

Emission from Waste Transportation

Emission (tCO_2e) = Σ mass of waste (food waste, recycling waste, and other waste) * transportation mileage * emission factor (kg/km)/1,000
= 0.08 + 0.19 + 0.02
= 0.29

We have obtained information on waste transportation in Beijing. As a result, these emissions have been included in Category 3: Transportation.

Emission from Waste

Emission (tCO_2e) = Σ mass of waste (food waste, recycling waste, and other waste) * emission factor (kg/t)/1,000 (km) * emission factor (kg/km)
= -0.06 + 0.07 + 0.00
= 0.01 (t CO_2e)

AIIB HQ office strictly adheres to Beijing's waste classification management policy. Waste is categorized into recyclable waste, food waste, hazardous waste, and other waste. Throughout 2024, the HQ office did not generate any hazardous waste. The number of barrels generated and the average weight per barrel were recorded for recyclable waste, food waste, and other waste.

This report notes that waste treatment can produce both CO_2 and CH_4. However, China Greenhouse Gas Emission Coefficient Library for Product Life Cycle only provides CO_2e emission factors for waste incineration and cogeneration.

Emission from Commuting

Emission (tCO_2e) = Σ commuting method * emission factor of this method (kg/km)/1,000
= 167.77 (tonne)

AIIB designed a five-question survey to understand staff commuting methods. More than 10% of AIIB staff participated in the survey, with a total of 147 responses. AIIB staff commuting methods include walking, cycling, riding a taxi, a motor, a scooter, the bus, private cars (EVs and petroleum cars), and the subway.

This report understands that commuting by bus, private car, subway, motor, scooter, and taxi can produce CO_2, CH_4, and N_2O. However, China Greenhouse Gas Emission Coefficient Library for Product Life Cycle only provides CO_2e emission factors for each of the commuting methods and there is no other source providing emission factors for all of the GHG gases. Therefore, this report only calculates CO_2e emissions for staff commuting.

Emission from Cloud Service

Similar to previous years, there are two cloud service providers: Microsoft Azure and AWS. Both can provide AIIB's carbon footprint based on the cloud services they supply.

Emission (tCO_2e) = Microsoft Azure CO_2e + AWS CO_2e
= 23.06 + 127.14
= 150.20

Emission from Corporate Procurement

This is the first year that we calculated all 2024 corporate procurement contract-related payment emissions. Raw data was from a combination of 2024 payment report and procurement report. EEIO Emission Factors, the emissions per unit of money spent (from the EEIO database), are used for calculating AIIB's corporate procurement emissions.

Emissions = Total Spend ($) * EEIO Emission Factor (kg/$)/1,000
= 6515.33 tonne

It is important to specify that the 2024 payment report includes iCloud services, for which the suppliers can provide actual emission data. Therefore, we have removed this portion of the payment emissions from the corporate procurement emissions.

4.2.2 Calculation of Greenhouse Gas Emission Tianjin Backup Office

A fuel-based approach is also used for the Tianjin backup office. Since this is the third year of monitoring emissions for the Tianjin office, data quality and readiness have significantly improved compared to previous years. For instance, there are now separate meters for electricity and water consumption. Additionally, the quantities of "food waste," "recyclable waste," and "other dry waste" are recorded separately, and the transportation methods of waste have been recorded.

There are no corporate vehicles specifically for the Tianjin office. Emissions from corporate vehicles, staff travel, staff commuting, and cloud services have been calculated together with the HQ office. Furthermore, unlike the HQ office, there are no air conditioners and cooling chillers (instead, the Tianjin office uses regional central cooling, so the energy consumed has been calculated), and there is no kitchen (thus, no natural gas consumption). Refrigerant used by the refrigerator is R600a which is not one of the GHG gases. Hot water is electrically heated, and this consumption is included in the electricity calculation.

Emission from Refrigerant Make Up for Refrigerators:

Emission (tCO_2e) = Quantity of refrigerant refilled in 2024 (kg) * GWP/1,000
= 0 (tCO_2e)

R600a is used in AIIB's refrigeration at the Tianjin office and is not considered a GHG emission gas. No refrigerants with GHG effects were used at the Tianjin office in 2024.

Emission from the Septic Tank:

Emission (tCH_4) = total people * total day * BOD generation (g/per capita per day) BOD transfer factor (tCH_4/tBOD) * coefficient of correction emission (for 5.6m tank)/1,000/1,000
= (6 (people per day) * 220 (day) + 370 (people day per year)) * 40 (g/per capita per day)/3 * 0.6 * 0.8/1,000/1,000
= 0.01 (tCH_4)

Emission (tCO_2e) = Emission (tCH_4) * CH_4 GWP (tCO_2e/tCH_4)
= 0.01 (tCH_4) * 27.9 (tCO_2e/tCH_4)
= 0.30 (tCO_2e)

The depth of the septic tank at the Tianjin office is 5.6 meters. In 2024, some AIIB staff were working at the Tianjin office, and it is estimated that approximately 370 people worked there in total throughout the year. Additionally, six full-time onsite service providers were employed in 2024 to maintain daily operations, including reception, security, facilities, and IT management. Their emissions have been calculated.

Unlike in previous years, this year we recognized that the factor for BOD generation per day is based on a 24-hour period, while staff work in the office for about eight hours. Therefore, we used the total number of hours in a day divided by three to calculate the actual BOD generation in the office.

Emissions from Heat Consumption

- Heat
  Emission (tCO_2e) = consumption (GJ) * emission factor (kg/GJ)/1,000
  = 422.13 (GJ) * 110 (kg/GJ)/1,000
  = 46.43 (tCO_2e)

The heating meter was installed in the second half of 2023; therefore, the 2024 heating quantity was based on the readings from the heating meter.

Emissions from Centralized Cooling

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 2.17 (GJ) * 110 (kg/GJ)/1,000
= 0.24 (tCO_2e)

Binhai New District provides regional centralized cooling.

Emission from Electricity Consumption:

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 562670 (kWh) * 0.7041 (kg/kWh)/1,000
= 396.18 (tCO_2e)
Emission (tCO_2) = Emission (tCO_2e)
= 396.18 (tCO_2)

Emission from Waste Transportation

Emission (tCO_2e) = Σ mass of waste (food waste, recycling waste, and other waste) * transportation mileage * emission factor (kg/km)/1,000
= 0.000336 + 0.0001995 + 0.0003906
= 0.0009261

We have obtained information on waste transportation in Tianjin. As a result, these emissions have been included in Category 3: Transportation.

Emission from Waste

Emission (tCO_2e) = Σ mass of waste (food waste, recycling waste, and other waste) * emission factor (kg/t)/1,000
= -0.000384 + 0 + 0.00017391
= -0.00021009 (tCO_2e)

The AIIB Tianjin office strictly adheres to Tianjin's waste classification management policy. Waste is categorized into recyclable waste, kitchen wet waste (food waste), hazardous waste, and dry waste (other waste). Since last

year we raised the suggestions, the office has started to record the mass of each type of waste. Therefore, the total weight of each type of waste is much more accurate than those in previous years.

This report notes that waste treatment can produce both CO_2 and CH_4. However, the China Greenhouse Gas Emission Coefficient Library for Product Life Cycle only provides CO_2e emission factors for waste incineration and cogeneration. There is no other source providing emission factors for all the GHG gases. Therefore, this report only calculates CO_2e emissions for waste treatment (incineration and cogeneration).

Emissions from Tap Water Consumption

Emission (tCO_2e) = consumption (m^3) * emission factor (kg/m^3)/1,000)
= 166 (m^3) * 0.168 (kg/m^3)/1,000
= 0.03 (tCO_2e)
Emission (tCO_2) = Emission (tCO_2e)
= 0.03 (tCO_2)

4.2.3 Calculation of Greenhouse Gas Emission Abu Dhabi Hub

A fuel-based approach is also used for the Abu Dhabi Hub. This is the first year of monitoring emissions at the Abu Dhabi Hub, so although training has been provided, the data quality and readiness are not yet on par with the other two offices. We are adopting a "doing-and-learning" approach for the new offices.

Emission from Diesel Consumption:

Emission (tCO_2e) = consumption (L) * density (kg/L) * emission factor (t/t)/1,000
= 0 (kg) * 3.15 (t/t)/1,000
= 0 (tCO_2e)

Diesel is used in the Hub's emergency generator, with consumption data recorded in the generator's operating logs. In 2024, diesel will not be used in the Hub's emergency generator.

Emission from Fire Extinguishers:

Emission (tCO_2e) = Quantity of CO_2 refilled in 2024 (kg)/1,000 + quantity of heptafluoropropane refilled in 202 (kg) * GWP of heptafluoropropane/1,000
= 0/1,000 + 0*3,600/1,000
= 0 (tCO_2e)

In 2024, there are five dry powder cart fire extinguishers, each with a 6-kg capacity; three CO_2 fire extinguishers, each with a 2-kg capacity; and one CO_2 fire extinguisher with a 5-kg capacity. None of these fire extinguishers were used in 2024. As with the other offices, for refrigeration and fire extinguishers, we are using the "charge method" instead of the "escape method"; therefore, if they are not used, they do not emit.

Emission from Refrigerant Make Up for Air Conditioners, Refrigerators, and Chillers:

Emission (tCO_2e) = Quantity of refrigerant refilled in 2024 (kg) * GWP/1,000
= (0kg)*0/1,000 (tCO_2e)
= 0 (tCO_2e)

There is one built-in fridge with a bottom freezer in the Hub, using R600a as the refrigerant. In 2024, no refrigerant was used in the Hub.

Emission from Electricity Consumption:

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 25649 (kWh) * 0.4041 (kg/kWh)/1,000
= 10.36 (tCO_2e)

Emission (tCO_2) = Emission (tCO_2e)
= 10.36 (tCO_2)

The emission factor of 0.4041 kg/kWh is provided by the energy supplier, and the electricity consumption is recorded according to the bill.

Emissions from Centralized Cooling

Emission (tCO_2e) = consumption (kWh) * emission factor (kg/kWh)/1,000
= 60797 (RTh) * 3.51683 (kWh/RTh) * 0.4041/1,000
= 86.4 (tCO_2e)

The emission factor of 0.4041 kg/kWh is provided by the energy supplier. The supplier reports cooling energy consumption in refrigeration ton-hours (RTh); therefore, we convert these values to kWh using the appropriate conversion factor.

Emissions from Tap Water Consumption

Emission (tCO_2e) = consumption (m^3) * emission factor (kg/m^3)/1,000)
= 142.47 (m^3) * 0.168 (kg/m^3)/1,000
= 0.02 (tCO_2e)
Emission (tCO_2) = Emission (tCO_2e)
= 0.02 (tCO_2)

We have not found an appropriate water emission factor for the Hub. Therefore, we have used the emission factor applicable to the other two offices.

Emission from Waste Transportation

Emission (tCO_2e) = Σ mass of general waste * transportation mileage * emission factor (kg/km) /1,000
= 2.04 (t) * 36 (km) * 0.7 (kg/km)/1,000
= 0.05 (t CO_2e)

The Hub does not practice waste sorting and classifies all waste under a single category called “general waste”.

The emission factor used is sourced from the Ecoinvent.

Emission from Waste

Emission (tCO_2e) = Σ mass of general waste * emission factor (kg/t)/1,000
= 2.04 (t) * 0.179268 (kg/t)/1,000
= 0.000366424 (t CO_2e)

The Hub does not practice waste sorting and classifies all waste under a single category called "general waste." The emission factor used is sourced from the Ecoinvent, representing the global average emissions from waste processing.

4.2.4 Change in Methodologies from Prior Year/Base Year

This report, which represents the calendar year 2024, is the verified GHG report produced by AIIB. Since the 2021 report still serves as the baseline for future evaluations, there is no change to the base year calculation in this reporting period.

The year 2021 is the first full operational year following the June 2020 relocation of AIIB's headquarters office to its new, permanent location. AIIB discovered that conditions and emissions vary significantly between its former and current headquarters. Therefore, 2021 is temporarily regarded as the emission base year, serving as a benchmark for future emission comparisons and preserving data set integrity. The scope of the 2022 report remains the same as in 2021 for Beijing, but the Tianjin office has been added. This is because 2022 marked the first full operational year for the Tianjin backup office. Therefore, in the future, the Tianjin emissions data in the 2022 report will also serve as the Tianjin baseline for future evaluations.

The scope of 2024 report remains the same as in 2021 for Beijing, and remains the same as in 2022 for Tianjin, but Abu Dhabi Hub has been added. This is because 2024 marked the first full operational year for the Abu Dhabi Hub. Therefore, in the future, the Abu Dhabi emissions data in the 2024 report will be reserved as Abu Dhabi baseline for the future evaluations.

Recalculation of the base year will be applied where necessary to maintain an effective comparison. Reasons for this might include the following:

- if the emission factors used change significantly and are relevant to prior years,
- if the total emission changes significantly due to host country's post-COVID-19 policy change and/or calculation scope change,
- if a significant estimation method has been changed/improved,
- if a significant data sourcing strategy has been changed/improved,
- if the scope of the inventory is changed (for instance, emissions from other offices included).

4.2.5 Calculation and Source for Global Warming Potential

According to the requirement of ISO 14064-1:2018, seven GHGs include CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, and NF_3.

Quantities of GHG emissions are given in tonnes of CO_2e using the GWP from the IPCC Sixth Assessment Report (AR6). The scope of time is 100 years. Sources of direct emissions (Category 1) are expressed as both CO_2e and a thorough breakdown of their GHG emissions, including the GWP value. The most notable GHGs include:

Table 6: Global Warming Potential Value

Carbon Dioxide (CO_2)	1
Methane (CH_4)	27.9
Nitrous Oxide (N_2O)	273
Nitrogen Triflouride (NF_3)	17,400
Sulfur Hexaflouride (SF_6)	24,300
R125	3,740
R143a	5,810
R134a	1,530
R152a	164
R32	771
R23	14,600
R404a	4,728
R407c	1,985
R410a	2,255.5
Heptafluoropropane	3,600

4.2.6 Review, Internal Audit, and Improvement

As defined in the 2023 report, the collection of primary data on all key sources of emissions has been pursued. Where data is absent or incomparable, conservative estimation methods have been deployed, creating an incentive to continuously improve the ratio of source data to estimation methods, for example, the estimation of staff attending the offices every day. In future years, AIIB plans to utilize this section to highlight enhancements to AIIB's framework and methodology for capturing and calculating emissions figures and reduce ambiguity. Furthermore, as mentioned in section 3.2.4, there are still some minor emissions that, due to several reasons, have been temporarily excluded from the current inventory but will need to be included in the future to make the inventory more complete. For example, AIIB is beginning to examine emissions from corporate procurement. The next carbon footprint report will include these emissions.

Compared with the previous report, the 2024 report has the following improvements:

- Emissions from all contract-based corporate procurement have been calculated.
- The third office has been included in the assessment.
- Data accuracy for Tianjin has improved due to the installation of electricity, heating, and water meters. Waste data accuracy has also improved through better monitoring of waste transportation and processing. This demonstrates the Bank's commitment to cover as many emission sources as possible and achieve accuracy in its operations.
- Emissions from fossil fuels are now more accurately calculated, as this report utilizes fuel density and calorific value data provided by fuel suppliers, replacing the use of national averages.
- Emissions from business travel accommodations are now more accurate, thanks to the application of regional emission factors instead of relying on global averages.

4.2.7 Removals and Reductions/Increases

There are no emission cuts to report for the current reporting period.


CO_2

5: GREENHOUSE GAS INVENTORY QUALITY MANAGEMENT

The GHG emission data is derived from raw data supplied by various sources. To ensure the accuracy of the calculation procedures and findings, GHG data is managed in strict accordance with the ISO 14064-1:2018 standard.

The assessment rating result is positively correlated with each of the emission sources' data accuracy and the quantity of emissions relative to the total emissions. There are two indicators for assessing the performance of each emission source: the activity data error level and the emission factor error level. Sub-scores are assigned to each emission source under these two indicators, ranging from 1 to 3, with lower scores indicating better data quality. For example, organizations are advised to use automatically and continuously measured activity data (score 1). If such data is unavailable, intermittent measurements can be used (score 2). If both types of data are missing, self-estimation is permitted, resulting in the highest score of 3.

Overall scores and ratings are determined by the sub-scores, ranging from Level 1 (overall score of 1-3), Level 2 (overall score of 4-6), to Level 3 (overall score of 7-10), with lower scores indicating better data quality.

In 2024, the computed average score, according to the standard, is 3.82, corresponding to Level 1. The specific calculation process is as follows:

Table 7: Inventory Quality Score

Activities/Facilities	Category	Score
Diesel for emergency generator	1	4.343E-05
Natural gas	1	0.0034319
Corporate fleet	1	0.0031633
Freezers	1	0
Air-conditioners	1	0
Chillers	1	0.0002838
Fire extinguisher	1	0
Septic tank	1	0.0119526
Heating	2	0.2130255
Hot water	2	0.0089789
Centralized cooling	2	0.0087203
Purchased electricity – roof panel	2	0
Purchased electricity – non-renewable electricity	2	0.1160389
Purchased electricity – renewable electricity	2	0
Staff commuting	3	0.0506563
Business travel – train	3	0.0015473
Business travel – flight	3	1.371832
Business travel – hotel	3	0.0351971
Waste transportation (food waste)	3	7.7E-06
Waste transportation (other waste)	3	2.403E-05
Waste transportation (hazarders)	3	0
Waste transportation (recyclable)	3	2.348E-06
Waste disposal (food waste)	4	-1.944E-05
Waste disposal (other waste)	4	2.233E-05
Waste disposal (hazarders)	4	0
Waste disposal (recyclable)	4	0
Purchased goods and services	4	1.9666829
iCloud	4	0.0075586
Cold water	4	0.0004727

- = nil, 0.0 = less than 0.05, 0.0% = less than 0.05%
Note: Numbers may not add up due to rounding.

6: MITIGATION ACTIVITIES IN 2024

Energy Efficiency Improvement: Part of AIIB's mitigation efforts includes ongoing initiatives to improve energy efficiency and reduce GHG emissions from its buildings and facilities, including elevators, lighting, data center, fire suppression systems, refrigeration, air conditioning, etc. After moving to its permanent HQ, the facility management team has carried out several facility energy-saving measures to reduce energy use. In 2024, the optimization and improvement of UPS units in data rooms were completed to 1) reduce the annual maintenance cost for UPS and batteries, 2) lower the power consumption of UPS and CRAC units, and 3) enhance the precision of power consumption indications on the control panel. Following these energy-saving initiatives, AIIB achieved LEED EBOM (Existing Building Operations and Maintenance) Platinum certification for the HQ in 2022, and ISO 9001 and ISO 41001 certifications for HQ sustainability in 2024. All these activities have resulted in a decline of energy consumption in the office in the past years.

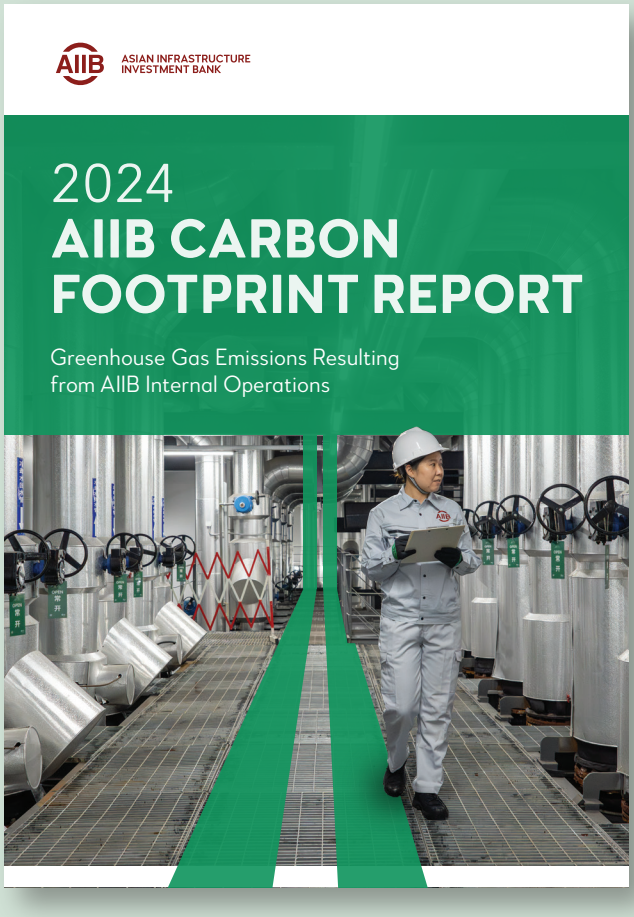
Electricity from Renewable Sources: Building on previous practices of sourcing electricity from the China State Grid, where approximately 60% of the energy is derived from coal, one of the largest emission sources in our internal operations is Scope 2 electricity consumption. Starting on January 1, 2024, AIIB made a significant commitment to sustainability by gradually sourcing its headquarters' office electricity consumption from renewable and green energy sources, through both roof panels and electricity trading. This can be realized from two aspects:

1) The electricity generated from the roof panels has been used to power the AIIB HQ starting in February 2024. Throughout 2024, over 130,000 kWh of electricity generated from the building's roof panels supported the AIIB HQ office. Although this represents less than 2% of the overall electricity consumption, it marks a step forward in efforts toward green energy and gives us confidence. The potential for additional on-site solar electricity will be explored from other available rooftops and space.

2) For the remaining over 98% of electricity that cannot be sourced yet from on-site renewables at present, we conducted extensive market research with the facility management team, property management team, corporate procurement team, and third-party think tanks to explore methods for purchasing renewable electricity, including solar and wind, from areas near Beijing. After a series of feasibility studies and thorough discussions on green electricity resources, AIIB has opted for a combination of green power trading in the electricity market and Green Energy Certificate.

In 2024, around 90% of the electricity purchased from external sources was solar and wind energy generated from renewable plants in Inner Mongolia, Gansu, and Xinjiang. We believe our efforts will also contribute to the continued growth of renewable industries and the economy in these regions. For the remaining electricity purchased in 2024 from non-renewable sources, we aim to offset it by purchasing Green Electricity Certificates or International Renewable Energy Certificates.

Annual Meeting: The AGT initiative is AIIB's sustainable event management framework for its Annual Meetings since 2019. It combines key learnings from international best practices in sustainable event management and carbon emissions accounting standards. The initiative focuses on four components: sustainable meeting design and management, carbon emissions measurement and offset, participant actions and engagement, as well as carbon reporting and disclosure. Since its inception in 2019, the AGT has been successfully implemented for AIIB's Annual Meetings in Luxembourg (2019) and Egypt (2023). Due to travel restrictions caused by the COVID-19 pandemic, AIIB organized its Annual Meetings in digital platforms from 2020 to 2022. In the Annual Meeting in Uzbekistan (2024), through efforts in collaboration with external experts, auditors, and host country stakeholders, the AGT successfully ensured alignment with ISO 20121 Sustainable Event standards and obtained the verification certificate. This focused on energy efficiency, sustainable travel, data privacy, waste management, safety, and community engagement to promote sustainable event practices. For each Annual Meeting, AIIB strives to assist host countries in recording data to track the environmental impact of the event, providing training for local vendors to understand and record relevant data, finding ways for vendors and participants to minimize their footprint, and offsetting residual emissions. AIIB recognizes that, due to varying levels of sustainability readiness in host countries, there is a risk that it may not always fully meet ISO 20121 Sustainable Event standards each year. However, it will continue to make every effort to implement sustainable practices tailored to the local context.



The Asian Infrastructure Investment Bank (AIIB) aims to lead by example in managing its carbon emissions and disclosing the impact of its internal operations. It analyzed carbon emission impacts associated with its internal operations for the first time in September 2020 (for its 2017–2019 emissions) and then again in September 2021 (for the 2020 emissions), tracking the carbon footprint from scopes linked with its internal operations. Starting from the report of 2021 activities, AIIB has been continuously monitoring and verifying its carbon emissions annually and discloses this information to the public.

This report, as the third verified AIIB Carbon Footprint Report, provides a comprehensive analysis of the carbon footprint generated by the internal operations of AIIB's Permanent Headquarters in Beijing and its backup office in Tianjin. It presents annual data for the 12-month period from January 1 to December 31, 2024. This report describes the methodology for selecting and collecting data and computing carbon emissions for all relevant emission categories using internal and external documentation, interviews from key AIIB personnel and service suppliers, and source data. This report does not cover AIIB's lending or technical support activities for its clients.

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