KfW presents itself.
A presentation about KfW and its tasks

As of April 2019
Video „KfW at a glance“

There is a hyperlink behind the image – click right to open it and start the film. Note: Internet connection is required.
18 November 1948
Law Concerning KfW enters into force
70 years of KfW
Financing with a public mission

- Promotional bank of the Federal Republic of Germany
- Established in 1948 as Kreditanstalt für Wiederaufbau
- Shareholders: 80% Federal Republic, 20% federal states
- Headquarters: Frankfurt am Main
  Branches: Berlin, Bonn and Cologne
- Representative offices: about 80 offices and representations worldwide
- Balance sheet total 2018: EUR 485.8 billion
- Financing volume 2018: EUR 75.5 billion
- 6,376 employees (2018) ¹
- Best long-term rating: Aaa/AAA/AAA

¹) The average number of employees including temporary staff but without members of the Executive Board and trainees
Worldwide presence
About 80 representative offices

Number of KfW employees


6,376
Proven and successful business model

Customer → Financing partner → KfW → Capital market

Promotional mandate: Defined by KfW Law
State liability: Institution owned by Federal Republic and federal states

Backed by Understanding II reached with EU Commission
Neutrality through on-lending principle in lending business

No branch network of our own

Customer

Submits loan application with regular bank before start of investment

Financing partner

If approved, customer’s bank forwards application to KfW

Enters into the loan agreement and disburses the loan

Refinances the loan at favourable refinancing interest rates
Facing challenges from megatrends

Climate change and the environment, globalisation, digitalisation and social change – we face great challenges today. KfW is one of the world's leading promotional banks. It applies its decades of experience on behalf of the Federal Government and the federal states to improve the economic, social and ecological living conditions around the world.
## Domestic and international promotion

### Business sectors

<table>
<thead>
<tr>
<th>Domestic promotion</th>
<th>International business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>We promote Germany</strong></td>
<td><strong>We support internationalisation</strong></td>
</tr>
<tr>
<td>SME Bank &amp; Private Clients</td>
<td>KfW IPEX-Bank</td>
</tr>
<tr>
<td>Digital mass business</td>
<td>International export and project finance</td>
</tr>
<tr>
<td>Customised Finance &amp; Public Clients</td>
<td>KfW Capital</td>
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<tr>
<td>Individual financing solutions and municipal finance</td>
<td>Venture capital fund investments</td>
</tr>
<tr>
<td>KfW Capital</td>
<td>KfW Development Bank DEG</td>
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<tr>
<td></td>
<td>Promotion of developing countries and emerging economies</td>
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</tbody>
</table>

## KfW presents itself / April 2019
KfW Domestic promotion

Business founders & SMEs

Technology-oriented start-ups

Private costumers, e.g. housing, education

Municipalities, municipal & social organisations

Over 500,000 promotional loans, venture capital investments, and promotional grants p.a.

We promote Germany’s future

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Over 500,000 promotional loans, venture capital investments, and promotional grants p.a.
Promotional figures in 2018

- **365,000** energy-efficient housing units
- **2,100** municipal projects for public infrastructure financed
- **7.1 bn** euros for expanding renewables and energy efficiency for corporate customers
- **46 bn** euros total commitments
- **39,000** Founders and SMEs supported
- **141 m** euros for venture capital
- **93,000** people for studies or training and education
Domestic promotion
KfW SME promotion – multi-faceted priority areas in 2018

In long-term average, KfW is involved in around 25% of SME financings in Germany.

Priority area innovation
3,060 million euros in new commitments to tap new markets and foster digital transformation

Priority area innovation

Priority area environment & sustainability
279 million euros in new commitments for measures to promote environmental protection and sustainable operations

Priority area start-ups
3,620 million euros in new commitments to support business founders and foster entrepreneurial spirit.

Priority area energy transition in the SME sector
7,147 million euros in new commitments to increase energy efficiency of buildings and production facilities and expand renewables

Priority area corporate investment
3,071 million euros in new commitments to strengthen competitiveness and tap new markets

Promotion focuses on smaller companies, which often have impeded access to the capital market: approx. 85% of loans go to companies with an annual turnover of up to 10 million euros.

For measures of particular relevance in terms of economic promotion, individual financing approaches are possible.
We finance projects of German and European companies so they can compete in global markets.

<table>
<thead>
<tr>
<th>Target group</th>
<th>Large and medium-sized companies conducting international business (PEAs for large-scale investments in infrastructure, environmental and climate protection)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume of commitments 2018</td>
<td>EUR 17.7 billion</td>
</tr>
</tbody>
</table>
| Financing priorities | **Medium and long-term structured financings for**  
  - Export finance (incl. trade finance) and other financing for specific purposes of export companies  
  - Maintenance and expansion of German and European infrastructure including corresponding means of transport  
  - Climate and environmental protection projects  
  - Securing German and European raw material supplies  
  - Foreign investments of German companies |
### International business

**KfW Development Bank**

<table>
<thead>
<tr>
<th><strong>Task</strong></th>
<th>Promotion of investments and reform processes in developing countries and emerging economies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Mandate by</strong></td>
<td></td>
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</tbody>
</table>
- German Federal Government (esp. BMZ, but also AA, BMUB, BMBF)  
- EU Commission  
- Selected bilateral donors |
| **Objectives** |  
- Sustainably improve economic and social living conditions  
- Poverty reduction  
- Climate and environmental protection |
| **Partners** | Governmental institutions and, where appropriate, non-governmental organisations |
| **Promotional business volume 2018** | EUR 8.7 billion |
**International business**

**DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH**

DEG is paving the way for sustainable entrepreneurial success and effective development.

<table>
<thead>
<tr>
<th>Task</th>
<th>As one of the biggest development financiers for the private sector we finance, advise and support private businesses, important drivers for development</th>
</tr>
</thead>
</table>
| Objectives | Expand private sector structures through the financing of investments that contribute to local value creation in the long term  
Sustainable development that creates qualified jobs and income, improves living conditions and opens opportunities  
Promotion of innovative business models, introducing international standards in developing countries |
| Partners | Companies operating in developing countries and emerging economies |
| Promotional business volume 2018 | EUR 1.9 billion |
Funding
KfW is one of the world’s biggest and most active bond issuers on the international capital markets

Funding takes place almost completely on the international money and capital markets, particularly in euros and US dollars. Other important currencies are the British pound, the Australian dollar and the Japanese yen.

The offer of different currencies, maturities and structures is targeted in particular at institutional investors.

KfW bonds are also an important asset class for sustainable investors, as KfW gets excellent ratings from independent sustainability rating agencies.

“Green Bonds – Made by KfW” are designed to offer investors the possibility to invest in climate protection and provide impetus for fostering environmental protection activities.

Issuing planned for 2019: ~ EUR 80 billion

Triple-A-Rating of KfW bonds

Moody’s
Scope
S&P Global Ratings

Excellent sustainability rating

imug
ISS-oekom
SUSTAINALYTICS

TOP 2 of 30 German financial institutions
„Prime“
5 of 343 banks

Awards

Overall Most Impressive SSA Funding Team
The World’s Safest Bank

› Best Overall Issuer
› Best SSA Issuer
› Best GBP Issuer
› Best Overall ECP Issuer
Executive and advisory bodies

Composition

Advisory bodies

Advisory Council for Promotional Measures in Eastern Germany (currently inactive)

SME Council

Executive bodies

Board of Supervisory Directors
oversees the conduct of business & asset administration

Presidial and Nomination Committee
Remuneration Committee
Risk and Credit Committee
Audit Committee

Executive Board
conducts KfW's business and administers its assets
Executive Board

Dr Günther Bräunig (CEO)

Dr Ingrid Hengster

Melanie Kehr

Bernd Loewen

Prof. Dr Joachim Nagel

Dr Stefan Peiß
# Board of Supervisory Directors

## Function and composition

### Tasks
- Constantly supervises the conduct of business and the administration of assets
- Approves the annual financial statements
- Appoints auditors
- Confers powers upon committees
  - Presidial and Nomination Committee
  - Remuneration Committee
  - Risk und Credit Committee
  - Audit Committee

### Board members

**Chair and Deputy Chair**
- Federal Minister of Finance and the Federal Minister for Economic Affairs and Energy in alternation

**37 members**
- Federal ministers specified in the Law Concerning KfW (KfW Law)
- Members appointed by the Bundestag and Bundesrat
- Representatives of banks and savings banks
- Representatives of industry, the municipalities, agriculture, commerce, handicrafts, housing and the trade unions
## Mittelstandsrat (SME Advisory Council)

### Function and composition

<table>
<thead>
<tr>
<th>Tasks</th>
<th>Council members</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Concretises the public mission of Mittelstandsbank</td>
<td><strong>Chair</strong></td>
</tr>
<tr>
<td>- Deliberates and decides on proposals for the promotion of small</td>
<td>- Federal Minister for Economic Affairs and Energy</td>
</tr>
<tr>
<td>and medium-sized enterprises on the basis of the overall business</td>
<td><strong>Deputy Chair</strong></td>
</tr>
<tr>
<td>planning of KfW Group</td>
<td>- Federal Minister of Finance</td>
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<td></td>
<td><strong>Further Members</strong></td>
</tr>
<tr>
<td></td>
<td>- The commissioner of the Federal Government for</td>
</tr>
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<td></td>
<td>the new federal states (eastern Germany)</td>
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<td></td>
<td>- Two representatives appointed by the Bundesrat</td>
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<td></td>
<td>- Four other members appointed by the Federal</td>
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<td></td>
<td>Ministry for Economic Affairs and Energy</td>
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<td></td>
<td>- One member appointed by the Federal Minister of</td>
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<tr>
<td></td>
<td>Finance</td>
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<tr>
<td></td>
<td>- One member appointed by the Minister for the</td>
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<tr>
<td></td>
<td>Environment, Nature Conservation and Nuclear</td>
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<td>Safety</td>
</tr>
</tbody>
</table>
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Strategic investments
Capital shares as of 31 March 2019

1 non-profit
2 holding arrangement
3 mandated transactions in accordance with Article 2 (4) of the KfW Law
4 participation in Airbus SE – around 11% of voting rights
Headquarters of KfW Group in Frankfurt
http://campus.kfw.de

- **1949**
  Work begins at Gutleutstrasse 40

- **1968**
  Move to Palmengartenstrasse

- **1987 - 2016**
  Progressive construction of the campus
  1987: North and South Arcades
  2002: East Arcade
  2010: West Arcade
  2011: Senckenberganlage
  2012: „Villa 102“
  2016: Bockenheimer Landstraße 104

- **3,727 employees**
  are currently working in KfW’s own
  as well as in leased premises

- **KfW’s own buildings**
  are featuring a high environmental standard
  and were awarded several prizes
Berlin branch

- **1949 bis 1989**
  Headquarters of the Central Bank of the GDR ("Staatsbank")

- **1990**
  "Staatsbank Berlin" founded to wind up the Central Bank of the GDR ("Staatsbank der DDR")

- **1994**
  Staatsbank Berlin with all employees and tasks transferred to KfW

- **2001**
  Branch office opened at Gendarmenmarkt

KfW
Niederlassung Berlin
Charlottenstrasse 33
10117 Berlin
Germany
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Bonn branch

- **1950**
  Foundation of the “Vertriebenen Bank AG”
- **1954**
  Transformation into a public law institution named “Lastenausgleichsbank”
- **1986**
  Renamed as Deutsche Ausgleichsbank (DtA)
- **2003**
  Merged with KfW

KfW
Niederlassung Bonn
Ludwig-Erhard-Platz 1-3
53179 Bonn
Germany
DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH

- **1962**
  Founded as a state-owned company

- **Since June 2001**
  100 % subsidiary of KfW Group

- **To date**
  Promoted approx. 3,300 companies in developing countries

- **2018**
  New commitments of around EUR 1.9 billion

DEG
Kämmergasse 22
50676 Köln
www.deginvest.de
Villa 102

Future event location of KfW Stiftung: the ancient "Frankfurt House of Literature"

- Independent non-profit foundation under civil law
- Established in October 2012
- Endowment capital: EUR 20 million
- Mission: Give impetus for tackling social challenges
  - Climate and environmental protection
  - Demographic change
  - Globalisation
- In the focus: responsible entrepreneurship, social commitment, climate and environmental protection, arts and culture
- Activities of KfW Stiftung: projects encouraging replication
## Fields of activity

### Responsible Entrepreneurship
- Creating the infrastructure to resolve societal problems by means of economic activity

### Social Commitment
- Fostering the enabling of inclusion and social participation

### Climate and Environment
- Raising awareness for preserving biodiversity and capacity building

### Arts and Culture
- Promoting intercultural dialogue with cultural producers from Africa, Asia, Latin America and the Middle East

### Project samples:

**Responsible Entrepreneurship**
- Social Impact Labs Frankfurt
- Impact Factory Duisburg
- Impact Collective (*überregional*)
- Social Business Women e.V./Offenbach
- Social Entrepreneurship Academy / Munich

**Social Commitment**
- Manege GmbH in the Berlin Don Bosco Centre
- Support association Mädchenbüro with refugee café Milena
- EVIM / Schlocker-Stiftung / Hattersheim

**Climate and Environment**
- Frankfurt botanical garden
- Frankfurt Zoo
- Southern African Wildlife College
- KfW Bernhard Grzimek Prize
- Spring School: Conservation Project Management

**Arts and Culture**
- Artists and Curators in Residence / Berlin
- Short Stories / Cairo, Ramallah
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Mr Loewen: KfW Photo Archive Isadora Tast
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