

»» Sustainability Report

Facts and Figures Update 2014



Foreword

Dear reader,

Climate change, demographic trends and a globalised economy: around the world, people are asking themselves how they can overcome the great challenges of our time. As a “bank committed to responsibility”, KfW seeks to provide the answers to these questions. Through its promotional measures, the bank helps to shape processes of change for the benefit of society. KfW’s declared goal is to bring about a sustainable improvement in living conditions, both nationally and internationally.

We judge the success of our work on the basis of this ambitious target. This requires transparency. Last year we published our first comprehensive interim report containing the most important, updated figures as a supplement to our triennial sustainability reports. With this second Facts and Figures Update we would like to continue our reporting.

Text, figures and tables will give you an overview of how the Group’s promotional, financing and advisory services have performed around the world. At the same time, we provide information on how KfW is fulfilling its responsibility towards its employees, what its corporate environmental protection activities are and the ways in which the bank engages with society. That’s because a bank that assigns pivotal importance to sustainability criteria in connection with the services it offers should also have an eye on its own affairs. It’s a question of credibility.

This year, in order to divert more capital into the field of green finance, we brought a new product to the capital market as part of our funding activities: the Green Bond, an interest-bearing security the proceeds of which are used to finance environmental and/or climate protection projects. In this way, KfW uses its experience as a global issuer and the largest financier in the fields of the environment and climate protection to successfully bring the Green Bond product out of its niche and onto the broader capital market.

We hope that this second Facts and Figures Update will give you some idea of the work we do. See for yourself how worthwhile taking responsibility can be.

Best regards,



Dr Günther Bräunig
(Member of the Executive Board)



» A bank that assigns pivotal importance to sustainability criteria in connection with the services it offers should also have an eye on its own affairs.

Dr Günther Bräunig

»» Contents

About this report	4
A profile of the KfW Group	5
Key figures of promotional business	6
Sustainability as a strategic objective	7
The 2012–2014 Sustainability Programme	8
Compliance	9
Domestic promotion	11
KfW Development Bank	13
KfW IPEX-Bank	15
DEG – Deutsche Investitions- und Entwicklungsgesellschaft	17
Responsibility on the capital market	18
In-house environmental protection	19
The men and women on our staff	23
Society	28
The KfW Stiftung – charitable promotion	29
Imprint	30

»» About this report

The KfW Group began producing regular reports on environmental performance in 1995 and has been reporting on its social responsibility since 2006. To this end, it publishes a Sustainability Report every three years, most recently in 2012.

The figures published in this Facts and Figures Update relate to the 2013 financial year. The report looks at the KfW Group as a whole, consisting of KfW, KfW IPEX-Bank GmbH and DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH.

We selected the contents in accordance with the principle of materiality, and focus in particular on topics that are important for assessing our performance in terms of sustainability.

You can find the Sustainability Reports issued by the KfW Group as well as further, permanently updated information on the subject of sustainability in our online sustainability portal at www.kfw.de/nachhaltigkeit.

»» A profile of the KfW Group

KfW is one of the world's leading promotional banks. It applies its decades of experience on behalf of the German federal government and the federal states to improve economic, social and ecological living conditions around the world. It made a funding volume of EUR 72.5 billion available in 2013 alone. Of these funds, 38 percent went on climate and environmental protection measures.

KfW has no branches or customer deposits. It funds its promotional business almost entirely via the international capital markets. In 2013 it raised 65.4 million euros for this purpose. In Germany, the KfW Group maintains offices in Frankfurt, Berlin, Bonn and Cologne. The Group also has a global network of 80 regional offices and representations.

KfW – responsible banking

As a “bank committed to responsibility”, KfW provides sustainable support for change in the economy, environment and society. Its work focuses on

- Promoting small and medium-sized enterprises as well as business founders
- Programmes for the energy-efficient refurbishment of residential buildings
- Supporting measures to protect the environment
- Promoting education measures for individuals
- Financing programmes for municipalities and regional promotional banks
- Export and project finance
- Promoting developing and transition countries

KfW's commitment to environmental and climate protection



Source: KfW



»» Key figures of promotional business

Key corporate figures

	2010	2011	2012	2013
Operating result after valuation (EUR in millions)	2,712	2,086	2,502	1,546
Profit/loss from operating activities (Profit before income taxes), EUR in millions	2,685	2,098	2,489	1,336
Consolidated profit (EUR in millions)	2,631	2,068	2,413	1,273
Total assets (EUR in billions)	441.8	494.8	509.4	464.8
Volume of lending (EUR in billions)	426.7	436.7	434.7	432.0
Volume of business (EUR in billions)	530.6	573.6	585.2	545.4
Tier 1 capital (EUR in billions)	15.3	17.4	19.8	19.8
Tier 1 ratio in %	12.4	15.4	18.2	20.6

Source: KfW

Breakdown of KfW Group business activities by business sector

EUR in billions	2010	2011	2012	2013 ³
Mittelstandsbank Promoting small and medium-sized enterprises (SMEs), business start-ups and other business clients in Germany	28.6	22.4	24.1	22.6
Privatkundenbank Housing programmes, environmental protection and education support for private costumers in Germany	20.0	16.7	17.4	–
Kommunalbank Financing programmes for public sector clients (municipalities, municipal enterprises and regional promotional banks)	15.4 ¹	11.8	9.1	–
Capital market-related products and securitisation Loan securitisation and other capital market activities	2.5 ¹	0.7	2.7	–
Export and project finance (KfW IPEX-Bank) Tailored international export and project finance	9.3	13.4	13.4	13.7
Promotion of developing and transition countries > Financial Cooperation (KfW Development Bank) > DEG	5.7 4.5 1.2	5.8 4.5 1.2	6.2 4.9 1.3	6.7 5.3 1.5
Overall commitment volume of KfW Group (consolidated) ²	81.4	70.4	73.4	72.5

¹ Adjustment for commitments made in Export and project finance with funding from KfW programme loans (2011: EUR 847 million, 2012: EUR 440 million, 2013: EUR 193 million)

³ As of 2013: Merger of KfW Privatkundenbank, KfW Kommunalbank and parts of Capital-market related financings after the reorganisation; prior to 2013: adding together the volumes of the Mittelstandsbank, Kommunalbank and Privatkundenbank/credit institutions business sectors does not give the total for the domestic promotional business. The commitments of the former Capital market-related financings were excluded from calculation.

Differences in the totals are due to rounding.

Source: KfW

»» Sustainability as a strategic objective

The KfW Group uses a strategic target system which defines the position that KfW hopes to achieve in the medium term. It includes selected top-level targets relating to the bank as a whole, and acts as a central, binding framework for the strategic direction of all of the Group's business sectors based on a five-year horizon. KfW's primary purpose is promotion. It is guided not only by the principle of subsidiarity but also the objective of sustainability. Most of KfW's promotional activities address the significant social and economic megatrends of "climate change and environment", "globalisation and technological progress" and "demographic change". KfW's promotional activities relating to these megatrends must be assessed with respect to the principle of sustainability.

»» KfW's promotional activities are guided by the principles of subsidiarity and sustainability.

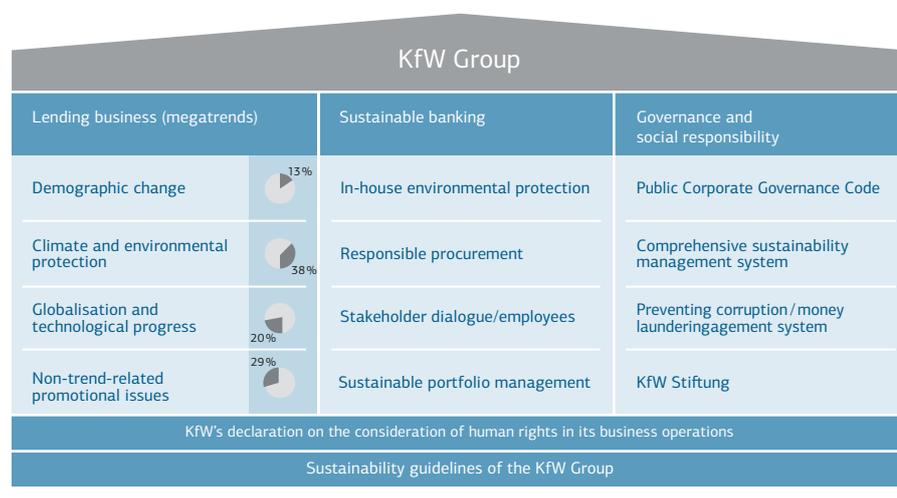
In order to address the megatrend of "climate change and environment", for example, KfW finances measures to promote renewable energies, improve energy efficiency, safeguard biodiversity and prevent or reduce pollution. As a reflection of the particular significance of this megatrend, KfW has specified an "environmental quota" amounting to around 35% of the total volume of new commitments.

In connection with the "globalisation and technological progress" megatrend, KfW helps make German companies more competitive at an international level, for example by financing research and innovation projects, the supply of raw materials, as well as the infrastructure and transport sector.

KfW's activities in connection with the megatrend of "demographic change" are aimed at tackling the consequences of a shrinking and ageing population, focusing on areas such as age-appropriate infrastructure, training, family policy, childcare and corporate succession.

KfW also classifies certain activities, such as alleviating poverty in developing countries, as "non-trend-related promotional issues" that play an important role for KfW but do not fall under any of the three megatrends.

KfW's approach to sustainability



Data based on the total commitment volume for 2013

»» The 2012–2014 Sustainability Programme

The KfW Group has defined a comprehensive Sustainability Programme for the years 2012–2014. This comprises 114 measures for developing sustainability activities, making it the guiding principle for our work.

The measures of the Sustainability Programme have been implemented with great success. Just one measure was identified as being unworkable. The measure in question involved an assessment of a potential shuttle service to the new BER airport in Berlin, which will not be opening before 2016. The measure is being incorporated into the 2015–2017 Sustainability Programme, which is currently in the process of being drawn up. There are some measures still outstanding that will be implemented in the fourth quarter of 2014.

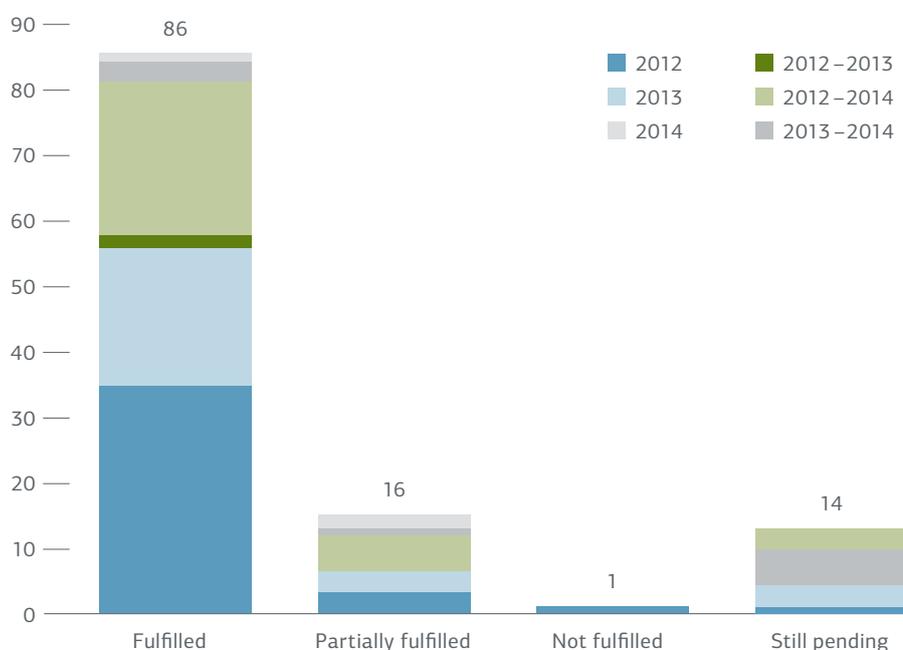
Three additional measures were also incorporated:

1. Raising the group-wide “environment quota” from 33% to 35%
2. Optimising the volume of CO₂ emitted by the vehicle fleet by using alternative propulsion systems for administrative and non-personal pool vehicles (target of < 130 g CO₂/km on average)
3. Renovating the cogeneration unit in Berlin

Two of these three measures have already been completed, while the third will be implemented by the end of 2014.

Status of 2012–2014 Sustainability Programme

As of August 2014



Source: KfW

You can find the full 2012–2014 Sustainability Programme, including its current status of implementation, in our online sustainability portal at

www.kfw.de/nachhaltigkeit

»» Ninety-nine percent of the Sustainability Programme has been implemented.



Objectives of the 2012–2014 Sustainability Programme

1. Improving the range of sustainable finance
2. Protection against risks relating to the environment and social issues
3. Enhancing sustainability management
4. Combating corruption and criminal offences
5. Implementing a sustainable investment approach
6. Promoting sustainable procurement
7. Improving dialogue with stakeholders
8. Reducing in-house consumption
9. Reducing the impact of business travel and fleet vehicles on climate and environment
10. Encouraging a responsible treatment of staff
11. Enhancing gender and diversity policy
12. Achieving a better work/life balance
13. Assuring the quality of training/management development
14. Increasing social commitment

»» Compliance

The success of the KfW Group is largely based on the confidence its shareholders, customers, business partners, employees and the general public place in its efficiency and above all in its integrity. This confidence rests not least on the implementation of and compliance with relevant statutory, supervisory and internal regulations and other relevant laws and rules.

Compliance at KfW includes, in particular, measures to comply with data protection regulations and securities compliance, as well as for the prevention of money laundering, terrorism financing, other criminal activities and for the implementation of (financial) sanctions. There are therefore binding rules and procedures that influence the day-to-day implementation of values and the corporate culture, which are continually updated to reflect the latest legal conditions as well as market requirements. In the 2013 reporting period, coordinating the implementation of the requirements resulting from the mandatory future application of the relevant key supervisory regulations by KfW was added to the responsibilities of the Compliance function, as well as the function of a "Central MaRisk compliance office". KfW employees regularly attend compliance training on all of the above topics. E-learning programmes are also available in addition to the classroom seminars. Furthermore, all KfW employees and external stakeholders have access to an ombudsperson in accordance with Secs. 25a and 25h of the German Banking Act (KWG).

Preventing fraud and corruption

KfW firmly rejects all forms of corruption and criminal activity, and has specifically included combating them in its mission statement. KfW applies the relevant provisions of the German Banking Act aimed at preventing other criminal activities such as corruption, fraud, loan/subsidy fraud etc. The relevant provisions of the German federal government's anti-corruption policy designed to prevent corruption within the federal administration also apply.

On the basis of these standards, KfW has appointed a Fraud and Corruption Prevention Commissioner who conducts annual risk analyses for every business area to assess the risks associated with individual clients/business partners, products, processes, transactions and countries, with the latter also taking into account the Corruption Perception Index published each year by Transparency International. Corruption risks are typically associated with the approval of loans and subsidies, as well as procurement or the award of contracts. All KfW employees are given both web-based training and classroom seminars on the subject of risk-based anti-fraud/corruption policy and procedures. They can also access information on compliance-related issues using the Intranet. The aforementioned measures are also implemented at KfW IPEX-Bank and DEG.

All suspicious cases are thoroughly investigated. Only one of the allegations of corruption made in the past three years was upheld. In this case, the KfW Group took disciplinary measures (dismissal) and initiated legal proceedings (criminal complaint, claim for compensation). Verified cases of other offences (including breach of trust, fraud and embezzlement) resulted in appropriate measures including terminations of employment and criminal complaints following detailed investigations of the circumstances involved. The relevant processes (especially check routines) were also improved in this context. The various sanctions at our disposal are described in the guideline for the prevention of other criminal activities.

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Transparency International

KfW and DEG are corporate members of Transparency International and supporting members of the Extractive Industries Transparency Initiative (EITI), a coalition of governments, private companies and civil society organisations. The aim of these organisations is to improve the level of transparency in the extractive industries. The proceeds generated in developing countries from the extraction of raw materials should be traceable and flow into government coffers in order to serve the sustainable development of those countries. KfW is also closely involved in implementing the German Federal Ministry for Economic Cooperation and Development's anti-corruption and integrity strategy in connection with German development policy.



Preventing money laundering

The KfW Group supports international efforts to fight money laundering and the financing of terrorism. The bank has introduced rules on structural organisation and procedures to implement the statutory requirements. These include written organisational instructions, the appointment of an anti-money laundering officer and regular staff training. In order to prevent its business activities being associated with the financing of terrorism, the Group regularly carries out computerised checks of its database of business partners against the most recent applicable sanctions lists, for example.

Unambiguously identifying customers is an important part of the process for combating money laundering. Any transaction involving politically exposed persons triggers an immediate review of the business relationship. The origin of any third-party assets must be demonstrated. If any doubt remains as to whether a transaction may be in breach of the money-laundering rules, the bank will terminate the business relationship where legally possible. All suspicious transactions are immediately reported to the relevant authorities and the Financial Intelligence Unit of the German Federal Criminal Police Office (Bundeskriminalamt).

Data protection

KfW implements the technical and organisational measures required by law to the extent necessary and appropriate, in accordance with what is generally accepted to be the state of the art and giving due consideration to the preservation of banking secrecy. KfW also applies regulations across all of its organisational units aimed at safeguarding the

security of personal data. These measures, combined with regular audits of the Group's data protection arrangements by independent third parties, ensure a high standard of data protection at KfW. As a result, no breaches of data protection were identified at the KfW Group during the reporting period.

In addition to the Group's data protection personnel and organisation, centres of competence have been set up at the KfW Group for the fields of IT and data security in accordance with ISO 27001. These units work together to implement statutory requirements as well as group and internal corporate policies in the interest of adequate compliance.

KfW has set up Compliance units to help it avoid general criminal activity. In the case of securities compliance, the Group has duly appointed a Securities Compliance Officer and a deputy who are completely free to apply their expertise at their own discretion. In order to prevent prohibited insider dealing and market abuse as well as to manage potential conflicts of interest, the Group's securities compliance activities include the creation of confidential areas, the monitoring of employee transactions and the maintenance of insider lists. The aim is to implement a market-standard organisation in order to combat the risk of potential compliance breaches, and more specifically to identify, analyse and reduce risks relating to KfW's management and employees involving their reputation, liability or the possibility of sanctions. All KfW employees who are classified as "compliance-relevant" receive web-based training and also attend classroom seminars in order to raise their awareness of compliance issues.



»» All KfW employees regularly undergo compliance training.

»» Domestic promotion

Promotional impact of selected domestic programmes

The KfW Group regularly has the impact of its domestic promotion activities in selected programmes evaluated by independent institutions. This involves calculating KPIs that allow conclusions to be drawn regarding the economic, ecological and social sustainability of the programmes.

In the field of “climate change and environment”, KfW’s programmes to promote renewable energies as well as energy-efficient construction and refurbishment are evaluated. The scope and procedures for these evaluations vary considerably between the individual business areas.

KfW’s programmes to promote renewable energies (see table below) triggered total investment of around EUR 6.6 billion in Germany in 2013, based on a commitment volume of around EUR 3.9 billion. According to provisional estimates, the facilities promoted in 2013 reduced annual emissions of greenhouse gases by around 4.6 million tonnes. The volume of commitments fell very sharply in comparison to 2012 (EUR 7.1 billion) due to changes in the provisions of the German Renewable Energy Act (EEG).

Impact of KfW renewable energies programmes in Germany¹

Performance indicators are recorded for the following programmes:

- I. Renewable energies – standard
- II. Renewable energies – premium

	2010	2011	2012	2013 ²
Commitment volume (EUR in billions)	8.9	6.3	7.1	3.9
Investments financed (EUR in billions)	11.0	8.3	10.0	6.6
Jobs created and secured (for one year)	61,700	56,800	73,500	47,000
Reductions in greenhouse emissions (CO ₂ equivalent per annum in thousands of tonnes)	4,819	5,079	6,600	4,600
Fossil fuel imports avoided (per annum; EUR in millions)	350	430	460	n/a

¹ Excludes projects financed in other countries ² Provisional KfW estimate **Source:** KfW

KfW's energy-efficient construction and refurbishment programmes

KfW's energy-efficient construction and refurbishment programmes triggered investment in the residential and municipal sectors (infrastructure) totalling around EUR 34.6 billion in 2013 on the basis of a total commitment volume of around EUR 10.5 billion. The measures promoted in 2013 alone are expected to reduce annual greenhouse gas emissions by more than 805,000 tonnes in the long term.

Impact of KfW's energy-efficient construction and refurbishment programmes (residential and infrastructure)

The table "Energy-efficient construction and refurbishment (residential and infrastructure)" records the performance indicators for the following programmes (predecessor programmes are taken into account where relevant):

I. Housing:

- Energy-efficient construction
- Energy-efficient refurbishment:
 - Energy-efficient refurbishment – loans
 - Energy-efficient refurbishment – grants
 - Energy-efficient refurbishment – supplementary loan (starting from 2013)
 - Energy-efficient refurbishment – Supervision of construction

II. Infrastructure:

- IKK – Investment Loans for Municipalities – Urban energy-efficient rehabilitation
- IKU – Investment Loans for Municipal and Social Enterprises – Urban energy-efficient rehabilitation

	2010	2011	2012	2013
Commitment volume (EUR in billions)	8.9	6.6	10.1	10.5
Federal government funds used (EUR in billions)	1.4	0.95	1.42	1.41
Investments financed (EUR in billions)	21.5	18.6	27.3	34.6
Housing units financed ¹	953,000	282,000	358,000	409,000
Reductions in greenhouse gas emissions (CO _{2e} per annum in thousands of tonnes) ^{2 and 3}	1,039.0	576.8	743.9	805.0
Jobs (created or secured for one year) ³	289,000	253,500	352,000	424,000

¹ In cases involving support under several programmes simultaneously, figures are counted twice. The indicator "Housing units financed" is only relevant for programmes in the residential sector. ² Reductions in annual CO_{2e} emissions (CO_{2e} = CO₂ equivalents) due the measures supported in the given year.

³ No evaluation is available yet for the supplementary loan programme (since 2013), which is why no CO_{2e} reductions or job effects are recorded here. **Source:** KfW

»» KfW Development Bank

KfW Development Bank finances development projects all over the world on behalf of the German federal government. Its primary goal is to offer people the chance of a better life and to protect the climate and the environment.



Example Vietnam: farmers are paid for the reforestation of their land.

KfW Development Bank assesses the impact of the projects financed on behalf of the German federal government on the basis of random sector sampling, a technique that covers around 50% of all projects. The success of the measures from a development perspective is assessed based on the criteria published by the OECD's Development Assistance Committee (DAC). These five criteria are relevance, efficiency, overall developmental impact and sustainability. Sustainability is particularly important as part of the overall assessment. As a rule, a project can only be considered successful if its level of sustainability is classified as "satisfactory" or better.

Example project: Vietnam

Since the start of the 1990s, German development cooperation has been supporting Vietnam in the fields of reforestation, forest management and the conservation of resources. Vietnam's forests have been severely decimated by the large-scale use of defoliants during the Vietnam war, as well as excessive logging for use as fuel and in construction. The consequences include widespread erosion

on hillsides, lower groundwater retention capacity, flooding, silted up irrigation channels and declining crop yields in valley regions. A total of just under 50,000 hectares were reforested as part of the project. Two completed phases of the forestry programme were assessed in 2013.

The result

The forestry programme played a part in increasing Vietnam's forest coverage while also implementing innovative concepts such as participatory land usage planning, the granting of legally enforced, long-term usage rights to farming households and the "savings book" model, which is used to help bridge the eight years between reforestation and the first income from lumber. Awarding land titles for reforested areas has become the norm throughout the country, and a total of around 3.5 million hectares have now been assigned to private land managers in this way.

That is why the evaluation has assigned the project an overall rating of "good". The sustainability of the financed measures in particular was judged to be above average.

»» About 80% of the promoted projects are judged to be successful for the long term.

Transparency with respect to KfW's development finance activities

The KfW Transparency Portal on Development Finance provides information on KfW's involvements in partner countries around the world.

Where do the funds for German financial cooperation come from? What are they used for, and where do they flow to? And do the projects really meet with success? The answers to all of these questions are provided by KfW's online Transparency Portal for Development Finance. With just a few clicks, visitors to the portal can search for the projects which, on behalf of the German federal government, KfW Development Bank finances in developing and emerging countries by country, sector,

origin of funds or impact. A supplementary project database also contains more detailed information on every project agreed by contract since the start of 2013. A core set of data and brief description are recorded for each project. KfW Development Bank's intention for the portal is to contribute to international efforts to improve the efficacy of international development cooperation.

»» We are convinced that transparency reduces corruption, promotes responsibility and fosters mutual accountability.

Norbert Kloppenburg,
Member of KfW's Executive Board

Do you have any questions regarding the transparency of KfW's development finance activities? Then write to us at transparenz-entwicklungsbank@kfw.de

Link to the KfW Transparency Portal for Development Finance:

<http://transparenz.kfw-entwicklungsbank.de>

»» KfW IPEX-Bank

KfW IPEX-Bank is responsible for international export and project finance within the KfW Group. It has been a legally independent entity since 2008, and competes on the market. Acting responsibly is a guiding principle for KfW IPEX-Bank. For us it means acting in a way that safeguards livelihoods and quality of life for future generations.

Responsibility as a guiding principle

For us, responsibility and sustainability mean more than just protecting the environment. Using our many years of experience and our in-depth knowledge of the industry, we create the best possible conditions for the success of the projects we finance. Our finance is often what allows companies to successfully compete at an international level with their groundbreaking technologies, high-quality products and innovative services. At the same time, it is tied to strict requirements and structured so as to make it robust in the long term after an assessment and weighing-up of the risks involved. That is our responsibility.

Protecting the climate and the environment safeguards livelihoods

As one of Germany's leading project and export financiers, KfW IPEX-Bank supports projects aimed at securing the sustainability of our globalised society in the long term. In 2013, financing commitments with a total volume of EUR 2.3 billion were issued for projects with clear and measurable positive effects on the climate and environment. This represents 17% of the total volume of new commitments. In this way, the bank makes an important contribution to achieving the KfW Group's ambitious targets for the protection of climate and environment. The focus for 2013 was on the financing of renewable, but also highly efficient conventional energy projects. The bank was also heavily involved in the financing of investment in energy-efficient and environmentally friendly production facilities in the industrial and service sectors, as well as in environmentally friendly modes of transport such as rail travel.

Banking network promotes environmental and social standards

KfW IPEX-Bank is part of the global Equator Principles Financial Institutions (EPFI) network on account of the wide-ranging ecological, social and economic relevance of the projects it finances. The framework for the almost 80-strong network of banks regarding compliance with environmental and social standards in connection with structured finance includes the performance standards of the International Finance Corporation (IFC) and the Environmental Health and Safety (EHS) Guidelines of the World Bank Group. The Equator Principles III (EP III) were ratified for all Equator banks in summer 2013. These principles extend the framework beyond structured finance to corporate loans relating to projects and bridging loans for subsequent structured finance. The requirements relating to the recognition of human rights and climate management have also been made more strict. For example, Equator banks are now required to make the financing for projects that are particularly relevant for climate protection conditional upon the publication by the borrowers of data on emissions.

»» For us, responsibility and sustainability mean more than just protecting the environment.



KfW's "Westarkade" building in Frankfurt am Main is one of the most energy-efficient office buildings in the world.

KfW IPEX Bank's sustainable finance guideline goes one step further: it is based on the most recent versions of internationally recognised rules as enshrined in the Equator Principles or the OECD's ECA Common Approaches, but this self-imposed body of rules extends the scope of sustainability assessments to all of the bank's other finance products.

To this end, KfW IPEX-Bank categorises all of the projects it finances as part of its lending process according to their impact on the environment and society (A, B or C). Projects with significant, varied and irreversible potential consequences for environment and society (for example raw materials projects or dams, which involve large-scale changes to the natural environment) are assigned to category A. Category B is for projects that have more limited environmental and social impacts and can usually be controlled using current technology. This applies to many industrial projects. Projects with no or only negligible impacts on environment and society are all placed in category C.

When appraising a project, its environmental and social impacts are assessed based on the expertise of internal specialists. KfW IPEX-Bank only grants financing to the cases that have to be assessed in depth if internationally accepted environmental and social standards, or, in the case of structured finance, project-related corporate loans and bridging loans, the Equator Principles have been applied – if necessary with additional requirements. Projects to be implemented in an EU or OECD country are exempted from in-depth assessment. It is assumed that these countries have established environmental and social approval and monitoring practices comparable to Germany's.

Gender-sensitive management and teamwork

In 2012, KfW's Executive Board introduced a group-wide "Gender Balance" programme to actively promote the utilisation of both men's and women's full potential, as well as to incorporate their different abilities and personalities. The Gender Balance programme combines cultural aspects and work organisation conditions with the targeted development of personnel. The management of KfW IPEX-Bank have specified Gender Balance targets for KfW IPEX-Bank.

The central element of the Gender Balance programme is the promotion of a culture of management and teamwork that is sensitive to gender issues. KfW IPEX-Bank's employees make active use of the events offered in this context, such as the Gender Balance Forum. KfW IPEX-Bank is also involved in a group-wide mentoring programme that is increasingly also being used by female employees. In 2013 the series of discussions launched by KfW IPEX-Bank two years ago focused on the topic of working hours. At a business breakfast, all of the managers and employees of KfW IPEX-Bank were provided with information on the working hours and workplace models already in place at the bank, and best practice cases were presented. Other ideas for future working models were discussed. The aim of this exercise is also to promote the ongoing development of flexible and effective general conditions.

www.kfw-ipex-bank.de



Fair Company and Top Employer

KfW IPEX-Bank has also signed up to the "Fair Company" initiative launched by www.karriere.de, a recruitment portal operated by the publications Handelsblatt and Wirtschaftswoche. The aim of the Fair Company initiative is to ensure that interns are used appropriately and not as a substitute for full-time positions.

KfW IPEX-Bank also entered itself for an independent evaluation by the Top Employers Institute, and was certified as a Top Employer Germany 2013. The Top Employers Institute awarded top marks for the bank's forward-looking HR strategy, its efforts to continuously improve working conditions and its constant investment in the personal development of its employees.



»» DEG – Deutsche Investitions- und Entwicklungsgesellschaft

DEG promotes the establishment and expansion of commercial structures. The subsidiary of KfW advises and finances private corporations that invest in sustainable projects in the fields of commerce and development. It does this by providing long-term finance using its own funds. In addition to its headquarters in Cologne, it has offices at thirteen different locations around the world.

The high quality of DEG's financing in terms of development was confirmed by the evaluation of new commitments for 2013, which maintained last year's average score of 2.0.

The companies and financial institutions that received financing from DEG in 2013 currently employ 210,000 people, including 70,000 women. It is expected that DEG's financing will enable the hiring of 30,000 new employees. The financing for corporations and financial institutions is also safeguarding around 360,000 jobs at suppliers and roughly 370,000 jobs at the ultimate borrowers.

The companies that received finance will also contribute around EUR 812 million each year to the national revenues of the relevant partner countries through their taxes, and generate net foreign exchange income of around EUR 3 billion a year. This can reduce budget deficits, facilitate investment and boost foreign exchange receipts in the long term.

www.deginvest.de

»» The high quality of DEG's promotional activities in terms of development policy has been confirmed by an average score of 2.0.



DEG finances investment in environmentally friendly leather production of the company TanTec in Vietnam.

Impact of DEG's promotional activities

	2010	2011	2012	2013
DEG commitment volume (EUR in billions)	1.2	1.2	1.3	1.45
Total investment (EUR in billions)	7.8	6.8	12.1	8.3
Development policy rating (derived from DEG's business policy project rating)	2.6	2.4	2.0	2.0
Total jobs created and secured (expected)	237,000	238,000	435,000	970,000
> including: new jobs created	11,000	18,000	22,000	30,000
National revenue (per year, expected) (EUR in millions)	490	790	827	812
Net foreign exchange income (per year, expected) (EUR in millions)	2,700	690	4,102	2,973

Source: DEG

»» Responsibility on the capital market

From KfW's perspective, investors employing sustainable approaches on the capital market play an important role in tackling global challenges. That is why, in addition to its own activities to achieve a sustainable liquidity portfolio, KfW also aims to encourage other participants to act responsibly. In 2013, for example, KfW assumed a key role within the PRI working group on the topic of "ESG as risk indicators for investors of corporate bonds", and hosted the PRI network meeting in Germany in November.

Result of sustainability rating

Companies are given a sustainability rating based on their sustainability performance and holistic, forward-looking corporate governance. As a responsible bank with a focus on sustainability, KfW received very good scores from the three most important sustainability rating agencies. The agency imug even gave KfW the best score out of 126 national and international issuers, also putting it ahead of the other eleven national and international promotional banks. With 82 out of a possible 100 points, KfW came fourth out of the issuers assessed by the agency Sustainalytics. Furthermore, with a rating of B from oekom research, KfW received the "prime" rating within the highest-scoring group of financial institutions.

In comparison to previous ratings, the appointment of an ombudsman in connection with KfW's whistleblower programme, the promotion of employees' work/life balance, efforts to combat discrimination and the bank's active environmental management all received positive mentions in connection with KfW's sustainability ratings.

Portfolio management

In 2006, as one of the first German signatories of the Principles for Responsible Investment (PRI) initiative of the United Nations, KfW committed to making its own investments in fixed-income and variable-interest securities from the perspective of socially responsible activity. More than 92% of the securities business in the narrow sense fulfilled these criteria at the end of 2013. This is the liquidity reserve of KfW, which amounted to roughly EUR 21.8 billion as of 31 December 2013.

Implementing PRI in KfW's portfolio management involves three stages: alongside the creditworthiness analyses, "ESG" criteria (Environmental, Social and Governance) are included in the investment decisions. For non-governmental issuers, exclusion criteria apply. Finally, KfW communicates its procedures and results to its portfolio issuers.

»»



With a current score of 82 out of a possible 100 points, KfW came fourth out of the 191 banks around the world evaluated by Sustainalytics.



In 2014 KfW again received a prime rating and was ranked third among the 23 promotional banks rated worldwide with a sustainability rating of B – (on a scale from D– to A+).



In 2014 KfW received the best score out of all the 126 financial institutions that were assessed in the sustainability evaluation of national and international issuers.

»» In-house environmental protection

Sustainability means continuous improvement. That is why in-house environmental protection is particularly important for KfW with its sustainable business model. For KfW, a strong commitment to in-house environmental protection is a question of credibility. The bank is therefore constantly working to reduce its consumption of resources and expand the scope of its consumption statistics. It is taking the opportunity to make greater use of renewable energies and improve energy efficiency.

»» Sustainability means constant improvement.

Energy consumption

The Group's energy consumption rose by about 10% in 2013 due to the inclusion of new buildings in the overall calculation. The external data processing centre, for example, which was added in 2013, consumed 1,900 MWh of conventional mains electricity, thus accounting for just under 50% of the additional consumption. There was a sharp rise in the consumption of district heating due to the inclusion of another building in Berlin in the statistics. These additions to the scope of the system make it impossible to draw a direct comparison between 2012 and 2013.

In order to avoid any further increase in energy consumption, KfW is setting great store by the use of energy-efficient technologies in its maintenance activities. These include LED lighting systems which are the only form of lighting used in the underground car park below KfW's "Nordarkade" building in Frankfurt a.M. since it was refurbished. KfW expects to be able to save up to 40 MWh of energy each year as a result. This represents an almost 20% reduction in the amount of energy consumed in that car park.

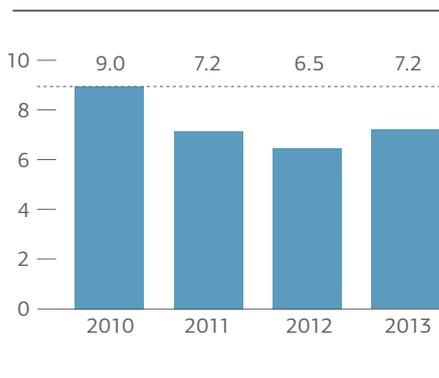
Energy consumption of the KfW Group in Germany

in MWh	2010	2011	2012	2013
Standard grid power	0	0	0	1,925
Green power	19,286	20,100	21,270	22,163
Cogeneration unit (own use)	1,633	1,590	1,799	1,728
Photovoltaic (own use)	18	22	9	11
Photovoltaic (fed into grid) ¹	-46	-52	-60	-69
Emergency power generators (diesel)	76	16	0	34
Natural gas	23,164	17,275	17,469	18,784
Heating oil	430	620	618	398
District heating	640	447	589	1,289
Solar thermal energy	19	25	5	18
Wood pellets	444	884	1,031	1,011
Total	45,710	40,979	42,790	47,361

Source: KfW

¹Negative amount not taken into account

Energy consumption per employee (in MWh)



Source: KfW

The number of employees fell slightly from 6,642 in 2012 to 6,602 in 2013. This was mainly due to a reduction in the number of external employees. Indeed, the number of people employed by the group has continued to grow. Due to the specific data collection methods used, these figures may diverge slightly from other KfW staffing figures published in this report and other KfW publications. External employees are included in this calculation as they also generate consumption. All of the numbers in the section on in-house environmental protection are rounded.

Business travel

KfW employees barely travelled more kilometres on business in 2013 than they did the year before, both in absolute terms and as an average per person. However, a certain proportion of journeys shifted from rail to road during the period. The distance travelled in passenger cars in 2013 rose by about 400,000 kilometres year-on-year. This is because rail travel was limited in much of Germany during 2013 due to flooding.

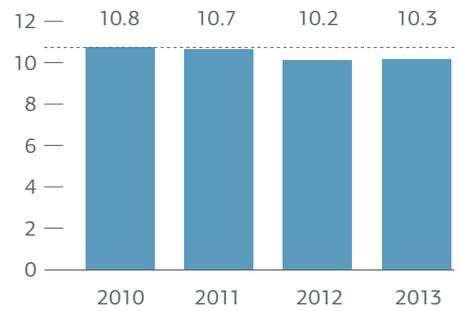
»» Impact of the weather on business travel patterns: cars instead of the train.

Business travel at KfW

in thousands of km	2010	2011	2012	2013
Car (petrol)	230	285	104	115
Car (diesel)	3,260	3,387	4,335	4,711
Car (natural gas)	117	57	50	60
Train	4,494	4,332	4,923	4,305
Domestic flights	6,313	8,471	5,696	5,573
European flights	5,538	5,719	6,647	6,687
Intercontinental flights	35,201	39,083	46,011	46,537
Total	55,153	61,334	67,766	67,988

Source: KfW

Distance travelled on business per employee (in thousands of km)



Source: KfW



Sustainability is what drives us – electromobility at the KfW Group

CO₂ emissions

Changes in the scope of the energy consumption statistics have a direct impact on the statistics for emissions. That is why there has been an almost 22% increase in emissions. The inclusion for the first time of the external data processing centre alone means that KfW now has to compensate for about 1,135 tonnes of additional CO_{2e}. KfW's decision to assign an emissions factor to its green power for the first time in 2013 means that another 887 tonnes of CO_{2e} must be offset. In addition, there were roughly 55 tonnes of CO_{2e} generated by events with external guests.

KfW CO₂ emissions

in t	2010	2011	2012	2013
Direct and indirect energy consumption in Germany ¹	6,016	4,578	4,670	7,533
Total business travel ²	7,481	8,255	8,881	9,004
Events	0	0	0	55
Total	13,497	12,833	13,551	16,592

¹ Mains electricity, emergency diesel power generators, natural gas, heating oil, district heating and wood pellets. The green power purchased by the KfW Group was not accounted for with an emissions factor up to and including 2012. All factors are based on the Gemis database.

² Car, rail and air travel. Calculated based on the Tremod database. Additions to the scope of the system make direct comparisons between 2012 and 2013 impossible.

Water consumption

With respect to water consumption it is also necessary to constantly monitor the system boundaries regarding potential for improvement, and to expand them if necessary. This approach was implemented once again in 2013, with more new buildings included in the statistics.

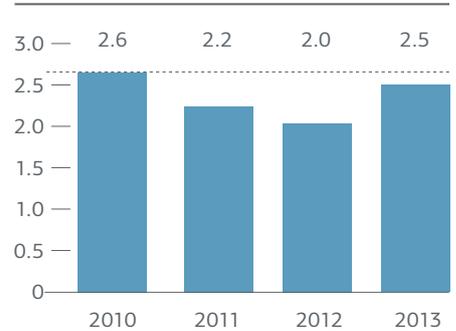
That is why KfW's water consumption rose by about 11% in 2013. These figures were arrived at by means of extrapolation. The extrapolation was based on the average consumption per square metre gross floor space of all KfW-owned buildings in Frankfurt a.M. While performing the calculations, it became apparent that the consumption figure for one of KfW's buildings in Frankfurt a.M. had been recorded incorrectly in 2012. The figure was adjusted retroactively, which is why the figures given for 2012 below differ from those of the 2013 Facts and Figures Update.

KfW Group water use in Germany

in m ³	2010	2011	2012	2013
Drinking water	80,700	80,400	90,500	106,412
Other process water (rainwater and groundwater)	9,900	11,800	10,000	5,156
Total	90,600	92,200	100,500	111,568

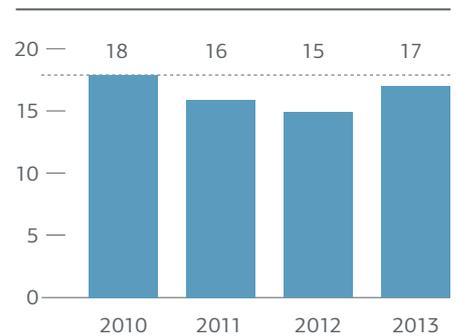
Source: KfW

CO₂ emissions per employee (in t)



Source: KfW

Water consumption per employee (in m³)



Source: KfW

Paper consumption

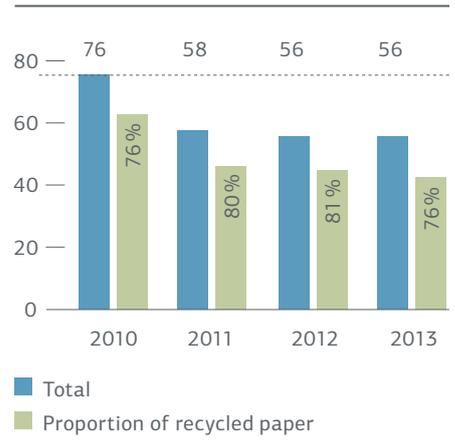
In 2013, per capita consumption underwent a marginal rise of 0.9 kilograms to 56.4 kilograms year on year. Per capita consumption of paper used for internal purposes, on the other hand, continued to fall from 45 kilograms in 2012 to around 43 kilograms in 2013. There was a striking increase in consumption related to publications printed externally. This increase is principally due to the new corporate design, which made it necessary to reprint a large number of flyers etc. The high proportion of publications meant that the proportion of recycled paper used during the year also fell five points to 76%. Over the past year, KfW exclusively used Blue Angel-certified recycled paper or certified FSC paper¹.

KfW Group paper consumption in Germany

in kg	2010	2011	2012	2013
Recycled paper ¹ (Blue Angel)	311,800	261,100	289,450	278,390
Writing paper ¹ (Blue Angel recycled paper)	10,200	4,300	9,214	3,536
Virgin fibre paper				
> Promotional literature (FSC-mixed sources label)	62,500	66,400	70,284	90,268
> TCF (totally chlorine-free) ¹	3,600	700	20	0
Total	388,100	332,500	368,968	372,194

¹ Refers to 80 g/m² printer and copier paper **Source:** KfW

Paper consumption per employee (in kg)



Source: KfW

Waste

KfW recorded a significant increase in the amount of waste generated in 2013 for the first time in many years. This is because extrapolation was used to include additional, leased properties in Frankfurt a. M. in the statistics. The extrapolation was based on the average volume of waste generated by each workstation in all KfW-owned buildings in Frankfurt a. M. Otherwise, the volume of waste would only have risen by about 80 tonnes in absolute terms.

The statistics do not include the one-off waste generated by the demolition of the building at Bockenheimer Landstraße 104 in Frankfurt, for which KfW was required to dispose of a total of around 5,100 tonnes of waste. Around 4,100 tonnes consisted of recyclable rubble, while approximately 1,000 tonnes comprised hazardous waste and only a small amount in the region of 400 kilograms contained asbestos.

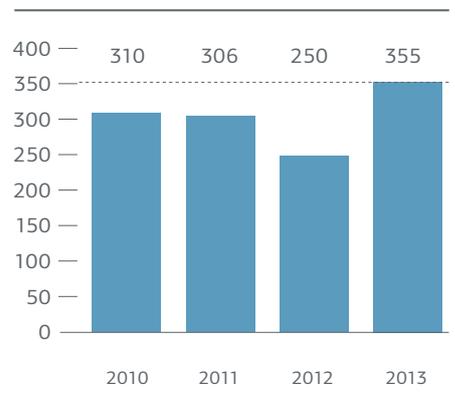
Waste generated by the KfW Group in Germany

in t	2010	2011	2012	2013
Non-hazardous waste	1,557	1,732	1,658	2,324
> paper for recycling	388	365	291	421
Hazardous waste	26	20	14	25
Total combined waste	1,583	1,752	1,672	2,349

Source: KfW

Additions to the scope of the system make direct comparisons between 2012 and 2013 impossible.

Waste generated per employee (in kg)



Source: KfW

»» The men and women on our staff

It is clear from the employee surveys conducted at KfW on a regular basis that the dedication and strong commitment of KfW's employees are the pillars on which the long-term success of the KfW Group is based. Through a fair system of compensation, equal opportunities, work/life balance, plenty of career training opportunities and health promotion activities, the KfW Group has laid a solid foundation for the long-term prospects of the bank.

The focus for 2013 was on continuing the ongoing modernisation projects. The employees demonstrated high levels of commitment and flexibility in tackling the associated challenges. This commitment on the part of the employees was particularly evident in the way they dealt with the largest restructuring in KfW's history.

In addition to what was at first a rather technical process of modernisation aimed at improving structures and implementing changes in the operating business, measures for strengthening and developing KfW's corporate culture were introduced in a next step.

Mission statement

In light of this, in November 2013, the Executive Board initiated a process for creating a new corporate mission statement. The aim is to involve all of the bank's employees, managers and the Executive Board in a review and discussion of which values and principles guide our daily actions, and how KfW's culture provides orientation, as part of a broad-based approach. Special consideration is given to the topics of the Code of Conduct, diversity (Gender Balance) and projects to improve working conditions. As a result, this intensive dialogue makes it clearer what "responsible banking" means for the conduct of all employees. The project planning provides for results by autumn 2014, at which point the implementation programmes are to start.

Prizes and awards

In addition to the „Personalwirtschaftspreis“ (HR award) for its Gender Balance concept, KfW received the "Careers Best Recruiter" award and the "Open Company" and "Top Company" seals from kununu. The Hertie Foundation has once again recertified KfW in recognition of its family-friendliness. KfW's long-standing tradition is reflected, for example, in the 40-year history of its company-owned kindergarten in Frankfurt. DEG was first certified as a family-friendly employer in 2012. After the successful start, the next audit is scheduled for 2015. KfW IPEX-Bank took part in the "Top Employer" competition again in 2013, and received an award.

»» The dedication and commitment of KfW's employees are the pillars on which the long-term success and the successful modernisation of the KfW Group are based.

Personnel structure

The growth of the workforce in 2013 was lower than in previous years. This can be attributed to the consolidation of the workforce as part of the bank's modernisation activities.

The ratio of employees not subject to collective bargaining agreements remained constant at roughly two thirds. The part-time ratio rose compared to the previous year, and totalled 22.7% at KfW at the end of the year.

Personnel structure of the KfW Group

	2010	2011	2012	2013
Number¹				
Group ²	4,816	5,063	5,433	5,539
KfW	3,777	4,010	4,318	4,365
KfW IPEX-Bank	535	531	586	630
DEG	482	505	516	531
Employees covered by collective wage agreements (in %)				
KfW ³	27.6	28.6	27.8	28.4
KfW IPEX-Bank ⁴	12.8	16.5	17.9	19.4
DEG ⁵	30.3	30.2	30.2	31.3
Employees with fixed-term contracts (in %)				
Group	13.2	13.9	11.7	10.4
KfW	13.6	13.9	12.6	11.1
KfW IPEX-Bank	3.6	7.5	8.5	7.3
DEG ⁶	7.3	8.5	8.3	9.0
Part-time staff in %				
KfW	18.9	20.2	21.3	22.7
KfW IPEX-Bank	11.2	12.4	13.7	16.2
DEG ⁶	13.1	12.7	14.0	19.0
Expenditure on personnel (EUR in millions)	448	461	552	541

¹ All figures quoted in this section are taken from the bank's HR statistics as of 1 December.
² Including Finanzierungs- und Beratungsgesellschaft mbH (FuB, fully owned by the bank) and consolidated companies ³Including hourly wages, excluding vocational trainees ⁴Including graduate trainees ⁵Excluding vocational trainees and interns ⁶The figures differ from those in the 2012 Sustainability Report as the frame of reference was adjusted.
Source: KfW, KfW IPEX-Bank, DEG

Length of service and turnover

More than 1,700 employees have been reassigned as part of the largest restructuring in KfW's history. The success of this measure is owed to the enormous flexibility and identification of our employees with KfW, which continues to be reflected in a very low rate of staff turnover.

Change management measures have been introduced in support of this extensive process of change. A modernisation barometer in the form of a brief, regular, online survey (three times a year) has been introduced in order to monitor the success of these measures, and has been carried out a total of five times thus far. More than 800 employees took part. Tailored measures such as dialogue-oriented business area meetings about the overall objectives behind the change, and manager workshops on strategy and change management, were developed jointly with the managers on the basis of the survey results.

»» The success of the ongoing modernisation activities can mainly be attributed to the flexibility and commitment of KfW's employees.

Length of service and turnover in the KfW Group

	2010	2011	2012	2013
Average length of service (in years)				
KfW	11.7	11.4	11.2	11.6
KfW IPEX-Bank	7.7	7.8	7.8	8.3
DEG	10.3	10.4	10.0	10.1
Employee turnover (in %)				
KfW ¹	2.2	3.3	2.6	2.8
KfW IPEX-Bank ¹	5.1	12.8 ²	5.3	4.2
DEG ³	6.4	2.0 ⁴	4.0	3.7

¹ Excluding fixed-term contracts ² 38 employees transferred to KfW in 2011 as part of a merger.
³ Including fixed-term contracts ⁴ The figures differ from those in the 2012 Sustainability Report as the frame of reference was adjusted.
Source: KfW, KfW IPEX-Bank, DEG

Vocational and further training

KfW still offers an attractive range of training opportunities despite some consolidation in terms of quantity. The opportunity to train as a banking clerk, for example, will not only be offered in Bonn but also in Frankfurt a. M. and Berlin from 2014. A wide variety of sandwich degree-courses, trainee programmes and doctorate programmes offer outstanding opportunities for young people committed to their job. The increasingly positive public perception of KfW as an employer is reflected in the high number of applicants, as well as good placings in various employer rankings.



Trainees during group work

The year 2013 saw yet another increase in the use of the training measures on offer, which have been significantly expanded since 2011 with the help of the new training portal. The range of topics on offer has also been expanded. This expansion fitted in neatly with the bank's e-learning strategy in 2013. A total of six new modules on the subjects of compliance, law and security were designed and integrated into the training portal. At the same time, demand remained high for conventional classroom seminars on the subjects of management, personal development and communication, as well as the specialist subjects of Financial Cooperation and IT.

Vocational and further training in the KfW Group

	2010	2011	2012	2013
Proportion of trainees (in %)				
KfW ^{1,2}	6.2	5.7	5.5	4.6
KfW IPEX-Bank ³	1.5	3.8	2.6	3.2
DEG ³	6.4	8.1	6.2	5.7
Further training⁴ (in hours)				
KfW ⁵	47,200	47,200	82,500	96,808
DEG	4,440	5,984	4,808	5,120

¹DKfW maintains records for both KfW and KfW IPEX-Bank trainees centrally. ²Vocational trainees, sandwich degree students, graduate trainees and interns ³Graduate trainees and interns ⁴Excluding KfW IPEX-Bank in this case as the reporting system is still in development. ⁵All reported figures have been rounded.
Quelle: KfW, KfW IPEX-Bank, DEG

Gender Balance

The way in which we manage and work with each other has a strong impact on the extent to which men and women can develop their full potential in their careers. That is why KfW's Gender Balance programme, which received the Deutscher Personalwirtschaftspreis (German HR award) in 2013, combines targeted HR development and the framework conditions for a good work/life balance with the deliberate fostering of corporate culture.

The Gender Balance Forum series of events is both a starting point and a platform for a dialogue between business areas and throughout the hierarchy on the developments and framework conditions that will define the way we work in the future, and therefore also KfW's corporate culture. Keynote addresses by renowned experts, group discussions and a panel debate of the board member hosting the event with internal and external guests are the main elements of the format, which is aimed at the employees and managers at all of the bank's locations.

In spring 2013, the first Gender Balance Forum on the subject of "Success with mixed teams" and a special edition of the employee magazine EINBLICKE marked the launch of a company-wide cultural process in which both the employees and the Executive Board are actively involved. The first milestone is to work together to draw up a Gender Balance vision as part of a downstream series of workshops held at all of KfW's locations in 2014.

One important element of this cultural development as well as of the entire Gender Balance programme is the involvement of women at the various levels of management. By mid-2015, one out of every three management positions at KfW should be held by a woman. Rules governing the hiring process and targeted HR development have helped raise the proportion of female managers to almost 30% in 2013.

The internal mentoring programme has also been offered on a regular basis for KfW IPEX-Bank since 2013. A "shadowing" format to support this programme has also been successfully trialled. This allows talented newcomers to shadow managers for three days in order to gain an impression of what they do before they apply for a management career. Two thirds of the spaces on both programmes are reserved for women.

»» The proportion of women in management is steadily being increased.

Proportion of women in the KfW Group (in %)

	2010	2011	2012	2013
Proportion of women employed within the KfW Group				
KfW	49.5	49.6	49.1	49.1
KfW IPEX-Bank	46.9	47.1	47.6	47.1
DEG	50.2	51.2	51.5	52.4
Women in management positions				
KfW ¹	26.4	27.0	28.2	29.1
Middle management ²	18.9	23.6	23.9	23.8
Senior management ³	14.3	13.0	18.2	20.0
KfW IPEX-Bank ⁴	19.5	24.0	21.3	22.2
Middle management ²	21.1	22.2	22.2	22.2
Senior management ⁵	20.0	25.0	25.0	25.0
DEG ⁶	14.3	26.5	26.0	28.0
Middle management ²	17.6	30.8	25.0	28.0
Senior management ³	0	10.5	30.0	30.0

¹ Team managers, department heads, business area managers ² Department heads ³ Business area managers ⁴ Team managers, department heads and management ⁵ Management ⁶ Department heads, business area managers

Source: KfW, KfW IPEX-Bank, DEG

Accidents at work within the KfW Group in Germany

	2010	2011	2012	2013
KfW Group	99	93	85	87
> fatalities	0	0	0	0

Source: KfW, KfW IPEX-Bank, DEG

Employees with disabilities

Employees with severe disabilities ¹ (in %)	2010	2011	2012	2013
KfW	5.6	5.5	5.1 ²	5.2
KfW IPEX-Bank	1.1	1.5 ²	1.1 ²	0.8
DEG	4.1	3.6	3.6	2.8

¹ Data recorded based on law regarding severely disabled people ² The differences in the figures stem from the amendment of the frame of reference in comparison to the 2012 Sustainability Report. Source: KfW, KfW IPEX-Bank, DEG

Age profile of employees

Average age (in years)	2010	2011	2012	2013
KfW	41.8	41.9	42.2	42.6
KfW IPEX-Bank	39.0	38.8	38.9	39.4
DEG	42.6	42.6	42.4	42.5

Source: KfW, KfW IPEX-Bank, DEG

»» Society

Through sponsoring, donations and other measures in 2013, the bank supported initiatives implementing, promoting or facilitating responsible action. The Corporate Citizenship budget without employee donations came to around EUR 134,000.



Svenja Bremer from the charity "Tapfere Knirpse" (brave tots) took receipt of a donation amounting to EUR 2,500 from KfW Executive Board member Dr Günther Bräunig and Head of Communications Dr Michael Helbig.

Project of the year – volunteering by KfW's employees

With public coffers empty, volunteering for the good of society is becoming increasingly important. Without willing unpaid volunteers, associations and societies would not be viable and many projects could not be implemented. That is why KfW encourages its employees to support organisations and initiatives that benefit society. Since 2010, 40 KfW employees and their volunteering work have been presented each year in the Intranet and in a special edition of the employee magazine EINBLICKE, allowing KfW employees to vote for one of the 40. In addition to acknowledging their personal commitment, KfW also supports all of the presented projects with a monetary donation. The employees then choose the project of the year from among the 40 projects. On 5 February 2014, at a charity dinner to which the KfW employees who volunteer were invited, KfW Executive Board Member Dr Günther Bräunig named Tapfere Knirpse as the winner. Tapfere Knirpse was set up to provide emotional support to families with seriously ill and disabled children during difficult times.

www.tapfere-knirpse.de

"Spare cents/euros"

Many employees of the KfW Group donate the "spare cents" or "spare euros" in their salary for good causes. Individuals can decide whether to round their monthly salary down to the nearest euro or nearest 5 euros. A total of EUR 25,000 was collected in this way in 2013, and topped up to EUR 27,000 with a EUR 2,000 donation from the Executive Board. In addition to its social commitments at a national and international level, KfW used this money to support charitable institutions (please refer to the box on the right).

KfW's expenses for corporate citizenship 2010-2013

EUR in millions	2010	2011	2012	2013
Excluding employee donations	2.13	1.42	1.40	0.13 ¹

¹Since 2013 the donations and sponsoring activities of KfW are managed by the KfW Stiftung.

Quelle: KfW



Projects supported

- Caritasverband Frankfurt e. V.
- Deutsche Palliativstiftung
- Förderverein Schulreiten
- Freundeskreis Quellenhof-Klinik e. V.
- Katholische Erwachsenenbildung – Bildungswerk Frankfurt (KEB)
- Dhulikhel teaching hospital, Nepal
- Paco Project Manila
- Verein Ukunda-Hilfe e. V.

»» The KfW Stiftung – charitable promotion

Business activities and social responsibility go hand in hand. This is especially true for KfW, given its legal mandate to drive economic and social change and improve quality of life. That is why KfW founded an independent, charitable foundation in October 2012.

Responsible entrepreneurship

In the world of business, the KfW Stiftung works to promote a responsible business mindset that faces up to and puts structures in place for the societal challenges of the future.

Examples of projects

The social impact lab in Frankfurt is the first establishment in Germany to offer young people from migrant backgrounds and social entrepreneurs a space to work on their business ideas and career development. Workshops are offered at universities and colleges throughout Germany in partnership with the Social Entrepreneurship Akademie in order to inform students, lecturers and young professionals about the topic of social entrepreneurship and to create regional clusters.

Social commitment

The KfW Stiftung aims to equip our society for the future. That is why it focuses on supporting projects to promote a responsible and strong community. One of its key aims is to establish inclusion as a forward-looking form of co-existence. It is important to support structures that open up new perspectives in order to create diversity, both socially and commercially.

Examples of projects

Partnership with Manege gGmbH at the Don-Bosco-Zentrum in Berlin to support the children of young unemployed people; development of a training package with Landessportbund Hessen e.V. to enable instructors and trainers to make inclusion a matter of course in the field of recreational sports.

Arts and culture

The focus is on a dialogue between cultures. The KfW Stiftung creates platforms for contemporary international art in order to promote cultural diversity and foster a critical awareness of global connections.

Examples of projects

An “artists in residence” programme for artists from Africa, Asia and Latin America in partnership with Künstlerhaus Bethanien in Berlin; a “curators in residence” programme for curators from Africa, Asia and Latin America in partnership with the German Academic Exchange Service’s Berlin-based artists’ programme and the Museum of World Cultures in Frankfurt; “Cairo Short Stories” – promoting young Egyptian authors in partnership with the Goethe Institut in Cairo and litprom – the Society for the Promotion of African, Asian and Latin American Literature; the Videonale in Bonn; the Young Euro Classic in Berlin.

www.kfw-stiftung.de

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Taking responsibility – promoting diversity

The KfW Stiftung tackles the big challenges facing society – globalisation, protecting the environment and the climate, and demographic change. We promote initiatives that question existing patterns, develop concepts for alternative action and offer platforms for dialogue across borders. In doing so, we create space for different mindsets and promote economic, ecological, societal and cultural diversity.

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KfW's 2012 Sustainability Report is available in German
and English. Copies can be ordered in either language from
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You can find out more about sustainability at KfW
and this Facts and Figures Update online at
www.kfw.de/nachhaltigkeit.

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KfW Photo Archive, Harry Traenkner | page 28