

**Guideline for the In-house Environmental Management  
of KfW Bankengruppe (KfW Banking Group)**

The guideline for in-house environmental management at KfW Bankengruppe (Banking Group, or KfW) is valid for all four German locations (Frankfurt, Berlin, Bonn and Cologne). It applies to all responsible units of KfW (technical operations, procurement, transport and construction as well as the Central Environmental Unit) and corresponding units at DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH - (departments for environmental protection/ sustainable development and administration). It also addresses all staff of KfW . The guideline is implemented in accordance with each location's specific conditions and possibilities.

## **1. Basic Principles and Objectives**

For many years KfW has applied high standards in its environmental management. These standards apply to its products and procedures as well as to its in-house environmental management. Major environmental impacts of business operations are carefully monitored and continuously improved, as is the environmental management system. Special priority is given to the promotion of investments in environmental protection and the conservation of natural resources.

The objectives pursued under its in-house environmental management result from the Environmental Principles of KfW . These are, essentially:

### **Guideline No. 5:**

"The KfW Group assures compliance with all legal requirements in its internal technical operation at all locations. In addition, the KfW Group seeks to remain below legal emission limits and exceeds current standards. We limit out consumption of energy, water, materials and the volume of solid waste to the maximum extend compatible with our tasks and work processes."

### **Guideline No. 6:**

"In order to fulfill its environmental mandate the KfW Group draws on in-house expertise and brings in additional external experts as required. The KfW Group provides staff training in environmental issues and participates in professional dialogues."

### **Guideline No. 7:**

"The KfW Group will maintain and improve its environmental management system and monitor its effectiveness in project cycle and its internal operation."

## 2. Tasks and Organisation

All units of KfW that deal with environmental concerns are represented in the environmental coordination group (**Koordinierungsgruppe Umwelt, or KGU**). It is headed by the managing director for the environment. This group is in charge of developing and coordinating the general environmental activities of business operations and in-house activities.

The Central Environmental Unit of KfW (**Stabsstelle Umwelt**) directly reports to the managing director for the environment. In addition to providing support and advice to the financing operations and to environmental reporting, it is in charge of coordinating and advancing the in-house environmental management within KfW .

In the Department for Environmental Protection/Sustainable Development of DEG (**Abteilung Umwelt / Nachhaltige Entwicklung**, or DEG-UM) the department head is in charge of steering and coordinating the in-house environmental management of DEG.

The in-house environmental commissioners in charge of environmental housekeeping and the local environmental officers appointed for each location are represented in the Task Force for In-house Environmental Management (**AG-Betriebsökologie, or AG-BÖ**). It is headed by the Central Environmental Unit in cooperation with the head of the Department for Environmental Protection/Sustainable Development of DEG. The specific functions of the task force include:

- To advise on the further development of the guideline for in-house environmental management and of the rules of KfW on preparing environmental balances.
- To participate in the preparation of annual environmental balances
- To participate in establishing environmentally relevant strengths and weaknesses
- To participate in defining, implementing and monitoring the objectives, measures and actions taken under the in-house environmental management
- To analyse deviations in consumption of resources between the locations
- To participate in preparing the tri-annual environmental report

The in-house environmental commissioners (**Umweltbeauftragte**) are responsible for determining the environmental impact resulting from the technical operation and for its mitigation at the locations. They perform their functions in cooperation with the facility managers of the individual buildings, the persons responsible for procurement and the environmental officers appointed for each location. Their tasks include:

- To comply with statutory and official requirements
- To give impulses for additional environmental actions
- To manage and implement environmental measures and actions
- To monitor the preparation of the environmental balance
- To train and instruct staff in in-house environmental management.

The environmental commissioners cooperate with company medical doctors and occupational safety experts, who are invited to the meetings of the Task Force AG-BÖ as necessary.

An in-house environmental officer (**Standortbeauftragter**) is appointed for each location of KfW . Their tasks include:

- To be contact person for environmental issues concerning the location, also for the employees
- To participate in the supervision of the implementation and development of environmental measures and actions
- To organise the collection of data for the annual environmental balance (environmental balance/key environmental figures)

The persons in charge of technical operation of the buildings (**Verantwortliche für den technischen Betrieb der Gebäude**) are responsible for the compliance with statutory regulations and observance of official directives. New requirements resulting hereof have to be reported to the respective environmental officer.

The enclosed appendix describes the organisation and lists the contact persons for in-house environmental management.

### **3. Details of Environmental Protection in Facility Operations**

The same standards generally apply to in-house environmental management at all four locations (Frankfurt, Berlin, Bonn and Cologne).

#### **Procurement**

Exemplary environment-friendly solutions are to be put in place in all investments in technical operation, procurement and construction activities. In justified cases this may require higher expenditure. Environmental aspects are therefore part of the decision-making process. For bids being requested or public tenders being carried out environmental requirements need to be considered and discussed at an early stage with the Central Environmental Unit or the Department for Environmental Protection/Sustainable Development of DEG respectively.

#### **Procedure for handling suggestions for improvements**

The environmental commissioners of KfW , the environmental officers appointed on site and the staff of the Central Environmental Unit as well as the Department for Environmental Protection/Sustainable Development of DEG have the particular responsibility of following up on or preparing proposals for improvements in the in-house environmental management, particularly for the purpose of reducing consumption and emissions in existing operations as well as in new buildings. These can be discussed and evaluated in the Task Force AG-BÖ. The recommendations formulated by the AG-BÖ go to the persons in charge, to the head of the Department Central Services if appropriate, and, if concerning DEG, to the head of the Department of Administration of DEG. If the ecological benefits cause considerable additional costs or other disadvantages, the proposal for improvement is to be submitted to the board of managing directors of KfW or to the board of management of DEG, as the case may be. The management of the Department Central Services and the Central Environmental Unit will decide on the need for and content of such proposals. At DEG this decision will be taken by the head of the Department for Environmental Protection/Sustainable Development and the Department for Administration.

#### **Suggestions to the in-house environmental commissioners**

Suggestions submitted by employees to the environmental commissioners, to the local environmental officers in charge of in-house environmental issues or to the Central

Environmental Unit are kept in lists by KfW and DEG. They are processed by the environmental commissioners or the local environmental officers. The proposals are coordinated and analysed by the Central Environmental Unit of KfW or the Department for Environmental Protection/Sustainable Development of DEG. This ensures that all inquiries are systematically followed up and processed.

Original in-house environmental management tasks of DEG are to be performed by DEG; the Central Environmental Unit has only a coordinating function in this regard.

#### **4. Principles of the Environmental Balance**

KfW records and monitors the environmental impact of its office operations in Frankfurt, Berlin, Bonn and Cologne, presenting it in the form of an environmental balance in order to document its firm compliance with statutory regulations and to be able to determine and reduce consumption and emissions.

To this end it employs specific environmental balance software to guarantee homogeneous collection of data across the four German locations; this is administered by the Central Environmental Unit. The in-house environmental commissioners are in charge of the management of data collection; they appoint officers to enter the relevant data.

The software is based on the standards of the VfU - Verein für Umweltmanagement in Banken, Sparkassen und Versicherungen (Association for Environmental Management in Banks, Savings Banks and Insurance Companies) -, which were established in cooperation with KfW and already formed the basis for the collection of data in recent years.

#### **5. Responsibilities of Employees**

Informing on its environmental commitment and its environmental management system is a particular concern for KfW. This includes in-house environmental protection.

In addition to the general rules of environment-friendly conduct, specific measures and indications of KfW are to be observed as well. These include, in particular:

- reducing electricity consumption
- saving paper (use of recycling paper) and water

- proper room temperature and proper ventilation
- environmentally conscious business travel where possible
- reducing and properly disposing of waste

All employees of KfW are called upon to submit proposals for improvements that are expected to result in positive environmental impacts to the environmental commissioners, local environmental officers, the Central Environmental Unit or the Department for Environmental Protection/Sustainable Development of DEG.

## **6. Provision of Information**

The following target groups are regularly informed on the environmental impact of KfW's office operation and on the measures to limit this impact by the Environmental Report published every three years:

- a. the interested public
- b. The Board of Managing Directors, the Board of Supervisory Directors, staff councils and the organs and boards of DEG
- c. the main suppliers and contractors as needed
- d. the neighbourhood at the relevant locations as needed.

In addition:

- e. staff members are informed primarily through the Intranet of KfW ;
- f. new employees and trainees are made aware that the environment is a concern at the workplace as well.

## **7. External Evaluation**

The environmental report, published tri-annually, is reviewed by external experts for completeness and plausibility also with a view to in-house environmental management. The results of the evaluation are analysed, and recommendations for improvements in the practical work and reporting are considered accordingly.

## **8. Scope of Validity, Entry Into Force and Internal Evaluation**

The guideline for in-house environmental management entered into force on May 4, 2004.

KfW will examine by 2006 whether any modifications or adjustments to this guideline and to the appendix are necessary.

**Appendix:** Organisation and contact persons for in-house environmental management



**Organisation and contact persons for in-house environmental management at  
KfW Bankengruppe (KfW Banking Group)**

**KfW** +49 69 7431-0

Managing Director for the Environment	Detlef Leinberger	
Central Environmental Unit:		
Head of Central Environmental Unit:	Olaf Weber	-30 88
Environmental commissioner for in-house environmental management:	Andreas Sturm (Frankfurt, Bonn, Berlin)	-33 55
Local environmental officers for in-house environmental management:	Frank Schüller (Bonn)	-75 47
	Andreas Sturm (Frankfurt)	-33 55
	Joachim Stuhmann (Berlin)	-52 85

**DEG** +49 221 4986-0

Executive officer in charge:	Johannes-Jürgen Bernsen	-12 68
Department for Environmental Protection/Sustainable Development:		
Head / Environmental commissioner:	Günther Piper	-11 13
Secretariat/desk officer for in-house environmental management:	Dagmar Pöcher-Schneider	-15 75
Local environmental officer for in-house environmental management:	Günther Piper	-11 13

**Boards**

Environmental Coordination Group (KGU)	The group is headed by the managing director for the environment. Its members are the environmental commissioners of the fields of activity and in-house environmental management, the Central Environmental Unit, the head of the Environment Department of DEG as well as the Secretariat of Management Affairs	
Task Force for In-house Environmental Management (AG-BÖ)		
Head of Task Force AG-BÖ:	Michael Götze	+49 69 7431-2844
	Günther Piper (DEG)	+49 221 4986-1113
	Lorenz Szyperski	+ 49228 831-8077
Members of Task Force AG-BÖ:	Head of Task Force, environmental commissioners and local environmental officers	