Module 3 – Supporting Document

A Guide to Managing Your Bank's Direct Environmental and Social Footprint.

This guide has been prepared by



Contents

1 Introduction 4
2 Energy Consumption 4
2.1 Identifying the Key Contributors to Energy Consumption 4
2.2 Measuring Energy Consumption 5
2.3 Energy Management Programme 6
2.3.1 Action Plans and Activities 6
2.3.2 Setting Goals and Targets for Energy Consumption 7
2.3.3 Developing an energy management programme 8
3 Water Consumption 10
3.1 Identifying the Key Contributors to Water Consumption 10
3.2 Measuring Water Consumption 10
3.3 Water Management Programme 11
3.3.1 Action Plans and Activities 12
3.3.2 Setting Goals and Targets for Water Consumption 12
3.3.3 Developing a water management programme 13
4 Greenhouse Gas Emissions 15
5 Paper Consumption and Other Consumables 19
5.1 Identifying the Key Users and Measuring Consumption of Paper and Other Consumables 19
5.2 Paper Management Programme 19
5.2.1 Action Plans and Activities 20
5.2.2 Setting Goals and Targets for Paper Consumption 20
6 Waste Management 21
6.1 Identifying the Key Contributors to Waste & Review of Existing Waste Management 21
6.2 Measuring Waste Generated 23
6.3 Waste Management Programme 24
6.3.1 Action Plans and Activities 25
6.3.2 Setting Goals Targets for Waste Management 26
6.3.3 Developing a waste management programme 26
7 Buildings 27
7.1 Identifying the Environmental and Social Impacts of Buildings 27
7.2 Reducing the Impact of Buildings and Best Practice 29
8 Human Rights at Work 31
8.1 Identifying the Social Impacts of Human Rights at Work 31
9 Supply Chain Management 35
9.1 Identifying and Review of the Key Players in your Bank's Supply Chain 35

9.2 Managing Your Bank's Supply Chain 37
10 Public Health, Safety, and Security 38
10.1 Identifying the Environmental and Social Impacts of your Bank on the Public 38
10.2 Managing the Impact of the Bank's Operations on the Public 39
11 Compliance 40
12 Corporate Framework 40
12.1 Corporate Strategies 40
12.2 Environmental Management Strategies and Systems 41
13 The Importance of Employees Support 42
14 How to Report your Environmental and Social Footprint 43
15 In Summary 46
16 Where can I get Help or More Information? 46

1 Introduction

The following document has been put together as a guide to managing the operational environmental and social footprint of your Bank. It had been prepared in the framework of the Kenyan Bankers Association's Sustainable Finance Initiative.

2 Energy Consumption

2.1 Identifying the Key Contributors to Energy Consumption

The key impacts of energy consumption relate to resource utilisation and release of harmful greenhouse gases (GHG). Main consumers of energy in your Bank's operations may include:

- Lights.
- IT and office equipment, i.e., computers, printers, copiers, servers/ data storage facilities and devices etc.
- Air conditioning units and heaters.
- Canteen or kitchen facilities, i.e., stoves, refrigerators, dishwashers, hot water geysers, etc.
- Fuel use for vehicles (staff bus, private vehicles, etc.).
- Staff air travel.
- Third party freight or courier services.
- Back-up power generation, i.e., petrol/ diesel generators and associated back-up energy storage i.e., inverters/ batteries.
- Lifts, escalators, and automatic doors.

By 2025, buildings are predicted to be the largest consumer of energy, more than transportation and the industrial sector combined. As much as 50% of the energy and water that flow into buildings today is wasted. In large urban areas like New York City, approximately 80% of the carbon footprint comes from buildings. The opportunities for savings are very real and go right to the bottom line by reducing energy and water usage as much as 40%. (http://breakingenergy.com).

What are the top three key consumers of energy in your building?

a. Lighting.
b. IT and office equipment.
c. Air conditioners.
d. Kitchen/ canteen.
e. Back-up power, generators.

In order to better understand your Bank's energy consumption and existing management practices, the boxes below present a series of questions. Where applicable to your Bank, these questions can be used to develop a checklist or data collection form. They can also feed into the development of your Energy Management Programme (see *Section 2.3* below).

Energy Management: what happens in your Bank?

- Are there any applicable regulations relating to energy consumption?
- Does the office have a management system for energy, e.g. written policy, controls or instructions relating to the management of energy on site?
- Are policies relating to energy consumption communicated to members of staff?
- Who is responsible for management of energy consumption on site?
- Has an energy audit been undertaken for the site?
- Are there any existing strategies, initiatives or procedures to reduce energy use?
- Are there any existing monitoring or measuring procedures that are used to track energy use?

- Are there any existing technical approaches used to improve energy efficiency not covered above (e.g., low energy lighting, low energy use computers etc.)?
- Do you have any electricity use awareness measures in the office (e.g., posters, stickers by taps etc.)?
- Does energy efficiency or eco-labels influence equipment purchasing decisions?
- Are there any other users of energy at the site (e.g., outsourced cleaners, catering facilities etc.)?
- Is electricity consumption associated with other users sub-metered, monitored or otherwise managed by your Bank?
- Do you know where further information on third party energy consumption be obtained?

Staff Transport: what happens in your Bank?

- Are there any applicable regulations relating to vehicle emissions?
- Are company cars provided?
- How many company vehicles are under management at the location?
- How close is the office to the nearest public transport?
- Are there any existing policies to reduce usage of cars for commuting (e.g., the use of bicycles or public transport is encouraged)?
- Are any facilities provided at the site for cyclists (e.g., secure storage area, showers / changing facilities)?
- Are there any transport related items included within employee's benefits package?
- Is the need for business travel, including air travel, assessed prior to booking?
- Are videoconference and e-learning facilities available on site?
- Are there any existing policies to reduce the use of cars for business travel (e.g., utilisation of public transport or sharing of cars)?
- Is the environmental impact of vehicles considered during the procurement process of company cars or buses (e.g., fuel consumption, fuel efficiency and levels of emissions)?

Freight/ Third Party Deliveries/ Collections:

- Are there any existing policies to minimise freight and courier deliveries/ collections (e.g. bulk deliveries, timetable for courier collections and deliveries)?

IT equipment: what happens in your Bank?

- Do you have management procedures for replacement and procurement of IT equipment (e.g., write off and replace every three years)?
- Is energy use considered when selecting new items of IT equipment (e.g., eco-labels)?
- Are electronic equipment eco-labels available locally?

2.2 Measuring Energy Consumption

Based on the information gathered above, the next step is measuring and calculating your Bank's energy consumption. Examples of the type of data required to measure electricity and fuel usage are presented in the templates below.

Energy Type	Consumption for 2014 (please define units)	Invoice totals or unit cost for 2014 (US$) (please specify)
Electricity		
Gas		
Fuel oil		
Other fuels (specify)		
Have any energy efficiency audits been undertaken?		
Major Areas of energy usage	**Estimate of annual consumption (kWh)**	**Estimated proportion of the total consumption (%)**
Building Heating		
Building Cooling		
Air conditioning		
Hot water supply		
Lighting		

Office Electronic equipment				
Third Parties				
Other (please specify)				
IT and Electronic Hardware Register:				
Item	**Number**	**Energy star-rated?**	**Energy Rating (Watts)**	**Usage** (indicate operational time, idling time etc. as appropriate)
Computers (Desk tops)				
Monitors				
Computers (lap tops)				
Printers				
Fax Machines				
Photocopiers				
Scanners				
Duplexing Units				
Fax machines				
Other				
Are video-conferencing facilities available at the office? If so: • how many videoconferencing suites are available? • is information on usage patterns for the last three years or since installation available?				

Energy consumption can be reported as total energy consumption of area occupied[1] (kWh/m^2/year) or per employee on-site (kWh/person/year). It can also be reported as costs (US$/year).

In addition to consuming energy, vehicles are major emitters of carbon dioxide, carbon monoxide, sulphur oxides, nitrogen oxides and particulate emissions. As well as contributing to GHG emissions, these pollutants can form toxic "smogs" which may cause breathing difficulties and associated illnesses, particularly in the young and elderly. Where lead is still used in fuels, some evidence has linked this to retarded development in young children.

The measurement of GHG emissions is covered in *Section 4* below.

2.3 Energy Management Programme

Once you understand your Bank's energy consumption, the next step is to develop an energy efficiency or energy management programme to manage this usage. Some of the questions asked in *Section 2.1 and 2.2* may contribute to the information in the management programme.

Energy management programmes can be described as roadmaps designed specifically to maximise a building's productivity while minimising its energy use. Such programmes help organisations reach their goals for reducing energy consumption and achieve cost savings.

Some of the key elements of a management programme are described below as follows:

- Developing action plans to reduce energy consumption.
- Setting goals and targets for energy consumption.
- Monitoring, management and reporting of your Bank's energy consumption.

2.3.1 Action Plans and Activities

The template below provides the main headings that can be included in an Action Plan.

[1] The office area would be reported as either gross (floor area including all stairwells, halls, washrooms etc.) or net floor area (available floor area (thus excluding stairwells, halls, washrooms etc.)).

Energy Item	Action Required	Resources	Staff Responsible Target Date	Comments & Notes
Lights	Upgrade light bulbs and light fixtures to more energy efficient options.	Investment in new	Buildings maintenance manager. Phased replacement by department, by 31st March.	
Other				
Other				

The box below provides some examples of actions that can assist with using energy efficiently.

Saving energy is good business. There are many initiatives you can take to save on energy costs in your office, for example:

- **Turn Off Lights:** Many of us forget to turn out lights when leaving a room. Think of ways to remind people to turn off lights, or have lights turn on and off automatically. For example, place signs next to light switches especially in conference rooms; install motion-activated lights in infrequently used hallways or common areas.
- **Upgrade Your Lights:** LED and fluorescent lights, as well as UID lights for large spaces, are better energy choices. But even with fluorescent lights, you may want to upgrade the fixtures, as older versions tend to be less energy efficient.
- **Use Power Management Settings on Equipment:** On computers, printers and other office equipment, use the recommended power management settings to shut them off or go into hibernate mode when technology is not in use.
- **Move IT to the Cloud:** Consider getting rid of your computer servers, and instead going with cloud-based systems. No more running multiple servers or cooling of that hot data centre is needed. On top of that, more employees could telecommute.
- **Limit use of Air Conditioners:** A few fans in your office can also help it seem cooler in summer, and cost less than air conditioning to run. Use a programmable thermostat that adjusts temperature at night and on weekends.
- **Replace Old Equipment with Energy Star Rated Equipment:** Consider upgrading to energy efficient models, especially if you have a lot of older equipment. Energy Star is an independent rating system for energy efficient products.
- **Make Faucets, Toilets and Water Heaters Efficient:** Leaking faucets and other fixtures can result in costly water losses. Insulate your water heater if necessary to cut down on heating costs. Adjust the temperature of hot water heaters.
- **Control Sun Through Window Areas:** Office buildings tend to have lots of windows, and during the summer, this puts an added load on your air conditioning system. Solar window film, blinds and awnings can help your office keep its cool.
- **Ensure Water Efficient Landscaping:** A landscaping design for your facility that is water intensive, can use a tremendous amount of water resources. Switch to native plants that don't need excessive water. If possible "reuse" water from a local pond or rainwater runoff for watering your outdoor landscaping.
- **Consider Renewable Energy Sources**: Solar panels, geo-thermal heat pumps, wind mills and other renewable energy sources may be good alternatives to reduce reliance on traditional energy.
- **Get Employees Involved:** Host competitions to see who can come up with the best idea for saving on energy.

(http://smallbiztrends.com/2014/10/how-to-save-on-energy-costs-office.html)

2.3.2 Setting Goals and Targets for Energy Consumption

Setting goals and targets and then assessing your Bank's performance against these and best practice benchmarks allows you to undertake the following:

- monitor and evaluate progress;
- calculate energy savings (e.g., as a percentage of annual energy costs);
- calculate payback periods for investments in energy efficiency projects;
- review current and ongoing energy efficiency programmes and activities;
- implement improvements or additional activities;

- report results; and
- plan future actions as part of your Bank's ongoing management of energy consumption.

Typically, with energy consumption, targets relate to energy savings. However, your Bank may want to set goals and targets as follows:

- A percentage reduction in energy costs by the end of the next year (i.e., Reduce total cost of electricity by X%).
- A percentage reduction in energy consumption over the next year (i.e., Reduce energy consumption by X% over the next year).
- A percentage reduction in energy consumption per employee.
- A commitment to implement renewable energy sources on-site (e.g., solar lighting).
- A commitment to purchase X% of power from renewable energy sources (e.g., wind or solar energy).
- A commitment to develop an energy management team.

In addition, within your equipment replacement programmes, eco-labelled equipment can provide targets for energy efficiencies.

2.3.3 Developing an energy management programme

There are several international standards and guidelines to assist with developing an energy management programme.

These standards and guidelines also address the Reporting of your Bank's energy consumption. Further guidance on reporting is provided in *Section 14* below.

For example, ISO 50001:2001 focuses on Energy Management Systems as outlined below.

ISO 50001:2011 – Energy Management System

The International Organization for Standardization (ISO) has developed the standard ISO 50001 which is based on the management system model of continual improvement also used for other well-known standards such as ISO 9001 or ISO 14001. This makes it easier for organizations to integrate energy management into their overall efforts to improve quality and environmental management. ISO 50001:2011 provides a framework of requirements for organizations to:

- Develop a policy for more efficient use of energy.
- Fix targets and objectives to meet the policy.
- Use data to better understand and make decisions about energy use.
- Measure the results.
- Review how well the policy works.
- Continually improve energy management.

(http://www.iso.org/iso/home/standards/management-standards/iso50001.htm).

ENERGY STAR Guidelines for Energy Management - Your guide to building a strategic energy management program

The US EPA's ENERGY STAR Guidelines for Energy Management provides a proven strategy for creating an energy management program focused on continuous improvement of energy performance. These guidelines for energy management can assist your organization in improving its energy and financial performance while distinguishing your organization as an environmental leader.

(http://www.energystar.gov/buildings/tools-and-resources/energy-star-guidelines-energy-management)

Some examples of initiatives taken by Banks and their results are presented below.

Citi has staff dedicated to monitoring, managing, and reporting its global *energy use* and *greenhouse gas emissions*. The bank has already achieved a goal of reducing its GHG emissions 10% between 2005 and 2010 and has gone on to set a follow-on goal of reducing its footprint 25% by 2015. These goals are accomplished through aggressive energy saving and green building efforts in Citi's offices, branches, and IT infrastructure and have resulted in significant cost savings. Citi is saving over US $1 million per year in power and cooling just from server efficiency programs in North America alone. Savings from other green IT efforts, the bank's 170 certified green buildings, employee energy training, and other initiatives are saving Citi many millions of dollars more.

These initiatives are not reserved only for the world's largest banks. In 2010, **Union Bank** introduced an energy saving program entitled Powered by You which engaged its branch employees to save hundreds of thousands of dollars in energy costs. Similarly, **Comerica** leveraged a focus on reducing its emissions to develop a comprehensive branch energy auditing program which helped it to realize $800,000 in annual savings across its roughly 450 branches.

According to one survey in 2010, a small business with 100 users could cut its carbon footprint and energy costs by 90% by moving to the cloud.

HSBC reported annual savings of $1,000,000 after implementing PC power management systems across its operations in 2009.

PNC seeks to reduce annual energy use by 30% by 2020. Through cost-saving energy retrofits, electricity usage was reduced 8% in the first year.

(Malk Sustainability Partners, White Paper, The Bottom Line of Green Banking*).*

Changing the way we work: Throughout 2013, Deutsche Bank have continued to implement our global standard, db New Workplace, the basis for energy savings and increased productivity of our corporate offices. It includes criteria for the design of offices and flexible work patterns and introduces the latest technology. At the end of 2013, db New Workplace covered approximately 22,000 workplaces in eleven countries – around 17% of all our workplaces. New desktop technologies use on average 75% less power than previous equipment, resulting in a total savings of 4.4 million kWh from db New Workplace to date. Upgrades to data centres also contribute significant energy savings: server efficiency increased by 30% in 2013 as compared to 2012. We also launched a pilot of an energy management information system that measures and controls energy consumption of our IT infrastructure centrally. Initial results suggest potential energy savings of more than 30% per computer. We also introduced "bring your own device" as part of a global awareness campaign to cut paper use, putting in place appropriate security and technology to enable employees to use their own mobile devices to access e-mails, documents and intranet pages rather than printing.

(Deutsche Bank Corporate Responsibility 2013, 3, Our Commitment Environment, https://www.db.com/cr/en/docs/Environment_DB-CR-2013_EN.pdf).

3 Water Consumption

3.1 Identifying the Key Contributors to Water Consumption

Although water usage in your Bank's operations may be low, water is a scarce resource and the cost of water supply and wastewater services is on the increase. By adopting water-efficient practices, products and services an organisation can reduce utility costs, save energy, and reduce stress on natural resources.

The main consumers of water in your Bank's operations may include the following:

- Toilets.
- Canteens or Kitchens.
- Gardens/ landscaping.

To service the above areas, there may be several sources of water, for example:

- water mains/ municipal water;
- groundwater by borehole;
- private water deliveries to on-site storage facilities/ tanks;
- private reservoirs, etc.

The following questions provide guidance on how to establish what water management is currently taking place at your Bank.

Water Consumption: What happens in your Bank?

- Are there any applicable regulations relating to water consumption and disposal?
- Does the office have a management system for water, e.g. written policy, controls or instructions relating to the management of water on site?
- How is policy relating to water consumption communicated to members of staff?
- Who is responsible for management of water consumption on site?
- What, if any, formal training in water management have they received?
- Where can details of water metering locations be found (is a layout plan available)?
- Has a water audit been undertaken for the site?
- Are there any existing strategies, initiatives or procedures to reduce water use
- Are there any planned preventative maintenance procedures for water consuming equipment and plant?
- Are there any existing management procedures or technical solutions for the control of water use (e.g., cistern dams, infra-red monitors etc.)?
- What water use awareness measures do you have in the office (posters, stickers by taps etc.)?
- Do water efficiencies or eco-labels influence any equipment purchasing decisions during the last year?

Third parties:

- Is there information on any other users of water at the office (e.g. outsourced cleaners, catering facilities etc.)? Is water consumption associated with other users sub-metered, monitored or otherwise managed by your Bank?
- Where may further information on third party energy consumption be obtained?

3.2 Measuring Water Consumption

Once you have identified you main water sources and areas of water consumption, you can calculate the volumes of water drawn from each source and/ or used in each area.

The table below indicates the type of information that should be gathered when measuring and assessing water usage.

Water Consumption Data:	**Yes/ No Comments/ Notes**
Is water consumption monitored on site?	
How often is water use monitored?	
What are the main sources of water? • Water mains from municipality. • Groundwater/ borehole. • Water deliveries. • Other.	
Are water sources metered? Is water usage recorded by invoices?	
For each water source, please provide details of water usage. For example, consumption for the previous 12 month period by meter recordings (in litres) or records such as utility/ water invoices (in USD).	
Example: Main Water Sources	***Meter records, Volume (L) or Cost (USD) for 2014***
o *Water mains from municipality.*	
o *Groundwater/ borehole.*	
o *Water deliveries.*	
o *Other.*	
Total water consumption for your Building	
Please describe main uses of water. Do any of the following additional water-using activities take place on site? • catering. • car washing. • irrigation of gardens. • third party users. • other. Provide details, as shown below, for example:	

Details on Main Water Users	***Number***	***Size/ Capacity***	***Technical details[2]***
Toilet			
Urinal			
Shower			
Sinks (in toilets & bathrooms)			
Sinks (in kitchen/ other)			
Drinks machines			
Water boilers/ kettles (drinks)			
Irrigation of gardens			
Car washing			
Others			

Water consumption can be reported as total volume used per site (m^3/year) or per employee on-site (m^3/person/year). It can also be reported as costs (US$/ year).

3.3 Water Management Programme

Once you understand your Bank's water consumption, the next step is to develop a water programme to manage this usage. Some of the key elements of a management programme are described below as follows:

- Developing action plans to reduce water consumption.
- Setting goals and targets for water consumption.

[2] Technical details should include cistern capacities for toilets, tap types for sinks, flush controls, flush frequencies and volumes (urinals) where these are available

- Monitoring, management and reporting of your Bank's water consumption.

3.3.1 Action Plans and Activities

The template below provides the main headings that can be included in an Action Plan.

Water Item	Action Required	Resources	Staff Responsible Target Date	Comments & Notes
Water points in kitchen and toilets.	Put up awareness posters and notices to remind employees to conserve water.	Investment in design and printing of posters/ notices.	Building maintenance manager. By 31st March.	
Other				
Other				

The box below provides some examples of actions that can assist with using water efficiently.

Activities to Reduce Your Water Usage

- Reduce water loss through leaks (e.g., check regularly for leaks and, when found, repair them promptly).
- Increase the water efficiency of fixtures, equipment, systems, and processes (e.g., consider replacing bathroom fixtures with more efficient models, automatic sensors etc., to avoid unnecessary water use.
- Consider water smart landscaping and irrigation practices.
- Educate employees about water efficiency to encourage water-saving behaviours. Communicate the measures you are taking and the results of any changes made.
- Consider reusing water or alternative sources of water that would otherwise be discarded or discharged to the sewer (e.g., reusing treated greywater or rainwater to water landscape areas).

Alternate sources of water collected on the site of the office building can significantly reduce the use of potable water for non-potable purposes. These alternate sources may include the following:

- Rainwater.
- Storm water.
- Greywater.
- Air-conditioning condensate.

3.3.2 Setting Goals and Targets for Water Consumption

Setting goals and targets and then assessing your Bank's performance against these and best practice benchmarks allows you to undertake the following:

- evaluate progress;
- calculate water savings (e.g., as a percentage of annual water costs);
- calculate payback periods for investments in water efficiency projects;
- review current and ongoing water management programmes and activities;
- implement improved or additional activities;
- report results; and
- plan future actions.

Typically, organisations set targets based on reducing consumption by a certain percentage per year.

Therefore, your Bank may want to set goals and targets as follows:

- A percentage reduction in water costs by the end of the next year (i.e., reduce total cost of water by X%).

- A percentage reduction in water consumption over the next year (i.e., reduce water consumption by X% over the next year).
- A percentage reduction in water consumption per employee.
- A commitment to recycle/ reuse water where appropriate (e.g., graywater for watering gardens).
- A commitment to develop a water management team.

The average[3] figure for water consumption per person per day in offices is approximately 50 litres (0.05 m3) per person per day and is dependent upon catering and cleaning uses. Less than 1.5m3 per person per year is regarded as best practice (http://www.green-office.org.uk/audit.php?goingto=factsheet5).

3.3.3 Developing a water management programme

There are several international standards and guidelines to assist with developing a water management programme. Examples are presented in the boxes below.

These standards and guidelines also address the Reporting of your Bank's water consumption. Further guidance on reporting is provided in *Section 14* below.

ISO 14046:2014 - Water footprint

ISO 14046 provides principles, requirements and guidelines for conducting and reporting a water footprint assessment as a stand-alone assessment, or as part of a more comprehensive environmental assessment.
The requirements and recommendations given in ISO 14046 provide elements for understanding how water use can be improved by accounting for the volumes used and quantifying scarcity and pollution, as well as other related impacts.

A water footprint is determined by one or more metrics that quantify the potential environmental impact on water of a product, process or organization.

A water footprint assessment can help in:
- assessing the magnitude of potential environmental impacts related to water;
- identifying ways to reduce potential water-related impacts of products at various lifecycle stages, and of processes and organizations;
- facilitating water efficiency and optimization of water management at product, process and organizational levels;
- providing scientifically consistent and reliable information for reporting water footprint results.

(http://www.iso.org/iso/home/store/catalogue_tc/catalogue_detail.htm?csnumber=43263).

Note: Although ISO 14046:2014 primarily focuses on industry life-cycle assessments where water is a significant resource, the guidance is also useful for the Banking sector.

The United States Environmental Protection Agency (EPA's) Greening EPA Programme - Developing a Water Management Plan

A comprehensive water management plan helps kick-start a successful water management program by helping a facility set water conservation goals and identify water conservation opportunities. The plan should include clear information about how a facility uses its water, from the time it is piped into the facility through disposal. Knowledge of current water consumption and its costs is essential for making the most appropriate water management decisions.

Elements of a Proper Water Management Plan
A water management plan can be divided into three components: water accounting, best management practices (BMPs) achieved, and water management opportunities. To develop a proper facility water management plan, it is important to include the following elements, at a minimum:
- *Operation and Maintenance (O&M)*. Appropriate O&M recommendations from the BMPs are included in facility operating plans or procedure manuals.

[3] For offices in the UK.

- *Utility Information*. Appropriate utility information includes the following:
  - Contact information for all water and wastewater utilities.
  - Current rate schedules and alternative schedules appropriate for usage or facility type. This helps ensure that you are paying the best rate.
  - Copies of water/sewer bills for the past two years. This will help you identify inaccuracies and determine whether you are using the appropriate rate structure.
  - Information on financial or technical assistance available from the utilities to help with facility water planning and implementing water efficiency programs. Some energy utilities offer assistance on water efficiency.
  - Contact information for the agency or office that pays the water/sewer bills.
  - Production information, if the facility produces its water and/or treats its own wastewater.
- *Facility information*. At a minimum, perform a walk-through audit of the facility to identify all major water-using processes, determine the location and accuracy of water measurement devices and main shut off-valves, and verify operating schedules and occupancy of buildings. To meet reporting requirements in Executive Order 13423, facilities should include a description of actions necessary to improve the accuracy of their water usage data. Activities can include a metering (or other measurement) plan for the facility.*
- *Emergency response information***.** Develop water emergency and/or drought contingency plans describing how your facility will meet minimum water needs in an emergency or reduce water consumption in a drought or other water shortage. This should be done in conjunction with your local water supplier.
- *Comprehensive Planning*. Inform staff contractors and the public of the priority your agency or facility places on water and energy efficiency. Ensure appropriate considerations are taken into account early in the design and planning of any new or retrofit project.

* In order to properly manage water conservation projects, it is important that all water be accounted for through precise measurement, such as water meters. It is necessary to have measurements not only to plan how to address water conservation, but also to monitor and track progress made in these programs as well as to adjust and make change

The EPA also provides guidance on Techniques for reducing water consumption and Best Management Practices. (http://www.epa.gov/greeningepa/water/plans.htm and http://www.epa.gov/oaintrnt/water/techniques.htm)

Water Efficiency Guide: Office and Public Buildings (Australian Government, 2006)

This guide identifies where water is used in typical offices and public buildings. It provides a range of practical and cost effective measures for reducing consumption. Technical and non-technical (management and behaviour related) measures are addressed – both play important roles in achieving savings and sustaining them. The guide also provides appropriate consumption performance measures and benchmark targets, as well as guidance on how to plan for and implement water efficiency improvement measures and assess the organisation's performance in water management.

- *Part 1: Water Efficiency Guide: Office and Public Buildings*. These guidelines provide an introduction to the technical and behavioural opportunities that exist in office and public buildings for reducing water consumption and increasing water reuse. Experience has shown that savings of between 30-40% are often achievable in these buildings. The guidelines will be useful for building managers, owners, tenants and maintenance staff.
- *Part 2: National water intensity benchmarks for office buildings and public buildings*. These benchmarks have been developed from a national sample of building water consumption. For office buildings, the average water consumption was found to be 1.125 kL/m² per year, with best practice being 0.5 kL/m² per year.

(http://www.environment.gov.au/resource/water-efficiency-guide-office-and-public-buildings).

WaterSense at Work: Best Management Practices for Commercial and Institutional Facilities

The US Environmental Protection Agency's WaterSense at Work provides guidance that can help office buildings operate more water efficiently, which is good for sustainability and the bottom line.
It promotes water-efficient techniques that can be applied across a wide range of facilities with varying water needs. The guide also provides case studies and sample worksheets.

(http://www.epa.gov/watersense/ and http://www.epa.gov/watersense/commercial/docs/watersense_at_work/#/6/)

4 Greenhouse Gas Emissions

There is a wide range of guidance on how to calculate your Bank's greenhouse gas (GHG) emissions or carbon footprint. The Greenhouse Gas Protocol is the most widely accepted standard.

The GHG Protocol was established to develop and promote a set of best practices that companies can use to account for, and report on, their GHG emissions. It is a joint initiative of the World Business Council for Sustainable Development (WBCSD) and World Resources Institute (WRI). WRI has since become the preeminent standards-setting organisation in the field of GHG accounting, with their Corporate Standard considered the "gold standard" for corporate emissions measurement around the world (*http://www.wri.org and www.wbcsd.org*).

The GHG Protocol categorises direct and indirect emissions into three broad scopes as follows:

- Scope 1 - all direct GHG emissions.
- Scope 2 - indirect GHG emissions from consumption of purchased electricity, heat or steam.
- Scope 3 - Other indirect emissions, such as the extraction and production of purchased materials and fuels, transport-related activities in vehicles not owned or controlled by the reporting entity, electricity-related activities (e.g., transmission and distribution losses) not covered in Scope 2, outsourced activities, waste disposal, etc.

Of relevance to the banking sector, the World Resources Institute (WRI) has prepared a guide for office-based organisations entitled *Working 9 to 5 on Climate Change: An Office Guide.*

The Office Guide outlines seven key steps as follows:

Steps to Calculating you GHG Emissions

1. **Secure employee and senior management support for your office's CO_2 reduction initiative.**
2. **Learn what a CO_2 inventory is and how to plan yours.**
   First you need to set the "organizational boundary" for the inventory. Put simply, this means deciding which of your office spaces, facilities, or entities (if you have more than one) will be part of your inventory. Second, you need to consider all the ways your operations generate emissions—i.e., through business travel, heating, cooling, or employee commuting—and decide which of these you will track and try to reduce. This is called setting the "operational boundary" for the inventory.
3. **Learn what data you need to calculate your emissions and where to find it.**
   Now that you have planned your CO_2 inventory, this step will help you identify exactly what data you need to develop your inventory, and will help you find it. You need two kinds of data to calculate your organization's CO_2 emissions. For each emissions source you identified in Step Two, you need to find the appropriate "activity data" and "emissions factor" to help you apply the following equation: activity data × emissions factor = CO_2 emissions.
   Activity Data quantifies an activity, e.g., employee business trips, in units that will help us calculate the emissions generated. Each activity is presented in a specific unit, for example: cubic meters of natural gas; gallons or litres of heating oil; kilowatt hours of electricity; business air miles or kilometres travelled; business train miles or kilometres travelled.
   Develop a simple, efficient method of capturing the data on a regular basis. One approach is to centralize a system through your Accounting Department.
   Gather the Activity data and Gather the Emission Factors. The emission factors convert activity data to emissions values. Emissions factors are published by various entities such as local, state, or national government agencies and intergovernmental agencies.
4. **Calculate your organisation's emissions.**
   Once you've gathered your emissions inventory data you can calculate your office's CO_2emissions using the following formula: activity data × emissions factor = CO_2 emissions. Report all emissions in metric tons of CO_2.
5. **Agree on an emissions reduction target.**
   Once you have calculated your organization's CO_2 emissions, you can identify opportunities for emissions reductions to achieve your target.

6. **Take action!** Identify and implement opportunities to reduce your office's emissions. If necessary and/or appropriate, pursue options for investing in offsets—projects that help another organization reduce their emissions.
7. **Reap benefits and be a leader!** Report your organization's commitment and CO_2 inventory publicly. You've developed your inventory, set your emissions reduction target, and implemented strategies to reach your goal. Now, you may want to share your progress with your shareholders, other businesses in your sector, the environmental community, or the general public. You can alert others to your good work on your company's website or in your annual report.

(http://www.ghgprotocol.org/standards/corporate-standard)

WRI has also produced the guide entitled *Hot Climate, Cool Commerce: A Service Sector Guide to Greenhouse Gas Management*. This publication addresses service-sector companies such as *banks*, law firms, retailers, and real estate managers. Even though they are not considered large emitters, these companies do emit GHGs and can help mitigate climate change through changes in their energy use and the products and services they offer.

Some examples of *Common Emission-Causing Activities in Service-Sector Companies* are presented below:

Scope 1 Direct emissions from:	• Combustion of fuel in boilers, furnaces, or generators that are owned or controlled by the reporting company. • Generation of electricity, steam, or heat in equipment that is owned or controlled by the reporting company. • Business travel in vehicles such as company cars or corporate jets that are owned or controlled by the reporting company. • Employee commuting in company-owned or -controlled vehicles such as company cars. • HFC emissions from company-owned or company-controlled refrigeration, air-conditioning equipment and fire extinguishers through leaks and poor servicing practices.
Scope 2 Indirect emissions from:	• Consumption of purchased electricity, steam, or heat.
Scope 3 Indirect emissions from:	• Consumption of purchased electricity, steam, or heat (if consumption is in a leased operation not owned or controlled by your company).
Scope 3 Indirect emissions from:	• Business travel in non-company-owned or -controlled vehicles such as rental cars, employee cars, trains, and commercial planes. • Combustion of fuel in boilers or furnaces not owned or controlled by the reporting company. • Employee commuting in vehicles not owned or controlled by the reporting company, such as light rail, train, buses, and employees' cars. • Third-party production or manufacture of materials and resources used by the reporting company, such as furniture, paper, and equipment. • Outsourced activities such as shipping, courier services, and printing services. End use of products sold by the reporting company.

Some refrigeration agents (e.g., chlorofluorocarbons (CFC) based) and fire control equipment (e.g., halon) can contain gases which have both an ozone depleting potential (can damage the ozone layer) and a global warming potential (contribute to greenhouse gas emissions). In line with the Montreal Protocol the ozone depleting gases are being phased out. However, some of the replacement gases such as hydrofluorocarbons (HFCs) still have high global warming potentials. To manage both the impact of these gases to ozone depletion and climate change the Bank should review existing procurement decisions in order to ensure new systems use agents with zero ozone depleting potential and zero to low global warming potential. Furthermore maintenance regimes should be put in place to minimise the loss of gases from the equipment and during routine

servicing. Refrigerants and Fire Control Agents are also discussed in *Section 6* on Waste Management.

The following templates give you an idea of the key data required to calculate your GHG emissions. However, it is advisable that you consult the GHG Protocol and WRIs *Working 9 to 5 on Climate Change: An Office Guide.* . The main sources of your greenhouse gas emissions are likely to be from the purchase of electricity, air travel and employee commuting.

Scope 1 Direct Emissions: Fuel directly consumed for power e.g. generators, heating		
	Establish amount of fuel used/yr	**Convert to get absolute emissions (tonnes[4]CO_2eq/yr)**
Diesel	L/yr	Multiply by emissions factor[5]
Gas	kWh/yr	Multiply by emissions factor

Scope 1 Direct Emissions: Travel Data: Business travel in company owned vehicles The following details of transport are required to calculate the emissions from transport		
Transport mode	**Total fuel consumed (diesel or petrol) or distance travelled**	**Convert to get absolute emissions (tonnesCO_2eq/yr)**
Business travel in vehicles such as company cars	Litres (by fuel type)/yr or person km/yr	Multiply by appropriate emissions factor
Employee commuting in company-owned or -controlled vehicles such as company cars.	Litres (by fuel type)/yr or person km/yr	Multiply by appropriate emissions factor

Scope 1 Direct Emissions: Refrigerants and Fire Control Substances with global warming potential – examples of data required:
Total Material (stored) (kg/yr) by type of gas
Total Material (used) (kg/yr) by type of gas
Quantity of Material released (kg/yr) by type of gas and convert using global warming potential for the gas to establish GHG emissions tonnes CO_2eq/yr

Scope 2 Indirect Emissions: Purchased Energy Consumed (premise owned by the Bank):		
	Establish amount of electricity consumed directly by the premises you operate out of	**Convert to get absolute emissions (tonnesCO_2eq/yr)**
Electricity	kWh/yr	Multiply by emissions factor GHG Emissions (tonnes CO_2eq/yr)

Scope 3 Indirect Emissions: Purchased Energy Consumed (premise leased by the Bank)		
	Establish amount of electricity consumed directly by the premises you operate out of	**Convert to get absolute emissions (tonnesCO_2eq/yr)**
Electricity	kWh/yr	Multiply by emissions factor GHG Emissions (tonnes CO_2eq/yr)

Scope 3 Indirect Emissions: Travel and Freight Activities Data: The following details of transport are required to calculate the emissions from transport		
Transport mode	**Establish distance totals (km/yr)**	**Make calculations to get absolute emissions (tonnesCO_2eq/yr)**
Air – short haul (av. < 500km)	Person land km/yr	Multiply by emissions factor 0.18 $kgCO_2$/person land km and divide by 1000
Air – medium haul	Person land km/yr	Multiply by emissions factor 0.126 $kgCO_2$/person land km and divide by 1000

[4] Metric tonne
[5] Available in the GHG Protocol

Scope 3 Indirect Emissions: Travel and Freight Activities Data: The following details of transport are required to calculate the emissions from transport		
Air – International long haul	Person land Km/yr	Multiply by emissions factor 0.11 $kgCO_2$/ person land km and divide by 1000
Air freight – short haul	Tonne Km/yr	Multiply by emissions factor
Air freight – long haul	Tonne Km/yr	Multiply by emissions factor
Employee commuting in buses.	Person Km (by mode of transport)/yr	Multiply by emissions factor
Employee commuting in employees' cars (not company owned).	Person Km/yr. Alternatively activity data can be captured as quantity of fuel consumption attributable to employees (litres of diesel or petrol) /yr	Multiply by emissions factor

As well as reporting absolute emissions per year typically, the intensity of GHG emissions is usually reported:

1. Total Emissions (by scope) /full time employee (tonnes CO_2eq/FTE/yr)
2. Total Emissions (by scope) / area (gross or nett) (tonnes CO_2eq/m^2/yr)
3. Total Emissions (by scope) / operating income (tonnes CO_2eq/US$m/yr)

By finding an emissions intensity measure it is possible to benchmark against other similar operations.

The resources mentioned above also provide guidance with the monitoring, management and reporting of your Bank's GHG Emissions/ Carbon Footprint.

Below are some examples of initiatives taken by Banks.

BBVA, Spain BBVA has devised the Global Eco-efficiency Plan 2008-2012, which includes: a 2% reduction in energy use, a 7% reduction in water, a 10% reduction in paper and a 20% reduction in CO2 emissions (objectives per employee), in addition to a 20% increase of people working in buildings with the ISO 14001 certification.

(http://bancaparatodos.com/en/informacion-de-responsabilidad-corporativa-2010).

Itau-Unibanco, Brazil Itau-Unibanco's Green Information Technology (IT) Program rests on four pillars: the life cycle of products, energy efficiency, the green workplace and green applications. It is worth pointing out that the IT area is responsible for approximately 50% of the electric energy consumed by the entire holding company. Specific actions taken under the programme include: the installation of videoconferencing facilities; reducing the need for physical movement and consequently of greenhouse gas emissions; the modernization of a Data Centre infrastructure and the substitution of computer monitors at the end of their useful life for the more efficient LCD models; and the correct disposal of obsolete electronic equipment.

(http://ww2.itau.com.br/sustentabilidade/_/no-seu-dia-a-dia/sustentabilidade-napratica/cases.aspx?pagina=case-ti-verde).

Bank of America: As one of the world's largest financial institutions with operations in more than 40 countries, Bank of America is committed to making its operations more environmentally sound through the reduction of emissions, consumption, and waste, and by working with its suppliers to help accomplish those goals. The company's goal to reduce its global greenhouse gas emissions by an aggregate 30% over 2004 levels, and its paper procurement policies, which curtail the virgin wood fibre content of the paper it purchases, are two examples of this commitment. Additionally, Bank of America is helping its employees reduce their emissions through a programme that provides a US$3,000 reimbursement to employees who buy a new hybrid, natural gas or electric vehicle. The company is aiming to have 20% of its corporate workplace real estate portfolio certified under the U.S. Green Building Council's LEED(R) (Leadership in Energy and Environmental Design) rating system by 2015. Currently 11% of the company's workplace portfolio, 13.2 million square feet, is comprised of LEED -certified space, the most notable example being the Bank of America Tower in New York, which is the first Platinum Core and Shell Certified high rise office building in the world.

(http://environment.bankofamerica.com/).

For the **Deutsche Bank Group**, air travel is the most significant source of travel emissions. In 2011, emissions decreased by 18%, due to a reduction in long-haul travel and greater use of video alternatives. In the interests of Clean Mobility, the Group gathers data from 19 global airlines, 15 local airlines, and 41 countries. This means they can calculate emissions for specific markets and business lines as well as the Group's global footprint.

The bank's preferred hotels program and agency booking system ensures that travellers can always find a room, no matter where they are. Today, 45% of the bank's preferred hotels are "green" hotels, and are ISO 14001-certified. Of all of the hotels used, 83% have some kind of environmental program in place.

(*Deutsche Bank Corporate Responsibility 2013, 3, Our Commitment Environment*).

5 Paper Consumption and Other Consumables

5.1 Identifying the Key Users and Measuring Consumption of Paper and Other Consumables

Consumption of consumables such as paper can be a significant contributor to your Bank's environmental and social footprint. Efficient paper use can result in cost savings as well as reduce your Bank's impact.

Waste paper is addressed in *Section 6* on Waste Management below. Procurement of sustainably produced and recycled papers is discussed in *Section 9* on Supply Chain Management.

This section focuses on paper as the most significant consumable but other consumables may include printer/ ink cartridges and copier toners etc.

In order to establish how much paper your Bank uses you can undertake the following steps.

- Identify main users of paper (e.g., copy room, printer room, support departments, etc.).
- Review the types of paper being used and purchased (e.g., any recycled papers).
- Gather information on volumes used or costs for paper purchased by type (total records or by department if possible).
- Establish what paper management strategies are in place (e.g., double-sided printing, awareness posters, re-use of paper, etc.).

Typically, paper consumption is presented as total paper consumed annually (kg/ year) and/ or and total paper consumed annually/person (kg/person/year).

It is also useful to breakdown paper according to type, e.g., Total Recycled Paper consumed annually (kg/ yr), and Total Recycled Paper consumed/person/year and/ or percentage of recycled paper purchased (%). Increasing the percentage of recycled paper used can significantly reduce an organisation's environmental and social footprint.

5.2 Paper Management Programme

Some of the key elements of a management programme are described below as follows:

- Developing action plans to reduce paper consumption.
- Setting goals and targets for paper consumption.
- Monitoring, management and reporting of your Bank's paper consumption.

5.2.1 Action Plans and Activities

The template below provides the main headings that can be included in an Action Plan.

Paper/ Other Consumable Item	Action Required	Resources	Staff Responsible Target Date	Comments & Notes
Discarded used paper.	Collect and re-use clean side of paper for internal printing.	Empty paper boxes for collection of used paper.	Print room manager. By 31st of March.	
Other				
Other				

The box below provides some examples of actions that can assist with using paper efficiently.

Examples of Activities that Contribute to Paper Savings

- Print double sided (saves up to 50%).
- Print only when necessary. Reduce margin settings and type sizes to fit more information on each page.
- Proof read documents for mistakes before printing to avoid waste.
- Send email memos to save paper and avoid printing emails.
- Review any hard copy storage, replace with a back-up hard drive for centralised storage.
- Use email instead of sending letters by post.
- Have paper recycling stations next to photocopiers and printers.
- Reuse envelopes for internal circulation.
- Reuse clean side of used paper for internal printing.
- Convert scrap paper into post-it notes.
- Purchase sticky labels to cover old addresses and reuse envelopes externally.
- Try to use paper for more than one purpose.
- Monitor the use of stationary by different departments and target high use areas for waste minimisation initiatives.
- Raise awareness of the need to minimise paper by displaying information adjacent to printers and photocopiers on simple measures on how to reduce paper consumption on a day-to-day basis.
- Ensure all office equipment is maintained and operated in accordance with manufacturers' instructions to allow optimal and efficient performance and less wastage.

In relation to banking operations, encouraging your customers to bank online and go "paperless" reduces the need to send out hardcopy statements and notices.

5.2.2 Setting Goals and Targets for Paper Consumption

Setting goals and targets and then assessing your Bank's performance against these targets and best practice benchmarks allows you to undertake the following:

- evaluate progress;
- calculate savings (e.g., as a percentage of annual paper costs);
- calculate payback periods for investments in paper efficiency projects;
- review current and ongoing paper saving programmes and activities;
- implement improved or additional activities;
- report results; and
- plan future actions.

Typically, with paper consumption, targets relate to cost savings. For example, you may want to set a target of a 10% reduction in paper costs by the end of the next year. In addition, your Bank may want to set targets for increased use of recycled paper.

Benefits of using less:

- **Storage and handling.** Paper is bulky to store, in boxes or in file cabinets. By using fewer sheets, you can put storage space to more productive use. For example, Owens Corning recently made all of its offices worldwide "paperless." Having had 14,000 file cabinets around the world, the company has already saved around $30 million in lease costs.
- **Mailing costs.** Fewer sheets mailed may mean reduced postage.
- **Environmental benefits.** By increasing double-sided copying (duplexing), U.S. offices could reduce annual paper use by 20% (Inform, Inc). By using and discarding less paper, you are conserving resources, reducing water and energy use, and preventing pollution. 60% of waste generated by large and head offices is paper and cardboard, all of which is recyclable

(http://reduce.org/).

Paper Saving: Banks consume tons upon tons of paper in the form of loan documents, forms, and statements. This consumption represents not only an operating cost, but also a significant environmental impact. Banks large and small are addressing this reducing paper use across their operations. The most common approach to reduce paper use is to encourage customers to switch to electronic statements and correspondence.

In 2010, for example, **Bank of America** sent more than 285 million correspondences digitally and eliminated 1,361 metric tons of envelopes through the implementation of Deposit Image ATMs. Collectively, these initiatives averted the consumption of 6,724 tons of paper; this is the equivalent of saving 151,000 trees!

6 Waste Management

6.1 Identifying the Key Contributors to Waste & Review of Existing Waste Management

Typically, wastes generated from banking operations include the following:

- waste paper,
- used packaging (cardboard and plastic),
- electronic waste (E-waste),
- banking consumables (i.e., used printing cartridges and toners, old or reject bank cards),
- handling of hazardous materials such as: fuel and oils for generators; refrigerant gases for air conditioners, and
- waste water.

There are many benefits to good waste management as outlined below:

- *Environmental benefits:* Minimising waste conserves resources. Conserving resources not only reduces waste, it can reduce pollution. As industry consumes fewer raw materials, it uses less fossil fuel and less pollution as a result.
- *Economic benefits:* An effective waste minimisation and management program can reduce the amount of waste being sent to landfill by over 60%.
- *Positive public relations:* Minimising waste is an ideal way to reinforce existing community attitudes and current environmental awareness and education programs.

Waste Management: What happens in your Bank?

- Are there any existing initiatives to raise staff awareness of, and reduce, resource consumption?
- Are there any existing initiatives to use recycled paper?

- Are there any existing initiatives to refill/reuse printer cartridges?
- Are there any existing initiatives to responsible dispose of obsolete IT equipment e.g. refurbish and donate.
- Are there any existing initiatives to reduce consumption that are not covered above?
- Are there any formal initiatives to recycle any waste e.g. waste paper, fax or printer cartridges?
- Are there any informal initiatives to recycle waste?

In order to identify key contributors to waste and review existing waste management practices, the following information can be gathered.

Waste Management Information Gathering:

- What are the waste regulations that are applicable to the Bank?
- What waste licences, permits or consents are held by the Bank? Is the site regularly inspected by waste regulation officials?
- Has the Bank branch / office ever been prosecuted for a breach of waste management laws?
- Who is responsible for waste management? What, if any, formal training in waste management have they received?
- Can you provide the location and description of the waste storage area(s)?
- Is waste held within the storage area adequately contained, segregated etc.?
- Has any burying or burning of waste ever been undertaken at the site?
- Is the site clear of litter and accumulations of rubbish, and is a good level of housekeeping maintained at the site?
- Does the office have a waste management system, for instance written controls or instructions relating to the management of waste on site?
- Is a register of hazardous waste materials (i.e., pesticides, biocides, maintenance materials such as paint) maintained on site?
- What special precautions or measures are used to manage hazardous waste? Are they documented?
- Is waste monitored?
- What waste records are available? e.g., manifests, transfer notes, invoices, weighbridge tickets, receipts etc.
- Description of the principal available disposal routes.
- Is there any existing policy relating to waste disposal?
- Is there any existing policy relating to recycling of waste?
- Are there any formal initiatives to recycle waste e.g. waste paper, fax or printer cartridges?
- Are there any informal initiatives to recycle waste?
- Are you aware of local recycling infrastructure for elements of the waste stream that are not currently recycled?

Waste Minimisation Measures:

- Have any waste minimisation studies been undertaken on the site?
- Are any procedures or initiatives in place for reuse and recycling of waste?
- What waste awareness measures in the office (posters, stickers) or past initiatives have there been?

Third parties:

- Details of waste contractors, copies of waste management licenses and qualifications (transport/storage/disposal)?
- Details of any other generators of waste at the office (e.g., outsourced cleaners, catering facilities etc.) If present is this measured, or managed by the Bank?
- Where may further information on third party wastes be obtained?

Hazardous substances:

- Please provide information/documentation relating to the principal legal requirements applying to the storage and use of hazardous substances at the office or branch.
  a) Refrigerants.
  b) Fire control agents.
  c) Fuels.
  d) Materials used for site maintenance.
  e) Cleaning materials.
- What permits or consents relating to the storage/use of hazardous substances are held by the Bank?
- Is the storage/use/disposal of hazardous substances at the site subject to internal inspection?
- Is the storage/use/disposal of hazardous substances at the site subject to inspection by the regulating authority?
- Has the branch/office ever been prosecuted for breach of law relating to hazardous substances?

Refrigerants and Fire Control Agents:

- Who is responsible for specification and maintenance of air conditioning and fire control equipment on site? Has this person received any relevant training?

- Does the Bank retain details of all equipment purchased/installed during the last two years?
- Have details of fixed refrigerant and fire control equipment containing 3 kg or more of refrigerant or fire control agent been provided?
- What precautionary measures are taken to prevent or minimise leakage of ozone depleting or global warming substances?
- Does the existing planned preventative maintenance programme for refrigerant and fire control equipment match or exceed manufacturer's recommendations?
- Are records of accidental release of substances with ozone depleting or global warming potential maintained?
- Are there any plans to replace existing CFC based refrigeration and/or halon based fire control equipment with systems utilising agents with zero ozone depleting potential and low global warming potential?
- Does the Bank have documentary evidence of the fate of the decommissioned refrigerant / fire control agent?
- Are hazard data sheets available on site?
- Have risk assessments been carried out? Do these include spillages?

Fuel:

- Who is responsible for procurement of fuel and management of on-site electricity generation / heating systems? Has this person received any relevant training?
- Does the Bank retain details of all fuel bought / used over the last two years?
- What facilities for fuel storage are there (fuel type, capacity, location, proximity to watercourses or drains).
- Are there any of engineering safeguards for prevention / containment of spills?
- Are hazard data sheets available on site?
- Have risk assessments been carried out? Do these include spillages?

Substances used for cleaning and site maintenance:

- Who is responsible for procurement of materials used for site maintenance?
- Who is responsible for storage of hazardous substances used for site maintenance? Has this person received any relevant training?
- Who is responsible for procurement and of storage cleaning materials? Has this person received any relevant training?
- Are there any existing procurement procedures for consideration of alternative products?
- Is a register maintained of all environmentally hazardous substances used for site maintenance or cleaning?
- Are hazard data sheets available on site?
- Have risk assessments been carried out? Do these include spillages?
- What provision is made for the containment/clean-up of spillages?

6.2 Measuring Waste Generated

This is a process of analysing waste composition and quantities. The analysis will determine the proportion of different materials in a waste stream including their volume and weight, and the source of the waste. It can also consider a waste collection and treatment process describing where the waste is collected, how it is collected, and how each material will be treated. This activity is one of the first steps to reduce a facility's solid waste

The type of information required when measuring waste generated is outlined in the templates below.

Are copies of the following records and plans available for the current year?	
Inventories of wastes produced on site (by type, weight and volume where possible)	
Copies of official records associated with transfer of waste for disposal	
Invoices from waste collection / disposal contractors	
Site layout plans showing waste and materials storage locations	
Sewage wastes	
Please indicate the disposal route used for sewage waste and sink wastes e.g. drain to a main sewer, to an on-site cesspit or to a soakaway system?	
Please indicate the method of disposal of water drainage from building roofs and car parks (e.g. to soakaway, to flood drains, via oil interceptors, combined sewer etc.)	

Waste Stream	Total waste stream (kg/year)[6]	Disposal Contractor	Disposal Method[7]
General Office Waste			
Confidential Waste			
Archived paper work[8]			
Large items of waste (i.e. redundant furniture)			
E-waste e.g. obsolete IT equipment			
Other waste streams[9]			

Register of fixed equipment holding 3 kg or more of refrigerant or fire control agent				
Equipment Make / Model	Function	Volume of refrigerant or fire control agent	Identity of refrigerant / fire control agent (ASHRAE number)	The Banks level of influence[10]

Register of environmentally hazardous substances used for site maintenance or cleaning					
Product[11]	Supplier	Function / Application	Amount used / year	Amount held in store	Associated environmental hazards[12]
Register of fuels and oils					
Product[13]	Supplier	Function / Application	Amount used / year	Amount held in store	Associated environmental hazards[14]

6.3 Waste Management Programme

Once you understand your Bank's waste generation, the next step is to develop a waste management programme to manage this usage. Some of the key elements of a management programme are described below as follows:

- Developing action plans to reduce waste generated.
- Setting goals and targets for waste generated.

[6] Where there are no records of the total quantities of waste generated during a given year it may be possible to estimate this figure by reference to current rates of waste generation. For example the office may generate 5 bags of office waste/day, with each bag weighing an average of 6 kg; the office generates waste for 260 days/year. Hence, the total office waste stream is estimated as 5*6*260 = 7,800 kg/year. Please indicate where totals have been estimated and include details of the estimation.

[7] e.g. reused, recycled, incinerated with energy recovery, land filled etc.

[8] Material sent to archive becomes waste only once it is time served and disposed of. Archived material may be stored either on-site or under the supervision of a third party. Where archiving is carried out by a third party, it will be necessary to contact them to obtain details of the amount of material destroyed following archive. This might be estimated on the basis of the number of containers destroyed and the average weight of each container.

[9] There may be other waste streams generated, please include details as required.

[10] E.g. with short term leases, it may be impossible for the bank to influence the choice of equipment.

[11] In the context of this review hazardous substances are those which pose a threat to humans or the environment, hazardous substances will usually (but not always) have an as Please also supply a product data sheet (where available).

[12] Can normally be found on product labels.

[13] Please also supply a product data sheet (where available).

[14] Can normally be found on product labels.

- Monitoring, management and reporting of your Bank's waste.

Information gathered based on the guidance give in *Sections 6.1 and 6.2* will also be useful when developing your Bank' management programme.

6.3.1 Action Plans and Activities

The template below provides the main headings that can be included in an Action Plan.

Waste Item	Action Required	Resources	Staff Responsible Target Date	Comments & Notes

Reducing the amount of waste you produce is possible in a variety of ways. The 'Reduce, Reuse, Recycle' slogan prioritises how to deal with the waste in your business.

Examples of Activities to Reduce Waste Generated (also refer to Paper Savings in *Section 5.2.1* above).

Reduce

- ensure printing policies consider waste paper (e.g., print double sided, print only when necessary, proof read documents for mistakes before printing to avoid waste, send email memos to save paper and avoid printing emails, review any hard copy storage, replace with a back-up hard drive for centralised storage, etc.).
- sign up to have your business name removed from junk mail lists.
- use email instead of sending letters by post.
- have paper recycling stations next to photocopiers & printers.

Reuse

- reuse envelopes for internal circulation.
- reuse clean side of used paper for internal printing.
- convert scrap paper into post-it notes.
- purchase sticky labels to cover old addresses and reuse envelopes externally.
- try to use paper for more than one purpose.
- reuse incoming packaging and boxes for outgoing deliveries.
- remove plastic drink cups from the water cooler and use reusable mugs.
- repair furniture where possible or donate it to charity.
- shred low-quality paper and use as packaging.

Recycle

- recycle your dominant material (most likely paper).
- organise a commingled collection for easy mixed recycling.
- recycle toner and inkjet cartridges.
- recycle office furniture.
- recycle your IT Hardware & mobile phones.

Waste Water Management

It is also important to reduce the volume and concentration of pollutants that end up in our water treatment works and rivers. Lots of these pollutants come from every-day items that we wash down the sink or flush down the toilet.

Chemicals and Detergents

The disposal of persistent and harmful chemicals into the water system is adding to increasing levels of persistent organic pollutants (POPs) in the food chain. Chemicals increasingly found as pollutants in wildlife include, hormone disrupting compounds, such as phthalates, alkyl phenolic compounds (APCs) and bisphenol A.

- Use environmentally preferable products where possible. Many products now have a green alternative.
- Don't wash oils, solvent, paints or thinners down sinks or drains. Store them in a safe container and take to an authorised collection centre or community paint store for reuse.
- Use accredited biodegradable detergents in washrooms, kitchens and toilets. Many are available and are now comparable in quality and price.

Sanitary Products

Flushing non-biodegradable sanitary products down the toilet can have a direct impact on the quality of our environment.

- Provide sanitary collection in female office toilets.
- Inform staff that other non-biodegradable products should not go down the drain, including, cotton buds and medicines.
- Make sure all staff know that only paper tissue and human waste go down the drain.

(http://www.green-office.org.uk/audit.php?goingto=factsheet5).

In your kitchens and toilets:

- Use reusable dishware instead of disposables.
- Use cloth towel roll dispensers and cloth napkins and towels.
- Where available, separate your organic wastes from non-compostable trash and send it to a composting facility. This includes food wastes, waste from gardening, and even soiled or unrecyclable paper products like paper towels and napkins.

(www.reduce.org).

6.3.2 Setting Goals Targets for Waste Management

Typically, solid waste is measured as follows:

- Total Annual Solid Waste (kg/year).
- Total Annual Solid Waste per person or employee (kg/person or employee/year)
- Percentage Waste Recycled Annually (as a percentage).

Further guidance on reporting is provided in *Section 14* below.

6.3.3 Developing a waste management programme

Establishing the types and quantities of waste generated is straightforward. As are identifying ways to reduce the quantities generated. What needs a bit more attention however is deciding what to do with it. How much are going to sort, when you are going to do it, what kind of method you will use and where will it go? A number of offices over the years have established elaborate waste sorting initiatives only to see it all put into the one rubbish truck as there are no recycling facilities to take the different waste streams.

Kenya's Waste Electrical and Electronic Equipment Centre (WEEE Centre):

In order to address environmental issues related to increasing e-Waste, and to ensure their storage, transport, treatment, reuse, recycling, recovery and disposal is conducted in an environmentally sound manner, a proactive approach is essential. The WEEE Centre, the first of its kind in Kenya initiated an e-Waste management program that promotes economic, social as well as environmental objectives.

The WEEE Centre continues to up-scale the capacity of the existing centre so that it can directly meet the e-Waste disposal needs of Kenya at the various sources of its causes: the government, the corporate, the informal sector, learning institutions, NGOs, SMEs and the private consumer.

(http://weeecentre.com/).

Waste Management at Garanti Bank in Turkey
The Bank's Environmental Management System envisages the re-use of waste where possible and, wherever not, recycling or, where this is not appropriate, its disposal by an authorized disposal company. Garanti's waste management approach is as follows:
Re-use: The re-use of waste is the first priority. Computers that are broken or redundant are delivered to Garanti Technology which examines their potential scope for re-use. Repaired computers are then donated to schools in need if deemed to be usable.
Recycling: Beginning with buildings subject to the environmental management system, the Bank began to deliver recyclable waste to authorized recycling and disposal facilities. Recyclable paper, plastic, metal and glass are delivered to whichever municipality the service point is located in or to a licensed recycling firm, where they are recycled.
Management of Hazardous Waste: Hazardous waste that is produced by the Bank is collected in accordance with determined rules and delivered to authorized recycling and disposal facilities.
Excavation Waste Excavation: Waste and debris left over during branch openings or renewal is removed to disposal areas as designated by the municipality.
(http://www.garanti.com.tr/en/our_company/sustainability.page).

7 Buildings

Your Bank may have a wide range of office buildings, IT Facilities, and bank branches. New builds and refurbishments offer the opportunity to build in measures to reduce their environmental and social footprint. The construction, operation and maintenance of all Bank premises must ensure that the welfare, health and safety of employees and the public is not put a risk.

7.1 Identifying the Environmental and Social Impacts of Buildings

As with other health and safety risk assessments, identifying the Building's impacts can be done by walking around your workplace to see if you can spot any hazards, talking to employees and seeking their views, and reviewing any accidents or reports of ill health you have had in the past.

The following table provides an indication of the type of information required when identifying and assessing the environmental and social impacts of your Bank's buildings.

Building Arrangements
- Is the building owned or leased?
- If the building is leased, what is the remaining duration of the lease? What is the type of the lease?
- Is the building shared with any other companies or organisations?
- If shared what proportion of the building is occupied by your organisation?
- What (if any) conditions have been imposed contractually by the landlord on the use of the building (e.g., conditions on the use of air conditioning or heating, the use of water or systems for waste management)?
- What (if any) additional constraints arise as a result of the lease? (e.g., the use of shared washroom facilities with other companies or shared systems for waste management)?
- Are any environmental permits or consents held on site?

Building Details

- What is the approximate age of building?
- Has the building been extended or refurbished?
- What is the number of floors?
- What is the Gross floor area[15] (total, per floor)?
- What is the Net floor area[16] (total, per floor)?
- What are the main materials used in the building structure and cladding, e.g. brick, concrete, steel?
- Are drawings or specifications available (e.g., Site plans, sections and elevations for main buildings; Constructional details for major building elements including floors, wall, roof, spandrel panels, eaves details, windows/glazing; Service plans (utilities, drainage); Internal layouts showing workstations etc.; Site survey indicating major features on the site (with trees, water courses, hedges etc. indicated); Map of locality; Aerial photographs; Other Site photographs)?
- Provide a brief description of the range of building services and controls installed in the building (e.g. centralised heating or cooling systems, air conditioning, piped water etc.)

Building Integrity

- Are there any visible cracks in the walls or plaster of the building?
- Are there any water leaks in the building? Note exact location of leaks if it can be determined.
- Are ceiling tiles intact, undamaged and in place?
- Are there no signs of weather damage or mould growth?
- Is the floor surface level and undamaged?
- Are all plumbing systems working properly (toilet flushing, drainage, leaks from faucets, pipes, etc.)?
- Are all windows unbroken and free from any type of damage?
- Are all elevators working correctly? Are elevators equipped with an emergency phone?
- Are carpeted areas clean, carpets secured to floor and free of worn or frayed seams?
- Do air conditioning vents and ducts appear to be clean upon visual inspection?
- Is lighting in work areas and walkways adequate?
- Are doors and locks in good working order?
- Are any floor areas wet or slippery? (warning signs in case of spills, Cleanup supplies readily available, Non-slip mats in entryways if needed?)
- Does the building have any pest problems?
- Is the building well lit, inside & outside?
- Are there any safety concerns with the exterior of the building?
- Are outside lights in good working order?
- Is the parking lot in good condition (i.e., no potholes, parking lines visible, overgrown landscaping, uneven pavement, traffic hazards etc.)?
- Are service holes, man holes, drains, etc. properly covered?

Hazards during maintenance: Undertaking building maintenance activities can potentially expose the maintenance team and employees on site to a range of hazards. Therefore, building maintenance activities need to be planned and managed accordingly.

Exit Areas (Corridors and Passageways to Exits, and the Exit)

- Are stair handrails in place on both sides of staircase and in good condition? Are stair treads in good condition?
- Are corridors and exits free and clear of all obstructions, with room furniture arranged to provide easy access to the exit?
- Do exit doors swing in the direction of exit travel with panic hardware properly attached and in good working order (no sticking, etc.)?
- Will fire doors and exit doors close and latch completely? Are fire doors kept closed?
- Are exits properly marked and illuminated? Are passageways adequately illuminated with all bulbs working?
- If emergency lights are installed, are they functional?

Fire Protection

- Are all fire extinguishers in place, charged, and accessible?
- Is fire alarm system, including smoke and/or heat detectors, operable and able to be heard throughout the building?
- Are fire evacuation plans posted throughout and in good condition?
- Are all rooms or areas in the building being used as storage areas, kitchens, or equipment rooms fire designed and authorised for such purposes?
- Is the required sprinkler head clearance maintained (nothing stacked, installed or stored within a set limit of the heads)?

[15] Floor area including all stairwells, halls, washrooms etc.

[16] Available floor area (thus excluding stairwells, halls, washrooms etc.)

Electrical

- Are extension cords used in place of permanent wiring only in temporary situations? Are they adequately sized for the electrical current, protected against damage etc.?
- All electrical cords and extension cords are in good shape with no fraying, swelling, splicing or patches?
- Do all electrical junction and switch and receptacle boxes have covers that are closed tightly? Are switches labelled where their purpose is not obvious?
- Are circuit breakers labelled as to their function and all covers complete (no blanks) and in place? Is there clear access to breaker panels?

Building safety checks or audits need to be undertaken on a regular basis by an appropriately qualified entity, as part of your Bank's health and safety processes. The links below provide additional guidance and checklists for building checks or inspections.

UK Health and Safety Directive http://www.hse.gov.uk/index.htm
Canadian Centre for Occupational Health and Safety http://www.ccohs.ca/topics/hazards/workplace/
University of Technology Sydney http://www.safetyandwellbeing.uts.edu.au/environment/office/index.html
US National Institutes of Health: Office Safety Checklist
http://www.ors.od.nih.gov/search/Results.aspx?k=office%20safety%20checklist

7.2 Reducing the Impact of Buildings and Best Practice

There are several measures that can be implemented to improve existing buildings which can reduce your Banks' environmental and social impacts. For example:

- Regularly assess and review the building's integrity (structural, electrical, exit routes, etc. See tables above for checklists).
- Ensure a safe and comfortable workplace environment (e.g., temperature, humidity, lighting, noise, vibration, air quality, ventilation, working space, etc.).
- Ensure general workplace conditions are adequate (e.g., sanitation/ toilet facilities, catering facilities, etc.)
- Ensure that building interiors are safe (e.g., furnishings and carpets may contain toxic pollutants that affect internal air quality , paint and varnishes can also deteriorate air quality, air conditioning systems can release hazardous materials; cleaning materials may be toxic). Unsafe indoor air quality in the workplace can cause Sick Building Syndrome.
- Ensure the buildings are accessible to the disabled employees and members of the public.
- Consider options for the remodelling or retro-fitting of existing properties to reduce impacts on energy use (e.g., implement energy saving projects - better usage of daylight, use of renewable energies such as solar energy) and water use (implement water saving projects- use of water saving devices, recycling of waste water).

When selecting new buildings, the environmental and social impacts discussed above should also be considered.

Leased properties may account for many of the buildings your Bank occupies. Consider developing *environmentally and socially responsible leasing criteria* to ensure that sustainability standards apply to the buildings used but not owned or controlled by your Bank. For example, require the landlord to meet a range of eco-friendly measures such as indoor environmental quality; energy (sub-metering), water and waste management; green transport options; and green housekeeping.

Buildings where environmental and social considerations form part of the administration and maintenance of properties are often termed "Green Buildings". The LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognises best-in-class building strategies and practices. More information is provided below.

LEED Buildings:
Developed by the U.S. Green Building Council (USGBC), LEED provides building owners and operators a concise framework for identifying and implementing practical and measurable green building design, construction, operations and maintenance solutions.

LEED is flexible enough to apply to all building types – commercial as well as residential. It works throughout the building lifecycle – design and construction, operations and maintenance, tenant fit-out, and significant retrofit. And LEED for Neighbourhood Development extends the benefits of LEED beyond the building footprint into the neighbourhood it serves.

LEED provides a point system to score green building design and construction. The system is categorized in five basic areas: Sustainable Sites, Water Efficiency, Energy and Atmosphere, Materials and Resources, and Indoor Environmental Quality. Buildings are awarded points based on the extent various sustainable strategies are achieved. The more points awarded the higher the level of certification achieved from Certified, Silver, Gold, to Platinum.

LEED certification means healthier, more productive places, reduced stress on the environment by encouraging energy and resource-efficient buildings, and savings from increased building value, higher lease rates and decreased utility costs.

Citigroup, United States of America: In April 2009, as part of its goal to reduce its greenhouse gas emissions to 10 per cent below 2005 levels by 2011, Citi announced that it had become the first company in the world with more than 100 LEED-certified retail branch offices. By 2010, Citi counted LEED certification for 185 projects across nine countries, while more than 60 Citi-managed buildings in the un U.S. had earned the ENERGY STAR label. In addition, these performance benchmarking tools were extended to a further 4,500+ facilities globally. Due to the conservation program's success, in 2010 Citi announced a second round of goals to include additional reductions, as well as categories of impact on water and waste. Citi's goal of reducing carbon by 25% by 2015 has allowed Citi to work with the Clinton Climate Initiative, explore alternative energy solutions, help create alternative energy markets, and embed 'green' language into its property leases in the effort to ingrain sustainability directly into all of it operations.
(http://www.citi.com)

The new **Deutsche Bank Towers** highlights the environmental improvements that can be achieved in existing properties. The refurbishment of the Group Head Office in Frankfurt has led to a 67 % decrease in energy use for heating and cooling and reduced water consumption by 74 %.
(https://www.db.com/cr/en/environment/index.htm)

The little LEED building that could: South Sudan's first LEED-certified building
The World Bank building in South Sudan had its challenges. The site was located in an area with no electricity supply, access to local building materials were few and far between, not to mention that during the design and entire construction period the client for the building was based in Washington D.C., the architect in Kenya, the sustainability consultant in India, and the water consultant in Ethiopia. Yet for the World Bank's new Juba office in South Sudan, a combination of innovations, smarts and leadership - courtesy of the building's determined project team - pushed through these obstacles and certified the first LEED building in South Sudan, became a winner of USGBC's LEED Earth Campaign, and the first-of-its-kind green building in Central Africa. The primary goal for the building that covers 470 gross square meters? Create a healthy building for occupants while minimizing the use of natural resources, including energy and water.

The building incorporates various passive designs in order to reduce heat ingress and minimize energy use within the building. It also harvests maximum daylight during the day to avoid the use of artificial lights. Additionally, a conventional air conditioning system was jettisoned for a more efficient one that supports fresh air intake, even as temperatures can climb to 40˚C during a Juba summer.

One of the key challenges for the project was the sourcing of local green materials. Some local materials—stone cladding, flooring and roofing materials—were used, especially for the façade of the building, covered with local stone. Nearly all building materials were locally sourced within 500 km of the building site. For example, the building's ceiling tiles are made from recycled milk cartons from Kenya.

Electricity, too, proved to be another obstacle. The project team passed on the usual split type DX air conditioning systems common in the region for an energy efficient variable refrigerant flow (VRF) systems with high coefficient of performance to reduce energy consumption by 15-20% and eliminate the need for central air. Providing an additional layer of coolants are the many old trees that have been preserved in the building compound, including along the winding walkway to the main gate. Roofing materials and wall coverings have solar reflectance, a design approach

focused on passive cooling and energy conservation. The office was built around the flowering inner garden courtyard, which provides systematic use of daylight and ventilation. The landscaped garden area is 1282 sqm – much more than the 20% vegetated area recommended by LEED.

"The central courtyard is the most beautiful part of the building," says Evans Sokiri Kijore, the World Bank's resource management specialist in Juba, who was involved in the inception. "Our garden is an oasis of green during the dry summer and when visitors ask, we tell them we are recycling water from our septic tank for irrigation. It also saves us some US$ 5,000-6000 in water charges every month."

Speaking of water, various measures were implemented including provision of an on-site waste water treatment plant (from a supplier in Dubai) to handle 100% of the waste water onsite and reuse the same for landscaping and other custodial purposes. Similarly, the project implemented a well-planned rain water harvesting system to harvest rain water and recharge it into the ground to improve ground water levels. Also the project integrated all low-flow water fixtures including dual flush closets, sensor based urinals and low flow faucets to save 53.3% water compared to LEED baselines.
Water consumption has been reduced by 50% for the large garden by using drip irrigation, drought resistant indigenous plants, water harvesting, and drainage collection systems that obviated the use of potable water for gardening. Water consumption within the building was reduced by 20% with the use of efficient sanitary ware and other conservation practices.

The World Bank also continues to endeavour towards LEED certification in other facilities within its global portfolio. All new construction and renovation projects are built to LEED standards. This is not only done from a resource efficiency and staff productivity perspective, but also due to the Bank's efforts to be a leader in demonstrating sustainability in its host countries. As new offices are constructed, additional challenges will be overcome thanks to the efforts of the Bank and the various partners with which it works.
(http://www.usgbc.org/articles/little-leed-building-could-south-sudan%E2%80%99s-first-leed-certified-building)

8 Human Rights at Work

8.1 Identifying the Social Impacts of Human Rights at Work

How you manage human rights in the workplace is considered a key aspect of your social footprint. Specifically we are concerned with the protection of the fundamental rights of employees as guided by the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work, adopted in 1998 and national labour law. As such the Bank's policies and practices should:

- Ensure compliance with national employment and labour laws;
- Demonstrate the promotion of fair treatment, non-discrimination and equal opportunities of employees;
- Ensure a safe and healthy working environment;
- Avoid the use of child and forced labour;
- Protect employees in particular the more vulnerable categories of employees (e.g., migrant, casual labour) that may be employed by third parties or suppliers;
- Strive to maintain and improve the employee -management relationship(e.g., level of employee involvement, training and development, supporting working environment, fair treatment, trust, etc.).; and
- Ensure functioning grievance and dispute resolution mechanisms are in place to handle workplace concerns.

It is assumed that the human resources function of the Bank will be ensuring that the Bank is in compliance with national law and that it is keeping abreast of developments in the field of human resource management with respect to those employees directly employed by the Bank. However, the Bank is also required to take a proactive approach to ensuring the protection of human rights of employees working indirectly for the Bank for example as an employee of a third party contracted to the Bank and or employees in the supply chain.

At a minimum the IFC Performance Standard No 2 is a good starting place to review your performance. The UNEP FI human rights toolkit also provides a list of useful questions to check your performance. Whilst primarily a tool to apply to your lending activities it is also applicable to your own management of human rights with respect to your employment policies and practices, management of third parties (e.g., agencies, contractors) and procurement policies. See http://www.unepfi.org/humanrightstoolkit/core.php .

IFC's Performance Standard 2 recognises that the pursuit of economic growth through employment creation and income generation should be accompanied by protection of the *fundamental rights of employees*. For any business, the workforce is a valuable asset, and a sound employee-management relationship is a key ingredient in the sustainability of a company. Failure to establish and foster a sound employee-management relationship can undermine employee commitment and retention, and can jeopardize operations. Conversely, through a constructive employee-management relationship, and by treating the employees fairly and providing them with safe and healthy working conditions, Banks may create tangible benefits, such as enhancement of the efficiency and productivity of their operations. The requirements set out in Performance Standard 2 have been in part guided by a number of international conventions and instruments, including those of the International Labour Organization (ILO) and the United Nations (UN)[17].

Objectives of PS2:

- To promote the fair treatment, non-discrimination, and equal opportunity of employees.
- To establish, maintain, and improve the employee-management relationship.
- To promote compliance with national employment and labour laws.
- To protect employees, including vulnerable categories of employees such as children, migrant employees, employees engaged by third parties, and employees in the Bank's supply chain.
- To promote safe and healthy working conditions, and the health of employees.
- To avoid the use of forced labour.

It applies to employees directly engaged by the Bank (direct employees), employees engaged through third parties to perform work related to core business processes of the Bank and or on projects (e.g., construction, refurbishment work) for a substantial duration (contracted employees), as well as employees engaged by the Bank's primary suppliers (supply chain employees).

Since 1919, the International Labour Organization (ILO) has maintained and developed a system of international labour standards aimed at promoting opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security and dignity.

The box below provides some thoughts on the types of questions you might want to ask in order to review the adequacy of your Bank's human resource practices.

Human Resources: what happens in your Bank? What type of data can you collect to measure your Bank's impact?

Working Conditions and Management of Employee Relationships

- Does the Bank have an HR policy and procedures in place which reflects the main issues below?
- Has the Bank documented and communicated working conditions and terms of employment to all employees directly contracted?
- Has the Bank implemented a grievance mechanism for employees?
- Does the Bank allow employees to form and join employee's organizations and bargain collectively?
- Does the Bank have procedures in place to prevent discrimination and respond appropriately to incidents?
- Does the Bank anticipate retrenchment of a significant number of employees? If yes, is there a retrenchment plan in place?

Protecting the Work Force

[17] ILO Convention 87 on Freedom of Association and Protection of the Right to Organize. ILO Convention 98 on the Right to Organize and Collective Bargaining. ILO Convention 29 on Forced Labour. ILO Convention 105 on the Abolition of Forced Labour. ILO Convention 138 on Minimum Age (of Employment). ILO Convention 182 on the Worst Forms of Child Labour. ILO Convention 100 on Equal Remuneration. ILO Convention 111 on Discrimination (Employment and Occupation) UN Convention on the Rights of the Child, Article 32.1. UN Convention on the Protection of the Rights of all Migrant Workers and Members of their Families.

- Does the Bank ensure that child or forced labour is not used?
- Does the Bank check the ages of employees?
- Does the Bank ensure that young employees are not employed in dangerous work and have the possibility to attend school?
- Does the Bank ensure safety systems are in place for employees handling cash and employees responsible for cash storage facilities? Are employees trained in responding safely to a robbery incident?

Occupational Health and Safety

Health and safety concerns for the bank will cover the following areas:

- General workplace conditions, (i.e., adequacy of sanitation, washing and catering facilities, housekeeping, e.g., limiting tripping hazards, ensuring that fire escapes are kept free of files and furniture).
- Ergonomics (i.e., human factors/ people and their working conditions; e.g., lightning, seating, noise, manual handling, display screen equipment, air quality, temperatures, adequacy of working space, ventilation). Applying ergonomics to the workplace can: reduce the potential for accidents; reduce the potential for injury and ill health; and improve performance and productivity.
- Environmental factors (e.g., Building interiors – furnishings and carpets may contain toxic pollutants that affect internal air quality , paint and varnishes can also deteriorate air quality, air conditioning systems can release hazardous materials; cleaning materials may be toxic).
- Workplace hazards (e.g., fire, gas, electrical, harmful substances).
- Workplace risks (e.g., working alone, bullying, violence, slips, trips and falls, adequacy emergency preparedness and response procedures).
- Employee awareness and training on health and safety issues.
- Workplace transport (e.g. driver training, use of mobile phones, first aid kits in company vehicles) and business travel (e.g., air travel policies, night travel policies).







Questions to ask:

- Does the Bank provide its employees with a safe and healthy work environment based on the above areas of concern?
- Does the Bank provide employees with personal protective equipment (PPE) where required (e.g., cleaning and building maintenance activities)?
- Does the Bank conduct appropriate monitoring and inspections to ensure employee health and safety?
- Does the Bank track rates of work-related injury, occupational diseases e.g. lost days to injury and work-related fatalities?
- Does the Bank have adequate fire emergency preparedness and response procedures and fire safety plans?

Employees Engaged by Third Parties

- Do the subcontractors have an appropriate occupational health and safety management system in place?
- Does the Bank monitor the performance of the sub-contractors?
- Does the subcontracted workforce have access to the Bank's grievance mechanism?

Supply chain

- Has the Bank identified child labour / forced labour issues with third parties (e.g., agencies undertaking core business activities, contractors) or in the supply chain and if so has the Bank taken appropriate steps to remedy them?
- Does the Bank sufficiently address significant health and safety issues with third parties and in the supply chain?

There are numerous guidelines and standards regarding occupational health and safety. The best are those that encourage a common-sense and practical approach. Good starting places include the links recommended below.

UK Health and Safety Directive http://www.hse.gov.uk/index.htm
Canadian Centre for Occupational Health and Safety http://www.ccohs.ca/
ILO Safety and Health at Work http://www.ilo.org/global/topics/safety-and-health-at-work/lang--en/index.htm
US National Institute for Occupational Safety and Health (NIOSH) http://www.cdc.gov/niosh/ and http://www.cdc.gov/niosh/topics/officeenvironment/

The following box provides some brief tips on actions.

Creating a healthier and safer working environment
Creating a healthy and safe work environment can reduce the potential for accidents, reduce the potential for injury and ill health, and improve performance and productivity. This can be achieved by considering the 'fit' between people and their work. Factors to consider may include the following:

The job/task being done:
- The demands on the employee (e.g., activities, workload, work pacing, shift-work and fatigue).
- The equipment used (e.g., its design in terms of size, shape, controls, displays, and how appropriate it is for the task).
- The information used (e.g., how it is presented, accessed, and changed).
- The physical environment (e.g., temperature, humidity, lighting, noise, vibration):
- An individual's physical and psychological characteristics (e.g., body size and shape; fitness and strength; posture; the senses, especially vision, hearing and touch; mental abilities; personality; knowledge; training; experience).

Your organisation and social environment:
- The use of teamwork and how teams are structured.
- The type and levels of supervision and leadership.
- The type and levels of management support to employees.
- How your organisation communicates with employees.
- What resources are available to employees.

How can I check if there are health and safety problems?
Checking for health and safety problems should form part of your standard risk assessment process. The first step in a risk assessment is to identify the hazards. This can be done by talking to employees and seeking their views, walking around your workplace to see if you can spot any hazards, and reviewing any accidents or reports of ill health you have had in the past.

What can I do if I think I have identified a health and safety problem?
- Talk to employees and get them to suggest ideas and discuss possible solutions.
- Look for likely causes and consider possible solutions.
- Always make sure any alterations are properly evaluated by the people doing the job.
- You should be able to identify straightforward, inexpensive changes yourself.

The core elements to effectively managing for health and safety include the following:
- leadership and management;
- a trained/skilled workforce;
- an environment where people are trusted and involved.

The Key Requirements for a healthy and safe work environment include the following:
As a minimum, you should have the processes and procedures required to meet the legal requirements, including:
- a written health and safety policy (if you employ five or more people);
- assessments of the risks to employees, contractors, customers, partners, and any other people who could be affected by your operations – and record the significant findings in writing (if you employ five or more people). Any risk assessment must be 'suitable and sufficient';
- arrangements for the effective planning, organisation, control, monitoring and review of the preventive and protective measures that come from risk assessment;
- access to competent health and safety advice;
- provision of information about the risks in your workplace and how they are protected to employees;

- instruction and training for employees in how to deal with the risks;
- ensuring there is adequate and appropriate supervision in place;
- consultations with employees about their risks at work and current preventive and protective measures.

HSE provides advice and templates on these processes – see their sections on Managing for Health and Safety and risk management for more information.

Some examples of initiatives and approaches to this topic taken by Banks are presented below.

Standard Chartered – Sustainability Review (2009): Great place to work: Our employees are our most important resource. They are the face of our Bank relationships; they are our corporate memory; and they live the behaviours which exemplify our unique culture. In 2009 the demands of an evolving external environment and increased public awareness of the activities of banks and the people who work in them, placed an additional onus on us to ensure that we had the necessary policies and procedures in place to manage our human capital sustainably. Building a sustainable workforce is about attracting the right people, training and developing them, providing them with a supportive working environment and great leadership.

The importance of leadership has been recognised by our external stakeholders and we are, more than ever, obliged to demonstrate to governments, regulators and shareholders that our Board of Directors and management committee have the necessary collective skills and experience to be able to steer Standard Chartered through difficult times. To ensure that we have both leaders of today and potential leaders of the future, we have increased our focus on leadership development right across our organisation, recognising that the actions of each individual have implications for the long-term success of our business and the markets where we operate.

Health and safety: The health and safety of our employees is important to us, and we are vigilant about controlling health, safety and environmental risks in the workplace. We need the support of our employees to achieve a risk free work environment and this year we launched our first ever Group-wide health and safety campaign to teach them how to identify and assess risks. Using a series of brief and informative videos, our employees learned how to conduct risk assessments and how to put corrective measures in place. Our responsibilities do not just end with the workplace. With many of our employees opting for flexible working practices, we launched a Working from Home Guide to Risk Assessments to ensure that their home based working environments are safe.

A potentially significant risk to our employees' health and safety this year was the outbreak of swine flu, which was declared a pandemic by the World Health Organisation in June. Our Group Pandemic Committee was successfully mobilised to manage our response to this crisis. Country Pandemic Coordinators received regular guidance and updates and this was enhanced by the introduction of a dedicated Intranet page offering advice and guidance to all employees. We introduced enhanced cleaning and hygiene measures in all countries and carried out an audit of personal protective equipment to check our preparedness. We are in good shape to respond and have well established quarantine procedures and an infection control strategy to contain the spread the spread of the virus if the situation worsens.

Our Health and Safety Committees across the world continue as the forum for discussing health and safety of our employees. This year we improved our risk management with the introduction of Key Performance Indicators that enable us to track our performance and risks more effectively. The committees monitor the outcomes of these indicators to enable us to continuously improve our process and mitigate risk.

Barclays Bank: Barclays aims to always operate in accordance with the Universal Declaration of Human Rights, among other international standards. Barclays Statement on Human Rights outlines the issue's relevance to its employment policies and practices, its supply chain screening and management and the responsible use of its products and services. The institution helped the development of the business and human rights agenda through its membership in key organizations, such as UNEP FI and the Business Leaders Initiative on Human Rights. It also provides guidance for its lending and relationship managers on how to include advice on integrating human rights issues into their assessment of financial transactions.
(http://group.barclays.com/Citizenship/The-way-we-do-business/Human-rights)

9 Supply Chain Management

9.1 Identifying and Review of the Key Players in your Bank's Supply Chain

A Bank's supply chain can be extensive, with a large number of suppliers providing goods and services to support the Bank's operations. This chain can have significant implications for your Bank's footprint.

Suppliers may include:

- IT and office equipment (computers, copiers, air conditioners, etc.).
- IT and office consumables (e.g., printing paper, ink cartridges, toners, etc.).
- Office furniture and furnishings (e.g., desks, chairs, carpets, etc.).
- Catering services (meals, beverages/ water, etc.).
- Fire control equipment and services.
- Cleaning services.
- Security services.

Sustainable procurement or purchasing programmes can assist your Bank with minimising your environmental and social impact associated with goods and services used on-site.

Procurement: What happens in your Bank?

- Are environmental and social issues currently factored into purchasing decisions?
- Which items are purchased locally and which are imported?

In order to review existing procedures, the following information can be gathered.

- Is there any existing procedure to consider environmental and social factors associated with the supplier, product, service provider within the procurement process?
- Is there any existing procedure to check compliance of suppliers and service providers with national law?
- Who is responsible for application of any environmental review during the procurement process?
- Has this person received any specific training in this area?
- How do procurement decisions take account of a supplier's environmental or social record?
- How do procurement decisions take account of a product's environmental credentials? (e.g., eco-labels, energy efficiency etc.)
- What are the principal areas of local procurement?
  - Office supplies
  - IT equipment
  - Cleaning services
  - Post and courier services
  - Electrical supplies
  - Staff travel
  - Photocopiers
  - Office furniture

Paper / Office supplies:

- What are the principal grades of paper used within the office (e.g. weight, recycled content, chlorine free etc. Break down overall consumption by grade)?
- What proportion of A4 office paper purchased has recycled content?
- What proportion of A4 office paper purchased has at least 30% recycled content and has not been bleached using elemental chlorine?
- Is eco-labelled paper available locally?
- Which eco-labels are used / available locally?
- Are refilled / recycled printer cartridges available locally?
- If available locally does the bank use refilled / recycled printer cartridges?

Electronic equipment:

- Is energy use considered when purchasing new items of plant (e.g. computers, monitors, photocopiers) for the office? If so is the energy saving quantified and costed as part of the decision?
- Are local suppliers of electronic equipment able to provide equipment with energy star or other eco-label?

- What electronic equipment eco-labels are used / available locally?
- What proportion of the office electronic equipment purchased over the last year carries the Energy Star or other similar eco-label?

Furniture and Wood Products
- Are local suppliers of office furniture able to provide forestry stewardship Council certified wood products (furniture) or products with other eco-label?
- What wood product eco-labels are used / available locally?

Waste
- Is waste minimisation considered when purchasing new items of equipment (e.g., photocopiers, printers) for the office?
- If waste is considered during procurement is the disposal cost reduction quantified and costed as part of the decision?

Services provided by Third Parties or Sub-contractors (e.g., Catering and Cleaning Services, Building Management Services, and Security Services
- Is there a procedure for the review of Third Party employment practices?
- Do reviews cover compliance with labour laws and no abuse of fundamental rights?
- Do reviews cover occupational health and safety requirements (including the adequacy of training in undertaking tasks safely, handling of equipment and hazardous materials)?
- Are there appropriate contracts in place to ensure compliance?

9.2 Managing Your Bank's Supply Chain

It is important to work closely with your suppliers so that you can benefit from the latest environmentally friendly solutions and reduce your impact across the supply chain.

For example, your Bank's procurement or purchasing department may consider the following practices:

- engagement with suppliers to ascertain their environmental and social impacts.
- procurement from local suppliers (in order to support local business and minimise impacts from transporting goods long distances).
- bulk purchases of products and services with price advantage from a single supplier.
- assessment of suppliers' compliance with your Bank's environmental and social standards in supplier contracts.
- assessment of suppliers' compliance with your Bank's environmental and social standards in service contracts.
- setting criteria for suppliers' environmental and social performance.
- undertaking annual reviews of supplier and service contracts prior to contract renewals.

Simple steps may include discussions with suppliers on:

- their employment policies and practices for services that your Bank may out-source, such as Cleaning Services, Building Maintenance Services, Construction/ Refurbishment Services, and Security Services (e.g., compliance with employment and labour laws, compliance with health and safety requirements, etc.);
- packaging requirements and disposal of packaging materials (return, recycling, re-use options);
- delivery options for supplies (e.g., bulk deliveries instead of several trips);
- return options for faulty or damaged goods;
- return of used goods (e.g., printer cartridges, toners, light bulbs etc.);

- substances used in air conditioning, refrigeration and fire control equipment (e.g., ensure equipment uses substances with zero ozone depleting potential and low global warming potential).

Additional information on Employment Practices and Third Party partners is provided in *Section 8 on Human Rights at Work*.

Green and/or responsible procurement is often defined by the following activities:

- Purchase of environmentally friendly products and equipment (e.g. recycled materials, paper from sustainably managed forests, etc.).
- Procurement of locally manufactured products.
- Consideration of the environmental and social performance of suppliers, distributors and subcontractors.

Some examples of initiatives and approaches to this topic taken by Banks are presented below.

National Australia Bank (NAB) aspires to educate, influence and support its supply chain and improve its sustainability performance through procurement. NAB introduced the Supplier Sustainability Program in Australia in 2008 and has been working to introduce NAB's Supplier Sustainability Principles into new contracts with key suppliers. In Australia, the Supplier Sustainability Principles have been incorporated into more than 150 supplier contracts. When CIBC purchases a particular product, it takes associated environmental impacts into account, such as the way in which the product was designed and manufactured. When acquiring services that might have an adverse environmental impact, it encourages responsible conduct from suppliers so as to minimize their ecological footprint. It is also committed to working with suppliers that share its level of commitment to the environment and those that take into consideration energy efficiency, the sustainable use of natural resources, recycling, the appropriate management of toxic substances, product re-use, environmental certifications, and environmental certifications.
(http://www.cibc.com/ca/inside-cibc/environment/policies/procurement.html).

Garanti Bank meets the daily needs of its branch network by means of. However, located at the Bank's Istanbul head-quarters ensures that nearly all (95%) of the cleaning services and cleaning chemicals are purchased locally.
Garanti Bank's internal auditors inspect a selection of the Bank's suppliers on a sample basis in order to assess their compliance with its EMS. In the event a supplier is found to be non-compliant, they are given a grace period to improve their performance and the Bank provides assistance when necessary.
(http://www.garanti.com.tr/en/our_company/sustainability.page).

10 Public Health, Safety, and Security

10.1 Identifying the Environmental and Social Impacts of your Bank on the Public

The potential impact of your operation on the public is also an aspect of your Bank's footprint. A good place to start to understand how your operations might impact on public health, safety and security is IFC's Performance Standard No 4.

IFC's Performance Standard 4 on Community Health, Safety and Security recognises that operational activities, equipment, and infrastructure can increase community exposure to risks and impacts. Elements of your Bank's operations that may impact on the public may include the structural safety of your buildings, preparedness for an emergency response or premises evacuation, and security services. This Performance Standard addresses the Bank's responsibility to avoid or minimise the risks and impacts to public health, safety, and security that may arise from the Bank's operations.

The key objectives are as follows:

- To anticipate and avoid adverse impacts on the health and safety of the public during the Bank's operations from both routine and non-routine circumstances (e.g., during the operational life of the Bank's premises, during any construction/ refurbishment activities, etc.).

- To ensure that the safeguarding of personnel and property is carried out in accordance with relevant human rights principles and in a manner that avoids or minimises risks to the public.

The key requirements are as follows:

Public Health and Safety

- Infrastructure and Equipment Design and Safety (When new buildings and structures will be accessed by members of the public, the Bank will consider incremental risks of the public's potential exposure to operational accidents and/or natural hazards and be consistent with the principles of universal access. Structural elements will be designed and constructed by competent professionals, and certified or approved by competent authorities or professionals).
- Hazardous Materials Management and Safety (e.g., for those premises operating generators and storing fuel).
- Emergency Preparedness and Response (e.g., preparedness of the Bank to manage evacuation of buildings and be able to account for public present in buildings in the event of an emergency).

Security Personnel: When the Bank retains direct or contracted employees to provide security to safeguard its employees and property, it will assess risks posed by its security arrangements to those within and outside the Bank's premises. In making such arrangements, the Bank will be guided by the principles of proportionality and good international practice in relation to hiring, rules of conduct, training, equipping, and monitoring of such employees, and by applicable law. The Bank will make reasonable inquiries to ensure that those providing security are not implicated in past abuses; will train them adequately in the use of force (and where applicable, firearms), and appropriate conduct toward employees and the public and require them to act within the applicable law. The Bank will not sanction any use of force except when used for preventive and defensive purposes in proportion to the nature and extent of the threat. The Bank will provide a grievance mechanism for the public to express concerns about the security arrangements and acts of security personnel.

Established in 2000, the Voluntary Principles on Security and Human Rights are a set of principles designed to guide companies in maintaining the safety and security of their operations within an operating framework that encourages respect for human rights.

The Voluntary Principles provide a framework for companies to manage risk effectively by:

- Conducting a comprehensive assessment of human rights risks associated with security.
- Engaging appropriately with public and private security service providers and surrounding communities in complex environments.
- Instituting human rights screenings of and trainings for public and private security forces.
- Developing systems for reporting and investigating allegations of breach of laws.

10.2 Managing the Impact of the Bank's Operations on the Public

In order to review existing procedures, the following information can be gathered.

With regards to **Public Health and Safety**, the following questions can be asked:

- Has the Bank taken into consideration the impact of the building's structure and design on the public (e.g., structural integrity of buildings, accessibility to people with disabilities, trip hazards, emergency exit routes, sufficient indoor/ outdoor lighting, etc.)?
- Is there an emergency preparedness and response plan that sufficiently takes into account risks and impacts from the Bank's operations to the public/ local communities?
- Has the Bank designated contact persons within the organisation responsible for receiving and responding to complaints?

With regards to **Security Personnel Requirements**, the following questions can be asked:

- Does the Bank engage security personnel at their facilities?
- Does the contract include a clause that binds the guards to respect certain guidelines on how to interact with the public?
- Are security personnel armed? If yes, has the personnel been trained appropriately?

11 Compliance

Compliance can be another reason to initiate management of your Bank's footprint. Typically, this framework may include one or more of the following:

- Legal and regulatory framework and soft law such as the Sustainable Finance Principles.
- Corporate strategies and policies.
- Good international industry practice as published through a variety of guidelines and certification programmes (e.g., the World Business Council for Sustainable Development Energy Efficiency in Buildings initiative; the Global Reporting Initiative Disclosure guidelines for the Financial Sector; ISO 26000 on Social Responsibility, ISO 14001 on Environmental Management Systems, and ISO 50001 on Energy Management).

The legal and regulatory framework of relevance to your Bank's operations may include regulations on the following:

- Protection of the environment.
- Water resources and wastewater quality.
- Waste management.
- Hazardous substances.
- Ozone depleting substances (e.g., refrigerant gases).
- Air pollution and air emissions.
- Renewable energy.

A good starting point is the Occupational Safety and Health Act 2007 and Environmental Management and Co-ordination Act Cap 8 and associated regulations:

- Environmental Management and Co-ordination (Waste Management) Regulations 2006
- Environmental Management and Co-ordination (Water Quality) Regulations 2006
- Environmental Management and Coordination (Controlled Substances) Regulations 2007
- Environmental Management and Coordination, Fossil Fuel Emission Control Regulations 2006
- Environmental Management and Co-ordination (Noise and Excessive Vibration Pollution Control) Regulations 2009

12 Corporate Framework

12.1 Corporate Strategies

Typically, the management of environmental and social footprints forms part of a company's overall corporate social responsibility strategy or sustainability strategy. Therefore, the framework and structure may include the following:

- Corporate Sustainability Strategy.
- Sustainability Policy.
- Sustainability Committee or Team with representatives from all Bank departments.
- Sustainability representatives/ green teams.

Existing environmental and social documentation in your Bank may include the following:

- Corporate social responsibility projects and initiatives.
- Previous environmental audit reports
- Energy efficiency surveys.
- Environmental training records.
- Local Environmental Policies energy, resource use or waste management policies.
- Environmental Initiatives.

Guidance on developing your Bank's *social responsibility strategy* can be found in ISO 26000 on Social Responsibility.

The International Organization for Standardization released ISO 26000 in November 2010 to provide guidelines for Social Responsibility. ISO recognises that Business and organisations do not operate in a vacuum. Their relationship to the society and environment in which they operate is a critical factor in their ability to continue to operate effectively. It is also increasingly being used as a measure of their overall performance.

ISO 26000 provides guidance on how businesses and organisations can operate in a socially responsible way. This means acting in an ethical and transparent way that contributes to the health and welfare of society. It helps clarify what social responsibility is, helps businesses and organisations translate principles into effective actions and shares best practices relating to social responsibility, globally. It is aimed at all types of organisations regardless of their activity, size or location.

There are several Core subjects and issues outlined in ISO 26000. Examples of issues that can be included in your Bank's social responsibility or sustainability strategy are presented below.

- Organizational governance.
- Human rights (e.g., Fundamental principles and rights at work).
- Labour practices (e.g., Health and safety at work, Employment and employment relationships, Conditions of work and social protection, Human development and training in the workplace).
- The environment (e.g., Sustainable resource use, Prevention of pollution).
- Fair operating practices (e.g., Anti-corruption, Fair competition, Promoting social responsibility in the value chain).
- Consumer issues (e.g., Consumer service, support, and complaint and dispute resolution, Consumer data protection and privacy).
- Community involvement and development (e.g., Employment creation and skills development, Health, Education and culture, Social investment).

For more information refer to http://www.iso.org/iso/iso26000.

12.2 Environmental Management Strategies and Systems

In some cases, organisations may choose to address *environmental management* by implementing an environmental management system (EMS).

ISO 14001:2004 is the world's most recognised framework for EMS' that helps organisations to manage the impact of their activities on the environment and to demonstrate sound environmental management.

The ISO 14000 Family of Standards on Environmental Management

The ISO 14000 family addresses various aspects of environmental management. It provides practical tools for companies and organizations looking to identify and control their environmental impact and constantly improve their environmental performance. ISO 14001:2004 and ISO 14004:2004 focus on environmental management systems. The other standards in the family focus on specific environmental aspects such as life cycle analysis, communication and auditing.

ISO 14001:2004 – Environmental Management Systems (EMS):

ISO 14001:2004 sets out the criteria for an environmental management system and can be certified to. It does not state requirements for environmental performance, but maps out a framework that a company or organization can follow to set up an effective environmental management system. It can be used by any organization regardless of its activity or sector. Using ISO 14001:2004 can provide assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved.

The benefits of using ISO 14001:2004 can include:

- Savings in consumption of energy, water and materials.
- Reduced cost of waste management.
- Improved corporate image among regulators, customers and the public.

For more information and additional guidance see http://www.iso.org/iso/home/standards/management-standards/iso14000.html

13 The Importance of Employees Support

Many organisations will agree that the effectiveness of any environmental and social programme requires the support of all employees. It is important to embed sustainability into its culture.

There are several ways to ensure appropriate understanding and support of the footprint initiative as follows:

- Showing that the Bank's commitment.
- Awareness-raising campaigns.
- Training programs.
- Ensuring appropriate and adequate employee representation on committees, teams, etc.
- Suggestion platforms to encourage all employees to submit recommendations about the Bank's operations.
- Active involvement of employees in setting up, implementing and championing environmental management strategies (e.g., volunteers, 'green teams', etc.)
- Awards for best departments, best ideas, etc.

There are many ways the Bank can involve employees. Can you indicate which ones you think are likely to be most successful in your Bank.

- Awareness training in all departments.
- Suggestion boxes.
- Competitions.
- Green representatives.

TD Bank, Canada has developed two parallel programmes in which employees from two different sections of the bank take over the responsibility for raising awareness about environmental issues, thereby enhancing the level of employee engagement across the organisation.

Retail operations: Volunteers called Green Coordinators are responsible for raising employee awareness about environmental issues within their branches. They are also the one-stop shop for information regarding the bank's environmental initiatives and given that they are at the frontline of the bank's operations, they are able to reach out to the customer base and inform them about the bank's environmental credentials.
Business units and sub-units: Green Ambassadors champion environmental programmes and identify mechanisms for involving employees in the realization of the organisation's environmental strategy. Green Ambassadors also possess the ability to convene green working committees and to strategise and pursue the implementation of their own ideas. (http://www.tdcanadatrust.com/greenbanking/index.jsp).

Standard Chartered Bank: As an international bank working in some of the world's most challenging markets, we believe that we have both a duty and a responsibility to be a force for good in the communities in which we operate. We achieve this in partnership with our employees. Their support and enthusiasm are at the heart of our community

investment programme. We draw on their expertise and skills to benefit local communities, and with 75,000 talented individuals working for Standard Chartered across the globe, we have access to a wide pool of people keen to use their strengths for the good of others. Social or economic exclusion prevents people from realising their potential. This has a direct and negative impact on their communities. In order to build sustainable businesses, it is important to understand and work with our local communities and contribute to addressing the challenges which inhibit their development. We try to maximise the impact of our investment by carefully targeting the issues we address and by using our core business skills and infrastructure to engage with communities to encourage wider involvement. For example we use our network of ATM machines, our paper statements and our branch staff to deliver locally relevant information on health issues, such as the need to get tested for HIV and advice on where to do so. Our employees are proud to be engaged in these programmes. They proactively support them, not just through a Group-wide employee volunteering scheme but also in their own time.
(http://www.standardchartered.com/sustainability-review-09/en/community_investment/index.html)

14 How to Report your Environmental and Social Footprint

Reporting on the Bank's environmental and social footprint will be just one aspect of the Bank's sustainability reporting. Each section of this reading has considered the type of information the Bank might what to publish to demonstrate their performance and progress. The Global Reporting Initiative guidelines would be the key resource for the nuts and bolts of reporting metrics and methodologies for many of these specific aspects.

For guidance on reporting on the E&S footprint of a Bank the following frameworks and guidelines are the most relevant:

1. International Integrated Reporting Framework for ideas on how to structure an integrated report (annual financial report with environmental, social and governance metrics) and the key content that needs to be included.
2. GRI 4 Financial Sector Supplement which provides specific guidance on the types of sustainability aspects a Bank might consider reporting on and the methodologies to apply. The GRI set of standards aims to ensure consistency in how data is collected and reported to allow comparability.
3. Specific issue reporting requirements e.g. the CD project which specifically collects and analyses data on greenhouse gas emissions and management, water management and climate change strategies of companies for investors. This in turn enables investors to assess the exposure of companies to carbon (e.g. responsiveness to regulatory changes), climate change and water risks.

The first two will be the most relevant to reporting on the direct E&S footprint of a banking sector.

Sustainability Reports

A sustainability report is a type of corporate or organisational report. It conveys sustainability-related information in a way that is comparable with financial reporting. A sustainability report is a report published by a company or organization about the economic, environmental and social impacts caused by its everyday activities. A sustainability report also presents the organization's values and governance model, and demonstrates the link between its strategy and its commitment to a sustainable global economy.

An increasing number of companies and organizations want to make their operations sustainable and contribute to sustainable development. Sustainability reporting can help organizations to measure, understand and communicate their economic, environmental, social and governance performance. Sustainability – the ability for something to last for a long time, or indefinitely – is based on performance in these four key areas.

Systematic sustainability reporting helps organizations to measure the impacts they cause or experience, set goals, and manage change. A sustainability report is the key platform for communicating sustainability performance and impacts –

whether positive or negative.

To produce a regular sustainability report, organizations set up a reporting cycle, i.e., a program of data collection, communication, and responses. This means that their sustainability performance is monitored on an ongoing basis. Data can be provided regularly to senior decision makers to shape the organization's strategy and policies, and improve performance.

Sustainability reporting is therefore a vital resource for managing change towards a sustainable global economy – one that combines long term profitability with ethical behaviour, social justice and environmental care.

(https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx).

In December 2013 the International Integrated Reporting Council (IIRC) published the International <IR> Framework which sets new reporting standards across the world.

International Integrated Reporting Committee
The mission of the International Integrated Reporting Committee (IIRC), an international cross-section of leaders from the corporate, investment, accounting, securities, regulatory, academic and standard-setting sectors, as well as civil society, is to create a globally accepted, integrated, reporting framework which brings together financial, environmental, social and governance information in a clear, concise, consistent and comparable format. It was co-founded by the GRI and the Prince's Accounting for Sustainability Project (A4S) in 2010. The aim is to help with the development of more comprehensive and comprehensible information about organisations, prospective as well as retrospective, to meet the needs of a more sustainable, global economy.
(http://www.theiirc.org/).

The Global Reporting Initiative (GRI) is a leading organisation in the sustainability field. GRI promotes the use of sustainability reporting as a way for organisations to become more sustainable and contribute to sustainable development. GRI provides a comprehensive sustainability reporting framework that is widely used around the world and across industries. Sector supplements have further been developed, following GRI's traditional consensus-seeking, multi-stakeholder process, whereby participants are drawn from global business, civil society, labour, academic and professional institutions. The Finance Sector Supplement was co-developed with UNEP FI (See http://www.globalreporting.org/ReportingFramework/SectorSupplements/FinancialServices/).

GRI's Sustainability Reporting Framework is a reporting system that enables all companies and organizations to measure, understand and communicate this information. GRI's mission is to make sustainability reporting standard practice; one which helps to promote and manage change towards a sustainable global economy.

GRI offers a variety of other tools to help organizations with their reporting, including **GRI publications** that facilitate the sustainability reporting process. (refer to https://www.globalreporting.org/reporting/sector-guidance/sector-guidance/financial-services/Pages/Reporting-Tools.aspx).

For beginners, the GRI ***"Let's Report!" template*** is an easy way for organizations to prepare a basic GRI sustainability report for the first time (refer to https://www.globalreporting.org/resourcelibrary/English-Lets-Report-Template.pdf). GRI ***Certified Training Partners***, based worldwide, can instruct your organization in following GRI's reporting process.

Sector Supplements are also designed to be used with the ***Technical Protocol - Applying the Report Content Principles,*** a 2011 publication that steers organizations when deciding their report content.

Once a GRI report is complete, you can add your report to GRI's **Sustainability Disclosure Database**, which captures and publicizes the evolution and growth of sustainability reporting – benefiting organizations, investors, analysts, researchers, and sustainability reporters everywhere. You can also publicize your report – and your association with GRI – by making use of the Featured Reports service.

Self-declaring a **GRI Applications Level** is an essential part of the process. Reporting organizations from specific sectors need to use Sector Supplements in order to meet requirements for an A-Level GRI report – those based on the most comprehensive use of GRI's guidance. GRI Applications Levels are established by using the ***GRI Content Index.***

CD Project (CDP)
Over 3,000 organizations in some 60 countries around the world have their greenhouse gas emissions, water management and climate change strategies measured and disclosed through the CDP, in order that they can set reduction targets and make performance improvements. This data is made available for use by institutional investors, corporations, policymakers and their advisors.
(www.cdproject.net/)

Also see the following documents on the link between the GRI guidelines the CDP on carbon and water disclosure
https://www.globalreporting.org/resourcelibrary/GRI-G4-CDP-2015-Climate-Change-Linkage-Document.pdf
https://www.globalreporting.org/resourcelibrary/GRI-G4-CDP-2015-Water-Linkage-Document.pdf

It is recommended that financial institutions develop and publish a statement/ report of their sustainability policy and periodically report on the steps they have taken to promote the integration of environmental and social considerations into their operations.

Eurobank EFG, Greece Environmental performance is annually verified by an accredited auditor at Eurobank. An internal audit scheme is also in place, coordinated by the Environment Office. Environmental indicators are collected on a semi-annual basis, so that achievements against targets are adequately monitored and corrective and preventive actions are duly initiated. (*http://www.eurobank.gr/online/home/generic.aspx?id=16&lang=en&mid=).*

15 In Summary

What can you do to manage the Environmental and Social impact of your bank's operations?

- You cannot manage what you do not measure. Measure your Bank's environmental and social footprint to find out how you perform and where your opportunities to improve lie.
- Implement measures to increase resource and energy efficiencies and your social responsibility and monitor these measures.
- Set targets to reduce emissions and resource usage in targeted areas, increase cost-effectiveness and increase social responsibility.
- Establish an action plan to achieve the targets. Roles and responsibilities should be clearly defined. Monitor progress against the targets, and communicate them.
- Work closely with suppliers to realise better labour practices in your own supply chain and more environmentally friendly products and expand sustainability across the supply chain.
- Continue to look for further opportunities for improvement.

16 Where can I get Help or More Information?

Guides, Tools and Recommended Reading:

The UNEP FI Guide to Banking & Sustainability: The UNEP FI Guide to Sustainable Banking provides a clause-by-clause explanation of the UNEP Statement of Commitment by Financial Institutions on Sustainable Development, seeking both to shed further light on the meaning of individual clauses, and to provide guidance on how banking institutions might seek to apply them in their day-to-day operations. The Guide further provides illustrations of current practice within UNEP FI Signatory banks, and references to key resources (refer to *www.unepfi.org*)
UNEP FI and its training partners: Three-week online course on *how to implement internal eco-efficiency* (refer to http://www.unepfi.org/training/ecoef-training/).
The **World Business Council for Sustainable Development (WBCSD)** – launched 'A call to action' on Energy Efficiency in Buildings. http://www.wbcsd.org/Pages/eNews/eNewsDetails.aspx?ID=16322&NoSearchContextKey=true The following WBCSD publication showcases action that can change the energy use paradigm in buildings. http://wbcsdservers.org/web/wbcsdfiles/EEB/EEB_Magazine_Final.pdf
UNEP FI Resources on Sustainability Reporting: If You Ask Us….. Understanding Corporate Sustainability Disclosure Requests (refer to http://www.unepfi.org/fileadmin/documents/if_you_ask_us.pdf). Sustainability Management and Reporting: Benefits for Financial Institutions in Developing and Emerging Economies (refer to http://www.unepfi.org/fileadmin/documents/smr_benefits_dec2006_01.pdf).
Integrating Sustainability Strategy and Reporting: The International Integrated Reporting Council's International <IR> Framework sets new reporting standards across the world with respect to integrating non-financial metrics into traditional annual reports. http://integratedreporting.org/. The Global Reporting Initiative (GRI) provides a comprehensive sustainability reporting framework that is widely used around the world and across industries. More importantly it is a reporting standard which aims to bring consistency to how data is collected and reported to allow comparability. Sector supplements have been developed, following GRI's traditional consensus-seeking, multi-stakeholder process, whereby participants are drawn from global business, civil society, labour, academic and professional institutions. The Finance Sector Supplement was co-developed with UNEP FI. *(*https://www.globalreporting.org/standards/sector-guidance/sectorguidanceG4/Pages/default.aspx *)*

- GRI offers a variety of other tools to help organizations with their reporting, including **GRI publications** that facilitate the sustainability reporting process.
- For beginners, the GRI ***"Let's Report!" template*** is an easy way for organizations to prepare a basic GRI sustainability report for the first time (refer to https://www.globalreporting.org/resourcelibrary/English-Lets-Report-Template.pdf). GRI ***Certified Training Partners***, based worldwide, can instruct your organization in following GRI's reporting process.

Sector Supplements are also designed to be used with the ***Technical Protocol - Applying the Report Content Principles***, a 2011 publication that steers organizations when deciding their report content.

Greenhouse Gas (GHG) Protocol:

The Greenhouse Gas (GHG) Protocol, developed by World Resources Institute (WRI) and World Business Council on Sustainable Development (WBCSD), sets the global standard for how to measure, manage, and report greenhouse gas emissions. Hundreds of companies and organizations around the world are using GHG Protocol standards and tools to manage their emissions and become more efficient, resilient, and prosperous organizations (refer to http://www.ghgprotocol.org/).

- *Calculation Tools:* Our tools enable companies to develop comprehensive and reliable inventories of their GHG emissions. Each tool reflects best practice methods that have been extensively tested by industry experts.
- *Working 9 to 5:* What Does the Guide Provide? „ An introduction to climate change and the ways that offices contribute to this global problem „ Seven simple steps you can take to measure your office's carbon dioxide (CO_2) emissions „ Suggestions for reducing your office's CO_2 emissions Who Should Use This Guide? This Guide is for office-based organizations ("offices") that do not undertake any manufacturing activities. Examples include consulting companies, research and educational institutions, government agencies, and nongovernmental organizations (NGOs). The methodologies and ideas for reducing your office's emissions are applicable to a variety of office sizes, types, and locations (Refer to *http://www.ghgprotocol.org/files/ghgp/tools/working9-5.pdf*).

Standard Chartered Bank:

Visit the Standard Chartered Annual and Sustainability Reporting in particular their 2014 reports as an example of integrated reporting and the indicators that they report on for their direct footprint (refer to https://www.sc.com/en/sustainability/reports.html).

The U.S. Green Building Council (USGBC) and its community are changing the way buildings and communities are designed, built and operated. USGBC is made up of tens of thousands of member organizations, chapters and student and community volunteers that are moving the building industry forward in a way that has never been seen before. It promotes better buildings; places that complement our environment and enhance our communities. Places that give people better, brighter, healthier spaces to live, work and play. (http://www.usgbc.org).

LEED is the U.S. Green Building Council program that promotes sustainable site development, water savings, energy efficiency, sustainable materials selection, and indoor environmental quality. The program is based on a system that awards silver, gold, and platinum certification levels based on the amount of points that a project is able to garner by employing green building strategies (http://www.usgbc.org/leed).

Building Certification Schemes - BREEAM (BRE Environmental Assessment Method) – most widely used environmental assessment method for buildings around the world - the standard for best practice in sustainable design and a measure used to describe a building's environmental performance (www.breeam.org).

Measure & Improve Your Labour Standards Performance: Performance Standard 2 Handbook for Labour and Working Conditions: IFC has published Measure & Improve Your Labour Standards Performance, a handbook for the implementation of IFC's Performance Standard 2 (PS2). This publication is intended to be a practical reference book, and aims to provide an understanding of the management systems and internal staff capabilities required for improving the labour standards performance in a company and its supply chain. It also provides a step-by-step guide to assist company management in developing or improving labour standards management systems.