

Our Values at Work

Practicing sustainability in our headquarters in Washington, DC and in our field offices is an important part of living out our mission statement and being consistent with what we ask of our clients. This means improving our environmental and social footprint, which is made up of the direct impacts due to the operation of our buildings and daily work habits, and the relationship between IFC and the local communities in which we work and live.

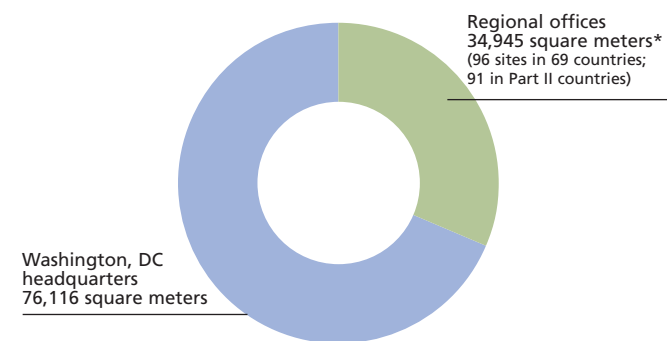
Over the past several years, we have taken various steps to improve our footprint. The first of these was the construction of our energy-efficient Washington office in 1997. More recently, we created a Footprint Reduction Team in 2003, made up of staff volunteers. In 2005, we stepped up our workplace greening and community outreach programs by appointing a dedicated Footprint Officer to work full-time on these issues.

Now that we have a staff member to coordinate IFC's Footprint Program, we've been able to greatly expand our efforts. This has included setting priorities and collecting data – such as building our greenhouse gas inventory – and identifying what should be tracked and how. The Footprint Program has also allowed us to increase collaboration between departments through an advisory committee and departmental champions, and to more actively reach out to field offices.

One of the goals of the program was to establish clear priorities that could be communicated to our staff and other stakeholders. Based on reporting guidelines from the Global Reporting Initiative,

TOTAL AREA OF IFC OFFICES

*Estimated



recommendations by our own environmental experts, and an independent review conducted in 2002,¹ we identified priority areas for the short and medium term that reflect our offices' most significant impacts and which we could also influence. The priority areas identified for the Footprint Program are

- energy/CO₂ emissions (including business travel)
- procurement
- paper consumption and electronics use
- community outreach
- diversity
- staff awareness and engagement

OUR ENVIRONMENT

Greenhouse Gas Emissions

We recognize greenhouse gas (GHG) emissions as a key part of our environmental footprint, resulting from our own activities such as the production of electricity, on-site generators, business travel, and commuting.

1. An environment, health, safety, and social footprint review was completed in 2002 by an external firm, which compared our practices to our peers and outlined recommendations.

To better track and understand our greenhouse gas (GHG) emissions, IFC partnered with the World Resources Institute to develop a GHG inventory, and in the process tested WRI's updated guidance document on developing these inventories for large service-based organizations. Basic results are presented here, with more detail and methodology online.

 www.ifc.org/SustainabilityReport

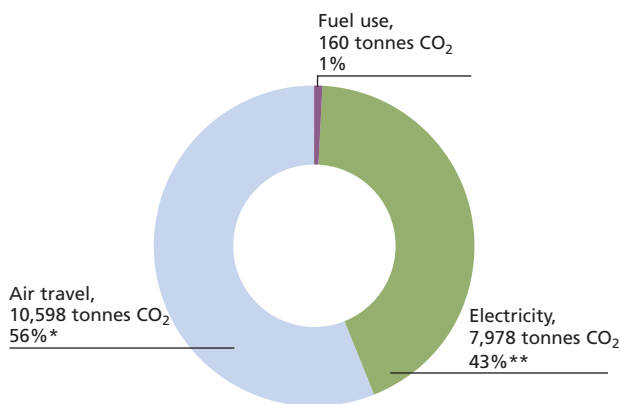
The graph below shows that our electricity consumption makes up over 40 percent of our Washington office emissions. To reduce the impact of this significant source of emissions, we purchased renewable energy credits (RECs) to cover 100 percent of our electricity use. Our electricity still comes from the local power grid, but the purchase of RECs allows for renewable, more environmentally friendly power to be generated elsewhere in the United States. The majority of IFC's purchase—94 percent—is from an old, low-impact hydro generator, and the remaining 6 percent is from a new wind farm.

The WBG received the 2005 Green Power Leadership Award from the Green Power Partnership, a program of the U.S. Environmental Protection Agency and Department of Energy, which recognizes significant purchases of renewable energy.

Business travel is a necessary part of our business but contributes a significant amount to IFC's emissions. We will continue to explore ways to reduce travel, as this also impacts the health of our staff and their families, and we will investigate options to offset these emissions.

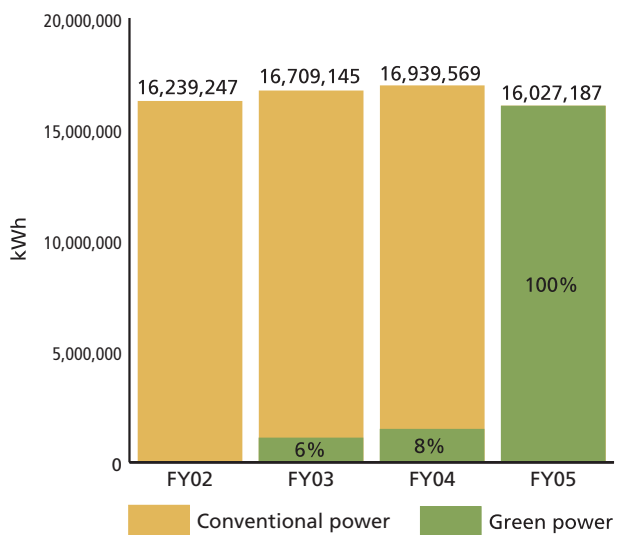
Ways to track, reduce, and offset other sources of emissions, such as those generated through our field offices and day-to-day staff commuting, will be considered as well. This year, for the first time, IFC distributed a questionnaire to field offices to collect baseline data on various aspects of their footprint, and the WBG distributed a staff commuting survey which will be conducted annually. We will report on these results as we work to increase participation in these surveys and develop more robust data.

CARBON EMISSIONS (WASHINGTON, DC, FY05)



*Air travel purchased from Washington, DC. Emissions are based on total number of miles flown by the WBG, and IFC's share is based on our percentage of total staff. More precise figures will be available for FY06 when we update our data collection system.
 ** In 2004, the WBG purchased renewable energy credits to cover 100 percent of our power, effectively making this carbon neutral.

ELECTRICITY CONSUMPTION (WASHINGTON, DC)



Energy use

Our team of engineers and our Washington building's efficient design help keep our energy usage low. The building was awarded the Energy Star Label by the U.S. Environmental Protection Agency and Department of Energy in 1999, 2001, 2004 and 2005, which means that we have met the rising bar of being in the top 25 percent of energy-efficient buildings in the United States for these years.

Procurement

We aim to choose more environmentally and socially friendly products for our daily operations, as this not only improves our own footprint but also signals to our suppliers a demand for items that reduce waste and have a positive impact on our communities. Our bid requests and contracts state our preference for responsible products and services. We now purchase goods such as environmentally friendly paints, recycled paper, and organic/fair trade coffee, and we aim to work with small and minority-owned businesses.

Reporting on the footprint impacts of procurement has been challenging, as data collection systems aren't always present, and it is often difficult to quantify the benefits of actions such as avoiding threatened seafood species. We will continue to explore the best ways of reporting on our progress in this area by specifying data requirements in contracts and looking to peers for best practice in methodology.

Waste, Paper, Electronics, and Water

Paper and electronics are some of the most significant waste streams for our offices. We purchase 30 percent post-consumer recycled paper – the standard in U.S. Federal Government offices – and the WBG print shop, where many of our documents are printed, is applying for certification from the Forest Stewardship Council for best practice in the printing industry. Most of our old computers still in working order are donated to

MAKING IT PERSONAL

By Rob Pearlman, Senior Facilities and Administration Officer



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IFC's building management team has achieved much since the building opened in 1997. Building operating costs, approximately 30 percent of which are for energy, have averaged 24 percent below industry standards for comparable building types and sizes. Over the past three years, with energy costs rising, and the addition of 200 more people and associated equipment to the Washington, DC building, we have reduced electrical energy consumption by 4 percent, saving 682,000 kWh in FY05 compared with FY03.

In managing IFC's Washington, DC building, we seek the best solutions to balance environmental concerns with our staff's needs for a comfortable, pleasant, and functional workplace. The best solutions must also be cost-effective, sensible, and realistic. It is with this set of attitudes and values that we aim to continuously reduce negative impacts on the environment. Since our building was designed, built, and occupied, this has been, and always will be, an ongoing process.

We must all change the way we think about the issues of environmental sustainability: we must all take it personally and make it personal. Our individual and our collective actions, decisions, and practices contribute either to helping preserve or destroy our planet. I want my child and his children to have a better place to live. When I work with the IFC Footprint Team, we aim to raise all the awareness of all IFC staff members.

TAKING UP THE FOOTPRINT PROGRAM IN THE FIELD

IFC's Footprint Program extends beyond our headquarters in Washington, DC, with some of our field offices already running their own footprint initiatives.

IFC's Hong Kong office has been particularly proactive in this area. The office of 22 staff launched a Corporate Social Responsibility (CSR) Committee with over 10 members as keen champions. They've implemented initiatives on energy efficiency, paper reduction, environmental product sourcing, recycling, a book/video/magazine exchange, and community service activities.

Staff who leave lights on in their empty offices now receive a "Light Monster" sign, which has proven to be an effective reminder to save electricity. The committee also prepares regular CSR Bulletins to relay data on the impacts of their office and of Hong Kong residents, as well as actions staff can take to reduce these impacts.

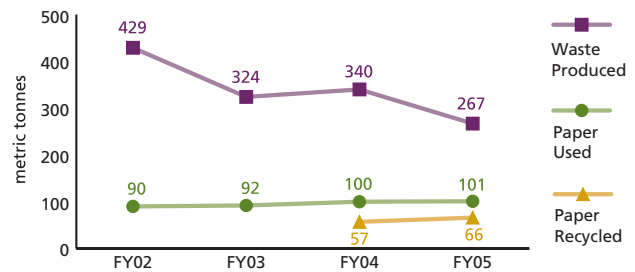
OUR COMMITMENT

This year we began gathering baseline footprint data on all of our regional offices, and we received responses representing approximately 30 percent of field staff. Our goal is to report for FY06 on the footprint impacts of offices representing at least 60 percent of staff.

local and international non-profit organizations, and we will explore ways to reuse and recycle all of our electronic equipment. Each office has a paper recycling bin, and bins for beverage containers are located in each floor's kitchen and in the cafeteria.

Data on our waste stream and water consumption are included below, and we will continue to track these to identify potential areas for improvement.

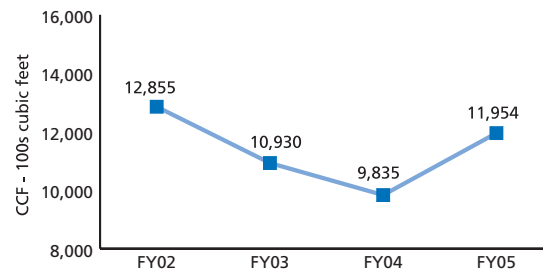
WASTE AND RECYCLING (WASHINGTON, DC)



*Recycling data not available for FY02 – FY03

** Data on recycling and paper use shown in short tons in last year's report

WATER CONSUMPTION (WASHINGTON, DC)



OUR COMMUNITY

Community Outreach

The WBG's Community Outreach Program supports local poverty alleviation by encouraging staff to volunteer in and contribute to their communities, partnering with local organizations, and making in-kind donations (such as over 12,000 computers, 500 pieces of furniture, and facilities space).

Our grants program funds organizations in the Washington area that reflect our mission to reduce

poverty and improve the quality of life of disadvantaged people. In 2005 the WBG gave a total of \$755,450 in amounts of \$8,000 – \$25,000 to organizations that focus on issues such as feeding the hungry, building employment skills, and combating domestic violence. Additionally, we provided \$580,000 to local collaborative funding organizations. In 2006, the program intends to focus attention on philanthropic efforts that are targeted, effective, and driven by outcomes. Preference will be given to nonprofit organizations working on youth and education in Washington’s poorest neighborhoods. All grants will be \$25,000, in order to allow these nonprofits to expand their programs and make significant impacts.

Through our workplace giving program, IFC staff contributed over \$103,000 in 2005-2006, compared with \$65,000 the previous year (excluding donations

for the South Asian tsunami relief). The WBG absorbs all administrative costs, so 100 percent of the donations go to the charities chosen by staff. The year, for the first time, the WBG matched pledges at 50 percent, which means that over \$170,000 (including funds raised at special events) will go to our community. Staff also support humanitarian efforts through the Red Cross. Across the WBG, we raised over \$1.4 million for Red Cross relief efforts for the December 2004 tsunami alone.

Among our many partnerships is our high school internship program, which serves as a model in the community. During summer 2005, we hired 22 students from local public schools in high poverty areas. Interns are paid an excellent salary and given paid training every Friday during the summer. For these students, some of whom are homeless, this has been a lifesaving opportunity. We recently

“A CHANCE TO WORK”: PROVIDING OPPORTUNITIES TO COMMUNITY MEMBERS GLOBALLY

“A Chance to Work” (ACW) provides an opportunity for motivated, disadvantaged people to rejoin the workforce. The program was created in 1997 by IFC’s Legal Department. The program started in Washington and has expanded internationally with IFC assisting in the implementation of pilot programs in our Moscow and Cairo offices, with plans underway to establish a pilot program in Lima.

Participants in Washington are selected from local community organizations, and work in clerical positions in WBG/IFC offices to develop skills. After a few months, IFC helps these individuals transition to jobs in the private sector, creating new openings for more workers. We also provide continuing assistance to the business partners who employ the participants.

The ACW model for the international program differs from ACW in Washington. The international ACW program facilitates partnerships between the private sector and NGOs assisting the disadvantaged. The private sector provides the jobs and training directly, with IFC facilitating the process.

In Moscow, Russian orphans aged 18-30 have been placed in office internships at private sector companies after having undergone preparatory workshops administered by local NGOs. These interns are then helped to find positions at private sector companies in Moscow, such as IT support at PricewaterhouseCoopers. A total of 17 companies now have interns from the program. To date, 80 people have completed the program in Washington, and 124 in Moscow.



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expanded this opportunity to a year-long internship program for five students.

Volunteering

Each WBG staff member is given one paid day of leave to volunteer, and four additional days were offered in September 2005 to staff who wished to assist with relief for Hurricane Katrina on the U.S. Gulf Coast. Our Dollars for Doers program donates \$500 to nonprofit organizations where an individual staff member or retiree volunteers at least 40 hours a year. Due to the high demand for this program, funding has been increased this year.

Volunteer initiatives at the field offices are often done on an individual office basis. For the December 2004 tsunami relief efforts and the October 2005 Pakistani earthquake, country office staff raised over \$50,000 and volunteered untold hours to assist victims and help in the rebuilding efforts.

In 2006, we are recruiting community service coordinators within all departments who will be

able to help staff take advantage of volunteering opportunities, as individuals or for group retreats. We are also exploring options for collecting data on time staff spend volunteering, as we are currently unable to report on this.

 www.worldbank.org/dcoutreach

OUR WORKPLACE

Building Awareness and Engaging Staff

An important challenge for the Footprint Program, and one of the areas in which significant progress was made this year, is promoting collaboration among different departments and generating general staff support and involvement. The unexpected benefits of simply bringing together individuals who do not usually work with one another have already been noticeable. For example, the Community Outreach Coordinator was able to fill a request for furniture at a new local children's hospital by working with a member of the Facilities Management Group, when the topic arose at a Footprint Program meeting.



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BEING A COMMUNITY PLAYER

By John Pendleton, Office Assistant, Environmental and Social Development Department, and graduate of the "A Chance to Work" program

IFC needs to play a role in its own backyard and let the community know it cares. For the people who come through the "A Chance to Work" program, it's important to see that IFC is committed to its values. You'd be surprised at the outpouring of generosity and support for people coming from where we come from. People care and people want to give. That's why, after seven years in the organization, I take pride in working here and acting as a liaison for people coming into the corporate culture. However, a lot of people I talk

to in the community still don't know how much IFC does.

The Footprint Program has put more leadership, energy and heart into the issue. There's a strong feeling for community outreach at IFC. Many staff members are already involved on their own time and others want to get involved but often don't know where to start. There's a definite need to make this a consistent thing that people can tap into in their own personal way as well as through their departments.

In October 2005 we held a “Footprint Day” to raise awareness about the program. The event focused on what staff can do to improve their own environmental and social impacts, and included information on what IFC is doing already. A series of stations focused on the issues of commuting, paper and energy use, greenhouse gas emissions, sustainability in IFC’s cafeteria, and community outreach initiatives. Roughly 200 people participated, including visitors from other DC-based institutions and a local commuter advocacy group.

A session on IFC’s Footprint Program is now included in the mandatory New Staff Briefing, and departmental champions are being recruited to increase the impact and foster ownership of the program among existing staff.



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Representing staff concerns

The World Bank Group Staff Association offers a vital mechanism for staff to engage with senior management on important areas of concern. In 2005, human resources issues dominated the agenda – including pensions and retirement age, family concerns, and career development – as well as the transition to a new WBG president and the role of country offices.

The WBG Staff Association is also an important partner in managing IFC’s footprint. The Staff Association hosts an active Environment Working Group, with

one co-chair from IFC. The group has been a consistent voice in promoting environmentally friendly commuting, reducing paper usage, and improving environmental practices in our food services. Their persistence has played a critical role in generating institutional recognition for footprint issues.

Health and Security

To help keep our staff safe, IFC has in place a regularly tested emergency management plan to deal with emergencies affecting the operations of IFC. We have a number of security measures to screen out suspicious individuals, packages, or deliveries, such as thorough ID checks, regular patrols, security cameras, and perimeter security barriers.

To address health concerns, IFC has a health room with a part-time nurse who gives medical advice on minor ailments, vaccinations, and allergy shots. The IFC building houses a fitness center which has roughly 300-400 members, with an average of 100-150 visits per day. Indoor bike racks, lockers, and showers make healthy commuting easier for staff.

The Health Services Department (HSD) provides regular newsletters and workshops to advise staff on a variety of health issues. HSD has an HIV/AIDS Response Team that is able to address any HIV/AIDS-related concerns and offers confidential advice to staff based around the world on medical or insurance issues, evacuation, referrals, psychological support, and assistance with securing anti-retroviral (ARV) drugs.

Twice each year, IFC hires a consultant to conduct monitoring of indoor air for the presence of volatile organic compounds (VOCs). A full building indoor air quality test is performed every three years, with the next test to be conducted in 2007. Results have always come back significantly under the threshold limits. Contractors are informed of chemicals that they are not allowed to use on IFC premises.