GIZ's sustainability guidelines

RATIONALE

As a service provider in the field of international cooperation for sustainable development and international education work, GIZ is dedicated to shaping a future worth living around the world. We have a clearly defined framework of values: our actions are guided by the principles of sustainability. At GIZ, our work is founded on the conviction that social responsibility, ecological balance and economic capability must go hand in hand if present and future generations are to live safe, secure and dignified lives.

Our sustainability guidelines specify how our sustainability principles work in practice. They set out our understanding of sustainability and provide guidance on dealing with the conflicting interests and objectives that the various dimensions of sustainability give rise to. They form the foundation for GIZ's operational policies and strategies and its processes and rules. Finally, they define our corporate sustainability architecture and governance.

TARGET GROUPS

The guidelines apply to the entire company. They provide all staff and managers at GIZ with a framework for acting sustainably and are intended as a guide for their decision-making. Staff at management level are responsible for breaking down sustainability requirements into specific work areas, processes and rules. The guidelines also provide orientation for our cooperation partners and other implementation partners such as recipients of financing, service providers and suppliers, and are a source of information for our commissioning parties and clients, partner organisations and interested members of the public.

BASIC PRINCIPLES OF SUSTAINABILITY

The following basic principles are the foundation for our understanding of sustainability:

- Respecting the planetary boundaries (*Earth system boundaries*¹): Biophysical processes and systems regulate the state of the Earth system and set limits on our planet's capacity as a habitat. Crossing these boundaries exposes human civilisation to uncontrollable risks. Safe and just boundaries can stabilise the *Earth system*. This means that the only possible course for sustainable development is to heed these planetary boundaries while also taking social aspects and justice into account.
- The ethical postulate of intergenerational and intragenerational justice: future generations shall enjoy at least the equivalent life circumstances and opportunities as the current generation for fulfilling their needs and using their abilities.

¹ The planetary boundaries refer to nine biological, chemical and physical Earth system processes. The areas affected include climate change, biodiversity, freshwater, different forms of air, soil and water pollution, acidification of the oceans, ozone depletion in the stratosphere, particle pollution in the atmosphere, biochemical cycles, deforestation and other land use changes, and the release of novel substances. Recent studies have examined security and justice for humankind in relation to the same control variables (planetary boundaries) and concluded that just boundaries lead to a more stable Earth system. According to the Earth Commission, most of these boundaries have already been exceeded.

- Sustainability is impossible without gender justice: gender equality is a prerequisite for and driver of sustainable development and of the future viability of our society in Germany and worldwide.
- Sustainability requires participation: political participation of relevant groups in decision-making processes must be ensured.
- Sustainability is not an end state but a constant process of searching and negotiation: the search for viable solutions to economic, social and environmental problems in different societal, cultural and historical contexts needs to be ongoing.
- Goal conflicts should be addressed openly as they emerge and negotiated fairly between all affected parties within the planetary boundaries.

OUR INTENTION

Our intention is to align everything we do with the guiding principle of sustainability. The Sustainable Development Goals (SDGs) of the 2030 Agenda and the principles for their implementation provide our framework for action. We are also guided by Germany's Sustainable Development Strategy, which applies the 2030 Agenda to the German context.

Our corporate strategy and internal rules are founded on sustainability. Alignment with sustainability is a prerequisite for all GIZ's services, including those we subcontract to third parties. Both in our service delivery and in our internal (change) processes, we ensure that negative consequences for sustainability are avoided wherever possible and any scope for making our work more sustainable is always utilised. Where conflicts between the goals of the different sustainability dimensions cannot be avoided, our management decisions give particular weight to the environmental dimension, as a stable planet and social justice are only possible if the Earth system boundaries are respected. We want to build a corporate culture in which the sustainable option is our default choice and has the full support of managers. We intend not only to set a good example but also to be leaders in sustainability, and thus be an inspiration to others. We want to be the federal enterprise for sustainable development.

Below, we set out what these intentions mean for the three dimensions of sustainability.

Environmental sustainability

For us, environmental sustainability means respecting the planetary boundaries – in other words, limiting global warming, protecting the environment from pollution and degradation, and conserving ecosystem services.

In line with the international Paris Agreement target of limiting global warming to 1.5°C, we are committed to designing our activities in a climate-friendly way, both in our own operations and in projects. Our priorities are clear: First avoid, then reduce, and finally offset.

As required by our own environmental mission statement, we systematically avoid and reduce environmental impacts and use scarce resources such as energy sparingly and carefully. We are also committed to taking action to protect biodiversity and to using natural resources sparingly, carefully and, wherever possible, in circular systems.

Social sustainability

For us, social sustainability means taking account of the impacts of our business activities on people.

We work around the globe to help people improve their living conditions in socially just societies, making a substantial contribution to promoting and realising human rights in the political, civil, economic, social and cultural spheres. At the same time, we take our human rights due diligence obligations extremely seriously and work to counter risks and avoid or minimise possible unintended negative impacts of our actions on human rights. In particular, our work in our partner countries is geared to helping achieve gender equality and promoting the participation of target groups in societal decision-making processes.

We apply high ethical and integrity standards. We deal rigorously with infringements of our Code of Conduct (zero tolerance) and do not tolerate marginalisation or discrimination in any form in our working environment. Fairness and respect form the basis for our cooperation with political partners, commissioning parties and implementing partners, and we will always uphold our corporate values.

GIZ is committed to fair and responsible treatment of its workforce. We actively promote diversity in our workforce and the inclusion of people with disabilities and with diverse identities and sexual orientations. Our aim is to enable a good work-life balance and promote equal opportunities and access to professional development for all staff. We are also committed to appropriate pay, compliance with labour rights, health protection and social standards for our workforce. We call on everyone to make a mutual commitment to implementing these social sustainability targets. Our goal is a corporate culture based on mutual appreciation.

Economic sustainability

For us, economic sustainability means using the funds at our disposal effectively and efficiently and ensuring GIZ remains able to continue its work over the long term.

In our cooperation with partner countries, we are committed to promoting cost-effective approaches that do not focus on maximising short-term profits but rather on creating structures to serve people's needs and provide resilience and adaptability in the face of national and international challenges. In this way, we can make a contribution to ensuring that future generations will also have secure livelihoods.

In our own corporate management, we use financial resources and take all business decisions on the basis that they maintain GIZ's long-term capacity to do business. We are rigorous in our work to prevent and combat corruption, and we guarantee the secure handling of information and data by GIZ employees so as to ensure confidentiality and prevent the loss of data.

SUSTAINABILITY ARCHITECTURE

At GIZ we have our own sustainability architecture (*Figure 1*). This ensures that all measures and rules relevant to sustainability are dovetailed and can be monitored.

Sustainability is embedded in GIZ's corporate strategy as a guiding principle and is monitored continuously using indicators to measure results and progress. This basic guidance is supplemented by additional strategic documents, policies and recommendations, and detailed information on specific aspects of sustainability, for example in our internal regulations (Processes and Rules).

To help us continuously improve our operational sustainability, GIZ has its own Sustainability Programme and also uses management systems such as the Eco-Management and Audit Scheme (EMAS) and the Corporate Sustainability Handprint (CSH).

The purpose of the Sustainability Programme is to define and implement specific measures for improving sustainability. We report annually on progress in our Integrated Company Report. In our regular materiality analysis, we identify the key sustainability issues for our company, which then form the basis for the Sustainability Programme and the report. We also involve internal and external stakeholders in order to draw on their different perspectives.

Our main tool for ensuring compliance with our sustainability standards in project implementation is our own Safeguards+Gender Management System (S+G). Compliance with our S+G requirements is mandatory for all GIZ projects and programmes and is subject to a separate audit and monitoring procedure.

SUSTAINABILITY GOVERNANCE

Roles and responsibilities and the decision-making processes within the company with regard to sustainability are set out in our **sustainability governance chart** (*Figure 2*).

Corporate sustainability is the responsibility of the Management Board. The Director Corporate Sustainability, the Sustainability Office and relevant officers with special responsibilities work closely with senior management on the systematic development of sustainability at GIZ. Commissioning parties and the shareholder issue directives on sustainability issues and are a source of fresh impetus for GIZ. All official bodies at senior management level play a role in anchoring sustainability in key business and decision-making processes. The relevant corporate departments implement sustainability measures in their areas of responsibility and develop the relevant skills. Employee participation is assured via the employee representative bodies at GIZ. Employer/staff council agreements are the main instrument used to exercise workplace codetermination. Voluntary staff initiatives also support the implementation of sustainability measures.

GIZ is in continuous dialogue with stakeholders and networks from the political sphere and civil society in order to share lessons learned and benefit from fresh input on sustainability topics.

VALIDITY AND REVIEW

These guidelines take effect on 1 January 2024. They will be reviewed every three years and updated if necessary.

Sustainability architecture at GIZ

INTERNATIONAL / EU LEVEL

- Sustainable Development Goals
- Paris Climate Agreement
- Statutory sustainability directives at EU level e.g. Corporate Sustainability Reporting Directive (CSRD)

NATIONAL LEVEL

- Statutory sustainability directives at national level e.g. German Climate Change Act and German Supply Chain Due Diligence Act (LkSG)
- Germany's Sustainable Development Strategy (DNS)
- German Government's Public Corporate Governance Code (PCGK)

CORPORATE LEVEL

• Corporate purpose

PLANELARY BOUNDARIES

• Commissioning parties' directives on sustainability



Biodiversity

Sustainability Programme

Sustainable Procurement Policy Minimum standards ECONOMIC for sustainable events

Regulation governing C. DIMENSION the reimbursement of travel expenses

Our understanding of diversity

Human Rights Statement

Code of Conduct HR strategy and policies

SOCIAL DIMENSION

Corporate Sustainability Handprint (CSH)

OPERATIONAL

IMPLEMENTATION

FOR EXAMPLE THROUGH:

Eco-Management

and Audit Scheme (EMAS)

Safeguards + Management P+F

Laid down in P+R

Sustainability governance at GIZ



employee initiatives, etc.)

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