

DIF - ESG screening checklist

Does the project operate in a sector/location that has high exposure to the physical and/or transitional effects of climate change? (please refer to 'Climate change heat map - ESG Screening Tool addendum (20200226)' file on Sharepoint)	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business located in a non-designated country? <i>(Designated countries as per Equator Principles http://equator-principles.com/designated-countries/)</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business located in Latin America or the Middle East? If Yes, please ensure the additional questions ('Additional Due Diligence Questions for Latin America and Middle Eastern countries (20200226)' file on Sharepoint) related to human rights / child labour are considered during due diligence.	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Are there any material environmental, social or governance issues raised in the media related to the business or its contractors and their major suppliers? <i>(Based on a Websearch associated location and name of the asset/company its contractors and major subcontractors with key words such as scandal, protest, contamination, social, environment, safety, incident, bribery and corruption, community protests etc.)</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
If it concerns a business with construction, is there a significant risk that the construction/operating permit will not be obtained due to ESG reasons or are there significant ESG conditions associated with the permit that need to be factored into the investment decision making process?	Yes <input type="checkbox"/> / No <input type="checkbox"/>
If it concerns a business with construction, has an Environmental and Social impact assessment (ESIA) been omitted / or is not planned/ or in non-designated countries not completed to international standards. Or if an ESIA has been completed, does it have significant follow-up requirements that need to be factored into the investment decision making process?	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business (or business' sector) known for having notable environmental impacts? <i>(such as, mining, oil and gas, storage and/or transport of hazardous materials/waste, large volumes of wastewater/ water use, air pollution, significant emissions of Greenhouse Gases, climate change related risks etc).</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business (or business's sector/geography/ contractors) known for issues around health and safety within direct operations or its supply chain? <i>(such as poor health and safety records or accidents or incidents etc)</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business (or business's sector/geography/ contractors) known for issues around labour rights especially within its direct operations or supply chain? <i>(such as use of child labour, relationships with unions etc)</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business likely to have a significant negative impact on local communities or the development is likely to be sensitive to local stakeholders? <i>(i.e. communities living near the asset, polluting/dangerous/noisy activities in residential areas, displacement of people, economic displacement)</i>	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business (or businesses' sector/geography) known for governance issues (such as corruption, cyber security, tax avoidance, code of conduct issues, conflict of interest etc)?	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Are any of the business' clients or supply chain known for governance issues (such as corruption, cyber security, tax avoidance, code of conduct issues, conflict of interest etc)?	Yes <input type="checkbox"/> / No <input type="checkbox"/>
<ul style="list-style-type: none"> • For projects in countries outside Canada/the US/Australia, is the project located in an area owned or occupied by indigenous people? • For projects in Canada/the US/Australia, are there any specific concerns about the position of indigenous people/first nations? 	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business located in an area where there is significant cultural heritage assets?	Yes <input type="checkbox"/> / No <input type="checkbox"/>
Is the business located in an area with high biodiversity value (such as but not limited to rare species)?	Yes <input type="checkbox"/> / No <input type="checkbox"/>










Screening examples / references










ESG issues by sector - the SASB materiality map
<https://materiality.sasb.org/>

EIB – Environmental and Social Screening – p104 - 109
http://www.eib.org/attachments/strategies/environmental_and_social_practices_handbook_en.pdf

Sector Guidance

The following EHS Guidelines contain information on environmental, health and safety issues potentially applicable to industry sectors (click on icon to access to documents):

International EHS Guidance (General link)	Industry Sector (Specific link)	
 <p>1</p>	 Toll Roads  Railways  Ports  Water and Sanitation Utilities	 Energy and Power Electric Power  Energy and Power Gas distribution  Renewable Energy Wind energy  Healthcare

International EHS Guidance (General link)	Industry Sector (Specific link)	
 <p>2</p>	 Toll Roads  Railways  Ports  Water and Sanitation Utilities	 Energy and Power Electric Utilities  Energy and Power Gas Utilities  Renewable Energy Solar & Wind Energy  Healthcare

¹ http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Policies-Standards/EHS-Guidelines/

² <https://www.sasb.org/standards/download/>



For governance, the following guidance are applicable to all sectors (click on icon to access to documents):



For corruption perceptions by geography



“World Bank: Corporate Governance: A Framework for Implementation”, September 1999, Washington, D.C (pdf)



“Hermes: Corporate Governance of Public Service Infrastructure Assets”, February 2017 (pdf)



For Climate Change, please find below further information regarding the ClimateWise framework
<https://www.cisl.cam.ac.uk/business-action/sustainable-finance/climatewise/transition-risk-report-request>
<https://www.cisl.cam.ac.uk/business-action/sustainable-finance/climatewise>

¹ <https://www.globalreporting.org/information/g4/sector-guidance/sector-guidance/electric-utilities/Pages/default.aspx>