

European Energy Efficiency Fund (eeef): ESG-related questions Direct Investments – Due Diligence

Environmental Issues

Standard I¹: Assessment and Management of Environmental and Social Risks and Impacts

- Is the project consistent with EU/national/environmental and social policy and legal frameworks?
- Has an Environmental (Social) Impact Assessment (“E(S)IA”) been conducted? If not, please include the reasons below.
- If yes, has the Non-Technical Summary been disclosed to the public?

Standard V: Land acquisition and Involuntary Resettlement

- If the land is acquired for the project, does the project design consider the communities interests, balances the environmental and social benefits?

Standard VI: Biodiversity Conservation and Sustainable Management of Living Natural Resources

- Does the project have an adverse impact on area of critical habitat (also on vulnerable, endangered, or critically endangered species, IUCN Red List species) or on area high in biodiversity?
- Does the project adversely impact ecosystem services?
- Does the project include activities within or adjacent to protected areas and areas of environmentally sensitivity (e.g. high biodiversity, high water stress) which can also be outside the protected areas?
- Does the project assess, monitor, or control the pressures which indirectly or directly lead to biodiversity and ecosystem adverse change during the implementation?
- Is there a deforestation policy in place?

¹ Please note the “*Standard ... : ...*” in the questionnaire refers to the relevant *Standard* in *IFC Performance Standards on Environmental and Social Sustainability (IFC Performance Standards)*, following which the questions are designed. For more information, IFC Performance Standards: https://www.ifc.org/wps/wcm/connect/c02c2e86-e6cd-4b55-95a2-b3395d204279/IFC_Performance_Standards.pdf?MOD=AJPERES&CVID=kTjHBzk

Standard III: Resource efficiency and Pollution Prevention

- Are there carbon emission reduction initiatives in place?
- Will the project have a negative impact on air, soil, water through emissions or similar?
- To which degree is the project using eco-friendly/durable material when possible?
 - Below 10%
 - 10-30%
 - 30-50%
 - 50-80%
 - Above 80%
- How does the project organize its supply value chain to source equipment and materials for the project?
 - No control of the sourcing process
 - For single products the value chain is plausible and validated
 - 30-50% of products are sourced locally/in proximity and produced in line with the EU standards
 - 50 -80% of products are sourced locally/in proximity and produced in line with the EU standards
 - The value chain for all products used in the project is validated
- For the project construction/installation, what is the percentage of the labor force that is locally sourced?
 - No share of local labor force
 - Up to 10% local labor force
 - Between 10% - 50% local labor force
 - Between 50% - 80% local labor force.
 - Above 80% local labor force
- During the project construction/installation phase, how are the project [construction/installation] waste and/or the replaced materials handled?
 - We are not tracking the disposal for waste/replaced materials
 - By local waste disposal authorities/specialized companies, we have agreement with
 - Reuse the replaced materials in the other business lines
 - Supply to waste-to-energy plants.
 - Sell off/recycle the waste outside of the European Union.

Social Issues

Standard II: Labor and Working conditions

- Are there risks of forced or child labor and any indication in the supply chain?
- Will the project have a negative impact on occupational and public health and safety?
- Are any third party/contracted workers engaged in the project? Please confirm that these workers have contracts in place in accordance with the EU labor laws.

Standard IV: Community Health, Safety and Security

- Are there any risks during the construction/installation that might affect third parties?
If such risks were identified, have the preventive and control measures were established in respect to
 - Equipment design and safety
 - Hazardous materials
 - Diseases
- Are there emergency plans in place?
- Are there security arrangements to safeguard the personnel, property, equipment etc. in place?

Standard VIII: Cultural Heritage

- Have vulnerable groups amongst impacted stakeholders been identified and included in project planning and consultation and engagement activities?
- Will the project adversely impact non-replicable cultural property (e.g., archaeological, historical), sites with unique natural values or intangible cultural heritage?
- Is the project proposing to use cultural heritage for its purposes? If yes, please share arrangements with the local communities.

Governance issues

- Are there any convictions, any amount of fines occurred for violations of anti-corruption and anti-bribery laws for any legal entity involved in the construction/installation?

The following questions are only relevant for the annual Monitoring & Reporting phase after the Due Diligence and the investment is executed, in addition to the above questions.

- Are there any identified cases of severe human rights issues and incidents connected to the project implementation entity or companies invested into it?
- Are there any known incidents of discrimination reported in the project implementation entity or companies invested into it?
- Has % of the local force for maintenance changed after the completion?
- Are there any grievance/complaints handling mechanism in place in the project implementation entity or companies invested into it?
- Does the project company contract 3rd party workers for maintenance?
- Are there any accidents, injuries, fatalities among employees during the project operation?
- How many days are lost for injuries, accidents, fatalities, and illness among employees during the project implementation?
- Are there any policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption in place in the companies invested/involved in the project implementation?
- Are there any convictions and amount of fines occurred for violations of anti-corruption and anti-bribery laws in the project implementation entity or companies invested into it?
- Are there any cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery in the project implementation entity or companies invested into it?