



# IFC's Environmental and Social (E&S) Performance Indicators for Capital Markets Corporates

Level of Impact on Performance: ● High | ● Medium | ● Low

Performance Indicator		Performance Metric
 <b>BASED ON PERFORMANCE STANDARD 1: Assessment and Management of Environmental and Social Risks and Impacts</b>		
1. Emergency preparedness	●	There is an Emergency Response Plan or Procedure.
2. E&S capacity commensurate with sector risk	●	There is E&S in-house/external capacity (E&S unit/department, in-house qualified E&S staff to identify and monitor E&S risk associated with development of new assets and operations, formal process for outsourcing E&S due diligence to qualified external consultants).
3. Identification of E&S risks and impacts	●	There are policies and procedures to identify E&S risks and impacts of Company operations, especially expansion of operations.
4. Statement of intention regarding E&S	●	There is an Environmental & Social Policy approved by senior management.
5. Affected Community knowledge of impacts and opportunities	●	Information is disclosed to Affected Communities.
6. Affected Community feedback and recourse	●	There is an Affected Community grievance mechanism.
 <b>BASED ON PERFORMANCE STANDARD 2: Labor and Working Conditions</b>		
7. Protection of contract workers	●	There are public controversies, including legal actions involving third party or contract workers.
8. Worker health and safety	●	There are public controversies, including legal actions indicating poor worker health and safety practices.
9. Injury and fatality	●	There is information on work related fatalities of direct and/or contract workers.
10. Gender equality	●	Workforce composition is available by gender.
11. Non-discrimination & equal opportunity	●	There is a formal policy to avoid discrimination on hiring, wages, promotions.
12. Compliance with national labor and employment law	●	There are public controversies, including legal actions involving working conditions (associations, collective agreements, labor laws, discrimination, equal remuneration, lack of equal opportunity, harassment).
13. Workers' organizations	●	The Company's practices do not restrict or obstruct workers' rights to join workers' organizations and mechanisms to express their grievances on working conditions and terms of employment.

Performance Indicator		Performance Metric
14. Formal provisions to avoid sexual harassment at work	●	There are formal arrangements to avoid sexual harassment at work, including a sexual harassment policy with, at a minimum, a mechanism to file complaints anonymously and confidentially and trained HR staff to review sexual harassment cases.
15. Worker feedback and recourse	●	There is a worker grievance mechanism.
<b>SECTOR SPECIFIC RISKS:</b> Operations or supply chains in countries or sectors with a risk of forced or child labor (e.g. agri, textiles, construction, agribusiness).		
16. Forced and child labor in the Company	●	There are public controversies, including legal actions involving forced and child labor in the Company's operations. *
17. Forced and child labor in the primary supply chain	●	There are public controversies, including legal actions involving forced and child labor in the Company's primary supply chain. **
18. Safe worker accommodation	●	There are public controversies, including legal actions involving accommodation (camps, dorms, etc.) such as health and safety (e.g. fire, water, sanitation, overcrowding).



### BASED ON PERFORMANCE STANDARD 3: Resource Efficiency and Pollution Prevention

19. Impacts to water used by others	●	There are public controversies, including legal actions involving past or on-going impacts to water used by others.
20. Pollution prevention and risks	●	There are public controversies, including legal actions involving past or on-going pollution risks (e.g. air or water emissions, soil or groundwater contamination, waste disposal) from the Company/project.
21. GHG emissions	●	There is information on GHG emissions: Scope 1 and 2 (t), Scope 3 if relevant to business activity, intensity (GHGs released in energy consumption for production / normalization factor [usually production or sales]).
22. Resource efficiency	●	There is an energy management system, cleaner production initiatives, resource efficiency (i.e., energy, water, other resources and material inputs) metrics in place.



### BASED ON PERFORMANCE STANDARD 4: Community Health, Safety and Security

23. Security force impacts to a community	●	There are public controversies, including legal actions associated with major security incidents involving the local community, including but not limited to gender based violence and a statement, policy or code on security forces and interaction with local community, including but not limited to gender based violence.
24. Contribution to health impacts upon a community	●	There are public controversies, including legal actions involving contribution to an increase of disease (HIV/Aids, malaria, etc.) to a community.
25. Worker impacts on a community	●	There is a statement, policy or code on worker conduct and interaction with local community, including but not limited to gender based violence.

**SECTOR SPECIFIC RISKS:** Companies/projects that construct or operate buildings and structures that are accessed by the public, or can threaten the safety of communities (bridges, dams, etc.).

\* See [IFC Good Practice Note on Addressing Child Labor in the Workplace and Supply Chain](#).

\*\* See [IFC Good Practice Note on Addressing Child Labor in the Workplace and Supply Chain](#).

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26. Infrastructure failures that have resulted in harm to the public	●	If the Company constructs or operates infrastructure (bridges, dams, tailing dams, or ash ponds), there are public controversies, including legal actions indicating harm to the public.
27. Fires or structural damage that have harmed the public	●	If the Company constructs or operates publicly accessed buildings or structures, there are public controversies, including legal actions indicating harm to the public.





**BASED ON PERFORMANCE STANDARD 5: Land Acquisition and Involuntary Resettlement**  
(applicable to companies involved in land acquisition to develop new or extend existing assets)

28. Policy and process for social impact assessment and land acquisition	●	There is an environment & social management system and/ or land acquisition policy & process.
29. People/communities affected by land acquisition	●	There are public controversies, including legal actions involving relocation and loss of shelter or livelihoods for communities or individual households as a result of land acquisition.
30. Impacts involving economic displacement	●	There are public controversies, including legal actions that the Company/project has resulted in peoples' livelihoods being negatively affected from economic displacement



**BASED ON PERFORMANCE STANDARD 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources** (applicable to companies with impacts on natural and modified habitats and wildlife and ecosystem services)

31. Impact on ecosystem services	●	There are public controversies, including legal actions involving people not having enough water, food or suffering from the effects of larger storm events (flooding, loss of land, salinization of soil/water, etc.) because of the Company/project.
32. Impacts to legally protected/ internationally recognized areas	●	The Company/project is located in legally protected/ internationally recognized areas.
33. Impacts to International Union for the Conservation of Nature (IUCN) Vulnerable, Endangered and Critically Endangered species and habitats	●	The Company/project is located in an area known to contain International Union for the Conservation of Nature (IUCN) Vulnerable, Endangered and Critically Endangered species and habitats.
34. Impacts on natural habitats	●	The Company operations affect natural habitats.
35. Protection of habitats and biodiversity management	●	There is a statement, code or policy on biodiversity management; The Company has integrated biodiversity conservation into its environmental and social management system.
36. Proactive policy to avoid locating projects in legally protected/ internationally recognized areas	●	There is a statement, code or policy to avoid locating projects in Natural or Mixed World Heritage Sites (WHS) and Alliance for Zero Extinction (AZE) Sites; stating that the Company will work in alignment with management plans for protected areas and internationally recognized areas for biodiversity; and avoid locating projects in Key Biodiversity Areas and Protected Area Management Categories I-III.

Performance Indicator		Performance Metric
37. Proactively avoiding impacts to International Union for the Conservation of Nature (IUCN) Vulnerable, Endangered and Critically Endangered habitats	●	There is a statement, code or policy to avoid impacts to International Union for the Conservation of Nature (IUCN) Vulnerable, Endangered and Critically Endangered habitats.
38. Proactively managing impacts on natural habitats	●	There is a statement, code or policy to manage impacts to natural habitats.
<b>SECTOR SPECIFIC RISKS:</b> Agribusiness companies and companies that purchase agro-commodities as part of their primary business.		
39. Agro-commodity certification	●	Agro-commodity is certified (e.g. FSC, RSPO, MSC, RTRS, BCI, GRSB, Bonsucro certification, etc.).
40. Proactive management of supply chains to protect critical habitats	●	There is a statement, policy or code on the management of supply chains where there is the risk of significant conversion of critical habitat.
 <b>BASED ON PERFORMANCE STANDARD 7:</b> Indigenous Peoples (applicable to companies with impacts to Indigenous Peoples only)		
41. Impacts on Indigenous Peoples	●	There are public controversies, including legal actions involving harm to Indigenous Peoples.
42. Proactive engagement with Indigenous Peoples	●	There is a statement, code or policy on Indigenous Peoples with evidence of Free, Prior and Informed Consent (FPIC), where applicable.
 <b>BASED ON PERFORMANCE STANDARD 8:</b> Cultural Heritage (applicable to companies with impacts to cultural heritage only)		
43. Impact upon critical cultural heritage	●	There are public controversies, including legal actions related to the Company's/project's impact on or use of cultural heritage.

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