Renewable energy investor checklist

KEY QUESTIONS TO POWER A JUST TRANSITION

These questions should be shared with direct investees or intermediaries, such as asset managers, as expectations to be raised with companies.

🧬 (For energy producers) Has the company committed to transition away from fossil fuels production and to have a portfolio mostly comprised of RE sources? What is the time frame for transition?

🧬 (For all types of companies) Has the company developed and adopted a science-based emissions target aligned with the Paris Agreement, accompanied with a transition plan?

🧬 Does the company have a clear public commitment to human and labour rights?

- With specific consideration given to salient risks associated with RE project development (land rights, Indigenous Peoples’ rights including FPIC, sourcing and/or operating in CAHRAs)?
- Including policies to support decent work and quality work standards in the energy transition?
- Committing to a zero-tolerance policy for retaliation against human rights defenders, including the use of Strategic Lawsuits Against Public Participation (SLAPPs)?

🧬 Does the company have a public policy to engage with rights-holders, including those potentially and actually affected by its activities?

- Does the company communicate on its processes to identify best benefit, equity and ownership sharing opportunities with local communities?
- Does the company have a policy to identify legitimate tenure rights holders when acquiring, leasing or making other arrangements to use land for its own operations?
- Is the company’s approach to community and rights-holders engagement based on regular, secure and reciprocal dialogue and formalised in a clear and public engagement policy?
- Does the company have a stated due diligence process to identify, understand and respect the traditional and formal governance structures of Indigenous Peoples for operations by its projects?
Does the company have a clear commitment to remedy where it has caused or contributed to adverse impacts, and to exercise leverage when linked?

Does the company’s board have a clear responsibility to ensure human rights are fully integrated into the company’s strategy and across relevant departments?

What board committee, if any, has formal oversight for human rights issues?

Has the company designed and effectively implemented human rights and environmental due diligence throughout its supply chain?

Does the company proactively identify its human, labour and environmental rights risks and impacts, assess them, and integrate prevention and mitigation measures in its own operations and in its supply chain? Does it publicly report on its due diligence efforts?

Does the company have a responsible sourcing policy and a supply chain monitoring plan? Does it endeavour to identify potential connections to identified human rights risks such as forced labour or harm to Indigenous peoples in its supply chain?

Does the company conduct heightened human rights due diligence in CAHRAs (if applicable)?

Does the company provide effective remedy & grievance mechanisms and ensure that affected rights-holders have access to them?

Read our full investor guide:
Investing in renewable energy to power a just transition