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## TEMPLATE

# Due Diligence Report

## SUMMARY

In line with the [Anti-Fraud Policy](#), to manage and mitigate all levels of risk, ERS has implemented a monitoring strategy based on three lines of defence: **prevention**, **detection** and **remediation** in the event of non-compliance. Within this framework, this Due Diligence Report is part of the first line of defence: prevention.

This process is the default procedure for VVBs, Buyers and Project Developers. Other Third Parties may only undergo the Third Party Due Diligence process if they are flagged during the preliminary [Third Party Screening](#) process.



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# Gathered *Information*

## THIRD PARTY IDENTIFICATION

Overview of the Third Party's profile.

Entity ID	
Third party status	<input type="checkbox"/> Project Developer <input type="checkbox"/> Other (specify):
Registration name(s)	
Trade name (if different)	
Other name	
Legal status	
National registration number	
Date of registration	
Main legal representative	



Country of registration	
Countries of operation	
Description of core activities	
Subsidiaries and affiliates (if applicable)	

**Contact information**

Address (Headquarters)	
Former address(s) (if applicable)	
Telephone number	
Email	
Website	



## PARTNERSHIPS

1. Does the Entity have an independent Bank Account?

Yes

No

1.1. If 'Yes', please fill in the table below

Banking Partners	
Bank name and branch	

2. Is the Entity involved in a 'prohibited industry'<sup>1</sup>?

Yes

No

2.1. If 'Yes', please describe in which ones and how it is involved

Involvement in prohibited industry

3. Partnerships conclusions

Conclusions
Describe the conclusions derived from the third party's partnerships.

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<sup>1</sup> Alcohol, tobacco, gambling, firearms, weapons, or munitions, pornography, fossil-fuel-based oil, natural gas, or coal extraction, distribution, sale, etc., mining, nuclear power



## LEADERSHIP

Highlights of at least two executive members. If additional executives have been declared, report all relevant ones. For corporations, these are the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Chief Financial Officer (CFO). For NGOs, these are the President, the Secretary and the Treasurer.

Executive #1	
Family name	
First name	
Date of birth	
Nationality	
ID number	
Position(s)	
Appeared in sanction lists ?	
Politically exposed person (PEP) ?	
Other activities	



Shares held (if applicable)	
Judicial situation (litigations, if applicable and available)	
Reputation	
Remarks	

**Executive #2**

Family name	
First name	
Date of birth	
Nationality	
ID number	
Position(s)	
Appeared in sanction lists ?	



Politically exposed person (PEP) ?	
Other activities	
Shares held (if applicable)	
Judicial situation (litigations, if applicable and available)	
Reputation	
Remarks	

*If there are more than two relevant executives, duplicate the table as necessary.*

## Conclusions

## SHAREHOLDING

1. Does the Third Party have shareholders?

Yes

No

1.1. If 'Yes', please complete the tables below





Shareholder structure	
Capital	
Publicly traded company ?	

Major shareholders				
Shareholder name	Entity type	Nationality/ Country of registration	Year of birth (for physical shareholders) or Year of incorporation (for moral person shareholders)	Held shares (%)
	Moral/Physical Person			

Moral person shareholder #1	
Official name	
Legal Form (Corporate, NGO, State-owned, joint-venture, etc.)	



Registration number	
Country	
Registration date	
Business sector	
Legal representatives	
Penalty lists ?	<i>To be completed based on independent searches (e.g. WorldCheck)</i>
Reputation	<i>To be completed based on independent searches (e.g. online)</i>

*Duplicate the table above as necessary to report all moral person shareholders.*

### Conclusions

Describe your conclusions of the third party's shareholders, based on the information declared and screened.

## CAPACITY

Cross-checking the Third Party's team background to assess its capacity to deliver on its commitments and succeed in its mission. To be completed based on the collaborators submitted in the questionnaire.



Employee #1	
Name	
Position	
Relevant professional background	
Experience in ecosystem restoration ?	
Experience in carbon markets ?	
Experience in conflict zones ?	

*Duplicate the table above as necessary to report all relevant employees.*

Conclusions
Describe your conclusions of the third party's team composition, based on the information declared and screened.

## EXPERIENCE

Evaluating the Third Party's experience to assess its capacity to deliver on its commitments and succeed in its mission



1. Has the Third Party implemented projects in the past in the fields of ecosystem restoration, carbon markets, sustainable development, community-led Projects or similar?

Yes

No

- 1.1. If 'Yes', complete the table below. If this Due Diligence concerns a VVB, source of funding can be classified as "Paid by client"

Experience			
Project name	Source of funding	Budget	Description of the Project

## COMPLIANCE

Review of regulatory and legal compliance, including licences, permissions, and related documents.

Reporting and information accessibility	
Legal and regulatory reporting	Enter the result from the screening



<b>Information accessibility</b>	Enter the result from the screening
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<b>Ethics and governance</b>	
<b>Governance</b>	Enter the result from the screening and analysis
<b>Ethics</b>	Enter the result from the screening and analysis
<b>Anti-corruption</b>	Enter the result from the screening and analysis

<b>Conclusions</b>
Describe your conclusions of the third party's compliance, based on the information declared and screened.

## LEGAL STATUS AND REPUTATION

Details about the Third Party's legal standing, past litigations, sanctions, penalties, and public reputation.

1. Has the Third Party submitted the certificate of registration?  
 Yes  
 No
2. Has the Third Party submitted a certificate or affidavit of its litigation status?  
 Yes



No

3. Has the Third Party submitted a certificate or affidavit proving compliance with its fiscal duties?

Yes

No

4. Does the Third Party have a history of prosecutions, convictions or litigations?

Yes

No

4.1. If 'Yes', fill in the table below

Legal standing	
Prosecutions and convictions	
Commercial and administrative litigations	

5. Describe the reputation of the Third Party.

Reputation	
Third Party's reputation	
Leadership's reputation	
Shareholders' reputation (if applicable)	



## Conclusions

Describe your conclusions of the third party's legal status and reputation, based on the information declared and screened.



# Report *Summary*

## IDENTIFIED RISKS

The following table is a summary of the results for each investigated risk, with the corresponding risk level. For further precisions, the *Risk Categories* and the *Alert Level Typology* are available as appendix at the end of this report.

Risk category	Alert level	Results
Accessibility of information		
Conflicts of interests		
Corruption		
Ethics and governance		
Financial offences		






Risk category	Alert level	Results
Legal and regulatory		
Politically Exposed Persons		
Reputation		
Sanction lists		
Social and environmental responsibility		

## GLOBAL ALERT LEVEL

The Third Party presents an average alert level of 3.

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 This average alert level is obtained by calculating the arithmetic mean of the alert level of each risk category. This section only serves as an example and must be updated based on the risk assessment.

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3

MEDIUM ALERT

-

VIGILANCE IS ESSENTIAL.

SPECIFIC ACTIONS ARE REQUIRED TO CLARIFY CERTAIN POINTS.

THE COMPANY MUST PROVIDE ADDITIONAL INFORMATION.

## RECOMMENDATIONS

Suggestions and actions based on the risk assessment results. Here is a non-exhaustive list of potential recommendations:

- **Enhance internal controls.** Strengthen the Third Party's internal control systems to ensure compliance and reduce risks (potential proofing documents: internal audit report, implementation plan, compliance training records).
- **Improve transparency and reporting.** Address gaps in communication, reporting, and accessibility of information to Third Parties. (potential proofing documents: annual transparency reports, financial statements, corporate governance documentation).
- **Address ethical concerns.** Rectify any identified ethical misconducts and ensure alignment with global standards. (potential proofing documents: ethics training certificates, revised code of conduct, whistleblower policies and incident logs)
- **Correct legal and regulatory non-compliance.** Take steps to ensure full compliance with local and international laws and regulations (potential proofing documents: regulatory compliance certificates, legal review reports corrective action reports).
- **Address conflicts of interest and Politically Exposed Persons (PEPs).** Identify and manage any existing or potential conflicts of interest within the organisation (potential proofing documents: conflicts of interest policy, declaration forms from key personnel, conflict management action plans).



- **Reevaluate a business relationship.** Review and potentially reconsider associations with entities having a history of malpractices (potential proofing documents: financial due diligence reports, bank statement reviews, independent financial audits).

**RECOMMENDATION #1**

Enter suggestions to address the identified risks.

**RECOMMENDATION #2**

Enter suggestions to address the identified risks.

**RECOMMENDATION #3**

Enter suggestions to address the identified risks.



# Comparison Between *Questionnaire* and *Gathered Data*

## SUMMARY TABLE OF REQUESTED DOCUMENTS

Overview of the documents that were requested from the Third Party.

Requested document	Document received	Document received but incomplete	Document not received
Certificate of registration			
Certificate or affidavit on litigation status			
Certificate of tax compliance			
Bank statement			
Executive #1 ID			
Executive #2 ID			
Executive #3 ID (if applicable)			



Other (specify)			
Others (specify)			
Others (specify)			
Third Party can be generally characterised as:	<input type="checkbox"/> Cooperative	<input type="checkbox"/> Partially cooperative	<input type="checkbox"/> Not cooperative

## ANALYSIS OF OBSERVED DIFFERENCES

Identification of discrepancies between the submitted information and independent findings.

### OBSERVATION #1

Analyse identified discrepancies and, if applicable, suggest potential remediation measures.

### OBSERVATION #2

Analyse identified discrepancies and, if applicable, suggest potential remediation measures.



## COMMENTS

Add below any comments, suggestions, information, that has not been shared in the sections above

Additional comments

## SIGNATURE

By signing below, the investigator acknowledges the completion and submission of the Due Diligence Report in accordance with ERS' protocols, and guarantees the accuracy of the results presented.

The investigator must sign and submit the Due Diligence Report to the Secretariat for validation if the Alert Level is equal to or higher than three (3). If the Secretariat is the investigating team, please only fill out the "Secretariat" section.

**[Investigator's team]**

**Secretariat**

[Date of signature]

[Date of signature]

[Name and position]

[Name and position]

[Investigator's signature]

[Director of the Secretariat's signature]



# Appendix

## RISK CATEGORIES

Definitions and potential sources for each risk category.

Risk Category	Definition	Potential sources
Accessibility of Information	The ease with which data or records related to an entity can be obtained or understood.	Third Party websites, public filings, online databases, annual reports, Third Party communications.
Conflicts of Interest	A situation in which an individual or entity could exploit a professional or official role for personal or another's benefit, potentially at the expense of others.	Third Party disclosure statements, board minutes, internal audit reports, personnel, financial disclosures.
Corruption	Dishonest actions taken by those in power which could involve bribery, fraud, or other forms of exploitation.	Transparency International's Corruption Perceptions Index, local anti-corruption agencies, news articles, whistle-blower reports.
Ethics and Governance	Existence of proper policies and practices regarding potentially controversial subjects and the system of rules, practices, and processes by which an entity is directed and controlled.	Third Party's code of conduct, corporate governance reports, NGO reviews, ethics board statements.



<b>Financial Offences</b>	Misconducts that violate financial laws, including embezzlement, money laundering, fraud, or other financial crimes.	National financial regulators' reports, financial news outlets, credit rating agencies, court records.
<b>Legal and Regulatory</b>	Formal rules, regulations, and standards that companies need to adhere to, set by official governing bodies.	Regulatory filings, national legislation databases, industry regulatory bodies, official gazettes.
<b>Politically Exposed Persons (PEPs)</b>	Individuals who hold or have held significant public office or are close associates of such persons, and thus pose a potential risk in terms of bribery or corruption.	National PEP databases, World-Check, FATF guidelines, international PEP lists.
<b>Reputation</b>	The beliefs or opinions held by the general public or Third Parties about an entity or individual.	Media articles, customer reviews, public opinion surveys, social media sentiments, Third Party feedback.
<b>Sanction Lists</b>	Lists of individuals, entities, or countries that are subjected to economic or trade restrictions, usually because of political reasons.	Lists from bodies like UN, EU, OFAC, country-specific sanction lists, international cooperative databases.
<b>Social and Environmental Responsibility</b>	The duty to conduct operations in a way that respects the environment and society at large, ensuring a positive impact and minimising harm.	Sustainability reports, environmental impact assessments, NGO publications, certifications by bodies like the Rainforest Alliance or Fair Trade.





## ALERT LEVEL TYPOLOGY

Detailed criteria and matrix for risk assessment, providing clarity on how risks are classified and measured.

<p>1 VERY LOW RISK - NO ACTION REQUIRED</p>	<p><b>Accessibility of Information:</b> The Third Party has a transparent reporting policy.</p> <p><b>Conflicts of Interest:</b> The Third Party regularly reviews potential conflicts and discloses any that arise. No significant conflicts have been identified at this time.</p> <p><b>Corruption:</b> Nothing to report.</p> <p><b>Ethics and governance:</b> The Third Party has strong ethical standards and governance rules.</p> <p><b>Financial Offences:</b> Nothing to report.</p> <p><b>Legal and Regulatory:</b> No legal liabilities.</p> <p><b>Politically Exposed Persons (PEPs):</b> The Third Party has no known affiliations with individuals holding significant public office or their close associates.</p> <p><b>Reputation:</b> The Third Party has a good reputation both within its sector and with the general public.</p> <p><b>Sanction Lists:</b> The Third Party is not present on any sanction list. They have no known economic or trade restrictions imposed upon them.</p> <p><b>Social and Environmental Responsibility:</b> Nothing to report. The Third Party respects environmental and social laws.</p>
<p>2 LOW ALERT LEVEL - NO SPECIFIC ACTION REQUIRED, BUT VIGILANCE IS RECOMMENDED.</p>	<p><b>Accessibility of Information:</b> The Third Party meets its legal obligations and complies with standard reporting norms.</p> <p><b>Conflicts of Interest:</b> No evidence of any personal or financial interests that could compromise impartiality. The Third Party maintains transparency in its dealings.</p> <p><b>Corruption:</b> No indication of wrongdoing, but the Third Party operates in high-risk sectors or countries.</p> <p><b>Ethics and Governance:</b> The Third Party complies with recognized principles of corporate governance.</p> <p><b>Financial Offences:</b> No wrongdoing detected. The Third Party is not involved in money laundering or terrorist financing.</p> <p><b>Legal and Regulatory:</b> No convictions. The Third Party may be involved in reprehensible acts, but none of these are detrimental to its reputation or probity (fraud committed by individuals).</p> <p><b>Politically Exposed Persons (PEPs):</b> No affiliations with individuals holding significant public office or positions. The Third Party does not engage with or rely on PEPs for its operations.</p> <p><b>Reputation:</b> No negative elements identified.</p>



	<p><b>Sanction Lists:</b> The Third Party is not listed on any national or international sanctions lists and has no affiliations with sanctioned entities.</p> <p><b>Social and Environmental Responsibility:</b> No acts of criticism have been detected, but the Third Party operates in high-risk sectors.</p>
<p>3 MEDIUM ALERT LEVEL - VIGILANCE IS REQUIRED.</p> <p>SPECIFIC ACTIONS ARE REQUIRED TO CLARIFY CERTAIN POINTS.</p> <p>THE COMPANY MUST PROVIDE ADDITIONAL INFORMATION.</p>	<p><b>Accessibility of Information:</b> Access to information about the Third Party is difficult or can only be obtained from the Third Party itself. It does not disclose its financial results or publish annual reports, or these cannot be obtained from Third Party registries.</p> <p><b>Conflicts of Interest:</b> The Third Party may have individuals or entities involved that could exploit a professional or official role for personal or another's benefit. It raises concerns about impartiality.</p> <p><b>Corruption:</b> The Third Party presents risks (politically exposed persons, conflicts of interest, etc.). It has been sanctioned or convicted in the past, or has faced several charges but has not (yet) been prosecuted. Suspicion of wrongdoing is high.</p> <p><b>Ethics and Governance:</b> A number of weaknesses in corporate governance.</p> <p><b>Financial Offences:</b> Sporadic reprehensible practices or allegations of offences exist, but none of them put the Third Party at risk, and the Third Party has not been prosecuted for money laundering or terrorist financing.</p> <p><b>Legal and Regulatory:</b> The Third Party has been convicted or prosecuted for occasional reprehensible acts, but these do not jeopardise its existence.</p> <p><b>Politically Exposed Persons (PEPs):</b> The Third Party is associated with individuals who hold or have held significant public office, posing a potential risk of bribery or corruption.</p> <p><b>Reputation:</b> The Third Party has been the target of critics, none of which threaten its existence.</p> <p><b>Sanction Lists:</b> The Third Party or its associates might be listed on economic or trade restriction lists, usually due to political reasons or legal actions.</p> <p><b>Social and Environmental Responsibility:</b> There is a high level of suspicion of irregularities, which may entail social or environmental risks. The Third Party has been accused of wrongdoing or convicted, but this has not jeopardised its existence.</p>



<p>4 HIGH ALERT LEVEL - HIGH VIGILANCE IS REQUIRED.</p> <p>REMEDIAION MEASURES ARE REQUIRED BEFORE STARTING OR CONTINUING BUSINESS RELATIONS WITH THIS COMPANY.</p>	<p><b>Accessibility of Information:</b> Information on the Third Party is scarce, including via pay services, databases, and legal registers.</p> <p><b>Conflicts of Interest:</b> The Third Party may exploit professional roles for personal or another's benefit, leading to biased decisions or actions.</p> <p><b>Corruption:</b> The Third Party has been prosecuted for a serious offence, or a reason for conviction is clearly identified, even if the Third Party has not yet been sanctioned.</p> <p><b>Ethics and Governance:</b> Absence of a serious ethics and compliance policy. Suspicion of wrongdoing is high.</p> <p><b>Financial Offences:</b> Serious offences have been committed (financial embezzlement, fraud, misappropriation of public funds), but do not involve money laundering or terrorist financing.</p> <p><b>Legal and Regulatory:</b> The Third Party has been the subject of numerous convictions (litigation, bankruptcies, fraud and regulatory infringements, anti-competitive practices, etc.) which undermine its credibility.</p> <p><b>Politically Exposed Persons (PEPs):</b> The Third Party or its affiliates hold or have held significant public office, posing potential bribery or corruption risks.</p> <p><b>Reputation:</b> The Third Party is the target of major criticism. This can have a negative impact on the Third Party's reputation locally, in its sector, and with the general public.</p> <p><b>Sanction Lists:</b> The Third Party or its affiliates are subjected to economic or trade restrictions, often for political reasons.</p> <p><b>Social and Environmental Responsibility:</b> Serious irregularities have been reported (discrimination, harassment, unpaid hours, difficult working conditions, environmental damage, etc.).</p>
<p>5 VERY HIGH ALERT LEVEL - IT IS RECOMMENDED TO AVOID OR CEASE ALL BUSINESS RELATIONS WITH THIS COMPANY.</p>	<p><b>Accessibility of Information:</b> The Third Party has engaged in fraudulent communication concerning its business, finances or projects. It has deliberately concealed facts, falsified documents or used front companies and front men. Its legal existence cannot be confirmed.</p> <p><b>Conflicts of Interest:</b> The Third Party, or individuals associated with it, may have personal interests that conflict with their professional responsibilities, possibly leading to biased decisions.</p> <p><b>Corruption:</b> The Third Party has been convicted of major offences (influence peddling, bribery of public officials, illegal commissions, overbilling and kickbacks, etc.) which illustrate its penchant for corruption, deprive it of public contracts, cause serious damage to its reputation and threaten its existence.</p> <p><b>Ethics and Governance:</b> The Third Party does not comply with legal requirements. Unethical practices have been clearly identified (conflicts of interest, misuse of Third Party assets, etc.) and The Third Party is or could be liable to prosecution for non-compliance.</p>



**Financial Offences:** Serious offences have been committed by the Third Party or its management (money laundering, serious fraud, drug and arms trafficking, financing of terrorism, etc.).

**Legal and Regulatory:** The Third Party has committed serious offences that could pose a legal and reputational risk to its partners.

**Politically Exposed Persons (PEPs):** The Third Party or associated individuals hold or have held significant public roles, making them potentially vulnerable to corruption risks.

**Reputation:** The Third Party has a very poor reputation and may be considered toxic. Any relationship with this entity may result in loss of trust and reputational damage.

**Sanction Lists:** The Third Party or associated individuals might be on lists subjected to economic or trade restrictions due to political or security reasons.

**Social and Environmental Responsibility:** The Third Party has engaged in severely reprehensible activities (child or forced labour, violence against activists and journalists, safety/security negligence resulting in fatal accidents, etc.).

## INVENTORY OF COURT CASES

The Third Party is directly mentioned in the following court cases:

- 

## RELEVANT DOCUMENTATION

Add all the relevant information that was compiled during the Due Diligence process.




**Ecosystem Restoration Standard**

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