



REVIEW OF ENVIRONMENTAL & SOCIAL RISK MANAGEMENT POLICIES

DISCUSSION PAPER

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EXECUTIVE SUMMARY

Export Development Canada (EDC) is a Canadian financial Crown Corporation and Canada's export credit agency. We manage and provide customers with financing, insurance, and knowledge solutions, helping Canadian businesses and investors to grow internationally. As part of our work, we strive to ensure that Canadian companies are internationally recognized as leaders in sustainable and responsible business. This gives them a competitive advantage, enabling them to succeed and make their mark on the global playing field. We also support Canadian direct investment abroad and investment into Canada. Much of our business is done in partnership with other financial institutions and through collaboration with the Government of Canada.

CORPORATE SOCIAL RESPONSIBILITY AT EDC

EDC is committed to ensuring strong corporate social responsibility (CSR) practices, guided by a comprehensive framework. At EDC, CSR is more than just compliance with legal standards—it is the integration of values such as honesty, respect, fairness and integrity into our daily business practices. We believe that good business is adopting and embracing these principles while we facilitate trade for Canadian investors and exporters. While CSR at EDC has a broad scope, one fundamental element of our framework is a commitment to doing business in a socially and environmentally responsible way. This is central to who we are as an organization, integral to our long-term strategy, and at the heart of our vision to help Canadian businesses thrive as leaders.

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT REVIEW

At EDC, we conduct reviews of our environmental and social risk management framework policies to ensure they are relevant, streamlined and aligned with our corporate strategy, the changing nature of our business, and the way in which business and international trade finance are being conducted globally. In addition, these reviews are conducted to respond to external stakeholder expectations, to ensure consistency with our current practices, as well as changes to EDC's international obligations such as the Organization for Economic Cooperation and Development (OECD)'s [Recommendation of the Council on Common Approaches for Officially Supported Export Credits and Environmental and Social Due Diligence](#) and the [Equator Principles](#).

Reviewing and implementing necessary updates to the policies that govern our environmental and social risk management practices is also part of ensuring that we are continuing to serve our customers and other stakeholders in a responsible way.

INVITATION FOR STAKEHOLDER FEEDBACK

During this review process, EDC is inviting stakeholders from across the Canadian trade and business ecosystems to offer input and constructive feedback on the following key policies under EDC's environmental and social risk management framework:

1. Environmental and Social Risk Management (ESRM) Policy
2. Climate change policy
3. Environmental and Social Review Directive (ERD)
4. Human Rights Statement
5. Disclosure Policy

EDC's stakeholders are vast and include, but are not limited to, our customers, civil society organizations, Canadian industry associations, and our financial sector peer institutions. Soliciting input from interested stakeholders enables EDC to ensure that our policies are revised with our stakeholders' interests top of mind. EDC is committed to considering and reflecting a broad range of perspectives, experience, and innovative ideas into our policy revisions.

We invite you to view the policies and related key themes and illustrative questions for review set out in this discussion paper and provide us with your feedback.

Submissions are welcomed through the [EDC website](#) during a 90-day comment period from May 14 – Aug 17, 2018. The site provides relevant materials including each of the current policies, FAQs, and a public comment submission form.

EDC will consult representatives from the Government of Canada as well as our CSR Advisory Council, a group of prominent experts who advise on and guide EDC's CSR practices. To foster transparency, submissions received from stakeholders will be posted to the website. EDC will issue a Public Response Paper when the revised policies are released that summarizes the main areas of feedback with a high-level description of how EDC incorporated that feedback in the policy review outcomes (or, if not, why not).

How to Provide Feedback:

Please visit the [EDC website](#) to submit written feedback to EDC by August 17, 2018. Alternatively, feedback may be provided through ESRMPolicyReview@edc.ca. Stakeholders who have questions or who wish to engage with EDC directly on this review process are also encouraged to use this email address to get in touch.

Thank you in advance for taking the time to provide EDC with your input. We look forward to completing the process and reflecting your feedback.



ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT POLICY

EDC is embarking on a review of its [Environmental and Social Risk Management \(ESRM\) Policy](#). This annex is intended to inform stakeholders' understanding of some of the key issues, questions and proposals being considered by EDC during the review. Interested stakeholders are invited to provide their input and feedback through [EDC's website](#) or contact ESRMPolicyReview@edc.ca for more detail on ways to engage with us.

BACKGROUND

EDC's overarching environmental and social commitments are articulated in its ESRM Policy, which was originally introduced in 2005 to provide an overarching framework for all of EDC's various environmental and social obligations. Since that time, EDC has continued to draw on internationally accepted risk management practices in its decision-making processes while ensuring public accountability through the disclosure of relevant transaction information. More specifically, the ESRM Policy sets out EDC's commitments to environmental and social risk management, to consider environmental and social risk in the transaction decision-making process, to advocate for environmental and social best practices among our counterparts, and to strive for high standards of mitigation and monitoring of the projects that we support. The ESRM Policy is a publicly available document that articulates many of EDC's processes for performing environmental and social due diligence. The ESRM Policy applies to all of EDC's business.

KEY THEMES FOR REVIEW

The most effective environmental and social policies articulated by financial institutions (FI) are those containing clear policy commitments. The best policies articulate the FI's approach to customers with environmental and social risks and clearly connect the policy's relationship to evolving environmental, social, and human rights initiatives. Within this context, EDC is considering building some changes into the existing ESRM Policy with the goal of creating a shortened, clearly written statement of EDC's commitments to environmental and social risk management and in doing so, deliver greater transparency

and clarity for our customers and other stakeholders to navigate EDC's policy and procedure framework. Potential revisions fall under the following themes: (i) EDC's risk management approach; (ii) addressing human rights and climate change; (iii) clarifying policy from procedure; and (iv) ensuring consistency with corporate policy.

EDC's risk management approach: EDC is committed to assessing environmental and social risk in the transaction decision-making process across its business. EDC is considering ways to build on this commitment to demonstrate the value that EDC provides as part of managing risk. Revisions could communicate how EDC:

- a) Is committed to building and leveraging collaborative relationships with our customers, and working to make Canadian companies internationally recognized as leaders in sustainable and responsible business;
- b) Works with customers to identify their risks and develops strategies to mitigate those risks using financial tools such as loan covenants;
- c) Approaches the principle of risk-based prioritization and the use of leverage; and
- d) Utilizes the [International Finance Corporation \(IFC\) Performance Standards](#) to inform our approach to managing environmental and social risks and impacts.

Addressing Human Rights and Climate Change:

The current ESRM Policy refers to EDC's Human Rights Statement and includes our corporate commitments regarding climate change. EDC is considering revisions to the current ESRM Policy that reflect the evolution of key focal points that are currently absent, and include the additional work that EDC is undertaking to consider the development of a potential standalone climate change policy (refer to Annex 2) and an updated Human Rights Statement (refer to Annex 4). This may include:

- a) Adding language to the ESRM Policy to reflect EDC's current approach to assessing and managing Human Rights risks at the transaction level; and
- b) Modifying the ESRM Policy to update the current climate change policy.

Clarifying policy from procedure: The ESRM Policy sets out EDC's organizational policy objectives and various corporate environmental and social commitments. It also contains detailed explanations of EDC's various risk review processes and procedural information. There is an opportunity to provide a clear and concise overarching ESRM Policy that is accompanied by a process and procedural document and which is also made available to EDC's customers and other stakeholders. This could achieve consistency with EDC's corporate policy standard, bring clarity to our customers and other stakeholders on transaction-level requirements, and improve the operational efficiency with which EDC could undertake and disclose updates to its processes and procedures. Potential revisions could include:

- a) Clarifying our commitment to implement and maintain a suite of procedures and processes to support overarching policy principles, and to increasing our transparency of these procedures and processes;

- b) Paring down the ESRM Policy's detailed explanation of the suite of review processes that fall under the Policy and moving some of this content to a supporting process and procedural document that explains how the ESRM Policy is implemented;
- c) Ensuring ESRM Policy annexes are relevant and up-to-date; and
- d) Removing redundant content that directly overlaps with other EDC policy documents (e.g. the Environmental and Social Review Directive and Disclosure Policy).

Ensuring consistency with corporate policy: Several aspects of the current ESRM Policy require modification to reflect changes that have been made since the Policy was last revised and to ensure consistency with EDC's corporate policy standard.

QUESTIONS

These are illustrative questions where we would value feedback; however, your input is not limited to these issues.

1. What experience and observations can EDC customers share with us on their experience with satisfying EDC's environmental and social review requirements under the ESRM Policy?
2. Are there additional elements that could be addressed by the Policy to heighten clarity of EDC's expectations and requirements, to further support the responsible business practices of our customers, and to increase transparency for stakeholders?
3. What approaches and considerations should EDC take on board in its efforts to heighten clarity and transparency of its ESRM review processes and procedures?



CLIMATE CHANGE POLICY

EDC is embarking on a review of its climate change policy, currently embedded within EDC's [Environmental and Social Risk Management Policy](#). This annex is intended to inform stakeholder's understanding of some of the key issues, questions and proposals being considered by EDC during the review. Interested stakeholders are invited to provide their input and feedback through [EDC's website](#) or contact ESRMPolicyReview@edc.ca for more detail on ways to engage with us.

BACKGROUND

EDC instituted its first climate change policy in 2010 as part of its Environmental and Social Risk Management Policy. The policy recognizes EDC's large and diverse client base, which involves support for Canadian companies in carbon intense sectors, and commits EDC to a number of climate-related risk management actions, which were developed based on internationally-recognized standards at the time, as well as monitoring our own operational footprint. EDC's positions and practices have evolved since this policy was implemented, including how we approach: transaction due diligence; limiting support to the coal-fired power sector; climate-related finance tracking and reporting; contributing to the growth of Canada's clean technology sector; and issuing Green Bonds. Further, there have been a series of climate-related domestic and international developments that are relevant for EDC and its customers, including the [2015 Paris Climate Change Agreement](#) and the report of the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#).

KEY THEMES FOR REVIEW

EDC is reviewing this climate change policy with a view to better reflect its current practice and relevant international developments. The themes under review include: (i) general; (ii) climate-related opportunities and risks; and (iii) our operations.

General: EDC is committed to supporting Canadian companies as they export internationally. We recognize that the energy sectors and industries that support them make a significant contribution to the Canadian economy.

Therefore EDC will need to continue to provide Canadian exporters across sectors with access to financing, insurance, and knowledge services. However, we also recognize that there are domestic and international efforts underway that are focused on a longer-term transition to a lower carbon future. We acknowledge broader discussions around the financial sector's role in this transition. This policy review provides an opportunity to update EDC's approach to climate matters in a way that better reflects our current practices; helps us to better understand the potential implications that climate change may have on our business; and considers and articulates our role with respect to climate-related actions that are relevant to our business.

Climate-related opportunities and risks: EDC's current climate change policy addresses a number of opportunities and risks associated with climate change, including the importance of facilitating the export of environmental goods and services, as well as elements related to risk management and client engagement. However, the existing policy references an out-of-date program (EnviroExports) and does not reflect how EDC's business has evolved in response to emerging climate-related opportunities, including with respect to our:

- Climate finance business facilitated (EDC has reported CAD \$551 million over the 2016-17 period);
- Cleantech program (EDC has reported over CAD \$2.0 billion in business facilitated over the 2016-17 period), and;
- Green Bond issuances (EDC has issued four Green Bonds since 2014, including one in Canadian dollars).

With respect to managing climate-related risks, particularly in higher carbon intensity sectors, EDC is considering updating its policy to ensure that our existing risk management and client engagement practices are reflected more appropriately. Further, we are considering how we can improve our understanding of the potential implications of climate change for our customers, as well as our own business. Finally, we are considering whether our [position on coal-fired power](#), which EDC issued in January 2017 and which addresses EDC support for one of the most carbon intense sectors, should be further integrated into EDC's climate change policy.

Our operations: EDC's existing climate change policy, which commits EDC to tracking its environmental footprint, does not reflect EDC's evolving practice, as EDC has been tracking and disclosing details of our operational environmental footprint for several years. However, we continue to follow the international dialogue around financial institutions' climate-related transparency and disclosure, which can extend beyond their operational footprint to the business that they support. As part of this policy review, we are considering the relevance of these developments for EDC.

QUESTIONS

These are illustrative questions where we would value feedback; however, your input is not limited to these issues.

1. Are there specific areas in which stakeholders would like to see greater clarity based on experience with EDC's existing climate change and coal policies?
2. Do you have specific concerns/recommendations with respect to the different areas in which EDC is focusing its climate change policy review?
3. Do you have recommendations for additional areas EDC should explore as it looks to update its policy?



ENVIRONMENTAL AND SOCIAL REVIEW DIRECTIVE

EDC is currently embarking on a review of its [Environmental and Social Review Directive](#) (ERD), which was originally put into effect in 2001. This annex is intended to inform stakeholder’s understanding of some of the key issues, questions and proposals being considered by EDC during the review. Interested stakeholders are invited to provide their input and feedback through [EDC’s website](#) or contact ESRMPolicyReview@edc.ca for more detail on ways to engage with us.

BACKGROUND

EDC’s ERD sets out the requirements for the environmental and social (including human rights) review of EDC projects. The Export Development Act requires EDC’s Board of Directors to issue a directive that is applied as part of EDC’s transaction review and decision-making process. The ERD is consistent with EDC’s international commitments related to project review – namely the OECD Common Approaches and the Equator Principles.

Since its introduction in 2001, the ERD has served as EDC’s directive for ensuring that transactions related to a project are reviewed in order to determine whether the project is likely to have adverse environmental or social effects and how the project will manage and mitigate those risks. The ERD has ensured EDC maintains a robust project review process, using internationally recognized benchmarking standards, as part of its commitment to carry out its mandate in an environmental and socially responsible manner. All Category A and B projects reviewed under the ERD since 2008 are disclosed on EDC’s website.

Since the ERD was last updated in 2010, several new developments among commercial lending institutions and some export credit agencies have occurred in relation to project review, including amendments to the Equator Principles and the articulation of risk-based and right-sized approaches for project due diligence. The evolving nature of international trade finance of projects and the changing role exporters play in those projects pose new implementation challenges. Additionally, a deepened understanding of emerging issues such as human rights,

climate impacts, and increased demand for transparency are all factors to be considered in how EDC reviews projects it is considering supporting.

KEY THEMES FOR REVIEW

Based on the continuing evolution of project review practices noted above, EDC is considering potential revisions to the ERD with the goal of providing greater clarity to stakeholders, incorporating operational experience to increase efficiency, and ensuring the ERD incorporates the continuously evolving review practices. Potential revisions fall under the following themes: (i) clarity and alignment of the ERD’s application; (ii) risk-based approach to project review; and (iii) general updates to reflect current standards and practices.

Clarity and alignment of the ERD’s application: The ERD sets out the specific criteria and related definitions that are used to determine whether the ERD applies to project-related transactions. The scope section of the ERD is difficult to understand as it is written, and EDC is seeking ways in which to make this clearer, including:

- a) Refining the scope through the introduction of principled criteria to make sure transactions solely related to a project are reviewed under the ERD; and
- b) Ensuring consistency with the scope of EDC’s evolving international commitments such as the Equator Principles.

Emphasizing a risk-based approach to project review: The ERD sets out the prescriptive process to be undertaken for the review of project-related transactions. Consistent with the approach set out in the IFC Performance Standards, the primary international benchmark standards under the ERD, EDC aims to review projects using right-sized and relevant methods and assessment tools. Modifying some aspects, such as the information requirements and evaluation and decision sections of the ERD could deliver greater agility to address key environmental and social risks on a case-by-case basis and allow EDC to provide right-sized review for transactions.

Proposed modifications could include:

- a) Refining an approach to due diligence and the application of environmental and social standards whereby the means are appropriate to the nature and scale of the activity, and are proportionate to the level of risks and impacts of the project and the exporter's role and leverage in that project; and
- b) Revising the requirements and determination exceptions linked to the geographical location of the project to clarify that EDC will consider the potential risks and impacts of a project regardless of its location, as appropriate to the operating context of the project.

General updates to reflect current standards and practices:

There are several areas where the language the ERD uses could be revised to more accurately communicate the project review process.

This would provide stakeholders a clearer picture of the project review process and clarify expectations of key transaction parties (e.g. project sponsor and/or the exporter). Potential areas for revision include:

- a) Updating key definitions;
- b) Building out a robust monitoring section that is reflective of EDC's approach; and
- c) Reviewing the justification framework that establishes how EDC draws a conclusion to enter into a transaction under the ERD.

QUESTIONS

These are illustrative questions where we would value feedback; however, your input is not limited to these issues.

1. What experience and observations can EDC customers share with us on their experience with satisfying EDC's environmental and social review of projects under the ERD?
2. Do you have any recommendations or concerns about how EDC can communicate a clearer scope of the ERD and its risk-based approach to project reviews?
3. Are there other recommendations on aspects of the ERD where EDC should explore potential revisions?



HUMAN RIGHTS STATEMENT

EDC is embarking on a review of its [Human Rights Statement](#), which was originally introduced in 2008. This annex is intended to inform stakeholder's understanding of some of the key issues, questions and proposals being considered by EDC during the review. Interested stakeholders are invited to provide their input and feedback through [EDC's website](#) or contact ESRMPolicyReview@edc.ca for more detail on ways to engage with us.

BACKGROUND

Released in 2008, EDC's Human Rights Statement articulates our commitment to promote and respect internationally-recognized human rights. The Statement reflects EDC's recognition that financial institutions must endeavor to assess the potential for adverse human rights impacts for individuals directly affected by their investments. Since then, EDC's environmental and social risk review processes have greatly evolved to better align with evolving international policy and practice, including the expectations of the [UN Guiding Principles on Business and Human Rights](#) (UNGPs). However, EDC recognizes that our Statement has not kept pace with how our environmental, social and human rights risk management processes have evolved and is not aligned with global expectations. Moreover, commitments made in our Statement constitute our internal human rights foundation and are broadly translated into other EDC policies and practices. Hence, there are also opportunities to integrate and more clearly communicate our human rights expectations to our key stakeholders in the review and revisions to EDC's ESRM Policy and Disclosure Policy.

KEY THEMES FOR REVIEW

Potential revisions fall under the following themes: (i) reflecting existing practices and bridging policy gaps with the UNGPs; and (ii) potential areas to strengthen alignment with the UNGPs and industry best practices.

Reflecting existing practices and bridging policy gaps with the UNGPs: The UNGPs have played an important role in advancing the business and human rights agenda and have been increasingly integrated into key initiatives and institutions such as the Equator Principles,

the IFC Performance Standards, the [OECD Guidelines for Multinational Enterprises](#), the OECD Common Approaches, and the UN Global Compact. To align with the UNGPs and to respond to the evolving requirements of international agreements and standards to which EDC adheres, EDC has spent concerted effort reviewing and updating its human rights due diligence practices over the last years. Based on this work, EDC considers its internal human rights processes to address many of the relevant international developments and there is a potential opportunity to reflect many of these changes through revisions to EDC's Human Rights Statement. The elements below reflect how we think EDC has evolved to meet the UNGPs and/or where we need to bridge policy gaps with the UNGPs:

- a) *Scope of due diligence:* We recognize our responsibility for human rights impacts through the business relationships with our clients. We screen and assess all business we support (i.e. finance, insurance, finance and project finance) for actual and/or potential severe human rights risks and impacts regardless of the financial threshold or duration of the transaction.
- b) *Prioritization:* We prioritize certain transactions for further due diligence, and certain risks or impacts within each transaction based on higher-risk scenarios and the severity of the impacts on people. We consider the country context, the track record of the business partners, the business activities associated with a transaction and the presence of vulnerable groups as higher risks factors to consider in looking to identify higher-risk transactions. We also determine the severity of an impact based on its scale, scope and irremediability.
- c) *Leverage:* We recognize our responsibility as a financial institution to prevent or mitigate potential impacts through our involvement in a transaction. Our practice is to use our leverage to influence the actions of our clients to prevent, mitigate, or take corrective actions to stop their human rights impacts and provide remedy to those negatively impacted. We recognize that, given the nature of our many business relationships, the extent of our leverage is variable and impacts our options and ability to influence the actions of our clients.

- d) *Access to remedy:* Our approach to remedy is based on our understanding of how financial institutions may be connected to a human rights impact through their client relationships. In the unexpected scenario where we are linked to severe impacts through our client relationships, EDC is committed to find ways to increase our leverage to influence our clients to provide remedy.
 - e) *Level playing field:* EDC recognizes the important role it can play in industry groups and standard setting bodies to continue to strengthen good practice and a level playing field, including through the OECD Common Approaches and the Equator Principles. EDC is committed to using its leverage to continue to promote alignment of these frameworks with leading practices and the expectations of the UNGPs.
- Potential areas to strengthen alignment with the UNGPs and industry best practices:** The relevance and implications for EDC’s business activities of some aspects of the UNGPs and evolving practices we have seen from our peers or business are to be further examined, including:
- a) The role of stakeholder engagement in our due diligence process, in terms of how we seek to inform our assessment and management of risks with the perspectives of affected stakeholders, not only for project-related transactions subject to the requirements of the IFC Performance Standards, but for all the business we support;
 - b) How EDC tracks and monitors its human rights performance;
 - c) How we can find ways to address leverage and access to remedy in consideration of the nature of our business;
 - d) How we communicate our performance on managing human rights risks, balancing disclosure with the confidentiality of our transactions;
 - e) The identification of salient human rights issues;
 - f) The development of an exclusions list to identify activities that will not be financed based on severe human rights impacts;
 - g) The development of positions on specific issues related to severe human rights impacts; and
 - h) How policy commitments can be broadened beyond business activities.

QUESTIONS

These are illustrative questions where we would value feedback; however, your input is not limited to these issues.

1. What concerns do any of the issues set out under the above potential opportunities raise for our customers and other stakeholders?
2. Which of the issues set out above are the most important to address in EDC’s policy development work, and why?
3. Are there additional areas that you feel would be important for EDC to consider in its policy revision process that are not reflected above?
4. How important is it for EDC to identify its salient issues given our diverse portfolio or to have policies on specific issues? What value or risks would it bring?
5. What expectations do our customers and other stakeholders have regarding how EDC should communicate its human rights policy and practices?

DISCLOSURE POLICY

EDC is currently embarking on a review of its [Disclosure Policy](#), which was originally put into effect in November 2010. This annex is intended to inform stakeholder's understanding of some of the key issues, questions and proposals being considered by EDC during the review. Interested stakeholders are invited to provide their input and feedback through [EDC's website](#) or contact ESRMPolicyReview@edc.ca for more detail on ways to engage with us.

BACKGROUND

EDC understands a relationship based on trust and accountability with our stakeholders through accurate and timely disclosure of information is critical to our long-term success, and that of the Canadian companies we serve. Our Disclosure Policy aims to support these values by establishing a framework for the routine, proactive disclosure of information relating to EDC's business activities at the aggregate business volumes and individual transaction levels. EDC reports individual transaction information on all financing (including guarantees), political risk insurance to lenders, and equity transactions. Of particular relevance to the review of EDC's environmental and social risk management framework are the reporting commitments for larger, project-related transactions set out under EDC's Disclosure Policy. These disclosure commitments include environmental and social impact information, project descriptions, the type of information reviewed by EDC, and the environmental and social standards to which the project was reviewed. All Category A and B projects approved for support since 2005 and 2008 respectively are disclosed on EDC's website. Importantly, the Disclosure Policy was revised in 2010 to introduce EDC's commitment to the disclosure of Project Review Summaries, which provide more detail on the specific issues considered as part of its Category A project reviews. This is a key transparency measure that exceeds the disclosure practices of many other export credit agencies and commercial financial institutions with respect to projects they finance.

The Disclosure Policy also sets out EDC's obligations to respect commercially confidential information, the commitment to seek customers' consent to disclose

transaction-related information, the various channels and timelines through which information is made available, and the international organizations (e.g. OECD) with which EDC is also committed to sharing certain information. This is in accordance with the international frameworks that we follow with our export credit agency and banking peers.

KEY THEMES FOR REVIEW

Based on EDC's continuing commitment to transparency and reporting, we are considering potential revisions to the Disclosure Policy, with the goal of further enhancing the level of trust and accountability of EDC amongst our stakeholders. Potential revisions fall under the following themes: (i) increasing transparency, (ii) disclosing more procedural and process-level information, and (iii) policy framework.

Increasing transparency: Heightened transparency practices are a growing international trend, one that is driven by civil society organizations, government regulators, and expectations of suppliers and consumers. EDC is seeking to understand ways in which it can increase its transparency, including with respect to corporate financing transactions and the details that would be most pertinent to see for transactions, while continuing to respect our obligations to maintain the privacy of commercially confidential information. In the review of this policy, EDC must find a balance between our role as a Crown Corporation, and as a player in the global financial sector.

Disclosing more procedural and process-level information: In addition to exploring ways to increase transaction-level disclosure, EDC aims to identify ways to increase the amount of information available regarding its environmental and social risk management processes and procedures. This may include, for example, more clearly re-organizing the policies within the scope of this review to pare them down to high-level organizational commitments and relocating some of their existing detail into publicly-disclosed processes and procedures. During the consultation phase of this policy review, EDC is seeking to understand what information about our processes would be most valuable to stakeholders, and the ways in which this information might be better communicated to facilitate understanding and ease of access.

Policy framework: EDC is considering ways in which to organize our framework to ensure that our transparency obligations are clear and consolidated. Included in this work will be general revisions to EDC's Disclosure Policy to ensure that it is aligned with EDC's standard for corporate policies and that its references to business groups, positions and organizational structure are up to date.

EDC's website is currently the primary vehicle for all disclosures. In tandem with the review of the Disclosure Policy, we are also considering ways in which our website could be updated to be more user-friendly and transparent.

QUESTIONS

These are illustrative questions where we would value feedback; however, your input is not limited to these issues.

1. What innovative ways might EDC use to explain complex processes so that information is clear and easy to understand?
2. What concerns do EDC's customers have regarding the protection of commercially confidential information and how can EDC maintain a balance between protecting confidentiality while also heightening transparency?
3. What type and level of annual reporting is valuable regarding assessments, turn downs, and monitoring?

