



This checklist is intended for use by investors to:

- 1 Support your **due diligence process** to check if an investment qualifies as gender-smart climate finance.
- 2 Identify opportunities to deepen the gender and climate impact of the investment.

A gender-smart climate finance investment delivers climate outcomes and promotes gender equality and women's empowerment. These investments can be defined as Paris-aligned, and meeting both climate finance criteria and [2X criteria](#). More detailed definitions can be found [here](#) and [here](#).

Thematic area	Due diligence for climate finance with a gender lens: Checklist questions:	Yes	No
1. Paris alignment	Have you verified that 100% of the activities of the organisation / project are Paris-aligned, based on an existing methodology or framework for assessing Paris-alignment?		
2. Transition risk (TCFD)	Have you assessed the transition risks associated with the activities and value chain of the organisation / project?		
	<ul style="list-style-type: none"> • Have you assessed the extent to which women or girls in the workforce, value chain, or local communities, might be disproportionately impacted by these risks? (e.g. a highly emissive desalination plant becomes a stranded asset decreasing water supply and accessibility in the local area, disproportionately affecting women) 		
	Have you evaluated the extent to which these risks can be mitigated? <ul style="list-style-type: none"> • Will women be playing an active role in contributing to this risk mitigation, for example through leadership and decision-making, or as a substantial part of the workforce or supply chain? • Will actions be taken to reduce the vulnerability of women or girls to these risks? 		
3. Physical risk (TCFD)	Have you assessed the physical climate risks associated with the activities and value chain of the organisation / project? (e.g. acute weather events damaging water distribution infrastructure not designed to be climate resilient)		
	<ul style="list-style-type: none"> • Have you assessed the extent to which women or girls might be disproportionately impacted by these risks? (e.g. water scarcity resulting in women in disadvantaged urban communities lacking enough water for sanitation and cooking; reduced access to irrigation and declining productivity for women smallholder farmers in drought vulnerable areas) 		
	Have you evaluated the extent to which any climate adaptation activities will mitigate or build resilience to the physical risks identified? <ul style="list-style-type: none"> • Will women be playing an active role in contributing to this risk mitigation, for example through leadership and decision-making, or as a substantial part of the workforce or supply chain? • Will action be taken to reduce the vulnerability of women or girls to these risks? 		
4. Climate Finance qualification	Have you verified that the deal qualifies as climate mitigation and/or adaptation finance, using criteria based on an existing and recognised taxonomy?		
	<ul style="list-style-type: none"> • Have you quantified the percentage of the investment that qualifies as climate finance? 		
	<ul style="list-style-type: none"> • Have you overlaid a gender lens on the climate finance qualification? 		

Thematic area		Due diligence for climate finance with a gender lens: Checklist questions:	Yes	No	
5. Gender-smart qualification (2X)	2X Criteria applied at the gender and climate nexus	Have you verified that the climate finance deal meets at least one of the 2X Challenge criteria ?			
	Entrepreneurship	<ul style="list-style-type: none"> Was the company founded by one or more women? Does the company have a majority of women shareholders invested in the climate finance qualified part of the deal? 			
		Leadership	<ul style="list-style-type: none"> Do women represent 30% or more of the Board or senior management team for the climate finance qualified part of the deal? Has the leadership committed to positive climate impact? Are any initiatives in place in the climate finance deal to promote women in leadership? 		
	Employees (& supply chain)		<ul style="list-style-type: none"> Do women make up 30% or more of the workforce (and/or supply chain) for the climate finance project? Are there specific policies to support inclusivity of women working on the climate finance activities, including equal opportunities to employment, retention, equal pay, and career advancement? Have steps been taken to ensure women in the workforce and/or supply chain (including permanent, contract and seasonal staff, and those in certain roles) are not disproportionately vulnerable to health, safety, or gendered risks? 		
			Consumers (& end users)	<ul style="list-style-type: none"> Will the climate-smart products or services developed, produced, or distributed by the organisation / project contribute to gender equality or women's empowerment? Does the company collect and monitor gender-disaggregated data on demand, product and/or service usage, and customer satisfaction for its climate-smart products or services? (for example, data related to accessibility and affordability, to inform decision-making related to product design, marketing, sales, pricing, and distribution) 	
6. Climate and gender business case		What are the expected benefits to the business of the climate and gender smart activity? (e.g. greater customer loyalty or reaching a new customer base, less employee turnover)			
7. Climate and gender impact	Have you evaluated, and where possible quantified, the investment's expected climate and gender impact? (it is <u>recommended that this covers</u> what the expected impacts are; who benefits; by how much; and the enterprise's contribution and any risks to impact)				
	Understanding the impact case at the climate and gender nexus				
	Is there commitment or capacity for the climate finance investment to do any of the following:				
	<ul style="list-style-type: none"> Promote or accelerate women entrepreneurs and/or women leaders to advance climate action 				
	<ul style="list-style-type: none"> Create green quality jobs for women and undertake workforce gender diversity and inclusion efforts Enhance women's and girls' resilience and adaptive capacity to climate change and environmental degradation 				
	<ul style="list-style-type: none"> Design or refine product or service offerings to better serve female customers and improve women's access to and benefit from improved water supply, water-saving innovations, or climate-resilient water and sanitation solutions 				
	<ul style="list-style-type: none"> Address known gender gaps / inequalities through the climate-smart products / services generated through the investment (e.g. reduced women's time poverty from household water supply in rural areas; improved health and wellbeing of women and girls from equal access to sanitation solutions) Address gender-related risks (e.g. essential hydration and sanitation for women's maternal health) 				