



## Independent practitioner's assurance report

To the Management of Development Finance Institute Canada Inc.

### Scope

We have been engaged by Development Finance Institute Canada Inc. ("FinDev Canada" or the "Company") to perform a limited assurance engagement as defined by Canadian Standard on Assurance Engagements, here after referred to as the engagement, over the accompanying Schedule, comprising FinDev Canada's Greenhouse Gas ("GHG") Scope 1 and 2 generated emissions and sequestered emissions associated with the Company's loans and investments (collectively referred to herein as the "Subject Matters"), as contained in their 2021 Climate Action report dated October 21, 2021 (the "Report") as at December 31, 2020.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in, or linked from, the Report and accordingly, we do not express a conclusion on this information.

### Criteria applied by FinDev Canada

In preparing the Subject Matters, FinDev Canada applied the Partnership for Carbon Accounting Financials ("PCAF") Global GHG Accounting & Reporting Standard for the Financial Industry and internally developed criteria, as described in the Report and in FinDev Canada's Greenhouse Gas Accounting Methodology for Financed Emissions dated October 13, 2021 (collectively referred to herein as (the "Criteria").

### FinDev Canada's responsibilities

FinDev Canada's management is responsible for selecting the Criteria, and for presenting the Subject Matters in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matters, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matters based on the evidence we have obtained.



We conducted our engagement in accordance with the Canadian Standard on Assurance Engagements 3000 (“CSAE 3000”) and the Canadian Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements (“CSAE 3410”). These standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matters are presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

#### Our independence and quality control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and have the required competencies and experience to conduct this assurance engagement.

EY also applies Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.



The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matters and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Inquiries of a selection of management to gain an understanding of FinDev Canada's processes, policies and controls in place related to the Subject Matters;
- ▶ Inquiries of relevant staff who are responsible for the Subject Matters including, where relevant, observing and inspecting systems and processes for data aggregation and reporting; and
- ▶ Evaluating the accuracy of calculations performed, on a sample basis, through analytical procedures and limited reperformance.

We also performed such other procedures as we considered necessary in the circumstances.

#### Inherent limitations

Non-financial information, such as the Subject Matters, are subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matters and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

#### Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matters as at December 31, 2020, is not prepared, in all material respects, in accordance with the Criteria.

*Ernst & Young LLP<sup>1</sup>*

Montreal, Canada  
October 21, 2021

<sup>1</sup> CPA auditor, CA, public accountancy permit no. A118785



## Schedule

Our limited assurance engagement was performed over the following Subject Matters, as at December 31, 2020:

Criteria	Subject Matters	Value (tCO <sub>2</sub> e)
PCAF	Generated emissions <sup>(1)</sup>	1,508
Internally developed	Generated emissions <sup>(1)</sup>	490
Internally developed	Sequestered Emissions	10,682

(1) Generated emissions are the Scope 1 and Scope 2 emissions associated with FinDev Canada's loans and investments for the year ended December 31, 2020.