ENVIRONMENTAL POLICY

Effective Date	5 March 2026	**Version**	1	**Version Date**	February 2026

Responsible Team	Technical Support, Evidence and Program Quality

POLICY

Supersedes	None			
Policy Type	Tier 2 Policy	**Policy Number**	POL-1046	

1. Introduction

Mercy Corps bolsters communities - and the most marginalized within them - emerging from climate- and conflict-contextualized crises, building towards a more inclusive and resilient future. Our mission requires us to operate in ways benefiting society and the environment. As such, Mercy Corps is committed to ensuring our programs, influence, and operations are as impactful as possible in the face of the climate crisis. This includes a commitment to continually strengthen environmental safeguarding and stewardship within our programs and operations.

Programmatically, we have instituted a range of activities to minimize any unintended negative environmental impacts as a result of our on-the-ground operations. This includes environmental compliance and safeguarding toolkits designed to help countries and regional teams minimize the environmental impact of our programs. These Environmental and Social Safeguarding (ESS) processes and tools are integrated into program delivery through the Program Management Policy and its mandatory tools, ensuring environmental and social considerations inform decisions and practices from design through to implementation and closure. Operationally, we have set a target of a 50% reduction in carbon emissions (from our 2019 baseline) by 2030, and we are committed to measuring, reporting, and reducing our global emissions—those within our direct span of control (Scope 1 and 2), as well as those resulting from activities and/or assets we do not directly own or control (Scope 3).

These commitments are fundamental to reaching our climate goals while more broadly strengthening our efforts to limit any unintended negative environmental outcomes associated with our programs.

The establishment of this Environmental Policy is an important contribution to these commitments, ensuring that all Mercy Corps' teams and program staff, partners, and contractors are diligently aware of the environmental risks associated with their work and operations, and are aligned with our efforts to address them.

2. Purpose

This Environmental Policy affirms Mercy Corps' commitment to minimizing environmental risks and impacts in our programs and operations. It establishes a foundation for organizational accountability and outlines the guiding principles and aspirations for fulfilling our commitments to environmental sustainability and stewardship as we advance in this work. This policy highlights our current capacity to align with these principles, the changes we are making to our approach, and our commitment to ongoing transformation.

We are committed to consistency, transparency, and accountability in our decision-making processes and actions, performance improvement, and achievement of sustainable development outcomes. The Environmental Policy sets out the expectations we have for our team members, partners, and other responsible parties to manage the environmental risks and impacts of our work. These expectations are aligned with a set of long-term aspirations we have for our organization:

- We understand and minimize all negative environmental repercussions associated with our work.
- We provide tools and resources to support our teams to integrate environmental sustainability and safeguarding into their activities.
- We manage natural resources with the understanding that they are finite and must be managed responsibly.
- We minimize and report our carbon emissions and wider environmental footprint in alignment with our publicly stated commitments.
- We procure items from suppliers committed to the sustainability of their products and have established protocols for the safe disposal of items, including e-waste, at the end of their life cycle.

3. Scope and Application

Mercy Corps engages in a range of environmental sustainability initiatives, including efforts to strengthen the sustainability of our operations (including reducing our carbon footprint), and continuously evaluate and refine our safeguarding approaches and systems. This Environmental Policy consolidates these engagements, providing a framework to steer both our programmatic (projects, programs and portfolios) and operational endeavors.

It is the responsibility of Mercy Corps' staff and implementing partners to proactively prevent or minimize any potential risks or negative effects on the environment in the course of their duties. Therefore, staff and implementing partners are responsible for ensuring their actions consistently adhere to the principles outlined in this policy.

Externally, this policy is aligned with international standards and frameworks, including the World Bank Environmental and Social Framework, the Green Climate Fund, the Core Humanitarian Standards and the UNDP Social and Environmental Standards.

4. Policy Details

The following principles outline exactly how Mercy Corps will meet the aspirations described above:

Principle 1: "Do No Harm" through Managing Environmental Risks

Under the guidance of Mercy Corps' environmental compliance and safeguard toolkits, we commit to ensuring that environmental and social risks are identified and assessed at the earliest possible stage of program design. We will undertake screening procedures during the identification and design of projects and programs, categorizing programmatic environmental impact risks as high, medium, or low. At a minimum, Mercy Corps' programs and operations will:

- Support the preservation and protection of biodiversity and sustainably manage natural resources by implementing conservation practices, promoting responsible land use, and encouraging the restoration of natural habitats through our programs.
- Avoid negative impacts resulting from activities affecting environmental conditions, living conditions, livelihoods, and land tenure of all communities by conducting thorough environmental

assessments, engaging in meaningful stakeholder consultations, and implementing mitigation strategies.

- o Avoid similar adverse impacts on Indigenous Peoples by promoting benefits to and opportunities for Indigenous communities while respecting and preserving principal culture, including traditions, beliefs, and unique community connections. Support full and effective participation by engaging in culturally sensitive consultations and incorporating traditional knowledge and practices.
- o Ensure that Indigenous Peoples' and other affected groups Free, Prior and Informed Consent (FPIC) is obtained, through good-faith, culturally appropriate consultation processes leading to broad community support and consent, for all programs involving their lands, territories, resources, livelihoods, cultures
- o Ensure effective management of program risks related to Indigenous Peoples and others through the development and implementation of targeted management actions, and dedicated management plans, if required.

- Avoid or minimize community exposure to disaster risks, diseases, and hazardous materials by implementing strict safety protocols, using environmentally friendly alternatives, conducting risk assessments, providing proper training and protective equipment, and ensuring regular monitoring and community awareness initiatives.
- Support voluntary regional and/or country-level Green Teams which will, through collaboration with the Environmental Sustainability Team, promote sustainability within Mercy Corps' country and field offices.
- Ensure energy efficiency is prioritized in Mercy Corps' offices by engaging with the internal Environmental Sustainability Team to support and inform country teams regarding sustainability best practices.
- Ensure country teams are managing the waste created from Mercy Corps' operations in a responsible manner to prevent pollution and encourage recycling when available.
- Ensure water is treated as a finite resource, thus prioritizing water conservation measures through obtaining water consumption/billing information and/or using water conservation measures such as low flow taps or cistern blocks.
- Undertake building environmental audits when opening new sites (or seeking the creation of an Environmental Sustainability Strategy in partnership with the Environmental Sustainability Team) and share the results with the Environmental Sustainability Team. For templates, please contact greeningmc@mercycorps.org.

Principle 2: Commitment to Accountability and Transparency

Mercy Corps will not support programs, nor operate in a way that results in substantial harm to the environment and vulnerable or Indigenous communities. We commit to making responsible and ethical decisions that safeguard the well-being and interests of our stakeholders. We uphold accountability to internal stakeholders and governing bodies, as well as to external entities such as donors, partners, the public, and community participants. This accountability is reinforced through regular engagement with key stakeholders. Mercy Corps commits to:

- Applying internal environmental compliance, control, and accountability oversight to ensure programs do not adversely affect the environment.
- Sharing information with affected and potentially affected communities including program participants and other relevant stakeholders throughout the program lifecycle. This includes information from ESS risk assessments, monitoring efforts and mitigation plans. Disclosure efforts should be culturally appropriate and inclusive, ensure meaningful and informed consultation and participation. They should be deliberately designed to be most appropriate and effective in the local context. Regardless of the context, information disclosure will ensure that all

relevant stakeholders have time to review, request additional information, as well as suggest changes and/or additions to suggested safeguarding actions.

- Enacting provisions for stakeholder engagement and consultation, and internal and/or external complaints mechanism and process as outlined in the [Community Accountability Response Mechanism (CARM) Policy](#), ensuring suitability of program design and implementation for affected communities, including vulnerable and Indigenous communities in line with Mercy Corps' FPIC approach.
- Collecting and sharing data relevant to Mercy Corps' internal carbon tracker monthly or quarterly. This data includes electricity, heating/cooling, fuel (for generators & vehicles), water, and waste data (when available).
- Ensuring carbon emissions associated with Mercy Corps' programs and operations are reported and minimized through the creation of reduction strategies.

Principle 3: Adherence to Environmental Procurement Approaches

Mercy Corps places a strong emphasis on ensuring its procurement activities align with environmental sustainability and safeguarding goals. This entails actively seeking out suppliers and partners who demonstrate a commitment to environmental stewardship.

Our procurement process is guided by key principles, including reducing, reusing, recycling, and rethinking. These principles are integrated into every stage of the procurement lifecycle. We will ensure we source and use resources efficiently by utilizing the supplier screening information in ProSource to identify 'green suppliers' and the internal vehicle catalogue for an outline of fuel-efficient, hybrid, and/or EV options.

From FY 25, suppliers housed in ProSource will be screened to understand if their products:

- Minimize lifecycle carbon emissions
- Maximize the use of recycled materials
- Reduce the volume of waste to landfill
- Use locally sourced materials & supply chains
- Have end-of-life take back schemes
- Have eco-labels or have commitment to voluntary sustainability standards
- Have Environmental Product Declarations (EPDs)

Principle 4: Gender-Responsive Approaches

As part of the P2P's [safe, diverse, and inclusive (SDI) commitment,](#) Mercy Corps strives to create a culture of inclusion that protects, enables, and elevates diverse community members and groups. The adoption of gender equality and social inclusion (GESI) minimum standards within Mercy Corps [Program Management Policy](#) exemplifies our commitment to delivering GESI-responsive programs capable of responding to the needs and priorities of the most marginalized. By integrating GESI standards throughout the program cycle, along with our commitment to foster safe, diverse, and inclusive communities, including through active steps to prevent sexual exploitation, abuse and harassment (SEAH), Mercy Corps recognizes program partners and participants as agents of change who should drive the strategies and activities that support their needs and aspirations.

Adhering to the GESI Minimum Standards not only enhances the quality and effectiveness of our program design by ensuring all types of community members can safely and fully participate in implementation while mitigating the risk of unintended negative impacts. This commitment underscores our proactive approach to inclusivity in all aspects of our work.

Principle 5: Monitoring and Evaluation

We conduct monitoring and reporting on the environmental and social performance of our supported projects and programs, whether carried out directly by Mercy Corps or by our implementing partners. Our monitoring is an ongoing process, tailored to the types and levels of identified risks. Monitoring environmental and social parameters will conform with the requirements of Mercy Corps' monitoring, evaluation, and learning (MEL) Policy. Data from monitoring and reporting processes would be analyzed and adaptively integrated into project, program and portfolio delivery in line with the Program Management Policy.

5. Information Disclosure

In accordance with international best practice, Mercy Corps discloses environmental and social information, such as Environmental and Social Impact Assessment Reports through the most effective means.

Environmental and Social Risk Category	Public Disclosure Requirement
High Risk	120 days prior to the intended approval date
Moderate Risk	30 days prior to the intended approval date
Low Risk	No public disclosure requirement

Of course, relevant information on Mercy Corps' programs will always be shared with affected communities and intended beneficiaries in the early stages of program design, as set out in the Mercy Corps Program Management Framework.

6. Related Policies, Procedures and Guidance

5.1. Digital Library: Environmental Compliance and Safeguard Tools

5.2. HQ Procurement Policies and Procedures (HP3)

5.3. Safeguarding Core Standards

5.4. Field Procurement Policies and Procedures

5.5. MEL Policy

5.6. CARM Policy

5.7. Program Management Policy

7. Definitions and Acronyms

- **CARM:** Community Accountability Reporting Mechanism
- **Effective Date:** The date on which the policy goes into effect. Generally, a policy roll-out period should be considered prior to setting the effective date. For more complicated policies, the Implementation Date will precede the effective date, allowing a grace period for transitioning.
- **Executive Sponsor:** A member of the Executive Team who will represent the policy at the Executive Team level for its approval at the time of initial adoption and for subsequent material changes.
- **FPIC:** Free, prior and informed consent is an iterative process that requires the consent of Indigenous Peoples and local communities before approval of a project or program. FPIC has to be given based on Indigenous Peoples' and local communities' own independent deliberations and decision-making processes, and adequate information about the project or program. This information should be provided in a timely and culturally appropriate manner in a local language through transparent and inclusive consultations, which include women and youth. Unanimity is not required for FPIC to be given.
- **GESI:** Gender Equality and Social Inclusion
- **Implementation Date:** The date on which the policy will begin to be implemented. This is the start of a transition period, during which full compliance may not yet be achievable for practical reasons. It allows a grace period to learn and implement the new or updated policy prior to the Effective Date, when full compliance is mandatory.
- **Indigenous Peoples:** The term Indigenous Peoples is used to describe a distinct social and cultural group that possesses the following attributes to various degrees: (a) Self-identification as members of a distinct Indigenous social and cultural group and recognition of this identity by others; (b) Collective attachment to geographically distinct habitats, ancestral territories, or areas of seasonal use or occupation as well as to the natural resources in these areas; (c) Customary cultural, economic, social, or political systems that are distinct or separate from those of the mainstream society or culture; and (d) A distinct language or dialect, often different from the official language or languages of the country or region in which they reside. This includes a language or dialect that has existed but does not exist now due to impacts that have made it difficult for a community or group to maintain a distinct language or dialect.
  In some countries, other terms may be used to refer to Indigenous Peoples, for instance, 'local communities', 'ethnic groups' or others. The requirements of this policy apply to all groups which fall under the above definition, regardless of the terminology used.
- **Meaningful Consultation**: An iterative consultation process that encourages participation from affected communities, including women, local communities and Indigenous Peoples, as well as government and business representatives, as applicable. Engagement with stakeholders begins early in the project design phase, culturally appropriate information is shared in an accessible way (e.g. in local languages), and feedback from communities is documented, considered, and incorporated into project design where feasible. Meaningful consultation must be free from coercion and respect local customs, norms and values. Different approaches to meaningful consultation are available, including FPIC, depending on the program context.
- **MEL:** Monitoring, Evaluation, and Learning
- **Policy Owner:** The title of the Responsible Team individual responsible for the development, approval, publishing, and periodic review of a policy.

- **Program**: A group of related projects managed in a coordinated way to obtain benefits and control that are not available when managed individually.
- **Project:** A temporary endeavor undertaken to create a unique product, service, or result. Projects deliver integrated outputs (deliverables), which then result in better outcomes (results) for communities and other stakeholders (such as donors). Projects are time-bound and focus on a requirement to deliver specific benefits for communities and other stakeholders in ways that are cost-effective and measurable.
- **Responsible Team:** The individual department, team or office who owns the development, maintenance, and communication of a policy.
- **Scope 1 Emissions:** Direct greenhouse emissions occurring from sources controlled or owned by an organization.
- **Scope 2 Emissions:** Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling.
- **Scope 3 Emissions:** These are the result of activities from assets not owned or controlled by an organization, but that the organization indirectly impacts its value chain.
- **Tier 2 Policy:** A written statement or set of statements outlining the rules, requirements and responsibilities for conducting the organization's business. Tier 2 Policies define a system of control to ensure programmatic quality, efficient use of Mercy Corps' resources, and compliance with funder requirements. Tier 2 Policies generally apply to all team members across all locations.
- **Version Date:** The date on which the version became final.

8. Roles and Responsibilities

Directors of Programs are responsible for ensuring that all projects and programs within their portfolio adhere to the principles outlined in this Policy. The Program Leads (Managers, Chiefs of Party, Program Directors, etc.) are responsible for adhering to the principles outlined in the Policy within their respective project or program (including components implemented by partners). In addition, diverse roles and functions within the organization hold collective responsibility for meeting the principles outlined in this policy. Ultimately, the Country Director or equivalent authority bears responsibility for implementing the Environmental Policy within their respective countries or portfolios.

Given the breadth, diversity, and complexity of the programs and contexts where Mercy Corps operates, this Policy does not mandate specific roles and responsibilities within each principle.

9. Policy Governance

Responsible Team	Technical Support, Evidence and Program Quality
Policy Owner	Vice President of Technical Support, Evidence and Program Quality
Policy Approver	Executive Leadership Team
Last Reviewed	March 2026
Next Review Date	March 2028