

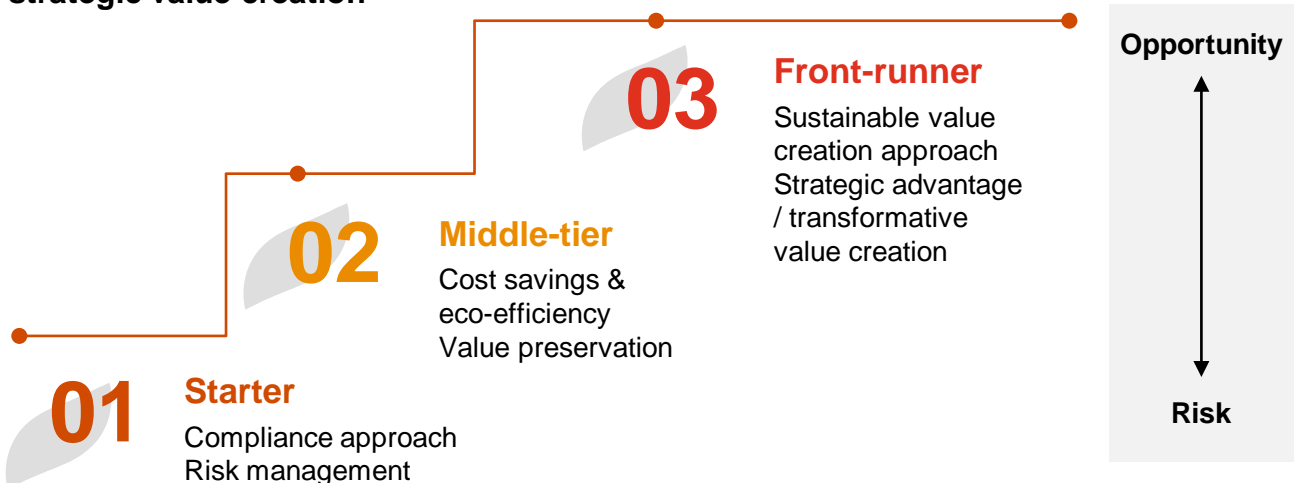


# Responsible Investment (RI) for Private Equity



Protecting and creating value through the integration of leading environmental, social and governance (ESG) practices across your investment process.

## The Private Equity ESG landscape — an evolution from risk-based approaches to strategic value creation



### Private Equity ESG Landscape

- Increasing recognition from PE that ESG-related factors can either create or significantly erode value
- Increased demand from LPs to understand how GPs are managing ESG risk and opportunity
- Increased regulation and voluntary commitment to ESG-related frameworks (e.g. UN Principles for Responsible Investment)
- ESG landscape can be categorised into:

- 1 Starters** (compliance and risk management approach)
- 2 Middle-tier** (focused on cost savings and reduction of negative E & S impacts), and
- 3 Front-runners** (using ESG factors to gain strategic advantage).

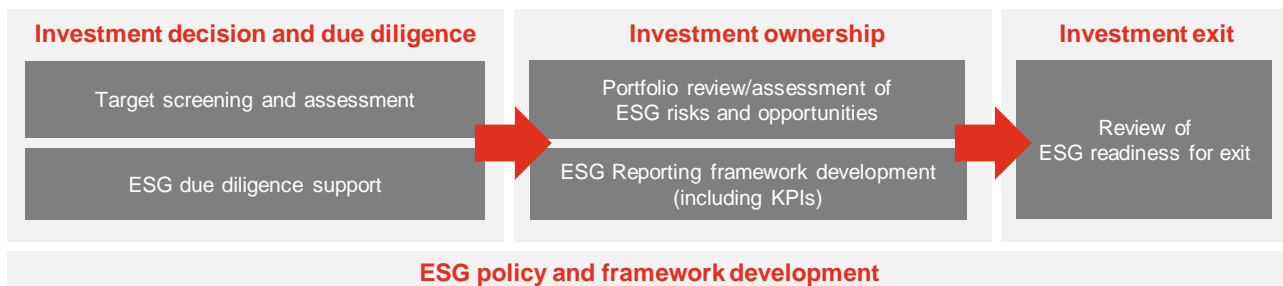
### How can PwC help support you on your ESG journey?

- Leading PEs are successfully using ESG integration to protect and enhance the value of portfolio companies.
- Climate risk, Net Zero and diversity & inclusion are examples of ESG issues with significant traction today.
- PwC **core ESG** and **Climate** services are designed to support our PE clients across the investment lifecycle.
- Our **Sustainable Value Creation** approach is designed for funds that want their ESG program to focus on value creation, as well as those who want to integrate ESG-linked value hypotheses into investment strategy and deal execution.

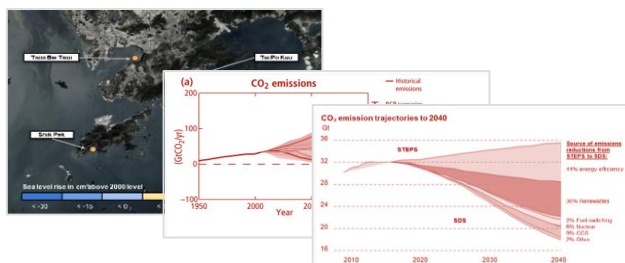
Our Private Equity ESG service offering spans ESG policy and framework development, ESG due diligence, portfolio monitoring and assessment, climate risk and Net Zero strategy, and Sustainable Value Creation (SVC).



## Core PE ESG Services



## Climate

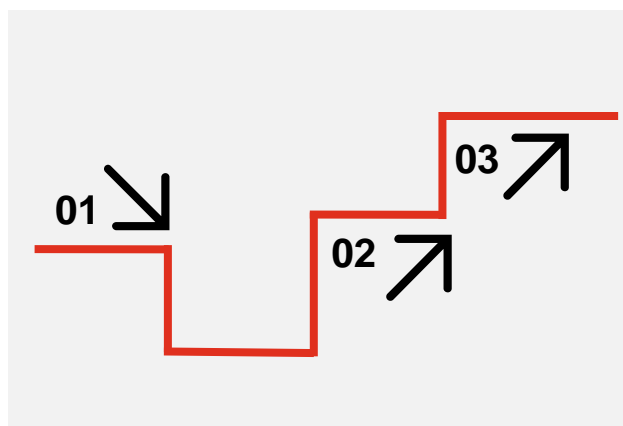


- Carbon neutral or net zero strategy and roadmap
- GHG emissions reporting
- Climate due diligence and risk assessment



## Sustainable value creation

- 01 Value erosion** from ESG headwinds is the 'do nothing' outcome for PE
- 02 Value preservation** can be achieved through targeted ESG performance improvement
- 03** Unlocking significant **value creation** is possible through ESG-led investment strategies and sustainable transformation of existing assets



## Contact us

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