

Go green. Stay competitive.

Why Sustainability is essential for Private Equity Houses?

Sustainability has become an essential part of investment strategies as it might impact significantly the performance of portfolio, and, therefore, private equity owners. Private Equity Houses are at the forefront of sustainable issues since Private Equity owners are increasingly concerned with climate change.

The issues

Not only will going green impact your investment strategy but it will also change the global management decision at both product and investment level. Sustainability should be considered at all the key stages:

“We believe companies that engage in sustainable investment practices not only de-risk their business models, but can achieve greater cost efficiencies and profitability, resulting in higher valuations in the capital markets.”

Stephen Marquardt

Joint Chief Operating Officer Doughty Hanson

Private Equity



On investment process

- Understanding and improving sustainability issue management
- Evaluating green investments

On fund set-up

- Setting your investment objective and strategy
- Targeting potential investors
- Offering the right product for your investors
- Screening tools
- Providing quality certification and reporting

On fund management activities

- Compliance with regulatory and voluntary schemes
- Understanding the sustainability-related risks and opportunities
- Measuring performance
- Providing quality certification reports

On training

- Training staff on the specificities of green investments

How we can support you

PwC provides a wide range of sustainability-related services to address these issues. Services include:

On fund set-up

- Assistance in defining your sustainability strategy and compliance environment;
- Definition of your sustainability code of procedures, monitoring procedures and reporting tools;
- Advice on the commercial terms for your product, preparation of investor presentation and advice on key terms of shareholder agreement surrounding your sustainability strategy;
- Assistance in the identification, discussions and meetings with potential investors and their advisors with respect to your sustainability objectives;
- Detailed assessment of the current state of the market and assessment of the longer term global potential for green investments in your strategy;
- Providing quantitative and qualitative data on the current market surrounding sustainability matters;
- Identifying best in class sustainability practices;
- Assistance in the assessment of potential market opportunities;
- Assistance in setting-up screening tools/methods at investment selection phase in order to meet your sustainability objectives;
- Initial due diligence report on your products and sustainability objectives, foreseen procedures and reporting;
- Environmental and social due diligence.

On investment process

- Assistance in setting-up specific sustainability due diligence checklists;
- Analysis of compliance of your contemplated investments with your sustainability objectives and strategy;
- Gap analysis between your targeted investments and your sustainability objectives and strategy;
- Assistance in defining robust pricing methods for your green investments;
- Valuation due diligences and reviews for your green investments;
- Definition of a data collection process, to ensure a long term reliability of the valuation tools;
- Environmental and social due diligence.

On fund management activities

- Assistance in integrating your sustainability strategy and objectives into your control and monitoring cycle by assisting you in the implementation of appropriate internal controls and information flows;
- Assistance in environmental and social compliance process set up;
- Assistance in recruiting a CSR officer;
- Assistance in benchmarking and assessing best reporting practices, selecting and/or developing relevant performance indicators to your specific needs considering your sustainability strategy;
- Assistance in developing and improving, at product and investment level, business/IT systems and information processes that support non-financial reporting tools (including non-financial performance information) to monitor compliance with your sustainability objectives;
- Assistance in the preparation of your sustainability report using recognised guidelines (GRI);
- Issuance of assurance statements (ISAE 3000 or equivalent) on your sustainability report.

assistance

in recruiting a CSR officer

Issuance of assurance statements on your sustainability report

ISAE
3,000
or equivalent

environmental and social due diligence

On training

- PwC Academy (www.pwccademy.lu) offers training solutions tailored to your specific needs including training solutions surrounding Private Equity sustainability. Those trainings are delivered by knowledgeable professionals who are keen to share their experience;
- PwC Academy is in the process of being GRI accredited trainer in Luxembourg.



Private Equity Houses are at the forefront of sustainable issues as Private Equity owners are increasingly concerned with climate change.

Why PwC Luxembourg?

We at PwC Luxembourg draw on a long-term expertise within the local market place and have a lot to do with sustainability and its consequences for business operations in all kinds of industries.

PwC Luxembourg (www.pwc.com/lu) has about 2000 professionals from 53 different countries. PwC firms provide industry-focused assurance, tax and advisory services to enhance value for their clients. More than 161,000 people in 154 countries in firms across the PwC network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

Our people working alongside you

Valérie Tixier , Partner	+352 49 48 48 2107	valerie.tixier@lu.pwc.com
Jean-François Champigny , Director	+352 49 48 48 3466	jean-francois.champigny@lu.pwc.com
Nicolas Bernhardt , Senior Manager	+352 49 48 48 2267	nicolas.bernhardt@lu.pwc.com

"PwC" is the brand under which member firms of PricewaterhouseCoopers International Limited (PwCIL) cooperate and provide services. Together, these firms form the PwC network. Each firm in the network is a separate legal entity and does not act as agent of PwCIL or any other member firm. PwCIL does not provide any services to clients. PwCIL is not responsible or liable for the acts or omissions of any of its member firms nor can it control the exercise of their professional judgment or bind them in any way.

© 2010 PricewaterhouseCoopers S.à r.l.. All rights reserved. "PwC" refers to PricewaterhouseCoopers S.à r.l., which is a member firm of PricewaterhouseCoopers International Limited, each of which is a separate and independent legal entity.