

Advisory

# *PwC Responsible Investment Services Capability Statement*

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**pwc**

# ESG Portfolio Services

*Impact investments, responsible investing or sustainable finance are buzzwords that actually mean including Environmental, Social and Governance (ESG) indicators into investment decisions.*

*The ESG risks and opportunities are still not known, valued and managed sufficiently in investment decisions.*

*Investing in a responsible way is probably the easiest and most effective thing you can do to act sustainably.*

## Your challenges

The global population will continue to expand, reaching an estimated 8.3 billion by 2030, boosting global demand for energy, water and food. This correlation of rising temperatures and rapid population growth puts mankind at a defining moment in its history.

Better ESG management provides an opportunity for investors to generate more value – more value for their portfolio companies and assets, for their investors and for society at large.

But how can a responsible investment strategy be implemented, ESG value be measured, managed and reported in order to fulfil stakeholders requirements?

## How PwC can help

We believe that there is not only a clear benefit in better ESG management, but also that it is possible for the value to be quantified and communicated to investors, acquirers and wider stakeholders.

PwC's responsible investment specialists combine finance with sustainability or industry expertise and support the creation of a comprehensive ESG strategy and approach that creates impact and value.

## Strategy and policy development

Support in selecting and implementing a responsible investment framework or tailoring a company specific approach. Further implementation support as risk assessment, selection of tools or training of staff.

## ESG measurement and valuation

Review of the entire portfolio in order to identify focal points for action. Reviews and benchmarking of portfolio companies, operating practices and supply chains. Guidance on reporting internally and externally on responsible investment.

Furthermore PwC has specific tools for the measurement and valuation of climate change impacts related to assets under management.

## Assurance on responsible investment implementation

The core business of PwC is providing assurance and assurance related service. We provide assurance on the application of responsible investment standards and policies as well as on the accuracy of ESG indicators. Assurance on the reporting of investment funds and underlying funds is another area for assurance.

## Your contact Sustainability & Climate Change

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### PwC services

- Responsible Investment Strategy and Policy Development
- ESG Due Diligence in Transactions
- Responsible Investment Portfolio Management
- Sustainability Assurance Services

## *Working together – Added value through Assurance*

### **Context**

Reliable data and processes are important for an effective Responsible Investment (RI) Approach. Management functions of companies want to be sure that the RI approach is reliable before reporting such information to external stakeholders. Furthermore, companies strive for continuous improvements in their approach and resulting data. Therefore, clients have consulted PwC.

### **Approach**

Our integrated teams of financial and sustainability experts used standardized procedures in order to verify client information used for PRI reporting or reporting of other responsible investment data in the annual report.

### ***Benefit***

PwC Switzerland clients could profit from an assurance on their responsible investment approach by receiving internal comfort and external credibility as well as valuable inputs for continuous improvements of process and data quality.



## *The relevance of ESG in investments – PwC Study: Putting Price on Value*

### **Context**

The PwC Private Equity (PE) responsible investment survey shows there is more opportunity for value protection and creation through Environmental, Social and Governance (ESG) issue management for the private equity industry:

- 79% of PE houses believe investor interest in ESG issues will increase in the next two years
- 71% of PE houses include ESG management in their due diligence at acquisition

### **Approach**

We carried out the largest survey ever of the private equity industry's attitude to ESG issues in the PwC Global PE Responsible Investment Survey 2013. More than 100 PE houses in 18 countries responded, managing more than \$860 billion of assets.

### ***Benefit***

Responsible Investment is a growing market also in Switzerland. The PwC Study shows that the investors will even care more about ESG in the future, creating opportunities for asset managers and many other companies with an ESG strategy.