

# Committed Capital

A GLOBAL PRIVATE EQUITY PODCAST

## COMMITTED CAPITAL PODCAST SERIES

### ESG and Asset Management: Challenges and Opportunities



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Dechert's Global Private Equity group presented "ESG and Asset Management: Challenges and Opportunities," an episode of the firm's Committed Capital Podcast Series. The episode was hosted by Mikhaelle Schiappacasse (moderator), a London-based partner in the firm's Financial Services practice, and featured Andreea Constantinescu, a partner at Planet First Partners, and Gary Vaughan-Smith, Chief Investment Officer at SilverStreet Capital.

This podcast summarized the latest developments in ESG investing as well as its role in capital raising and anticipated future trends.

## HIGHLIGHTS FROM THE EPISODE

### ESG Investing

The interaction of certain trends such as advanced technology, social demand and resource scarcity with a growing global population have made ESG a theme for investing in a variety of asset classes at scale over the last 10 years. Institutional investors have become increasingly concerned with how portfolio companies are governed and managed and are interested in their investments meeting minimum ESG standards.

### Monitoring Impact

One of the challenges has been the lack of widely agreed-upon standards and thresholds for measuring and monitoring the impact of ESG strategies. The recent EU sustainability taxonomy regulation has provided a unified classification system for measuring sustainability in the environmental context. This regulation, along with the sustainable finance disclosure regulation, is providing thresholds that can help investors assess whether investments are meeting ESG standards.

### ESG Diligence

Asset managers can improve their portfolio companies' standards and ensure the right ESG strategies are implemented by conducting ESG due diligence prior to acquiring the company and identifying post-investment actions. Conducting independent ESG audits can also help measure the impact of ESG standards and provide for verified results that can be shared with investors.

### Future Trends

Companies should prepare for a growing pressure to improve their ESG performance in line with the cultural movement towards sustainability and ethical investing. Positive developments to align ESG standards globally are expected to make it easier for financial players to operate across geographies in the future.

To hear the episode in full, click [here](#). For all episodes in our series, click [here](#).

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