

Responsible Investment: maximizing positive impact



April Tissier

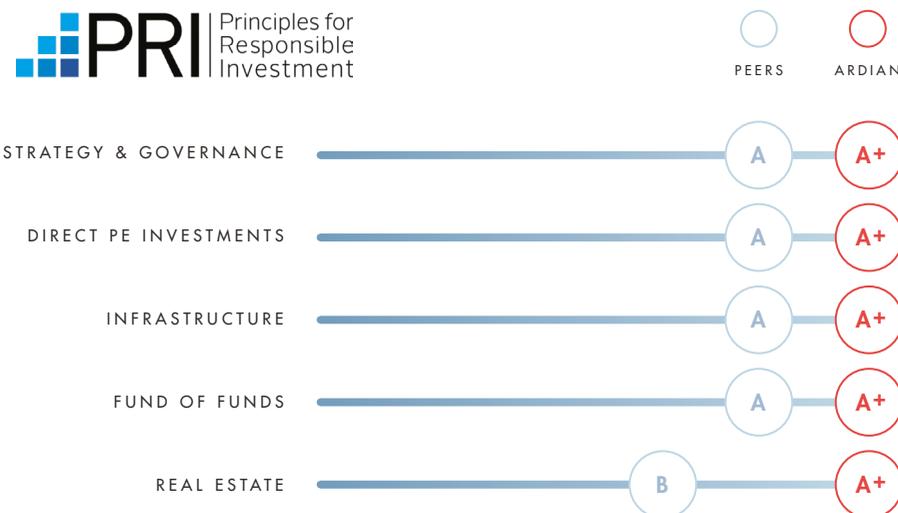
Manager,
Ardian Sustainability Team

“Ardian’s differentiating factor lies within our ambitious annual Engagement program with portfolio companies and GPs. Beyond the impressive scope of the review, with an average of 56 companies and 183 GPs, the dedicated resources and methodology are unparalleled. Indeed, with portfolio companies we have a tailored, individualized approach, where we co-design Sustainability roadmaps with annual interviews. These include onsite visits, insights from our network of external experts and dedicated training sessions when needed. For our Fund of Funds activity, we benchmark the performance of our GPs based on our annual survey and then provide one-on-one feedback sessions to share best practices and discuss how to improve.”

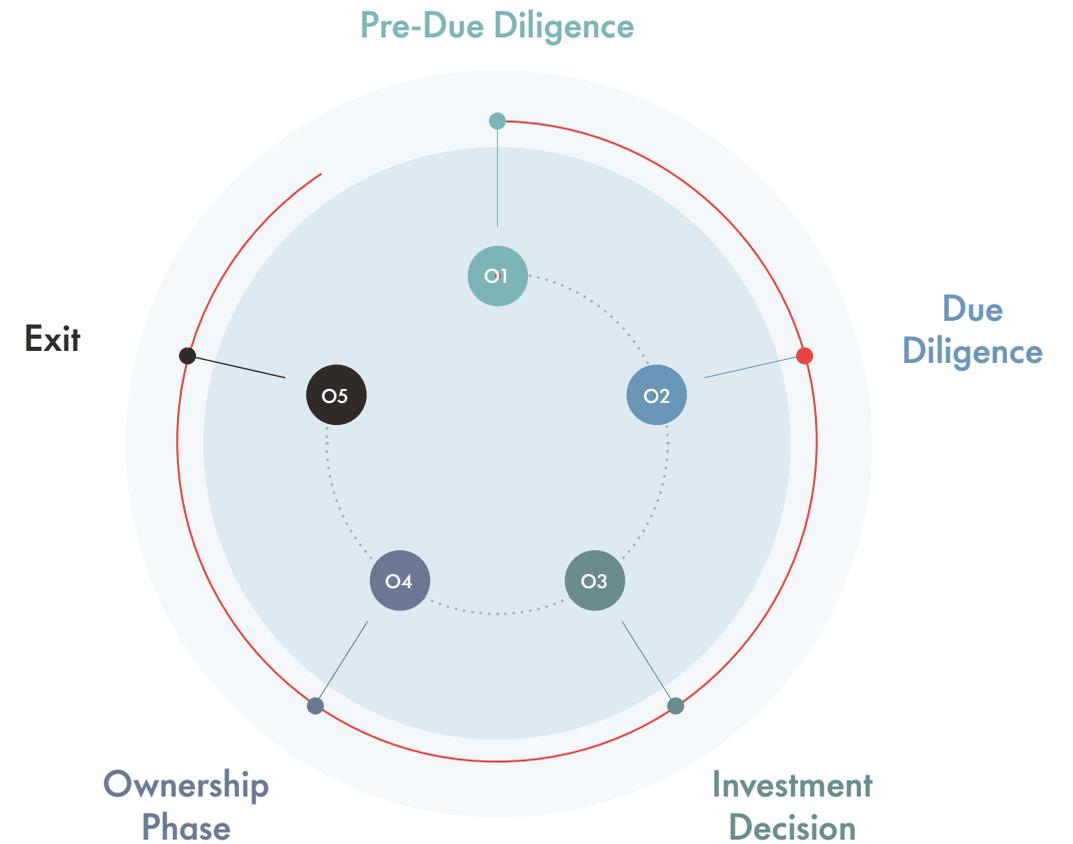
Our Responsible Investment policy, which we publicly shared in 2016, actively integrates ESG factors into our investment process. It takes into account the specific nature of each investment strategy, from due diligence to investment decisions, throughout the period that we hold an ownership stake and beyond. All new investment team analysts receive dedicated training on sustainability processes, and we provide regular updates on responsible investment to existing staff.

We want to make clear how private equity is a force for good. In 2009, we were one of the early signatories to the UN Principles for Responsible Investment (PRI) and we served a two-year term on the PRI’s Private Equity Advisory Committee. In 2020, we received A+ scores in all areas of the assessment.

ARDIAN VS. INDUSTRY AVERAGE PRI SCORES IN 2020



ESG INTEGRATION THROUGHOUT THE INVESTMENT CYCLE



O1 PRE-DUE DILIGENCE

For any direct investment opportunity, preliminary screening ensures that the investment team avoids investing in sectors which are explicitly banned. Ardian refuses to invest in the tobacco and pornography industries and excludes any investment in companies manufacturing and/or distributing controversial weapons.

O2 DUE DILIGENCE

The investment team systematically performs an ESG analysis while taking into account the fund’s (or mandate’s) strategy as well as the details of each opportunity. This is carried out with the support of the Sustainability team, along with specialized ESG consultants and experts when necessary.

O3 INVESTMENT DECISION

A summary of the ESG analysis is included in every investment memorandum submitted to the Investment Committee.

O4 OWNERSHIP PHASE

Ardian’s Sustainability team leads the monitoring and integration of ESG management within the portfolio companies and funds, in collaboration with the investment team and external experts when appropriate. The cornerstone of our Sustainability program is our series of annual engagement campaigns with portfolios.

O5 EXIT

The investment team seeks to conduct an ESG Vendors Due Diligence (VDD) as often as possible. In Real Estate, the investment team measures the value creation achieved on the property since acquisition. In accordance with Ardian’s internal charter, at exit, and under certain conditions, Ardian aims to redistribute a portion of capital gains to employees.



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OUR RESPONSIBLE
INVESTMENT POLICY
ON OUR WEBSITE
WWW.ARDIAN.COM