

ESG Acquisition Due Diligence

Understand ESG risk during asset acquisition

V1.1



evoraglobal.com



What Is ESG Acquisition Due Diligence and Why Does It Matter?

Climate risk and environmental, social, and governance (ESG) considerations have become significant factors in investment decision-making and buyer-side transaction **due diligence**. This influence is notable in transitional climate risk and broader ESG issues linked to global and regional decarbonisation goals.

More specifically, heightened challenges arise from the physical impacts of projected climate change, including physical climate risk. This underscores the importance of conducting thorough ESG due diligence to mitigate and reduce your ESG and climate risks during the acquisition process.

Our comprehensive **ESG Acquisition Due Diligence** services at asset and fund level are crafted to provide indispensable knowledge and insights, empowering informed decision-making. Moreover, it offers buyers crucial insights into the regulatory ESG risks associated with an asset or fund, as well as its alignment with their broader ESG strategy. This proactive approach identifies potential risks and proposes mitigation measures, enhancing negotiation leverage.

Whether it's reducing acquisition costs or affirming the positive impact on your fund, our due diligence team delivers a strategic and informed approach to acquisition from asset to portfolio.





Why Choose Our ESG Acquisition Due Diligence Services?

Holistic Expertise Across the Value Chain

Our Due Diligence team comprises a diverse group of sustainability and real estate investment professionals, bringing a wealth of knowledge that spans the entire real asset value chain. This **collective expertise** enables us to navigate the complexities of local regulations, market trends, and asset-specific intricacies, ensuring a comprehensive understanding of your potential investment.

Comprehensive Asset Analysis

We conduct a **thorough examination** of each asset, evaluating it against key material climate and ESG performance indicators, assessing its alignment with essential regulatory and market demands. Our analysis encompasses various ESG factors from corporate ESG strategy to Principal Adverse Impacts (PAIs), including local employment and transportation considerations. We incorporate market-typical benchmarks for ESG, ensuring a comprehensive evaluation of your ESG strategy.

As part of this due diligence process, we not only assess alignment but also scrutinise the robustness of the evidence provided. Identifying risks for investors and recommending mitigations or solutions, as well as outlining the potential impact, is paramount. This insight empowers you to fully understand the reputational, legal, and financial risks associated with your asset acquisitions.





Our Due Diligence Approach

Mitigate Risks. Reveal Opportunities.

Every investment carries inherent risks. Our meticulous **due diligence approach** is not only aimed at identifying these potential risks but also at crafting customised strategies for risk mitigation. For instance, through our **Red Flag Report**, we provide comprehensive advice on recommended next steps for effective risk management. This proactive approach to due diligence empowers you to make well-informed decisions with confidence.

Conversely, our due diligence outputs don't just focus on risks; they also pinpoint opportunities that the asset presents to your portfolio upon acquisition. This includes assessing your readiness for the **EU Taxonomy**. Identifying and capitalising on these opportunities ensures that your investment strategy aligns with evolving market standards and sustainability goals.



Trust EVORA Global for Sustainable Assets

We go beyond consultancy, serving as your trusted partner for sustainable real asset investments.

With our unparalleled **Collaborative Expertise**, we provide actionable insights that empower your real asset community to thrive in sustainable investment.

Our proven expertise in strategic consulting, climate resilience, net zero, sustainable finance, infrastructure, reporting, and social wellbeing ensure your investments are aligned with environmental, social, and governance goals for a secure ROI.

Driven by Collaborative Expertise

STRATEGY

Driving value and impact with sustainable ESG strategies

TECHNOLOGY

Streamlining operations and insights with advanced real asset technology, **SIERA**



ADVISORY

Navigating sustainable solutions with expert real asset advice



Our Mission

To establish sustainability and carbon as foundational factors for investment decisions.

Our Purpose

To accelerate the adoption of real asset sustainability and enhance the wellbeing of the planet and its people.

Our Clients

250+
CLIENTS

45,000
ASSETS

\$880 billion
AUM

“

This has been a journey since our start with Fund I. It now needs to be something we think about from the moment we wake up in the morning and think about our investments to when we go to bed and reflect on whether we’ve succeeded. I just want to say thank you, EVORA, for leading us on this journey and supporting our team along the way.”

Rob Rackind
Global Head & Partner
EQT

Contact Us



contactus@evoraglobal.com



@evoraglobal



company/evora-global



@evoraglobal

Disclaimer

The contents of this brochure are intended for general information purposes only and do not constitute advice. Reasonable professional care has been taken by EVORA in the development of this document. However, we provide no warranty or guarantee as to the accuracy, timeliness, performance, completeness or suitability of the information and materials found or offered in this brochure for any particular purpose. Any action you take based upon the information contained in this brochure is strictly at your own risk. EVORA cannot be held liable for any losses and/or damages in connection with the use of this brochure.