



Case study: Early-stage UK venture capital firm seeks alignment with EU SFDR

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Ogier Sustainable Investment Consulting advised an early-stage UK venture capital firm seeking to enhance policies and procedures to meet investors' growing demands, plus alignment with EU SFDR regulations relevant to Article 8.

Client challenge

Our client is an early-stage venture capital firm that services the intersection of media and technology. The client had no investors from the EU and was not legally obligated to comply with EU Regulation 2019/2088 Sustainable Finance Disclosure Regulation (SFDR). Yet, our client had specific objectives to invest in companies that either actively promote environmental and / or social characteristic or adhere to such guidelines. Therefore, our client wanted to make disclosures under SFDR Article 8 to demonstrate the environmental or social characteristic of its investment strategy and its approach to sustainability risks. At the same time, the client received an extensive ESG due diligence questionnaire from an investor that was very focused on how it integrates ESG in its investment process.

How we helped

Ogier reviewed the client's disclosures and documentation against SFDR Article 6 and 8 and performed a gap analysis against the regulatory requirements. The policy and documentation review included the following:

- sustainability risk policy at entity level
- remuneration policy
- pre-contractual disclosures of the fund

- website disclosures
- negative disclosure statement regarding the Principal Adverse Impact Statement at entity and fund-level

Results

Ogier supported with SFDR implementation services through policy, methodology and disclosure drafting - ensuring that the client was in strict alignment with SFDR requirements. Ogier completed ESG due diligence completeness and consistency checks against policies and supporting documentation for the client, and helped the client understand LP ESG expectations and demands.

About Ogier

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