



ESG impact on private equity companies

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Reasons for ESG actions!





ESG at a Glance





What are the Benefits of ESG?

👉 01.

- Improves financial stability and resilience
- Provides easier access to finance with more favourable terms

👉 02.

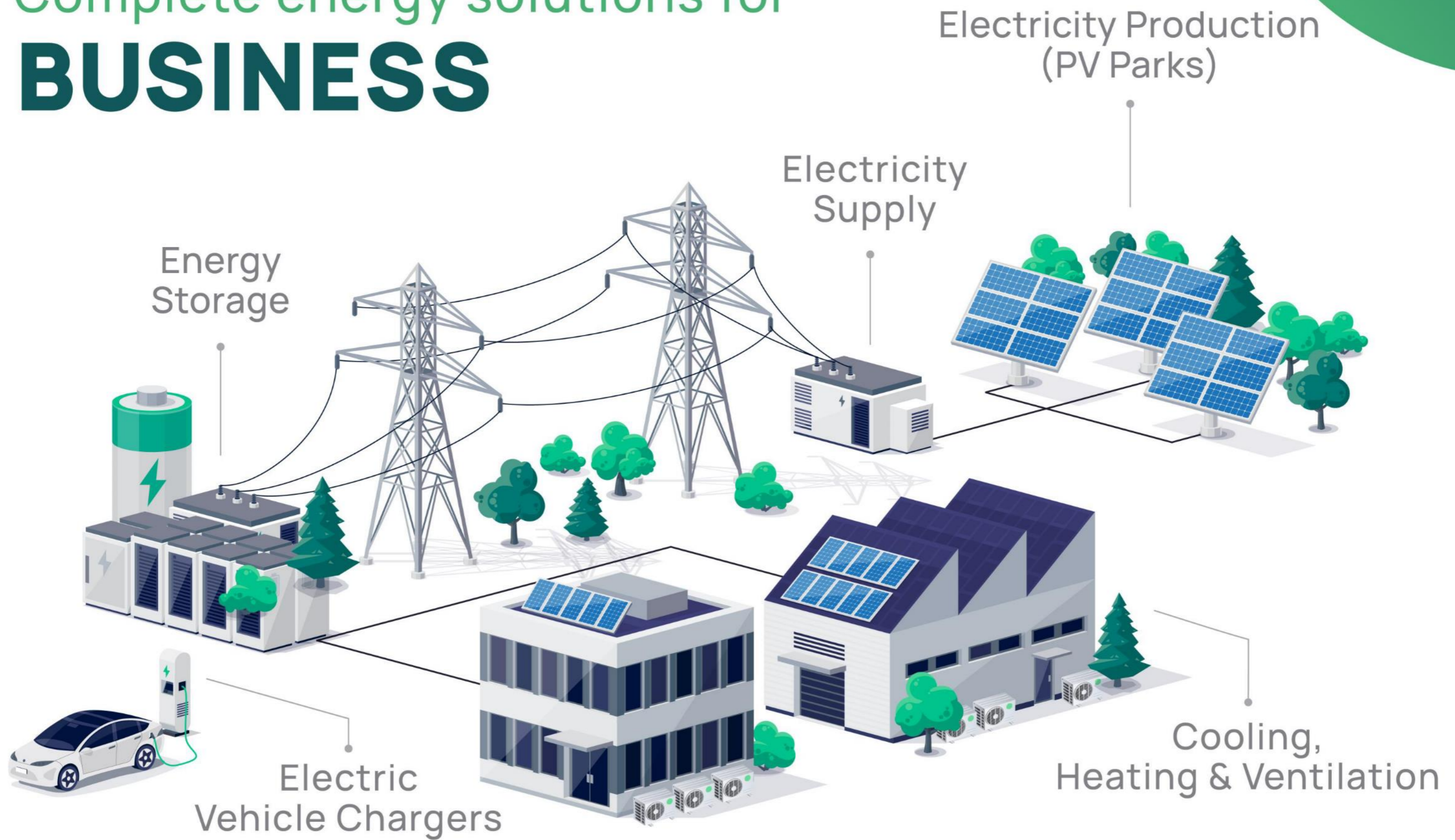
- Mitigates investment risk
- Superior financial performance
- Promotes innovation and successful workforce
- Transparency in operational procedures

👉 03.

- Actively contributing towards the sustainability development
- Positive environmental & social impact for future generations



Complete energy solutions for **BUSINESS**





Energy Auditing Services



Energy Audit

We provide comprehensive energy monitoring and auditing services, and we develop the energy transition plan for your businesses.

Energy Efficiency Contract (ESCo)

Implementation of projects and simultaneous financing.

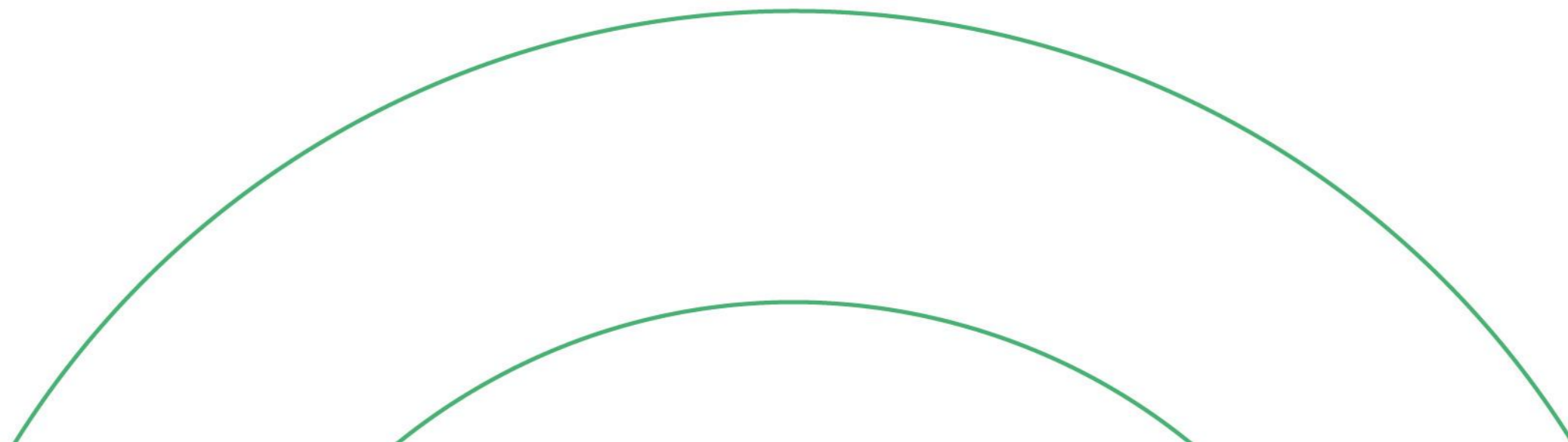
Green Energy, probably, is the only Group in Cyprus has concluded an Energy Performance Contract, i.e. energy performance contracts funded by third parties.

Our goal... To provide integrated energy upgrade solutions to industries and large consumers.



○ Services of the Group assisting in minimizing the carbon footprint

1. Install **photovoltaic panels** and **EV chargers** to residential and commercial clients, and through the future storage facility, we will be able to assist commercial companies to achieve the net zero target given by EU.
2. Through our own green **production** and our **supply** company, we can provide to the end consumers green energy, promoting green transition and carbon neutrality for a greener planet.
3. Through **energy auditing services**, we are able to identify and provide energy efficiency solutions to reduce carbon footprint in industries and businesses.



Attractiveness of Investment and Collaboration

The Green Energy Group offers Energy solutions, having a positive financial and environmental impact.

Additionally, Green Energy Group can assist all the relevant stakeholders to improve their ESG scoring and reducing their CO₂ emissions.



Challenges of ESG



- **Lack of standardization:** There is no any universally accepted template for ESG reporting, thus investors, financial institutions and other stakeholders will require different non-financial and financial performance data.
- **Data availability and quality:** ESG data can be difficult to collect and analyze.
In our case, the energy monitoring data varies vastly for each sector e.g. offices, industry, etc.
- **Cost:** High initial investment cost and low return rate for energy efficiency projects along with the high volatility that the market experiences can be challenging for new energy transition projects.

Challenges of ESG on private equity firms



- **Lack of data and clarity on reporting ESG concerns:** Private equity firms often lack the data, clarity, resources and expertise on how gather and process ESG data. This most of the times will lead to inconsistencies in reporting and delays.
- **Legislation and organisational structures:** ESG reporting is constantly changing and considering most PE firms have complex organisational structures can make it difficult to establish clear and uniform internal procedures for ESG reporting.
- **Implications of ESG reporting:** While including ESG features may improve risk management and long-term sustainability, its impact on overall financial performance, especially returns, remains debatable.

Proposed solutions to address ESG challenges



- New financial products and alternative financial mechanisms for new investments.
- Educational programmes raising awareness for ESG of employees and stakeholders.
- Software & hardware equipment and operational procedures for on-going data monitoring and standardized ESG reporting.
- Technical support for data collection and verification accompanied with clear ESG reporting policies.
- External energy auditing and strategic planning for ESG criteria alignment.



Thank you!

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