

Invest Europe ESG KPI report shows increased engagement, progress on climate change and higher female representation

- 78% of firms had ESG processes in place, women hold 38% of all jobs at PE and VC-backed companies
- Women held on average 26% of board seats in PE, VC
- Record participation: 1,057 firms were covered in second ESG KPI survey for 2022, an increase of 60% from previous year

Brussels, Belgium, **EMBARGOED until 5 March 2024 at 1100 CET** - Invest Europe, the association representing Europe's private equity, venture capital and infrastructure sectors, as well as their investors, today published the second edition of its Environmental, Social, Governance (ESG) Key Performance Indicator report, highlighting a significant increase in engagement among European private equity managers, greater focus on combatting climate change, and higher numbers of women in all roles.

The publication entitled '[ESG KPI Report: Managing what you measure](#)' surveys private equity and venture capital firms in Europe to show how managers and the portfolio companies they back are working for a more sustainable, inclusive and fairer Europe. The report features 2022 data on 1,057 firms (covering 66% of all capital under management in Europe in 2022), a 60% increase on the prior year. It encompasses 2,216 funds and 6,531 portfolio companies, underlining the central importance of ESG transparency to a large number of European GPs.

- The findings show that 78% of firms had ESG investment and portfolio management processes in 2022, including 90% of buyout firms, demonstrating clear and established industry-wide focus on ESG.
- Women on average held 38% of full-time equivalent roles at companies in the study, a three-percentage-point increase on the prior year's sample and held on average 26% of board seats.
- 12% of portfolio companies had Net Zero commitments in 2022, with the figure rising to 20% for buyouts. Practical steps include upping the proportion of renewable energy they consume, with a 10-percentage point increase in companies featured in the survey for two consecutive years using more than 80% of renewables in their operations.

In addition to key environmental and social measures, Invest Europe's **ESG KPI Report: Managing what you measure** investigates essential governance themes, indicating that seven in ten portfolio companies have anti-bribery and corruption policies, as well as initiatives to manage cybersecurity risks. The survey also probes deep into climate-related topics, for example tracking companies' carbon footprints through total Scope 1, 2 and 3 GHG emissions, as well as carbon intensity per thousand euros of turnover.

The aim of this study is both to create a transparent record of private equity and venture capital's performance on essential ESG issues at their portfolio companies, and to encourage and enable more European GPs to track, measure and manage their impacts on climate change, diversity, and governance

standards. Invest Europe also supports the industry with its [ESG Reporting Guidelines](#) that set the benchmark on ESG disclosures to investors and regulators, as well insight in the form of its [ESG Due Diligence Guide](#) and [Climate Change Guide](#).

Eric de Montgolfier, CEO of Invest Europe, commented:

- *“Progress on issues like climate change and diversity starts with engagement and commitment. The fact that more firms are measuring the impact of their businesses on a range of detailed key ESG performance indicators, shows the European private equity and venture capital industry’s real focus on environmental, social and governance standards.”*
- *“Where firms have taken the step to measure their ESG impacts, we see an improvement in performance on measures such as female representation, renewable energy use, and commitments to net zero. The scale of the challenge is huge and there is much more to do, but it is clear that the industry is moving in the right direction.”*
- *“Firms embracing ESG are not only driving positive change but also reaping the rewards. From boosting female representation to embracing renewable energy and pledging to go net-zero, the evidence is clear: the PE and VC industry is stepping up. While the challenge looms large, this proactive momentum signals a shift towards a sustainable future.”*

Invest Europe’s ESG KPI report is the result of collaboration with national associations involved in the [European Data Cooperative](#), with the KPIs based on metrics currently being used by private equity and venture capital firms across Europe to track their impacts on the environment, individuals and society.

To read the **ESG KPI Report: Managing what you measure**, please click [here](#).

-ENDS-

For media enquiries please contact:

Eric Drosin, Communication Director

Mobile +32 (0)493 51 19 82

eric.drosin@investeurope.eu

NOTES TO EDITORS

About Invest Europe

Invest Europe is the association representing Europe’s private equity, venture capital and infrastructure sectors, as well as their investors. We have over 650 members, split roughly equally between private equity, venture capital and limited partners - with some 110 associate members representing advisers to our ecosystem. Those members are based in 57 countries, including 42 in Europe, and manage 60% of the European private equity and venture capital industry’s €1 trillion of assets under management. Businesses with private capital investment employ 10.5 million people across Europe, 4.5% of the region’s workforce.

For more information visit www.investeurope.eu