



# DISCERN

sustainability

Consulting for Sustainable, ESG and Impact Investment



# Discern Sustainability helps asset managers invest for durable success.



We are experts in integrating Environmental, Social and Governance (ESG) into investments. We help our clients prepare for and contribute to a sustainable future.

We are backed by eighteen years of ESG experience spanning the waterfront of sectors, themes, asset classes and styles of investment.

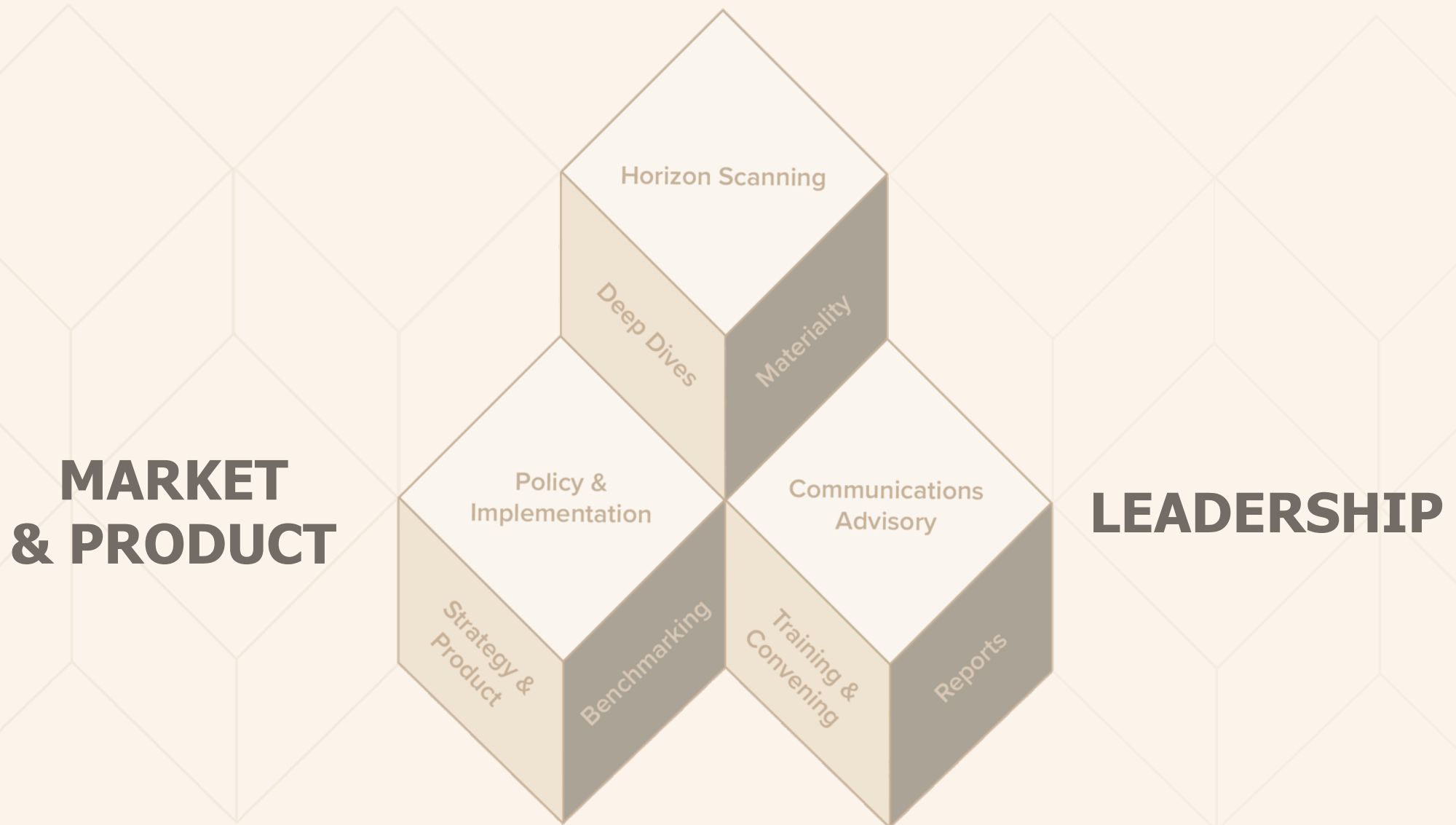
Some of our clients



# Our services



## BESPOKE ANALYSIS

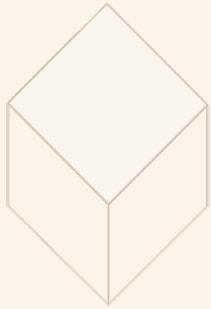






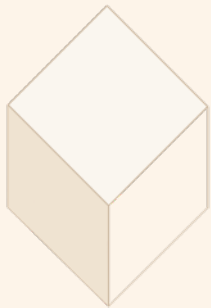
# Bespoke Analysis





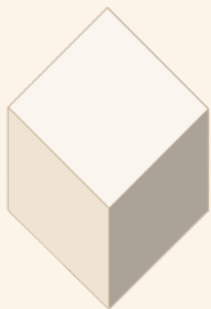
## Materiality Assessment

Materiality analysis and corresponding ESG scoring are central to our services. ESG issue coverage can read like the wish lists of different stakeholders. The prudent path distinguishes between matters of hygiene and the strategically critical. We convert what matters into tools for risk-adjusted pricing and targeted stewardship.



## Deep Dives

A tick-box approach often diminishes ESG due diligence. Our clients require thought and attention to sensitive transactions and funds. We get properly acquainted with the regulatory and cultural context of the business. We take pride in being thorough. We always answer the 'what next' question: the interventions that will mitigate risks and maximise opportunities.



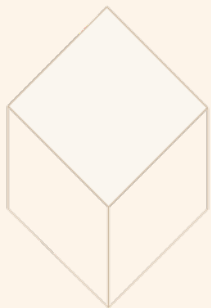
## Horizon Scanning

A client may be considering an expansion into a sector experiencing disruptive forces. They need to position their business to respond to megatrends like climate change. We use interdisciplinary research so as to gain a commanding view of a complex topic. Objective analysis of risks and opportunities is translated into options for action. This can form the basis of other deliverables: strategy, policy and benchmarking.



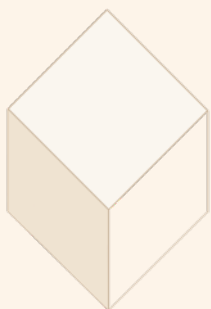
# Market & Product





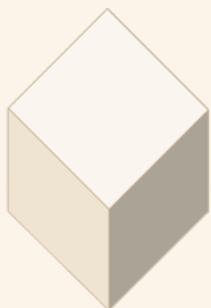
## Policy & Implementation Planning

Some clients seek to maintain their reputation for leadership. Others have never gone about ESG in a systematic fashion but want to preserve what is best about how they do business. We take time getting to understand the way the business works, the individuals, the culture, and its audiences. We make sure that the policies and tools we deliver have the explicit buy-in of the people who will need to use them, long after we have gone.



## Strategy & Product Development

Sustainable Investment, ESG and Impact Investing (and all the rest) are as expansive as they are difficult to define. In the market for ideas, investors see scepticism as their first duty. So when we observe that the theme is here to stay it is because logic and evidence say so. How will your business respond? We conduct strategic reviews involving all relevant partners. We address, for example, how effectively you are utilising ESG analysis and interventions to enhance investments. Do you have the right products in place? How can you be distinctive and generate conviction in a crowded field?



## Benchmarking

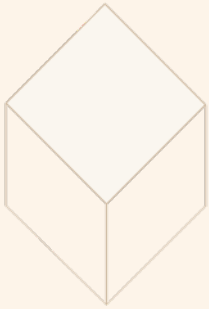
We take the same approach to benchmarking as we do the materiality: measuring and comparing the things that move the needle. Our benchmarking studies compare clients to peers and investee companies to their own peers. The studies are not off-the-shelf and incorporate a strong forward-looking element. Projecting how a company would evolve and adapt to stay on top of incipient regulatory and societal trends can be as important as knowing their past performance on conventional ESG metrics.



A child wearing a red t-shirt with a large blue number '8' on the back and blue pants is riding a yellow and blue bicycle on a dirt path. The child is wearing white sneakers. The path is surrounded by green grass and trees under a cloudy sky. The word 'Leadership' is overlaid in white text in the center of the image.

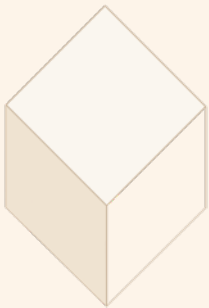
**Leadership**





## **Communications Advisory**

Investors rarely make the most of their communications. Fund-raising decks, websites thought leadership and annual reports on Responsible, ESG and Impact are often wooden in style, vague and appear tacked-on. We help investors present their approach as authentic, consistent and persuasive. We work in collaboration with a leading sustainability communications consultant to ensure our client's message lands.



## **Training & Convening**

We provide workshops to money managers and business leaders on ESG. We tailor these for sales, marketing and distribution teams, to ensure that they can articulate what is going on, back in the office. We facilitate discussions internally when purpose, strategy and implementation on ESG need to be explored and agreed. We also run sessions for clients wishing to include other stakeholders in the dialogue, to obtain feedback and gain a mandate for the way ahead.



## **Reports**

Our goal in producing commissioned copy, from in-depth reports to short articles, is to achieve a commanding view of the subject at hand. We have always maintained varied analytical coverage. This allows us to see the connections and differences between sectors and issues and above all, to project credibility. We write with authority. Our reports exhibit critical engagement with different sides of an argument. We build an informed view, in a style that is engaging and highly readable.



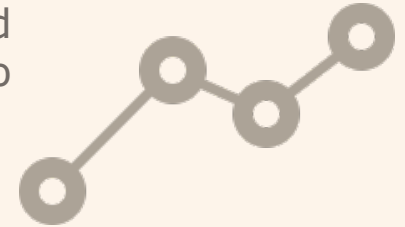
# Recent Commissions



# Under the hood

Designed suite of ESG Key Performance Indicators for a re-boot of high-profile screened [Responsible Investment funds](#). We set targets and conducted attribution analysis in order to identify targets for improvement or disposal.

Services: product, benchmarking, materiality, policy development



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Created core and country-specific controls for responsible conduct in [non-prime lending](#) and loan collections in Europe. These were calibrated to prevailing legal, cultural and commercial practices in each country.

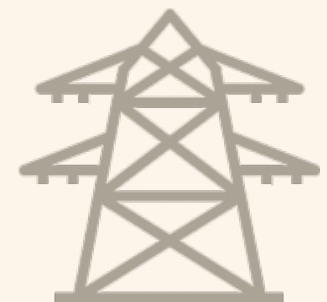
Services: deep dives, horizon scanning, policy & implementation



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Granular analysis of [Chinese coal-fired power companies](#) to understand which are better placed to transition and survive under China's drive to green its economy. Made recommendations on a transition plan to the Board.

Services: deep dives, benchmarking, horizon scanning, strategy



# Fit for market

Collaborated with the leading ESG real estate specialist Hillbreak to devise and implement a Responsible Property Investment policy for a private investor, based on deep integration into the investment process.



Services: policy and implementation, training & convening, communications advisory

Wrote business plan for a leading corporate responsibility management consultancy on entry into the growing Responsible Investment services market. The plan is being used as the basis for building a practice.



Services: strategy and product, benchmarking

Advised a large investment bank on the development of Impact Investment products for Family Offices and UHNWs.



Services: strategy and product, benchmarking, communications advisory



# Thought leadership

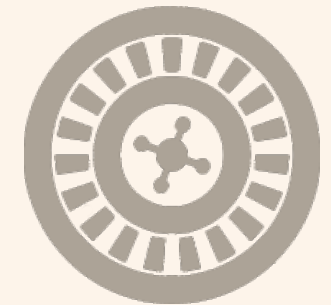
Created a [project](#) for a client that convened all internal stakeholders on a topic of common interest: the Energy Transition. Designed to also make the client one of the first investors to implement the Recommendations of the Taskforce on Climate-Related Financial Disclosures ([TCFD](#)). This short-circuited what can otherwise become an exercise in analysis paralysis.

Services: horizon scanning, materiality, benchmarking, convening



A report initiated on a benchmarking of online gambling companies was developed into a horizon-scan. Synthesising technological, legal, medical, behavioural and corporate practice trends, it predicted a startling coalescence of risks unpriced by the market. The report created a unique benchmark by which to identify the most prepared companies.

Services: deep dives, horizon scanning, benchmarking, white paper



Wrote a helicopter view of the evolution and current rapid expansion of Responsible Investment for the [leading Responsible Investment trade publication](#). It defines the five mutually re-enforcing themes that make it a resilient trend.

Services: strategy & product, communications



# Our signature



We are pragmatists with high standards. Always serving the same agenda as our return-focused colleagues but insisting on ambition and clarity in our area of expertise best explains how we were able to pioneer approaches and views that are now mainstream.



We are intellectually curious and honest. We enjoy knotty problems, value evidence and are alert to cognitive biases. We always distinguish between things as they are and how one might wish them to be, in a more sustainable world, bridging the gap, as much as possible.



Integrity is indivisible and inseparable from our social capital. We help clients put their best foot forward but we insist that what is being claimed is real and defensible. Clients respect us for our candour and constructive challenge. We are clear that we owe them this professional duty.



# Your contact

## Principal & Managing Director: Niall O'Shea

Niall has spent eighteen years in Sustainable and Responsible Investment. He recently led a team at Royal London Asset Management and prior to that, at The Co-operative Asset Management where he pioneered an innovative approach to ESG integration and high-profile stewardship campaigns. He was a key member of the RLAM Sustainable Funds, which have enviable long-term performance track-records. He was a board director of the Institutional Investor Group on Climate Change.

Niall holds an M. Phil. in Environment & Development from Cambridge University. Full biographical details are in his LinkedIn profile, below.

[niall@discernsustainability.com](mailto:niall@discernsustainability.com)

[www.discernsustainability.com](http://www.discernsustainability.com)

+44 (0)7708 773970

<https://www.linkedin.com/in/discernsustainability/>



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