GOLDING

Dual impact – the crucial importance of training for an asset manager's ESG transformation

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Private markets specialists are experts at recognising patterns and connections and using this knowledge as the basis for making their investments. At the same time, sustainability and ESG are important aspects of their work. Institutional investors in turn are increasingly selecting asset managers on the basis of their track record in ESG. This means that the ESG transformation has a twofold impact; both internally, on the business itself, and externally, on our partners and investments.

Baseline, metrics and targets

When it comes to sustainability, a vague motivation alone is not enough. It will only start to make a difference when the company really decides to make the subject a priority. This begins with a baseline assessment, a common understanding that more sustainability is needed, and a mission statement that conveys the vision and the values and provides practical guidance.

In order to establish this common understanding, we train our investment team continuously in ESG analysis. A clearly structured, logical framework for the assessment of ESG aspects forms the basis for our work and helps a diverse investment team to distinguish between best and worst practices and to separate inflated statements of intent from the relevant facts and figures.

Continuous training starts with our specialised Sustainable Investing team, which is integrated into our investment processes. We are supported in our ongoing staff training by a wide range of inputs from external experts on the latest developments in such areas as the energy transition, climate action and sustainability regulations, as well as by background information on topics like unconscious bias. It is only when this common understanding has been established that a diverse investment team can speak with one voice and adopt a common position on the ESG transformation of investments.

ESG training is a response to market demand

Institutional investors are discovering the relevance that sustainability aspects have for them: there is a growing willingness to give greater weight to sustainability criteria, even apart from the regulatory requirements. They increasingly rate asset managers on the basis of their internal ESG performance too. This is partly because they consider sustainability to be a driver of long-term returns, and also because there is a greater intrinsic awareness of the business activities and business practices they should be investing in. In many cases, asset managers are taking on a new role as sustainability ambassadors, who can provide expert knowledge to educate institutional investors.

We have combined all these aspects for the first time in a document intended for external consumption in our Sustainability Report for the year 2022/23. The report presents our vision of sustainability and social responsibility in our everyday work, how we incorporate these into our investment strategy and which measurable targets we have set ourselves.

It includes prioritising diversity as an element of our work: our aim is to create equal opportunities, encourage diverse perspectives, strengthen the spirit of cooperation, develop and support our managers in this endeavour, and so ultimately to enhance the performance, but also the job satisfaction of all our employees.

The path to a more sustainable corporate culture

We set up an Impact Task Force a few years ago to ensure that sustainability became a fundamental aspect of our day-to-day work. Its aim is to drive our company forwards on its transformation pathway. Acting as an internal think-tank, it has identified three main topics; environment, social engagement and employer of choice, and defined specific actions to be taken. The Impact Task Force is a cross-cutting function and involves different areas of the company in its work, from People & Culture through to Accounts. Regular rotation ensures that it remains a platform for fresh ideas, consistently developing new activities or strengthening and refining existing programmes, as currently with corporate social volunteering.

Other measures have included measuring greenhouse gas emissions before taking the first steps to reduce them, promoting sustainable mobility for employees, a Health & Wellbeing Calendar for joint sporting activities, and the Wellhub offer for all permanent employees.

Keep learning, keep an open mind, keep questioning

In addition, the internal initiative Women@Golding encourages women to realise their full potential and supports them to strengthen their position in the company and their profile in the industry. In this context we also cooperate with the Fondsfrauen organisation, which campaigns for equal career opportunities for women.

External and internal coaching sessions on specific topics complete the offer. In these activities we give our employees the opportunity to engage meaningfully with how we can increase our contribution within a wide range of initiatives.