bvca The British Private Equity and Venture Capital Association

Evolving views of sustainability in private equity and venture capital

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Contents

Executive summary

The long-term nature of venture capital and private equity investment enables fund managers to work with company leaders in driving transformational change within investee businesses, as well as within the investment houses themselves. In recent years, one key area of focus has been the establishment of responsible investment and sustainability polices which enable environmental, social and governance (ESG) issues to become a core component of business strategy.

At its heart, venture capital and private equity is about value creation: working with business managers to increase the value of a company over a finite horizon, and then selling it on to realise the gains made. In order to raise the long-term enterprise value of the companies they invest in, venture capital and private equity investors often target operational improvements to underlying business processes, driving increases in productivity in part via sharing their own experience and expertise. Yet relatively little work has been published that examines how venture capital and private equity fund managers view sustainability issues, and the role those issues play in their investment and general decision-making processes.

This study addresses this gap. This report summarises the findings from a recent survey of private equity and venture capital fund managers that asked them for their views on sustainability, and compares and contrasts those findings with a previous survey from 2009. The 2011 survey found that:

- Portfolio companies who actively manage ESG issues are perceived to be more attractive to investors.
- Addressing ESG issues does not necessarily translate into an unnecessary increase in operating costs or a distraction from the running of the core business.
- For the majority of survey respondents, ESG issues are already a key consideration in the investment decision, and also in the management of current (and potential) investee companies.
- Despite heightened engagement with ESG issues, typically that engagement is led or managed by investor relations or fund marketing professionals.
- There is widespread belief that venture capital and private equity investment can be an influential force for change, with respondents calling for more action to be taken.
- In many cases, intentions in 2009 to address sustainability issues have become tangible policies in 2011.

Overall, the survey demonstrates that venture capital and private equity firms are increasingly working hard to introduce good corporate systems that track the broader impact of their activities. More needs to be done, but sustainability issues have moved up investors' agenda, and fund managers have responded with a renewed focus on best practices. As the industry continues to develop in this field, not only can organisations generate additional value from their investments by renewing their focus on ESG, but they can also showcase the genuinely beneficial impact of venture capital and private equity investment to the wider corporate world.

1. Introduction

Private equity[1] investment, at its core, is all about good business. A key distinguishing feature of this type of corporate structure is the 'active ownership model'. Private equity (PE) fund managers invest equity capital into a company, working with the management to help increase the value of the business, before selling the equity stake and delivering those returns to their investors. As such, PE fund managers take a more hands-on approach compared with other ownership models, in particular public ownership. Private equity fund managers are closely tied to their investee companies, often serving on the board as company directors and remaining in contact with senior management teams long after they have sold their stake.

In examining the impact of private equity investment, previous research has tended to focus on the types of management practices that are introduced by PE investors, and the operational changes that can occur within the investee company. A significant component of these changes is the role that environmental, social and corporate governance issues can play. These issues have become increasingly important ever since the United Nations developed the Principles for Responsible Investment (PRI) in 2005, with the help of some of the world's largest institutional investors. As of September 2011, there were over 930 signatories to the PRI initiative, over 110 of which were PE fund managers or fund of fund managers (United Nations, 2011).

By its very nature, PE is well-placed to manage these sorts of longer-term concerns and establish best practice for dealing with ESG issues. While publicly listed firms can be burdened by frequent reporting requirements, a dispersed shareholder base and short-term movements in stock prices, PE fund managers – also known as General Partners (GPs) – generate their returns by focusing on how they can best build-up the long-term enterprise value of the investee company. This enterprise value should itself be a reflection of the current and future expected (discounted) value of profits; by itself, an equity stake in the business is a claim on tomorrow's profits as well as today's bottom-line. As such, GPs need to consider all factors that could benefit or diminish a company's brand, reputation, and standing. This focus on building better businesses, allied with the long-term nature of PE investment, enables GPs to implement practices such as ESG programmes that can create tangible corporate value over the longer term.

In light of the growing prominence of sustainability issues, the BVCA Responsible Investment Advisory Board (RIAB) commissioned a survey of BVCA members in 2009, and published the results online (BVCA, 2009). Two years later, the RIAB decided to conduct a similar survey over the summer of 2011, to see if GPs' views of sustainability had changed.

1 Throughout this report, we adopt the wide definition of 'private equity', and this encompasses the whole universe of investment, from seed capital to buyouts.

2. Sampling Methodology and Survey Design

Given the subjective nature of managers' views on ESG issues, we decided to pursue a qualitative approach to gauge the sentiment of PE fund managers at BVCA-member firms. To that end, we constructed a short online survey that members could respond to. The survey asked respondents about their experiences and views on ESG practices in the context of private equity, both at the fund manager level and within their portfolio companies. The precise wording of the questions is available in the appendix.

For the purposes of the survey, we defined 'sustainability' as companies addressing environmental, social, and governance (ESG) issues to try and ensure that meeting present day needs did not compromise the ability of future generations to meet their own needs. Within that context, it implies that companies must take a broad perspective when thinking about their actions, and spread best practice as well as eliminating poor procedures. A company that is aiming to be sustainable would take into account short- and long-term risks and opportunities in its business strategy, and seek to mitigate its negative environmental and social impacts while also fulfilling its duties to shareholders.

The survey was conducted using Zoomerang, an online data collection tool. The format was based on a previous BVCA Research report from November 2010 (Ellis, 2010), which in turn was based on the types of surveys that Bank of England Regional Agents frequently conduct with their business contacts. The sustainability survey was launched in late July 2011, and publicised both on the BVCA website and via emails to BVCA members. Individuals' details and responses have been kept entirely confidential within the BVCA Research team, to ensure that respondents felt free to give their honest views. The survey closed in September 2011, after receiving responses from 79 different PE houses, which is broadly comparable with the 84 responses from the 2009 survey.

3. Survey Results

Before asking participants for their views of sustainability, the survey gathered some limited background information about the companies that respondents represented. Overall, the majority (85%) of respondents came from venture capital and mid-market firms, and in general from a wide range of fund sizes.

This suggests that the survey was broadly representative of the BVCA member base. Survey respondents were mainly middle to senior managers within their respective organisations (Chart 1) – fund managers and General Partners responsible for investment and portfolio management – rather than entry- or low-level staff.

The first detailed question of the survey-proper asked if our definition of sustainability (page 5) was appropriate. Because ESG issues can often be subjective and qualitative by their very nature, it was important to check that survey participants generally recognised our definition. Happily, respondents were overwhelmingly supportive of our definition, with 68% believing it to be very or fairly appropriate (Chart 4). Only 24% reported that the definition provided did not adequately reflect sustainability, down from 39% in 2009.

Chart 1: What is your current job role in your firm?

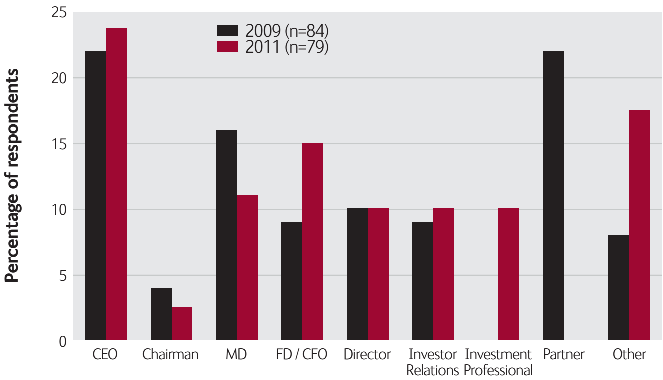


Chart 2: As a General Partner, what is your firm's core focus?

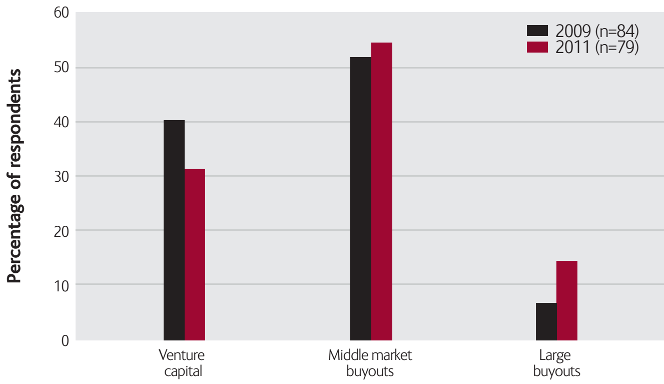


Chart 3: What is the size of the current fund your firm is investing?

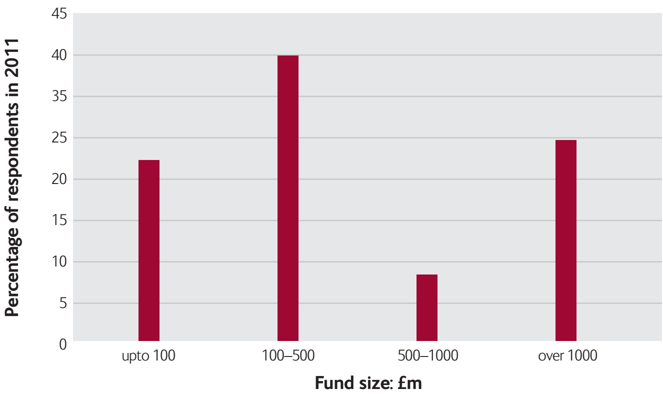
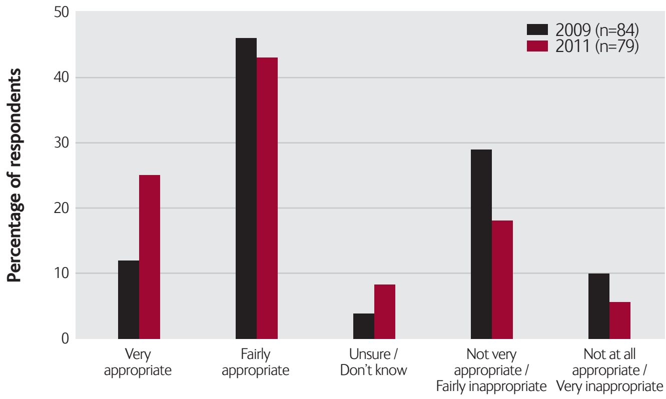


Chart 4: Thinking about this definition, how appropriate do you feel it is to use the term 'sustainability' to describe this concept among the PE/VC community?



The impact of sustainability on business operations

Having established a clear definition, we then asked respondents about the impact of sustainability on business operations, by asking to what extent they agreed with a series of pre-defined statements. In particular, we asked them: whether a company that actively managed sustainability was more attractive to investors; whether a firm's stance on sustainability would make a difference when evaluating that firm; whether a firm that manages sustainability issues is effectively adopting a long-term strategy; and finally, whether a firm that actively manages sustainability incurs unnecessary costs. These same statements were asked in the 2009 exercise, and thus allowed us to gauge how the perception of sustainability has changed over time.

The most striking result from this part of the survey is that there has been a clear shift in thinking, from those who were undecided about whether the management of sustainability was more attractive to investors. In 2009, 38% of participants were indifferent (responding 'neither' or 'don't know') as to whether a company that actively manages sustainability issues is more attractive to investors (Chart 5). But in the 2011 survey only 24% felt this was the case. The shift is clearly visible in the greater number of respondents tending to agree or strongly agreeing with the statement, up by over 20 percentage points (ppts) to 64% in 2011 (Chart 6).

There was further overwhelming support for sustainability to be considered in the company's long-term approach and reputation. The movement in favour of agreement was by a margin of over 30ppts from 2009, to 77% in 2011. This suggests sustainability and wider ESG programmes, which can often accompany transformational changes within a company, chime well with the long-term approach that private equity investment brings to a portfolio company.

At the same time, the majority of respondents felt that the active management of sustainability did not mean that companies were 'incurring unnecessary costs'. Thirty-seven percent of respondents disagreed with this statement in 2009. But dissent was even more pronounced in the recent survey, with 64% of respondents disagreeing with this statement (Chart 7).

The final statement in this section asked respondents about their direct experiences of ESG within the management of their portfolio companies. Twenty-four percent of respondents reported that their firm considered the risks and opportunities associated with ESG management 'a great deal', up 10ppts from 2009 (Chart 8). At the same time, those firms that considered such risks 'a fair amount' also rose to 53% in 2011, from 44% two years ago. This suggests that while private equity houses carefully consider ESG in their own organisations, they put just as much weight on investee companies paying careful attention to sustainability issues.

Chart 5: Agreement with statements about sustainability (2009)

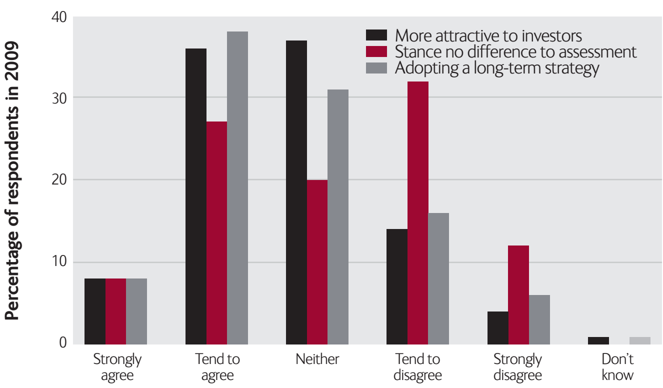


Chart 6: Agreement with statements about sustainability (2011)

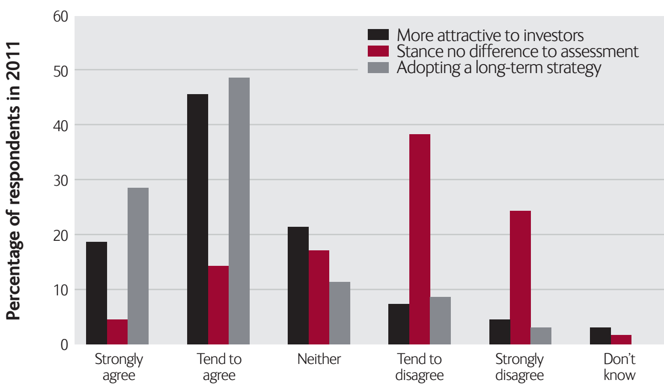


Chart 7: If a company is actively managing sustainability issues that suggests it is incurring unnecessary costs

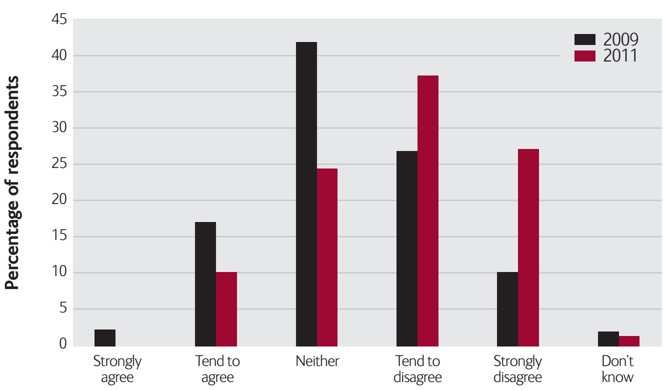
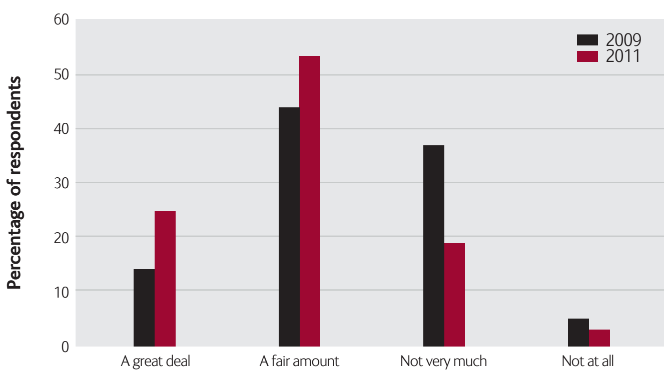


Chart 8: To what extent does your firm consider environmental, social and governance risks and opportunities in your portfolio company management?



General perceptions of ESG issues

The next set of survey questions explored the awareness of sustainability among respondents and the perceived importance of acting in the long-term interests of investee companies. The results were unequivocal. Eighty-six percent of respondents thought it was important that investee companies should aim to act in a sustainable and responsible way in relation to the local environment and community, compared with 75% two years ago (Chart 9).

We also asked respondents about the impact of sustainability across a range of issues, which were again offered in the form of pre-defined statements. The first statement addressed the relationship between the management of sustainability issues and investment decisions, and sustainability does seem to have a growing influence on those decisions. Forty-four percent of respondents believed sustainability was currently a factor in their investment decision (Chart 11), compared with 38% in 2009 (Chart 10), which is again consistent with sustainability being an important concern for PE fund managers.

A majority of respondents also agreed that greater engagement in managing sustainability was likely to translate into increased long-term value. Fifty-three percent of respondents agreed with this statement, up 8ppts from 2009. In part, this may reflect the fact that business leaders and fund managers now see ESG as a core component of an investee company's business strategy. This conclusion was further supported by the response to the next statement in the survey, which asked if greater attention to sustainability meant that managers were distracted from the core role of running and developing the business. The percentage of respondents disagreeing with this statement increased slightly to 52% in 2011 from 49% in 2009; at the same time, indifference to this statement decreased by 9ppts.

The final statements in this section of the survey concerned the implementation of the ESG agenda within PE houses and investee companies. The results were mixed, but overall more respondents (42%) agreed that the process was typically driven by investor relations professionals and those marketing funds (Chart 12). In contrast, 30% of people disagreed, with the remaining 28% expressing no strong view either way. This represents an area of concern. As with most cultural change within business, unless that change is developed and implemented from within the firm and embedded right across the organisation, it may struggle to survive over the longer term.

Chart 9: How important do you think it is, if at all, for a portfolio company to aim to be sustainable and act responsibly with regards to the environment and society?

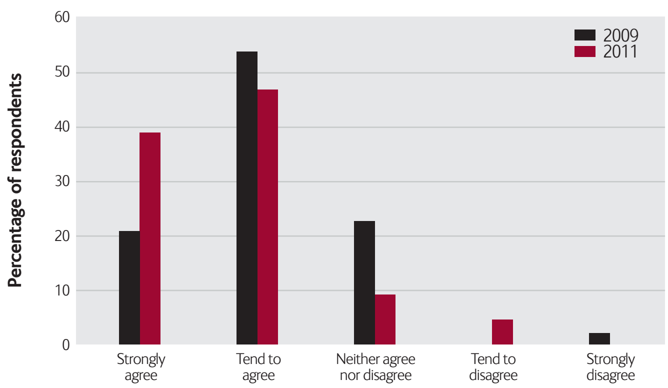


Chart 10: Agreement with statements about sustainability (2009)

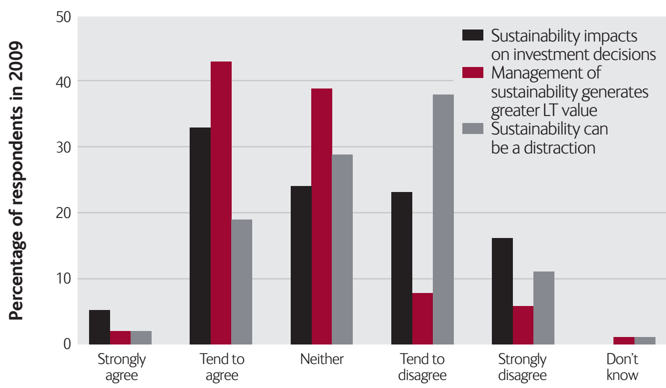


Chart 11: Agreement with statements about sustainability (2011)

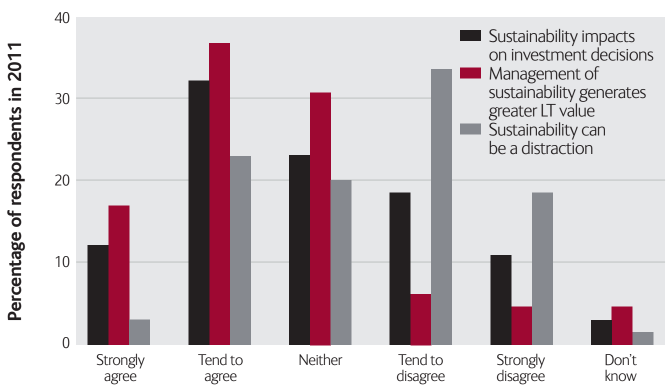
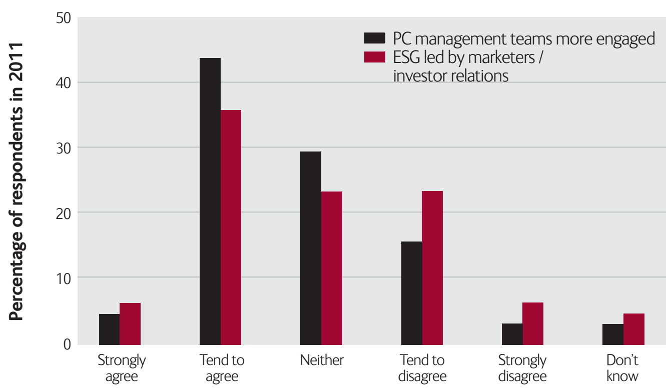


Chart 12: How far would you agree or disagree with the following statements



However, generating greater awareness and acceptance of sustainability issues and management is supported by the fact that business managers within investee companies are actively interested in the challenges and opportunities that the ESG agenda can bring. Over 48% of survey participants agreed that management teams were increasingly interested and engaged in sustainability issues (Chart 12). This is consistent with the management of ESG issues genuinely being part of mainstream private equity fund management, and recognition of the critical role such issues play in the development of investee companies.

Firms' own activity and policies on sustainability

Having gained some insight into private equity executives' general perceptions of sustainability, the survey then focussed more directly on the role sustainability played within the operations of their own firms. In particular, given the increasing recognition of the importance and value-creating aspects of responsible investment and sustainability, we were keen to uncover the extent to which formal processes had been put in place by PE firms.

Back in 2009, BVCA members were asked a similar set of questions. Just 24% of fund managers surveyed in 2009 had clear policies in place regarding their firm's approach to ESG issues, and fully 51% of respondents reported that they had no plans to implement such policies (Chart 13). A lot has changed in the past two years. Fully 63% of respondents to the 2011 survey reported that they had policies in place, with just 20% of those firms surveyed having no plans to implement similar policies in the years ahead (Chart 14).

This is a clear indication that sustainability has become a key issue within the PE community. Sentiment has genuinely shifted. In 2009, 44% of those surveyed said that they had no intention to introduce an environmental dimension to their sustainability policy, with just 26% having such policies in place and a further 11% indicating that they could introduce plans later. In contrast, a little under two-fifths of those polled in 2011 already had environment polices established within their firm, with only 25% of respondents indicating that they had no plans to implement such policies. This is clear evidence that PE fund managers are taking a more holistic approach in thinking about how their activity, and that of their investee companies, could affect the local environment. In part, this could reflect recent legislation such as the CRC Energy Efficiency Scheme.

Chart 13: Your firm's activity on sustainability (2009)

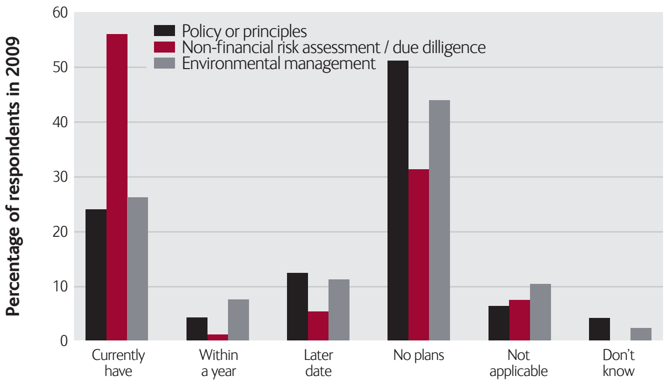
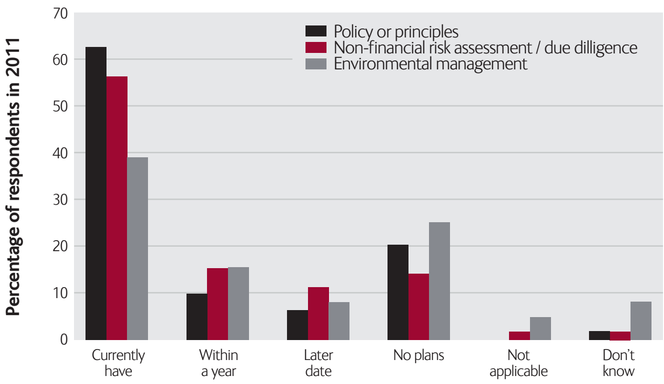


Chart 14: Your firm's activity on sustainability (2011)



Given that PE fund managers are increasingly recognising the importance of sustainability in their investment and management decisions, we also wanted to explore the extent to which they were communicating the impact of their ESG activities to their own colleagues and the wider stakeholders of the organisation. In terms of regular formal reporting of activities within the organisation, there has been a notable increase over the past two years (Chart 15), albeit from a pretty low base. Although the percentage of firms that have established communication in place has risen by around 8ppts since 2009, only a fifth of firms had regular reporting in place in 2011, with another 20% planning to establish such reporting within the next year. And while the percentage of respondents that indicated they had no plans to establish formal reporting fell by over 18ppts, fully 43% of GPs still have no plans to implement formal reports. This suggests that, for all the progress that has been made in raising the profile and importance of sustainability, more needs to be done to raise awareness; otherwise, there is a clear risk that the impact of sustainability and ESG programmes is not fully embedded within organisations.

The survey also explored how fund managers were conveying their work on ESG issues to their investors, who are often referred to as Limited Partners (LPs). There is evidence that LPs themselves are increasingly concerned about and engaged with sustainability: over 55% of survey respondents indicated that they (or their co-workers) had responded to investor questionnaires focussed on ESG issues within the past two years (Chart 16). Yet, at the same time, only 19% of GPs had a section on sustainability in their last/current prospectus. Furthermore, only 27% of respondents were considering including a section on sustainability or ESG in their next fund prospectus or information memorandum, with another 27% indicating they had no such plans (Chart 17). Almost half of respondents reported that they were planning to add information on sustainability at a later date.

This could represent a lost opportunity. With LPs focusing on investments that can demonstrate sustainability as well as long-term wealth-creating potential, these survey results suggest that more engagement between GPs and their LPs would be valuable. Sustainability is a key concern for both GPs and LPs, and greater reporting and dialogue would foster a genuine two-way process that would enable both investors and fund managers to monitor progress, highlight concerns, and celebrate achievements.

Chart 15: Regular formal reporting / communication of your firm's sustainability activities internally

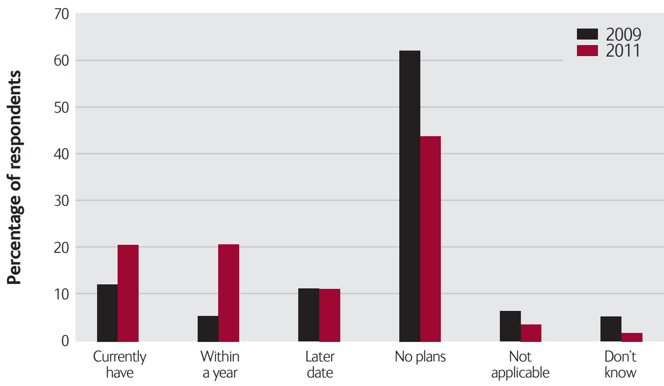


Chart 16: Have you or colleagues been asked to respond to investor questionnaires specifically focused on sustainability or ESG issues within the last 2 years either as part of fundraising or informal communication of your portfolio's sustainability activities

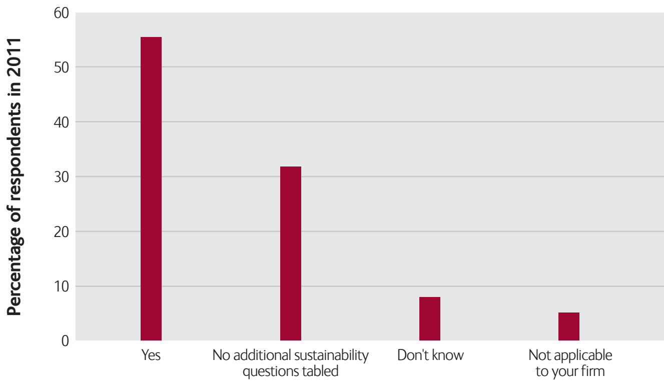


Chart 17: Would you consider including a section or sections on sustainability in your next Information Memorandum /Fund Prospectus ahead of your next fundraising?

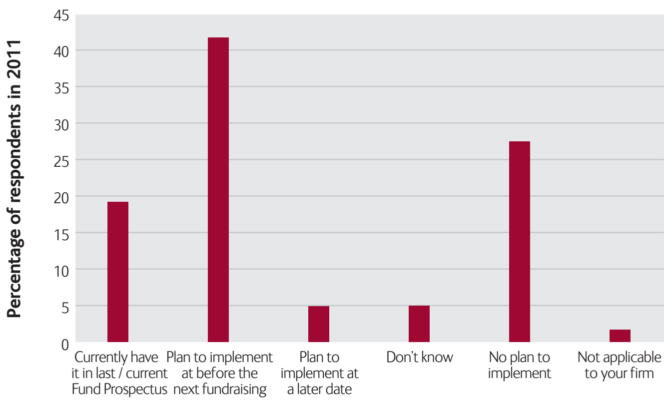


Chart 18: Thinking about your own firm, what stage is your firm at in embedding sustainability issues in its own decision making, policies and procedures?

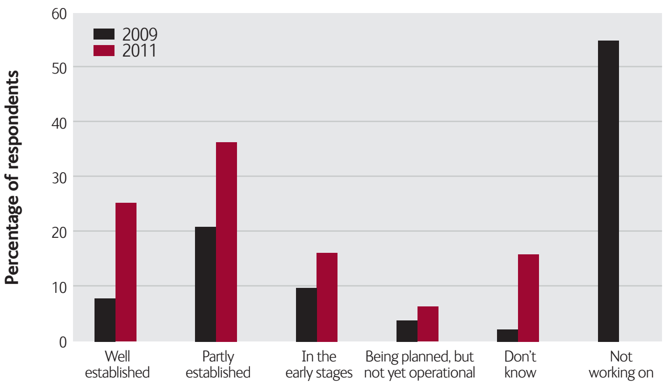


Chart 19: Agreement with statements about sustainability (2009)

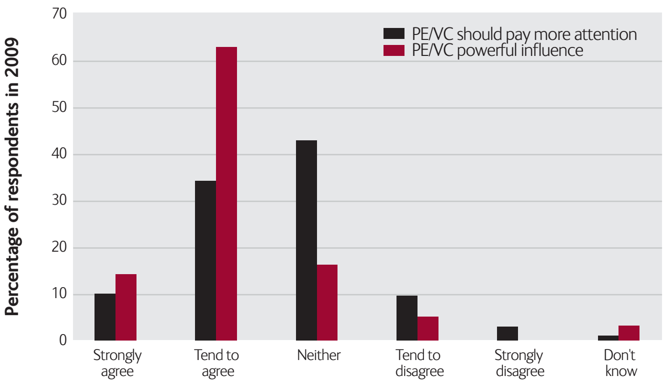
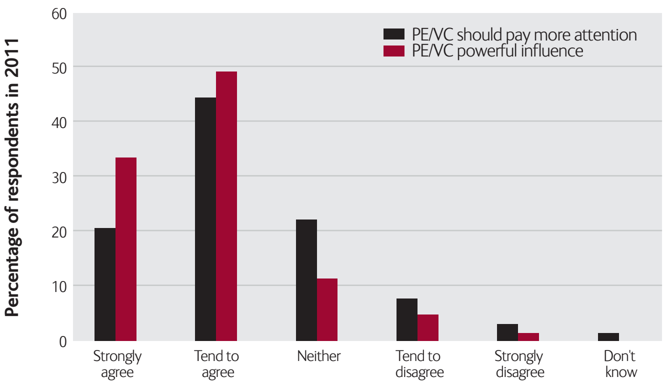


Chart 20: Agreement with statements about sustainability (2011)



Views of sustainability within organisations

Having established the growing importance of sustainability and ESG issues within BVCA member firms, the survey concluded by asking more general questions about how respondents viewed the role of sustainability within participants' own organisations and investee companies.

Chart 18 presents views on how embedded sustainability is in the decision-making processes within respondents' own organisations. Compared with the 2009 survey, there are clear differences. Two years ago, 55% of respondents indicated that their organisation was not working on embedding sustainability (and a further 2% did not know of any plans). In 2011, fully 84% of respondents indicated that their firm had embedded sustainability or was planning to do so, with just 16% of respondents unaware of any plans. At the same time, 62% of respondents indicated that sustainability was well- or partly-embedded, more than double the proportion in 2009.

There were also further signs that more work remains to be done. Sixty-five percent of respondents in the 2011 exercise thought that PE firms should pay more notice to sustainability risks and opportunities. And greater engagement could pay dividends: there was a strong conviction among respondents that private equity and venture capital can be genuinely transformational forces of change, and powerful influences in building the sustainability of investee companies. Over 83% of respondents polled felt that this was the case, up 6ppts from the 2009 survey (Charts 19 and 20).

At the same time, it is important to acknowledge the genuine progress that has been made. Fifty-eight percent of respondents to the 2011 survey were already integrating sustainability risks and opportunities in their investment approach (Chart 21). Furthermore, 71% of survey participants indicated that their firm would make further progress in the years ahead, up from 55% in 2009 (Chart 22). This again indicates that fund managers are thinking carefully about sustainability and ESG issues, and are considering the long-term impact of their investee companies' activities at an early stage in the investment process.

Finally, we asked participants about their current approach to responsible and ethical investment. Four-fifths of those polled said they had already guidelines on responsible investment in place. This was split between those who had full guidelines and policies (33%), and those who had partial (47%) guidelines in place. Only 18% of respondents reported that their organisation had no such policies in place (Chart 23). While this again suggests that there is further work to be done, it also indicates that making responsible investments is a key concern for most PE fund managers.

Chart 21: My firm has made progress on incorporating sustainability risks and opportunities into its investment strategy over the last 2 years

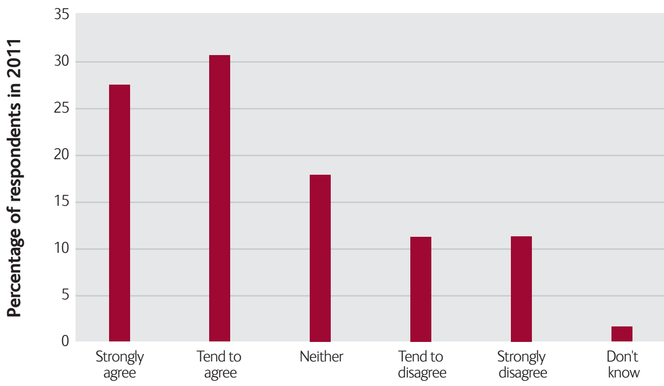


Chart 22: In the next two to three years how likely, if at all, is your firm to do more to incorporate sustainability risks and opportunities into its investment strategy?

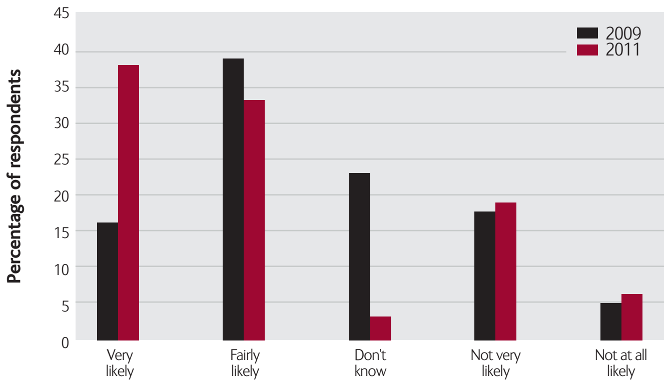
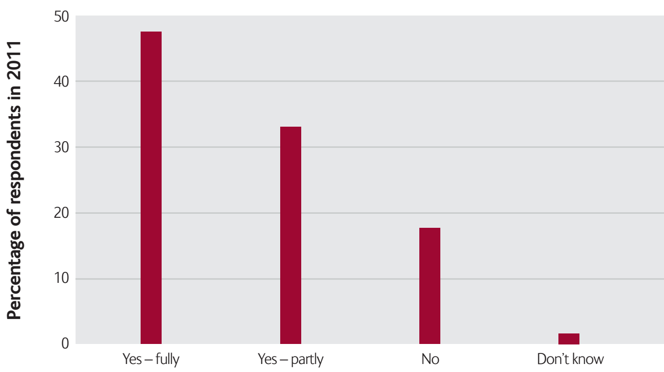


Chart 23: Does your firm have any guidelines or policies in place on responsible investment, e.g. taking account of the environmental, social and ethical standards of the companies in your portfolio?



4. Conclusion

Private equity fund mangers generate returns for their investors by working with management teams to help build better businesses. Increasingly, both fund managers and investors in private equity are focusing on the importance of responsible investment, and the challenges and opportunities that arise from addressing sustainability issues. As these survey results demonstrate, an organisation that engages with sustainability and ESG issues is perceived to be more intrinsically valuable, as it shows a commitment to the long-term development and standing of the business.

Some clear messages emerge from our study. While fund managers have increasingly been considering and engaging with sustainability issues, communication is an area that could be substantially improved. At the moment, it seems that LPs can often drive this agenda, and fund managers can do far more to communicate the good work that they are doing both to their investors and within their own firms. Establishing ESG protocols within organisations and investee companies can continue to generate benefits long after the private equity firm has divested its stake.

Consistent with previous research, the evidence presented here suggests that there is widespread and growing recognition within the private equity industry of the importance of sustainability. The vast majority of our survey respondents have heeded calls for more attention to be paid to ESG issues. More is being done to integrate ESG issues within investment processes and across organisations. And, as this survey demonstrates, sustainability makes sense from an investment perspective – its adds value to organisations and hence can raise fund returns, while having a long-term positive impact on the wider communities within which investee companies operate.

This, coupled with increasing numbers of PE firms enacting policies and committing resources, is a sign of how the private equity industry is reassessing its role in the wider business community and society. The challenge now is to fully embed and communicate ESG best practices across organisations and investee companies, and to make private equity and venture capital firms the outstanding corporate citizens that they should aspire to be.

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Appendix: Survey Questionnaire

This appendix details the precise wording of the questions in the online survey.

Q 1: What is your current job role in your firm:

Respondents were asked to pick one option from 1 (CEO) to 8 (other, please specify)

Q 2: As a General Partner, what is your firm's core focus:

Respondents were asked to pick one option from 1 (venture capital) to 3 (large buyouts)

Q 3: What is the size of the current fund your firm is investing:

Respondents were asked to pick one option from (above £1 billion) to 4 (less than £100 million)

Q 4: Thinking about this definition, how appropriate do you feel it is to use the term 'sustainability' to describe this concept among the PE/VC community?

- ☐ Very appropriate
- ☐ Fairly appropriate
- ☐ Unsure / Don't know
- ☐ Fairly inappropriate
- ☐ Very inappropriate

Respondents were asked to pick one option from 1 (very appropriate) to 5 (very inappropriate)

Q 5: How far would you agree or disagree with the following statements:

- ☐ A company that actively manages sustainability issues is more attractive to investors
- ☐ A company's stance on sustainability would make no difference to my assessment of it
- ☐ If a company is actively managing sustainability issues that suggests it is effectively adopting a long term strategy incorporating reputational risks and opportunities
- ☐ If a company is actively managing sustainability issues that suggests it is incurring unnecessary costs

Respondents were given six options from 1 (strongly agree) to 6 (don't know)

Q 6: To what extent does your firm consider environmental, social and governance risks and opportunities in your portfolio company management?

Respondents were asked to pick one option from 1 (a great deal) to 4 (not at all)

Q 7: How important do you think it is, if at all, for a portfolio company to aim to be sustainable and act responsibly with regards to the environment and society?

Respondents were asked to pick one option from 1 (strongly agree) to 5 (strongly disagree)

Q 8: How far would you agree or disagree with the following statements:

- ☐ The management of sustainability issues does currently impact on my investment decisions
- ☐ Companies that most effectively manage sustainability risks and opportunities are likely to generate greater shareholder value over the long term
- ☐ Sustainability can be a distraction from the things that are important to the running of the business
- ☐ Investee company management teams are increasingly interested in sustainability issues as a means to reduce risks and create additional value
- ☐ The ESG (environment, social, & governance) agenda is being led by marketers' and/or investor relations executives

Respondents were given six options from 1 (strongly agree) to 6 (don't know)

Q 9: Now thinking about your own firm, for each of the following measures, please indicate whether you currently have it in place, whether you are planning to implement it, or whether you have no plans to pursue it?

- ☐ A policy or set of principles or values setting out the firm's approach to sustainability issues
- ☐ Including a non-financial risk assessment / due diligence as standard when evaluating investment opportunities
- ☐ An environmental policy or environmental management system to reduce the impacts of your own organisation

Respondents were given six options from 1 (currently have in place)
to 6 (don't know)

Q 10: Would you consider including a section or sections on sustainability in your next Information Memorandum / Fund Prospectus ahead of your next fundraising?

Respondents were asked to pick one option from 1 (Already have it in last / current Fund Prospectus) to 6 (not applicable to your firm)

Q 11: Have you or colleagues been asked to respond to investor questionnaires specifically focused on sustainability or ESG issues within the last 2 years either as part of fundraising or informal communication of your portfolio's sustainability activities?

Respondents were asked to pick one option from 1 (yes)
to 4 (not applicable to your firm)

Q 12: Thinking about your own firm, what stage is your firm at in embedding sustainability issues in its own decision making, policies and procedures?

Respondents were asked to pick one option from 1 (well-established)
to 5 (don't know)

Q 13: How far would you agree or disagree with the following statements:

- ☐ PE/VC firms should pay more attention to sustainability risks and opportunities
- ☐ PE/VC firms have a potentially powerful influence to improve the sustainability of companies in their portfolio
- ☐ My firm has made progress on incorporating sustainability risks and opportunities into its investment strategy over the last 2 years

Respondents were asked to pick one option from 1 (strongly agree)
to 6 (don't know)

Q 14: In the next two to three years how likely, if at all, is your firm to do more to incorporate sustainability risks and opportunities into its investment strategy?

Respondents were asked to pick one option from 1 (very likely)
to 5 (not at all likely)

Q 15: Does your firm have any guidelines or policies in place on responsible investment, e.g. taking account of the environmental, social and ethical standards of the companies in your portfolio?

Respondents were asked to pick one option from 1 (yes – fully)
to 4 (don't know)

Notes

The British Private Equity and Venture Capital Association (BVCA)

The BVCA is the industry body and public policy advocate for the private equity and venture capital industry in the UK. Our members come from venture capital, through mid-market, to private equity/large buyout houses from all over Britain.

Our voice is one of authority when speaking for, or negotiating on behalf of, the UK industry. Our aim is to aid understanding, clarity and transparency around the activities of our members, promoting our industry to entrepreneurs and investors—as well as Government, trade unions, the media and the general public.

We provide a growing list of services and best practice standards for our members across a spectrum of activities covering a network of interconnected committees, which focus on segment-led, legal, technical, regulatory, investor-led and service-led needs. We also provide networking opportunities, training courses, research, publications, public affairs and communications on behalf of the industry.

With a membership of over 500 firms, we represent the vast majority of all UK-based private equity and venture capital firms and their advisors. The benefits of becoming a member—whether full or associate—are wide-ranging and only briefly described above.

Visit **www.bvca.co.uk** for further details.

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