

Aurelius SRI due diligence process

Selection

AURELIUS refrains from investing in companies involved in activities with negative externalities for human beings and adverse social outputs and does therefore not invest in companies that contravene international standards or conventions – like, for example, human rights violations, child labour, corruption, environmental degradation – or in countries that systematically violate human rights or are under arms embargo of the United Nations or the European Union.

Due Diligence

During the due diligence process, AURELIUS integrates ESG into its analysis of potential investments in order to understand all relevant risks and opportunities. At this pre-investment stage, AURELIUS considers ESG from the initial screening through to the investment, searching carefully for “red flag issues”, i.e. key concerns from an environmental, social and governance perspective. When material ESG factors are identified – resulting especially from regulatory compliance, liabilities, cost savings, new revenue streams or potential reputational issues – they must be included in the acquisition discussions to fully assess the ESG risks or opportunities, to cover all relevant points, to understand the levels of risk and to address potential mitigation measures.