



EMERGENCE ADOPTS AN ESG REPORTING FRAMEWORK TO MONITOR THE PROGRESS OF ACCELERATED ASSET MANAGEMENT COMPANIES ON RESPONSIBLE INVESTMENT

Paris, 29 October 2024 - Emergence, the Paris financial centre fund dedicated to accelerating the most talented and innovative entrepreneurial asset management companies, is publishing its ESG Reporting Framework on its website¹. This reference document is intended for funds that have been accelerated or are candidates for acceleration by Emergence.

The ESG Reporting Framework lists some 60 non-financial indicators agreed as relevant by Emergence's 17 major institutional investor shareholders. The indicators concern accelerated asset management companies and their selected funds. These indicators are then consolidated for each of the SICAV's sub-funds. They are not exhaustive, but form a minimum base of relevant ESG information expected by investors for their own reporting needs.

A framework to encourage non-financial best practices

The purpose of the new framework is to assess the non-financial commitment and practices of asset management companies over time and to monitor the progress of accelerated funds on their objectives regarding the climate transition, biodiversity conservation, social progress and the respect for human rights and governance.

The document marks a new structuring stage in the support provided by Emergence to entrepreneurial management companies with a view to encouraging them to adopt best practices in sustainable and responsible investment.

The ESG Reporting Framework follows on from the "SRI Guide" published in 2021, which set out the reasons, benefits and challenges of an SRI approach, and the "ESG Policy" adopted in 2022 and specifying the ESG criteria adopted by Emergence for its responsible investments.

Indicators to monitor the consistency of asset management companies' sustainable commitment trajectories and their investment strategies

The qualitative and quantitative non-financial indicators selected are based on data that are sufficiently available and consistent to be directly interpreted and used by institutional investors. The indicators inform investors of the CSR approaches of asset management companies and the practical application of the ESG guidelines of accelerated funds in each of the three pillars.

¹ www.emergence-acceleration.com

Accelerated asset management companies will be required to provide this reporting on at least an annual basis, specifying the sources of the data used and the coverage rates to identify the proportion of information not yet available on quantitative measures. The aim is to track the progress made by asset management companies and their funds over time.

As the financial management delegate for Emergence's current sub-funds, NewAlpha AM will support the asset management companies in the implementation of this framework and consolidate information at the sub-fund level by fully ensuring the transparency of the portfolios of the underlying funds.

Karine Leymarie (MAIF), Chair of Emergence's ESG Commission, who oversaw the development of the ESG Reporting Framework: *"Our work consisted in identifying the non-financial indicators considered collectively as the most relevant by Emergence's institutional investors while taking into account the more limited resources of entrepreneurial asset management companies. This reporting base will make it easier for these companies to report more transparently on their responsible practices and monitor the consistency of their investment strategies in relation to their ESG objectives."*

Sabine Castellan Poquet (MACIF), Chair of Emergence: *"This ESG reporting framework is a useful addition to the sustainable approach initiated by Emergence in 2021 and confirms our determination to provide pragmatic support to entrepreneurial asset management companies in addressing the complex and constantly evolving issue of sustainable finance. The framework also meets the needs of institutional investors for directly usable non-financial information consistent with our commitments to sustainable and responsible development."*

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About Emergence

Emergence is the Paris financial centre's leading acceleration fund. Its objective is to entrust capital to be managed to talented and innovative French or European entrepreneurial asset management companies to accelerate their development and promote their visibility among major institutional investors. With the support of its delegated financial manager, NewAlpha AM, Emergence invests for at least five years in high-performance and differentiated funds to help them top the mark of €100m in assets under management and ease institutional or regulatory constraints (investment ratios). Since its creation in early 2012, the Emergence SICAV fund has launched six sub-funds: Performance Absolue and Performance Absolue II (€307m), Actions I (€200m), Actions II (€320m), Europe (€221m) and Techs for Good (€150m). More than 40 funds have been accelerated, relative to an average size of €51m before investment. In first-quarter 2024, 14 management companies were in active partnership with Emergence, whose fundraising round brought together 17 major institutional investors. By actively contributing to the growth of talent in entrepreneurial asset management, Emergence has become a recognised asset that strengthens the attractiveness of the Paris financial centre and its positioning as an essential hub for asset management in the European Union post-Brexit.

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