

novata

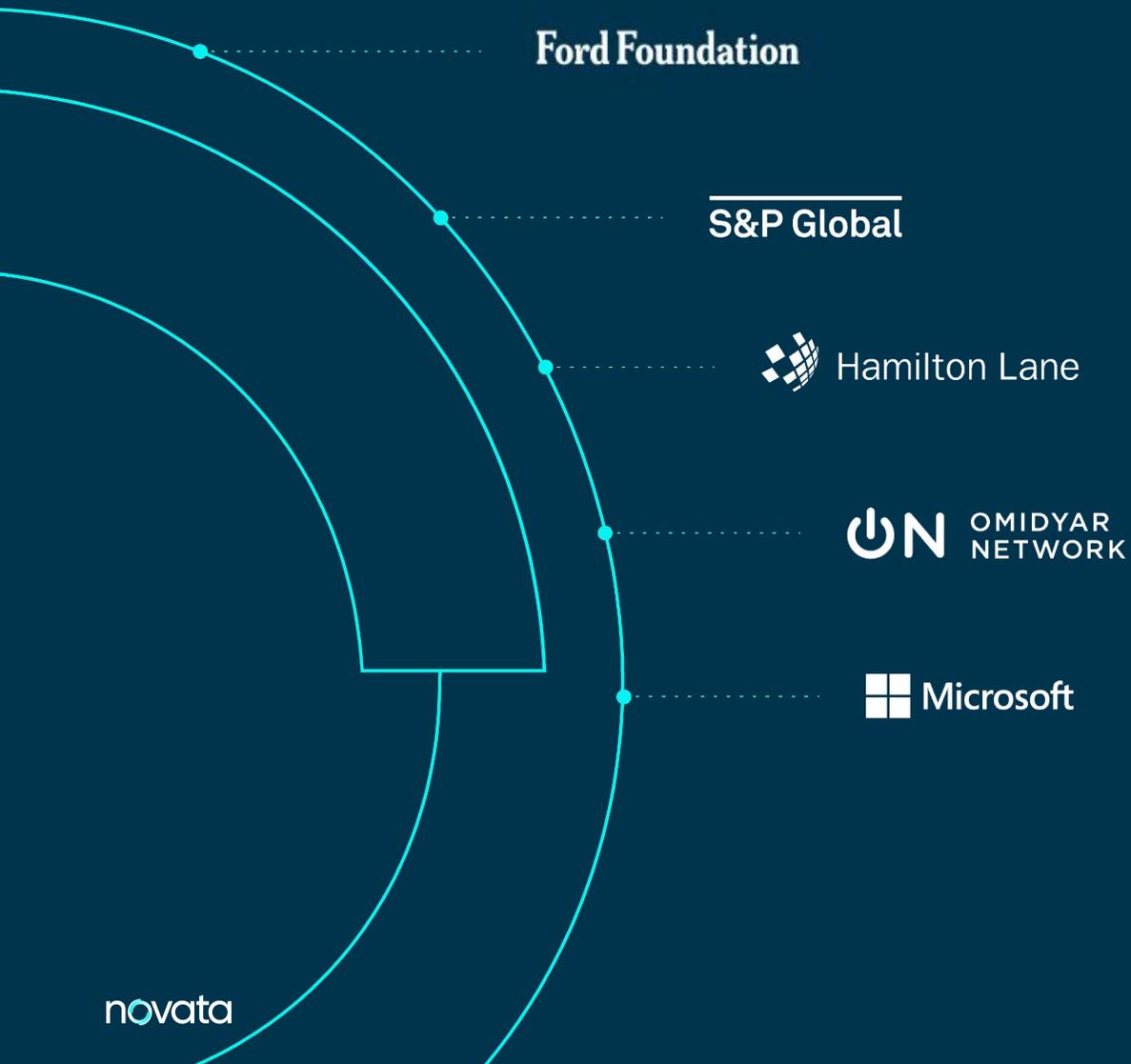
# Measure the Metrics That Matter

July 2023

[novata.com](http://novata.com)



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## WHO WE ARE

Novata makes it easy for private markets to collect, analyze, and report the metrics that matter.

We are a public benefit corporation created by a unique consortium of non-profit and for-profit organizations that are experts in financial data, private markets, and social justice.

Our investor consortium, along with the Leadership Team, ESG Advisory Council, and GP Advisory Committee bring deep subject matter expertise to enable the private markets to navigate the challenges of ESG and accelerate the journey to a more sustainable and inclusive capitalism.

CERTIFICATIONS & AWARDS

# Industry Recognition

## People & Planet

Novata is delighted to have achieved the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose with our B Corp certification.



## Community

Novata has built relationships and received awards throughout the private markets and ESG communities, with a focus on advancing progress on the metrics that matter.



Best ESG Solution Provider - Novata



GLOBAL INNOVATORS AWARD FOR GOVERNANCE AND INSTITUTIONS

## Security

As part of our commitment to safeguarding customer data, Novata is proud to have implemented the necessary policies and controls to achieve SOC2 Type II compliance.



## BUILT FOR PRIVATE MARKETS

The Novata platform is designed by and for the private markets community – to help solve current challenges that private equity, private credit, and venture are experiencing throughout their ESG journey.

Our GP Advisory Committee is a trusted network of firms that are taking the lead on ESG in private markets. They serve to both inform Novata’s approach to product development and enable participating firms to share best practices.

Hellman & Friedman



LINDSAY GOLDBERG



## WHO WE SERVE

- Private Equity
- Private Credit
- Growth Equity
- Venture Capital
- Limited Partners
- Operating Companies
- Professional Services

## LEADING CLIENTS



Hellman & Friedman



## KEY STATS



\$7.4T

AUM by Novata clients



4,800

companies contracted

## WHY NOW?

# Make 2023 Your Year for ESG

With investor and regulator requests for ESG data on the rise, the need to understand the metrics that matter to your business is more important than ever.

Investing in your ESG journey now will help you respond to requests and better assess long-term risk and value-creation opportunities.



### Respond to increasing pressure

ESG is about smart and risk-averse business practices that make businesses more valuable.



### Drive better business outcomes

ESG data provides insight into how companies account for risks material to their business, including environmental and social risks that can lead to rising costs across the supply chain.



### Create a repeatable best practice

As scrutiny of ESG data grows, developing a clear strategy and working with portfolio companies to collect data and improve transparency will be a differentiator when it comes to accessing capital.

## WHAT WE DO

Our technology platform is the on-ramp to ESG for private companies and their investors.

Using the Novata platform for data collection, benchmarking, and reporting, companies can align their capital flows to what matters to them.

### Challenge

#### Identifying ESG Metrics

With many ESG frameworks & metrics, it's difficult to know where to start on your ESG journey.

### Solution

#### Clear Starting Point

Our experts and technology platform help make sense of the many ESG frameworks, so you can find the metrics that are right for you.

### Product

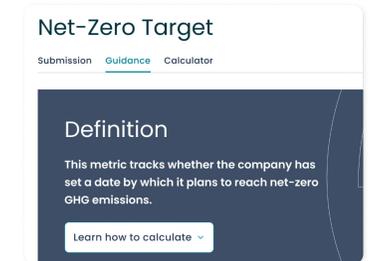


#### Collecting & Storing Data

Collecting data is a time- and resource-intensive process, and there are few neutral, trusted, secure repositories that give you full control of your data.

#### Secure, High Quality Data

Step-by-step guidance, difficulty ratings, calculators, and guardrails are built into the platform, so portfolio companies can collect high quality data in one secure, multi-user platform.

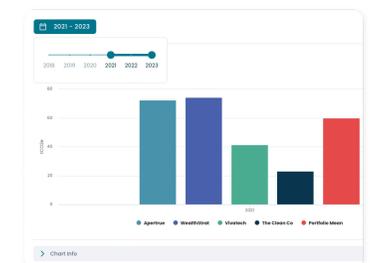


#### Finding Insights

Lack of relevant analytics and reporting tools prevents a company and its owners from effectively understanding and communicating ESG performance.

#### Benchmarking & Action Planning

Interactive analytics and benchmarks enable clients to contextualize data, communicate performance, and take action to drive positive change in their portfolio companies.



## SIMPLIFIED CARBON

# Carbon tools to match your needs

Carbon is an essential component to ESG reporting and a requirement for some regulations, including SFDR. Novata's carbon offerings lets you choose the tool that best fits your company's needs, today.

### BASELINE ESTIMATE

- In-platform Basic Estimator powered by Climate Neutral
- Rapidly set baseline cradle-to-customer estimates for Scope 1, 2, and 3 emissions
- Align to GHG Protocol, derived from industry and region-specific spend averages

### DETAILED CARBON INVENTORY

- Measure and refine carbon emissions based on itemized purchasing and activity data
- Return Scope 1, 2 and/or Scope 3 emissions, driven by an emissions factor library that makes use of EPA grid data, Exiobase, and Ecoinvent data
- Import data to the Novata platform
- Submit to ESG Data Convergence Initiative

### DECARBONIZATION STRATEGY

- Connect with Novata Services or one of our partners, Persefoni or Watershed, to set and execute a decarbonization strategy.

## BENCHMARKING

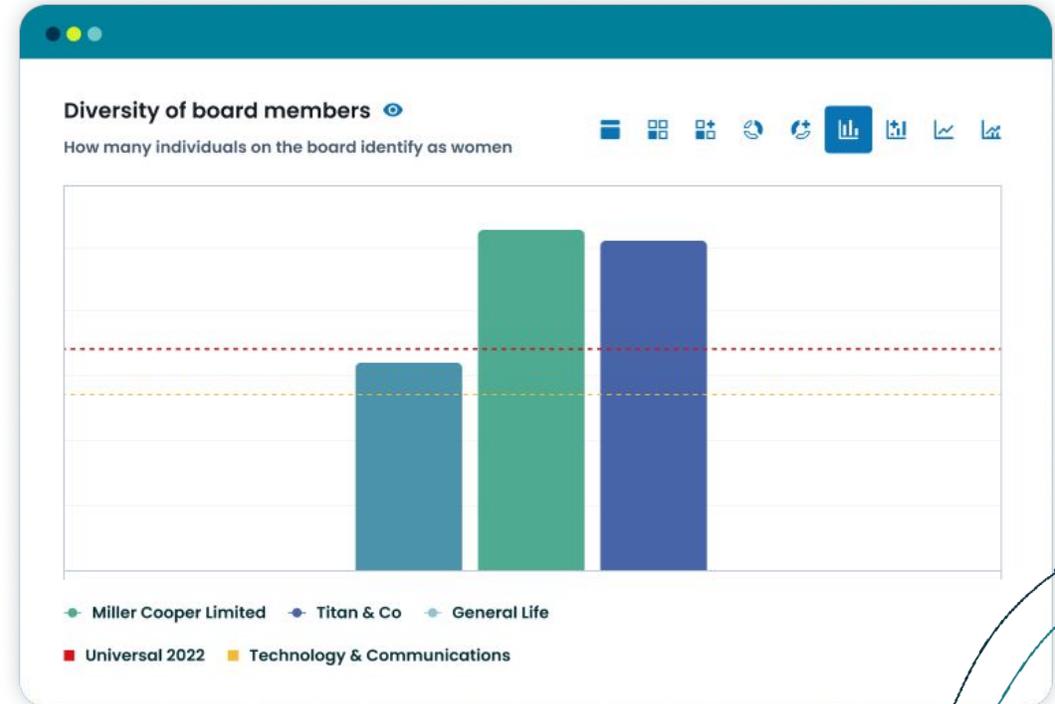
# Contextualize the Metrics that Matter

Novata Benchmarks, the private markets' broadest collection of ESG benchmarks, offer you a competitive edge. By easily comparing your portfolio's performance to peers, you gain clear insights into where you might under- or over-perform relative to your ESG strategy. Leverage these insights to manage risk, take action, and communicate value.

### Novata Benchmarks

- 50 Universal Benchmarks
- 250+ Sector Benchmarks
- Actual reported data, de-identified and aggregated from thousands of companies
- Specific to the private markets
- Seamlessly integrated with Novata analytics and data visualization tools

\*Reflects Novata benchmark data available as of July 2023



## ESG EXPERTISE

Novata's team of in-house experts and advisory partners deliver unparalleled guidance to support your ESG journey.

### Novata Services

This team sits at the heart of Novata as in-house experts on the ESG landscape, leading our research efforts and ensuring Novata and its clients are at the forefront of best practice, regulation, and metric guidance.

### ESG Council

Global industry experts who provide direction on methodology and advise on the best path forward for ESG data in the private markets.

### Customer Success

This team works with both your firm and your portfolio companies to define your ESG data strategy and onboard companies to the data collection and reporting process.

### General Partner Advisory Committee

Comprised of leading private equity and credit firms who serve to both inform Novata's approach to product development and enable participating firms to share best practices.

### Industry Partners

Curated relationships to offer a best-in-class ecosystem to support all of your ESG data collection and reporting needs.

**BUILT FOR THE FUTURE**

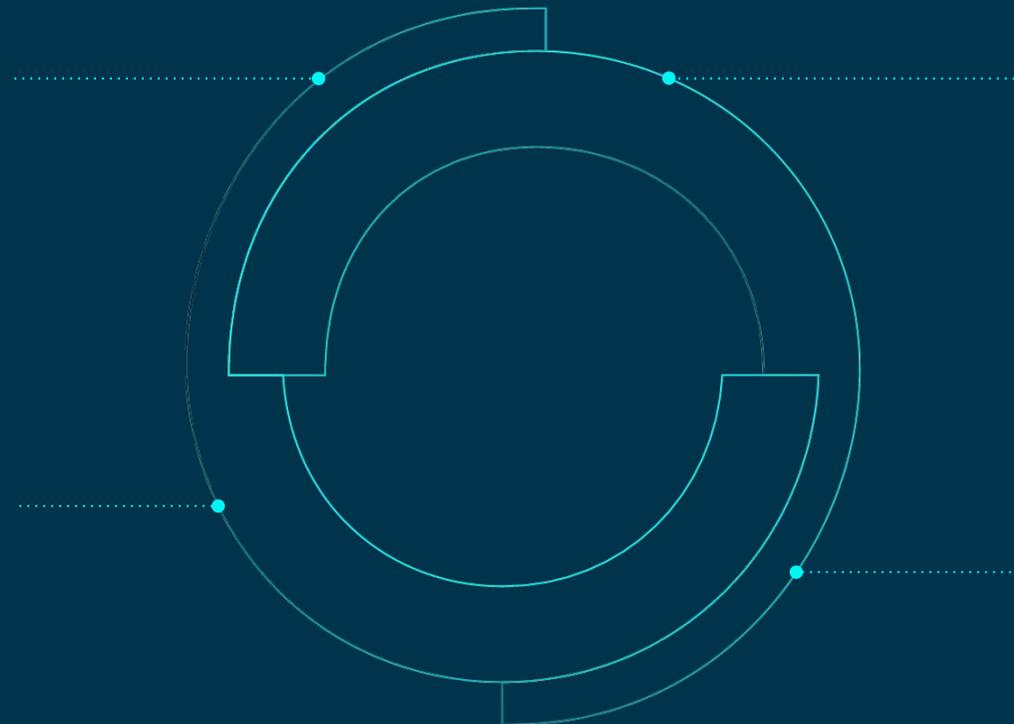
## What Makes Us Unique

### Independent and Objective

Measure and showcase your specific ESG priorities, without being subject to “outside-in” scoring. Benchmark the metrics that matter to you most and chart your own path to greater impact.

### Deep Expertise

Our in-house ESG experts, in coordination with insights from leading private equity firms and ESG practitioners, ensure that we’re building an accessible and relevant on-ramp to ESG reporting and guidance for the private markets.



### Connected Journey

Our secure, open-architecture platform and partner relationships continue to expand to address private markets’ challenges, offering a full-service approach to supporting your ESG journey.

### Built for the Long-Term

We are a public-benefit corporation created by a unique consortium of the Ford Foundation, Hamilton Lane, Microsoft Corporation, Omidyar Network, and S&P Global. The backing of these not-profit and for-profit institutions ensures that Novata’s platform will continue to accelerate progress to manage the metrics that matter.



## OUR IMPACT

# What the Industry is Saying

“Novata’s solutions give investors the ability to better allocate capital with more effective consideration of purpose, inclusiveness and sustainability.”

**Darren Walker**  
President of the Ford Foundation

“S&P Global is proud to be investing in much-needed innovation in ESG transparency and benchmarking in the private markets through the creation of Novata.”

**Doug Peterson**  
CEO of S&P Global

“Novata is the industry leader enabling firms to increase transparency with stakeholders on the ESG metrics that matter.”

**Mona Sutphen**  
Partner and Head of Investment Strategies at The Vistria Group

“As a leader in direct lending, we believe in the importance of setting a robust standard of measurement as we further embed ESG practices within our investment portfolios. We are proud to be supported by Novata as we continue to evolve our approach to ESG data collection and reporting.”

**Adam Heltzer**  
Head of ESG at Ares

“ESG metrics need to be captured and measured in order to be understood. Simply put, Novata provides that solution.”

**Erik Hirsch**  
Vice-Chairman and Head of Strategic Investments at Hamilton Lane

“Novata delivers a 360-degree look at companies’ ESG performance, allowing them to metrics into milestones that will undergird the path towards a more sustainable, inclusive future.”

**Margot Brandenburg**  
Co-Chair of Novata ESG Advisory Council

“Novata will facilitate adoption of ESG best practices, not just for GPs and LPs but also for portfolio companies. It’s a significant step forward.”

**Samuel Frieder**  
Managing Partner at Kohlberg & Co.

“We are proud to partner with Novata to track ESG data and positively impact our global community.”

**Mara Hunt**  
Partner at SkyKnight Capital

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# Thank You

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