

ESG Performance Award for Private Capital Funds

Award information

Introduction

This document includes everything you need to know about the CDC and GPCA ESG Performance Award.

The award is divided into two sub-categories:

- 1) ESG Performance Award** for managers with significant ESG track record and who can demonstrate ESG Governance and innovative Continuous Improvement on ESG Management.

- 2) ESG Establishment Award** for managers who have recently established an ESG approach but who can demonstrate Dedicated ESG skillset and Portfolio Application.

It is possible that only one (or none) of these awards will be given each year.

Who should apply?

All emerging market private capital funds are welcome to apply. This can be a private equity/venture capital fund as a whole or a group within an investment firm which focuses on management of a single fund/ group of funds with a single sector or with a specific impact objective.

Criteria

- +** Open to all emerging markets focused private capital funds (not necessary to be a CDC fund manager)
- +** Winner must be able to demonstrate improved performance at one or more portfolio companies.

-
- ✦ Minimum five active investments for Performance Award. Exits not necessary but desirable
 - ✦ Minimum two active investments for Establishment Award

Definition of ESG performance

A track record of implementing an ambitious ESG management system throughout a PE or VC fund lifecycle, backed by team skillset development. Demonstration of ESG performance improvements across the underlying portfolio. Demonstration of continuous improvement in ESG risk/ opportunity management including with respect to climate, gender or human rights.

Judging criteria (to be finalised and will be weighted differently for Performance and Establishment awards)

- 1) **Governance of ESG:** demonstration that investment decisions, portfolio oversight and senior level strategic discussions with portfolio companies have ESG (and ESG in the context of this award also includes Business Integrity) as a significant pillar of decision making.
- 2) **Dedicated ESG skillset:** ability to demonstrate that manager has incorporated ESG decision making capacity into team development. Dedicated/ specialist functions should be showcased and will be rewarded.
- 3) **Continuous improvement on ESG management:** recent work to build tools that incorporate new dimensions of ESG risk management/ value creation thinking into decision making. For example, climate (e.g. TCFD aligned approaches), gender (e.g 2X challenge) or human rights thinking (UNGP / contextual risk analysis).
- 4) **Portfolio ESG application:** one or more examples within the portfolio that can demonstrate measurable progress towards good international industry practice on ESG.
- 5) **Transparency/ market shaping:** evidence of communication on ESG incorporation into investment thesis and stakeholder communication (e.g. PRI, website, communication with investors, market shaping initiatives).

How to apply

Thank you for your interest. Please send completed applications to esgtraining@cdgroup.com by midnight (UK time) on 30 September.