

## **The NEC Initiative becomes a multi-shareholder mission-driven company, and seeks to establish its NEC metrics (Net Environmental Contribution) as a market standard**

Paris, January 11<sup>th</sup>, 2022 - The NEC Initiative is changing and becoming a multi-shareholder mission-driven company. Thus, it wants to put itself in the best position to accelerate the collaborative deployment of the NEC: a multi-issue, scientific, transparent, and open environmental indicator which assesses the alignment of any economic activity with the ecological transition.

### **The NEC Initiative, an independent multi-shareholder mission-driven company**

As calls for urgent action on climate change and biodiversity intensify, the financial sector is seeking tools to better integrate the risks involved and measure its environmental impact. In addition, French and European regulations are becoming more structured with regard to transparency requirements concerning inclusion of environmental issues. See Article 29 of the Energy-Climate Law in France, the *Sustainable Finance Disclosure Regulation* (SFDR) at the European level, and the *Taskforce on Climate related Financial Disclosures* (TCFD) and the *Taskforce on Nature related Financial Disclosures* (TNFD) at the global level.

With the above in mind, and after having defined its purpose, which is *“to contribute to the development of a sustainable and resilient economy, empowering investors and companies with the tools to assess their contribution to the ecological transition,”* the NEC Initiative became a mission-driven company.

**Clément Bladier, President of The NEC Initiative** says: *“Choosing to be a mission-driven company binds us and embeds in our structure the essential elements of our DNA: transparency, methodological independence, universality, collaboration, and scientific robustness.”*

At the same time, The NEC Initiative welcomes three shareholders to join Sycomore Factory: OFI, SWEN Capital Partners, and Eurinvest, with the objective of building a group of players representative of the financial sector’s diversity and committed to working together towards the common goal of shaping the future of sustainable investing.

**Jean-Pierre GRIMAUD, CEO of OFI**, explains: *“We are very pleased to support this mission-driven company and to be a shareholder in the NEC Initiative, which we believe is a strategic way to bring together the best practices of all stakeholders. By joining forces, we will make great strides towards contributing positively to ecological transition.”*

**Isabelle COMBAREL, Deputy Managing Director in charge of Development & ESG at SWEN Capital Partners**, further elaborates: *“We are particularly proud and happy today to take an equity interest in the NEC Initiative, with co-shareholders who share the same values, to enable the development of this scientific methodology that can be applied to all asset classes.”*

## Becoming a market standard

The first multi-issue environmental metrics, based on a scientific LCA (Life Cycle Analysis) approach, the NEC indicator is universal: it can be applied to any type of company, any type of project, any class of asset, and on a global scale.

With the goal of the NEC metrics becoming a European standard, the NEC Initiative welcomes with open arms new contributors and users: financial institutions and companies from all sectors wishing to assess their environmental impacts so they can then better manage and reduce them.

**Christine KOLB, President of Sycomore Factory, says:** “Because it measures the alignment of companies with the ecological transition and makes it possible to track its trajectory, the NEC metrics has become, for us investors, an essential tool for supporting the transformation of companies.”

The NEC metrics already has several users or members, including Caisse des Dépôts, Groupama, Spie, Lita.co, I Care, Quantis, Deloitte, Ircantec, BNP Paribas, SWEN Capital Partners, Institut Louis Bachelier, and 2 Degrees Investing Initiative.

The NEC Initiative keeps on working closely with its historical methodological partners, I Care and Quantis.

It has also partnered with Iceberg Data Lab, an independent fintech company specializing in ESG data solutions, to market NEC scores to financial institutions over a broad range of investment universes.

THE END

## About The NEC Initiative

Initially, the NEC indicator, *Net Environmental Contribution*, was created by Sycomore AM, I Care, and Quantis, between 2015 and 2018, in response to the lack of reliable tools to assess the environmental impact of a company or sector. It was used in that manner from its creation, by the Sycomore Eco Solutions fund, as its main investment and reporting criteria.

In 2019, the decision was made to share this proprietary metric on an open platform, the NEC initiative.

Now that the NEC Initiative has become a mission-driven company, it wants to accelerate the deployment of its metrics.

## About the NEC metrics

The NEC metrics provides a simple answer to a complex question: assess the alignment with the ecological transition of any product, service, project, infrastructure, economic model, company or financial product (issuers, funds, indices). The metrics includes the 5 major environmental issues - climate, biodiversity, water, air, waste - and is spread over a 200-scoring scale:

- From a negative 100% (-100%) for activities that are the most destructive of natural capital, and therefore, which are an obstacle to the ecological transition;
- To a positive 100% (+100%) for activities with a strong positive net environmental impact, which provide solutions to accelerate the ecological transition;
- With 0% at the middle of the scale, corresponding to the current global average for each function, activity, or use analyzed.

As part of a continuous improvement process, the NEC is gradually updated and improved by independent experts, and Quantis and I Care consultants, with a dual requirement of transparency and scientific rigor. Version 1.0 of the methodology – 16 documents and over 200 sources – has been available for download since 2019 at [www.nec-initiative.org](http://www.nec-initiative.org)

#### **About Sycomore Asset Management - A mission-driven company**

Founded in 2001, Sycomore Asset Management is an asset manager specialized in listed investments and driven by a strong entrepreneurial spirit. The firm's expertise draws on a fieldwork approach and a proprietary corporate fundamental analysis model, which includes financial and extra-financial criteria. Its team of 26 analysts-fund managers, including 9 ESG specialists, focuses on assessing the overall performance of a company with respect to its stakeholders: shareholders, clients, employees, suppliers, civil society and the environment. In 2011, Sycomore AM launched the first SRI fund in its range, which covers sustainable themes such as well-being at work, the environment, education and responsible technology.

In 2020, Sycomore AM became a mission-driven company and received the B Corp™ label, demonstrating the firm's ambition to contribute positively to society as "a force for good".

As a reference and key player in responsible investment, Sycomore AM is, among others, a member of the "Forum pour l'Investissement Responsable", of the PBAF (*Partnership for Biodiversity Financials Accounting*), of the *Finance for Biodiversity Pledge*, of the *Climate Action 100+* and of the IIGCC (*Institutional Investors Group on Climate Change*).

#### **About SWEN Capital Partners**

SWEN Capital Partners is a leading player in responsible investment in unlisted assets in Europe. With €6.4 billion\* under management, SWEN Capital Partners offers a wide range of investment programs for institutional and private clients. The asset management company integrates ESG criteria in all its asset management activities and has been implementing a climate strategy since 2017. In 2019, it reinforced its actions in favor of fairer and more sustainable growth by launching its first impact fund dedicated to renewable gas. Its increasingly strong convictions are leading the management company to go further in 2021 by launching its new impact management strategy dedicated to ocean regeneration. SWEN Capital Partners is a subsidiary of OFI (whose main shareholders are Macif and Matmut).

*\*calculated in amounts of cumulative commitments*

#### **About OFI Group**

Choosing the companies which create sustainable value for all means preparing the future.

OFI Group has been committed to responsible finance for 25 years; it is a reference in asset management and among France's leading SRI asset managers. OFI Group was founded in 1971 and manages €67bn as of December 2020 of listed and unlisted assets on behalf of institutional and private wealth clients in France and internationally. OFI Group has long-standing roots in the social and solidarity economy. Macif and Matmut are its main shareholders. [www.ofi-am.fr](http://www.ofi-am.fr)

#### **About Eurinvest**

Founded in 2001, Eurinvest is a private, unlisted Luxembourg investment fund.

With activities mainly in Germany but also in the UK, Eurinvest is specialized in the transformation of real estate investments into financial products. For the past 6 years, Eurinvest's activities have focused on the creation or rehabilitation of urban complexes, under the banner of sustainable development and culture. This is how Eurinvest created Chaussee36 in Berlin in 2015, a 4,000 m<sup>2</sup> cultural space dedicated to photography and design. The latest project to date: the purchase in 2021 and future complete restructuring of 100,000 m<sup>2</sup> of a former Singer factory on the banks of the Elbe, a large-scale eco-responsible and sustainable pilot project, combining living spaces, work spaces and housing, in a circular framework, with 100% renewable energy.