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Non-Profit & For-Profit Leaders Form Novata, a New Technology Platform Designed to Streamline ESG Reporting Across the Private Markets

- *Ford Foundation, S&P Global, Hamilton Lane and Omidyar Network Collaborate with Premiere List of General Partners to Empower Inclusive Capitalism in the Private Markets*
- *Newly formed Public Benefit Corporation to Provide Private Companies with a Holistic Solution that Includes Open Architecture for ESG Measurement, Data Collection & Benchmarking*

NEW YORK, October 7, 2021 – Today, [Novata](#) launched as an innovative new public benefit corporation and technology platform built to provide the private markets ecosystem, including private equity firms, with intuitive and effective Environmental, Social Good and Corporate Governance (ESG) measurement, data collection and benchmarking. Backed by a one-of-a-kind consortium, which includes the [Ford Foundation](#), [S&P Global \(NYSE: SPGI\)](#), [Hamilton Lane \(NASDAQ: HLNE\)](#) and [Omidyar Network](#), Novata has created an independent, unbiased and flexible open architecture platform for the private markets to more consistently report on relevant ESG data. Directly informed by the needs of general partners and limited partners, Novata is designed to offer a vetted ESG reporting framework built around 10 critical metrics that consistently appear across leading ESG methodologies and a secure technology platform that provides a clearer view of ESG impact.

“The majority of the world’s economic activity is driven by private companies. It is their approach to environmental and social impact which will ultimately accelerate the ideals of inclusive capitalism,” said Alex Friedman, Chief Executive Officer of Novata. “Our solution is unprecedented because it marks the first time that a group of non-profit and for-profit leaders in social justice, financial data and the private markets have joined forces to solve for the ESG fragmentation that has plagued the public markets.”

Lorraine Spradley Wilson, Chief Impact Officer and Head of Methodology at Novata, added, “With a simple and effective methodology, a secure technology-enabled data repository and unbiased benchmarking tools, private companies will be able to better meet and anticipate evolving investor and societal priorities.”

Novata’s solution consists of three core elements:

- A **[streamlined ESG reporting framework](#)** that consolidates metrics which consistently appear across leading methodologies and may be immediately leveraged by any private company.
- A secure **contributory database** where private companies can report against Novata’s framework, as well as other broadly used methodologies, and where owners and general partners control access to company data.
- **Objective, data-driven benchmarking** against both private and public company peers, in addition to reporting tools to help private businesses gather key insights from their data and easily report to investors, regulators and other stakeholders.

Interest in ESG has been on the rise in the private markets, exemplified by private equity firms that are increasingly focused on effectively quantifying societal impact for investors. Yet ESG measurement

remains challenging for the private markets, most of which is still in the early stages of quantifying sustainability and social impact. Novata is pioneering a mission-driven technology platform that will help private markets stakeholders—from private businesses, to lenders, suppliers and investors—avoid the fragmentation that has made effective and objective measurement of impact particularly challenging in the public markets, while also providing flexibility to meet business owners and general partners on their individual ESG pathways.

The following consortium members and founding partners serve as key advisors to Novata, helping ensure the solution continues to evolve as the private markets industry matures and expands.

- “At the Ford Foundation, we are committed to supporting initiatives that enable meaningful progress toward a more inclusive form of capitalism,” said Darren Walker, President of the Ford Foundation. “Novata’s solutions give investors the ability to better allocate capital with more effective consideration of purpose, inclusiveness and sustainability. Their tools will be an essential part of creating an economy that works for all.”
- “The global economic transition to net zero will be realized through a truly collaborative and aligned approach across both the public and private markets,” said S&P Global CEO Doug Peterson. “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. S&P Global powers the markets of the future, and the private markets represent an area where we can help add transparency and evidence to support their workflows. This investment represents a step forward in working with the private equity industry with a purpose-built solution that supports ESG disclosure for the private markets.”
- “Across the private markets, ESG is a complex problem that requires nuance to solve—it’s not one-size-fits-all,” said Erik Hirsch, Vice Chairman and Head of Strategic Initiatives at Hamilton Lane. “Novata is a neutral solution that allows private companies, including general partners, to collect and measure their data based on whatever metrics are most meaningful for them and their investors. At Hamilton Lane, we believe that best-in-class data and technology solutions will continue to drive the private markets forward, and we are excited to launch Novata alongside such an esteemed management team.”
- “Private companies and their investors are a growing part of our economy and have a critical role to play in contributing to a more inclusive and sustainable capitalism. We believe Novata provides a solution that will enable private companies, general partners and limited partners to better manage their impact on people and the planet,” said Mike Kubzansky, CEO at Omidyar Network.

Beta customers will have access to the Novata technology platform before the end of the year. Broader access is planned to be available in early 2022.

A range of leading private equity firms serve as advisors to the Novata consortium, including Bridgepoint, Clearlake Capital Group, Kohlberg & Co., KPS Capital Partners, Lindsay Goldberg, Summa Equity, Thomas H. Lee Partners and The Vistria Group. Additionally, several of Novata’s general partner advisors—The Vistria Group, Clearlake Capital Group and Kohlberg & Co.—have made investments in support of Novata, with all proceeds from such investments to be donated to nonprofits.

“We’ve experienced firsthand the critical need for a more integrated approach to measuring ESG, as well as the challenges that arise without a framework and appropriate tools tailor-made to meet the unique needs of private equity sponsors,” said José E. Feliciano, Co-Founder and Managing Partner of Clearlake Capital Group and the Clearlake Impact Initiative. “We are committed to the tenets of responsible investing and believe the private markets have a responsibility to better manage and track ESG performance to not only generate strong investment returns, but to also make a positive impact on society and its future.”

Novata has also worked with a range of limited partners to design its solutions, as ESG is an increasingly important focus for them.

“Private equity assets are a fast-growing part of the markets and global economy, having increased by more than 150% in the last decade alone,” said Scott M. Stringer, New York City Comptroller. “And private equity investors need reliable access to accurate, material and relevant ESG data, from climate change and diversity, to worker transitions and business accountability—all of which are critical components of truly inclusive capitalism that creates long-term value for our pension beneficiaries.”

To learn more about Novata, visit the [website](#), where private companies and general partners can indicate their interest in being early Novata customers, [and watch the launch video here](#). Follow Novata on [LinkedIn](#) to keep up with the company’s latest news and views.

About Novata

Novata is a public benefit corporation created to help private equity firms and private companies navigate the ESG landscape by providing relevant reporting metrics, a contributory database to store information, and tools for analysis and reporting to key stakeholders, including limited partners and regulators. Founded to empower the private markets in achieving a more sustainable and inclusive form of capitalism, Novata’s aim is to help the private markets avoid fragmentation of ESG standards. Novata was formed in partnership with the Ford Foundation, S&P Global, Hamilton Lane and Omidyar Network—with additional funding provided by its co-founders and independent chair—and is majority-controlled by mission-driven organizations and its employees. For more information, please visit <https://www.novata.com/>.

About the Ford Foundation

The Ford Foundation is an independent, nonprofit grant-making organization. For more than 85 years it has worked with courageous people on the frontlines of social change worldwide, guided by its mission to strengthen democratic values, reduce poverty and injustice, promote international cooperation, and advance human achievement. With headquarters in New York, the foundation has offices in Latin America, Africa, the Middle East, and Asia.

About S&P Global

S&P Global (NYSE: SPGI) is the world’s foremost provider of credit ratings, benchmarks and analytics in the global capital and commodity markets, offering ESG solutions, deep data and insights on critical business factors. We’ve been providing essential intelligence that unlocks opportunity, fosters growth and accelerates progress for more than 160 years. Our divisions include S&P Global Ratings, S&P Global Market Intelligence, S&P Dow Jones Indices and S&P Global Platts. For more information, visit www.spglobal.com.

About Hamilton Lane

Hamilton Lane (NASDAQ: HLNE) is a leading private markets investment management firm providing innovative solutions to sophisticated investors around the world. Dedicated exclusively to private markets investing for 30 years, the firm currently employs approximately 475 professionals operating in offices throughout North America, Europe, Asia Pacific and the Middle East. Hamilton Lane has \$757 billion in assets under management and

supervision, composed of \$92 billion in discretionary assets and \$665 billion in advisory assets, as of June 30, 2021. Hamilton Lane specializes in building flexible investment programs that provide clients access to the full spectrum of private markets strategies, sectors and geographies. For more information, please visit www.hamiltonlane.com or follow Hamilton Lane on LinkedIn: <https://www.linkedin.com/company/hamilton-lane/>.

About Omidyar Network

Established by philanthropists Pam and Pierre Omidyar, Omidyar Network is a social change venture that has committed more than \$1 billion to innovative for-profit companies and nonprofit organizations since 2004. Omidyar Network works to reimagine critical systems and the ideas that govern them, and to build more inclusive and equitable societies in which individuals have the social, economic, and democratic power to thrive.