

EFC SDG Alignment & ESG Policy

EmergX Finance Corporation

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1. Introduction

EmergX Finance Corporation (EFC) is committed to mobilizing capital to finance infrastructure and sustainable development in emerging markets. Our ESG Policy aligns with the United Nations Sustainable Development Goals (SDGs), serving as a guiding framework for responsible investment and sustainable impact.

2. SDG Priority Areas

Our investment strategy emphasizes measurable alignment with:

- SDG 7: Affordable and Clean Energy
- SDG 9: Industry, Innovation and Infrastructure
- SDG 11: Sustainable Cities and Communities
- SDG 13: Climate Action
- SDG 17: Partnerships for the Goals

3. ESG Integration Across the Investment Lifecycle

We embed ESG considerations in every phase:

- Screening: Projects are screened using ESG risk and impact filters.
- Due Diligence: Comprehensive ESG assessments are conducted before investment decisions.
- Monitoring: Active portfolio monitoring and regular ESG reporting.
- Exit Strategy: Ensuring long-term ESG compliance and legacy outcomes.

4. Climate Risk & Environmental Sustainability

We prioritise low-carbon, resilient infrastructure. Climate risk assessment is embedded in our ICARA, and we adhere to principles like the TCFD. We favour investments that reduce emissions, promote renewable energy, and safeguard natural ecosystems.

5. Social Impact & Inclusion

EFC promotes gender equity, youth inclusion, decent work, and access to services. Our projects include targeted development outcomes such as job creation, local ownership, and inclusive economic participation.

6. Governance & Ethics

Our governance structure includes an ESG Committee under the Risk & Compliance Committee. ESG performance is reviewed quarterly. We adhere to the highest standards of ethical behaviour, transparency, and accountability.

7. Stakeholder Engagement

We collaborate with governments, DFIs, local communities, and investors to align on ESG expectations. Feedback mechanisms and stakeholder dialogue are embedded into project design and evaluation.

8. Reporting & Disclosure

We produce annual ESG and impact reports, aligned with global benchmarks including the IFC Performance Standards, SDG Impact Standards, and PRI. Disclosures are made to regulatory bodies, investors, and the public.

9. Continuous Learning & Innovation

We review our ESG policy annually, adapt to regulatory updates, and incorporate best practices in sustainable finance. EFC remains committed to ESG innovation as a strategic differentiator.