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Marketing Communication: For media use
For professional investors

PRESS RELEASE

Matter is partnering with BNP Paribas Asset Management to launch 'SDG Fundamentals' revenue alignment data solution

BNP Paribas Asset Management ('BNPP AM') and Matter, a Danish fintech specialising in sustainability insights, announced on 9 June the launch of 'SDG Fundamentals', an innovative data solution. This new dataset enables investors to analyse the extent to which company¹ revenues are aligned – or misaligned – with the targets of the 17 United Nations Sustainable Development Goals ('SDGs').

Adopted in 2015 at COP 21, the UN SDGs were defined as a universal roadmap for achieving a sustainable and inclusive future by 2030. Since then the asset management industry has made significant progress in developing solutions to help address some of the global challenges articulated by the SDGs, using capital allocation and engagement as levers towards a sustainable future. Prioritising investment in the SDGs has the potential to unlock opportunities worth approximately USD 12 trillion and 380 million jobs a year by 2030² for investors. Despite this, a funding gap remains between current investments in companies aligned to the SDGs and what is necessary to meet the 2030 targets set by them.

SDG Fundamentals, the new dataset developed by BNPP AM and Matter, helps bridge this gap. It provides investors with a framework to understand the extent of the alignment of a company's revenue streams with individual SDGs and targets, as well as across multiple SDGs and targets. **SDG Fundamentals** is based on a proprietary SDG taxonomy, itself grounded on a strict reading of UNStats³ SDG metadata, and uses one of the more granular revenue breakdown databases available.

SDG Fundamentals data covers more than 50,000 issuers, providing unparalleled insights into their alignment and misalignment with the SDGs through an analysis of their products and services. It can assist investors in enriching their approach to sustainability analysis in four ways:

- i) integration: helping investors identify sustainable thematic head- and tail-winds to inform their investment decision-making;
- ii) regulatory compliance under SFDR⁴ and MiFID II⁵ to inform 'sustainable investment' determination;
- iii) stewardship and exclusion purposes: helping investors to identify revenues misaligned to sustainable themes; and
- iv) portfolio construction and reporting for thematic and impact funds.

¹ The majority of which (roughly 93%) are publicly traded companies.

² Source: Business & Sustainable Development Commission. Available [here](#)

³ The United Nations Statistics Division, formerly the United Nations Statistical Office. The SDG metadata describes the processes to collect, process, or produce statistical data on the SDG indicators that underpin the SDG targets.

⁴ Sustainable Finance Disclosure Regulation 2019/2088 of the European Parliament and of the Council of 27 November 2019 on information to be provided on sustainable development in the financial services sector.

⁵ Markets in Financial Instruments Directive. MiFID II entered into force on 3 January 2018. MiFID is a legislative framework designed to strengthen investor protection and improve the functioning of financial markets, making them more efficient, resilient and transparent.



SDG Fundamentals will be available to the wider sustainable investment market via Matter.

Berenice Lasfargues, Sustainability Integration Lead at BNPP AM, comments:

"Understanding the extent to which companies' core business revenues are aligned to the Sustainable Development Goals, and by extension have the potential to contribute to real-world sustainable outcomes, is the next frontier of sustainability analysis. While this type of analysis continues to be hampered by a lack of granular and standardised corporate sustainability disclosures and data, our methodological work with Matter helps to break down this barrier and provides investors with actionable information on what constitutes company alignment to the targets underpinning the 17 SDG Goals. It is also part of a wider push towards increased data breadth, quality and standards through industry collaboration."

Lise Pretorius, Head of Sustainability Analysis at Matter, comments:

"At Matter we offer a suite of sustainability insights on publicly traded companies, utilising both in-house expertise and third-party insights from civil society, academia, think tanks and more to gain a 360-degree view of company non-financial performance. The collaboration with BNPP AM is an extension of this commitment to advance the common understanding of companies' non-financial performance through multi-stakeholder collaboration. Partnering with BNPP AM to develop SDG Fundamentals has been a unique opportunity to work with a leading asset manager which combines deep market expertise with a genuine commitment to rigorous understanding of the sustainability and SDG alignment of their investments."

- ENDS -

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About BNP Paribas Asset Management

BNP Paribas Asset Management ('BNPP AM') is the investment arm of BNP Paribas, a leading banking group in Europe with international reach. BNPP AM aims to generate long-term sustainable investment returns for its clients, based on a unique sustainability-driven philosophy. BNPP AM's investment capabilities are focused around five key strategies: High Conviction Strategies, Private Debt & Real Assets, Multi-Asset, Quantitative & Solutions (MAQS), Emerging Markets and Liquidity Solutions, with investment processes incorporating quantitative and fundamental analysis.

Sustainability is embedded within BNPP AM's strategy and investment decision-making. Among the leaders in thematic investment in Europe, BNPP AM contributes to the energy transition, environmental sustainability and the promotion of equality and inclusive growth. BNPP AM currently manages EUR 522 billion of assets (EUR 645 billion of assets under management & advisory) and benefits from the expertise of around 500 investment professionals and over 800 client servicing specialists, serving individual, corporate and institutional clients in 67 countries.

Source: BNPP AM, as at 31 March 2022

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About MATTER

Matter is a B2B SaaS company specialising in the provision of sustainability data and insights. Matter was founded upon the premise that existing ESG and sustainability data on companies does not adequately capture and convey the true impact a company has on people and planet. Matter challenges conventional logics on ESG data, harnessing the power of collective intelligence by working with on-the-ground subject matter experts and utilising the latest technology in the fields of AI and Machine Learning to provide investors with a 360-degree view of company sustainability and SDG alignment.

By providing investors with sustainability and SDG insights which are granular, disaggregated and holistic, Matter aims to reshape the way investors understand and use insights for sustainable investing.

For more information please visit <https://www.thisismatter.com/>

Additional information

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