
PP Capital and Matter further strengthens their collaboration

PP Capital and Matter have agreed to further strengthen our collaboration on bringing 'sciencefaction' to ESG research and investments on the backside of the EU Sustainable Finance Disclosure Regulation (SFDR) coming into force.

After having categorized their investment products according to the criteria set out by EU SFDR Article 8 and 9, PP Capital requested Matter, the Danish fintech scale-up specialized in analyzing the sustainability of securities, to conduct an independent and objective third party screening of the portfolios to shed light on the material impact of capital allocation in said products.

To us, this is much more than just a 'tick mark'-exercise: We are seeing an significant increase in market interest for sustainable investment products, and also more importantly a general uptick in the demand for more transparency on the models applied. As such, SFDR is just a next natural step for us on that journey. Matter's domain insights and data products helped us categorize our products and prepare the required disclosures in accordance with the regulation.

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In essence, SFDR is a new set of regulatory requirements aiming to reorient capital flows towards a more sustainable economy, while also preventing greenwashing. We're delighted to further expand our collaboration with PP Capital on this important topic, as they represent a different breed of asset manager, that have acknowledged the importance of taking a more accountable approach to ESG research and reporting, in order to move more capital towards impact.

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About SFDR

As part of the European Commission's Action Plan on financing sustainable growth, announced in March 2018, Regulation (EU) 2019/2088 on sustainable Finance Disclosure regulation (SFDR) aims to provide greater transparency on the degree of sustainability of financial products.

In essence, SFDR is the first set of regulatory requirements aiming to reorient capital flows towards a more sustainable economy, while preventing greenwashing.

The SFDR defines and introduces transparency requirements on ESG characteristics on both product and entity level that can be used to assess and compare their degree of sustainability.

Financial products "promoting environmental or social characteristics" or "have sustainable investment as its objective" will have to disclose in pre-contractual documents and periodic reports information to detail those characteristics or investment objectives and how they have been attained.

In short, Financial Market Practitioners (FMPs) and Financial Advisors (FAs) dealing with said products, must categorize their investment products according to the buckets as defined under Article 8 or Article 9 characteristics, and integrate sustainability risks into the investment decision process, and disclose accordingly by looking at the negative impacts of investments on sustainability factors.

About PP Capital

PP Capital Asset Management was founded in November 2013 with a desire to offer flexible and personal asset management at competitive and fully transparent prices.

The vision is to create a business driven by the old virtues, namely seriousness, diligence, mutual trust and respect for the individual customer's wishes. Today, this vision is firmly rooted in PP Capital and means that we manage more than DKK 5 billion for a wide range of customers either in the form of a discretionary or advisory mandate.

About Matter

Matter is a Danish fintech scale-up founded with a mission to make capital create not only financial returns, but also to yield a positive impact on the environment and society. We specialize in analyzing the sustainability of securities, and delivering those product and entity level insights as data products to financial market practitioners and financial advisors managing sustainable finance and investments.

In 2020 we raised our series A funding round led by Nasdaq Ventures (NY), allowing for further development of the next generation of sustainability analysis tools, quantitative impact metrics, thematic corporate flags and SDG-specific online sentiment data.