

Impact Cubed launches EU Regulatory Solution for Sustainable Finance Disclosure Regulation (SFDR)

The newly released data and portfolio reports streamline reporting burdens and enable market participants to meet disclosure requirements on Principal Adverse Impact Indicators (PAIs)

London, October 26, 2021- Impact Cubed has announced today the launch of its EU Regulatory solution to support the Sustainable Finance Disclosure Regulation (SFDR) requirements. These new rules, intended to counteract greenwashing, require financial market participants to consider sustainability risks and adverse impact factors in the investment process and report on performance. The rules also apply to US and Canadian investors who distribute funds in Europe.

Impact Cubed's solution, developed through consultation with investors in Europe and the US, is a suite of data and portfolio analytics that help investors meet the requirements and simplify fund level reporting.

"The regulations are broad and much more complex than they first appear," said Antti Savilaakso, head of research at Impact Cubed. "We have leveraged our expertise using objective ESG factor data to build rigorous PAI datasets for compliance reporting. We have taken a further step to create powerful portfolio analytics so investors can also understand the implications of the regulations on their investment strategies to create portfolios with greater impact".

The solution enables investors to meet their regulatory needs and includes:

- **Issuer level data:** The Impact Cubed solution supports investors with full transparency into issuers' PAI's for over 40,000 companies and 190 sovereign issuers or countries.
- **PAI coverage:** The data covers all mandatory PAIs and also provides investors with a choice of opt-in indicators.
- **Regulatory reporting and portfolio analytics:** Investors can meet the new requirements with Impact Cubed's standard or client facing reports at the fund or entity level. Portfolio analytics, including performance benchmarks, uncover important insights on disclosure gaps and investment opportunities.
- **Multi-asset class coverage:** Investors have access to PAI indicator data and portfolio reports for more than 800,000 global equity and fixed income securities across 40,000+ issuers.

The SFDR, which came into effect March 10, 2021, is one of the cornerstones of the European Action Plan on Sustainable Finance. It applies to financial market participants and imposes strict requirements on sustainability-related disclosures made by investment firms, banks, wealth managers, insurance companies, and pension funds. The SFDR requires investors to disclose data showing funds' sustainability performance on 18 mandatory PAIs and selected optional PAIs. On June 30, 2021, financial market participants and financial advisors with more than 500 employees on group level were required to start considering PAIs in the investment process.

For more information, visit www.impact-cubed.com/

About Impact Cubed: Impact Cubed provides analytics and investment solutions for building more sustainable portfolios with greater impact. It combines an award-winning approach to integrating impact into risk and return with technology-enhanced portfolio design and management. The outcome is a seamless approach to customized sustainable investing.

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