Contribution ID: 02ca62bc-6702-4f97-b5ed-60f9135bfe64
Date: 14/12/2023 22:57:10

Targeted consultation on the implementation of the Sustainable Finance Disclosures Regulation (SFDR)

Fields marked with * are mandatory.

Introduction

The Sustainable Finance Disclosures Regulation (SFDR) started applying in March 2021 and requires financial market participants and financial advisers to disclose at entity and product levels how they integrate sustainability risks and principal adverse impacts in their processes at both entity and product levels. It also introduces additional product disclosures for sustainable financial products making sustainability claims.

This targeted consultation aims at gathering information from a wide range of stakeholders, including financial practitioners, non-governmental organisations, national competent authorities, as well as professional and retail investors, on their experiences with the implementation of the SFDR. The Commission is interested in understanding how the SFDR has been implemented and any potential shortcomings, including in its interaction with the other parts of the European framework for sustainable finance, and in exploring possible options to improve the framework.

The main topics to be covered in this questionnaire are:

1. current requirements of the SFDR
2. interaction with other sustainable finance legislation
3. potential changes to the disclosure requirements for financial market participants
4. potential establishment of a categorisation system for financial products

Sections 1 and 2 cover the SFDR as it is today, exploring how the regulation is working in practice and the potential issues stakeholders might be facing in implementing it. Sections 3 and 4 look to the future, assessing possible options to address any potential shortcomings. As there are crosslinks between aspects covered in the different sections, respondents are encouraged to look at the questionnaire in its entirety and adjust their replies accordingly.

Please note that::

- we advise you to **save your draft reply regularly** by clicking on the “**Save as draft**” button on the right side of the screen
- some questions of this online questionnaire are displayed only when a specific response is given to a previous question
- in order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account** and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact fisma-sfdr@ec.europa.eu

More information on

- this consultation
- the consultation document
- the related public consultation
- sustainability-related disclosure in the financial services sector
- the protection of personal data regime for this consultation

About you

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* Language of my contribution

○ Bulgarian
○ Croatian
○ Czech
○ Danish
○ Dutch
● English
○ Estonian
○ Finnish
○ French
○ German
○ Greek
○ Hungarian
○ Irish
○ Italian
○ Latvian
○

Lithuanian
○ Maltese
○ Polish
○ Portuguese
○ Romanian
○ Slovak
○ Slovenian
○ Spanish
○ Swedish

* I am giving my contribution as

○ Academic/research institution
● Business association
○ Company/business
○ Consumer organisation
○ EU citizen
○ Environmental organisation
○ Non-EU citizen
○ Non-governmental organisation (NGO)
○ Public authority
○ Trade union
○ Other

* First name

Julien

* Surname

Froumouth

* Email (this won't be published)

julien.froumouth@abbl.lu

* Organisation name

255 character(s) maximum

Luxembourg Bankers' Association (ABBL - Association des Banques et Banquiers, Luxembourg)

* Organisation size

○ Micro (1 to 9 employees)
● Small (10 to 49 employees)
○ Medium (50 to 249 employees)
○ Large (250 or more)

Transparency register number

255 character(s) maximum

Check if your organisation is on the transparency register. It's a voluntary database for organisations seeking to influence EU decision-making.

3505006282-58

* Country of origin

Please add your country of origin, or that of your organisation.

○ Afghanistan
○ Åland Islands
○ Albania
○ Algeria
○ American Samoa
○ Andorra
○ Angola
○ Anguilla
○ Antarctica
○ Antigua and Barbuda
○ Argentina
○ Armenia
○ Aruba
○ Australia
○ Austria
○ Azerbaijan
○

○ Djibouti
○ Dominica
○ Dominican Republic
○ Ecuador
○ Egypt
○ El Salvador
○ Equatorial Guinea
○ Eritrea
○ Estonia
○ Eswatini
○ Ethiopia
○ Falkland Islands
○ Faroe Islands
○ Fiji
○ Finland
○ France
○

○ Libya
○ Liechtenstein
○ Lithuania
● Luxembourg
○ Macau
○ Madagascar
○ Malawi
○ Malaysia
○ Maldives
○ Mali
○ Malta
○ Marshall Islands
○ Martinique
○ Mauritania
○ Mauritius
○ Mayotte
○

○ Saint Martin
○ Saint Pierre and Miquelon
○ Saint Vincent and the Grenadines
○ Samoa
○ San Marino
○ São Tomé and Príncipe
○ Saudi Arabia
○ Senegal
○ Serbia
○ Seychelles
○ Sierra Leone
○ Singapore
○ Sint Maarten
○ Slovakia
○ Slovenia
○ Solomon Islands
○

Bahamas
○ Bahrain
○ Bangladesh
○ Barbados
○ Belarus
○ Belgium
○ Belize
○ Benin
○ Bermuda
○ Bhutan
○ Bolivia
○ Bonaire Saint Eustatius and Saba
○ Bosnia and Herzegovina
○ Botswana
○ Bouvet Island
○ Brazil
○ British Indian Ocean Territory
○ British Virgin Islands
○ Brunei
○ Bulgaria
○ Burkina Faso
○ Burundi
○ Cambodia
○

French Guiana
○ French Polynesia
○ French Southern and Antarctic Lands
○ Gabon
○ Georgia
○ Germany
○ Ghana
○ Gibraltar
○ Greece
○ Greenland
○ Grenada
○ Guadeloupe
○ Guam
○ Guatemala
○ Guernsey
○ Guinea
○ Guinea-Bissau
○ Guyana
○ Haiti
○ Heard Island and McDonald Islands
○ Honduras
○ Hong Kong
○ Hungary
○

Mexico
○ Micronesia
○ Moldova
○ Monaco
○ Mongolia
○ Montenegro
○ Montserrat
○ Morocco
○ Mozambique
○ Myanmar/Burma
○ Namibia
○ Nauru
○ Nepal
○ Netherlands
○ New Caledonia
○ New Zealand
○ Nicaragua
○ Niger
○ Nigeria
○ Niue
○ Norfolk Island
○ Northern Mariana Islands
○ North Korea
○

Somalia
○ South Africa
○ South Georgia and the South Sandwich Islands
○ South Korea
○ South Sudan
○ Spain
○ Sri Lanka
○ Sudan
○ Suriname
○ Svalbard and Jan Mayen
○ Sweden
○ Switzerland
○ Syria
○ Taiwan
○ Tajikistan
○ Tanzania
○ Thailand
○ The Gambia
○ Timor-Leste
○ Togo
○ Tokelau
○ Tonga
○ Trinidad and Tobago
○

Cameroon
○ Canada
○ Cape Verde
○ Cayman Islands
○ Central African Republic
○ Chad
○ Chile
○ China
○ Christmas Island
○ Clipperton
○ Cocos (Keeling) Islands
○ Colombia
○ Comoros
○ Congo
○ Cook Islands
○ Costa Rica
○ Côte d’Ivoire
○ Croatia
○ Cuba
○ Curaçao
○ Cyprus
○ Czechia
○ Democratic Republic of the Congo
○ Denmark

Iceland
○ India
○ Indonesia
○ Iran
○ Iraq
○ Ireland
○ Isle of Man
○ Israel
○ Italy
○ Jamaica
○ Japan
○ Jersey
○ Jordan
○ Kazakhstan
○ Kenya
○ Kiribati
○ Kosovo
○ Kuwait
○ Kyrgyzstan
○ Laos
○ Latvia
○ Lebanon
○ Lesotho
○ Liberia

North Macedonia
○ Norway
○ Oman
○ Pakistan
○ Palau
○ Palestine
○ Panama
○ Papua New Guinea
○ Paraguay
○ Peru
○ Philippines
○ Pitcairn Islands
○ Poland
○ Portugal
○ Puerto Rico
○ Qatar
○ Réunion
○ Romania
○ Russia
○ Rwanda
○ Saint Barthélemy
○ Saint Helena Ascension and Tristan da Cunha
○ Saint Kitts and Nevis
○ Saint Lucia

Tunisia
○ Turkey
○ Turkmenistan
○ Turks and Caicos Islands
○ Tuvalu
○ Uganda
○ Ukraine
○ United Arab Emirates
○ United Kingdom
○ United States
○ United States Minor Outlying Islands
○ Uruguay
○ US Virgin Islands
○ Uzbekistan
○ Vanuatu
○ Vatican City
○ Venezuela
○ Vietnam
○ Wallis and Futuna
○ Western Sahara
○ Yemen
○ Zambia
○ Zimbabwe

* Field of activity or sector

- ☐ Accounting
- ☐ Auditing
- ☑ Banking
- ☐ Credit rating agencies
- ☐ Insurance
- ☐ Pension provision
- ☐ Investing
- ☐ Investment management (e.g. hedge funds, private equity funds, venture capital funds, money market funds, securities)
- ☐ Financial advice
- ☐ Administration of benchmarks
- ☐ Providing of ESG data and/or ratings
- ☐ Structuring/issuance of securities
- ☐ Market infrastructure operation (e.g. CCPs, CSDs, Stock exchanges)
- ☐ Social entrepreneurship
- ☐ Other
- ☐ Not applicable

* To which category do you mainly belong or do you mainly represent:

- ○ I am a financial market participant as defined in Article 2(1) of the Sustainable Finance Disclosure Regulation (SFDR)
- ○ I am a financial adviser as defined in Article 2(11) of SFDR
- ○ I am both a financial market participant as defined in Article 2(1) of the SFDR and a financial adviser as defined in Article 2(11) of SFDR
- ○ I am another type of financial undertaking that does not fall under th definition of financial market participant of the SFDR
- ○ I am a non-financial undertaking
- ○ I am a non-professional investor
- ○ I am a professional investor
- ○ I am a national authority or supervisor
- ○ I am an NGO
- ○ I am an ESG data and/or ratings provider
- ○ I am a benchmark administrator
- ○ I am an academic
- ● My organisation is none of the above

Where applicable, please indicate your assets under management (in million EUR):
(If not applicable, please indicate N/A)

	Your assets under management (in million EUR)
*Overall	not applicable
*Products disclosing under Article 8	not applicable
*Products disclosing under Article 9	not applicable

* Your business is oriented:

- ○ predominantly towards professional investors
- ○ predominantly towards retail investors
- ● equally to professional and retail investors

Please indicate your revenues, if applicable as published in your most recent financial statement (in million EUR):

Please indicate your balance sheet size, if applicable as published in your most recent financial statement (in million EUR):

* Do you have more than 500 employees on average during the financial year?

- ○ Yes
- ● No

* Will your organisation be subject to the reporting requirements under the Corporate Sustainability Reporting Directive (CSRD)?

(The CSRD requirements will apply to all large and all listed undertakings with limited liability (except listed micro-enterprises) according to categories defined in Article 3 of Directive 2013/34/EU (the Accounting Directive). Credit institutions and insurance undertakings with unlimited liability are also in scope subject to the same size criteria. Non-EU undertakings listed on the EU regulated markets and non-EU undertakings with a net turnover above EUR 150 million that carry out business in the EU will also have to publish certain sustainability-related information through their EU subsidiaries that are subject to CSRD (or - in the absence of such EU subsidiaries – through their EU branches with net turnover above EUR 40 million).

- ○ Yes
- ○ No
- ● Don’t know / no opinion / not applicable

The Commission will publish all contributions to this targeted consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, ‘business association, ‘consumer association’, ‘EU citizen’) country of origin, organisation name and size, and its**

transparency register number, are always published. Your e-mail address will never be published. Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

* Contribution publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

○ **Anonymous**
Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

● **Public**
Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

☑ I agree with the personal data protection provisions

Would you be available for follow-up questions under the contact information you provided above?

○ Yes
● No

Section 1. Current requirements of the SFDR

The EU's sustainable finance policy is designed to attract private investment to support the transition to a sustainable, climate-neutral economy. The SFDR is designed to contribute to this objective by providing transparency to investors about the sustainability risks that can affect the value of and return on their investments ('outside-in' effect) and the adverse impacts that such investments have on the environment and society ('inside-out'). This is known as double materiality. This section of the questionnaire seeks to assess to what extent respondents consider that the SFDR is meeting its objectives in an effective and efficient manner and to identify their views about potential issues in the implementation of the regulation.

We are seeking the views of respondents on how the SFDR works in practice. In particular, we would like to know more about potential issues stakeholders might have encountered regarding the concepts it establishes and the disclosures it requires.

Question 1.1 The SFDR seeks to strengthen transparency through sustainability-related disclosures in the financial services sector to support the EU’s shift to a sustainable, climate neutral economy.

In your view, is this broad objective of the regulation still relevant?

○ 1 - Not at all
○ 2 - To a limited extent
○ 3 - To some extent
○ 4 - To a large extent
● 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Question 1.2 Do you think the SFDR disclosure framework is effective in achieving the following specific objectives (included in its Explanatory Memorandum and mentioned in its recitals):

Note: In this questionnaire we refer to the term ‘end investor’ (retail or professional) to designate the ultimate beneficiary of the investments in financial products (as defined under the SFDR) made by a person for their own account.

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Increasing transparency towards end investor with regard to the integration of sustainability risks	○	○	●	○	○	○
Increasing transparency towards end investor with regard to the consideration of adverse sustainability impacts	○	●	○	○	○	○
Strengthening protection of end investors and making it easier for them to benefit from and compare among a wide range of financial products and services, including those with sustainability claims	○	●	○	○	○	○
Channelling capital towards investments considered sustainable, including transitional investments (‘investments considered sustainable’ should be understood in a broad sense, not limited to the definition of sustainable investment set out in Article 2(17) of SFDR)	○	○	○	●	○	○

Ensuring that ESG considerations are integrated into the investment and advisory process in a consistent manner across the different financial services sectors	○	○	○	●	○	○
Ensuring that remuneration policies of financial market participants and financial advisors are consistent with the integration of sustainability risks and, where relevant, sustainable investment targets and designed to contribute to long-term sustainable growth	○	○	○	●	○	○

Question 1.3 Do you agree that opting for a disclosure framework at EU level was more effective and efficient in seeking to achieve the objectives mentioned in Question 1.2 than if national measures had been taken at Member State level?

- ○ 1 - Totally disagree
- ○ 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ● 5 - Totally agree
- ○ Don’t know / no opinion / not applicable

Question 1.4 Do you agree that the costs of disclosure under the SFDR framework are proportionate to the benefits it generates (informing end investors, channelling capital towards sustainable investments)?

- ○ 1 - Totally disagree
- ● 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ○ 5 - Totally agree
- ○ Don’t know / no opinion / not applicable

We are seeking the views of respondents on how the SFDR works in practice and the impact it has had.

Question 1.5 To what extent do you agree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The SFDR has raised awareness in the financial services sector of the potential negative impacts that investment decisions can have on the environment and/or people	○	○	○	●	○	○
Financial market participants have changed the way they make investment decisions and design products since they have been required to disclose sustainability risks and adverse impacts at entity and product level under the SFDR	○	○	○	●	○	○
The SFDR has had indirect positive effects by increasing pressure on investee companies to act in a more sustainable manner	○	●	○	○	○	○

We would also like to know more about potential issues stakeholders might have encountered regarding the concepts that the SFDR establishes and the disclosures it requires.

Question 1.6 To what extent do you agree or disagree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Some disclosures required by the SFDR are not sufficiently useful to investors	○	○	○	●	○	○
Some legal requirements and concepts in the SFDR, such as ‘sustainable investment’, are not sufficiently clear	○	○	○	●	○	○
The SFDR is not used as a disclosure framework as intended, but as a labelling and marketing tool (in particular Articles 8 and 9)	○	○	○	○	●	○
Data gaps make it challenging for market participants to disclose fully in line with the legal requirements under the SFDR	○	○	○	○	●	○
Re-use of data for disclosures is hampered by a lack of a common machine-readable format that presents data in a way that makes them easy to extract	○	○	○	●	○	○
There are other deficiencies with the SFDR rules (please in text box following question 1.7)	○	○	○	○	○	○

Question 1.7 To what extent do you agree or disagree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The issues raised in question 1.6 create legal uncertainty for financial market participants and financial advisers	○	○	○	●	○	○
The issues raised in question 1.6 create reputational risks for financial market participants and financial advisers	○	○	○	○	●	○
The issues raised in question 1.6 do not allow distributors to have a sufficient or robust enough knowledge of the sustainability profile of the products they distribute	○	○	○	●	○	○
The issues raised in question 1.6 create a risk of greenwashing and mis-selling	○	○	○	○	●	○
The issues raised in question 1.6 prevent capital from being allocated to sustainable investments as effectively as it could be	○	○	●	○	○	○
The current framework does not effectively capture investments in transition assets	○	○	○	●	○	○
The current framework does not effectively support a robust enough use of shareholder engagement as a means to support the transition	○	○	○	○	○	●

Others	○	○	○	○	○	●

Please provide any additional explanations as necessary for questions 1.5, 1.6 and 1.7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

SDFR has clearly positively contributed to introduce a common disclosure framework for all FMPs regarding ESG-related products, i.e. similar information are required for the so-called Article 8 and 9 products. The new regime fosters alignment between the investment strategy of ESG financial products and the information disclosed to investors, with increasing flows of investments into ESG products.

However, some aspects of the SFDR have not fully met their initial purpose:

- Information to be disclosed is not always useful to investors, especially retail investors. The complexity of ESG disclosures can hinder investors, especially retail ones, from understanding and comparing the ESG characteristics of financial products, preventing them from shifting towards sustainable investments. It is crucial to calibrate disclosures to make them more understandable and relevant to the targeted clients. While entity-level disclosures are rarely used by end investors, they require significant effort from financial market participants (FMPs) with limited added value to investors. Additionally, the templates for Art 8 and Art 9 products contain an excessive amount of complex information that is not user-friendly, especially for retail investors.
- What is at stake is rather the complexity and the overload than the lack of information, for end investors to have a good understanding of the products addressing their sustainable preferences. Further simplification and harmonisation of information would make the comparison of products easier, reduce/limit the risk of greenwashing and ultimately support investors in effectively allocating their capital towards sustainable investments.
- Some concepts are also not sufficiently clear, leading to diverging interpretations within the industry and between National Competent Authorities, which is detrimental to the emergence of a harmonised framework across the EU.

The most illustrative examples are the following: the concept of ESG and the “promotion of ESG characteristics” are too vague while they are key to identify products that would fall under the article 8 disclosure requirements. As no minimum criteria has been identified to assess what it means exactly, there is currently a broad range of Article 8 products with no means to validate this qualification. Furthermore, from a legal perspective some uncertainties remain on the correct information to disclose in the templates.

The industry also needs clear principles and mandatory quantifications in benchmarks.

In-house and/or proprietary methodologies, while essential to leverage on the innovation capability of the market, make comparisons difficult, instead of standardizing methodologies (better alignment between the BMR and SFDR requirements).

- FMPs continue to encounter challenges in obtaining high-quality, standardized, and reliable ESG data for taxonomy alignment and PAI calculation. Many FMPs rely on ESG data providers that are not adequately regulated, resulting in varying outcomes depending on the provider. The lack of standardization in the ESG data market, coupled with the complexities of integrating and linking the data to existing sets, presents significant challenges for FMPs.

In addition, since the Corporate Sustainability Reporting Directive (CSRD) is not yet live, the amount of publicly reported data by the relevant corporates is currently very limited. In this context, a common way to comply with disclosure requirements is to rely on internally calculated estimates or from ESG data providers. These estimates will constitute a significant proportion of the information disclosed until the CSRD is fully in effect. It's important to note that not all investee companies are within the scope of the Directive.

- There is also a lack of machine-readable format at this stage: SFDR relies mostly on lengthy disclosures which prevent the implementation of industrialized processes and requires significant costs
- From a distributor and a client’s perspective it is important that SFDR and ESG MiFID/IDD are fully consistent and aligned to further support the assessment of clients’ sustainability preferences and hence be able to recommend products that are compatible with such preferences.

In conclusion, it is essential to provide additional explanations and simplify information, particularly for retail investors, to enhance their confidence in products marketed as ESG and, more broadly, in the actions of FMPs to support the transition.

Disclosures of principal adverse impacts (PAIs)

There are several disclosures concerning PAIs in the SFDR. As a general rule, the SFDR requires financial market participants who consider PAIs to disclose them at entity level on their website. It also includes a mandatory requirement for financial market participants to provide such disclosures when they have more than 500 employees (Article 4). The Delegated Regulation of the SFDR includes a list of these PAI indicators. These entity level PAI indicators are divided into three tables in the Delegated Regulation. Indicators listed in table 1 are mandatory for all participants, and indicators in tables 2 and 3 are subject to a materiality assessment by the financial market participant (at least one indicator from table 2 and one from table 3 must be included in every PAI statement).

Second, the SFDR requires financial market participants who consider PAIs at entity level to indicate in the pre-contractual documentation whether their financial products consider PAIs (Article 7) and to report the impacts in the corresponding periodic disclosures (Article 11). When reporting these impacts, financial market participants may rely on the PAI indicators defined at entity level in the Delegated Regulation.

Finally, in accordance with the empowerment given in Article 2a of SFDR, the Delegated Regulation requires that the do no significant harm (DNSH) assessment of the sustainable investment definition is carried out by taking into account the PAI indicators defined at entity level in Annex I of the Delegated Regulation.

In this context:

Question 1.8 To what extent do you agree with the following statements about entity level disclosures?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
I find it appropriate that certain indicators are always considered material (i.e. “principal”) to the financial market participant for its entity level disclosures, while having other indicators subject to a materiality assessment by the financial market participant (approach taken in Annex I of the SFDR Delegated Regulation)	○	○	○	○	●	○
I would find it appropriate that all indicators are always considered material (i.e. “principal”) to the financial market participant for its entity level disclosures	●	○	○	○	○	○
I would find it appropriate that all indicators are always subject to a materiality assessment by the financial market participant for its entity level disclosures	○	●	○	○	○	○

Question 1.8.1 When following the approach described in the first statement of question 1.8 above, do you agree that the areas covered by the current indicators listed in table 1 of the Delegated Regulation are the right ones to be considered material in all cases?

- ● 1 - Totally disagree
- ○ 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ○ 5 - Totally agree
- ○ Don’t know / no opinion / not applicable

Question 1.9 To what extent do you agree with the following statements about product level disclosures?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The requirement to 'take account of' PAI indicators listed in Annex I of the Delegated Regulation for the DNSH assessment, does not create methodological challenges	●	○	○	○	○	○
In the context of product disclosures for the do no significant harm (DNSH) assessment, it is clear how materiality of principal adverse impact (PAI) indicators listed in Annex I of the Delegated Regulation should be applied	●	○	○	○	○	○
The possibility to consider the PAI indicators listed in Annex I of the Delegated Regulation for product level disclosures of Article 7 do not create methodological challenges	●	○	○	○	○	○
It is clear how the disclosure requirements of Article 7 as regards principal adverse impacts interact with the requirement to disclose information according to Article 8 when the product promotes environmental and/or social characteristics and with the requirement to disclose information according to Article 9 when the product has sustainable investment as its objective	●	○	○	○	○	○

Please provide any additional explanations as necessary for questions 1.8, 1.8.1 and 1.9:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As far as PAIs are concerned, the framework for the application and reporting of PAIs within SFDR needs to be reconsidered, or the provisions that requires to report on all PAIs should be removed due to the inoperability of the "one fits all" approach.
Moreover, an additional distinction should be made between DNSH consideration at entity level and at product level as well as for certain types of investments/asset classes.

- Some of the mandatory PAIs from table 1 are not deemed material to all sectors. PAI 8 (emissions to water) or PAI 9 (hazardous waste ratio) for example, are more relevant to the industrials/energy/agriculture sectors than to other sectors such as the real estate or financial sectors.

- For Asset Managers to be able to consider PAIs, it is important to have a full alignment between indicators under the SFDR such as PAIs and the ESRS of the CSRD. Following the introduction of the “materiality assessment” and voluntary disclosure in the draft delegated act for the ESRS under the CSRD (under consultation until 7th July 2023), it is quite critical that clear guidance is adopted on how to address in the SFDR the different cases of no reporting by undertakings. Guidance should distinguish the cases where no reporting results from the materiality assessment from those where it results from no requirement to report (e.g., for non-EU undertakings not submitted to the CSDR and EU undertakings deciding not to report during the phase-in periods).

- A restricted set of PAIs materials for most of the sector of activities should be required for all the Asset Managers so that it ensures consistency and comparability at entity level. It could be indicators related to GHG emissions for example. Then, Asset Managers could choose to report on additional PAIs in case they deem the indicator relevant to their activity.

- It is essential that the treatment of derivatives under PAI indicators applies consistently to the other Taxonomy alignment and SI indicators.

- The Real Estate PAI indicators are absolutely not reflecting correctly and capturing properly the challenges of the real estate industry.

The cost of disclosures under the SFDR today

Questions 1.10, 1.10.1 and 1.11 are intended for financial market participants and financial advisors subject to the SFDR.

The following two questions aim to assess the costs of the SFDR disclosure requirements distinguishing between one-off and recurring costs. One-off costs are incurred only once to implement a new reporting requirement, e.g. getting familiarised with the legal act and the associated regulatory or implementing technical standards, setting-up data collection processes or adjusting IT-systems. Recurring costs occur repeatedly every year once the new reporting is in place, e.g. costs of annual data collection and report preparation. In the specific case of precontractual disclosures for example, there are one-off costs to set up the process of publishing precontractual disclosures when a new product is launched, and recurring annual costs to repeat the process of publishing pre-contractual disclosures each time a new product is launched (depends on the number of products launched on average each year). These two questions apply both to entity and product level disclosures.

Question 1.10 Could you provide estimates of the one-off and recurring annual costs associated with complying with the SFDR disclosure requirements (EUR)?

Please split these estimates between internal costs incurred by the financial market participant and any external services contracted to assist in complying with the requirements (services from third-party data providers, advisory services, etc.).

If such a breakdown is not possible, please provide the total figures.

Please leave the cell blank for the data you are not able to provide.

	Estimated one off costs (in euros)	Estimated recurring annual costs (in euros)
Total internal costs		
Internal costs for personnel		
Internal costs for IT		
Total external costs		
External costs for data providers		
External costs for advisory services		

Total costs of SFDR disclosure requirements		

Question 1.10.1: Could you split the total costs between product level and entity level disclosures?

Please leave the cell blank for the data you are not able to provide.

	Product-level disclosures (in %)	**Entity-level disclosures (in %)**
Estimated percentage of costs		

If you wish, please provide additional details:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 1.11 In order to have a better understanding of internal costs, could you provide an estimate of how many full-time-equivalents (FTEs - 1 FTE corresponds to 1 employee working full-time the whole year) are involved in preparing SFDR disclosures?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 1.11.1 Could you please provide a split between:

Please leave the cell blank for the data you are not able to provide.

	Retrieving the data (in %)	**Analysing the data (in %)**	**Reporting SFDR disclosures (in %)**	**Other (in %)**
Estimated percentage				

Please specify what corresponds to “other” costs:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Data and estimates

Financial market participants' and financial advisers’ ability to fulfil their ESG transparency requirements depends in part on other disclosure requirements under the EU framework. In particular, they will rely to a significant extent on the Corporate Sustainability Reporting Directive (CSRD). However, entities are not reporting yet under those new disclosure requirements, or they may not be within the scope of the CSRD. Besides, even when data is already available today, it may not always be of good quality.

Question 1.12 Are you facing difficulties in obtaining good-quality data?

● Yes
○ No
○ Don’t know / no opinion / not applicable

Question 1.12.1 If so, do you struggle to find information about the following elements?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
The entity level principal adverse impacts	○	○	○	○	●	○
The proportion of taxonomy-aligned investments (product level)	○	○	○	○	●	○
The contribution to an						

environmental or social objective, element of the definition of ‘sustainable investment’ (product level)	○	○	●	○	○	○
The product’s principal adverse impacts, including when assessed in the context of the ‘do no significant harm’ test which requires the consideration of PAI entity level indicators listed in Annex I of the Delegated Regulation and is an element of the definition of ‘sustainable investment’ (product level)	○	○	●	○	○	○
The good governance practices of investee companies (product level)	○	●	○	○	○	○
Other	○	○	○	○	○	○

Question 1.12.2 Is the SFDR sufficiently flexible to allow for the use of estimates?

○ 1 - Not at all
○ 2 - To a limited extent
● 3 - To some extent
○ 4 - To a large extent
○ 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Question 1.12.3 Is it clear what kind of estimates are allowed by the SFDR?

● 1 - Not at all
○ 2 - To a limited extent
○ 3 - To some extent
○ 4 - To a large extent
○ 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Question 1.12.4 If you use estimates, what kind of estimates do you use to fill the data gap?

a) For entity level principal adverse impacts:

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Estimates from data providers, based on data coming from the investee companies	○	○	○	○	○	○
Estimates from data providers, based on data coming from other sources	○	○	○	○	○	○

In-house estimates	○	○	○	○	○	○
Internal ESG score models	○	○	○	○	○	○
External ESG score models	○	○	○	○	○	○
Other	○	○	○	○	○	○

b) For taxonomy aligned investments (product level):

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Estimates from data providers, based on data coming from the investee companies	○	○	○	○	○	○
Estimates from data providers, based on data coming from other sources	○	○	○	○	○	○
In-house estimates	○	○	○	○	○	○
Internal ESG score models	○	○	○	○	○	○
External ESG score models	○	○	○	○	○	○
Other	○	○	○	○	○	○

c) For sustainable investments (product level):

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Estimates from data providers, based on data coming from the investee companies	○	○	○	○	○	○
Estimates from data providers, based on data coming from other sources	○	○	○	○	○	○
In-house estimates	○	○	○	○	○	○
Internal ESG score models	○	○	○	○	○	○
External ESG score models	○	○	○	○	○	○
Other	○	○	○	○	○	○

d) Other data points:

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Estimates from data providers,						

based on data coming from the investee companies	○	○	○	○	○	○
Estimates from data providers, based on data coming from other sources	○	○	○	○	○	○
In-house estimates	○	○	○	○	○	○
Internal ESG score models	○	○	○	○	○	○
External ESG score models	○	○	○	○	○	○
Other	○	○	○	○	○	○

Question 1.12.5 Do you engage with investee companies to encourage reporting of the missing data?

- ○ 1 - Not at all
- ○ 2 - To a limited extent
- ○ 3 - To some extent
- ○ 4 - To a large extent
- ○ 5 - To a very large extent
- ○ Don’t know / no opinion / not applicable

Please provide further explanations to your replies to questions 1.12 to 1.12.5:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Comments on question 1.12.1
Most challenging issues for financial market participants are the followings:
- The obtention of good-quality ESG data
- SFDR indicators (PAIs, SI, EU Taxonomy)
- The obtention of EU Taxonomy alignment ratio of companies is very challenging especially given the limited number of companies reporting it.

- Another challenge concerns the coverage and the costs associated to ESG data, the lack of data reported by non-EU companies, the European ESG Templates (EET) consistency and completeness across various asset managers (incomplete and/or poor quality data set).

- In practice, there are sometimes important discrepancies between the assessments made by different data providers, most likely due the use of estimates and different methodologies. For distributors, it is very difficult (not to say impossible) to assess which one would be best to use. In addition, it is not always possible to identify which data provider has been used by a fund of funds in its ESG-related disclosures. In general, there is a strong need in the market for reliable ESG data, regarding both the investments and the ESG profile/performance of the underlying company.

- Another main issue raised by product manufacturers is linked to the collection of ESG data that are not always made publicly available by investee companies and are therefore costly to buy from data providers or to assess.

PAI 1/2/3 - Scope 3 – it has been observed that scope 3 carbon data is very rarely disclosed, and estimates vary significantly across data vendors. Where data is disclosed, it is usually difficult for market participants to understand them. In addition, regarding n GHG intensity (scope 3), data for sovereign carbon emissions provided by the OECD and scope 1&2 data sourced by providers are not aligned as regards year of reference.

PAI 8 - Emissions to water and PAI 9 Hazardous waste ratio – it has been observed that such indicators are rarely disclosed by companies and the risk associated to estimates calculation would result in very different and inconsistent figures. IIn addition, data vendors capture different types of emissions and there is uncertainty about which should be considered as per the regulation.

PAI 12 - Unadjusted gender pay gap – There is limited disclosure which could negatively affect reported figures in the sense that some data providers tend to report figures disclosed by companies which are not based on the exact same regulatory definition and ultimately lead to data inconsistencies. Some data providers increase the coverage for this indicator by relying on figures provided by international companies' local branches which does not fairly reflect the truly global metric of the company for this indicator.

Question 1.13 Have you increased your offer of financial products that make sustainability claims since the disclosure requirements of Articles 8 and 9 of the SFDR began to apply (i.e. since 2021, have you been offering more products that you categorise as Articles 8 and 9 than those you offered before the regulation was in place and for which you also claimed a certain sustainability performance)?

○ 1 - Not at all
○ 2 - To a limited extent
● 3 - To some extent
○ 4 - To a large extent
○ 5 - To a very large extent
○

Don’t know / no opinion / not applicable

Question 1.13.1 Please specify how the share of financial products making sustainability claims has evolved in the past years

(Please express it as a percentage of the total financial products you offered each year)

	Percentage of the total financial products
2020	
2021	
2022	
2023	

Question 1.13.2 If you have increased your offering of financial products making sustainability claims, in your view, has any of the following factors influenced this increase?

	1 (not at all)	2 (not really)	3 (partially)	4 (mostly)	5 (totally)	Don't know - No opinion - Not applicable
SFDR requirements	○	○	○	●	○	○
Retail investor interest	○	○	●	○	○	○
Professional investor interest	○	○	●	○	○	○
Market competitiveness	○	○	○	●	○	○
Other factors	○	○	○	○	○	○

Please provide further explanations to your replies to questions 1.13, 1.13 1 and 1.13.2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

There is a clear and growing market demand for sustainable financial products.

Such a trend has been observed in the market since a few years now, with funds with a sustainability label or ESG characteristics attracting on average more flows than other comparable conventional/non-ESG funds. Market competitiveness and the introduction of SFDR & ESG MiFID/IDD rules have further pushed FMPs to reshape/expand their product offering with ESG-products.

On the other hand, the MIFID/IDD sustainability preferences expressed by clients are rather limited which can have several possible explanations, one of which being the overcomplexity of the current criteria and disclosures that are usually not user friendly and accessible for the average retail investor. The transparency requirement has been generating a massive flow of sustainability information which is not always easy to understand and even more difficult to compare, resulting in clients, regulators and the civil society becoming suspicious towards such disclosures (and the underlying commitments). The current regulatory framework assumes that end clients conduct thorough due diligence on investment products, while investors expect clear disclosures and criteria describing the characteristics and/or the objectives for sustainable investments. If one wants to build a solid framework that fosters trust and consequently helps the reallocation of capital towards a more sustainable economy, we need to clear as much as possible the existing confusing transparency requirements and increase the framework's reliance on simple and user-friendly information and minimum harmonized criteria for each category of products.

Section 2. Interaction with other sustainable finance legislation

The SFDR interacts with other parts of the EU's sustainable finance framework. Questions in this section will therefore seek respondents' views about the current interactions, as well as potential inconsistencies or misalignments that might exist between the SFDR and other sustainable finance legislation. There is a need to assess the potential implications for other sustainable finance legal acts if the SFDR legal framework was changed in the future. Questions as regards these potential implications are included in section 4 of this questionnaire, when consulting on the potential establishment of a categorisation system for products, and they do not prejudge future positions that might be taken by the Commission.

The SFDR mainly interacts with the following legislation and their related delegated and implementing acts:

- the Taxonomy Regulation
- the Benchmarks Regulation
- the Corporate Sustainability Reporting Directive (CSRD)
- the Markets in Financial Instruments Directive (MiFID 2) and the Insurance Distribution Directive (IDD)
- the Regulation on Packaged Retail Investment and Insurance Products (PRIIPs)

Other legal acts that are currently being negotiated may also interact with the SFDR in the future. They are not covered in this questionnaire as the detailed requirements of these legal acts have not yet been agreed. At this stage, it would be speculative to seek to assess how their interaction with SFDR would function.

Both the SFDR and the Taxonomy Regulation introduce key concepts to the sustainable finance framework. Notably, they introduce definitions of 'sustainable investment' (SFDR) and 'environmentally sustainable' economic activities (taxonomy). Both definitions require, inter alia, a contribution to a sustainable objective and a do no significant harm (DNSH) test. But while these definitions are similar, there are differences between them which could create practical challenges for market participants.

Question 2.1 The Commission recently adopted a FAQ clarifying that investments in taxonomy-aligned 'environmentally sustainable' economic activities can automatically qualify as 'sustainable investments' in those activities under the SFDR.

To what extent do you agree that this FAQ offers sufficient clarity to market participants on how to treat taxonomy-aligned investment in the SFDR product level disclosures?

○ 1 - Totally disagree

○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
● 4 - Mostly agree
○ 5 - Totally agree
○ Don’t know / no opinion / not applicable

The Benchmarks Regulation introduces two categories of climate benchmarks – the EU climate transition benchmark (EU CTB) and the EU Paris-aligned benchmark (EU PAB) - and requires benchmark administrators to disclose on ESG related matters for all benchmarks (except interest rate and foreign exchange benchmarks). The SFDR makes reference to the CTB and PAB in connection with financial products that have the reduction of carbon emissions as their objective. Both legal frameworks are closely linked as products disclosing under the SFDR can for example passively track a CTB or a PAB or use one of them as a reference benchmark in an active investment strategy. More broadly, passive products rely on the design choices made by the benchmark administrators.

Question 2.2 To what extent do you agree or disagree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The questions & answers published by the Commission in April 2023 specifying that the SFDR deems products passively tracking CTB and PAB to be making 'sustainable investments' as defined in the SFDR provide sufficient clarity to market participants	○	●	○	○	○	○
The approach to DNSH and good governance in the SFDR is consistent with the environmental, social and governance exclusions under the PAB/CTB	○	●	○	○	○	○
The ESG information provided by benchmark administrators is sufficient and is aligned with the information required by the SFDR for products tracking or referencing these benchmarks	○	●	○	○	○	○

Both the SFDR and the Corporate Sustainability Reporting Directive (CSRD) introduce entity level disclosure requirements with a double-materiality approach[1]. The CSRD sets out sustainability reporting requirements mainly for all large and all listed undertakings with limited liability (except listed micro-enterprises)[2], while the SFDR introduces sustainability disclosure requirements at entity level for financial market participants and financial advisers as regards the consideration of sustainability related factors in their investment decision-making process. Moreover, in order for financial market participants and financial advisers to meet their product and entity level disclosure obligations under the SFDR, they will rely to a significant extent, on the information reported according to the CSRD and its European Sustainability Reporting Standards (ESRS) (provided positive scrutiny of co-legislators of the ESRS delegated act).

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[1] Transparency requirements relate to the sustainability risks that can affect the value of investments (SFDR) or companies (CSRD) (‘outside-in’ effect) and the adverse impacts that such investments or companies have on the environment and society (‘inside-out’).

[2] Credit institutions and insurance undertakings with unlimited liability are also in scope subject to the same size criteria. Non-EU undertakings listed on the EU regulated markets and non-EU undertakings with a net turnover above EUR 150 million that carry out business in the EU will also have to publish certain sustainability-related information through their EU subsidiaries that are subject to CSRD (or - in the absence of such EU subsidiaries – through their EU branches with net turnover above EUR 40 million).

Question 2.3 To what extent do you agree or disagree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The SFDR disclosures are consistent with the CSRD requirements, in particular with the European Sustainability Reporting Standards	●	○	○	○	○	○
There is room to streamline the entity level disclosure requirements of the SFDR and the CSRD	○	○	○	●	○	○

Financial advisors (under MiFID 2) and distributors of insurance-based investment products (under IDD) have to conduct suitability assessments based on the sustainability preferences of customers. These assessments rely in part on sustainability-related information made available by market participants reporting under the SFDR.

Question 2.4 To what extent do you agree that the product disclosures required in the SFDR and its Delegated Regulation (e.g. the proportion of sustainable investments or taxonomy aligned investments, or information about principal adverse impacts) are sufficiently useful and comparable to allow distributors to determine whether a product can fit investors' sustainability preferences under MiFID 2 and the IDD?

- ○ 1 - Totally disagree
- ● 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ○ 5 - Totally agree
- ○ Don't know / no opinion / not applicable

Question 2.5 MIFID and IDD require financial advisors to take into account sustainability preferences of clients when providing certain services to them.

Do you believe that, on top of this behavioural obligation, the following disclosure requirements for financial advisors of the SFDR are useful?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Article 3, entity level disclosures about the integration of sustainability risks policies in investment or insurance advice	●	○	○	○	○	○
Article 4, entity level disclosures						

about consideration of principal adverse impacts	○	●	○	○	○	○
Article 5, entity level disclosures about remuneration policies in relation to the integration of sustainability risks	●	○	○	○	○	○
Article 6, product level pre-contractual disclosures about the integration of sustainability risks in investment or insurance advice	○	●	○	○	○	○
Article 12, requirement to keep information disclosed according to Articles 3 and 5 up to date	●	○	○	○	○	○

Question 2.6 Have the requirements on distributors to consider sustainability preferences of clients impacted the quality and consistency of disclosures made under SFDR?

○ Yes
● No
○ Don’t know / no opinion / not applicable

PRIIPs requires market participants to provide retail investors with key information documents (KIDs). As part of the retail investment strategy, the Commission has recently proposed to include a new sustainability section in the KID to make sustainability-related information of investment products more visible, comparable and understandable for retail investors. Section 4 of this questionnaire includes questions related to PRIIPs, to seek stakeholders' views as regards potential impacts on the content of the KID if a product categorisation system was established.

Please clarify your replies to questions in section 2 as necessary:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 2.2
Disagree - replication strategies could be made through non sustainable investments; it must be fulfilling sustainability criteria.
The clarification of the Commission that products passively tracking PAB/CTB benchmarks should be art. 9 led to a significant reclassification largely driven by the downgrades of passive funds tracking those indices.
Regulators have stated that Art. 9 funds should only invest in Sustainable Investments (SI), following the EC clarification of July 2021, creating a demanding minimum standard to be eligible for Art. 9. However, when a product tracks a PAB/CTB benchmark, it is impossible for the asset manager to guarantee that all the investments will be qualified as SI as per its own methodology.
Either the EC needs to explicitly allow for a waiver to the "100% SI" rule or it will be extremely difficult for PAB /CTB benchmarks to qualify as Art. 9 as they invest in companies reducing their emissions while not considered as sustainable per se.
Given the clarifications of the Commission regarding Art. 9 products, granting a waiver now would create confusion and be counterproductive.
PAB/CTB exclusions and SI DNSH are not consistent: SI DNSH is more comprehensive than PAB exclusions (which are much more focused on the environment) and CTB exclusions (which are the bare minimum).
Moreover, Benchmark administrators should be required to translate their ESG methodologies in accordance with the SFDR criteria (which PAIs are considered given the rulebook exclusions, etc.). The current lack of alignment between the two frameworks brings confusion and difficulties to reconcile requirements.
The stability of such benchmarks is crucial to remain a reference over time.

Question 2.4
Further alignment is required between SFDR and MiFID especially on the methodologies to assess the qualification and calculate the proportion of SI as well as the relevant PAIs for investors to be able to compare products performance and avoid that it results in FMPs committing to higher percentages while having less strict methodologies.

Question 2.6
- SFDR and ESG MiFID/IDD are not sufficiently aligned. For distributors as well as clients it is extremely important that disclosures under SFDR can be matched - without any further interpretation - with client's sustainability preferences. In addition, there is in general a mismatch between SFDR and MIFID insofar as portfolio management is concerned. Under MiFID, portfolio management is an investment service, whereas under SFDR it is considered a product. Contrary to funds, the investment strategy is not solely determined between the portfolio manager and the client(s). MOPs and tailor-made discretionary portfolios mandates depend on investment options and strategies defined with the clients, hence specific rules, FAQs and/or guidance would be required for such products that are mainly driven by sustainability preferences of the clients that would apply to the products. Sustainability rules amending MiFID II regulation as well as ESMA Guidelines are strongly encourage investment firms to develop tailor-made mandates that would meet the

broad range of sustainability preferences expressed by their clients, which lead to difficulties when it comes to website disclosures due to the lack of standardisation and due to the customisation of profiles. It questions the qualification of portfolio management as financial product under the SFDR for distributors and hence require adaptation and simplification of disclosure requirements for such specific cases.

- The characteristics of the product under SFDR determine its actual target market under MIFID/IDD. Thus, maintaining strong alignment between SFDR and the MIFID/IDD preferences is key for the effectiveness of SFDR and the scale of capital reallocation in the fund management industry. However, this also means that the commitment of FMPs to the framework will depend on the adherence of end clients to the ESG preferences.

To this end, the framework needs to be simple, understandable, and reliable, that means defining a limited set of clear, relevant, and standardised disclosures. Ultimately, most clients expect meaningful information that they could trust so that they know exactly what they are investing in and for which purpose.

- The difference in materiality assessment between SFDR and the ESRS create a data gap for SFDR disclosures. Furthermore, CSRD scope is narrower than SFDR one (e.g., non-EU companies, sovereigns). This would need to be considered in the SFDR review.

Question 2.6.1
While it could be welcome to include some SFDR-related information in the KID, this would require a strong alignment between the SFDR disclosures and the KID disclosures, while keeping the KID disclosures.

Section 3. Potential changes to disclosure requirements for financial market participants

3.1 Entity level disclosures

The SFDR contains entity level disclosure requirements for financial market participants and financial advisers. They shall disclose on their website their policies on the integration of sustainability risks in their investment decision-making process or their investment or insurance advice (Article 3). In addition, they shall disclose whether, and if so, how, they consider the principal adverse impacts of their investment decisions on sustainability factors. For financial market participants with 500 or more employees, the disclosure of a due diligence statement, including information of adverse impacts, is mandatory (Article 4). In addition, financial market participants and financial advisers shall disclose how their remuneration policies are consistent with the integration of sustainability risks (Article 5).

Question 3.1.1 Are these disclosures useful?

	1 (not at all)	2 (not really)	3 (partially)	4 (mostly)	5 (totally)	Don't kno No opinio Not applicab
Article 3	○	○	●	○	○	○
Article 4	○	○	●	○	○	○

Article 5	○	○	●	○	○	○

Please explain your replies to question 3.1.1 as necessary:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

These disclosures bring interesting information however we see several challenges related to:
- How these disclosures can be used by the financial market participants. Such statements help to raise the company's awareness but are not useful for clients.
- The definition of sustainability risks which is blurred as to what is covered by this term.
- The limited comparability of these disclosures between legal entities (because of methodologies and lack of reliable data). In particular, the disclosure related to remuneration policies consistency with the integration of sustainability risks are useful but should be more explicitly included in the remuneration sector disclosure legislations.

Complementing the consultation by the European Supervisory Authorities (ESAs) on the revision of the regulatory technical standards of the SFDR, the Commission is interested in respondents' views as regards the principal adverse impact indicators required by the current Delegated Regulation.

Question 3.1.2 Among the specific entity level principal adverse impact indicators required by the Delegated Regulation of the SFDR adopted pursuant to Article 4 (tables 1, 2 and 3 of Annex I), which indicators do you find the most (and least) useful?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

- Regarding PAIs at entity level, some PAIs seem to be material to all the FMPs, while other PAIs might not be relevant according to the activity/sector exposure of the FMP.
- There are also some uncertainties regarding the regulatory definition of some PAIs which prevents the market from a harmonised and consistent interpretation.
- The level of disclosure of certain indicators is very low and does not allow a robust assessment of the so-called indicator.
- The information / underlying objective of certain PAIs remains unclear.

On the other hand, some indicators seem more useful since:
- they tackle performance on material issues across all sectors of activities
- their regulatory definition is clear
- the current level of disclosure ensures a minimum level of quality.

This is the case for PAIs related to GHG emissions (PAIs 1, 2, 3, 15), exposure to fossil fuel (PAI 4), renewable energy (PAI 5), UNGC violations (PAI 10), exposure to weapons (PAI 14).
You could find hereafter some examples illustrating the challenges related to specific PAIs:
- PAI 6 on Energy consumption intensity per high impact climate sector: the definition is not entirely clear and could lead to different interpretation. The split per NACE code adds complexity.
- PAI 7 on activities negatively affecting biodiversity sensitive areas: it does seem to be fully relevant to measure biodiversity impact since it is binary and does not provide much granularity on the impact. TNFD

sector guidance for financial institutions provide a set of examples of alternative nature-related metrics which seem to be more relevant.
- PAI 8 on Emission to water: not material to all sector or activities. Lack of clarity from the regulation about which emission types should be considered. Data quality for such indicator is low considering the current lack of related reporting/disclosures.
- PAI 9 on hazardous waste ratio: legal definition is unclear. Data quality for such indicator is low considering the current lack of related reporting/disclosures.
- PAI 11 on lack of processes and compliance mechanisms to monitor compliance with UNGC principles and OECD guidelines for Multinational Enterprises: information differs quite significantly across data providers due to different interpretation of the PAI definition. Some data providers flag very few issuers as non-compliant whereas others flag almost all as non-compliant.

Introducing an EU materiality matrix (i.e. PAI per sector/activity) and an alignment of disclosures requirements across regulations (CSRD, taxonomy) would be helpful.

Further guidance would also be appreciated when aggregating PAIs at portfolio level when information for a company on certain PAIs are not available.

Several pieces of EU legislation require entity level disclosures, whether through transparency requirements on sustainability for businesses (for example the CSRD) or disclosure requirements regarding own ESG exposures (such as the Capital Requirements Regulation (CRR) and its Delegated Regulation).

Question 3.1.3 In this context, is the SFDR the right place to include entity level disclosures?

○ 1 - Not at all
○ 2 - Not really
● 3 - Partially
○ 4 - Mostly
○ 5 - Totally
○ Don’t know / no opinion / not applicable

Question 3.1.4 To what extent is there room for streamlining sustainability-related entity level requirements across different pieces of legislation?

○ 1 - Not at all
○ 2 - To a limited extent
● 3 - To some extent
○ 4 - To a large extent
○ 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Please explain your replies to questions in section 3.1 as necessary:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Should entity-level disclosures be captured by other pieces of legislation than SFDR, specific attention must be paid to the scope to ensure that all FMPs will be required to apply the same disclosures rules across all EU countries.

3.2 Product level disclosures

The SFDR includes product level disclosure requirements (Articles 6, 7, 8, 9, 10 and 11) that mainly concern risk and adverse impact related information, as well as information about the sustainability performance of a given financial product. The regulation determines which information should be included in precontractual and periodic documentation and on websites.

The SFDR was designed as a disclosure regime, but is being used as a labelling scheme, suggesting that there might be a demand for establishing sustainability product categories. Before assessing whether there might be merit in setting up such product categories in Section 4, Section 3 includes questions analysing the need for possible changes to disclosures, as well as any potential link between product categories and disclosures. The need to ask about potential links between disclosures and sustainability product categories is the reason why this section contains some references to 'products making sustainability claims'. However, this does not pre-empt in any way a decision about how a potential categorisation system and an updated disclosure regime would interact if these were established. The Commission services are openly consulting on all these issues to further assess potential ways forward as regards the SFDR.

The Commission services would therefore like to collect feedback on what transparency requirements stakeholders consider useful and necessary. We would also like to know respondents' views on whether and how these transparency requirements should link to different potential categories of products.

The general principle of the SFDR is that products that make sustainability claims need to disclose information to back up those claims and combat greenwashing. This could be viewed as placing additional burden on products that factor in sustainability considerations. This is why, in the following questions Commission services ask respondents about the usefulness of uniform disclosure requirements for products across the board, regardless of related sustainability claims, departing from the general philosophy of the SFDR as regards product disclosures. Providing proportionate information on the sustainability profile of a product which does not make sustainability claims could make it easier for some investors to understand products' sustainability performance, as they would get information also about products that are not designed to achieve any sustainability-related outcome. This section also contains questions exploring whether it could be useful to require financial market participants who make sustainability claims about certain products to disclose additional information (i.e. in case a categorisation system is introduced in the EU framework, the need to require additional information about products that would fall under a category).

Question 3.2.1 Standardised product disclosures - Should the EU impose uniform disclosure requirements for **all** financial products offered in the EU, regardless of their sustainability-related claims or any other consideration?

○ 1 - Not at all

○ 2 - To a limited extent

○ 3 - To some extent
○ 4 - To a large extent
● 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Question 3.2.1 a) If the EU was to impose uniform disclosure requirements for all financial products offered in the EU, should disclosures on a limited number of principal adverse impact indicators be required for all financial products offered in the EU?

○ 1 - Not at all
○ 2 - To a limited extent
○ 3 - To some extent
○ 4 - To a large extent
● 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Please specify which principal adverse impact indicators should be required for all financial products offered in the EU:

5000 character(s) maximum
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 3.2.1 b) Please see a list of examples of disclosures that could also be required about all financial products for transparency purposes.

In your view, should these disclosures be mandatory, and/or should any other information be required about all financial products for transparency purposes?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable

Taxonomy-related disclosures	○	○	○	●	○	○
Engagement strategies	●	○	○	○	○	○
Exclusions	○	○	○	○	●	○
Information about how ESG-related information is used in the investment process	○	○	○	○	●	○
Other information	○	○	○	○	○	○

Please explain as necessary your replies to questions 3.2.1 and its sub-questions:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Even though we understand the rationale to set a level playing field between “sustainable” and “non-sustainable” financial products and increase transparency on harmful activities on the level of a financial product and comparability towards end investors, we believe that, any application to all products under SFDR (including Art.6, which is expected to substantially increase administrative costs of other financial product than the ones making sustainability-related claims), should be subject to the following steps to further reduce administrative costs for disclosures under SFDR and allow sufficient time for gradual adaptation by financial market participants:

1. Reduce the costs and burdens related to the sustainable disclosure of financial products currently covered by SFDR. Current PAI framework is too granular and provides for too many indicators. Consider the specific, private, tailor-made nature of portfolio management services
2. Fix the incoherence related to Art. 8 products which are not required to take into consideration PAIs; this element is in contrast with what is currently provided in MiFID (where, for sustainable preferences' purposes PAIs must be considered) and for article 6 considering PAI that could be considered as compatible with a client’s sustainability preferences
3. Undertake a thorough cost-benefit analysis of an extension of SFDR disclosures to additional financial products.
4. Apply the same disclosure requirements to the products’ benchmarks to allow for better comparison /performance measurements
5. Information that will be disclosed should applied consistently with the assessment of clients’ sustainability preferences in accordance with MiFID rules.

Question 3.2.2 Standardised product disclosures - Would uniform disclosure requirements for some financial products be a more appropriate approach, regardless of their sustainability-related claims (e.g. products whose assets under management, or equivalent, would exceed a certain threshold to be defined, products intended solely for retail investors, etc.)?

(Please note that next question 3.2.3 asks specifically about the need for disclosures in cases of products making sustainability claims.)

- ● 1 - Not at all
- ○ 2 - To a limited extent
- ○ 3 - To some extent
- ○ 4 - To a large extent
- ○ 5 - To a very large extent
- ○ Don’t know / no opinion / not applicable

Question 3.2.2 a) If the EU was to impose uniform disclosure requirements for some financial products, what would be the criterion/criteria that would trigger the reporting obligations?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 3.2.2 b) If the EU was to impose uniform disclosure requirements for some financial products, should a limited number of principal adverse impact indicators be required?

- ○ 1 - Not at all
- ○ 2 - To a limited extent
- ○ 3 - To some extent
- ○ 4 - To a large extent
- ○ 5 - To a very large extent
- ○ Don’t know / no opinion / not applicable

Question 3.2.2 c) Please see a list of examples of disclosures that could also be required about the group of financial products that would be subject to standardised disclosure obligations for transparency purposes (in line with your answer to Q 3.2.2 above).

In your view, should these disclosures be mandatory, and/or should any other information be required about that group of financial products?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Taxonomy-related disclosures	○	○	○	○	○	○
Engagement strategies	○	○	○	○	○	○
Exclusions	○	○	○	○	○	○
Information about how ESG-related information is used in the investment process	○	○	○	○	○	○
Other information	○	○	○	○	○	○

Please specify what other information should be required about the financial products that would be subject to disclosure obligations:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Please explain as necessary your replies to questions 3.2.2 and its sub-questions:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The following and last section of this questionnaire (section 4) includes questions about the potential establishment of a sustainability product categorisation system at EU level based on certain criteria that products would have to meet. It presents questions about different ways of setting up such system, including whether additional category specific disclosure requirements should be envisaged. There are therefore certain links between questions in this section (section 3) and questions in the last section of the questionnaire (section 4).

Question 3.2.3 If requirements were imposed as per question 3.2.1 and/or 3.2.2, should there be some additional disclosure requirements when a product makes a sustainability claim?

○ 1 - Totally disagree
○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
● 4 - Mostly agree
○ 5 - Totally agree
○ Don’t know / no opinion / not applicable

Please explain as necessary your replies to question 3.2.3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

A link could be included directing to a unique document gathering the data sources, assumptions and methodologies used by the asset managers for all the products. Given the importance of transition finance, we think that the current revision of the SFDR should consider introducing transition investment aspects, either as part of new disclosures elements or within the categorisation system, should it be developed.

- Derivatives exposures could be also part of the product disclosures requirements, both the long and the short positions, on a netted basis.
- From the distributors’ perspective, it is absolutely key that all disclosures made under the SFDR are aligned

with sustainability preferences-related rules under MiFID/IDD, allowing (i) distributors to match products with clients' sustainability preferences and (ii) clients to understand the reasons why such products are deemed suitable (in an easy and understandable way).

Sustainability product information disclosed according to the current requirements of the SFDR can be found in precontractual and periodic documentation and on financial market participants' websites, as required by Articles 6, 7, 8, 9, 10 and 11.

Question 3.2.4 In general, is it appropriate to have product related information spread across these three places, i.e. in precontractual disclosures, in periodic documentation and on websites?

- ○ 1 - Not at all
- ● 2 - To a limited extent
- ○ 3 - To some extent
- ○ 4 - To a large extent
- ○ 5 - To a very large extent
- ○ Don't know / no opinion / not applicable

Question 3.2.5 More specifically, is the current breakdown of information between precontractual, periodic documentation and websites disclosures appropriate and user friendly?

- ○ 1 - Not at all
- ● 2 - To a limited extent
- ○ 3 - To some extent
- ○ 4 - To a large extent
- ○ 5 - To a very large extent
- ○ Don't know / no opinion / not applicable

Please explain as necessary your replies to questions 3.2.4 and 3.2.5:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Having product related information spread across pre-contractual disclosures, in periodic documentation and on website is repetitive and it could be simplified. The current breakdown of information about those three places is not appropriate and user friendly. Additionally, it might cause misunderstandings or inconsistencies, especially for FMPs overseeing a large number of products where information would be aggregated on the website (per model) and could be further expanded in pre-contractual and periodic report (per asset allocation).

The flow of information to end users might be streamlined and rationalized, and links on the FMPs' website could provide access to further information on the techniques and data sources, for example.

In addition, a coherence between SFDR and the revision of the KID PRIIPS under the European Retail

Investment Strategy is key for end investors. As such, information to be included within the KID PRIIPS should not be different from the ones available within the SFDR templates.

Current website disclosures make it mandatory for product sustainability information to be publicly available. This includes portfolios managed under a portfolio management mandate, which can mean a large number of disclosures, as each of the managed portfolios is considered a financial product under the SFDR. A Q&A published by the Commission in July 2021 (see question 3 of section V of the consolidated questions and answers (Q&A) on the SFDR and its Delegated Regulation published on the ESAs websites) clarified that where a financial market participant makes use of standard portfolio management strategies replicated for clients with similar investment profiles, transparency at the level of those standard strategies can be considered a way of complying with requirements on websites disclosures. This approach facilitates the compliance with Union and national law governing the data protection, and where relevant, it also ensures confidentiality owed to clients.

Question 3.2.6 To what extent do you agree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
It is useful that product disclosures under SFDR are publicly available, (e.g. because they have the potential to bring wider societal benefits)	○	○	○	●	○	○
Confidentiality aspects need to be taken into account when specifying the information that should be made available to the public under the SFDR	○	○	○	○	●	○
Sustainability information about financial products should be made available to potential investors, investors or the public according to rules in sectoral legislation (e.g.: UCITS, AIFM, IORPs directives); the SFDR should not impose rules in this regard	○	○	○	○	○	○

Please explain as necessary your replies to question 3.2.6:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Current product-level disclosures have been designed to allow for comparability between financial products. The SFDR requires pre-contractual disclosures to be made in various documents for the different financial products in scope of the regulation. The disclosure requirements are the same, even though these documents have widely varying levels of detail or complexity, i.e. a UCITS prospectus can be several hundred pages long, while the Pan-European Pension Product Key Information Document (PEPP KID) comprises a few pages.

Question 3.2.7 To what extent do you agree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The same sustainability disclosure topics and the exact same level of granularity of sustainability information (i.e. same number of datapoints) should be required in all types of precontractual documentation to allow for comparability	●	○	○	○	○	○
The same sustainability disclosure topics should be required in all types of precontractual documentation to allow for comparability	○	●	○	○	○	○

Please explain as necessary your replies to question 3.2.7:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

SFDR is already providing for a template for pre-contractual disclosure for the financial product referred to in Article 8 and in Article 9. The discrepancy between the length of the prospectus and of the PEPP KID does not result from the introduction of SFDR requirement therefore we fail to see what the added value would be if always the same information (the same sustainability disclosure topics and the exact same level of granularity of sustainability information) would be required in all types of pre-contractual documentation.
Further aligning templates for article 8 and article 9 products to have one single template for all ESG products would be an option to improve comparability and uniformity.

Question 3.2.8 Do you believe that sustainability related disclosure requirements at product level should be independent from any entity level disclosure requirements, (i.e. product disclosures should not be conditional on entity disclosures, and vice-versa)?

- ● Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Please explain as necessary your replies to question 3.2.8:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We believe that sustainability-related disclosure requirements at product level should be independent from any entity-level disclosure requirements. It is stated under page 24 of the EC Q&A by reference to clarifications published by the ESAs that product level PAI indicators may be used to measure the environmental or social characteristics or the overall sustainable impact of the financial product, but that this does not require any prior PAI consideration at entity level pursuant to Article 4 SFDR (nor PAI consideration at product level pursuant to Article 7 SFDR). The Joint ESA's report on the extent of voluntary disclosure of PAI under SFDR of June 2022 provides as of page 9 some examples of best practices on entity level disclosures under Article 4(1)(b) SFDR when PAIs are not considered, which may be helpful, also regarding the distinction with other requirements under the SFDR.
We are of the opinion that product-level disclosures should be independent from entity-level disclosures as products may entail a wide range of investment strategies and assets that cannot be fully covered by entity-level policies – by nature being more general and therefore should focus more on the financial actor’s ESG strategy, its shareholder engagement policy, and its governance.

The SFDR is intended to facilitate comparisons between financial products based on their sustainability considerations. In practice, investors, and especially retail investors, may not always have the necessary expertise and knowledge to interpret SFDR product-level disclosures, whether it is about comparing these disclosures to industry averages or credible transition trajectories.

Question 3.2.9 Do you think that some product-level disclosures should be expressed on a scale (e.g. if the disclosure results for similar products were put on a scale, in which decile would the product fall)?

- ● Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Question 3.2.9 a) How should those scales be established and which information should be expressed on a scale?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Using a scale might be useful for comparison purposes provided that:
- such scales would be supported by a global methodology supported by the market
- such scales would be used for labelling considerations (see section 4)
- such scales would be aligned with sustainability preferences as defined (or re-defined) in MiFID/IDD

Ultimately, expression on a scale should facilitate the end-clients understanding of product-level features and disclosures, which might be complicated if scales are used for PAI considerations for instance.

Question 3.2.10 If you are a professional investor, where do you obtain the sustainability information you find relevant?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
From direct enquiries to market participants	○	●	○	○	○	○
Via SFDR disclosures provided by	○	○	○	○	●	○

market participants						

Question 3.2.11 If you are a professional investor, do you find the SFDR requirements have improved the quality of information and transparency provided by financial market participants about the sustainability features of the products they offer?

○ 1 - Not at all
○ 2 - Not really
○ 3 - Partially
● 4 - Mostly
○ 5 - Totally
○ Don’t know / no opinion / not applicable

Please explain as necessary your replies to questions 3.2.10 to 3.2.11:

5000 character(s) maximum
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

To our knowledge, professional investors mostly obtain the relevant sustainability information in the European ESG Template, a machine-readable industry standard used to disclose non-financial information.

For disclosures to be effective, they need to be accessible and useable to end investors. We are seeking respondents’ views about the need to further improve the accessibility and usability of this information, in particular in a digital context.

These questions are intended to complement question 42 in the ESAs’ joint consultation paper on the review of the SFDR Delegated Regulation (JC 2023 09) which asks for criteria for machine readability of the SFDR Delegated Regulation disclosures.

Question 3.2.12 To what extent do you agree or disagree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Article 2(2) of the SFDR Delegated Regulation already requires financial market participants to make disclosures under the SFDR in a searchable electronic format, unless otherwise required by sectoral legislation. This is sufficient to ensure accessibility and usability of the disclosed information	●	○	○	○	○	○
It would be useful for all product information disclosed under the SFDR to be machine-readable, searchable and ready for digital use	○	○	○	○	●	○
It would be useful for some of the product information disclosed under the SFDR to be machine-readable and ready for digital use	○	○	○	○	○	○
It would be useful to prescribe a specific machine-readable format for all (or some parts) of the reporting under the SFDR (e.g. iXBRL)	○	○	○	○	●	○
It would be useful to make **all product information** disclosed under the SFDR available in the upcoming European Single Access Point as soon as possible	○	○	○	○	●	○
Entity and product disclosures on websites should be interactive and offer a layered approach enabling investors to access additional information easily on demand	○	○	○	○	○	○

It would be useful that a potential regulatory attempt to digitalise sustainability disclosures by financial market participants building on the European ESG Template (EET) which has been developed by the financial industry to facilitate the exchange of data between financial market participants and stakeholders regarding sustainability disclosures	○	○	○	○	●	○

Question 3.2.13 Do you think the costs of introducing a machine-readable format for the disclosed information would be proportionate to the benefits it would entail?

- ○ 1 - Not at all
- ○ 2 - Not really
- ○ 3 - Partially
- ○ 4 - Mostly
- ● 5 - Totally
- ○ Don’t know / no opinion / not applicable

Please provide any comments or explanations to explain your answers to questions 3.2.12 and 3.2.13:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

We agree with almost all statements except for the first one that states that SFDR Delegated Regulation format is already sufficient to ensure accessibility and usability of the disclosed information. We believe it would be beneficial to explore a potential regulatory endeavor to digitalise sustainability disclosures by FMPs building on the European ESG Template (EET), It would also be useful to make all product information disclosed under the SFDR available in the upcoming European Single Access Point as soon as possible. The only exception would be tailor-made managed products whose confidentiality aspects must be taken into consideration.

Although a centralised and digitalised approach is desirable, it would not address the problem of non-EU products' lack of data availability.

Current product-level disclosures have been designed to allow for comparability between financial products. These financial products and the types of investments they pursue can present differences.

Question 3.2.14 To what extent do you agree with the following statement?

“When determining what disclosures should be required at product level it should be taken into account: ...”

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Whether the product is a wrapper offering choices between underlying investment options like a Multi-Option Product	○	○	○	○	●	○
Whether some of the underlying investments are outside the EU	●	○	○	○	○	○
Whether some of the underlying investments are in an emerging economy	●	○	○	○	○	○
Whether some of the underlying investments are in SMEs	●	○	○	○	○	○
Whether the underlying investments are in certain economic activities or in companies active in certain sectors	●	○	○	○	○	○
Other considerations as regards the type of product or underlying investments	○	○	○	○	○	○

Please explain your reply to question 3.2.14:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The specific, private, tailor-made nature of portfolio management services should be taken into account, as well as fund of funds, index funds and buy and hold products for which portfolio composition is deemed to remain stable over time hence it may have an impact of the underlying ESG minimum commitments of such products.

4. Potential establishment of a categorisation system for financial products

4.1 Potential options

The fact that Articles 8 and 9 of the SFDR are being used as de facto product labels, together with the proliferation of national ESG/sustainability labels, suggests that there is a market demand for such tools in order to communicate the ESG/sustainability performance of financial products. However, there are persistent concerns that the current market use of the SFDR as a labelling scheme might lead to risks of greenwashing (the Commission services seek respondents' views on this in section 1). This is partly because the existing concepts and definitions in the regulation were not conceived for that purpose. Instead, the intention behind them was to encompass as wide a range of products as possible, so that any sustainability claims had to be substantiated. In addition, a proliferation of national labels risks fragmenting the European market and thereby undermining the development of the capital markets union.

The Commission services therefore seek views on the merits of developing a more precise EU-level product categorisation system based on precise criteria. This section of the questionnaire asks for stakeholders' views about both the advantages of establishing sustainability product categories and about how these categories should work. When asking about sustainability product categories, the Commission is referring to a possible distinction between products depending on their sustainability objectives or sustainability performances.

Replies to questions in this section will help assess which type of investor would find product categories useful. Some questions relate to different possibilities as to how the system could be set-up, including whether disclosure requirements about products making sustainability claims should play a role. There are therefore certain links between questions in this section and section 3 on disclosures. Accordingly, respondents are invited to reply to questions in both sections, so that the Commission services can get insights into how they view disclosures and product categories separately, but also how they see the interlinkages between the two.

Given the high demand for sustainability products, questions in this section assume that any potential categorisation system would be voluntary. This is because financial market participants would likely have an interest in offering products with a sustainability claim. The questions in this section presume that only products that claim to fall under a given sustainability product category would be required to meet the corresponding requirements. However, this should not be seen as the Commission's preferred policy approach, as the Commission is only consulting on these topics at this stage.

If the Commission was to propose the development of a more precise product categorisation system, two broad strategies could be envisaged. On the one hand, the product categorisation system could build on and develop the distinction between Articles 8 and 9 and the existing concepts embedded in them (such as environmental/social characteristics, sustainable investment or do no significant harm), complemented by additional (minimum) criteria that more clearly define the products falling within the scope of each article. On the other hand, the product categorisation system could be based on a different approach, for instance focused on the type of investment strategy (promise of positive contribution to certain sustainability objectives, transition focus, etc.), based on criteria that do not necessarily relate to those existing concepts. In such a scenario, concepts such as environmental/social characteristics or sustainable investment and the distinction between current Articles 8 and 9 of SFDR may disappear altogether from the transparency framework.

Question 4.1.1 To what extent do you agree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Sustainability product categories regulated at EU level would facilitate retail investor understanding of products’ sustainability-related strategies and objectives	○	○	○	○	●	○
Sustainability product categories regulated at EU level would facilitate professional investor understanding of products’ sustainability-related strategies and objectives	○	○	○	●	○	○
Sustainability product categories regulated at EU level are necessary to combat greenwashing	○	○	○	○	●	○
Sustainability product categories regulated at EU level are necessary to avoid fragmenting the capital markets union	○	○	○	○	●	○
Sustainability product categories regulated at EU level are necessary to have efficient distribution systems based on investors’ sustainability preferences	○	○	○	○	●	○
There is no need for product categories. Pure disclosure requirements of sustainability information are sufficient	●	○	○	○	○	○

Question 4.1.2 If a categorisation system was established, how do you think categories should be designed?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Approach 1: Splitting categories in a different way than according to existing concepts used in Articles 8 and 9, for example, focusing on the type of investment strategy of the product (promise of positive contribution to certain sustainability objectives, transition, etc.) based on criteria that do not necessarily relate to those existing concepts	○	●	○	○	○	○
Approach 2: Converting Articles 8 and 9 into formal product categories, and clarifying and adding criteria to underpin the existing concepts of environmental/social characteristics, sustainable investment, do no significant harm, etc.	○	○	○	○	●	○

Please explain as necessary your replies to questions 4.1.1 and 4.1.2.

Please keep in mind that there are further questions in this section that elaborate on these first two questions:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

As the market is already using the Article 8 and 9 as almost de facto categories, it would be more efficient to convert the existing category- like article 8 and article 9 products into formal product categories. In the same sense, defining minimum requirements for Article 8 and 9 to differentiating between the level of sustainability expectations of products would be of considered advantage. Further work and industry consultation are needed to determine these minimum criteria.
On the contrary, abandoning those article 8 and 9 concepts will significantly hamper the credibility of the sustainable finance regulatory framework, and will mean a massive loss of investments, resources and efforts made by FMPs. Market players have put in too much effort to make SFDR a reality to see it deconstructed.

If a categorisation system was established according to **approach 1** of question 4.1.2

Question 4.1.3 To what extent do you agree that, under approach 1, if a sustainability disclosure framework is maintained in parallel to a categorisation system, the current distinction between Articles 8 and 9 should disappear from that disclosure framework?

● 1 - Totally disagree
○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
○ 4 - Mostly agree
○ 5 - Totally agree
○ Don't know / no opinion / not applicable

Question 4.1.4 To what extent would you find the following categories of sustainability products useful?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
A - Products investing in						

assets that specifically strive to offer targeted, measurable solutions to sustainability related problems that affect people and/or the planet, e.g. investments in firms generating and distributing renewable energy, or in companies building social housing or regenerating urban areas.	○	○	○	○	●	○
B - Products aiming to meet credible sustainability standards or adhering to a specific sustainability-related theme, e.g. investments in companies with evidence of solid waste and water management, or strong representation of women in decision-making.	○	○	○	○	●	○
C - Products that exclude investees involved in						

activities with negative effects on people and/or the planet	●	○	○	○	○	○
D - Products with a transition focus aiming to bring measurable improvements to the sustainability profile of the assets they invest in, e.g. investments in economic activities becoming taxonomy-aligned or in transitional economic activities that are taxonomy aligned, investments in companies, economic activities or portfolios with credible targets and/or plans to decarbonise, improve workers' rights, reduce environmental impacts.	○	○	○	○	●	○

If you think there are other possible useful categories, please specify:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Should the Commission decide to create categories, we are of the opinion that transition investments aspects should be considered/introduced within the categorization system foreseen.

Question 4.1.5 To what extent do you think it is useful to distinguish between sustainability product category A and B described above?

○ 1 - Not at all
○ 2 - To a limited extent
○ 3 - To some extent
○ 4 - To a large extent
○ 5 - To a very large extent
○ Don’t know / no opinion / not applicable

Question 4.1.6 Do you see merits in distinguishing between products with a social and environmental focus?

○ 1 - Totally disagree
○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
○ 4 - Mostly agree
○ 5 - Totally agree
○ Don’t know / no opinion / not applicable

Question 4.1.7 How many sustainability product categories in total do you think there should be?

○ 1 category
○ 2 categories
○ 3 categories
○ 4 categories
○ 5 categories
○ More than 5 categories
○ Don’t know / no opinion / not applicable

Question 4.1.8 Do you think product categories should be mutually exclusive, i.e. financial market participants should choose only one category to which the product belongs to in cases where the product meets the criteria of several categories (independently from subsequent potential verification or supervision of the claim)?

● Yes

○ No
○ There is another possible approach
○ Don’t know / no opinion / not applicable

Please explain your replies to questions 4.1.5, 4.1.6, 4.1.7 and 4.1.8:

5000 character(s) maximum
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

It is important to make the distinction between the more ambitious sustainable products (having clear sustainable investments and/or impact objectives) which might be less compatible with retail clients’ profile due to their financial knowledge, risk profile, etc. from the broader range of products having ESG characteristics which might be more easily recommended to less professional clients and hence support the transition at scale by reorienting as much capital as possible to such ESG products.

Question 4.1.9 If a categorisation system was established that builds on new criteria and not on the existing concepts embedded in Articles 8 and 9, is there is a need for measures to support the transition to this new regime?

○ 1 - Totally disagree
○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
○ 4 - Mostly agree
● 5 - Totally agree
○ Don’t know / no opinion / not applicable

Please explain your reply to question 4.1.9 as necessary:

5000 character(s) maximum
including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Sufficient time and guidance would be needed to ensure a smooth transition from one regime to another as it will most likely confuse the market. That said, we reiterate the need to stick to the existing article 8 and 9 products concepts while further detailing criterias and thresholds.

Question 4.1.10 What should be the minimum criteria to be met in order for a financial product to fall under the different product categories?

Could these minimum criteria consist of:

For product category A of question 4.1.4:

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Taxonomy alignment	○	○	○	○	●	○
Engagement strategies	○	○	○	○	●	○
Exclusions	○	○	○	○	●	○
Pre-defined, measurable, positive environmental, social or governance-related outcome	○	○	○	○	●	○
Other	○	○	○	○	○	○

Please explain your answers for product category A:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

For product category B of question 4.1.4:

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Taxonomy alignment	○	○	○	○	○	○
Engagement strategies	○	○	○	○	●	○
Exclusions	○	○	○	○	●	○
Pre-defined, measurable, positive environmental, social or governance-related outcome	○	○	○	○	●	○
Other	○	○	○	○	○	○

Please explain your answers for product category B:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

For product category C of question 4.1.4:

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Taxonomy alignment	○	○	○	○	○	○
Engagement strategies	○	○	○	○	○	○
Exclusions	○	○	○	○	○	○
Pre-defined, measurable, positive environmental, social or governance-related outcome	○	○	○	○	○	○
Other	○	○	○	○	○	○

Please explain your answers for product category C:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

For product category D of question 4.1.4:

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Taxonomy alignment	○	○	○	○	○	○
Engagement strategies	○	○	○	○	●	○
Exclusions	○	○	○	○	●	○
Pre-defined, measurable, positive environmental, social or governance-related outcome	○	○	○	○	●	○
Other	○	○	○	○	○	○

Please explain your answers for product category D:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 4.1.11 Should criteria focus to any extent on the processes implemented by the product manufacturer to demonstrate how sustainability considerations can constrain investment choices (for instance, a minimum year-on-year improvement of chosen Key Performance Indicators (KPIs), or a minimum exclusion rate of the investable universe)?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't No o N appl
Category A of question 4.1.4	○	○	○	○	●	○
Category B of question 4.1.4	○	○	○	○	●	○
Category C of question 4.1.4	●	○	○	○	○	○
Category D of question 4.1.4	○	○	○	○	●	○

Question 4.1.11 a) If the criteria should focus on he processes implemented by the product manufacturer, what process criteria would you deem most relevant to demonstrate the stringency of the strategy implemented?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

If a categorisation system was established according to approach 2 of question 4.1.2

Question 4.1.12 If a categorisation system was established based on existing Articles 8 and 9, are the following concepts of the SFDR fit for that purpose?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
The current concept of 'environmental and/or social characteristics'	○	●	○	○	○	○
The current concept of 'sustainable investment'	○	○	○	●	○	○
The current element of 'contribution to an environmental or social objective' of the sustainable investment concept	○	●	○	○	○	○
The current element 'do no significant harm' of the sustainable						

investment concept, and its link with the entity level principal adverse impact indicators listed in tables 1, 2 and 3 of Annex I of the Delegated Regulation	○	○	○	●	○	○
The current element of ‘investee companies’ good governance practices’ of the sustainable investment concept	○	○	●	○	○	○

Question 4.1.12 a) If you consider that the elements listed in question 4.1.12 are not fit for purpose, how would you further specify the different elements of the 'sustainable investment' concept, what should be the minimum criteria required for each of them?

	Your answer
'contribution to an environmental or social objective', element of the sustainable investment concept	
'do no significant harm', element of the sustainable investment concept	
'investee companies' good governance practices', element of the sustainable investment concept	

Question 4.1.12 b) Should the good governance concept be adapted to include investments in government bonds?

- ○ Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Question 4.1.12 c) Should the good governance concept be adapted to include investments in real estate investments?

- ○ Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Question 4.1.13 How would you further specify what promotion of ‘environmental/social characteristics’ means, what should be the minimum criteria required for such characteristics and what should be the trigger for a product to be considered as promoting those characteristics?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 4.1.14 Do you think that a minimum proportion of investments in taxonomy aligned activities shall be required as a criterion to:

	Yes	No	Don't know - No opinion - Not applicable
…fall under the potential new product category of Article 8?	○	●	○

…fall under the potential new product category of Article 9?	●	○	○

Question 4.1.14 b) What should be this minimum proportion for **Article 9**?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The minimum proportion might be expressed as a minimum percentage of EU-Taxonomy aligned investments on top of what is required by the relevant benchmark).

Lastly, this criteria should only be implemented when EU Taxonomy reporting from companies will be applicable and performed at scale by companies.

Question 4.1.15 Apart from the need to promote environmental/social characteristics and to invest in companies that follow good governance practices for Article 8 products and the need to have sustainable investments as an objective for Article 9 products, should any other criterion be considered for a product to fall under one of the categories?

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

4.2 General questions about the potential establishment of sustainability products categories

If a sustainability products categorisation system was established, products will need to be distinguished according to a set of pre-established criteria.

Question 4.2.1 In addition to these criteria, and to other possible cross-cutting /horizontal disclosure requirements on financial products, should there be some additional disclosure requirements when a product falls within a specific sustainability product category? This question presents clear links with question 3.2.3 in section 3.

○ 1 - Totally disagree
○ 2 - Mostly disagree
○ 3 - Partially disagree and partially agree
○ 4 - Mostly agree
● 5 - Totally agree
○ Don’t know / no opinion / not applicable

Question 4.2.1 a) Please see a list of examples of disclosures that could be required when a product falls within a specific sustainability product category.

Should this information be required when a product falls within a specific sustainability product category, and/or should any other information be required about those products?

	1 (not at all)	2 (to a limited extent)	3 (to some extent)	4 (to a large extent)	5 (to a very large extent)	Don't know - No opinion - Not applicable
Taxonomy-related disclosures	○	○	○	○	●	○
Engagement strategies	○	○	●	○	○	○
Exclusions	○	○	●	○	○	○
Information about how the criteria required to						

fall within a specific sustainability product category have been met	○	○	○	○	●	○
Other information	○	○	○	○	●	○

Please specify to what other information you refer in your answer to question 4.2.1 a):

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Question 4.2.2 If a product categorisation system was set up, what governance system should be created?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
Third-party verification of categories should be mandatory (i.e. assurance engagements to verify the alignment of candidate products with a sustainability product category and assurance engagements to monitor on-going compliance with the product category criteria)	○	○	○	○	●	○
Market participants should be able to use this categorisation system based on a self-declaration by the product manufacturer supervised by national competent authorities	●	○	○	○	○	○
Other	○	○	○	○	○	○

Please explain your answer to Question 4.2.2:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Should any quantitative indicators or minimum thresholds be set for a product to fall within a specific product category, disclosures about the performance of the product on those indicators should be required.
Should a categorization system be developed, such categorisation by the FMP should be audited or verified by an independent third-party to ensure harmonised application across EU Member States.

Question 4.2.3 If a categorisation system was established, to what extent do you agree with the following statement?

“When determining the criteria for product categories it should be taken into account...”

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
whether the product is a wrapper offering choices between underlying investment options like a Multi-Option Product	○	○	○	○	●	○
whether the underlying investments are outside the EU	○	○	○	○	●	○
whether the underlying investments are in an emerging economy	○	○	○	○	●	○
whether the underlying investments are in SMEs	○	○	○	○	●	○
whether the underlying investments are in certain economic activities	○	○	○	○	●	○
other considerations as regards the type of product or underlying investments	○	○	○	○	○	○

Please explain your answer to question 4.2.3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The specific, private, tailor-made nature of portfolio management services should be taken into account, as well as fund of funds, index funds and buy and hold products for which portfolio composition is deemed to remain stable over time hence it may have an impact of the underlying ESG minimum commitments of such products.

4.3 Consequences of the establishment of a sustainability products categorisation system

As highlighted in section 2, any potential changes to the current disclosure regime and the creation of a categorisation system would need to take into account the interactions between the SFDR and other sustainable finance legislation. The following questions address these interactions for different legal acts, in such a scenario of regulatory changes in the arena of financial product disclosures and categorisation.

Question 4.3.1 The objective of the PRIIPs KID is to provide short and simple information to retail investors.

Do you think that if a product categorisation system was established under the SFDR, the category that a particular product falls in should be included in the PRIIPS KID?

● Yes
○ No
○ Don’t know / no opinion / not applicable

Please explain your answer to question 4.3.1:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

The product category often is one of the most important pieces of information that investors are looking for, therefore it will be key to include it in the PRIIPS KID as well.
This will facilitate the understanding of the investors regarding the products characteristics and/or objectives.
An alignment between product categorisation and clients' sustainability preferences would facilitate the recommendation of compatible products to end-investors.

Question 4.3.2 If new ESG Benchmarks were developed at EU level (in addition to the existing Paris-aligned benchmarks (PAB) and climate transition benchmarks (CTB), how should their criteria interact with a new product categorisation system?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The criteria set for the ESG benchmarks and the criteria defined for sustainability product categories should be closely aligned	○	○	○	○	●	○
Other	○	○	○	○	○	○

Question 4.3.3 Do you think that products passively tracking a PAB or a CTB should automatically be deemed to satisfy the criteria of a future sustainability product category?

- ● Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Question 4.3.4 To what extent do you agree that, if a categorisation system is established, sustainability preferences under MiFID 2/IDD should refer to those possible sustainability product categories?

- ○ 1 - Totally disagree
- ○ 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ● 5 - Totally agree
- ○ Don’t know / no opinion / not applicable

4.4 Marketing communications and product names

Market participants are increasingly informing their clients about sustainability, both in the context of the SFDR and voluntarily in marketing communications and names. Potentially, any expression related to sustainability provided by market participants to describe and promote the entity or its products and services could mislead clients and other stakeholders if it does not appropriately consider the reasonable expectations.

The SFDR does address the issue of marketing communications in Article 13, prohibiting contradictions between such marketing communications and disclosures under the regulation. Article 13 also includes an empowerment for the European Supervisory Authorities to draft implementing technical standards on how marketing communication should be presented. This empowerment has not been used up to now.

Question 4.4.1 Do you agree that the SFDR is the appropriate legal instrument to deal with the accuracy and fairness of marketing communications and the use of sustainability related names for financial products?

- ● Yes
- ○ No
- ○ Don’t know / no opinion / not applicable

Question 4.4.2 To what extent do you agree with the following statements?

	1 (totally disagree)	2 (mostly disagree)	3 (partially disagree and partially agree)	4 (mostly agree)	5 (totally agree)	Don't know - No opinion - Not applicable
The introduction of product categories should be accompanied by specific rules on how market participants must label and communicate on their products	○	○	○	○	●	○
The use of terms such as ‘sustainable’, ‘ESG’, ‘SDG’, ‘green’, ‘responsible’, ‘net zero’ should be prohibited for products that do not fall under at least one of the product categories defined above, as appropriate	○	○	○	○	●	○
Certain terms should be linked to a specific product category and should be reserved for the respective category	○	○	○	○	●	○

Question 4.4.3 Would naming and marketing communication rules be sufficient to avoid misleading communications from products that do not fall under a product sustainability category?

- ○ 1 - Totally disagree
- ○ 2 - Mostly disagree
- ○ 3 - Partially disagree and partially agree
- ○ 4 - Mostly agree
- ● 5 - Totally agree
- ○ Don’t know / no opinion / not applicable

Please explain your replies to questions 4.4.1, 4.4.2 and 4.4.3:

5000 character(s) maximum

including spaces and line breaks, i.e. stricter than the MS Word characters counting method.

Given that name of a product could be a powerful marketing tool, it is key to align naming and marketing rules with minimum sustainability requirements related to each type or category of products.

Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) below. **Please make sure you do not include any personal data in the file you upload if you want to remain anonymous**.

The maximum file size is 1 MB.
You can upload several files.
Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

Useful links

More on this consultation (https://finance.ec.europa.eu/regulation-and-supervision/consultations/finance-2023-sfd
implementation_en)

Consultation document (https://finance.ec.europa.eu/document/download/99bc25fe-4dd8-4b57-ab37-212b5ab05c41_en?2023-sfdr-implementation-targeted-consultation-document_en.pdf)

More on sustainability-related disclosure in the financial services sector (https://finance.ec.europa.eu/sustainable
finance/disclosures/sustainability-related-disclosure-financial-services-sector_en)

Specific privacy statement (https://finance.ec.europa.eu/document/download/a08edb89-59d8-44f8-873f-7a0f08b2f4c1_en?2022-sfdr-implementation-specific-privacy-statement_en.pdf)

Related targeted consultation (https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/public-consultation-implementation-sustainable-finance-disclosures-regulation-sfdr_en)

Contact

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