JOINT COMMITTEE OF THE EUROPEAN SUPERVISORY AUTHORITIES

Response form for the Joint Consultation Paper concerning ESG disclosures

23 April 2020

Date: 23 April 2020
ESMA 34-45-904

European Securities and Markets Authority

EUROPEAN BANKING AUTHORITY

EUROPEAN INSURANCE AND OCCUPATIONAL PENSIONS AUTHORITY

JOINT COMMITTEE OF THE EUROPEAN SUPERVISORY AUTHORITIES

Responding to this paper

The European Supervisory Authorities (ESAs) invite comments on all matters in this consultation paper on ESG disclosures under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (hereinafter "SFDR") and in particular on the specific questions summarised in Section 3 of the consultation paper under "Questions to stakeholders".

Comments are most helpful if they:

1. contain a clear rationale; and
2. describe any alternatives the ESAs should consider.

When describing alternative approaches the ESAs encourage stakeholders to consider how the approach would achieve the aims of SFDR.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

Q1 Insert your responses to the questions in the Consultation Paper in the present response form.

Q2 Please do not remove tags of the type <ESA_QUESTION_ESG_1>. Your response to each question has to be framed by the two tags corresponding to the question.

Q3 If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.

Q4 When you have drafted your response, name your response form according to the following convention: ESA_ESG_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESA_ESG_ABCD_RESPONSEFORM.

Q5 The consultation paper is available on the websites of the three ESAs and the Joint Committee. Comments on this consultation paper can be sent using the response form, via the ESMA website under the heading 'Your input - Consultations' by **1 September 2020**.

Q6 Contributions not provided in the template for comments, or after the deadline will not be processed.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise in the respective field in the template for comments. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESAs rules on public access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESAs Board of Appeal and the European Ombudsman.

Data protection

The protection of individuals with regard to the processing of personal data by the ESAs is based on Regulation (EU) 2018/1725[1]. Further information on data protection can be found under the Legal notice section of the EBA website and under the Legal notice section of the EIOPA website and under the Legal notice section of the ESMA website.

[1] Regulation (EU) 2018/1725 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC, OJ L 295, 21.11.2018, p. 39.

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General information about respondent

Name of the company / organisation	ASPIM
Activity	Investment Services
Are you representing an association?	☒
Country/Region	France

Introduction

Please make your introductory comments below, if any:

<ESA_COMMENT_ESG_1>

Who is ASPIM?

The Association française des Sociétés de Placement Immobilier (ASPIM) – the French association for real estate investment companies – promotes and defends the interests of its members, managers of alternative investment real estate funds (SCPI, OPCI and other AIFs).

Its 84 members, Portfolio Management Companies, and other unlisted real estate AIFs are authorised entities accredited by the Autorité des Marchés Financiers (AMF) that manage portfolios of real estate assets for an asset value of €230 bn (2019) for the French market.

ASPIM welcomes the EU Disclosure Regulation and the ESA's Draft RTS

ASPIM welcomes the ambition of the European Commission on sustainability-related disclosures in the financial services sector. ASPIM strongly supports the sustainable finance agenda and shares the EU's political goal to channel investments towards the climate transition to fulfil its commitments under the Paris Agreement and implementation of the 2030 Agenda in a full, coherent, comprehensive, integrated and effective manner, and in close co-operation with partners and other stakeholders.

ASPIM is resolutely committed to promote the integration of ESG standards into the management of real estate AIFs and to ensure they are involved in completing ambitious goals on social responsibility. To this end, ASPIM created a Charter in 2016 for its members, and ASPIM is now leading an industry-initiative for the establishment of a public Socially Responsible Investment (SRI) label approved by the French Ministry of Finance and Economy dedicated to the AIFs in real estate.

Real estate accounts for over half of global electricity usage, about 28% of global carbon emissions and over 10% of potable water consumption. ASPIM is conscious of the fact that real estate is a key sector for climate change mitigation and the decarbonisation of the European economy; and, whereby to keep global warming below two degrees as mandated by the Paris Agreement, the real estate sector alone will need to reduce total CO_2 emissions to 36% by 2030.

Challenges remain at the portfolio level where property investors have lacked comprehensive data that allows them to systematically factor climate concerns into real estate investment portfolios, consequently segueing into a problem of disclosure. ASPIM welcomes an increased level of disclosure as investors demand more comprehensive data, and are also cognizant of needing time to develop innovative, alternative approaches to assessing real estate portfolios where data gaps remain.

Conversely, as reporting formats have yet to be finalised by the Commission, ASPIM asks for an application delay of at least six months to have sufficient time to produce quality disclosure.

ASPIM recognises that in this respect, real estate portfolio management companies, which hold and directly manage property assets, has potential for direct action. ASPIM is fully supportive of an ambitious and well-calibrated European regulation on sustainable finance, encouraging more sustainable practices for the sector.

<ESA_COMMENT_ESG_1>

- **: Do you agree with the approach proposed in Chapter II and Annex I – where the indicators in Table 1 always lead to principal adverse impacts irrespective of the value of the metrics, requiring consistent disclosure, and the indicators in Table 2 and 3 are subject to an "opt-in" regime for disclosure??**

<ESA_QUESTION_ESG_1>

ASPIM does not entirely agree with the amount of indicators required – both in Table 1, 2, and 3. Our dissent falls under the concerns, below. Please also find suggested amendments.

Concerns:

Cost & Resources

- With such requirements, it is expected that more time and money will be **spent on reporting** than on **concrete actions** to work towards greater financial sustainability.
- In the real estate sector, the **cost of this reporting falls entirely on the asset manager** (which manages both the fund and the assets) whilst in other asset classes the cost is shared between asset managers and issuers.
- The regulation appears to demand **heavy workload** and **substantial cost** to obtain the necessary **data** required to see-through the mandate of 32 indicators for disclosure; it is a lengthy task, and if there are **not enough resources** to appropriately tackle the regulation, it may incidentally lead to greenwashing with such intense demand on compliance and reporting.
- There are already a **plethora of reporting requirements** demanded of the sector; there becomes fewer resources to be able **to comply to all** that is now requested of the industry – especially for **smaller-sized businesses**.

Sector

- **Standardisation of disclosure** requests across all financial entities and products may serve more poorly in performance than ***specifically*-aligned sectorial requirements**.
- Most of the proposed indicators for social and governance topics are **not applicable to real estate assets** and would need to be adapted for real estate asset managers to be able to report on these topics.
- There is a **lack of ESG data** (especially in the real estate sector) to be able to meet the hefty requirements of the indicators – including in Table 1.

Policy

- With such requirements, the promise of **policy simplification** has not arrived, and conversely has augmented to a very challenging level.

Proposals:

- An approach / application that is motivated by quality and positive impact (and not risk) to yield a **greater incentive for innovation**, which could also be expressed through a mandate of **fewer indicators**.
- It is understandable to have a common set of indicators, but it is recommended to diligently **limit the number.**
- Align to **existing** disclosure/reporting **requirements** to **minimise demand** on the management company.

- Have a **sectorial programme of indicators** that make more sense for the specific segment of economic activity, and thereby limiting efforts to comply to additional disclosure schemes.

<ESA_QUESTION_ESG_1>

- **: Does the approach laid out in Chapter II and Annex I, take sufficiently into account the size, nature, and scale of financial market participants activities and the type of products they make available?**

<ESA_QUESTION_ESG_2>

In our opinion – no, it does not. ASPIM finds the approach too general across sectors and financial market participants.

<ESA_QUESTION_ESG_2>

- **: If you do not agree with the approach in Chapter II and Annex I, is there another way to ensure sufficiently comparable disclosure against key indicators?**

<ESA_QUESTION_ESG_3>

Proposals:

- **Adapt to a specific sector** (as in the case of real estate) and adjust indicators, accordingly (e.g. hiring policy). There is nothing listed about the **possible positive impacts of buildings**, its ability to regenerate the environment, sequester carbon, improve air quality, etc.
- Make certain that there is not a **double cost borne** by the asset manager;
- Reduce the **number of indicators** (limited and relevant); and, harmonise those with the Taxonomy.
- Offer a regime of automatic **exception** on certain indicators when it is justified that one invests only in Europe;
- Have sets of indicators **adapted according to asset class** (even if there is a loss of comparability among the different types of products – as there is little demand to compare assets across classes such as real estate with public equities) and to the size of participants;
- Adapt the methodology and indicators with the **current European Regulations** to avoid duplicating the work.

<ESA_QUESTION_ESG_3>

- **: Do you have any views on the reporting template provided in Table 1 of Annex I?**

<ESA_QUESTION_ESG_4>

There are too many sections and some of the proposed indicators, mostly on social and governance topics are not applicable to real estate assets.

<ESA_QUESTION_ESG_4>

- **: Do you agree with the indicators? Would you recommend any other indicators? Do you see merit in including forward-looking indicators such as emission reduction pathways, or scope 4 emissions (saving other companies´ GHG emissions)?**

<ESA_QUESTION_ESG_5>

Generally, ASPIM and its members finds that the reliability of data is inversely proportional to the quantity of indicators requested. Perhaps it would be more feasible to modulate the number of criteria depending on the size of the asset manager (reporting must be proportionate to the size of the players). Additionally, there appears to be a lack of key indicators related to real estate assets. ASPIM is also concerned with inconsistency among definitions of indicators amid other existing regulations. It would be most helpful to harmonise the indicators with other existing regulations and with the Taxonomy.

More specifically, please find our comments on several indicators, below:

1	Carbon emissions (broken down by scope 1, 2 and 3; - including agriculture, forestry and other land use (AFOLU) emissions - and in total)	Scope 3 is still little practiced and is often subject to rough approximations. Scope 1 and 2 are already good practices.
2	Carbon footprint	This indicator is not very relevant to report carbon per M € invested because it is not comparable to other asset classes.
3	Weighted average carbon intensity	The indicator is not used in our sector; and in fact, it can appear to be discriminatory against certain asset classes such as residential assets which paradoxically offers strong social utility.
4	Solid fossil fuel sector exposure	This indicator is interpretable and not very relevant for our sector. An indicator on the raw material used in construction of our assets (circular economy, bio-energy sources) could be more adapted to the specificity of our sector in terms of GHG emissions.
5	Total energy consumption from non-renewable sources and share of non-renewable energy consumption	As the carbon emissions are already required (question 1 & 2), this indicator does not add any significant value in this reporting.
6	Breakdown of energy consumption by type of non- renewable sources of energy	As the carbon emissions are already required (question 1 & 2), this indicator does not add any significant value in this reporting.
7	Energy consumption intensity	To be reduced to the m² by in € - this is common in our sector.
8	Energy consumption intensity per sector	This indicator cannot be interpreted by asset classes or typologies.
9	Biodiversity and ecosystem preservation practices	As it is currently presented, this indicator is not applicable to our sector.
10	Natural species and protected areas	This indicator is not very relevant for portfolio managers that invest in countries with pre-existing regulation (e.g. France).
11	Deforestation	Adaptable for new buildings, off-plan or private equity real estate (but not for old buildings).
12	Water emissions	This indicator is not relevant as we do not have access to such information. An indicator on water consumption could however be designed.
13	Exposure to areas of high water stress	ASPIM finds this to be relevant criterion, however, if applied with resilience; this indicator is more applicable to certain regions; specific countries; and, certain geographical areas.
14	Untreated discharged waste water	Measurable but not practiced often; some find this indicator to be less relevant in measuring impact well.
15	Hazardous waste ratio	This indicator is applicable but is difficult to measure well and accurately; it is expensive in view of the small quantities of hazardous waste produced. It offers little interest for our sector.

16	Non-recycled waste ratio	This indicator is applicable but is difficult to measure well and accurately. This indicator could be simplified by using a ratio (E.g. non recycled / total waste).
17	Implementation of fundamental ILO Conventions	Limited to" "stagecoaches" ", the criterion makes sense. In France it is obviously compulsory, elsewhere less … It then means that the level of the providers of the building.
18	Gender pay gap	This indicator is interpretable in the clauses of service providers, but is not very relevant.
19	Excessive CEO pay ratio	This indicator is interpretable in the clauses of service providers, but is not very relevant.
20	Board gender diversity	This indicator is interpretable in the clauses of service providers, but is not very relevant.
22	Investment in investee companies without workplace accident prevention policies	This indicator is interpretable in the clauses of service providers, but is not very relevant.
23	Human rights policy	This indicator is interpretable in the clauses of service providers, but is not very relevant. A relevant indicator could be an indicator evaluating the relationships with the leaseholders.
24	Due diligence	This indicator is interpretable in the clauses of service providers, but is not very relevant.
25	Processes and measures for preventing trafficking in human beings	This indicator is interpretable in the clauses of service providers, but is not very relevant.
26	Operations and suppliers at significant risk of incidents of child labour	This indicator is interpretable in the clauses of service providers, but is not very relevant.
27	Operations and suppliers at significant risk of incidents of forced or compulsory labour	This indicator is interpretable in the clauses of service providers, but is not very relevant.
29	Exposure to controversial weapons (land mines and cluster bombs)	This indicator is interpretable on the activities of tenants.
30	Anti-corruption and anti-bribery policies	This indicator is interpretable in the clauses of service providers, but is not very relevant.
31	Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	This indicator is interpretable in the clauses of service providers, but is not very relevant.

Proposals:

- Add the principle of comply or explain for irrelevant indicators;
- Design more specific indicators adapted to our sector;
- For indicators that are relevant but not yet available, give asset managers the opportunity to indicate that a reporting process is being set up and that the information will soon be published.

<ESA_QUESTION_ESG_5>

- **: In addition to the proposed indicators on carbon emissions in Annex I, do you see merit in also requesting a) a relative measure of carbon emissions relative to the EU 2030 climate and energy framework target and b) a relative measure of carbon emissions relative to the prevailing carbon price?**

<ESA_QUESTION_ESG_6>
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<ESA_QUESTION_ESG_6>

- **: The ESAs saw merit in requiring measurement of both (1) the share of the investments in companies without a particular issue required by the indicator and (2) the share of all companies in the investments without that issue. Do you have any feedback on this proposal?**

<ESA_QUESTION_ESG_7>

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<ESA_QUESTION_ESG_7>

- : **Would you see merit in including more advanced indicators or metrics to allow financial market participants to capture activities by investee companies to reduce GHG emissions? If yes, how would such advanced metrics capture adverse impacts?**

<ESA_QUESTION_ESG_8>
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<ESA_QUESTION_ESG_8>

- **: Do you agree with the goal of trying to deliver indicators for social and employee matters, respect for human rights, anti-corruption and anti-bribery matters at the same time as the environmental indicators?**

<ESA_QUESTION_ESG_9>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_9>

- **: Do you agree with the proposal that financial market participants should provide a historical comparison of principal adverse impact disclosures up to ten years? If not, what timespan would you suggest?**

<ESA_QUESTION_ESG_10>

No – ASPIM finds the timespan too long and obtruding. Our goal is to have flexibility. ASPIM would propose a maximum of two years.

<ESA_QUESTION_ESG_10>

- **: Are there any ways to discourage potential “window dressing” techniques in the principal adverse impact reporting? Should the ESAs consider harmonising the methodology and timing of reporting across the reference period, e.g. on what dates the composition of investments must be taken into account? If not, what alternative would you suggest to curtail window dressing techniques?**

<ESA_QUESTION_ESG_11>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_11>

- **: Do you agree with the approach to have mandatory (1) pre-contractual and (2) periodic templates for financial products?**

<ESA_QUESTION_ESG_12>

ASPIM agrees with the principle of setting up mandatory templates for pre-contractual documents and periodic reports on financial products. However, ASPIM finds it necessary to specify that although harmonised reporting is needed, it would be only viable if the number of mandatory criteria are limited, and by clearly specifying the calculation methodology, the source of the data, and the units to be respected, ensuring that the specificities of real estate, for example, are taken into account. Moreover, ASPIM thinks it is necessary that templates shall be specific by asset class.

<ESA_QUESTION_ESG_12>

- **: If the ESAs develop such pre-contractual and periodic templates, what elements should the ESAs include and how should they be formatted?**

<ESA_QUESTION_ESG_13>

- It seems relevant to propose a **common framework** on the information to be communicated, compulsory and optional, with the aim of harmonisation and simplification. However, a **different template per sector** would be required, with the possibility of some variation.
  - Actors of the **real estate profession** should be involved in proposing the new template to ensure its **consistency with the sector's activity** – having a reduced number of indicators that are clear and accessible to investors.
- Chiefly, ASPIM would like to see a **more distinct clarification** between "ESG criteria" and "sustainable investment objective".
- Secondly, including **non-detailed ESG criteria may prove to be fickle**, as it often changes. Rather, apply ESG themes such as environment, health, accessibility, etc..
- Clearly specify the **measurable objectives** targeted.
- The requirement of a product having the "label" is inefficient. Most would deduce that without the title, the product does not have a label.
- Proportion of sustainable investments: these can be replaced by a perimeter of assets that are covered by an ESG analysis (which would be at least 90%, if it is truly aligned with the label).
- With the goal to eliminate much additional effort, it would be useful to **align all criteria** with what already exists in labelling – such as the French "SRI label".
- **No benchmark or reference index** is available or appropriate for actors of the real estate profession.

<ESA_QUESTION_ESG_13>

- **: If you do not agree with harmonised reporting templates for financial products, please suggest what other approach you would propose that would ensure comparability between products.**

<ESA_QUESTION_ESG_14>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_14>

- **: Do you agree with the balance of information between pre-contractual and website information requirements? Apart from the items listed under Questions 25 and 26, is there anything you would add or subtract from these proposals?**

<ESA_QUESTION_ESG_15>

ASPIM and its members find that certain information, especially for **institutional investors**, is confidential and cannot be communicated on the website: ESG results, proportion of sustainable investments, methodologies, due diligences, etc. In this case, sustainable indicators that allow the monitoring of the products' ESG criteria may appear only in the contractual document, as well as in periodic reporting.

Elements	Pre-contractual	Periodic	Website
Two-page summary of the SFRD			√
List / Results of the product's ESG criteria and / or its sustainable investment objective	√	√	√
Proportion of sustainable investments	√	√	√
Mention of the quality of "sustainable investment" (or not)	√	√	√
Description of the investment strategy throughout the investment cycle	√		√
Sustainable indicators that allow the monitoring of the product's ESG criteria	√		X
Description of the means put in place to monitor ESG criteria			√
Actions taken in favour of the sustainable investment objective		√	
Best investments of the fund		√	
Information on the use of derivatives	√	X	X
Methodologies			√
Refer to the Website	√	√	
Due diligence*			√
Engagement policy			√
Sources of indicators			√
Limitations of methodologies and sources			√
Reference index / benchmark (if available)	√	√	√

* Due diligence: ASPIM and its members believe they *should not integrate* their due diligence reports, but rather, integrate the ESG rating of each asset assessed during its acquisition.

<ESA_QUESTION_ESG_15>

- **: Do you think the differences between Article 8 and Article 9 products are sufficiently well captured by the proposed provisions? If not, please suggest how the disclosures could be further distinguished.**

<ESA_QUESTION_ESG_16>

- Articles 8 and 9 are understood to be the difference between actions and commitments.
- ASPIM and its members find the distinction **between ESG products and sustainable products** not clear enough.
- It is not clear what "**engagement polices**" would mean for the real estate sector.

Proposal:

- ASPIM recommends a clearer and more detailed definition for ESG products and sustainable products and / the ESG criteria and the objective of sustainable investment.

<ESA_QUESTION_ESG_16>

- **: Do the graphical and narrative descriptions of investment proportions capture indirect investments sufficiently?**

<ESA_QUESTION_ESG_17>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_17>

- **: The draft RTS require in Article 15(2) that for Article 8 products graphical representations illustrate the proportion of investments screened against the environmental or social characteristics of the financial product. However, as characteristics can widely vary from product to product do you think using the same graphical representation for very different types of products could be misleading to end-investors? If yes, how should such graphic representation be adapted?**

<ESA_QUESTION_ESG_18>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_18>

- **: Do you agree with always disclosing exposure to solid fossil-fuel sectors? Are there other sectors that should be captured in such a way, such as nuclear energy?**

<ESA_QUESTION_ESG_19>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_19>

- **: Do the product disclosure rules take sufficient account of the differences between products, such as multi-option products or portfolio management products?**

<ESA_QUESTION_ESG_20>
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<ESA_QUESTION_ESG_20>

- **: While Article 8 SFDR suggests investee companies should have "good governance practices", Article 2(17) SFDR includes specific details for good governance practices for sustainable investment investee companies including "sound management structures, employee relations, remuneration of staff and tax compliance". Should the requirements in the RTS for good governance practices for Article 8 products also capture these elements, bearing in mind Article 8 products may not be undertaking sustainable investments?**

<ESA_QUESTION_ESG_21>
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<ESA_QUESTION_ESG_21>

- **: What are your views on the preliminary proposals on "do not significantly harm" principle disclosures in line with the new empowerment under the taxonomy regulation, which can be found in Recital (33), Articles 16(2), 25, 34(3), 35(3), 38 and 45 in the draft RTS?**

<ESA_QUESTION_ESG_22>
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<ESA_QUESTION_ESG_22>

- **: Do you see merit in the ESAs defining widely used ESG investment strategies (such as best-in-class, best-in-universe, exclusions, etc.) and giving financial market participants an opportunity to disclose the use of such strategies, where relevant? If yes, how would you define such widely used strategies?**

<ESA_QUESTION_ESG_23>

ASPIM agrees on the principle of defining the most widely used types of ESG investment strategies and the possibility for market players to disclose the use of these strategies. Additionally, it would be helpful to offer simple generic definitions should be offered along with simple examples in non-technical language.

<ESA_QUESTION_ESG_23>

- **: Do you agree with the approach on the disclosure of financial products' top investments in periodic disclosures as currently set out in Articles 39 and 46 of the draft RTS?**

<ESA_QUESTION_ESG_24>

ASPIM finds the number of investments proposed seem too high. The work appears to be substantial and unrealistic for the management company and too heavy of a burden for investors. In contrast, ASPIM recommends either a periodic reporting on the ten most important investments, or a reporting focusing on 15 assets: 5 best-in-class, 5 best-in-progress and 5 most important investments.

<ESA_QUESTION_ESG_24>

- **: For each of the following four elements, please indicate whether you believe it is better to include the item in the pre-contractual or the website disclosures for financial products? Please explain your reasoning.**

1. an indication of any commitment of a minimum reduction rate of the investments (sometimes referred to as the "investable universe") considered prior to the application of the investment strategy - in the draft RTS below it is in the pre-contractual disclosure Articles 17(b) and 26(b);

2. a short description of the policy to assess good governance practices of the investee companies - in the draft RTS below it is in pre-contractual disclosure Articles 17(c) and 26(c);

3. a description of the limitations to (1) methodologies and (2) data sources and how such limitations do not affect the attainment of any environmental or social characteristics or sustainable

investment objective of the financial product - in the draft RTS below it is in the website disclosure under Article 34(1)(k) and Article 35(1)(k); and

4. a reference to whether data sources are external or internal and in what proportions - not currently reflected in the draft RTS but could complement the pre-contractual disclosures under Article 17.

<ESA_QUESTION_ESG_25>

For ASPIM's sector, the following places for disclosure are more pertinent:

1. pre-contractual ***or*** website
2. pre-contractual ***and*** website
3. website
4. website ***or*** periodic reporting

<ESA_QUESTION_ESG_25>

- **: Is it better to include a separate section on information on how the use of derivatives meets each of the environmental or social characteristics or sustainable investment objectives promoted by the financial product, as in the below draft RTS under Article 19 and article 28, or would it be better to integrate this section with the graphical and narrative explanation of the investment proportions under Article 15(2) and 24(2)?**

<ESA_QUESTION_ESG_26>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_26>

- **: Do you have any views regarding the preliminary impact assessments? Can you provide more granular examples of costs associated with the policy options?**

<ESA_QUESTION_ESG_27>
TYPE YOUR TEXT HERE
<ESA_QUESTION_ESG_27>