**Reply form**

**on the Joint Consultation Paper on the review of SFDR Delegated Regulation regarding PAI and financial product disclosures**

 12 April 2023ESMA34-45-1218

**Responding to this paper**

The ESAs invite comments on all matters in the Joint Consultation Paper and in particular on the specific questions in this reply form. Comments are most helpful if they:

* respond to the question stated;
* indicate the specific question to which the comment relates;
* contain a clear rationale; and
* describe any alternatives the ESAs should consider.

ESMA will consider all comments received by **4 July 2023.**

**Instructions**

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

* Insert your responses to the questions in the Joint Consultation Paper in this reply form.
* Please do not remove tags of the type <ESMA\_QUESTION\_SFDR\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
* 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.
* When you have drafted your responses, save the reply form according to the following convention: ESMA\_CP SFDR Review\_nameofrespondent.

For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_CP SFDR Review\_ABCD.

* Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

**Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. 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 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 ESMA’s 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]](#footnote-1). Further information on data protection can be found under the [Legal notice](http://www.eba.europa.eu/legal-notice) section of the EBA website and under the [Legal notice](https://eiopa.europa.eu/Pages/Links/Legal-notice.aspx) section of the EIOPA website and under the [Legal notice](https://www.esma.europa.eu/legal-notice) section of the ESMA website.

**General information about respondent**

|  |  |
| --- | --- |
| Name of the company / organisation | Triodos Investment Management  |
| Activity | Investment Services |
| Are you representing an association? |[ ]
| Country/Region | Netherlands |

**Questions**

1. : Do you agree with the newly proposed mandatory social indicators in Annex I, Table I (amount of accumulated earnings in non-cooperative tax jurisdictions for undertakings whose turnover exceeds € 750 million, exposure to companies involved in the cultivation and production of tobacco, interference with the formation of trade unions or election worker representatives, share of employees earning less than the adequate wage)?

<ESMA\_QUESTION\_SFDR\_1>

Overall, we support the intention to consider extending the list of social indicators for principal adverse impacts to ensure appropriate consideration of all E, S and G matters.

However, we suggest further consideration of the choice and formulation of the indicators. Moreover, it is crucial to ensure that the corresponding corporate disclosures are mandated by the European Sustainability Reporting Standards (ESRS). Investors and other Financial Market Participants (FMPs) have been calling for improved availability of quality, comparable and reliable corporate sustainability-related disclosures for years. Now, concerns amount over the dangers of SFDR-related disclosures not being mandatory in the first set of ESRS.

In relation to the new mandatory PAI indicators, interference in trade union foundation is not an explicit requirement in S1. Interference in trade union foundation could also not be a material aspect of the policy required by S1, so companies may not address this aspect. This could create extra data complication, as the failure to mention this topic in a policy related to workforce does not mean that there is adverse impact.

S1-10 on less-than-adequate wage is also not a mandatory disclosure requirement for all undertakings, but only if material. Data will therefore by lacking for those undertakings who do not consider this topic to be material. The CSRD rules on materiality and the determination of material topics leave considerable leeway to reporting undertakings, and there is a risk that data availability will be of a poor quality. It is thus essential that the final version of the RTS 2.0 aligns with the first set or sector-agnostic ESRS both in terms of content and timing, and that the ESRS will retain mandatory requirements of social indicators.

<ESMA\_QUESTION\_SFDR\_1>

1. : Would you recommend any other mandatory social indicator or adjust any of the ones proposed?

<ESMA\_QUESTION\_SFDR\_2>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_2>

1. : Do you agree with the newly proposed opt-in social indicators in Annex I, Table III (excessive use of non-guaranteed-hour employees in investee companies, excessive use of temporary contract employees in investee companies, excessive use of non-employee workers in investee companies, insufficient employment of persons with disabilities in the workforce, lack of grievance/complaints handling mechanism for stakeholders materially affected by the operations of investee companies, lack of grievance/complaints handling mechanism for consumers/ end-users of the investee companies)?

<ESMA\_QUESTION\_SFDR\_3>

We would support the inclusion of these additional opt-in social indicators, especially regarding workforce, but we note that the document assumes that the ESRS indicators will be mandatory and reportable items under the CSRD. In the current absence of certainty on the content of the final, adopted ESRS Delegated Acts, it is difficult to assess investors’ ability to disclose against some of the proposed indicators.

In relation to the list of voluntary PAIs, ‘insufficient employment of persons with disability’ refers to ESRS S1-12, which is also not (yet) a mandatory datapoint. Data availability will likely be partial.

<ESMA\_QUESTION\_SFDR\_3>

1. : Would you recommend any other social indicator or adjust any of the ones proposed?

<ESMA\_QUESTION\_SFDR\_4>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_4>

1. : Do you agree with the changes proposed to the existing mandatory and opt-in social indicators in Annex I, Table I and III (i.e. replacing the UN Global Compact Principles with the UN Guiding Principles and ILO Declaration on Fundamental Principles and Rights at Work)? Do you have any additional suggestions for changes to other indicators not considered by the ESAs?

<ESMA\_QUESTION\_SFDR\_5>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_5>

1. : For real estate assets, do you consider relevant to apply any PAI indicator related to social matters to the entity in charge of the management of the real estate assets the FMP invested in?

<ESMA\_QUESTION\_SFDR\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_6>

1. : For real estate assets, do you see any merit in adjusting the definition of PAI indicator 22 of Table 1 in order to align it with the EU Taxonomy criteria applicable to the DNSH of the climate change mitigation objective under the climate change adaptation objective?

<ESMA\_QUESTION\_SFDR\_7>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_7>

1. : Do you see any challenges in the interaction between the definition ‘enterprise value’ and ‘current value of investment’ for the calculation of the PAI indicators?

<ESMA\_QUESTION\_SFDR\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_8>

1. : Do you have any comments or proposed adjustments to the new formulae suggested in Annex I?

<ESMA\_QUESTION\_SFDR\_9>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_9>

1. : Do you have any comments on the further clarifications or technical changes to the current list of indicators? Did you encounter any issues in the calculation of the adverse impact for any of the other existing indicators in Annex I?

<ESMA\_QUESTION\_SFDR\_10>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_10>

1. : Do you agree with the proposal to require the disclosure of the share of information for the PAI indicators for which the financial market participant relies on information directly from investee companies?

<ESMA\_QUESTION\_SFDR\_11>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_11>

1. : What is your view on the approach taken in this consultation paper to define ‘all investments’? What are the advantages and drawbacks you identify? Would a change in the approach adopted for the treatment of ‘all investments’ be necessary in your view?

<ESMA\_QUESTION\_SFDR\_12>

Preference for option 1. We think that although option 2 is more accurate in that each indicator would make transparent (only) on the investments for which it is relevant - it will be very burdensome and dis-comparable in that as portfolio differ in assets, the comparability of seemingly similar portfolio, will become incomparable.

We suggest to break out the PAI indicators per assets where applicable - this would allow for full comparability as it will allow to compare PAI per asset class. Also it will mean a huge burden for FMP currently disclosing under art 8 or 9. We think the goal in developing transparancy should be including simple information for the avarage investor, and in that context the next logical step would be also to define & disclose on harmful activities as it is information particularly sought after by that average investor.

<ESMA\_QUESTION\_SFDR\_12>

1. : Do you agree with the ESAs’ proposal to only require the inclusion of information on investee companies’ value chains in the PAI calculations where the investee company reports them? If not, what would you propose as an alternative?

<ESMA\_QUESTION\_SFDR\_13>

Information about the value chain of investee companies willl be available from disclosure requirements in the CSRD. As the CSRD currently stands, each CSRD mandatory disclosure requirement, corresponding to the PAI indicators, determines whether data must be gathered in relation to a reporting company's operations, or also including its supply chain. There is therefore no margin to determine whether or not to include supply chain information on the basis of a materiality assessment.

We would agree with the ESAs’ approach, stating “Financial market participants should include information on the value chains of investee companies that are not reporting under the ESRS where that information is readily available, e.g. in the public reporting of those investee companies. The consequence of that proposal is that if the investee company is not reporting its value chain’s adverse impacts under the ESRS or this is disclosed in other reporting, then those do not need to be taken into account for the PAI calculations”

It is the responsibility of the investee companies to report on emissions in the value chain outsider the CSRD. And only if PAI & value chain is reported by the investee companies, the information can be included. It may not be applicable for every PAI indicator. But the meaningfulness of such disclosure could be questionable.

<ESMA\_QUESTION\_SFDR\_13>

1. : Do you agree with the proposed treatment of derivatives in the PAI indicators or would you suggest any other method?

<ESMA\_QUESTION\_SFDR\_14>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_14>

1. : What are your views with regard to the treatment of derivatives in general (Taxonomy-alignment, share of sustainable investments and PAI calculations)? Should the netting provision of Article 17(1)(g) be applied to sustainable investment calculations?

<ESMA\_QUESTION\_SFDR\_15>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_15>

1. : Do you see the need to extend the scope of the provisions of point g of paragraph 1 of Article 17 of the SFDR Delegated Regulation to asset classes other than equity and sovereign exposures?

<ESMA\_QUESTION\_SFDR\_16>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_16>

1. : Do you agree with the ESAs’ assessment of the DNSH framework under SFDR?

<ESMA\_QUESTION\_SFDR\_17>

We share ESAs’ concerns about the wide margins left to financial market participants for the assessment of compliance with the DNSH principle and the resulting lack of comparability. We also note that the lack of comparability in the disclosed information is unfortunately inherent to a disclosure regime with open-ended definitions such as the SFDR, which also does not prescribe any methodology for the assessment of key constructs. These shortcomings must be addressed in the level 1 text, including aligning all the ESG regulatory framework in order to avoid duplications or misalignments and also to improve the effectiveness the entire ESG framework. In addition, there is a notable lack of detail on whether it is necessary to consider all the mandatory PAI indicators or only the material ones for sustainable investment. For example, it would be necessary to define whether an issuer that caused a PAI but is being mitigated through engagement actions could be classified as a sustainable investment.

<ESMA\_QUESTION\_SFDR\_17>

1. : With regard to the DNSH disclosures in the SFDR Delegated Regulation, do you consider it relevant to make disclosures about the quantitative thresholds FMPs use to take into account the PAI indicators for DNSH purposes mandatory? Please explain your reasoning.

<ESMA\_QUESTION\_SFDR\_18>

While it may be tempting to require additional disclosures to give the market access to information on compliance with the DNSH criteria, there is a real risk of ‘disclosure overload’ especially if this would have to take place through quantitative thresholds. We therefore suggest not to add any additional burden to financial market participants that decide to include sustainable investment in their products. Threshold criteria for DNSH, where they have been determined quantitatively by financial market participants, are likely to differ on a sector and country basis (as they apply to each investment), and may be grounded over very complex assessments in the presence of considerable scientific uncertainty. They are therefore unlikely to offer any meaningful and comprehensible insight to the average investor. Definition of harmful investments or screening for harm can also take place through strict exclusions and not quantitative thresholds, thereby rendering option 2 simply not suitable.

<ESMA\_QUESTION\_SFDR\_18>

1. : Do you support the introduction of an optional “safe harbour” for environmental DNSH for taxonomy-aligned activities? Please explain your reasoning.

<ESMA\_QUESTION\_SFDR\_19>

In light of the difference between DNSH notions in the SFDR and the Taxonomy, a safe-harbor would only be partial at best – i.e. covering only a *part* of *some* sustainable investments - and therefore not of much assistance. Furthermore, it could exacerbate confusion, and would likely raise questions - especially by retail clients - about complex and possibly conflicting regulatory terms that would however be the responsibility of financial market participants to explain.

<ESMA\_QUESTION\_SFDR\_19>

1. : Do you agree with the longer term view of the ESAs that if two parallel concepts of sustainability are retained that the Taxonomy TSCs should form the basis of DNSH assessments? Please explain your reasoning.

<ESMA\_QUESTION\_SFDR\_20>

On the topic of the relation between DNSH in the SFDR and in the Taxonomy, we note that the different scope between the two notions (applying at the level of investee companies under the SFDR and economic activity under the Taxonomy) stands in the way of their interoperability. This tension can only be solved in the future by EU legislators, but they should resist the temptation to equate ‘sustainable investment’ with ‘Taxonomy-aligned’ investment in future iterations of the SFDR given the very partial coverage of the EU Taxonomy and the difficulties in its establishment. Ideally, going forward the tension should be solved with a disclosure regime with positive and negative criteria about permissible investment (mostly a list of excluded assets for Art 8 and 9), but that still allows a broader notion of 'sustainable investment', with the Taxonomy identifying a gold standard for environmental activities.

Different from the ESAs, we do not see it as a problem that an activity may ‘pass’ the Taxonomy DNSH but possibly not a strict SFDR DNSH framework established by a financial market participant. Consistent with the nature of the SFDR as a disclosure regime, disclosure rules should not unduly constrain a strict approach to harm legitimately applied by a financial market participant to its products, all the more so in light of the various deviations in the EU Taxonomy from a sound science-based methodology (i.e. inclusion of gas and nuclear, aviation and various ‘end of pipe’ activities included in the last set of criteria).

<ESMA\_QUESTION\_SFDR\_20>

1. : Are there other options for the SFDR Delegated Regulation DNSH disclosures to reduce the risk of greenwashing and increase comparability?

<ESMA\_QUESTION\_SFDR\_21>

We would like to point out that the definition of harmful activities, as also highlighted by the Sustainable Finance Expert Group, is an essential but currently missing component of the EU Taxonomy. Additional disclosures in relation to DNSH would continue to increase the disclosing burden of manufacturers of sustainable products, thereby continuing to increase costs that do not have to be borne by manufacturers of products containing harmful investments. An unequivocal definition of harmful activities provided by EU legislators (see for example the list of excluded investment in Art 12 of the Delegated Regualtion on Minimum Standards for Climate Target and Paris Aligned Benchmarks) is the most effective solution to tackle greenwashing and ensuring comparability in products containing sustainable investment, including in relation to DNSH. It is also a *fair* solution as it does not just raise the costs of sustainable investment.

In the short term, a *product-level* PAI disclosure on the basis of the (mandatory) indicators in Annex I of the Delegated Regulation could be an easy-to-implement and cost-effective solution to make visible harm related to a specific product and show in a comparable fashion *how* ‘PAI is taken into account’. For product containing sustainable investment, benchmarking by the market would discipline ‘relaxed’ assessments of DNSH, as these would likely result in higher-than-average PAI scores. Such a product-level disclosure should however be made for products covered by art. 6, 8 and 9, and not just by Art. 9 products, in light of the same fairness considerations raised above.

<ESMA\_QUESTION\_SFDR\_21>

1. : Do you agree that the proposed disclosures strike the right balance between the need for clear, reliable, decision-useful information for investors and the need to keep requirements feasible and proportional for FMPs? Please explain your answers.

<ESMA\_QUESTION\_SFDR\_22>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_22>

1. : Do you agree with the proposed approach of providing a hyperlink to the benchmark disclosures for products having GHG emissions reduction as their investment objective under Article 9(3) SFDR or would you prefer specific disclosures for such financial products? Do you believe the introduction of GHG emissions reduction target disclosures could lead to confusion between Article 9(3) and other Article 9 and 8 financial products? Please explain your answer.

<ESMA\_QUESTION\_SFDR\_23>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_23>

1. : The ESAs have introduced a distinction between a product-level commitment to achieve a reduction in financed emissions (through a strategy that possibly relies only on divestments and reallocations) and a commitment to achieve a reduction in investees’ emissions (through investment in companies that has adopted and duly executes a convincing transition plan or through active ownership). Do you find this distinction useful for investors and actionable for FMPs? Please explain your answer.

<ESMA\_QUESTION\_SFDR\_24>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_24>

1. : Do you find it useful to have a disclosure on the degree of Paris-Alignment of the Article 9 product’s target(s)? Do you think that existing methodologies can provide sufficiently robust assessments of that aspect? If yes, please specify which methodology (or methodologies) would be relevant for that purpose and what are their most critical features? Please explain your answer.

<ESMA\_QUESTION\_SFDR\_25>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_25>

1. : Do you agree with the proposed approach to require that the target is calculated for all investments of the financial product? Please explain your answer.

<ESMA\_QUESTION\_SFDR\_26>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_26>

1. : Do you agree with the proposed approach to require that, at product level, Financed GHG emissions reduction targets be set and disclosed based on the GHG accounting and reporting standard to be referenced in the forthcoming Delegated Act (DA) of the CSRD? Should the Global GHG Accounting and Reporting Standard for the Financial Industry developed by PCAF be required as the only standard to be used for the disclosures, or should any other standard be considered? Please justify your answer and provide the name of alternative standards you would suggest, if any.

<ESMA\_QUESTION\_SFDR\_27>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_27>

1. : Do you agree with the approach taken to removals and the use of carbon credits and the alignment the ESAs have sought to achieve with the EFRAG Draft ESRS E1? Please explain your answer.

<ESMA\_QUESTION\_SFDR\_28>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_28>

1. : Do you find it useful to ask for disclosures regarding the consistency between the product targets and the financial market participants entity-level targets and transition plan for climate change mitigation? What could be the benefits of and challenges to making such disclosures available? Please explain you answer.

<ESMA\_QUESTION\_SFDR\_29>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_29>

1. : What are your views on the inclusion of a dashboard at the top of Annexes II-V of the SFDR Delegated Regulation as summary of the key information to complement the more detailed information in the pre-contractual and periodic disclosures? Does it serve the purpose of helping consumers and less experienced retail investors understand the essential information in a simpler and more visual way?

<ESMA\_QUESTION\_SFDR\_30>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_30>

1. : Do you agree that the current version of the templates capture all the information needed for retail investors to understand the characteristics of the products? Do you have views on how to further simplify the language in the dashboard, or other sections of the templates, to make it more understandable to retail investors?

<ESMA\_QUESTION\_SFDR\_31>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_31>

1. : Do you have any suggestion on how to further simplify or enhance the legibility of the current templates?

<ESMA\_QUESTION\_SFDR\_32>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_32>

1. : Is the investment tree in the asset allocation section necessary if the dashboard shows the proportion of sustainable and taxonomy-aligned investments?

<ESMA\_QUESTION\_SFDR\_33>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_33>

1. : Do you agree with this approach of ensuring consistency in the use of colours in Annex II to V in the templates?

<ESMA\_QUESTION\_SFDR\_34>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_34>

1. : Do you agree with the approach to allow to display the pre-contractual and periodic disclosures in an extendable manner electronically?

<ESMA\_QUESTION\_SFDR\_35>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_35>

1. : Do you have any feedback with regard to the potential criteria for estimates?

<ESMA\_QUESTION\_SFDR\_36>

We are concerned that a strict approach to Taxonomy assessment, that must rely on information reported by investee companies (presumably in the context of their annual report or other form of audited document possibly meeting a similar standard of assurance of information disclosed under the CSRD), would not be feasible for certain types of financial products. This is particularly the case of investments in small undertakings, private equity and microcredit institutions - especially in non-EU countries. These investments may pursue environmental objectives and possibly may even be Taxonomy-aligned. Indicating 0% Taxonomy alignment because the required information cannot be produced by the investee company would not result in an adequate depiction of the sustainability characteristics of these investments. The approach to usable data in the Taxonomy Art. 8 Delegated Regulation has been designed for entities reporting under the NFRD/CSRD, and should not be transposed to small undertakings, private equities, microcredit institutions especially in non-EU countries without the possibility to use proxies and other type of information as part of the assessment.

<ESMA\_QUESTION\_SFDR\_36>

1. : Do you perceive the need for a more specific definition of the concept of “key environmental metrics” to prevent greenwashing? If so, how could those metrics be defined?

<ESMA\_QUESTION\_SFDR\_37>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_37>

1. : Do you see the need to set out specific rules on the calculation of the proportion of sustainable investments of financial products? Please elaborate.

<ESMA\_QUESTION\_SFDR\_38>

It should be clarified that that cash is not an ' investments' and should be excluded from the calculation of the proportion of sustainable investments.
There are currently various approach to determine the level of sustainable investment objective which results in consumer confusion and the misleading situation that, due to cash, some Art. 9 products display less than a 100% level of sustainable investment, despite all the invested assets are in sustainable investment. The RTS should clarify that the percentage of sustainable investment should be determined with a formula that excludes from the denominator cash and hedging instruments for which no contribution to a sustainable investment objective can be determined. In this way, an Art. 9 product would always display a 100% percentage of sustainable investment, as expected by investors and in line with the first Commission Q&A. The share of cash and hedging instruments should be disclosed separately from this figure.

<ESMA\_QUESTION\_SFDR\_38>

1. : Do you agree that cross-referencing in periodic disclosures of financial products with investment options would be beneficial to address information overload?

<ESMA\_QUESTION\_SFDR\_39>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_39>

1. : Do you agree with the proposed website disclosures for financial products with investment options?

<ESMA\_QUESTION\_SFDR\_40>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_40>

1. : What are your views on the proposal to require that any investment option with sustainability-related features that qualifies the financial product with investment options as a financial product that promotes environmental and/or social characteristics or as a financial product that has sustainable investment as its objective, should disclose the financial product templates, with the exception of those investment options that are financial instruments according to Annex I of Directive 2014/65/EU and are not units in collective investment undertakings? Should those investment options be covered in some other way?

<ESMA\_QUESTION\_SFDR\_41>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_41>

1. : What are the criteria the ESAs should consider when defining which information should be disclosed in a machine-readable format? Do you have any views at this stage as to which machine-readable format should be used? What challenges do you anticipate preparing and/or consuming such information in a machine-readable format?

<ESMA\_QUESTION\_SFDR\_42>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_42>

1. : Do you have any views on the preliminary impact assessments? Can you provide estimates of costs associated with each of the policy options?

<ESMA\_QUESTION\_SFDR\_43>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_SFDR\_43>

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. [↑](#footnote-ref-1)