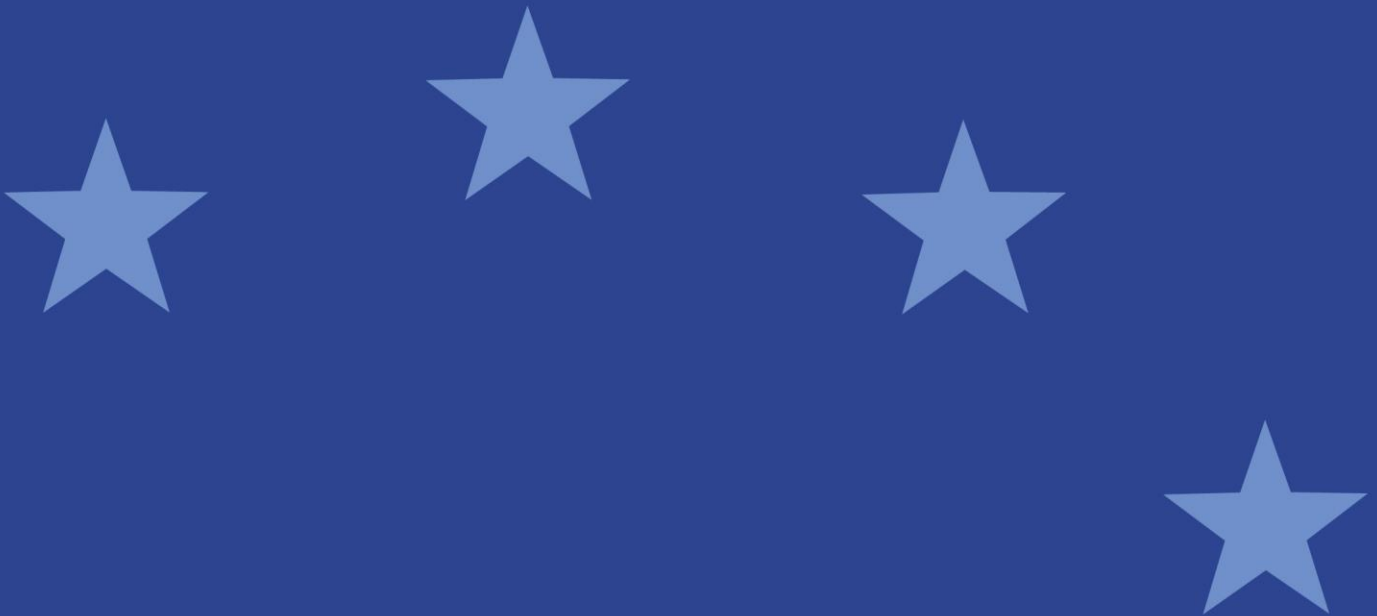




European Securities and  
Markets Authority

## **Response form for the Consultation Paper on the Draft advice to European Commission under Article 8 of the Taxonomy Regulation**



## Responding to this paper

ESMA invites responses to the questions set out throughout this Consultation Paper and summarised in Annex II. Responses are most helpful if they:

1. respond to the question stated and indicate the specific question to which they relate;
2. contain a clear rationale; and
3. describe any alternatives ESMA should consider.

ESMA will consider all comments received by **4 December 2020**.

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading 'Your input - Consultations'.

### Instructions

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

4. Insert your responses to the consultation questions in the form "Response form\_Consultation Paper on TR Article 8 advice", available on ESMA's website alongside the present Consultation Paper ([www.esma.europa.eu](http://www.esma.europa.eu) → 'Your input – Open consultations' → 'Consultation on advice under Taxonomy Regulation Article 8').
5. Please do not remove tags of the type <ESMA\_QUESTION\_TRART8\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
6. 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.
7. When you have drafted your response, name your response form according to the following convention: ESMA\_TRART8\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_TRART8\_ABCD\_RESPONSEFORM.
8. Upload the form containing your responses, in Word format, to ESMA's website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading 'Your input – Open consultations' → 'Consultation on advice under Taxonomy Regulation Article 8').



### **Publication of responses**

All contributions received will be published following the close of the consultation, unless you request otherwise. If you do not wish for your response to be publicly disclosed, please clearly indicate this by ticking the appropriate box on the website submission page. 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 ESMA's 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**

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading '[Data protection](#)'.

### **Who should read this paper?**

This Consultation Paper may be of particular interest to non-financial undertakings and asset managers covered by Article 8 of Regulation (EU) 2020/852 (the 'Taxonomy Regulation') as well as to investors and other users of non-financial information



## General information about respondent

|                                      |                          |
|--------------------------------------|--------------------------|
| Name of the company / organisation   | CDSB                     |
| Activity                             | Standard Setter          |
| Are you representing an association? | <input type="checkbox"/> |
| Country/Region                       | Germany                  |

## Introduction

**Please make your introductory comments below, if any:**

<ESMA\_COMMENT\_TRART8\_1>

CDSB welcomes the opportunity to provide feedback on the shape of the taxonomy disclosure requirements set out in Article 8 of the Taxonomy Regulation. As our activities focus on listed companies, we will provide comments on the questions regarding issuer requirements.

CDSB supports the development of sustainable finance tools and frameworks which can bring more transparency to the markets. The taxonomy had the potential to become a common language for investors to identify projects in economic activities that positively contribute to the six environmental objectives of the regulation. We welcome the ambition to cover environmental objectives beyond climate mitigation and climate adaptation in a second step.

We broadly agree with the draft Technical Advice proposed by ESMA. Our comments will focus on two topics :

- The reflection of selected taxonomy KPIs in financial statements; and
- The need for policy coherence and consistency of the taxonomy disclosure requirements with other reporting requirements.

### Reflection of the taxonomy KPIs in financial statements

As reflected in the most recent TCFD Status Report, disclosure of climate-related financial information by companies has increased, but continuing progress is needed, particularly the potential financial impacts of climate change on their businesses and strategies.

Against this background, CDSB is current working on a guidance to support preparers on the disclosure of material climate-related information within financial reporting, alongside the disclosure of the financial impacts of climate change in the narrative reporting. The guidance builds on the publication by the International Accounting Standards Board (IASB) in November 2019 of a paper on why and how climate-related matters should be integrated into financial reporting based on the current International Financial Reporting Standards (IFRS) [in-brief-climate-change-nick-anderson.pdf \(ifrs.org\)](#). The IASB also published in November 2020 further educational material highlighting how existing requirements in IFRS Standards require companies to consider climate-related matters when their effect is material to the financial statements. Equally investors have been clear in recent months that companies must include climate-related matters on the face of the financial statement where quantitatively material and the provision of additional disclosure on judgements and assumptions used in relation to climate (see PRI-led letter <https://www.unpri.org/accounting-for-climate-change/public-letter-investment-groupings/6432.article> and IIGCC letters targeting European companies <https://www.iigcc.org/news/leading-investors-call-on-europes-largest-companies-to-address-missing-climate-change-costs-in-financial-accounts/>).

Supervisors, including ESMA, also have a significant role to play in setting expectations as to the reflection of climate-related, as well as other sustainability matters, where considered material within financial reporting. The three selected KPIs on turnover, Capex and Opex are reflected in the financial statements of a company and to this effect we recommend that the taxonomy KPIs are also appropriately referred to in the financial statements. This would ensure further connectivity between financial and non-financial information (meaning



consistency between the assumptions related to climate change in financial reporting with climate-related information disclosed outside the financial statements) and begin to answer investors demands.

#### Complementarity between the Taxonomy Regulation, the NFRD and other reporting requirements

We understand that the taxonomy KPIs should be integrated in the information disclosed under the Non-Financial Reporting Directive (NFRD). We would like to stress the need to ensure consistency between the disclosure requirements included in these two pieces of legislation in order to make companies' disclosures consistent, comparable and decision-useful for users of that information, while also helping reduce costs and reporting burden for report preparers. Proper timing for implementation of the different disclosure requirements across various pieces of legislation should also be considered, including for the requirements coming from the Taxonomy Regulation and the ones from the Sustainable Finance Disclosure Regulation.

To provide evidence and help reach further consistency between such requirements, we would like to share some of the results of our latest analysis of the implementation of NFRD requirements and TCFD recommendations, as these results underline the upcoming challenges in complying with taxonomy disclosure requirements :

- We have identified KPI disclosure among the most mature disclosure areas for a majority of European companies, but the ability of companies to provide meaningful KPI varies. While an overwhelming majority of companies are able to provide climate and water-related KPIs (94%), few of them disclose similar information on biodiversity (10%) and deforestation and forest degradation (4%) ; and
- Considering current disclosure on aspects most directly relevant to the taxonomy requirements, we have also assessed the disclosure of climate-related financial metrics<sup>1</sup> aligned to the TCFD recommendations. We found that only 36% of the companies reviewed were able to provide climate-related financial metrics, such as turnover from climate-related products and services or low carbon capital expenditure, and that the level of consistency and comparability across such disclosures was low, with a wide variety of business-specific approaches adopted.

These results suggest the need for clear legislative requirements and further guidance on how to apply these disclosure requirements in a consistent way.

<ESMA\_COMMENT\_TRART8\_1>

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<sup>1</sup> Climate-related financial KPIs are indicators which link to the company's products and services or financial performance, e.g. turnover from climate-related products and services, low carbon capital expenditure or climate-related green bond ratios. Further detail can be found in the Directive's climate-related guidelines.

**1. For this KPI, do you agree with the proposed approach to defining turnover (bullet a in the draft advice)?**

<ESMA\_QUESTION\_TRART8\_1>

In order to be useful for investors, the definition of turnover used by any company for the purposes of this KPI should be in line with turnover as reflected in that company's financial statements. We therefore welcome the approach taken by ESMA to clearly defined the notion of "turnover" according to relevant IFRS rather than establishing another definition of turnover and a different accounting methodology only for the purpose of providing disclosures under the Taxonomy Regulation.

We support the provision to require that undertakings using a different accounting methodology (which should be the same as that used in preparing its financial statements) to disclose their accounting policy to determine the turnover amounts (point 32).

We also support the need for disclosure on how the allocation of turnover across activities that are aligned and activities that are not aligned with the Taxonomy to avoid double counting (points 45 and 46). Nonetheless, we believe these types of more narrative disclosures should be kept concise in order to make a useful complement to quantitative disclosures without damaging the overall clarity of the information provided.

<ESMA\_QUESTION\_TRART8\_1>

**Q2 For this KPI, do you agree with the proposed approach to when turnover can be counted (bullet b in the draft advice)?**

<ESMA\_QUESTION\_TRART8\_2>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_2>

**Q3 For this KPI, do you agree with the proposed approach to defining CapEx (bullet a in the draft advice)?**

<ESMA\_QUESTION\_TRART8\_3>

We broadly agree with the suggested approach. As part of the supporting narrative to the KPI, it should be clearly reconcilable to the appropriate numbers in the financial statements, for the benefit of investors.

<ESMA\_QUESTION\_TRART8\_3>

**Q4 For this KPI, do you agree with the proposed approach to when CapEx can be counted, including the definition of 'plan' (bullet b in the draft advice)?**

<ESMA\_QUESTION\_TRART8\_4>

We welcome the suggestion for companies to adopt a "plan" on CapEx which they want to count towards their taxonomy alignment. We also welcome the need for such plan to be adopted by the undertaking administrative body and available to the public.

We would suggest to make this requirement much more specific on the content and the shape of such plan. Further clarity should be provided when it comes to the minimum information elements that would need to be included within the plan as well as on the governance of the plan to make sure the company is transparent and accountable about its progress to increase its taxonomy-aligned CapEx over time. The cases where companies can count CapEx as taxonomy-aligned without including it as part of a plan should also be further specified.

<ESMA\_QUESTION\_TRART8\_4>



**Q5 For this KPI, do you agree with the proposed approach to defining OpEx (bullet a in the draft advice)?**

<ESMA\_QUESTION\_TRART8\_5>

We broadly agree with the suggested approach. We would like to add that as part of the supporting narrative to the KPI, it should be clearly reconcilable to the appropriate numbers in the financial statements, for the benefit of investors.

<ESMA\_QUESTION\_TRART8\_5>

**Q6 For this KPI, do you agree with the proposed approach to when OpEx can be counted, including the definition of ‘plan’ (bullet b in the draft advice)? With reference to the TEG’s inclusion of the words “if relevant” in relation to OpEx, in which situations should it be possible to count OpEx as Taxonomy-aligned?**

<ESMA\_QUESTION\_TRART8\_6>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_6>

**Q7 Do you believe that any of the suggested approaches covered in questions 1 to 6 above will impose additional costs on non-financial undertakings? If yes, please specify the type of those costs, including whether they are one-off or ongoing, and provide your best quantitative estimate of their size.**

<ESMA\_QUESTION\_TRART8\_7>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_7>

**Q8 Do you agree that sectoral specificities should not be addressed in the advice, as proposed in Section 3.2.3?**

<ESMA\_QUESTION\_TRART8\_8>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_8>

**Q9 Do you agree with the requirements for accompanying information which ESMA has proposed for the three KPIs?**

<ESMA\_QUESTION\_TRART8\_9>

We do believe in the benefits of having balanced disclosures providing both quantitative but also qualitative information. We support the inclusion of contextual and methodological information that can help the reader better assess the performance of the company and the actions taken to meet its objectives and align more of its economic activities with the taxonomy environmental objectives.

We are more cautious when it comes to require disclosure on “how the KPIs should be interpreted” because, although it could provide useful additional information, it could also increase significantly the overall length of the disclosure without always providing useful information for the end user of the information. Our analysis of the implementation of NFRD requirements revealed indeed an increased length of environmental disclosures (with on average 19 pages of environmental information, up to a total of 80 pages for one company) and the related challenges of usability, clarity and conciseness of the information.



We agree with the suggested approach to further specify requirements for the information which non-financial undertakings should publish alongside the three KPIs (points 102 and 103). We believe it should be done through binding legislation rather than guidelines, as our analysis of NFRD implementation suggested that the requirements included in 2019 non-binding guidelines suffer from a low uptake from companies.

On these accompanied disclosures, we would like to restate the need to pay a close attention to the consistency with the requirements of the NFRD and avoid duplicative requirements leading to lengthy disclosures.

<ESMA\_QUESTION\_TRART8\_9>

**Q10 Do you consider that the requirement to refer to the relevant line item(s) in the financial statements for each KPI ensures sufficient integration between the KPIs and the financial statements?**

<ESMA\_QUESTION\_TRART8\_10>

We do support such approach as the requirement should allow investors to reconcile between non-financial and financial reporting and ensure consistency between both, with a reflection in all relevant line items that makes up for the KPIs.

<ESMA\_QUESTION\_TRART8\_10>

**Q11 Do you agree with ESMA's suggestion to permit compliance by reference, so that non-financial undertakings may present the accompanying information elsewhere in the non-financial statement than in the immediate vicinity of the KPIs, as long as they provide a hyperlink to the location of the accompanying information?**

<ESMA\_QUESTION\_TRART8\_11>

We broadly agree with the approach. Based on our own experience of reviewing non-financial statements, signposting and cross-references help to support the reader build a coherent understanding of the company's overall position, performance and approach while leaving the relevant flexibility to the report preparer to integrate that information in various sections of the report or in another location, if allowed by legislative requirements.

<ESMA\_QUESTION\_TRART8\_11>

**Q12 Do you consider there are additional topics that should be considered by ESMA in order to specify the content of the three KPIs? If yes, please elaborate and explain the relevance of these topics.**

<ESMA\_QUESTION\_TRART8\_12>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_12>

**Q13 Do you believe that providing the suggested accompanying information will impose additional costs on non-financial undertakings? If yes, please specify the type of those costs, including whether they are one-off or on-going, and provide your best quantitative estimate of their size.**

<ESMA\_QUESTION\_TRART8\_13>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_13>



**Q14 Do you agree that non-financial undertakings should provide the three KPIs per economic activity and also provide a total of the three KPIs at the level of the undertaking / group? If not, please provide your reasons and address the impact of your proposal to financial market participants along the investment chain.**

<ESMA\_QUESTION\_TRART8\_14>

We agree that providing both the three KPIs per economic activity as well as a total of the three KPIs at the level of the undertaking should be helpful in assessing the taxonomy-alignment of various economic activities within a company.

<ESMA\_QUESTION\_TRART8\_14>

**Q15 Do you agree that where an economic activity contributes to more than one environmental objective, non-financial undertakings should explain how they allocated the turnover / CapEx / OpEx of that activity across environmental objectives and where relevant the reasons for choosing one objective over another?**

<ESMA\_QUESTION\_TRART8\_15>

We agree that further explanation should be provided to help the reader understand how the turnover/Capex/Opex was allocated to a specific environmental objectives.

It is likely that some activities might contribute at the same time to climate change adaptation and mitigation but also to one or more of the four other environmental objectives. Attention should therefore be kept to avoid double-counting between environmental objectives.

Providing the transparency on KPIs for each environmental objectives is highly important as investors may be seeking to focus on specific and thematic sustainability issues and therefore would be looking for transparency on each specific environmental objective.

<ESMA\_QUESTION\_TRART8\_15>

**Q16 Do you agree that non-financial undertakings should provide information on enabling and transitional activities?**

<ESMA\_QUESTION\_TRART8\_16>

We agree that providing information on enabling and transitional activities will help getting a clearer picture about the stage of the transition the economic activities of the company are about.

We would encourage policymakers to provide clearer definitions and additional guidance to companies on what enabling and transitional activities are. This would also aim to avoid lengthy disclosures with confusions between the three types of economic activities covered by the Taxonomy Regulation.

<ESMA\_QUESTION\_TRART8\_16>

**Q17 Do you agree that the three KPIs should be provided per environmental objective as well as a total at undertaking or group level across all objectives? If not, please provide your reasons and address the impact of your proposal to financial market participants along the investment chain.**

<ESMA\_QUESTION\_TRART8\_17>

We agree that providing both the three KPIs per economic activity as well as a total of the three KPIs at the level of the undertaking should be helpful in assessing the taxonomy-alignment of various economic activities within a company.

<ESMA\_QUESTION\_TRART8\_17>

**Q18 Do you agree that non-financial undertakings should be required to provide the three KPIs for economic activities which are covered by the Taxonomy, economic activities which are covered by the Taxonomy but for which the relevant criteria are not met and therefore are not Taxonomy-aligned as well as for economic activities which are not covered by the Taxonomy?**

<ESMA\_QUESTION\_TRART8\_18>

We broadly agree with the proposed approach. We would remain cautious on the risk of all these disclosure requirements to lead to unmeaningful disclosures. Further guidance should be given to companies on these specific disclosure requirements both in content and format to ensure the various disclosure requirements are properly connected (for example between the information required on transitional activities and the information required on activities covered by the Taxonomy but for which the relevant criteria are not met and therefore are not Taxonomy-aligned) and can meet the needs of the users.

<ESMA\_QUESTION\_TRART8\_18>

**Q19 Do you agree with the proposal not to require retroactive disclosure concerning the four environmental objectives relating to the financial year 2021?**

<ESMA\_QUESTION\_TRART8\_19>

We agree with the proposed approach. We believe the focus should rather be on forward looking disclosures in order to assess and inform on how the company plans to align its economic activities with the Taxonomy objectives.

<ESMA\_QUESTION\_TRART8\_19>

**Q20 Do you consider that there are specific elements in ESMA’s draft advice which are not in line with the information needed by financial market participants in order to comply with their own obligations under the Taxonomy Regulation and the SFDR? If yes, please specify in your answer.**

<ESMA\_QUESTION\_TRART8\_20>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_20>

**Q21 Are there points that should be addressed in ESMA’s advice in order to facilitate compliance of financial market participants across the investment chain? If yes, please specify.**

<ESMA\_QUESTION\_TRART8\_21>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_21>

**Q22 Do you believe that ESMA’s detailed proposals under Section 3.3 will impose additional costs on non-financial undertakings? If yes, please specify the type of those costs, to which specific proposal they relate including whether they are one-off or on-going, and provide your best quantitative estimate of their size.**

<ESMA\_QUESTION\_TRART8\_22>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_22>

**Q23** Do you consider there are additional topics that should be considered by ESMA in order to specify the methodology that non-financial undertakings should follow? If yes, please elaborate and explain the relevance of these topics.

<ESMA\_QUESTION\_TRART8\_23>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_23>

**Q24** Do you agree that in order to ensure the comparability of the information disclosed under Article 8(2) of the Taxonomy Regulation and as such facilitate its usage, ESMA should propose the use of a standardised table?

<ESMA\_QUESTION\_TRART8\_24>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_24>

**Q25** Do you consider that the standard table provided in Annex III of this Consultation Paper is fit for purpose? Do you think the standard table provides the right information, taking into account the burden on non-financial undertakings of compiling the data versus the benefit to users of receiving the data? If not, please explain and provide alternative suggestions to promote the standardisation of the disclosure obligations pursuant to Article 8 of the Taxonomy Regulation.

<ESMA\_QUESTION\_TRART8\_25>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_25>

**Q26** Do you agree that the disclosure in the three standard tables should comply with the formatting rules mentioned in Table 5?

<ESMA\_QUESTION\_TRART8\_26>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_26>

**Q27** Do you believe that ESMA's detailed proposals under Section 3.4 will impose additional costs on non-financial undertakings? If yes, please specify the type of those costs, to which specific proposal they relate including whether they are one-off or on-going, and provide your best quantitative estimate of their size.

<ESMA\_QUESTION\_TRART8\_27>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_27>

**Q28** Do you agree that a share of investments is an appropriate KPI for asset managers? If you do not, what other KPI could be appropriate, please justify.

<ESMA\_QUESTION\_TRART8\_28>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_28>

**Q29** This advice focuses on the collective portfolio management activities of asset managers. Should this advice also cover potentially any other activities that asset managers may have a license for, such as individual portfolio management, investment advice, safekeeping and administration or reception and transmission of orders ('RTO')?

<ESMA\_QUESTION\_TRART8\_29>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_29>

**Q30** Do you agree that for the numerator of the KPI the asset manager should consider a weighted average of the investments exposed to investee companies based on the share of turnover derived from Taxonomy-aligned activities of the investee companies? If not please propose and justify an alternative.

<ESMA\_QUESTION\_TRART8\_30>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_30>

**Q31** Do you agree that in addition to a main turnover-derived Taxonomy-alignment KPI, there is merit in requiring the disclosure of CapEx and OpEx-derived figures for Taxonomy-alignment of an asset managers' investments?

<ESMA\_QUESTION\_TRART8\_31>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_31>

**Q32** Do you think sovereign exposures, such as sovereign bonds (but excluding green bonds complying with the EU Green Bond Standard) should be considered eligible investments and if so under what methodology?

<ESMA\_QUESTION\_TRART8\_32>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_32>

**Q33** Do you agree that the denominator should consist of the value of eligible investments in the funds managed by the asset manager or should it be simply the value of all assets in the funds managed by the asset manager?

<ESMA\_QUESTION\_TRART8\_33>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_33>

**Q34** Do you support restricting the denominator to funds managed by the asset manager with sustainability characteristics or objectives (i.e. governed by Article 8 or 9 of Regulation (EU) 2019/2088)? What are the benefits and drawbacks of such an approach?

<ESMA\_QUESTION\_TRART8\_34>  
TYPE YOUR TEXT HERE



<ESMA\_QUESTION\_TRART8\_34>

**Q35** Is it appropriate to combine equity and fixed income investments in the KPI, bearing in mind that these funding tools are used for different purposes by investee companies? If not, what alternative would you propose?

<ESMA\_QUESTION\_TRART8\_35>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_35>

**Q36** Do you believe the proposed advice will impose additional costs on asset managers? Please specify the type of those costs, to which specific proposal they relate including whether they are one-off or on-going, and provide your best quantitative estimate of their size.

<ESMA\_QUESTION\_TRART8\_36>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_36>

**Q37** What are the benefits and drawbacks of limiting Taxonomy-aligned activities to those reported by Non-Financial Reporting Directive companies?

<ESMA\_QUESTION\_TRART8\_37>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_37>

**Q38** Do you agree with ESMA's recommendation that the Commission develop a methodology to allow a sector-coefficient to be assigned for non-reporting investee companies?

<ESMA\_QUESTION\_TRART8\_38>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_38>

**Q39** Should netting be allowed, on the lines of Article 3 of the Short-Selling Regulation?

<ESMA\_QUESTION\_TRART8\_39>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_39>

**Q40** How should derivatives be treated for the calculation purposes? Should futures be considered as potential Taxonomy-aligned investments?

<ESMA\_QUESTION\_TRART8\_40>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_TRART8\_40>

**Q41** What are the costs and benefits associated with the different options for non-reported activity coverage, netting and derivatives treatment presented above? Please provide a quantitative estimate for each option, distinguishing between one-off and on-going costs.

<ESMA\_QUESTION\_TRART8\_41>



TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_41>

**Q42 Do you have any views on the proposed advice recommending a standardised table for presentation of the KPI for asset managers in Annex IV?**

<ESMA\_QUESTION\_TRART8\_42>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_42>

**Q43 Do you agree with presenting accompanying information in the vicinity of the standard table?**

<ESMA\_QUESTION\_TRART8\_43>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_43>

**Q44 Do you agree that there would be merit in including in the accompanying information a link, if relevant, to an asset managers' entity-level disclosures on principal adverse impacts of investment decisions on sustainability factors?**

<ESMA\_QUESTION\_TRART8\_44>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_44>

**Q45 Do you agree with adopting the same formatting criteria as presented in Section 3.4.2 for the asset manager KPI disclosure?**

<ESMA\_QUESTION\_TRART8\_45>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_45>

**Q46 What are the one-off and on-going costs of setting up the reporting and disclosure under this obligation? Please clarify the type of costs incurred and provide a quantitative estimation where possible.**

<ESMA\_QUESTION\_TRART8\_46>  
TYPE YOUR TEXT HERE  
<ESMA\_QUESTION\_TRART8\_46>