



Public consultation on institutional investors and asset managers' duties regarding sustainability

Fields marked with * are mandatory.

Introduction

At the end of 2015, governments from around the world chose a more sustainable path for our planet and our economy by adopting the Paris agreement on climate change and the UN 2030 Agenda for Sustainable Development.

Sustainability has since long been at the heart of the European project. The EU is committed to development that meets the needs of the present without compromising the ability of future generations to meet their own needs ([Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Next steps for a sustainable European future European action for sustainability' {SWD\(2016\) 390 final}](#)).

The EU wants its financial system to be aligned with its sustainability objectives. The commitment to incorporating sustainability elements into EU financial services policies and cross cutting initiatives is ingrained in the Mid-Term Review of the Capital Markets Union Action Plan ([Mid-Term Review of the Capital Markets Union Action Plan - COM\(2017\) 292 final](#)).

To develop the overall vision of sustainable finance that this requires, the Commission decided last year to appoint a High-Level Expert Group (HLEG) on sustainable finance under the chairmanship of Christian Thimann. This group is supporting the Commission to develop an overarching and comprehensive EU strategy on sustainable finance.

On 13 July 2017, the HLEG published its interim report which provided a comprehensive vision on sustainable finance. It identified two imperatives for Europe's financial system. "The first is to strengthen financial stability and asset pricing, by improving the assessment and management of long term risks and intangible factors of value creation. The second is to improve the contribution of the financial sector to sustainable and inclusive growth by financing long-term needs and accelerating the shift to a sustainable economy".

In its interim report ([EU High-Level Expert Group on Sustainable Finance, 'Financing a sustainable European economy' Interim report, July 2017](#)), the HLEG proposed eight early recommendations for policy action on sustainable finance. The third recommendation focused on establishing a "fiduciary duty"

that encompasses sustainability. The HLEG suggested clarifying that the duties of institutional investors and asset managers explicitly integrate material environmental, social and governance (ESG) factors and long term sustainability.

Given the maturity and the interest of the HLEG recommendation, the Commission has decided to start work on an impact assessment to assess whether and how a clarification of the duties of institutional investors and asset managers in terms of sustainability could contribute to a more efficient allocation of capital, and to sustainable and inclusive growth.

The duties of care, loyalty and prudence are embedded in the EU's financial framework governing obligations that institutional investors and asset managers owe to their end-investors/scheme members. These duties are the foundation of investment process.

The implementation of these duties implies fulfillment of various obligations for asset managers and institutional investors that include, for instance, the duty to act in the best interest of beneficiaries /investors, with due care, skill and diligence in performing their activities, including the identification and management of conflict of interests. They are also required to act honestly, and ensure adequate and proportionate performance of their activities.

Although these duties are embedded in the EU financial legal framework, it appears unclear that they require institutional investors and asset managers to assess the materiality of sustainability risks (i.e risks relating to environmental, social and governance issues). Market practices indicate that institutional investors and asset managers generally understand these duties as requiring a focus on maximising short-term financial returns and disregard long-term effects on performance due to sustainability factors and risks. This can lead to misallocation of capital and might give rise to concerns about financial stability since markets can be vulnerable to abrupt corrections, such as those associated with the delayed transition to low carbon economies.

This consultation will help the Commission gather and analyse the necessary evidence to determine possible action to improve the assessment and integration of sustainability factors in the relevant investment entities' decision-making process.

Please note: In order to ensure a fair and transparent consultation process **only responses received through our online questionnaire will be taken into account** and included in the report summarising the responses. Should you have a problem completing this questionnaire or if you require particular assistance, please contact fisma-investors-duties-sustainability@ec.europa.eu.

More information:

- [on this consultation](#)
- [on the protection of personal data regime for this consultation](#)

Glossary

Relevant investment entities: entities managing assets entrusted to them

Sustainability factors: for the purpose of this consultation, sustainability factors refer to environmental, social and governance issues as defined by the United Nations Environment Programme (UNEP) ([UNEP Inquiry, Definitions and Concepts: Background Note, 2016](#)). The exact scope of sustainability factors to be addressed is also the object of this consultation.

Environmental issues relate to the quality and functioning of the natural environment and natural systems including biodiversity loss; greenhouse gas emissions, renewable energy, energy efficiency, natural resource depletion or pollution; waste management; ozone depletion; changes in land use; ocean acidification and changes to the nitrogen and phosphorus cycles

Social issues relate to rights, well-being and interests of people and communities including human rights, labour standards, health and safety, relations with local communities, activities in conflict zones, health and access to medicine, consumer protection; and controversial weapons.

Governance issues relate to the management of investee entities. Issues include board structure, size, diversity, skills and independence; executive pay; shareholder rights; stakeholder interaction; disclosure of information; business ethics; bribery and corruption; internal controls and risk management; and, in general, issues dealing with the relationship between a company's management, its board, its shareholders and its other stakeholders.

1. Information about you

* Are you replying as:

- a private individual
- an organisation or a company
- a public authority or an international organisation

* Name of your organisation:

BVI

Contact email address:

The information you provide here is for administrative purposes only and will not be published

julia.backmann@bvi.de

* Is your organisation included in the Transparency Register?

(If your organisation is not registered, [we invite you to register here](#), although it is not compulsory to be registered to reply to this consultation. [Why a transparency register?](#))

- Yes
- No

* If so, please indicate your Register ID number:

96816064173-47

* Type of organisation:

- Academic institution
- Company, SME, micro-enterprise, sole trader
- Institutional investor
- Consultancy, law firm
- Consumer association
- Industry association
- Media
- Non-governmental organisation
- Think tank
- Trade union
- Other

* Where are you based and/or where do you carry out your activity?

Germany

*Field of activity or sector (*if applicable*):

at least 1 choice(s)

- Accounting
- Auditing
- Banking
- Credit rating agencies
- Insurance
- Occupational pension provision
- Personal pension provision
- Collective Investment Management
- Individual portfolio management
- Financial advice
- Market infrastructure operation (e.g. CCPs, CSDs, Stock exchanges)
- Service provider (e.g. index provider, research providers)
- Other
- Not applicable

Type of funds managed (in the case of asset managers)

- UCITS
- AIFs

Total assets under management in EUR (as of 30.09.2017)

BVI's over 100 members manage assets of nearly 3 trillion euros for private investors, insurance companies, pension and retirement schemes, banks, churches and foundations.



Important notice on the publication of responses

* Contributions received are intended for publication on the Commission's website. Do you agree to your contribution being published?

([see specific privacy statement](#) )

- Yes, I agree to my response being published under the name I indicate (*name of your organisation /company/public authority or your name if your reply as an individual*)
- No, I do not want my response to be published

2. Your opinion

2.1 Questions addressed to all respondents:

I. General overview

1) Do you think relevant investment entities should consider sustainability factors in their investment decision-making?

- Yes
- No
- No opinion

Please explain the reasons:

Asset managers have to act in investors' best interests and according to the investment strategy agreed. Based on this, there are various rationales for asset managers to consider ESG factors in their investment decisions. First, investors define their specific desires regarding ESG factors. This can also be based on asset managers' advice on possible ESG strategies and related benefits. Secondly, ESG risks have to be taken into account as part of a proper risk management – a fact which is nowadays universally accepted. Third, asset managers integrate ESG strategies in investment processes with the aim to increase performance and to create value for investors (often referred to as RI).

2) What are the sustainability factors that the relevant investment entities should consider? (Please make a choice and indicate the importance of the different factors (1 is not important and 5 is very important). (Please refer to the definition in the Glossary).

	Yes	No	No opinion
Climate factors (these include climate mitigation factors as well as climate resilience factors)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other environmental factors	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social factors	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Governance factors	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Others	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Importance for climate factors:

- 1
- 2
- 3
- 4
- 5

Importance for other environmental factors:

- 1
- 2
- 3
- 4
- 5

Importance for social factors:

- 1
- 2
- 3
- 4
- 5

Importance for governance factors:

- 1
- 2
- 3
- 4
- 5

Please specify, which specific factors within the above categories you are considering, if any:

Whether asset managers take the factors into account depends on the specific circumstances, including the assessment whether the factors can be considered financially material and what the potential impact of the factors on the investment is. This varies depending on the asset classes, sectors, specific entity the asset manager invests for the investor. For instance, climate issues might be of less relevance to financial industry compared to the automotive industry. Furthermore, specific factors develop and change over time.

3) Based on which criteria should the relevant investment entities consider sustainability factors in their investment decision making?

Please explain:

First, the criteria depend on the strategy agreed with the client including the type of assets the asset manager is allowed to invest in.

Furthermore, any factor which is material, i.e. which can have a positive or negative impact on the performance should generally be relevant. The relevance of risks/opportunities depends, however, on the following:

- Proportionality & Propability – the smaller the likelihood and/or significance of the impact, the less relevant a factor is.
- Specific asset class, sector and entity.
- Potential to assess materiality - The less information on ESG aspects is available, the more difficult it is to take these aspects into account. In particular, reliability and credibility of the data available is often uncertain and lacks sufficient comparability. Furthermore, forward looking data and indicators are crucial for ESG-considerations and presently only available to a limited extent. Moreover, for some ESG factors, common, measurable and comparable data is not yet sufficiently available. In addition, the connectivity between financial and non-financial information could be improved.

4) Which of the following entities should consider sustainability factors in their investment decision-making? (Possibility to select several answers). If so, please indicate the level of impact that this would have (1 is the smallest impact and 5 is the highest impact).

	Yes	No	No opinion
Occupational pension providers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Personal pension providers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Life insurance providers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Non-life insurance providers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collective investment funds (UCITS, AIF, EuVECA, EuSEF, ELTIF)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Individual portfolio managers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please explain:

The decision on ESG considerations should remain with the end investor. Any specification of investors' duty in EU legislation should not jeopardise the flexibility to allow for different beliefs and regulatory requirements for specific entities.

Level of impact for occupational pension providers:

- 1
- 2
- 3
- 4
- 5

Level of impact for personal pension providers:

- 1
- 2
- 3
- 4
- 5

Level of impact for life insurance providers:

- 1
- 2
- 3
- 4
- 5

Level of impact non-life insurance providers:

- 1
- 2
- 3
- 4
- 5

Level of impact for collective investment funds (UCITS, AIF, EuVECA, EuSEF, ELTIF):

- 1
- 2
- 3
- 4
- 5

Level of impact for individual portfolio managers:

- 1
- 2
- 3
- 4
- 5

II. Problem

5) To your knowledge, what share of investment entities active in the EEA (European Economic Area) currently consider sustainability factors in their investment decisions?

	All or almost all	More than two thirds	More than half	More than a third	None or almost none	No opinion
Occupational pension providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Personal pension providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Life insurance providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Non-life insurance providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Collective investment funds (UCITS, AIF, EuVECA, EuSEF, ELTIF)	<input checked="" type="radio"/>	<input type="radio"/>				
Individual portfolio managers	<input checked="" type="radio"/>	<input type="radio"/>				

6) To your knowledge, which is the level of integration of sustainability factors by the different investment entities (active in the EEA)?

	High integration	Medium integration	Low integration	No integration	No opinion
Occupational pension providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Personal pension providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Life insurance providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Non-life insurance providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Collective investment funds (UCITS, AIF, EuVECA, EuSEF, ELTIF)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Individual portfolio managers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

7) Which constraints prevent relevant investment entities from integrating sustainability factors or facilitate their disregard. Please provide the importance of the different constraints that you consider relevant (1 is not important and 5 is very important).

	1	2	3	4	5	No opinion
Lack of expertise and experience	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of data/research	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Lack of impact on asset performance	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inadequate methodologies for the calculation of sustainability risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Inadequate sustainable impact metrics	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Excessive costs for the scale of your company	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
No interest from financial intermediaries	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
No interest from beneficiaries/clients	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
European regulatory barriers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
National regulatory barriers	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of fiscal incentives	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of eligible entities	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Please specify others:

For both private investors and professional investors incentives could facilitate sustainable investments.

Please provide more details on what the constraints/reasons are and how they limit the integration of sustainability factors:

Data on the level of systematic integration of ESG criteria on asset manager level is rare. The same seems to be the case regarding data on the level of integration of institutional investors. This should not be confused with figures on responsible products which are generally available. Moreover, figures are primarily based on market participants' surveys and different understandings of RI. Combinations of different ESG

strategies and approaches make it even more difficult to properly assess the RI market. Therefore, in order to understand and provide for the right policy options, data on the level of integration of sustainability factors for both asset managers and institutional investors should be collected thoroughly.

Besides this, comparable and/or forward looking indicators, methods and tools for ESG-factors are still not yet fully developed.

8) How challenging is it for relevant investment entities to integrate the different sustainability factors? (1 is not challenging and 5 is very challenging) - Please refer to the definition in the Glossary).

	1	2	3	4	5	No opinion
Climate factors (<i>these include climate mitigation factors as well as climate resilience factors</i>)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other Environment factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Governance factors	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Please explain:

Again, this very much depends on the type of investment and the available data. For instance, in case of investments in real property, asset manager assess all factors where data is available including environmental, governance and social factors which might have an impact on the development of the property (e.g. development of the population). Climate related data or data on other environmental factors has improved of the last few years. Compared to this, data on social factors often has less quality.

III. Policy options

9) In which area should relevant investment entities consider sustainability factors within their investment decision-making? Please make a choice and indicate the relevance of the different areas (1 is minor relevance and 5 is very high relevance).

	Yes	No	No opinion
Governance	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Investment strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asset allocation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk management	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Others	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Relevance for investment strategy:

- 1
- 2
- 3
- 4
- 5

Relevance for asset allocation:

- 1
- 2
- 3
- 4
- 5

Relevance for risk management:

- 1
- 2
- 3
- 4
- 5

10) Within the area of governance, which arrangements would be most appropriate to enable the integration of sustainability factors? (1 is the not appropriate and 5 is the very appropriate).

	1	2	3	4	5	No opinion
Specific sustainability investment Committee	<input type="radio"/>	<input type="radio"/>				
Specific sustainability member of the Board	<input type="radio"/>	<input type="radio"/>				
Sustainability performance as part of remuneration criteria	<input type="radio"/>	<input type="radio"/>				
Integration of sustainability factors in the investment decision process	<input type="radio"/>	<input type="radio"/>				
Integration of sustainability checks in the control process	<input type="radio"/>	<input type="radio"/>				
Periodic reporting to senior management/board	<input type="radio"/>	<input type="radio"/>				
Others	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>

Please specify others:

A top down approach will facilitate integration of sustainable factors. Any policy approach should however be principle based in order to not interfere with different types of structures of the entities involved. Nevertheless, we doubt that the distinction between governance arrangements and investment/strategy and /or asset allocation are suitable to provide the desired outcome for all different company structures. In particular Integration rather seems a matter of risk management / investment strategy /asset allocation than a governance factor.

11) Should insurance and pension providers consult their beneficiaries on an annual/periodic basis on their preference as regards sustainability factors?

- Yes
- No
- No opinion

12) Within the portfolio's asset allocation, should relevant investment entities consider sustainability factors even if the consideration of these factors would lead to lower returns to beneficiaries/clients in the medium/short term?

- Yes
- No
- No opinion

Please explain:

Policy makers should refrain from specific requirements in this regard. There is no one size fits all approach to such problem. If the asset manager agrees with the investor to consider sustainability factors even if it would lead to a lower return, he may do so since this is possibly in investors' best interest. In addition, the time horizon may have a different impact. How should the asset manager deal with such situation, if the investor only has a medium/short term investment horizon? The existing rules allow investors to demand taking factors into account which lead to lower returns. Investors should be specific with respect to their demands.

13) Within the area of risk management, does the current set of corporate disclosures provide the relevant investment entities with adequate information to perform sustainability risk assessments in respect of investee companies?

- Yes
- No
- No opinion

Please explain where the possible gaps are, if any:

Generally, data quality and availability has improved over the last years. Furthermore, the directive on non-financial disclosure has just been implemented and its effect is not yet fully clear. Nevertheless, the quality of data very much depends on the specific aspect. So far, ESG data is not available for each eligible investment. For instance, data on climate related issues is increasingly available whereas data on social aspects is less developed. In particular reliable data on long-term developments is difficult to obtain.

14) Do the overall information or risk metrics available enable the relevant investment entities to adequately perform sustainability risk assessments?

- Yes
- No
- No opinion

Please explain where the possible gaps are, if any:

No. Again, availability and comparability of data needs improvement. The taxonomy suggested by the HLEG may facilitate the development of comparable metrics with specific sectors. To enable investors make effective investment decisions based on ESG data, the information needs to be material, forward-looking and reported in a standardised format.

Nevertheless, for the data available, asset manager take these into account on a quantitative and qualitative basis prior to the investment based on a due diligence and on an ongoing basis as part of the risk management process where all information is taken into account.

15) Do you think that uniform criteria to perform sustainability risk assessments should be developed at EU level?

- Yes
- No
- No opinion

Please explain:

No. We do not think that a uniform approach will facilitate a sustainable finance strategy. Mandatory requirements will shift the question of ESG integration from a developing approach to a mere question of compliance which would likely have an effect of retrogression. In addition, risk assessments should leave enough flexibility to find approaches tailored to the specific situation. A principle based approach allows taking into account specifics and hinders a mere tick the box exercise.

16) In case material exposure to sustainability factors is identified, what are the most appropriate actions to be performed by the relevant investment entity?

Again, there is no one size fits all approach. Asset managers and investors should have a clear understanding when and how they will react and/or escalate (this includes engagement activities). It is in particular important to recognise that divestments are not the only and often not the best way to deal with such situations. Furthermore, index-tracking products may not divest.

17) Should relevant investment entities disclose how they consider sustainability factors within their investment decision-making?

- Yes
- No
- No opinion

Please explain:

We have enshrined this in our Code of Conduct (see Part V, No. 9, https://www.bvi.de/fileadmin/user_upload/Regulierung/BVI_Wohlverhaltensregeln_en.pdf).

If yes, what areas should the disclosure cover? Please make a choice and indicate the relevance of disclosure within the different areas (1 is minor relevance and 5 is high relevance):

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	Yes	No	No opinion
Governance	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Investment strategy	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asset allocation	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk management	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Other	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Relevance for investment strategy:

- 1
- 2
- 3
- 4
- 5

Relevance for asset allocation:

- 1
- 2
- 3
- 4
- 5

If yes, where?

	Yes	No	No opinion
Pre-contractual disclosure (e.g. prospectuses)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Semi-annual/annual reports	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Periodic reports	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Website	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Newsletters	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Factsheets	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Marketing materials	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Others	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please specify others:

We think that – within the legal boundaries – the decision on the media of the disclosure should remain with the asset manager. He should be in the best position to decide where and how to inform the investor.

IV. Impacts for stakeholders

18) Which stakeholder groups would incur costs and which would benefit from integrating sustainability factors within investment decision-making by relevant investment entities?

	Benefits	Costs
Occupational pension providers	<input type="checkbox"/>	<input type="checkbox"/>
Personal pension providers	<input type="checkbox"/>	<input type="checkbox"/>
Life insurance providers	<input type="checkbox"/>	<input type="checkbox"/>
Non-life insurance providers	<input type="checkbox"/>	<input type="checkbox"/>
Collective investment funds (UCITS, AIF, EuVECA, EuSEF, ELTIF)	<input type="checkbox"/>	<input type="checkbox"/>
Individual portfolio managers	<input type="checkbox"/>	<input type="checkbox"/>
General public	<input type="checkbox"/>	<input type="checkbox"/>
Retail investors	<input type="checkbox"/>	<input type="checkbox"/>
Financial advisors	<input type="checkbox"/>	<input type="checkbox"/>
Service providers (index provider, research providers...)	<input type="checkbox"/>	<input type="checkbox"/>
Other stakeholders (please specify)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Please explain:

It is difficult to give a sweeping statement in this regard. This very much depends on the specific entity. Benefits might outweigh the cost but not in all cases.

2.2 Questions addressed to end-investors

1) Do you take into account sustainability factors when you choose your investment products or investment entity?

- Yes
- No

2.3 Question specifically addressed to relevant investment entities

1) As a relevant investment entity do you consider sustainability factors?

- Yes
- No

2) What would be the level of costs associated with the integration of sustainability factors in investment decision making in the different areas? Please tick the relevant box. (Costs as % of the AUM).

	< 0.5% of the AUM	0.51% to 1% of the AUM	1.01% to 3% of the AUM	3.01% to 5% of the AUM	> 5% of the AUM	No opinion
Governance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Investment policy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Valuation	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risk management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Disclosure	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Overall cost	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3) Please explain whether integration of sustainability factors in any of the above mentioned areas would lead to particularly significant (or potentially disproportionate) impacts in terms of costs or benefits incurred by stakeholders.

4) Do you engage with your clients/beneficiaries as regards their sustainability preference?

- Yes
- No

5) What could be the benefits associated with the integration of sustainability factors? Please, specify and quantify where possible and relevant.

3. Additional information

Should you wish to provide additional information (e.g. a position paper, report) or raise specific points not covered by the questionnaire, you can upload your additional document(s) here:

Useful links

[More on the Transparency register \(http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en\)](http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en)

[Consultation details \(https://ec.europa.eu/info/consultations/finance-2017-investors-duties-sustainability_en\)](https://ec.europa.eu/info/consultations/finance-2017-investors-duties-sustainability_en)

[Specific privacy statement \(https://ec.europa.eu/info/files/specific-privacy-statement-institutional-investors-and-asset-managers-duties-regarding-sustainability_en\)](https://ec.europa.eu/info/files/specific-privacy-statement-institutional-investors-and-asset-managers-duties-regarding-sustainability_en)

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