

The Sustainable Finance Disclosure Regulation: Enhancing Clarity on Sustainable Investment Products

MANDATORY AND OPTIONAL ENVIRONMENTAL & SOCIAL INDICATORS

APPENDIX



Table 3. Overview of the mandatory adverse impact indicators

| | Environmental Indicators | Availability (Natixis' opinion) | Relevancy (Natixis' opinion) |
|--------------------------|--|---------------------------------|------------------------------|
| Greenhouse gas emissions | 1. Carbon emissions (broken down by scope 1, 2 and 3 carbon emissions – including agriculture, forestry and other land use (AFOLU) emissions – and in total) | Partially available | Relevant |
| | 2. Carbon footprint | Partially available | Partially relevant |
| | 3. Weighted average carbon intensity | Partially available | Relevant |
| | 4. Solid fossil fuel sector exposure | Available | Relevant |
| Energy performance | 5. Total energy consumption from non-renewable sources and share of non-renewable energy consumption | Not available | Partially relevant |
| | 6. Breakdown of energy consumption by type of non-renewable sources of energy | Not available | Not relevant |
| | 7. Energy consumption intensity | Partially available | Partially relevant |
| | 8. Energy consumption intensity per sector | Partially available | Not relevant |
| Biodiversity | 9. Biodiversity and ecosystem preservation practices | Partially available | Partially relevant |
| | 10. Natural species and protected areas | Very limited | Partially relevant |
| | 11. Deforestation | Partially available | Partially relevant |
| Water | 12. Water emissions | Not available | Not relevant |
| | 13. Exposure to areas of high-water stress | Very limited | Partially relevant |
| | 14. Untreated discharged wastewater | Not available | Partially relevant |
| Waste | 15. Hazardous waste ratio | Not available | Partially relevant |
| | 16. Non-recycled waste ratio | Not available | Partially relevant |

| | Social Indicators | Availability (Natixis' opinion) | Relevancy (Natixis' opinion) |
|----------------------------------|---|---------------------------------|------------------------------|
| Social and employee matters | 17. Implementation of fundamental ILO Conventions | Partially available | Relevant |
| | 18. Gender pay gap | Very limited | Partially relevant |
| | 19. Excessive CEO pay ratio | Partially available | Partially relevant |
| | 20. Board gender diversity | Partially available | Partially relevant |
| | 21. Insufficient whistleblower protection | Partially available | Partially relevant |
| | 22. Investment in investee companies without workplace accident prevention policies | Partially available | Partially relevant |
| Human rights | 23. Human rights policy | Partially available | Relevant |
| | 24. Due diligence | Partially available | Not relevant |
| | 25. Processes and measures for preventing trafficking in human beings | Partially available | Partially relevant |
| | 26. Operations and suppliers at significant risk of incidents of child labour | Partially available | Partially relevant |
| | 27. Operations and suppliers at significant risk of incidents of forced or compulsory labour | Partially available | Partially relevant |
| | 28. Number and nature of identified cases of severe human rights issues and incidents | Partially available | Partially relevant |
| | 29. Exposure to controversial weapons (land mines and cluster bombs) | Partially available | Relevant |
| Anti-corruption and anti-bribery | 30. Anti-corruption and anti-bribery policies | Available | Partially available |
| | 31. Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery | Partially available | Partially relevant |
| | 32. Number of convictions and number of fines for violation of anti-corruption and anti-bribery laws | Partially available | Partially relevant |

Table 4. Overview of the optional adverse impact indicators

| | Environmental Indicators | Availability (Natixis' opinion) | Relevancy (Natixis' opinion) |
|---------------------------|---|---------------------------------|------------------------------|
| Emissions | 1. Emissions of inorganic pollutants | Very limited | Partially relevant |
| | 2. Emissions of air pollutants | Very limited | Partially relevant |
| | 3. Emissions of ozone depletion substances | Partially available | Partially relevant |
| | 4. Investing in companies without carbon emission reduction initiatives | Partially available | Relevant |
| Water, waste and material | 5. Water usage: Total amount of water consumed and reclaimed, broken down per sector where relevant | Very limited | Relevant |
| | 6. Water recycled and reused | Very limited | Relevant |
| | 7. Investing in companies without water management initiatives | Partially available | Partially relevant |
| | 8. Land degradation, desertification, soil sealing | Not available | Partially relevant |
| | 9. Investing in companies without sustainable land/forestry/agriculture practices policies | Partially available | Partially relevant |
| | 10. Investing in companies without sustainable oceans/seas practices policies | Partially available | Partially relevant |
| Green securities | 11. Share of securities not certified as green | Available | Not relevant |

| | Social Indicators | Availability (Natixis' opinion) | Relevancy (Natixis' opinion) |
|-----------------------------|---|---------------------------------|------------------------------|
| Social and employee matters | 12. Number/rate of accidents, injuries, fatalities, frequency | Not available | Partially relevant |
| | 13. Number of days lost for injuries, accidents, fatalities, illness | Not available | Partially relevant |
| | 14. Supplier code of conduct | Very limited | Relevant |
| | 15. Grievance/complaints handling mechanism | Partially available | Relevant |
| | 16. Incidents of discrimination | Partially available | Relevant |
| | 17. Lack of separation of CEO and Chair functions on the boards of investee companies | Available | Partially relevant |
| Social securities | 18. Share of securities not certified as social | Available | Not relevant |

SOURCES

- ESMA (2021), Final Report on draft Regulatory Technical Standards, available [here](#)
- ESMA (2020), The postponement of RTS: EC letter to the ESAs, available [here](#)
- Responsible Investor (2021), An overview of the new reporting indicators, available [here](#)