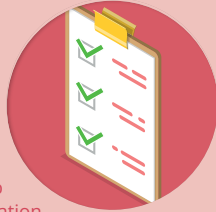


DISCLOSURES

The Sustainable Finance Disclosure Regulation (SFDR) is the most specific framework for the financial sector;

The disclosure framework aims to provide stakeholders with information about the impact of a company's activities on climate, environment and society as well as the risks faced by the company due to its sustainability exposures.



NFU recommendations:



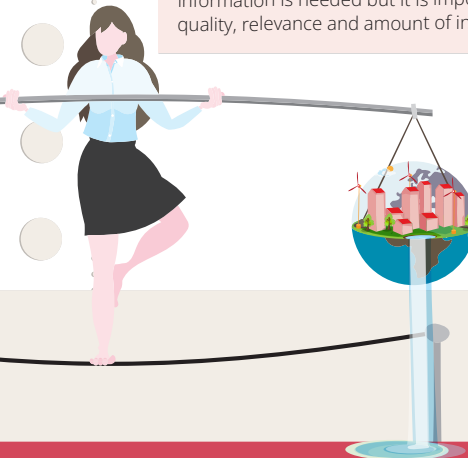
Align the social indicators under SFDR and the social taxonomy objectives.



Governance considerations should be included as a stand-alone category in the SFDR.

Examples of activities carried out by financial trade unions in the Nordics can be found at <https://bit.ly/nfu-annex-2022>.

More on NFU's views is available at <https://bit.ly/nfu-positionpaper-2022>.



Further SFDR developments need to consider:

- **Massive competence development needs** on sustainability issues, not only for finance sector employees but throughout the financial system, particularly **on social and governance** considerations.
- **Relevant sustainability-related data**. The evolution of ESG data has been slow and uneven, and this needs **to be balanced with the reporting needs**.
- Implementation of SFDR relates to the use of templates while meeting consumers. These **provide transparency around financial products**. The testing phase of templates needs to be strengthened.
- It is **challenging to understand the difference** between "sustainability" in SFDR and in the Taxonomy Regulation. **Further guidance would be useful**.

In the context of SFDR, the number of new requirements has been substantial. More environmental, social and governance related information is needed but it is important to ensure a balance between quality, relevance and amount of information disclosed.



Nordic
Financial
Unions