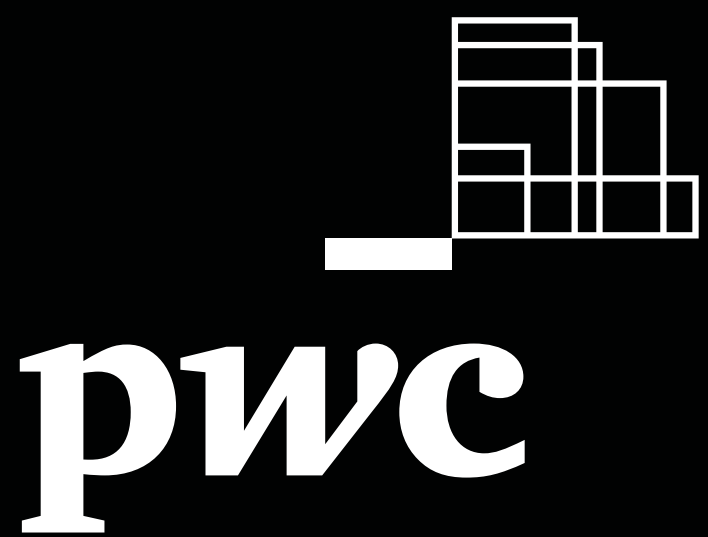
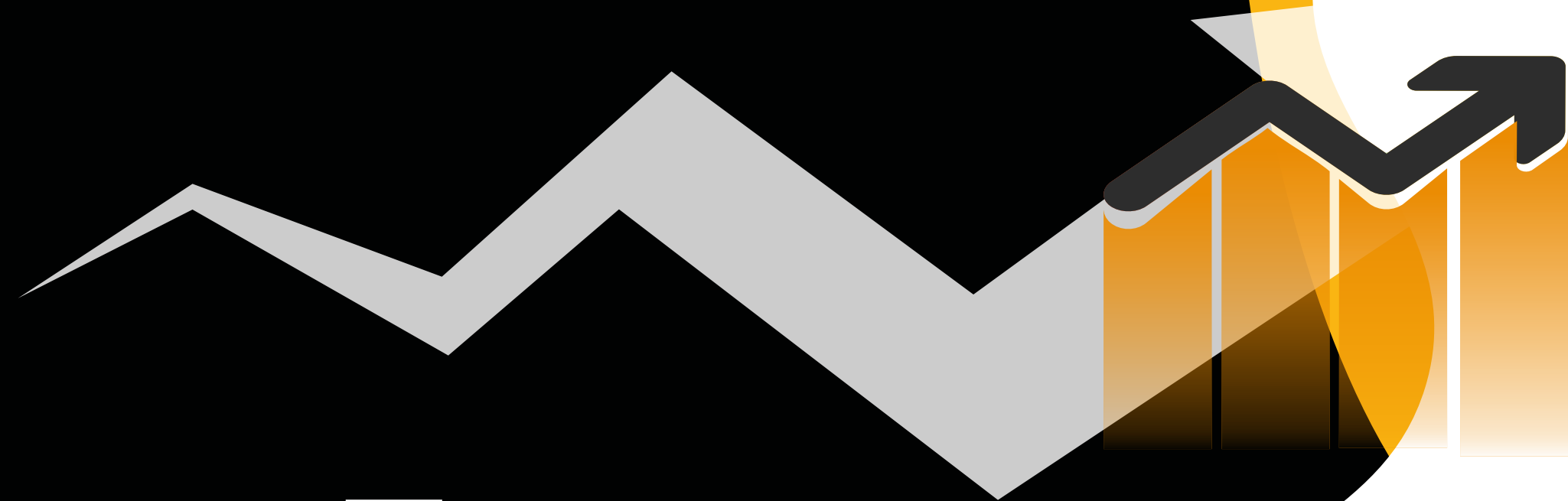


# The SFDR Barometer for Management Companies





Our first SFDR Barometer for Management Companies aims at providing insights on current market practices and ESG-related commitments for Management Companies in Luxembourg.

It focuses on four areas:

- The size and the dynamics of the market;
- ESG product strategy including commitment to Taxonomy and Sustainable Investments;
- ESG data sources;
- Preparation of ESG reporting and audit.



## Our Sample

### Participants by type of licence

All participants 51

AIFMs

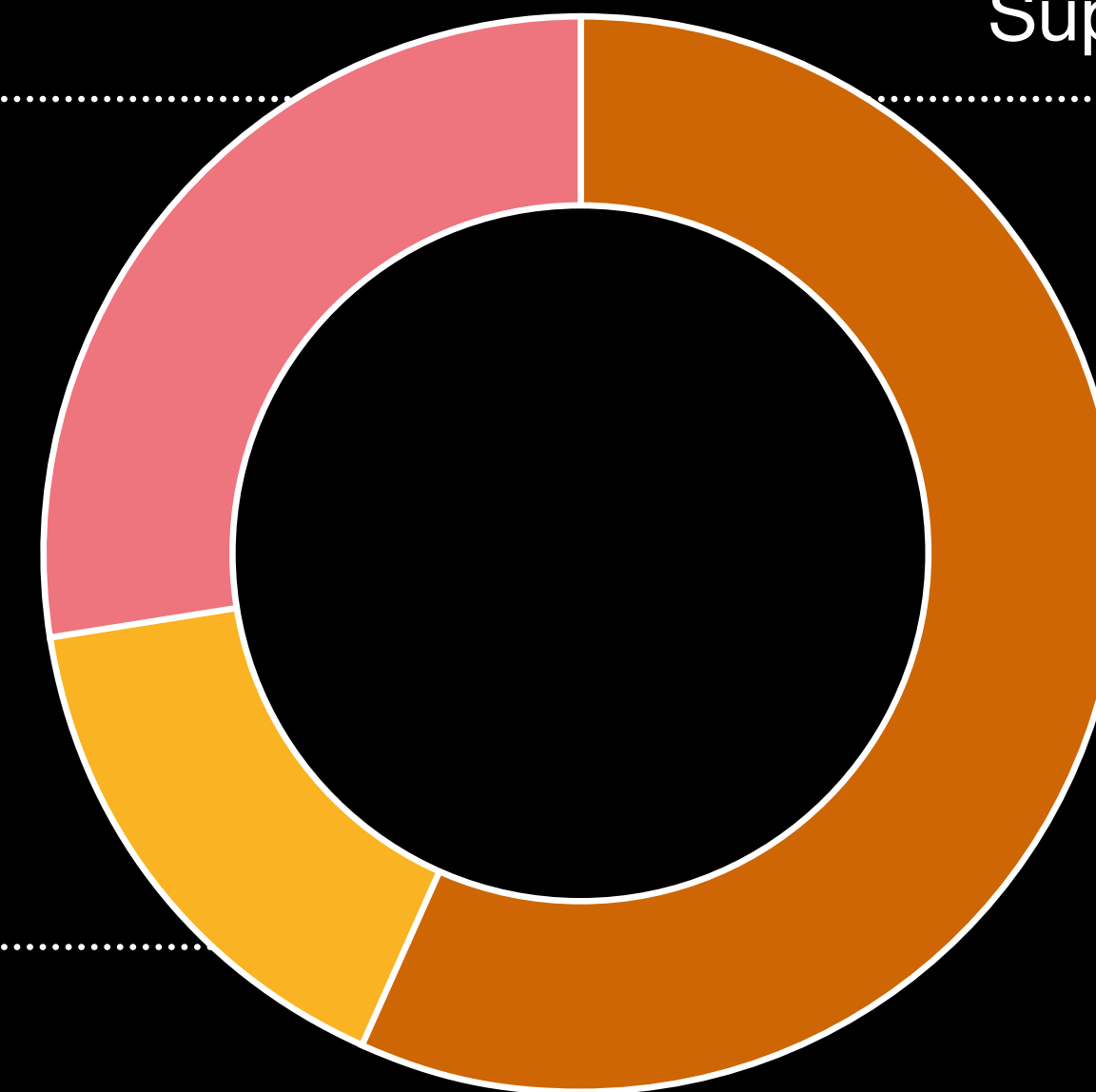
14

Super ManCos

29

UCITS ManCos

8

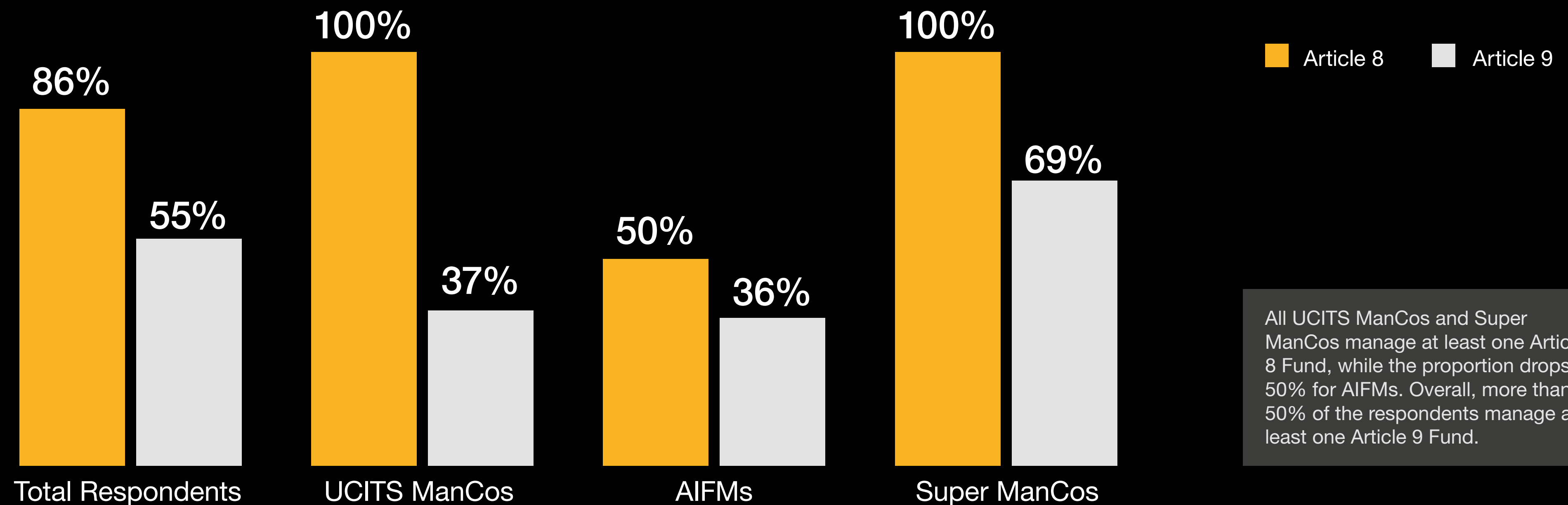


Representing 15 different nationalities.



# Proportion of ManCos managing at least one Article 8 / Article 9 Fund

SFDR Classification Breakdown by the Type of Licence



All UCITS ManCos and Super ManCos manage at least one Article 8 Fund, while the proportion drops to 50% for AIFMs. Overall, more than 50% of the respondents manage at least one Article 9 Fund.

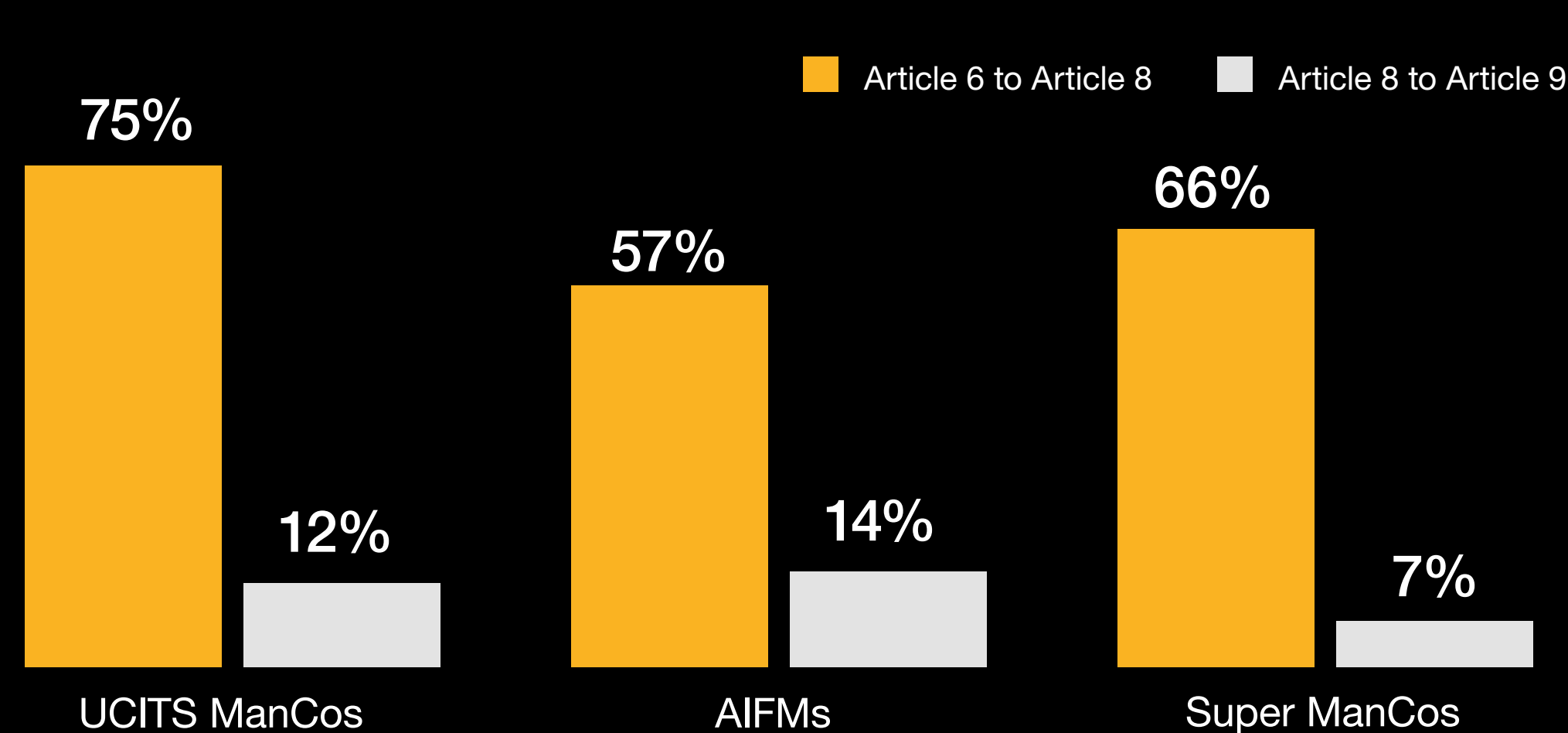


# Expected changes of SFDR classification

1/2

Proportion of ManCos planning to upgrade at least one Fund

Proportion of ManCos planning to downgrade at least one Fund



The vast majority of ManCos are planning to upgrade Funds from Article 6 to Article 8 while a limited number of them are considering similar upgrades from Article 8 to Article 9 Funds.

A third of the UCITS ManCos are planning to downgrade at least one of their Article 9 Funds to Article 8, while none of the AIFMs have currently planned to do so.



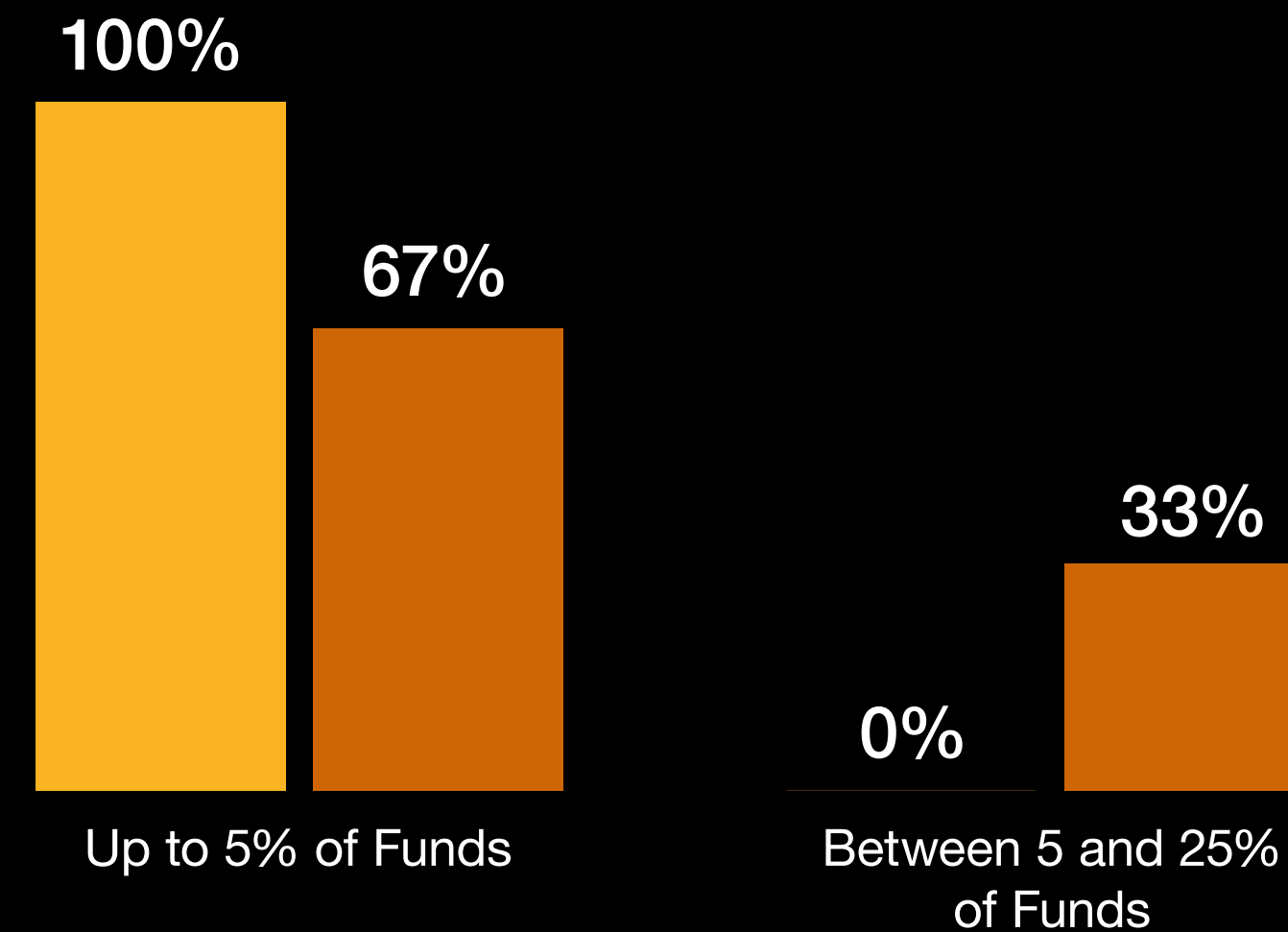
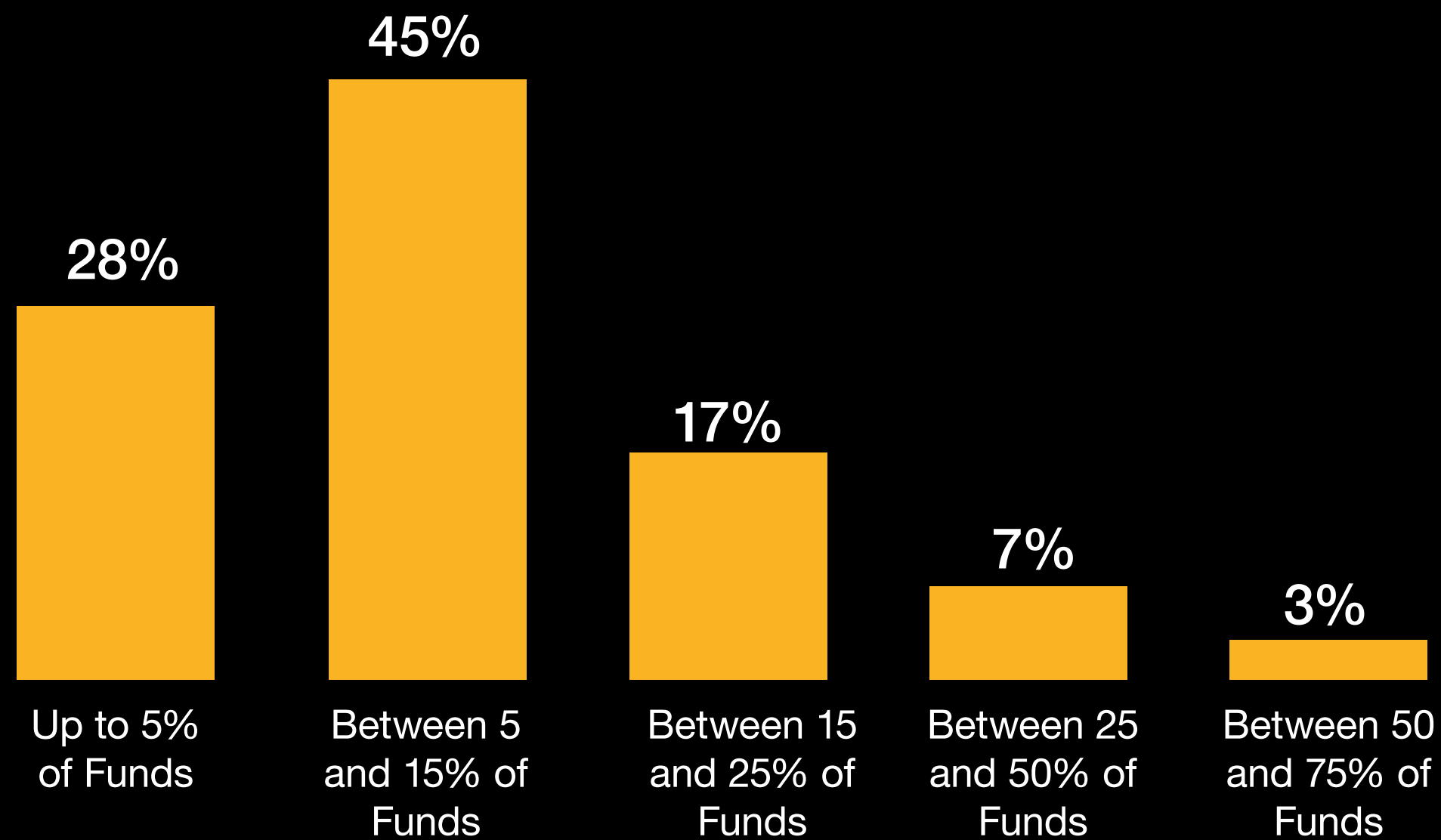
# Expected changes of SFDR classification

2/2

Planned upgrades from Article 6 to Article 8 Funds in the next 12 months (in % of ManCos)

Planned downgrades from Article 9 to Article 8 in the next 12 months

■ UCITS ManCos ■ Super ManCos



45% of ManCos have plans to upgrade between 5% and 15% of their Article 6 Funds to an Article 8 in the upcoming 12 months.

None of the UCITS ManCos plan to downgrade more than 5% of their Funds from Article 9 to Article 8.



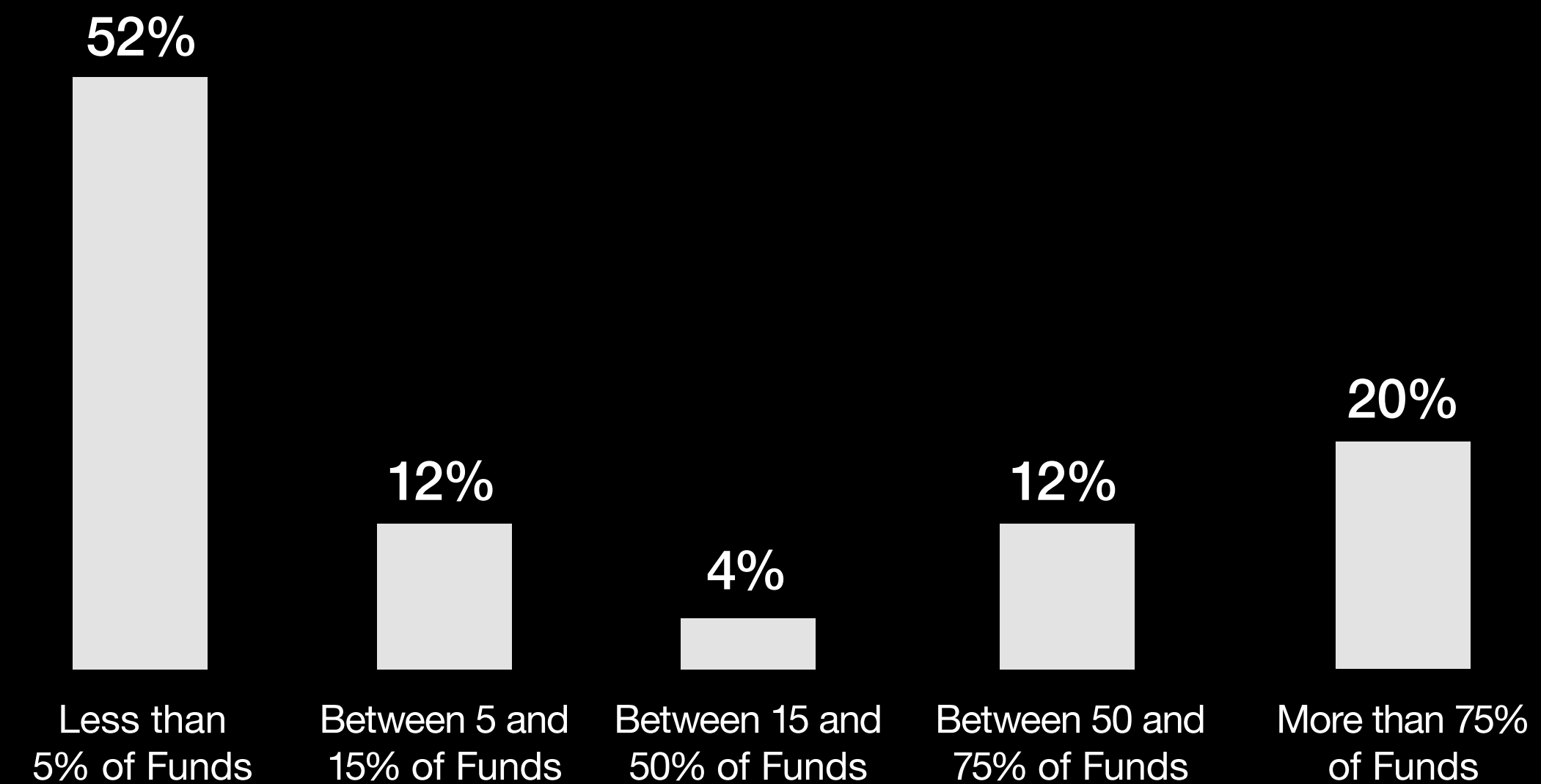
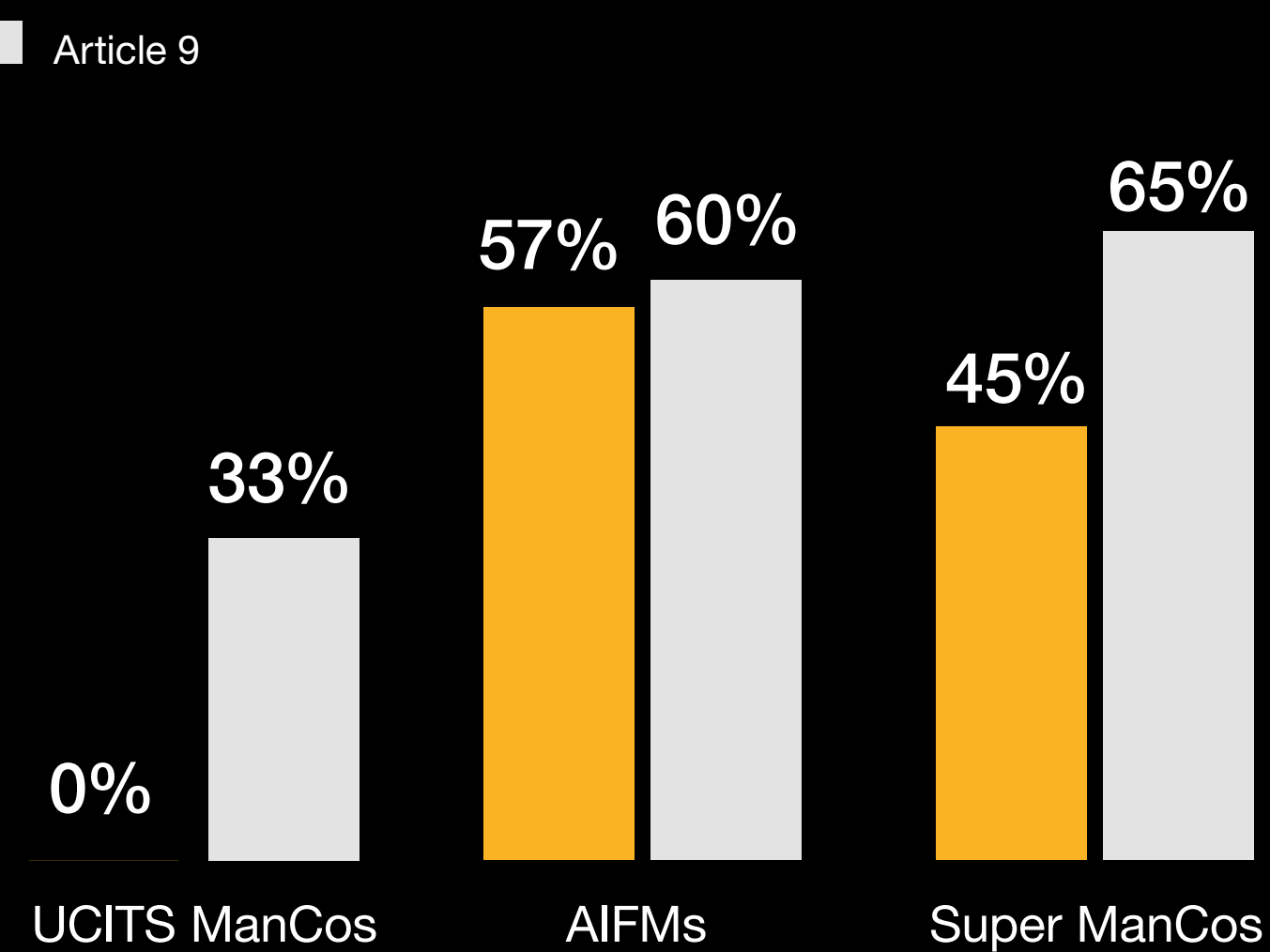
# Taxonomy Commitment

1/2

Proportion of ManCos managing at least one Fund with Taxonomy Commitment

Taxonomy Commitment for Article 9 Funds (in % of ManCos)

■ Article 8 ■ Article 9



AIFMs and Super ManCos tend to have more frequently commitments to Taxonomy alignment than UCITS ManCos. As expected commitments are more frequently seen in Article 9 Funds.

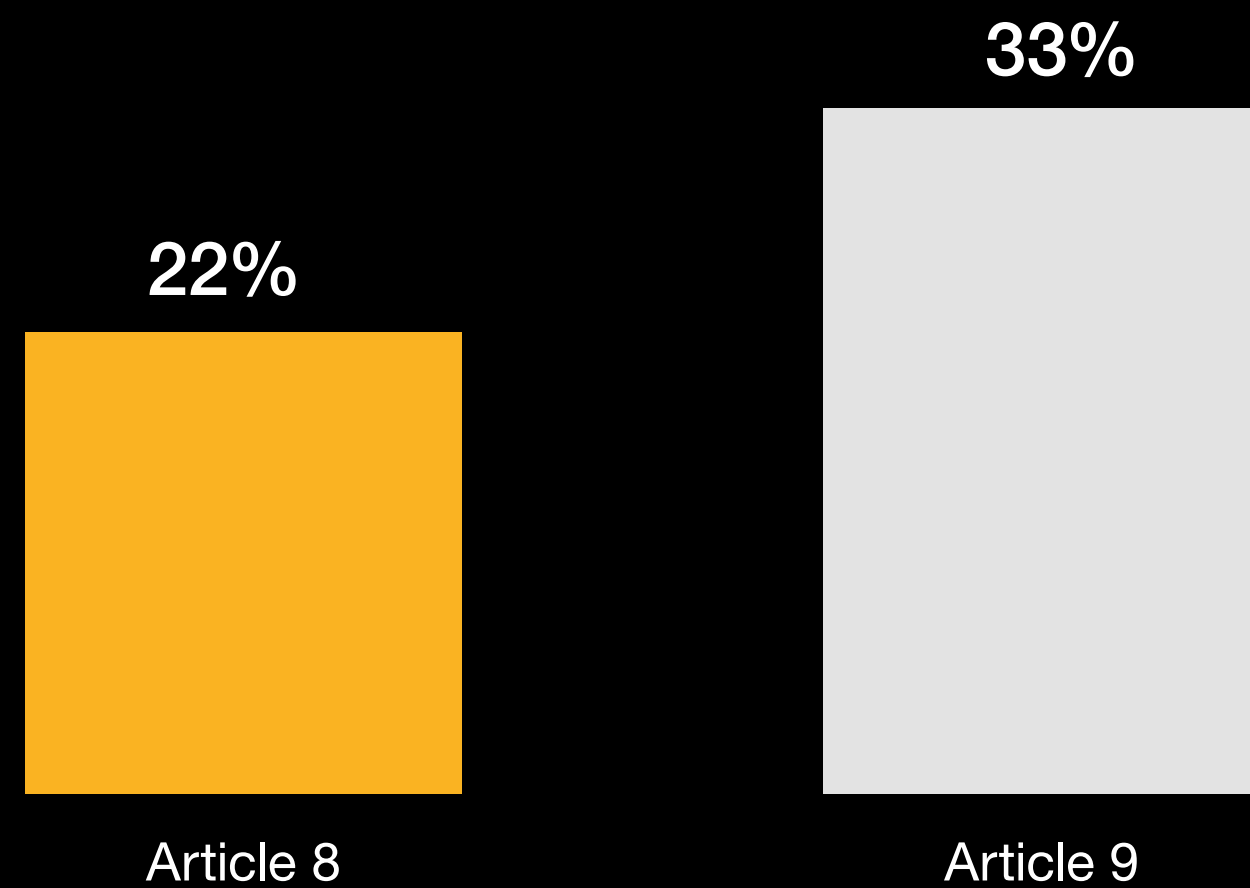
More than 50% of respondents with Article 9 Funds have an average Commitment of less than 5% to Taxonomy.



# Taxonomy Commitment

2/2

Proportion of ManCos with no Taxonomy Commitment, planning to make Taxonomy Commitment in the next 12 months



33% of ManCos who do not yet have any Funds with a Taxonomy Commitment plan to make at least one Taxonomy commitment for their Article 9 Funds. 22% of respondents consider this change for their Article 8 Funds.

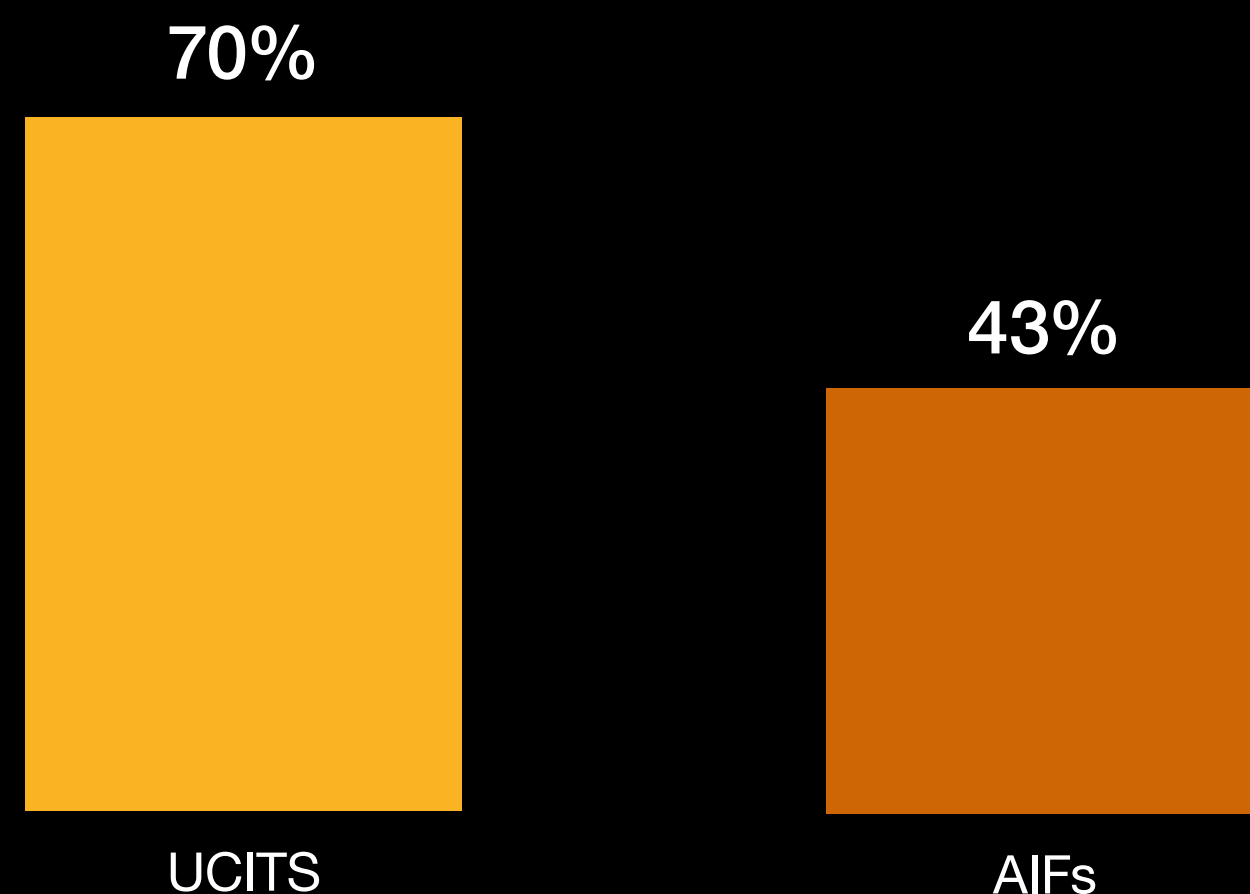




# Sustainable Investments - Commitment, methodology and objectives

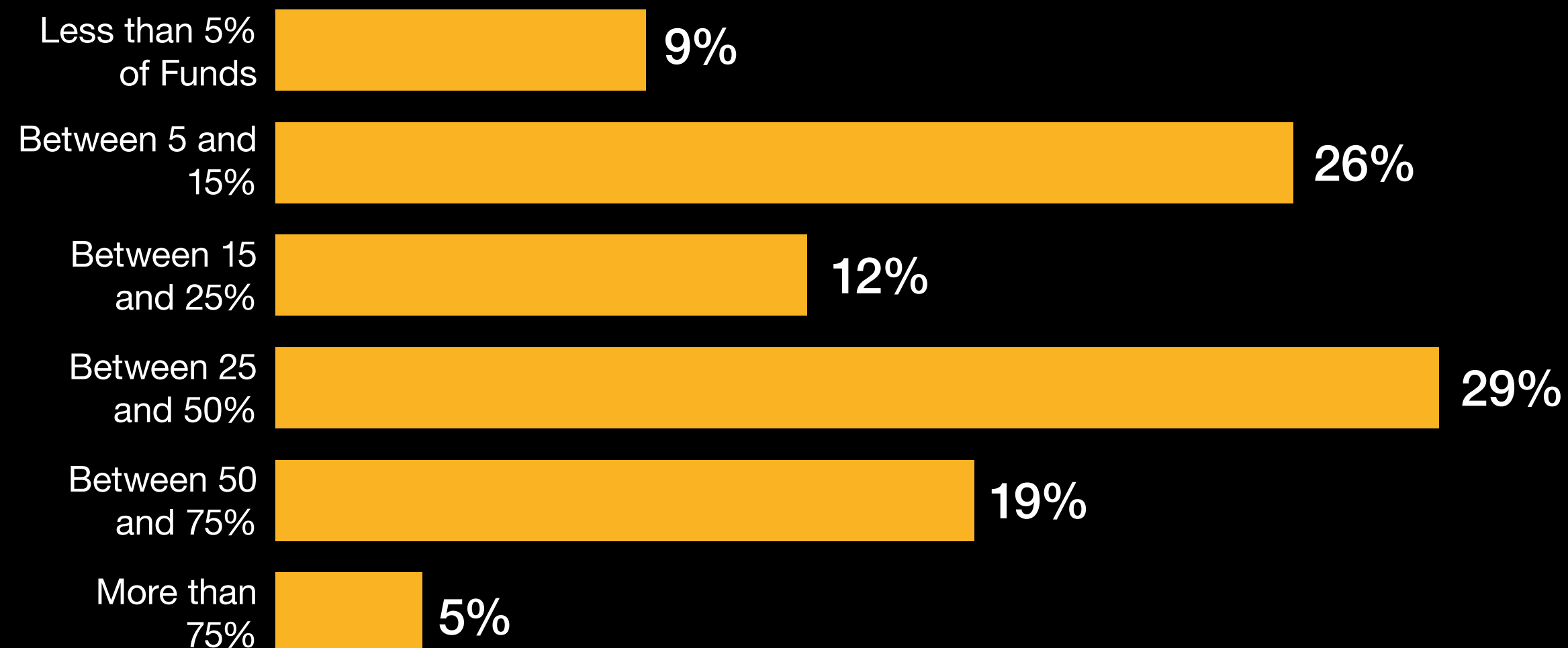
1/2

### Sustainable Investment Commitment of Article 8 Funds



70% of Article 8 UCITS commit to make Sustainable Investments as per Article 2(17) of the SFDR while only 43% of AIFs do so.

### Sustainable Investment Average Commitment for Article 8 Funds (in % of ManCos)



86% of ManCos have Funds with an Average Sustainable Investments Commitment that range from 5% to 75%.

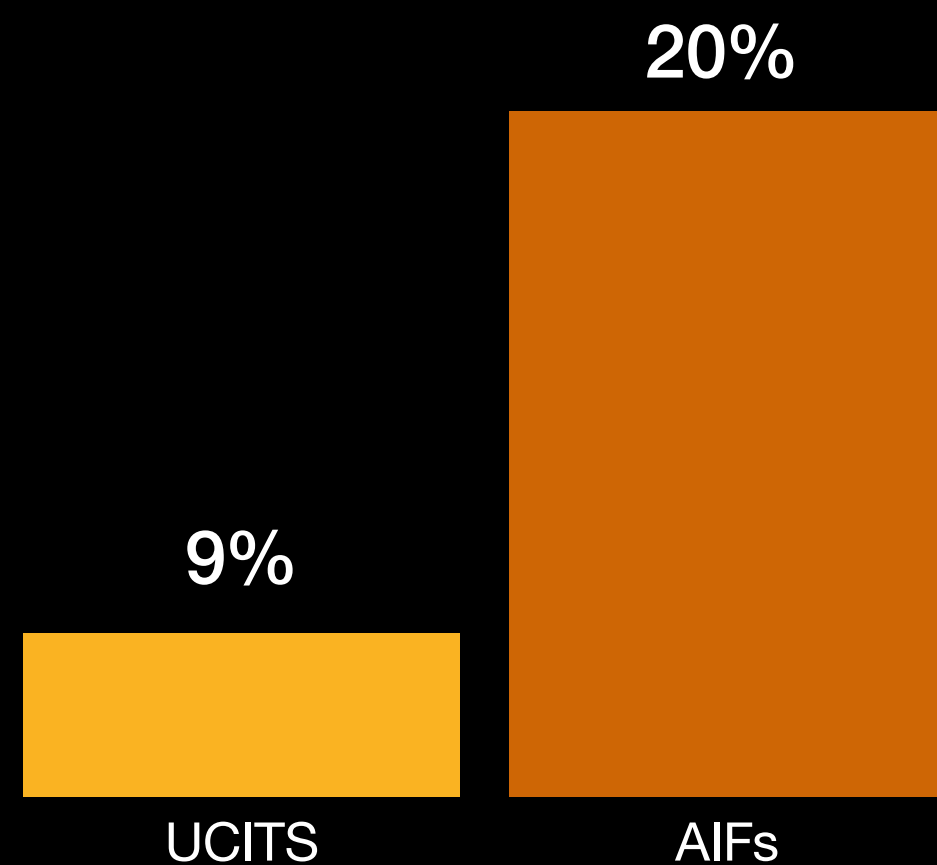




# Sustainable Investments - Commitment, methodology and objectives

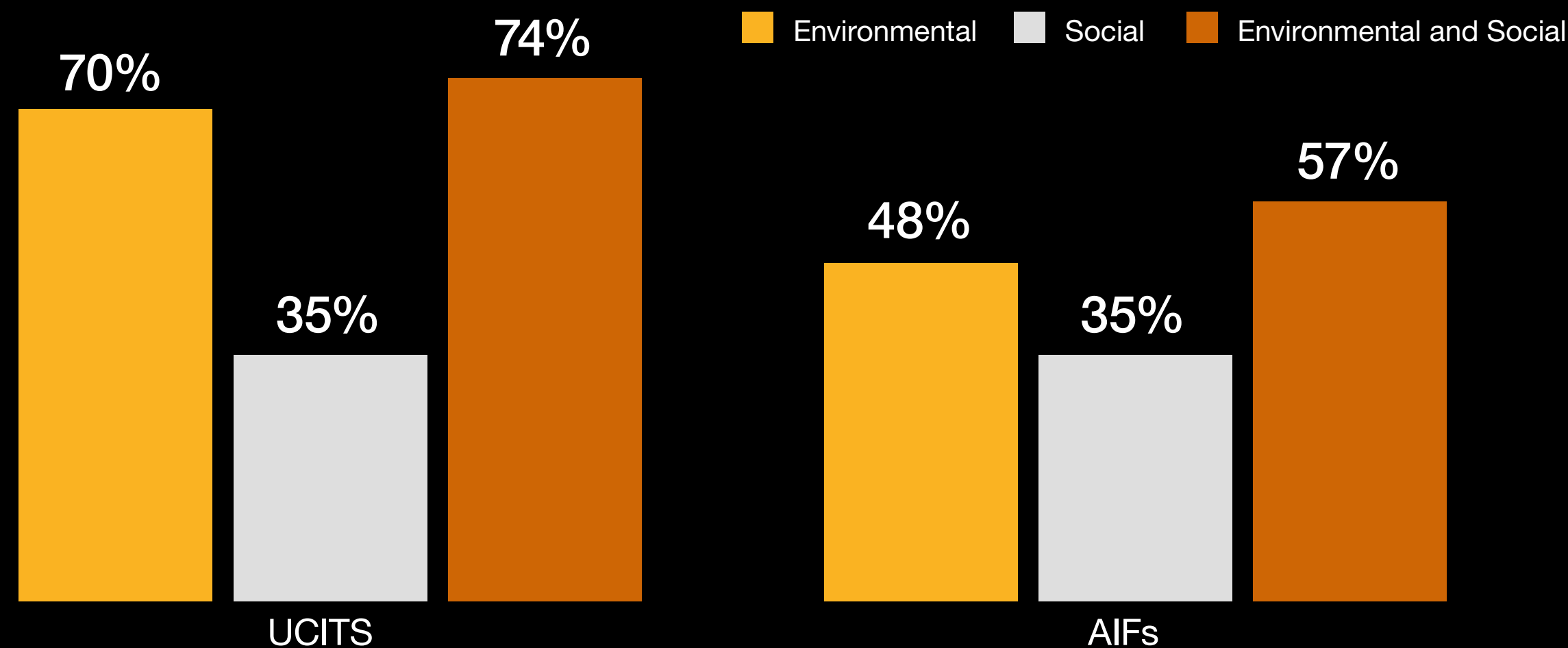
2/2

ManCos with no Sustainable Investments Commitment, planning to make Sustainable Investments in the next 12 months



Only 20% and 9% of ManCos with AIFs and UCITS with currently no Sustainable Investments Commitment are planning to start committing to make Sustainable Investments in the next 12 months.

Proportion of ManCos managing at least 1 Article 9 Fund with the objectives below



The majority of UCITS and AIFs under SFDR Article 9 have both Environmental and Social Sustainable Objectives.

Proportion of ManCos that already assigned methodology to measure Sustainable Investments

53%

53% of respondents have developed a methodology to measure Sustainable Investments.



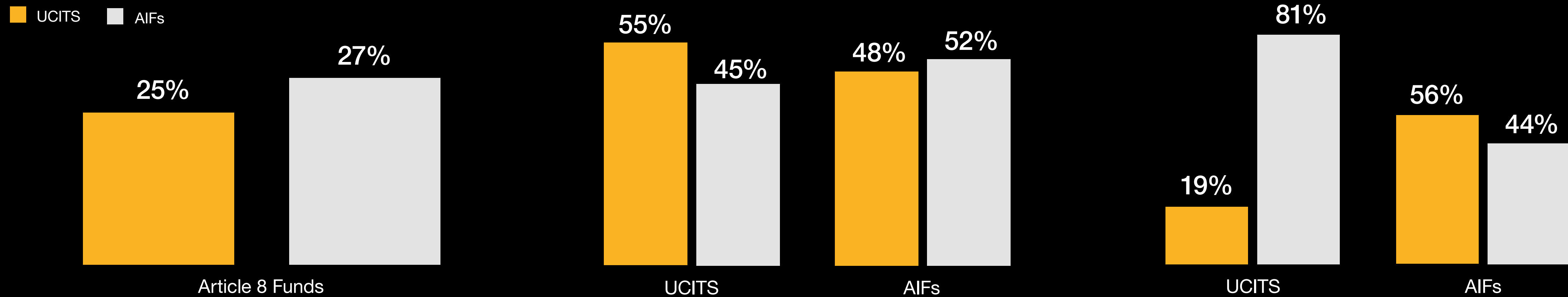
# Consideration of Principal Adverse Impact Indicators (PAIs)

Proportion of ManCos currently not considering PAIs at Fund level but planning to consider PAIs in the next 12 months

PAI Consideration of Article 8 Funds

PAI Consideration of Article 9 Funds

■ UCITS ■ AIFs



Only a quarter of ManCos currently not considering PAIs with Article 8 Funds plan on considering them in the upcoming 12 months.

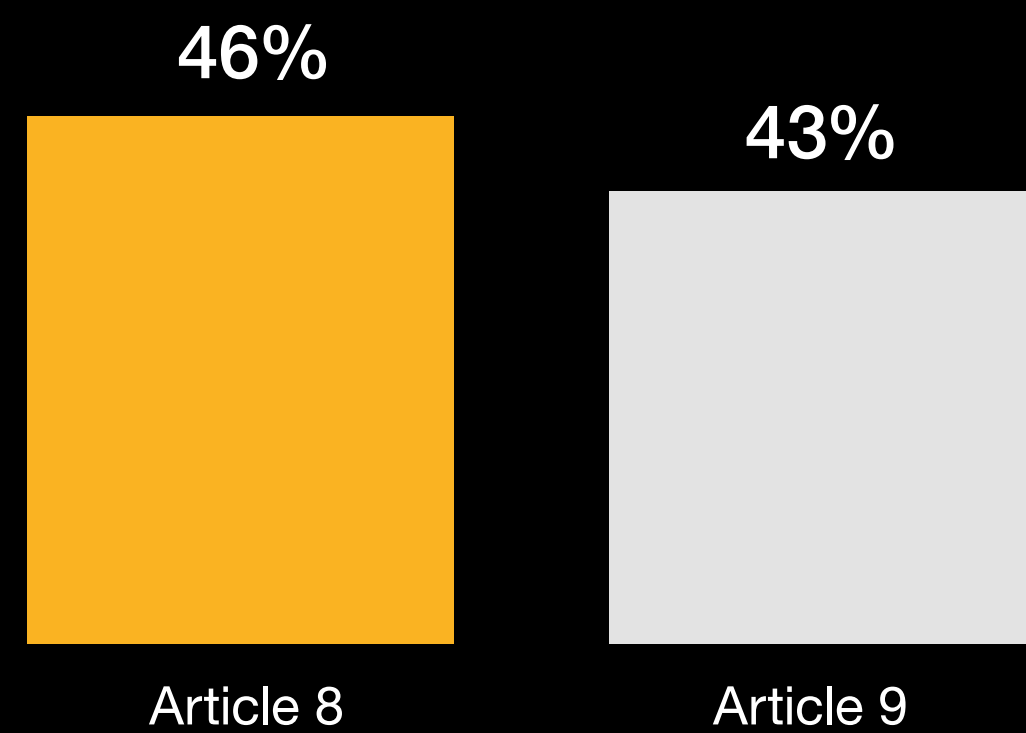
45% and 52% of ManCos with UCITS and AIFs Article 8 (respectively) are considering at least all the mandatory PAIs.

81% of ManCos managing UCITS Article 9 Funds consider at least all mandatory PAIs, while this figure drops to 44% for ManCos with AIFs.



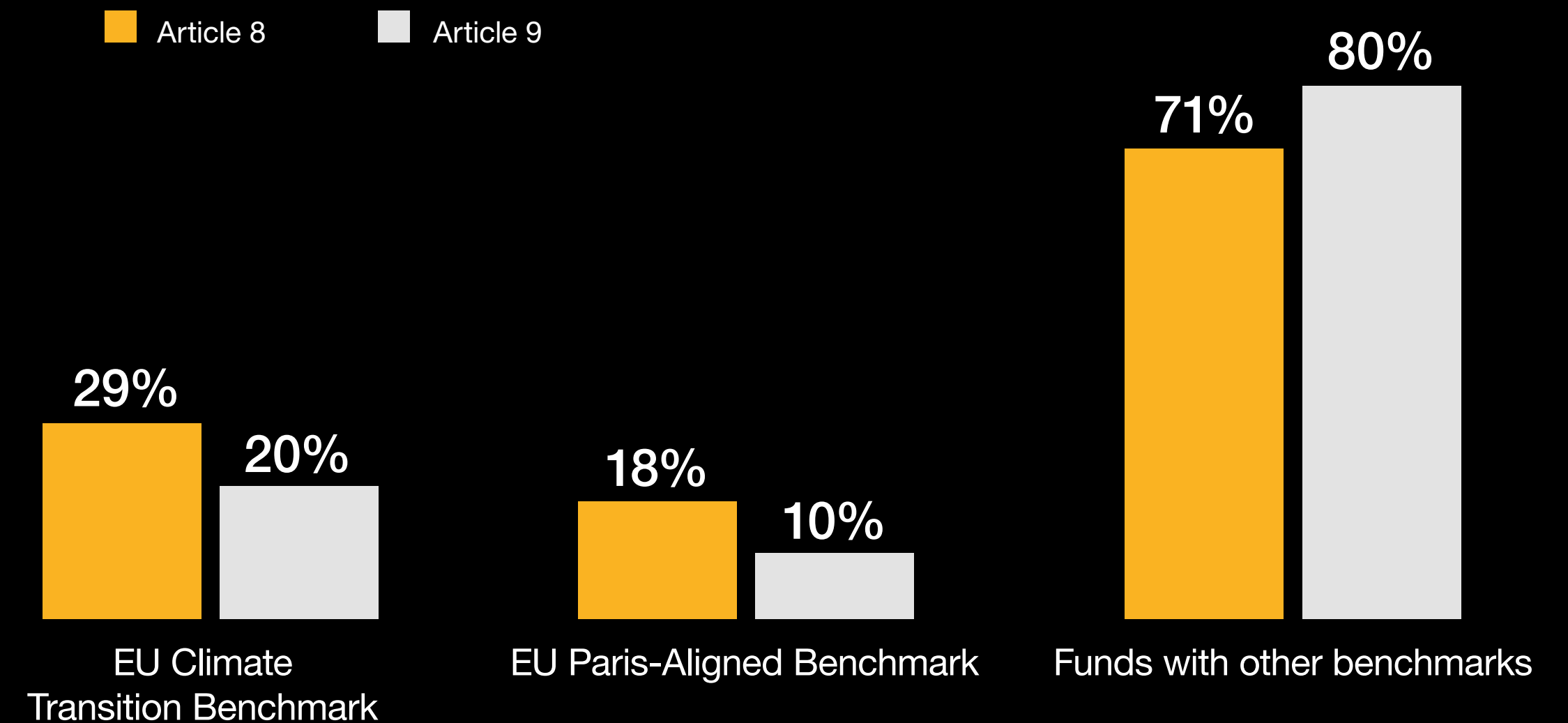
# Sustainable Reference Benchmark

## Proportion of ManCos with UCITS with a designated benchmark



46% and 43% of UCITS Mancos with Article 8 and Article 9 Funds respectively have designated a benchmark for at least one of their Funds.

## Types of benchmarks used by UCITS ManCos



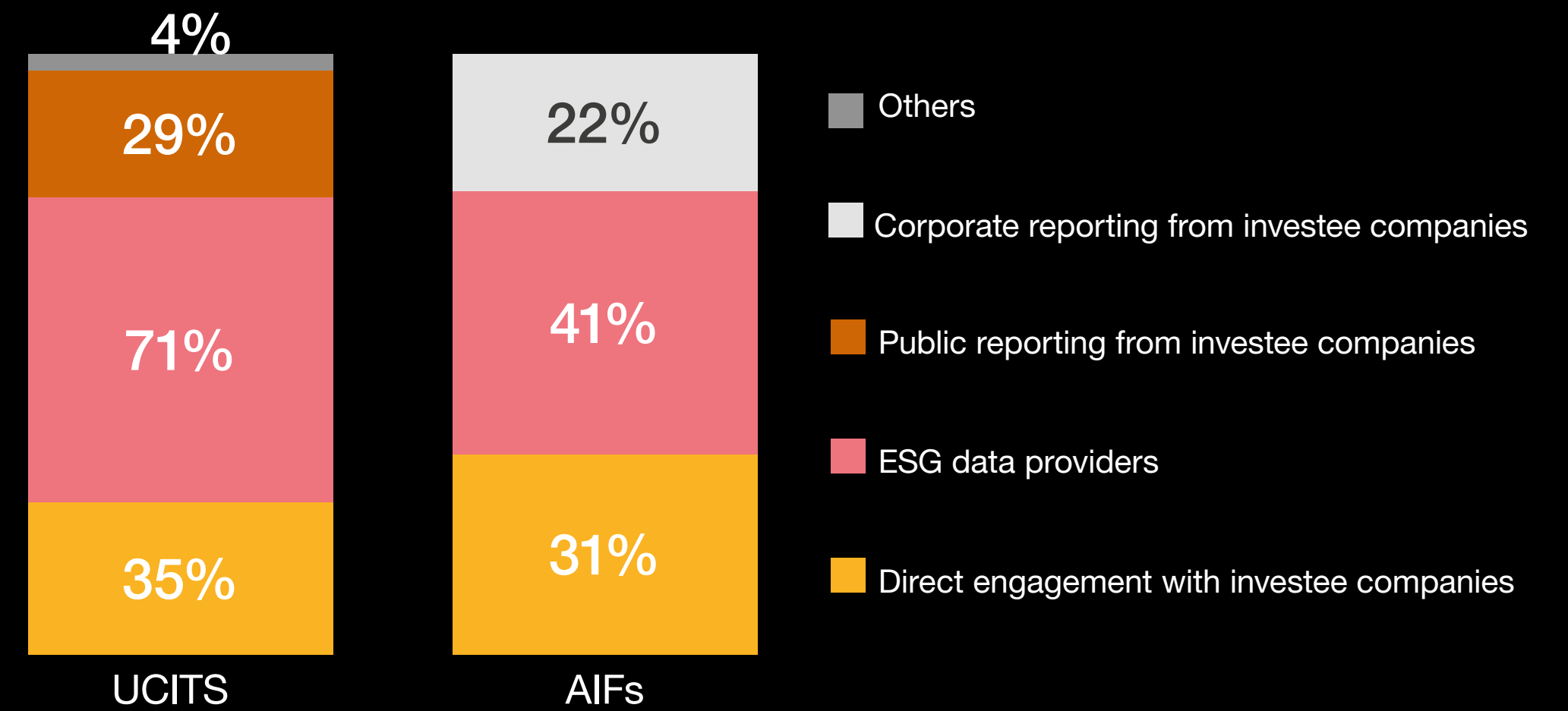
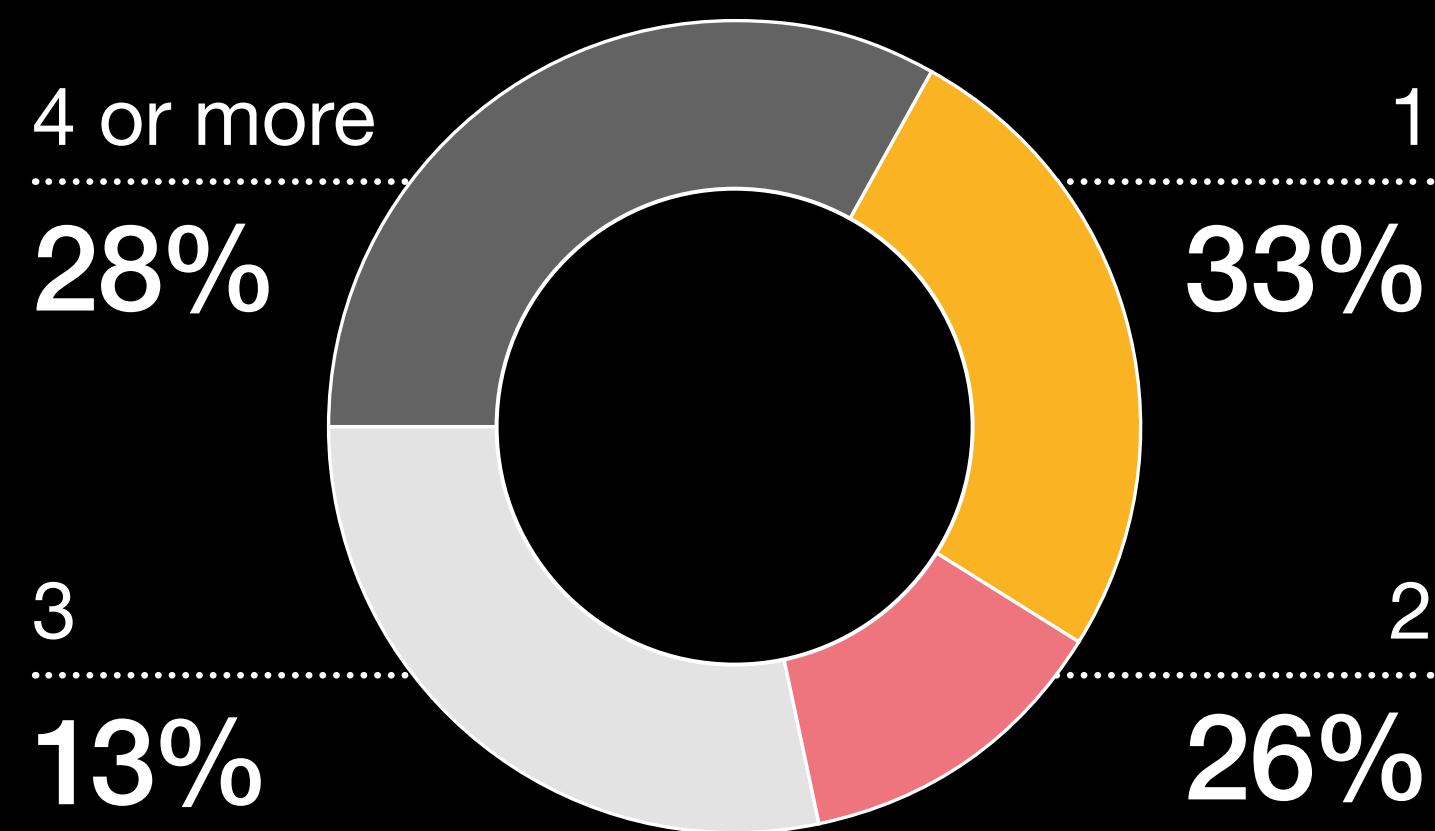
The majority of ManCos managing Article 8 and Article 9 UCITS with sustainable benchmarks are using others than the EU Climate Transition Benchmark or the EU Paris-Aligned Benchmark.



# ESG Data Sources

### Number of ESG data providers

### ESG data sources used by ManCos



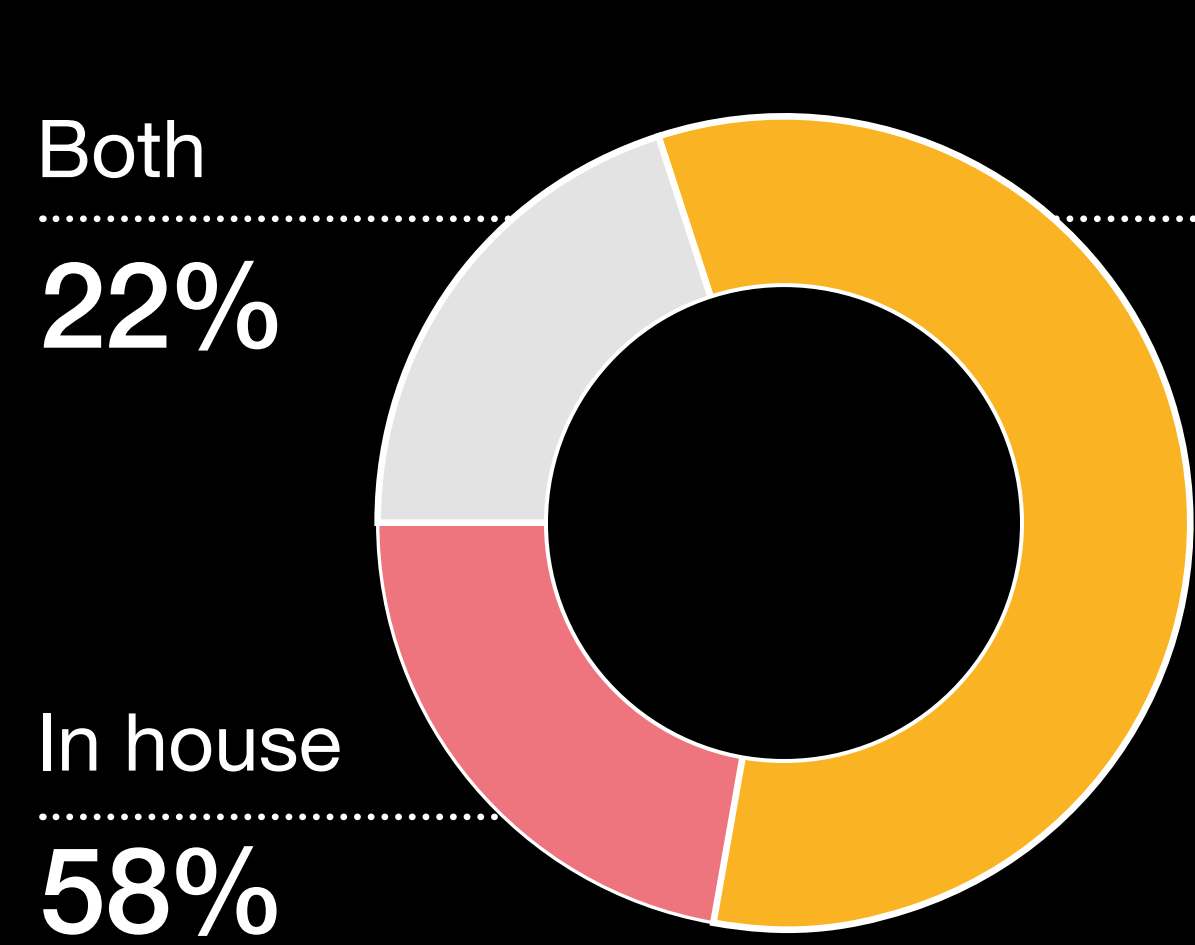
59% of respondents use not more than 2 different ESG data providers.

71% of ManCos managing UCITS collect data from ESG data providers while this number drops to 41% for ManCos managing AIFs.



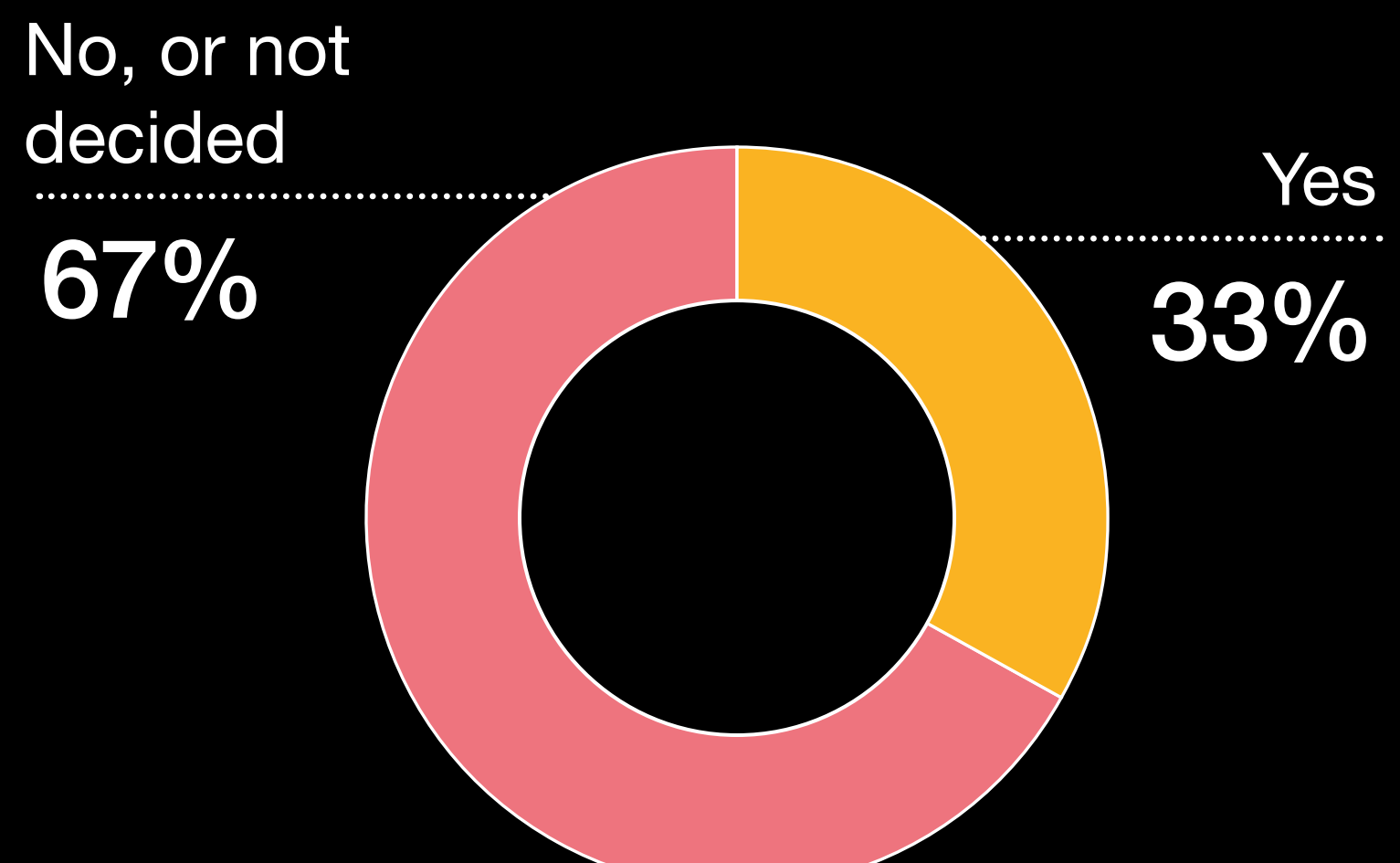
# Production and Audit of SFDR Periodic Disclosures

Delegation of the preparation of the SFDR periodic reporting



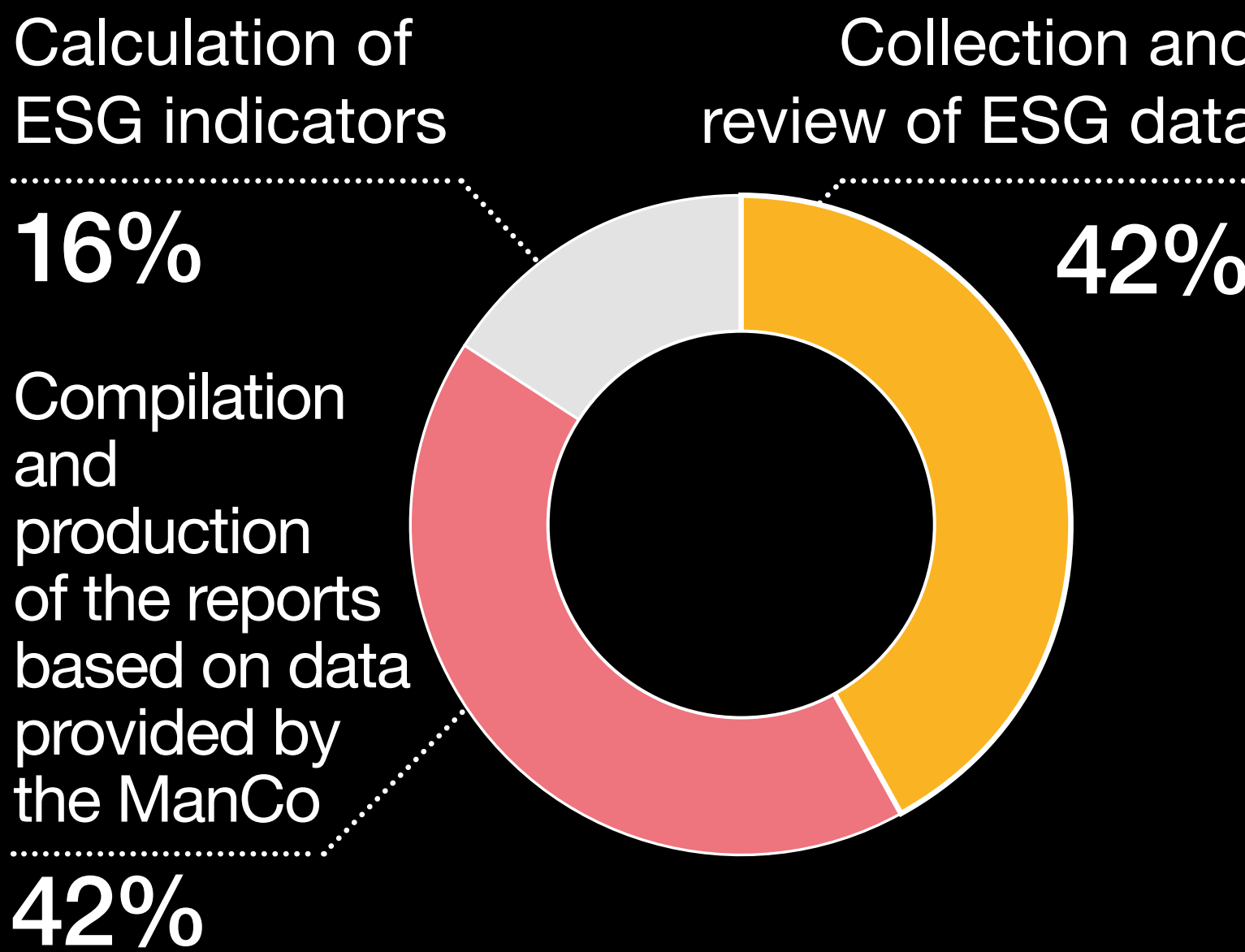
42% of respondents plan on engaging with a service provider regarding the production of their SFDR Periodic Disclosure.

Proportion of ManCos requesting assurance on their SFDR Periodic Reporting

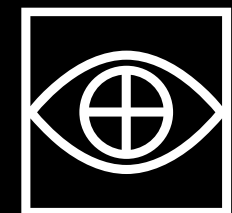


One third of the respondents plan on getting their SFDR Periodic Disclosure reviewed by an auditor this year already.

Role of Service Providers



42% of respondents use a service provider to collect the ESG data, and the same number use them for preparation of their ESG reporting.



## Key highlights

**75%**

of UCITS ManCos plan to upgrade Funds from Article 6 to Article 8.

**70%**

of Article 8 UCITS Funds commit to making Sustainable Investments.

**41%**

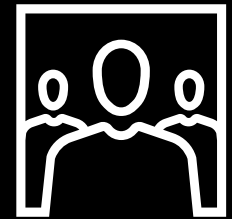
of ManCos use more than 2 ESG sources.

**60%** and **65%**

of AIFMs and Super ManCos manage Funds with Taxonomy Commitment.

**81%**

of UCITS Article 9 Funds consider PAIs.



## Your contacts

### Frederic Vonner

Sustainable Finance & Sustainability Leader  
PwC Luxembourg  
frederic.vonner@pwc.com  
+352 49 48 48 4173

### Geoffroy Marcassoli

ESG Audit Leader  
PwC Luxembourg  
g.marcassoli@pwc.com  
+352 49 48 48 5410

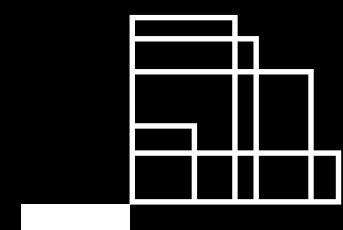
### Bertrand Jaboulay

Management Company Observatory Leader  
PwC Luxembourg  
bertrand.jaboulay@pwc.com  
+352 49 48 48 2198

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