

SDR Product Label	Characteristics	Alignment with SFDR Product Category
Not promoted as sustainable	<ul style="list-style-type: none"> o No sustainability risk integration into investment decisions. o No specific sustainability goals. 	SFDR Article 6: products that do not consider sustainability factors.
Responsible	<ul style="list-style-type: none"> o May have some sustainable investments. o Better considers impact of material sustainability factors on financial risk and return. o No specific sustainability goals. o Environmental, Social, and Corporate Governance (ESG) integration. o Evidence of ESG analytical organisational capabilities and resources. o Demonstrable stewardship. 	SFDR Article 8.
Sustainable Transitioning	<ul style="list-style-type: none"> o Has sustainable characteristics, themes or objectives but does not yet have a high proportion of underlying sustainable assets, e.g., (i) restrictions to the investible universe, including investment limits and thresholds; (ii) screening criteria (positive or negative); (iii) the application of benchmarks or indices and expected or typical tracking error relative to the benchmark; and (iv) the entity's stewardship approach as applied to the product (together, the "Transitioning Criteria"). o Pursues a strategy that aims to influence underlying assets towards meeting sustainability criteria over time, for instance through active and targeted investor stewardship. o Expectation that the proportion of sustainable assets will rise over time. 	SFDR Article 8.
Sustainable Aligned	<ul style="list-style-type: none"> o Has sustainability characteristics, themes or objectives and a high proportion of underlying sustainable assets. o 'Transitioning Criteria' satisfied with the addition of minimum thresholds for asset allocation. 	SFDR Article 9
Sustainable Impact	<ul style="list-style-type: none"> o Objective of delivering net positive social and/or environmental impact alongside a financial return. o Intentionality. o Theoretical ability to deliver and measure additionality through investment decision-making and investor stewardship. o Impact measurement. o Verification. 	A subset of SFDR Article 9 ¹ .

¹ The DP notes that if additionality (whether financial or non-financial) were one of the necessary criteria for 'Impact' products, it is likely that fewer products would qualify for an 'Impact' label than those currently categorised as Article 9 funds under the SFDR.