

Public consultation on the Opinion on sustainability claims and greenwashing

Resolution table

No	Stakeholder	Response to the public consultation question	EIOPA's comment
Q 1: Do you agree with the understanding of what sustainability claims are and how they can be mis-leading?			
	Nordic Financial Union (NFU)	<p>Our collective stance emphasizes the critical importance of sustainability, transparency, and integrity within the financial sector, especially concerning insurance and pension products. We recognize the crucial role that sustainability claims play in guiding consumer and investor decisions in the insurance and pensions sectors. However, we are equally aware of the potential for such claims to mislead, contributing to greenwashing practices that undermine trust in the financial sector and hinder progress towards genuine sustainability goals.</p> <p>We share the draft opinion's understanding that sustainability claims refer to any assertions related to the sustainability profile of an entity or product. These can be communicated through various mediums, including texts, visuals, marketing materials, social media, and even product names. They encompass a wide array of statements and actions, ranging from regulatory disclosures (like those mandated by the SFDR and Taxonomy Regulation) to non-regulatory expressions such as labels, certificates, and ratings. We agree that the use of sustainability-related terms, especially in product names, can significantly influence consumer decisions, highlighting the importance of these claims in marketing and customer engagement.</p> <p>In addition, we emphasize the findings of EIOPA's Progress Report on Greenwashing regarding the current definitions of greenwashing within EU regulations. These regulations include the Taxonomy Regulation, the SFDR Delegated Regulation, MiFID II, and the IDD Delegated Regulations. While they mandate that marketing communications must be consistent with disclosed information and all information provided to customers should be fair, clear, and non-misleading, the report deems these definitions inadequate because they primarily target financial products. This approach overlooks broader stages of the product lifecycle and entity-level claims. Moreover, the reliance on basic environmental standards may mislead if these are presented as meeting superior standards. There is also a lack of connection to competitive advantage and a comprehensive inclusion of all environmental, social, and governance (ESG).</p>	Noted.

	<p>Lloyd's market association</p>	<p>We agree generally with the understanding. However, we consider that it may be counter-productive to deal with sustainability claims with respect to products together with claims with respect to regulatory sustainability disclosures (e.g. SFDR, Taxonomy). We consider they should be dealt with separately, in particular because the applicable legislation differs as does the target audience. We also agree with the sentiment in paragraph 3.5 that the regulatory framework is still developing as are the types of insurance products being offered, so we consider that the understanding may evolve over time and should not become fixed at a certain point in time.</p>	<p>Noted. EIOPA agrees that the sustainable finance framework and sustainability-related offerings are still developing. This is why EIOPA's understanding of 'sustainability claims' is broad to allow for potential developments, including in relation to the regulatory framework.</p> <p>Please also note that EIOPA's understanding of sustainability claims is based on the ESAs understanding of greenwashing (please see EIOPA's progress report on greenwashing), as well as Directive on empowering consumers for the green transition, amending UCPD.</p>
	<p>MAIF</p>	<p>MAIF agrees with EIOPA's interpretation of sustainability claims. Nevertheless, some clarifications should be made regarding the scope of the definition of these claims and the way in which they may be considered misleading:</p> <p>On the definition and scope of sustainability claims</p> <p>MAIF welcomes EIOPA's efforts to define sustainability claims. This definition determines a scope of potential misleading claims it possible.</p> <p>We want to emphasise our support for the need for a clear and common definition of sustainable investment. While the scope of the claim is well identified, without a clear and appropriate regulatory framework on this definition, we will not be able to prevent official documents, and other communication channels (advertisement...), from being vehicles for misleading information.</p> <p>MAIF is therefore calling for a precise definition of standards for sustainable investments and for a greater degree of control over the analysis of financial materiality.</p> <p>Labels constitute another issue in which definition of sustainable investment is paramount. Unsupervised definition can lead to greenwashing. We therefore wish to support national initiatives such as the French "SRI label", which aims to characterise Socially Responsible Investment (SRI). We are also calling for clear criteria to better identify a sustainable product, as well as a harmonised European label on sustainable investments.</p> <p>On how these claims can be misleading</p> <p>When seeking to define how a sustainability claim can be misleading and, thus conducive to greenwashing, one must take into account the intentional nature of this notion of "misleading". We want to ensure that the elements that can lead to a misleading claim are sufficiently circumscribed to assess the degree of intentionality in greenwashing practices and thus better identify and avoid them. In our view, too broad a definition will hamstring the competent authorities to effectively regulate these practices.</p> <p>MAIF ensures that best practices regarding sustainable claims is advertised across all relevant teams and implemented through scripts and processes that avoid greenwashing within the company. It is important to leave a room for error and omission associated with the multiplicity of involved parties and human intervention in the processing of information. Taking into account a margin of error ensures a realistic and operational understanding of the issues and possible courses of action to</p>	<p>Noted.</p> <p>EIOPA takes good note of the suggestions made in this answer, however EIOPA's Opinion does not provide a definition of sustainable investments.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>

		<p>effectively combat greenwashing.</p> <p>Similarly, we believe that the misleading nature of a claim must be established by considering the overall context to determine whether a statement may lead to a situation of greenwashing. A misleading claim must be considered based on the intentionality of the statement and the general context in which it is made.</p> <p>In line with its tense and support of sustainability, MAIF's strategy is committed to combat greenwashing through evidence-based initiatives, rather than risk.</p>	
	AMICE - Association of Mutual Insurers and Insurance Cooperatives in Europe	<p>AMICE welcomes the opportunity to provide its comments on the EIOPA Consultation Paper on the Opinion on sustainability claims and greenwashing in the insurance and pensions sectors. In the absence of a common definition for greenwashing and considering the subjective dimension of ESG controversies, AMICE shares the objective pursued by EIOPA to ease supervisory convergence on sustainability claims and greenwashing in the insurance and pensions sector to ensure consistent outcomes across the EU. As stated by EIOPA, greenwashing can significantly affect both insurance consumers and pension savers, as well as providers, who may face reputational and financial harm when instances of greenwashing are exposed to the public.</p> <p>Therefore, AMICE recognizes the importance to provide a common understanding of sustainability claims not only to assist competent authorities in tackling greenwashing practices, but also to set up a consistent framework to ensure legal certainty for insurance and pension providers.</p>	Noted.
	Fédération Bancaire Française	<p>The FBF welcomes the initiative taken by EIOPA to publish an Opinion setting out 4 key principles that should guide manufacturers and distributors of insurance products to avoid greenwashing, whether intentional or not.</p> <p>Yes, we broadly agree with this interpretation of what sustainability claims can be and how they can be misleading.</p> <p>We also agree with paragraph 3.3 of the Consultation Paper when it refers to the texts (Art. 17 (1) and (2) of IDD, Art. 13 of SFDR) that already provide a demanding regulatory framework to ensure that the information disseminated by the distributor of an insurance product is fair and not misleading, including with regard to its sustainability features.</p> <p>In this paragraph, EIOPA refers to the use of sustainability-related terms in product names. It should be noted that ESMA is due to publish its guidelines on fund names using ESG or sustainability terms in the near future. In its draft guidelines, ESMA proposes to set a quantitative threshold for the use of ESG-related terms in a fund name and an additional threshold for the use of the term "sustainable" or any other sustainability-related term, as part of the previous threshold.</p> <p>It would be useful to ensure consistency between the two texts and, more generally, to ensure consistency between the doctrine of the ESAs and that of national supervisors on these issues of greenwashing.</p>	<p>Noted.</p> <p>Indeed, EIOPA closely works with the other two ESAs (EBA and ESMA) on cross-sectoral topics such as greenwashing. This has recently resulted in the publication of an ESAs common understanding of greenwashing (see EIOPA's progress and final reports on greenwashing) as well as the ongoing work on the ESAs Joint Opinion on SFDR.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023.</p>
	GDV (Gesamtverb and der Deutschen Versicherungswirtschaft e.V)	<p>The German insurance industry welcomes the opportunity to comment on EIOPA's considerations. We also appreciate the effort made by EIOPA to analyze the practical implications of the use of sustainability-related claims in the insurance sector.</p> <p>One of the main lessons learnt from the development of the regulation on sustainable finance is that consistency across all applicable requirements is key. In this point, we agree with EIOPA's conclusions in last summer's progress report. Therefore, it is essential that in developing its opinion on greenwashing, EIOPA not only considers the sectorial rules for insurance and other financial products but also cross-sectoral legislation, which is nevertheless of equal relevance. This applies especially to the Unfair Commercial Practices Directive (UCPD) / Empowering Consumers for the Green Transition Directive as well as the Green Claims Directive. Both deal extensively with misleading claims.</p>	<p>Noted.</p> <p>EIOPA agrees that in addition to sectoral rules, also cross-sectoral rules are relevant such as the UCPD. EIOPA clarified in the Opinion, that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p>

		<p>Significantly, the UCPD is currently being amended to include specific rules on green claims. While the new Empowering Consumers for the Green Transition Directive will only be applicable in September 2026, the approach and terminology used by EIOPA should be consistent. For example, the UCPD will include a legal definition of the term “green claim” (Article 2 (o) of the UCPD as amended). While “sustainability claim” as used by EIOPA has a larger scope of underlying sustainability aspects by also including social or governance issues, it should nevertheless be consistent for environment-related claims.</p> <p>Both new regulatory proposals will constitute the backbone of the EU’s legislation on greenwashing. EIOPA should take them into consideration to ensure that the finalized Opinion will not become obsolete as soon as these proposals enter into force.</p> <p>In particular, any definition of misleading sustainability claims should be consistent with the applicable sectoral and cross-sectoral legislation, e. g. UCPD, SFDR, IDD, MiFID II, UCITS, CSRD, and Green Claims Directive.</p> <p>Furthermore, while we support the aim and the general principles of the draft Opinion, we would like to underline the need to avoid redundant bureaucracy in order not to disincentivize the distribution of products with sustainability characteristics.</p>	
	<p>EIOPA Insurance and Reinsurance Stakeholder Group</p>	<p>Within this opinion, EIOPA chooses the term ‘sustainability claim’ and gives its own definition. However, within several regulatory proposals, the term ‘environmental claim’ is favoured to refer to a similar concept. EIOPA must take into account the different regulatory proposals currently being discussed at Parliament’s and Council’s level to ensure consistency and prevent further confusion.</p> <p>As it was highlighted by EIOPA’s opinion, misleading information and trustworthiness are crucial issues when considering greenwashing and sustainability claims. One way of tackling these issues is to use consistent and unified vocabulary and definitions.</p> <p>Section 3.4: Any definition of “misleading” sustainability claims should be consistent with formal regulation, namely SFDR, IDD, MiFID II, UCITS, CSRD and Unfair Commercial Practices Directive (and other regulations that are to be defined precisely).</p> <ul style="list-style-type: none"> • The statement “Therefore, the term “misleading” is understood as an umbrella term that covers the following non-exhaustive list of issues: selective disclosure, empty claims, omission or lack of disclosure, vagueness or lack of clarity, inconsistency, lack of meaningful comparisons or thresholds, unsubstantiated, misleading imagery or sounds, irrelevance, outdated information, misleading sustainability-related terminology, falsehoods,,” seems to be very broad and difficult to find safe ground on what does / does not constitute a misleading claim. For example, potential flawed information due to lack of ESG data must be clearly differentiated from cases of intentional non-compliance with existing regulatory requirements which may be considered as greenwashing. • This statement is all the more broad since sustainability claims/definitions may already be “misleading” in the regulation itself starting with the taxonomy. Many definitions provided in the context of the items belonging to the different dimensions of ESG in the regulations addressing sustainability may already appear “selective”, “vague” and “inconsistent”. • Therefore, IRSRG would recommend that there should be a Guidance from EIOPA explaining these 4 Principles with good practices and bad practices, similar to the grey listed and blacklisted terms as in Unfair Contract Terms Directive. This will be a useful guide for stakeholders. Examples that are already in this consultation will also be helpful to other stakeholders. <p>Greenwashing should be limited to sustainability claims that are misleading. They should not be extended to processes or other</p>	<p>Noted.</p> <p>Please note that EIOPA’s goal is providing an understanding of ‘sustainability claims’ to help drive supervisory convergence.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out by Directive on empowering consumers for the green transition.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>EIOPA agrees that further examples of good and bad practices are useful. In the Annex of the Opinion, EIOPA added further examples. Moreover, EIOPA may develop further guidance related to the 4 principles.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing. In the example</p>

		<p>fields that are linked to sustainability issues. For example, if a company does not fill precontractual templates for products with ESG features, it should not be considered as greenwashing, but rather as a lack of compliance with SFDR requirements.</p> <p>EIOPA should also take into account the existing evidence provided by published independent or academic surveys and research, in particular in the area of unit-linked life insurance and insurance-regulated pension products. In particular, independent surveys show that a majority of individual investors expect real world impact from finance products which are labelled as “green” or “sustainable”, however, the majority of them cannot detect impact-washing without external support. In this study analyzing the biggest 450 article 8 and article 9 (SFDR categories) funds, only 27% of all in scope funds were associated with environmental impact claims. No fund with an environmental impact claim could sufficiently substantiate its claim according to the updated UCPD Guidance indicating a substantial potential legal risk. A high number of misleading environmental impact claims in legal documents (including SFDR disclosures) and commercial marketing materials. Therefore, in order not to mislead the majority of people investing in units claiming any sustainability relationship, EIOPA should require that any sustainability claim be accompanied by a clear statement indicating alongside if the fund or unit has any impact claim in the real world.</p> <p>(Source: MARKET REVIEW OF ENVIRONMENTAL IMPACT CLAIMS OF RETAIL INVESTMENT FUNDS IN EUROPE - 2DII research, August 2023)</p> <p>Please see two additional published researchs in our response to question 7.</p>	<p>given, if a company does not prepare the SFDR pre-contractual templates, consumers would not be able to assess the sustainability profile of said products, potentially leading the consumer to buy a product which is not in line with its sustainability preferences.</p> <p>EIOPA takes good note of the publication highlighted in this answer.</p>
	<p>AFG (Association Française de Gestion)</p>	<p>ALIGNMENT BETWEEN EUROPEAN SUPERVISORY AUTHORITIES (ESAS)</p> <p>AFG supports the efforts of European Insurance and Occupational Pensions Authority to protect investors against greenwashing practices and in this perspective its efforts clarify a framework around sustainability claims in the insurance and pensions sectors.</p> <p>AFG agrees with EIOPA’s overarching objective of seeking to limit risks of greenwashing allegations, increase legal certainty and avoid misleading information for investors. AFG also agrees on the need for a common approach to ensure a consistent implementation across the EU.</p> <p>AFG federates the French asset management industry and is not per se under the remit of EIOPA’s guidelines. However, asset managers’ products can be distributed through insurance products and impacted by these guidelines. It is hence essential to ensure an alignment between the guidelines published by the ESAs to:</p> <ul style="list-style-type: none"> - provide more clarity for end-investors and especially retail investors. - avoid distribution challenges and the impossibility for funds to be distributed via insurance products. <p>In particular, we observe EIOPA the example provided under §3.13 of the EIOPA draft guideline is not aligned with the guidelines ESMA intend to publish in the first semester.</p> <p>Last, for level playing field and fair competition reasons, the same guidance and consideration should also apply to:</p> <ul style="list-style-type: none"> - other financial products subject to SFDR, - financial instruments as defined in MIF and IDD (as they will be distributed through MIF/IDD sustainability preferences), - financial instruments not subject to SFDR but claiming ESG or sustainability or impact features in their name (green bonds, notes, derivatives...). For the latter instruments, guidelines should be adapted as far as references to SFDR definitions and 	<p>Noted.</p> <p>Indeed, EIOPA closely works with the other two ESAs (EBA and ESMA) on cross-sectoral topics such as greenwashing. This has recently resulted in the publication of an ESAs common understanding of greenwashing (see EIOPA’s progress and final reports on greenwashing) as well as the ongoing work on the ESAs Joint Opinion on SFDR.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p>

		<p>binding information are concerned.</p> <p>For all the above reasons, we would like to reiterate the need for the ESAs to work closely together on the subject to ensure a level playing field across the financial sector.</p>	
	<p>PensionsEuro pe</p>	<p>Communication and reporting on sustainability are important topics for pension funds, regulators and participants. It is self-evident that pension funds want to communicate accurately, clearly and in an understandable manner with participants. As such we broadly support the principles set out in this opinion. The principles also broadly mirror the approach of the guidance provided by some National Competent Authorities on sustainability claims.</p> <p>However, it is important to recognize that these principles can be at odds with each other. Information about the investment process and the sustainability aspects of investments must be very technical to be precise. This will create tension to provide information that is understandable and accessible. How this tension should be managed is highly dependent on the context in which a financial product is provided or sold. How a retail consumer, who is proactively discussing products with an adviser, engages with information on the product, is not comparable with a pension fund participant who is automatically enrolled and has no investment choice. We therefore deplore the fact that EIOPA once again chooses a one-size-fits-all approach. We note that the draft Opinion is mainly focused on retail customers and investment choices. Therefore, we propose to differentiate between third-pillar products that are actively marketed by their providers and second-pillar pensions that are part of an employment contract / collective agreement and hence cannot be purchased on a free market. The latter have no incentive to name their pension scheme in a way that sounds sustainable and also, the IDD does not apply to them.</p> <p>We also note that legally speaking, EIOPA's definition of sustainability claim is beyond its legal remit in the case of IORPs. For pension funds, the Opinion is based on the provisions of the SFDR and the articles in IORP II relating to the Pension Benefit Statement. However, EIOPA writes that sustainability claims can occur in "marketing information and website texts, advertising brochures, social media posts, policies, images, strategies, labels, certificates, ratings, targets, non-regulatory labels, and product names". These information points are beyond the scope of the IORP II Directive and therefore out of the scope of EIOPA's competence.</p> <p>Legal considerations aside, we are concerned that the Opinion could lead to poorer communication on sustainability by pension funds for three reasons. First, because the tension between principles is not recognized, the opinion could lead to legalistic communication that is dominated by compliance considerations, rather than the aim to stimulate engagement of participants. This is because the principle of accuracy is more easily supervised and therefore, in practice, will supersede the principle of accessibility. As pension funds are not-for-profit institutions, they do not use inflated sustainability claims to "mis-sell" products. Participants are mandatorily enrolled and typically have no investment choice. To engage these participants, it is necessary to communicate in an accessible and layered fashion, with comprehensible information in the first layer. Instead, the supervisory approach foreseen by the Opinion may lead pension funds to be very careful about using any simplification. Instead, sustainability communication may take the style of "terms and conditions", which very few participants will read.</p> <p>Secondly, the very broad definition of "sustainability claims" will also hamper pension funds in making information accessible. We fully agree that product names and written statements related to sustainability should be identified as a sustainability claim. Moreover, we believe that visual information plays an important role in signposting participants and improving the accessibility of information. However, if it is assumed that visual information can carry implicit claims, it becomes almost impossible to use them. As a result, the information would become unappealing, leading participants to view their pension product as something technical and boring. This would also increase the likelihood of participants coming to the website of a</p>	<p>Noted.</p> <p>EIOPA clarified in the Opinion that some aspects/sections are not relevant for IORPs with automatic enrollment.</p> <p>Please note that EIOPA's goal is to provide an understanding of 'sustainability claims' to help drive supervisory convergence.</p> <p>Article 13 of SFDR sets out that marketing communications do not contradict information disclose under SFDR, therefore "marketing information" is in scope.</p> <p>EIOPA agrees that the degree of substantiation of sustainability claims should depend on the targeted stakeholders (e.g. where the targeted stakeholder is a scheme member layered information is warranted, with a simpler first layer, and more details in subsequent layers). This is also in line with Principle 4.</p> <p>With this Opinion, EIOPA highlights that just like in other mediums such as text, visuals may contain sustainability claims. However, this does not mean that EIOPA is discouraging providers, such as pension funds, from using visuals to convey information in an easier way to consumers/scheme members.</p>

		<p>pension fund to find information about the general characteristics of their pension. We also hold that the opinion should exclusively be concerned with sustainability claims regarding the core business of entities. Regarding IORPs, for instance, this means that EIOPA should focus solely on sustainability claims related to the investment policy/pension schemes of the institutions. If an IORP e.g. states on its website that it has reduced waste by digitalizing its processes, it must not be accused of greenwashing if it has not made any statements about the sustainability of its investments. To be continued at the general comments</p>	
	<p>Insurance Europe & CROForum</p>	<p>There is a strong need for supervisory convergence and legal certainty in understanding what sustainability claims are and how they can be misleading. Insurers are now confronted with different approaches amongst Member States and at regulatory levels. Insurers have also detected some gaps in the legislation (lack of clarity around certain definitions and concepts, and fragmentation of the implementation). Supervision requirements must therefore be applied in a uniform way in all Member States to promote clear and non-misleading communication on the fund’s names and their utilisation in each Member State.</p> <p>Providing a common understanding of sustainability claims is essential to help competent authorities tackle greenwashing practices, and to ensure both consumers’ protection and legal certainty for insurance providers. To this extent, Insurance Europe welcomes EIOPA’s Opinion on the matter. However, we are of the view that EIOPA should consider several points when defining its supervision principles.</p> <p>First, and to ensure consistency with the Green Claims Directive and the Unfair Commercial Practices Directive (UCPD), the terminology and approach of the opinion should be in line with the UCPD as amended by the Directive Empowering Consumers in the Green Transition. As far environmental claims are concerned, the opinion should follow the same definition as the UCPD. We are also of the view that there is a lack of clarity on the interplay between the Green Claims Directive and the Green Transition Directive that could lead to substantial implementation risks regarding the lack of coordination between these two texts and EIOPA’s Opinion.</p> <p>Secondly, at this stage, the supervision principles on sustainability claims should be limited to insurance-based investment products (excluding funeral contracts and life insurance contracts which are not intended to be investment products even if they have a surrender value – these contracts to be specifically taken out of scope), at least until standards or general guidelines are developed for other types of insurance products. EIOPA could clarify the scope of its Opinion and the types of insurance products that are impacted. As for today, those IBIPs are the only type of insurance products for which the EU has established a framework to clarify what can be qualified as sustainable, through the Taxonomy regulation of the SFDR for instance, as other insurance products do not yet have such recognised definitions or common concepts to qualify them as sustainable. Thus, the extension of the scope of this opinion to all insurance products seems premature for now, in the absence of existing regulation. Definition of common standards on sustainability characteristics should be a pre-requisite for any consideration on greenwashing principles on products other than IBIPs – excluding non-life products and life insurance contracts which are not intended to be investment products, as described above.</p> <p>Moreover, the qualification of misleading claims should only be considered in the context of a commercial relationship that may lead to distorted economic behaviours of consumers. As such, a sustainability claim should only be qualified as misleading if it has been used as a selling point or as a means to gain a competitive advantage – in this respect, the notion of intentionality must be taken into account when considering greenwashing principles. Indeed, the European legislative framework must not discourage stakeholders to openly discuss their wider sustainability priorities and certain activities that could fall under the scope of sustainability claims. Stakeholders should not have to restrain from engaging in thought leadership, which can help facilitate positive market development, out of concern over potential regulatory scrutiny under certain rules. This will ensure</p>	<p>Noted. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA disagrees with restricting the scope of this Opinion to IBIPs. There is a risk of greenwashing for other types of insurance products, due to the lack of standards as highlighted in EIOPA’s progress and final reports on greenwashing. Therefore, sustainability claims made about other insurance products beyond IBIPs should also abide by the 4 principles set out in the Opinion. Moreover, these other insurance products fall under POG DR sustainability-related requirements and fall under IDD Article 17(2) which sets out that information should be fair, clear and not misleading.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing. In the example given, if a company does not prepare the SFDR pre-contractual templates, consumers would not be able to assess the sustainability profile of said</p>

		<p>further consistency with the current proposed definition of environmental claims in the Green Claims Directive and the UCPD.</p> <p>Furthermore, Insurance Europe is of the opinion that greenwashing should be limited to misleading claims, as it is the case with the Green Claims Directive, and not be extended to processes or training or other fields that are linked to sustainability issues: those should be considered separately. It is also crucial to differentiate between sustainability claims that are governed by regulations, such as the SFDR or the Insurance Distribution Directive (IDD), and those that are not. When a sustainability claim is prescribed by applicable regulation, it is essential to leave room for the specific requirements for substantiation and verification therein. Likewise, if a company does not fill precontractual templates for products with ESG features, it should not be qualified as greenwashing but rather as a lack of compliance with SFDR requirements, and should be handled as such.</p> <p>Insurance Europe also calls on EIOPA to take into account a criterion of proportionality when defining supervision principles, as remedial actions should be considered depending on the gravity of the misleading claim: an accurate but imprecise statement should not be scrutinised in the same way as a deliberately false one.</p> <p>Lastly, some insurers that are dependent on funds managers do not have the possibility to rename their products to fulfil requirements regarding sustainability claims and greenwashing. Those insurers should not be held liable when some aspects of the marketing of a product fall outside of their control. That is why it is especially important for this Opinion to clarify its scope and develop guidelines for misleading and voluntary sustainability claims only.</p>	<p>products, potentially leading the consumer to buy a product which is not in line with its sustainability preferences.</p> <p>EIOPA has included wording around proportionality in the Opinion.</p>
	<p>BIPAR (European Federation of Insurance Intermediaries)</p>	<p>BIPAR agrees with EIOPA's understanding of what sustainability claims are. We also agree that they can be misleading.</p> <p>From some national perspectives, it appears the misleading nature of certain claims often stems from the contents of disclosures (which can contain omissions, unclear statements, vagueness, cherry-picking, etc.). At this point, BIPAR believes that, if there is an issue regarding misleading sustainability claims, the issue is not about the amount of information to be disclosed by financial market participants and advisors (including insurance and financial intermediaries), but about the content of disclosures and the information presented to the client.</p> <p>BIPAR believes that the constantly increasing amount of information to be disclosed and communicated to customers can lead to customers being misled by being presented with an unreasonable amount of information, all of which will not be relevant to each customer. BIPAR believes, at this stage, information overload is a serious issue in the area of sustainability-related information and disclosures. We do agree that customers should be presented with accurate and relevant sustainability-related information on financial products to help them make their insurance and investment decisions. However, we believe an effective way of tackling greenwashing would be to ensure customers are able to understand the information they are presented with and to ensure that information is accurate and concise.</p> <p>In summary, BIPAR agrees with the necessity to ensure sustainability claims are accurate and do not constitute greenwashing. At this point, we do not believe adding new information to be disclosed by FMPs and intermediaries is the right way to solve a potential issue. The best course of action, in our opinion, would be to ensure customers are presented with accurate, concise, relevant and easy to understand information to help them assess the sustainability features of products.</p>	<p>Noted.</p> <p>EIOPA shares the view that consumer information overload should be avoided, and that sustainability claims should be tailored to targeted stakeholders (Principle 4).</p>
	<p>the Swedish Consumer Agency</p>	<p>Yes.</p>	<p>Noted.</p>

	<p>Impactiv sp.p.</p>	<p>Generally, we agree with the above understanding of what sustainability claims are and how they can be misleading. However, we believe that the Opinion does not sufficiently explain the potential scope of sustainability claims. In particular, it is not clearly indicated that sustainability claims do not only concern environmental issues, but also social and governance issues. Misleading sustainability claims can therefore cause not only greenwashing, but also “socialwashing” and “governwashing”.</p> <p>The lack of a clear indication that the Opinion also covers such aspects may give some entities the impression that it focuses only on environmental issues (e.g. similarly to the Green Claims Directive). In our opinion there is a common problem of focusing mainly or exclusively on environmental problems by the sections covered in the Opinion.</p> <p>In this context it should be noted that there are regulations to which the Opinion can refer to in this respect. For example, according to the SFDR definition: “sustainable development factors” mean environmental, social and employee matters, respect for human rights and anti-corruption and bribery issues (Article 2(24) SFDR). This definition is also referred to in Article 5 of the POG DR, which also applies to non-life insurance products.</p> <p>We therefore propose to add information that sustainability claims can concern various issues - environmental, social and governance - and to refer to the definition of sustainable development factors defined in the SFDR and referred to by the POG DR.</p>	<p>Noted.</p> <p>EIOPA clarified in the Opinion that EIOPA’s understanding of sustainability claims encompasses environmental and social aspects.</p>
	<p>ANASF</p>	<p>We agree, the picture is comprehensive and detailed. However, we would like to emphasise once again the fact that further efforts are needed to close the remaining legislative gaps. The fact that there are no specific requirements for sustainability claims of non-life insurance products is a shortcoming that needs to be remedied.</p>	<p>Noted.</p> <p>EIOPA agrees with the fact that there are gaps in the current sustainable finance regulatory framework, this is one of the reasons that EIOPA is issuing this Opinion.</p> <p>EIOPA’s final report on greenwashing provides further discusses these gaps. Please also refer to the upcoming ESAs Joint Opinion on SFDR.</p>
	<p>Polish Chamber of Insurance (PIU)</p>	<p>It is necessary to ensure clarity regarding the meaning of sustainability claims and the practice of greenwashing. At present, efforts are ongoing within the European Union to develop two legal acts pertaining to this matter.</p> <p>On 20 February 2024, the Council adopted the Directive on empowering consumers in the green transition, but the Green Claims Directive will not be finalized before the European Parliament elections. Therefore EIOPA’s opinion should take into current stay of EU legislation, especially level one acts. It should even be considered whether EIOPA should refrain from issuing its opinion until the work on the Green Claims Directive is completed.</p> <p>Greenwashing rules should only apply to the commercial activities of insurance companies. Sustainability claims should only be classified as misleading if it is used as a selling point or as a tool to gain a competitive advantage on the market. In other words, if an insurance company does not complete pre-contractual templates for products with ESG features, this should not be treated as greenwashing, but rather as non-compliance with SFDR requirements.</p>	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion, that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive on empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because is not yet adopted.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing. In the example given, if a company does not prepare the SFDR pre-contractual templates, consumers would not be able to assess the sustainability profile of said products, potentially leading the consumer to buy a</p>

			product which is not in line with its sustainability preferences.
	<p>Matthies Verstegen – Pensioen Federatie</p>	<p>Communication and reporting on sustainability are important topics for pension funds, regulators and participants. It is self-evident that pension funds want to communicate accurately, clearly and in an understandable manner with participants. As such we support in general the principles set out in this opinion. The principles also broadly mirror the approach of the guidance provided by the Dutch supervisor AFM on sustainability claims.</p> <p>However, as we have stated in our response to the AFM guidance, it is important to recognize that these principles can be at odds with each other. Information about the investment process and the sustainability aspects of investments must be very technical in order to be precise. This will create tension with the aim to provide information that is understandable and accessible. The way in which this tension should be managed is highly dependent on the context in which a financial product is provided or sold. The way in which a retail consumer, who is proactively discussing products with an adviser, engages with information on the product, is not comparable with a pension fund participant who is automatically enrolled and has no investment choice. We therefore deplore the fact that EIOPA once again chooses a one-size-fits-all approach. We note that the draft Opinion is mainly focused on retail customers and investment choice. An IORP-specific Opinion would have been more appropriate.</p> <p>We also note that, legally speaking, EIOPA’s definition of a sustainability claim is beyond its legal remit in the case of IORPs. For pension funds, the Opinion is based on the provisions of the SFDR and the articles in IORP2 relating to the Pension Benefit Statement. However, EIOPA writes that sustainability claims can occur in “marketing information and website texts, advertising brochures, social media posts, policies, images, strategies, labels, certificates, ratings, targets, non-regulatory labels, and product names”. These information points are beyond the scope of the IORP2 Directive and the SDFR and therefore out of scope from EIOPA’s competence.</p> <p>Legal considerations aside, we are concerned that the Opinion could lead to poorer communication on sustainability by pension funds for two reasons. First, since the tension between principles is not recognized, the opinion could lead to legalistic communication that is dominated by compliance considerations, rather than the aim to stimulate engagement of participants. This is because the principle of accurateness is more easily supervised and therefore, in practice, will supersede the principle of accessibility. As Dutch pension funds are not-for-profit, they do not use inflated sustainability claims to “mis-sell” products. Participants are mandatorily enrolled and typically have no investment choice. To engage these participants, it is necessary to communicate in an accessible and layered fashion, with comprehensible information in the first layer. Instead, the supervisory approach foreseen by the Opinion may lead pension funds to be very careful about using any simplification. Instead, sustainability communication may take the style of “terms and conditions”, which very few participants will actually read.</p> <p>Secondly, the very broad definition of “sustainability claims” will also hamper pension funds in making information accessible. Visual information plays an important role in signposting participants and improving the accessibility of information. Supervisors should be careful not to discourage the use of visual information by jumping to conclusions about implicit claims. In the guidance provided by AFM, it is argued that a picture of a rain forest, for example, will be understood by the participant as implying that the pension fund does not invest in companies producing (or using) palm oil. If the supervisor makes such a precise – and completely unsubstantiated – assumption about a single picture, it could lead pension funds shying away completely from using visuals. As a result, the information would become unappealing, leading participants to view their pension as something technical and boring. This would also decrease the likelihood of participants coming to the website of a</p>	<p>Noted.</p> <p>EIOPA clarified in the Opinion that some aspects/sections are not relevant for IORPs with automatic/mandatory enrollment.</p> <p>Please note that EIOPA’s goal is to provide an understanding of ‘sustainability claims’ to help drive supervisory convergence.</p> <p>Article 13 of SFDR sets out that marketing communications do not contradict information disclosed under SFDR, therefore “marketing information” is in scope.</p> <p>EIOPA agrees that the degree of substantiation of sustainability claims should depend on the targeted stakeholders (e.g. where the targeted stakeholder is a scheme member layered information is warranted, with a simpler first layer, and more details in subsequent layers). This is in line with Principle 4.</p> <p>With this Opinion, EIOPA highlights that just like in other mediums such as text, visuals may contain sustainability claims. However, this does not mean that EIOPA is discouraging providers, such as pension funds, from using visuals to convey information in an easy way to consumers/scheme members.</p>

		<p>pension fund to find information about the general characteristics of their pension. We therefore recommend that visual information is only considered a claim, where it clearly depicts a specific and identifiable economic activity, such as solar panels. In these cases, it is reasonable to assume that the financial entity invests in this activity.</p>	
	<p>France Assureurs</p>	<p>France Assureurs welcomes EIOPA’s proposed definition of sustainability claims. Providing a common understanding of sustainability claims is essential to help competent authorities tackle greenwashing practises, and to ensure both consumers’ protection and legal certainty for insurance providers. However, France Assureurs is of the view that EIOPA should consider several criteria when defining supervision principles:</p> <ol style="list-style-type: none"> 1) The maturity of the sustainable insurance framework <p>At this stage, the supervision principles on sustainability claims should be limited to insurance-based investment products (excluding funeral contracts and life insurance contracts which are not intended to be investment products even if they have a surrender value - these contracts to be specifically taken out of scope). As for today, those IBIPs are the only type of insurance products for which the EU has established a framework to clarify what can be qualified as sustainable, through the Taxonomy regulation of the SFDR for instance, as other insurance products do not yet have such recognised definitions or common concepts to qualify them as sustainable. Thus, the extension of the scope of this opinion to all insurance products seems premature for now, in the absence of existing regulation. Definition of common standards on sustainability characteristics should be a pre-requisite for any consideration on greenwashing principles on products other than IBIPs – excluding non-life products and life insurance contracts which are not intended to be investment products, as described above.</p> <ol style="list-style-type: none"> 2) The impact of a misleading claim on consumers <p>The qualification of misleading claims, which is defined as a misperception regarding the product’s or entity’s actual contribution to sustainability, should only be considered in the context of a commercial relationship and on the condition that it may lead to distorted economic behaviours of consumers – and not, as suggested by EIOPA, across all stages of the insurance lifecycle. As such, a sustainability claim should only be qualified as misleading if it has been used as a selling point or as a mean to gain a competitive advantage – in this respect, the notion of intentionality must be taken into account when considering greenwashing principles. This will ensure consistency with the French supervisor’s recommendation (2022-R-02 of 14 Decembre 2022) on the promotion of ESG features in the life insurance advertising, as well as the current proposed definition of environmental claims in the Green Claims Directive and the Unfair Commercial Practises Directive.</p> <p>Moreover, as regards the non-exhaustive list of misleading claims practises (3.4), France Assureurs would like to highlight the fact that these examples can be very broad. A more concrete approach would be welcomed: for instance, the characteristics of a meaningful comparison or threshold could be clarified in order to provide legal certainty to stakeholders.</p> <ol style="list-style-type: none"> 3) The misleading claim as key feature of greenwashing <p>We strongly believe that greenwashing should only be limited to misleading claims and not yet be extended to operational and internal processes, or other fields that are linked to sustainability issues: those should be considered separately. It is also crucial to differentiate between sustainability claims that are governed by regulations, such as the SFDR or the IDD, and those that are not. When a sustainability claim is prescribed by applicable regulation, it is essential to leave room for the specific requirements for substantiation and verification therein. Likewise, if a company does not fill precontractual templates for products with ESG features, it should not be qualified as greenwashing but rather as a lack of compliance with SFDR</p>	<p>Noted. EIOPA disagrees with restricting the scope of this Opinion to IBIPs. There is a risk of greenwashing for other types of insurance products, due to the lack of standards as highlighted in EIOPA’s progress and final reports on greenwashing. Therefore, the sustainability claims made about other insurance products beyond IBIPs should also abide by the 4 principles set out in the Opinion. Moreover, these insurance products fall under POG DR sustainability-related requirements and fall under IDD Article 17(2) which sets out that information should be fair, clear and not misleading.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing. In the example given, if a company does not prepare the SFDR pre-contractual templates, consumers would not be able to assess the sustainability profile of said products, potentially leading the consumer to buy a product which is not in line with its sustainability preferences.</p>

		<p>requirements, that should be handled as such.</p> <p>4) The proportionality of supervision principles</p> <p>France Assureurs calls on EIOPA to take into account a criterion of proportionality when defining supervision principles, as remedial actions should be considered depending on the gravity of the misleading claim: an accurate but imprecise statement should not be scrutinized in the same way as a deliberate false one.</p>	
	<p>Thomas ADAM – CA assurances</p>	<p>About the scope of misleading allegations:</p> <p>We agree with the idea that allegations of durability should cover all declarations linked with the durability profile of an entity or a product. However, the notion of allegations must not cover declarations and actions taking place in compliance with regulation. To this extent, processes put in place to respect POG exigence (Product Oversight Governance) must not be included in the notion of allegation.</p> <p>About the definition of misleading allegations:</p> <p>We believe that the term “misleading” needs a broader definition than the non-exhaustive list of examples included in the consultation, and we support the one written at the 3.8 of the consultation “to not create a wrong perception of the actual contribution of the product or the entity to durability”.</p> <p>Moreover, it appears important to us that some proportionality and intentionality criteria must be taken into account for the appreciation of the misleading nature of an allegation. For instance, an exact but imprecise declaration should not be qualified in the same way as a deliberately wrong declaration.</p> <p>However, it seems impossible to build on the foundations of the table in Annex 1, which appears complex and hardly exploitable.</p>	<p>Noted.</p> <p>EIOPA believes that non-compliance with sustainability-related POG requirements can lead to greenwashing.</p> <p>EIOPA agrees that practical guidance is useful. For more practical guidance in relation to the principles and the misleading aspects of sustainability claims, the respondent can refer to the Annex of the Opinion, or to EIOPA’s final report on greenwashing. Based on this Opinion, and EIOPA’s reports on greenwashing, EIOPA may develop further guidance related to the 4 principles.</p>
	<p>Insurance & Pension Denmark</p>	<p>The Danish insurance and pension industry strongly supports strict regulation of business' access to promoting products or services as being green or greener compared to other like services or products. We consider it extremely important that consumers can rely on the statements set forward regarding "green-ness" and that as much as possible is done to avoid intentional or unintentional greenwashing. Having said that, we suggest that the understanding of what sustainability claims are and how they could be misleading should be aligned with other EU-regulation in that area. Specifically, the suggested changes to directive 2005/29 which are set forth in art, 1 (1) of COM (2022) 143 contains a regulatory definition of green claims which, in our view, is very much fit for purpose. This definition is also the suggested definition of green claims in the proposed Green Claims directive COM (2023) 166.</p> <p>We are of the opinion that greenwashing should be limited to misleading voluntary claims, as it is the case with the Green Claims Directive. For example, if a company does not (properly) fill out precontractual templates for products with ESG features, it is not greenwashing but merely a failure of compliance with the SFDR requirements.</p> <p>We would like to point out that, with reference to IBIPs and MOPs, it should be carefully considered what constitutes a "substantial share of investments" ref. paragraph 3.13. The point is that, in line with the prudent person principle, pension providers, life insurers etc. are obligated to ensure a proper diversification of investments. For this reason, IBIPs and MOPs must (at least in the foreseeable future) be invested in other assets than ones that are green/sustainable. This does not,</p>	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing. In the example given, if a company does not prepare the SFDR pre-contractual templates, consumers would not be able to assess the sustainability profile of said products, potentially leading the consumer to buy a</p>

		<p>however, rule out that an IBIP or a MOP takes green-ness/ sustainability into account within certain limits that rest on the requirement to live up to the Prudent Person Principle. We therefore suggest that the Opinion should reflect that the "substantial share" should not be set at a fixed high level which would in practice prohibit pension providers from marketing green-ness/sustainability promoting IBIPs and MOPs.</p> <p>Due to the specific mentioning of a "common understanding shared by... (ESAs) on what greenwashing is" (ref. paragraph 2.4), we therefore urge EIOPA to make sure that a threshold in line with what ESMA sets out in their recommendation on naming is NOT applied in the supervision of pension providers and life insurers' green/sustainability claims.</p>	<p>product which is not in line with its sustainability preferences.</p> <p>EIOPA recognizes the long-term investment horizon of insurance and pension providers. Moreover, EIOPA does not indicate a set threshold for what "substantial share of sustainable investments", this is left up to supervisory judgement.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023.</p>
	Assuralia	<p>There is a strong need for supervisory convergence and legal certainty in the matter as insurers are now confronted with different approaches amongst member states and regulatory levels and detect some gaps in the regulation (lack of clarity around certain definitions and concepts, fragmentation of the implementation,). Supervision must be applied in the same way in all Member states, to promote clear and non-misleading communications on the fund's names and their utilization in each Member state.</p> <p>Furthermore, Assuralia would like to highlight that as insurers, we can only be held responsible for the product name and not for the fund's names if we use the fund of an external fund manager. We cannot be made liable for aspects that fall outside our control. Therefore a clear distinction in the opinion between both levels would be very much welcomed.</p>	<p>Noted.</p> <p>EIOPA has included wording around proportionality in the Opinion.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>
	Actuarial Association of Europe	<p>We generally agree with the understanding of what sustainability claims are and how they can be mis-leading. We would like to add the following suggestions and remarks for consideration by EIOPA:</p> <ul style="list-style-type: none"> - There is a need to provide clear definitions of the specific issues that can be misleading, particularly through the inclusion of relevant examples (e.g., from EU legislation if possible). - It could be clarified that the intention behind misleading claims is irrelevant e.g. whether the intention was to deceive or whether it was due to exaggeration. - The scope of the opinion could be expanded to explicitly address the role and responsibilities of sales intermediaries (agents, brokers, etc.) in misleading sustainability claims. 	<p>Noted.</p> <p>EIOPA agrees that further examples of good and bad practices are useful. In the Annex of the Opinion, EIOPA added further examples. Moreover, EIOPA may develop further guidance related to the 4 principles.</p> <p>EIOPA agrees the fact that misleading sustainability claims can occur and spread intentionally or unintentionally.</p> <p>EIOPA clarified in the Opinion some aspects in relation to intermediaries, particularly in line with EIOPA's guidance on the integration of sustainability preferences in the suitability</p>

			assessment under the Insurance Distribution Directive (IDD).
	Reclaim Finance	<p>Reclaim Finance strongly agrees with this understanding.</p> <p>The NGO underlines the relevance of the ESAs approach to greenwashing laid out in their progress report from June 2023 (see our article on the topic: https://reclaimfinance.org/site/en/2023/07/13/greenwashing-eu-supervisors-to-make-financial-institutions-accountable/). We stress the EIOPA's opinion on sustainability claims must be coherent with this joint approach to greenwashing, which seems to be the case with the proposed understanding of sustainability claims and how they can be misleading.</p>	<p>Noted.</p> <p>Indeed, EIOPA closely works with the other two ESAs (EBA and ESMA) on cross-sectoral topics such as greenwashing. This has recently resulted in the publication of an ESAs common understanding of greenwashing (see EIOPA's progress report on greenwashing) as well as the ongoing work on the ESAs Joint Opinion on SFDR.</p>
	Association of German Public Insurers	Yes.	Noted.
Q 2: Stakeholders views are sought where they believe that other requirements – beyond those already identified by EIOPA in this Opinion – already cover sustainability claims.			
	Nordic Financial Union (NFU)	<p>As Nordic Financial Unions, we agree with the broad categorization of sustainability claims identified and support efforts to address misleading claims and greenwashing practices. However, we believe that beyond the current regulatory frameworks, such as the Sustainable Finance Disclosure Regulation (SFDR) and the Taxonomy Regulation, additional aspects could further support the integrity of sustainability claims in our sectors. We emphasize that greenwashing can manifest at various stages of the lifecycle, including at both entity and product levels, thereby influencing investment strategies, shareholder engagement, underwriting activities, and Net Zero commitments.</p> <p>In our view, an effective and harmonized supervision of sustainability claims across Europe should, to a greater extent than today, encourage social dialogue and strengthen verification processes to limit the risk of greenwashing in the insurance and occupational pensions sectors.</p> <p>Firstly, social dialogue between employers, workers, and regulators on sustainability issues can lead to a more holistic understanding of sustainability challenges and foster collective solutions that benefit all stakeholders. Involving employees in the development, review, and monitoring of sustainability claims adds an extra layer of scrutiny and authenticity. Employees in the finance and insurance sectors, often on the front lines and tasked with selling and managing products with sustainability claims, play a crucial role in the implementation of sustainability initiatives. Their firsthand insights and experiences are invaluable for identifying discrepancies between claims and actual practices.</p> <p>Secondly, while current frameworks primarily focus on disclosure and transparency from market and consumer protection perspectives, these are critical but insufficient. There is a pressing need to strengthen mechanisms for verifying the accuracy of sustainability claims. This could involve setting clearer standards for what constitutes a valid sustainability claim and establishing more robust verification processes, potentially including third-party audits or certifications standardized across the EU. Implementing EU-wide standards or certifications for sustainability claims in the insurance and pensions sectors, akin to established eco-labels for products, would aid consumers and stakeholders in distinguishing between substantiated and unsubstantiated claims.</p>	Noted.

	Lloyd's market association	<p>There is an argument that no further guidance / regulation is necessary from the perspective of a consumer, which is already protected by domestic legislation in relation to mis-selling or misrepresentation, such that it exists. Furthermore, mis-selling and misrepresentation is already in the bailiwick of domestic regulators. To that end, additional requirements in this area could be seen at best to be superfluous, and at worst, overreaching. There is the risk of contradictory or conflicting requirements. As such, we urge cooperation toward international convergence between regulators so far as possible on legislation and guidance relating to sustainability claims. Guidance on measurement of sustainability claims should be consistent across jurisdictions so that customers are able to make proper and informed judgments about different products on offer.</p>	<p>Noted.</p> <p>EIOPA is not setting out new requirements with this Opinion, but rather clarifying already existing requirements for the purpose of supervisory convergence in the context of sustainability claims.</p>
	MAIF	<p>We believe it is important to take into account the diversity of existing national legislations on the subject in order to circumscribe the regulatory and administrative burden. While strict regulation is necessary to tackle greenwashing, we call on the legislator to ensure that European legislation is consistent with national legislation.</p> <p>In France, Article 29 of the Energy and Climate Law sets out disclosure requirements for investors, including insurers. More ambitious than SFDR, this article requires that the dual materiality of investments is taken into account. Better supervision of greenwashing should take into account these existing regulations, so as not to add a redundant layer of red tape.</p> <p>Besides, the French supervisory authority: ACPR, in its recommendation 2022-R-02 of December 14, 2022, already sets out a large number of constraints for insurance companies confine the risks of greenwashing. The recommendation refers in particular to the need for balanced communications on extra-financial characteristics, the intelligibility of arguments and the need to "integrate the risk of greenwashing into the means and procedures implemented to ensure the control of advertising communications".</p> <p>Moreover, the French advertising regulatory authority (ARPP) ensures that advertising carrying a risk of greenwashing, does not convey erroneous, unclear or unsubstantiated information.</p> <p>We expect EIOPA's work to lead to a degree of consistency at European level in the definition and regulation of greenwashing.</p>	<p>Noted.</p> <p>Please note that the Opinion states that it is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities.</p>
	Fédération Bancaire Française	<p>Yes, in France, the supervisor for banking and insurance sector (ACPR) published a recommendation on the promotion of extra-financial characteristics in life insurance advertising communications in 2022 (See : https://acpr.banque-france.fr/sites/default/files/media/2022/12/28/20221228_recommandation_2022-r-02.pdf).</p>	<p>Noted.</p>
	GDV (Gesamtverb and der Deutschen Versicherung swirtschaft e.V	<p>We are grateful for the focus EIOPA places on the question of alignment with other requirements. Consistency within the applicable regulation is very important. The lack of consistency has been a major flaw of the sustainability-related regulation so far. It is important that EIOPA provides expertise and guidance to the legislator and to the EU Commission in order to ensure coherence within the regulatory framework applicable to insurance products (sectoral and cross-sectoral).</p> <p>Against this background, the EIOPA opinion would need to take account of the UCPD – not only in its current version but also as amended by the Directive empowering consumers for the green transition. Furthermore, the Green Claims Directive is currently discussed in the European Parliament and in the Council. Depending on its final wording, a greater or lesser number of insurance products will be within in the scope of the Directive.</p> <p>While the EIOPA opinion should not preempt the policy decisions of the legislator and should not circumvent the implementation periods provided by the new Directives, it should nevertheless take note of the approach of the legislator and be consistent with it.</p> <p>Furthermore, we would like to point out that many insurance-based investment products include underlying investment options which are financial products themselves – often UCITS. Any requirements developed by ESMA will therefore also be relevant for life insurers as will the EIOPA opinion be for many investment companies. We would therefore welcome if both supervisory authorities strive for compatibility of their approaches with respect to these products. In particular, the EIOPA</p>	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023.</p>

		wording and latest ESMA wording should allow for a common understanding of concepts such as “substantial share of sustainable investments” and “invest meaningfully in sustainable investments”.	
EIOPA Insurance and Reinsurance Stakeholder Group		<p>The insurance industry is already regulated in relation to sustainability claims, transparency and the implementation of robust process and controls. In order to prevent occurrences of greenwashing, the interrelation of the draft opinion with the IDD framework and the guidelines provided by EIOPA, especially with the Products Oversight Governance (POG) requirements and the suitability assessment under the IDD, should be clarified. Moreover, the proposed amendments to the Regulatory Technical Standards of the SFDR as the potential review of the SFDR (level 1) should be considered in regard to increased level of standardization of sustainability disclosures and improved transparency towards consumers.</p> <p>In addition, clear reference should be made to contract law, prospectus liability regime and marketing regulation in addition to the specific Sustainable Finance Regulation in SFDR, MiFID II, IDD, UCITS and CSRD. Also, the EIOPA opinion must be consistent with existing EU rules and EU guidelines. In particular – regarding unit-linked insurance products – the opinion must be consistent with the existing rules on greenwashing and sustainability claims already applying to the units themselves, which are most often investment funds (UCITs or AIFs). For example, those that will be subject to the upcoming ESMA guidelines fund names.</p> <p>In particular, several regulatory proposals (the Directive on Empowering Consumers in the Green Transition and the Green Claims Directive) have not been examined by EIOPA in this Opinion. These proposals have not yet been finalised and adopted. Nevertheless, they will constitute the backbone of the EU’s legislation on greenwashing. EIOPA should take them into consideration to ensure that the finalised guidelines will not become obsolete as soon as these proposals will enter into force.</p>	<p>Noted.</p> <p>EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p>
AFG (Association Française de Gestion)		please refer to our answer to question 1	Noted.
PensionsEurope		<p>In some member states like the Netherlands, pension law already requires all communication by pension funds to be correct, clear and balanced.</p> <p>However, depending on the national implementation of the CSRD, which is still pending in many Member States, IORPs may be subjected to new requirements regarding sustainability claims. In any way, we would like to emphasize that accurate sustainability claims that are based on legal requirements, such as e. g. SFDR, might under no circumstances be qualified as greenwashing.</p> <p>On a more general note, we would like to stress that IORPs have a social role and in most cases are not active in a market where they try to attract customers to buy their “products”. Rather, they implement the pension promise that their sponsoring undertakings give to their employees. Hence, IORPs generally are not motivated to engage in greenwashing at all. As a result, we see the danger that to avoid being accused of greenwashing, IORPs will increasingly refrain from referring to anything related to sustainability at all. Hence, implementing unfitting regulations may lead to green bleaching.</p>	<p>Noted.</p> <p>EIOPA is of the view that a lack of compliance with SFDR can lead to greenwashing.</p> <p>EIOPA clarified in the Opinion that some aspects/sections are not relevant for IORPs with automatic/mandatory enrollment.</p>
Insurance Europe & CROForum		As Insurance Europe understands, the Green Claims Directive and the Directive on empowering consumers in the green transition are not taken into account by EIOPA because the Green Claims Directive has not yet been finalised and formally adopted and the Directive on empowering consumers in the green transition, which has been adopted on 20 February 2024,	Noted.

		<p>had not yet been finalised at the time of publication of EIOPA’s opinion.</p> <p>However, these two important regulatory proposals will constitute a crucial part of the future European legislative framework on greenwashing and must not be ignored by EIOPA. Indeed, this Opinion, which is meant to provide guidelines to national competent authorities and insurance companies on how to prevent and tackle greenwashing, pursues a similar goal. It must therefore be ensured that the opinion does not become obsolete a few months after its publication because overlapping regulatory proposals will enter into force. EIOPA could even consider refraining from issuing its documents before the work on the Green Claims Directive is completed.</p> <p>Further legislation on green claims which insurers have to comply with and which EIOPA would have to take into account includes the SFDR, IDD, Markets in Financial Instruments Directive (MiFID II), Undertakings for the Collective Investment in Transferable Securities (UCITS), and Corporate Sustainability Reporting Directive (CSRD).</p> <p>Moreover, some countries have already initiated work on monitoring greenwashing practices. EIOPA should have in sight those national initiatives when setting a framework on sustainability claims, in order to avoid any inconsistencies and potential overabundance of supervisory principles on greenwashing.</p> <p>Finally, there is a need for a coordinated approach between EIOPA and ESMA on this subject, and especially regarding:</p> <ul style="list-style-type: none"> - the naming of products, as some insurers are dependent on fund managers and do not have the possibility to rename their products to fulfil requirements regarding sustainability claims and greenwashing; - the fact that insurance-based investment products (IBIPs) can provide both an insurance and an investment component. Guidelines developed by EIOPA and the European Securities and Markets Authority (ESMA) will thus respectively have an impact on insurance companies and on life insurers. As such, consistency on greenwashing principles must be ensured, particularly regarding MOPs. 	<p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted. EIOPA also added a reference to the CSRD in the Opinion.</p> <p>EIOPA has taken note of the national initiatives on greenwashing.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p>
	<p>BIPAR (European Federation of Insurance Intermediaries)</p>	<p>BIPAR agrees with the EU legislative texts identified by EIOPA (i.e. SFDR, Taxonomy, IDD and IORP II) as containing the bulk of requirements related to sustainability claims. We do however, want to highlight the fact that the framework is constantly evolving and new texts are currently in preparation, that might also have an impact on sustainability claims. For instance, the Retail Investment Strategy (RIS) may contain a requirement to add sustainability training to the training currently required under the IDD.</p> <p>Regarding EIOPA’s statement that “no specific requirements exist for the disclosure of sustainability features of non-life insurance products, although these entities and products may make sustainability claims”, although that statement sounds mostly accurate and most rules apply only to insurance-based investment products (IBIPs), BIPAR would like to mention that Delegated Regulation 2017/2358 to the IDD on product oversight and governance (POG) now contains sustainability-related requirements. These requirements theoretically apply to all products (IBIPs and non-life). They are mostly targeted at manufacturers but also impact distributors (Chapter III of the Delegated Regulation).</p> <p>In addition to these additional EU texts, BIPAR believes it is important to keep in mind that many Member States have now developed national sustainable finance frameworks both in order to implement EU texts at national level and in order to add to them. In some Member States, this means intermediaries are already subject to a number of additional requirements. In some</p>	<p>Noted.</p>

		jurisdictions, the entire framework (encompassing both EU level and national level rules) is already highly complex and sometimes burdensome.	
	the Swedish Consumer Agency	It is important to remember, as mentioned in 2.10. that the Unfair Commercial Practices Directive (UCPD) is applicable for sustainability claims in the insurance and pensions sections. Apart from that, the Swedish Consumer Agency believes that EIOPA has identified the requirements covering sustainability claims.	Noted.
	Impactiv sp.p.	<p>We believe that the Opinion lacks information on an important aspect of sustainability claims for insurance companies, i.e. on the consequences of breaching by the insurance manufacturer or insurance distributor the procedural requirements resulting from the POG DR (including e.g. the stage of product approval, product testing, target market, distribution). In particular, it is important to answer the question whether the mere breach of the above procedural requirements can lead to an accusation of greenwashing. Alternatively, whether such a breach only leads to an accusation of breaching of the POG DR or IDD provisions.</p> <p>The procedural requirements for managing an insurance product that considers sustainable development issues have been provided for in the POG DR. According to them, insurance manufacturers, among other things: (i) must ensure that the design of the insurance product takes into account any objectives related to sustainable development (Article 4(2)(a)(i) of the POG DR); (ii) define the target market taking into account the sustainable development factors associated with the product (Article 5(1) of the POG DR); (iii) develop and market only insurance products that meet the potential objectives related to sustainable development of clients belonging to the target market (Article 5(3) of the POG DR); (iv) may not market insurance products if the product tests indicate that they do not meet the identified needs, objectives, including potential objectives related to sustainable development, and characteristics of the target market (Article 6(2) of the POG DR). On the other hand, insurance distributors, among other things, ensure proper consideration of the objectives, interests and characteristics of customers, including potential objectives related to sustainable development (Article 10(2) of the POG DR).</p> <p>Consequently, it could happen that an insurance product does not properly go through all the procedural elements specified in the POG DR (e.g. the manufacturer may take the product through all the required elements, but not take into account sustainable development issues in any way). Subsequently, the manufacturer or distributor may decide anyway to offer the product as a sustainable product. As a result, there is doubt as to whether the mere failure to consider sustainable development issues in product design process indicates that sustainability claims are misleading -in particular, if the product meets all the requirements set out in the Opinion, but has not gone through the formal path set out in the POG DR.</p> <p>We therefore propose to indicate that a breach of the procedural path from the POG DR is not direct evidence of the use of misleading sustainability claims. It may only give a presumption that the manufacturer or distributor used misleading sustainability claims.</p>	<p>Noted.</p> <p>EIOPA believes that a product manufacturer failing to consider sustainability-related objectives when manufacturing the product can lead to greenwashing.</p>
	ANASF	We have nothing to add to that.	Noted.
	Polish Chamber of Insurance (PIU)	Consideration should be given to limiting the scope of the opinion to insurance-based investment products (IBIPS). There are currently EU regulations on sustainable financing in relation to IBIPS, but there are no regulations in the field of non-life insurance products. The Sustainable Finance Disclosure Regulation (SFDR) applies only to IBIPs offered by life insurance companies. Given the absence of regulations defining non-life insurance as sustainable, discussing greenwashing in this context becomes challenging or even not possible.	<p>Noted.</p> <p>EIOPA disagrees with restricting the scope of this Opinion to IBIPs. There is a risk of greenwashing for other types of insurance products, due to the lack of standards as set out in EIOPA's Progress and Final reports on greenwashing. Therefore,</p>

			<p>sustainability claims made about insurance products beyond IBIPs should abide by the 4 principles set out in the Opinion.</p> <p>Moreover, these other insurance products fall under POG DR sustainability-related requirements and fall under Article 17(2) of the IDD which sets out that information should be fair, clear and not misleading.</p>
	Matthies Versteegen – Pensioen Federatie	As mentioned, the Dutch pension law already requires all communication by pension funds to be correct, clear and balanced.	Noted.
	France Assureurs	<p>The Green Claims Directive and the Directive on empowering consumers in the green transition are not taken into account because they have not yet been finalised and formally adopted. However, these two important regulatory proposals will constitute a crucial part of the future European legislative framework on greenwashing. It must be ensured that the definitions provided by the regulations are considered, to prevent insurance providers from any potential inconsistencies or contradictions between this opinion and the future legislative framework they will be submitted to.</p> <p>Also, some countries have already initiated work on monitoring greenwashing practises. For example, the French supervisory authority (ACPR) has published a recommendation related to the promotion of ESG features in life insurance advertisement (Recommendation 2022-R-02 of 14 December 2022). EIOPA should consider those national and pioneering initiatives when setting a framework on sustainability claims, in order to avoid any inconsistencies and potential overabundance of supervisory principles on greenwashing.</p> <p>Finally, there is a need for a coordinated approach between EIOPA and ESMA on this subject, and especially regarding:</p> <ul style="list-style-type: none"> - the naming of products, as some insurers are dependent on funds managers and do not have the possibility to rename their products to fulfil requirements regarding sustainability claims and greenwashing. - the fact that IBIPs (excluding life insurance contracts which are not intended to be investment products, as described above) are both insurance and financial products, and consistency on greenwashing principles should be ensured – and particularly regarding MOPs. To this extent, it is worth noting that the French supervisor (ACPR) relies on the financial market authority (AMF – Recommendation DOC-2020-03) framework to provide guidelines on the promotion of ESG features in life insurance advertising (Recommendation 2022-R-02 of 14 December 2022). 	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA has taken note of the national initiatives on greenwashing and is issuing this Opinion in line with those national initiatives.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p>
	Thomas ADAM – CA assurances	<p>In its quality of producer of multi-options products (MOPs) in life insurance, we choose and offer a diversity of funds coming from different management companies for our life insurance contracts.</p> <p>In France, the recommendation-position DOC-2020-03 of the Financial Markets Authority (FMA)/AMF defines 3 levels of communication (central, reduced, prospectus-limited) whether extra-financial characteristics are incorporated to the denomination of collective investments, which implies different obligations for the management company about the communication on extra-financial dimension of the fund.</p>	Noted.

		<p>On the same matter, the ACPR emitted the 2022-R-02 Recommendation, regarding the promotion of extra-financial characteristics in advertising communications of life insurance products, leaning on the FMA/AMF DOC-2020-03 Recommendation. It gives detailed recommendations in order to ensure a clear advertising information, precise and non-misleading throughout the promotion of these characteristics.</p>	
	Institute of International Finance	<p>We encourage EIOPA to align its definition of greenwashing with the more precise and tailored definition offered by IOSCO. We encourage EIOPA to align its definition of greenwashing to the more precise and tailored definition offered by the International Organization of Securities Commissions (IOSCO), which describes greenwashing as the practice of misrepresenting sustainability-related practices or the sustainability-related features of investment products.² EIOPA's proposed definition of greenwashing in Paragraph 2.2 of the Consultation Paper is overbroad and open to different interpretations, which can exacerbate the regulatory fragmentation surrounding sustainability, which EIOPA acknowledges in Paragraph 2.6 of the Consultation Paper. IOSCO's definition of greenwashing, on the other hand, focuses on the potential source of any greenwashing risk in the insurance sector – that is, with respect to an insurance-based investment product (IBIP). If EIOPA believes that a broader scope of application is appropriate, it should provide clear and detailed evidence of how insurance products more broadly have given rise to, or could potentially give rise to, greenwashing concerns.</p> <p>We also encourage EIOPA to take into consideration the relevant European Union (EU) legislation that already addresses a broad range of market conduct issues that are not greenwashing. As noted in Paragraph 3.3 of the Consultation Paper, the Insurance Distribution Directive (IDD), EU regulations supplementing the IDD6, and the EU Regulation on sustainability-related disclosures⁷ provide national competent authorities with the basis to address market conduct issues that, while important, do not rise to the level of greenwashing.</p>	<p>Noted. EIOPA's understanding of sustainability claims bases itself on the ESAs understanding of greenwashing (please see EIOPA's Progress and Final reports on greenwashing).</p> <p>Please note that EIOPA's Opinion also applies to insurance products beyond IBIPs because these products fall under POG DR sustainability-related requirements and fall under IDD Article 17(2) which sets out that information should be fair, clear and not misleading. Further reasoning is outlined in EIOPA's final report on greenwashing.</p>
	Insurance & Pension Denmark	<p>The above mentioned directive 2005/29 lays down rules concerning unfair business-to-consumer commercial practices in the internal market. This directive is proposed amended by the above mentioned COM (2022) 143, specifically regarding the definition of green claims. Further, and most importantly, COM (2023) 166 is the proposal for a directive on the substantiation and communication of explicit environmental claims which includes financial services in its scope.</p> <p>Although the proposals mentioned have yet to be agreed upon, we nevertheless suggest that EIOPA in its Opinion takes into account the impact the proposals will have on entities' requirements to substantiate green claims and communicate such substantiation. The two proposals will constitute a crucial part of the future European legislative framework on greenwashing and must not be ignored. Indeed, EIOPAs proposed Opinion is meant to provide guidelines to national competent authorities on how to prevent and tackle greenwashing, which is very much the same purpose as that of the mentioned proposals for regulation. Therefore, if EIOPA does not take the proposals into consideration, it may result in EIOPAs Opinion becoming obsolete, when the proposed regulations are adopted and enter into force.</p> <p>It should also be noted that some member states have already addressed the issue of unsubstantiated green claims. In 2021, the Danish Consumer Ombudsman issued a Quick Guide to undertakings regarding marketing based on environmental claims (https://www.forbrugerombudsmanden.dk/media/56731/kvikguide-om-miljoemarkedsfoering.pdf). This guide lays down a similar approach to the understanding of green claims as the one set forth in the above mentioned art, 1 (1) of COM (2022) 143. In our opinion, this strengthens the argument for ensuring that the EIOPA Opinion takes the mentioned proposals for regulation into account.</p>	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive on empowering consumers for the green transition.</p> <p>EIOPA has taken note of this national initiative on greenwashing.</p>
	Assuralia	<p>Assuralia would like to highlight that we have to remind that the European Commission is also working on a Green Claims Directive proposal and that convergency is needed.</p> <p>Moreover, in Belgium, a definition of greenwashing already exists and rules concerning clear and non-misleading</p>	<p>Noted.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA</p>

		<p>communication are already implemented through IDD and SFDR.</p> <p>There is a strong need for supervisory convergence and legal certainty in the matter as insurers are now confronted with different approaches amongst member states and regulatory levels and detect some gaps in the regulation (lack of clarity around certain definitions and concepts, fragmentation of the implementation,). Supervision must be applied in the same way in all Member states, to promote clear and non-misleading communications on the fund's names and their utilization in each Member state.</p> <p>Furthermore, Assuralia would like to highlight that as insurers, we can only be held responsible for the product name and not for the fund's names if we use the fund of an external fund manager. We cannot be made liable for aspects that fall outside our control. Therefore a clear distinction in the opinion between both levels would be very much welcomed.</p>	<p>clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>
	Actuarial Association of Europe	<p>There is scope to expand the frameworks and regulations considered for sustainability claims beyond those identified by EIOPA in the draft opinion.</p> <p>In particular, both international frameworks (such as the UN SDGs) and local/country-specific regulations (an example would be the consumer protection codes at a country level) play crucial roles in governing sustainability claims. This suggests the importance of recognising a diverse range of standards and regulations to adequately cover sustainability claims.</p> <p>Some specific observations are listed below:</p> <ul style="list-style-type: none"> - UN Sustainable Development Goals (SDGs) could also be mentioned as an alternative framework to EU SFDR, noting that UN SDGs can also apply to non-life insurance products, contrary to SFDR. - Corporate Sustainability Reporting Directive (CSRD) was not explicitly referenced in Section 1.2. This requires firms to make sustainability disclosures and thus could be open to the risk of greenwashing. - Consider greenwashing restrictions and definitions from other global regions for a more internationally inclusive approach. - Reference could be made to other elements of the Insurance Distribution Directive (IDD) for example in relation to requirements on transparency, disclosure of conflicts of interest, record-keeping obligations etc. 	<p>Noted.</p> <p>EIOPA added a reference to the CSRD in the Opinion.</p>
	Reclaim Finance	<p>Several additional EU texts or requirements might be relevant to the discussion on sustainability claims even though their perimeter is different from the texts already analyzed by EIOPA in its opinion, including:</p> <ul style="list-style-type: none"> - The Directive on Green Claims: <p>While the directive is not aimed at insurance or financial products, it provides some interesting elements on how to address green claims and make information more available to consumers (see: https://environment.ec.europa.eu/topics/circular-economy/green-claims_en).</p> <ul style="list-style-type: none"> - The EU Ecolabel: 	<p>Noted.</p> <p>EIOPA added a reference to the CSRD in the Opinion.</p>

		<p>The EU Ecolabel for financial products is still under development but the discussion show the need for clear and strong criteria to be implemented to avoid greenwashing (see: https://susproc.jrc.ec.europa.eu/product-bureau/product-groups/432/home). It is worth noting that several major national labels - including the French labels ISR and Greenfin or the Belgian Toward Sustainability - have adopted recently criteria to exclude any company tied to fossil fuel development.</p> <p>- The EU CSRD and ESRS:</p> <p>The reporting requirements apply to insurers and set a clear 1.5°C ambition when it comes to climate action. Additionally, the requirements include "climate transition plans" that are also featured in Solvency II and in the - yet to be adopted - CSDDD. Concretely, these texts show that EIOPA should explicitly consider in its Opinion the alignment with the 1.5°C goal and the adoption of robust transition plans as elements essential to substantiate climate-related claims and avoid entity-level greenwashing. More information on this topic, as well as clear recommendations on the content of transition plans, are available in Reclaim Finance's recent report: https://reclaimfinance.org/site/en/avoiding-greenwashing-in-transition-plans/ .</p> <p>Beyond the above mentioned EU texts, it is worth considering that an insurer that would communicate misleading informations on sustainability could be accused of communicating wrongful information to the market. As this has an impact of the potential valuation of the insurer and its perception by investors, this constitutes a financial fraud and could link to severe sanctions in national jurisdictions. The legal texts related to such sanctions could be mentioned (see for example in France: https://www.legifrance.gouv.fr/codes/article_lc/LEGIARTI000032745429).</p>	
	<p>Association of German Public Insurers</p>	<p>The association fully supports EIOPA in increasing consistency between the numerous sectoral as well as horizontal legal acts on sustainability claims and greenwashing. The complex interplay between the entire Sustainable Finance framework and the Unfair Commercial Practices Directive, including the upcoming changes due to the Green Claims Directive under current negotiation, might lead to overlaps, duplications, and inconsistencies.</p> <p>=> The Public Insurers support EIOPA in engaging in the legislative process of horizontal legislation sustainability claims by providing their expertise to avoid inconsistencies. Where there are already sectoral rules, insurance should be explicitly exempted from further horizontal legislation.</p>	<p>Noted.</p>
<p>Q 3: Do you agree with Principle 1 and 2 and whether these principles help ensuring that sustainability claims are accurate?</p>			
	<p>Nordic Financial Union (NFU)</p>	<p>In general, it should be noted that addressing greenwashing is complex, and the accuracy of sustainability claims is one factor among many. Nevertheless, we believe that Principles 1 and 2 are relevant in addressing greenwashing as they emphasize the need for providers to make sustainability claims that are accurate, precise, and consistently aligned with their business models, products, and strategies. Furthermore, it is essential that these claims are regularly reviewed, updated, and communicated transparently to prevent greenwashing and maintain consumer trust.</p> <p>We stress the importance of harmonized transparency rules, which complement and strengthen the objectives of Principle 2. By advocating for standardized disclosure and high-quality data, we support the principle's goal of maintaining current and transparent sustainability claims. This synergy is crucial for upholding the values of transparency and a level playing field in the single market. It ensures that consumers and investors have access to reliable and up-to-date information, crucial for sustainability claims to reflect actual practices, focus on ethics, and comply with adequate regulation and consumer protection. Both principles align with stakeholder concerns about greenwashing, addressing the need for dynamic and rigorous sustainability claims. While theoretically effective, we find that their impact depends on implementation, enforcement, and the</p>	<p>Noted.</p>

		<p>ability to adapt to the evolving nature of sustainability claims. Gaps include the need for standardized sustainability definitions and improved regulatory capacity. Enhancing consumer financial literacy to recognize greenwashing and improving data quality are also crucial. Promoting skills development and awareness initiatives for employees in the insurance and pensions sectors is essential for understanding sustainability claims, greenwashing risks, and the regulatory framework governing these claims. Educated and informed employees are better equipped to uphold the principles of accuracy and timeliness in managing sustainability claims.</p>	
<p>Lloyd's market association</p>		<p>On the wording of principle 1, whilst there can be no disagreement that sustainability claims should be accurate, we question the need for the balance of the wording of Principle 1 after the word "accurate". We consider that for non-life products, sustainability claims can be wholly irrelevant to the product which the party is selling. So, for example, if an insurer providing insurance against theft does some green act for every policy sold, it may be hard to create the linkage between that act and the product. Yet there can be no argument that the act itself is positive and if the claim is accurate, the provider should be entitled to rely upon it. Further the profile of a product might not match the provider's overall profile.</p> <p>Paragraph 3.8 states that "greenwashing could occur when a product's advertisement highlights only its minor positive environmental impacts, omitting its more significant negative effects... sustainability claims should be precise, clearly outlining the specific sustainability aspects upon which the claim is based, avoiding ambiguity." The language used in this paragraph, and in paragraph 3.16 suggests that "precise" in fact means "full disclosure." We think this goes too far and suggests that providers are able to do a full analysis of the effects of their product and balance those against any green acts that they undertake to offset these. If this is the case, we consider that the costs of the exercise and the risk of getting it wrong do not act as any kind of positive encouragement to undertake green acts, in that absent any sustainability claims, there is no need to undertake such analysis, so why should providers bother in the first place? We think that instead of precision, a better requirement would be that sustainability claims should not be vague, and we think that is what the wording was trying to get at. We disagree with paragraph 3.10 where it states, "providers should ensure that their sustainability claims are mirrored in their decision-making, culture, and internal processes." This is, in our view, a repetition of the need for sustainability claims to be accurate. However, it has no application where a sustainability claim has no evident connection to the management of a company. Paragraph 3.14 suggests that distributors need to ensure that "any sustainability claim made matches the sustainability considerations of the consumers." Paragraph 3.17 then states that "Distributors should be knowledgeable about the product's sustainability features to accurately represent these to consumers and adequately assess the product's suitability against the consumers' sustainability preferences." Our understanding of IDD is that insurance companies are included in the definition of "distributors." If this is correct, in intermediated markets, such as the specialty market, this role is not undertaken by insurers as there is no direct communication or evaluation of the wants and needs of the insured – that role is undertaken by the broker, and accordingly, the application of 3.14 to "distributors" is far too wide. We do not understand how paragraph 3.15 advances the debate beyond what is contained within the accuracy requirement of Principle 1.</p> <p>Turning to the POG process at paragraphs 3.18 – 3.20, whilst we agree that sustainability claims should be considered as part of the process, this section appears to assume that target markets are monolithic in their views as to sustainability, when in fact there is likely to be a divergence of views. We do not therefore understand how products should be designed and marketed in a way that is "compatible and consistent with the sustainability-related objectives of the target market" through distributors with profiles that are "consistent with the products' sustainability features and the target market's sustainability-related objectives." If such guidance is issued, it can only lead to confusion amongst parties which execute the POG process. We do not consider that it is always possible for a manufacturer to ensure that a product remains aligned over its whole lifetime with the sustainability related objectives of the identified target market where the market is not uniform and its objectives evolve over time. This assessment can be done for a product at the point it is to be distributed and the product can</p>	<p>Noted.</p> <p>EIOPA's goal with paragraph 3.8 is to highlight that providers that should not, where they have knowledge of both positive and negative impacts of a product, provide a biased picture to consumers highlighting only the positives aspects of said product. EIOPA clarified this in the Opinion.</p> <p>EIOPA clarified paragraph 3.10 of the Opinion by indicating that this applies where the provider has made sustainability claims about the way its firm is managed.</p> <p>The definition of insurance distributor used by this Opinion is the one set out in Article 2(8) of the IDD.</p> <p>EIOPA's goal with paragraph 3.15 is to highlight that provider should not make vague claims simply saying that "the product is aligned with ESG" or "the product is ESG integrated". Instead, providers should make more specific claims related to profile of the product (e.g. the product aims to make X% of environmentally sustainable investments).</p> <p>For the POG paragraphs, EIOPA relies on the different sustainability requirements set out in the POG DR:</p> <ul style="list-style-type: none"> - Article 5(3) states that "manufacturer shall only design and market insurance products that are compatible with the needs, characteristics and objectives, including any sustainability-related objectives, of the customers belonging to the target market" - Article 10(2)(c) states that "the product distribution arrangement shall: ensure that the objectives, interests and characteristics of

		<p>be reassessed but once it has been purchased, if the parameters change while the product is still a live risk, the contract cannot be amended at that time. Principle 2: Sustainability claims should be kept up to date, and any changes should be disclosed in a timely manner and with a clear rationale We do not believe that Principle 2 is necessary. If a sustainability claim is out of date, it can no longer be accurate (see Principle 1). We think that any requirement to disclose changes in a timely manner and offer remediation (as suggested by 3.25) is not appropriate to non-life insurance and would be disproportionate and lead to lack of contract certainty. The paragraph is suggests that such disclosures should happen mid-term. Moreover, this would suggest a continuing duty of “good faith” on the part of the insurer. Such a duty is not a feature of insurance law and if it were introduced via the back door it could, on balance, be detrimental to the interests of insured, as it would also require them to continually disclose changes to the insurers if the insurers are required to up-date sustainability claims with a view to the preferences of the customers, at the risk of changes to cover and lack of certainty. In summary, we consider that Principle 1 is appropriate for non-life insurance but should focus on accuracy.</p>	<p>customers, including any sustainability-related objectives, are duly taken into account”.</p> <ul style="list-style-type: none"> - Article 7(1) states that the manufacturers “shall assess whether the insurance products remain consistent with the needs, characteristics and objectives, including any sustainability-related objectives” <p>EIOPA therefore disagrees with the assessments on the POG paragraphs outlined in the comment.</p>
	<p>MAIF</p>	<p>MAIF defends the transparency requirements applicable to entities as well as to products presented by principles 1 and 2 and is opposed to anything that could lead to misleading claims.</p> <p>With regard to its organisation and governance, MAIF, a mission-driven company since 2020, takes particular care to ensure that its CSR policy is in line with the reality of the organisation. A third-party body is in charge of monitoring the implementation of the social and environmental objectives.</p> <p>However, we would like to highlight a few contentions arising from these two principles:</p> <p>Regarding the product design and delivery phases</p> <p>We are particularly aware that product development, in particular when CSR criteria are to be met, can lead to greenwashing practices. This stage of the product life cycle can be a vector for unintentional greenwashing because it relies on external parties such as subcontractor, supply chain, etc.</p> <p>Insurance entities do not necessarily have control over the entire supply chain and are not in a position to check every piece of information on an ongoing basis throughout the product life cycle. It would be necessary to take this into account in the requirements.</p> <p>We also would like to stress the importance of having a clear definition of a sustainable investment product. MAIF encourages the establishment of clear and consistent standards for sustainable investment products to ensure that sustainability claims match consumers' sustainability considerations.</p> <p>At the distribution stage</p> <p>Marketing material, which is less monitored than labels or regulatory documents, is also likely to generate greenwashing, but also unintentional greenwashing due to the lack of reliable ESG data. This is why we are convinced that taking into account the ESG performance and commitment of companies is essential to ensure the accuracy of sustainability claims. MAIF therefore supports the further development of the legislative framework for extra-financial sustainability reporting (CSRD) and access to this information through open data (ESAP).</p> <p>Finally, MAIF strives to ensure that the information provided is as accurate and up-to-date as possible, but maintains that those</p>	<p>Noted.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>EIOPA has included wording around proportionality in the Opinion. Moreover, proportionality when assessing the adequacy of due diligence is mentioned in the substantiation principle.</p>

		<p>involved in the sales process for our customers should have a "room for error", particularly in the case of out-of-date information which may be due to an omission.</p> <p>We believe that sustainability claims should be understood and assessed in the context of the company's overall sustainability strategy. Assessing whether a claim is misleading must be part of a broader review of the honesty of the entity's statements as a whole and not just of a single isolated element.</p> <p>Similarly, as a company, but also as a regulator, we need to distinguish between the different channels of communication and adapt the framework for them. Spoken information, from whichever channel such as face to face, over the phone or broadcasted statements is more complex for the company to control. As a result, written communications, which can be verified by the company, unlike spoken statements, require greater attention.</p>	
	<p>AMICE - Association of Mutual Insurers and Insurance Cooperatives in Europe</p>	<p>AMICE is supportive of the EIOPA's Principles 1 and 2 which state that sustainability claims should be accurate, precise, and consistent with the overall profile and business model of the insurance provider, or the profile of its product.</p> <p>However, EIOPA and the national competent authorities should recognize the broad range of issues that inform an insurer's underwriting, investment and risk management decisions.</p> <p>Paragraph 3.10 of the Consultation document elaborates on this Principle by stating that providers should ensure that their sustainability claims are mirrored in their decision-making, culture and internal processes. We believe that this statement does not fully take into account other regulatory initiatives such as the SFDR, which is a regulation that sets forth transparency requirements at entity level without introducing further obligations in relation to the governance of the company (such as instead the proposal on Corporate Sustainability Due Diligence). In addition, the guideline expressed in the paragraph has the potential to overlook, and to elevate sustainability over, the broad range of actuarial, risk, legal, market and strategic considerations that also inform an insurer's underwriting, investment, risk management and remuneration decisions. Sustainability issues should certainly inform these decisions, but these issues need to be balanced with other important considerations.</p> <p>With respect to Paragraph 3.13 of the Consultation document, which addresses the use of sustainability in an IBIP name, we firstly encourage EIOPA to coordinate with the ESMA, as anticipated in the introductory remarks. Moreover, we believe that the recommendation elaborated by EIOPA is too prescriptive and risks to create a misalignment with the SFDR approach. Such a regulation has been a crucial milestone for the development of the EU sustainability regulatory framework as it was designed to be a disclosure regime (and not a strict labelling scheme) with the objective to counter greenwashing and to provide end investors with useful information to define and pursue their sustainability preferences.</p> <p>The main role of financial market participants should consist of adequately explaining, communicating and describing (i) the effects of their activities on the environment (inside-out effects) as well as (ii) the actions they have put in place to mitigate risks that come from sustainability factors and that could have impact on their business and investment processes (outside-in effects). The ultimate objective is to ensure that decisions on risks and expected returns are made by investors in an informed and conscious manner, also on the basis of the sustainable characteristics of financial products. With this in mind, the SFDR was intended as a transparency framework, requiring financial market participants to disclose information about their sustainability practices, sustainability risk and adverse impact of investment decisions.</p> <p>Although the concept of "environmentally sustainable economic activities" is clear to the extent that the criteria indicated by</p>	<p>Noted.</p> <p>EIOPA clarified paragraph 3.10 of the Opinion by indicating that this applies where the provider has made sustainability claims about the way its firm is managed.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>Moreover, the concept of "proportionality" when assessing the adequacy of due diligence is mentioned in the 'Up to date' principle.</p> <p>EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023.</p> <p>Moreover, EIOPA does not indicate a set threshold for what "substantial share of sustainable investments", this is left up to supervisory judgement.</p>

		<p>the Taxonomy Regulation are fulfilled, uncertainty deriving from the lack of clear definitions of concepts such as “sustainable investments” have made the application of the SFDR framework particularly challenging for market operators, thus leading the European Commission to launch a review of the regulation.</p> <p>In this context, while we appreciate EIOPA’s intention to clarify issues regarding the sustainability of products, we strongly advise EIOPA not to impose any requirements which are not currently mandated by the SFDR. Stating that providers should use terms “sustainable” and “green” only for products that disclose under Article 9 of SFDR, or that disclose under Article 8 of the SFDR and have a substantial share of sustainable investments, could generate confusion and legal uncertainty, while risking of giving rise to greenwashing rather than mitigating it.</p>	
	<p>Fédération Bancaire Française</p>	<p>Yes, we agree with Principles 1 and 2 set out by EIOPA, but we would like to make a few comments on several paragraphs of the Consultation Paper:</p> <ul style="list-style-type: none"> - In paragraph 3.9, EIOPA states that if providers have made specific sustainability-related commitments, they should ensure that these accurately reflect their overall investment strategies and EIOPA adds “For example, a provider that has a substantial part of its portfolio invested in fossil fuels and claims that it is a leader in renewable energy investments could be conducive to greenwashing.” <p>In this last sentence, EIOPA should give precision on the notion of “provider. Does "portfolio" mean all the funds offered as underlying for an IBIP, for example? By “a substantial part of its portfolio”, what does EIOPA mean?</p> <ul style="list-style-type: none"> - In paragraph 3.10, do “providers” mean “insurance products manufacturers” or “insurance products distributors”? - In paragraph 3.12, EIOPA suggests that the name of a product should be as precise as possible and that, for example, a product focusing on renewable energy should refer to it rather than using the general term ESG. <p>We think that this is rather prescriptive and that it could be complicated to find short and different names for many products. In the case of a MOP, the unit-linked insurance contract should only be able to bear a generic name without detailing the precise sustainability objectives pursued by each unit (a MOP may contain multiple units of account pursuing different sustainability objectives).</p> <ul style="list-style-type: none"> - In the second sentence of paragraph 3.13, does “providers” mean “insurance manufacturers and what is meant by “have a substantial share of sustainable investments”? <p>In the last sentence of this paragraph, EIOPA states that the name of MOPs should correspond in a material way to the MOP’s underlying investment options. But, as indicated above, when a MOP allows you to subscribe to several dozen options with different sustainability objectives or orientations, it is difficult to designate the MOP by a name covering all these orientations or objectives. In this sentence, by “the MOP’s underlying investment options”, does EIOPA mean all unit-linked of a life insurance contract as well as the euro-denominated?</p> <ul style="list-style-type: none"> - Paragraph 3.14 refers to “the sustainability considerations of the consumers”; we do not understand this reference. Are we to understand that retail clients should be asked about their sustainability preferences before being offered any insurance contract? In our view, IDD and its delegated regulation (EU) 2017/2359 only provide for such questioning of clients in the context of the distribution of IBIPs. 	<p>Noted.</p> <p>In relation to the example used in paragraph 3.9, EIOPA referred to the providers own investment portfolio. EIOPA clarified this point in the Opinion.</p> <p>In paragraph 3.10, EIOPA refers to providers as outlined in footnote 15: “Insurance and pension providers captures insurance undertakings, PEPP providers, insurance distributors, and IORPs.</p> <p>In paragraph 3.12, EIOPA highlights that “when naming a product, providers should be as specific and precise as possible”. The “as possible” leaves room for judgement as to when this is feasible or when this would materially impact consumers’ understanding of the product. Moreover, EIOPA added “without hampering consumers’ understanding”.</p> <p>In 3.13, “providers” means IBIP manufacturers. This was clarified in the Opinion on greenwashing.</p> <p>EIOPA does not indicate a set threshold for what “substantial share of sustainable investments”, nor does is set one for “correspond in a material way to the MOP’s underlying investment options”, this is left up to supervisory judgement.</p> <p>For IBIPs, sustainability preferences need to be collected and assessed by distributors. While for other types of insurance products there is no such requirements, consumers may still express sustainability considerations. In that context,</p>

		<p>- Paragraph 3.20, we do not quite understand the reference to “distributors’ sustainability related knowledge and/or target market”. Does EIOPA mean “distributors’ knowledge of target market”?</p> <p>- In paragraph 3.23, are “providers” insurance manufacturers and insurance distributors?</p> <p>- paragraphs 3.31 and 3.36: we understand that “an insurance provider” means “an insurance undertaking” (or “insurance products manufacturer”) here. It would be useful to precise this.</p>	<p>distributors should ensure that their sustainability claims match these sustainability consideration.</p> <p>EIOPA removed the “(e.g., distributors’ sustainability related knowledge and/or target market)” from paragraph 3.20. of the Opinion.</p> <p>In paragraph 3.23, EIOPA refers to providers as outlined in footnote 15: “Insurance and pension providers captures insurance undertakings, PEPP providers, insurance distributors, and IORPs.</p> <p>In paragraph 3.31 and 3.36, EIOPA refers to insurance undertakings.</p>
<p>GDV (Gesamtverb and der Deutschen Versicherung swirtschaft e.V</p>		<p>We agree with the principles in general. However, in view of the diversity of the insurance market and of sustainability-related strategies and claims, we believe that it is important that the principles are not too prescriptive. Against this background, we would like to highlight the following points:</p> <ul style="list-style-type: none"> • Provisions on the naming of products should remain sufficiently abstract in order to allow for adequate consideration of the particular characteristics of each product (e. g. MOPs or investment in the insurer’s general account). For instance, it is almost impossible for widely diversified portfolios to completely exclude investments in (taxonomy-non-compliant) fossil fuels, e. g. due to legacy investments or the use of collective investment vehicles (point 3.13). The EIOPA opinion should concentrate on abstract principles which can then be applied to the individual case by the respective NCA. The setting of precise and binding thresholds would fail to consider the particularities of the individual cases. It would also overstep the limits of interpretation of existing regulation and would require an explicit decision or mandate by the legislator. • The general requirement to promptly communicate any changes (points 3.24, 3.25) is overly onerous in cases of less significant changes of a claim. The wording of the Opinion should leave room for the application of the principle of proportionality, e. g. in relation to the practical impact of the change for customers or with regard to the manner of the communication (for example via the website). • While we support the expectation that sustainability claims should be up to date, it should be made clear that information reported in accordance with regulatory reporting requirements can be relied upon – in particular regarding the reporting period. EIOPA’s statements on green claims should not lead to a de facto shortening of reporting periods. • The provisions should also be flexible enough to remain compatible with future developments of the legislation, such as the introduction of a categorization system envisaged as part of a review of the SFDR. • Care should be taken to adequately consider different sustainability-related strategies and objectives. Some insurers may focus their sustainability-related ambitions on the investment side and less on the underwriting or vice versa. While, naturally, any sustainability claim made on this basis should accurately reflect the focus of the ambitions and not mislead cus-tomers, 	<p>Noted.</p> <p>EIOPA is not setting out precise nor binding thresholds in relation to the product naming, this is left up to supervisory judgment.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p> <p>EIOPA clarified in the Opinion that for SFDR information, the review should be in line with the different reporting timeframes set out in the SFDR.</p> <p>To reflect the fact that some insurers may make sustainability claims only on the investment side or on the underwriting side, EIOPA revised the Opinion to include “and/or” before “underwriting strategies for insurance providers”.</p> <p>EIOPA removed “distributors” from paragraph 3.26 of the Opinion.</p>

		<p>EIOPA’s Opinion should not prohibit such a differentiated approach (see point 3.9 of the draft).</p> <ul style="list-style-type: none"> The Opinion should take account of differences between the legislative requirements for manufacturers and those which are imposed on intermediaries/distributors. For manufacturers, the POG requirements aim at ensuring the suitability of the product for the target market, while for intermediaries/distributors, the objective is to ensure the suitability for the individual customer and the alignment of the distribution strategy with the target market determined by the manufacturer. As a consequence, while intermediaries have a duty to inform the manufacturer in case they become aware of any irregularities regarding the product (Article 11 DA POG), the actual continuous product monitoring obligations lie with the manufacturer (Article 7 DA POG). This division of tasks should be reflected by the statements in the Opinion in order not to overburden distributors (e. g. point 3.26). 	
	<p>EIOPA Insurance and Reinsurance Stakeholder Group</p>	<p>We agree with the overall principles, however, we would like to share some comments regarding the specific underlying proposals.</p> <p>Regarding Principle 1</p> <p>Section 3.13: Specific naming conventions for (life)insurance products should not be introduced in this Draft Opinion, but rather in a separate consultation with detailed analysis and different options that also take the specifications of life-products (MOPs, General Account etc.) into account.</p> <p>In any case, the EIOPA wording and latest ESMA wording should be ultimately aligned to ensure a common understanding and to clarify terms like “substantial share of sustainable investments” and “invest meaningfully in sustainable investments”:</p> <ul style="list-style-type: none"> EIOPA wording: “For example, providers should use terms “sustainable” and “green” only for products that disclose under Article 9 of SFDR, or that disclose under Article 8 of the SFDR and have a substantial share of sustainable investments, provided that they do not make investments in fossil fuels, except in economic activities classified as sustainable under the EU Taxonomy.” ESMA wording: “ESMA considers it more appropriate that sustainability-related terms in funds’ names should be used along the following lines: the fund should (1) apply the 80% minimum proportion of investments used to meet the sustainability characteristics or objectives, (2) apply the Paris-aligned Benchmark (PAB) exclusions, and (3) invest meaningfully in sustainable investments defined in Article 2(17) SFDR, reflecting the expectation investors may have based on the fund’s name.” <p>Regarding Principle 2</p> <p>Section 3.23: We would suggest changing the wording to “Providers should review and monitor their strategies, policies, operations and products to ensure that any material changes in their sustainability profile are accurately reflected in their sustainability claims.” It is important to follow the principle of proportionality to avoid a considerable administrative burden. One example would be the disclosure of a transition plan in a sustainability report including Scope 3 greenhouse gas emissions where data from companies in the value chain is used. A restatement of emission disclosures of a company in the value chain that has only minor impacts on the transition plan of the own company should not lead to an immediate restatement of the sustainability report.</p> <p>Section 3.25: The disclosure of changes should be subject to the relevance for customer impact. Besides, a prompt</p>	<p>Noted.</p> <p>EIOPA recognizes the long-term investment horizon of insurance and pension providers. Moreover, EIOPA does not indicate a set threshold for what “substantial share of sustainable investments”, this is left up to supervisory judgement.</p> <p>EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p> <p>EIOPA amended paragraph 3.23 of the Opinion in line with the proposed rephrasing by the IRSG.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p>

		communication of a product’s sustainability feature changes should take operational considerations into account, such as the update of printed communication.	
	AFG (Association Française de Gestion)	please refer to our answer to question 1	Noted.
	PensionsEuro pe	<p>As mentioned, we broadly agree with the principles, but rather have an issue with the tension between the principles and the scope of “sustainability claims”. More specifically concerning Principle 1, accuracy and precision require quantifiability, which, however, due to EIOPA’s very broad understanding of “sustainability claim”, is not given. While we support the intention of Principle 1, to avoid setting targets that cannot be met, we propose formulating Principle 1 in the following, more practical way: “Sustainability claims made by a provider should fairly represent the sustainability profile of the entity or the product”. Regarding Principle 2, we would like to point out that tracking that claims are up to date will require substantial effort. This in particular applies to illiquid investments, as data is often not available or available only with considerable delay.</p> <p>Furthermore, we would like to make the following points:</p> <ul style="list-style-type: none"> - We oppose the fact that the Opinion states that sustainability should be reflected in “risk management, and internal audit strategies, investment and underwriting guidelines, overall corporate culture, remuneration policies and, where relevant, policies related to other aspects.” Neither EIOPA nor national supervisors have the competency to supervise all the aspects of the governance and management of a pension fund based on Articles 36 and 41 IORP II, which only relate to the PBS. We do not question the role of ESG in risk management, but there are separate articles in IORP II for these topics, and indeed also EIOPA Opinions. - Good practice 3.35 seems to ignore the principle of diversification. We do not think it is currently possible to design a pension product that only invests in companies with a high share of Taxonomy-alignment (let us assume at least 50%). Currently, only a few percentage points of any equity or corporate debt index are Taxonomy-aligned. Even assuming that the example only concerns the part of the portfolio in these two asset classes – and does not apply to government bonds - this would be an extremely risky product and undoubtedly not meet the prudential requirements. We urge EIOPA only to incorporate examples of products that meet the most basic prudential requirements. 	<p>Noted. EIOPA does not believe that the suggested sentence adequately reflects principle 1 of the Opinion, nevertheless Principle 1 was amended.</p> <p>EIOPA has included wording around proportionality in the Opinion.</p> <p>This Opinion states that if a provider makes a sustainability claim on the way it is managed, this claim should then be reflected in practice in the management of the entity (i.e., decision-making, culture etc.). The point was further clarified in the Opinion.</p> <p>EIOPA amended the good practice presented in paragraph 3.35 of the Opinion.</p>
	Insurance Europe & CROForum	<p>Insurance Europe strongly sides with EIOPA’s Principles 1 and 2 which states that sustainability claims should be accurate, precise, fairly represent the sustainability profile of the product or the entity, and be kept up to date. These characteristics are paramount to avoid misinterpretations and to ensure consumers’ protection.</p> <p>However, the insurance industry believes that potential accusations of greenwashing should focus on the sole misleading claim and not be extended to processes or other fields that are linked to sustainability issues: those should be considered separately.</p> <p>As such, we are of the opinion that the Product Oversight and Governance (POG) and the suitability assessment, which are specific processes subject to the IDD regulation, should not follow the same supervision principles suggested by EIOPA, as they should not be confused with sustainability allegations in the context of a commercial relationship. In this respect, the elaborations on the POG processes should consider that sustainability strategies and claims come in a variety of forms and levels of ambition. For example, a manufacturer who merely advertises the fact that an insurance-based investment product commits to a certain minimum proportion of sustainable or taxonomy compliant investments does not necessarily need to</p>	<p>Noted.</p> <p>EIOPA agrees with the goal of setting out principles that are not overly prescriptive, while still promoting supervisory convergence. This is what EIOPA aims to do with this Opinion. EIOPA is not setting out precise nor binding thresholds in relation to product naming, this is left up to supervisory judgment.</p> <p>Moreover, EIOPA agrees that the assessment of the sustainability claim should be limited to the scope set out by the sustainability claim – e.g. where the</p>

		<p>conduct market research to understand the sustainability preferences of the target market. In this case, the target market is determined – in terms of this sustainability feature – by the commitment of the product. Care should be taken to avoid redundant bureaucracy.</p> <p>Moreover, transitioning towards a sustainable economy is a long-term commitment: green initiatives should not be curbed on the pretext that insurers are not yet exemplary in their whole activities. Claims related to green initiatives and products should be encouraged and should not be qualified as misleading if they comply with the greenwashing principles set in this opinion. They should be considered on their own, and not put in contradiction with other non-sustainable activities of the entity: a sustainable investment product remains one even if the insurance provider also insures motor vehicles for instance.</p> <p>In view of the diversity of the insurance market and of sustainability-related strategies and claims, we believe that it is important that the principles are not too prescriptive.. The EIOPA opinion should concentrate on abstract principles which can then be applied to the individual case by the respective national competent authorities. The setting of precise and binding thresholds would overstep the limits of interpretation of existing regulation and would require an explicit decision or mandate by the legislator.</p> <p>As regards under Principle 2 “sustainability claims should be kept up to date, and any changes should be disclosed in a timely manner and with a clear rationale”, the words “timely” and “promptly” should be replaced by “periodically”. An annual reporting would make more sense for consumers and insurers alike, as it is already the case for other reporting requirements such as the one under the SFDR. This will rationalise the way and the amount of information received by consumers. Moreover, when only minor changes are made to a claim, communicating promptly might incur disproportionate costs. We would suggest introducing an updating requirement solely for substantial changes. That would help to ensure that the proportionality principle is applicable to Principle 2. Also, in order to be able to properly fulfil reporting requirements, insurers need available, reliable, and consistent data. This will avoid legal uncertainty and ensure that consumers are not over-informed.</p> <p>Insurance Europe would also like to stress the fact that a misleading claim should only be considered in the context of a commercial relationship – it should be qualified as misleading only if it has been used as a selling point or as a means to gain a competitive advantage. To this extent, the example of bad practice given by EIOPA regarding the departure of an insurer from a net-zero alliance (3.30) should take into account a proportionality criterion: if joining such an alliance was not used as a marketing tool in the first place, the insurance provider should not be accused of greenwashing if it has not issued a public statement when leaving the alliance to explain its departure.</p> <p>Also, difficulties could arise from this Opinion regarding the role of distributors – especially providing advice – and professional requirements according to the IDD (for instance, point 3.17). Indeed, a distributor is not in a position to modify the advertising communications or claims made by manufacturers in case of greenwashing. Besides, green claims and greenwashing are a separate matter from training issues.</p>	<p>sustainability claim is about an IBIP, the assessment should focus on the IBIP.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p> <p>However, EIOPA disagrees with the fact that IDD sustainability-related requirements should not follow the supervision principles set out in this Opinion.</p> <p>The example in 3.30 states that the insurance provider used joining the alliance as a way to portray itself as green via various marketing channels.</p> <p>In line with Article 10 of the IDD, distributors shall possess appropriate knowledge to complete their tasks. This was further elaborated for IBIPs in point 7 of EIOPA’s guidelines on the integration of sustainability preferences in the suitability assessment under the IDD.</p>
	<p>BIPAR (European Federation of Insurance Intermediaries)</p>	<p>BIPAR generally agrees with Principles 1 and 2. Sustainability claims made by providers should be accurate and up-to-date.</p> <p>BIPAR is however somewhat concerned as to the responsibilities attributed to insurance distributors under these two principles. BIPAR agrees that insurance intermediaries have an important role to play in the sustainable finance framework since they are in direct contact with customers and consumers. However, they do not, in the overwhelming majority of cases, manufacture the insurance products or have any control over the products themselves.</p>	<p>Noted. As outlined in the POG DR, EIOPA agrees that product manufacturers should make available the relevant sustainability documentation to distributors, allowing the latter to rely on that information to provide advice. This is also</p>

		<p>BIPAR has always emphasized the need for accurate disclosures and accurate sustainability claims made by product manufacturers (such as insurance undertakings). The accuracy of the manufacturers’ disclosures is crucial to allow intermediaries to advise their clients properly, with regard to their sustainability preferences.</p> <p>Regarding the role of intermediaries, EIOPA’s consultation paper states that “Distributors should be knowledgeable about the product’s sustainability features to accurately represent these to consumers and adequately assess the product’s suitability against the consumers’ sustainability preferences”. BIPAR agrees that intermediaries should be knowledgeable about the products they advise on and their sustainability features. We would, however, like to emphasize that an intermediary’s knowledge of a product will always depend on the information disclosed by the product manufacturer. Intermediaries must be able to rely on accurate disclosures by product manufacturers in order to provide sound advice to their customers.</p> <p>EIOPA further states that “When choosing the distribution channel for products with sustainability features, manufacturers should ensure that the distributors’ profile (e.g., distributors’ sustainability related knowledge and/or target market) is consistent with the products’ sustainability features and the target market’s sustainability-related objectives”. BIPAR understands that Article 8 of Delegated Regulation 2017/2358 requires manufacturers to select distribution channels taking into account the characteristics of their products (including sustainability features). We are concerned about the idea of manufacturers having to assess distributors’ “sustainability-related knowledge”. Indeed, insurance intermediaries are subject to minimum competency requirements and manufacturers should not take up a quasi-supervisory or regulatory role in assessing whether intermediaries have sufficient knowledge.</p> <p>Finally, EIOPA states that “Manufacturers and distributors should continuously monitor and periodically review products to ensure that they remain consistent with the sustainability objectives of the target market, and that products are being correctly distributed” based on Article 7(1) of the POG Delegated Regulation. This Article does not, however, mention distributors, but only manufacturers. In this respect, BIPAR would like to emphasize again the fact that intermediaries that do not manufacture products are not in control of the product, its characteristics or its associated claims. Intermediaries are best placed to assess customers’ sustainability preferences and assess the suitability of a product with these preferences based on manufacturers’ disclosures. BIPAR believes the ultimate responsibility of ensuring a product remains consistent the sustainability objectives of the target market should lie with the manufacturer.</p>	<p>mentioned in the Opinion that was published for public consultation – see paragraph 3.20</p> <p>EIOPA removed the “(e.g., distributors’ sustainability related knowledge and/or target market)” from paragraph 3.20.</p> <p>In the Opinion, EIOPA removed “distributors” from paragraph 3.26.</p>
	<p>the Swedish Consumer Agency</p>	<p>Yes.</p>	<p>Noted.</p>
	<p>Impactiv sp.p.</p>	<p>In our opinion Principle 1 does not include a clear distinction between two types of sustainability claims - (i) claims concerning the entity itself, (ii) claims concerning the product. Consequently, it might be misleading for entities covered by the Opinion. Therefore, we propose that such a distinction of sustainability claims be explicitly included in the Opinion along with the below mentioned consequences of such a distinction.</p> <p>Firstly, we believe that the Opinion should consider as bad practices the following practices: (i) practices of formulating sustainability claims in relation to the product, if they actually concern the activity of the entity in general (e.g. a non-life insurance company has joined the Net Zero 2050 initiative, reporting regularly in this respect and striving to fulfil the commitment and on this basis communicates to customers that the compulsory motor insurance sold by it is a product implementing sustainable development objectives), (ii) practices of formulating sustainability claims in relation to the activity of the entity, if they actually concern a specific product or products (e.g. a non-life insurance company offers home insurance, as part of which it replaces damaged elements with environmentally friendly solutions and on this basis it conducts a marketing</p>	<p>Noted. EIOPA further clarified in the paragraphs whether they relate to product-level and/or entity-level.</p> <p>Moreover, EIOPA agrees that the assessment of the sustainability claim should be limited to the scope set out by the sustainability claim – e.g. where the sustainability claim is about an IBIP, the assessment should focus on the IBIP.</p>

		<p>campaign claiming that it is a sustainable insurance company, but does not implement any sustainable development factors into internal documentation and decision-making process).</p> <p>Secondly, from the disjunction of sustainability claims related to the entity and related to the product, it should follow that within the framework of the POG DR, the manufacturer and distributor, taking into account the customer's objectives related to sustainable development, should take into account sustainability claims concerning the product, not sustainability claims concerning the entity's activity. This follows directly from the purpose of the POG DR and IDD regulations, which concern the examination of client preferences and the target market of the product and not the activity of the manufacturer or distributor itself. Therefore, the potential status of the entity offering the product should not prevent its distribution to clients who have specific preferences related to sustainable development. For example, an insurance broker, making insurance recommendations for his client in accordance with Article 20(1) of the IDD, who has specific preferences related to sustainable development in connection with the sought insurance cover, takes into account whether specific products meet these preferences. He does not, however, have to take into account whether the manufacturer meets the requirements for sustainable development at the organisational level.</p>	
	ANASF	We agree, they are undoubtedly principles of common sense. In addition, the list of good and bad practices is appreciated: it facilitates the understanding of the aforementioned principles (which would otherwise remain generic and abstract), providing examples of practical declination.	Noted.
	Polish Chamber of Insurance (PIU)	In line with Principle 2, sustainability claims should be updated and any changes should be disclosed in a timely manner and with clear justification. While there is no doubt that sustainability claims should be up to date, the question arises whether, in the event of a minor change in sustainable financing, it is necessary, for example, to change the documentation used to conclude an insurance contract. Communication of sustainability changes in a timely manner may be challenging for insurance undertakings and involve disproportionate costs. It seems that under the Principle 2, EIOPA should indicate the possibility of applying the principle of proportionality in this regard.	Noted. EIOPA reflected proportionality in the 'up to date' principle.
	Matthies Versteegen – Pensioen Federatie	<p>As mentioned, we broadly agree with the principles, but rather have an issue with the tension between the principles and the scope of "sustainability claims". Nevertheless, we would like to make the following points:</p> <p>First, we strongly oppose the fact that the Opinion states that sustainability should be reflected in "risk management, and internal audit strategies, investment and underwriting guidelines, overall corporate culture, remuneration policies and, where relevant, policies related to other aspects." Neither EIOPA, nor national supervisors, have the competency to supervise all the aspects of the governance and management of a pension fund on the basis of Article 36 and 41 IORP2, which only relate to the PBS. We do not question the role of ESG in risk management, but there are separate articles in IORP2 for these topics, and indeed also EIOPA Opinions.</p> <p>Second, good practice 3.35 seems to forego completely on the principle of diversification. We do not think it is currently possible to design a pension product that only invests in companies with a high share of Taxonomy-alignment (let us assume at least 50%). Currently, only a few percentage points of any equity or corporate debt index are Taxonomy-aligned. Even if the example only concerns the part of the portfolio in these two asset classes – and does not apply to government bonds - this would be an extremely risky product and undoubtedly not meet the prudential requirements. We urge EIOPA not to incorporate examples that fail to meet the most basic prudential requirements.</p>	<p>This Opinion states that if a provider makes a sustainability claim on the way it is managed, this claim should then be reflected in practice in the management of the entity (i.e., decision-making, culture etc.). The Opinion clarifies this point.</p> <p>EIOPA amended the good practice presented in paragraph 3.35.</p>
	France Assureurs	France Assureurs strongly sides with EIOPA's principles 1 and 2 which states that sustainability claims should be accurate, precise, fairly represent the sustainability profile of the product or the entity, and be kept up to date. These characteristics are paramount to avoid misinterpretations and to ensure consumers' protection. However, we would like to highlight the fact that potential accusations of greenwashing should focus on the sole misleading claim. Transitioning towards a sustainable economy	<p>Noted.</p> <p>EIOPA agrees that the assessment of the sustainability claim should be limited to the scope</p>

	<p>is a long-term commitment: green initiatives should not be curbed on the pretext that insurers are not yet exemplary in their whole activities. Claims related to green initiatives and products should be encouraged and should not be qualified as misleading if they comply with the greenwashing principles set in this opinion. They should be considered on their own, and not put in contradiction with other non-sustainable activities of the entity: a sustainable investment product remains one even if the insurance provider also insures motor vehicles for instance.</p> <p>With regards the naming of products, and apart from the fact that a coordinated approach with ESMA should be engaged, EIOPA states that the notion of sustainability should only be used when substantiated by evidence of the product’s sustainability profile (3.14). Similarly, only products that disclose under article 9 and article 8 of SFDR with a substantial share of sustainable investments can mention the terms “green” or “sustainable” in their name. The notion of “substantiation” should be clarified. To this extent, it should be noted that the French supervisor (ACPR) has already set thresholds above which the promotion of sustainable characteristics of the products is permitted. In the same way, EIOPA states, with regards MOPs, that the name of the product should correspond in a material way to the MOP’s underlying investment options – the notion of materiality should be defined and proportionate for it to be operational and feasible.</p> <p>On principle 2, the need to communicate “promptly” or in a “timely manner” any changes in sustainability claims needs to be qualified. A periodic reporting would make more sense for consumers and insurers alike, as it is already the case under the SFDR. This will rationalise the way and the amount of information received by consumers. Also, when only minor changes are made to a claim, communicating promptly might incur disproportionate costs.</p> <p>Finally, France Assureurs would like to stress the fact that a misleading claim should only be considered in the context of a commercial relationship – it should be qualified as misleading only if it has been used as a selling point or as a mean to gain a competitive advantage. To this extent, the example of bad practice given by EIOPA regarding the departure of an insurer from a net-zero alliance (3.30) should take into account a proportionality criterion: if joining such alliance was not used as a marketing tool in the first place, the insurance provider should not be accused of greenwashing if he has not issued a public statement when leaving the alliance to explain its departure.</p> <p>Also, difficulties could arise from this Opinion regarding the role of distributors -especially providing advice- and professional requirements according to the IDD (for instance, point 3.17). Indeed, a distributor is not in a position to modify the advertising communications or claims made by manufacturers in case of greenwashing. Besides, green claims and greenwashing are a separate matter from training issues.</p> <p>Finally, France Assureurs is of the opinion that greenwashing should focus on misleading claims. Consequently, the POG and the suitability assessment should be considered separately from EIOPA’s recommendations as it corresponds to legal requirements or internal processes to integrate sustainability issues throughout the entire marketing cycle. Henceforth, this should not be confused with allegations in the context of the customer relationship. Moreover, the IDD framework and the extensive guidelines provided by EIOPA are sufficient to prevent occurrences of greenwashing. Lastly, the application of the POG requirements to non-life insurance products would imply the existence of recognised standards for qualifying those products as sustainable. This prerequisite does not exist to date.</p>	<p>set out by the sustainability claim – e.g. where the sustainability claim is about an IBIP, the assessment should focus on the IBIP.</p> <p>EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p> <p>EIOPA is not setting out precise nor binding thresholds in relation to product naming, this is left up to supervisory judgment.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p> <p>The example in paragraph 3.30 states that the insurance provider used joining the alliance as a way to portray itself as green via various marketing channels. EIOPA believes this example to be sufficiently clear.</p> <p>In line with Article 10 of the IDD distributors shall possess appropriate knowledge to complete their tasks. This was further elaborated for IBIPs in section 7 of EIOPA’s guidelines on the integration of sustainability preferences in the suitability assessment under the IDD.</p> <p>However, EIOPA disagrees with the fact that IDD sustainability-related requirements should not follow the supervision principles set out in this Opinion.</p> <p>Moreover, EIOPA disagrees with excluding non-life products from the scope of this opinion. There is a risk of greenwashing for these types of insurance products, due to the lack of standards as set out in EIOPA’s progress and final reports on greenwashing. Therefore, the sustainability claims</p>
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			<p>made about these types of insurance products should adhere to the 4 principles set out in the Opinion.</p> <p>Moreover, these insurance products fall under POG DR sustainability-related requirements and fall under Article 17(2) of the IDD which sets out that information should be fair, clear and not misleading.</p>
Thomas ADAM – CA assurances	<p>We agree that insurance companies must emit durability declarations that are exact, precise and non-misleading regarding the sustainability of a product and an entity.</p> <p>Coherence requirements, as shown in the examples, seem to lead to the exclusion of all communications in a transitional context. However, a company involved in an effective transition must be able to communicate on its actual and significant realisations.</p> <p>Thus, it would convene in our opinion to reformulate the principle 1 in this manner: “Durability declarations done by a company must be exact, precise and non-misleading”. In a transitional context, this principle, as redacted, could have the reverse effect than the one hoped for, by discouraging some of the parties to upgrade their practices if they cannot communicate on the positive and significant changes realised at their entity or firm’s level. The main objective is, in our opinion, the effective realisation of the transition towards a durable economy. Identify and penalize eco laundering is one of the way to reach it.</p> <p>Regarding MOPs, the name of the product should correspond in a significant way to the underlying investment options of the MOP. In our opinion, the notion of relative importance should be defined and proportionate to be operational and doable.</p> <p>Regarding the principle 2, we agree that durability declarations should be up to date, following the same principle of exactitude. Thus, commercial and advertising communications are dated and their exact character must be appreciated in the light of their publication date. The publication of regulatory documents and their update frequency, as well as their publication modalities are expressly provided by regulation (cf communication periodic requirements as planned by the SFDR regulation). Compliance with these different constraints must allow to disregard eco laundering qualifications. Thus, it shall not be created another obligation to provide information on changes and updates.</p>	<p>Noted. EIOPA amended principle 1 to reflect better the fact that sustainability claims should fairly represent the profile of the provider and/or of the product.</p> <p>EIOPA is not setting out precise nor binding thresholds in relation to product naming, this is left up to supervisory judgment.</p> <p>EIOPA is not creating additional reporting requirements. This was further clarified in the Opinion.</p>	
Institute of International Finance	<p>Comments Related to Principle 1</p> <p>EIOPA and the national competent authorities should recognize the broad range of issues that inform an insurer’s underwriting, investment and risk management decisions. We agree with EIOPA’s proposed Principle 1, which states that sustainability claims made by a provider should be accurate, precise, and consistent with the provider’s overall profile and business model, or the profile of its products. However, Paragraph 3.10 of the Consultation Paper elaborates on this Principle by stating that providers should ensure that their sustainability claims are mirrored in their decision-making, culture and internal processes. We believe that this statement has the potential to overlook, and to elevate sustainability over, the broad range of actuarial, risk, legal, market and strategic considerations that also inform an insurer’s underwriting, investment, risk management and remuneration decisions. Sustainability issues should certainly inform these decisions, but these issues need to be balanced with other important considerations.</p>	<p>EIOPA clarified paragraph 3.10 of the Opinion by indicating that this applies where the provider has made sustainability claims about the way its firm is managed.</p> <p>EIOPA is closely coordinating with ESMA on greenwashing and on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using</p>	

		<p>With respect to Paragraph 3.13 of the Consultation Paper, which addresses a provider’s use of the terms ‘sustainable’ and ‘green,’ we encourage EIOPA to coordinate with the European Securities and Markets Authority (ESMA), which is also addressing these issues. ESMA recently announced that it plans to issue in Q2 2024 Guidelines on ESG and sustainability-related terms in fund names, subject to the timing of the publication of the AIMFD and UCITS Directives revised texts.¹⁰ ESMA also has focused recently on greenwashing claims with respect to impact claims based on the United Nations Sustainable Development Goals.¹¹ Both of these initiatives could be relevant to EIOPA’s consideration of greenwashing issues.</p> <p>Comments Related to Principle 2</p> <p>We are in broad agreement with EIOPA’s proposed Principle 2; however, we have some observations with respect to product oversight and governance. Specifically, Paragraph 3.26 states that manufacturers and distributors should continuously monitor and periodically review products to ensure that they remain consistent with the suitability objectives of the target market.</p> <p>It is important to note and take into account that the ability of an insurer or distributor to continuously monitor products at a granular level may be constrained by the current state of the art in performance measurement processes and controls and limited by the availability of credible and reliable data and metrics. As well, assessing a potentially diverse target market’s sustainability objectives can be complicated by conflicts between the goals of strong financial performance and sustainability.</p>	<p>ESG or sustainability-related terms from December 2023.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p>
	<p>Insurance & Pension Denmark</p>	<p>We agree with the overall aim that sustainability claims should be accurate, precise and fairly represent the sustainability profile of the product.</p> <p>However, in our view principle 1 goes too far in terms of requiring alignment between claims pertaining to a product and the "overall profile and business model" of an entity.</p> <p>We agree that companies that portray themselves as being green or sustainable on websites or in other general or specific communication about the company must align the green-ness/sustainability characteristics of products with such communication.</p> <p>However, in our view, there is no requirement in existing or currently proposed EU legislation that companies must have a truly green profile in order to market truly green products. In fact, the proposed amendment to the UCPCD, COM (2022) 143 says that an ‘environmental claim’ means any message or representation, which is not mandatory under Union law or national law, including text, pictorial, graphic or symbolic representation, in any form, including labels, brand names, company names or product names, in the context of a commercial communication, which states or implies that a product or trader has a positive or no impact on the environment or is less damaging to the environment than other products or traders, respectively, or has improved their impact over time. This means that a company should not come across as being green or environmental-friendly on eg. its website, brandname or otherwise, unless it can substantiate the alleged green-ness. But the definition, in our view, does not preclude that a company on their website, in brand names etc. comes across as NOT being green, but nevertheless markets one or more products as green or environmental-friendly, provided the product-related claims are substantiated.</p> <p>For this reason, we find it important to make a distinction between product and entity so that entities which may not have a sufficiently green profile and business model may, nevertheless, be able to market genuinely green insurance products. Otherwise some insurers would be barred from providing green products, only because their entire profile is not sufficiently green. This could, in our view be counter productive.</p>	<p>Noted.</p> <p>EIOPA slightly amended principle 1 to reflect better the fact that sustainability claims should fairly represent the profile of the provider and/or of the product.</p> <p>Moreover, EIOPA agrees that the assessment of the sustainability claim should be limited to the scope set out by the sustainability claim – e.g. where the sustainability claim is about an IBIP, the assessment should focus on the IBIP.</p>

		<p>Entity specific information is certainly relevant information for customers, and for this reason we find it important that insurers are transparent regarding their overall profile and business model. Fortunately, many insurers are in scope of the CSRD sustainability reporting regulation, and thus, entity specific information will often be available.</p> <p>Regarding the examples given, 3.30 is an example which solely has bearing on the entity, not on any products or services provided. We find it important that the insurer in 3.30 informs the general public about the decision to leave the alliance as this may be relevant information for (some) consumers. However, if the insurer can still substantiate any green claims at product level, we believe that the products may still be marketed as green.</p> <p>We believe that examples 3.33 and 3.34 are less relevant, as regulation and guidance has already been issued</p> <p>Regarding principle 2, we agree that sustainability claims should be kept up to date, as should entity specific sustainability reporting in line with existing regulation (CSDR, SFDR etc.)</p>	
	Assuralia	<p>As insurers, we already have to follow the rules edited under the POG requirements, but we cannot go further. Principle 2 requires from manufacturers to continuously monitor whether distributors distribute products correctly. Supervision of the distributor is the role of the supervisors.</p> <p>Also, under principle 2 “sustainability claims should be kept up to date, and any changes should be disclosed in a timely manner and with a clear rationale”, we would like to suggest replacing the wording “promptly” by “periodically”, as an annual reporting would make more sense for the consumer, and as it is already the case for other reporting requirements such as the one under the SFDR. This will rationalize the way and the amount of information received by the customer. Moreover, to make a proper reporting, we do need reliable and consistent data, they also have to be available when needed. This will avoid legal uncertainty and consumer won’t be lost in the flow of information.</p>	<p>Noted.</p> <p>EIOPA reviewed the wording of the sentence in relation to the monitoring of products being distributed, in line with Article 7(1) of the POG DR.</p> <p>EIOPA reflected proportionality in the ‘up to date’ principle.</p>
	Actuarial Association of Europe	<p>We generally agree with the overarching principles and recognize the importance of accurate and transparent sustainability claims.</p> <p>Below we set out some general remarks for consideration and some broader concerns:</p> <ul style="list-style-type: none"> - We would like to underline the importance of companies demonstrating diligence in their sustainability claims, including a clear process of challenge, review, and documentation of any changes in sustainability messaging, ensuring a transparent rationale is included for adjustments. - The possibility of merging principles (e.g. Principles 2 and 3) to streamline guidance without sacrificing the depth of information should be explored, aiming for a balance that respects the principles’ integrity while enhancing their applicability. - Clear definitions and explanations of terms such as "regularly" and "high share" would be a good addition to avoid ambiguity and ensure all stakeholders have a common understanding. It would also be useful to define or give examples of the thresholds/time spans referred to in this section. - There could be practical challenges in describing sustainability concepts precisely due to their inherent complexity and the detailed sustainability framework. This is underscored by the complexity of SFDR disclosures, which often extend to several pages to adequately contextualize sustainability claims. 	<p>Noted.</p> <p>While EIOPA aims to bring about more supervisory convergence of greenwashing, EIOPA is not setting out thresholds. However, EIOPA has added further examples of good and bad practices in the Annex of the Opinion.</p> <p>EIOPA shares some of the concerns noted in the comment around the complexity of the regulatory framework. It highlighted these concerns in the progress and final reports on greenwashing.</p> <p>EIOPA agrees with the need to avoid consumer information overload, hence principle 4.</p> <p>Some of the suggestions were reflected in the Opinion, notably in relation to paragraph 25.</p>

	<ul style="list-style-type: none">- The EU's own taxonomy system is a complex framework that demands significant effort from companies to prove their economic activities are sustainable and do no significant harm, and there are difficulties for data required for compliance.- It is important to be careful about the balance of providing consumers with informative yet not misleading sustainability claims, at the same time avoiding overwhelming detail while considering the audience, data availability, and the frequent revisions of regulations.- Caution should be exercised by regulators when setting overly strict criteria for identifying greenwashing, which could lead to unfair reputational damage, diminish consumer trust in sustainability, and cause investor apathy towards the sustainability agenda. <p>Furthermore, below we set out some remarks, with respect to specific paragraphs in the consultation document:</p> <ul style="list-style-type: none">- Paragraph 3.9: in practice, a given financial products provider may simultaneously have significant new investments in renewables, but still retain a large legacy portfolio in fossil fuels.- Paragraph 3.8: Consistency and comparability throughout the industry would be facilitated by encouraging providers to match their sustainability claims with accepted "standards, guidelines, or best practices" in sustainability reporting and communication.- Paragraph 3.17: In order to evaluate a product's suitability for consumers' sustainability preferences, "transparency" is also crucial. It will be more credible and trustworthy to include requirements for transparency and information regarding the process utilized to create sustainability claims (as well as any limitations or uncertainties related to the claims).- Paragraph 3.21: a neutral and unbiased distribution process should still include information about sustainability issues, given the relative lack of knowledge about sustainable finance among the general public.- Paragraph 3.25: for long-term products (locked-in over several years due to contractual, regulatory or fiscal reasons), remedial action may be difficult or impossible.- Paragraph 3.25: To ensure products stay true to their sustainability features and meet consumer preferences throughout their duration, it's important to regularly engage with stakeholders such as investors, customers, regulators, and community groups. This interaction helps providers pinpoint improvement areas and address issues related to sustainability claims more effectively.- Paragraph 3.27: "External verification" can assist manufacturers in product monitoring, raising the profile of the product to detect significant events and provide additional assurance to stakeholders. Encouraging suppliers to have their sustainability claims externally verified or validated by independent third parties such as auditors, certification bodies or sustainability experts will provide credibility and assurance. However, it is recognised that a practical, proportional, and standardised approach would be required to achieve this.	
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	<p>Reclaim Finance</p>	<p>We strongly agree with Principle 1 and 2. We believe these principles are essential to help ensure that sustainability claims are accurate.</p> <p>Nonetheless, we want to underline that Principle 1 will always remain limited in its impact as long as minimum requirements to qualify sustainability - at product and entity level - are not set up. Indeed, without an increased standardization and definition, verifying the faithful implementation of Principle 1 will require a case-by-case analysis. Such an analysis is time consuming, difficult to conduct and ultimately leaves much freedom to insurers on interpreting the EIOPA's Principle. But, as the SFDR experience has shown, loosely defined standards and self-regulation increase confusion and greenwashing risks. To mitigate such a risk, it is essential to adopt minimum criteria at both product and entity level by:</p> <p>1) Setting minimum criteria - including a strict exclusion of any asset tied to the development of coal, oil and gas production - for any product making sustainability claims.</p> <p>2) Standardizing the content of climate transition plans and setting up an enforcement mechanism (see Reclaim Finance's report: https://reclaimfinance.org/site/en/avoiding-greenwashing-in-transition-plans/).</p>	<p>Noted. Given that EIOPA is simply clarifying current requirements in the context of sustainability claims, EIOPA will not set out thresholds or minimum requirements for "sustainability" at product and entity level.</p> <p>EIOPA is aware of issues in relation to gaps in the regulatory framework. This is something EIOPA has raised in its progress and final reports on greenwashing. Moreover, the upcoming ESAs Joint Opinion to the European Commission on the SFDR proposes improvements to the framework.</p>
	<p>Association of German Public Insurers</p>	<p>Para 3.9 states: "If providers, as part of their strategy, have made specific sustainability-related commitments, they should ensure that these accurately reflect their overall investment strategies including their engagement with investee companies – and underwriting strategies for insurance providers." This formulation conflicts with a differentiated view of investment and underwriting. For example, exclusions of certain fossil fuels in the investment of an insurer as part of a sustainability strategy should not imply the exclusion of these companies from insurance coverage. Whereas most insurance undertakings have already stopped investing into new coal power plants, it is obvious that the existing ones still need insurance protection until their (legal) phasing out. For more details, see the association's position paper on "Ensuring sustainable insurance cover for industry and commerce .</p> <p>=> The Public Insurers therefore suggest deleting the specification "and underwriting strategies for insurance providers".</p> <p>Para 3.12 requires providers to "use terms "sustainable" and "green" only for products that disclose under Article 9 of SFDR, or that disclose under Article 8 of the SFDR and have a substantial share of sustainable investments, provided that they do not make investments in fossil fuels, except in economic activities classified as sustainable under the EU Taxonomy." The SFDR does not provide a threshold of sustainable investments under Article 8, as the SFDR is regarded as a transparency regime rather than a labelling regime. Considering the current review of the SFDR and the envisaged changes towards a labelling system, the opinion on greenwashing should not pre-empt this aspiration.</p> <p>=> The Public Insurers proposes to delete the requirement of having a "substantial share of sustainable investments" and wait for the results of the review of the SFDR.</p> <p>Para 3.25 contains requirements for communication with consumers: "If a product's sustainability features change over time, these changes should be promptly and transparently communicated to consumers or scheme members." This time requirement is disproportionately high. Furthermore, the Opinion should make it clear that communication via the website is sufficient, as it is the fastest way.</p>	<p>Noted.</p> <p>To reflect the fact that some insurers may make sustainability claims only on the investment side or on the underwriting side, EIOPA amended the text to include "and/or" before "underwriting strategies for insurance providers".</p> <p>EIOPA is not setting out precise nor binding thresholds in relation to product naming, this is left up to supervisory judgment.</p> <p>EIOPA reflected proportionality in the 'up to date' principle.</p>

		=> The Public Insurers suggest changing the wording to “If a product's sustainability features change over time, these changes should be transparently communicated to consumers or scheme members in due time on the website or via other means.”	
Q 4: Do you agree with Principle 3? In particular do you agree that due diligence and proportionality should be taken into account when determining if a sustainability claim is substantiated with clear reasoning and facts?			
	Nordic Financial Union (NFU)	Our stance towards due diligence and proportionality is generally positive, recognizing their significance in affirming the credibility of sustainability claims. These principles play a crucial role in maintaining market credibility. The importance of due diligence and proportionality becomes increasingly apparent when considering essential criteria for claims, long-term sustainability objectives, the use of ESG ratings, and product oversight and governance (POG). By ensuring that these claims are accurate, verifiable, and contextually relevant, we can maintain their significance. However, achieving this requires adopting a balanced approach. This approach should effectively substantiate claims without imposing undue burdens, thereby avoiding regulatory overlap and redundancy.	Noted. EIOPA agrees with the need to take a balanced approach.
	Lloyd's market association	We agree with principle 3. However, the requirement of accuracy in principle 1 would suggest that the due diligence has already been done. We agree that proportionality should be considered in all assessments of the acts of insurers / distributors. Whilst we do not disagree with paragraph 3.40, we think that the last sentence of 3.40 is erroneous – principle 2 does not require substantiation – rather principle 2 suggests prompt disclosure. This last sentence should therefore be removed. Paragraph 3.42 could usefully be amended to suggest that where ESG ratings are used, that a link is provided to the ESG provider so that anyone interested can find out for themselves the scope and limitations of such a rating. We repeat the comments we made about application of the principles to POG in our answer to question 3 in relation to paragraphs 3.43 and 3.44	Noted. In paragraph 3.40, EIOPA makes a reference to Principle 2, because this is the principle that asks that sustainability claims be up to date. Hence, sustainability claims should be up to date also in their substantiation. EIOPA clarified this point in the Opinion. The suggested sentence in relation to paragraph 3.42 was re-drafted and inserted in the Opinion.
	MAIF	The implementation of control procedures prior to the publication of environmental claims is a central element in the fight against greenwashing. However, MAIF, as a mission-driven company that has already been audited for its good management of environmental and social issues, places greater emphasis on a policy of effort and commitment. At the entity level, MAIF shares the conviction that a company must take necessary, appropriate and effective measures to identify and assess its actual and potential negative impacts on human rights and the environment. We have established rigorous internal procedures to govern the company's external communications. These are designed in particular to certify our compliance with regulations. For example, we have introduced an internal system for checking all external content published. An initial technical check examines the content and information published, while a second legal check verifies that this information complies with current regulations. This is one of the ways we check that our website is correctly updated. As such, we adopt an approach to CSR based on effort and evidence, rather than on risk management alone. We therefore subscribe to the principle that sustainability claims must be supported by clear facts and believe that the integration of due diligence contributes to this objective. However, MAIF wishes to emphasise that consumer information must be sufficiently justified and up to date in accordance with the facts currently known and available to manufacturers and distributors of insurance products. Furthermore, we are convinced that better identification of the sustainability objectives mentioned in 3.41 and their implementation would make it possible to consolidate the clarity of the facts and the level of information for consumers.	Noted. This Opinion is not setting out new requirements or new definitions but clarifying existing requirements in the context of sustainability claims supervision. Therefore, EIOPA does not define “sustainability objectives” in paragraph 3.41.

		<p>On the one hand, we encourage the development of a clear definition of sustainability objectives to ensure an accurate and symmetrical understanding of these objectives by both insurers and consumers.</p> <p>On the other hand, we support the introduction of ESG labels, qualifications and certificates based on European standards and appropriate criteria in order to provide a clear and transparent tool for assessing the nature and degree of action taken by entities in the area of sustainability.</p>	
	Fédération Bancaire Française	<p>Yes, we agree with Principle 3, but we ask EIOPA to take into account the following comments.</p> <p>In paragraph 3.40, EIOPA uses the word “providers” again. We understand that EIOPA refers to insurance undertakings or manufacturers. It should be noted that distributors receive sustainability characteristics from manufacturers, notably through EET templates, and exchange information with them on their sustainability assessment methodology. However, they do not perform the same due diligence as manufacturers. This paragraph therefore seems to confuse the roles and responsibilities of the various parties, which we feel is not appropriate.</p>	<p>Noted.</p> <p>In paragraph 3.40, EIOPA refers to providers as outlined in footnote 15: “Insurance and pension providers captures insurance undertakings, PEPP providers, insurance distributors, and IORPs. Therefore paragraph 3.40 applies to all providers. This paragraph sets out that providers ensure that their sustainability claims are substantiated (e.g. the substantiation for a sustainability claim about an IBIP made by a distributor could be the SFDR disclosure provided by the manufacturer). EIOPA amended the paragraph to make this clearer.</p>
	GDV (Gesamtverband der Deutschen Versicherungswirtschaft e.V)	<p>We share the view that sustainability claims should be based on reliable facts. This includes, for example, communications relating to membership in alliances on sustainability issues.</p> <p>We also agree that the due diligence to be applied in this regard must be subject to the principle of proportionality, depending on the characteristics of the specific claim in question. Against this background, we would like to raise the following points:</p> <ul style="list-style-type: none"> • The elaborations on the POG processes should consider that sustainability strategies and claims come in a variety of forms and levels of ambition. For example, a manufacturer who merely advertises the fact that an insurance-based investment product commits to a certain minimum proportion of sustainable or Taxonomy compliant investments does not necessarily need to conduct market research to understand the sustainability preferences of the target market. In this case, the target market is determined – in terms of the sustainability feature in question – by the commitment of the product. Care should be taken to avoid redundant bureaucracy. • Due diligence requirements should also take account of the fact that data availability is still limited. The principle of proportionality should apply in this regard as well. • Furthermore, EIOPA’s principles should refer to disclosures and substantiations required under existing legislation in order to avoid unnecessary duplication of work. Thus, it should be made clear that if an insurer reports on specific sustainability-related issues in accordance with legislative requirements (e. g. SFDR, CSRD, ESRS, CSDDD), this should suffice as substantiation of claims made in relation to these specific issues. This should, for example, apply if an undertaking adopts and regularly updates a transition plan which it discloses in accordance with the ESRS, CSDDD and/or Solvency II. Disclosures fulfilling ESRS-requirements should be deemed to be concise, precise, consistent with the provider’s overall profile, adequately substantiated and up to date. 	<p>Noted.</p> <p>EIOPA agrees with the need to ensure proportionality in the substantiation of the claim, it reflected this in the Opinion.</p> <p>EIOPA finds that the example of good practice in paragraph 3.53 goes in the same direction as the comment’s point on the reliance on regulatory disclosures to substantiate claims. EIOPA specified in paragraph 3.53 an example, that this SFDR disclosure was used to substantiate the claim.</p>

	<p>EIOPA Insurance and Reinsurance Stakeholder Group</p>	<p>In general, we agree with Principle 3.</p> <p>Due diligence, on the one hand, is essential to ensure consumers’ trust in providers making sustainability claims. Proportionality, on the other hand, is essential to ensure that microenterprises and small and medium sized enterprises (SMEs) are not overburdened and not able to make rigorously substantiated sustainability claims.</p> <p>As regards quantitative statements, due diligence requirements should reflect proportionality as regards availability of data and data sources. Data availability is still limited and methodology to generate data still evolving. Also, in some areas still estimates are of use (and accepted). Current lack of robust ESG data (or reliable third-party data) - mainly due to the lack of reporting by companies and the lack of transparency by ESG data providers and ESG ratings providers on methodologies and assumptions- may create unintentionally flawed information. However, with CSRD roll-out, we expect more consistent and precise data to foster analytics.</p> <p>Section 3.41: We fully endorse the importance of substantiating sustainability claims as outlined in principle 3. However, we would like to highlight two points of attention:</p> <ul style="list-style-type: none"> • In general, it is crucial to differentiate between sustainability claims that are governed by regulations, such as e.g. CSRD/SFDR, and those that are not. When a sustainability claim is prescribed by applicable regulation, it is essential to leave room for the specific requirements for substantiation and verification therein. For example, in paragraph 3.41, which focuses on substantiating net-zero commitments, alignment with the principles set forth in CSDDD, CSRD, and ESRS (especially ESRS E1) is necessary. While ESRS provide requirements for disclosing information on net-zero targets and transition plans, the CSDDD will require companies to adopt such plans. Consequently, general additional principles for substantiating these plans and commitments should actively support existing legal requirements and avoid contradicting them or introduce further requirements without adding value. In general, indefinite terms, such as “continuous reporting” (principle 3.41) should be avoided. However, for companies in scope of CSRD and CSDDD, “(continuous) reporting on the implementation status of their plans” (principle 3.41.) should be fulfilled with the disclosure of the annual sustainability report in accordance with CSRD and ESRS and compliance with related CSDDD requirements. • The substantiation of sustainability claims should refrain from siloed approaches by which all the aspects that can be drawn from an item should be assessed together. <p>Section 3.52: As regards alliances committed to achieving Net Zero emissions by 2050, we support specific requirements substantiating the alliance membership. For example, the UN-convened Net-Zero Asset Owner Alliance (NZAOA) requires members to make the commitment, set intermediate decarbonisation targets (updated every five years), and report on progress annually.</p>	<p>Noted. EIOPA agrees with the need to ensure proportionality in the substantiation of the claim; it reflected this in the Opinion.</p> <p>EIOPA agrees that the substantiation of a claim can rely on the regulatory reporting/disclosure (e.g. see example of good practice in paragraph 3.53). Moreover, EIOPA clarified in the Opinion the link to transition planning requirements.</p> <p>EIOPA added a reference to the CSRD in the final Opinion.</p>
	<p>AFG (Association Française de Gestion)</p>	<p>please refer to our answer to question 1</p>	<p>Noted.</p>
	<p>PensionsEuro pe</p>	<p>Proportionality needs to be taken into account when due diligence measures are required. We would also like to point out that for the different types of entities for which EIOPA is responsible, proportionality has a different meaning. Hence, we hold that regarding this opinion, for IORPs, proportionality should be defined as in the IORP-II Directive.</p>	<p>Noted.</p>

		<p>We agree that commitments should be substantiated. However, we do believe that the degree of substantiation can be developed over time. In the case of climate change, it is clear that decent metrics and tools are available to investors, including for specific target-setting. Setting a target for 2050 and failing to substantiate how to get there over time can be seen as problematic. In the case of biodiversity, however, these tools and metrics are very much in its infancy. Long-dated targets are useful in signaling to companies, asset managers and data providers that asset owners are keen to develop their policy in this area, even when it may be difficult to set concrete near-term targets immediately. In this case, strict supervision could stifle initiative. A balanced, case-by-case approach is needed.</p> <p>We recommend that the Opinion clarifies what is meant with the expectation that due diligence is performed on sustainability information. Generally, it is normal to conduct due diligence on external parties such as data providers. However, the provision of sustainability data is going to become based on company reporting under the CSRD and automated via the ESAP. A pension fund cannot perform due diligence on all information points, which are already audited. This would be a hugely duplicative exercise. Moreover, we do not think that providers should be required to explain the methodology of any ESG rating they disclose. A link to the website of the corresponding rating agency should be sufficient.</p>	<p>EIOPA also agrees with the balanced approach to substantiation; this was further reflected in the Opinion.</p> <p>EIOPA clarified further due diligence and substantiation by way of examples in the Opinion. Moreover EIOPA added further wording around the use of ESG providers.</p>
	Insurance Europe & CROForum	<p>Insurance Europe agrees with principle 3 which states that sustainability claims should be substantiated with clear reasoning and facts. The proportionality criteria are especially important to not place undue burden on small and medium sized enterprises (SMEs) and to ensure that retail consumers are not overwhelmed by the amount of information they receive.</p> <p>Nevertheless, due diligence and proportionality are difficult principles to implement properly in practice because of the current state of the legislation on greenwashing and the existing gaps. Furthermore, the rules are very ambitious and do not necessarily match methodologies and rules that have not yet been developed and clarified enough to enable insurers to create robust plans and interim targets. It is crucial to differentiate, in this opinion, between sustainability claims that are governed by regulations, such as the SFDR, and those that are not. When a sustainability claim is prescribed by applicable regulation, it is essential to leave room for the specific requirements for substantiation and verification therein. Greenwashing should only concern voluntary claims.</p> <p>Lastly, the limited availability of sustainability-related data is, in practice, one of the major obstacles to offering products with robust environmental objectives. It is therefore important that supervisors – when determining if there has been a case of greenwashing – carefully assess the source of data used, its quality, who bears the responsibility for producing it, and if the insurer could rely on sounder alternatives without excessive operational burden. As such, it should be noted that for MOPs, insurers depend on the data provided by asset managers to obtain the sustainability features of an underlying asset. To this extent, insurers should not bear responsibility for misleading claims made at unit-linked level.</p>	<p>Noted.</p> <p>While EIOPA agrees with the need to ensure proportionality, EIOPA disagrees with the fact that greenwashing concern only non-regulatory claims. In EIOPA’s view, non-compliance with regulatory requirements can lead to greenwashing.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>
	BIPAR (European Federation of Insurance Intermediaries)	<p>BIPAR agrees that sustainability claims should be substantiated with clear reasoning and facts as that is an important aspect to ensure intermediaries as well as end investors understand the features of the product.</p>	<p>Noted.</p>
	the Swedish Consumer Agency	<p>Yes. However, if a sustainability claim relates to a disproportionately small proportion of the product, a qualification is not enough, and the claim should not be used.</p>	<p>Noted.</p>

	Impactiv sp.p.	<p>We agree with Principle 3, especially in terms of the need to consider due diligence and proportionality when determining whether a sustainability claim is justified by clear evidence and facts.</p> <p>However, the Opinion does not contain guidelines on proportionality and the accuracy of due diligence. We propose to supplement the Opinion with criteria to be considered when analyzing the level of accuracy of the examination of information justifying sustainability claims, and to add examples of good and bad practices in this area.</p> <p>In addition, there are products on the market related to sustainability issues, which are quite typical (e.g., insurance of clean energy sources, preferential rates for insuring electric cars, etc.). It would be desirable to indicate typical possible evidence of linking such products with sustainability factors. We propose that the Opinion also be supplemented with an explanation of whether general research and reports in this area are sufficient (e.g. in relation to photovoltaic panels or electric cars), or whether the unit must independently order reports or studies.</p>	<p>Noted.</p> <p>While EIOPA has specified in the Opinion that it understands “proportionality” in the same way that it is understood in the relevant EU legislations, EIOPA does not define “proportionality” in the Opinion.</p> <p>EIOPA added further examples in the Annex of the Opinion.</p> <p>EIOPA discussed non-life insurance products with sustainability features in its Final report on Greenwashing.</p>
	ANASF	<p>We agree, due diligence and proportionality are necessary elements to be taken into account when determining whether a sustainability claim is substantiated by clear reasoning and factual evidence. As mentioned above, the list of good and bad practices makes it easier to understand these principles, and we greatly appreciate it.</p>	<p>Noted.</p>
	Polish Chamber of Insurance (PIU)	<p>PIU agrees that sustainability claims should be supported by transparent rationale and factual evidence. The proportionality criteria are especially important as far as small and medium sized companies are concerned. It is also important that consumers are not overwhelmed by the amount of information they receive with no added value or possibility to understand.</p>	<p>Noted</p>
	Matthies Versteegen – Pensioen Federatie	<p>We agree that commitments should be substantiated. However, we do believe that the degree of substantiation can developed over time. In the case of climate change, it is clear that decent metrics and tools are available to investors, including for specific target-setting. Setting a target for 2050 and failing to substantiate how to get there over time can be seen as problematic. In the case of biodiversity, however, these tools and metrics are very much in its infancy. Long-dated targets are useful in signaling to companies, asset managers and data providers that asset owners are keen to develop their policy in this area, even when it may be difficult to set concrete near-term targets immediately. In this case, strict supervision could stifle initiative. A balanced, case-by-case approach is needed.</p> <p>We strongly recommend that the Opinion clarifies what is meant with the expectation that due diligence is performed on sustainability information. Generally, it is normal to conduct due diligence on external parties such as data providers. However, the provision of sustainability data is going to become based on company reporting under the CSRD and automated via the ESAP. A pension fund cannot perform due diligence on all information points, which are already audited. This would be a hugely duplicative and expensive endeavor. CSRD data should therefore be considered a “safe haven”.</p>	<p>Noted.</p> <p>EIOPA also agrees with the balanced approach to substantiation; this was further reflected in the Opinion.</p> <p>EIOPA clarified further due diligence and substantiation by way of examples in the Opinion. Moreover EIOPA added further wording around the use of ESG providers.</p> <p>EIOPA agrees that the substantiation of a claim can rely on the regulatory reporting/disclosure (e.g. see example of good practice 3.53). It further clarified this in the Opinion</p>
	France Assureurs	<p>France Assureurs agrees with principle 3 which states that sustainability claims should be substantiated with clear reasoning and facts. However, the limited availability of sustainability-related data is, in practice, one of the major obstacles to offering products with robust environmental objectives. It is therefore important that supervisors - when determining if there has been a case of greenwashing - carefully assess the source of data used, its quality, who bears the responsibility for producing it and if the insurer could rely on sounder alternatives without excessive operational burden. As such, it should be noted that for MOPs, insurers depend on the data provided by asset managers to obtain the sustainability features of an underlying asset. To this extent, insurers should not bear responsibility for misleading claims made at unit-linked level.</p>	<p>Noted.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should</p>

			consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.
	Thomas ADAM – CA assurances	<p>We agree with principle 3, which states that sustainability claims should be supported by clear reasoning and facts. We believe it is important that the principles of due diligence and proportionality are assessed in relation to the data and information available.</p> <p>For communications with an advertising nature, as a French insurer, we ensure that claims are based on objective and precise elements in accordance with ACPR recommendation 2022-R-02 of 14 December 2022 on the promotion of extra-financial characteristics in life insurance advertising.</p>	Noted.
	Institute of International Finance	<p>Comments Related to Principle 3</p> <p>We fully support the need for an insurer to substantiate its sustainability claims with clear reasoning and facts. We also agree fully that due diligence and proportionality should be taken into account when determining if a sustainability claim is substantiated with clear reasoning and facts (see Question 4).</p> <p>However, the fact that many insurers rely on external parties for sustainability ratings and other data in support of their sustainability claims is not well reflected in the narrative supporting this principle. Insurers that rely on external third parties may not have access to the data or information that would be needed to explain what the ESG rating measures and why it is a relevant measure of their profile or of their product's profile, because much of this data and information is closely guarded proprietary information of the insurer's third-party vendor. EIOPA should acknowledge the need for some insurers to rely on third party data, information and representations when making sustainability claims.</p>	<p>Noted.</p> <p>EIOPA clarified further due diligence and substantiation by way of examples in the Opinion. Moreover EIOPA added further wording around the use of ESG providers.</p>
	Insurance & Pension Denmark	<p>We agree that sustainability claims should be clearly substantiated.</p> <p>We also agree that due diligence should be carried out by businesses, and that proportionality should be taken into account. However, it seems unclear what is meant by "due diligence and proportionality should be taken into account", ref. Q 4, as the explanatory text doesn't elaborate on this.</p> <p>We note, however, that the proposed Green Claims Directive COM (2023) 166 - art. 3 outlines in more detail the extent to which manufacturers of goods and services have to provide substantiation of sustainability claims. Rather than requiring a vaguely formulated due diligence requirement, we suggest that the EIOPA Opinion states that substantiation in line with the definition found in the directive mentioned is expected. Regarding proportionality, we suggest that the Opinion should state clearly that the reason for requiring substantiation of green claims is to empower consumers and allow them to make adequately informed choices. Thus, proportionality could be viewed in relation to whether information included or omitted could be considered significant in relation to making such informed choices. We believe that an approach along these lines would be in line with the intentions of the proposed Green Claims Directive.</p> <p>We believe it's crucial that the EIOPA Opinion differentiates between sustainability claims that are governed by regulations such as the SFDR and those that are voluntary. Eg. the SFDR enforces upon financial market participants the use of certain phrases relating to sustainability which, if taken out of context of the mandatory reporting templates, may be perceived as "sustainability claims". We therefore strongly suggest that EIOPA, in line with the intentions of the proposed Green Claims Directive, includes in the Opinion that communication which is based on regulatory requirements (such as the SFDR) should be dealt with on the basis of the specific regulatory set up - not on the basis of more general anti green washing considerations.</p>	<p>Noted.</p> <p>EIOPA clarified further due diligence and substantiation by way of examples in the Opinion.</p> <p>The example included in paragraph 3.51 is meant to clarify that non-compliance with SFDR can lead to greenwashing.</p>

		<p>Further, we believe that, as financial market participants and other entities are currently in a situation where they must live up to encompassing reporting requirements in line with the SFDR, Taxonomy etc. even though data availability and -quality to support that reporting lacks somewhat to be desired, it should be recognised that specific substantiation and verification may - for some years rely on data that may not be 100 pct. accurate. We suggest that this important point is reflected in the Opinion as, otherwise, financial market participants may become unduly hesitant in relation to launching SFDR art. 8 or art. 9 investment products.</p> <p>Regarding the examples listed in relation to principle 3, we believe 3.51 is an example where the insurance provider is in violation of the SFDR rules, as SFDR art. 5 clearly requires Financial Market Participants to explain how the remuneration policy is consistent with the integration of sustainability risks. Example 3.51 does not seem to add new information regarding the explanation required by SFDR, and consequently, it may not be very helpful for neither Financial Market Participants nor Supervisors.</p>	
	Assuralia	<p>We do agree on the general principle, but we would like to highlight that, in practice, it's still complicated to implement properly because of the current state of the legislation and the existing gaps. Moreover, the rules are very ambitious, whereas not all methodologies and rules are fixed and clear to create robust plans and interim targets. There is also still no guarantee that the necessary data is available or of good quality.</p> <p>One can also not expect insurers to become full-fledged auditors of market data. This could also require additional organizational measures to have Chinese walls between the insurer as a product manufacturer and the insurer as the auditor of the necessary data.</p> <p>Carrying out qualitative and quantitative testing, via scenario analyses, to determine if the target market's sustainability preferences are met is very challenging. In practice consumers do not understand sustainability preferences in the way the legislator determined them, let alone that they can express these sustainability preferences in a quantitative way.</p> <p>We already do the product testing as mentioned under the POG DR, but there is a need to substantiate it, as we depend on other providers to do it. De facto, we cannot be held responsible for all the parameters we have to consider. It seems very ambitious to ask for credible transition plan and interim targets as all the relevant data are not yet available. Providing clear reasoning and facts is also in the best interest of the product manufacturers, but it doesn't depend on the product manufacturers only. We need data in order to confirm the scenario analysis, plus, as the quantitative preferences are not yet quantifiable, it's very complicated to implement it in practice. There is a need for clarity on what "ESG ratings" are and a need for the auditing of the information. Moreover, on the external verification point, it seems that this could be an issue as we cannot have the guarantee that all auditors are already experts on the topic and knowing that all the data are not always available and reliable.</p>	<p>Noted.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p> <p>Moreover, EIOPA agrees with the fact that the regulatory framework has some gaps. Further, information can be found in EIOPA's Final report on greenwashing.</p>
	Actuarial Association of Europe	<p>We agree with Principle 3 and the emphasis on substantiating sustainability claims with due diligence and proportionality whilst maintaining clear reasoning and facts to support sustainability claims.</p> <p>We note the following observations and remarks:</p> <ul style="list-style-type: none"> - Proportionality is important in evaluating sustainability claims, especially due to the complexity and long-term nature of 	<p>Noted.</p> <p>Finally, EIOPA agrees that accuracy principle and substantiation principle had some overlaps, as noted in the beginning of the Opinion, however</p>

		<p>sustainability goals, requiring a balanced approach.</p> <ul style="list-style-type: none"> - There is need for greater clarity in differentiating Principle 3 from other principles and for providing context to sustainability claims to enhance transparency and comparability. In particular, there seems to be a conceptual overlap between Principle 3 and Principle 1, indicating scope to merge or simplify the principles. - There is also scope to define explicitly what constitutes “clear reasoning and facts” within the text of the opinion. - With respect to paragraph 3.41, back-testing could be used as a potential tool to estimate deviations from stated targets. - There is inherent difficulty in substantiating long-term commitments like net-zero emissions, which is particularly challenging due to long time horizons and so this supports the need for on-going proportionality in regulatory approaches. - We would like to highlight the complexity of representing group companies and the interaction between a group and its subsidiaries in making sustainability claims. This area could be covered in a more explicit way. - There could be other technical challenges such as, for example, the mapping customer preferences to product offerings, especially under the Sustainable Finance Disclosure Regulation (SFDR) categorizations. - While it is important to maintain a balanced approach and to adhere to proportionality, there is also a need for contextualization of sustainability claims against benchmarks, targets, or industry standards to improve transparency and comparability. 	<p>EIOPA amended the wording included in the two principles.</p> <p>In relation to the definition of “clear reasoning and facts”, EIOPA added further wording in the principle, moreover, the examples also aim at providing further clarity on this.</p>
	<p>Reclaim Finance</p>	<p>We agree with Principle 3. We support due diligence being taken into account.</p> <p>However, we suggest more detail is given on what proportionality would mean in the application of this principle.</p>	<p>Noted. While EIOPA has specified in the Opinion that it understands “proportionality” in the same way that it is understood in the relevant EU legislations, EIOPA does not define “proportionality” in the Opinion.</p>
	<p>Association of German Public Insurers</p>	<p>Para 3.42 states: “Manufacturers should first carry out market research to understand what the sustainability preferences of different target markets are, provided that such research has not been done by other entities (e.g., the fund manager for a given fund that is offered as an investment option in an insurance product). Based on this they should carry out qualitative and quantitative testing, including via scenario analyses, to determine if the products’ sustainability features are aligned with the target market’s sustainability preferences (Article 6(1) of the POG DR).” This wording in the Opinion goes beyond the POG DR, which clearly indicates that scenario analyses should be carried out “where relevant”. Furthermore, quantitative testing of products is advised “depending on the type and nature of the insurance product”.</p> <p>=> The Public Insurers therefore suggest changing the Opinion in a way that reflects the character of the POG DR and ensures the proportionality element embedded within it: “Based on this they should carry out qualitative and -depending on the type and nature of the insurance product - quantitative testing, including via scenario analyses where relevant, to determine if the products’ sustainability features are aligned with the target market’s sustainability preferences (Article 6(1) of the POG DR).”</p>	<p>Noted. The Opinion includes the suggested wording.</p>

Q 5: Do you agree with Principle 4 and the need to ensure that sustainability claims made by providers are understandable and accessible for the targeted stakeholders?			
	Nordic Financial Union (NFU)	<p>We unequivocally agree with Principle 4, which emphasizes the accessibility and understandability of sustainability claims. The complexity and jargon often associated with sustainability information can obscure its meaning, limiting targeted stakeholders' ability to make informed decisions. This principle aligns with our holistic approach to sustainability, aiming for collective solutions that benefit all stakeholders. We agree with the importance of ensuring that employees, consumers, and the broader community can easily access and understand sustainability-related information. Transparency is crucial for building trust in the financial sector's sustainability efforts and empowering individuals to make informed decisions.</p>	Noted.
	Lloyd's market association	<p>We agree with Principle 4 that sustainability claims made by providers must be accessible to the targeted stakeholders. However, insurers' websites cater to a wide range of customers and therefore to expect websites to conform to the least sophisticated consumer is disproportionate.</p> <p>Paragraph 3.58 states that "sustainability information on such platforms should be easily accessible and should not require consumers to click an unreasonable number of times to get to the wanted set of sustainability information. Website layouts should promote a consumer-friendly experience, enabling consumers to easily locate and understand the sustainability information, including by providing initial basic information whilst allowing access to more information through layered disclosures."</p> <p>We think that this is overreach in relation to the subject matter in hand i.e. sustainability claim disclosures – these words go toward website design and overall user experience. This question is inappropriately shoehorned into this consultation as the question of website useability goes far beyond the question of sustainability.</p> <p>Paragraph 3.62 again refers to the need for "distributors should ensure that customers have a good understanding of the notion of "sustainability preferences" and of the integration of certain sustainability aspects in their investments." As we mention in our answers to previous questions, our understanding of IDD is that insurance companies are included in the definition of "distributors." If this is correct, in intermediated markets, such as the specialty market, this role is not undertaken by insurers as there is no direct communication with the insured and the primary evaluation of suitability is undertaken by the broker. Accordingly, the application of 3.62 to "distributors" is far too wide.</p>	<p>Noted.</p> <p>EIOPA believes that paragraph 3.58 is aligned with the need to be fair, clear and not misleading under IDD, as well as with SFDR requirements on accessibility, without being overly prescriptive.</p> <p>The definition of insurance distributor used by this Opinion is the one set out in Article 2(8) of the IDD.</p>
	MAIF	<p>MAIF is committed to ensure that its sustainability statements are accessible online and understandable to all. To this end, we support initiatives that make it easier to consult extra-financial data and make our data sets available, classified by theme and distributed as open data, to improve the level of information available to stakeholders.</p> <p>We are convinced of the importance of effectively informing consumers in order to offer a responsible service, and we defend these values. We firmly condemn deception and manipulation in commercial practices but wish to reiterate the existence of a room for error and oversights that may occur in the sales process. In addition, the linguistic complexity of insurance terminology must be taken into account, both to ensure that consumers understand it and to regulate the information provided.</p> <p>We would also like to alert the regulator to the interpretation of the "more or less relevant" nature of information (3.57), which is not precisely established and therefore a source of uncertainty for the players involved.</p> <p>Finally, we stress the importance of reporting and labelling tools, which are a step forward in the fight against greenwashing.</p>	<p>Noted.</p> <p>EIOPA amended "less pertinent" to "non-pertinent information", to make the contrast with "essential information" clearer.</p>

		These tools help to clarify information for consumers and thus guarantee that they are properly informed. Demanding labels, whose use would be controlled, would make this information understandable and accessible to stakeholders.	
	Fédération Bancaire Française	Yes, we agree with Principle 4.	Noted.
	GDV (Gesamtverband der Deutschen Versicherungswirtschaft e.V)	<p>We agree that the content of sustainability claims should be clear to the customers in order to enable them to make informed choices. We also agree that, insofar as no specific legislation exists, insurers should design the information to be comprehensible and accessible for the target audience. The particular exigences may vary, depending on the specific claim, the respective target audience and other factors, e. g. existing local concepts which are already established in a Member State.</p> <p>However, we would like to point out that where detailed regulation has been introduced for precisely this purpose, the regulatory requirements prevail. In relation to investment products, the SFDR requires standardized information on sustainability-related claims with reference to commitments at company and at product level. The mandates for RTS in the SFDR explicitly call on the ESA to design the RTS to allow for clear, simple, and concise disclosures. Regardless of whether the RTS have succeeded in this task, they constitute applicable law. Any attempt by insurers to explain the complex language prescribed in the templates in more simple terms would risk contravening Article 13 SFDR, which strictly forbids any communications in contradiction of the SFDR information. Consequently, it may not be legally possible for accompanying explanations by insurers to compensate for the complexity of the SFDR disclosures.</p> <p>Therefore, it is essential that the SFDR disclosures are radically simplified in order to fulfil the purpose for which they were intended. Simple information on the sustainability characteristics of the product should be provided to consumers while more detailed explanations for experts should be made available online.</p>	<p>Noted.</p> <p>As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, the Opinion allows for flexibility also through the use of “where possible”.</p> <p>In relation to the simplification of the SFDR disclosures, the ESAs are currently working on a Joint Opinion on SFDR.</p>
	EIOPA Insurance and Reinsurance Stakeholder Group	<p>In general, we agree with Principle 4.</p> <p>EIOPA must ensure that a balance is struck between providing consumers with the right amount of information to not under- or over-inform them, and not placing undue burden on providers. It will support EIOPA’s goal of providing more clarity and transparency to consumers.</p> <p>In particular, we support the requirement outlined in section 3.56 that “sustainability claims and their substantiation should be tailored to the target audience”.</p> <p>To facilitate providers’ tasks, this opinion should align with already well-known reporting requirements such as the SFDR rules on how financial operators must present their documentation relating to the sustainability of their insurance products.</p> <p>Section 3.62: As regards education of retail customers on sustainable finance regulations we support dedicated material issued by EIOPA, building on EIOPA’s Guidance on the integration of sustainability preferences in the suitability assessment under the IDD and the ESA’s factsheet “Investments, loans, insurance or pensions with a sustainable focus: What do you need to know?”</p> <p>An updated Guidance from EIOPA should explain the 4 Principles with good practices and bad practices, similar to the grey listed and blacklisted terms as in Unfair Contract Terms Directive. This will be a useful guide for stakeholders.</p>	Noted. EIOPA may develop further guidance in relation to the principles set out in this Opinion.

	AFG (Association Française de Gestion)	please refer to our answer to question 1	Noted.
	PensionsEurope	<p>We agree with the principle and believe that, for pension funds with mandatorily enrolled participants that do not compete for business, this principle should prevail over the principle of accuracy. This should certainly be the case in the top layer(s) of website information, which ultimately will be the place that participants will go to in case they proactively want to learn more about the sustainability aspects of their pension funds.</p> <p>The Opinion can be improved by explicitly stating that accuracy can be expensed in order to achieve accessibility in the first layer, as long as it is easy to find the underlying more specific information.</p> <p>Furthermore, we would like to point out the fact that the stakeholders involved differ between insurance undertakings providing retail products and IORPs, who organize the pension schemes of their sponsoring undertakings and/or social partners.</p>	<p>Noted.</p> <p>EIOPA places the 4 principles at the same level of importance.</p>
	Insurance Europe & CROForum	<p>The insurance industry believes Principle 4 regarding the accessibility, visibility and understandability of sustainability claims is essential.</p> <p>In this regard, it is important that the different pieces of legislation that require the disclosure of sustainability information be rationalised in order to both prevent over-informing consumers and avoid undue burden on businesses. Nevertheless, the regulator must remain careful as accessibility should not become a source of legal risk. Indeed, while insurers agree that the clarity and simplification of information is essential for clients, they are however subject to legal obligations regarding the use of a vocabulary specific to insurance in contractual and commercial documentation, which may be unusual to many policyholders. This complexity should be considered as EIOPA’s guidelines must not put providers in a legally ambiguous situation.</p> <p>On that note, this opinion should set up clear guidelines, aligned with existing pieces of legislation and the aforementioned regulatory proposals, for the presentation of the communication of explicit environmental claims, leveraging on the SFDR rules on how financial operators must present their documentation relating to the sustainability of their insurance products. This will also ensure that producers do not overload consumers with information, thus supporting the Directive’s objective of providing more clarity and transparency to consumers.</p> <p>Fulfilling mandatory standardised documents such as the Package Retail Investment and Insurance Products (PRIIPs) key information documents (KID) and the SFDR templates represents a significant part of providers’ administrative work. While adapting their communication to a less-knowledgeable public is important to avoid confusion and ensure consumers’ trust, EIOPA should provide as much help as possible to providers in adapting the provisions to suit the needs of the templates’ target audience. It is especially challenging, for small market players, to provide both very complex scenario analysis, quantitative sustainability preferences, etc. and non-technical and easy to understand language. On this note, it will be particularly difficult for providers to ensure that the simplified language they use does not contradict the information required by the aforementioned regulations. Article 13 SFDR forbids any communication in contradiction with the SFDR information. Therefore, the regulatory requirements should prevail and EIOPA’s guidelines should not put providers in a legally ambiguous situation.</p>	<p>Noted.</p> <p>As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, the Opinion allows for flexibility also through the use of “where possible”.</p> <p>The goal of this Opinion is to set out common principles for the purpose of supervisory convergence, therefore EIOPA with this Opinion EIOPA does not set up “guidelines on the presentation of environmental claims”.</p> <p>EIOPA may develop further guidance in relation to the principles set out in this Opinion.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>

		On another matter, insurers would like to question one example of bad practice given by EIOPA: “3.65. The links to the SFDR disclosures online do not work”. In our opinion, this situation should only lead to greenwashing if the links dysfunction is proved to be intentional.	
	BIPAR (European Federation of Insurance Intermediaries)	<p>BIPAR fully agrees that sustainability claims and all sustainability-related information should be clear and easy to understand by customers.</p> <p>BIPAR would like to highlight the fact that it is sometimes quite difficult for intermediaries to match their customers’ sustainability preferences with suitable products due to the fact that the categorisation of IBIPs with sustainability features under the IDD delegated Regulation is not aligned with the text of the SFDR. This leads, in some cases, to intermediaries gathering their clients’ sustainability preferences according to the IDD delegated Regulation and having to compare these with products whose disclosures do not match the gathered information.</p> <p>BIPAR agrees that intermediaries should be able to explain both the notion of sustainability preferences and the different categories of products with sustainability features to their clients to help them make informed decisions. However, at this point in time, the framework lack clarity and harmonization which makes this task very difficult in many instances and hinders some customers’ ability to fully understand these concepts.</p>	Noted. EIOPA highlighted gaps in the regulatory framework in its Progress and Final reports on greenwashing
	the Swedish Consumer Agency	<p>According to the UCPD a trader is required to provide evidence of a claim when the competent authority asks for it, meaning there is no obligation to publish all information substantiating a claim. Having evidence published is not a guarantee that there is no greenwashing taking place since it will be difficult for the consumer to assess the evidence. Information that the average consumer needs to take an informed transactional decision, that is material information, must however be published in direct proximity to the claim. This information must be accessible to the consumers without them having to click for further information.</p> <p>This considered, the Swedish Consumer Agency agrees that sustainability claims made by providers must be understandable and accessible for the targeted stakeholders.</p>	Noted. EIOPA agrees that essential sustainability information for consumer decision-making should be easily accessible.
	Impactiv sp.p.	<p>We agree with Principle 4, however, we believe that it requires clarification with regard to non-life insurance products. The Opinion suggests obligations for them that do not directly result from legal provisions.</p> <p>Legal regulations do not provide - as indicated in the Opinion – any obligations regarding disclosures in the field of non-life insurance products. However, this does not mean that they cannot be affected by sustainability claims and the risk of greenwashing.</p> <p>As a result, it seems to follow from the Opinion that EIOPA expects that if non-life insurance companies use sustainability claims, they should justify them appropriately and provide the justification to the client. This, in turn, would be associated with the obligation to create and deliver new documents to clients by the non-life insurance company, despite the lack of such a clear legal obligation resulting from legal provisions. However, there is no place for such disclosures in the content of the IPID delivered to the client (which is a standardized and short document) and in other mandatory documents. Enabling such information to be placed in the IPID or in other mandatory documents would therefore require changes to the IDD establishing an obligation for non-life insurance companies to deliver other types of disclosures to clients.</p> <p>We therefore propose to clearly indicate that the justification of sustainability claims in the case of non-life insurance is not covered by the obligation to deliver to the client and it is sufficient to make it available by publishing on the website. In</p>	<p>Noted.</p> <p>Non-life insurance products still need to abide by POG sustainability-related requirements, as well by the general fairness principles in the IDD (e.g., fair clear and not misleading) and in the UCPD. Moreover, the taxonomy regulation does set out criteria for taxonomy alignment for the underwriting of climate related risks.</p> <p>Therefore, while there are currently no regulatory disclosures related to sustainability aspects of non-life products (and this Opinion is not creating such requirements), sustainability information about non-life product should still be accessible and understandable for consumers.</p>

		addition, in the absence of appropriate regulations, we propose to add information in the Opinion about the content of the justification of sustainability claims for non-life insurance products.	Further thinking on non-life products with sustainability features is outlined in EIOPA's final report on greenwashing.
	ANASF	We agree. It is important, especially for financial advisors, to have access to these documents in order to be able to help clients in their investment decisions in accordance with their expressed sustainability preferences.	Noted.
	Polish Chamber of Insurance (PIU)	Principle 4 emphasizes the need to use language that is understandable to the average consumer. In point 3.56 EIOPA proposes that environmental benefits aimed at consumers should be free from financial jargon. On the other hand, in accordance with Article 13 of the SFDR, financial market participants and financial advisors shall ensure that their marketing communications do not contradict information disclosed under this regulation. In conclusion, the opinion and the SFDR seem to formulate slightly different instructions for the same situations. The opinion emphasizes the need for the recipient to understand the message. On the other hand SFDR requires messages and information that comply with formal SFDR disclosures rules often resulting in the inclusion of numerous technical terms and phrases which are difficult to understand by a consumer.	Noted. As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, this Opinion allows for flexibility through the use of "where possible".
	Matthies Versteegen – Pensioen Federatie	We strongly agree with the principle and believe that, for pension funds with mandatorily enrolled participants that do not compete for business, this principle should prevail over the principle of accurateness. This should certainly be the case in the top layer(s) of website information, which will ultimately be the place participants will go to in case they proactively want to learn more about the sustainability aspects of their pension funds. The Opinion can be improved by explicitly stating that accurateness can be expended in order to achieve accessibility in the first layer, as long as it is easy to find the underlying more specific information.	Noted. EIOPA places the 4 principles at the same level of importance.
	France Assureurs	France Assureurs believes principle 4 regarding the accessibility, visibility and understandability of sustainability claims is essential. In this regard, it is important that the different pieces of legislations that require the disclosure of sustainability information be rationalised in order to both prevent any information overload to consumers and avoid undue burden on businesses. Nevertheless, the regulator must remain careful as accessibility should not become a source of legal risk. Indeed, while insurers agree that the clarity and simplification of information is essential for clients, they are however subject to legal obligations regarding the use of a vocabulary specific to insurance in contractual and commercial documentation, that may be unusual to many policyholders. This complexity should be considered as EIOPA's guidelines must not put providers in a legally ambiguous situation. Furthermore, while France Assureurs agrees accessibility of sustainability information on online platforms is necessary to provide for a better consumer-friendly experience, the notion of "unreasonable number of clicks" (3.58) should be more clearly defined. On another matter, France Assureurs would like a clarification on two examples of bad practises given by EIOPA:	Noted. As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, the Opinion allows for flexibility through the use of "where possible". In the 3.63 example, EIOPA referred to non-regulatory labels. In the final version of the Opinion, EIOPA clarified this point. EIOPA believes that misleading sustainability claims can occur and spread intentionally or

		<p>- Point 3.63: the reference to 'various ESG labels' does not refer to any EU regulation or common EU definition. Would the EIOPA refer to national ESG labels? If the insurer refers to national ESG labels which are regulated, it should not be considered as a greenwashing practice.</p> <p>- Point 3.65: in our opinion, this situation does not always lead to greenwashing, as it may only be operational or technical dysfunction, and not an intentional misleading practice.</p>	<p>unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>
	<p>Thomas ADAM – CA assurances</p>	<p>We agree that information relating to the sustainability of a product or entity should be easily accessible to stakeholders, in the sense that it should not be difficult to find all this information.</p> <p>However, we consider that accessibility in the sense of "adapting the wording so that it can be understood by everyone" is a source of legal risk. As regards the content of the documentation, we point out a contradiction between these demands for simplification and the complexity of the regulatory information required by the ESG framework.</p> <p>In our opinion, this point demonstrates the need for common and clear definitions of the terms used (e.g. definition of sustainable investment).</p>	<p>Noted. As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, the Opinion allows for flexibility also through the use of "where possible".</p>
	<p>Insurance & Pension Denmark</p>	<p>We agree very much that sustainability claims should be understandable and accessible for targeted stakeholders since the overall aim is to empower consumers. In line with paragraph 3.58 of the suggested Opinion we suggest to include in the Opinion that accessibility and understandability is key and that, for this reason, although regulatory requirements must be complied with, pension providers and other Financial Market Participants may make information available in ways that promote understandability and accessibility for their customers and based on customers' preferences and the way in which companies already communicate with customers.</p> <p>We would like to point out that existing sustainability regulation, such as the EU Taxonomy Regulation and the SFDR, comes with quite prescriptive rules regarding where information must be published and regarding the content and presentation of the information. Deviation from these requirements do not seem to be allowed even if the regulatory templates result in information that is difficult to understand for many customers. Therefore, as mentioned above, the Opinion should acknowledge that information which strictly complies with regulation such as the EU Taxonomy and SFDR may be less understandable and/or accessible than desired.</p>	<p>Noted. As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements. Moreover, the Opinion allows for flexibility also through the use of "where possible".</p>

	Assuralia	<p>Assuralia absolutely supports the principle 4 and the whole concept of comprehensible, non-complex, and accessible language in general. It is of uttermost importance that communication is non misleading and in the best interest of the consumer. Unfortunately, the current state of the legislation and the complexity of it make the whole process burdensome and complicated to understand for the retail consumer. The responsibility cannot only lay down in the hands of distributors and product manufacturers in terms of sustainability claims, as they must apply the legislation and the wording used therein.</p> <p>That’s why it’s important to have the possibility to adopt a layering approach and to keep in mind that a tailored approach is not feasible, as European law imposes to work and use standardized documents such as the PRIIPs KID, the SFDR templates, ... The full-scale and technical information may work for a professional customer, but a retail customer feels overwhelmed by the large amount of very technical information in the standardized templates (that come on top of all the other legally required precontractual and contractual information).</p> <p>There is also a need of sustainability principles and preferences that are much more aligned with the consumer’s world to be able to explain it on a clear and non-biased basis to customers.</p>	<p>Noted. As stated in the beginning of this Opinion, this Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities. This includes SFDR requirements.</p> <p>Moreover, the Opinion allows for flexibility also through the use of “where possible”.</p> <p>In relation to potential improvements to the regulatory framework, please refer to EIOPA’s Final report on greenwashing and the upcoming ESAs Joint Opinion to the European Commission on SFDR.</p>
	Actuarial Association of Europe	<p>We agree with Principle 4 and the need to ensure that sustainability claims should be understandable and easily accessible by targeted stakeholders.</p> <p>We would like to highlight the challenge of balancing detailed, technical information with the need for accessibility and avoidance of jargon, an inherent challenge due to the complexity of sustainability issues.</p> <p>More specifically we note the following remarks:</p> <ul style="list-style-type: none"> - The complexity and technicality of SFDR poses a challenge in achieving this transparency goal/principle. - Achieving accessibility and ease of navigation on provider websites can prove challenging given the extensive amount of data underpinning the sustainability claims but also due to diverse technological abilities of end-users. A solution to this problem could be to have a prescribed, standardised one or two-pager similar to other similar templates such as the Product Information Document (PID) or Key Information Document (KID). - There is a need to consider the provision of information in multiple languages and formats to make it accessible to individuals with disabilities. - It is also important to consider education and empowerment of stakeholders and to establish feedback mechanisms for stakeholders so that they can have input on sustainability documentation. 	<p>Noted. While EIOPA does not disagree with some of the remarks in this comment, the Opinion’s goal is to set out common principles for the purpose of supervisory convergence.</p> <p>In relation to potential improvements to the regulatory framework, please refer to EIOPA’s Final report on greenwashing and the upcoming ESAs Joint Opinion to the European Commission on SFDR.</p>
	Reclaim Finance	<p>We strongly agree with Principle 4.</p> <p>We note that for consumers and the general public, making sustainability claims understandable requires providing simple information on key sustainability considerations. Such considerations include the exposure of the product or service to coal, oil and gas companies and to companies active in sectors with high risk of deforestation. Indeed, these activities are easily understandable by consumers and often a focus of them when looking at sustainability.</p> <p>Considering these elements, we underline a new labelling system for financial products that clearly enable consumers to identify any support to harmful activities - starting with fossil fuel production and deforestation - would make the application of Principle 4 significantly easier. This proposal could be supported by EIOPA, notably in the discussion to review SFDR.</p>	<p>Noted. The Opinion’s goal is to set out common principles for the purpose of supervisory convergence.</p> <p>In relation to potential improvements to the regulatory framework, please refer to EIOPA’s Final report on greenwashing and the upcoming ESAs</p>

			Joint Opinion to the European Commission on SFDR.
Q 6: What do you think would be the costs and the benefits of this opinion?			
	Nordic Financial Union (NFU)	<p>The draft opinion by EIOPA is a step in the right direction towards enhancing transparency and accountability within the insurance and pensions sectors. The benefits of implementing such an opinion are manifold.</p> <p>For employees, a more sustainable business model aligns with the growing demand for ethical employment practices and companies that prioritize long-term environmental goals. From a consumer protection viewpoint, accurate sustainability claims prevent consumers from being misled by greenwashing, thus enabling more informed decision-making aligned with their sustainability preferences. Furthermore, establishing a common approach to supervise sustainability claims across the EU will promote increased trust in the financial sector, contributing to a more stable financial ecosystem.</p> <p>However, there are potential costs associated with the implementation of the draft opinion, particularly in the short term. These costs include the financial burden on providers to adapt their marketing practices, the need for ongoing skills development for employees to grasp and implement the new guidelines, and the potential administrative load on regulatory bodies to monitor compliance. Additionally, the complexity of the regulatory framework may pose challenges for smaller institutions in adapting to these changes. We believe that with careful consideration of the potential costs and by incorporating suggestions such as gradual implementation and stakeholder engagement, the opinion can serve the interests of consumers, employees, and the broader financial ecosystem. Ultimately, enhancing transparency and preventing greenwashing will contribute to a more sustainable and trustworthy financial sector, aligning with our unions' commitment to ethical and responsible business practices.</p>	Noted. EIOPA has included wording around proportionality in the Opinion.
	Lloyd's market association	<p>If unamended, we consider this opinion could introduce duplication between brokers and insurers increasing costs. We have also set out where we feel that the steps required are too extensive/ difficult to comply with for non-life insurers.</p>	Noted.
	MAIF	<p>MAIF supports EIOPA's approach and believe that this opinion could further enable ESG standards and strengthen the monitoring of companies' sustainability policies, for which we are actively campaigning.</p> <p>This work could also lead to the emergence of a common definition of a sustainability claim. The recommendations arising from this opinion could also encourage better consumer protection and take the form of the creation of accessible and certified tools (Impact score) to guarantee clear and open information for all stakeholders.</p> <p>We are concerned, however, that this opinion favours an approach to greenwashing based solely on risk, at the expense of companies' commitment and overall impact strategy.</p> <p>We also believe that, as it stands, this opinion could lead to an overly broad definition of sustainability claims in terms of the adopted scope (declaration throughout the product life cycle) and the misleading nature of such claims. This overreaching targeting could lead to a misunderstanding of the concept by stakeholders, irrelevant litigation and a failure to regulate greenwashing.</p> <p>Finally, we believe that the opinion underestimates the need to include the intentional nature of certain practices that have led or may lead to greenwashing. The regulator must adopt a flexible assessment framework to encourage the gradual and lasting introduction of good practices and limit the risks to those directly responsible for distributing products, who would be placed</p>	<p>Noted. The Opinion's goal is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing, hence the focus on risk.</p> <p>Please also note that EIOPA's understanding of sustainability claims is based on the ESAs understanding of greenwashing (please see EIOPA's Progress and Final reports on greenwashing). Moreover, please note that 'sustainability claims' is not a definition, but an understanding for the purpose of supervisory convergence.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should</p>

		under a very restrictive burden. The regulator must also favour an approach based on discernment and ensure that the control it exercises over sustainability claims is comprehensive and takes into account a range of factors rather than an isolated fact that is disconnected from the reality of the sustainability strategy pursued by the company.	consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.
	GDV (Gesamtverb and der Deutschen Versicherung swirtschaft e.V	<p>The need for alignment of the EIOPA opinion with all applicable legislation, including cross-sectoral legislation, is of relevance also in relation to the costs of implementation. This applies especially to future legislation which is currently being finalized. Any inconsistencies of EIOPA's opinion with, e. g. the Directive empowering consumers for the green transition or the Directive on green claims would mean that the requirements will in fact have to be implemented twice, thus doubling the necessary effort and costs. Consistency across all applicable requirements is, therefore, vital (see our comments on Questions 1 and 2).</p> <p>Furthermore, we would like to stress the importance of consumer testing before mandatory information requirements are introduced by the legislator. Mandatory disclosures which are not suitable for their target audience add substantial cost to the eventual detriment of customers.</p>	<p>Noted. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition.</p> <p>EIOPA also agrees with the importance of consumer testing before setting out mandatory disclosure requirements. This is further discussed in EIOPA's Final report on greenwashing.</p>
	AFG (Association Française de Gestion)	please refer to our answer to question 1	Noted.
	PensionsEuro pe	<p>For some countries, we see little benefit in this opinion, as the national supervisor already published its guidance.</p> <p>As explained above, IORPs inherently are not motivated to engage in greenwashing activities. This opinion should not lead to IORPs refraining from making statements about sustainability to avoid being accused of greenwashing as in SFDR.</p> <p>Furthermore, we believe that the opinion should not in any way end up to be a step towards the imposition of fines for greenwashing. Any new legislation at the EU or national level introducing penalties in cases of non-compliance should under no circumstances be introduced. For IORPs, any costs associated with sanctions will ultimately lead to lower pensions being paid out, thereby undermining the social purpose of IORPs.</p> <p>However, we believe that the Opinion of EIOPA presents some advantages compared to some national guidance (such as in the Netherlands) for two reasons:</p> <ul style="list-style-type: none"> -The draft Opinion mentions making use of layering more explicitly. Allowing such an approach, and not striving for complete preciseness in the top layer, avoids the situation where the pension fund website will start to look like "terms and conditions". -In some cases, national competent authorities use many examples that rely on assumptions about how participants interpret information. We also appreciate the approach of providing good and bad practices. This is helpful, as long as the examples are chosen well. 	<p>Noted. The Opinion's goal is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing.</p> <p>Moreover, EIOPA added further examples of good and bad practices in the Annex of the Opinion.</p>
	Insurance Europe & CROForum	Ensuring that this Opinion is consistent with others of the previously mentioned pieces of legislation is key to limit the implementing costs. Having inconsistencies between requirements would mean that they would have to be implemented twice, hence doubling these costs.	Noted. EIOPA agrees with the need to ensure that this Opinion is consistent with current and forthcoming legislation.

		The insurance industry would welcome a complete costs and benefits analysis for each proposal, taking into account that some costs are not linear, but heavy one-offs, especially for small market players.	An impact assessment was included in the feedback statement to the public consultation.
	BIPAR (European Federation of Insurance Intermediaries)	BIPAR believes that, with the caveats expressed in previous answers, this opinion could be beneficial to customers as it would help them to have an accurate understanding of the sustainability features of the products they buy. It could also be beneficial to intermediaries as it could foster confidence in their relationship with their clients.	Noted.
	the Swedish Consumer Agency	No opinion.	Noted.
	Impactiv sp.p.	The Opinion clarifies the already existing legal provisions (e.g. concerning unfair market practices or misseling). This could be the benefit of the Opinion (but the Opinion should not be in conflict with these regulations and should take into account the latest revisions and legal developments). Revised in this context and properly justified Opinion can facilitate product creation and remove the chilling effect on certain types of products resulting from the fear of greenwashing allegations (e.g. non-life insurance). In this context, the Opinion should provide an even greater number of detailed guidelines that can be used by providers. Potential additional costs may be associated with interpreting from the Opinion additional obligations that clearly do not result from legal provisions (e.g., creating documents justifying sustainability claims in the case of non-life insurance companies). In general, we find the Opinion helpful in reducing exposure of providers to litigation risk, which is a benefit and reduces potential costs of non-compliance with regulations.	Noted. The Opinion's goal is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing. EIOPA may develop further guidance in relation to the 4 principles.
	ANASF	The benefits are undoubtedly the greater clarity it provides by illustrating examples of good and bad practices. We believe that it may be useful to provide for a consultation in the future through which stakeholders can submit industry practices to the Authority, in order to understand whether they are aligned or not with the principles set out in the Opinion: these practices, if widely shared, could become new items on these lists, making the Opinion a useful guide for insurance and pension markets' operators.	Noted. Moreover, EIOPA added further examples of good and bad practices in the Annex of the Opinion.
	Polish Chamber of Insurance (PIU)	It is crucial that the EIOPA's opinion is consistent with the Directive on empowering consumers in the green transition and the Green Claims Directive. Inconsistencies between requirements could result in regulatory overlap and duplicate implementation, leading to increased costs and a lack of legal clarity.	Noted. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.
	Matthies Versteegen –	Given our national supervisor already published its own guidance, we see no particular need for European intervention. However, we think that the Opinion of EIOPA is better than the AFM guidance in two ways:	Noted. Moreover, EIOPA added further examples of good and bad practices in the Annex of the Opinion.

	Pensioen Federatie	<p>1. The draft Opinion mentions making use of layering more explicitly. Allowing such approach, and not striving for complete preciseness in the top layer, avoids the situation where pension fund website will start to look like “terms and conditions”.</p> <p>2. The AFM uses many examples that rely on assumptions how participants interpret information (as the example of the rain forest picture shows). The draft Opinion avoids this pitfall.</p> <p>We also appreciate the approach of providing good and bad practices. This is helpful, as long as the examples are chosen well.</p>	
	France Assureurs	<p>At this stage, a thorough costs and benefits analysis could be useful to determine the impact of EIOPA’s Opinion, taking into account the existence of exponential costs and the size of impacted actors.</p> <p>However, it is essential to ensure that EIOPA’s Opinion remains consistent with the existing legislation, in order to limit implementation costs, or even legal uncertainty if any contradiction arose.</p>	<p>Noted. EIOPA agrees with the need to ensure that this Opinion is consistent with current and forthcoming legislation.</p> <p>An impact assessment was included in the feedback statement to the public consultation.</p>
	Insurance & Pension Denmark	<p>Ensuring that this Opinion is consistent with existing (and above mentioned) regulation is key to limiting the costs of implementing the Opinion. Specifically, if consistency is not ensured implementing costs will escalate as will the ongoing costs of assuring that existing and new products adhere to the rules.</p> <p>We would welcome a complete cost and benefits analysis for each of the proposed principles, taking into account that some costs are heavy "one-off costs", especially for small market players.</p>	<p>Noted. EIOPA agrees with the need to ensure that this Opinion is consistent with current and forthcoming legislation.</p> <p>An impact assessment was included in the feedback statement to the public consultation.</p>
	Assuralia	<p>As a representant of the industry, we cannot provide concrete numbers and proper cost amounts, but we can summarize the most important source of the cost such as auditing costs, scenarios analysis, impact on consumers, IT developments etc.</p> <p>For each proposal, a complete costs and benefits analysis would be useful, as the proposal does not seem cost-neutral to us at a first glance. It should also not be forgotten that some of these costs are not linear, but heavy one-off costs, especially for smaller market players. We could therefor run the risk of a reduction of the product offer on the market, which would also not be a favorable evolution for retail consumers. Furthermore, we feel that there are contradictions in the proposals, they cannot all be achieved together (ex. Quantitative sustainability preferences, complex scenario analyses, target settings etc. versus plain, non-technical language)</p> <p>Moreover, the concept of “bringing benefits” may vary from a perspective to another, we also deem it relevant to provide a clear definition of what are these benefits. In any case, in practice we already experience that retail consumers feel lost in the overwhelming amount of information they need to receive.</p>	<p>Noted.</p> <p>An impact assessment was included in the feedback statement to the public consultation.</p>
	Actuarial Association of Europe	<p>The long-term benefits, including greater transparency, trust, and alignment with sustainability preferences of consumers, will outweigh the initial costs associated with implementing the principles.</p> <p>There will be significant initial costs involved, including but not limited to, due diligence, documentation, monitoring, compliance, and the development of sustainability skills within the workforce.</p> <p>It is possible that the initial costs may discourage insurers to market sustainable products or market them at a higher additional cost. In this respect, you may wish to consider potential ways to mitigate this risk.</p> <p>The opposite of Greenwashing i.e. ‘Greenhushing’ could also be explicitly considered. This would be the practice of deliberately underplaying or downplaying of a company’s sustainable and environmentally friendly initiatives. Although greenhushing may</p>	<p>Noted. An impact assessment was included in the feedback statement to the public consultation.</p>

		<p>shield companies against reputation and litigation issues, it prevents transparency, the development of best ESG practices, and the reallocation of capital flows towards a sustainable economy.</p> <p>Furthermore, to minimise the potential costs, it is important to facilitate an effective use of resources and so supervisory activities should focus on this area and issue clear guidance and follow up on developments and benchmarking at the national level.</p>	
	Reclaim Finance	<p>We believe the opinion would have significant benefits by clarifying what can constitute sustainability claims that are not misleading in the insurance sector and helping national supervisors to tackle greenwashing. It could help foster confidence in the insurance market and industry.</p> <p>Nonetheless, we note the effect of the opinion will remain limited if it is not followed by additional regulation clarifying minimum requirements for any sustainability claims made on a financial product and a standardization of the content of the transition plans adopted by insurers. We want to underline that these regulations are also likely to reduce the cost of complying with the opinion and to ensure its enforcement.</p>	Noted. EIOPA may develop further guidance in relation to the 4 principles in this Opinion.
Q 7: Do stakeholders have other comments on this draft Opinion?			
	Nordic Financial Union (NFU)	<p>We, the Nordic Financial Unions (NFU), representing seven trade unions across the Nordic countries' bank, finance, and insurance sectors, welcome the opportunity to comment on the European Insurance and Occupational Pensions Authority's (EIOPA) open consultation on the Opinion on sustainability claims and greenwashing in the insurance and pensions sectors. We fully recognize the pivotal role that sustainability claims play in guiding consumer and investor decisions, and it is with this understanding that we express our concern over the potential for these claims to mislead, thereby contributing to greenwashing practices that can erode trust in our financial sector and impede progress toward genuine sustainability objectives.</p> <p>NFUs view aligns with the draft opinion's characterization of sustainability claims as encompassing a broad range of assertions about the sustainability profile of an entity or product, communicated through various mediums. We concur that the influence of these claims, particularly when included in product names, is significant in shaping consumer decisions, thereby emphasizing their critical role in marketing and customer engagement strategies.</p> <p>Additionally, we acknowledge the observations in EIOPA's Progress Report on Greenwashing and share the concern over the current definitions of greenwashing within EU regulations. We believe that while existing frameworks like the Sustainable Finance Disclosure Regulation (SFDR) and the Taxonomy Regulation provide a foundational layer for addressing misleading claims, there is a broader context that requires attention to ensure the integrity of sustainability claims across the lifecycle of products and entities.</p> <p>As stakeholders deeply invested in the sustainability of the financial sector, we are poised to offer insights and suggestions that build upon the regulatory groundwork laid by EIOPA and other relevant EU directives. Our response is rooted in a commitment to enhancing the regulatory landscape to better prevent greenwashing, promote genuine sustainability practices, and ensure that the financial sector prospers in a way that is sustainable for employees, companies, consumers, and societies.</p>	Noted. EIOPA agrees with the comment and welcomes the recognition of sustainability claims in consumers decision making process.
	Lloyd's market association	<p>As we note in our responses to questions 3 – 5, we suggest that the o principles that need to be put in place for non-life insurers are: • part of principle 1 (the need for sustainability claims to be accurate and not vague); and • principle 4. Principles 2 and 3 are subsets of principle 1 and dealt with in the most part by existing consumer protection legislation or regulation. By way of illustration, every single one of the examples of bad practices that the consultation paper gives is an example of inaccuracy or vagueness. Conversely, every single example of good practice is an example of accuracy.</p>	Noted.

	MAIF	<p>MAIF supports the need to develop a framework to limit and control greenwashing, which is an increasingly important issue nowadays. However, we would like to point out that the existing body of standards already exist. Although there is currently no specific legislation on greenwashing, a number of European common law texts already cover misleading claims in the context of consumer protection (misleading advertising) and unfair competition practices. In addition, these practices are already very widely regulated in French law and are the subject of much more extensive legislation at the national level than they are at the European level. In addition, initiatives taken by companies can already be legally enforced.</p> <p>As a mission-driven company, MAIF has set in its bylaws a commitment to pay sincere attention to others and to the world: a commitment that is legally enforceable. We would therefore like to draw attention to the need to find a consistent approach between the legislation already in force, its potential revision and the creation of a regulation dedicated to greenwashing. Furthermore, if such legislation were to be introduced, it would be important to ensure that it did not conflict with other legal instruments already in place.</p>	<p>Noted. The Opinion’s goal is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing. EIOPA agreed with the need to ensure that this Opinion is in line with current and forthcoming sustainability-related requirements.</p>
	AMICE - Association of Mutual Insurers and Insurance Cooperatives in Europe	<p>Considering the abovementioned pursued aim, AMICE is of the opinion that it is crucial that EIOPA, with this Opinion, takes into account the current legislative framework on sustainability (e.g. Directive on Empowering Consumers in the Green Transition, SFDR, Taxonomy, CSRD) and the European Commission’s proposal for a Green Claims Directive and the Unfair Commercial Practices Directive (UCPD). EIOPA should ensure that the Principles included in the Opinion are consistent and do not duplicate or overlap with aforementioned pieces of legislation and regulatory proposals.</p> <p>Under paragraph 2.10, EIOPA clarifies that its Opinion is without prejudice to and does not impede the application of the relevant EU and national regulatory frameworks applied by the competent authorities, in particular the UCPD. With this respect, AMICE underlines that ensuring consistency and a straightforward understanding of greenwashing is of paramount importance. The risk is indeed of giving rise to multiple sanctionable conducts, in relation to which insurance and pension providers are subject to the scrutiny of both national insurance authorities and authorities in charge of the UCPD enforcement, which could lead to different outcomes. It is therefore essential that EIOPA uses the same criteria to define greenwashing and sustainability claims as those used in the Green Claims Directive and the UCPD (as recently amended by the Green Transition Directive). A consistent framework would help to clarify the roles and interplay among sector-specific authorities and other regulatory bodies. To prevent potential conflicts of jurisdiction between national authorities, including those responsible for UCPD and consumer legislation enforcement and those responsible for insurance sector supervision, AMICE recommends a coordinated action by the European Commission (see joint cases C-54/17 and C-55/17, <i>Autorità Garante della Concorrenza e del Mercato vs. Wind Tre SpA and Vodafone Italia SpA</i>). Without consistency and legal certainty, investors cannot compare and make informed investment choices.</p> <p>In addition, AMICE invites EIOPA to coordinate its work with ESMA on tackling greenwashing. ESMA has been working indeed to develop guidelines on funds’ names using ESG or sustainability-related terms which may impact the insurance sector in two ways. On the one hand, as insurers are dependent on funds managers, EIOPA should take into account the fact that insurers rely on third party data and should not bear responsibility for funds’ names. On the other hand, given that insurance-based investment products (IBIPs) can provide both an insurance and an investment component, ESMA guidelines can have an impact on insurance companies and on life insurers.</p> <p>ESMA also has focused recently on greenwashing claims with respect to impact claims based on the United Nations Sustainable Development Goals.</p> <p>Both these initiatives could be relevant to EIOPA’s consideration of greenwashing issues and therefore consistency on greenwashing principles must be ensured.</p>	<p>Noted. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA is closely coordinating with ESMA on greenwashing, and on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA’s public statement on the guidelines on funds’ names using ESG or sustainability-related terms from December 2023.</p> <p>An impact assessment was included in the feedback statement to the public consultation.</p>

		The views above illustrated further explain the need for an impact assessment including a detailed costs-benefits analysis. AMICE would have preferred to read it before the publication of the draft principles instead of seeing it as a follow-up to the consultation phase.	
	Fédération Bancaire Française	In June 2023, the ESAs announced that they would publish final greenwashing reports in May 2024 and would consider final recommendations, including on possible changes to the EU regulatory framework. EIOPA should indicate whether this Opinion on sustainability claims and greenwashing in the insurance and pensions sector relates to or anticipates the recommendations of its final report on greenwashing due in May 2024.	The Opinion and the Final report on greenwashing were published at the same time. As the Opinion is an initial answer to the gaps identified by the final report in relation to the supervision and regulatory framework around greenwashing
	GDV (Gesamtverband der Deutschen Versicherungswirtschaft e.V)	While we agree that all necessary measures should be taken by insurers to fairly represent the sustainability profiles of products or entities, an effort should be made by EIOPA and the legislator to correct the various inconsistencies and complexities in the regulation which result in customer disclosures that are difficult to understand or even misleading. The recent review of the RTS to the SFDR has, unfortunately not remedied this problem.	Noted. In relation to potential improvements to the regulatory framework, please refer to EIOPA's final report on greenwashing and the upcoming ESAs Joint Opinion on SFDR.
	EIOPA Insurance and Reinsurance Stakeholder Group	In addition to our response to the question 1, we would like to highlight two other researchs, in particular in the area of unit-linked life insurance and insurance-regulated pension products 1/ Recent research from Yale University and Boston College : This study defines Impact elasticity as the change in environmental impact of a firm due to a change in its cost of capital. <ul style="list-style-type: none"> • A reduction in financing costs for firms that are already green leads to small improvements in impact at best. • In contrast, increasing financing costs for brown firms leads to large negative changes in firm impact. Sustainable investing that directs capital away from brown firms and toward green firms may be counterproductive in that it makes brown firms browner without making green firms greener. • Also, brown firms face very weak incentives to become greener. • And due to a mistaken focus on percentage reductions in emissions, the current sustainable investing strategies such as negative and positive screening primarily reward green firms for economically trivial reductions in their already low levels of emissions at best. (Source: November 2023 Research paper on counterproductive sustainable investing: the impact elasticity of brown and green firms: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4359282) 2/ Research from BETTER FINANCE also shows that at least some sustainability labels could also be de facto counterproductive, for example by excluding only the best oil and gas companies in the world in terms of renewable energy transition efforts and investments. For example, the French Public and popular "ISR" label for investment funds (therefore for units in unit-linked insurance) has just decided to de facto exclude the 3 biggest European companies which account for about 5% of the World's oil and gas production ... but 60% of World's total oil and gas companies' investments in renewable energy (source: International Energy Agency, 2023).	Noted. EIOPA takes good note of these two sources. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted. EIOPA agreed with the need to ensure that this Opinion is in line with current and forthcoming sustainability-related requirements.

		<p>(Source: BETTER FINANCE Paper on Transition Investing published November 2023: https://betterfinance.eu/publication/transition-investing-key-challenges-and-opportunities/)</p> <p>Besides, as briefly mentioned in questions 1 and 2, ensuring consistency with other pieces of legislation such as the Sustainable Finance Disclosure Regulation (SFDR), the Product Oversight and Governance (POG), the Unfair Commercial Practices Directive (UCPD) and regulatory proposals such as the Green Claims Directive and the Directive on empowering consumers in the green transition is essential to develop a coherent and consistent EU-approach on greenwashing. EIOPA must also make sure that the guidelines developed do not overlap with the requirements set out in these pieces of legislation.</p> <p>Finally, as stated in IRSG’s advice on EIOPA’s technical advice on greenwashing risks in March 2023, several difficulties should be taken into consideration: the lack of available and/or reliable data on the underlying funds, the fragmented and constantly changing legislation, the unclarity in the regulatory framework that could create diverging interpretations and confusion, the mismatch in timelines and application dates, the complexity of the new definitions and the short timeframe for the implementation of the new rules.</p>	
	<p>AFG (Association Française de Gestion)</p>	<p>please refer to our answer to question 1</p>	<p>Noted.</p>
	<p>PensionsEurope</p>	<p>General comments: PensionsEurope supports the efforts of the European institutions to eliminate greenwashing. Greenwashing exists in the financial sector. The recent sustainable finance legislative framework helps decisively to reduce unsubstantiated ESG claims.</p> <p>By nature, pension funds are long-term investors that have as their main objective the delivery of adequate pensions for their members and beneficiaries. This means they should naturally take the long-term view and are required to consider the long-term risks that may affect their portfolios. ESG risks, and climate change risks, in particular, play an increasingly significant role in risk-management.</p> <p>We would like to emphasize that pension funds are active as buyers on the financial market, providing pension schemes. They do not provide personal financial products. Typically, clients of pension funds are sponsoring companies which – especially considering CSRD – are, contrary to retail customers, well able to conduct a satisfactory ESG due diligence of their suppliers. Simply copying regulations for retail financial services without regard to the specificities of pension funds will lead to poor and inadequate regulation. As not-for-profit organizations with often mandatory participation and without marketing or sales that operate on the demand side of the financial market, pension funds are not involved in ‘misselling’ ESG claims to obtain an unfair competitive advantage. Please see below our responses to the specific questions of this consultation.</p> <p>Q1: Thirdly we fear that EIOPA’s proposed understanding of “sustainability claim” has the potential to cause IORPs from refraining to make any references (in whichever form) to sustainability to avoid being accused of greenwashing. We feel that not every individual statement, image etc. should be subject to supervisory scrutiny, but rather the overall external impression of an entity/product should be taken into account. Hence, we propose the following definition of “sustainability claim”: A sustainability claim is defined as a targeted combination of “environmental, social and/or ethical claims”, giving the overall</p>	<p>Noted. EIOPA clarified in the Opinion that some aspects/sections are not relevant for IORPs with automatic/mandatory enrollment.</p> <p>EIOPA recognizes the concerns that allegations of greenwashing may deter them from offering products with sustainability features. EIOPA believes that this Opinion mitigates this risk by promoting supervisory convergence around greenwashing and by providing more clarity on supervisory expectations of sustainability claims.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>

		<p>impression that a product or the activities of a distinct entity result in a specific and quantifiable sustainability benefit.</p> <p>Lastly, it should be clarified that entities cannot be made responsible for statements by external actors, e.g. the content of articles on the website of third parties containing a link to the website of the entity in question.</p> <p>Other comments: We welcome that this draft opinion leaves leeway to NCAs regarding the implementation of its provisions. Given the differences between insurance undertakings and IORPs (involvement of social partners, no marketing activities, the importance of social and labor law) as well as the heterogeneity among IORPs in the EU, this leeway is necessary.</p>	
	Insurance Europe & CROForum	<p>General comments on consistency with other pieces of legislation and regulatory proposals</p> <p>Insurance Europe supports EIOPA’s objective to pave the way for a common approach at EU-level on greenwashing for the insurance and pensions sectors. Nevertheless, such an approach must be consistent with other pieces of legislation and regulatory proposals such as the Sustainable Finance Disclosure Regulation (SFDR), and the Green Claims Directive. EIOPA should also ensure that the guidelines do not duplicate or overlap with aforementioned pieces of legislation and regulatory proposals.</p> <p>Moreover, Insurance Europe calls for an alignment of this Opinion with both European and global special drawing rights (SDRs) to ensure global consistency and interoperability. Without sufficient global consistency, investors cannot compare and make informed choices, resulting in sub-par capital allocation decisions that fail to align with the climate transition. Ensuring consistency will also help to develop a clear and straightforward understanding of greenwashing, what practices constitute greenwashing and avoid confusion, which would defeat the purpose of the Opinion. Specifically, it is important that concepts common to pieces of legislation and this Opinion are understood and interpreted in the same way. It is essential that EIOPA uses the same criteria to define greenwashing and sustainability claims as those used in the Green Claims Directive and the UCPD (as amended by the Directive on empowering consumers in the green transition).</p> <p>Availability of sustainability-related data</p> <p>The establishment of a robust and ambitious framework is relevant to tackle greenwashing, in order to ensure consumers’ protection, and provide legal certainty for insurers regarding their sustainability claims. However, we would like to stress the fact that understanding sustainability topics is a work in progress for stakeholders. Sustainability-related information and data are still maturing to be as accurate as possible.</p> <p>The limited availability of sustainability-related data is, in practice, one of the major obstacles to offering products with environmental objectives. It is, therefore, important that this opinion makes clear that all potential sources of information and data may be used for the purpose of substantiating green claims.</p>	<p>Noted. EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of ‘sustainability claims’ encompasses the definition of ‘environmental claims’ as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p> <p>EIOPA agreed with the need to ensure alignment of this Opinion with current and forthcoming sustainability-related requirements.</p> <p>EIOPA believes that misleading sustainability claims can occur and spread intentionally or unintentionally. However, when determining supervisory measures to be taken, NCAs should consider the relevant circumstances, e.g., as set out in Article 34 of the IDD.</p>
	BIPAR (European Federation of Insurance Intermediaries)	<p>As a general comment, BIPAR would like to insist on the complexity of the sustainable finance framework and the growing number of requirements being imposed on financial institutions, including insurance and financial intermediaries. The requirements designed at EU level are complemented by additional requirements at national level which intermediaries also need to comply with. In addition, the fast-evolving nature of the framework requires constant adaptation of business models and practices.</p> <p>The complexity and constant evolution of the framework entail many costs and a lot of administrative burdens for the</p>	<p>Noted. The Opinion’s goal is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing, it is not setting out new rules or requirements.</p>

		<p>intermediaries we represent, most of which are small and medium-sized enterprises (SMEs).</p> <p>The complexity of the framework and the accumulation of different rules at different levels makes it very difficult for intermediaries and customers to understand and for intermediaries to implement.</p> <p>Therefore BIPAR suggests that, before issuing any new rules in this area, European legislators and authorities should give some time to the current framework to be fully implemented and should assess the results of the existing rules. Only then will potential shortcomings become apparent and the best way to tackle them will become clearer. BIPAR also advocates for more in-depth impact assessments prior to the adoption of any new rules in the sustainability area to gauge the impact the rules could have on financial market participants and advisors, taking due account of their varying sizes, structures and operational models.</p>	
	the Swedish Consumer Agency	No opinion.	Noted.
	European Fund and Asset Management Association (EFAMA)	<p>EFAMA strongly supports the application of naming rules across all financial products and instruments. We therefore commend EIOPA's initiative to establish criteria for substantiating sustainability claims. However, we have concerns over the potential misalignment with ESMA's forthcoming Guidelines on funds using ESG or sustainability-related terms ('Guidelines').</p> <p>More particularly, our primary concern centers around paragraph 3.13 regarding product naming that is fair and not misleading:</p> <p>"References to sustainability in an IBIP name, or underlying investment options offered within an IBIP, should be used only when substantiated by evidence of the products' sustainability profile, including its sustainable investment objective or the characteristics promoted by the product and/or investment strategy of the IBIP. For example, providers should use terms "sustainable" and "green" only for products that disclose under Article 9 of SFDR, or that disclose under Article 8 of the SFDR and have a substantial share of sustainable investments, provided that they do not make investments in fossil fuels, except in economic activities classified as sustainable under the EU Taxonomy. In the context of multi-option products (MOPs) this means that the name of the product should correspond in a material way to the MOP's underlying investment options."</p> <p>Unlike what is outlined above, the ESMA Guidelines do not require the term "green" to have a substantial proportion of sustainable investments. Furthermore, instead of stating "no investments in fossil fuels," ESMA refers to PAB/CTB exclusions, which is an EU-regulated reference that is now widely used in the sustainable finance area.</p> <p>It is crucial for the coherence of the regulatory framework and the clarity for investors that EIOPA's future guidance does not diverge from ESMA's expected Guidelines. Ensuring consistency between these regulatory bodies will support the integrity of the market and uphold investor confidence by preventing confusion and potential misalignment in the understanding and expectations of sustainability claims in financial products. This is of particular relevance for multi-option products using investment funds as underlying investment options where full consistency of supervisory guidance on product naming needs to be maintained.</p>	<p>Noted.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023. Moreover, EIOPA added in the example a referred to the PAB exclusions.</p>
	Impactiv sp.p.	In our view, the Opinion contains too few references to non-life insurance products. As mentioned in the Opinion, legal provisions do not impose on non-life insurers disclosure obligations in the field of sustainable factors and, therefore, insurers and distributors who offer these types of products expect interpretation of regulations and guidelines that allow for safer use of sustainability claims and mitigation of greenwashing risk. The lack of such regulations causes a chilling effect in the field of	Noted. EIOPA provides further thinking on the sustainability features of non-life products in its Final report on greenwashing.

		<p>non-life insurance products, which is disadvantageous for manufacturers and distributors, as well as clients who increasingly expect such products. For example, "old" portfolio products (i.e. those which did not have to be examined in terms of sustainability before the changes of POG DR) can be associated with sustainable development values, but they are not labeled as such by companies due to the lack of clear regulations and the risk of greenwashing.</p> <p>We propose to supplement the Opinion, especially in the area of: (i) listing examples of sustainable property products (e.g. similarly to the EIOPA Report on non-life underwriting and pricing in light of climate change), (ii) defining the characteristics of sustainable non-life products, (iii) indicating good and bad practices that relate to sustainable non-life products, (iv) examples of how to prove the connection of a non-life product with sustainable development factors; (v) interpretation of problematic POG DR and IDD regulations in the context of sustainability.</p> <p>We also believe that EIOPA should consider introducing a separate comprehensive opinion on sustainable non-life products. Such a document could significantly accelerate their development and offer on the insurance market.</p> <p>In the context of potential litigation brought by stakeholders against providers who are in breach of sustainability related obligations, we feel it is worth to recommend to providers that they should have a separate place on their websites to collect notices from stakeholders (including NGOs) of potential greenwashing and other related claims. Providers should also have procedures for amicably resolving these types of issues which sometimes may be attributable to misunderstanding and not bad faith of any actors. In order to help clients and stakeholders in good faith claims against bad players in the market, providers should as a best practice collect, retain and present upon proper court (or administrative) summon sales and marketing data attributable to sustainability claims of the product or the provider.</p>	
	ANASF	<p>We have no further comments on the Opinion under consultation.</p>	Noted.
	Polish Chamber of Insurance (PIU)	<p>Works on the EIOPA's opinion on sustainability claims and greenwashing in the insurance and pensions sectors should be coordinated and discussed with ESMA. Sustainable IBIPs are mostly based on sustainable investment funds.</p>	<p>Noted.</p> <p>Moreover, EIOPA is closely coordinating with ESMA on the use of sustainability-related terms in financial products names. On financial product names, EIOPA finds that its Opinion is not misaligned with ESMA's public statement on the guidelines on funds' names using ESG or sustainability-related terms from December 2023.</p>
	France Assureurs	<p>France Assureurs supports the establishment of a robust and ambitious framework to tackle greenwashing, in order to ensure consumers' protection, and provide legal certainty for insurers regarding their sustainability claims. However, we would like to stress the fact that understanding sustainability topics is a work in progress for stakeholders. Sustainability-related information and data are still maturing to be as accurate as possible.</p> <p>Hence, France Assureurs believe that greenwashing should be limited to misleading claims and not be extended to operational and internal processes or other fields that are linked to sustainability issues which are still under development. In the same way, it is also crucial to differentiate between sustainability claims that are governed by regulations, and those that are not.</p>	Noted.

		<p>When a sustainability claim is prescribed by applicable regulation, it is essential to leave room for the specific requirements for substantiation and verification therein.</p>	
	<p>Institute of International Finance</p>	<p>The Institute of International Finance (IIF) and its insurance members are pleased to respond to EIOPA’s Consultation Paper on the Opinion on sustainability claims and greenwashing in the insurance and pensions sector (Consultation Paper). The IIF has been actively engaged in thought leadership and advocacy on financial sector sustainability for several years and we recognize the importance of active dialogue with global standard setters and regulators on these important issues, including specifically on greenwashing, which, as EIOPA notes, can have a substantial impact on both insurance consumers and insurance providers.</p> <p>We recently responded to a consultation from the International Association of Insurance Supervisors (IAIS), of which EIOPA is an active member, on the IAIS’s Draft Application Paper on climate risk market conduct issues in the insurance sector. Many of the points raised in the IIF response, particularly with respect to greenwashing, are pertinent to our response to the Consultation Paper.</p> <p>We strongly encourage EIOPA to preserve insurers’ ability to design and price products based on risk. Insurers have invested considerable resources in actuarial and risk specialists in order to develop, refine and price their offerings based on the risk appetite and profile of the organization, the governmental, legal environment(s), and markets in which the insurer operates, and the insurer’s access to granular risk information regarding specific products and markets. A wide range of factors influence insurers’ commercial decisions regarding the design and marketing of products and the pricing of those products. Moreover, pricing increases are also substantially affected by macroeconomic drivers such as inflation and interest rates and cannot solely be attributable to sustainability variables.</p> <p>Insurers need to retain the ability to tailor their product offerings and pricing to account for new information and market signals and to provide market signals to their customers and the broader market and real economy. This tailoring exercise is increasingly complex and necessarily dependent on the lines of business, activities, strategic goals and plans, and risk appetite of a particular insurer. Decisions regarding product offerings and pricing directly impact the financial position and solvency of insurers and should remain business decisions. Supervisors should not interfere in the business decisions of insurers unless necessary to prevent or address verified instances of consumer harm that are caused by unfair, discriminatory, or deceptive practices under the legal and regulatory framework in place in their jurisdiction. As noted in the IAIS’s November 2023 paper, A call to action: the role of insurance supervisors in addressing natural catastrophe protection gaps, restricting price through regulatory actions (if intended to increase insurance affordability, e.g., price ceilings), could lead insurers to exit the market on grounds of reduced profitability, further reducing insurance supply. Such restrictions could also potentially undermine important price signals by obscuring the true cost of the risk and limit product innovation, which is needed to help reduce protection gaps.</p>	<p>Noted.</p> <p>The goal of this opinion is to set out common principles for the purpose of supervisory convergence in relation to sustainability claims and greenwashing. It is not setting out new rules that will hinder insurers’ ability to design and price products based on risk.</p>

	<p>Insurance & Pension Denmark</p>	<p>We support strongly the aim to promote a common approach across EU on green washing for the insurance and pensions sectors.</p> <p>We suggest that the approach should address the fact that environmental claims pertaining to existing regulation such as the EU Taxonomy and the SFDR must be complied with, even if data required to substantiate such claims may be of a poorer quality than desired. The data issue remains the biggest challenge regarding environmental reporting and thus substantiation. Nevertheless, documentation must be submitted in line with the mentioned regulation, regardless of the quality of data.</p> <p>We believe that ensuring consistency will help develop a clear and straightforward understanding of greenwashing, what practices constitute greenwashing and avoid confusion, which would be detrimental to reaching the goal. This is also the reason why it's of utmost importance that the Opinion sets off on the definitions and requirements set forward in the Green Claims Directive and the Unfair Commercial Practices Directive. Extending on this, we believe it's also important that definitions and concepts regarding greenwashing are the same across industries, as it will invariably lead to confusion if communications etc. which would be considered green washing in one area of business is not considered green washing in other sectors.</p> <p>In line with this, we would like to point to the Danish Consumer Ombudsman's Quick Guide as referred to above, as this is an example of a (national) "one size fits all" interpretation of the regulation, setting out sufficiently clear principles for marketing and greenwashing across the entire span of business-sectors.</p>	<p>Noted. EIOPA took good note of the example related to the Danish Consumer Ombudsman Quick guide.</p> <p>EIOPA agrees with highlighting consistency with recent regulatory developments, therefore EIOPA clarified in the Opinion that its understanding of 'sustainability claims' encompasses the definition of 'environmental claims' as set out in Directive empowering consumers for the green transition. However EIOPA does not refer to the Green Claims Directive because it is not yet adopted.</p>
	<p>Actuarial Association of Europe</p>	<p>The EIOPA opinion is very welcome, and we would like to acknowledge its significance in enhancing sustainability practices within the insurance and pension sectors. The principles outlined in the opinion could lead to improved ESG practices and transparency</p> <p>A common theme in our response is the necessity for proportional implementation of the principles, emphasizing that the complexity of sustainability issues should be balanced with the need for clarity and accessibility in communication.</p> <p>Proportionality is an important consideration especially in the application of these principles to small businesses where we would expect some concerns in relation to the implementation costs.</p> <p>We would like to understand further how EIOPA plans to carry out supervision of these principles (considering their broader application) and we would welcome a supervisory update in 1-2 years' time on what progress has been made.</p>	<p>Noted. EIOPA has included wording around proportionality in the Opinion.</p>
	<p>Association of German Public Insurers</p>	<p>The Association of German Public Insurers welcomes EIOPA's consultation on the Opinion on sustainability claims and greenwashing in the insurance and pensions sectors. As Germany's second largest primary insurance provider with a strong regional presence, the group is strongly committed to the goals of a more sustainable economy. The Public Insurers are signatories to the Principles for Responsible Investment (PRI) and take environmental, social and governance principles all into account with regard to their business decisions. With this in focus, public insurers support EIOPA's efforts to achieve greater consistency and legal certainty in sustainability claims.</p> <p>The Public Insurers assess the Opinion on sustainability claims and greenwashing from a differentiated perspective. On the one hand, it is essential to prevent greenwashing in the financial sector, while on the other hand it is also important to avoid unnecessary bureaucracy. This is particularly significant in regard to the European Commission's initiative to reduce reporting obligations for companies by 25 per cent.</p>	<p>Noted.</p>