



SFDR is here! There's help at hand.

10 March 2021

Yes indeed, it arrived today and if you need to get to grips with the requirements as well as the opportunities and threats you're in the right place.

In our earlier article [Are You Sure SFDR is Not For You](#) you can dive deeper into the subject. We also delivered a series of videos on individual SFDR topics. See them here on our [LinkedIn Page](#).

This document focuses on the **what now** and **how we might help**.

There are two ways firms can go:

1. **You are an EU investment firm impacted by SFDR**

If this is the case, you will know that the first date in a series of implementation steps for greater transparency and disclosure comes into effect today, **10 March 2021**.

If you are in-scope, you will be aware that the SFDR – **the Disclosure Regulation** – requires you to provide information on the principal adverse impacts (PAIs) of sustainable factors (or decide not to do so with a rationale).

You will have up-dated your product / portfolio information in relation to “sustainable factors” and “sustainability risks” for “sustainable investments” and will be setting out the PAIs.

These changes will have affected your risk and remuneration policies, your pre-contractual disclosures, and imposed additional disclosure requirements on your portfolios that promote environmental or social characteristics and your methodologies for assessing these.

You will have also amended your website to cover all these matters where they apply to your firm.

2. **You are not an EU investment firm (or managing EU based portfolios)** and you may have decided that SFDR does not apply to you.

However, as we at Merlys have identified in our earlier SFDR article and in a series of short videos (links at the top of this page), **SFDR may turn out to be applicable**.

This could be either for commercial reasons (your products will no longer be easy to compare to those of your competitors) or your clients may require you to comply.

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Help available to you...

There are a variety of tasks and decision-making processes with which firms in either of the above categories might need assistance.

Merlys can help you...

- to understand the implications of SFDR for your firm
- to consider the strategic impacts of SFDR on your business to determine, if it is not mandatory for your firm, whether you should voluntarily comply
- by undertaking a gap-analysis between your existing documents and the SFDR requirements to identify whether any up-grades are required to existing disclosure documents to ensure compliance (whether voluntarily or mandated)
- by providing you with the tools to undertake any analysis for yourselves
- by assisting with up-dating your product development processes to include SFDR considerations
- enhance your policies and procedures – working with your legal, compliance, product and operational teams as required.

We're ready to help right now. We're happy to discuss your needs, more about the help at hand or any aspect of this or our other SFDR publications/videos.

Call or contact us now via any of the contact methods shown below:

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Merlys is very happy to assist you with any aspect of the content in this article, as it relates to your business.*