

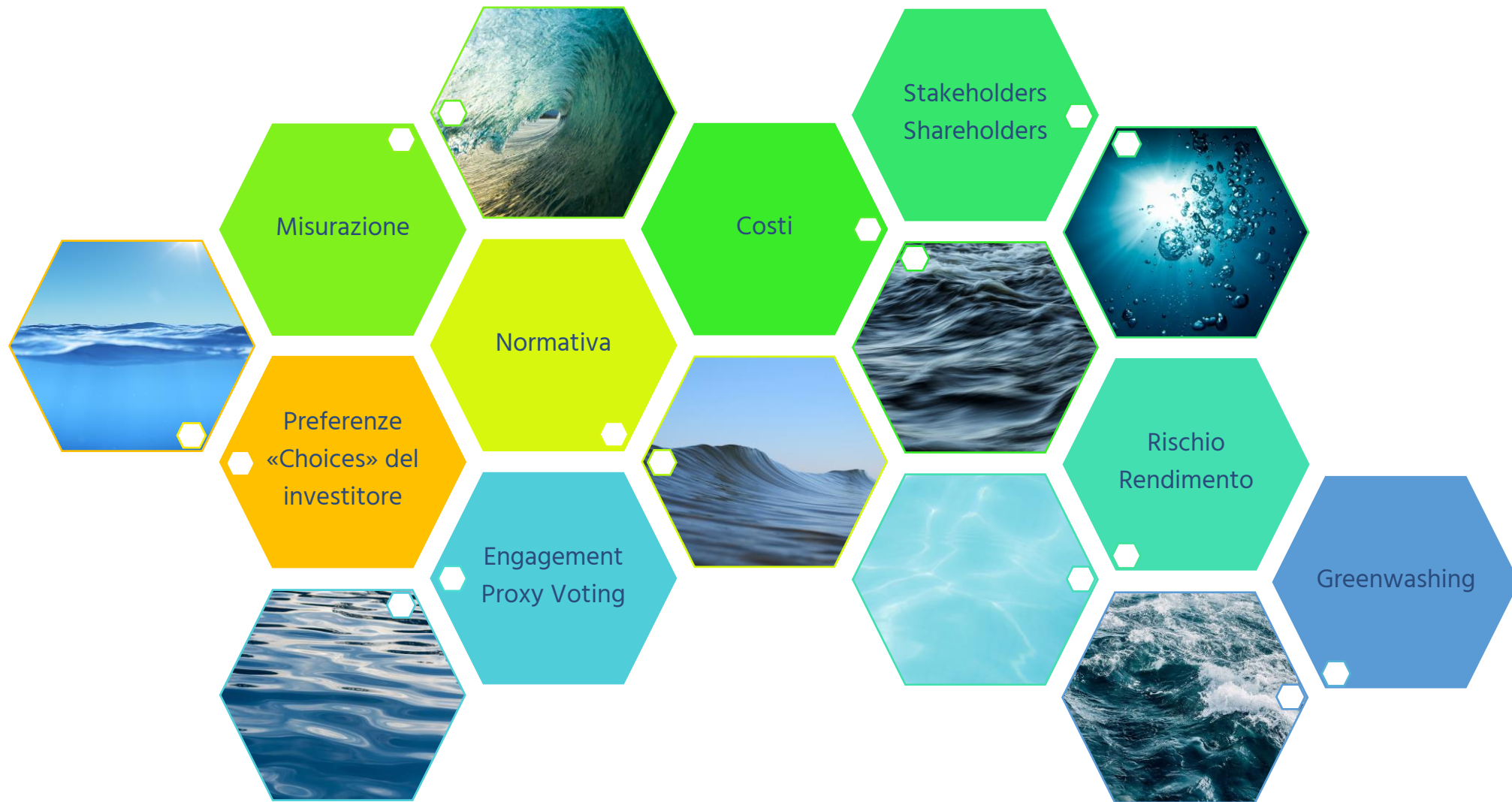
# Finanza sostenibile a un punto di svolta: opportunità e sfide aperte

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Forum per la  
Finanza Sostenibile



## Preferenze dell'investitore

- Le preferenze, cioè le scelte degli investitori, sono la base del sistema finanziario nel libero mercato
- La scelta sarà sempre dell'investitore
- Il dovere fiduciario deve sempre considerare le preferenze degli investitori finali

## Normativa

- Il rispetto delle normative vigenti è alla base di qualsiasi investimento
- La normativa in essere e quella a divenire considera aspetti ambientali sociali e di governance per tutti gli attori del sistema finanziario

## Misurazione

- Le nuove normative richiedono la misurazione di aspetti ESG da parte di tutti gli attori nella catena degli investimenti
- La misurazione sta evolvendo con le nuove tecniche che vengono sviluppate e perciò ci saranno nuovi standard in futuro
- La futura standardizzazione della misurazione combatte il greenwashing

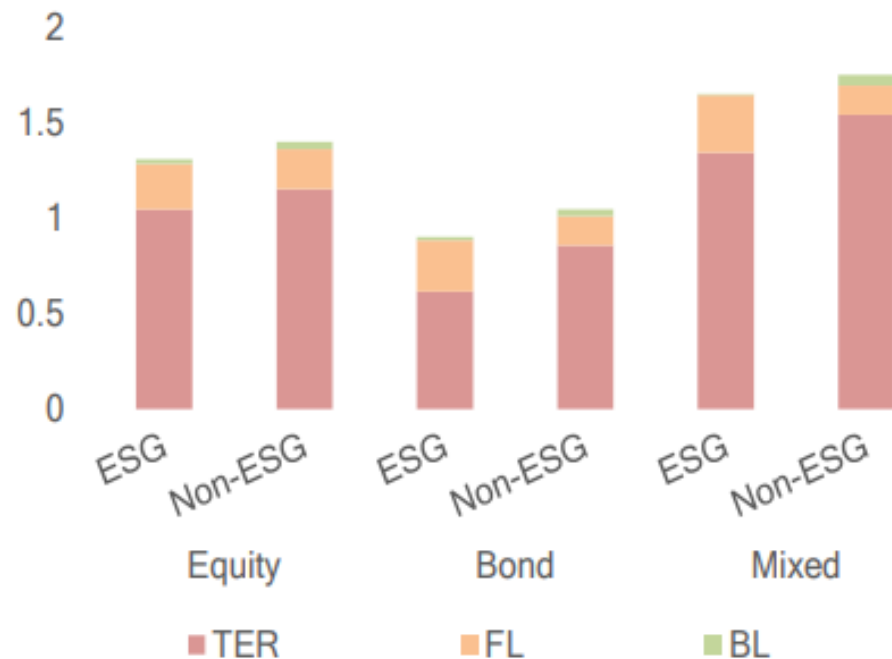
## Costi

- La percezione che gli investimenti sostenibili costino di più è sbagliata
- Gli investimenti sostenibili costano di meno: a livello di UCITS, di singole categorie, e anche analizzando gli investimenti in base alla legislazione SFDR
- La futura richiesta di più prodotti sostenibili e di nuovi approcci continuerà a far sì che gli investimenti sostenibili abbiano un costo inferiore agli investimenti tradizionali

# ESMA Cost Analysis

## ASR-CP-S.121

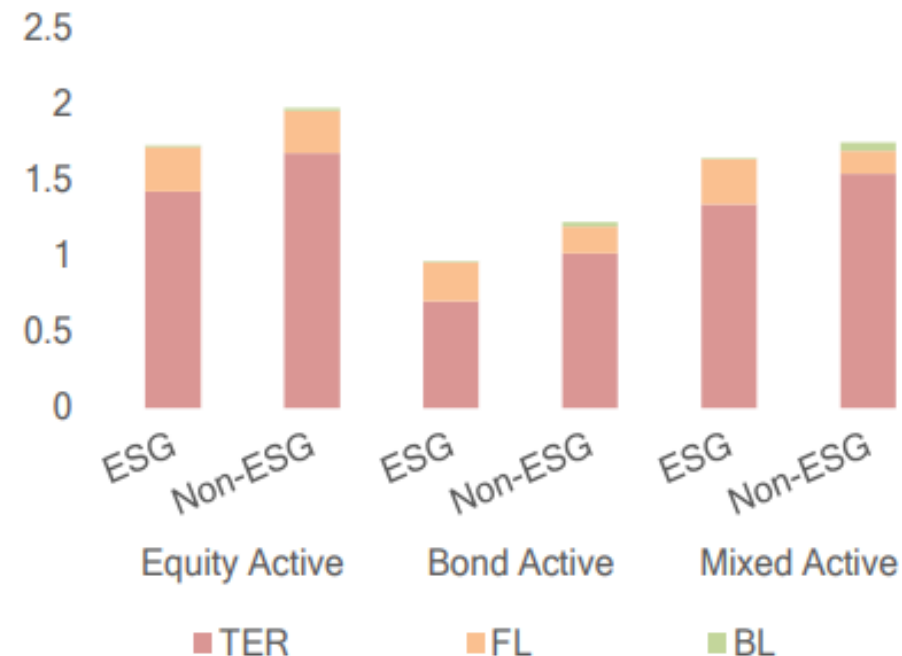
### Total costs of ESG and non-ESG funds



Note: EU UCITS annual total costs in 2021, classified as ongoing costs (TER), subscription (FL) and redemption (BL) fees, by asset and ESG or non-ESG fund type, one year investment horizon, retail investors, %.  
Sources: Refinitiv Lipper, Morningstar Direct, ESMA.

## ASR-CP-S.123

### Total costs of active ESG and non-ESG funds



Note: EU27 UCITS actively managed fund shares annual total costs in 2021, classified as ongoing costs (TER), subscription (FL) and redemption (BL) fees, by asset and ESG or non-ESG fund type, one year investment horizon, retail investors, %.  
Sources: Refinitiv Lipper, Morningstar Direct, ESMA.

# ESMA Regression Analysis on TER

## ASR-CP-S.2

Regression analysis of the TER for ESG funds  
ESG funds remain cheaper

	OLS with robust errors			
	Dependent variable TER			
	1Q21	2Q21	3Q21	4Q21
Passive	-0.768***	-0.744***	-0.747***	-0.736***
Bond	-0.513***	-0.498***	-0.493***	-0.489***
Mixed	-0.052***	-0.045***	-0.038***	-0.033***
ESG	-0.103***	-0.098***	-0.085***	-0.084***
Age	0.018***	0.018***	0.018***	0.018***
Size	-0.025***	-0.025***	-0.025***	-0.025***
Obs.	40,713	43,483	44,528	46,223
Adj R2	0.442	0.429	0.426	0.426

Note: *Passive* is a dummy taking the value of 1 if the fund is passively managed. *Bond (Mixed)* is a dummy taking the value of 1 if a fund belongs to the bond (mixed) asset class, the base class is the equity fund class. *ESG* is a dummy taking the value of 1 if a fund is an ESG fund. *Age* measures the age of the share class from its inception day expressed in years. *Size* represents share class size in terms of net assets in log terms. Significance levels are reported: 0.01 (\*\*\*), 0.05 (\*\*), 0.1 (\*).

Source: Morningstar Direct, Refinitiv Lipper ESMA

The results (ASR-CP-S.2) show that ESG funds are less costly compared to their non ESG peers across the four quarters even after controlling for the age and the size of the funds.

## ASR-CP-S.3

Regression analysis for SFDR disclosures  
Art.9 funds have lower TER

	OLS with robust errors			
	Dependent variable TER			
	1Q21	2Q21	3Q21	4Q21
Passive	-0.780***	-0.755***	-0.754***	-0.742***
Bond	-0.511***	-0.495***	-0.490***	-0.487***
Mixed	-0.056***	-0.048***	-0.040***	-0.034***
Art. 9	-0.057***	-0.068***	-0.060***	-0.060***
Art. 6	0.032***	0.025***	0.016**	0.015**
Age	0.018***	0.018***	0.018***	0.019***
Size	-0.025***	-0.025***	-0.054***	-0.025***
Obs.	40,408	43,154	44,200	45,893
Adj R2	0.439	0.426	0.424	0.424

Note: *Passive* is a dummy taking the value of 1 if the fund is passively managed. *Bond (Mixed)* is a dummy taking the value of 1 if a fund belongs to the bond (mixed) asset class, the base class is the equity fund class. *Art. 9 (Art. 6)* is a dummy taking the value of 1 if a fund is disclosing under SFDR Art 9 (Art. 6), the reference is the funds disclosing under SFDR Art. 8. *Age* measures the age of the share class from its inception day expressed in years. *Size* represents share class size in terms of net assets in log terms. Significance levels are reported: 0.01 (\*\*\*), 0.05 (\*\*), 0.1 (\*).

Source: Morningstar Direct, Refinitiv Lipper ESMA

The second regression replaces the ESG dummy by the disclosure regime under SFDR. The results (ASR-CP-S.3) show that on aggregate funds disclosing under SFDR Article 9 have lower total expense ratio compared to funds disclosing under SFDR Article 8. The results also show that funds disclosing under SFDR Article 6 have higher TER compared to funds disclosing under SFDR Article 8.



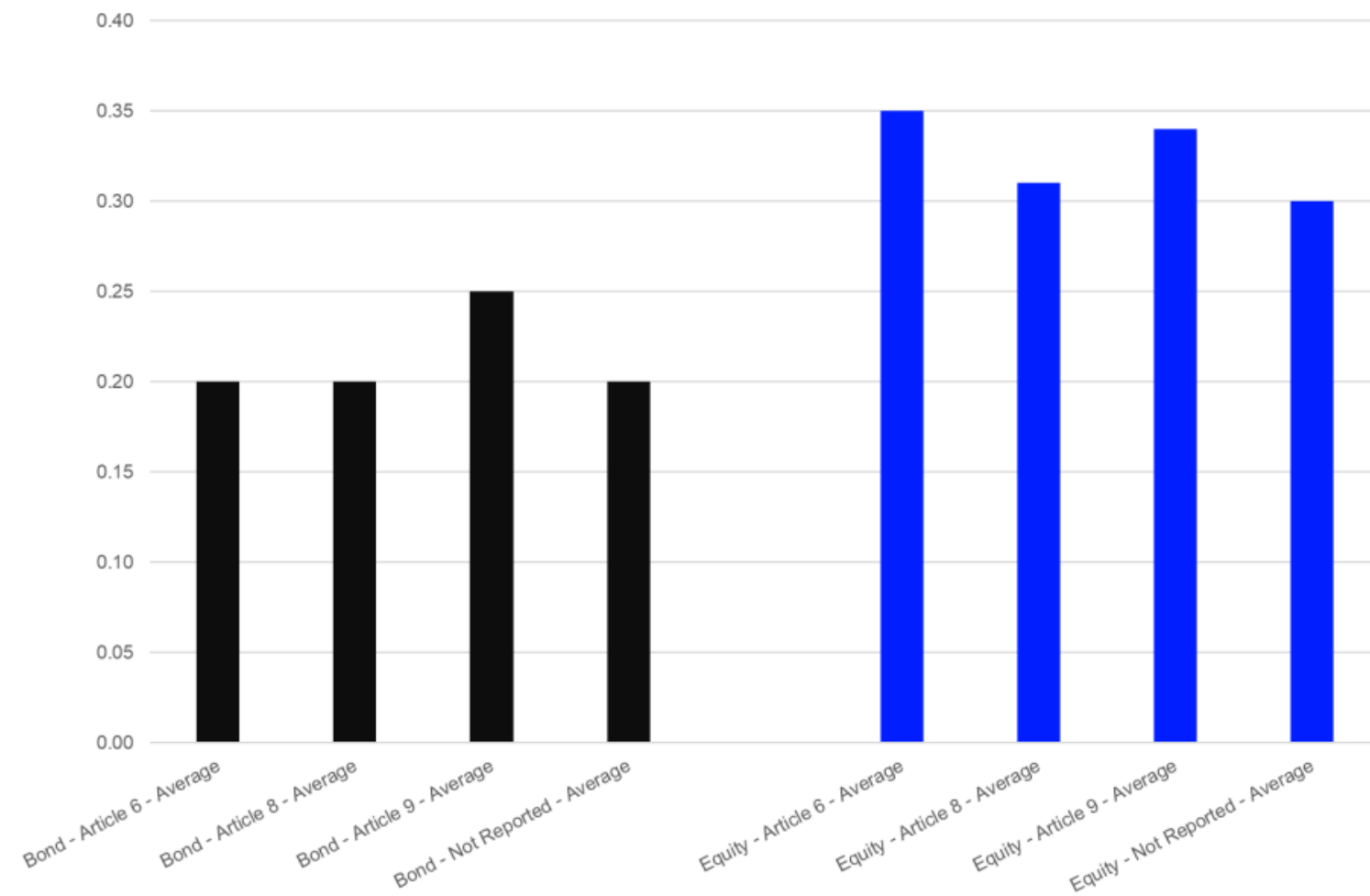
- 6.18% of the assets under management were invested in ESG-related ETFs.
- ESG-related ETFs gathered 65.49% of the overall flows in the European ETF industry for 2022.
- Given the overall fund flow trends in the European ETF industry over the course of 2022, it was no surprise that equity ETFs witnessed the highest inflows article 6 (+€20.0 bn), article 8 (+€29.2 bn), and article 9 (+€2.2 bn) products.
- Given the overall fund flows trend, it was surprising that bond ETFs classified under article 9 of the SFDR (+€2.2 bn) had similar inflows than their equity peers. That said, one needs to bear in mind that the flow numbers are impacted by ETFs which have changed their SFDR status over the course of the year. Therefore, these statistics may not represent the initial fund flows caused by the original asset allocation decisions from the investors.
- Since article 8 and article 9 ETFs had a combined market share of 65.49% of the overall flows in the European ETF industry, it can be said that ESG-related products were the driver of the flows over the course of 2022

# ETF from European ETF Industry Yearbook

## Are ESG-Related ETFs Too Expensive?

One of the prejudices that ESG-related products face is that these products are too expensive compared to their conventional peers. That said, it seems to be logical that ESG-related products are more expensive than their peers, since the managers and index promoters need more data to determine the constituents of their portfolios/indices. A detailed view on all bond and equity ETFs in Europe grouped by their respective SFDR article shows that the TER of the average article 8 equity ETF (0.31%) and the average article 9 equity ETF (0.34%) are below the average conventional (article 6) equity ETF (0.35%). Within the bond segment, we see that the average TER of article 9 bond ETFs (0.25%) is substantially higher than the TER of conventional (article 6) bond ETFs (0.20%), while the average article 8 bond ETF had the same average TER (0.20%) as conventional bond ETFs.

Graph 31: Average Total Expense Ratios by Asset Type and SFDR Article – December 31, 2022 (in %)



Source: Refinitiv Lipper

## Stakeholder Shareholder

- L'internalizzazione degli aspetti ESG in un'azienda (considerazione degli stakeholder) rende l'azienda più resiliente a un futuro che cambia
- Con le nuove normative l'esternalizzazione dei costi ESG da parte di un'azienda la renderà poco competitiva, aumenterà i suoi costi del capitale e aumenterà il rischio di controversie
- L'esternalizzazione dei costi ESG da parte di un'azienda ha un impatto negativo non solo sugli stakeholder ma anche sugli shareholder

## Rischio Rendimento

- I rendimenti, considerando l'orizzonte temporale di un investimento, sono simili agli investimenti tradizionali
- Il rischio è più basso negli investimenti sostenibili
- L'integrazione dei rischi ESG nel risk management aiuta a identificare rischi poiché offre una visione più completa del rischio
- Identificare i rischi porta anche opportunità

## Engagement Proxy Voting

- Le iniziative collettive e individuali di engagement da parte degli investitori finali stanno crescendo
- Evoluzione del Proxy Voting nei fondi passivi per incorporare la preferenza dell'investitore finale

# Greenwashing

Greenwashing

- Le normative future creeranno più chiarezza sul greenwashing
- Le sanzioni pecuniarie saranno deterrenti importanti per le aziende e per tutti gli attori del sistema finanziario



# Ricerca Costi

- Fonte

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- ESMA Paper and Annex

- European ETF Industry Yearbook: Review 2022 And Outlook

- Links

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- [https://www.esma.europa.eu/sites/default/files/2023-01/esma50-165-2357-esma\\_statistical\\_report\\_on\\_costs\\_and\\_performance\\_of\\_eu\\_retail\\_investment\\_products.pdf](https://www.esma.europa.eu/sites/default/files/2023-01/esma50-165-2357-esma_statistical_report_on_costs_and_performance_of_eu_retail_investment_products.pdf)
- [https://www.esma.europa.eu/sites/default/files/library/esma50-165-2387\\_annexes\\_-\\_esma\\_statistical\\_report\\_on\\_costs\\_and\\_performance\\_of\\_eu\\_retail\\_investment\\_products.pdf](https://www.esma.europa.eu/sites/default/files/library/esma50-165-2387_annexes_-_esma_statistical_report_on_costs_and_performance_of_eu_retail_investment_products.pdf)
- [23-04-13-ETF-Industry-Yearbook-2022-FINAL-1.pdf \(eticanews.it\)](#)



## UCITS

### Costs and performance (2017-2021)

	Funds (non-ETF)			ETFs
	Equity	Bond	Mixed	Equity
Costs (% per annum (p.a.))	1.7	1.2	1.7	0.43
Ongoing charges	1.5	1.0	1.5	0.25
Subscription fees	0.14	0.16	0.14	0.10
Redemption fees	0.02	0.03	0.04	0.09
Net performance (% p.a.)	9.9	1.5	3.8	11.9

## ESG UCITS

### Costs and performance (2021)

	Funds			ETFs
	Equity	Bond	Mixed	Equity
Costs (% p.a.)	1.4	0.9	1.6	0.6
Ongoing charges	1.2	0.6	1.3	0.2
Subscription fees	0.2	0.3	0.3	0.3
Redemption fees	0.02	0.02	0.01	0.05
Net performance (% p.a.)	32.8	3.6	15.0	31.8

- For UCITS, the largest retail investment sector in the EU, our sample covers EUR 10tn of assets, of which retail investors held just below EUR 6tn in 2021.

- Costs have declined further, albeit at a slow pace; they were higher for cross-border funds than for domestic funds, mainly **due to the heterogeneity of distribution channels and costs.**

- Costs for active equity and bond UCITS were higher than for passive and UCITS exchange traded funds (ETF), leading to net underperformance of active funds compared to passive and UCITS ETFs.

- Across EU Member States, cost heterogeneities persisted. ESG funds remained, **on average**, cheaper in 2021 compared to non-ESG equivalents and outperformed in net terms.

# Esma Costi Performance

## ASR-CP.19

UCITS net performance and costs over one year  
ESG funds outperformed in 2021

	ESG	Non-ESG
<b>All funds (equity, bond and mixed UCITS)</b>		
Costs	1.3%	1.4%
Net performance	22.8%	16.8%
Nb of funds	1,916	12,137
<b>Equity UCITS</b>		
<i>Non-ETFs</i>		
Costs	1.4%	1.9%
Net performance	32.8%	28.8%
Nb of funds	952	4017
<i>ETFs</i>		
Costs	0.6%	0.4%
Net performance	31.8%	31.8%
Nb of funds	115	648
<b>Bond UCITS</b>		
Costs	0.9%	1.0%
Net performance	3.6%	4.2%
Nb of funds	398	3,384
<b>Mixed UCITS</b>		
Costs	1.6%	1.8%
Net performance	15.0%	13.1%
Nb of funds	451	4,088

## ASR-CP.20

UCITS gross performance and costs over 3 years  
ESG funds outperformed since 2019

	ESG	Non-ESG
<b>All funds (equity, bond and mixed UCITS)</b>		
Costs	1.3%	1.7%
Net performance	11.0%	6.8%
Nb of funds	850	2,607
<b>Equity UCITS</b>		
Costs	1.3%	2.0%
Net performance	15.6%	12.8%
Nb of funds	475	932
<b>Bond UCITS</b>		
Costs	1.0%	1.5%
Net performance	1.7%	2.8%
Nb of funds	177	769
<b>Mixed UCITS</b>		
Costs	1.6%	1.8%
Net performance	6.9%	5.5%
Nb of funds	198	906

- ESG UCITS
- Costs: ESG funds remained cheaper than their non-ESG equivalents, with the exception of equity ETFs.
- Funds disclosing under Article 8 of the SFDR have lower total costs compared to funds disclosing under Article 9. However, equity and bond funds disclosing under Article 9 have a significantly lower TER than funds disclosing under Article 8.
- Net performance: ESG equity and mixed funds outperformed non-ESG equivalents, but ESG bond funds underperformed their non-ESG equivalents in 2021.



# Forum per la Finanza Sostenibile

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I Soci del Forum sono pertanto tenuti a operare nel pieno rispetto della normativa vigente, con particolare riferimento alla disciplina dei mercati finanziari, a quella sulla concorrenza nazionale e comunitaria e a quella sulla privacy, attenendosi alle disposizioni statutarie e alle delibere degli organi associativi.

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1. Astensione dallo scambio di qualsiasi tipo di informazioni ritenute significative ai fini della disciplina dei mercati finanziari e antitrust.
2. Divieto di trattare argomenti dove si faccia riferimento a prezzi o ad altre informazioni sensibili sui servizi e prodotti elaborati dall'associazione, dalle imprese socie o da qualsiasi altro soggetto terzo. Qualora non venga rispettato tale divieto, i rappresentanti dell'associazione ricorderanno ai partecipanti la politica del Forum al riguardo e, ove necessario, abbandoneranno la riunione.
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## I nostri contatti

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