

GREENWASHING

— in the financial sector —



“ ... a practice where sustainability-related statements, declarations, actions or communications do not clearly and fairly reflect the underlying sustainability profile of an entity, a financial product or financial services. This practice may be misleading to consumers, investors or other market participants.



Final Report on Greenwashing

Looks into the role of supervision to mitigate greenwashing risks



Takes stock of the current supervisory response



Clarifies the pathway in which supervision will be gradually enhanced and issues recommendations

Final Report on Greenwashing

Mandate and approach



NCAAs can address greenwashing based on their mandate to protect investors and SF-specific provisions



Supervision of sustainability-related claims already a priority

Activities and experience



NCAAs and ESMA are taking steps to better monitor and detect greenwashing



Coordinated supervisory activities were launched in various sectors to critically scrutinise sustainability-related claims

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Market players and supervisors have a role to play in mitigating greenwashing risks

National Competent Authorities are expected to:



Gradually deepen their critical scrutiny of sustainability-related claims as they expand capacities and resources

Market players are expected to:



Communicate sustainability information in way that is fair, clear and not misleading

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ESMA will:



Support NCAs regarding monitoring of greenwashing, capacity building, access to data, and deployment of Suptech tools



Where needed, produce additional guidance for market players and supervisors



ESMA

European Securities and Markets Authority

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