

SUSTAINABLE WATCH

ESAs publish the **2024 Joint Report** on the disclosure of principal adverse impacts under the SFDR

Objective: The aim is to assess the disclosures of the principal adverse impacts at the level of each entity and product, in order to (i) show the negative impacts of financial institutions' investments on the environment and on people and (ii) show the measures taken by the financial entities supervised by the ESAs to mitigate them.

The Report concludes that financial institutions have improved the accessibility of their disclosures of the principal adverse impacts, with an improvement in the quality of the information disclosed, and some National Competent Authorities have also reported improvements in compliance with the disclosures set out in the SFDR.

