

25 April 2023

## Sustainable Finance Disclosure Regulation (SFDR)

### 1. Commission Responses to SFDR Q&As

The Authority would like to draw your attention that on 14 April 2023, the European Supervisory Authorities (ESAs) published the final [Q&As](#) on the legal interpretation of Regulation (EU) 2019/2088 on Sustainable Finance Disclosure ([SFDR](#)).

The Commission answers to the questions on the interpretation of Regulation (EU) 2019/2088 incorporates the final answers from the Commission, as it provides also amendments to answers adopted previously on 6 July 2021 and 13 May 2022 which are also available on the ESA's respective websites.

The ESAs submitted these questions in September 2022 and were seeking additional clarification from the Commission on (i) the terminology of "sustainable investment", (ii) the criteria for economic activities to contribute to an environmental/social objective, (iii) carbon emissions reductions and other reference benchmarks, (iv) principal adverse impact (PAI) products, and (v) periodic disclosure frequency.

The questions and answers that the ESAs published through their Q&A tool are an important instrument in order to ensure consistency in the interpretation, thus the Authority encourages Financial Market Participants and Financial Advisors to acquaint themselves with the clarifications provided by the Commission.

### 2. Joint Consultation on Review of SFDR Delegated Regulation regarding PAI and Financial Product Disclosures

The Authority would like to take the opportunity to inform about the ESAs joint [consultation](#) proposing draft Regulatory Technical Standards ([RTS](#)) to amend the Delegated [Regulation](#) under the Sustainable Finance Disclosure Regulation ([SFDR](#)). The ESAs propose amendments to the regulation, aiming to refine the disclosure framework which generated issues since the introduction of SFDR. Concretely, the authorities suggest to extend and refine the list of principle adverse impact (PAI) indicators, as well as add product disclosures regarding decarbonization targets to the framework. Moreover, the ESAs propose additional changes following their engagement with stakeholders on "do no significant harm" DNSH disclosure design options and a simplification of the templates. Interested stakeholders may provide feedback by filling out the following [link](#) by **4 July 2023**.