

ANNOUNCEMENT

The three European Supervisory Authorities provide advice on sustainable investing

The three European Supervisory Authorities (EBA, EIOPA and ESMA – ESAs) recently published an [interactive factsheet](#) entitled “Investments, Loans, Insurance or Pensions with a Sustainable Focus: What do you need to know?” that answers consumers’ most frequently asked questions about sustainable finance. The factsheet provides tips to consumers considering buying financial products with sustainability features, including loans, investments, insurances, and pensions.

The factsheet provides answers to frequently asked questions and steps consumers can take to understand how their financial choices could contribute to a more sustainable future.

In addition, the factsheet provides four tips consumers should take into account before choosing financial products with sustainability features. Consumers are encouraged to:

1. decide how important sustainability is for them and what financial goals they want to achieve before they choose a product;
2. pay attention to the conditions and the sustainability features, to avoid being misled by ‘greenwashing’;
3. keep in mind that financial products with sustainability features are not risk-free;
4. for investments and life insurance policies, take their time before deciding and, if need be, seek further clarification from the firm or person that can advise them on and sell them such products.

Financial jargon can at times be intimidating and prevent consumers from understanding crucial financial concepts such ‘ESG’ or ‘EU taxonomy’. To overcome this barrier, the factsheet has helpful pop-up boxes that explain specific terms in a simple and easy-to-understand way.

CySEC, in its role as the national supervisory authority in Cyprus, helps promote the factsheet across the EU, has posted it on its [Financial Education Hub](#), in both English and Greek, and encourages investors and the public at large to read it.

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