

**For Immediate Release
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Canadian securities regulators publish guidance on ESG-related investment fund disclosure

Toronto – The Canadian Securities Administrators (CSA) today [published guidance](#) for investment funds on their disclosure practices that relate to environmental, social and governance (ESG) considerations, particularly funds whose investment objectives reference ESG factors and other funds that use ESG strategies (ESG-Related Funds).

The guidance is based on existing regulatory requirements and addresses areas of disclosure, including investment objectives, fund names, investment strategies, risk disclosure, continuous disclosure and sales communications.

As the investment fund industry creates new funds and incorporates ESG considerations into existing funds to meet demand, there is an increased potential for “greenwashing” – where a fund’s disclosure or marketing intentionally or inadvertently misleads investors about the ESG-related aspects of the fund.

“Interest in ESG investing is on the rise and this enhanced and practical guidance will play an important role in helping investors make informed decisions about ESG products, as well as preventing potential greenwashing,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers.

This guidance is intended to help investment funds and their fund managers enhance the ESG-related aspects of the funds’ regulatory disclosure documents and ensure that sales communications of ESG-Related Funds are not untrue or misleading and are consistent with the funds’ regulatory offering documents.

The guidance follows the CSA Roundtable on ESG-Related Regulatory Issues in Asset Management, which was held on September 27, 2021.

As part of its ongoing continuous disclosure review program, the CSA will continue to monitor the ESG-related disclosure of funds.

The CSA, the council of the securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

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