

Annual Report 2025



Reproduction is authorised provided the source is acknowledged.

For any use or reproduction of photos or other material that is not under the ESMA copyright, permission must be sought directly from the copyright holders

Photo credits: © ESMA: pages 8, 10, 14

© Gettyimages: cover page 1, pages 18, 21, 24, 25, 27, 30, 31, 33, 35, 36, 38, 39, 40, 42, 45, 47, 49, 51, 53, 54, 55, 56, 59, 60, 61, 64, 65, 67, 72, 74, 75, 78, 82, 84.

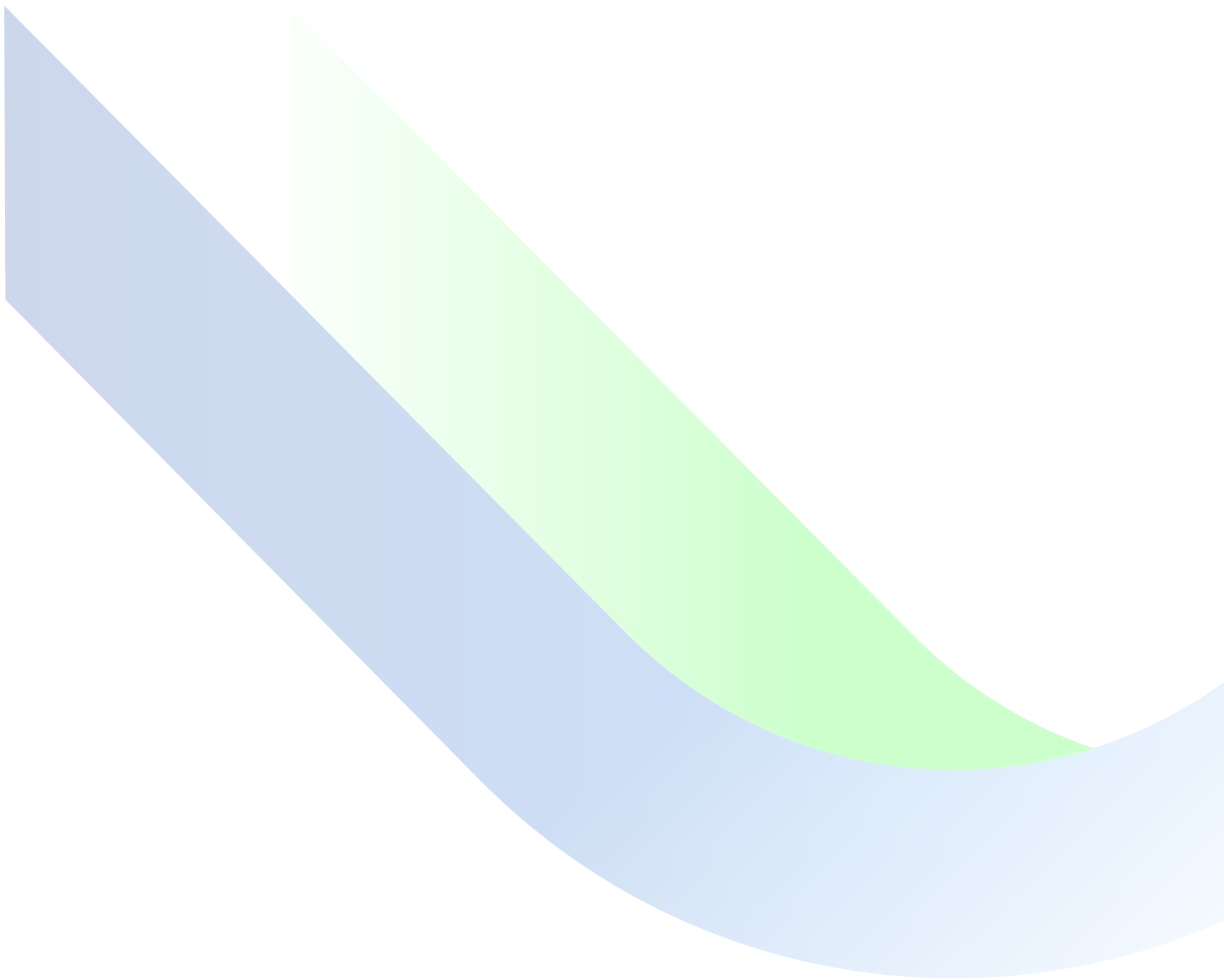
Manuscript completed in June 2026

Neither ESMA nor any person acting on behalf of ESMA is responsible for the use that might be made of the following information.

Luxembourg: Publications Office of the European Union, 2026

PDF ISBN 978-92-95240-59-9 ISSN 2443-6747 doi:10.2856/4096770 EK-01-26-001-EN-N

© European Securities and Markets Authority, 2026

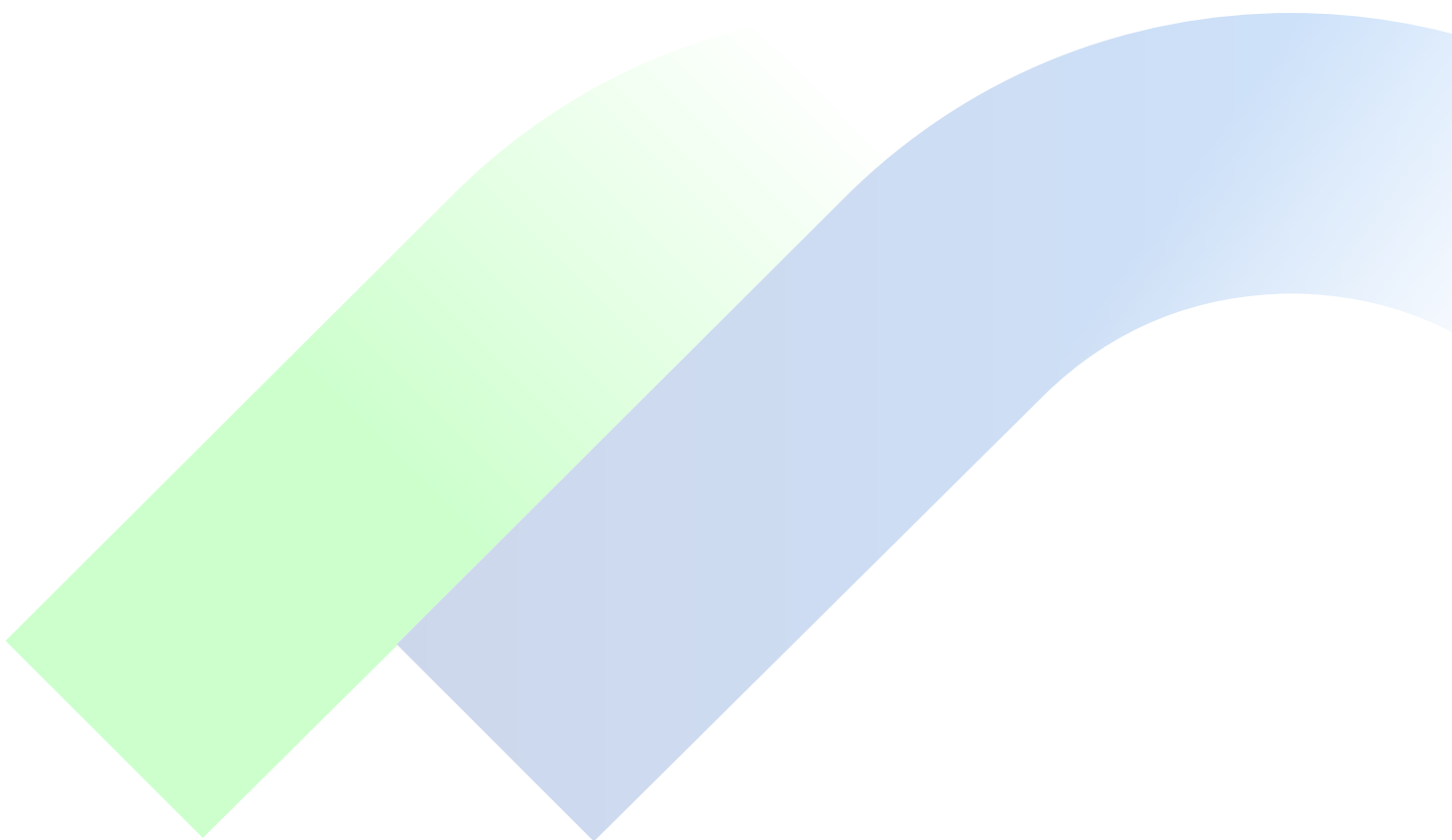


Contents

Board of Supervisors' analysis and assessment of the annual report for 2025.....	8
Chair's foreword.....	11
Executive Director's foreword.....	15
1. Executive summary.....	18
1.1. ESMA's mission and 2025 objectives and activities.....	19
1.2. Governance and organisation.....	20
1.2.1. Board of Supervisors.....	20
1.2.2. Management Board.....	20
1.2.3. Securities and Markets Stakeholder Group.....	21
1.2.4. Key achievements of the year – 2025.....	21
2. ESMA's achievements.....	24
2.1. Strategic priorities and thematic drivers.....	25
2.1.1. Effective markets and financial stability.....	25
2.1.2. Effective supervision.....	26
2.1.3. Retail investor protection.....	30
2.1.4. Sustainable finance.....	31
2.1.5. Technological innovation.....	32
2.1.6. Effective use of data and information and communications technologies.....	34
2.2. Key regulated sectors and entities.....	36
2.2.1. Investment management.....	36
2.2.2. Investment services.....	37
2.2.3. Issuers.....	38
2.2.4. Market integrity.....	39
2.2.5. Benchmark providers.....	40
2.2.6. Credit rating agencies.....	41
2.2.7. Market transparency infrastructures.....	42
2.2.8. Third-country CCPs.....	44
2.2.9. EU CCPs.....	46
2.2.10. Central securities depositories.....	48
2.2.11. Trading.....	49
2.3. Joint Committee.....	51
2.3.1. Digital operational resilience.....	51
2.3.2. Simplification and burden reduction.....	52
2.3.3. Joint risk assessments.....	52
2.3.4. Sustainable finance.....	53
2.3.5. Consumer protection and financial innovation.....	53
2.3.6. Securitisation.....	54
2.3.7. European Forum for Innovation Facilitators.....	54
2.3.8. European Single Access Point.....	55
2.3.9. Financial conglomerates.....	55
2.3.10. Other relevant cross-sectoral JC work.....	55
2.3.11. ESAs' Joint Board of Appeal.....	55
2.4. ESMA as an organisation.....	56
2.4.1. Governance and external affairs.....	56
2.4.2. Legal and compliance.....	58
2.4.3. Human resources.....	60
2.4.4. Finance and procurement.....	60
2.4.5. Corporate services.....	61
2.4.6. Information and communication technologies.....	62

3. Management	64
3.1. Management Board – risk and control issues	65
Risk management	65
3.2. Major developments	65
Main factors affecting ESMA in 2025	65
3.3. Budgetary and financial management	66
a) Statistics on financial management	66
b) Costs and benefits of controls	67
3.4. Delegation and subdelegation of the powers of budget implementation to ESMA's staff	67
3.5. Human resources management	68
3.6. Efficiency gains	70
3.7. Follow-up on audits and evaluations	71
European Court of Auditors	71
Internal Audit Service	71
3.8. Follow-up on observations from the discharge authority	71
3.9. Environment management	72
4. Assessment of the effectiveness of the internal control systems	74
4.1. Effectiveness of the internal control systems	75
4.2. Ethics, integrity and anti-fraud measures	75
Ethics and integrity	75
Anti-fraud measures	76
4.3. Conclusions of the assessment of internal control systems	76
4.4. Statement of the Internal Control Coordinator in charge of risk management and internal control	76
5. Management assurance	78
5.1. Review of the elements supporting assurance	79
5.2. Reservations	79
Materiality criteria used	79
Qualitative criteria used	79
Quantitative criterion used	80
6. Declaration of assurance	82
6.1. Assessment management on assurance	83
6.2. 2025 declaration of assurance by the Executive Director of ESMA	83
7. Annexes	84
Annex I – Reporting on key performance indicators	85
Operational KPIs	85
Strategic KOs	85
1. Financial stability: number of published ESMA market monitoring reports and risk assessments that resulted in supervisory, policy or convergence actions	86
2. Proportion of identified supervisory elevated risks reduced/addressed by direct supervision and convergence activities within three years	87
3. Average costs and charges for retail investors	89
4. Greenwashing risks in the funds industry	89
5. Use of ESMA's proprietary databases	90
Annex II – Statistics on financial management	92
C1 Budget implementation	92
Number and values of budget transfers	92
Budget out-turn and cancellation of appropriations (data from provisional accounts for 2025) (EUR)	92
Annex III – Organisational chart	94
Annex IV – Establishment plan and additional information on human resources management	95
Indicative table – Information on recruitment grade/function group for each type of post	95
Information on the list of HR implementing rules adopted in 2025	96
Job benchmarking against previous year results	96

Annex V – Human & financial resources by activity.....	97
Annex VI – Contribution, grant and service-level agreements and financial framework partnership agreements.....	98
Annex VII – Environmental management.....	100
Annex VIII – ESMA's Boards and Standing Committees.....	101
ESMA's Boards and their composition	101
Members of the Management Board as of 1 January 2026	101
Members of the Board of Supervisors as of 1 January 2026.....	101
Non-voting members of the Board of Supervisors as of 1 January 2026.....	102
Central Counterparty Supervisory Committee	102
Central Counterparty Resolution Committee	102
Joint Monitoring Mechanism	103
Standing Committees and working groups as of 1 January 2026.....	103
Annex IX – Overview of the activities of the Securities and Markets Stakeholder Group.....	105
Annex X – Provisional annual accounts for 2025.....	107
Statement of Financial Position	107
Statement of Financial Performance.....	108
Cashflow Statement.....	109
Statement of Changes in Net Assets	109
Annex XI – Abbreviations.....	110



Board of Supervisors' analysis and assessment of the annual report for 2025

The Board of Supervisors of the European Securities and Markets Authority (ESMA) takes note of the annual report for 2025, submitted by the Executive Director in accordance with Article 48(1) of ESMA's financial regulation.

Analysing and assessing the annual report, the Board makes the following observations.

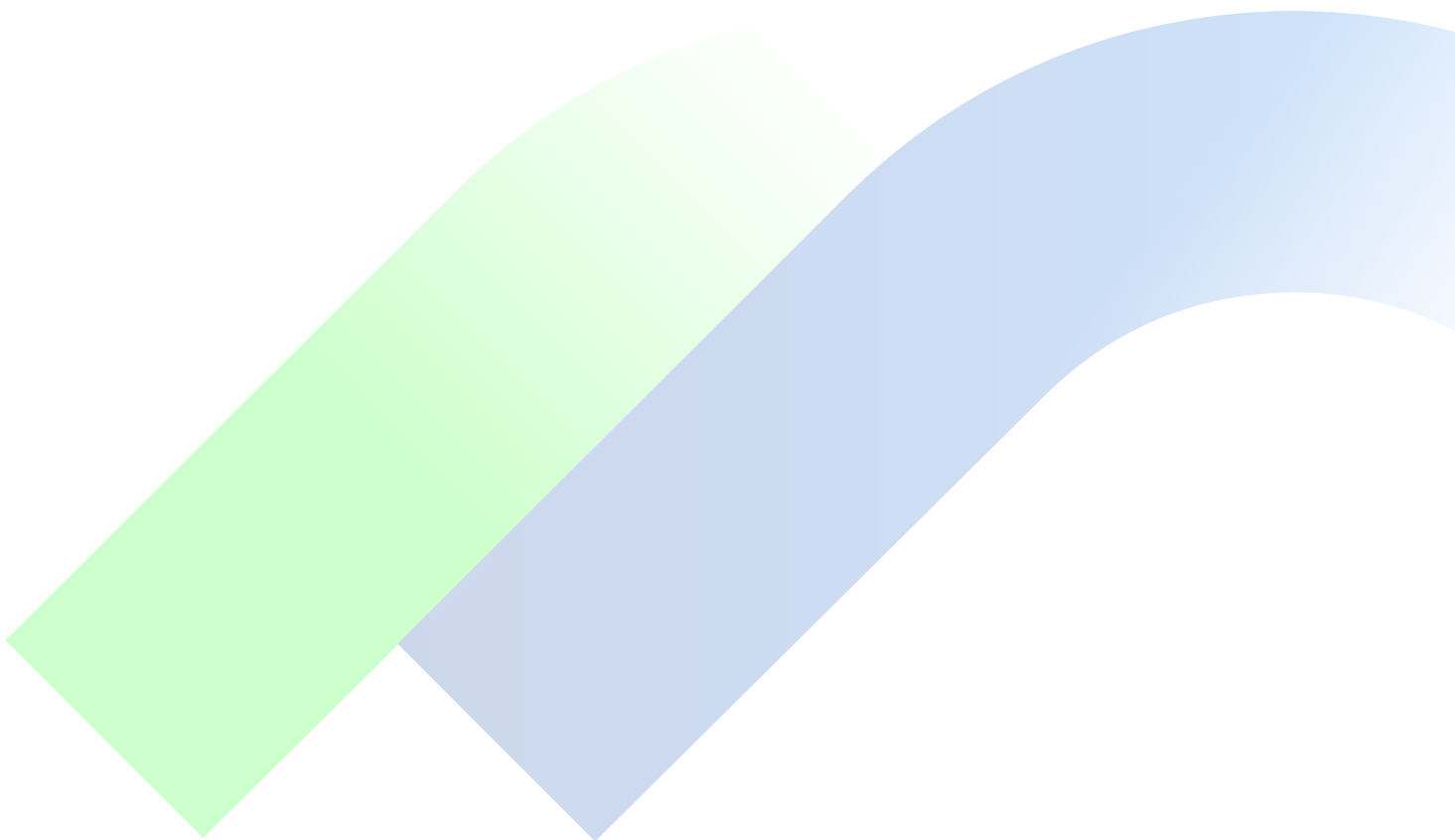
- The report contains a comprehensive account of the activities carried out by ESMA in the implementation of its mandate and work programme in 2025. In the annual report, ESMA provides a detailed account of the results achieved in relation to the objectives set in the work programme for 2025, along with relevant financial and management information.
- The Board takes note of the reports of the European Court of Auditors and the European Commission's Internal Audit Service and ESMA's actions in response to these reports.
- The Board notes that the Executive Director has no reservations or critical issues to report that would affect the presentation of the annual accounts for the financial year 2025 to the discharge authority.

Paris, 27 May 2026

Verena Ross
ESMA Chair

For the Board of Supervisors







Verena Ross

CHAIR

Chair's foreword

2025 has been a pivotal year for Europe's capital markets – one in which the political, regulatory and market momentum behind the Savings and Investments Union (SIU) moved firmly from aspiration to concrete proposals. This is the moment to take decisive steps to build stronger, more integrated and globally competitive EU capital markets.

The year's developments confirmed Europe's readiness to take such decisive steps. The Commission's publication of the Market Integration and Supervision Package (MISP) marked a turning point in elevating SIU from a policy debate to providing clear targeted legislative proposals. While it is now in the hands of the co-legislators to credibly advance the MISP, including decisions that may significantly affect ESMA's powers and organisation, we stand ready to support the journey and take on new responsibilities to contribute to more integrated and stronger capital markets in the EU.

In the meantime, ESMA's contribution to the EU capital markets continues to build strength step by step. No project illustrates that better than the move to a T+1 settlement cycle. The year 2025 saw the project accelerate through an effective public-private partnership, with the T+1 Industry Committee launching its highlevel roadmap in July. Supervisory dialogue continued with industry roundtables and international exchanges – recognising lessons from the US implementation and alignment with the parallel work in Switzerland and the United Kingdom. The successful completion of the first selection procedures for a consolidated tape provider (CTP) for bonds, along with shares and exchange-traded funds (ETFs), marked another critical step towards more integrated and transparent EU capital markets. ESMA also made significant progress on several other critical topics, such as the active accounts under the European Market Infrastructure Regulation (EMIR) and the Listing Act implementation. All this demonstrates our commitment to reducing information asymmetry and simplifying the regulatory landscape for issuers, intermediaries and investors.

Progress of this scale is only possible through strong continuous dialogue with market participants and stakeholders, whose operational expertise is essential

for initiatives such as T+1 and for identifying where rules can be made more effective and proportionate. It is with this mindset and spirit that in 2025, ESMA launched four ambitious projects to holistically enable simplification and burden reduction in reporting (funds reporting and transaction reporting) and the retail investor journey, as well as to drive forward risk-based supervision. The choice of projects was driven by data, evidence and rich stakeholder engagement, with a focus on the end user. ESMA deliberately targeted cross-sectorial areas where the value of simplification is greatest. In addition to these flagship projects, more targeted work was undertaken at the sectoral level, notably in sustainable finance in relation to the Omnibus proposals and in the implementation of the Listing Act review.

Embracing innovation and the benefits that new technologies and services can bring are key elements to facilitate the transition towards a more competitive EU capital market. In 2025, we intensified our work on digital finance, including on distributed ledger technology (DLT), decentralised finance (DeFi) and AI, as rapid technological innovation is reshaping our markets. Technology brings opportunity, but also the need for vigilance, guardrails and crossborder cooperation to safeguard stability and investor protection. This is a balance I believe we've achieved in the implementation of the markets in crypto-assets (MiCA) framework. We have delivered guidance on authorisations, working closely with national supervisors, and issued warnings on risks arising from unregulated cryptoasset products. To reinforce the level playing field in the EU single market and support supervisory convergence and operational readiness across the EU, ESMA published a fast-track peer review on the authorisation of crypto-asset service providers (CASPs).

Finally, I would like to highlight the progress achieved in the area of cybersecurity and operational resilience in the financial sector with the implementation of the Digital Operational Resilience Act (DORA). ESMA, alongside other European Supervisory Authorities (ESAs), has worked intensively on the implementation and designated the first list of 19 critical ICT third-

party providers (CTPPs) in November 2025 that will be subject to ESA oversight activity this year.

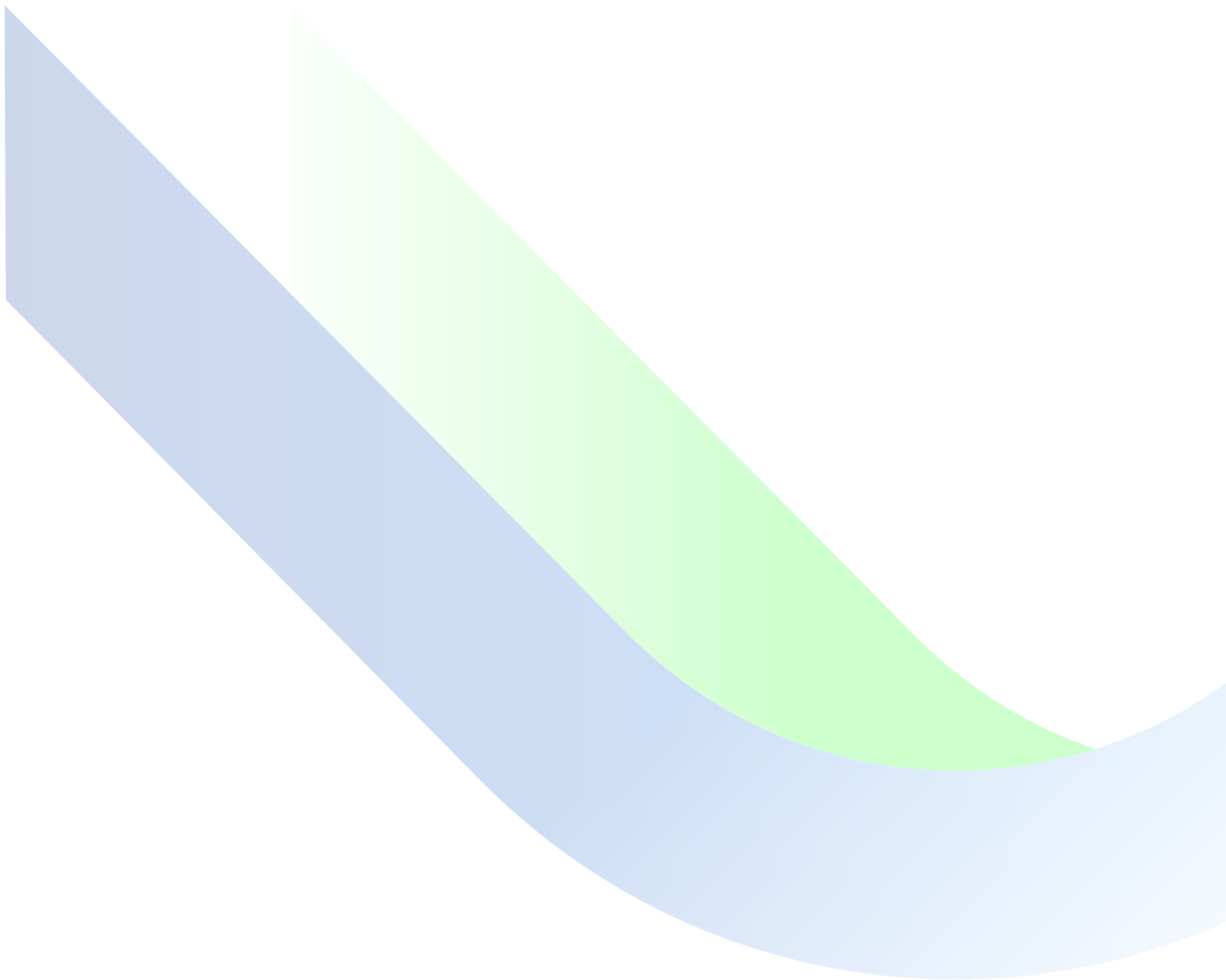
In December 2025, I announced my decision to not seek a second mandate as ESMA Chair. Looking back at the five years during which I presided over this organisation as chair, and my previous decade as executive director, I am proud to have dedicated a significant part of my professional career to building the strong and respected European institution which ESMA is today. It is rewarding to have had the opportunity to play a part in forming a robust European System of Financial Supervisors through the creation of a true single rulebook, effective supervisory convergence and credible EU-level supervision.

Looking forward towards the challenges that lie ahead for ESMA, I am reassured by the close partnership we have forged with the European Parliament, the Council of the European Union and the Commission. I would also like to acknowledge the excellent cooperation with our fellow ESAs, including through the Joint Committee (JC). Achieving

our work objectives is only possible thanks to the close interaction with stakeholders – notably including the Securities and Markets Stakeholder Group (SMSG) – and their valuable contributions to our work.

At the end of yet another packed year, I want to express above all my sincere appreciation to all the members of ESMA's Board of Supervisors and Management Board, and their colleagues in the national competent authorities, for their continued support, active engagement and unwavering commitment. I would also like to thank Natasha Cazenave, ESMA's executive director, for the excellent partnership over these last years and all her work to further strengthen the organisation. Finally, and by no means least, I would like to convey my heartfelt thanks to all my wonderful colleagues at ESMA, for all their hard work, unwavering spirit and dedication to ESMA and its mission.

Verena Ross
Chair





Natasha Cazenave

EXECUTIVE DIRECTOR

Executive Director's foreword

In 2025, the geopolitical and market environment remained complex and challenging, reinforcing the importance of Europe's capacity to rely on well-functioning financial markets, resilient and competitive infrastructures and a robust supervisory framework. ESMA contributes to strengthen the European regulatory and supervisory framework across Member States and acts as a data hub, facilitating exchange of information and expertise. In 2025, ESMA conducted significant preparatory work to support a smooth expansion of its role as a supervisor, notably through the joint oversight responsibilities of CTPPs with the other ESAs to ensure operational and IT integrity of the EU's financial sector.

As ESMA's supervisory responsibilities continued to expand, so has the complexity of its financing model. ESMA engaged in a close dialogue with national supervisors and the Commission to identify ways to improve ESMA's funding model. The objective is to make it more proportionate and sustainable, better suited to support risk-based supervision and to meet future challenges. This work resulted in a set of recommendations sent to the Commission and published in July.

In 2025, key progress was made towards a more risk-based approach to supervision. ESMA worked closely with the national competent authorities to embed a common supervisory culture across the EU, grounded in risk assessment, proportionality and consistent supervisory outcomes. By enhancing analytical tools, supervisory coordination and convergence, ESMA and national authorities improved their ability to identify emerging risks and to prioritise supervisory action accordingly.

ESMA also demonstrated its ability to deliver efficiently in the implementation of new supervisory mandates. In 2025, ESMA and the other ESAs advanced the work under DORA, including through the designation of the CTPPs and the development of EU-level cooperation frameworks. Important milestones were reached in the selection of CTPPs, supporting greater transparency and data accessibility across EU markets. ESMA also ensured a smooth transition to the new Benchmark

Regulation, including processing the application of a number of third-country benchmark administrators. ESMA also continued its preparations for the supervision of external reviewers under the European Green Bond framework and environmental, social and governance (ESG) rating providers, reinforcing the integrity and credibility of sustainable finance markets. Taken together, these activities illustrate ESMA's growing maturity in assuming complex responsibilities while maintaining consistency and quality in supervision.

ESMA also continued to evolve as an organisation. In 2025, this meant a strong focus on being lean and efficient in how we operate, agile and adaptive in how we respond to change, and solution-oriented in our regulatory and supervisory actions. It also meant remaining responsive and engaged with our stakeholders.

Harnessing new technologies and digitalisation are both necessary and urgent to ensure greater efficiency within ESMA, to increase the effectiveness of supervision and to contribute to the reduction of regulatory burden. In 2025, ESMA published its digital and data strategies setting out ambitious targets both for within the organisation and in relation to regulatory and supervisory activities affecting stakeholders across the EU, including as regards use of supervisory data, enhancing analytical capabilities and expanding accessibility to data and tools. At the same time, ESMA continued to modernise its internal processes and supervisory infrastructure, with a clear focus on streamlining workflows and making better use of existing data to avoid duplication and unnecessary reporting. Additional steps were taken to implement responsible use of new technologies, including artificial intelligence.

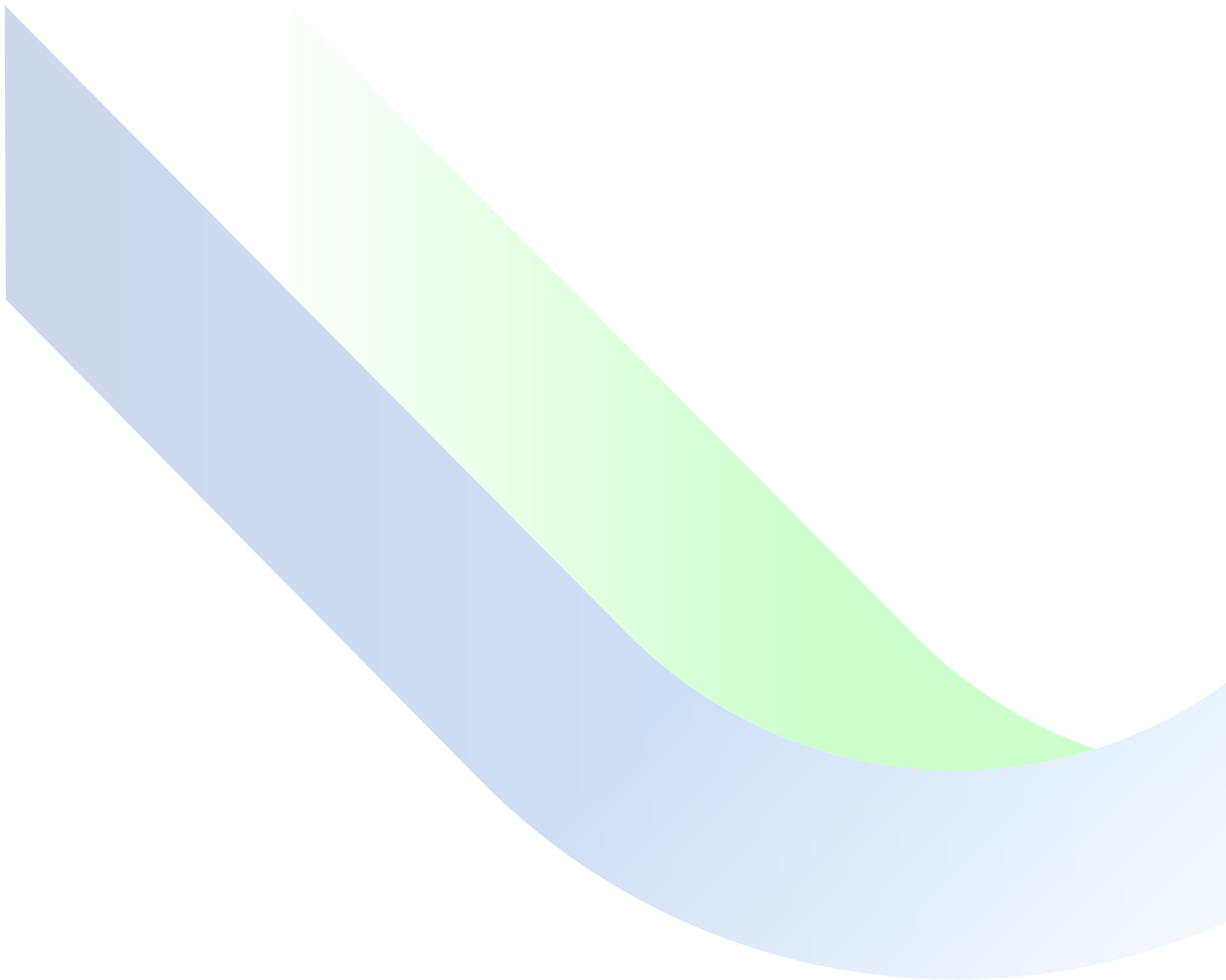
With the continued evolution of ESMA's mandate and rapidly changing environment, the commitment and expertise of its staff have remained critical. I would like to warmly thank all ESMA staff for their professionalism, adaptability and dedication throughout a demanding year. I would also like to express my gratitude to ESMA's Board of Supervisors and Management Board members for their continued

support and guidance. Finally, I would like to thank ESMA's Chair, Verena Ross, for her leadership and strategic direction as we continued to strengthen

ESMA's contribution to stable, transparent and effective European financial markets.

Natasha Cazenave

Executive Director





1. Executive summary

In 2025, ESMA delivered a strong set of policy, supervisory and operational achievements, with a clear emphasis on simplification and burden reduction (SBR), initiatives to streamline regulatory reporting, the advancement of its digital strategy, the selection of the first EU CTPs under the Markets in Financial Instruments Regulation (MiFIR) and active support for the transition to a T+1 settlement cycle. The year also marked the run-up to the authorisation of crypto-asset service providers under the MiCA framework, the operationalisation of DORA policy and oversight through the designation of CTTPs, implementation of the EMIR 3 requirements and the completion of the tiering and recognition of UK central counterparties (CCPs). Together, these milestones strengthened supervisory convergence, enhanced market transparency and resilience, and supported a more integrated and efficient EU capital markets framework.

These achievements were delivered amid a sustained high operational workload, as ESMA continued implementing its 2023–2028 multiannual strategy in alignment with the Commission's priorities under the SIU. In parallel, ESMA devoted significant efforts to preparing for new and expanded mandates, notably the revised Benchmark Regulation (BMR), the European Green Bond (EUGB) Regulation and the ESG Rating Regulation, ensuring its readiness for their effective and timely implementation in the years ahead.

The Market Integration and Supervision Package (MISP) published by the European Commission in December 2025, proposes changes to key structural areas included under ESMA's remit, and have as an objective to improve market integration, support innovation and redesign supervisory architecture. Depending on the outcome of the legislative procedure, the MISP may bring significant changes to ESMA's powers and organisation.

1.1. ESMA's mission and 2025 objectives and activities

ESMA is the EU's financial markets regulator and supervisor.

ESMA's mission is to enhance investor protection, promote orderly financial markets and safeguard financial stability.

- **Investor protection.** To better serve financial consumers' needs and to reinforce their ability to make informed choices.
- **Orderly markets.** To foster the integrity, transparency, efficiency and functioning of financial markets and market infrastructures.
- **Financial stability.** To strengthen the financial system, making it capable of withstanding shocks and the unravelling of financial imbalances.

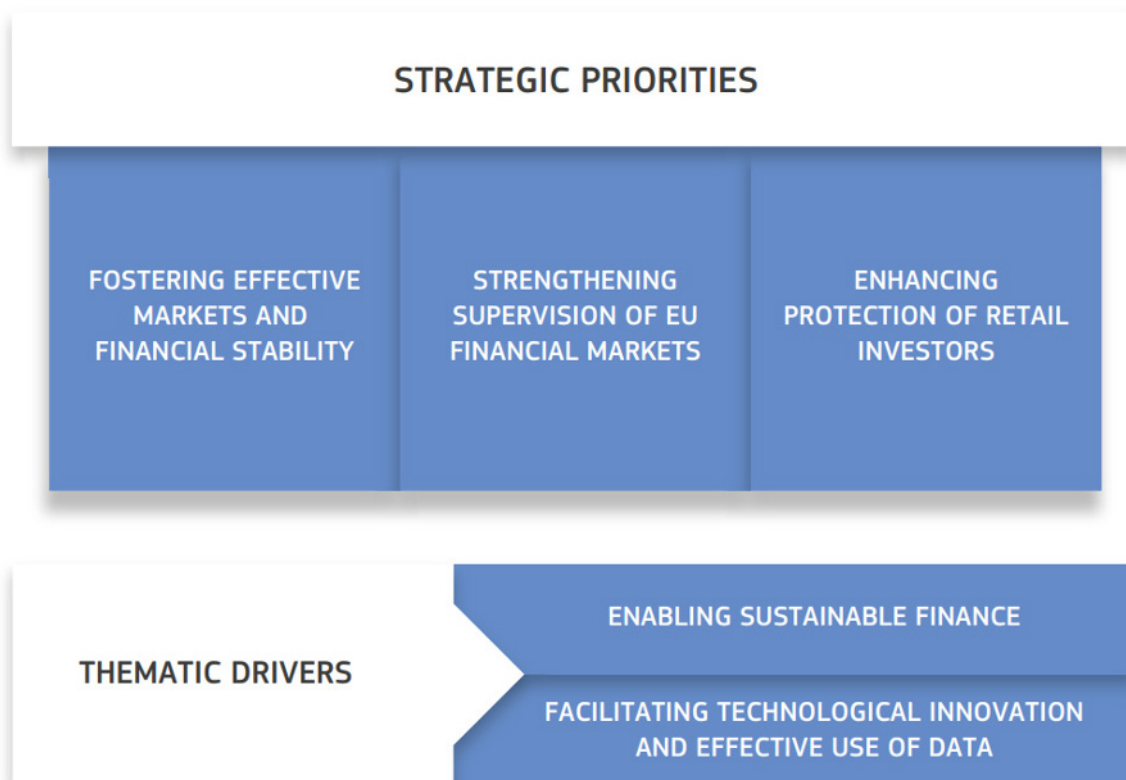
ESMA achieves its mission in the European System of Financial Supervisors through active cooperation with national and other EU authorities. While ESMA has a unique position within the system – focusing on regulating and supervising securities and financial markets at the EU level – it works closely together with NCAs to ensure effective regulation and supervision of EU financial markets as a whole. Considering the increasing level of integration between different financial sectors as well as joint mandates, ESMA intensively cooperates with other EU authorities and institutions, in particular regarding the banking and insurance/pensions sectors, with the European Banking Authority (EBA) and the European Insurance and Occupational Pensions Authority (EIOPA), including through the ESA JC.

ESMA also acts as the voice of the European financial markets' supervisory community through its active participation in various international fora, which include the International Organization of Securities Commissions (IOSCO) and the Financial Stability Board (FSB).

ESMA's 2023–2028 strategy ⁽¹⁾ sets the authority's multiannual objectives and strategic priorities.

ESMA implemented its 2025 annual work programme (AWP) by focusing on three strategic priorities and by being driven by two key themes, as shown below.

¹ European Securities and Markets Authority, *ESMA Strategy 2023–2028*, Publications Office of the European Union, Luxembourg, 2022, <https://data.europa.eu/doi/10.2856/872086>.



1.2. Governance and organisation

Two decision-making bodies govern ESMA: the Board of Supervisors (the Board) and the Management Board.

The Chair represents ESMA, preparing the work of the Board and chairing the meetings of the Board and the Management Board. A vice-chair is appointed among the members of the Board. Vojtěch Belling, Executive Director of the Financial Market Regulation and International Cooperation Department of the Czech National Bank, was reappointed as Vice-Chair for a second 2.5-year term on 16 May 2024.

The Executive Director is responsible for the day-to-day operations of ESMA, including dealing with staff matters, developing and implementing the AWP, developing the draft budget and preparing the work of the Management Board.

1.2.1. Board of Supervisors

The Board guides the work of the authority and has the ultimate decision-making responsibility regarding a broad range of matters, including the adoption of ESMA technical standards, opinions and guidelines, and the issuance of advice to the EU institutions. The Board is supported by a number of ESMA standing committees (SCs) and working groups (WGs) that deal with technical issues. In addition to the Chair, ESMA's Board is composed of the heads of the NCAs in the EU and the European Economic Area (EEA), who are responsible for securities regulation and supervision.

A list of the Board of Supervisors' current members and links to summaries of its 2025 meetings can be found on ESMA's website ⁽²⁾.

1.2.2. Management Board

In addition to the Chair, the Management Board is composed of six members selected from the Board of Supervisors. The Executive Director and a representative of the Commission attend as non-voting members (except on budget matters, where

² ESMA (n.d.), 'Board of Supervisors', ESMA website, <https://www.esma.europa.eu/about-esma/governance-structure/board-of-supervisors>.

the Commission representative has a vote), and the Vice-Chair attends as an observer.

The main role of the Management Board is to ensure that ESMA carries out its mission and performs the tasks assigned to it in accordance with the authority's founding regulation (known as the [ESMA Regulation](#)). It focuses particularly on the management and supervisory activities of the authority, such as the development and implementation of its multiannual work programme, along with budget and staff resource matters. Furthermore, the Management Board plays a significant role in the oversight of ESMA's supervisory convergence activities, which refers to the process of aligning supervisory practices and standards across Member States to ensure consistent and effective supervision of financial markets.

A list of the Management Board's current members and summaries of its 2025 meetings are available on ESMA's website ⁽³⁾.

Much of ESMA's work is supported by SCs, WGs and task forces, which draw together senior experts from NCAs. Each SC is normally chaired by senior representatives of NCAs or senior ESMA staff and supported by ESMA staff who act as rapporteurs. Most of the SCs also have consultative WGs made up of external stakeholder representatives. A list of SCs is available on ESMA's website ⁽⁴⁾.

1.2.3. Securities and Markets Stakeholder Group

The SMSG was established under the ESMA Regulation to facilitate consultation with stakeholders in areas relevant to ESMA's tasks. The members represent financial market participants and their employees, consumers and other users of financial services, academics and small and medium-sized enterprises. ESMA seeks input from stakeholders by consulting the SMSG on its draft technical standards and guidelines, to ensure that they are informed by diverse perspectives. ESMA also consults the SMSG on broader policy matters and values its contributions across a wide range of topics.

Professor Giovanni Petrella is the Chair of the SMSG, supported by Vice-Chairs Sari Lounasmeri and Urban Funered. The full composition of the SMSG is detailed on ESMA's website ⁽⁵⁾. The SMSG held six meetings in 2025, one of which was held jointly with the Board of Supervisors. A full list of the advice produced by the SMSG in 2025 is provided on ESMA's website ⁽⁶⁾.

1.2.4. Key achievements of the year – 2025

This section highlights the most impactful initiatives and milestones delivered by ESMA in 2025 in pursuit of its strategic objectives. It showcases key policy,



³ ESMA (n.d.), 'Management Board', ESMA website, <https://www.esma.europa.eu/about-esma/governance-structure/management-board>.

⁴ ESMA (n.d.), 'Standing Committees', ESMA website, <https://www.esma.europa.eu/about-esma/governance-structure/standing-committees>.

⁵ ESMA (n.d.), 'SMSG', ESMA website, <https://www.esma.europa.eu/about-esma/stakeholder-engagement/smsg#members>.

⁶ ESMA (n.d.), 'ESMA Library', ESMA website, https://www.esma.europa.eu/databases-library/esma-library?f%5B0%5D=basic_%3A364&f%5B3%5D=basic_section%3A9&f%5B4%5D=basic_date%3A%28min%3A1704067200%2Cmax%3A1735603200%29.

supervisory and operational achievements that contributed to simplifying the EU regulatory framework, strengthening supervisory convergence, enhancing market transparency and resilience, and advancing the implementation of major legislative reforms.

Strategic approach to SBR

In 2025, ESMA considered SBR as a priority, focusing on efficiency across policy, supervision and data, with the goal to simplify the regulatory framework and reduce unnecessary reporting burdens where feasible by avoiding duplications and streamlining requirements. Several simplification initiatives were already launched throughout 2025, three among we would like to highlight: the flagship projects of transaction reporting, funds reporting and the investor journey. These three topics are expected to be able to bring substantial burden reduction. Please see also specifically regulatory reporting (see section 1.2.4), market transparency (see section 2.2.11) and sustainable finance (see section 2.1.4).

In this context, data policy became a central lever for delivering simplification in practice.

Data

In 2025, ESMA strengthened its data-driven approach by adopting its Digital Strategy 2026–2028 and advancing initiatives to simplify and integrate supervisory reporting. A June Discussion Paper on data collection for funds under AIFMD and UCITS laid out an ambitious plan to increase harmonisation of information collected for supervisory purposes, promote greater data sharing and reduce reporting burdens.

ESMA also launched a call for evidence to streamline financial transaction reporting and paused amendments regarding how investment firms report transaction details (RTS 22), how trading venues provide instrument data (RTS 23), and how records of orders must be maintained (RTS 24) under the MiFIR review, to avoid unsynchronised implementation costs. These efforts culminated in ESMA's first Data Day in December 2025, fostering dialogue on the central role of data, analytics and reporting simplification.

ESMA also progressed key structural initiatives under the MiFIR review aimed at improving price transparency across EU markets.

Selecting consolidated tape providers

In 2025, ESMA reached a major milestone in the MiFIR review by completing the first EU selection procedure for a CTP. The introduction of consolidated tapes will increase market transparency, reduce information asymmetries and promote more integrated and efficient EU capital markets, aligning with the objectives of the SIU.

Following a competitive process launched in January, ESMA selected Fair CT as the first bond CTP. ESMA subsequently concluded the selection procedures for share and ETF CTPs in December 2025, selecting EuroCTP, and announced a list of potential data contributors to ensure transparency and clarity on reporting obligations.

Alongside improvements in market transparency, ESMA also supported structural reforms aimed at enhancing post-trade efficiency and reducing systemic risk.

Transition to a T+1 settlement cycle

At the start of 2025, ESMA played a key role in the establishment of a governance structure to organise the move to a T+1 settlement cycle at the EU level, based on a joint ESMA–Commission–industry working structure. As a core component of the SIU, this new type of public–private structure has been instrumental throughout the year in the first phase of the project, dedicated to the identification of solutions allowing to transition safely to a shorter settlement cycle.

In parallel to these market structure initiatives, ESMA continued to support the implementation of major new legislative frameworks, strengthening supervisory convergence and resilience across the EU financial system.

Authorisation of CASPs under the MiCA framework

In 2025, ESMA contributed to the implementation of MiCA through a series of technical standards and guidelines aimed at ensuring investor protection and market integrity (see section 2.1.5). ESMA also strengthened supervisory convergence by issuing guidance and working closely with the national

authorities on CASP authorisation processes, taking into account the different Member State grandfathering periods, and conducting a targeted peer review on CASPs authorisation (see section 2.1.2),

Complementing its work on crypto-assets, ESMA also advanced the digital resilience agenda in the EU financial sector.

Operationalising DORA for digital resilience

ESMA, alongside other ESAs, designated the first list of 19 CTPPs under DORA in November 2025, a major step in strengthening the oversight of the financial system's digital infrastructure (see section 2.3.3).

Beyond new EU frameworks, ESMA also continued its core responsibilities in safeguarding financial stability through third-country CCP oversight.

Tiering and recognition of CCPs established in the United Kingdom

In 2025, ESMA completed two rounds of assessments of UK CCPs, an extension of recognitions in March (ICE Clear Europe Ltd, LCH Ltd, and LME Clear Ltd) following the new equivalence decision by the Commission, and a regular tiering and recognition in December that confirmed the recognition of LCH Ltd as a Tier 2 CCP and LME Clear Ltd as a Tier 1 CCP.



2. ESMA's achievements

2.1. Strategic priorities and thematic drivers

2.1.1. Effective markets and financial stability

Objectives for 2025

Effective markets objectives

Contribute to developing a meaningful, proportionate and effective single rulebook across ESMA's remit.

Contribute to making the EU single market in financial services deep, efficient, liquid and accessible, particularly to small and medium-sized enterprises, to raise capital.

Promote global standards and enhance cooperation and dialogue with international regulatory counterparts.

Financial stability objectives

Identify and analyse key risks and vulnerabilities across the entire ESMA remit to inform the public and guide regulatory and supervisory activities.

Coordinate with and contribute to the work of EU and international bodies on ensuring financial stability.

Enhance the level of preparedness to deal with potential shocks to financial markets and ensure close crisis management cooperation with NCAs.

Progress on MiFIR transparency as part of ESMA's broader single rulebook work

In 2025, ESMA advanced its work on the MiFIR review by delivering a targeted report on derivatives that addressed transparency, package transactions and CTP data standards. These efforts provided the regulatory clarity needed to bridge the gap between old and new reporting rules. By defining specific input and output requirements, ESMA ensured an orderly transition to the EU's revised transparency regime.

Risk monitoring

ESMA continued to monitor risks within its remit and to publish analysis on key trends and vulnerabilities affecting EU capital markets. This work supported the identification of emerging risks and informed supervisory and policy activities, contributing to ESMA's effective markets, financial stability and investor protection objectives and the overall risk-based prioritisation of its work programme.

In 2025, ESMA's Trends, Risks and Vulnerabilities (TRV) risk monitors reported that extreme geopolitical uncertainty drove high volatility across equity, bond and crypto-asset markets, leaving them susceptible to sudden corrections. Beyond market fluctuations, the reports identified an increased risk of operational disruptions caused by sophisticated cyber and hybrid threats. Additionally, ESMA warned that retail investors face heightened vulnerability to poor decision-making due to information overload, misinformation and the gamification of trading via social media.

To support its single rulebook, convergence and supervisory tasks, ESMA undertakes in-depth research into a wide range of market issues that are published as stand-alone TRV risk analysis articles or ESMA working papers. In 2025, ESMA published nine TRV risk analysis articles and two working papers, of which the most important matters are included below.



Asset management – financial stability analysis

For UCITS (undertakings for collective investment in transferable securities), ESMA analysed risks in UCITS using the absolute value-at-risk approach. UCITS are subject to tight regulatory constraints, designed to ensure diversified portfolios and control over market exposure. These rules also limit their use of financial derivatives for both investment and hedging purposes. When using such instruments, funds can manage their risk profile by employing the absolute value-at-risk approach and thereby assess the maximum potential loss they might incur at any given time.

For alternative investment funds (AIFs), ESMA published its annual risk assessment of leveraged AIFs in the EU, which identified leverage-related risks within different categories of AIFs and assessed their potential systemic relevance.

Asset management – stress test

In the first part of 2025, ESMA and the International Monetary Fund performed a stress test on around 70% of all EU funds including 13 000 UCITS, 19 000 AIFs and 400 money market funds (MMFs), accounting for a net asset value of EUR 16.1 trillion. The scenario of the stress test aimed to assess system-wide spillovers from fund liquidity stress, where a broad-based market shock leads to liquidity demands on investment funds stemming from redemption requests, margin calls on derivatives and collateral calls on repo borrowing. In response, funds take actions to raise liquidity such as deposit withdrawal, asset sales or new repo borrowing, or they can temporarily suspend redemption. These actions can have different impacts on counterparties and markets.

Cyber risk

Cyber risk has emerged as a growing threat to financial stability. The frequency and sophistication of incidents have increased in recent years, and their financial impact is both significant and growing. In this context, ESMA published a TRV article on operational and cyber risks in EU financial markets.

Measuring and monitoring cyber threats from a financial stability perspective poses considerable challenges. The dynamic and rapidly evolving threat

landscape, coupled with limited visibility into incidents, creates obstacles to accurate risk assessment and evaluation. In Europe, DORA is set to have a concrete impact in terms of incident visibility. It introduced a harmonised, comprehensive framework for digital operational resilience for EU financial institutions and also established a reporting regime for major information and communication technology (ICT) incidents by EU financial institutions.

The article also presents findings from a simulation analysis conducted on the EU repo market, examining scenarios in which a hypothetical cyber incident disrupts settlement operations at key market players. Results indicate that operational disruptions at a few critical institutions can trigger temporary yet severe liquidity shortages at both the system and counterparty levels, with widespread network effects.

2.1.2. Effective supervision

Objectives for 2025

Promote common effective, risk-based, data-driven and outcome-focused supervisory and enforcement culture across EU supervisors (NCAs and ESMA direct supervision).

ESMA direct supervision objectives

Deliver timely and quality assessment of registration applications.

Ensure that the entities under ESMA's supervision apply sound corporate governance and meet applicable regulatory requirements.

Assess compliance with DORA ESMA priorities, applying proportionate measures to high-risk entities.

Evaluate cyber security and business continuity planning testing capabilities.

Identify key industry trends and supervisory risks to support a risk-based, data-driven and outcome-focused supervision.

Continuously enhance ESMA's supervisory efficiency by selecting the supervisory tools that are most effective for the intended supervisory outcome (e.g. ongoing monitoring, reviews, investigations).

Request timely and effective remediation and adopt enforcement actions where breaches of the regulation are identified.

Supervisory convergence objectives

Develop a common understanding of the risks posed to EU capital markets and their severity.

Identify supervisory objectives and outcomes across EU capital markets, and promote effective supervisory work thereon, focusing on high priority cross-sectoral risks using the most effective tool(s).

Facilitate constructive exchanges among supervisors on key risks at EU-wide and entity specific level.

Foster convergence on enforcement activities that are the responsibility of NCAs, with a view to achieving consistent enforcement outcomes for similar infringements across the EU.

In 2025, ESMA further enhanced its risk-based, data-driven and outcome-focused supervision, with the ongoing aim to deliver a consistent, proportionate and predictable approach across its supervisory mandates. Concluding on various consultations with stakeholders, ESMA notably finalised its guidelines on periodic information, guidelines on internal controls, supervisory expectations for the management bodies and principles on third-party risk. These cross-mandate texts and resources support a more consistent application of specific requirements and set clear supervisory expectations while targeting the reduction of burden on supervised entities.

ESMA further strengthened its supervision of systemically important Tier 2 CCPs, ensuring compliance with EMIR and addressing key risks. ESMA enhanced data-driven oversight, maintained and enhanced its close engagement with stakeholders and ensured effective collaboration with the Bank of England. ESMA also monitored market developments and systemic risks to safeguard EU financial stability.

Preparation for new supervisory mandates

Towards the end of 2025, ESMA began receiving registration applications for external reviewers under the EUGB Regulation. Throughout the year, ESMA maintained a list of firms that have met the obligations under Articles 69 or 70 of EUGB, enabling a transitional regime for entities to provide external review services. ESMA also initiated its stakeholder outreach with ESG rating providers in preparation for the application of the ESG Rating Regulation from July 2026.

During 2025 and in preparation for the entry into application of the revised Benchmark Regulation as of 1 January 2026, ESMA put in place a variety of actions to ensure a smooth transition to the new regulatory regime and to facilitate the application and onboarding process of the third-country benchmark administrators falling under ESMA's supervisory remit. ESMA engaged intensely with third-country administrators and industry associations as well as users of benchmarks to ensure stakeholders' awareness and understanding of the upcoming regulatory changes, including the benchmarks remaining in scope of the revised regulation. ESMA also created a dedicated section on its website to inform about those changes, the related timeline and published relevant supporting documents, including statements and templates, to assist potential applicants. Those actions ensured ESMA had early visibility of the third-country administrators' specific situations and plans and allowed appropriate preparation, including implementing organisational adjustments, to safeguard a rigorous and timely assessment of the multiple applications received in a short time frame and a smooth onboarding process.



Additionally, ESMA overhauled its registration interface ⁽⁷⁾ and streamlined the information for relevant stakeholders. The user-friendly and easy-to-use section now encompasses all current and new mandates, providing a clear path and information sets for applicants including a public guide to help applicants best prepare for registration with ESMA.

European Green Bonds

In October 2025, ESMA published its final report on technical standards under the EUGB Regulation, covering various aspects of the registration requirements and supervisory framework for external reviewers, who provide independent oversight of issuers' compliance with the EU taxonomy.

ESMA has been monitoring the market in EUGBs to collect information about how the market is developing before deciding whether it is necessary to provide any further guidance to market participants. Moreover, ESMA facilitated NCA discussions focused on exchanging experiences in the supervision of EUGB factsheets and prospectuses relating to EUGBs.

ESG Rating Providers

Following the entry in force of the ESG Rating Regulation, ESMA published in October 2025 the final report on technical standards under the ESG Rating Regulation, refining the requirements for authorisation, recognition and the separation of business activities, ensuring that ESG ratings accurately reflect sustainability performance.

Digital operational resilience oversight

In 2025, ESMA further advanced its work on digital operational resilience, supporting market participants and supervisors in strengthening ICT risk management and operational continuity. In particular, ESMA contributed to the consistent implementation of the EU digital operational resilience framework by publishing the DORA guide on oversight activities, concluding a cross-mandate supervisory project to assess cybersecurity and business continuity plan testing capabilities of its supervised entities, and promoting EU supervisors' cooperation and coordination on ICT-related risks as a Union Strategic

Supervisory Priority, with a view to strengthening preparedness and resilience across EU capital markets.

Timely identification of risks

ESMA continued to enhance its risk monitoring capabilities, supporting a risk-based and outcome-focused supervision, including through its annual exercise to promote and develop a shared understanding of key supervisory risks across all NCAs. In 2025, ESMA further developed data-driven tools and analyses to identify key market developments and supervisory risks, targeting supervisory resources where they were most needed and enabling timely follow-up actions where vulnerabilities were identified.

ESMA also continued coordinating and monitoring the work in the other EU-wide strategic supervisory priorities (USSPs), which covers ESG disclosures, guiding and supporting market participants on this journey.

Building a stronger common EU supervisory culture

In 2025, ESMA notably pursued its drive toward strengthening a common EU supervisory culture between ESMA and NCAs.

Notably, ESMA focused on effective risk-based supervision to streamline and eliminate activities that do not materially contribute to mitigating risks, thereby avoiding unnecessary burdens, boosting supervisory efficiency and value while preserving supervisory robustness.

ESMA published common principles on supervision of third-party risks to help authorities and supervised entities understand and manage these risks, distinguishing among different types of situations ⁽⁸⁾ and the relevant supervisory goals and response. In addition, it continued supervisory exchanges to support a shared understanding of supervisory expectations and supervisory priorities. For example, ESMA ran a self-assessment among NCAs on their risk-based supervisory approaches against ESMA principles, identifying the need to further work in scaling up and aligning some practices across the EU and highlighting challenge in effective cross-

⁷ ESMA (n.d.), 'Registration with ESMA', ESMA website, <https://www.esma.europa.eu/esmas-activities/supervision-and-convergence/registration-with-esma>.

⁸ For example, intragroup / outside the group, intra-EU / outside the EU.

mandate and cross-border risk prioritisation. Similarly, ESMA organised case studies and case discussions on the supervision of third-party risk which highlighted different approaches including in group contexts.

Voluntary supervisory colleges

ESMA continued to support supervisory cooperation through voluntary supervisory colleges, promoting coordinated approaches to the supervision of cross-border entities and activities. These colleges contributed to improved information exchange and supervisory consistency, supporting efficient and coordinated supervisory engagement at the EU level.

Markets in Crypto-assets

In 2025, ESMA finalised its contribution to the MiCA framework by delivering critical guidelines on the qualification of crypto-assets as financial instruments and harmonising EU-wide competence standards for CASP staff. To ensure market integrity and prevent regulatory shopping, ESMA intensified supervisory convergence through briefings on CASP authorisation, facilitating frequent practical case discussions among supervisors and the publication of Member State grandfathering periods to support the transition (see below peer review on CASPs).

Technical implementation advanced significantly with the release of a JSON schema for uniform order reporting and an XBRL taxonomy to support the December 2025 white paper formatting requirements. Alongside a joint legal opinion on asset-referenced token (ART) applicants, ESMA maintained the interim registry for crypto entities while preparing the final IT solution integrated with the European Single Access Point (ESAP).

Peer reviews and follow-ups

In 2025, ESMA continued to use peer reviews as a key tool to assess supervisory practices across the EU and to identify areas for improvement.

Notably, ESMA ran a fast-track peer review on the authorisation of CASPs. This exercise was key to reinforce the gatekeeping of the EU single market in the crypto space in a timely manner, at a time when many NCAs were processing new authorisations.

In March 2025, ESMA published its peer review on NCAs' supervision of simple, transparent and standardised (STS) securitisation requirements, to

promote the effective implementation of the STS framework, which ultimately should help increase investors' confidence in STS securitisation.

In April 2025 ESMA published the 2024 annual peer review on NCAs' supervision of CCPs, which focused on the supervisory activities with respect to requirements set out in EMIR on outsourcing and intragroup governance arrangements, aiming to assess the effectiveness and promote convergence of the related supervisory practices.

In November 2025, ESMA finalised a peer review on the supervision of depositaries, in particular their oversight and safekeeping obligations, in light of the pivotal role they play to ensure a sound investment management ecosystem. Finally, ESMA started a follow-up to the 2022 peer review on supervision of cross-border activities of investment firms, to continue strengthening the quality of supervision in the single market for investment services.

Enforcement activity in the EU

In 2025, ESMA continued to promote convergence in enforcement activity across Member States and exchange of best practices among NCAs, supporting consistent outcomes for similar infringements. This work included improvements to its sanctions register and regular discussions on real enforcement cases. ESMA published the second report on sanctions and measures imposed in Member States in 2024, which aims to contribute to stronger deterrence and improved confidence in EU market supervision. This report revealed that in 2024, more than 970 administrative sanctions and measures were imposed across Member States in financial sectors under ESMA's remit. The aggregated value of administrative fines increased compared with 2023 and amounted to more than EUR 100 million. As in 2023, the highest amounts of administrative fines were imposed under the Market Abuse Regulation (MAR) and MiFID. The report also highlighted the need for greater convergence in sanctioning practices of NCAs. In this respect, in 2025 ESMA also steered in-depth discussions with NCAs to better understand the reasons for the discrepancies between national sanctioning practices under the MAR.

2.1.3. Retail investor protection

Objectives for 2025

Achieve greater convergence and consistency of NCAs' supervisory approaches and practices in relation to investor protection, taking into account technological developments and the evolution of the framework in relation to sustainable finance.

Facilitate effective supervision of cross-border activities.

Contribute to a regulatory framework that provides adequate protection to retail investors who wish to participate in EU capital markets.

Contribute to the development of a single rulebook in the area of investment services, crowdfunding services and crypto-assets.

Engage with retail investors and provide access to clear, reliable and comparable investment information.

Systematically monitor and analyse retail investor trends and risks, ensuring a safe environment for those wishing to invest in capital markets.

Market reports on costs and performance

In early 2025, ESMA's seventh market report revealed that while EU retail investment costs are gradually declining, they remain high by international standards and vary significantly by Member State. Active equity

funds continue to underperform passive alternatives after fees, a gap partly attributed to the 'scale factor', where smaller EU fund sizes lead to higher ongoing costs compared with US funds. A landmark 2025 report further highlighted that distribution costs and inducements – which can account for up to 45 % of ongoing charges – represent nearly half of the total costs paid by investors. To enhance transparency, ESMA produced an educational factsheet to help retail investors navigate these complex cost structures.

Retail investor journey

In May 2025, ESMA launched a call for evidence on the retail investor journey: understanding retail participation in capital markets to identify non-regulatory barriers and assess whether MiFID II requirements effectively balance protection with accessibility. The call sought input from a broad range of stakeholders, including consumer associations, industry participants and the SMSG.

The initiative forms an integral part of ESMA's SBR agenda. By gathering evidence on where regulatory requirements may unintentionally create complexity or information overload, this work directly supports ESMA's effort to streamline rules, reduce administrative burdens on firms and improve the investor experience. The feedback received will inform ESMA's future technical advice to the Commission and the potential review of MiFID II delegated acts and supervisory convergence tools, helping ensure that investor protection requirements



remain effective while becoming simpler, clearer and more proportionate.

Fight against digital financial crime

To combat digital financial crime, ESMA issued a warning on the use of AI for investing and urged social media companies, including Meta, Google and TikTok, to take proactive steps against unauthorised financial advertisements.

Enhanced retail risk monitoring

ESMA developed new retail risk indicators based on MiFIR transaction data, to support the timely identification of potential causes of investor harm. The analysis identified trends in retail transactions in major asset classes and in the age profiles of investors. ESMA continued to expand this new set of risk indicators, in order to incorporate them into its regular, ongoing monitoring and analysis.

2.1.4. Sustainable finance

Objectives for 2025

Promote a simplified EU rulebook for sustainable finance. Accompany financial market participants and NCAs in the journey to the application of simplified rules.

Contribute to facilitating the financing of the EU transition towards a more sustainable economy, while preserving market integrity and financial stability, along with a high level of investor protection.

Promote effective and consistent integration of sustainability-related factors in supervisory, convergence, risk assessment and regulatory activities.

Maintain investors' confidence in ESG investments by promoting high-quality sustainability disclosures and addressing the risk of greenwashing.

Systematically monitor ESG market developments and climate risk including when performing stress tests.

The EU sustainable finance rulebook underwent significant simplification in 2025, starting with core

legislative texts under the Omnibus proposals. The ambitious SBR reform remains ongoing with the Sustainable Finance Disclosure Regulation (SFDR) review. ESMA, for its part, is playing a key role in supporting this broader effort towards SBR, supporting the recalibration of the sustainability reporting framework in a proportionate way and ensuring that, in the EU, financial markets remain efficient in financing the transition of key sectors of the real economy to sustainability.

In parallel to the simplification efforts, ESMA remained committed to fostering effective sustainability-related disclosures. ESMA also advanced the sustainable finance rulebook by supporting the rollout of European Sustainability Reporting Standards and updating SFDR Q & As to enhance market clarity.

Funds

A key success was the implementation of guidelines on fund names, which led 64 % of funds to drop misleading titles and 56 % to strengthen investment policies, effectively reducing greenwashing risks and fossil-fuel exposure. Furthermore, while the June 2025 common supervisory action (CSA) report confirmed generally satisfactory compliance with SFDR and UCITS/AIFMD frameworks, it highlighted persistent vulnerabilities regarding due diligence in integrating sustainability risks and the quality of entity-level disclosures.



Effective sustainability-related disclosures and tackling greenwashing

During 2025, ESMA and NCAs carried out supervisory work on ESG disclosures, defined as a USSP since 2022. This has played a pivotal role in promoting the application of ESG requirements throughout the sustainable investment ecosystem, guiding and supporting market participants on this journey. ESMA dedicated efforts to coordinate supervisory actions across the EU through the 2025 European common enforcement priorities and CSAs.

Technical Support Instrument projects on greenwashing in the investment management sector

ESMA continued to deliver on several sustainable finance-related Technical Support Instrument (TSI) projects directly funded by the EU. These projects aim to both build up NCAs' supervisory capacities and foster a common supervisory culture, through the development of common technical tools. Over the long term, the tasks and deliverables of these projects and the associated outcomes should contribute towards increasing knowledge and supervisory capacity to effectively oversee compliance with the ESG regulatory framework, through appropriate methodologies and analytical tools. It is also anticipated that the project outcomes should facilitate a consistent and coherent implementation of the EU ESG regulatory framework at the national level and support enhanced public trust in sustainable finance.

Thematic notes on sustainability claims

ESMA issued two thematic notes calling for clear, fair and non-misleading sustainability-related claims. The notes outline four guiding principles on making sustainability claims, aligned with previous publications from EIOPA and EBA and offer practical dos and don'ts, illustrated through concrete examples of good and poor practices and based on observed market practices.

These thematic notes do not introduce new regulatory or reporting requirements, but aim to support market participants making clear, fair and not misleading claims. The first note in July 2025 focused on sustainability credentials such as labels or awards, while a second note in early 2026 addressed ESG integration and exclusion strategies.

Transition finance

ESMA organised a series of workshops on transition finance, with a view to support ESMA and NCAs in their supervision in this area.

In October 2025 ESMA also published a TRV article on emerging trends in transition funds strategies, offering one of the first empirical analysis of EU investment funds aiming to support the transition to a low-carbon economy. Based on an analysis of disclosures and portfolio data, ESMA finds that transition funds typically define portfolio-level and time-bound climate objectives, use forward-looking and EU taxonomy-aligned metrics for asset selection, and show relatively higher portfolio exposure to energy-intensive sectors and companies with science-based targets.

EU carbon markets

ESMA delivered its second annual market report on EU carbon markets in October 2025, confirming the stable functioning of the system without identifying significant integrity issues. The report noted that while the average price of emission allowances fell by 22 % in 2024 due to weak industrial demand, trading volumes surged by 35 % to 13.7 billion tonnes of carbon dioxide (CO₂) equivalent. Financial intermediaries drove 63 % of this activity, predominantly through futures contracts, effectively facilitating the flow of allowances to non-financial firms for their compliance obligations.

2.1.5. Technological innovation

Objectives for 2025

Adapt to digitalisation in financial markets by developing and strengthening the single rulebook and promoting supervisory convergence.

Consistently implement information security (Infosec) and cyber requirements by financial entities in the context of DORA and effective launch of the joint oversight regime of CTPPs by the ESAs.

Enable effective data-driven supervision of markets in crypto-assets.

Research and analyse the impact of digital innovation in financial markets, including as regards crypto-assets and AI.

Foster convergence in the regulatory and supervisory treatment of new or innovative financial activities and digital innovation, both within the EU and with other international counterparts.

Continue to identify emerging trends and risks that can have a high impact on investor protection and/or financial stability.

In 2025, ESMA continued to support the safe development of digital innovation in EU capital markets by strengthening supervisory convergence, contributing to a proportionate single rulebook and enhancing risk monitoring. ESMA's work focused on the implementation of DORA, the emergence of cyber and digital resilience as a new USSP, the roll-out of MiCA and the monitoring of innovative market infrastructures and technologies, including the DLT pilot regime, AI and DeFi.

Digital operational resilience and cybersecurity

In 2025, the ESAs advanced the implementation of DORA by operationalising key frameworks and launching oversight activities, while promoting

supervisory convergence across competent authorities. A detailed account of these activities is provided in section 2.3.3.

In particular, the ESAs completed the set-up of the oversight framework for CTPPs and formally launched oversight activities, including engagement with the designated providers and preparation of the 2026 oversight cycle. Further information on the governance structures, designation process and publication of the first list of CTPPs is included in section 2.3.3.

The ESAs also strengthened crisis preparedness and cross-authority coordination under DORA through the operationalisation of the European systemic cyber incident coordination framework (EU-SCICF) and related initiatives. The specific measures adopted in this context, including reporting, testing and information-sharing arrangements, are included in section 2.3.3.

Overall, these actions contributed to enhancing digital operational resilience in the EU financial sector, as part of the broader DORA implementation framework.

DLT pilot regime and tokenisation

In 2025, ESMA continued to support the implementation of the DLT pilot regime and to promote supervisory convergence regarding



innovative market infrastructure models. More specifically, ESMA issued a targeted report on the DLT pilot regime providing an overview of the EU market for authorised DLT market infrastructures and recommendations on how to expand participation in the regime. ESMA continued to engage with NCAs and stakeholders to facilitate consistent supervisory practices and support an orderly application of the framework, including by issuing ESMA opinions on DLT market infrastructures applications.

Beyond the DLT pilot regime, ESMA kept on monitoring the impact of the use of the DLT by EU financial market infrastructures, along with identifying risks and regulatory barriers to the adoption of the technology in the EU.

Artificial intelligence and AI Act preparations

In 2025, ESMA continued to analyse the use of AI in financial services, including the adoption of AI by investment funds (analysed in a TRV article) and the implications of new AI tools for retail investment services. In collaboration with NCAs, ESMA conducted a survey on AI adoption in the EU securities markets (to which over 700 firms responded) and will publish a TRV article with the main results in early 2026. This work supported ESMA's understanding of technology-driven developments and contributed to supervisory preparedness in the context of the evolving EU regulatory framework, including preparations relating to the AI Act. Finally, as chair of the European Forum for Innovation Facilitators, ESMA facilitated the sharing of knowledge and experience on the operation of financial sandboxes between EU financial competent authorities and the European AI Office.

Decentralised finance

ESMA published jointly with EBA a report on recent developments in crypto-assets, analysing DeFi and crypto lending, borrowing and staking, and continued to develop its analytical understanding of DeFi, including through the analysis of maximum extractable value, a phenomenon that originates from the decentralised structure of blockchain systems and can have negative externalities for DeFi users and crypto markets. This supported evidence-based monitoring of market innovation and supervisory awareness of emerging risks.

2.1.6. Effective use of data and information and communications technologies

Objectives for 2025

Deliver on the ESMA 2023–2028 data strategy.

Enhanced data hub: enhance the access to and quality of data and information to stakeholders, reinforcing ESMA's role as a data hub.

Access to data of public interest: increase the usability of information available to the public by ensuring machine readability of the disclosed data and explore innovative ways of sharing data with the market.

Systematic data use: maximise the value of the data and information provided, build data intelligence and design and implementation of all data frameworks throughout their lifecycle.

Data-driven supervision: identify, develop and implement common SupTech and data projects enhancing the EU-wide implementation of data-driven activities and contributing to the Commission's strategy on supervisory data in EU financial services.

Efficient data policy: develop an integrated reporting system, preceded by studies and subsequent report on integrated supervisory data collection, as foreseen under AIFMD/UCITS.

Thought leadership: engage with relevant stakeholders on data and data-related technologies to promote joint projects with markets and academia, along with data exchanges between ESMA and other authorities.

Provide effective and proactive ICT support to staff and manage ESMA's ICT resources in a flexible and efficient way.

Data strategy implementation

In 2025, ESMA delivered key milestones under its data strategy and adopted an updated implementation plan to reflect renewed political momentum for EU market integration, the increased use of AI, and the opportunities offered by new technologies to modernise supervision and improve efficiency in a

context of growing responsibilities and constrained resources.

ESMA further strengthened its role as a data hub by opening its data platform to the ESAs and continuing to onboard NCAs. It also enhanced data-driven supervision by launching the SupTech Network of Experts, now comprising over 300 members, to support knowledge sharing and tool mutualisation across the EU.

To support supervisory convergence in market abuse surveillance, ESMA acquired a common EU-wide tool for monitoring crypto markets, enabling ESMA and NCAs to collect on-chain and off-chain data in the context of the MiCA regulation and generate shared alerts. In parallel, ESMA adopted its digital strategy 2026–2028 and concluded the year with its first ESMA Data Day in December 2025, focused on digitalisation and reducing reporting burden.

Data quality and usage

In April 2025, ESMA published its fifth report on quality and use of data, highlighting increased data use by EU authorities for market monitoring and how the reuse of MiFIR transaction data for transparency and volume cap calculations has contributed to burden reduction.

Throughout the year, ESMA expanded the data quality engagement framework (DQEF), deploying technical tests for the transaction reporting exchange mechanism and launching automated dashboards for SFTR and EMIR REFIT to systematically identify reporting inconsistencies and enhance the reliability of datasets used for systemic risk analysis.

In May 2025, ESMA published a comprehensive DQEF package, reinforcing a structured EU-level approach to identifying, prioritising and remediating significant data quality issues affecting market surveillance. This included the SFTR Data Quality Dashboard specifications and a coordinated remediation framework, an EMIR REFIT data quality dashboard and framework for addressing major EMIR data issues, along with the MiFIR Article 26 transaction data DQEF and the short selling reporting DQEF with related technical test specifications to support consistent data quality checks and strengthen market surveillance and enforcement.

Transparency calculations and market capitalisation

ESMA fulfilled its annual mandate by publishing the non-equity transparency calculations in April and providing quarterly bond liquidity assessments.

A major shift occurred in October 2025, when ESMA facilitated the transition to the single volume cap (SVC) by publishing the first set of SVC data. This new mechanism limits trading under the reference price waiver to 7 % EU-wide, replacing the previous double volume cap to simplify equity trading. Additionally, following a summer consultation, ESMA delivered the final report on the methodology for calculating market capitalisation under the [Faster](#) and Safer Tax Relief of Excess Withholding Taxes Directive, providing a harmonised standard for EU tax relief procedures.



2.2. Key regulated sectors and entities

2.2.1. Investment management

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- retail investor protection (section 2.1.3);
- enabling of sustainability finance (section 2.1.4);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6).

This applies to the following areas: AIFMD, UCITS Directive, [MMF Regulation](#), [ELTIF Regulation](#), [European Social Entrepreneurship Funds Regulation](#), [European Venture Capital Funds Regulation](#), along with the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation, the SFDR Regulation and the [Taxonomy Regulation](#) (through the JC).

Regulatory framework for liquidity management, MMFs and UCITS eligible assets

In 2025, ESMA completed key elements of the regulatory framework to strengthen fund resilience and supervisory convergence across the EU. It finalised harmonised standards for liquidity management tools, including redemption gates and side pockets, enabling fund managers to manage

liquidity risks effectively in periods of market stress. Resilience was further reinforced through updated stress test scenarios for money market funds, incorporating severe adverse parameters reflecting geopolitical uncertainty.

In parallel, ESMA delivered its technical advice to the Commission on the review of the UCITS Eligible Assets Directive (EAD). The advice clarifies key concepts such as liquidity and transferable securities, addresses divergent national practices and analyses exposures to alternative assets. It also proposes targeted legislative amendments to enhance legal certainty, investor protection and the overall effectiveness of the UCITS framework.

Finally, in October, ESMA finalised regulatory technical standards (RTS) for open-ended loan-originating AIFs, establishing a principles-based framework for liquidity management.

Risk assessment and data quality

ESMA maintains a register of authorised European long-term investment funds (ELTIFs), providing transparency and accessibility for market participants. This register, which serves as a central repository of information on ELTIFs authorised in the EU, was updated by ESMA on an ongoing basis in 2025.

Peer review on depositary obligations

In November 2025, ESMA published its peer review report on the supervision of depositary obligations. The Peer Review found that all five NCAs assessed have put in place foundational frameworks for the supervision of depositaries. However, it also found notable divergences across jurisdictions in terms of the depth and maturity of supervisory approaches. While some NCAs demonstrated highly developed and granular supervisory practices, others displayed areas for improvement.



2.2.2. Investment services

Objectives for 2025

Strengthen the regulatory and supervisory framework for investment services through the delivery of key MiFID II/MiFIR policy mandates, including technical advice and RTS/ITS to improve investor protection and market functioning.

Enhance monitoring of cross-border investment services, by collecting and publishing evidence on firms operating across the EU/EEA and supporting consistent supervisory practices across NCAs.

Promote consistent and high-quality supervision of conflicts of interest and other MiFID II conduct-of-business rules, including launching an EU-wide CSA on conflicts of interests.

Ensure effective implementation of the European Crowdfunding Service Providers Regulation (ECSPR) by advancing technical reporting requirements, analysing market developments and supporting supervisory convergence in this new sector

Contributes to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- retail investor protection (section 2.1.3);
- enabling of sustainability finance (section 2.1.4);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6)

Annual market report on the EU crowdfunding market

ESMA published its second market report on crowdfunding in the EU, which provided an extensive overview of the sector following the transition to ECSPR. The report, based on a sample of 181 providers across 21 Member States, estimated that over EUR 4 billion of crowdfunding activity took place in

the EU in 2024. Notably, the report observed that retail investors tended to contribute smaller individual amounts compared with sophisticated and professional investors. This data serves as a critical evidence base for ESMA and NCAs to monitor the evolution of this relatively new market segment.

Supervisory reporting under the ECSPR

To further support the transparency and monitoring of the crowdfunding sector, ESMA maintained its focus on technical reporting requirements under the ECSPR. In early 2025, ESMA continued to coordinate with NCAs on the submission of certain ECSPR reporting data, aimed at streamlining the flow of information between national supervisors and ESMA

Monitoring cross-border provision of investment services

In 2025, ESMA published data on the cross-border provision of investment services to retail clients in the EU/EEA, providing evidence for supervisory monitoring of cross-border activity and related consumer outcomes. The publication highlighted that around 370 firms provided cross-border services, serving approximately 10.5 million retail clients in the EU/EEA, and reported year-on-year increases in retail clients and complaints.

Policy work under MiFID II

In 2025, ESMA published its final report on technical standards for order execution policies under MiFID II, following a public consultation. The report establishes the criteria for investment firms to design and regularly assesses their execution policies to ensure they consistently deliver the best possible result for their clients.

In April 2025, ESMA delivered technical advice on MiFID II research provisions, following a consultation on joint payments for execution and research. This was followed by the final report on an EU code of conduct for issuer-sponsored research, introducing standards to safeguard the independence of research, particularly for small and medium-sized enterprises. The year concluded with the launch of a CSA on MiFID II conflicts of interest to ensure consistent protection across the EU.

2.2.3. Issuers

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- retail investor protection (section 2.1.3);
- enabling of sustainable finance (section 2.1.4);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6).

This applies to the following areas: [Prospectus Regulation](#), [Transparency Directive](#), [Corporate Sustainability Reporting Directive \(CSRD\)](#), [Taxonomy Regulation](#), [Takeover Bid Directive](#), [Shareholder Rights Directive](#), [Audit Regulation](#), [Accounting Directive](#), [Corporate Sustainability Due Diligence Directive](#) and [International Accounting Standards Regulation](#).

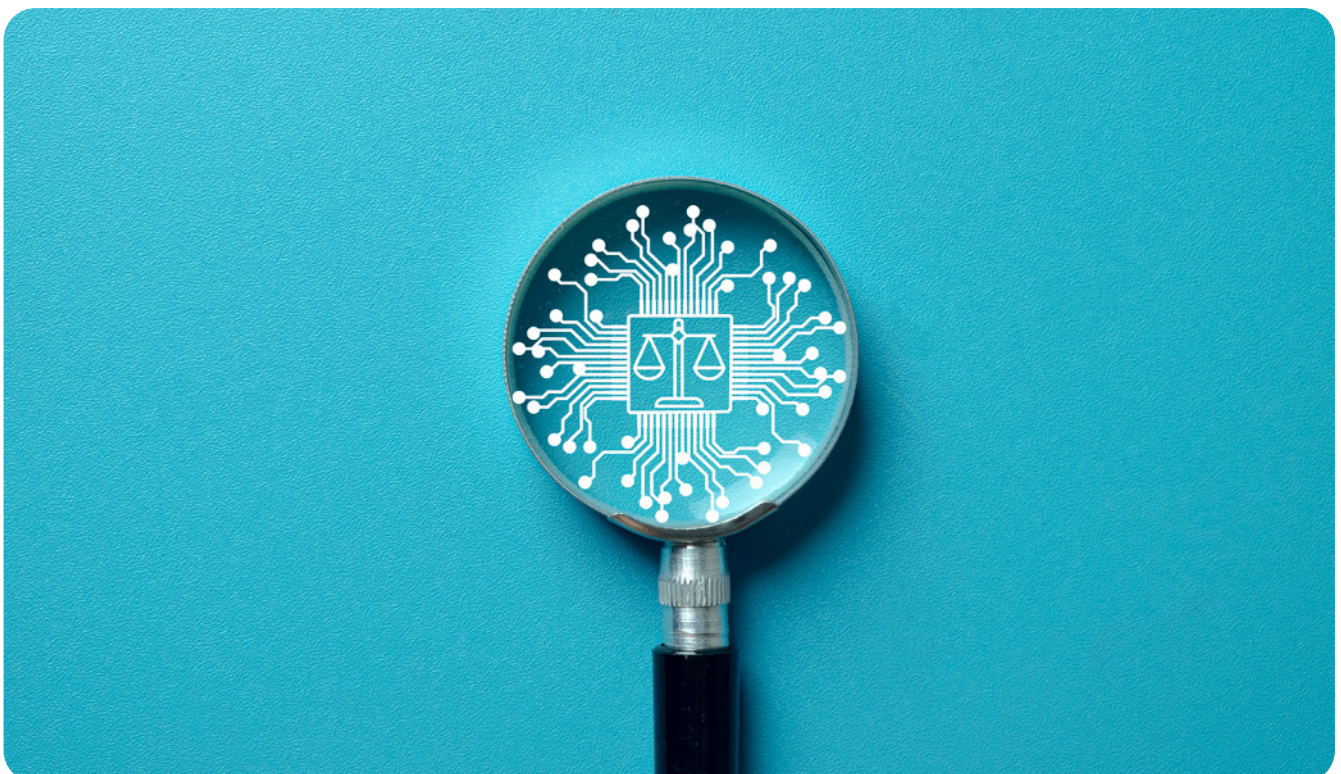
Contribute to standard-setting activities for financial and sustainability reporting.

Financial reporting

ESMA collaborated with the International Accounting Standards Board and EFRAG to refine international standards, specifically focusing on the equity method and provisions to ensure EU-wide consistency. It also provided technical input on IFRS 16 (governs lease accounting) and IFRS 18 (standard on presentation and disclosure in financial statements). Regarding supervisory convergence, ESMA published its 30th extract of enforcement decisions covering complex issues like goodwill and revenue recognition.

Sustainability reporting

ESMA provided a response to EFRAG's consultation on the draft revised European Sustainability Reporting Standards. In relation to supervisory convergence, following the publication of the Guidelines on Enforcement of Sustainability Information in 2024, 2025 marked the shift from framework design to active application. Moreover, ESMA issued a public statement to provide clarity on the interplay between the applicable reporting requirements and the possible changes arising from the Omnibus proposals as well as a fact-finding on 2024 reporting practices related to materiality.



European Single Electronic Format

In early 2025, ESMA maintained the digital reporting landscape by updating European Single Electronic Format (ESEF) XBRL files and the Conformance Suite. It issued a final report on the 2025 taxonomy to align with new International Financial Reporting Standards (IFRS) requirements and published an updated ESEF reporting manual to guide issuers on digital tagging for financial statements.

Corporate reporting enforcement and regulatory activities

In March, ESMA published its 2024 corporate reporting enforcement and regulatory activities report, assessing how European listed issuers complied with IFRS, ESEF and non-financial reporting obligations.

In October, ESMA announced the 2025 European common enforcement priorities. The priorities for the upcoming reporting cycle focus on the materiality of sustainability information, the structure of sustainability statements, the continued accuracy of financial statements in a complex economic environment, segment reporting and specific common errors found in the statement of cash flows with respect to ESEF reporting.

Major shareholdings

In addition to discussing supervisory cases in the context of shareholding notifications, ESMA updated the Practical Guide on notifications of major holdings under the Transparency Directive to facilitate compliance by market participants with regulatory requirements in a decentralised reporting framework, in which reporting channels and formats are defined by Member States, while notifiers and users of the information are established in multiple jurisdictions.

Prospectus

In 2025, ESMA focused on streamlining the prospectus regulatory framework to improve market access in line with the goals of the Listing Act and contributing to ESMA's SBR agenda, while maintaining robust investor protection. Key deliverables included technical advice on prospectus format and content, emphasising proportionate ESG disclosures for non-equity securities and more predictable scrutiny criteria for national authorities.

Regulatory consistency was further supported through new RTS on incorporated documents and regular Q & As.

2.2.4. Market integrity

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6).

This applies to the area of the MAR and the [Short Selling Regulation](#).

Listing Act

In May 2025, ESMA delivered technical advice to the Commission to support the Listing Act's objective of enhancing EU companies' access to public capital markets and strengthening market integrity. In light of the changes introduced by the Listing Act to the framework for the disclosure of inside information, the advice identified key moments for public disclosure within protracted processes and clarified situations where delays in disclosure are not permitted. This work contributes to the broader simplification and burden-reduction agenda by providing a clearer and more harmonised framework across Member States. In October 2025, ESMA also published a final report and revised ITS extending the



alleviated format for insider lists aimed at ensuring a more proportionate and less burdensome framework for issuers.

Strengthened cooperation between energy and financial regulators in relation to market integrity risks

In November 2025, ESMA hosted the 8th Energy Trading Enforcement Forum, bringing together financial and energy regulators and the EU agencies ESMA and the European Union Agency for the Cooperation of Energy Regulators. The discussions focused on integrity risks relating to algorithmic trading and trends in potentially manipulative behaviour, including exchanges on enforcement cases and the first referrals by NCAs to prosecutors for market abuse involving energy products classified as financial instruments.

ESMA's report on suspicious transaction and order reports

As in previous years, in 2025 ESMA published a report providing an overview of how suspicious transaction and order reports (STORs) are used across different jurisdictions in the context of the detection and investigation of market abuse, and how their use has evolved over time. The data gathered by ESMA for this report indicate results broadly consistent with previous years, although noting a slight decrease in

the total number of STORs and other notifications received by NCAs. Moreover, other metrics, such as the type of reporting entities, the instruments concerned and the nature of the violations, also show very similar patterns to previous years, with only minor variations.

2.2.5. Benchmark providers

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- enabling of sustainability finance (section 2.1.4); and
- effective use of data (section 2.1.6)

This applies to the area of the BMR.

BMR review and changes to ESMA's supervisory responsibilities

In 2025, the BMR was revised, significantly narrowing its scope to critical and significant benchmarks, EU



Paris-aligned and Climate Transition benchmarks, and certain commodity benchmarks. The amendments also expanded ESMA's supervisory role to include EU administrators endorsing third-country benchmarks, making ESMA the gatekeeper for all in-scope third-country benchmarks entering the EU.

As the revised BMR applies from 1 January 2026, ESMA and NCAs coordinated in 2025 to prepare for the new framework, including handling recognition and endorsement applications and ensuring the smooth transfer of supervisory responsibilities from NCAs to ESMA.

CSA on ESG disclosure rules for benchmark administrators

In April 2025, ESMA published its final report on the CSA on ESG disclosures under the BMR which took place in 2024. This was the first CSA that ESMA conducted together with NCAs in its role as a direct supervisor of Benchmarks Administrators, and it resulted in recommendations:

- to the Commission for potential amendments to the BMR Level 2 measures with the objective to alleviate the regulatory burden on benchmarks administrators; and
- to benchmarks administrators with the objective to enhance transparency and comparability of ESG information for the benefit of users of benchmarks.

In the report ESMA considered the wider regulatory context on sustainable finance and the need to ensure consistency and compatibility of the ESG disclosure requirements across the various sustainable finance legislations.

Euribor supervision

Following the implementation of material changes to the Euro Interbank Offered Rate (Euribor) methodology and in the context of the Euribor College, ESMA (as the supervisor of the administrator of Euribor and Chair of the College) and the relevant NCAs (as supervisors of the Euribor panel banks and members of the College) put particular emphasis on the assessment and monitoring of Euribor's representativeness and resilience to potential changes to the composition of the panel. The College also focused on panel banks' audit practices and findings; this work aimed at fostering convergence

among NCAs' supervisory approach over panel banks' audits. Furthermore, ESMA continued to enhance its data-driven analysis of Euribor representativeness, developing new metrics and indicators and leveraging on its exclusive access to a combination of money-market related data.

In early 2025, the Euribor panel was expanded to include two new credit institutions from Greece and Finland, supporting its geographical representativeness.

International cooperation

ESMA continued to strengthen its international engagement in the area of benchmarks. In 2025, ESMA concluded a memorandum of understanding (MOU) with the New Zealand Financial Markets Authority. The MOU established a framework for supervisory cooperation and information exchange, supporting effective cross-border supervision of benchmark administrators and contributing to the stability and integrity of global benchmark markets.

2.2.6. Credit rating agencies

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- enabling of sustainability finance (section 2.1.4);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6).

This applies to the area of the [Credit Rating Agencies Regulation](#).

Ensure that credit ratings in the EU are independent, objective and of high quality by conducting effective supervisory activities.

Engage with market participants to exchange views on market trends and credit rating agency (CRA) practices.

In 2025, ESMA increased its engagement with the 20 registered CRAs⁹ in response to geopolitical events and the evolution of trade policies, with the objective of ensuring the ongoing suitability of their rating methodologies and surveillance activities.

ESMA continued its work on the development and application of methodologies, notably in the European structured finance market, which entailed significant engagement with market players to better understand CRAs' practices in this area. ESMA also continued to assess the independence and quality of credit ratings and requested certain CRAs to improve key processes in these areas. Remedial actions were also issued to address concerns relating to the systematic application of methodologies, sufficiency of analytical resources and effectiveness of internal controls.

With respect to product offerings, ESMA focused on monitoring CRAs' activities in the context of private credit, as the market has been growing significantly in size and importance in recent years.

Finally, ESMA started to explore potential use of AI techniques in reviewing and assessing information from press releases and methodologies, aiming at improving its data-driven market surveillance activities.

Enforcement and sanctions

Enforcement activity remained a key element of ESMA's direct supervision of CRAs in 2025. ESMA fined ModeFinance S.r.l. EUR 420 000 for the misleading use of ESMA's identity in rating statements.

Market monitoring and transparency

As part of its ongoing market monitoring activities, ESMA published the 2025 CRA market share calculation. The report provided updated information on market concentration and the distribution of rating activity across registered CRAs, supporting transparency for market participants and contributing to the assessment of competitive dynamics in the EU credit rating market.

2.2.7. Market transparency infrastructures

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6).

This applies to the areas of EMIR, Securities Financing Transactions Regulation (SFTR) reporting, MiFIR transparency and transaction reporting, and the Securitisation Regulation (SECR).

Ensure high quality, availability and integrity of the data and operational resilience of market transparency infrastructures (MTIs) under its remit in collaboration with those NCAs supervising reporting entities and data users.

Monitor and promote the consistent application of EMIR, SFTR, MiFIR and SECR, ensuring effective implementation of regulatory requirements. In the context of SECR, focus on those related to transparency, due diligence and STS securitisation.



⁹ Including groups of CRAs to avoid multiple counting and excluding three non-EU CRAs under the certification regime. See [CRA Authorisation](#) on ESMA's website.

ESMA directly supervises several types of market infrastructure entities that provide transparency in EU financial markets (market transparency infrastructures or MTIs). Until 2025, these included four Trade Repositories (TRs) registered under EMIR and SFTR, eight data reporting services providers (DRSPs) under MiFIR and two securitisation repositories (SRs) under SECR.

ESMA will also soon start supervising the first EU CTPs and therefore in 2025 it conducted preparatory work for the authorisation of the applicants that were selected to operate the bond and equity tapes in July and December respectively.

In 2025, ESMA continued to focus on the operational resilience and data quality of MTIs, taking into account the start of application of the new DORA requirements. ESMA notably focused on ICT incident reporting practices of MTIs with a view to ensuring alignment with DORA.

In mid-2025, ESMA also launched a review across the higher risk MTIs that belong to wider corporate groups with the aim of deepening its understanding on how group-level strategies, decisions and structures affect ESMA supervised entities.

Trade repositories

In 2025, ESMA continued to support transparent and well-functioning derivatives and securities financing markets through its work on EMIR and SFTR reporting and its direct supervision of TRs. This work contributed to effective markets and financial stability, by strengthening authorities' ability to monitor risks and exposures, and to effective supervision, by supporting consistent implementation of reporting obligations across the EU. It also supported technological innovation and the effective use of data, notably by continuing and further enhancing EU-wide data quality activities, aimed at increasing the quality, availability and usability of EMIR/SFTR data for supervisors and other relevant stakeholders. This work contributed to more robust reporting practices and to enhancing the value of reported information for authorities' monitoring and analytical needs. In February 2025, ESMA updated its Q & As providing targeted clarifications to support market participants in applying key aspects of the EMIR reporting framework.

Data reporting services providers

In 2025, ESMA continued to support the integrity and usability of market data by promoting the highest quality of transaction data reported via approved reporting mechanisms and transparency data published via approved publication arrangements. This work was carried out in cooperation with the NCAs responsible for supervising reporting entities and aimed at ensuring that transaction and transparency data remains reliable for market monitoring and supervisory purposes.

Furthermore, having exceeded the derogation thresholds for two consecutive years, two additional DRSPs became subject to ESMA's direct supervision on 1 June 2025. Prior to the transition, ESMA proactively engaged with both the new DRSPs and their former NCAs to ensure a smooth transition of historical supervisory information. Upon the request of one of these entities, ESMA withdrew the authorisation of its approved reporting mechanism business under MiFIR (the entity remains authorised as an approved publication arrangement).

In November 2025, ESMA published the conclusions of its annual assessment of derogation criteria confirming that no changes to the existing derogation status were warranted before 2028. This provided operational certainty to market participants relying on DRSP services and supported continued consistency in the application of the MiFIR framework for transparency and transaction reporting across the EU.

Finally, ESMA continued to enhance its supervisory framework and developed dedicated suitability matrices to support the selfassessment of members of DRSP management bodies. These matrices establish harmonised standards for DRSPs to apply when appointing new or assessing existing members (e.g. during authorisation) of the management bodies. ESMA will consider the opportunity to extend the framework to other supervisory mandates in the future.

Securitisation

Transparency and disclosure requirements. In the first half of 2025, ESMA supported the development of the securitisation transparency framework through targeted technical work on the review of disclosure requirements. Building on its earlier consultation in

2023, ESMA launched a targeted consultation to gather stakeholder views on revisiting the disclosure requirements for private securitisations and included draft technical standards on the implementation of a simplified template for private securitisation. In July, ESMA published a feedback statement presenting the outcome of that consultation, taking into account stakeholders' feedback, along with the broader legislative context. These proposals focused on creating proportionate disclosure requirements for all private securitisations, aimed at reducing reporting complexity and better reflecting the bilateral nature of such transactions. The revised technical standards were designed to prioritise supervisory needs and would have to be applied to private transactions where all sell-side entities are established in the EU.

Ongoing review of the securitisation regulatory framework. In addition to its contribution to the work of the JC Securitisation Committee (see section 2.3.6), in 2025 ESMA closely followed the ongoing review of the regulatory framework and contributed input at different levels, including to the FSB evaluation of the G20 financial regulatory reforms on securitisation, where ESMA notably highlighted the impact of the 2017 EU securitisation framework on market functioning. ESMA also drew attention to investor protection considerations, especially in the collateralised loan obligation (CLO) segment, and to potential risks stemming from diverging international standards.

2.2.8. Third-country CCPs

Objectives for 2025

Contributes to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision and convergence (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data and ICT technologies (section 2.1.6)

This applies to the area of CCP supervision and policymaking.

Address systemic risks resulting from third-country CCPs or clearing services deemed substantially systemic for the financial stability of the EU or one or more of its Member States.

ESMA continued its risk-based supervision of third country (TC) CCPs, with a significant focus on the oversight of systemically important entities and international cooperation.

Recognition and market access

In 2025 ESMA recognised three CCPs established in the United Arab Emirates as Tier 1 CCPs. Moreover, ESMA extended the recognition of the three UK CCPs following the new equivalence decision by the Commission and subsequently, following a comprehensive tiering and recognition review, confirmed the recognition of LCH Ltd as a Tier 2 CCP and of LMEC as a Tier 1 CCP, as part of the regular five-year review cycle.

ESMA regularly updated the official list of recognised TC CCPs, reaching 40 TC CCPs at the end of 2025, providing market participants with clear information on the entities authorised to operate within the EU.

ESMA continued to monitor the Tier 1 TC CCPs, ensuring they meet the necessary regulatory standards to offer services in the EU.

ESMA issued a public statement regarding upcoming reporting obligations under EMIR 3 specifically for third-country infrastructures, ensuring a clear timeline for compliance with the revised regime.

Tier 2 CCP direct supervision

ESMA is a direct supervisor of two TC CCPs established in the United Kingdom – LCH Ltd and ICE Clear Europe Ltd – which are deemed systemically important for the EU (Tier 2 CCPs).

According to EMIR, one of the conditions for recognition of a TC CCP by ESMA is the establishment of cooperation arrangements between ESMA and the relevant third-country authority. In March 2025 ESMA and the Bank of England signed a revised MOU. The revised MOU follows the amendments introduced by EMIR 3 on the requirements concerning the content of such cooperation arrangements, particularly cooperation in respect of Tier 2 TC-CCPs. It strengthens the framework for information exchange

and joint reviews. The revised MOU replaces the earlier version that ESMA and the Bank of England concluded in 2020.

Effective cooperation with the Bank of England remains a key element of ESMA's supervisory approach. In 2025, ESMA held regular meetings with Bank of England staff, conducted joint reviews across wide range of supervisory topics and participated in global colleges.

ESMA completed its 2025 annual review cycle, consisting of a compliance assessment with EMIR and a comprehensive risk evaluation. As part of the 2025 annual review, ESMA also assessed compliance with applicable provisions of DORA through the related EMIR articles governing the operational structure, business continuity policy and recovery plans for ICT systems, and will continue its assessment in 2026.

In line with its supervisory approach, ESMA considered the outcome of the annual review along with other CCP-specific initiatives, the broader economic environment and regulatory development to determine its supervisory priorities and follow-up actions.

Throughout 2025, ESMA closely monitored developments relating to its supervisory priorities through targeted reviews, assessment of new

initiatives and regular engagement with supervised entities. Areas of close monitoring included operational risk and resilience, with a focus on governance and operational arrangements, operational incidents, third-party dependencies and backtesting performance. ESMA also conducted an on-site supervisory meeting to observe the organisation of a CCP's annual fire drill.

ESMA reviewed several initiatives impacting the models used for risk management. Two initiatives qualified as model changes that required validation by ESMA, with one of those conducted through the new accelerated procedure under EMIR 3. These changes affected the models used for the calculation of margin requirements for equities and energy derivatives.

Data-driven supervision was further enhanced in 2025, leveraging daily supervisory data. ESMA developed interactive dashboards to support ongoing risk monitoring and continued to provide regular updates to the CCP Supervisory Committee (CCP SC) covering supervisory and market developments.



2.2.9. EU CCPs

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision and convergence (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data (section 2.1.6).

This applies to the area of CCP supervision and policymaking under EMIR and the CCP Recovery and Resolution Regulation (CCP RRR).

Assess the resilience of CCPs to adverse market developments and identify potential risks for financial stability with the use of CCP stress tests and an enhanced supervisory database.

In 2025, ESMA focused on the practical implementation of the EMIR 3 framework to strengthen the resilience and transparency of EU-based infrastructures.

EMIR 3 implementation and policy development

Following extensive public consultation, ESMA published its final report on the active account requirement, which defines the operational and representativeness conditions for accounts held at EU CCPs, with the objective to reduce systemic reliance on Tier 2 third-country CCPs. ESMA also delivered a final report on draft amendments to the RTS on colleges for CCPs, to reflect the changes introduced by EMIR 3 on the functioning of CCP colleges.

Following a consultation process, ESMA delivered final reports on RTS for CCP authorisations, extensions of services and model validations. These standards streamline the process for EU CCPs to expand their activities while ensuring robust risk management.

Supervisory convergence

ESMA co-chaired the 14 CCP Colleges in coordination with the NCAs and implemented a pragmatic interim

solution for the prompt sharing of documents with the CCPs and within CCP colleges, pending the development of the central database.

ESMA provided 22 opinions on NCAs' draft decisions, reports and measures in relation to five extensions of services, two partial withdrawals of authorisation, 13 reports on annual reviews of CCPs and two qualifying holding changes. Moreover, ESMA provided input to two NCAs' authorisation extensions under the accelerated procedure.

ESMA published the 2024 CCP peer review report, which focused on outsourcing and intragroup governance arrangements. The review assessed NCA supervision of these areas to ensure that CCPs maintain full operational control when using third-party providers.

ESMA identified preparedness for DORA and concentration risk as CCP supervisory priorities in 2025 and monitored NCAs' activities to promote coordinated supervision in these areas. ESMA also facilitated exchange of information among NCAs and discussions on the findings from NCAs' annual review on the CCP recovery plans.

ESMA developed a common methodology for the evaluation of risks to which CCPs are (or might be) exposed, within the context of the annual review.

Following the establishment of a service-level agreement (SLA) between the Hellenic Capital Market Commission (HCMC) and ESMA regarding the delegation of supervisory tasks to ESMA in relation to the validation of significant model changes, ESMA completed the risk assessment for the validation of a significant risk model change on behalf of the HCMC.

Finally, in the context of the two-year project 'Capacity enhancement for CCPs' authorisation, supervision, recovery and resolution in Croatia, Greece, Poland, Portugal, and Romania', within the framework of the Technical Support Instruments promoted by the Commission's Reform and Investment Task Force, ESMA has been tasked to provide technical support to the participating supervisory and resolution authorities by providing recommendations and capacity-building activities for the enhancement of their practices. In this first year, ESMA reviewed the beneficiary authorities' current practices with the view to identify areas of improvement and delivered eight training sessions on topics relating to CCP

supervision and resolution. The training sessions involved workshops with relevant peer NCAs and National Resolution Authorities, to foster cooperation and the exchange of experience and good practices amongst them.

Validation of significant model changes

ESMA validated 13 risk model changes of EU CCPs, including eight significant model changes and five non-significant changes validated under the new accelerated process in EMIR 3. The changes impacted a broad range of core risk management models, such as for the calculation of initial margins, add-ons, default fund contributions, calibration of collateral haircuts or the performance of stress tests, and different asset classes including equities, fixed income, repos, interest rates, credit and energy.

In each case, the assessment included an evaluation of the conceptual soundness of the model, a review of the parameters and assumptions, an analysis of the outcome of testing results, a review of the associated ongoing monitoring procedures and other elements required for a comprehensive validation. Where needed, the validation decisions included conditions and recommendations as required to

ensure or enhance compliance with regulatory requirements.

Crisis preparedness and global fire-drill exercise

In November 2025, a global fire drill exercise took place with the participation of the majority of EU CCPs. ESMA prepared and coordinated the fire drill together with other regulators around the world, acting as a relay of information and a facilitator for EU CCPs and NCAs. A communication test of the CCP SC was also held, exploring the use of alternative communication channels, aiming at enhancing crisis preparedness and effective coordination among relevant stakeholders.

Joint Monitoring Mechanism

In 2025, ESMA established the Joint Monitoring Mechanism (JMM) in line with EMIR. The JMM acts as a cross-sectoral monitoring mechanism bringing together the relevant EU-based authorities involved in the supervision of EU CCPs, clearing members and clients. During its first year, the JMM focused on the monitoring of the implementation of the AAR and cross-border dependencies. ESMA adopted its terms of references, put in place operational arrangements



and initiated regular risk updates, supporting a more coordinating approach to the monitoring of developments in the EU clearing ecosystem.

Resolution

ESMA continued participating in the 13 CCP resolution colleges established under CCPRRR.

To enhance crisis preparedness, ESMA provided a briefing on the operationalisation of resolution cash calls. This tool provides guidance to resolution authorities on maintaining the continuity of critical functions during a failure. Additionally, ESMA approved a briefing on the assessment of critical functions in April 2025, which aims to ensure a common understanding and consistent application of the criteria used to identify functions whose discontinuance would likely lead to the disruption of services essential to the real economy or to financial stability.

2.2.10. Central securities depositories

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data (section 2.1.6).

This applies to the area of the Central Securities Depositories Regulation (CSDR).

Participate in CSD colleges of supervisors when effective under CSDR REFIT.

Recognise third-country CSDs and monitor compliance with recognition decisions, if any.

In 2025, ESMA continued to promote safe and efficient post-trade markets by advancing regulatory work and supervisory convergence under the CSDR. ESMA's activities supported effective markets and financial stability by reinforcing settlement efficiency and the robustness of EU securities markets, and contributed to effective supervision, by supporting

consistent implementation of settlement discipline across the EU. ESMA's work also supported the effective use of data, notably through maintaining key public registers and publishing evidence-based reporting on market developments relevant to supervisory monitoring.

T+ 1 preparations

In October 2025 ESMA published a report proposing key reforms to settlement discipline, aimed at enhancing settlement efficiency across the EU, facilitating a coordinated and safe transition to a shorter settlement cycle (T+1), and reducing the administrative burden on CSDs and market participants (see section 1.2.4).

Settlement discipline – supporting market efficiency and operational readiness

In March 2025, following a major incident impacting TARGET services (T2S and T2) which disrupted settlement processing for several hours, ESMA issued a statement clarifying that NCAs did not expect CSDs to apply cash penalties under the CSDR penalty mechanism for settlement fails occurring during the affected days. This clarification supported operational certainty for market participants and ensured a consistent supervisory response to an exceptional market-wide event.

In June 2025, ESMA published its Technical Advice to the Commission on the scope of CSDR settlement discipline, covering the underlying causes of settlement fails that are considered as not attributable to the participants in the transaction, and the circumstances in which operations are not considered as trading, and which should not be subject to settlement discipline measures.

In October 2025, ESMA published the final report on amendments to the RTS on settlement discipline as part of the CSDR REFIT mandate to recalibrate and clarify aspects of the settlement discipline framework. The targeted changes aimed at making settlement discipline measures more operational and proportionate, supporting the smooth functioning of EU settlement processes.

CSD requirements

In February 2025, ESMA published three sets of technical standards under the CSDR REFIT. The proposed rules relate to the information to be provided by European CSDs to their NCAs for the review and evaluation process, to the criteria for assessing the importance of European CSDs in a host Member State and to the information to be notified by third-country CSDs to ESMA.

2.2.11. Trading

Objectives for 2025

Contribute to the objectives of:

- effective markets and financial stability (section 2.1.1);
- effective supervision (section 2.1.2);
- technological innovation (section 2.1.5); and
- effective use of data (section 2.1.6).

This applies to the area of EMIR, MiFID II and MiFIR.

Monitor market developments relating to market integrity, secondary markets (including commodity derivative markets) and in relation to post-trading to further support orderly markets.

MiFID II/MiFIR review and consolidated tape providers

In 2025, ESMA marked a significant milestone in the MiFIR review by successfully conducting the first selection procedures for CTPs in the EU (see section 1.2.4).

Market transparency and structure

ESMA continued to provide critical guidance on the transition to the revised MiFID II/MiFIR regime including by providing further updates to selected Q & As on transparency and market structure. In early 2025, ESMA issued updated instructions and statements regarding the transition, including the start of the designated publishing entity regime on 3 February. This regime replaced the previous publication system for systematic internalisers' data, aiming to streamline post-trade transparency and reduce the complexity of reporting for market participants.

To further promote convergence, ESMA published an updated manual on pre- and post-trade transparency, providing market participants with a single point of reference for compliance with the new requirements. Furthermore, ESMA updated the standard market size calculations, which introduced new quoting obligations for SIs to ensure that liquidity provision remains robust under the revised framework.

In the area of transparency, ESMA additionally delivered final rules on derivatives' transparency in the context of the MiFIR review.



ESMA additionally engaged in an analysis of the current EU trading landscape and market structures based on transaction reporting data. The analysis, still ongoing in 2026, is aimed at gathering a better understanding of the recent evolution in the EU trading for shares and its current characteristics looking at key variables as liquidity, lit trading, etc.

Supervisory convergence and coordination

Building on the work initiated in 2024, ESMA concluded its coordinated supervisory exercise on MiFID II pre-trade controls. The findings identified several convergence opportunities to ensure that EU investment firms using algorithmic trading techniques have robust controls in place to prevent market disorderly trading. ESMA will follow up on this workstream in 2026

In the area of market structure, ESMA delivered final rules on the SVC, the revised RTS 7a, including provisions on circuit breakers and the ITS on SI notification. Following public consultations, the final report specified the methodology for the SVC to limit the amount of dark trading in the EU, as well as the parameters for circuit breakers to be used by trading venues to halt trading during periods of significant volatility.

Energy and commodity derivatives

ESMA maintained its close monitoring of energy derivative markets where prices were highly volatile at the beginning of 2025 influenced by geopolitical events, weather conditions and supply chain dynamics. In addition, ESMA kept following trends in EU agricultural derivative markets.

Furthermore, alongside the Commission's services and the Agency for the Cooperation of Energy Regulators, ESMA participated in the Gas Market Task Force set up under the Commission's 2025 Clean Industrial Deal Communication and Action Plan for Affordable Energy. In accordance with its mandate, the task force scrutinised the functioning of the EU's gas market and gas derivatives markets and considered potential areas for improvement to ensure that European gas and gas derivatives markets are delivering to the benefit of European competitiveness and consumers.

In early May, ESMA published its response to the Commission's targeted consultation on the review of commodity derivatives markets and certain aspects relating to spot energy markets. In its response, ESMA advocated for the streamlining of regulatory data reporting in commodity derivatives under EMIR/MiFIR and REMIT and further consolidation of EMIR/MiFIR and REMIT data. ESMA also suggested amending MiFID to give NCAs access to the identity of third-country position holders for a more straightforward enforcement of position limits and to provide trading venues trading commodity derivatives with a broader access to over-the-counter contracts for position management control purposes.

In June 2025, ESMA issued a positive opinion on the position limits that BaFin (the German Federal Financial Supervisory Authority) intended to apply to the EEX THE gas contract after the contract became a significant contract under MiFID II for position limit purposes.

To prepare for the implementation of the revised MiFID II framework for weekly position reports in 2026, ESMA provided updated instructions and XML schemas for weekly commodity derivative position reporting by trading venues to ESMA.

Implementation of the EMIR 3 regime

Following the entry into force of EMIR 3, ESMA worked throughout 2025 on ensuring consistent implementation and on developing the related policy mandates. In particular, with respect to the former, as the obligations started to apply to counterparties, ESMA conducted supervisory convergence work with the national authorities to facilitate the transition to the amended regime for third-country intragroup exemptions from the clearing obligation and bilateral margining, and on the roll-out of the new post trade risk reduction (PTRR) exemption regime that sets the conditions for when transactions generated by PTRR services can be exempted from the clearing obligation. On the second part, the policy side, ESMA analysed EMIR data and ran a consultation on the new clearing threshold RTS. Across all this work, ESMA took into account the broader objectives of SBR, properly considering current practices as to limit the efforts and changes to implement these new EMIR 3 provisions.

2.3. Joint Committee

In 2025, the JC, chaired by EIOPA, continued to play a central coordinating role by facilitating dialogue and information exchange among the three ESAs, the Commission, and the European Systemic Risk Board.

Throughout the reporting period, the JC and its dedicated sub-committees contributed to strengthening consumer protection, financial stability and supervisory convergence across the EU. In an environment marked by heightened geopolitical uncertainty, accelerating digitalisation and rapid financial innovation, the ESAs focused on ensuring that regulatory frameworks remain robust, proportionate and forward-looking.

Key priorities included safeguarding consumers in increasingly digital financial markets; reinforcing operational and cyber resilience under DORA; advancing sustainable finance disclosures; and deepening cross-sectoral risk assessments.

2.3.1. Digital operational resilience

The implementation of DORA was at the core of the JC work in 2025.

On the policy side, the ESAs successfully delivered all mandated legal instruments under DORA, laying the foundation for enhanced digital operational resilience across the EU financial sector. They also launched new initiatives to promote supervisory convergence in the implementation of DORA by competent authorities. In parallel, they issued practical guidance and tools to support financial entities in preparing for DORA's application as of 17 January 2025.



In December, the ESAs replied to the Commission's request to assess whether statutory auditors and audit firms should be included in the list of entities subject to DORA.

To enable effective oversight of CTPPs, the ESAs completed all necessary preparatory work to establish the new governance structures, including the Joint Oversight Network and the Oversight Forum, and the respective methodologies and procedures to support conducting oversight activities. Between April and November 2025, based on a structured criticality assessment and using data from financial entities' registers of information under DORA, the ESAs designated 19 CTPPs and appointed the Lead Overseer for each, which was the EBA. On 18 November 2025, the ESAs published the list of CTPPs. This represented a key milestone in the implementation of the DORA framework.

Following the designation, the ESAs started formal engagement with the CTPPs prepared draft oversight plan for the oversight activities in 2026 and prepared for collecting oversight fees from CTPPs as of 2026. The ESAs also progressively established the Joint Examination Teams by the end of 2025.

The ESAs published a study on the feasibility of further centralising ICT incident reporting. Furthermore, the ESAs operationalised the EU-SCICF by adopting the Forum's terms of reference and initiating regular Forum activities. The framework aims to prepare and to facilitate communication and coordination between authorities in case of ICT-related incidents posing a risk to financial stability. The ESAs also finalised and submitted the A2 report to EU institutions, identifying legal and operational barriers and proposing measures to strengthen the framework. To enhance preparedness, the EUSCICF developed and endorsed a crisis coordination protocol, executed a crossmember connectivity test (Q2) and a reactivity test (Q4), while establishing a repository that maps EU crisis frameworks and interactions. Finally, the ESAs set up the Cyber Incident Information Sharing and Threat Intelligence Exchange (CITE) under the EUSCICF as the new EU-level mechanism for sharing cyberincident intelligence promoting crossjurisdictional exchange of threat information and lessons learned from major ICT incidents.

Taken together, these actions constitute a comprehensive and coordinated effort to bolster the

EU's resilience to ICT-related risks, while significantly enhancing the financial system's collective capacity to respond to major digital disruptions and emerging cyber threats.

2.3.2. Simplification and burden reduction

The JC supports the Commission priority to simplify and reduce complexity and unnecessary burdens of the current EU financial legislative framework, with the aim of enhancing economic growth and the competitiveness of the EU. Efforts to make the regulatory framework more efficient must neither undermine the core objectives of safeguarding financial stability and protecting consumers, nor the integrity of the single market.

To support the EU's goal of reducing administrative and regulatory burden, the ESAs have already developed several targeted measures and initiatives within their respective sectoral mandates. In 2025, the ESAs have started working on proposals to simplify the PRIIPs KID and have deprioritised an annual report on principal adverse impact disclosures under SFDR. This work will continue in 2026 by leveraging coordinated efforts through existing structures, in particular the JC, to ensure that simplification of financial services regulation is coherent and aligned for all topics with cross-sectorial relevance.

2.3.3. Joint risk assessments

In 2025, the JC continued to serve as a key forum for the discussion of cross-sectoral risks and risk analysis. In the context of its work on micro-prudential assessments of cross-sectoral developments, risks, and vulnerabilities to financial stability, the JC prepared analytical material for the Spring risk presentation and published a comprehensive Joint Autumn 2025 Risk Report.

Global economic conditions became more challenging amid heightened geopolitical tensions and shifts in global trade policies. The introduction of new trade barriers, together with ongoing conflicts in Ukraine and the Middle East, increased uncertainty, weighed on growth prospects and contributed to elevated market volatility. Economic growth forecasts were revised downward in early 2025, reflecting persistent uncertainty, the potential impact of trade

disruptions, and diverging monetary policy paths among major economies. While some improvement in expectations emerged as trade measures became clearer, downside risks remained significant across 2025.

Against this backdrop, financial institutions and authorities should remain vigilant. Strengthening risk management practices, enhancing resilience to cyber threats and ensuring preparedness for market shocks are essential. Continued monitoring of emerging risks and how they might impact the various financial sectors – including those relating to digital assets and non-bank financial intermediation, are important to support financial stability and sustainable growth. Monitoring the progress on EU financial integration initiatives is also important in this regard.

Geopolitical risks are cross-cutting and affect financial institutions through multiple channels, including market volatility, operational disruptions, and implications on market confidence. Ensuring continued unrestricted access to critical market infrastructures and third-party service providers, particularly those located outside the EU, is essential to prevent market stress and maintain investor confidence. Rapid shifts in trade and geopolitical conditions risk triggering abrupt market corrections, liquidity pressures, and credit deterioration.

Cyber risk remained a key and growing threat. Increasingly sophisticated cyberattacks, combined with high concentration among third-party IT service providers often domiciled in third countries, raised the risk of systemic incidents and contagion. At the same time, expanding links between traditional finance and crypto-asset markets introduced growing sources of risk, alongside growing exposures and interconnections to non-bank financial intermediaries and alternative investments including non-regulated ones.

Crypto-asset exposures and interlinkages with the traditional financial system should continue to be closely monitored as these markets expand and business models evolve. Market participants should support EU initiatives such as the SIU and further progress on the Banking Union. A strong and credible supervisory framework remains essential to foster trust, channel savings into productive investment, and safeguard financial stability in an environment

characterised by the growing role of non-bank financial intermediation and alternative investments.

2.3.4. Sustainable finance

The ESAs continued to monitor progress under the SFDR. The fourth joint report on principal adverse impact (PAI) disclosures documented steady improvements in the quality and completeness of disclosures by financial market participants, at the entity and product levels. The 2025 report highlighted that larger multinational groups provide more detailed disclosures, while smaller entities continue to face challenges. NCAs confirmed that many firms have taken onboard good practices identified in earlier reports, especially about the completeness of the information. The ESAs published new Q & As on the application of the SFDR delegated regulation.

The ESAs launched a public consultation on their draft Joint Guidelines on ESG stress testing, as mandated by the [Capital Requirements Directive](#) and the [Solvency II Directive](#). The draft guidelines set out how competent authorities for the banking and insurance sectors should integrate ESG risks when performing supervisory stress tests. They aim to harmonise methodologies and practices among supervisors in banking and insurance, ensure proportionality and enhance the effectiveness and efficiency of ESG stress testing. The JC finalised the work in 2025, and the final guidelines were published in January 2026.

2.3.5. Consumer protection and financial innovation

In 2025, consumer protection remained at the heart of cross-sectoral work, notably in the areas of financial education and the implementation of PRIIPs.

In the context of the EU digital finance strategy, the ESAs contributed to ensuring that the regulatory and supervisory framework remains fit for an increasingly digital financial environment. Key priorities included strengthening consumer protection through clearer disclosures, effective complaint-handling mechanisms, and the advancement of digital and financial literacy.

In response to renewed market enthusiasm for crypto-assets, the ESAs issued a joint warning to consumers in October 2025, highlighting that crypto-assets can be risky and that legal protection, if any, may be limited depending on which crypto-assets they invest in. The ESAs also published a factsheet explaining what the new EU regulation on MiCA means for consumers, in particular, providing an overview of what crypto-assets are, which ones are regulated under MiCA and which ones are not, and the providers consumers may encounter. The ESAs recommended concrete steps consumers can take to make informed decisions before investing in crypto-assets such as checking whether the provider is authorised in the EU. Both documents have been published in all EU languages and reproduced on NCAs' websites.



At the end of October 2025, the ESAs organised a full day workshop on financial education, for NCAs to exchange good practices on the evaluation of the impact of national financial education initiatives and regarding financial education initiatives on fraud and scams in the digital era.

In December 2025, the ESAs published two factsheets designed to help consumers protect themselves from crypto and other online frauds and scams and explain how fraudsters increasingly use artificial intelligence (AI) to deceive consumers. The factsheets provide practical tips to help consumers recognise and avoid different types of frauds and scams. They explain common techniques used by fraudsters (e.g. impersonation, investment scams etc.) and offer concrete real-world examples. Consumers are also guided on how to identify warning signs and recognise suspicious behaviours, messages, or offers. To ensure wide accessibility, the factsheets have been translated into all official EU languages and disseminated by national authorities. Another important milestone in 2025 was the 12th Joint Consumer Protection Day, held on 5 November in Riga under the theme "Building a framework for more efficient, simpler, and safer financial services for consumers." The event attracted more than 300 participants, including representatives from national authorities, industry, academia, and civil society.

To support consistent retail investor protection, the ESAs published the latest updated set of consolidated Q & As on PRIIPs in December 2025. These clarifications addressed performance scenarios, cost disclosures, and the presentation of information in Key Information Documents, helping to ensure clear, comparable, and meaningful information across the EU.

A notable achievement during the year was the joint work with the Commission on the further development of the Digital Finance Academy for supervisors, aimed at enhancing supervisory capacity to address emerging technologies and digital risks.

2.3.6. Securitisation

In March 2025, the ESAs published their evaluation report on the functioning of the SECR. The report set out recommendations to enhance the overall effectiveness of Europe's securitisation framework through targeted simplification, while maintaining a

high level of investor protection and safeguarding financial stability. It also identified areas where the regulatory and supervisory framework could be further strengthened to support the development of robust and well-functioning securitisation markets in Europe.

2.3.7. European Forum for Innovation Facilitators

The European Forum for Innovation Facilitators (EFIF) remained a key platform for supervisory dialogue on FinTech developments, regulatory sandboxes, and the intersection of BigTech in financial services.

EFIF contributed to policy discussions within the AI Board's Subgroup on Sandboxes with expert input on good practices that would translate to the features of the incoming AI Regulatory Sandboxes under the AI Act. In the second half of the year, EFIF concluded a mandate review exercise aimed at reprioritising EFIF tasks and updating its working modalities.

EFIF also launched a second round of stocktaking of BigTechs and mixed-activity groups providing financial services in the EU. The second iteration of the monitoring exercise mapped the direct provision of financial services by subsidiaries of BigTech groups operating in the EU to assess their authorisation status, the types of regulated financial services offered, their customer bases, and the extent of their cross-border activities. In 2025, the ESAs organised several EFIF workshops including one on the role of BigTechs, on open finance and another one on AI supervision.

This work culminated in a non-public joint ESA stocktaking report, which builds on the 2024 findings and highlights the risks relating to 'white labelling' arrangements. The report identified several topics for follow up, such as the need for enhanced cross-



border supervisory coordination, capturing synergies with the third-party provider register for critical ICT services under DORA, and tracking the impact of the Digital Markets Act (DMA). These follow-up activities were reflected in the 2026 Annual Work Programme. In September, the ESAs published a BigTech factsheet based on the outcomes of the exercise.

2.3.8. European Single Access Point

In 2025, the ESAs continued to develop the technical framework, standards, and operational two-tier infrastructure underpinning the ESAP. The ESAP is a centralised, digital and free-of-charge EU platform, launched as part of the Capital Markets Union (CMU) and the European Green Deal, to provide unified access to public financial and sustainability-related information on EU companies and investment products.

2.3.9. Financial conglomerates

The ESAs updated and published the annual list of identified financial conglomerates, comprising 58 groups with their head of group located in the EU/EEA. In addition, the ESAs published several Q & As on the reporting of risk concentration and intra-group transactions for financial conglomerates on the dedicated website. Work continued for the development of templates for capital adequacy reporting.

2.3.10. Other relevant cross-sectoral JC work

ESAs Information Exchange System (Joint Guidelines and database):

The launch of the ESAs Fit and Proper Information System marked a major step in enhancing cross-border supervisory cooperation and supervisory convergence, enabling efficient information exchange across hundreds of thousands of fitness and propriety assessments.

The Joint Guidelines for the exchange of information relevant to the assessment of the fitness and propriety of holders of qualifying holdings, directors, and key function holders of financial institutions and financial market participants by competent authorities have been applicable since 17 February 2025. They

establish a harmonised framework for cooperation among competent authorities and use of ESAs Information Exchange System (database). An updated joint ESAs compliance table on the Joint Guidelines was published in September 2025.

Competent authorities are expected to feed the ESAs Information Exchange System with data on both individuals and legal persons, including the upload of historical information and the ongoing submission of new assessments.

The ESAs Coordination Group for the development of the ESAs Information Exchange System was dissolved in December 2025 following the completion of its mandate. Future coordination and information exchange will be conducted through existing CA contact points, with a focus on supporting the maintenance of the ESAs Information System.

ESAs cooperation with the newly established Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA).

In July 2025, the ESAs concluded a multilateral MoU with the AMLA. The MoU sets out practical arrangements for information sharing, policy coordination, institutional cooperation, and capacity building. Through this cooperation, the ESAs aim to prevent regulatory or supervisory gaps, avoid overlapping or conflicting requirements for financial institutions and supervisors, and ensure that neither operates in isolation. This joined up approach supports consistent policy development, clear expectations for competent authorities and financial institutions, and a more resilient financial system.

2.3.11. ESAs' Joint Board of Appeal

The Board of Appeal, a joint independent body of the ESAs, established to protect the rights of parties



affected by decisions adopted by the authorities, is responsible for deciding on appeals against certain decisions by the ESAs.

In December 2025, the Board of Appeal has issued its decision on costs arising in the appeal brought by NOVIS Insurance Company, against EIOPA. In its decision, the Board confirmed its competence to decide on the allocation and taxation of costs. It clarified that only costs that are objectively necessary and reasonable may be reimbursed. The Board also decided on those aspects, ruling on a total amount of costs to be reimbursed by EIOPA.

2.4. ESMA as an organisation

2.4.1. Governance and external affairs

Objectives for 2025

Ensure robust functioning of ESMA's governance bodies and strong internal governance. Steer strategic direction for ESMA and provide annual and multiannual planning and reporting.

Ensure effective external and internal communication and engagement with stakeholders.

Manage ESMA's communications channels, ensuring awareness of the authority and its work, along with easy access to public information.

Ensure robust and trusted interinstitutional relationships, primarily with the EU Institutions, and contribute to ESMA's accountability and transparency.

Maintain strong relations and cooperation with international regulatory bodies (notably IOSCO, FSB) and non-EU securities regulators and contribute to international standard-setting.

Governance

In 2025, ESMA continued to support its governance bodies, the Board of Supervisors, the Management Board, the ESA JC and the SMSG. These efforts ensured effective decision-making, robust

supervisory coordination and consistent strategic oversight.

A primary focus was the adoption of the 2026–2028 Programming Document, which aligns ESMA's multiannual strategy with the developments proposed by the Commission under the umbrella of the SIU. At the same time, ESMA dedicated significant efforts to preparing for new and expanded mandates, particularly the revised BMR and EMIR 3 under DORA.

EU institutions and external affairs

ESMA maintained close cooperation with the European Parliament, the Council and the Commission, providing technical advice on legislative initiatives. This engagement also included regular participation in hearings and scrutiny proceedings of the Parliament, along with the budgetary discharge processes.

In February 2025, ESMA hosted a high-level conference, 'Shaping the Future of EU Capital Markets', which served as a platform for 300 on-site and 3 700 online participants to discuss the SIU and the European competitiveness objective.

Furthermore, following preparatory work in 2024, ESMA continued the close cooperation with the newly established AMLA, contributing to coordination efforts to support consistent AML/CFT supervision across financial markets.

ESMA remained actively engaged in international standard-setting bodies, including IOSCO and FSB, and continued supervisory cooperation with non-EU authorities.



Engagement with stakeholders took place through the SMSG, consultative groups, hearings, webinars and conferences. Cooperation with NCAs supported coordinated communication campaigns, notably on investor protection and retail investor awareness, ensuring broad and accessible dissemination of ESMA's work.

Simplification and burden reduction

In 2025, ESMA made significant progress in the area of SBR. ESMA's board of supervisors adopted a roadmap for the organisation which included amongst others a set of SBR principles to shape the way ESMA develops rules and guidance going forward. Furthermore, ESMA mapped its regulatory mandates to identify specific areas where SBR could be most effective. This resulted in the launch of four flagship projects, each of which aimed to address a high-impact topic holistically, i.e. data reporting for transactions and investment funds, barriers to retail investors access to capital market and risk-based supervision across national supervisory practices across all sectors. In addition to this, the mapping exercise triggered further initiatives among standing committee to start the work of revising and simplifying existing guidelines and technical standards within ESMA's remit – an effort which will continue in 2026 and 2027.

Communications

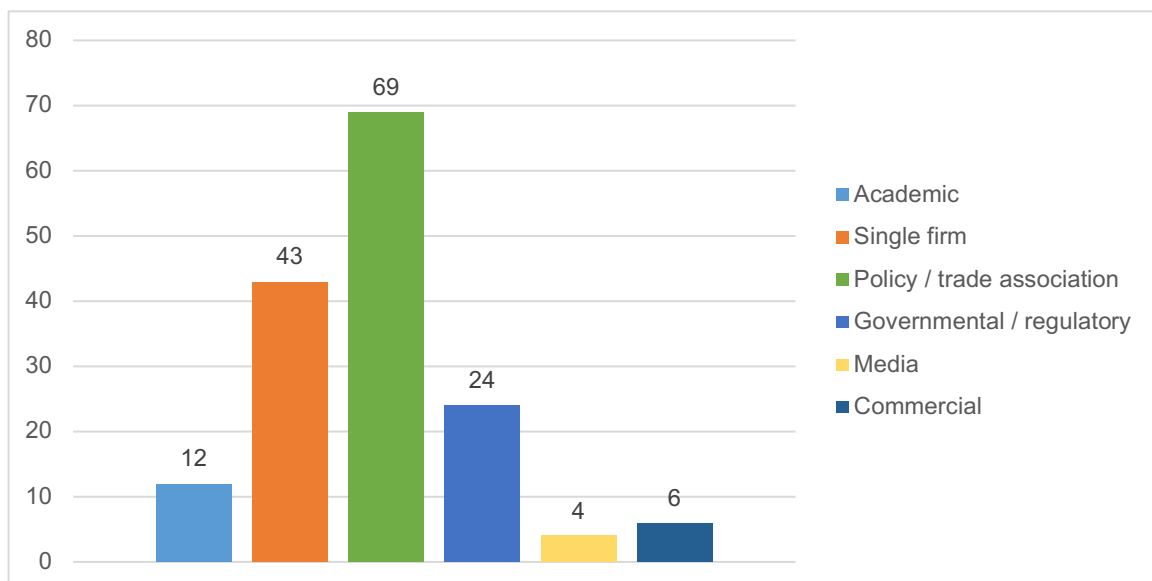
In 2025, ESMA continued to enhance the visibility and transparency of its work, through extensive engagement with the media and key stakeholders, while supporting ESMA's strategic priorities across policy, supervision and corporate activities.

ESMA's website remains the authority's main communication channel, with 422 documents published during the year. ESMA's social media channels (X and LinkedIn) had a combined 123 000 followers at the end of 2025.

ESMA has also initiated actions to engage more with the general public, both via its social media channels and by attending and presenting the authority at events open to the public such as Europe Day celebrations and career' fairs at universities. During 2025 ESMA also organised 17 public hearings, webinars and events. The majority of these events were also recorded and made available via ESMA's social media channels.

ESMA is committed to open dialogue and co-operation with all its stakeholders to ensure development of evidence-based regulation and policy, but also to foster public understanding, confidence, and acceptance of ESMA's decisions. As part of this dialogue ESMA senior management and staff regularly speak at events across Europe and beyond with 151 events across 24 jurisdictions in 2025 (see Figure 1).

Figure 1. Number of events per stakeholder category



2.4.2. Legal and compliance

Objectives for 2025

Identify and minimise the legal risks of ESMA's actions and defend ESMA in case of legal challenge. Provide expert views in preliminary rulings to the extent requested.

Advise on and enhance the legal drafting and soundness of legal acts adopted by ESMA, notably through the sign-off process of draft technical standards and legal review of guidelines.

Foster ESMA's transparency and accountability through the timely handling of requests for access to documents.

Promote a strong compliance and integrity culture at ESMA on ethics and conflict of interest (COI) policies, professional secrecy and data protection rules, along with good administration principles.

Legal advice and legal review

ESMA provided comprehensive legal support across its entire mandate, spanning direct supervision, regulatory development, and major strategic projects. This included advising on complex implementation matters under MiFIR and EMIR 3, managing authorisation and recognition decisions for supervised entities, and overseeing international cooperation frameworks. Additionally, the legal function conducted extensive reviews of all draft technical standards, guidelines and public statements issued throughout 2025.

Litigation and mediation

In 2025, ESMA acted as the main party (defendant) in two cases before the EU General Court.

The first case concerned a procurement procedure for IT consultancy services conducted by ESMA. In its Judgment of 29 October 2025, delivered following the hearing held on 30 April 2025, the Court dismissed the applicants' action seeking annulment of ESMA's award decision as well as their claim for damages.

The second Case, which is still pending, relates to the EU Staff Regulations. It arises from an action for annulment (and damages) brought against an ESMA

decision rejecting a request for reasonable accommodation.

Breach of Union law

During 2025, ESMA received and handled 413 complaints relating to breach of Union law (BUL). Most (385) of them were considered inadmissible because they were outside ESMA's remit or failed to refer (explicitly or implicitly) to an NCA but rather complained about a financial market participant (not within the scope of ESMA's direct supervisory powers).

Altogether, in 2025 ESMA conducted preliminary investigations of 30 admissible complaints (including 2 that were carried forward from 2024). When complaints refer to the same subject matter, they are grouped into one case. In addition to the complaints received, ESMA also assessed one case initiated *ex officio*. In total, throughout 2025, ESMA assessed 22 admissible cases. The admissible cases referred to potential breaches of MiFID II, MiFIR, MAR, AIFMD, the UCITS Directive, MiCA, the ICS Directive and the Crowdfunding Regulation by 14 NCAs. In 2025, ESMA sent 6 requests for information under Article 35 of the ESMA Regulation to obtain clarifications from NCAs and also engaged at the staff level.

Overall, a significant part of the admissible complaints alleged NCA inaction against an investment firm's misconduct. ESMA ensures that matters are duly addressed at the national level but cannot replace the NCA in its supervisory role. Depending on the seriousness of the allegations, ESMA adapts the intensity of its dialogue with the relevant NCA in order to assess the timeliness and the adequacy of the NCAs' practices and, if needed, take action. Cases are closed only upon the receipt of detailed information on the supervisory or enforcement actions from NCAs. Following ESMA's preliminary investigations, 12 admissible cases were closed in 2025, while 10 cases were still under assessment in early 2026.

In 2025, no formal BUL investigation was initiated. Even though ESMA stands ready to initiate a BUL investigation in case of an identified breach of EU law that the NCA would be unwilling to remediate, the overall objective of ESMA's BUL and complaint-handling activities is not the opening of formal BUL investigations as such, but rather the achievement of effective supervision across the EU and greater supervisory convergence through a structured

dialogue between ESMA and NCAs, which leads to effective changes in national supervisory approaches. In this regard, in 2025 one admissible case was closed after a detailed review of national practices. The case concerned the supervision of a trading venue's practices, which would have allegedly breached MiFID II requirements. However, after engaging with the relevant NCA, no supervisory failures were identified. There was therefore no breach of EU law. Nevertheless, ESMA also identified certain ambiguities in the trading venue's rulebook and, after interactions with the NCA, the trading venue accepted to implement relevant changes. This case is a good example that the interactions between ESMA and the concerned NCA within the BUL framework can bring positive developments ensuring increased transparency of the financial markets, even in cases where no BUL investigation is formally initiated.

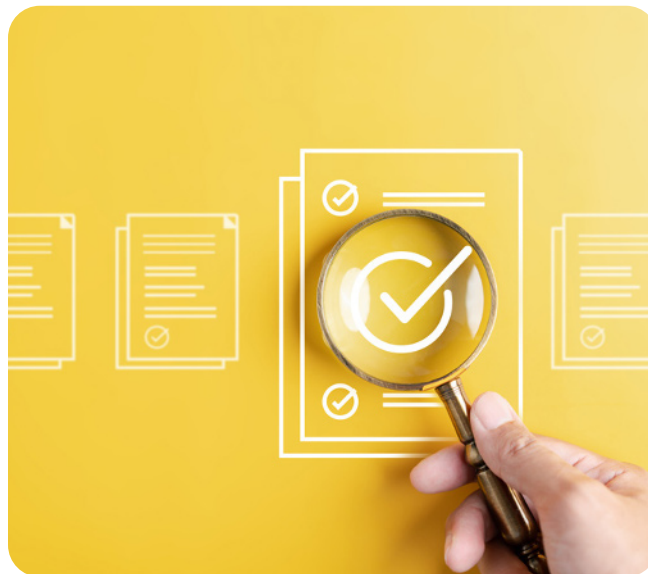
Misuse of the ESMA logo and identity

In 2025, ESMA received and replied to a record number of queries (3 291) regarding the fraudulent use of ESMA's logo and identity. These queries came from victims of frauds and include fake documents, statements or certificates with ESMA's logo and emails in which scammers pose as ESMA employees.

In order to address investor distress as much as possible, ESMA undertook several measures in 2025, such as the launching of social media awareness campaigns, in close collaboration with NCAs and IOSCO, and the monitoring and detection of fraudulent and copycat websites. Moreover, ESMA is liaising with NCAs and other EU agencies on a regular basis to exchange valuable information in relation to fraud cases.

Data protection

Throughout 2025, ESMA paid particular attention to EUDPR compliance across all internal activities and regulatory functions. This included ongoing assistance in building and implementing large-scale databases (e.g. ESAP, Markets Integrity Data Analysis System (MIDAS)), offering regular support and advice on new tools or processing operations at ESMA and assessing new service providers engaged by ESMA as processors. In view of the commencement of DORA oversight in 2025, all the relevant data protection arrangements were put in place to ensure compliant and smooth cooperation among the three



ESAs in the exercise of their joint oversight of the critical third-party providers.

2025 marked the rise in popularity of AI tools and the related prospects of efficiency and productivity gains. The Data Protection Officer has been extensively involved in assessing these new products before and during their deployment at ESMA, to ensure their use is clearly defined and does not pose risks to the personal data and privacy of ESMA staff or its stakeholders. The depth and detail of data protection assessments for AI systems have also been affected in light of the new guidance of the EDPS, which focused predominantly on AI matters in 2025. Continuous awareness-raising initiatives have been undertaken, targeting both newcomers and existing ESMA staff. This is achieved through targeted training and involvement of the data protection coordinators network, and by providing practical information for staff for the most commonly asked data protection queries, educating them on relevant CJEU case-law and EDPS/EDPB guidance.

Transparency

In 2025, ESMA received 25 requests for access to documents (initial applications), while no confirmatory applications were filed. In 16 cases, ESMA granted access, whereas on two occasions, partial access to the requested documents was granted. In one case, given the formulation of the request, the applicant was satisfied with the provision of the relevant information. In six cases, ESMA was not in possession of the requested documents. No complaints were lodged before the European Ombudsman.

Professional secrecy

In 2025, ESMA conducted its first enquiry into a professional secrecy breach which occurred in the context of confidential discussions. ESMA Management Board adopted remedial measures to address the findings of the enquiry, inter alia reminders and refresher trainings on professional secrecy, sincere cooperation, ethics and integrity to all ESMA staff and NCA staff involved in the work of ESMA groups.

Throughout 2025, ESMA also provided advice on other requests and questions from ESMA staff or NCAs relating to professional secrecy matters in accordance with ESMA's rules on professional secrecy and the handling of classified documents.



See section 3.5 for details on HR management in 2025.

2.4.3. Human resources

Objectives for 2025

- Attract diverse, capable candidates.
- Promote motivation and flexible talent management.
- Foster management and leadership excellence.
- Promote and enhance a diverse, inclusive and flexible work environment.
- Continue improvements towards effective and efficient HR management.

ESMA continued to build on its people strategy, launched in 2024, which focuses on attracting diverse and capable profiles, fostering management and leadership excellence, enabling flexible talent management, promoting a diverse, inclusive and flexible work environment, and continuously improving effective and efficient HR management.

In this context, in 2025, new learning and development formats continued to be developed and a community of managers was established to foster peer learning and exchange. Recruitment processes were shortened, outreach to universities from underrepresented countries was strengthened and geographical representation of trainees was broadened. Outreach and engagement with ESMA's pool of available candidates was enhanced, and digitisation was further reinforced.

2.4.4. Finance and procurement

Objectives for 2025

- Continue enhancing the efficiency of ESMA's financial and procurement processes and ensuring their accuracy and regularity in light of the EU Financial Regulation.

ESMA committed 100 % of its 2025 budget, amounting to EUR 82 296 559. This amount excludes EUR 1 451 594 from the Directorate-General (DG) for Structural Reform Support (DG Structural Reform Support) and the contributions from the NCAs and other external entities for the IT delegated tasks TRACE and MIDAS, which represented EUR 1 699 112 in 2025. In 2025, the total ESMA budget was 12.9 % higher than in 2024.

In 2025, ESMA was financed by 12 income streams, as shown in Figures 2 and 3.

Figure 2. 2025 revenues by source (10) – overview

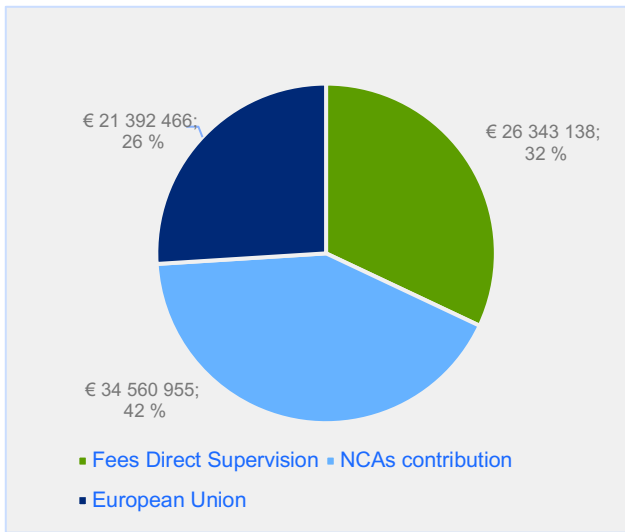
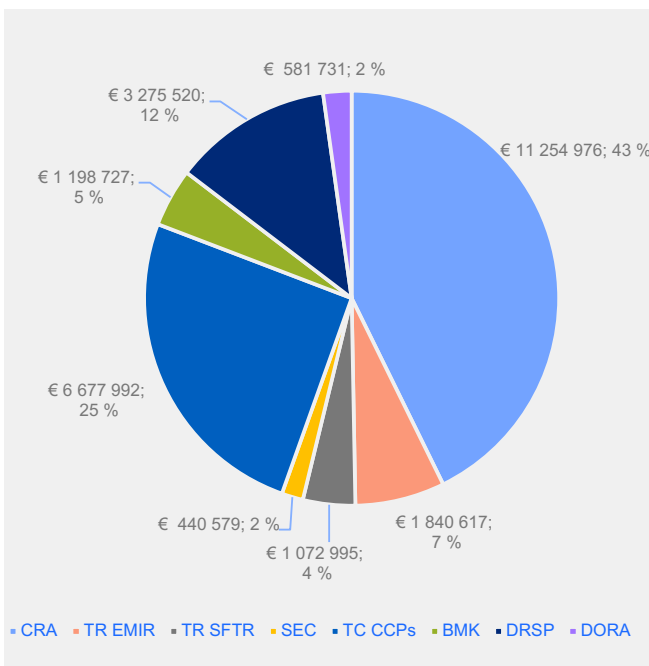


Figure 3. 2025 revenues by source – Fees Direct Supervision breakdown



In 2025, ESMA continued to benefit from the full digitalisation of all financial and procurement processes. During the year, four procurement procedures were completed: two open and two negotiated.

Finally, regarding its funding model, ESMA reiterated to the Commission the need for a revised, more flexible fee-funding framework to manage the increasing complexity of its direct supervisory tasks.

See section 3.3 for details on financial management in 2025.

2.4.5. Corporate services

Objectives for 2025

Provide proactive and effective support by ensuring the smooth running of ESMA's facilities and the acquisition and sound management of goods and services, in accordance with the EU public procurement rules and procedures.

Ensure the health and safety of ESMA staff and visitors.

Provide support to ESMA's core business by offering a modern and appropriate working place for staff and visitors, organising missions and events, and managing a secure, robust, efficient, and collaborative document management system fulfilling the regulatory requirements and business needs of an EU authority.

In 2025, Corporate services continued to provide a vast array of services to ESMA, notably including building management, office lease management, facility management helpdesk, physical security, access to premises, reception of visitors, cleaning, asset and stock management, furniture, recycling, meetings, catering for external visitors, mission support, health and safety at work, planning and reporting, document management, translations and coordination of the environmental management system (EMS).

In 2025, ESMA also proactively renegotiated the nine-year lease for its Paris office premises more than two years before its scheduled expiry in September 2028.



¹⁰ Not including the DG Structural Reform Support and the IT delegated tasks.

aiming to secure improved financial and operational terms. It obtained – as early as July 2026 – a 13 % reduction in rented office area and a 16 % decrease in effective rent per square metre, resulting in significant future financial savings over the lease term. Following approval by the Budgetary Authority, the amended lease agreement was signed at the end of 2025 and will commence on 1 July 2026 for a new nine-year term. This renegotiation supports ESMA's strategic objectives by optimising the use of resources.

ESMA reaffirmed its commitment to reducing energy consumption on its premises and took concrete actions to that end. Moreover, ESMA advanced its environmental management by publishing its first Climate Transition Plan through cross-departmental efforts and renewing its European eco-management and audit scheme (EMAS) registration for a new three-year cycle (2025–2027). Together, these steps built on ESMA's EMAS experience and reinforced the management of its environmental impacts.

ESMA staff undertook 359 missions (business travels) in 2025, down from 429 in 2024, a 17 % decrease, while staff level was stable (358 at year-end). These numbers are well below the 670 missions in 2019, the last pre-COVID year, indicating a positive trend in managing mission costs and environmental impact. ESMA has been encouraging the consideration of online participation in meetings and events whenever feasible and practical. In 2025, the implementation of a greenhouse gas (GHG) budgeting tool to support the planning, monitoring, and reporting for GHG emissions from air travel missions marked an important milestone. See section 3.9 and Annex VII for more information on environmental management.

2.4.6. Information and communication technologies

Objectives for 2025

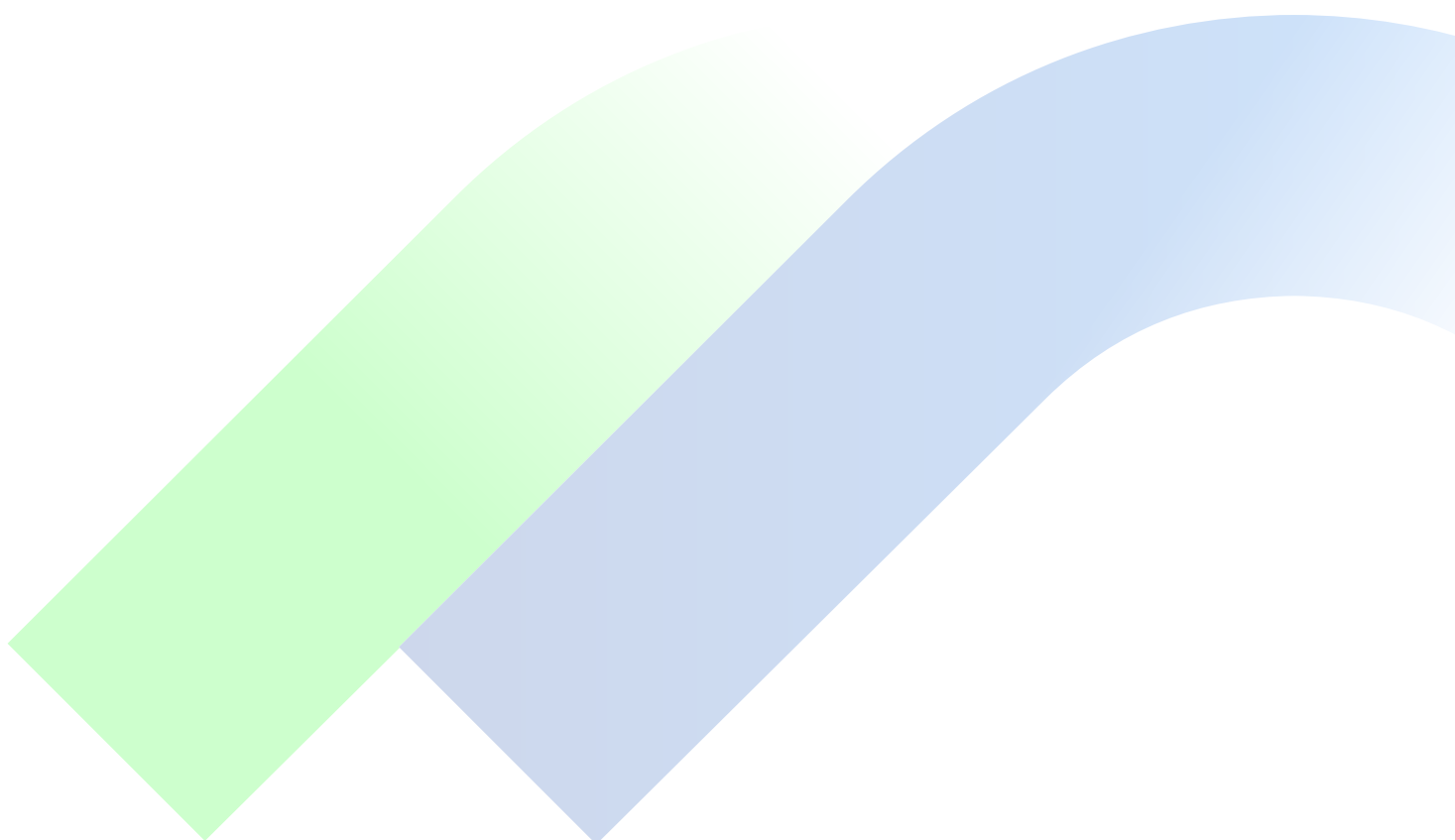
Contribute to ESMA's operations by leveraging IT, delivering IT services and solutions, and advising and collaborating to deliver ESMA's objectives.

Provide effective and proactive ICT support to staff and manage ESMA's ICT resources in a flexible and efficient way.

At the end of 2025, there were 3 519 users of ESMA's systems, a decrease of 6 % compared with 2024. The vast majority (2 890 or 82.1 %) were external active users from NCAs, other CAs and EU institutions, along with other entities submitting data to ESMA systems such as trading venues, CRAs, TRs, etc. The 6 % decrease is due to the recertification exercise. In practice, ESMA contacted all entities and validated their users. Users that were no longer active were deleted from ESMA's systems

The IT Helpdesk service continued to handle a significant workload yet managed to improve its efficiency. In 2025 it managed 21.34 % fewer tickets, compared with 2024 and faced a decrease of 14.21 % in the number of incidents. The average time of closing requests and incidents was three days, both within the target.

In 2025, the Information and Communication Technologies function continued to contribute to ESMA's operations by leveraging modern IT capabilities and providing effective support to staff while managing ICT resources in a flexible and efficient way. The year marked a significant modernisation of ESMA's network architecture, removing reliance on network virtual appliances and adopting integrated cloud native services. This shift reduced management overhead, strengthened ESMA's cybersecurity posture, and lowered infrastructure costs. In parallel, the new IT service management tool was extended to cover all services previously handled by the legacy platform, paving the way for a complete transition and enabling more efficient delivery of ICT services across the organisation.





3. Management

3.1. Management Board – risk and control issues

Risk management

ESMA operates in an ever-changing environment with many uncertainties. ESMA has developed an annual process of identifying and assessing risks to assist in the mitigation of risks that could threaten the delivery of its mission. The annual organisational risk assessment takes a combination of bottom-up and top-down approaches: the bottom-up approach involves identifying risks at the department level and the top-down approach involves a management assessment and evaluation of strategic risks considering the input from departments. Significant risks are then reviewed by ESMA's Management Board, which endorses the risks and action plans.

The top risks identified during the assessment are summarised and included in ESMA's programming document. The top risks identified in 2025 in relation to the 2026 work programme were:

- critical market developments, including geopolitical events, could affect financial stability, may put investors at risk and increase supervisory risks at ESMA, and impact ESMA tasks and priorities;
- a high number of new legislative proposals including specific tasks for ESMA with no allocation of additional resources, impacting the correct planning and delivery of our mandates;
- uncertainties around the content of the political proposal for SIU and other legislation that might

impact ESMA and the Commission simplification and burden reduction agenda potential impact on ESMA's work; and

- increased exposure to highly sophisticated cyber threats targeting also ESMA's stakeholders and providers.

The risks listed above were signalled in the organisational risk assessment exercise and discussed in the Management Board and Board of Supervisors meetings of July 2025.

3.2. Major developments

Main factors affecting ESMA in 2025

The primary factor impacting ESMA in 2025 was the coincidence of a high volume of legislative reviews (MiFID/MiFIR, EMIR3, CSDR, Listing Act, AIFMD) alongside the implementation of major new responsibilities (CTP, MiCA, DORA, EU GB). As the additional responsibilities were not accompanied by additional resources, in addition to internal redeployment further prioritisation was needed.

In response, ESMA conducted a structured prioritisation exercise to safeguard the timely delivery of its most critical 'Single Rulebook' mandates and new supervisory responsibilities. Given the exceptionally demanding legislative agenda and resource constraints, ESMA reassessed the commitments set out in its 2025 Annual Work Programme.

Applying clear criteria based on impact, urgency and resource considerations, ESMA identified a limited number of Level 2 measures that could be postponed without affecting core objectives. This targeted approach safeguarded high-priority deliverables while maintaining progress on supervisory convergence.

The outcome was endorsed by its Management Board and Board of Supervisors and communicated to the Commission in March 2025, including the postponement of specific guidelines under AIFMD, CSDR and EMIR REFIT. Notably, the measures ESMA identified for de-prioritisation largely correspond to those subsequently included in the Commission's 6 October 2025 letter on non-essential Level 2 acts,



confirming the forward-looking and well-calibrated nature of ESMA's approach.

Through this proactive exercise, ESMA ensured efficient resource allocation, reinforced its commitment to a coherent and resilient Single Rulebook, and supported a broader strategic shift toward SBR, contributing to EU competitiveness while managing sustained financial and human resource pressures.

3.3. Budgetary and financial management

a) Statistics on financial management

Budget execution C1 ⁽¹¹⁾

ESMA spent 100% of its 2025 budget, amounting to EUR 82 296 559 ⁽¹²⁾. The amount of C1 committed and

not paid in 2025 (and therefore to be carried forward) is EUR 7 868 091.

C1 cancelled appropriations

ESMA uses non-differentiated appropriations for its C1 credits. In 2025, the total amount of appropriations inscribed as C1 funds that were not used at the end of the year equalled EUR 0.

C8 cancelled appropriations ⁽¹³⁾

In 2025, out of a total of EUR 3 951 645 C8 payment appropriations, 98.13 % was consumed (EUR 3 877 658). A total of EUR 73 987 (or 1.87 % of the C8 appropriations for the year) was cancelled.

Number and value of budget transfers

ESMA processed four budget transfers in 2025, following its quarterly budget review process. In addition, ESMA processed two budget amendments for a total value of EUR 930 421 (decrease).

ESMA's Budget Title	2025 Initial Budget (A)	1st budget transfer	2nd budget transfer	1st budget amendment	2nd budget amendment	3rd budget transfer	4th budget transfer	2025 Final Budget (B)	B-A	VAR %
1. Staff	57 528 179	739 677	(30 500)	(327 000)	-	(1 106 935)	(235 656)	56 567 765	(960 414)	-2 %
2. Infrast.& Admin.	9 205 009	39 000	67 500	-	-	82 880	(51 050)	9 343 339	138 330	2 %
3. Operating expenditure	17 794 498	(778 677)	(37 000)	(804 221)	124 500	1 024 055	286 706	17 609 861	(184 637)	-1 %
4. Delegated Tasks	1 850 000	-	-	-	76 300	-	-	1 926 300	76 300	4 %
TOTAL	86 377 686	-	-	(1 131 221)	200 800	-	-	85 447 265	(930 421)	-1 %

Interest charged for late supplier payments

In 2025, ESMA paid EUR 0 as interest for late payments to suppliers.

Budget out-turn and cancellation of appropriations (data from provisional accounts for 2025)

The current estimation of the 2025 budget out-turn is EUR – 21 213.48 ⁽¹⁴⁾.

Budget out-turn

The following parameters are considered for the calculation of budget out-turn. The revenue entered in the budget out-turn account is the amount actually received during the year. For the purposes of calculating the budget result for the year, expenditure comprises payments made against the year's appropriations plus any of the appropriations for that year that are carried over to the following year. Payments made against the year's appropriations are payments that are made by the accounting officer by 31 December of the financial year.

¹¹ C1 funds are the standard appropriations of the current year.

¹² C1 funds exclude EUR 1 451 594 from DG Structural Reform Support and the contributions from the NCAs and other external entities for the IT delegated tasks TRACE and MIDAS, which represented EUR 1 699 112 in 2025.

¹³ C8 funds are automatic carry-overs from the previous year

¹⁴ Out-turn figures for 2025 will only be final by the time of the presentation of the final annual accounts.

The following are added to or deducted from the resulting figure: the net balance of cancellations of payment appropriations carried over from previous years; any payments that, because of fluctuations in the euro rate, exceed non-differentiated appropriations carried over from the previous year; and the balance of exchange-rate gains and losses recorded during the year.

Payment appropriations carried over include automatic carry-overs and carry-overs by decision. The cancellation of unused payment appropriations carried over from the previous year includes the cancellations on appropriations carried over automatically and by decision. It also includes the decrease in assigned revenue appropriations carried over to the next year in comparison with the previous year.

b) Costs and benefits of controls

The controls in place are designed to optimise their effectiveness and efficiency, by striking the right balance between the benefits of the controls, regarding in particular the legality and regularity of the underlying transactions, and the effectiveness and efficiency of the controls considering the risks involved.

ESMA estimated the costs of controls in 2025. The calculation method was inspired by the approach used in the Commission and the guidelines provided by the Performance Development Network of EU Agencies. The estimated costs of controls include the estimated salary costs (including social charges) of the staff directly involved in the relevant control systems. These activities were centred on the following areas: finance and verification processes,

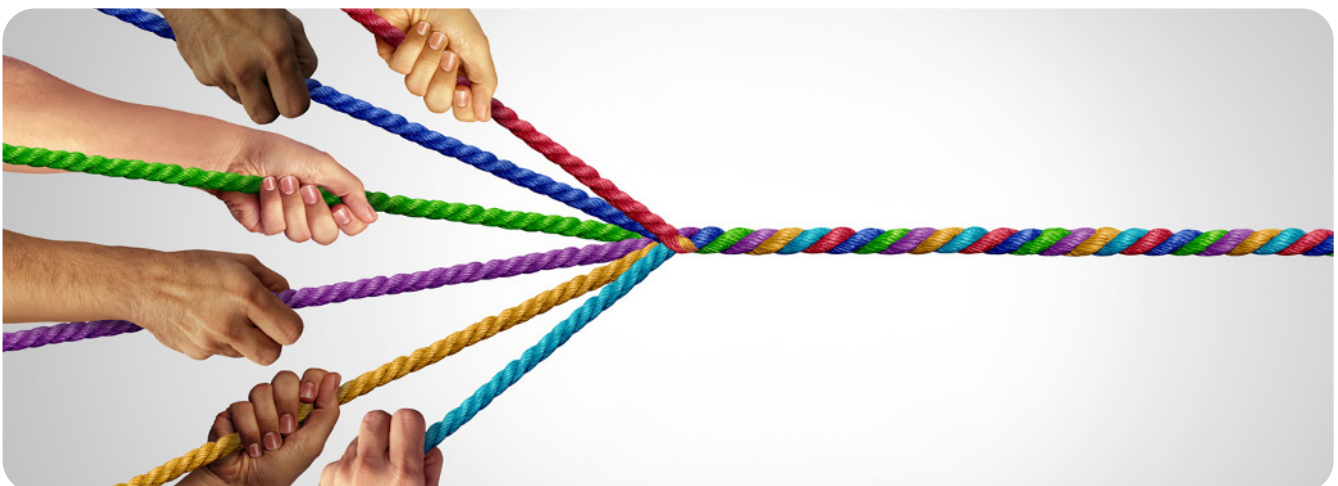
ex ante and *ex post* controls, procurement monitoring and control, budgetary and accounting activities, and external financial audit coordination.

Taking the above into consideration, in 2025, ESMA allocated EUR 1.365 million for control activities, amounting to 1.60 % of the agency's 2025 total budget.

Regarding the effectiveness of the controls, the European Court of Auditors has given ESMA an unqualified opinion on the 2024 accounts (information regarding 2025 financial audit will be available by the end of 2026). No other indications were found that the controls in place were not effective. Regarding the efficiency and economy of the controls, no serious anomalies were reported to indicate that the efficiency and economy were under question. Considering the positive result of the *ex-ante* and *ex-post* control verifications, the absence of critical recommendations stemming from audits, the well-established framework to manage exceptions and the regularity of operations, the overall balance between effectiveness, efficiency and economy of controls is reasonably satisfactory.

3.4. Delegation and subdelegation of the powers of budget implementation to ESMA's staff

Pursuant to Articles 73, 74 and 90 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of the European Union laying down



detailed rules for the implementation of the financial regulation and the internal rules on the implementation of the budget, the Executive Director, as the authorising officer of ESMA, has delegated financial powers to the heads of department, heads of unit and team leaders for the budget lines they are responsible for in line with their activities.

The ESMA subdelegation breakdown per budget line is organised to ensure:

- business continuity (e.g. through the identification of backups for each budget line);
- efficiency, through an appropriate balance between the maximum ceiling of each subdelegation and the authorising officer by the subdelegation's responsibility in ESMA.

The authorising officers by subdelegation have to accept the delegations granted to them in writing, following Articles 11 and 11a of the Staff Regulations of Officials and Conditions of Employment of Other Servants of the European Union, and paragraph 3.2 of the charter for authorising officers by subdelegation.

On a yearly basis, ESMA controls the implementation of the subdelegations granted by the Executive Director in accrual-based accounting.

3.5. Human resources management

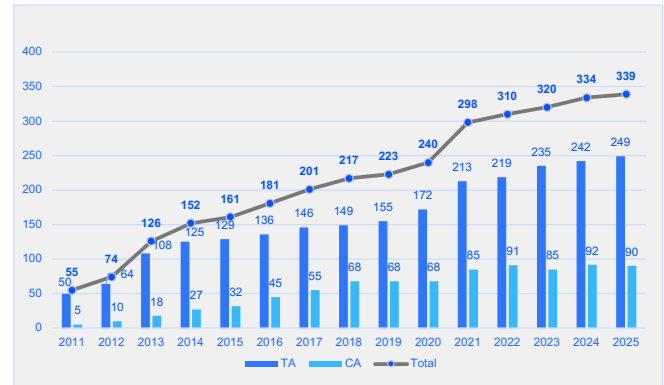
ESMA employs different categories of staff:

- Temporary Agents (TAs),
- Contract Agents (CAs), and
- Seconded National Experts (SNEs).

Staff evolution

At the end of 2025, ESMA employed 339 statutory staff members (TAs/CAs): 249 TAs and 90 CAs. This represents five more statutory staff members than in 2024, a 1.5 % increase.

Figure 4. Statutory staff population (TA & CA) – year-end view



At the end of 2025, ESMA employed 19 Seconded National Experts (SNEs) (24 in 2024), bringing the total number of ESMA staff (TAs/CAs/SNEs) to 358. This was unchanged compared with the previous year (358).

Figure 5. Staff evolution (TA, CA, SNE) – year-end view



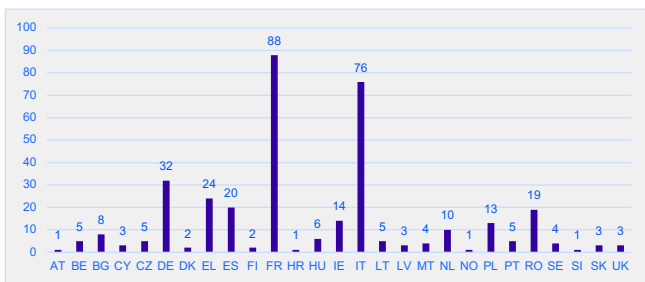
SNEs bring highly valuable specific expertise, such as direct supervisory experience, and secondments create knowledge-sharing opportunities between the organisations involved.

At the end of 2025, ESMA staff (TAs/CAs/SNEs) included nationals from 25 Member States, three nationals from the United Kingdom, and one national from the EEA (Norway).

The following table shows the distribution of nationalities per contract type and function group.

	AT	BE	BG	CY	CZ	DE	DK	EL	ES	FI	FR	HR	HU	IE	IT	LT	LV	MT	NL	NO	PL	PT	RO	SE	SI	SK	UK	Total
TA	1	3	6	1	3	22	2	13	15	1	67	1	3	10	52	3	1	1	7	1	8	4	14	4		3	3	249
CA		2	2	2	2	5		10	4	1	20		3	2	20	2	2		1		5	1	5		1			90
SNE						5	1	1	1		1	2		2	4			3	2									19
Total	1	5	8	33	5	32	2	24	20	2	88	1	6	14	76	5	3	4	10	1	13	5	19	4	1	3	3	358
%	0 %	1 %	2 %	1 %	1 %	9 %	1 %	7 %	6 %	1 %	25 %	0 %	2 %	4 %	21 %	1 %	1 %	1 %	3 %	0 %	4 %	1 %	5 %	1 %	0 %	1 %	1 %	100 %

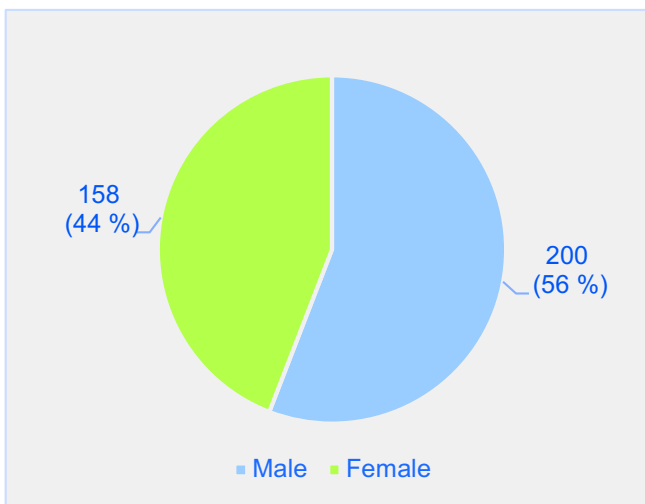
Figure 6. Nationalities at ESMA (TA/CA/SNE)



Gender balance

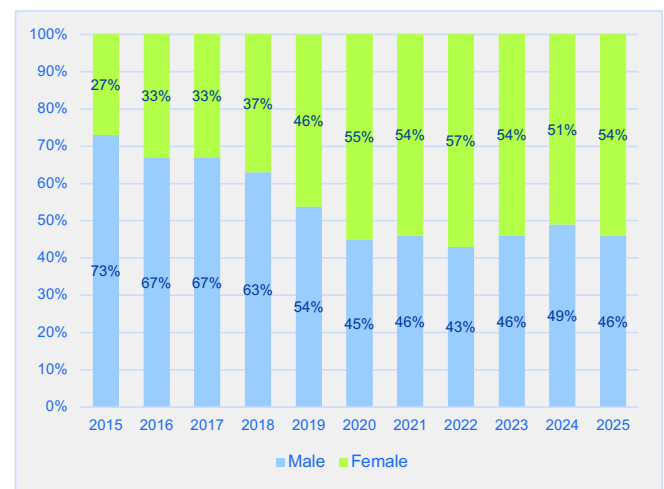
Over the last decade, the gender balance across all staff groups has remained broadly stable, with women representing between 44 % and 49 % of total staff.

Figure 7. Gender distribution at ESMA



The evolution of the gender balance in managerial functions over the last 10 years indicates that the proportion of female staff members has increased steadily from 27 % in 2015 and has stabilised above 50 % in recent years, reaching 54 % in 2025.

Figure 8. Male/female ratio in managerial functions



Staff turnover rate

The staff turnover rate was 3.9 % in 2025, up from 3.1 % in 2024.

Recruitment

In 2025, 12 recruitment procedures were launched (versus 15 in 2024), and 1 434 CVs were screened (versus 1 482 in 2024). The Selection Boards interviewed 198 candidates (versus 153 in 2024), and 31 recruitment offers were accepted⁽¹⁵⁾ by candidates. In addition, ESMA recruited 36 trainees throughout the year.

The average recruitment lead time, defined as the number of days from the publication date of the vacancy notice to the date the reserve list of successful candidates is established, was 115 days (down from 146 in 2024). The recruitment activities (interviews and written tests) were conducted almost

¹⁵ Including candidates from external recruitments, staff benefiting from internal selection procedures, replacement of staff turnover and staff on unpaid leave.

exclusively remotely, reducing GHG emissions in line with ESMA's environmental policy.

Training

In 2025, ESMA internal staff (TAs, CAs and SNEs) attended a total of 1 138 days of training, compared to 646 days in 2024. This translates to an average of 3.2 days per full-time equivalent (FTE), up from 1.8 days in 2024, or an increase of 78 %.

The increase in average training days per FTE mainly reflects a more balanced mix of short- and long-format sessions, increased registrations for asynchronous learning and a broader offer of webinars targeting large audiences compared with the same period last year. In total, 150 learning and development opportunities were delivered during the year, a 24 % increase compared with 2024.

The overall satisfaction rate reached 90 %, in line with 2024 levels and surpassing the 80 % target.

Training provided to national competent authorities

In 2025, ESMA organised five training events for the NCAs, all online.

The total number of participants reached nearly 800 overall, with an average number of 152 participants per event. Participants in the external training events came from 30 European countries or territories.

The average satisfaction rate was 90 %, above the target of 80 %.

3.6. Efficiency gains

ESMA successfully executed a prioritisation exercise for its 2025 AWP to manage the exceptional workload and budgetary constraints, ultimately achieving a 95 % completion rate of its targets compared with an estimated 89 % had the prioritisation not been implemented (see Annex I – KPIs).

To address the absence of additional resources in the context of its expanding remit, ESMA also implemented a series of efficiency measures. The organisation moved from a pilot phase to the broad deployment of AI and integration of AI capabilities

within standard office tools to automate repetitive and recurring tasks. To support effective and secure use of these tools, ESMA complemented this transition with staff training.

Efficiency gains are also being realised through enhanced collaboration and centralisation. Within direct supervision, ESMA has established centralised registration and internal control functions to better leverage expertise across multiple mandates. In addition, under the Joint ESAs Oversight Venture, ESMA is pooling resources with the EBA and EIOPA within the DORA framework for the oversight of CTPPs.

In parallel, ESMA continued to optimise its ICT infrastructure and cloud environment. A 12 % reduction in the number of managed virtual machines was achieved through the migration to Platform-as-a-Service (PaaS) and Software-as-a-Service (SaaS) models. Despite increasing data volumes and a growing number of systems, the completion of the migration to the public cloud (Microsoft Azure) resulted in lower overall infrastructure costs.

In 2025, ESMA proactively renegotiated the nine-year lease for its premises in the iBox building more than two years ahead of its scheduled expiry in September 2028. The objective was to optimise the use of office space while improving the financial and operational terms of the lease. Following approval by the Budgetary Authority, the renegotiated lease was signed at the end of 2025 and will take effect on 1 July 2026 for a new nine-year period. It achieved a 13 % reduction in office space and a 16 % decrease in the effective rent per square metre, primarily driven by incentives in the form of rent-free periods fully cashed ⁽¹⁶⁾. The renegotiated lease also includes a break option at the end of the sixth year (June 2032), providing greater flexibility to the needs of the organisation.

Further efficiencies were achieved through the use of inter-institutional framework contracts, notably with DIGIT, in the areas of cybersecurity and IT, the continued sharing of accounting services with the EBA, and the ongoing implementation of common EU systems such as SYSPER (staff management) and ARES (document management).

¹⁶ The rent-free incentives will be fully cashed in as a direct reduction in cash rent payments (i.e. not offset by capital expenditure, fit-out works or other costs that would have occurred in the case of a move).

Finally, as part of its simplification and burden-reduction efforts, ESMA initiated work to identify processes suitable for streamlining and digitalisation, with the aim of reducing administrative burden for both staff and external stakeholders.

3.7. Follow-up on audits and evaluations

European Court of Auditors

ESMA is audited every year by ECA. The audit provides a statement of assurance of the reliability of ESMA's accounts and the legality and regularity of the underlying transactions.

The 2024 statement of assurance indicated that the accounts of the authority for the year ending on 31 December 2024 presented fairly, in all material respects, the financial position of the authority on 31 December 2024, the results of its operations, its cash flows and the changes in its net assets. These were in accordance with its financial regulation and with accounting rules adopted by the Commission's accounting officer. It also stated that the revenues and payments underlying the annual accounts for the year ending on 31 December 2024 were legal and regular in all material respects.

The 2024 ECA statement of assurance included one observation related weaknesses in the contract management process.

There were two recommendations from previous years. All of them have been closed by ECA.

Internal Audit Service

ESMA is also audited by the Internal Audit Service (IAS) of the Commission.

In 2025, the IAS finalised the multi-entity audit on coordination between the Directorate-General for Financial Stability, Financial Services and Capital Markets Union and the decentralised agencies EBA, EIOPA and ESMA.

IAS concluded that the coordination mechanisms between DG FISMA and ESMA are adequately

designed and effectively and efficiently implemented to support the achievement of the respective key objectives. IAS also identified several good practices in the process and issued no finding or recommendation.

ESMA does not have any overdue or pending 'critical' or 'very important' recommendations. There is one delayed recommendation from the Data Management audit related to the implementation of a Data Catalogue and Data Dictionary that is being implemented and expected to be finalised by Q2 2026.

3.8. Follow-up on observations from the discharge authority

On 7 May 2025, the Parliament adopted in its plenary meeting the report on discharge in respect of the implementation of ESMA's budget for the financial year 2023 (2024/2030(DEC)) – the '2023 discharge report' ⁽¹⁷⁾.

The ESMA regulation prescribes that ESMA should provide a reasoned opinion on the position of the Parliament and on any other observations provided by the Parliament in the discharge procedure.

The corresponding opinion ⁽¹⁸⁾ was published on 15 July 2025 by ESMA and included the following key points in the light of the 2023 discharge report.

1. On budget, ESMA noted increasing challenges raised by many NCAs to continue contributing to ESMA's budget and mentioned engagement with the NCAs to recommend possible ways forward to the EU co-legislators with a view to ensuring that NCA contributions are based on a simple, predictable, fair and sustainable funding model.
2. Regarding its financing model, ESMA provided legal background outlining all the reasons why it does not differentiate between the costs covered by the Union budget subsidy and those covered by national contributions.
3. On the disclosure in ESMA's accounts of an impairment corresponding to outstanding fees from third-country supervised entities, ESMA

¹⁷ https://www.europarl.europa.eu/doceo/document/TA-10-2025-0088_EN.pdf.

¹⁸ https://www.esma.europa.eu/sites/default/files/2025-07/ESMA24-450544452-2644_Opinion_on_2023_EP_discharge_report.pdf.

welcomed the EMIR amendment of Regulation that makes it possible to withdraw recognition of a third-country CCP due to non-payment of fees, recalled that it withdrew the recognition decisions of the concerned third-country CCPs, and underlined the benefit of developing judicial cooperation agreements with third countries to facilitate the recovery of unpaid fees from entities established outside of the EU.

3.9. Environment management

In 2025, ESMA reached an important milestone with the publication of its first Climate Transition Plan in July and the renewal of its EMAS registration in September for a new three-year cycle (2025–2027).

Building on the experience gained under EMAS, the Climate Transition Plan represents a further step in strengthening the management of ESMA's environmental impact.

Developed jointly by the Sustainable Finance and Corporate Services Units, the plan enables ESMA to lead by example and demonstrate its commitment to sustainability. It sets out a roadmap to reduce greenhouse gas emissions by 15.4 % by 2027 and by 31.4 % by 2030 against a 2023 baseline, focusing on emissions from staff business travel, energy use in ESMA's premises, and food consumption linked to the canteen and catering services.

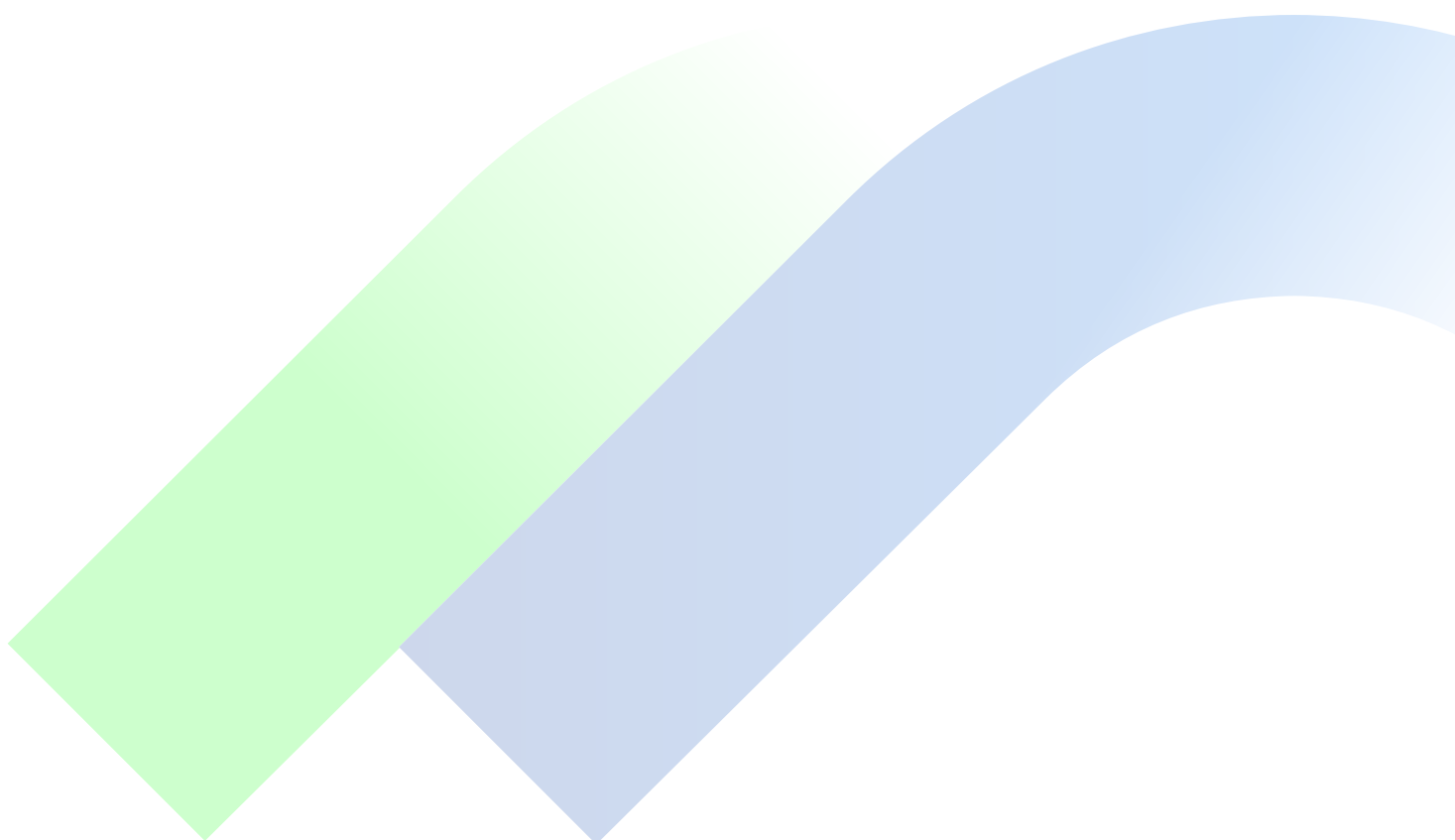
To support these objectives, concrete actions have been introduced in key areas.

- **Mission management.** Implementation of an annual GHG budget to manage emissions from air travel.
- **Energy consumption.** Optimisation of floor occupancy and energy use within the premises.
- **Sustainable catering.** Measures to encourage lower-carbon food choices for meetings and events.

The plan will be refined and strengthened over time as data quality improves and methodologies continue to evolve.

More details are available in Annex VII to this report (Environmental management).







4. Assessment of the effectiveness of the internal control systems

4.1. Effectiveness of the internal control systems

The internal control framework supplements the financial regulation and other applicable rules and regulations with a view to aligning ESMA's standards with the highest international standards set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) internal control integrated framework. ESMA's internal control framework was adopted by its Management Board in November 2018, replacing the previously approved 2012 internal control standards.

The COSO framework was reviewed in 2013 to move from a compliance-based to a principle-based system, with the aim of ensuring robust internal control through consistent assessment, while providing the necessary flexibility to allow it to be adapted to the specific characteristics and circumstances of different businesses. To keep up with these recent changes in international best practices, it was appropriate to update ESMA's internal control framework accordingly.

ESMA's internal control framework consists of five internal control components, which are built on 17 principles, based on the 2013 COSO internal control integrated framework and further supported by several characteristics.

To assess the status of the internal control system in 2025, in the first quarter of 2026 ESMA performed its annual self-assessment of the effectiveness of the implementation of the internal control principles in accordance with the framework.

4.2. Ethics, integrity and anti-fraud measures

In 2025, ESMA provided guidance and support in areas regarded as key for ethical behaviour, integrity and the prevention of COI and fraud at both staff and non-staff levels.



Ethics and integrity

In 2025, reviews were undertaken to promote ethical behaviour and integrity of processes. A targeted review of ESMA's Policy for Non-Staff was finalised in June 2025; it led to a similar review of ESMA's COI Policy for Staff, in consultation with the ESMA Staff Committee and in coordination with the other ESAs. Both reviews aimed at reflecting developments in financial regulation, namely MiCA and DORA, streamlining content and process, where appropriate. In addition, enhanced coordination with the other ESA was put in place to ensure consistent approaches to the new joint oversight mandate of the ESAs under DORA. The COI Policy for Staff was furthermore submitted for a formal approval procedure by the Commission, which outcome is expected in Q1 2026. To ensure consistent and efficient approaches for similar ethical issues across EU institutions and bodies, ESMA also maintained close interaction with the other ESAs, the European Central Bank, AMLA and the SRB. This cooperation included finding a common approach in respect of the ethics rules applicable to the members of the Joint Examination Teams under DORA, which combines staff of the three ESAs and of NCAs of the three sectors.

Special attention was dedicated to raising awareness of COI and ethics rules to ensure effective compliance on the ground. In particular, ESMA held a session for all staff on ESMA's ethics rules and conducted quarterly mandatory induction sessions for all newcomers. Support was also provided on questions relating to ethics of staff and non-staff, especially further to the introduction of the new rules and during the set-up of the new DORA oversight mechanism, i.e. the Oversight Forum and the designation procedure of CTPPs.

ESMA also reviewed annual COI declarations from its staff and governing body members. It also managed various ethics-related inquiries and declarations, such as confidentiality agreements for new hires, spousal/partner employment disclosures, outside activity requests, publication/speech approvals, pre-financial instrument dealings requests, leave-related activity disclosures and post-ESMA activity intentions. In two instances of former ESMA staff joining a private sector entity, targeted steps and measures were taken to address any potential COI concerns stemming from 'revolving doors' situations; the same topic has also been the subject matter of an ongoing European Ombudsman inquiry addressed to a number of EU agencies, including ESMA. COI issues were infrequent and promptly addressed, including putting in place mitigating measures in two ad hoc declarations of interests of senior managers in the context of the ESAs' preparatory work for the designation of CTPPs under DORA and one declaration on the gainful employment of a spouse.

Anti-fraud measures

In 2025, ESMA finalised the implementation of its 2022–2025 anti-fraud strategy and adopted its new strategy for 2026–2028, the main objectives of which are (i) nurturing an anti-fraud culture, (ii) maintaining measures for detection of suspicious behaviours and deterrence, and (iii) strengthening measures for investigation and correction of suspected fraud. ESMA put in place an action plan to advance these objectives and address fraud risks over the coming years.

4.3. Conclusions of the assessment of internal control systems

The main objective of the self-assessment is to analyse in detail whether all of the internal control principles are present and functioning in the organisation.

To assess the status of the internal control system in 2025, ESMA performed during Q1 2026 the annual

self-assessment of the effectiveness of implementation of the internal control principles according to the framework.

To do so, in 2025, ESMA measured 77 internal control indicators, covering all internal control principles, as primary source of information. In addition, ESMA analysed secondary sources of information, including audit reports.

This information allowed ESMA to identify the main strengths and deficiencies of each principle and finally assess each principle and component. In total, ESMA identified 29 deficiencies, most of which were minor or moderate and none of which called into question the presence and proper functioning of the principles. ESMA concluded in its self-assessment that the internal control system is present and functioning well with some improvements needed, mainly in the control environment, control activities and information and communication components.

4.4. Statement of the Internal Control Coordinator in charge of risk management and internal control

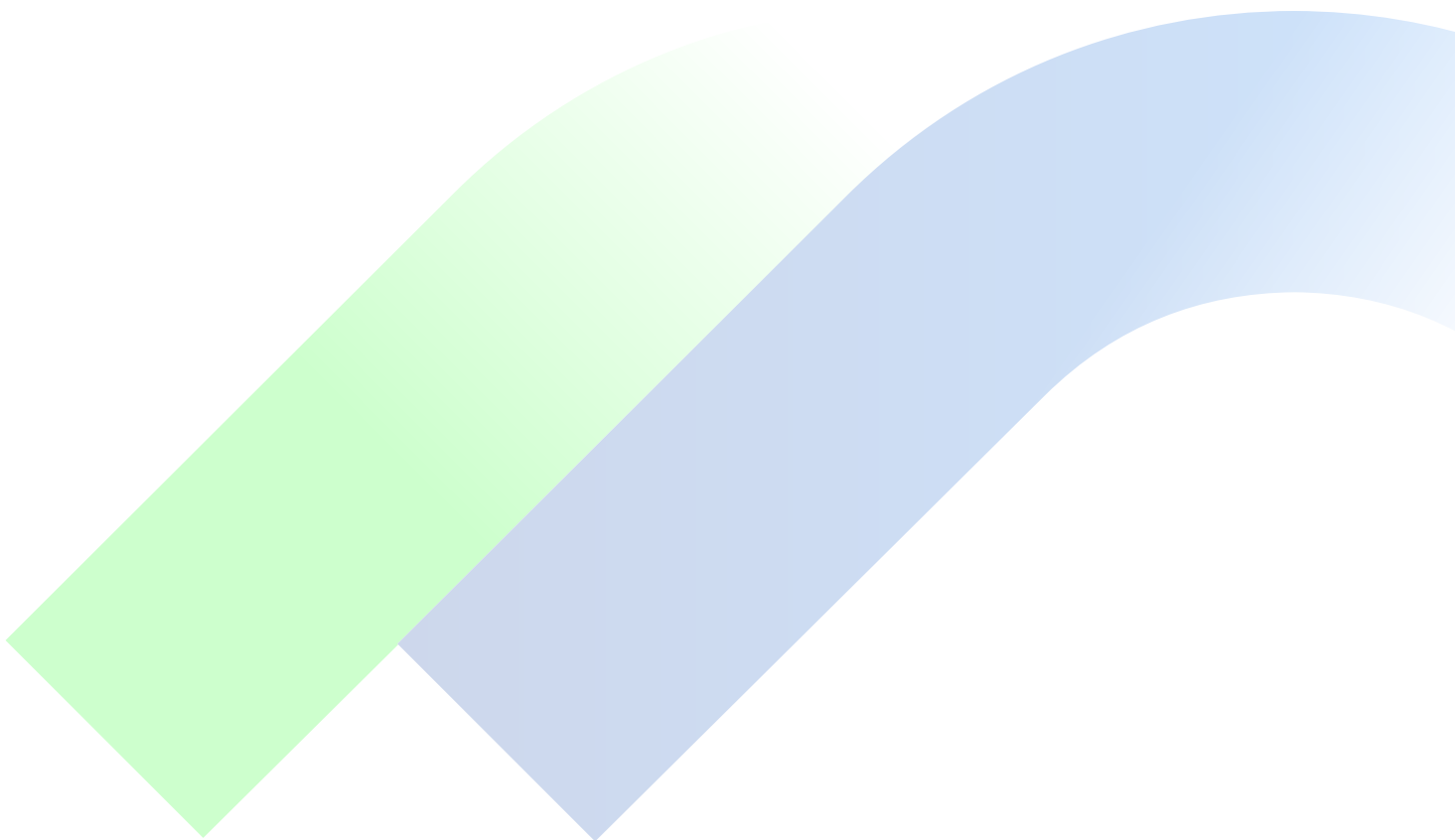
I, the undersigned, ICC in charge of risk management and internal control within ESMA,

In my capacity as ICC in charge of risk management and internal control, I declare that in accordance with ESMA's Internal Control Framework, I have reported my advice and recommendations on the overall state of internal control in the Agency to the Executive Director.

I hereby certify that the information provided in the corresponding section of this report and in its annexes is, to the best of my knowledge, accurate, reliable and complete.

Paris, 11 May 2026

Elena Munoz Aguilar
Internal Control Coordinator
 European Securities and Markets Authority





5. Management assurance

5.1. Review of the elements supporting assurance

The level of reasonable assurance is down to the personal judgement of ESMA's Executive Director and the authorising officers by delegation, based on all information at their disposal. This information can be structured around pillars or building blocks of assurance.

The main building blocks of the Executive Director's declaration of assurance are:

- the Executive Director's own knowledge of the management and control systems in place;
- the observations of the ECA known at the time of the declaration;
- the observations of the IAS known at the time of the declaration;
- the observations of the discharge authority at the time of the declaration;
- the declarations of assurance made by the authorising officers by delegation to the Executive Director;
- the results of the assessment of the internal control system;
- the *ex ante* and *ex post* controls;
- the validation of the accounting systems;
- an analysis of the list of recorded exceptions;
- a summary of European Anti-Fraud Office activities relevant to ESMA.

In support of the annual activity report, all authorising officers and heads of department are asked to sign a declaration of assurance for their areas of responsibility.

The purpose of these declarations is to confirm, on the basis of the facts in their possession, that the information contained in the report gives a true and fair view – except if otherwise specified in any reservations relating to defined areas of revenue and expenditure – and that the resources assigned have been used for their intended purpose and in accordance with the principles of sound financial management. The heads of department and the authorising officers by delegation confirmed their

reasonable assurance that, overall, suitable controls are in place and working as intended and that the risks identified are being appropriately monitored and mitigated.

Given the control system in place, the information obtained from the building blocks above and the lack of critical findings from the ECA and the IAS at the time of the declaration, there is no reason to question the efficiency and effectiveness of the control system in place.

5.2. Reservations

Based on the assurance provided by the control system in place, the Executive Director sees nothing that would justify or require having any reservations.

Materiality criteria used

In line with the guidelines on the preparation of the annual activity report, ESMA used the qualitative and quantitative materiality criteria described below to assess whether the issues identified merited having any reservations.

Qualitative criteria used

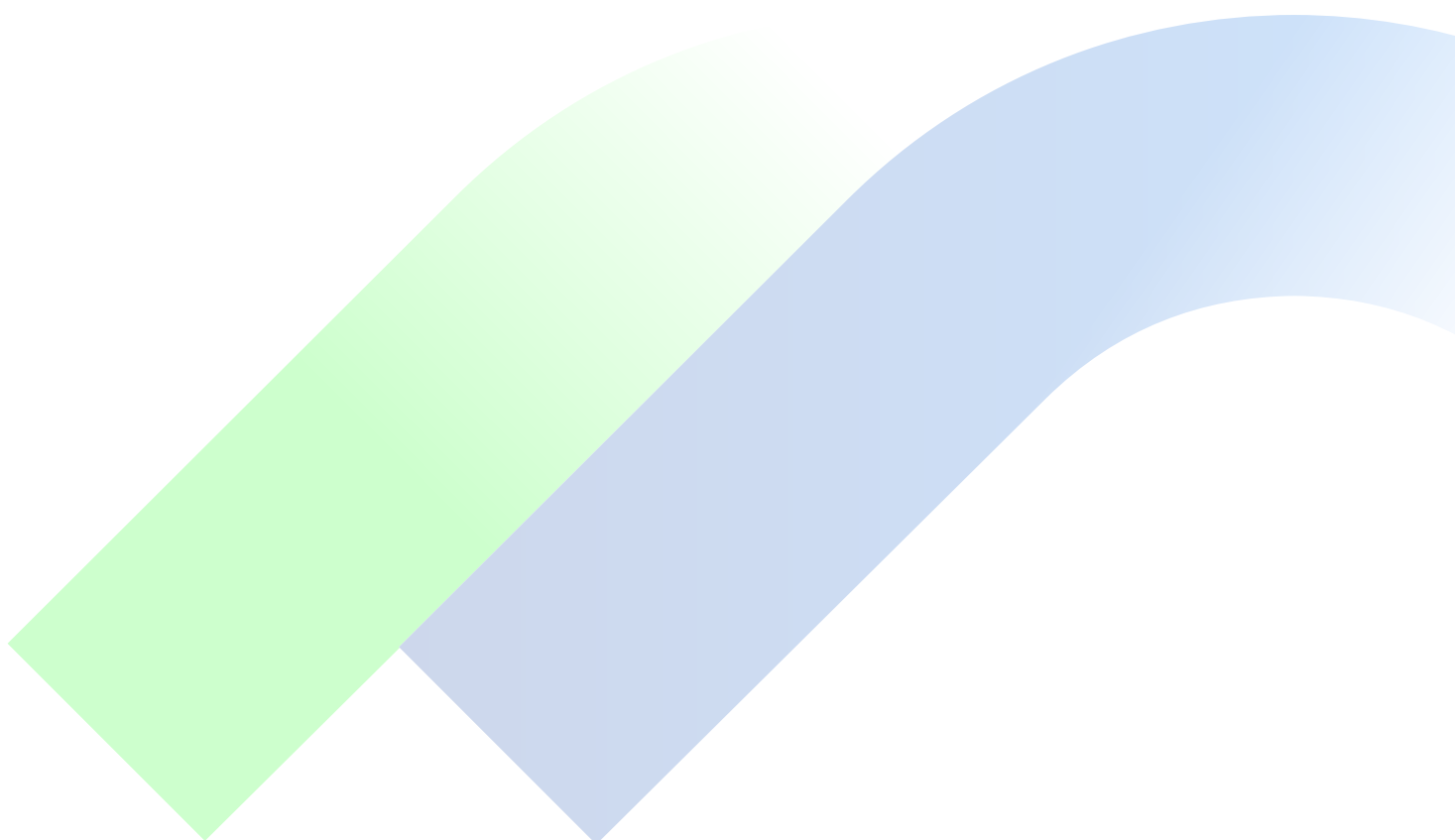
ESMA considers any weakness in the internal control system that falls under certain qualitative criteria to be significant, namely:

- significant errors detected during the control exercises;
- a significant weakness in the control system;
- situations in which ESMA does not have sufficient evidence from the internal control system or audit coverage to be confident in providing the necessary assurance;
- situations in which a major issue has been highlighted by the ECA or the IAS of the Commission (critical audit recommendations for underlying weaknesses) relevant to the area covered by the declaration of assurance that are not adequately addressed by other internal controls and for which the materiality threshold is exceeded;

- situations revealed through ESMA's own control work or audits in which significant risks remain unmitigated; and
- a significant reputational risk.

Quantitative criterion used

In accordance with the Commission's guidelines on the preparation of annual activity reports, the ECA uses a 2 % materiality threshold. ESMA has therefore set the quantitative criterion of materiality at 2 % of its total budget.





6. Declaration of assurance

6.1. Assessment management on assurance

Taking into account the review of the elements supporting assurance, the Executive Director is of the opinion that the management and control systems in place at ESMA are working as intended, that risks are being appropriately monitored and mitigated, and necessary improvements and reinforcements are being implemented.

Based on all of the facts presented in the report and in the light of the opinions expressed by the ECA on the reliability of the accounts and on the legality and regularity of the transactions underlying the accounts, ESMA can conclude that the systems in place provide reasonable assurance that the resources under the responsibility of the Executive Director were used for their intended purposes and in accordance with the principles of sound financial management.

6.2. 2025 declaration of assurance by the Executive Director of ESMA

I, the undersigned, Executive Director of the European Securities and Markets Authority,

In my capacity as authorising officer,

Declare that the information contained in this report gives a true and fair view.

State that I have reasonable assurance that the resources assigned to the activities described in the report have been used for their intended purpose and in accordance with the principle of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, *ex post* controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported that could harm the interests of the European Securities and Markets Authority.

Paris, 22 May 2026

Natasha Cazenave
Executive Director

European Securities and Markets Authority



7. Annexes

Annex I – Reporting on key performance indicators

In 2025, ESMA revised and streamlined its key indicators. ESMA now operates with two types of indicators: key performance indicators (KPIs) and strategic key outcome indicators (KOIs).

Operational KPIs

Key performance indicator	Value 2025	Baseline	Annual target
Completion rate of the AWP	95 % (*)	91.7 %	> 85 %
Greenhouse gas (GHG) emissions ^(*)	331.4 tCO ₂ e (**)	457.1 tCO ₂ e	-15.4 % by 2027 and -31.4 % by 2030
Staff turnover rate	3.9 %	3.7 %	5 % - < 10 %
Implementation rate of budget appropriations	100 %	99.5 %	> 95 %
Maintenance IT budget execution	100 %	98.6 %	> 95 %

(*) Figure following the prioritisation exercise. Pre-prioritisation: 89 %

(**) This represents a 27 % decrease compared to 2023, a reduction that is larger than the ESMA Transition Plan 2027 target and close to the 2030 target. The reduction in GHG emissions between 2024 and 2025 is mainly attributable to a 45 % decrease in travel-related emissions. These were driven by significant reductions in the number of air travels, in line with the annual GHG budget and reflecting financial constraints and lower emission factors.

Strategic KOIs

Objective Key outcome indicator	Current value	Baseline	Target by 2028
1 Financial stability: number of published market monitoring and risk assessments resulting in supervisory, policy or convergence actions < 6 months.	18 (95 %)	TBD	TBD
2 Effective supervision: mitigating supervisory risks			
A. Proportion of identified supervisory elevated risks reduced/addressed by ESMA direct supervision < 3 years	62 %	TBD	TBD
B. Proportion of identified supervisory elevated risks reduced/addressed by convergence activities < 3 years.	64 %		
3 Retail investor protection: average costs ⁽²⁰⁾ and charges for RI products			
A. Active funds	1.65 %	1.87 %	< 1.87 %
B. Passive funds – non-ETF	0.32 %	0.75 %	< 0.75 %
C. Passive funds – ETF	0.47 %	0.57 %	< 0.57 %

¹⁹ The baseline value stands at 457.1 tCO₂e (tonnes of carbon dioxide equivalent) for 2023, after actual emissions (430 tCO₂e) have been adjusted based on projected FTEs (by 2026) stemming from new mandates.

²⁰ Costs are taken from the PRIIPs KID and exclude fees paid directly from the investor to the distributor.

Objective		Current value	Baseline	Target by 2028
Key outcome indicator				
4 Sustainable finance: greenwashing risks in the funds industry				
A. Share of funds with sustainability-related features with inconsistent name relative to regulatory documentation.		0.7 %	0.9 %	
B. Share of funds with sustainability-related features using vague, unsubstantiated ESG language		55 %	50 %	TBD
C. Share of funds with an ESG name possibly inconsistent with their portfolio...	... due to the low positive impact of the portfolio on ESG factors.	0.5 %	2.2 %	
	... due to the high negative impact of the portfolio on ESG factors.	4.6 %	7.9 %	
5 Effective data usage: Number of users on the ESMA data platform.		268	TBD	TBD

ESMA has developed a new set of KOIs that measure the extent to which the priorities and drivers set out in ESMA's 2023–2028 strategy, are being achieved. A single KOI has been selected to measure one important aspect of each of ESMA's strategic priorities and thematic drivers as set out in its 2023–2028 strategy. A KOI for market effectiveness and technological innovation will be added in the coming years. The indicators were selected among those which are reliably measurable and for which quality data is available. A target will be established for each of the KOIs once sufficient data to establish a baseline has been collected.

1. Financial stability: number of published ESMA market monitoring reports and risk assessments that resulted in supervisory, policy or convergence actions

This KOI provides an indication of the contribution of ESMA's risk monitoring to mitigating the risk of financial instability. It shows the ability to draw attention to risk factors which might otherwise not have been addressed. The KOI measures the number of risk topics analysed in ESMA's publications in a given year, which resulted in a follow-up action by national supervisors, an international or EU forum or ESMA within 12 months of publication, including for example policy and convergence products which were impacted by the research in a significant way. The KOI excludes certain instruments for which follow-up is either legally required (e.g. peer review reports) or fully out of ESMA's hands (e.g. certain ESMA opinions). The baseline of this KOI will be the average of the first three years of data collection (2023–2025). The target will be set once the full baseline, i.e. three years' worth of data, has been collected. In 2028 a baseline and target will be reviewed.

Year	Risk topics covered	Topics with follow-up in subsequent 12 months		
		Type of follow-up	Number	%
2025	19	Total (any type of follow-up action)	18	95 %
		By national supervisors incl. via ESMA fora ⁽²¹⁾	15	79 %
		In international or EU forum ⁽²²⁾	14	74 %
		In ESMA policy or convergence outputs ⁽²³⁾	16	84 %

Comments and interpretation of results: as part of its mandate, ESMA provides market and system-wide risk monitoring and analysis across the ESMA remit, in order to inform the public and guide regulatory and supervisory activities. Where the analysis is related to current risks and vulnerabilities in markets under ESMA's remit (TRV Risk Monitor, TRV risk analysis articles, risk analysis covered in reports), possible follow-up actions are usually provided in the reports. ESMA market reports or research-oriented publications such as ESMA working papers lend themselves less to immediate follow-up actions. Hence here the level of follow-up actions is less pronounced.

²¹ Identified risk and possible mitigating actions discussed in committee of NCAs or at the level of the ESMA Board of Supervisors.

²² Identified risk and possible mitigating actions discussed in IOSCO, the FSB, the ESRB and the ESA JC.

²³ ESMA-published deliverable which was impacted in a significant way by the risk analysis.

Risk topics covered in ESMA publications during 2025	Follow-up action		
	By national supervisors	In international or EU forum	In ESMA policy or convergence
Risk monitoring in TRV risk monitor and Market Reports:			
• TRV Risk Monitor 1/2025	✓	✓	✓
• TRV Risk Monitor 1/2025	✓	✓	✓
• EU carbon markets	✓	✓	
• Costs/performance of retail product	✓	✓	✓
• EU prospectuses	✓		
• EU crowdfunding	✓		✓
Risk analysis in TRV Articles:			
• Risks in UCITS using the absolute value-at-risk approach	✓	✓	✓
• Annual risk assessment of leveraged AIFs	✓	✓	✓
• Impact of size on EU fund cost structures	✓	✓	✓
• Impact of ESMA ESG guidelines	✓	✓	✓
• Trends in transition fund strategies	✓		✓
• ESG-related changes in fund names	✓	✓	✓
• Operation and cyber risks in EU financial markets			✓
• Maximal Extractable Value Implications for crypto markets			✓
• Artificial intelligence in EU investment funds	✓	✓	✓
Risk topics covered in reports:			
• Total costs of investing in UCITS and AIFs	✓	✓	✓
Risk analysis in ESMA working papers:			
• Fragmentation in EU equity markets			✓
• Large language models in finance		✓	

2. Proportion of identified supervisory elevated risks reduced/addressed by direct supervision and convergence activities within three years

This KOI measures the elevated supervisory risks which have been reduced or addressed within a period of three years as a percentage of the total number of elevated risks identified in 2022. The calculation for this KOI is represented by two sub-indicators: one for national supervisory risks, whose mitigation is undertaken by NCAs with ESMA playing a facilitation role through its convergence work, and one for ESMA's own direct supervision. The aim of both sub-KOIs is to measure ESMA's ability to mitigate and manage identified supervisory risks. As such, the KOIs measure one important aspect of ESMA's contribution to achieving effective risk prioritisation and outcome-based supervision.

A. ESMA direct supervision based on ESMA's internal annual risk assessment

Every year, ESMA carries out an assessment of the main supervisory risks relating to the entities under its direct supervision: Tier 2 TC CCPs, CRAs, TRs and SRs, certain DRSPs and certain benchmark administrators. This KOI tracks the number of identified risks that were addressed or reduced over a three-year risk cycle/ action period (i.e. the elevated risks that were deemed to be of lower level in the 2025 risk assessment compared with the 2022 risk assessment) ⁽²⁴⁾.

²⁴ The KOI does not include the respective data for Benchmark Administrators as this mandate was not yet within ESMA's scope of supervision during the risk assessment of 2022.

Years (risk year–reporting year)	Direct supervision		
	Number of elevated risks in 2022	Number of risks reduced by end of 2025	Risks reduced/addressed (%)
2022–2025	202	132	65 %

Comments and interpretation of results

With regard to the supervision of CRAs, ESMA has observed a reduction in risks relating to outstanding concerns, particularly in the areas of methodologies following finalisation of several workstreams in these areas.

DRSPs came under ESMA's direct supervision on 1 January 2022. Consequently, 2022 marked the first DRSP risk assessment. The elevated risks identified at that time were primarily related to the Data Quality, Information Security, and Access & Availability modules, most of which have been largely addressed within 3 years.

Supervised since 2014, TRs have become organisations with a fairly stable risk profile. The number of closed supervisory events has originated mainly from supervisory action over the last 3 years that led to mitigation of concerns regarding governance and IT/Information security.

SRs came under ESMA's direct supervision on 30 June 2021. Therefore, 2022 marked the first SR risk assessment, based on a limited set of available information.

With respect to the supervision of Tier 2 CCPs, this KOI reflects the risks identified by ESMA's first annual review assessment, initiated in 2022 and completed in early 2023. Over the past three years, there has been an improvement in several areas, including in the management of conflicts of interests, business continuity arrangements, investment practices, and collateral requirements.

B. National supervision facilitated by ESMA convergence initiatives

Every year, ESMA, together with NCAs, identifies the key supervisory risks in the EU to be prioritised for ESMA convergence activities and NCAs' supervision across the investment management, investment services, market abuse, issuers disclosure, trading and post-trading, and CCP sectors. This KOI tracks the number of all identified risks which were reduced or addressed over a three-year risk cycle/action period, i.e. which were deemed to be a lower risk in 2025 compared with 2022. The methodology of this risk identification exercise has evolved since its inception, including the requirement for a defined number of risks per sector. As a result, the level of risk mitigation reported in ensuing years will be affected by these methodological changes.

Years (risk year–reporting year)	Supervisory convergence		
	Number of areas of elevated risk	Number areas where the risk was reduced/addressed	Risks reduced/addressed (%)
2022–2025	59	38	64 %

Comments and interpretation of results: this indicator shows the evolution of identified risks prioritised in NCA supervision on which ESMA carried out supporting supervisory convergence initiatives. The figure of 64 % risks mitigated compares favourably with the previous year, which reported a 61 % mitigation. Most notably, risk severity has declined for the quality and use of STORs and relating to delegation and outsourcing arrangements. This is a direct reflection of the strong supervisory practices of NCAs and ESMA in identifying, mitigating and managing risks in securities markets. Risks linked to cyber and digital operational resilience, liquidity risk management and asset valuations remain elevated despite extensive work undertaken by ESMA and NCAs. This is largely due to the nature and complexity of the risks and the evolving regulatory and market environment. These areas continue to merit close supervisory attention. In 2026, our efforts will be channelled through a set of targeted supervisory workstreams, including through the USSP on cyber and digital operational resilience.

3. Average costs and charges for retail investors

This KOI measures the evolution of total costs ⁽²⁵⁾ charged by retail UCITS ⁽²⁶⁾, split by management type (active, and passive non-ETF and ETF). Costs are taken from the funds' PRIIPs KID (key information document) and include maximum entry and exit costs and management fees and other administrative or operating costs (i.e., ongoing costs), but exclude fees paid directly by the investor to the distributor. Entry and exit costs have been annualised assuming a five-year investment horizon and fund-level data have been aggregated through a weighted average using the funds' assets under management. The baseline is the average of the 2020–2024 period (see table below). In 2028, a new baseline and target will be established. The KOI reflects certain aspects of the level of accessibility and attractiveness of investments for retail investors and, indirectly, also the efficiency and competitiveness of EU financial markets.

Type	Annualised costs 2023	Baseline average 2020–2024	Target
Active	1.65 %	1.76 %	Decreased relative to baseline by 2028
Passive – non-ETF	0.32 %	0.37 %	
Passive – ETF	0.47 %	0.51 %	

Sources: Refinitiv Lipper, Morningstar, ESMA.

Comments and interpretation of results: in terms of supervisory convergence activities, in 2025 ESMA organised a discussion with NCAs to take stock of any supervisory actions undertaken and/or planned on UCITS potentially engaging in closet indexing, and those that present the highest charges to investors. Moreover, the Commission mandated ESMA to report on costs linked to investment in UCITS and AIFs in relation to the review of the AIFMD and UCITS directives. The report ⁽²⁷⁾, published in November 2025, provided for the first time a comprehensive assessment of the total costs charged to investors, including an innovative analysis on distribution costs. It notably demonstrated that credit institutions and investment firms dominate the distribution of investment funds within EEA and that distribution represents 48 % of UCITS total costs (27 % for AIFs).

4. Greenwashing risks in the funds industry

This KOI assesses the evolution of sustainability-related claims made by fund managers. ESMA has an important role to play in achieving investor protection and the effectiveness and integrity of ESG markets, including via effective and consistent supervision of sustainability claims. This KOI aims to measure progress in delivering on these objectives. It relies on three proxies, which respectively monitor (i) the potential inconsistency between funds regulatory documents addressed to retail investors (i.e. PRIIPs KIDs) and fund names, (ii) the potential use of vague, unsubstantiated ESG language in the claims, and (iii) the potential misalignment between fund names and portfolios. The proxies are measured using automated analysis of text in funds documentation and fund names, along with data on funds' portfolio holdings. The analysis builds on reported data and on data from third-party providers, with the European ESG template and Morningstar-Sustainalytics as the principal sources. The KOI is not a compliance assessment tool and should not be read as a measure of overall compliance levels.

Proxies	Baseline (2022)	2023	2024	2025
1. Share of funds with sustainability-related features with inconsistent ESG name relative to regulatory documentation.	0.9 %	0.8 %	0.7 %	0.5 %

²⁵ To the extent these costs can be aggregated (i.e. depending on availability of data for the purpose of aggregation, given some of these costs may be expressed through different metrics in the PRIIPs KID).

²⁶ Sample limited to funds for which enough information is available. The information regarding the type of investors is provided at the share class level by Refinitiv Lipper, which accounts for share classes declaring themselves institutional. If the share class does not declare itself institutional, the share class is considered retail.

²⁷ ESMA Market Report on total costs of investing in UCITS and AIFs, November 2025.

Proxies		Baseline (2022)	2023	2024	2025
2. Share of funds with sustainability-related features using vague, unsubstantiated ESG language.		50 %	51 %	55 %	54 %
3. Share of funds with an ESG name possibly inconsistent with their portfolio...	... due to the low positive impact of the portfolio on ESG factors.	2.2 %	1.6 %	0.9 %	0.5 %
	... due to the high negative impact of the portfolio on ESG factors.	N/A	7.9 %	6.6 %	4.6 %

NB: For proxy 3.2, 2022 data is not available.

Sources: ESMA calculations, European ESG templates, Morningstar-Sustainalytics.

Comments and interpretation of results: as also set out under the USSP on ESG disclosures, ESMA and NCAs are committed to investor protection and the integrity of ESG markets. They take action to ensure that fund managers adhere to the requirement that sustainability disclosures are fair, clear and not misleading. The [2023-2024 Common Supervisory Action \(CSA\) on the integration of sustainability risks and disclosures](#) confirmed generally satisfactory compliance with SFDR and UCITS/AIFMD frameworks. Nonetheless, it highlighted persistent vulnerabilities, including disclosures using 'vague and overly general language', warranting continued supervisory attention in the future. Based on 2025 data, the share of funds with potential inconsistency between their regulatory documentation and their names has remained low and on a slightly downward trend, reaching 0.5 % in 2025. More concerning is the potential use of vague, unsubstantiated ESG language in PRIIPs KIDs by a large share of funds with sustainability-related features: 54 % in 2025, a marginal decrease from 2024 level. The risk to investor protection appears higher regarding funds that disclose under Article 8 of the SFDR (55 % of funds in 2025, compared to a restated figure of 56% in 2024). For funds disclosing under Article 9 of the SFDR, the risk appears much more limited (16 % in 2025). This was against the backdrop of a 4% decrease in the number of UCITS funds disclosing under Article 9 of the SFDR to 979, while the number of UCITS funds disclosing under Article 8 of the SFDR increased 3 %, to 12 847. The amended SFDR proposal contains provisions that should help mitigate the publication of unsubstantiated claims when the new rules are applied. The SFDR review proposal would create product categories with explicit investment criteria (building on those in the [ESMA's guidelines on funds' names using ESG- or sustainability-related terms](#)), would contain new rules on product names and marketing, and eventually the financial product distribution rules would be expected to be aligned with the new product categories.

Regulators are taking action to address risks of misalignment between the use of ESG terms in funds' names and their portfolio holdings. The ESMA Guidelines on Fund names, published in 2024, started applying on 21 May 2025. Improvements in the two ESMA portfolio-related proxies suggest that the risk of misalignment has decreased. Especially, the share of funds with ESG-themed names that stood out for their relatively high investment in companies associated with an adverse ESG impact decreased to 4.6 % in 2025 from 7.9 % in 2023. Meanwhile, the share of ESG-named funds standing out for their low investments in companies that have positive ESG impact decreased from 2.2% since 2022 to 0.5%. This was against the backdrop of a 25 % decrease in the number of EU funds using ESG wording in their names in 2025. The evolutions confirm findings from a recent ESMA study on the impact of the Guidelines that they contributed to reducing greenwashing risks in the fund industry, either via changes to product names or portfolio divestments from activities excluded under the Guidelines.

5. Use of ESMA's proprietary databases

This KOI measures the sum of individual users among ESMA staff and NCAs across ESMA's datasets. The KOI provides an indication of ESMA's ability to ensure effective use of supervisory data. Targets for groups of users or datasets will be developed once a baseline has been established. The baseline is the average of the first three years of calculation.

Reference year	Total number of users
2025	475

Comments and interpretation of results: ESMA migrated to its new data platform in 2024, with the number of non-ESMA users exceeding 100 at the end of that year. Throughout 2025 the number of non-ESMA users continued to grow and is currently nearing 300, highlighting the strong interest from NCAs but also other ESAs in using the data platform.

The number of ESMA users is currently 182. This steady increase relative to last year (124 users) highlights the increased use of data across the organisation.

Annex II – Statistics on financial management

C1 Budget implementation

2025 C1	Voted budget for 2025 (after transfers) (1)	Commitments (2)		Payments (3)		To be carried forward (4)	
ESMA budget title	Budget for 2025 (EUR)	Committed (EUR)	(2) / (1) (%)	Paid (EUR)	(3) / (1) (%)	(2) - (3) (EUR)	(4) / (1) (%)
I	55 787 706	55 787 706	100.00 %	52 290 044	93.73 %	3 497 662	6.27 %
II	9 060 931	9 060 931	100.00 %	8 548 050	94.34 %	512 881	5.66 %
III	17 297 034	17 297 034	100.00 %	13 538 986	78.27 %	3 758 048	21.73 %
IV	150 888	150 888	100.00 %	51 389	34.06 %	99 499	65.94 %
Total C1	82 296 559	82 296 559	100.00 %	74 428 468	90.44 %	7 868 091	9.56 %

Number and values of budget transfers

ESMA budget title	2025 Initial budget (A)	1st budget transfer	2nd budget transfer	1st budget amendment	3rd budget transfer	2nd budget amendment	4th budget transfer	2025 final budget (B)	B - A	VAR %
1. Staff	57 528 179	739 677	-30 500	-327 000	-1 106 935	-	-235 656	56 567 765	-960 414	-1.7 %
2. Infrastructure & administration	9 205 009	39 000	67 500	-	82 880	-	-51 050	9 343 339	138 330	1.5 %
3. Operating expenditure	17 794 498	-778 677	-37 000	-804 221	1 024 055	124 500	286 705	17 609 860	-184 638	-1.0 %
4. Delegated tasks	1 850 000	-	-	-	-	76 300	-	1 926 300	76 300	4.1 %
TOTAL	86 377 686	-	-	-1 131 221	-	200 800	-	85 447 265	-930 421	-1.1 %

Budget out-turn and cancellation of appropriations (data from provisional accounts for 2025) (EUR)

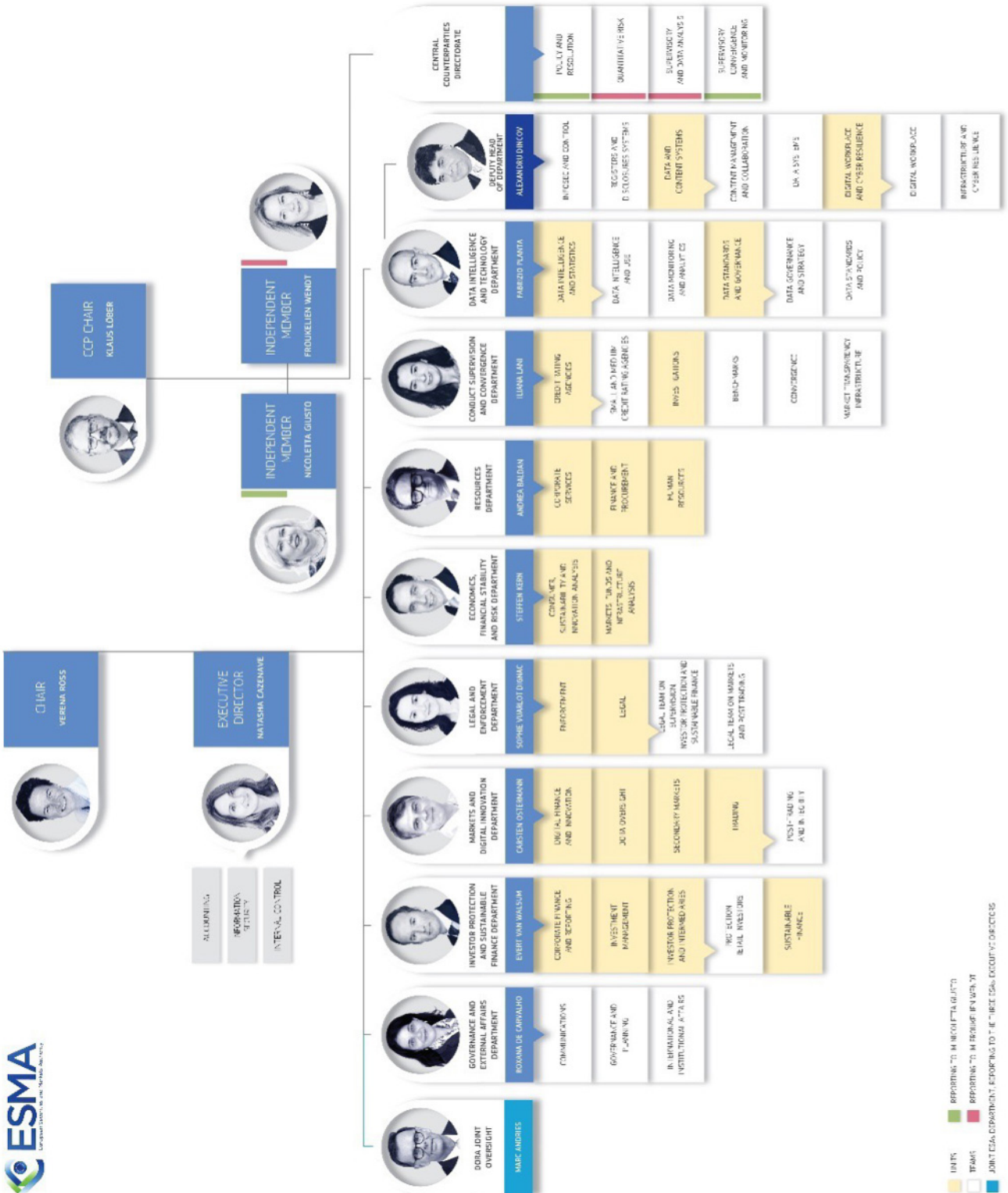
Calculation budget out-turn	2023	2024	2025
Reserve from the previous years' surplus (+)			
Revenue actually received (+)	72 188 568	76 306 471	85 656 007
Payments made (-)	-66 391 756	-72 078 217	-76 582 034
Carry-over of appropriations (-)	-6 266 387	-4 875 624	-10 092 168
Cancellation of appropriations carried over (+)	209 043	278 841	73 987
Adjustment for carry-over of assigned revenue appropriation from previous year (+)	989 786	768 331	922 578

Calculation budget out-turn	2023	2024	2025
Exchange rate differences (±)	-880	244	418
Adjustment for negative balance from previous year (-)	0	0	0
TOTAL ⁽²⁸⁾	728 374	400 047	-21 213

²⁸ Due to rounding, there may be a EUR 1 difference in the sub-totals and totals.

Annex III – Organisational chart

Organisational chart as of 31 December 2025



Annex IV – Establishment plan and additional information on human resources management

ESMA's staff population in 2025 (all categories of staff)

Staff population		Headcount as of 31 December 2024	Headcount as of 31 December 2025
Officials	ADs	–	–
	ASTs	–	–
	ASTs/SCs	–	–
TAs	ADs	230	237
	ASTs	12	12
	ASTs/SCs	–	–
Total TAs		242	249
CAs (FG IV)		63	60
CAs (FG III)		29	30
CAs (FG II)		–	–
CAs (FG I)		–	–
Total CAs		92	90
SNEs		24	19
Total		358	358

NB: AD, Administrator; AST, Assistant; FG, function group; SC, Secretary; SNE, Seconded National Expert.

Indicative table – Information on recruitment grade/function group for each type of post

Key functions	Type of contract (official, TA or CA)	Function group, grade of recruitment*	Indication whether the function is dedicated to administrative support or operations
Chair	TA	AD15	Operations
Executive Director	TA	AD14	Operations
Chair of the CCP Supervisory Committee	TA	AD16	Operations
Independent Member of the CCP Supervisory Committee	TA	AD15	Operations
Head of Department	TA	AD12	Operations
Head of Resources Department	TA	AD12	Administrative support
Head of Unit	TA	AD9	Operations
Head of Unit in Resources Department	TA	AD9	Administrative support
Team leader	TA	AD7/AD8	Operations

Key functions	Type of contract (official, TA or CA)	Function group, grade of recruitment*	Indication whether the function is dedicated to administrative support or operations
Team leaders ICT Digital Workplace, Infrastructure & Cyber resilience	TA	AD7/AD8	Administrative support
Communication Team leader	TA	AD7/AD8	Administrative support
Senior Officer	TA	AD7	In all areas
Chief Information Security Officer	TA	AD7	Operations
Senior Internal Control Officer	TA	AD7	Administrative support
Accounting Officer	TA	AD7	Shared with EBA
Officer	TA	AD5	In all areas
Officer	CA	FGIV	In all areas
Senior Assistant / Personal Assistant / Assistant	TA	AST3	Administrative support
Assistant	CA	FGIII	Administrative support

Information on the list of HR implementing rules adopted in 2025

- ESMA64-1894467651-417 Decision on adopting by analogy the Commission Decision C(2025)2495 missions guide.

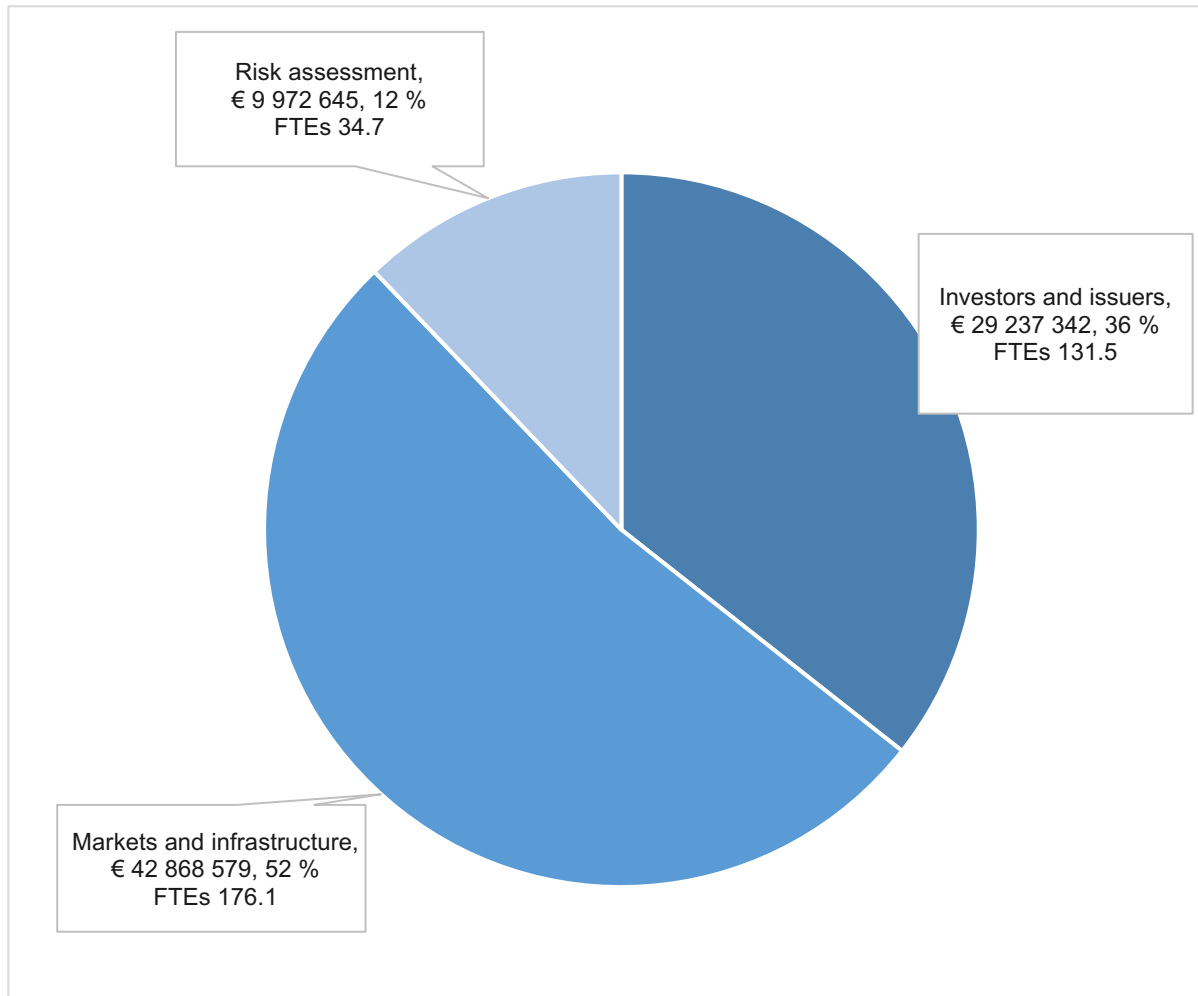
Job benchmarking against previous year results

Job (sub)category	2024 (%)	2025 (%)
Administrative support and coordination	18.14	14.68
Administrative support	13.35	12.32
Coordination	4.79	2.36
Operational	77.33	80.73
General operational activities	13.35	15.99
Programme management and implementation	43.83	45.61
Top operational coordination	5.54	4.98
Evaluation and impact assessment	14.61	14.15
Neutral	4.53	4.59
Accounting, finance, non-operational procurement, contract management and quality management, internal audit and control	4.53	4.59
Linguistic activities	0	0

NB: Reference dates – 31 December 2024/2025.

Annex V – Human & financial resources by activity

The total costs for 2025 amount to EUR 82 078 565, with 342.3 internal FTEs (TAs, CAs and SNEs), excluding the financial and human resources for the delegated projects and DG Structural Reform Support projects.



Annex VI – Contribution, grant and service-level agreements and financial framework partnership agreements

At the end of 2025, ESMA had in place the following service-level agreements (SLAs) with other EU institutions.

	Entity	Topic	Duration
1	European Commission	Medical services	2011 – automatically renewed
2	Cybersecurity Service for the Union Institutions, Bodies, Offices and Agencies	IT security support	2014 – automatically renewed
3	Publications Office of the European Union	Production of ESMA general publications and related services	2015 – automatically renewed
4	DG Digital Services	DIGIT services	2019 – automatically renewed
5	DG Human Resources and Security	HR services	2018 – automatically renewed
6	European Personnel Selection Office	EPSO – Assistance with a view to the selection of officials EUSA – Training	2019 – automatically renewed
7	DG Budget	Use of ABAC and ABAC-DWH data extraction	2020 – automatically renewed
8	European Banking Authority	Provision of accounting services	2021 – automatically renewed
9	Office for the Administration and Payment of Individual Entitlements	Conditions under which the PMO provides services, goods or works to the client	2021 – automatically renewed
10	DG Structural Reform Support	EU Supervisory Digital Finance Academy: Strengthening supervisory capacity in innovative digital finance	2022–2025
11	European Banking Authority	Learning Management System 'EBA Learning Hub'	2023–2025
12	DG Structural Reform Support	REFORM/SLA2023/001- ESMA – Flagship: ESG Risk Management Framework for the Financial Sector	2023–2025
13	European Banking Authority, European Chemicals Agency, European Insurance and Occupational Pensions Authority	Common data protection impact assessment, data protection, record of processing activities and privacy statement for Microsoft Azure	2023 – indefinite (until all services are provided)

	Entity	Topic	Duration
14	DG Structural Reform Support	SLA2024/002 – Tackling greenwashing risks within German and Dutch sustainable investment funds	2024–2026
15	European Insurance and Occupational Pensions Authority	SLA for HUBEX between EIOPA and ESMA	2024 – automatic renewal
16	European Insurance and Occupational Pensions Authority	SLA between ESMA and EIOPA – Inter-agency SLA on the sharing of the ServiceNow platform	2024 – automatic renewal
17	European Banking Authority, European Insurance and Occupational Pensions Authority, European Union Agency for Cybersecurity	SLA for DORA Incident Reporting Implementation	2024 – automatic renewal
18	DG Structural Reform Support	EU Supervisory Digital Finance Academy (EU-SDFA) 2.0. SLA2025/002	2025–2028
19	European Banking Authority, European Insurance and Occupational Pensions Authority	Cooperation Agreement on the sharing of TESTA TAP infrastructure with EBA and EIOPA	2023 – automatic renewal
20	European Food Safety Authority	Inter-agencies cost-sharing agreement (Shared Support Office)	2025 – indefinite
21	European Banking Authority	ESMA Data Platform	2024–2027, subsequently automatic one-year renewals
22	European Banking Authority, European Insurance and Occupational Pensions Authority	ESMA Data Platform	2025–2028, subsequently automatic one-year renewals
23	European Banking Authority	Security Regulations as a Service	2025 – automatic renewal
24	European Insurance and Occupational Pensions Authority	CISO as a Service and Security Regulations as a Service	2025 – automatic renewal
25	European Commission	SLA on the use of Hermes-Ares-NomCom (HAN)	2025 – automatic renewal
26	European Banking Authority, European Insurance and Occupational Pensions Authority	SLA for Article 31a Maintenance and Infrastructure (Fitness and Propriety platform)	2025 – automatic renewal

The above SLAs allow ESMA to have access to high-quality and specialised services, all while benefiting from economies of scale, good prices and efficiency gains. Overall, the financial impact is positive.

Annex VII – Environmental management

ESMA has an EMS in place and has been officially recognised under both the EMAS and the ISO 14001 standards since 2022.

The EMS scope is aligned with EMAS and ISO 14001 requirements and covers ESMA's operations and activities, along with its mandates relating to sustainability and ESG.

ESMA's environmental policy commits the organisation to reducing the environmental impact of its activities, monitoring environmental performance and continuously improving its practices.

Additionally, the building holds high environmental quality certifications, reflecting sustainable design and operations.

The EMAS registration is assessed each year through an annual environmental review identifying the significant environmental aspects, complemented by a regulatory compliance check of the relevant EU, national and local environmental obligations and

validated by an external verifier to ensure ongoing progress toward the organisation's environmental objectives.

ESMA's GHG emissions are calculated using the GHG Protocol methodology, based on verified activity data and reported annually in the environmental statement published on the website.

To meet its environmental commitments, particularly the reduction of GHG emissions, and to achieve the objectives of EMAS and the Climate Transition Plan, ESMA works closely with both staff and suppliers. This includes promoting good practices in planning business travel and implementing mitigation measures to address significant operational emissions within its premises.

Annex VIII – ESMA's Boards and Standing Committees

The ultimate decision-making body of ESMA is the Board of Supervisors, whereas the Management Board ensures that the authority carries out its mission and performs the tasks assigned to it.

ESMA's Boards and their composition

Members of the Management Board as of 1 January 2026

Member	Authority	Country
Verena Ross	ESMA (Chair)	–
Ante Žigman	Hrvatska agencija za nadzor financijskih usluga (HANFA)	Croatia
Armi Taipale	Finanssivalvonta	Finland
Marie-Anne Barbat-Layani	Autorité des Marchés Financiers (AMF)	France
Thorsten Pöttsch	German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht)	Germany
Christopher P. Buttigieg	Malta Financial Services Authority (MFSA)	Malta
Carlo Comporti	Commissione Nazionale per le Società e la Borsa	Italy
Martin Merlin	European Commission (non-voting member)	–
Natasha Cazenave	ESMA Executive Director (non-voting member)	–
Vojtěch Belling	ESMA Vice-Chair (observer)	–

Members of the Board of Supervisors as of 1 January 2026

Member	Authority	Country
Verena Ross	ESMA (Chair)	–
Jean-Paul Servais	Financial Services and Markets Authority	Belgium
Vasil Golemanski	Комисията за финансов надзор	Bulgaria
Vojtěch Belling	Czech National Bank	Czechia
Mette Tams Kitaj	Finanstilsynet	Denmark
Thorsten Pöttsch	German Federal Financial Supervisory Authority	Germany
Andre Nõmm	Finantsinspeksioon	Estonia
Gerry Cross	Central Bank of Ireland	Ireland
Vasiliki Lazarakou	Hellenic Capital Market Commission	Greece
Carlos San Basilio	Spanish National Securities Market Commission	Spain
Marie-Anne Barbat-Layani	Autorité des marchés financiers	France
Ante Žigman	Hrvatska agencija za nadzor financijskih usluga	Croatia
Carlo Comporti	Commissione Nazionale per le Società e la Borsa	Italy
George Theocharides	Cyprus Securities and Exchange Commission (Επιτροπή Κεφαλαιαγοράς Κύπρου)	Cyprus
Santa Purgaile	Finanšu un kapitāla tirgus komisija	Latvia

Member	Authority	Country
Vaidas Cibas	Lietuvos Bankas	Lithuania
Claude Marx	Commission de Surveillance du Secteur Financier	Luxembourg
Dániel Csányi	Magyar Nemzeti Bank	Hungary
Christopher Buttigieg	Malta Financial Services Authority	Malta
Jos Heuvelman	Autoriteit Financiële Markten	Netherlands
Mariana Kühnel	Finanzmarktaufsicht	Austria
Dariusz Adamski	Komisja Nadzoru Finansowego	Poland
Luis Laginha De Sousa	Comissão do Mercado de Valores Mobiliários	Portugal
Alexandru Petrescu	Autoritatea de Supraveghere Financiară	Romania
Anka Čadež	Agencija za trg vrednostnih papirjev	Slovenia
Peter Tkáč	Národná Banka Slovenska	Slovakia
Armi Taipale	Finnish Financial Supervisory Authority	Finland
Jimmy Kvarnström	Finansinspektionen	Sweden

Non-voting members of the Board of Supervisors as of 1 January 2026

Member	Authority	Country/organisation
Linda Kolbrún Björgvinsdóttir	Central Bank of Iceland	Iceland
Franz-Anton Steurer	Finanzmarktaufsicht	Liechtenstein
Marte Voie Opland	Finanstilsynet	Norway
Martin Merlin	European Commission	EU
François-Louis Michaud	European Banking Authority	EU
Fausto Parente	European Insurance and Occupational Pensions Authority	EU
Francesco Mazzaferro	European Systemic Risk Board	EU
Stefan Barriga ⁽²⁹⁾	European Free Trade Association Surveillance Authority	European Free Trade Association

Central Counterparty Supervisory Committee

The CCP SC was established under EMIR to address the risks in relation to CCPs established in the EU (EU CCPs) and in TC CCPs and to enhance supervisory convergence of EU CCPs and direct supervision of recognised systemically important TC CCPs (Tier 2 CCPs). In particular, the CCP SC prepares draft opinions on NCAs' decisions, reports and measures under certain articles of EMIR, along with draft decisions in relation to (i) the validation of changes to CCP risk models, (ii) the tiering and recognition of TC CCPs, and (iii) the supervision of Tier 2 CCPs. Draft opinions and decision are submitted for approval to the Board of Supervisors.

The CCP SC is composed of a permanent Chair, Klaus Löber, two independent members, Nicoletta Giusto and Froukelien Wendt, and representatives from the NCAs supervising CCPs established in the EU and from relevant central banks of issue. A list of the current members can be found on ESMA's website ⁽³⁰⁾.

Central Counterparty Resolution Committee

In line with the CCP RRR, ESMA established a CCP Resolution Committee (CCP ResCo) in 2023. The membership of the CCP ResCo is significantly broader than other ESMA committees in order to foster coordination of all relevant authorities involved in CCP resolution. This covers all the national resolution authorities for CCPs, as

²⁹ Stefan Barriga concluded his mandate on 31 December 2025. Nuscha Wiecezorek was appointed as new member as of 14 January 2026.

³⁰ <https://www.esma.europa.eu/about-esma/governance-structure/ccp-supervisory-committee>.

members, and all the NCAs responsible for the supervision and resolution of EU banks, along with the European Central Bank, the SRB and, where relevant, the Council, the Commission and the EBA as observers. A list of the current members can be found on ESMA's website ⁽³¹⁾. The CCP ResCo is chaired by the Head of Legal and Enforcement Department at ESMA, Sophie Vuarlot-Dignac, to ensure structural separation.

The role of the CCP ResCo is to:

- contribute to ESMA's work programme in the areas of the single rule book for resolution related measures;
- prepare the resolution-related decisions entrusted to ESMA in the CCP RRR;
- assess CCP resolution arrangements across the EU in terms of their aggregate effect on EU financial stability, including by taking into account stress-testing and crisis simulation exercises with respect to potential system-wide stress events; and
- promote convergence in the drawing up and coordination of resolution plans and in developing methods for the resolution of failing CCPs.

These objectives will contribute to achieving ESMA's strategic priorities of strengthening supervision and ensuring fair, orderly and effective markets.

Joint Monitoring Mechanism

The JMM was established by ESMA under EMIR in 2025. Chaired by Klaus Löber, the JMM brings together representatives from EU institutions and bodies, competent authorities, and central banks to strengthen the ability to have a comprehensive collective overview of developments relating to EU CCPs, clearing members, and clients. The JMM tasks include the monitoring of certain clearing related EMIR requirements, potential risks arising from the interconnectedness of different financial actors and other issues relating to the financial stability of the EU clearing ecosystem. A description of the JMM tasks and information on its members and observers can be found on ESMA's website ⁽³²⁾.

Standing Committees and working groups as of 1 January 2026

ESMA's work is supported by SCs ⁽³³⁾, WGs and task forces, which bring together senior experts. The various ESMA SCs are established on a permanent basis and prepare the technical work for all areas of ESMA's activities. Each committee is chaired by a Board member or senior ESMA staff and supported by ESMA staff. Many SCs also have consultative WGs made up of external stakeholder representatives.

Standing Committee	Chair
CCP Supervisory Committee	Klaus Löber, ESMA
CCP Policy Committee	Klaus Löber, ESMA
CCP Resolution Committee	Sophie Vuarlot-Dignac, ESMA
Risk Standing Committee	George Theocharides, Cyprus
Senior Supervisors Forum	Jos Heuvelman, Netherlands
ESMA Supervision Policy Committee	Natasha Cazenave, ESMA
Investor Protection Standing Committee	Marie-Anne Barbat-Layani, France
Sustainability Standing Committee	Thorsten Pötzsch, Germany
Digital Finance Standing Committee	Carlo Comporti, Italy
IT Standing Committee	Alexandru Dincov, ESMA

³¹ <https://www.esma.europa.eu/about-esma/governance-structure/ccp-resolution-committee>.

³² ESMA (n.d.), 'Joint Monitoring Mechanism (JMM)', ESMA website, <https://www.esma.europa.eu/about-esma/governance-structure/joint-monitoring-mechanism>.

³³ <https://www.esma.europa.eu/about-esma/governance-structure/standing-committees>.

Standing Committee	Chair
Data Standing Committee	Armi Taipale, Finland
Issuers Standing Committee	Annemie Rombouts, Belgium
Markets Standing Committee	Birgit Puck, Austria
Investment Management Standing Committee	Carlos San Basilio Pardo, Spain
Proportionality and Coordination Committee	Christopher Buttigieg, Malta
Joint Monitoring Mechanism	Klaus Löber, ESMA

- opportunities and risks arising from stablecoins;
- trading and post trading:
 - MiFID II research provisions,
 - active account requirement under EMIR 3,
 - settlement discipline,
 - ETF market activity,
 - Structured products,
 - CSDs fees,
- Dark patterns in financial platforms;
- the results of studies and surveys on:
 - consumer preferences regarding sustainable finance,
 - real investment returns,
 - securitisation market activity,
 - turbo certificates,
 - methods for companies to go public.

Annex X – Provisional annual accounts for 2025

The ESMA 2025 annual accounts are produced in accordance with its financial regulation; they are adopted by ESMA's Management Board and Board of Supervisors and are published on ESMA's website.

Disclaimer: please note that the annual accounts are provisional and at the publishing date of the annual report are awaiting observations of the external auditor of ESMA.

The final ESMA's 2025 annual accounts will be published separately, end of June 2026.

Statement of Financial Position

	Note	2025	2024
ASSETS			
Non-current Assets			
<i>Intangible fixed assets</i>	II.1.a		
Computer software		3 040 806	3 513 511
<i>Tangible fixed assets</i>	II.1.b		
Plant and equipment		-	-
Computer hardware		2 459	15 713
Furniture		161 853	209 925
Other fixtures and fittings		2 011 635	2 784 520
<i>Other non-current assets</i>			
Long term receivables	II.1.c	-	288 900
Total		5 216 754	6 812 569
Current Assets			
Current receivables	II.2.a	942 629	1 731 450
Sundry receivables	II.2.b	9 243 992	2 222 776
Deferred charges and accrued income	II.2.c	5 964 497	4 775 635
Cash and cash equivalents	II.2.d	2 032 990	869 823
Total		18 184 107	9 599 683
TOTAL ASSETS		23 400 861	16 412 252
LIABILITIES			
Non-current Liabilities			
Long term payables	II.1.c	-	288 900
Deferred revenue	II.4	1 042 290	2 304 266
Total		1 042 290	2 593 165
Current Liabilities			
Current payables	II.5.a	6 247 778	3 188 549

	Note	2025	2024
ASSETS			
Payables towards consolidated entities	II.5.c	3 607 948	2 814 799
Deferred revenue	II.4	1 982 591	854 250
Total		11 838 317	6 857 598
TOTAL LIABILITIES		12 880 607	9 450 763
TOTAL NET ASSETS		10 520 254	6 961 489

Statement of Financial Performance

	Note	2025	2024
OPERATING RESULT			
Operating revenue	III.1		
Subsidy from the Member States		33 099 187	30 041 495
Subsidy from EFTA countries		1 024 743	930 077
EU Balancing subsidy		21 829 490	19 842 611
Fees from supervised entities		26 410 637	23 678 866
NCA contribution to IT delegated projects		610 891	329 862
Foreign currency conversion gains		1 742	1 122
Other miscellaneous revenue		1 809 280	794 786
Total		84 785 969	75 618 819
Operating Expenses	III.2		
Staff expenses	III.2.a	55 454 679	52 919 553
Building and related expenses	III.2.b	7 003 103	6 343 909
Other expenses	III.2.c	16 124 917	18 014 855
Depreciation and amortisation	III.2.d	2 671 362	2 330 286
Foreign currency conversion losses		1 324	878
Total		81 255 385	79 609 481
OPERATING RESULT		3 530 584	(3 990 662)
NON-OPERATING RESULT			
NON-OPERATING RESULT	III.3		
Financial revenue		28 879	12 285
Financial expenses		698	1 099
NON-OPERATING RESULT		28 180	11 186
Result from Ordinary Activities		3 558 765	(3 979 475)
Result from Extraordinary items		-	-
ECONOMIC RESULT FOR THE YEAR		3 558 765	(3 979 475)

Cashflow Statement

	2025	2024
CASHFLOW FROM ORDINARY ACTIVITIES		
Surplus/(Deficit) from ordinary activities	3 558 765	(3 979 475)
Depreciation and amortisation	2 671 362	2 330 286
Increase/(decrease) in provisions	-	-
(Increase)/decrease in receivables	(7 421 314)	4 067 970
Increase/(decrease) in accounts payable	3 059 228	(1 404 026)
Increase/(decrease) in liabilities to cons. entities	793 149	2 059 496
Increase/(decrease) in deferred income	(133 634)	(1 233 386)
Net cashflow from operating activities	2 527 556	1 840 864
CASHFLOW FROM INVESTING ACTIVITIES		
(Increase)/decrease in fixed assets	(1 364 446)	(973 034)
Net cashflow from investing activities	(1 364 446)	(973 034)
OTHER		
	57	57
NET INCREASE/(DECREASE) IN CASH	1 163 167	867 887
Cash at the beginning of the period	869 823	1 935
Cash at the end of the period	2 032 990	869 823

Statement of Changes in Net Assets

Capital	Reserves		Accumulated equity	Economic result of the year	Total Net Assets
	Fair value	Other			
Balance as of 31 December 2024	-	-	10 940 964	(3 979 475)	6 961 489
Changes in accounting policies	-	-	-	-	-
Balance on 1 January 2025	-	-	10 940 964	(3 979 475)	6 961 489
Allocation of the result of 2024	-	-	(3 979 475)	3 979 475	-
Economic result for the year	-	-	-	3 558 765	3 558 765
Balance as of 31 December 2025	-	-	6 961 489	3 558 765	10 520 254

Annex XI – Abbreviations

AI	artificial intelligence
AIFs	alternative investment funds
AMLA	Authority for Anti-Money Laundering and Countering the Financing of Terrorism
BUL	breach of Union law
CA	Contract Agent
CASP	crypto-asset service provider
CCP	central counterparty
CCP SC	CCP Supervisory Committee
COI	conflict of interest
CRA	credit rating agency
CSA	common supervisory action
CSD	central securities depository
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CTPs	consolidated tape providers
CTPPs	critical ICT third-party providers
DeFi	decentralised finance
DG	Directorate-General
DLT	distributed ledger technology
DQEF	data quality engagement framework
DRSPs	data reporting service providers
EBA	European Banking Authority
EEA	European Economic Area
EIOPA	European Insurance and Occupational Pensions Authority
ELTIF	European long-term investment funds
EMAS	European eco-management and audit scheme
ESA	European Supervisory Authority
ESEF	European Single Electronic Format
ESG	environmental, social and governance
ESMA	European Securities and Markets Authority
ETF	exchange-traded fund
EU	European Union

EU-SCICF	European systemic cyber incident coordination framework
Euribor	Euro Interbank Offered Rate
FSB	Financial Stability Board
FTE	full-time equivalent
GHG	greenhouse gas
IFRS	International Financial Reporting Standards
IOSCO	International Organization of Securities Commissions
JC	Joint Committee
JMM	Joint Monitoring Mechanism
KOIs	key outcome indicators
KPIs	key performance indicators
MIDAS	Markets Integrity Data Analysis System
MMF	money market funds
MOU	memorandum of understanding
MTI	market transparency infrastructure
NCA	national competent authority
Q & As	questions and answers
RTS	regulatory technical standard
SBR	simplification and burden reduction
SIU	savings and investments union
SLA	service-level agreement
SMSG	Securities and Markets Stakeholder Group
SNE	Seconded National Expert
SR	securitisation repository
STORs	suspicious transaction and order reports
STS	simple, transparent and standardised
SVC	single volume cap
TA	Temporary Agent
TC	third-country
TR	Trade Repository
TRACE	ESMA's Trade Repository Data Reporting tool
TRVs	Trends, risks and vulnerabilities
UCITS	undertakings for collective investment in transferable securities
USSPs	Union-wide strategic supervisory priorities

Abbreviations of legislation

AIFMD	Alternative Investment Fund Managers Directive
BMR	Benchmark Regulation
CCP RRR	CCP Recovery and Resolution Regulation
CSDR	Central Securities Depositories Regulation
CSRD	Corporate Sustainability Reporting Directive
DORA	Digital Operational Resilience Act
ECSPR	European Crowdfunding Service Providers Regulation
EMIR	European Market Infrastructure Regulation
EMS	environmental management system
ESAP	European Single Access Point
EUGB	European Green Bond Regulation
MAR	Market Abuse Regulation
MiCA	Markets in Crypto-assets Regulation
MiFID	Markets in Financial Instruments Directive
MiFIR	Markets in Financial Instruments Regulation
PRIIPs	Packaged Retail and Insurance-based Investment Products Regulation
SECR	Securitisation Regulation
SFDR	Sustainable Finance Disclosure Regulation
SFTR	Securities Financing Transactions Regulation
UCITS	Undertakings for Collective Investment in Transferable Securities Directive

