

9 April 2025

ESMA Publishes its 2024 Corporate Reporting Enforcement and Regulatory Activities Report

1.0 Background

On 04 April 2025, the European Securities and Markets Authority ("ESMA") published the [2024 Corporate Reporting Enforcement and Regulatory Activities Report](#) (hereinafter referred to as the "Report").¹

The Report outlines the supervisory and enforcement actions undertaken in 2024 by national enforcers within the European Economic Area ("EEA") and by ESMA. It also highlights key messages aimed at enhancing future financial and non-financial disclosures, including an assessment of how issuers are meeting requirements under International Financial Reporting Standards ("IFRS"), as well as non-financial and digital reporting obligations. Furthermore, the Report outlines ESMA's and national enforcers' efforts across three core areas of corporate reporting, all aimed at fostering greater market transparency and accountability. The Report also details enforcers' examinations of a sample of issuers to assess their compliance with both financial and non-financial reporting priorities established in the 2023 European Common Enforcement Priorities ("ECEP").²

2.0 Key Figures

In this section, a summary extract of the activities outlined by ESMA can be referred to as follows:

Enforcement of Financial Reporting

In 2024, enforcers examined the financial statements of **685 issuers**, representing **17%** of all EEA issuers applying IFRS. As a result of these examinations, enforcement actions were taken in **38%** of the ex-post examinations conducted during the year. Consistent with previous years, the majority of these actions focused on four key areas:

- Financial instruments;
- Impairment testing of non-financial assets;

¹ ESMA Report, 2024 Corporate reporting enforcement and regulatory activities, ESMA32-193237008-8791, dated 04 April 2025.

² ESMA Public Statement, European common enforcement priorities for 2023 annual financial reports, ESMA32-193237008-1793, dated 25 October 2023.

- The presentation of financial statements; and
- Operating segments.

Enforcement of Alternative Performance Measures (“APMs”) Reporting

During 2024, enforcers reviewed **492 management reports** to assess compliance with [ESMA’s Guidelines on Alternative Performance Measures \(“APMs”\)](#)³, covering **12% of IFRS-listed issuers in the EU**. As a result, enforcement actions were taken against **71 issuers**, reflecting an action rate of **14%**. The most common infringements identified involved the definitions, reconciliations, and explanations of APMs, followed by issues related to labelling.

Enforcement of Non-Financial Reporting

Throughout 2024, enforcers assessed the non-financial statements of **425 issuers**, of which **121** were subject to enforcement actions, equating to an action rate of **28%**. Nearly half of these actions were linked to disclosures under Article 8 of the Taxonomy Regulation, particularly due to missing or inadequate disclosures. Other common issues included the lack of non-financial key performance indicators (“KPIs”), and insufficient descriptions of policies, due diligence processes, and their outcomes. Additional actions addressed problems such as unclear or incomplete reporting boundaries, as well as gaps in reporting on ESG.

Enforcement of European Single Electronic Format (“ESEF”) Reporting

Over the course of 2024, enforcers reviewed the Annual Financial Reports (“AFRs”) of **3,103 issuers** to assess compliance with ESEF filing requirements. Following these reviews, **222 enforcement actions** were taken, corresponding to an action rate of **7%**. These actions primarily addressed issues such as delayed or missing ESEF submissions, as well as reminders to issuers to fully meet ESEF format and content standards. Enforcers also urged issuers to improve the disclaimers in the PDF versions of AFRs available on their websites, clearly stating that these are not the official versions compliant with the Transparency Directive.

Furthermore, enforcers examined the financial statements of **716 issuers** required to submit ESEF AFRs in iXBRL format, taking action against **72 issuers**, with a **10%** action rate. Most actions involved correcting future AFRs, while others focused on improving HTML coding for readability, refining the selection of core taxonomy elements, and creating extension taxonomy elements.

3.0 Next Steps

Issuers, auditors, and other corporate reporting professionals are encouraged to review the full Report. Additionally, the Authority highlights ESMA’s mention of the [2024 ECEP](#)

³ ESMA Final Report, ESMA Guidelines on Alternative Performance Measures, ESMA/2015/1057, dated 30 June 2015.

[Statement](#),⁴ which outlines enforcement priorities for 2025. This is further referenced in the Circular issued by the Authority on [31 October 2024](#).

4.0 Contacts

Should you have any queries relating to the above, kindly contact the Authority on transparency@mfsa.mt.

⁴ ESMA Public Statement, European common enforcement priorities for 2024 corporate reporting, ESMA32-193237008-8369, dated 24 October 2024.