



Eidgenössische Finanzmarktaufsicht FINMA  
Autorité fédérale de surveillance des marchés financiers FINMA  
Autorità federale di vigilanza sui mercati finanziari FINMA  
Swiss Financial Market Supervisory Authority FINMA

## Annual Report



## FINMA's mandate

FINMA is an independent supervisory authority with the legal mandate to protect clients and ensure the proper functioning of the financial markets. It thus contributes to enhancing the reputation, competitiveness and future sustainability of the Swiss financial centre.

Being an integrated supervisory authority, FINMA oversees banks, securities firms, insurance companies, financial market infrastructures, collective investment scheme products and institutions, and entities under the Financial Services Act and the Financial Institutions Act, in addition to insurance intermediaries. It carries out its activity independently and in a consistent manner. Its staff are responsible, have high standards of integrity and are able to deliver results. In its role as supervisor, FINMA adopts a risk-oriented approach. Its activities cover the following areas:

### Authorisation

FINMA is responsible for licensing companies operating in the sectors it supervises.

### Supervision

FINMA monitors ongoing compliance with statutory regulations and licensing requirements. It is also responsible for combating money laundering. In addition, together with the trading venues, it supervises compliance with market conduct rules as well as the disclosure of shareholdings at listed companies.

### Enforcement

To enforce supervisory law, FINMA conducts proceedings, issues rulings, imposes administrative sanctions and is the body to which appeals against decisions of the Swiss Takeover Board may be brought. Where wrongdoing is suspected, it files criminal complaints with the competent criminal authorities.

### Resolution

FINMA is responsible for the restructuring proceedings and bankruptcies of companies subject to financial market laws.

### Regulation

Where it is authorised to do so and when necessary to meet its supervisory objectives, FINMA issues its own ordinances. It also publishes circulars detailing the interpretation and application of financial market law.

### International activities

FINMA fulfils the cross-border tasks that are related to its supervisory activity. It represents Switzerland in international fora and cooperates with foreign regulators.

## Risk-based supervision for a stable financial market

The financial and non-financial risks increased on the financial markets in 2025. In line with its mandate, FINMA worked to ensure the stability of the Swiss financial centre and the protection of financial market clients in this environment. In the supplementary health insurance sector, FINMA was able to bring about a further reduction in insurance premiums for in-patient hospital stays in semi-private and private wards, among other things. In line with this same goal, it also supported the parameters for amendments to the laws and ordinances aimed at strengthening the “too big to fail” regime presented by the Federal Council in June of this year, as these will enable FINMA to implement its supervision even more effectively.

This annual report sets out FINMA’s main areas of focus in 2025: continuing to apply [proportionate and risk-based supervision](#), strengthening supervised institutions’ resilience, early detection of rising risks among supervised institutions and robust measures to protect customers. The annual report highlights the activities and measures implemented by FINMA in executing its supervision and enforcement work.

Notwithstanding the short-term effects of the US tariff shocks, the Swiss financial market was spared any significant upheaval in 2025, even though economic uncertainties increased and both geopolitical and trade-related risks intensified overall. Despite these challenges, the situation of the institutions supervised by FINMA remained largely stable.

### **Proportionate, risk-based supervision: matching resources to risks**

Larger and more complex institutions are subject to stricter requirements and closer monitoring. In 2025, FINMA continued to supervise most intensively those financial market participants at which it identified the biggest risks to financial market stability and client protection. The integration of Credit Suisse into UBS was one of its areas of supervisory focus. FINMA conducted a total of 113 on-site inspections, primarily at large banks, concentrating on the areas with the greatest risks, i.e. anti-money laundering, mortgage lending and cyber risks. It carried out 43 on-site inspections of insurance companies, most of which were at large insurance companies.

Small, well-managed and stable institutions – such as the 56 banks that participate in the small banks regime – once again benefited from regulatory relief and underwent fewer direct inspections compared with larger institutions. Smaller banks that do not participate in the small banks regime are supervised by FINMA in proportion to their size and risks.

Real estate and mortgages, especially in relation to credit default risk and real estate valuation risk, remain among the biggest risks for the Swiss financial centre. FINMA published [guidance](#) on this issue in 2025. It summarises the findings of the supervisory activities conducted by FINMA and sets out its expectations regarding mortgage lending.

### **Effective supervision to strengthen operational resilience**

To strengthen the financial centre’s resilience, financial market infrastructures were one of FINMA’s areas of focus. Here, for example, it carried out on-site reviews of the continuation or restoration of critical functions in the event of serious but plausible disruptions within defined disruption tolerances.

In addition, FINMA continued its annual evaluation of the emergency and recovery plans of the systemically important banks within the framework of the “too big to fail” legislation. UBS’s recovery plan met FINMA’s new evaluation criteria for the first time since the takeover of CS and was formally approved. However, among the domestic systemically important banks, PostFinance’s emergency plan was judged by FINMA to be not ready for implementation.

Based on the findings from more intensified supervision, FINMA required the supervised institutions to have robust systems and realistic crisis scenarios in place in information technology, cyber defence and business continuity management. In 2025, it carried out for the first time its own stress tests to evaluate the resilience of Swiss investment funds. Although on the one hand FINMA noted a high level of awareness regarding some aspects of operational resilience at fund management companies and managers of collective assets, on the other hand it also identified recurrent weaknesses in outsourcing and business continuity management. It therefore increased the granularity of its monitoring of organisational structures in its authorisation and supervisory processes regarding cyber security.

### **Early detection of growing risks**

To identify risks faced by supervised institutions earlier and understand market conduct better, FINMA continued to promote data-driven, forward-looking supervision during the year under review. For example, it conducted its first sector-wide data survey in asset management and developed new tools to assess and analyse potential market manipulation.

In addition, FINMA carried out an increased number of “deep dives” at supervised institutions to identify risks early, involving direct interaction with the board, executive management, the compliance and risk structure and internal audit.

Retail banking was an important area of supervisory focus with regard to combating money laundering. FINMA addressed various weaknesses in transaction monitoring during on-site inspections and defined measures to remedy them. It also found that, in individual cases, institutions entered into client relationships that exceeded their risk tolerance and whose risks or economic background were not sufficiently understood. In general, FINMA noted that progress has been made in the banking sector in the preparation and implementation of money laundering risk analyses. Nevertheless, it still identified various shortcomings that needed to be remedied.

To fulfil this enhanced and intensified supervisory activity, FINMA carried out an internal reorganisation in the spring of 2025. This included creating the new Integrated Risk Expertise cross-functional division to support the supervisory departments with integrated risk and data analysis and assist in the FINMA-wide planning and implementation of on-site inspections. The new structure strengthens direct preventive supervision and, by improving internal cooperation, contributes to making FINMA a more efficient authority. The supervised institutions have retained their usual contact persons at FINMA.

### **Expanded client protection measures**

To protect clients, FINMA placed a growing number of asset management firms under intensive supervision owing to various deficiencies, often relating to compliance with conduct rules on suitability. Particularly at smaller institutions in the banking sector, disclosure of conflicts of interest when using their own financial instruments was still inadequate in spite of the statutory transparency rules.

In the supplementary health insurance sector, FINMA was able to ensure that there were only moderate premium adjustments and, in several cases, premium reductions. Further reviews of supplementary health insurers showed that billing practices with service providers has improved across Switzerland, although shortcomings persist in certain regions.

## Outlook for the future

The relevant risk landscape for the Swiss financial centre heightened considerably in 2025. FINMA identified nine principal risks for the financial market in its [2025 Risk Monitor](#). Cyber and ICT risks in particular continued to increase.

To mitigate the growing risks as far as possible, FINMA is asking supervised institutions to strengthen their defences through improved capital reserves, liquidity buffers and appropriate risk management. The [PlnC report of December 2024](#) on the CS crisis and the [Federal Council's parameters for amendments to the laws and ordinances aimed at strengthening the too big to fail regime](#) published in June 2025 supported this demand. FINMA [explicitly welcomed](#) the measures proposed by the Federal Council in one of its own press releases.

Even more effective supervision will help to further strengthen the financial centre's resilience to financial and non-financial risks. FINMA as an institution must have the tools it needs for this at its disposal and continue developing as an organisation. This will enable it, for example, to carry out more of its own on-site inspections and reduce its reliance on external auditors.

FINMA expects the expansion of supervision to go hand in hand with further growth in costs. The proposed new resources are consistent with FINMA's strategic goals for 2025 to 2028. FINMA will also remain relatively lean compared with other authorities.



Marlene Amstad, Chair of the Board of Directors

Stefan Walter, CEO

*M. Amstad*

*Stefan Walter*

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## Institutions and products overseen

Individuals or companies wishing to accept money from investors, offer insurance products, set up funds or operate in another manner in the Swiss financial markets must, depending on their activity, be licensed, recognised, authorised, approved or registered by FINMA. The statutory requirements and supervisory intensity vary depending on the type of authorisation concerned. In total, FINMA oversees some 20,000 institutions and products. Not all of the institutions and products are supervised by FINMA directly.

# Market developments

Market developments

## Market developments

The financial markets were shaped by uncertainties in connection with US customs policy in 2025. At the same time, ongoing geopolitical tensions remained high. Inflation eased, and central banks in the major developed economies lowered their key interest rates.

The situation among institutions supervised by FINMA remained stable in 2025 despite the challenges. In this uncertain environment, FINMA increased the intensity of its supervision, thereby strengthening the stability of the financial market. It supervised financial market participants on a risk-oriented and proportionate basis.

### Market developments among banks and securities firms

The profitability of Swiss banks remained stable despite the headwinds in the interest rate business. The retail and wealth management banks were able to almost offset the decline in interest income in 2024 with an overall increase in income from commission and trading. The interim financial statements for 2025 did not present a uniform picture. Profitability rose at some banks in the first half of the year, while it fell at others.

After a slight increase in 2023, wealth management banks were able to increase their assets under management again in 2024. This was thanks to the positive performance of the stock markets and slightly positive net inflows. This had a positive impact on the commission and services businesses. These trends continued in the first half of 2025. Securities firms altogether increased their overall gross income in 2024 in particular due to good commission and trading results. However, because operating expenses rose more strongly than gross operating profit, the cost-income ratio deteriorated slightly.

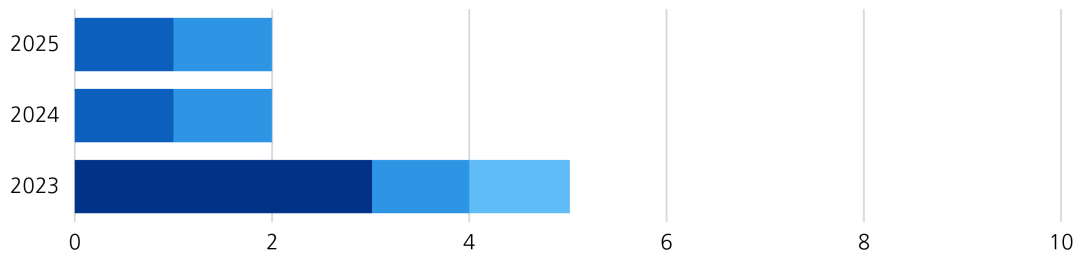
The growth of loans to customers by retail banks increased again in 2024, following a slowdown in 2023. The growth of mortgage loans rose slightly in 2024 compared to 2023 but remained well below the growth rate of 2022. In the first half of 2025, financial assets, mortgage loans and liquid assets rose moderately across all bank categories, while amounts due from banks and customers as well as trading positions fell, in some cases significantly.

### New licences and market exits at banks and securities firms

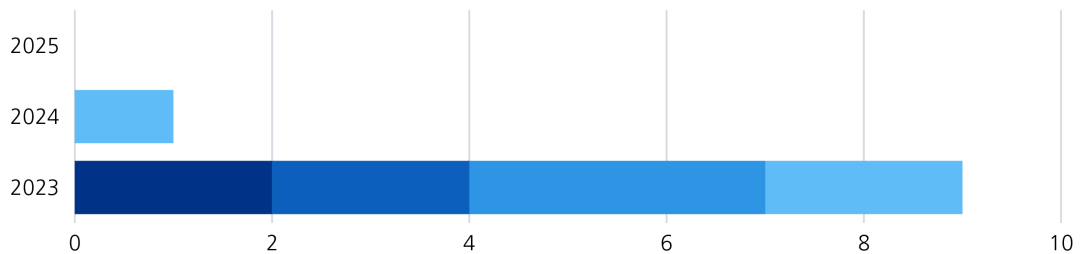
As in previous years, a large number of licensing projects were submitted to FINMA for a preliminary review. This enabled the applicants to receive a rapid initial assessment of the chances of obtaining a licence. In addition, there was increasing market consolidation, as evidenced by a comparatively high number of mergers and acquisition (M&A) transactions. Most such cases involve banks in supervisory category 3 acquiring smaller institutions in supervisory categories 4 and 5 from the private banking and wealth management sectors. M&A transactions are generally subject to a prior authorisation requirement by FINMA, meaning that it must be involved in the process at an early stage.

In 2025, FINMA authorised an owner-managed securities firm trading for the account of clients and a branch of a foreign bank. The securities firm is an asset manager approved by FINMA that integrated its previously outsourced custodian bank activities into its purely digital offering for Swiss retail customers. The newly licensed branch was the result of a restructuring project by a French banking group.

### Two new licences granted to banks and securities firms



### No market exits of banks and securities firms



- Banks
- Branches of banks
- Securities firms
- Branches of securities firms

### Market developments among insurers

The insurance market in 2025 was shaped by two major events: the rockfall in Blatten and the merger of Baloise Holding Ltd with Helvetia Holding Ltd.

The merger of Baloise Holding Ltd and Helvetia Holding Ltd on 5 December 2025 has created an insurance group with a market share of around 20% across all business lines.

#### Non-life insurance business profitable overall

On 28 May 2025, the village of Blatten in Canton Valais was buried under a major rockfall. According to an initial estimate, this led to insured losses of around CHF 320 million, including losses from business interruptions. Claims expenses due to natural events were therefore above average in 2025 despite the absence of major hail and flood damage.

However, the non-life insurance business remained profitable overall, and the premium volume increased again slightly.

#### Lower gross booked premiums for life insurers

According to the most recent figures (see the [2024 insurance market report](#) from September 2025), gross premiums written by life insurers fell by 8.4% in 2024. One large life insurer transferred the business of a branch office abroad to a subsidiary in the same country. This alone triggered a 4.9% fall in gross premiums. Market shares of premiums remained largely stable, with Swiss Life as the largest life insurance company increasing its share by 0.2 percentage points to 41.0%. The total assets of life

insurers decreased by 5.8%. In contrast, investment income rose by 15.2% and the total annual profit of all life insurers by 21.7%.

### Below-average insured losses resulting from natural hazards for reinsurers

The premium rates in the area of reinsurance for natural catastrophes have risen in recent years, and the market conditions for reinsurers have improved. However, a slowdown was observed in 2025 in renewals of reinsurance policies. Non-traditional forms of reinsurance, such as bonds with securitised catastrophe risks, experienced sustained high demand. Investors' risk appetite remained high, which resulted in a further increase in the volume of new issuances.

Estimated global losses resulting from natural hazards of around USD 107 billion are expected for 2025, with Swiss reinsurers bearing a share of this. The 2025 figure was slightly lower than the average of the last ten years, with the wild and forest fires in Los Angeles accounting for the largest losses of USD 40 billion. Global economic losses resulting from natural hazards are estimated at around USD 220 billion for 2025. The frequently quoted protection gap comprising the difference between insured losses and economic losses therefore remains.

In Switzerland, the estimated claims expenditure of the natural perils pool of private insurers for 2025 totals around CHF 350 million. This amount includes the "Blatten" loss event (rockfall on 28 May 2025).

In the USA, the number of court proceedings involving ever-higher payments in the liability sector rose again in 2025. This contributed to a further rise in loss amounts with corresponding adjustments to the technical provisions of Swiss reinsurers.

### Market developments among supplementary health insurers

The table below shows the premium trends in supplementary health insurance over the past decade for supplementary outpatient insurance, dental insurance and for semi-private and private wards. The table contains the average premiums per insured person (average per capita premiums) on the market. When interpreting the figures, it should be borne in mind that, in addition to price trends, changes to the portfolio structure and to the policies also have an impact, for example. Supplementary outpatient insurance tended to become more expensive, while supplementary inpatient insurance displayed the opposite trend.

#### Insured supplementary benefits: premiums for hospital stays have fallen

PCP	Supplementary outpatient	indexed	Dental insurance	indexed	Hospital semi-private	indexed	Hospital private	indexed
2024	280	133.1	267	119.5	1,486	93.5	2,006	78.7
2023	272	129.2	262	117.2	1,509	94.4	2,145	84.2
2022	260	123.5	257	115.3	1,534	96.5	2,258	88.6
2021	259	123.2	253	113.4	1,564	98.4	2,371	93.0
2020	255	121.0	249	111.5	1,580	99.4	2,474	97.0
2019	245	116.3	240	107.6	1,595	100.3	2,594	101.8
2018	243	115.6	238	106.5	1,654	104.1	2,597	101.9
2017	237	112.6	234	104.7	1,629	102.4	2,478	97.2
2016	230	109.1	230	103.1	1,593	100.2	2,588	101.5

2015	217	103.0	221	99.1	1,586	99.8	2,583	101.3
2014	210	100.0	223	100.0	1,590	100.0	2,549	100.0

Per capita premiums (PCPs) for insured supplementary benefits (supplementary outpatient insurance, dental insurance, semi-private and private hospital rooms).

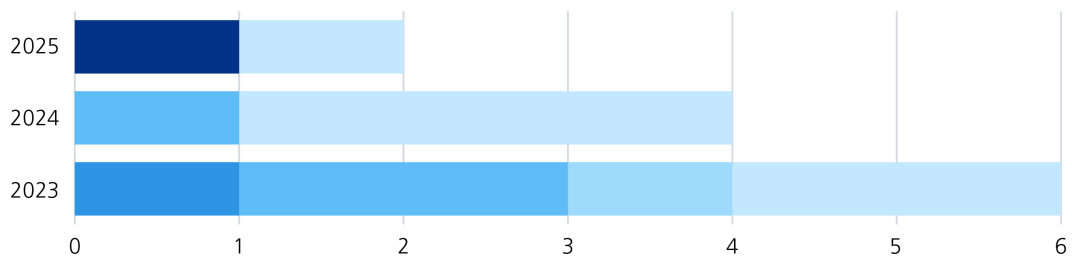
**Large number of requests for new licences in the insurance sector**

FINMA received a large number of requests for new licences in the insurance sector in 2025. Applications for such licensing came from the entire spectrum of the insurance market.

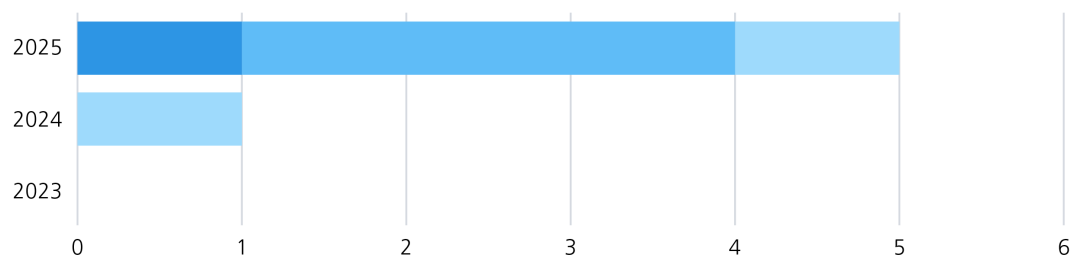
As the majority of these applications were not received until the second half of 2025, only one life insurer and one captive relocated to Switzerland from abroad were granted their requested licences in the year under review.

Of the five market exits in 2025, four were non-life insurers, three of which were branches of foreign insurance companies.

**Two new licences granted to insurers**



**Five market exits of insurers**

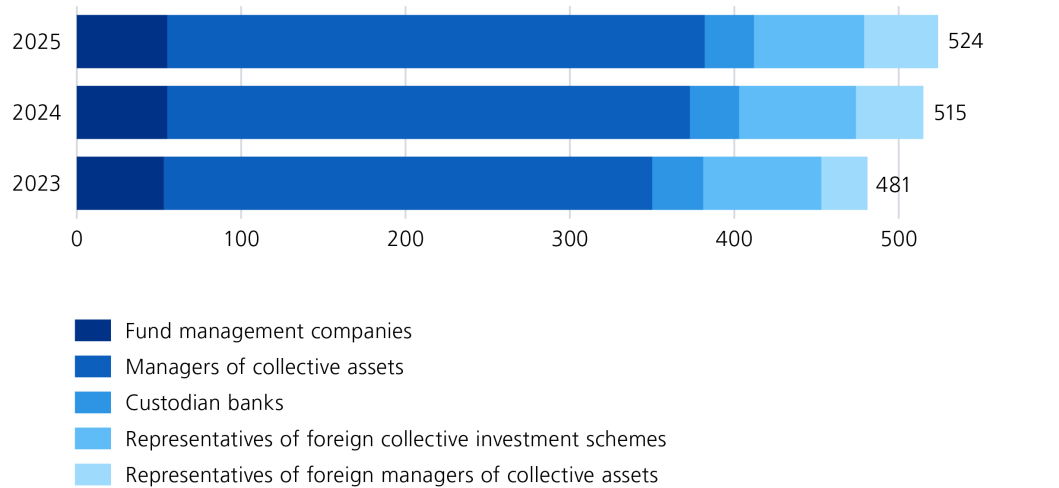


- Life insurers
- Branches of life insurers
- Non-life insurers (excluding health insurance companies)
- Branches of non-life insurers (excluding health insurance companies)
- Reinsurers
- Captives

## Market developments in the asset management industry

Among the authorised institutions in asset management, the largest group thereof, managers of collective assets, grew again.

### Total number of institutions increased



### Swiss fund market robust despite geopolitical uncertainties and volatile markets

In 2025, a year shaped by geopolitical uncertainties and volatile markets, the Swiss fund market altogether proved robust. The continued low inflation and further interest rate cuts by the Swiss National Bank (SNB) ensured a benign investment environment, although the volatility on the international stock markets at times caused restraint among investors. The positive performance of the equity markets made a significant contribution to the growth of fund assets, while demand for innovative and alternative products remained subdued. The market concentration in asset management increased further: the ten largest providers are now managing more than 50% of Swiss fund assets. At the same time, smaller and specialist providers gained in importance. In the real estate segment, the trend towards capital increases continued, and the attractiveness of residential property and prime commercial property remained high thanks to low interest rates. This was reflected in rising transaction prices and valuations. The premiums (agios) on the issue of property funds traded on the stock exchange with direct investments in real estate averaged 37.5% at the end of 2025, with individual funds even exceeding 50% again.

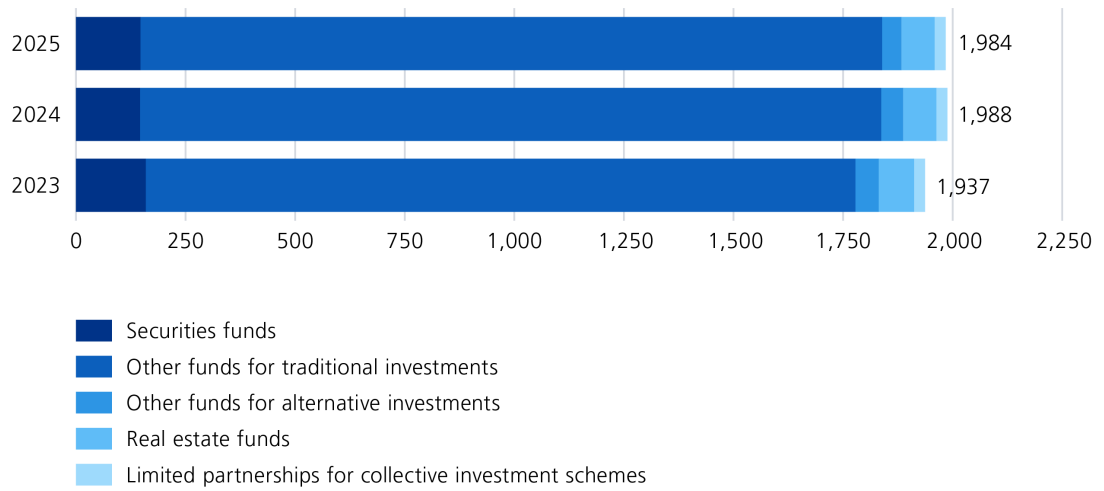
At CHF 1,474 billion, the net assets of all Swiss open-ended collective investment schemes reached a new high at the end of the third quarter of 2025, which is primarily attributable to increasing asset values. Inflows of new funds remained at a moderate level at CHF 49 billion.

### Fund figures with market entries and exits

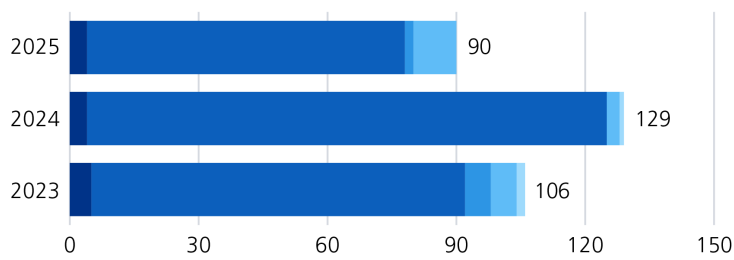
The number of FINMA-approved collective investment schemes remained relatively stable at the end of 2025 with 1,984 Swiss and 8,611 foreign funds. The most common Swiss fund type remained “Other funds for traditional investments”.

There were also 37 limited qualified investor funds (L-QIFs) reported to the State Secretariat for International Finance (SIF). L-QIFs are funds that are exempt from authorisation and supervision and that are offered solely to qualified investors.

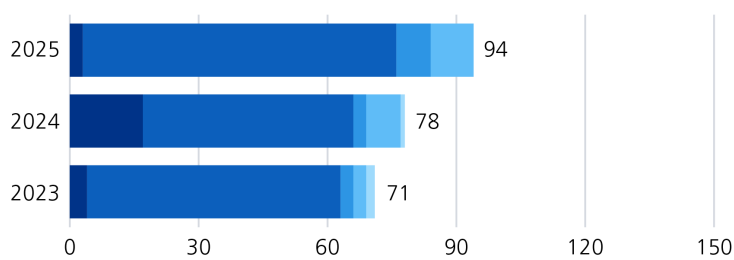
### Number of Swiss funds virtually unchanged compared with 2024



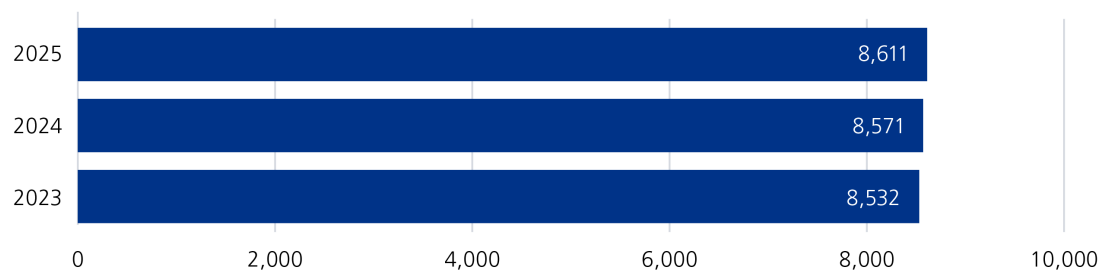
### Fewer market entries of Swiss funds compared with previous years



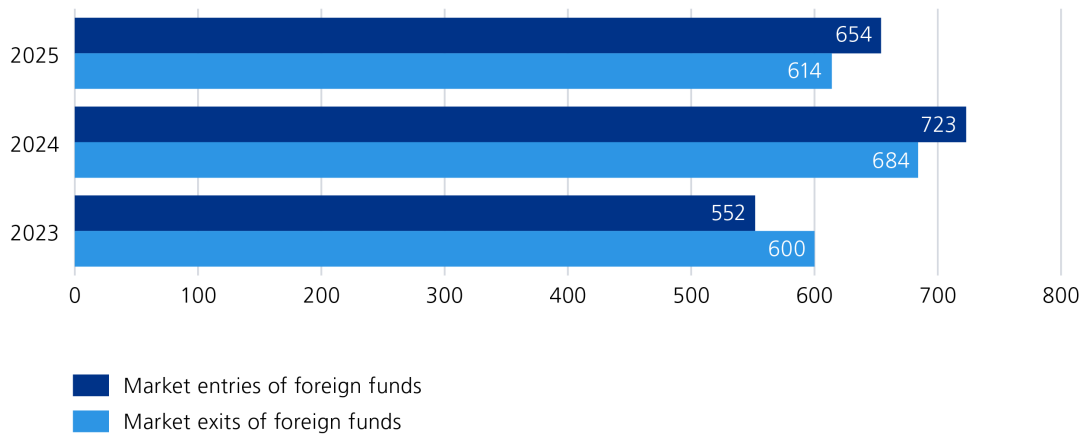
### More market exits of Swiss funds compared with previous years



### Slight increase in the number of foreign funds



### Decline in number of market entries and exits of foreign funds

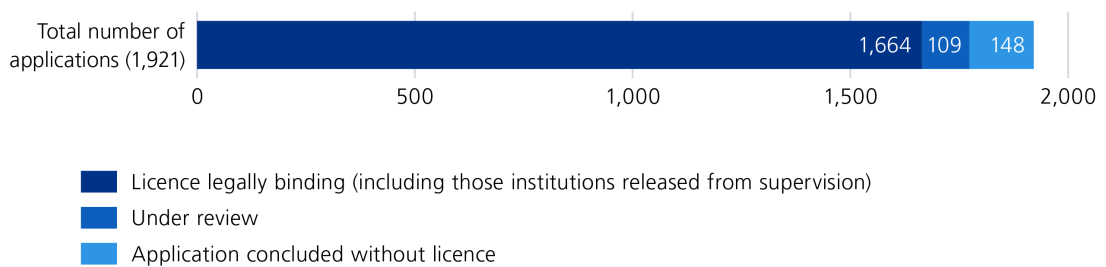


### Status of licences for portfolio managers and trustees

Since the beginning of 2020, portfolio managers and trustees operating on a commercial basis have been subject to a licensing requirement. In the six years since the introduction of the licensing requirement, FINMA has received 1,921 licence applications, 61 of those in 2025. Altogether, FINMA granted 1,664 portfolio managers and trustees a licence by the end of 2025, 97 of whom have already exited supervision again. 148 institutions withdrew their submitted licence application during the licensing procedure.

### 1,664 licences in six years

Overview of the licensing status of portfolio managers and trustees



Of the 109 applications “under review”, around half relate to the transition phase from early 2020 to the end of 2022, when the institutions already active when the licensing requirement was introduced had to submit a licence application. In these first three years, FINMA received a total of 1,699 applications. Around 3% of these are still pending. These applications stand out due to their complexity, slow feedback from applicants and/or in-depth investigations concerning the proper business conduct of the persons responsible for the administration and management of institutions.

In addition, FINMA and the supervisory organisations have received 4,752 change requests from portfolio managers and trustees in the three years since the end of the transition period. The change requests primarily concerned changes to the persons responsible for proper business conduct and the organisational documents. The number of change requests remained consistently high at around 150 requests per month.

## Wide public interest in FINMA

Over 9,000 clients, investors, lawyers and other interested parties contacted FINMA by phone or in writing in 2025. The questions they ask are generally about their bank or insurance policies, unauthorised financial market players, and licensing issues. These contacts provide FINMA with valuable information for its supervisory activities and the action it takes against unauthorised providers.

## FINMA's core tasks

Measures for promoting stability

Measures for promoting good governance

FINMA's digital strategy, data-driven supervision  
and digitalisation in the financial sector

Supervisory activity by sector

Recovery and resolution

Enforcement

Regulation

International affairs

## Measures for promoting stability

A well-functioning financial market is vital to the growth of the entire Swiss economy. As part of its supervisory activity, FINMA takes specific, risk-based and proportionate measures to support the stability of financial market participants.

Through its supervisory activity, FINMA works to strengthen the stability of the financial market participants subject to its supervision, particularly with regard to capital adequacy, liquidity and risk management. By doing so, it protects creditors, investors and policyholders. This is the only way to ensure that the financial market can continue to perform its function even during crisis situations.

### Stability of the supervised institutions: capital

Adequate levels of capitalisation are vital to the stability of financial institutions. They ensure that banks, insurance companies and asset managers are able to function and support the national economy during both calm and turbulent times. FINMA implemented numerous measures in its efforts to ensure that all supervised institutions have an adequate capital base.

### Risk levels associated with real estate and mortgages remain high

Real estate and mortgages remained principal sources of risk facing the Swiss financial centre in 2025. To address these risks, FINMA once again used important supervisory instruments, such as stress tests and data analyses. It also carried out six on-site inspections of banks.

On the one hand, on-site inspections at several institutions revealed significant weaknesses in connection with lending where the loan authorisations fell within the sales and marketing (front office) units' own area of competence. Such weaknesses underscore the importance of having robust, independent control bodies such as a credit risk management unit or credit office. These should review financing activities systematically, and accordingly in proportion to the associated risk level, based on adequate sampling.

On the other hand, fundamental weaknesses relating to real estate valuations were identified at several banks. The identified weaknesses related primarily to a lack of or inadequate real-estate valuation checks conducted by independent control bodies, as well as excessively long real estate valuation cycles. FINMA ordered additional capital charges for the majority of institutions reviewed during 2025.

The results of the supervisory activity during the reporting period are consistent with the results from previous years. Overall, there is a continued need for improvements in mortgage lending at several institutions. For that reason, FINMA published [Guidance 02/2025 on risks in the real estate and mortgage markets](#) in May 2025 with the aim of increasing the transparency of its supervisory practices. This guidance summarises the results of the supervisory activities performed and explains FINMA's expectations in connection with the regulatory requirements in the mortgage business. The guidance is primarily aimed at banks, but it was pointed out that other supervised institutions are in principle exposed to the same risks when granting mortgages and that FINMA takes the same principles into account when supervising them.

### Stress tests to assess capital adequacy at banks

During 2025, FINMA continued to engage with banks in further size- and risk-based capital planning dialogues. In addition to assessing the banks' internal capital planning under normal conditions, FINMA analysed whether the planning had also adequately factored in phases of economic downturn and a marked decline in the earnings situation. The banks' capital adequacy proved to be stable. The banks generally surpassed the capital requirements laid down under supervisory law, inclusive of the buffer requirements needed to cushion against potential losses.

### Larger capital surplus at smaller banks

Supervisory category of banks as defined in the Banking Ordinance	Capital surplus		
	Middle of 2025	End of 2024	Middle of 2024
Category 1	11%	15%	17%
Category 2	41%	31%	29%
Category 3	55%	58%	58%
Category 4	89%	90%	89%
Category 5	180%	194%	186%

Capital surplus at banks as a percentage of the requirements laid down under supervisory law (inclusive of buffer requirements) for loss-absorbing core capital (Tier 1 capital).

Systemically important institutions were also required to apply stress scenarios prescribed by FINMA with a three-year time horizon and demonstrate the steps they are taking to mitigate negative developments under adverse conditions. At the portfolio level, FINMA carried out mortgage and interest-rate stress tests on selected banks and took action in cases where those tests yielded unsatisfactory results.

In connection with climate-related financial risks, FINMA and the SNB carried out a climate-related scenario analysis at UBS during 2024 and 2025. The data collection facilitated an assessment of the bank's loss potential stemming from climate-related transition risks under various scenarios up to 2050 (more on this in "Supervision of climate and nature-related risks").

### Swiss Solvency Test at insurers confirms strong capital base

The reports on the [Swiss Solvency Test \(SST\)](#) submitted by the insurance companies showed mostly consistent solvency figures. According to the 2024 figures, the financial markets had been stable overall in a neutral to mildly positive environment, which was reflected in the solvency figures. Among health insurers, updates to the central model assumptions used in the SST standard model – particularly with regard to inflation and cancellation rates – led, in the context of assessing long-term liabilities, to a moderate decline in the SST ratios of less than 10%.

By contrast, the declines in the SST ratios within the reinsurance sector were mainly attributable to individual model adjustments made, inter alia, in connection with the introduction of valuation methods that are compliant with the IFRS reporting standard. In those cases, the fair market valuation method used for the SST is based on the IFRS, although it may, in principle, be carried out independently of the IFRS figures.

### Stable solvency figures for insurance companies

Insurance sectors	SST 2025		SST 2024	
	SST ratio	Number of insurers with SST ratio below 100%	SST ratio	Number of insurers with SST ratio below 100%
Life insurers	227%	0 (15)	223%	0 (15)
Non-life insurers	252%	1 (52)	253%	0 (53)
Health insurers	334%	0 (16)	362%	0 (16)
Reinsurers	234%	0 (22)	261%	0 (23)
Reinsurance captives	242%	1 (27)	237%	0 (24)
<b>Total market</b>	<b>246%</b>	<b>2 (132)</b>	<b>254%</b>	<b>0 (131)</b>

The number before the brackets refers to the number of companies with an SST ratio below 100%. The number in brackets refers to the total number of companies. Example: 0 (15) means that 0 of 15 companies have an SST ratio below 100%.

The two solvency shortfalls listed in the table related to small insurance companies and could each be addressed directly by means of a capital increase.

The importance of consistently maintaining and updating the SST models is crucial in order to ensure a sustainable, long-term capital base. In light of this, FINMA places a special focus on continuously monitoring the adequacy of the SST models.

Carrying out material reviews is thus an essential supervisory instrument in that respect. The reviews involve, firstly, a more in-depth analysis of the internal models. Secondly, an audit is performed to verify correct application of the specifications for the standard models provided by FINMA. Insofar as possible, these reviews are performed market-wide across multiple companies in parallel in order to ensure equal treatment and make it possible to draw cross-institutional findings of general validity.

FINMA also carries out regular reviews of the specifications and parameterisations for the standard models themselves and adapts them where necessary. During the year under review, for example, the parameterisation for the SST standard model for losses was reviewed on the basis of very comprehensive industry data.

### Stability of the supervised institutions: liquidity

Financial institutions also require solid liquidity to ensure their stability. Consequently, FINMA continued to work to ensure that supervised financial institutions across all supervisory areas had adequate liquidity in the year under review.

#### Funding and liquidity: challenges facing banks

FINMA intensified its supervisory work on the issues of funding and liquidity. In recent years, banks have had to accept higher costs for funding. In particular, a higher demand for funding through covered bonds has led to increased cost surcharges.

The special liquidity requirements for systemically important banks entered into force at the beginning of 2024. The SNB's heightened minimum reserve requirements for domestic banks led to expanded funding requirements. It is likely that the exit of Credit Suisse from the market further contributed, in a number of ways, to a higher demand for funding. This is because many banks were confronted with

an increased level of demand for loans. However, the takeover of Credit Suisse may also have led to a heightened risk perception, particularly in the area of liquidity and funding risks. FINMA has intensified its supervisory work on these issues accordingly. In discussions with the SNB and FINMA, retail and commercial banks emphasised these trends towards higher funding costs but confirmed that demand for loans could still be met on the basis of existing risk principles.

### **Challenges associated with foreign currency financing**

Banks hold assets and liabilities in both Swiss francs and foreign currencies. In general, the liabilities do not correspond fully to the assets recorded in the same currency, which can lead to currency-specific liquidity risks. The risk stems from an insufficient availability of liquid assets in the currency in which outflows from the liabilities arise.

FINMA expects banks to take appropriate measures to manage such liquidity risks. In particular, banks may rely neither on an expectation of unlimited market liquidity being available at any time, nor on an assumption that they will receive assistance measures from the SNB in cases of need.

FINMA has access to currency-specific liquidity reports from banks, enabling it to monitor the development of these risks. In 2025, FINMA carried out in-depth investigations of individual banks that exhibited high exposure to foreign currency risks or played a key role in the foreign exchange market. In doing so, it coordinated closely on this matter with the SNB.

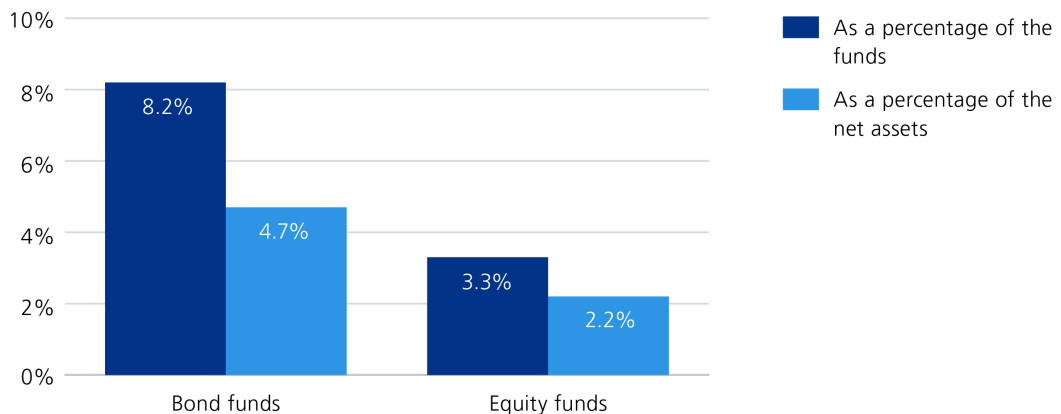
### **Liquidity of Swiss funds – stress tests**

During 2025, FINMA continued its supervisory work aimed at managing the liquidity risks facing investment funds. Conducting numerous in-depth analyses and on-site inspections enabled FINMA to identify the most exposed fund segments, emphasise good market practices and clarify its expectations of supervised institutions.

Inadequate management of liquidity risks and liquidity gaps, i.e. the difference between the liquidity of the assets held by a fund and the redemption conditions offered to investors, may lead to financial stability risks and compromise investor protection.

To meet international requirements and assess the resilience of Swiss investment funds, FINMA carried out its own liquidity stress tests for the first time. These liquidity stress tests targeted funds with valuations above CHF 500 million and an investment strategy focused on equities and bonds, excluding money market funds. In total, 396 funds representing an accumulated net asset value of CHF 681.9 billion were subjected to a stress test with different scenarios. Of the 396 funds, 28 did not meet the requirements. The funds in question are mainly bond funds, many of which are held by a sole investor or a limited circle of investors. FINMA conducted in-depth investigations and analyses of these funds.

### Insufficient liquidity mainly affects bond funds



### Risks associated with inflation and interest rate movements

2025 saw a further fall in interest rates, and the base rate set by the SNB has stood at 0% since the middle of the period under review. By conducting regular, proactive risk analyses, FINMA was able to identify potential interest rate risks for the supervised institutions at an early stage and demanded measures where necessary.

#### Interest rate risks facing banks comparatively low

Thanks to targeted supervisory measures taken by FINMA, alongside a well-balanced interest-rate risk management strategy and appropriate hedging measures at a majority of the supervised institutions, balance sheet structure risks remained stable over the course of the year at a generally low level. The small number of substantially exposed institutions were subjected to continuous monitoring and support measures in the context of the supervisory process.

The interest rate risks for earnings potential declined in 2025. This was primarily because the earnings expectations associated with the interest margin business were also declining, causing the risks arising in the context of a negative deviation to decrease. In terms of balance sheet and yield risks, interest rate shocks had only mild to moderate effects, and the interest rate risks were, with few exceptions, relatively low and stable.

As part of proactive and regular risk analyses, FINMA continued to monitor possible interest rate risks facing supervised institutions and, where necessary, required them to take early action. As a result of the currently low interest rates and the reduced inflation, the likelihood of interest rate shocks has stabilised at a low level. However, any sharp changes in interest rates could still lead to higher interest rate risks.

#### Interest margin business under pressure at banks

In 2025, the low market interest rates placed pressure on the interest margin businesses of the supervised institutions. The margins for transactions executed on behalf of clients were generally in decline, and the low or negative interest rates payable on credit balances held with central banks had a negative impact. That was reflected in the annual financial statements for 2024 and the half-year results for 2025.

For the institutions, the situation in the interest margin business will continue to deteriorate if market interest rates remain at this zero line for an extended period. In a negative interest rate environment, management of the exemption thresholds could once again produce a compensatory effect. This also applies to the structural contribution, since longer-term interest rates have fallen less sharply due to risk considerations. Consequently, the structural margin is under less pressure than the earnings contributions arising from transactions executed on behalf of clients.

The supervised institutions are taking various measures to address this generally negative trend in earnings potential. Standard strategic responses involve expanding foreign currency business with higher market interest rates and appropriate hedging against exchange rate risks, or boosting fee and commission-based transactions.

At the end of 2025, the focus was also on the [ex-post evaluation of FINMA Circular 2019/2 "Interest rate risks – banks"](#), which FINMA published in a press release at the end of November 2025. Following this, the partial revision of the Circular will commence with the consultation process and will be limited to specific amendments to the principles and recalibration of the standardised scenarios.

## **Supervision of climate and nature-related financial risks**

FINMA held supervisory discussions with the largest banks and insurance companies regarding the increased physical risks resulting from climate change. These include, for example, risks arising from extreme natural events, such as storms, landslides or floods, or risks ensuing from slowly unfolding changes such as rising average temperatures. The discussions addressed the extent to which the institutions were exposed to such risks on account of their business activities – including, in particular, through indirect exposure arising from financing activities and investments – as well as how they identify and appropriately manage the major risks.

FINMA also carried out one-day on-site inspections at individual banks with potentially heightened climate-risk profiles. Depending on the size and business model of the bank, FINMA examined issues such as how the bank tackles climate-related risks in the mortgage sector and how it addresses greenwashing risks, or it reviewed the climate stress test models used by the bank.

### **Data surveys on climate-related financial risks**

During the year under review, FINMA collected various data from banks and insurance companies in order to obtain information on their climate-related risk profiles and identify particularly vulnerable institutions.

In the case of insurance companies, this was done by means of the periodic data survey on investment activities. The asset classes identified in that data collection process, broken down by economic sector, reflect the exposure of the insurance companies to the transition risks that may arise in connection with the shift to a lower greenhouse gas-emitting economy.

In the case of banks in supervisory categories 1 to 3, FINMA carried out its annual data survey on climate-related financial risks. The collected data contained, inter alia, information on exposures to non-financial companies operating in various economic sectors, as well as on financed greenhouse gas emissions in the balance sheet business and in the assets under management. The banks also indicated their mortgage loan volumes, broken down by real estate with good, medium, poor and unknown energy efficiency. Furthermore, FINMA collected data on the banks' objectives in relation to CO<sub>2</sub> reduction, as well as their self-assessments of the physical and transition risks. Finally, it collected data on the use of some specific risk management instruments, such as scenario analyses, and the exposure limits in the banks' business activities.

The data surveys facilitate a cross-comparison between the institutions and allow supervisory work to focus on institutions with irregularities. Summary findings from the data surveys were also incorporated into FINMA's climate risk report, which was published for the first time as part of the [FINMA Risk Monitor 2025](#).

### **Analyses of climate-related financial risks**

In 2024 and 2025, FINMA and the SNB carried out a joint climate-related scenario analysis at UBS. The purpose of the analysis was to assess the bank's loss potential arising from transition risks under various scenarios up to 2050. The applied scenarios were the [Phase IV scenarios](#) defined by the Network for Greening the Financial System (NGFS). The scenario analysis addressed the potential losses that could be incurred by 2050 in connection with corporate loans, shares, corporate bonds and associated derivatives. Data supplied by a third-party provider was used to supplement the analysis.

The climate-related scenario analysis revealed that UBS's corporate loans portfolio exhibited the highest loss potential. That was based on the assumption that the NGFS scenario "Net Zero 2050" or "Low Demand" would occur. However, the loss potential was significantly lower than that identified in the course of the three-year-horizon stress tests conducted by FINMA and the SNB using macroeconomic stress scenarios. Challenges relating to the climate scenario analysis should be noted. For example, the very long time horizon to 2050 involves significant inherent uncertainty, and comparisons with short-term stress scenarios are possible only to a limited extent. FINMA also identified potential for improvement in relation to data quality.

In addition, in 2025, FINMA and the SNB commenced work aimed at deepening their analysis on the potential impacts of the physical risks associated with Swiss building stock. The analysis is expected to be completed in 2026.

### **Cyber risks, information and communication technologies (ICT) and outsourcing**

The cyber risks facing the financial market remained high during 2025. Consequently, cyber risk management by the supervised institutions was once again a focal point of FINMA's supervisory activities.

#### **More detailed specification of the cyber incident reporting obligation and supervisory activities**

The attacks reported to FINMA by the supervised institutions show that, in 2025, increased numbers of service providers and outsourcing partners were the targets of attacks, with direct consequences for the supervised institutions. Nearly half of all reported cyber incidents fell within that category. Supervised institutions have also increasingly recorded incidents originating within their own organisation, which are known as "insider threats". These incidents are caused by individuals with authorised access to critical data and systems, such as current employees, service providers or partners, or former employees or third parties whose access rights were not adequately revoked. In addition to malicious actions such as sabotage, theft or extraction of data, unintentional errors are also a serious threat source. This includes sending out sensitive information by mistake or the misconfiguration of systems. Despite the high loss potential, the activities of privileged users are often not monitored systematically, or if checks are performed, they are not fit for purpose.

As part of the annual regulatory reporting by the audit firms for the 2024/2025 reporting period (Q3 2024 to Q1 2025), 107 audits relating to cyber risk management were conducted at banks in accordance with FINMA's specifications. Weak points were identified across all specialist cyber domains, including governance, risk management and ICT protection measures. Based on these results, FINMA identified supervised institutions with irregularities and initiated targeted measures.

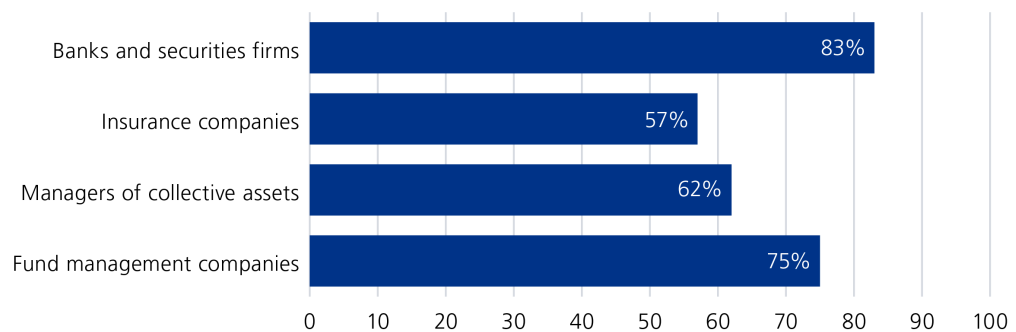
As a partner of the Swiss Financial Sector Cyber Security Centre (Swiss FS-CSC) association, FINMA took part in both tabletop cyber exercises organised by the association to strengthen the resilience of the Swiss financial centre.

### Dealing with critical service providers: impacts of outsourcing concentration

In 2025, FINMA evaluated a comprehensive inventory of all significant outsourcing activities by banks and securities firms, insurance companies, managers of collective assets and fund management companies, which it had drawn up at the end of 2024. The evaluation revealed that a high proportion of supervised institutions outsource at least a significant portion of their IT infrastructure to a third party, with the proportion shown to be highest in the case of banks and securities firms.

### Outsourcing of IT infrastructure is lowest at insurance companies

Outsourcing of IT infrastructure as at 31 December 2024



The evaluation also revealed a significant concentration risk: There was a further increase in the number of supervised institutions outsourcing a significant portion of their business-relevant infrastructure to one of the major public cloud providers. An interruption at one of those service providers could lead to simultaneous outages at multiple financial institutions, which may impair the provision of critical functions. In extreme cases, this concentration would undermine the stability of the financial market.

Supervised institutions are responsible for ensuring that their outsourced activities are also compliant with supervisory requirements. They must ensure that their service providers are given appropriate instructions and subjected to adequate monitoring. Moreover, FINMA is also entitled to perform direct on-site inspections of the service providers, with a view to passing on any findings to the supervised institutions. These reviews enable FINMA to make its own assessment of the current risk situation. They show, for example, that contractually agreed security requirements do not always reflect current supervisory requirements and that certain protective measures may therefore be inadequate. In addition, in some cases the supervised institutions do not recognise these shortcomings at the service provider themselves due to a lack of appropriate controls, which further increases the risk exposure.

### Outsourcing by asset management institutions: concentration risk in operational risk management

In the case of fund management companies and managers of collective assets, the findings show that, for many institutions, external service providers play a key role in significant functions. In the area of operational risk management in particular, numerous outsourced activities are concentrated on a few specialist service providers. FINMA is paying greater attention to this risk. It also carried out on-site inspections focused on outsourcing in the year under review.

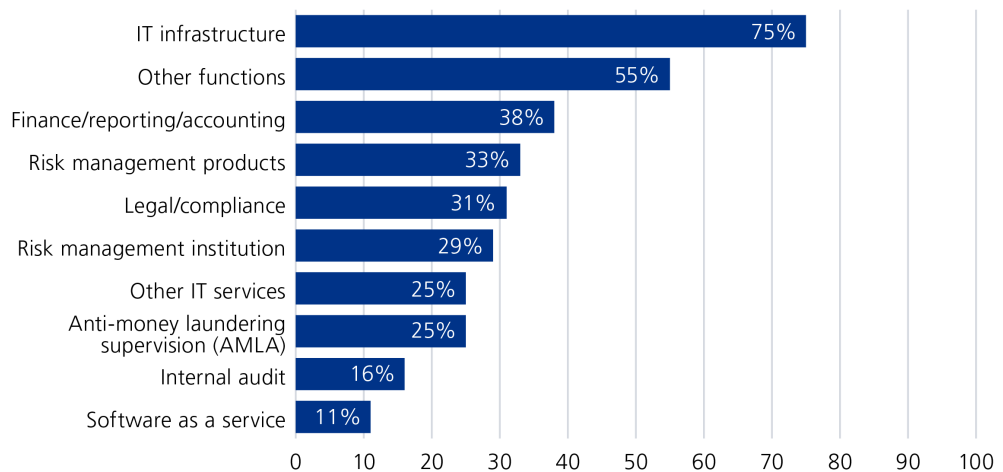
As at 31 December 2024, the fund management companies and managers of collective assets had notified FINMA of 935 outsourcing agreements. 67% of the activities outsourced by fund management

companies and 81% of those outsourced by managers of collective assets involved external service providers. By contrast, fund management companies assigned 33% of their outsourced activities within the group; the proportion is 19% in the case of managers of collective assets.

While fund management companies most frequently outsourced IT infrastructure, legal/compliance was the most outsourced task for managers of collective assets.

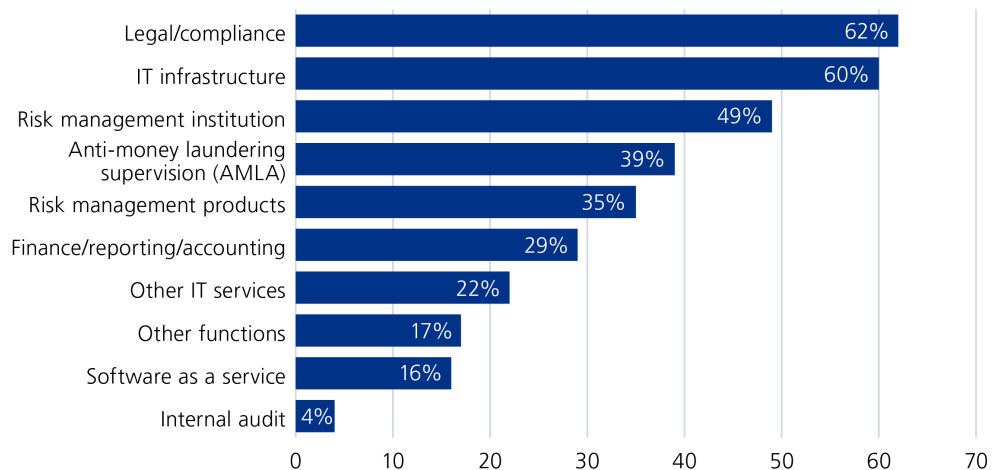
### IT infrastructure is the most outsourced activity among fund management companies

Outsourcing of significant functions as at 31 December 2024



### Legal/compliance is the most outsourced activity among managers of collective assets

Outsourcing of significant functions as at 31 December 2024

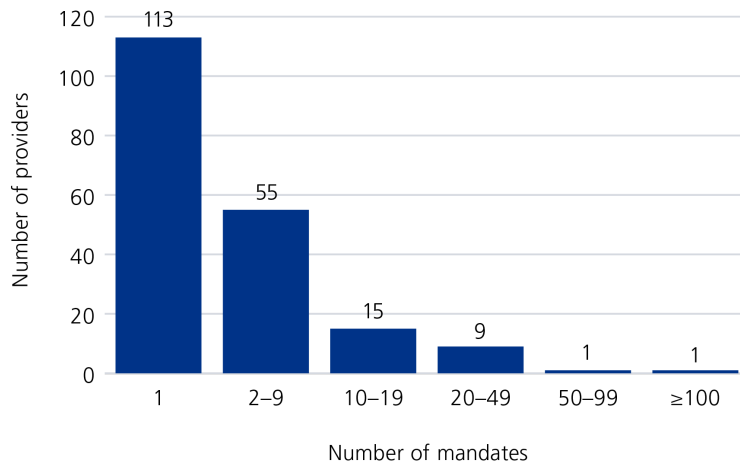


A large portion of portfolio managers and trustees (approximately 63%) continued to outsource at least one control function in the areas of risk management and compliance.

If we focus on the service providers, we see that a large number of them were handling only one or a few outsourcing arrangements, while a few specialised service providers were responsible for many outsourcing projects.

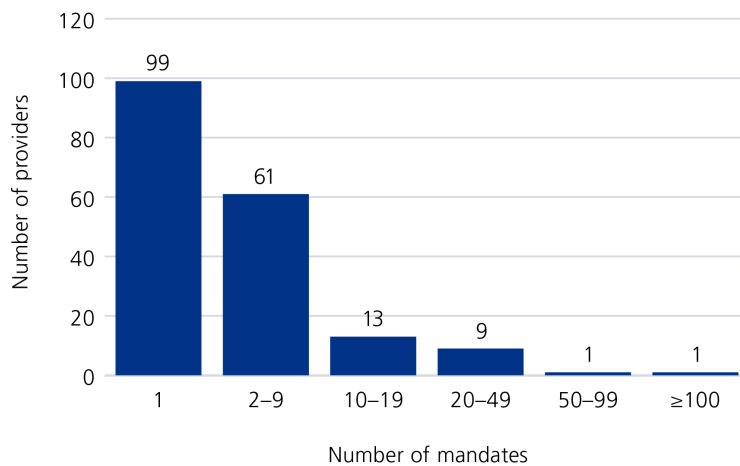
### The majority of service providers only have a few mandates in the area of risk management

Distribution of risk management providers according to number of mandates (portfolio managers and trustees)



### The majority of service providers only have a few mandates in the area of compliance

Distribution of compliance providers according to number of mandates (portfolio managers and trustees)



In the case of both managers of collective assets and portfolio managers, FINMA identified concentration risks linked to the outsourcing of compliance and risk management duties. It reviewed the qualifications of the commissioned service providers and the resources they had available. It also engaged in direct information sharing with the largest service providers. However, the outsourcing institutions remain responsible for selecting, instructing and monitoring the external service providers in all cases.

#### Operational resilience of managers of collective assets

In 2025, operational risks and resilience at fund management companies and managers of collective assets remained the focus of FINMA's activities. The institutions are becoming increasingly reliant on complex IT infrastructures and external service providers, which results in greater requirements for

outsourcing, business continuity management (BCM) and cyber resilience. In the course of its ongoing supervisory work, FINMA noted, on the one hand, an increased awareness of matters of operational resilience among the institutions, but identified recurrent weak points on the other hand. It therefore increased the level of detail for the checks to be carried out during licensing and supervisory processes on the organisational precautions taken by institutions in the area of cyber security.

As part of its ongoing supervisory work, FINMA established that the institutions have mostly implemented the regulatory requirements. At the same time, on-site inspections revealed recurring weak points in the area of outsourcing and business continuity management. In some cases, the inventory of outsourced functions was incomplete, instructions had failed to clearly define central responsibilities, or risk reports had failed to adequately address relevant operational weak points. In the interests of preventive supervision, FINMA addressed the discovered weak points directly with the institutions. The findings from the on-site inspections in the area of outsourcing risk management are set out in the preceding section. The analysis of the annual data collections also showed that the institutions are paying greater attention to operational resilience, particularly in terms of active involvement of the executive bodies in the identification and reviewing of significant operational processes.

During the year under review, FINMA also increased the level of detail for the checks to be carried out in the course of the licensing process on organisational cyber risk prevention measures. It thus ensured that new institutions and new delegations will adequately address operational risks from the outset.

With effect from 2026, FINMA and EXPERTsuisse (the Swiss Expert Association for Audit, Tax and Fiduciary) agreed on more standardised and more detailed reporting requirements for audit firms in relation to the management of ICT risks, BCM and cyber risks. FINMA will thus obtain a better overview of the institutions' current levels of operational resilience and the activities they are pursuing in that regard. From 2026, FINMA will also carry out detailed annual data surveys in these areas. Lastly, operational resilience will be a priority matter for on-site inspections in 2026, with a focus on the areas of outsourcing and cyber risks.

## Measures for promoting good governance

FINMA promotes the good governance of supervised institutions through targeted measures. Sound business conduct and responsible governance build trust in the financial centre and mitigate risks.

Shortcomings in the management structure play a significant role in the context of supervision, as a weak risk culture and inadequate understanding of management responsibility are often at the root of violations of supervisory law.

### Findings from on-site inspections relating to corporate governance and risk culture

FINMA carried out seven on-site inspections of banks relating to corporate governance and risk culture in 2025. It found that indicators for governance and risk culture were only collected sporadically at the institutions investigated. This information is not or is only infrequently brought to the attention of the executive board or the board of directors. This meant that the senior management bodies in particular were unable to anticipate or control (negative) developments in governance or risk culture.

It became apparent that FINMA was unable to ascertain from the minutes of meetings of the executive board and board of directors whether substantive discussions actually took place within the bodies. These minutes were often not detailed enough to understand the discussions and, in particular, dissenting opinions. Decisions were sometimes made informally and inadequately documented. This runs counter to good governance.

In its review of the incentive systems, FINMA found that there is not always an appropriate relationship between variable remuneration and employee appraisals. Such an imbalance undermines a healthy risk culture and incentive structure within the institutions. In this context, it should be emphasised that the use of so-called relationship manager scorecards often led to weaknesses in compliance behaviour being diluted by the weighting of the individual topics, which had a negative impact on the weight of responsibility felt by the persons concerned.

Finally, FINMA found during the reviews that the role and effectiveness of the compliance function could be improved, particularly in relationship to manager-centric organisations. Strong, independent control functions are the backbone of any financial institution and must be positioned in such a way that they can effectively fulfil their control responsibilities.

FINMA carried out four on-site inspections at insurance companies, focusing on the governance and effectiveness of the internal control system (ICS). These revealed repeated shortcomings in the design and effectiveness of individual control activities, as well as fundamental findings in relation to the ICS framework and governance in risk management. In some cases, it was not clear how the board of directors actually fulfils its responsibility for the ICS and reviews the effectiveness of the ICS. In other cases, the division of responsibilities between the control activities of the operational units (first line of control) and the control functions (second line of control) was also unclear. In order to prevent a problematic diffusion of responsibilities and to strengthen the individual accountability of the operational units, the different responsibilities must be clearly delineated and communicated. An efficient and effective ICS framework is an essential element for effective risk control by the executive board and the board of directors.

FINMA took corrective action wherever deficiencies were identified. In order to recognise and prevent undesirable developments at an early stage in future, FINMA will increasingly focus its preventive supervision and interventions on aspects of risk culture.

### **Risk analysis as a key element in the prevention of money laundering**

Alongside measures for monitoring and managing risks, a risk tolerance policy that has been defined by the executive management board in the course of money laundering risk analysis serves as a key instrument in any effective anti-money laundering strategy. In its [FINMA news on Guidance 05/2023 "Money laundering risk analysis pursuant to Article 25 para. 2 AMLO-FINMA"](#), FINMA had presented its observations and experiences of risk analysis in a transparent manner. Since then, it has examined numerous risk analyses. In doing so, it has noted progress in terms of both defining the risk tolerance and regarding the design of risk analysis. Nevertheless, in 2025, FINMA identified further potential for improvement.

In particular, when defining the risk tolerance, it was often the case that only strict exclusion criteria (e.g. prohibited countries and industries) were specified. This is not sufficient. The definition of risk tolerance must deal with the risks that the institution could but does not wish to take on and is part of the risk culture. Moreover, risk-mitigating measures were being paraphrased in the risk tolerance. However, risk-mitigating measures are not part of risk tolerance. Risk-mitigating measures come to bear in the case of risks that the institution enters into in accordance with the defined risk tolerance.

In addition, assessing the inherent risks posed problems at certain individual institutions. For example, the risk mitigation measures or the institution-specific risk tolerance were often erroneously taken into account when assessing the inherent risks. That resulted, by way of example, in risk factors such as foreign politically exposed persons (PEPs), or business relationships involving complex organisational structures (e.g. trust structures nested across different foreign jurisdictions), being assessed as inherent risks with a medium criticality level rather than a high or very high criticality level. FINMA required the institutions concerned to rectify these deficiencies.

There was also uncertainty surrounding the necessary degree of detail required for the money laundering risk analysis. The general principle is that the higher the level at which the defined risk tolerance is set, the finer the degree of detail that will need to be presented in the money laundering risk analysis in respect of the individual money laundering risk factors (e.g. for the country-specific risk, there should be a breakdown by country).

FINMA is continuing to focus on this issue and will be expanding its use of the instrument of money laundering risk analysis as part of its future supervision of money laundering risks.

### **Findings from on-site inspections related to the Anti-Money Laundering Act**

FINMA made combating money laundering in the retail banking sector a focal point of its supervisory work in 2025. It carried out several on-site inspections, which revealed that business clients form a particularly high-risk segment. This client group carries specific risks in terms of the identification, monitoring and traceability of the economic activity.

In isolated cases, institutions had entered into client relationships that exceeded their risk appetite and were not adequately understood by the banks. In the case of clients with foreign connections this included, for example, special business models or unusual transaction behaviour (particularly pass-through transactions).

The criteria indicative of business relationships with increased risks are to be drawn up by each bank on an institution-specific basis. Inspections showed that certain regulatory criteria, which are indicative of such business relationships, are not systematically taken into account. If a financial

intermediary considers a criterion to be not relevant, it must justify its decision in a transparent and documented manner with quantifiable and verifiable indicators (see [FINMA news on Guidance 05/2023 "Money laundering risk analysis pursuant to Article 25 para. 2 AMLO-FINMA"](#)). Although other criteria were being taken into account, they were assigned too low a weighting in the bank's scoring methodology. This means that they have virtually no influence on a final classification as increased risk, which can lead to a structural underestimation of money laundering risks.

The on-site inspections also showed that the frequencies of periodic assessments pertaining to business relationships with increased risks are sometimes too low when measured against market standards. Delays in updating the assessments were also identified in the case of some institutions, which is in contravention of their own internal guidelines. The frequency of periodic assessments must align with the business relationships' risk level, and assessments must be underpinned by adequate and qualified resources.

FINMA expects financial intermediaries to pay special attention to the indicated weak points and, where necessary, to enhance their anti-money laundering processes appropriately.

### **Findings from on-site inspections related to the Financial Services Act**

In late 2024, FINMA published central questions relating to the interpretation of the Financial Services Act [in a new Circular](#). Accordingly, the key points set out in the Circular were assessed during on-site inspections carried out at the supervised institutions. Points of weakness in the implementation were identified among smaller institutions in particular. Despite the transparency requirements set down in the Act and the Ordinance, disclosures of conflicts of interests necessitated by use of the institutions' own financial instruments still remained unsatisfactory. It is important that clients are informed transparently about the use of institutions' own financial instruments. Furthermore, the risks relating to compliance with the rules of conduct in the investment business were still not being adequately taken into account during internal risk assessments and were being presented to the executive bodies only in a fragmented manner. In that respect, FINMA identified further potential for improvement among many institutions. Appropriate control measures need to be defined in order to reduce and control risks.

In the course of the on-site inspections, FINMA also addressed shortcomings in the advisory process. Private clients are entitled to extensive investor protection. If they have sufficient assets and also, where relevant, investment knowledge, they may waive part of their entitlement to investor protection by means of an "opt-out" mechanism. Opting out thus entails risks, and clients must be made aware of those risks. Clients may also rescind their opt-out at any time in order to benefit from the investor protection once more. Shortcomings in clarifying the investor protection, opt-out mechanism and opt-out risks were identified at various institutions.

Recommendations on financial instruments must also be adequate and appropriate for the clients. Accordingly, a risk profile and information on their knowledge and experience must be obtained before any services are provided. As FINMA noted during its on-site inspections, some institutions are failing to observe that order of procedure. Corresponding warnings were issued to institutions concerned.

A cross-comparison revealed that a majority of institutions offer portfolio-related investment advisory services. In doing so, some institutions were paying too little attention to the diversification risks arising in a portfolio context. In the case of portfolio-related investment advice, client investments are considered holistically during the advisory process, and risks are gauged at the portfolio level rather than in respect of individual investments. Institutions must therefore focus on ensuring suitable investment diversification for their clients. If the institution's investment strategy also provides systematically for non-market-standard risk concentrations, clients must be informed accordingly

before provision of the service. In the course of the on-site inspections, institutions failing to do so were instructed to effect improvements.

## **Preventing and combating greenwashing**

During 2025, FINMA continued its work to combat greenwashing in connection with Swiss funds making reference to sustainability and at banks' point of sale. This is in accordance with FINMA's mandate to protect investors from improper business conduct, particularly from deception, including greenwashing. In FINMA's view, greenwashing takes place if misleading statements are being made to investors (knowingly or unknowingly) concerning the sustainability aspects of financial products or services.

In the course of new approvals and changes to Swiss funds making reference to sustainability, FINMA assessed whether investors were being misled about the sustainable characteristics of those funds. Where necessary, it enforced disclosure of the minimum information. In doing so, it relied on the statutory transparency requirements.

With respect to the point of sale at banks, FINMA carried out on-site inspections pertaining to the organisational and governance obligations provided for under supervisory law. If, in the course of those reviews, FINMA identified any failure to comply with internal rules of conduct that govern sustainability aspects, it raised a corresponding complaint and demanded that the rules be complied with.

In the course of its on-site inspections, FINMA also identified weaknesses in the areas of risk management and the control framework. In some cases, the greater risks linked to the growth of the sustainable financial services business were still not receiving sufficient attention from top management. FINMA noted that (greenwashing) risks were not always being adequately identified by institutions in the course of the investment process and that compliance with the internally defined sustainability claim was still not adequately assured by means of appropriate controls. FINMA also noted that some institutions were unable to adequately substantiate impact promises (measurable, positive ecological impact) made to clients due to a lack of measurable targets and information relating to the promised impact.

In FINMA's view, the applicable statutory basis is incomplete and contains gaps. Combating greenwashing in an effective manner requires uniform definitions, cross-sectoral rules as to conduct at the point of sale, and binding minimum requirements with respect to product transparency and reporting.

## **Findings from the on-site inspections relating to sanctions**

Working in collaboration with experts from the State Secretariat for Economic Affairs (SECO), FINMA also carried out a series of sanctions-related on-site inspections at supervised banks during 2025. A special focus was placed on the restrictions on trade (sanctions on goods) and their impacts on the financial institutions.

In numerous cases involving banks with exposure to potential sanctions-related risks linked to their provision of services to foreign business clients, FINMA noted gaps in the internal directives and prevention measures at those banks. Institutions engaged in relevant business activities are required to perform a sanctions-related risk analysis and ensure that formal internal regulations (e.g. directives) are in place for the business activities concerned. As part of the transaction monitoring process, a special focus must be placed on sanctions-related aspects. For example, sector-specific sanctions pose

particular challenges in the area of transaction monitoring, which means that special knowledge is required on the part of the responsible employees.

Banks are required to carry out more rigorous investigations in respect of foreign business clients. That applies in particular if such clients are established or carry out trading activities in a country that is not implementing sanctions supported by Switzerland. The bank concerned must therefore, for example, clarify and document whether the client produces or trades in goods affected by Swiss sanctions, the countries the client operates in, and who the client's customers are. The relevant know-your-customer information must be kept up to date.

To ensure that client relationships involving sanctioned persons can be spotted, banks must be aware of all persons and counterparties involved in the client relationship. In the case of client relationships entered into before 2016, it was still unnecessary for the controller to be identified. If banks continue client relationships for which the controller was not identified in view of the relevant transition provisions, they run the risk of maintaining business relationships involving sanctioned persons. In that respect, it is also relevant to point out the legal obligation, which provides that client files must be reviewed periodically to ensure they are up to date. When doing so, the identities of any as yet still unidentified controllers must be established. FINMA identified shortcomings in this regard during its on-site inspections and instructed the institutions concerned to rectify them.

# FINMA's digital strategy, data-driven supervision and digitalisation in the financial sector

FINMA uses technology-supported, data-driven applications in its supervisory activities and is increasing its efficiency by digitalising processes. It actively addresses new developments in the financial market and assesses innovative business models in a risk-based and technology-neutral manner.

FINMA has incorporated digitalisation into its strategic goals and is implementing an ambitious digital strategy. It assesses enquiries from supervised institutions or new players regarding innovative, digital business models in a technology-neutral and risk-based manner. In doing so, it focuses on protecting clients from abuse.

## FINMA's digital strategy

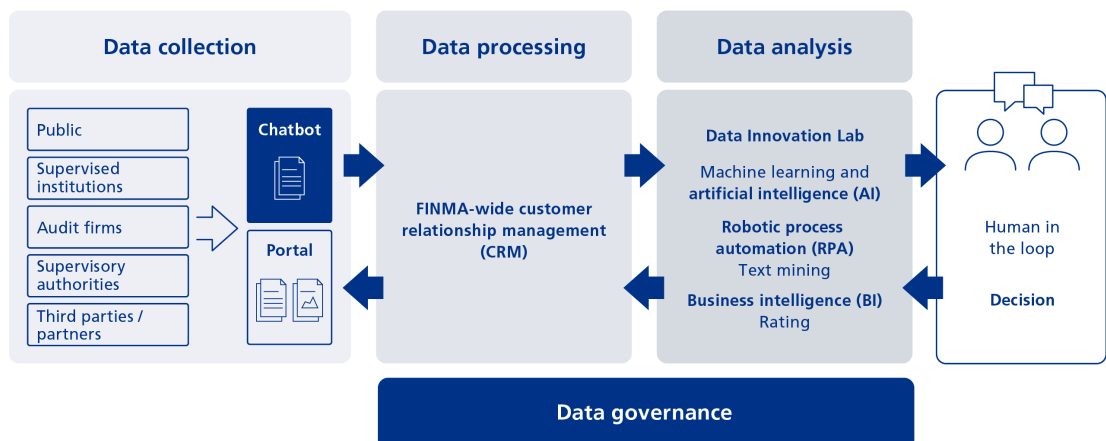
### Continuous expansion of data-driven supervision through automation and artificial intelligence

With the targeted expansion of data-driven methods and increased use of artificial intelligence (AI), FINMA is strengthening its ability to identify risks at an early stage, monitor market conduct and improve the protection of investors, creditors and policyholders. Data-driven supervision remains a strategic pillar of FINMA – technology-neutral, risk-based and forward-looking.

FINMA has further expanded its data-driven supervision since the last reporting period and has digitalised and harmonised further processes. New technologies and tools such as AI assistants in particular support efficient work in the supervisory areas. The focus here is placed on time-consuming tasks such as summarising information or documents that are already in the public domain. In addition, the use of AI for defined cases of application is strengthening the effectiveness and efficiency of supervision. FINMA is also making use of new technologies wherever possible and suitable in the area of supervisory technology (SupTech).

### FINMA is consistently incorporating SupTech applications into its daily supervisory activities

Ongoing development of SupTech applications in the FINMA ecosystem



## Enhanced data-driven supervision

### Data collected for the first time show the significance and diversity of the Swiss asset management sector

In an important step for data-driven supervision, FINMA collected data across sectors for the first time in 2025 concerning the activities of all licensed financial service providers in Switzerland in the areas of portfolio management, investment advice and execution-only services. These categories together make up “assets under supervision”.

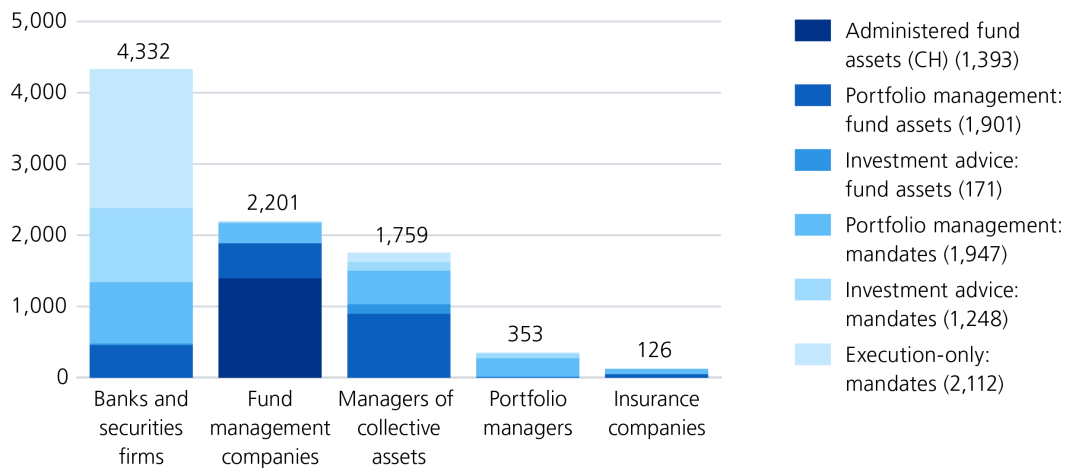
The objective was to obtain a uniform and complete market overview of the Swiss asset management sector and be able to identify and address the potential risks better. The data were collected by activity, and some of the assets may have been entered by an institution under different activities. For example, an institution can administer and manage a fund, or a self-managed fund can also be used in customer portfolios.

As at 31 December 2024, the survey yielded assets under supervision totalling CHF 8,772 billion.

The largest share of the recorded assets is managed by banks and securities firms, followed by fund management companies and managers of collective assets. Independent portfolio managers and insurance companies play a significantly smaller role in the overall market.

### Asset management: banks and securities firms manage the largest share

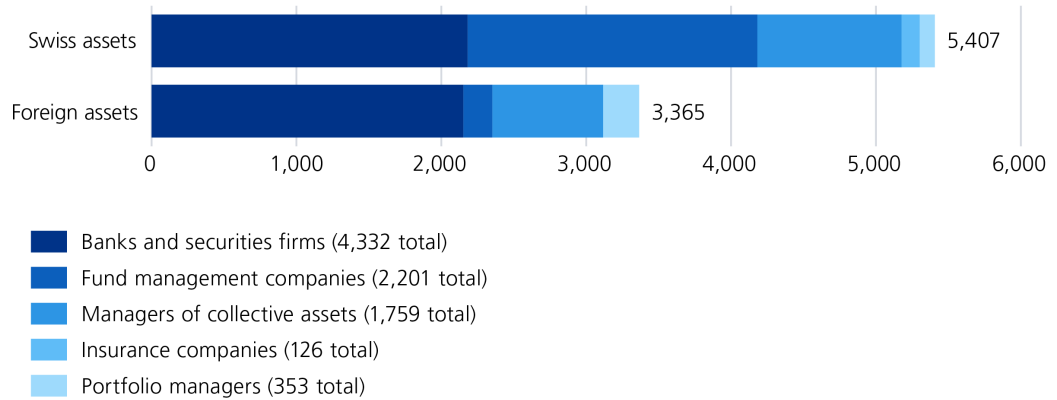
Total assets under supervision in Switzerland (in CHF bn) as at 31 December 2024 by authorisation type and activity



Swiss assets clearly outweigh those of foreign origin.

**Asset management: 38% of assets are of foreign origin**

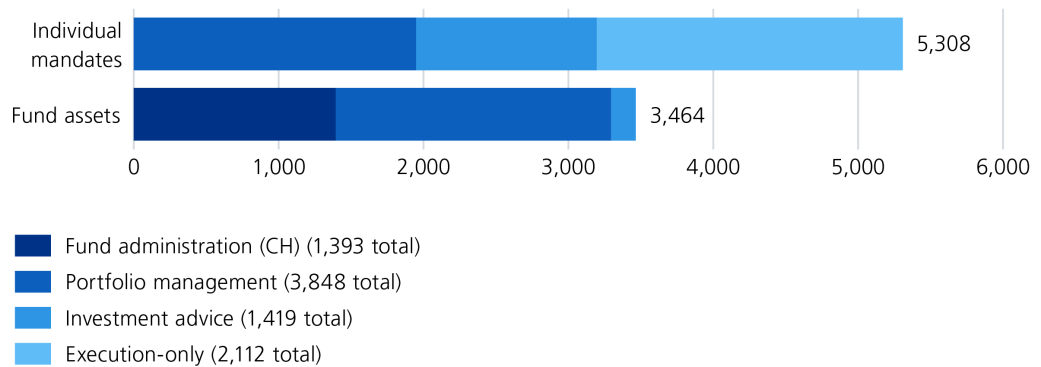
Total assets under supervision in Switzerland (in CHF bn) as at 31 December 2024 by client domicile and authorisation type



Asset management largely takes place via individual mandates. Fund assets account for a smaller share. The largest share of the mandates is attributable to execution-only services, while discretionary management and investment advice have less weight.

**Asset management: around 60% of assets supervised via individual mandates**

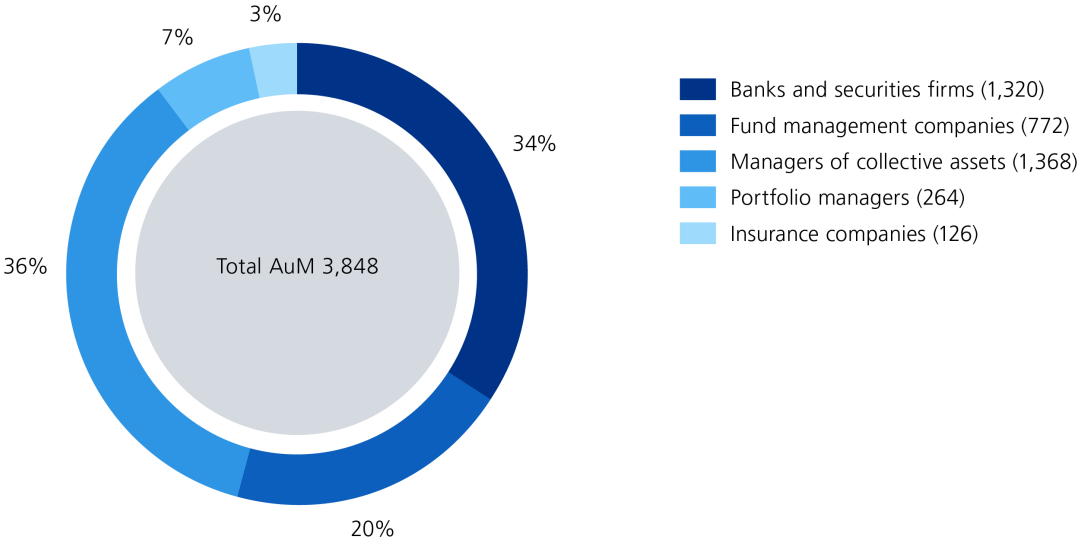
Total assets under supervision in Switzerland (in CHF bn) as at 31 December 2024



The largest shares in terms of volume of the total assets under management of CHF 3,848 billion are attributable to managers of collective assets and to banks and securities firms, followed by fund management companies. Mandates for occupational pension schemes also account for a significant share of portfolio management mandates.

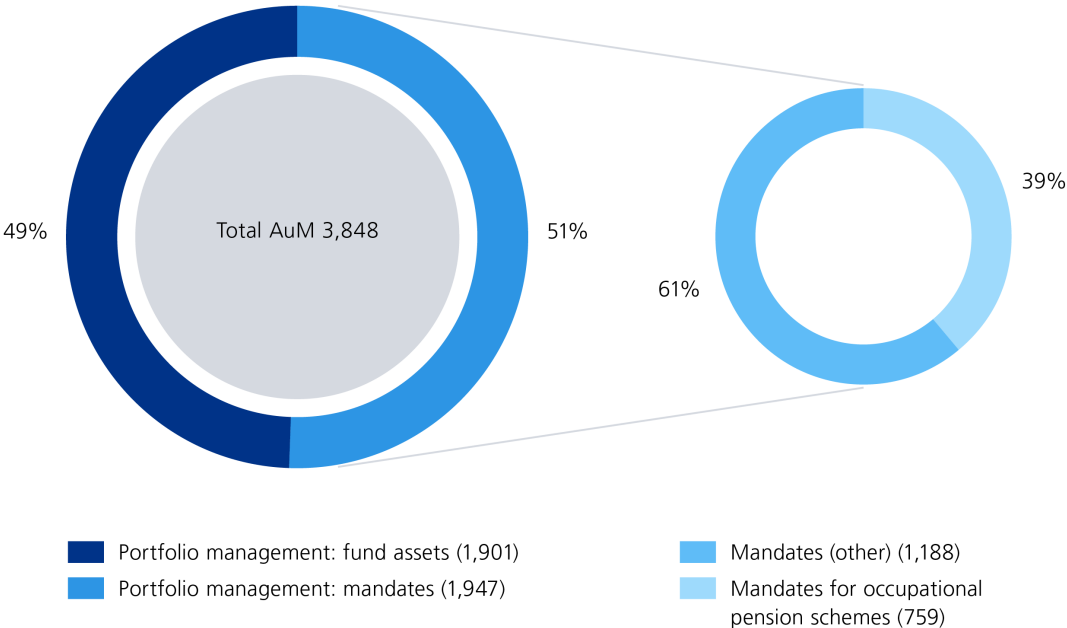
**Assets under management: largest share attributable to managers of collective assets**

Total assets under management (AuM) in Switzerland as at 31 December 2024 by authorisation type



**Assets under management: mandates for occupational pension schemes account for 20% of the total**

Total assets under management (AuM) in Switzerland (in CHF bn) as at 31 December 2024



These key figures collected according to uniform criteria provide an overview of market distribution and facilitate a differentiated assessment of market participants. They enable FINMA to better assess

the risk situation of the asset management activities of all supervised financial intermediaries, because they allow comparisons to be drawn between licence types, institutions and business models and thus support risk-oriented supervision. FINMA can therefore exercise its supervision of asset management activities consistently, proportionately and independently of the type of licence in question and address the associated risks where they are significant.

### **Direct data survey of capital adequacy improves assessment of risk diversification at banks**

Since the implementation of the final Basel III reforms as of 1 January 2025, FINMA has been conducting capital adequacy surveys at banks. Previously, the data survey was conducted by the SNB, which forwarded the data to FINMA. This process is now carried out directly by FINMA via its EHP survey platform. In 2026, FINMA will also conduct the risk diversification survey of banks.

The final Basel III package of measures concludes the international reforms of the Basel Committee on Banking Supervision (BCBS) following the financial crisis in 2008. The new requirements include a comprehensive revision of capital and risk regulations, increased capital adequacy requirements, more uniform valuation approaches and enhanced transparency and comparability. Switzerland has incorporated these standards into national law, with 31 March 2025 as the first reporting deadline under the new framework.

FINMA attaches great importance to the quality of the data submitted. All reports are subject to automated validations and consistency checks supplemented by expert reviews. Irregularities are systematically reviewed and followed up in order to ensure a reliable data basis for supervision.

### **Data Innovation Lab: innovation for data-driven and efficient supervision**

The Data Innovation Lab is FINMA's innovation vehicle in the area of data-driven supervision. It identifies and tests new technological approaches and translates them into concrete supervisory applications. The focus is on promoting a data-driven, efficient and forward-looking supervisory practice. This strengthens FINMA's ability to identify risks at supervised institutions at an early stage and understand market behaviour better.

FINMA pooled its analytical competencies from an organisational perspective in 2025 in order to make better use of synergies and provide data-driven internal services more efficiently. Primary responsibility for the Data Innovation Lab was assigned to the newly created Integrated Risk Expertise division. The Lab performs a cross-divisional role and works closely with all FINMA specialist units, gathering ideas from the entire organisation, prioritising them in terms of benefits and impact and developing them further in a structured process. This results in a balanced portfolio of initiatives relevant for supervision.

The focus in 2025 was on strengthening governance and closer interlinking of analytics competencies within FINMA. The Data Innovation Lab worked on a broad range of data-driven supervisory topics. These included projects for automating analyses, utilising text and network analyses, expanding existing AI solutions in specific cases and developing tools for crypto and liquidity supervision. These initiatives show how data-driven innovation can support and further develop supervisory practice in a targeted way.

Additional support is provided by the newly created Analytics Circle as a FINMA-wide platform for the exchange and coordination of analytics initiatives that promotes the internal transfer of knowledge. Among other things, AI-supported processes are used for automated text analysis, where permitted by data classification. They are capable of systematically evaluating large volumes of documents and enable relevant content to be swiftly identified. Media reports, client reviews and social media posts are also increasingly serving as data sources in the analyses in order to gain an even more comprehensive picture of the supervised institutions.

## **Automating the processing and analysis of account statement data**

FINMA automated the standardisation, cleansing and visualisation of account statement data for investigations of unauthorised activities in the year under review. This significantly enhanced the efficiency and quality of the ad-hoc analysis of such data. The basis for automation comprises the edited account documents that are now requested from banks in a structured form and in the format recommended by the Conference of Swiss Public Prosecutors (CSPP) for the electronic edition of bank documents. The data are cleansed at FINMA following receipt, including name matching for the purpose of person-based transaction analyses. In a second step, the cleansed data are made available in an interactive visualisation with selected graphics for investigation tasks. This enables the specialists to concentrate more on content-related investigation questions and work even more efficiently. The standardisation, cleansing and visualisation steps will also be applied in other areas of FINMA in future.

## **Use of technology in market supervision**

FINMA decisively improved its tools for identifying, visualising and evaluating unlawful market conduct in the year under review. In order to effectively assess the many reports of suspicious activity and the data from more than 120 million transaction reports, it relies on intelligent processes and modern technology. This enables potentially price-relevant incidents to be recorded in a systematic and automated manner and subsequently reconciled with incoming reports of suspicious activity.

In addition, the use of AI in cases of suspected insider trading supports the decision as to whether the required price relevance is present and thus facilitates the efficient triage of these cases. If a case is investigated in detail, the unusual, incident-related conduct of a person can be automatically evaluated with the help of historic trading behaviour (so-called "insider scoring").

Furthermore, FINMA used agile methods to develop new tools for assessing and analysing potential sophisticated market manipulation. The tools enable order book and closing data to be graphically illustrated in a holistic manner on a daily basis or if required up to microsecond level and made suitable for use in court. FINMA presented a prototype of this development upon invitation at the annual Technology Applied to Securities Markets Enforcement Conference (TASMEC) hosted by the International Organization of Securities Commissions (IOSCO) in Rome.

Overall, these technological advances enabled market supervision to further enhance its effectiveness and efficiency.

## **Digitalisation in the financial sector**

### **Challenging supervision of FinTech institutions**

Owing to the tense capital and liquidity situation of many FinTech institutions, FINMA at times intensively monitored most of the licensed companies in this supervisory group. The responsible bodies of the institutions were particularly challenged. For example, they had to review different scenarios at an early stage, such as new investors, selling the company or an orderly market exit. FINMA was obliged to withdraw the licence of one FinTech institution despite intensive monitoring and order liquidation by way of bankruptcy. It emerged here that the liquidation values of software developed in-house lay significantly below the valuations that had been estimated on the assumption of a continuation of business activity (so-called going concern principle). The lack of depositor and bankruptcy protection for the client deposits received led to losses for the investors. FinTech institutions are required to comply with the minimum available capital requirements at all times and to pay great attention to their liquidity risks. FINMA expects robust plans to exist at all times, enabling the liquidity requirements to be covered for the next six months.

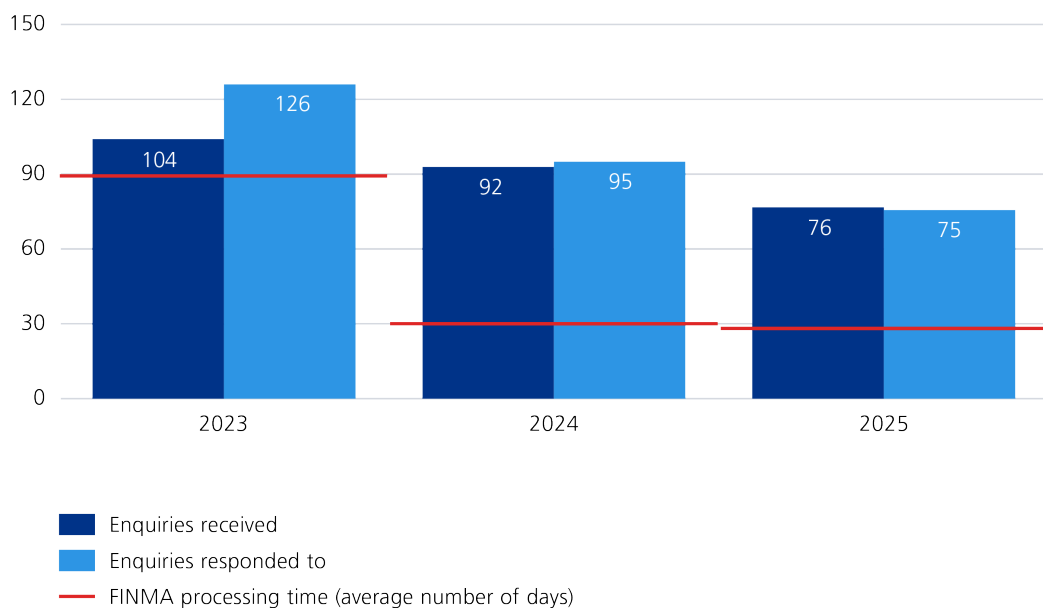
### Authorisation enquiries, preliminary review of projects and licensing procedure

Since 2019, FINMA has received around 30 relevant licence applications from FinTech companies and replied to dozens of preliminary questions in this connection. The applications primarily concerned payment services in fiat money and only in very few cases services involving crypto custody. A relatively large share of the applications did not qualify for a licence. Some of these were insufficiently prepared or did not have a transparent source of funds. Questions also arose in connection with proper business conduct or previous transactions abroad, or complex group set-ups existed that lacked transparency. FINMA granted a total of seven companies a licence by the end of 2025, following the completion of some complex licensing procedures. Four of these companies were still operating at the end of 2025. To enable applications to be dealt with more efficiently, FINMA recommends making use of the newly introduced option of submitting projects to FINMA for a preliminary review. The initial regulatory assessment provides both sides with valuable information at an early stage on any obstacles to licensing or other important issues.

FINMA replied to a large number of enquiries regarding potential duties under financial market regulation, namely 75, about projects in the area of distributed ledger technology (DLT) and crypto in 2025. As in 2024, it responded to such authorisation enquiries in under 30 days on average.

### Short processing time for authorisation enquiries

Processing of enquiries in the FinTech/ICO area in days



### FINMA licenses DLT trading facility for the first time

FINMA licensed [Switzerland's first DLT trading facility](#) in 2025. The DLT legislation had created a new authorisation category for a financial market infrastructure that facilitates the trading of DLT securities. In addition, a DLT trading facility can provide post-trading services such as settlement and/or custody services.

As well as the trading of DLT securities, the licensed DLT trading facility also offers settlement services and is aimed exclusively at supervised participants such as banks and securities firms. Securities settlement takes place by means of a so-called delivery vs. payment smart contract using a public

blockchain (Ethereum). The DLT trading facility therefore makes use of the innovative business opportunities introduced with the DLT Act. Payment processing takes place via the Swiss Interbank Clearing (SIC) payment system.

During the licensing procedure, FINMA evaluated some important fundamental issues such as the scope of obligations on the part of issuers, questions concerning the finality of a DLT-based settlement system and also questions concerning effective and technology-specific measures for ensuring business continuity, particularly in the event of disruptions to or failure of the public blockchain. As a small DLT trading facility, the new financial market infrastructure benefits from a certain degree of regulatory relief. At the same time, however, the statutory trading and settlement volume thresholds have to be complied with.

### **FINMA advocates for adequate consumer protection in crypto regulation**

FINMA contributed its expertise to the regulatory project led by the State Secretariat for International Finance (SIF) on an amendment to the Financial Institutions Act (payment instrument institutions and crypto-institutions). It is committed to ensuring that the envisaged amendment of the law offers effective protection for creditors and investors and that the integrity of the Swiss financial centre is not negatively impacted.

The bill proposes two new licence categories: The first is a licence for payment instrument institutions. This licence is intended to replace the existing licence under Article 1b of the Banking Act and allow the issuance of stable cryptobased payment tokens (a specific type of stablecoin). The second is a licence for crypto-institutions, which is intended to enable activities with cryptobased assets such as Bitcoin. Currently, these crypto service providers are only supervised by [self-regulatory organisations](#) with regard to the Anti-Money Laundering Act. Apart from this, there are no specific consumer protection obligations such as mandatory risk disclosure.

As practice shows, consumers take significant risks when purchasing, trading and transferring cryptocurrencies.

FINMA welcomes the progress made on innovation while protecting investors in the [consultation draft published on 22 October 2025](#) and will continue to raise its concerns regarding consumer protection and integrity.

### **Increased use of artificial intelligence in the Swiss financial market**

FINMA continued to monitor and supervise the use of AI at Swiss financial institutions. To this end, it relied on supervisory discussions, data surveys and targeted on-site inspections. FINMA had already published the insights gained from its supervisory activity and its expectations in [FINMA Guidance 08/2024](#).

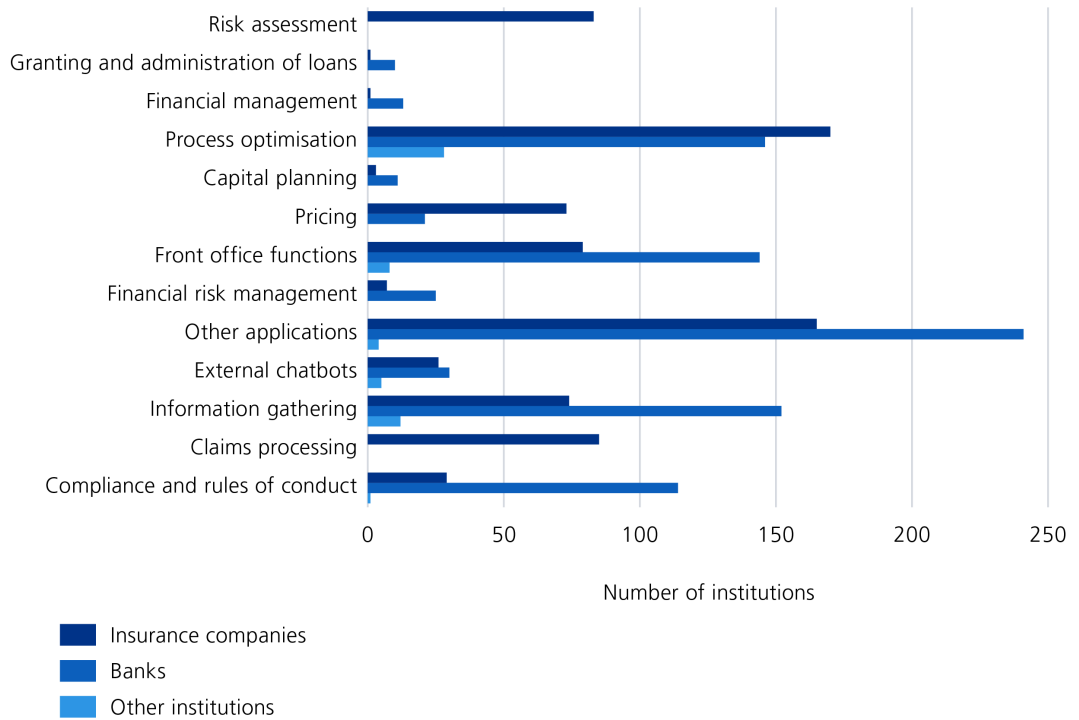
At the beginning of 2025, FINMA conducted a survey of around 400 supervised institutions on their current and planned use of AI. Banks and securities firms, insurance companies and insurance intermediaries, fund management companies and managers of collective assets and financial market infrastructures were canvassed. The results of the survey show that Swiss financial institutions are increasingly making use of AI. At the time of the survey, around 50% of institutions already had AI applications in use or under development. The use of AI is more widespread among insurance companies than among banks. However, judging by the institutions' planning, this difference is set to even out in two years' time.

The widespread use of generative AI (GenAI) is also accompanied by an increasing dependency on external service providers. With this in mind, FINMA once again drew attention to the risks of outsourcing in its [2025 Risk Monitor](#).

Around half of institutions have defined an explicit AI strategy. Institutions consider the greatest risks posed by the use of AI to lie in data quality, data protection and the insufficient explainability of the results. In addition, risks are identified with regard to model correctness, ethics and bias and for outsourcing.

### Wide range of uses for AI

Use of artificial intelligence at Swiss financial institutions



FINMA is responding to the risks in the field of AI with its approach of “same business, same risks, same rules”. It guarantees transparent and technology-neutral authorisation and supervisory activities so that new and innovative technologies are used on the Swiss financial market in accordance with the regulatory framework. FINMA continues to focus on the topic of AI and is increasingly addressing it in its supervisory activities at the institutions.

## Supervisory activity by sector

FINMA's level of supervision is most intensive wherever risks for the financial centre are greatest. Its Banks, Insurance, and Asset Management and Markets divisions are responsible, in cooperation with the Integrated Risk Expertise division, for supervising the corresponding market sectors. Key supervisory tools include on-site inspections, stress tests, specific surveys and supervisory exchanges up to the highest level.

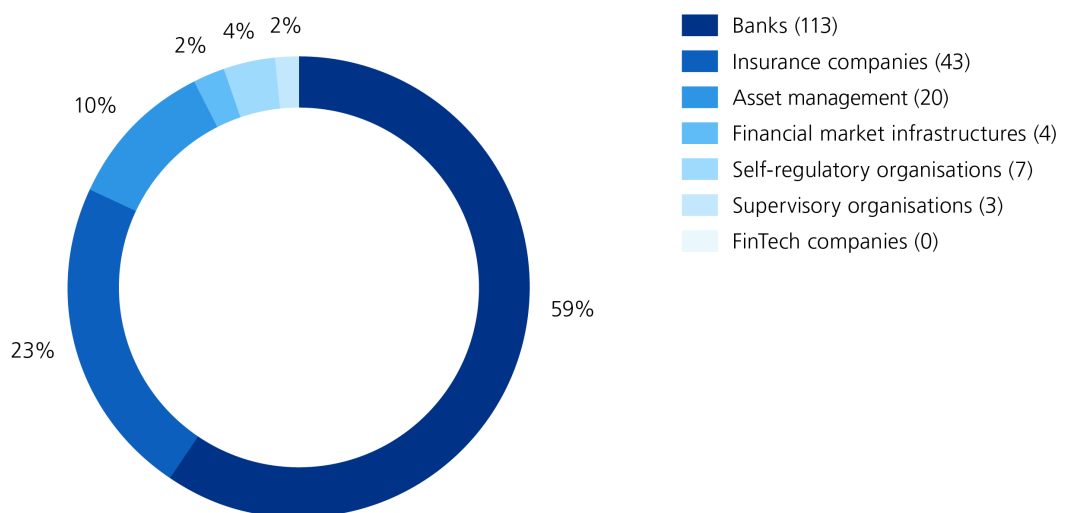
As part of its integrated financial market supervision, FINMA again monitored all prevalent trends in the financial centre in 2025. It oversaw the risks that are associated with the activities of the supervised institutions. This comprehensive, risk-based perspective ensures that similar or identical situations receive the same supervisory treatment across all supervised institutions.

### Coordinated planning and organisation of all on-site inspections for the first time in the reporting year

As part of its reorganisation, FINMA brought together all groups responsible for on-site inspections in the On-Site Inspections, Quality Control and Auditing section of the new Integrated Risk Expertise division in 2025. This pooling of expertise has enabled FINMA to standardise governance and processes for the annual planning and implementation of on-site inspections. At the same time, it pressed ahead with the operational implementation of the harmonised instruments. Thanks to these measures, FINMA will be able to increase the intensity – in particular the duration and depth – of on-site inspections from the start of 2026 while maintaining the same high quality.

The following on-site inspections took place in the various areas in 2025:

#### On-site inspections 2025



## **Deep dives increasingly used in the supervision of banks**

Banking supervision is designed to be risk-based and proportionate. FINMA's supervisory focus in 2025 was on Credit Suisse's integration into UBS, and at other banks on the effectiveness of corporate governance, risk culture, compliance with conduct rules, in particular combating money laundering and the banks' handling of sanctions, the mortgage lending business and cyber risks.

To intensify its supervision, FINMA conducted an increased number of deep dives in 2025, maintaining direct contact with boards of directors, executive boards, compliance and risk management functions and internal audit departments. A focus of these visits were the topics of corporate governance, risk management, risk culture and gaining a deeper understanding of business models.

### **Measures taken when deficiencies were identified**

FINMA identified some serious deficiencies in the course of its ongoing supervision. It called on the banks concerned to remedy the shortcomings without delay. As a direct result of its ongoing supervision, FINMA imposed an institution-specific capital add-on in 14 cases and a restriction on business activity and a ban on takeovers in 7 cases, among other requirements. A total of 16 cases resulted in preliminary investigations. Enforcement proceedings were launched in 15 cases. In 18 cases, FINMA appointed an independent auditor.

To improve the effectiveness of its supervisory activities, FINMA also took action at an earlier stage when deficiencies were identified, imposing supervisory measures more consistently and more systematically, and enforcing these measures. In the case of enforcement proceedings, for example, it increasingly focused on immediate measures and tougher requirements when proceedings were opened, as opposed to exclusively ordering measures when proceedings were concluded.

### **Supervision of UBS continues to be dominated by the integration of CS**

In 2025, the ongoing supervision of UBS was again dominated by the integration of the former Credit Suisse (CS). After the integration work in 2024 had centred on combining the most important legal entities in Switzerland and abroad, the focus in 2025 was on the technical and operational integration of business activities and processes.

FINMA closely monitored the migration of former CS customers to UBS systems and reviewed the technical implementation with the support of an external third party. The migration of customers not booked in Switzerland was completed in 2025. Due to the high number of customers booked in Switzerland, their migration is scheduled to continue into 2026.

Other focal points of supervisory activity were risk-related aspects. These include the appropriate assessment of non-financial risks related to CS customers transferred to UBS, the continuous reduction of risks from CS business that UBS intends to exit, and the full integration of risk management and reporting. Beyond the issues of integration, supervision of the bank's suitability framework was strengthened in particular to ensure investor protection against the backdrop of the bank's business model and global orientation, as well as general market trends towards partially illiquid and less transparent investment instruments (e.g. private markets, digital assets). Similarly, the particularly risk-exposed business activities of investment banking – namely corporate and leverage lending as well as prime brokerage – were subject to increased supervisory focus.

FINMA was also responsible for the supervisory assessment of the further standardisation and simplification of UBS's global legal and operational structures, as well as operational resilience in light of data migration and the subsequent retirement of IT applications that are no longer being used. FINMA will monitor the most important steps in the integration of CS into UBS through to its completion. Here, too, there was a substantial increase in supervision beyond integration-specific

aspects. In view of the high potential tail risks associated with new technologies, FINMA placed particular emphasis on assessing the maturity of the bank's own management of cyber risks and risks associated with third-party providers.

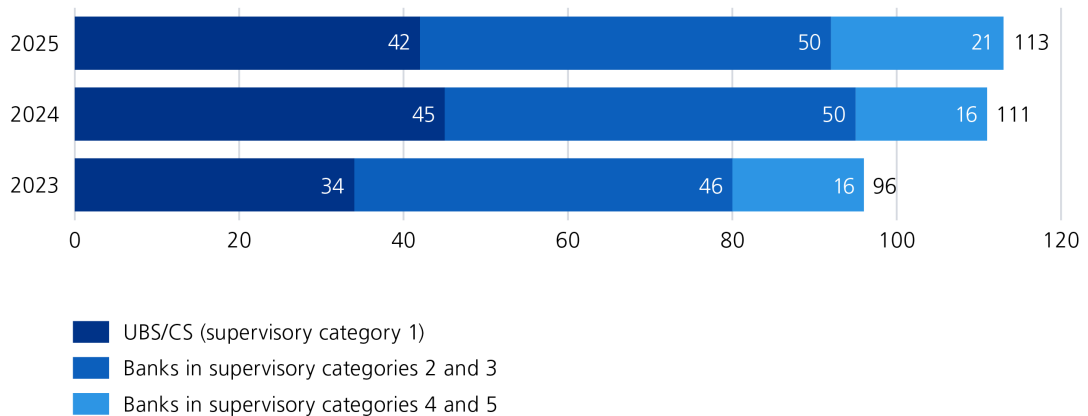
### Focus of on-site inspections: banks

In the year under review, on-site inspections at banks focused on the key points of FINMA's supervisory activity, as described in the [2025 Risk Monitor](#). In particular, on-site inspections were conducted on the topics of corporate governance, risk management and risk culture in the areas of combating money laundering, mortgage lending and cyber risks. In some cases, FINMA identified serious deficiencies. It called on the banks concerned to remedy the shortcomings without delay. FINMA took a large number of measures as a direct consequence of these on-site inspections (see the "Measures taken when deficiencies were identified" subsection).

FINMA conducted a total of 113 on-site inspections at banks, mostly at institutions in categories 1 to 3. Five more on-site inspections were carried out at banks in supervisory categories 4 and 5 than in previous years, mainly at institutions with increased risks. The on-site inspections resulted in over 500 findings, which FINMA used to derive recommendations for the banks concerned. It closely monitored the implementation of the recommendations and compliance with the deadlines it had set. Where necessary, FINMA conducted follow-up on-site inspections to ensure that the recommendations had been implemented appropriately.

On-site inspections were once again carried out at banks' outsourcing partners too. Inspections were also performed at subsidiaries and branches of supervised institutions abroad, either by FINMA alone or jointly with foreign supervisory authorities. Conversely, FINMA supported foreign financial market supervisory authorities in their direct on-site inspections in Switzerland.

### Proportional on-site inspections at banks



### Successful small banks regime and proportionality in supervision of banks and securities firms

The [Swiss small banks regime \(SBR\)](#) has been a successful supervisory model since 2019. Small, well-capitalised, liquid banks and securities firms benefit from simplified requirements for calculating and disclosing the required capital and liquidity, as well as from regulatory relief. In short: the small banks regime significantly reduces administrative requirements. Participation is voluntary and requires approval by FINMA.

As at the end of 2025, 56 institutions were participating in the SBR. Two institutions were newly admitted to the regime in the year under review, while one bank left. The newly admitted institutions primarily had specific reasons, namely that they had meanwhile fulfilled the admission criteria. In addition, the introduction of the revised capital adequacy requirements ([final Basel III reforms](#)) contributed to the continued attractiveness of the SBR, as the transition to the revised calculation of

risk-weighted assets is no longer necessary after joining the SBR. The sole exit from the SBR was made voluntarily due to the institution's growth plans.

FINMA continued to apply the principle of proportionality throughout its supervision. In the year under review, in the course of new surveys, it ensured that small banks were only included in line with a risk-based approach and that the scope of the surveys was reduced appropriately compared with larger institutions.

## **Insurance supervision addressing the revised Insurance Supervision Act**

In 2025, the revised Insurance Supervision Act (ISA) and the revised Insurance Supervision Ordinance (ISO) were again a focus of insurance supervision. FINMA stepped up its information and supervisory activities in view of the large number of affected parties. The new legal and regulatory framework strengthens customer protection.

### **Review of the application of the prudent person principle**

The regulatory requirements for the investment activities of insurance companies ensure that such activities are performed in line with the risk capacity, solvency and business activities of the insurance companies.

The requirements relating to investment activities are set out in the ISO and are based on the prudent person principle. Insurance companies must ensure that they invest exclusively in assets whose risks they can adequately assess, monitor, manage and include in their regulatory reporting.

FINMA continued to supervise compliance with these investment requirements in the year under review. To do so, it collected the necessary information and, in some cases, used the results of reviews conducted by third parties it had engaged. FINMA also conducts in-depth reviews of supervised institutions to ensure improved supervision.

### **Two years of supervision of insurance intermediaries with a focus on customer protection**

FINMA assumed a new supervisory role with the introduction of the new regulatory regime for intermediaries on 1 January 2024. The new regulatory regime focuses on customer protection, and FINMA introduced numerous improvements in this area both in 2024 and in 2025. The overwhelming majority of market participants implemented the new requirements and thus contributed to improved transparency, customer information and quality of advice. Intermediaries who were already registered were also required to submit an updated application to FINMA for a follow-up review. Among other things, this covered professional qualifications and the guarantee of irreproachable business conduct.

FINMA focused on the following priorities:

- Prevention: targeted information for intermediaries and their customers about the new obligations
- Quality assurance in insurance distribution: sensitising the insurance industry to its obligations with regard to distribution channels and carrying out on-site inspections of insurance companies' distribution operations
- Review of tip-offs: triaging and prioritising external reports and, based on them, clarifying facts and taking immediate measures to restore compliance with the law
- Intervention in cases of breaches of the law: in cases of demonstrable breaches of supervisory law, taking measures and, if necessary, filing criminal charges
- Purging the public register: removal from the register of intermediaries who have seriously violated supervisory law

In 2024 and 2025, FINMA received 1,622 external tip-offs and complaints about potential misconduct by insurance intermediaries and insurance companies. In 271 cases, it opened investigations. FINMA also identified around 1,000 market participants who did not have a licence or the necessary qualifications. These unauthorised activities were often linked to incorrect advice, fraud against insurance companies or clients, and cold-calling in health insurance. FINMA is currently conducting various investigations and proceedings in particularly serious cases where a network of market participants engaged in abusive business practices.

Since the new regulatory regime came into force, FINMA has removed from the public register numerous inactive intermediaries and intermediaries who no longer meet the requirements. At the same time, there were 5,203 new entries, with the total number reaching 11,292 by the end of 2025.

Together with the insurance industry, FINMA had to focus increasingly on sub-intermediary structures during the period under review. The violations of supervisory law referred to above often occurred at sub-intermediaries. These acquire customers on behalf of a primary intermediary. FINMA has plans to address this issue inter alia in a new "Insurance intermediaries" circular. In 2025, FINMA also provided the insurance industry with an interface to the public register of intermediaries that enables automated searches.

#### **Safeguarding the interests of insured persons with protective measures in accordance with the ISA**

Under the Insurance Supervision Act (ISA), FINMA must take whatever protective measures it deems necessary to safeguard the interests of insured persons if an insurance company fails to comply with the requirements of the law or regulations, or with FINMA's rulings, or if the interests of insured persons appear to be jeopardised in any other way.

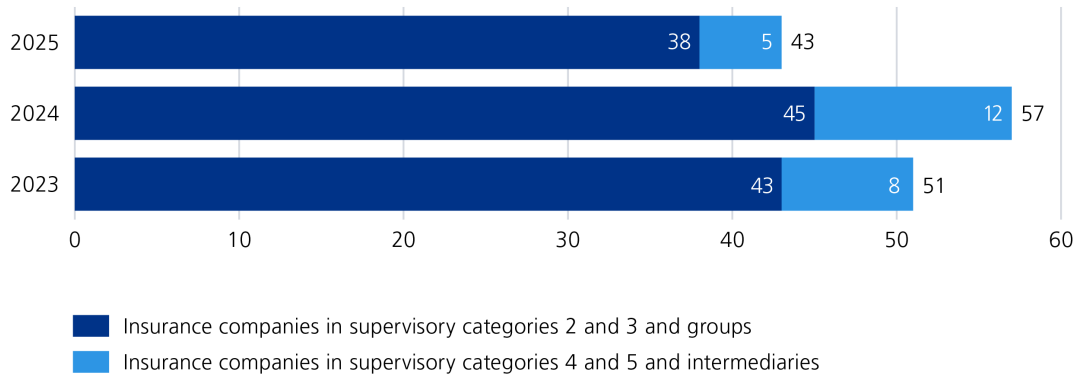
In the year under review, FINMA imposed various such protective measures on an insurance company that had become financially and organisationally unstable. A number of these measures imposed were immediately enforceable, and ultimately no appeals were filed against any of the rulings concerned.

The measures included the requirement of prior approval for the reversal of technical provisions, asset withdrawals (dividends, loans, etc.) and any changes in the executive management of the insurance company. Based on this right to withhold its approval, FINMA prohibited the specific withdrawal of assets in one case and a change at the level of executive management in another.

#### **On-site inspections of insurance companies mainly at large institutions**

FINMA performed 43 on-site inspections at insurance companies, most of which were in supervisory categories 2 (including groups) and 3. It verified whether the insurance companies were complying with legal and regulatory requirements.

### Decreasing but still proportional number of on-site inspections at insurance companies



FINMA analysed business models, capital adequacy and internal control mechanisms to identify shortcomings at an early stage and intervene in good time. It focused on corporate governance, risk management, the supplementary health and life insurance business, technical provisions, sales management and insurance intermediaries, cyber risks, as well as outsourcings.

On-site inspections encourage sustainable, responsible corporate governance that is equipped to meet the challenges of a changing market. FINMA's on-site inspections in the year under review contributed significantly to the stability of the Swiss financial centre and to ensuring the long-term protection of insured persons.

#### Intensified supervision of the sale of life insurance

Customers advised by untied insurance intermediaries cancelled 28.3% of their life insurance policies within the first three years of entering into the contract, often suffering a total loss of the premiums they had paid. Customers advised by tied insurance intermediaries did the same in 17.6% of cases. FINMA stepped up its supervision in this area in recent years.

#### High cancellation rates in the life insurance sector indicate bad customer advice

Time of cancellation	Without costs for clients	With costs incurred by clients			Total
		1st year	2nd year	3rd year	
Tied intermediaries	4.8%	5.2%	4.1%	3.5%	17.6%
Untied intermediaries	7.8%	10.5%	5.7%	4.2%	28.3%

Cancellation of unit-linked insurance sold in 2021.

Customers can cancel a long-term life insurance policy at any time. However, this incurs high costs if it happens more than 14 days from the date the contract was entered into. A high cancellation rate in the first few years suggests that the insured persons affected were not well advised by the intermediaries.

The direct effects of the reform of the Insurance Supervision Ordinance (ISO), which led to increased customer protection and greater product transparency, are not yet reflected in the cancellation figures.

## **Steadfast representation of the interests of insured persons with regard to additional benefits in supplementary health insurance**

In 2025, FINMA underscored its role as a systematic supervisory authority and a representative of the interests of insured persons. The focus was once again on supplementary benefits in supplementary health insurance. In its [press release dated 16 January 2025](#), FINMA acknowledged the progress that had been made since 2020 in terms of transparency and the pricing of these benefits. This helped keep premiums for supplementary hospital insurance stable or even helped reduce them, despite rising healthcare costs. At the same time, however, FINMA clarified that contracts with doctors and clinics must comply with the supervisory requirements.

Material implementation gaps were particularly evident in the cantons of Geneva and Vaud. These implementation gaps were not only caused by the various supplementary health insurance providers but also, in large part, by the clinics and doctors' associations concerned. They had delayed negotiations with many insurance companies for years. This led to increased tensions at the end of 2024 and in early 2025: a number of insurance companies refused to reimburse non-compliant invoices, which some media outlets described as "taking patients hostage". FINMA consistently stood by its position and clearly rejected demands to extend the transitional period for non-compliant contracts.

In spring 2025, various insurers were able to find a solution with several clinics in Geneva and Vaud. Since then, supplementary health insurance benefits have again been covered in the majority of cases.

Overall, claims settlement practices have improved nationwide, although problems remain in some regions. FINMA considers the absence of contractual arrangements with service providers who refuse to comply with supervisory requirements to be a legitimate means of protecting insured persons in the medium and long term and stabilising premiums.

## **Supervision of financial market infrastructures**

### **Licences for SIX x-clear**

In 2025, FINMA licensed a new margin model (SREC) and the new SIX x-clear clearing platform, primarily based on an assessment by the SNB. [Under the cooperative supervisory approach](#), and with the assistance of external auditors, the SNB methodically evaluated the new margin model and its implementation in a new uniform clearing platform. At the instigation of FINMA, enhanced portfolio simulations were used to validate the new risk model, considering stress events for all product categories included in the clearing portfolio, as well as temporary parallel operation with the previous model. The latter enabled data problems in particular to be resolved before the go-live.

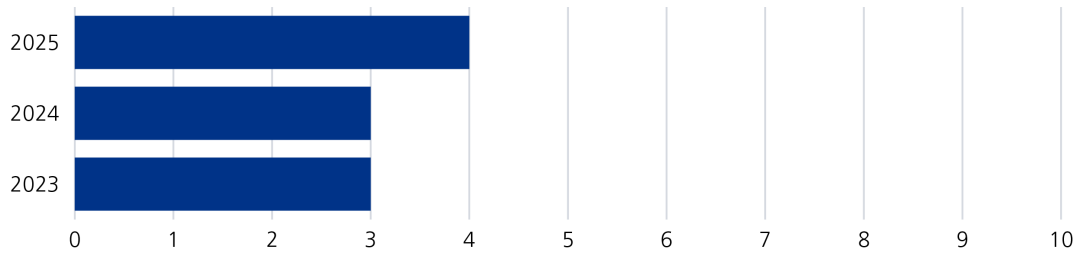
Until now, SIX x-clear, as the Swiss central counterparty, operated a range of clearing platforms with varying margin models. A margin model describes a mathematical methodology for calculating the collateral requirements that clearing members must deposit to secure their open positions, for example when trading cash equities or fixed-income securities. The consolidation of the clearing systems has enabled SIX x-clear to reduce costs and increase efficiency in cash equities and fixed income clearing. It was also able to reduce IT complexity by reducing the number of systems used and strengthen the resilience of the clearing service as such.

### **On-site inspections to test the resilience of financial market infrastructures**

One focus of the on-site inspections of financial market infrastructures was operational resilience. This also concerned the continuation or restoration of critical functions even in the event of serious but plausible failures within defined tolerances for disruption. In addition, an on-site inspection was

carried out to monitor participants admitted to the Swiss Stock Exchange. FINMA also deepened its understanding of incident management in connection with the handling of major IT incidents. Finally, it carried out an on-site inspection on the subject of IT maintenance. Topics relating to IT asset management and the monitoring of end-of-life systems were analysed.

### Stable number of on-site inspections at financial market infrastructures



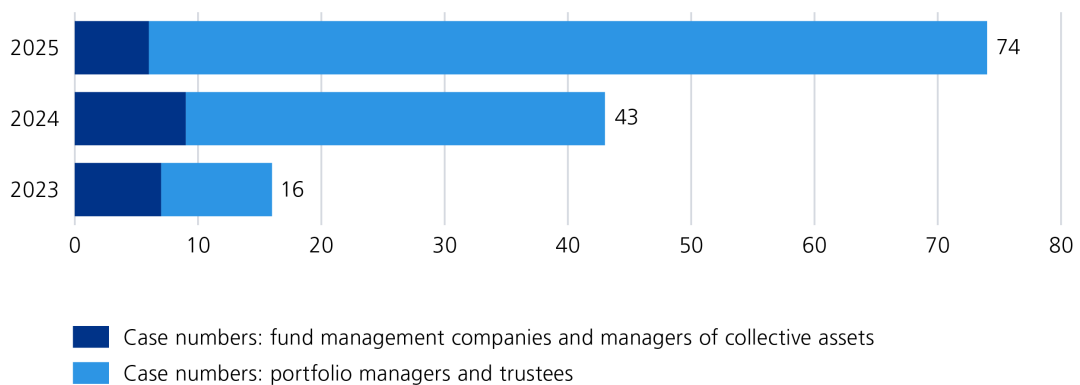
### Intensive asset management supervision

In the area of asset management, FINMA placed an increasing number of institutions under intensive supervision due to various shortcomings. One focus of the reviews was on compliance with rules of conduct in the area of suitability and risk management.

#### Challenges in the supervision of asset management institutions

The number of institutions that FINMA had to examine with a view to intensive supervision or transfer to intensive supervision rose steadily between 2023 and 2025. This increase relates in particular to asset managers and trustees indirectly supervised by FINMA via supervisory organisations (SOs):

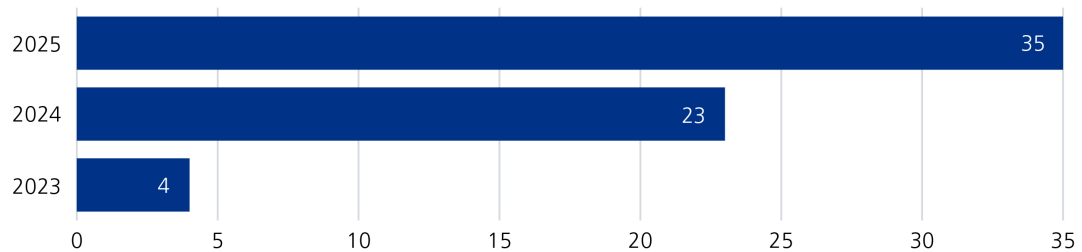
### Case numbers in asset management rise significantly



Of 35 notifications filed by SOs to FINMA in 2025, 21 led to further investigations or intensive supervision by FINMA. In the remaining cases, FINMA considered that the supervisory measures taken by the SOs had not yet been exhausted. In these cases, it referred the reports back to the SOs for further review.

## Increasing numbers of notifications from supervisory organisations lead to intensive monitoring

Notifications filed by supervisory organisations to FINMA per year



The cases reviewed by FINMA covered a wide range of topics and had varying degrees of complexity. The primary problem areas were adequate organisational structures, proper business conduct, rules of conduct in accordance with the Financial Services Act (FinSA), compliance with capital requirements and combating money laundering.

The cases that the SOs escalated to FINMA in 2025 as well as some cases involving managers of collective assets and other supervised financial intermediaries exhibited certain conduct and risk patterns with regard to investments for clients in private assets. For example, portfolio managers made investments either via foreign fund products without equivalent supervision of foreign unregulated issuers or in structured products. The rapid rise in interest rates following the end of the negative interest rate phase in 2022 led to liquidity problems for many of these investments. FINMA established that the initial and recurring due diligence, as well as risk management, often turned out to be inadequate in the case of these investments. In addition, the financial institutions referred to above did not mitigate conflicts of interest, or did so only inadequately, in particular conflicts of interest between portfolio managers and issuers or managers of the products they invested in, and they did not transparently disclose these conflicts of interest to investors.

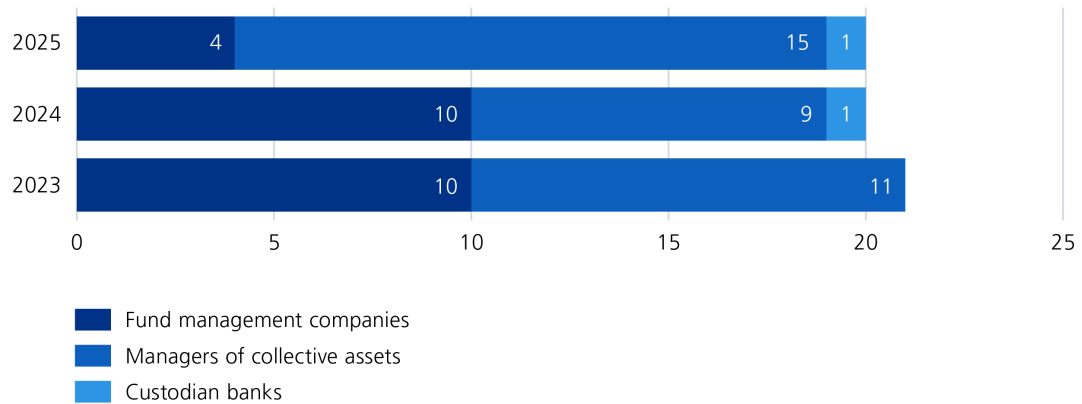
In addition, only some of the financial institutions had a process in place for selecting financial instruments based on industry-standard, objective criteria, such as those required when offering both their own and third-party products. In situations like this, investors are exposed to significant risk of loss. Finally, FINMA identified breaches of the obligation under the FinSA to adequately assess the suitability of these illiquid, risky investments for their clients, considering their risk capacity and risk appetite.

### On-site inspections in the area of asset management focusing on suitability and risk management

In the year under review, a total of 20 on-site inspections were carried out at institutions in the area of asset management in the relevant supervisory categories 3 to 5. These included 4 fund management companies, 15 managers of collective assets and 1 custodian bank for collective investment schemes. Supervisory categories 3 and 4 accounted for a quarter of the reviews.

## Increasing number of on-site inspections at managers of collective assets

On-site inspections in the area of asset management



FINMA's on-site inspections in 2025 again focused on compliance with the rules of conduct in the area of suitability and on risk management at the level of managed collective investment schemes. On the other hand, FINMA carried out case-based on-site inspections or specific examinations, for example of investment decision-making processes, at institutions with increased risks.

At several large institutions that had outsourced key activities, the management of these outsourcing arrangements was the subject of on-site inspections. FINMA assessed whether these outsourcing arrangements complied with the general requirements of [FINMA Circular 2018/3 "Outsourcing"](#) and whether the service providers were being appropriately monitored. It identified in particular a need for improvement with regard to the outsourcing inventory, as well as the organisation of control activities, reporting and internal escalation, and issued corresponding recommendations. Finally, FINMA reviewed the implementation of recommendations from the key findings of on-site inspections conducted in 2024 and carried out repeat on-site inspections in selected individual cases.

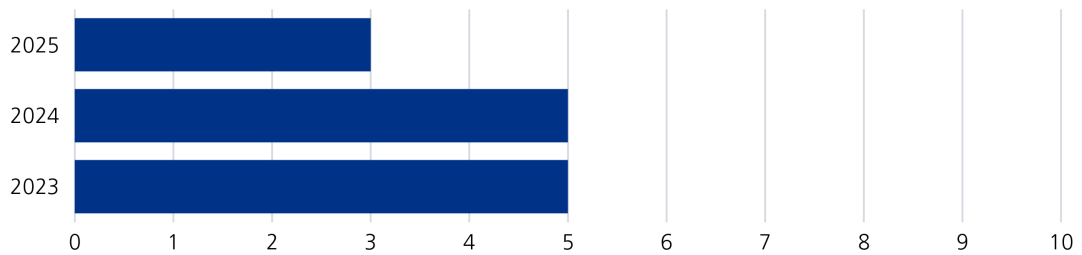
## Supervision via self-regulatory and supervisory organisations ensures multi-level supervision in the parabanking sector

By supervising self-regulatory organisations (SROs) and supervisory organisations (SOs), FINMA monitors multi-level supervision in the "parabanking" sector. Under the Anti-Money Laundering Act, SROs supervise professionally active financial intermediaries – such as currency exchanges, money transmitters and other payment service providers, virtual asset service providers, governing bodies of domiciliary companies, leasing and credit providers, and investment companies. In accordance with the Financial Market Supervision Act, SOs supervise portfolio managers and trustees authorised by FINMA.

### Shortcomings in the processing of audit reports by supervisory organisations

FINMA conducted three on-site inspections of SOs in 2025. Two SOs saw their audits pushed back to 2026 owing to the ongoing merger process. The key tools for this ongoing supervision are the statutory supervisory audits carried out by external audit firms approved by the SOs. Based on the corresponding audit reports, the SOs may intensify their supervision, conduct more in-depth examinations and, if necessary, take measures to restore compliance with the law.

### Fewer on-site inspections at supervisory organisations due to an ongoing merger



In the course of its on-site inspections, FINMA examined whether the SOs are analysing the audit reports promptly and, in particular, how they are responding to the findings and recommendations in them. In some cases, it identified significant shortcomings in the way audit reports are handled. The reports took too long to process, in some cases up to ten months, or were not processed until after the next supervisory audit had been carried out the following year.

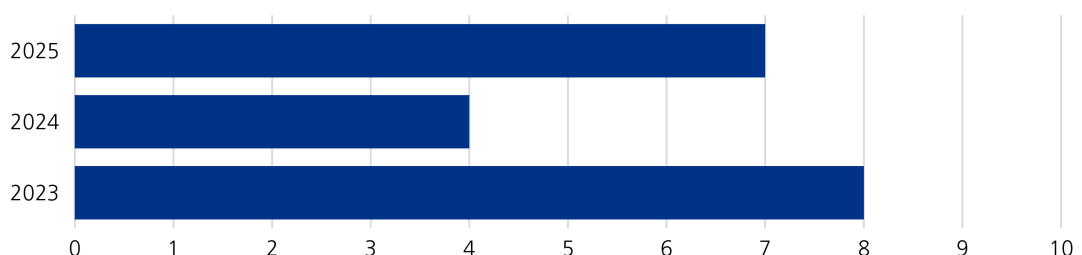
At the same time, FINMA found that the SO audit reports containing findings and recommendations were not given priority. This meant that supervisory risks were identified too late in some cases, and the necessary measures were not taken promptly. In some cases, findings were not consistently followed up with the supervised entities, while in others there was a lack of verifiable controls by the SOs on the implementation of the measures at the institution. FINMA required the SOs to establish clear processes and mechanisms to ensure that findings and recommendations in the audit reports are acknowledged and analysed promptly. FINMA expects the SOs to impose the necessary measures on the institutions and systematically monitor their implementation.

### Findings from on-site inspections: self-regulatory organisations

In the past few years, FINMA had identified areas for improvement in its anti-money laundering supervision of SROs through on-site inspections. In 2025, it assessed whether and how the SROs had been able to remedy the identified shortcomings. The SROs it examined had dealt comprehensively with the outstanding matters. For example, they completed follow-up work in connection with the risk-based supervision of members and revised their regulations and forms for reporting changes by members.

FINMA also examined how two SROs handled domiciliary companies and complex structures. It analysed the obligations that the SROs place on their members in business relationships with domiciliary companies. FINMA concluded that both SROs address the increased risks associated with domiciliary companies and complex structures. Nevertheless, a number of shortcomings were identified that must be remedied by the SROs.

### More on-site inspections at self-regulatory organisations than in the previous year



FINMA held a round table on money transmission in the second half of 2025, as it had already done in 2023. Three SROs supervising members in the field of money transmission took part in the event. FINMA and the three SROs exchanged experiences and findings from supervision, reporting and criminal investigations with the [Money Laundering Reporting Office Switzerland \(MROS\)](#) and the Zurich Cantonal Police. The focus was on potential measures for efficient, comprehensive transaction monitoring and greater involvement in the supervision of involved third parties (agents) who support money transmitters in their activities. It became clear in the course of the discussions that all participants are interested in closer dialogue in future.

## Recovery and resolution

FINMA reviews the systemically important banks' recovery and emergency plans every year and requires them to make improvements where necessary. The revised insurance supervision legislation also obliges some insurers to submit recovery plans. FINMA will formally assess these, starting from the 2026 submissions. Furthermore, FINMA assesses the recovery planning for systemically important financial market infrastructures. These activities make an important contribution to financial stability.

In the year under review, FINMA formally assessed the recovery plan and the emergency plan submitted by the systemically important bank UBS at the end of 2024 for the first time since the merger with CS. While the recovery plan was approved, the emergency plan was found to be largely in line with the applicable legal requirements but did not yet take sufficient account of the risks to the stability of the financial system. FINMA was also able to approve the recovery plans for the domestic systemically important banks. The emergency plans submitted by these institutions at the end of 2024 were assessed by FINMA and, with the exception of PostFinance, fulfil the applicable requirements. Insurance groups had to submit their recovery plans to FINMA for review for the first time in 2025. FINMA will formally assess these, starting from the 2026 submissions. FINMA was once again able to approve the recovery plans for the systemically important financial market infrastructures SIX SIS Ltd and SIX x-clear Ltd in 2025.

### Significant developments in UBS's recovery and resolution planning

As a [systemically important bank](#) with an international presence, UBS is required to meet enhanced crisis planning requirements. These include recovery planning, ensuring the resolvability of the entire group, and emergency planning.

FINMA evaluated and formally approved the recovery plan submitted by UBS in 2025 for the first time after suspending this process in the previous two years owing to the ongoing integration of CS. UBS has now fully integrated CS's former activities in its recovery plan and significantly developed the plan. It has largely implemented FINMA's new evaluation criteria and incorporated the lessons from the CS crisis.

FINMA prepares a resolution plan to enable it to resolve UBS if it is at risk of insolvency. In addition, FINMA evaluates the bank's resolvability once a year. UBS [made further progress in its resolvability in the year under review](#), and FINMA continues to view a resolution as feasible.

Furthermore, in line with international practice, FINMA is aiming to expand the options available to resolve UBS. This relates specifically to the two alternative options of a sale of the entire UBS Group and a solvent market exit by means of disposals or the solvent resolution of individual parts of the bank. To ensure the bank can continue its systemically important functions in the event of a solvent market exit, the emergency plan needs to be better integrated in the resolution plan. These aims are in line with the Federal Council's parameters for the amendment of the Banking Act, which are focused on creating a more flexible but legally secure crisis toolbox.

UBS's emergency plan submitted at the end of 2024 was largely in line with the statutory requirements. UBS consolidated its emergency plan with CS's and has begun the work to integrate the emergency plan more effectively in the group-wide resolution plan. However, in its current version, UBS's emergency plan is as yet unable to ensure the continuity of the banks' systemically important functions while also paying sufficient regard to the risks to financial stability. FINMA therefore

concluded that the emergency plan is currently not ready to be implemented. UBS needs to make further progress in operationalising the resolution options mentioned above and align its emergency plan accordingly. At the same time, the existing legal framework needs to be strengthened in line with the “Focus on expanding the crisis toolkit” section of the Federal Council’s parameters for amendments to the Banking Act.

### **Resolution, recovery and emergency planning for domestic systemically important banks**

FINMA evaluated the recovery plans, submitted in 2025, of the three domestic systemically important banks PostFinance, Raiffeisen and Zürcher Kantonalbank against its revised criteria for the first time. These criteria incorporate the lessons from the CS crisis and focus among other things on more rigorous scenario analysis, a more conservative calibration of recovery measures and developing communication strategies. FINMA’s assessment was that all three banks have largely implemented the revised criteria and continued to improve their recovery plans compared with prior years. FINMA approved all three recovery plans on this basis.

The emergency plans need to be improved continuously and must reflect the lessons from the CS crisis. This includes broadening the options for resolution. In addition to continuing as a going concern by means of a restructuring, a solvent market exit also needs to be prepared at the planning level as an alternative strategy. The emergency plans submitted by Zürcher Kantonalbank and Raiffeisen continued to meet the statutory requirements. However, FINMA determined once again that PostFinance’s emergency plan was not ready for implementation. PostFinance did not meet the requirements for additional loss-absorbing funds (recapitalisation capacity) but committed to increase them by the end of 2025. In addition, PostFinance needs to further specify its alternative strategy again.

### **Recovery and resolution planning for insurance companies**

For the first time since the revised Insurance Supervision Act entered into force, preparing a recovery plan became compulsory in 2025 for the seven Swiss insurance groups and conglomerates Swiss Re Ltd, Zurich Insurance Group Ltd, Swiss Life Holding Ltd, Helvetia Holding Ltd, Baloise Holding Ltd, Swiss Mobiliar Holding Ltd and SIEP Holding Inc. FINMA gave the insurance groups a detailed response on the recovery plans they submitted and will begin evaluating them formally from 2026.

In addition, the insurance companies classified by FINMA as economically important submitted their first recovery plans on a voluntary basis. Preparing a recovery plan will be mandatory for these insurance companies from 2026.

FINMA intensified its dialogue with the Swiss Insurance Association in the year under review. A working group was set up to clarify questions relating to the requirements for recovery plans of insurance groups and economically important insurance companies.

To further strengthen the stability of the Swiss insurance sector, FINMA began preliminary work to draw up resolution plans for the three Swiss insurance groups Swiss Re AG, Zurich Insurance Group AG and Swiss Life Holding AG. In line with this, it notified the Financial Stability Board (FSB) of these insurance groups for its list of insurance companies whose resolution plans are subject to the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions.

### **Recovery planning for systemically important financial market infrastructures**

FINMA again reviewed the recovery planning of the systemically important financial market infrastructures (FMIs) SIX SIS Ltd and SIX x-clear Ltd in 2025. In accordance with the Financial Market Infrastructure Act (FinMIA) and the Financial Market Infrastructure Ordinance (FinMIO), each of the

two FMI are required to submit three different plans: a recovery plan, a recapitalisation plan and a resolution plan.

FINMA's evaluation of the recovery planning of SIX SIS Ltd and SIX x-clear Ltd concluded that both institutions' recovery plans would be approved. Furthermore, FINMA believed the requirements for both institutions' resolution and recapitalisation plans to have been met. These plans need to show how the FMI would continue their clearing, settlement and custodial services even in a very severe crisis scenario. To achieve this, they can firstly impose higher collateral requirements and margin calls on their participants in a crisis. Secondly, the FMI must hold additional capital buffers specially reserved for a crisis.

### **Cooperation with foreign supervisory authorities**

As the home supervisor, FINMA again organised the meetings of the [crisis management groups \(CMGs\)](#) for the global systemically important bank UBS, the systemically important central counterparty SIX x-clear and the internationally active insurance groups Zurich Insurance Group, Swiss Re, Swiss Life, Baloise and Helvetia in 2025. Furthermore, it maintained an intensive bilateral dialogue with foreign authorities responsible for crisis management and resolution. It held technical consultations with the Bank of England (BoE), the Prudential Regulation Authority (PRA), the Single Resolution Board (SRB) and the European Central Bank's Single Supervisory Mechanism (ECB SSM).

FINMA also took part in the DACH conference organised by the German Federal Financial Supervisory Authority (BaFin) and the Austrian National Bank (OeNB), at which it discussed specialist issues with the supervisory authorities from Germany, Austria and Liechtenstein. FINMA also welcomed representatives of Asian supervisory authorities during the year under review.

As a member of the Financial Stability Board's (FSB) Resolution Steering Group (ReSG), FINMA took part in four meetings during the year, where initiatives to improve the crisis preparedness of systemically important banks were discussed. As part of this mandate, FINMA staff also participate in working groups across the FSB. FINMA inputs the experience it gained during the CS crisis in liquidity management and co-ordination between supervisors in banking crises into these discussions.

### **Analysis of non-systemically important banks' potential for destabilisation**

A special provision on the restructuring of cantonal banks entered into force on 1 January 2023 in Article 28a of the Banking Act. It is intended to ensure that the characteristics of cantonal banks and the role of the cantons as their main owners are given due weight in any resolution process. Under this provision, FINMA must inform the canton concerned without delay if a cantonal bank is at risk of insolvency and consult it when preparing the restructuring plan.

To enable FINMA to fulfil its remit if this situation arises, it needs to carry out the required preparatory work. It can prepare the implementation of the special provisions and determine if there are any impediments to its implementation. To this end, FINMA contacted all non-systemically important cantonal banks in 2025 and obtained the necessary information. In addition to this qualitative analysis of the cantonal banks, FINMA also carried out a quantitative analysis of medium-sized banks to establish the potential for destabilisation at non-systemically important banks.

### **Bankruptcy proceedings opened against the FinTech start-up SWISS4.0 Ltd**

On 4 March 2025, FINMA opened bankruptcy proceedings against SWISS4.0 Ltd. This was a start-up company with a FinTech licence. FINMA opened bankruptcy proceedings as there was a justified concern about over-indebtedness and serious liquidity problems at the institution. The schedule of claims was published in October and lists claims amounting to around CHF 19 million. The claims of the around 250 clients of SWISS4.0 Ltd in liquidation are classified as third-class claims, as they are not

privileged or protected by deposit insurance. The main asset in SWISS4.0 Ltd in liquidation's bankruptcy estate, the software SwissCore, was sold for CHF 1.25 million.

### **Developments in ongoing proceedings**

After opening bankruptcy proceedings, FINMA appointed a bankruptcy liquidator in each of the proceedings listed below. The latter is subject to its supervision and reports to it on a regular basis. For information on the progress of the bankruptcy proceedings to date, see the previous annual reports and the reports published on the FINMA website regarding the respective proceedings.

In the bankruptcy proceedings of **FlowBank Ltd in liquidation**, the bankruptcy liquidator published a first schedule of claims in February 2025. A first preliminary instalment of 60% of admitted third-class claims was paid in April 2025. In December 2025, creditors were notified of a further preliminary instalment of 10% after a second schedule of claims was published in October. Banking operations were discontinued at the end of June 2025 as part of the liquidation. Since then, the transfer of the remaining cash balances and securities has been handled manually.

The bankrupt estate of **Banque Privée Espírito Santo SA in liquidation** was involved in ten legal cases as at the end of 2025. As the bank is part of a financial group, how claims between the different group companies are treated will be a central part of the bankruptcy liquidation. In spite of the realisation of assets and the inflow of funds, no preliminary instalment could be made in the year under review.

In the proceedings concerning **Bank Hottinger & Cie Ltd in liquidation**, the creditors received a third preliminary instalment in 2025. In addition, the negotiations with creditors about how to divide up insurance payouts received by the estate were successfully completed. The Higher Court of the Canton of Zurich rejected the appeal of a former client of the bank in a dispute about the schedule of claims. As this ruling was not appealed to the Federal Supreme Court, it has now obtained legal force. Securities pledged as collateral for loans were realised and used to repay a significant proportion of the outstanding loans. After prolonged negotiations, a settlement was reached relating to assets of around CHF 50 million that had been blocked for years by various criminal and civil proceedings. The creditors have approved this settlement. This will make it possible to pay them a fourth instalment.

In the proceedings relating to **Lehman Brothers Finance AG in liquidation**, the Higher Court of the Canton of Zurich handed down a ruling on the schedule of claims in 2025. This ruling has been appealed to the Federal Supreme Court, and the case is pending. Progress was made in realising illiquid assets. The payout ratio on admitted third-class claims stood unchanged at 67.83%.

### **Entry into force of the FINMA Insolvency Ordinance**

The FINMA Insolvency Ordinance (InsO-FINMA) entered into force on 1 October 2025. The ordinance provides further detail on the bankruptcy and restructuring process envisaged in the relevant financial market legislation for the different groups of supervised entities. It replaces the three previous separate insolvency ordinances for insurance companies (FINMA Insurance Bankruptcy Ordinance; IBO-FINMA), banks (FINMA Banking Insolvency Ordinance; BIO-FINMA) and collective investment schemes (FINMA Collective Investment Schemes Bankruptcy Ordinance; CISBO-FINMA), which have been repealed. This project was not controversial and was broadly welcomed in the public consultation on the new ordinance.

### **Cooperation with domestic authorities on financial stability**

FINMA organised the consultations with the Federal Department of Finance (FDF) – comprising the State Secretariat for International Finance (SIF) and the Federal Finance Administration (FFA) – and the Swiss National Bank (SNB) in the Committee on Financial Crises (CFC) within its mandate. The CFC

held four scheduled meetings in 2025. The steering committee overseeing the CFC met at the end of the year and took note of the CFC's work and planning for 2026.

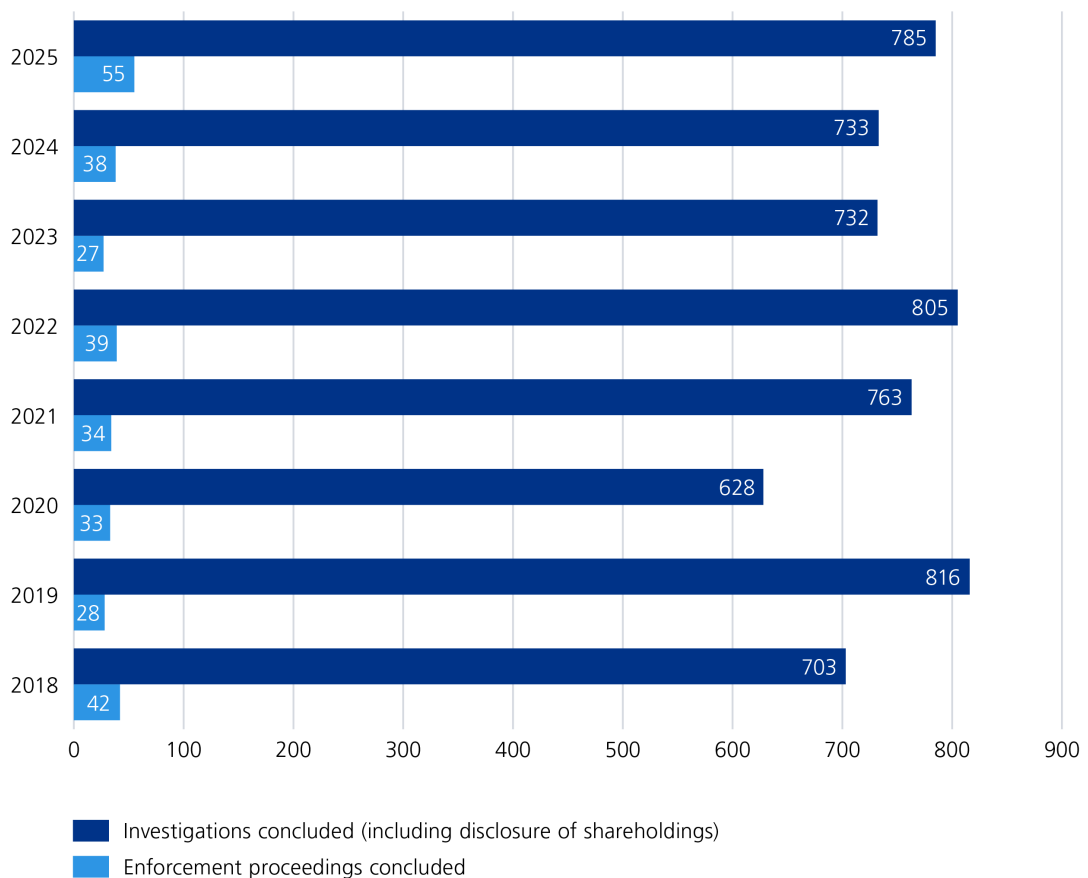
## Enforcement

As part of its enforcement activities, FINMA enforces both the rules of business conduct and the prudential rules at supervised institutions. It takes action against entities operating on the financial market without the necessary licence.

FINMA applies enforcement as a visible means of acting against breaches of supervisory law and to restore compliance with the law. These enforcement proceedings may be conducted against licence holders and their employees, against unauthorised financial services providers and against any participants in the Swiss financial market.

FINMA's commitment to protecting financial market clients is impressively reflected by the fact that it concluded 55 enforcement proceedings in the year under review. FINMA also took action specifically in the area of unauthorised financial market activities. Based on information from the public, authorities and its supervisory activities, it opened 463 investigations into potentially unauthorised companies and individuals. It also conducted 322 investigations, in particular of authorised institutions and in the context of market supervision. In order to protect clients, FINMA restored compliance with the law or initiated further proceedings. It also made over 300 entries on its warning list, warning investors of potentially unauthorised financial market providers, which is a record high.

### Sharp increase in enforcement investigations and enforcement proceedings



### **Latest news concerning insurance intermediaries**

Since the revised Insurance Supervision Act (ISA) and the revised Insurance Supervision Ordinance (ISO) came into force on 1 January 2024, untied insurance intermediaries have been subject to increased regulatory requirements, particularly with regard to good reputation and guaranteeing good conduct. They must be entered in the FINMA register for untied insurance intermediaries. In the year under review, a high number of over 100 registrations were withdrawn or rejected by FINMA following its intervention. In addition, FINMA filed criminal charges on suspicion of criminal behaviour in 110 cases.

Most refusals of applications for registration fell into one of the following categories:

- Presence of relevant criminal convictions, in particular for offences against property or forgery offences relating to professional activities
- Presence of certificates of loss, in particular in the case of repeated certificates of loss and certificates of loss involving large amounts
- Persons who provided substantially incorrect or incomplete information or who submitted forged documents
- Persons who failed to cooperate as required in a review of irreproachable business conduct or who were no longer contactable; in such cases, decisions not to consider the application were usually issued
- Intermediaries with a history of a large number of cancellations of concluded policies or persons who were involved in fraudulent insurance intermediation or bankruptcies
- Firms of insurance intermediaries that employed staff without the necessary registration as untied insurance intermediaries or that allowed them to act as both tied and untied insurance intermediaries in violation of the legal requirement to choose to act either as one or the other

During the period under review, a first court judgment was handed down on the application for registration of a person who had been convicted twice within a short period of time for trading in small quantities of narcotics. The Federal Administrative Court required FINMA to grant this person's application for registration. However, the judgment was handed down under the old law. It remains unclear whether the court would have ruled the same way under the new law and whether FINMA would also be required to register persons with convictions for serious narcotics offences.

FINMA will continue to tighten its licensing practice for insurance intermediaries, while taking court practice into account on an ongoing basis. Several appeals against rejected applications for registration were pending before the Federal Administrative Court at the end of 2025.

### **Irreproachable business conduct reviews and practice concerning declarations of resignation**

In the year under review, FINMA continued its practice regarding irreproachable business conduct reviews. As a condition for registration or the granting of a licence, the requirement for a guarantee of irreproachable business conduct is made up of professional suitability for the specific function sought (fitness) and integrity (properness). Due to facts that might prove relevant in the context of proper business conduct requirements, FINMA conducted an in-depth review of the application by an independent portfolio manager for a licence. The review revealed serious shortcomings with regard to combating money laundering, which led to the portfolio manager withdrawing its application for a licence and applying for the winding-up of the activities requiring a licence. In order to ensure the restoration of compliance with the law, FINMA monitored the winding-up process until the activities requiring a licence were completely discontinued.

FINMA commenced enforcement proceedings against the CEO of a bank because it came to light that he may have breached regulatory provisions in connection with a previous role as a person providing a guarantee for irreproachable business conduct. The bank went on to suspend him and terminated

the employment relationship. Given that the CEO no longer performed a role requiring him to guarantee irreproachable business conduct and no further regulatory measures were required to be taken, FINMA cancelled the enforcement proceedings. Compliance with regulatory objectives is ensured as FINMA will review the CEO's irreproachable business conduct in the specific case in the event of a future employment of the CEO in a position that requires them to provide a guarantee of such conduct or in the event of a qualifying holding in an institution supervised by FINMA.

### **Shortcomings in a bank's efforts to combat money laundering**

In the year under review, there were numerous proceedings due to shortcomings in combating money laundering, in particular due to an unclear risk policy or non-compliance. This concerned several banks. One institution was found to have shortcomings in relation to anti-money laundering due diligence obligations and the reporting of suspected money laundering. FINMA also found the compliance and risk culture to be lacking at this institution and ordered the development of a concept to strengthen compliance, a review of business relationships, the strengthening of the board of directors and executive board in the area of risk management and compliance as well as the disgorgement of illegally generated profits.

### **Judgment of the Federal Administrative Court regarding rules of conduct**

In its judgment of 22 May 2025, the Federal Administrative Court confirmed a FINMA ruling according to which a securities dealer (today: securities firm) and its principal shareholder committed a serious breach of their obligations of loyalty, due diligence and information towards their clients in accordance with the old version of the Stock Exchange Act. In this context, they also violated their organisational obligations. As part of its asset management activities for various foundations, the securities dealer had invested an above-average amount in an investment fund it had managed itself for several years. In addition, either the principal shareholder or an affiliated group company had a seat on the board of trustees of the foundations concerned. However, the court partially overturned the measures ordered by FINMA. The decision was not yet legally binding as at the end of 2025.

### **Exchange of data between FINMA and the Department of Finance as the prosecuting authority**

FINMA filed a criminal complaint against a bank and, in this context, submitted documents to the Federal Department of Finance (FDF) as the prosecuting authority, in particular the rulings on which the criminal complaint was based and investigation reports. The bank responded by claiming that a large part of the transmitted information should not have been submitted to the FDF due to a lack of "necessity". In its judgment of 13 March 2025, the Federal Administrative Court confirmed that FINMA had acted correctly when transmitting the documents. In the court's view, it is not FINMA's task to apply and examine in detail provisions under criminal law. The court held, in particular, that it is not necessary for all individual details disclosed by FINMA to the FDF to prove to be indispensable.

### **Procedure in connection with the implementation of international sanctions and restrictions**

FINMA and SECO are responsible for enforcing and implementing international sanctions in Switzerland, whereby SECO is responsible for executing the sanctions, and FINMA defines and implements its expectations in terms of effective sanction management. Given the increasing number of sanctions and restrictions both in Switzerland and at a supranational and international level, supervised institutions and individuals are exposed to a higher risk with regard to compliance with such rules on sanctions. This particularly affects banking institutions that carry out asset management transactions for foreign clients. The implementation of this range of sanctions is a complex task, but one that the supervised institutions and individuals are obliged to undertake. One of the greatest risks lies in the circumvention of the various rules on sanctions. Now as before, the consequences of potential violations are serious and can have considerable ramifications for the supervised institution

or individual. Depending on the rule that was not complied with, the activities of the supervised entity or individual may subsequently be partially or completely impeded.

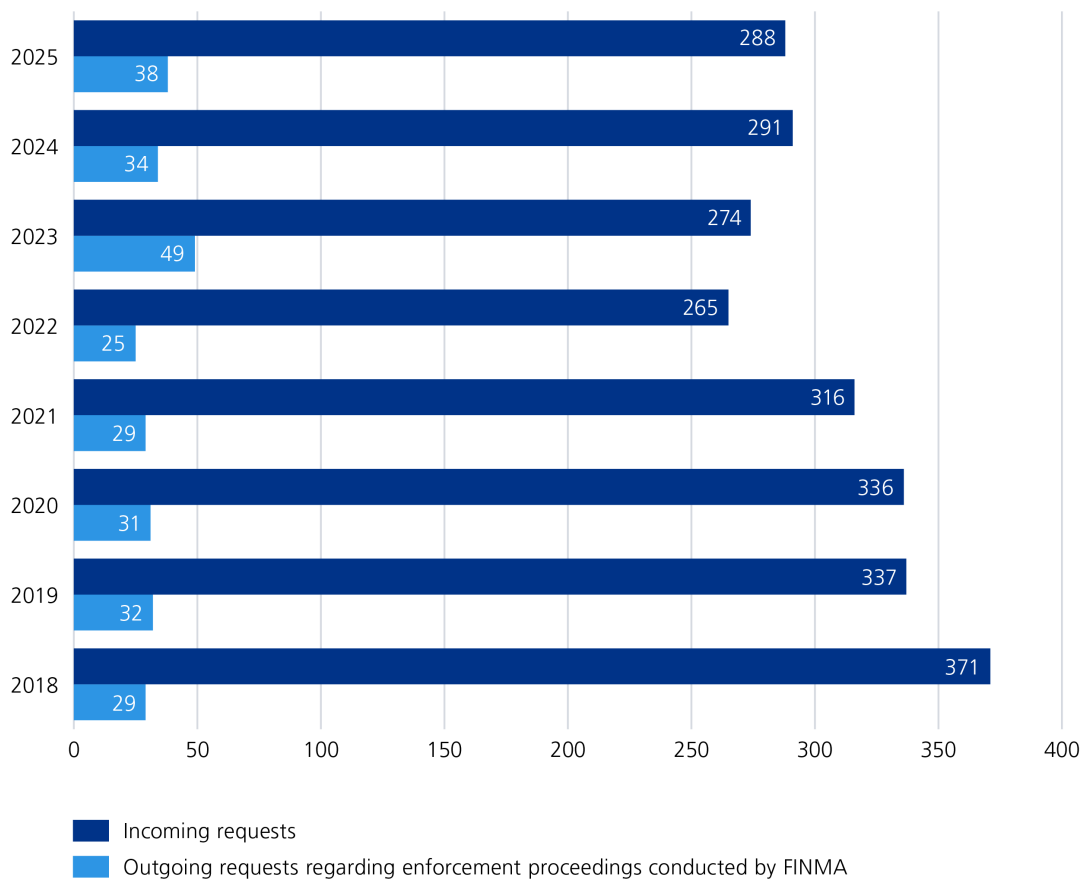
In the year under review, FINMA examined in particular the appropriateness of checks and processes, resources, training, culture, asset freezes and reporting obligations as well as compliance with the applicable legislation on combating money laundering and terrorist financing. Where necessary, it implemented suitable supervisory measures to restore the legal order.

**Administrative assistance in enforcement proceedings**

As in previous years, FINMA provided administrative assistance in international enforcement proceedings. The number of requests for administrative assistance received by FINMA from international authorities remains stable and consistently high each year. The large number of requests concerns mainly “fit and proper” enquiries relating to proper business conduct and requests for information in connection with international market abuse investigations (insider trading, market manipulation). In a smaller number of instances, FINMA itself requested administrative assistance from international authorities.

**International administrative assistance remained stable at a high level**

Requests for administrative assistance per year



**Unauthorised activities in the financial market**

In the year under review, FINMA conducted a total of 40 proceedings against legal entities and individuals who were carrying out unauthorised activities in the financial market. Of these, 14 proceedings were concluded, involving client assets totalling around CHF 94 million. FINMA issued 11 public cease-and-desist orders against individuals. The published [collection of its enforcement rulings](#) also contains [case reports](#) on unauthorised financial market providers.

## Regulation

FINMA regulates only when necessary to meet its supervisory goals. In 2025, it was once again committed to principles-based and proportional regulation on the basis of a robust regulatory process.

Where empowered to do so by an act or ordinance, FINMA regulates second-order technical details in certain defined areas of supervision. It also publishes circulars which set out its supervisory practice and how it proposes to interpret laws and ordinances. FINMA promotes risk-oriented and proportional regulation.

### **TBTF regulation: the Federal Council's report on banking stability**

Systemically important financial institutions can jeopardise entire economies if they suffer a disorderly failure and are therefore regarded as "too big to fail" (TBTF). The Swiss legislator promulgated special rules for the recovery and resolution of such institutions in response to the financial crisis of 2007/2008. Their comparability with the relevant international standards and the degree of implementation of these standards must be reviewed twice a year.

After UBS's emergency takeover of CS, the Federal Council carried out an in-depth evaluation of the regulation of systemically important banks and published its [report on banking stability](#) on 10 April 2024. The report identified areas where action was needed and proposed an extensive package of measures, including key improvements to current banking regulation along with new tools and powers for FINMA.

Following on from this, on 6 June 2025 the Federal Council published [parameters for the planned amendments to laws and ordinances](#), including implementation of the findings of the [PlnC report on the CS crisis](#). The parameters set out the Federal Council's proposals for improvements to the "too big to fail" regime in Switzerland. The proposals include introducing an accountability regime for managers and creating the legal basis for earlier intervention by FINMA along with higher capital requirements for systemically important banks with foreign subsidiaries.

FINMA supports the parameters presented by the Federal Council. In FINMA's view, the proposed measures represent a coordinated package that, taken together, will strengthen banks' resilience in a crisis and thus bolster the stability of the financial system. FINMA again contributed its expertise to working groups in the federal government on implementing these measures in 2025.

### **Format compliance of regulation**

Under the Ordinance to the Financial Market Supervision Act, FINMA was obliged to review the format compliance of its regulation by the end of January 2025 and amend it if necessary. This review has been completed, and the final changes in format from circular to ordinance are expected to enter into force on 1 January 2027.

### **FINMA Ordinance on the Risk Diversification of Banks and Securities Firms (RDO-FINMA)**

In order to ensure format compliance, FINMA is transferring Circular 2019/1 “Risk diversification – banks” and 2013/7 “Limits on intra-group positions – banks” into a new FINMA ordinance. FINMA launched the consultation on the Ordinance on 3 July 2025. The transfer to ordinance level is only expected to lead to a small number of substantive changes, including the use of the final Basel III standardised approach for market risk to measure trading book positions and the treatment of guarantees by foreign group companies. The new RDO-FINMA is due to enter into force on 1 January 2027.

### **FINMA Ordinance on the Liquidity of Banks and Securities Firms (LiqO-FINMA)**

FINMA is also transferring Circular 2015/2 “Liquidity risks – banks” to a new FINMA ordinance for reasons of format compliance. The consultation on the Ordinance opened on 3 July 2025. The transfer is only expected to lead to a few substantive changes, such as the provisions on liquidity and financial planning, which were not mentioned in the Circular. The Ordinance also contains provisions on the obligation of companies to share information if a liquidity shortage is imminent or one has already occurred, as proposed by the Federal Council. The FINMA Liquidity Ordinance is due to enter into force on 1 January 2027.

### **Partial revision of Circular 2016/7 “Video and online identification”**

FINMA opened the consultation on the partial revision of Circular 2016/7 “Video and online identification” on 5 November 2025. The Circular sets out FINMA’s supervisory practice with regard to due diligence obligations when initiating a business relationship via digital channels and is periodically updated in line with technological changes. The revision is intended to enable the use of e-IDs in client identification in particular. The revised Circular is due to enter into force in the third quarter of 2026.

### **Consolidated supervision of financial groups under the Banking and Financial Institutions Acts**

The new Circular 2025/4 “Consolidated supervision of financial groups under the BA and FinIA” entered into force on 1 July 2025. The main aim of consolidated supervision is to ensure that supervisors have an overview of all the risks incurred by a financial group. FINMA has developed an established supervisory practice in this area over many years based on case-by-case decisions, which will now be codified in the Circular and made accessible to all affected supervised institutions.

### **Implementation of the new FSB and IOSCO standards on liquidity for collective investment schemes**

To better protect investors in collective investment schemes from financial and liquidity crises, the Financial Stability Board (FSB) and International Organisation of Securities Commissions (IOSCO) have revised their recommendations on liquidity management and produced new recommendations in recent years (see [IOSCO Revised Recommendations for Liquidity Risk Management for Collective Investment Schemes](#) of 26 May 2025 and [FSB Revised Policy Recommendations to Address Structural Vulnerabilities from Liquidity Mismatch in Open-Ended Funds](#) of 20 December 2023).

The aim is to strengthen investment funds’ resilience to liquidity risks. The new standards raise the requirements for liquidity management by investment funds and require the fund or its management company to take specific action depending on the liquidity of the investments (categorisation approach). In addition, they require the management company to implement further liquidity measures. Switzerland must now review the regulatory implementation of the standards. In its Financial Sector Assessment Program (FSAP) report on Switzerland, the International Monetary Fund emphasises the importance of implementing the FSB and IOSCO recommendations on liquidity as a priority.

**Ex-post evaluations**

After the launch of an ordinance or circular, FINMA reviews its impact. To this end, it consults the relevant groups and publishes the results of the review in an ex-post evaluation report.

**Circular 2019/2 “Interest rate risks – banks”**

FINMA carried out an ex-post evaluation of its Circular “Interest rate risks – banks” in 2025. This involved reviewing whether the provisions in the Circular on the measurement, management, monitoring and control of interest rate risks in the banking book are necessary, appropriate and effective. The evaluation report on the Circular was published on 26 November 2025.

**Self-regulation**

FINMA supports self-regulation, defined as the regulation of the financial markets by the financial market participants or private sector trade associations within the statutory framework in accordance the Financial Market Supervision Act (FINMASA).

**Quantitative developments in regulation**

FINMA's ordinances and circulars were reduced in scale in 2025 in terms of the number of pages. The number of pages in circulars fell to 532 (2024: 867). However, the number of pages in FINMA ordinances rose by just under 300. The changes are due to the entry into force of the FINMA ordinances implementing the final Basel III standards, as well as the new FINMA ordinances on regulatory audit and insolvency procedures for financial institutions.

## International affairs

Internationally binding standards are of great importance for Switzerland as an export-oriented financial centre. In 2025, FINMA represented Swiss interests in international fora in coordination with the Federal Department of Finance, playing a central role in reviews of Switzerland's compliance with international standards.

FINMA continued to maintain relationships with numerous foreign supervisory authorities in the year under review and worked closely with them, in particular on the supervision of internationally active financial institutions.

### Positive result with regard to IMF Financial Sector Assessment Program

The International Monetary Fund (IMF) conducts annual consultations on macroeconomic developments and economic policies in member states, known as Article IV consultations. Every five years, the IMF also carries out an in-depth review of the stability of the financial sector and compliance with international standards in financial market regulation. This Financial Sector Assessment Program (FSAP) was carried out in Switzerland between May 2024 and September 2025. On the Swiss side, the lead was taken by the FDF. Due to its central role in the Swiss financial markets, FINMA was the main source of information for the IMF in most of the areas reviewed within the FSAP. This was reflected in several hundred pages of FINMA replies to IMF questionnaires and over 120 interviews and meetings with the IMF delegation.

The results of the review were positive overall. The IMF confirmed the resilience of the Swiss financial system and praised the progress made since the last review. At the same time, it recommends strengthening FINMA's legal powers to further increase supervisory effectiveness. Areas highlighted by the IMF include:

- Introduction of an accountability regime (senior managers' regime)
- The power to levy fines
- Greater transparency on completed enforcement proceedings
- Strengthening direct supervision, including by conducting its own on-site inspections
- Strengthening the legal basis for Pillar 2 capital add-ons for banks, including ensuring their timely enforceability
- Early intervention powers
- Abolition of the suspensive effect for FINMA rulings

The recommendations are largely in line with the proposals in the [Federal Council's TBTF report](#), the [PlnC report on the CS crisis](#) and the [Federal Council's parameters for amending the laws and ordinances in order to strengthen the TBTF regime](#). Alongside the TBTF-related points, the FSAP report contains further recommendations on the areas reviewed by the IMF, most of which will be taken up by FINMA and pursued as part of its ongoing work.

In relation to supervision, the IMF affirmed FINMA's high level of technical expertise and experience. At the same time, it recommended comprehensively expanding supervisory resources and systematically strengthening data-driven supervision.

FINMA welcomes the report and sees it as confirming its strategic focus. It will continue the work on recommended actions in close cooperation with the relevant Swiss authorities and so contribute to strengthening the stability and competitiveness of the Swiss financial centre on a sustained basis.

### **International relations**

As it has in previous years, FINMA engaged in regular dialogue with foreign supervisory authorities in 2025. The aim was to build a strong network by maintaining, deepening and expanding international supervisory relationships. Contacts at board and executive management level, along with discussions at a technical level, enabled a mutually beneficial dialogue. Personal contacts are critical for effective and smooth collaboration, particularly when it comes to cross-border supervisory issues and cooperation in crises.

There was a particular emphasis in the year under review on updating and extending existing cooperation agreements. Contacts with individual partner authorities were deepened, and cooperation further intensified. These measures make an important contribution to the stability and efficiency of international supervision.

In addition, FINMA again assisted the State Secretariat for International Finance (SIF) with its technical expertise. In 2025, it participated in a number of financial dialogues between the SIF and third countries and actively contributed its technical knowledge to the discussions on current developments.

### **Financial Stability Board**

In 2025, FINMA worked on system-wide liquidity risks, non-bank financial intermediation (NBFI), cryptoassets and operational resilience at the Financial Stability Board (FSB).

The FSB is responsible for monitoring financial stability globally. It coordinates the development of financial market regulation as the link between the G20 and the international standard-setting bodies. FINMA is a member of the Standing Committee on Supervisory and Regulatory Cooperation and the Resolution Steering Group. The SNB and SIF represent Switzerland in the FSB Plenary.

### **Basel Committee on Banking Supervision**

FINMA represents Switzerland in the Basel Committee on Banking Supervision (BCBS) together with the SNB. FINMA was actively involved in a range of BCBS committees to strengthen the security and reliability of the international banking system.

The focus of the work was on improving supervisory instruments for liquidity risks, interest rate risk, business model analyses and AI applications. Other work related to further development of stress-testing approaches and analysing the growing synthetic transfer of credit risk from banks to the non-bank sector (NBFI).

### **International Association of Insurance Supervisors**

FINMA supports the work of the International Association of Insurance Supervisors (IAIS) as a longstanding member of the IAIS Executive Committee and numerous subgroups. In the year under review, the focus was on implementation of the Insurance Capital Standard (ICS) and the upcoming assessment of progress. FINMA regards the Swiss Solvency Test (SST) as more risk-sensitive than the ICS and will therefore continue to use the SST to meet the ICS criteria.

Other work carried out by the IAIS included continuing to develop recommendations for insurers' resolution plans and an update of the Holistic Framework for the assessment and mitigation of systemic risk, which the FSB again endorsed in 2025. The IAIS also worked on emerging themes such as supervision of AI in the insurance sector and structural changes in life insurance.

### **International Organization of Securities Commissions**

FINMA continued to play its part on the board and in a range of committees of the International Organization of Securities Commissions (IOSCO). IOSCO's aim is to strengthen investor protection, ensure efficient and transparent markets and mitigate systemic risks. The use of innovative digital tools in market supervision (supervisory technology or SupTech) was of particular importance for FINMA in 2025. As a result of its expertise, it became chair of the new Forum for Supervisory Technology and advanced the international dialogue on innovative supervisory approaches. In addition, FINMA was involved in two reports on crypto and digital assets, and sustainability in asset management. It thus made an important contribution to strengthening global standards and enhancing international cooperation.

### **Implementation of the Berne Financial Services Agreement**

After the signing of the Berne Financial Services Agreement (BFSA) in December 2023, FINMA worked with intensity to implement the Agreement in preparation for its entry into force on 1 January 2026. FINMA, the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) signed a cooperation agreement to facilitate this in September 2025. This sets out the details of the enhanced supervisory cooperation in the areas of insurance and investment services between Switzerland and the UK and in particular defines the processes for implementing the Agreement.

FINMA, the FCA and PRA completed the practical implementation of the Agreement at the end of 2025 by finalising the new cooperation and reporting mechanisms at an operational and technical level. Considerable effort was put into developing simple and efficient processes to minimise administrative costs and manual activities as far as possible. To assist the financial institutions, FINMA, the FCA and PRA published guidelines in November 2025 explaining the application of the BFSA and the new procedures in force.

### **Swiss country evaluation by the Financial Action Task Force**

The next country evaluation of Switzerland by the [Financial Action Task Force \(FATF\)](#) will start in 2026. The international evaluation team will analyse and assess the implementation and effectiveness of measures to combat money laundering, terrorist financing and the proliferation of weapons of mass destruction. The results of the review are expected in the spring of 2028.

FINMA will itself be covered by the evaluation in various areas. Due to the international importance of the results, it has set up a project team for the country evaluation, which took up its work in September 2025.

### **FINMA reaches agreement with the SEC on Swiss RIAs**

After several years of discussions, FINMA and the SEC (Securities and Exchange Commission) were able to clarify the modalities for on-site inspections by the SEC of FINMA-supervised RIAs (Registered Investment Advisors) with regard to direct transmission of information and on-site inspections consistent with the Swiss legal framework and US legislation. The SEC lifted the moratorium on registrations and resumed processing new and pending applications by Swiss institutions.

The successful conclusion of these discussions will facilitate cross-border access by Swiss institutions authorised by FINMA in the US, while also promoting close supervisory cooperation with the SEC as an important US partner supervisory authority.

## **FINMA's staff actively contribute to ensuring the safety and stability of the Swiss financial centre**

FINMA employs experts from a wide range of fields: law, economics, mathematics, auditing, actuarial services, accounting, etc. They have a wealth of experience in the financial industry and in supervision. Adopting a broad perspective, they are committed to protecting bank clients, investors, creditors and policyholders in Switzerland. FINMA also helps train young people through its internships and apprenticeships.

## FINMA as an authority

FINMA adopts new structure

FINMA in dialogue

Audits on behalf of FINMA

Board of Directors and Executive Board

Staff

Operations

Abbreviations

## FINMA adopts new structure

FINMA adapted its organisational structure in the year under review in order to fulfil its mandate to protect financial market clients and ensure the proper functioning of the financial markets even more effectively.

Specifically, a new Integrated Risk Expertise division was created to bring together the risk functions and cross-divisional topics (such as liquidity, capital and stress tests, credit risks, money laundering and sustainable finance), analysis and instruments, as well as on-site inspections. Pooling this knowledge will strengthen integrated supervision. The supervisory division is also supported with in-depth expertise, primarily from FINMA's own on-site inspections. Marianne Bourgoz Gorgé, previously Head of Asset Management, leads this new division.

Furthermore, the Asset Management and Markets divisions were merged under the leadership of Léonard Bôle, so as to make the most of existing synergies.

As further steps in the reorganisation, policy expertise was centralised in the Supervisory Policy and Legal Expertise division, all relevant aspects of digitalisation were brought together in the Operations division, and a FINMA Chief Risk Officer function was created. The latter coordinates and optimises the existing risk management processes in the business divisions.

The measures taken will allow more intensive and effective supervision to be achieved in the areas of banking, insurance, asset management and markets. An integrated approach, intensive and direct supervision and an effective organisation are key prerequisites for FINMA's success.

This step also addresses the challenges that FINMA will face as an integrated supervisory authority in the future. These include not only new realities in the banking sector but also challenges for the entire Swiss financial centre, such as non-financial risks and conduct issues.

## FINMA in dialogue

FINMA communicates with its stakeholder groups in an open and transparent manner. It informs market participants, provides politicians with information about its supervisory and regulatory activities, engages in dialogue with interest groups and establishes transparency vis-à-vis the public about its activities.

As an independent authority, FINMA informs its stakeholders as the law permits and fulfils its legal obligations. It maintains an institutional dialogue with supervised institutions, politicians, other authorities and further interest groups.

### **Annual accountability to Parliament**

At least once a year, as part of the publication of the annual report, the Chair of the Board of Directors and the CEO of FINMA account to the two supervisory committees of the Federal Assembly, i.e. the Control Committees and the Finance Committees.

The period under review saw increased risks in both financial and non-financial areas. In an environment shaped by geopolitical tensions, rising government debt, the threat of increasing trade barriers and risks in the areas of cyber security, ICT, money laundering and sanctions, the supervisory authority placed particular emphasis on strengthening the resilience of the institutions and individuals it supervises. This was explained to the committees in more detail. Other topics included necessary regulatory adjustments, namely the strengthening of supervisory powers in the areas of early intervention, public communication on completed proceedings and the authority to impose fines. FINMA also provided information on the implementation of its strategy in 2024 and the conclusion of the 2021 to 2024 strategy period.

### **Provision of expert information to parliamentary committees**

Besides its annual accountability to Parliament, as in previous years, FINMA informed the expert committees of the Federal Assembly on issues relating to supervisory practice and legislative projects at their invitation. In the year under review, FINMA put forward its position regarding the revision of the TBTF regulations.

### **Dialogue with national authorities and other stakeholders**

As part of its cooperation with national authorities, FINMA provided information on the status of the resolution, recovery and emergency plans of systemically important banks and on its assessment of the risk situation of these institutions to the Committee on Financial Crises made up of the FDF, SNB and FINMA on four occasions during the year under review.

Furthermore, FINMA again held institutionalised annual or semi-annual discussions with key associations of supervised institutions and individuals as well as other stakeholders and exchanged views with them through topic-specific working groups. Again, there was an exchange between FINMA and various stakeholders committed to client protection.

### **Symposia for market participants**

FINMA held events on specific topics with high-level representatives from the supervisory and private sectors. These meetings enable a direct and informal exchange between the supervisory authority, financial institutions and industry organisations. Examples include symposia, specialist conferences and round table discussions on the topics of small banks, small insurance companies, the AMLA and FinTech.

### **Well over 9,000 enquiries from the public**

In 2025, FINMA again received numerous valuable reports from the public about possible violations of financial market law. This information once again helped to protect the clients of financial service providers even better and to further improve supervisory activities. FINMA processed more than 9,000 enquiries from financial market clients, investors and lawyers. The trend of an increase in enquiries in recent years thus continued. In excess of 2,000 reports and complaints were received in relation to unauthorised financial market participants, who had frequently misled their investors about being located in Switzerland. The [information on the FINMA website about investor protection](#) was also very well received. The following received particular attention: [the practical tips for investors](#) to avoid investment fraud and [warnings about individual unauthorised providers](#) to recognise risks on the financial markets.

### **Public reporting**

In its communications with the public, FINMA acted transparently and in accordance with legal requirements. All the basic information on FINMA's supervisory and regulatory activities, as well as its publications, are available on the [FINMA website](#). More than one million users accessed the website in 2025. Key FINMA publications include [the Risk Monitor](#), [the reporting on recovery and resolution](#), [the Annual Report](#) and [a wide range of statistics and key figures](#). In 2025, FINMA published [25 press releases](#) and [9 news articles](#). On social media, the number of followers rose to 60,000, compared with 49,000 in the previous year.

## Audits on behalf of FINMA

FINMA draws on the support of third parties in all aspects of its supervisory work. When awarding mandates, its key focus is on the effectiveness and efficiency of the audit firms and mandataries.

Audit firms are mainly used for regulatory audits. They must carry out their work independently, critically and objectively. They report their findings to FINMA on the basis of their audit.

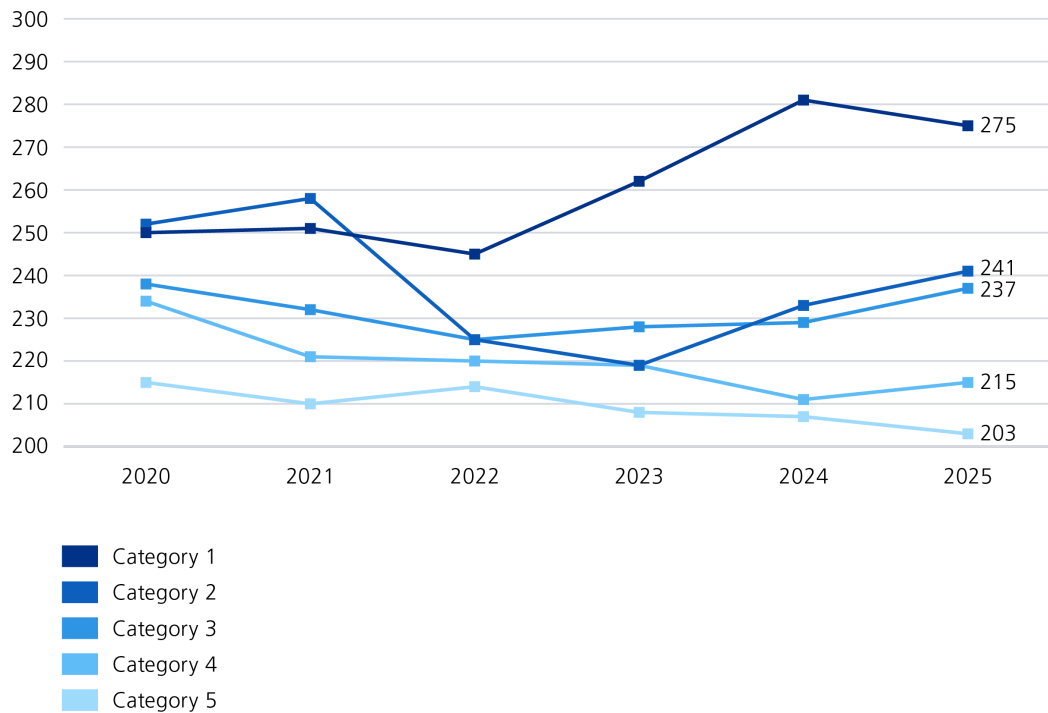
### Regulatory audits

For audits completed in 2025, audit firms charged an average hourly rate of CHF 227 for a regulatory audit and CHF 125 for a financial audit. The costs of regulatory audits conducted by audit firms are borne directly by the supervised institutions. Audit firms report their invoiced fees to FINMA on an annual basis.

For supervised banks in category 1, the average hourly rates charged totalled CHF 275, which is less than in the previous year. The lowest hourly rates were for banks in category 5.

### Slight decline in hourly rates in category 1

Average hourly rates for regulatory audits of banks, in CHF



Audit costs accounted for 33% of the total supervisory costs invoiced by FINMA and audit firms for the Swiss financial market. The extent to which audit firms were used varied from sector to sector. In

banking supervision, they accounted for 46% of costs, with average hourly rates for regulatory audits varying according to the size of the bank. The varying degrees of complexity of the audit fields, which are subject to rotation over several years, as well as the different business models and audit methods, have an influence on the rates. Since FINMA undertook most of the supervisory work in the insurance sector itself, the share of the costs attributable to audit firms in this sector was just 13%.

#### Continued slight increase in total costs of supervision by audit firms

	2025	2024	2023	2022	2021	2020
Banks and securities firms	65.0	60.5	56.0	55.9	54.5	55.3
Insurance companies	6.9	6.8	5.9	6.2	7.1	6.8
Markets	1.0	1.0	0.9	0.9	1.0	0.8
Asset management	11.9	12.7	11.2	10.7	9.3	9.8
<b>Total</b>	<b>84.8</b>	<b>81.0</b>	<b>74.0</b>	<b>73.7</b>	<b>71.9</b>	<b>72.7</b>

Annual fees charged by audit firms for regulatory audits per supervisory area in CHF millions. The figures reported each year relate to audits conducted in the previous financial year. Regulatory audit costs include the basic audit and any additional audits. Other costs associated with regulatory audits (such as expenditure on special audits required by law) over which FINMA has no control are not included. Deviations from the figures published in the 2024 Annual Report are due to audit costs retrospectively reported or adjusted.

#### FINMA mandataries – an important instrument for specific supervisory and enforcement issues

FINMA may appoint mandataries to assist it in performing its duties. The costs of these FINMA mandataries are borne by the respective supervised institutions and individuals. Costs for FINMA mandataries commissioned in 2025 came to CHF 33.2 million (invoices received as of mid-February 2026). In the year under review, FINMA awarded 48 mandates to mandataries, compared with 30 in 2024. It monitored the discharge of the mandate on an ongoing basis and checked that costs remain proportionate. As part of its selection process, it ensured that, if possible, mandates were not awarded disproportionately frequently to certain mandataries.

The appointment of mandataries is an important instrument for FINMA. In contrast to auditors, mandataries are not usually commissioned for recurring audits with a predefined audit programme; instead they are deployed to look into specific issues relating to supervision and enforcement. FINMA's mandates are as varied as the areas they cover and thus require different types of specialisation. FINMA distinguishes between five types of mandataries:

- audit mandataries at authorised financial intermediaries;
- investigating agents at authorised financial intermediaries;
- investigating agents of unauthorised activities;
- restructuring agents and crisis managers at authorised financial intermediaries;
- bankruptcy and liquidation mandataries.

The selection of mandataries is a two-step process. All interested providers can apply to be included in a publicly accessible list of candidates. FINMA has defined requirement profiles for its standard mandates. Candidates who meet the respective profile are accepted onto the list. When selecting a mandatary, FINMA refers to this list on a case-by-case basis. There were 106 mandataries on the list at the end of the year under review. If no suitable mandatary is available, FINMA may commission an expert who does not appear on the list.

Candidates for a specific mandate are selected on the basis of different criteria. The FINMA mandataries must be suitably qualified and independent. These are the two key factors. Other selection criteria are language skills or the area of assignment. Depending on the mandate, sufficient

resources may also be required. And last but not least, the proposed fees are a deciding factor when awarding the contract. The fee paid to the mandataries is based on the requirements of the mandate. FINMA sets out the costs of mandataries (fee rates and expenses) in the appointment order.

### Considerable increase in number of mandates granted

Mandate category	2025		2024		2023	
	Fee volume in CHF m	Number of mandates granted	Fee volume in CHF m	Number of mandates granted	Fee volume in CHF m	Number of mandates granted
Audits of authorised financial intermediaries	12.8	18	18.2	4	9.5	10
Investigations of authorised financial intermediaries	12.0	16	5.6	8	4.0	8
Investigations of unauthorised activities	1.3	9	0.8	14	0.4	6
Liquidation proceedings	0.1	4	0.1	3	0.2	3
Bankruptcy liquidation proceedings	7.0	1	4.7	1	2.7	2
<b>Total</b>	<b>33.2</b>	<b>48</b>	<b>29.4</b>	<b>30</b>	<b>16.8</b>	<b>29</b>

This table shows the fee volume for FINMA mandataries as well as the number of mandates granted per year. It should be noted that a fee is not necessarily incurred in the year in which the mandate is granted. The fee volume for 2025 corresponds to invoices received as of mid-February 2026.

## Board of Directors and Executive Board

FINMA is an independent public law institution with its own legal personality. The Board of Directors is responsible for the strategic management of FINMA, while the Executive Board is responsible for day-to-day operations.

### The Board of Directors

Eight regular meetings of the Board of Directors were held in the year under review, one of which was held as a closed session. At its closed session, the Board of Directors focused intensively on the topic of artificial intelligence. Renowned external specialists and FINMA experts provided information on current developments and their potential impact on financial market supervision.

There were two changes to the Board of Directors in the year under review. On 1 January 2025, Aline Darbellay took up office as a member of the Board of Directors after being appointed by the Federal Council on 20 December 2024. René W. Keller resigned from his position with effect from 30 June 2025. In addition, on 19 November 2025, the Federal Council elected Katia Villard as a new member of FINMA's Board of Directors. She took up her position on 1 January 2026, succeeding Ursula Cassani Bossy, who stepped down at the end of the year under review.

The Board of Directors directs, supervises and oversees FINMA's Executive Board. It defines the strategic targets, issues ordinances and circulars, is responsible for FINMA's budget and takes decisions on matters of substantial importance. The Board of Directors acts as a collective body. Its decisions are taken by a majority of the votes cast.

### Members of the Board of Directors (31 December 2025)

Prof. Marlene Amstad	Chair
Martin Suter	Vice-Chair
Prof. Ursula Cassani Bossy	Member
Prof. Aline Darbellay	Member
Dr Alberto Franceschetti	Member
Benjamin Gentsch	Member
Marzio Hug	Member
Dr Andreas Schlatter	Member



To ensure transparency, FINMA maintains a [public list of the vested interests of members of the Board of Directors](#). Information about [FINMA’s Code of Conduct](#) is also publicly available. The [conditions for holding office](#) as stipulated by the Federal Council also apply to FINMA’s Board of Directors.

**Committees of the Board of Directors**

The Board of Directors has three committees, formed from among its members: the Audit and Risk Committee, the Appointments Committee and the Takeover and State Liability Committee. The Takeover and State Liability Committee is the complaints body with which appeals against rulings by the Swiss Takeover Board may be filed; it also rules on claims seeking to establish state liability.

**The standing committees of the Board of Directors and their members (31 December 2025)**

	Audit and Risk Committee	Appointments Committee	Takeover and State Liability Committee
Prof. Marlene Amstad		Chair	
Martin Suter	Chair		
Prof. Ursula Cassani Bossy			Chair
Prof. Aline Darbellay			X
Dr Alberto Franceschetti	X		
Benjamin Gentsch		X	
Marzio Hug	X		
Dr Andreas Schlatter		X	X

## The Executive Board

The Executive Board is FINMA's operational management body. It is charged with supervising banks, insurance companies, exchanges, securities firms and other financial intermediaries in line with statutory regulations and FINMA's strategy. It prepares decision-making materials for matters which fall within the remit of the Board of Directors and is responsible for implementing the resolutions of the Board and its committees. The Executive Board normally meets weekly.

### Members of the Executive Board (31 December 2025)

Stefan Walter, CEO

Patric Eymann, Interim Deputy CEO and Head of Enforcement division

Léonard Bôle, Head of Asset Management and Markets division

Marianne Bourgoz Gorgé, Head of Integrated Risk Expertise division

Simon Brönnimann, Interim Head of Banks division

Vera Carspecken, Interim Head of Insurance division

Dr Alain Girard, Head of Recovery and Resolution division

Alexandra Karg, Head of Operations division

Dr Annemarie Nussbaumer, Head of Supervisory Policy and Legal Expertise division



### Changes to the Executive Board

There were two changes to the Executive Board in the year under review. Birgit Rutishauser resigned from her position as Head of the Insurance division and Deputy CEO on 30 April 2025. Patric Eymann, Head of the Enforcement division, has since assumed the role of Interim Deputy CEO. Vera Carspecken took over as Interim Head of the Insurance division. Thomas Hirschi resigned from his position as Head of the Banks division with effect from 31 August 2025. Since then, Simon Brönnimann has been acting as Interim Head of the Banks division. In December, FINMA's Board of Directors appointed Hedwig Ulmer Busenhardt as the new Head of the Insurance division. She took up her post on 1 April 2026.

### Enforcement Committee

The Enforcement Committee is a standing committee of the Executive Board and responsible for making decisions on enforcement. It issues enforcement rulings and decides whether to initiate or discontinue proceedings.

#### Permanent members of the Enforcement Committee (31 December 2025)

Stefan Walter, Chair  
 Patric Eymann  
 Dr Annemarie Nussbaumer

### Recovery Resolution Planning Committee

The Recovery Resolution Planning Committee is a standing committee of the Executive Board and responsible for decisions in the area of recovery and resolution planning. Among other things, the Committee approves the emergency and recovery plans of systemically important banks, systemically important financial market infrastructures and of insurance groups and conglomerates.

#### Permanent members of the Recovery Resolution Planning Committee (31 December 2025)

Stefan Walter, Chair  
 Dr Alain Girard

In addition, at least one other head of a division affected by the business matter in question

### Intervention and Escalation Committee

The Executive Board has delegated the authority to initiate and conclude [enforcement proceedings](#) to the Intervention and Escalation Committee in addition to the Enforcement Committee. The members of the Intervention and Escalation Committee are the Heads of the Enforcement division and the supervisory division affected by the relevant business matter on a case-by-case basis.

## Good corporate governance

FINMA ensures good corporate governance through ordinances, regulations, internal controls and training. The FINMA Personnel Ordinance governs the employment relationships of all FINMA's staff and lays down principles on secondary employment and public duties, as well as duties of loyalty and conduct. To ensure transparency, FINMA maintains a public list of the vested interests of members of the Board of Directors and has specified the duties of conduct for employees in the publicly available [Code of Conduct](#). The [conditions for holding office](#) as stipulated by the Federal Council also apply to FINMA's Board of Directors.

The Code of Conduct obliges employees to avoid conflicts of interest or – where they cannot be avoided – to disclose them. Compliance trains employees and members of the Board of Directors on the Code of Conduct at introductory events and provides information on request. It also raises employee awareness of certain topics by answering FAQs. Individual checks are carried out for secondary employment and public offices, the holding of securities and for key personnel in the case of bank deposits.

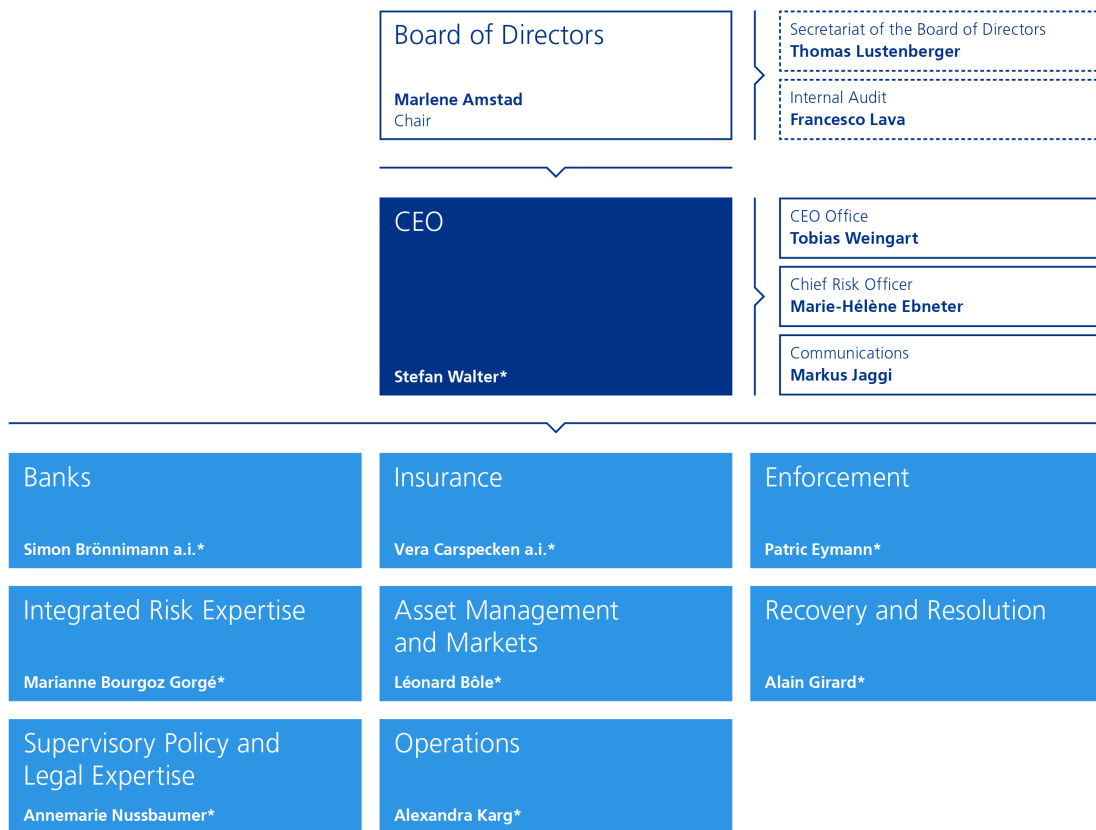
The following responsibilities have been defined for the application of the Code of Conduct: The Board of Directors is responsible for the Chair of the Board of Directors. The Chair of the Board of Directors is responsible for the members of the Board of Directors and the CEO. The CEO is responsible for the members of the Executive Board. The competent body takes the opinion of Compliance into account

in each case. Compliance is responsible for applying the Code of Conduct to staff, while the CEO is responsible for applying it to the latter. The Board of Directors is informed annually about the implementation of the Code of Conduct at FINMA.

The Financial Market Supervision Act requires the members of FINMA’s Board of Directors to be independent of the institutions it supervises.

### Organisation chart

(31 December 2025)



- Sections and groups reporting directly to the Board of Directors
- Sections and groups reporting directly to the CEO
- Divisions
- \* Member of the Executive Board

## Staff

FINMA is committed to a sustainable personnel policy with an emphasis on cost-effectiveness, transparency and a long-term approach. 2025 saw FINMA expand its capacities, in particular with a view to carrying out more of its own on-site inspections and in-depth risk analysis.

FINMA employs experts from various disciplines. They are the most important factor in effective and future-oriented financial market supervision. Through their commitment and professionalism, they help ensure that FINMA’s legal mandate to protect customers and to ensure the proper functioning of

the financial markets is fulfilled effectively. In 2025, FINMA particularly focused on the targeted expansion of its capacities and active talent management, with the aim of further increasing its supervisory effectiveness in line with its mandate.

### Key personnel indicators and workforce expansion

FINMA’s personnel policy combines economic efficiency with a clear commitment to transparency, equal opportunities and individual growth and development. FINMA cultivates a working environment in which dedication, collaboration and continuous learning are promoted and practised. This gives rise to motivated and professional teams – and to a workplace that sets itself apart through shared values and a high level of satisfaction.

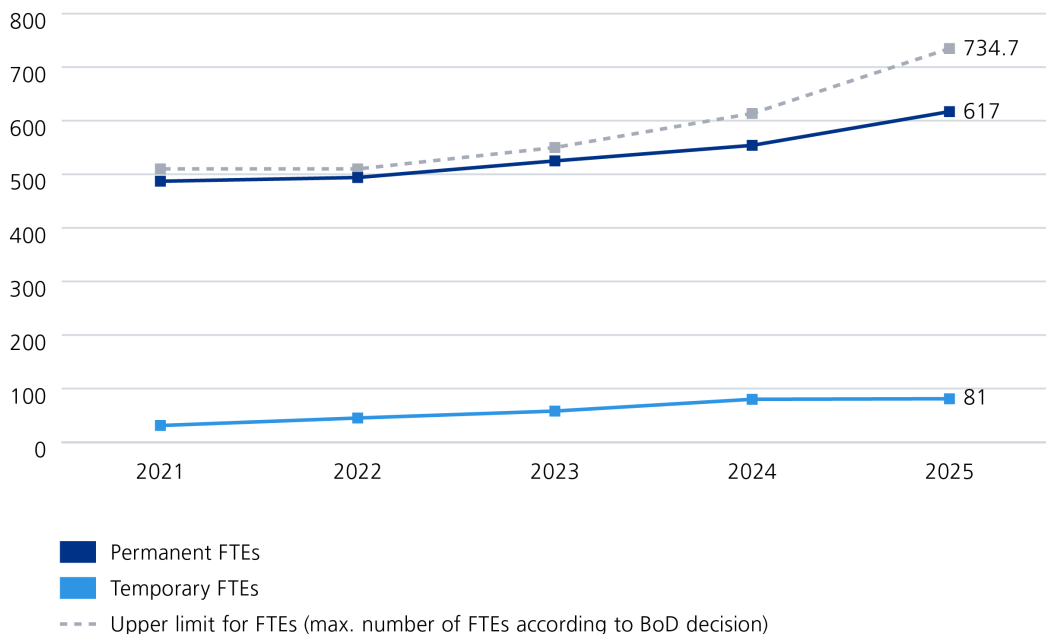
#### Intensified and forward-looking supervision requires more staff

In 2025, FINMA also reinforced its intensified and forward-looking supervision of the financial market in certain instances, which led to an increase in staff resources. The additional staff requirements extended over several specialist units and cross-divisional functions.

At the beginning of 2025, FINMA increased its headcount limit by 121.1 permanent FTEs to 734.7 (2024: 613.6). By the end of the year under review, the majority of these additional roles had been filled. FINMA had an average of 698 FTEs in permanent and temporary employment in 2025 (2024: 634). Around 27% of employees worked part-time, i.e. less than 90% (2024: 26%).

#### Further increase in headcount

Average headcount per year



The headcount limit was increased in order to effectively drive forward key transformation projects within the organisation, particularly by allowing more intensive and effective supervision to be achieved in the areas of banking, insurance and asset management. Among other things, capacities were increased to enable more on-site inspections to be carried out. In addition, positions were filled in the 2025 financial year that had been approved as part of the measures following the CS crisis.

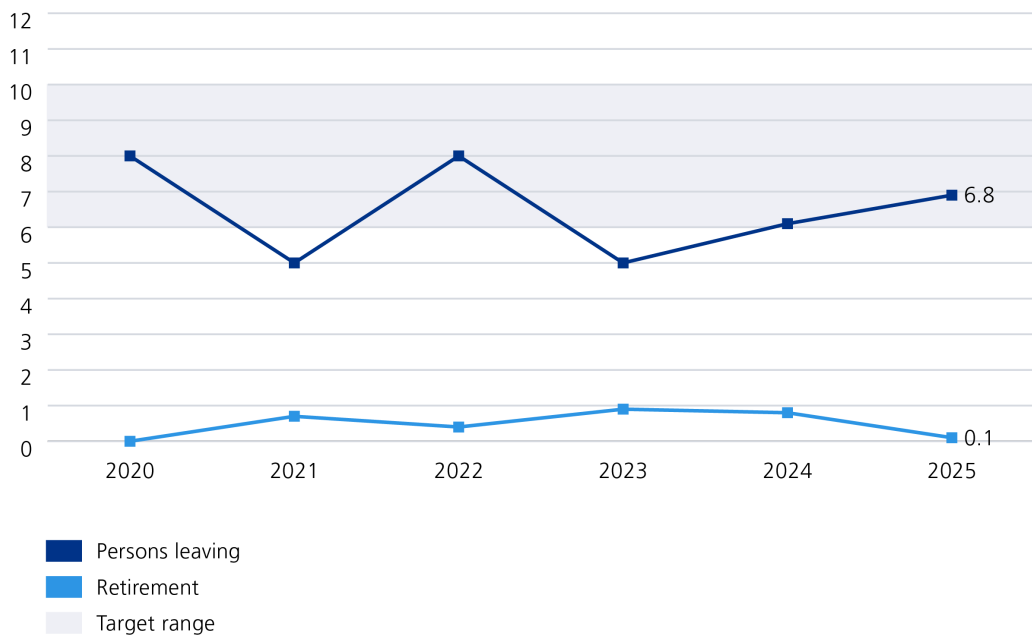
As part of its personnel strategy, FINMA aims for a medium-term average staff turnover rate of 6% to 10%. This rate is intentionally higher than in the Federal Administration as a whole and in public administration, as it guarantees the targeted inflow of up-to-date knowledge and expertise from the financial sector, as well as new ways of working. At the same time, this offers existing employees new opportunities to take on additional responsibilities and explore new challenges within FINMA.

**Staff turnover within the target range**

At 6.8% (2024: 6.1%), staff turnover in 2025 was within the defined target range. In addition, 0.1% (2024: 0.8%) of the workforce retired, and 52% (2024: 49%) of vacant senior specialist and management positions were filled internally. In many cases, talent management and succession planning allowed positions to be filled internally by candidates from different departments and divisions. To promote knowledge sharing, there were also two internal secondments and four secondments outside of FINMA.

**Staff turnover at 6.8%, ordinary retirements at 0.1%**

Staff turnover and retirements as a percentage of headcount at year end

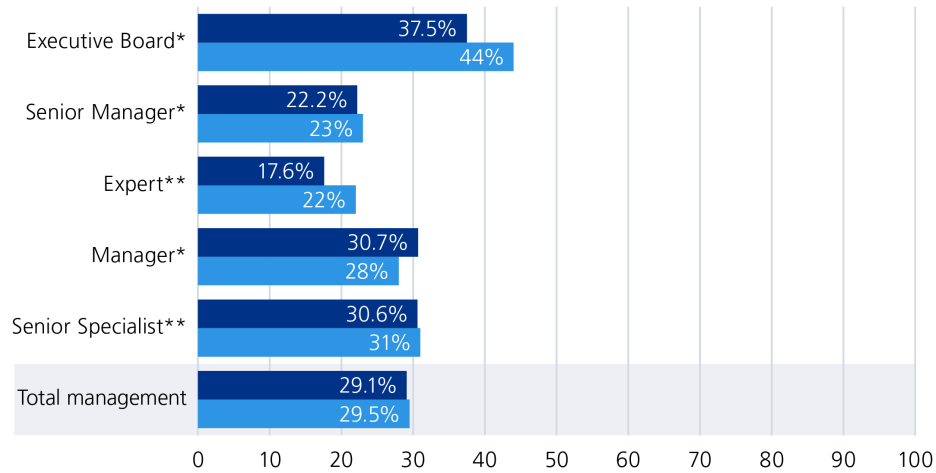


**Proportion of women in the workforce unchanged at 43.1%**

FINMA also has ambitious targets regarding gender diversity. In 2025, 29.1% (2024: 29.5%) of all management positions were held by women, and women accounted for 43.1% of the workforce, the same as in the previous year. FINMA is committed to ensuring a sustainable gender balance at all levels of management. The new roles created in 2025 were heavily geared towards technical and scientific profiles, which traditionally have a low proportion of women. This, in combination with the current labour market situation, and skills shortage, means that meeting the gender diversity targets by 2026 remains a challenge.

### The proportion of women in management declined by 0.4 percentage points

Proportion of women at each management level in % at year end



\* Leadership management roles  
 \*\* Specialist management roles

■ Proportion of women 2025  
 ■ Proportion of women 2024

### Dealing with change

FINMA’s reorganisation also involved changes for employees. To support the change process, FINMA launched measures to build change capability among staff and managers, to support entire teams and to enable active participation in the change process. The measures comprised:

- Workshops for employees and managers on handling change as well as team development workshops
- Various session formats for employees and managers to explore in depth and reflect during the reorganisation
- Opportunity to get involved as change ambassadors and in project workstreams
- FINMA-wide pulse surveys

### FINMA-wide pulse survey on transformation

More than half of the workforce took part in the three FINMA-wide pulse surveys. The results of surveys conducted at longer intervals and in anonymised form, as well as the many open-ended comments, provided managers with valuable input on areas where optimisation is needed. A key aspect for employee well-being was job satisfaction, with 87 in 100 staff members agreeing with the statement “All things considered, I would say that this is a very good place to work.” The overall employee satisfaction level at FINMA is once again above the benchmark in the [Best Large Workplaces Switzerland 2025](#). Thanks to the pulse surveys, improvements were implemented. For example, input from staff at the FINMA management day was incorporated into the development of a leadership approach and leadership culture.

## Operations

As an organisation, FINMA takes a holistic approach to cyber security, whereby employees are made aware of these risks and play a key role. Further progress was made in sustainability and operational environmental management.

FINMA is an efficient and forward-looking authority. It works effectively and meets ambitious targets in cyber security and sustainability. 2025 saw both challenges and important advances in the area of cyber security. With increasing digitalisation, cyber risks have continued to grow.

### **Cyber security: protection, innovation and resilience in the digital age**

More than ever in 2025, cyber security was a key issue in the use of digital applications. FINMA observed an increase in “spear-phishing attacks” (a form of phishing that targets individuals), which it took active steps to counteract. Meanwhile, the tighter security measures due to the geopolitical situation helped successfully fend off DDoS (distributed denial of service) attacks.

Besides recent developments, the growing interconnectedness of devices, systems and people opens up opportunities but also entails ever more complex risks. Cyber attacks are becoming increasingly sophisticated and targeted, and the protection of sensitive data and infrastructures is a top priority. Attackers are also taking advantage of new technologies and refining their methods.

FINMA pursues a holistic cyber strategy that is based on recognised standards. The cyber strategy is regularly adapted to reflect the current threat situation and tested for effectiveness. In this way, FINMA successfully protected its infrastructures and guaranteed the integrity, confidentiality and availability of systems and data.

An important safeguard that has been stepped up is the ongoing mitigation of risks associated with software or system vulnerabilities.

FINMA also focused strongly on raising staff awareness, as humans play a crucial role in cyber attacks. It carried out regular awareness activities, as well as voluntary and compulsory trainings in the area of cyber security. To this end, it used modern tools and realistic simulations, as well as information sessions with internal and external experts. FINMA worked closely with the National Cyber Security Centre, the supervised institutions, specialised cyber security partners, and other relevant institutions.

### **New solar power system on the Bern office building**

In 2024, the roofs of FINMA’s head office building in Bern were completely renovated by the building owner. In order to harness synergies, a solar power system was also installed to generate electricity. The installation of the solar power system helped make the building more sustainable and energy-efficient.

Around 230 photovoltaic modules were installed on the roof of the building (green roof with high elevation). The east-west orientation of the roof is ideal for a solar power system. The amount of electricity purchased from the grid was reduced by around 100,000 kWh. FINMA used 94% of the total solar power generated itself, and the rest was fed back into the grid. This allowed FINMA to reduce its energy costs significantly. The successful use of this solar power system shows how existing buildings can be efficiently modernised through innovative measures and how FINMA can thereby contribute to environmental sustainability.

### Positive evolution of key environmental indicators

In the year under review, FINMA reduced its greenhouse gas emissions per FTE, measured in tonnes of CO<sub>2</sub> equivalent, reversing a slight upward trend in previous years. This reduction was driven both by responsible resource management and by economies of scale resulting from an increase in headcount.

Various key environmental indicators saw a positive development. In the area of clean energy and buildings, FINMA further improved its energy efficiency. Thanks to the solar power system, the amount of electricity purchased from the grid was reduced in Bern. The overall rise in electricity consumption is due to the higher number of employees. Heating consumption remained volatile, as it depends on the number of heating days. There was a slight rise in heat consumption in Bern last year, compared with a decrease in Zurich, as a result of better handling of thermostats.

In terms of paper consumption (for photocopying) per FTE, the various digitalisation efforts and the reduction of analogue services proved successful. A mere 3.4kg of paper – equivalent to around 700 sheets – were used per FTE over the entire year. Key sustainability indicators were also collected in relation to catering facilities. These figures helped define measures to optimise the offer and to reduce the carbon footprint of on-site catering.

### CO<sub>2</sub> emissions per FTE fell further

	Unit	2025	2024	2023	2022	2021	Change from prior year in %
Power consumption, Bern	kWh	555,799	531,803	502,291	574,425	596,769	4.5
of which electricity from the solar power system in Bern	kWh	**98,259	**6,177	0	0	0	1,436.0
Power consumption, Zurich	kWh	*237,921	*232,564	*218,071	*229,377	68,428	2.3
Consumption of district heating, Bern	kWh	924,978	858,980	841,142	822,461	992,893	7.7
Consumption of heating energy, Zurich (natural gas)	kWh	478,396	517,480	388,032	380,009	508,144	-7.6
Total energy consumption (electricity and heat)	kWh	2,197,094	2,140,827	1,949,536	2,006,272	2,166,234	2.6
Proportion of total energy needs met by renewable energy sources	%	85.8	84.3	87.2	87.7	80.2	1.5 percentage points
Paper consumption per FTE	kg	3.4	4.3	4.2	4.1	3.6	-20.9
CO <sub>2</sub> emissions per FTE	Tonnes CO <sub>2</sub> e	1.1	1.3	1.1	0.8	0.4	-15.4

\* Zurich includes general electricity from 2022 onwards.

\*\* Start of photovoltaic production on 21 October 2024.

## Evolution of FINMA's total costs

FINMA is an integrated supervisory authority with responsibility for the supervision of around 250 banks, 195 insurance companies, some 450 institutions and 2,000 products in the area of collective investment schemes, 1,600 asset managers and almost 10,000 insurance intermediaries. It is therefore responsible for the supervision of one of the world's largest financial centres, which in turn accounts for a substantial part of the Swiss economy. FINMA is financed entirely by the institutions it supervises.

FINMA has set itself the goal of strengthening the effectiveness of its supervision and thereby offering even greater protection to creditors, investors, insured persons and the functioning of the financial markets. The importance of this objective is underlined by the Federal Council's proposals to give FINMA more powers. The Parliamentary Investigation Committee (PIInC) on the authorities' management of the emergency CS merger also called for this in its report. To achieve this, FINMA must continue to evolve – both in terms of its organisation and the adequacy of its resources.

FINMA has already grown in recent years due to additional tasks and new challenges resulting from a changing financial world and increasing risks for the financial centre. These challenges are continuing to grow, and the risks are becoming more acute. The preventive and in-depth supervision implemented in the year under review will address these developments even more effectively in future and ensure the resilience of the financial centre to increasing financial and non-financial risks. This intensification of supervision is also reflected in the costs for the year under review.

The increase in costs observed in the year under review is due to both FINMA's growth in 2025 and the increase in headcount in recent years. The latter is the main reason for the increase. The total increase in costs amounts to CHF 18 million and pushes up the total expenses to CHF 172 million (2024: CHF 154 million). Together with the statutory reserves, total expenses amounted to CHF 189 million (2024: CHF 169 million). They are covered by income from supervisory fees and levies paid by the supervised institutions. The increase in costs associated with FINMA's growth has once again resulted in a shortfall, which will have to be offset in the coming year.

On the revenue side, less income was generated from fees in 2025, mainly due to the absence of licence applications from portfolio managers and trustees, as well as lower income from collective investment schemes. Net costs, which are financed by supervisory levies paid by the supervised institutions, therefore increased compared to the previous year. As the supervisory levies for 2025 were calculated on the basis of the 2024 financial statements, there was a shortfall of CHF 39 million for 2025. This means that the 2026 supervisory levy invoices, based on the costs of the previous financial year plus the costs not covered (cover differential), will be higher in some supervisory areas.

FINMA's total reserves amounted to CHF 174 million before allocation. Article 37 of the FINMA Ordinance on the Levying of Supervisory Fees and Charges states that 10% of FINMA's total annual costs must be allocated to the statutory reserve until the total reserve has reached or re-reached an amount equivalent to one annual budget. FINMA's expenses will continue to rise for the reasons mentioned above. An allocation to the total reserves is therefore to be anticipated in 2025.

Even though FINMA is growing, it remains lean in relation to the size and importance of the Swiss financial centre and is increasing its efficiency by strengthening internal collaboration, making greater use of data-driven supervision and continuing to drive forward digitalisation, including the use of artificial intelligence. The authority has also been examining its interactions with the supervised institutions for opportunities to simplify and increase efficiency. At the same time, FINMA will continue to act in a proportionate and risk-based manner in its supervision.

## Abbreviations

<b>AI</b>	Artificial intelligence
<b>AMLA</b>	Anti-Money Laundering Act
<b>AuM</b>	Assets under management
<b>BA</b>	Banking Act
<b>BaFin</b>	Federal Financial Supervisory Authority
<b>BCBS</b>	Basel Committee on Banking Supervision
<b>BCM</b>	Business continuity management
<b>BFSA</b>	Berne Financial Services Agreement
<b>BI</b>	Business intelligence
<b>BIO-FINMA</b>	FINMA Banking Insolvency Ordinance
<b>BoD</b>	Board of Directors
<b>BoE</b>	Bank of England
<b>CFC</b>	Committee on Financial Crises
<b>CISBO-FINMA</b>	FINMA Collective Investment Schemes Bankruptcy Ordinance
<b>CMG</b>	Crisis management group
<b>CS</b>	Credit Suisse
<b>CSPP</b>	Conference of Swiss Public Prosecutors
<b>DACH</b>	Germany, Austria, Switzerland
<b>DDoS</b>	Distributed denial of service
<b>DLT</b>	Distributed ledger technology
<b>ECB SSM</b>	European Central Bank's Single Supervisory Mechanism
<b>EHP</b>	Survey and application platform
<b>FAQs</b>	Frequently asked questions
<b>FCA</b>	Financial Conduct Authority
<b>FDf</b>	Federal Department of Finance
<b>FFA</b>	Federal Finance Administration
<b>FinIA</b>	Financial Institutions Act
<b>FINMASA</b>	Financial Market Supervision Act
<b>FinMIA</b>	Financial Market Infrastructure Act
<b>FinMIO</b>	Financial Market Infrastructure Ordinance
<b>FinSA</b>	Financial Services Act
<b>FMI</b>	Financial market infrastructure
<b>FSAP</b>	Financial Sector Assessment Program
<b>FSB</b>	Financial Stability Board
<b>FTE</b>	Full-time equivalent
<b>GenAI</b>	Generative artificial intelligence
<b>IAIS</b>	International Association of Insurance Supervisors
<b>IBO-FINMA</b>	FINMA Insurance Bankruptcy Ordinance
<b>ICO</b>	Initial coin offering
<b>ICS</b>	Insurance Capital Standard
<b>ICS</b>	Internal control system
<b>ICT</b>	Information and communication technology
<b>IFRS</b>	International Financial Reporting Standards
<b>IMF</b>	International Monetary Fund
<b>InsO-FINMA</b>	FINMA Insolvency Ordinance
<b>IOSCO</b>	International Organization of Securities Commissions
<b>ISA</b>	Insurance Supervision Act
<b>ISO</b>	Insurance Supervision Ordinance
<b>LiqO-FINMA</b>	FINMA Ordinance on the Liquidity of Banks and Securities Firms

**L-QIF** Limited qualified investor fund  
**M&A** Mergers and acquisitions  
**MROS** Money Laundering Reporting Office Switzerland  
**NBFI** Non-bank financial intermediation  
**NGFS** Network for Greening the Financial System  
**OeNB** Austrian National Bank  
**PCP** Per capita premium  
**PEP** Politically exposed person  
**PInC** Parliamentary Investigation Committee  
**PRA** Prudential Regulation Authority  
**RDO-FINMA** FINMA Ordinance on the Risk Diversification of Banks and Securities Firms  
**ReSG** Resolution Steering Group  
**RIA** Registered Investment Advisor  
**RPA** Robotic process automation  
**SBR** Small banks regime  
**SEC** Securities and Exchange Commission  
**SECO** State Secretariat for Economic Affairs  
**SIC** Swiss Interbank Clearing  
**SIF** State Secretariat for International Finance  
**SNB** Swiss National Bank  
**SO** Supervisory organisation  
**SRB** Single Resolution Board  
**SRO** Self-regulatory organisation  
**SST** Swiss Solvency Test  
**SupTech** Supervisory technology  
**Swiss FS-CSC** Swiss Financial Sector Cyber Security Centre  
**TASMEC** Technology Applied to Securities Markets Enforcement Conference  
**TBTF** Too big to fail (banking stability)

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