

# Regulatory Data Playbook

Your guide to navigating  
the shifting regulatory landscape

**LSEG** DATA &  
ANALYTICS



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# Introduction

Navigating the detailed and complex arena of financial services regulation can appear challenging, particularly as the playing field continuously evolves. Those seeking to ensure compliance require an expert view on regulation in order to identify and highlight the most relevant aspects of a wide and growing array of regulatory documents.

This Regulatory Data Playbook is designed to provide a succinct and practical guide to the financial regulatory landscape, allowing you to quickly establish critical, need-to-know details of the rules as they relate to your organisation.

We are also pleased to share details of how LSEG Data & Analytics can support you in meeting your regulatory requirements, empowering you to move forward with clarity and confidence.



1

**Bank Recovery and  
Resolution Directive/  
Total Loss-Absorbing  
Capacity**

# Bank Recovery and Resolution Directive/Total Loss-Absorbing Capacity

## Who does the regulation apply to?

Banks and investment firms

## Regulatory authorities

- Prudential Regulatory Authority (UK)
- European Banking Authority (EU)
- Financial Stability Board

## Essential facts

The Bank Recovery and Resolution Directive (BRRD) aims to prevent and manage financial crisis at banks and investment firms throughout Europe, by introducing a resolution process for banks that are failing or close to failure.

It introduces independent resolution authorities and specific resolution tools for ensuring continuity, including a bail-in tool enabling authorities to write down equity and other liabilities and convert them to shares to absorb losses and recapitalise banks.

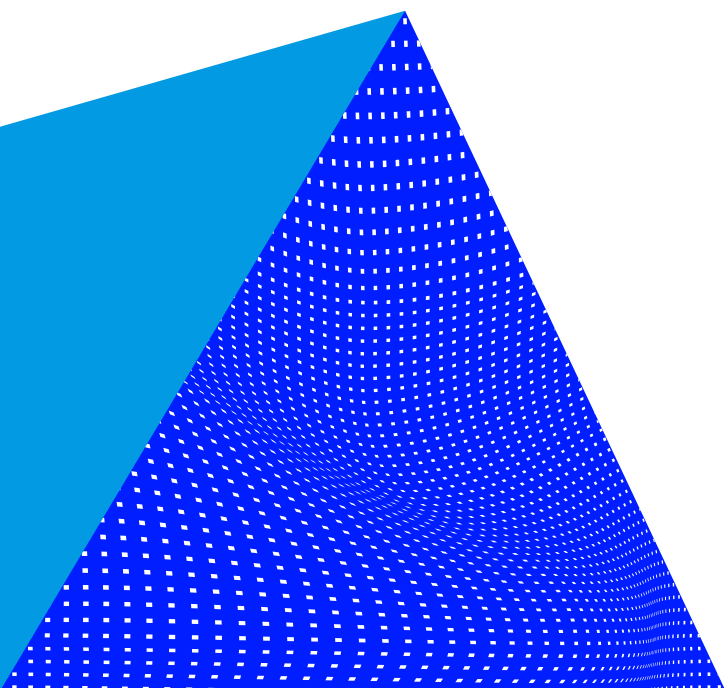
The BRRD introduces a minimum requirement for own funds and eligible liabilities (MREL) to ensure financial institutions have sufficient loss-absorbing and recapitalisation capacity.

The Total Loss Absorbing Capacity (TLAC) standard introduced by the Financial Stability Board similarly aims to ensure global systemically important institutions have sufficient loss-absorbing and recapitalisation capacity to keep performing critical functions.

## Banks must:

- Better prepare for future financial stress by meeting minimum requirements for own funds and eligible liabilities
- Provide information to resolution authorities on resolution and recovery plans
- Support the feasibility of the bail-in tool by adding bail-in recognition clauses to contracts

[Read more about LSEG's regulatory services](#)

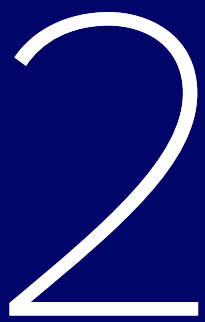




## How can LSEG help?

Requirement	How LSEG supports
<p>Identify whether a relevant security is in scope to absorb losses and meet <b>MREL, TLAC</b> or any <b>bail-in</b> requirements.</p>	<p><b>New data fields at instrument level for:</b></p> <ul style="list-style-type: none"> <li>– <b>MREL requirements:</b> a flag indicating whether the security is eligible to meet MREL standards, for banks and investment firms in the EU</li> <li>– <b>TLAC requirements:</b> a flag indicating whether the security is eligible to meet TLAC standards, for global systemically important banks</li> <li>– <b>Bail-in requirements:</b> a flag indicating whether a security is eligible for bail-in and as such set to absorb losses whenever required, as defined in domestic bail-in regulations</li> </ul>
<p><b>Provide detailed resolution and recovery plans.</b></p>	<p>New data fields for fixed income instruments to identify the seniority of the relevant instrument and the order in which assets are repaid.</p>

[Read more about LSEG's regulatory services](#)



# 2



## Central Securities Depositories Regulation

# Central Securities Depositories Regulation

## Who does the regulation apply to?

- Banks
- Investment firms
- Central securities depositories

## Regulatory authorities

European Securities and Markets Authority (ESMA)

## Essential facts

The Central Securities Depositories Regulation (CSDR) seeks to improve the safety and efficiency of securities settlement in the EU on central securities depositories (CSDs).

Its key focus is on preventing and addressing failures in settling securities transactions, introducing mandatory reporting:

- Of settlement fails
- Of transactions settled outside of securities settlement systems
- By settlement internalisers

It also introduces an obligation on CSDs to impose cash penalties on participants in their securities settlement systems that cause settlement fails.

## Firms must:

- Meet mandatory reporting requirements related to settlement fails, settlement internalisers and transactions settled outside of securities settlement systems
- Pay cash penalties if they are responsible for settlement fails, with CSDs responsible for transferring penalties from the parties responsible for the fails to those impacted
- Observe new mandatory buy-in rules for all securities transactions with terms of 30 days or more

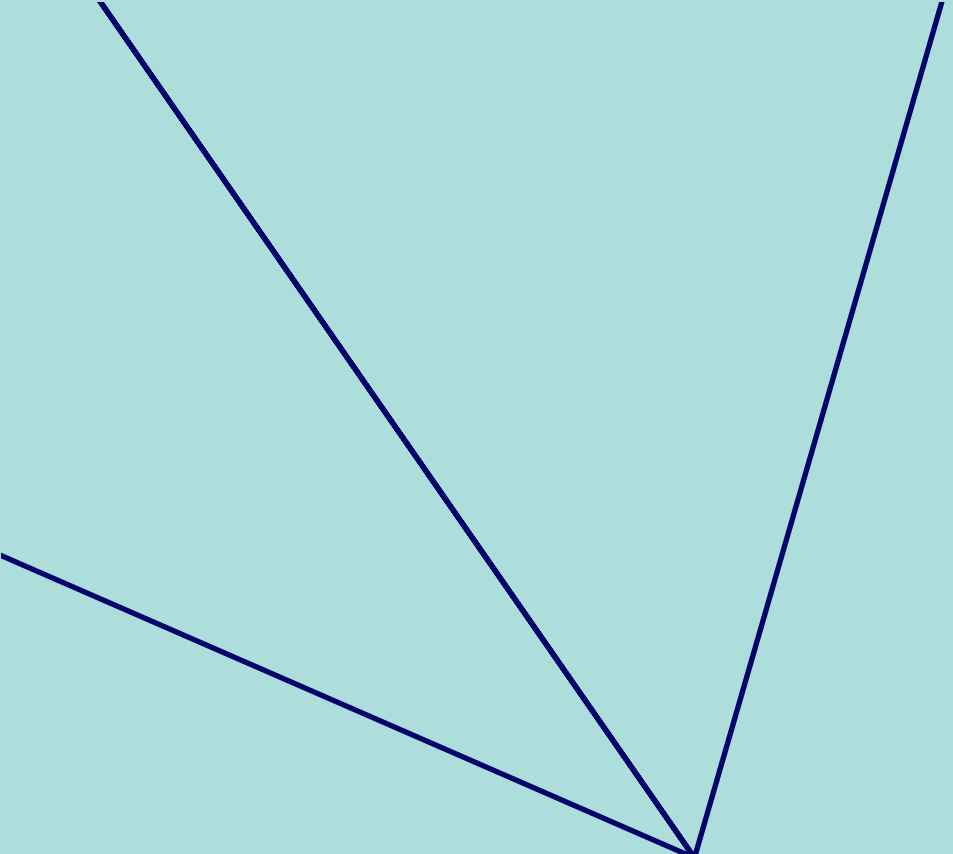
[Read more about LSEG's regulatory services](#)



## How can LSEG help?

Requirement	How LSEG supports
CSDR asset classification taxonomy must be used when reporting all transactions settled outside of the central settlement system.	<p>New field will provide the <b>category of financial instruments</b> that are in scope of the regulation, including:</p> <ul style="list-style-type: none"> <li>– Transferable securities</li> <li>– Sovereign debt</li> <li>– Exchange-traded funds</li> <li>– Units in collective investment undertakings</li> <li>– Money-market instruments</li> <li>– Emission allowances</li> </ul>
Calculate <b>cash penalty fines</b> for failed settlements.	New field will provide the rate in basis points on instrument level, as set out in the regulation.
Determine <b>reference prices</b> for failed settlements.	We have onboarded from ESMA the <b>market identifier codes</b> of the venues with the highest turnover of bonds.
Enhanced <b>reporting and transparency</b> around settling securities transactions.	<p>For fixed income, equities, exchange-traded funds, mutual funds, money market instruments and emission allowances, the following <b>CSDR fields</b> can be applied:</p> <ul style="list-style-type: none"> <li>– CSDR asset classification</li> <li>– Penalty rate</li> <li>– EU CSD clearable flag</li> <li>– Extension period</li> <li>– Highest turnover market identifier code</li> </ul>

[Read more about LSEG's regulatory services](#)



# 3

## **EU and UK Benchmarks Regulation**

# EU and UK Benchmarks Regulation

## Who does the regulation apply to?

- Administrators of benchmarks both within and outside of the EU and UK
- Contributors of input data to a benchmark
- Users of benchmarks within the EU and UK

## Regulatory authorities

- European Securities and Markets Authority (ESMA)
- Financial Conduct Authority (FCA)

## Essential facts

First introduced on January 1, 2018, the EU Benchmarks Regulation (BMR) aims to ensure benchmarks are robust, reliable and administered without conflicts of interest. Following Brexit on January 1, 2020, the equivalent UK BMR was introduced, regulating the use and provision of benchmarks in the UK.

A benchmark is within scope of BMR if it is used to calculate:

- The amount payable under a financial instrument or contract, or the value of a financial instrument
- The performance of an investment fund for the purpose of tracking the return or defining the asset allocation, portfolio or computing performance fees

## Firms must:

- Ensure they only use benchmarks issued by administrators authorised by the UK or EU regulator, or exempt from the regulation
- Demonstrate provisions are in place to deal with a benchmark being disrupted or significantly altered in the future

[Read more about LSEG's regulatory services](#)



## How can LSEG help?

Requirement	How LSEG supports
<p><b>Use of regulated benchmarks</b> Firms must only use benchmarks issued by authorised administrators or exempt from the regulation.</p>	<p><b>Regulatory inventory</b> contains the full live universe of benchmarks identified as compliant with the regulation in line with ESMA and FCA registers.</p> <p>This includes 24 supporting fields, among them the Reuters Instrument Code (RIC), Perm ID, BMR compliance and associated administrator details.</p>
<p><b>Identify benchmarks in scope</b> The regulation covers all benchmarks used to determine the amount payable under an instrument or contract, or measure the performance of a fund.</p>	<p><b>Full integration of benchmarks inventory data</b> into DataScope products.</p> <p>For exchange listed and OTC derivative contracts, LSEG can flag if the underlying benchmark is compliant with the regulation.</p>

[Read more about LSEG's regulatory services](#)



# 4

Financial  
transaction tax

# Financial transaction tax

## Who does the regulation apply to?

Banks and investment firms in France, Italy, Spain and Hungary

## Regulatory authorities

- Autorité des marchés financiers (France)
- Commissione Nazionale per le Società e la Borsa (Italy)
- Financial Conduct Authority (UK)
- Central Bank of Ireland
- Securities and Futures Commission of Hong Kong

## – Essential facts

Financial transaction taxes (FTTs) have been introduced in France, Italy, Spain and Hungary in an effort to raise funds to tackle rising debt levels.

The scope of the regulations varies between jurisdictions, but in each case taxes are levied on transactions involving the sale and purchase of certain financial instruments, including stocks, shares or foreign exchange.

## Banks and investment firms must:

- Identify securities in scope of the French, Italian, Spanish and Hungarian Financial Transactions Tax (FTT) regimes
- Ensure the basic tax rate of 0.3% for France and Hungary, and 0.2% for Italy and Spain, is applied for in-scope securities

[Read more about LSEG's regulatory services](#)

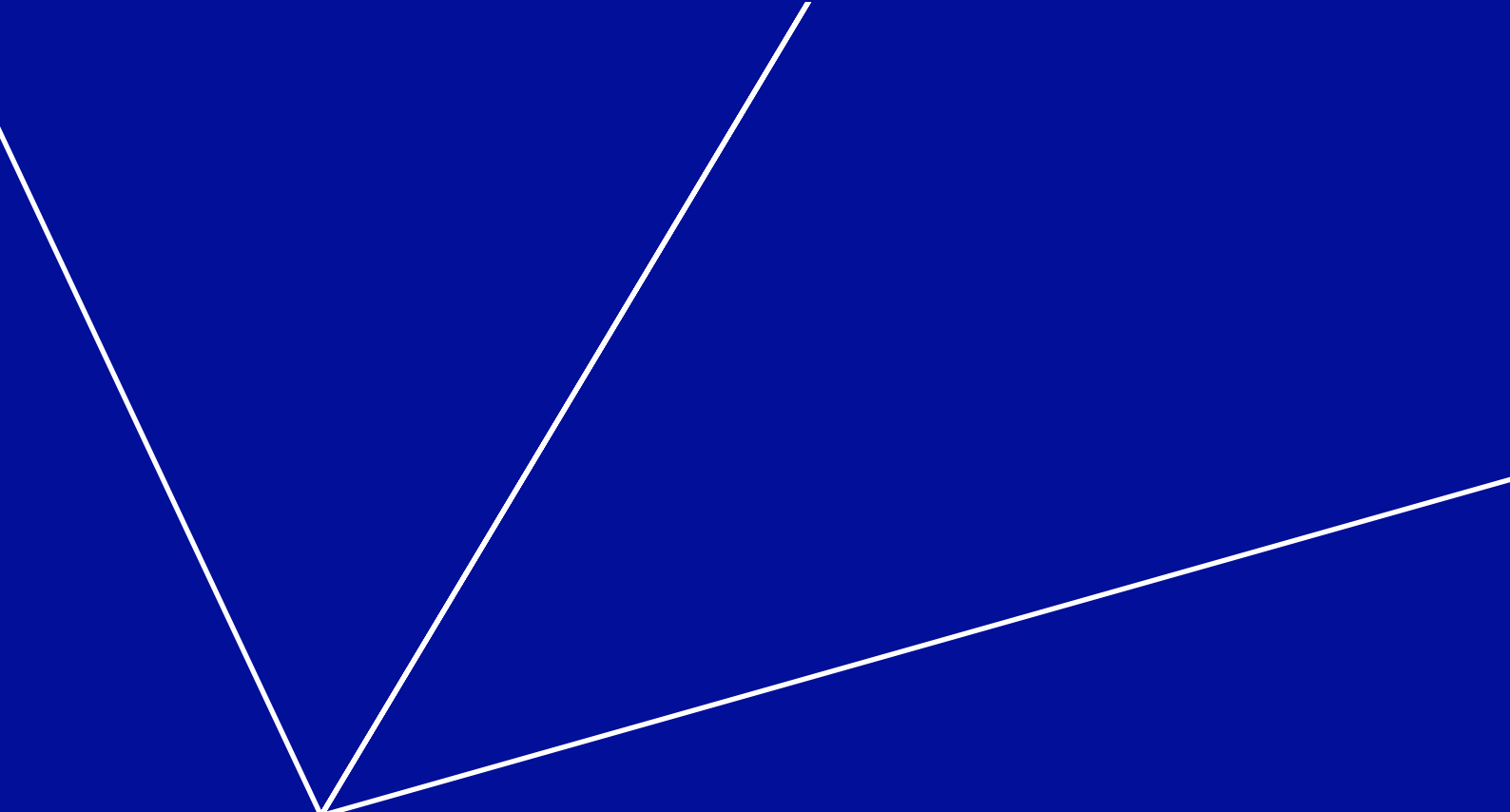


## How can LSEG help?

Requirement	How LSEG supports
<p><b>France</b> The scope of the regulations covers equity securities and other similar instruments that provide access to capital or voting rights on companies whose registered office is located in France and whose market capitalisation exceeds €1 billion.</p> <p>The rate applied to all in-scope securities is 0.3% or 0.01% on high-frequency trading*.</p>	<p><b>FTT Rate</b> available for equities, warrants, futures and options</p> <p><b>FTT liable bond flag</b> available for fixed income</p> <p><b>Country of taxation flag</b> to indicate which country's FTT tax rate applies to the security</p> <p>We can also flag transactions eligible for levies elsewhere around the world:</p> <ul style="list-style-type: none"> <li>– Ireland Stamp Duty Flag</li> <li>– Stamp Duty Flag for Hong Kong, China, South Africa and Namibia</li> <li>– Panel on Takeovers and Mergers (PTM) Levy Eligibility Flag for the UK</li> <li>– Irish PTM Levy Eligibility Flag</li> </ul>
<p><b>Italy</b> The regulation covers equities whose issuer's registered office is in Italy and whose market capitalisation exceeds €0.5 billion.</p> <p>Also covers warrants, futures and options with an underlying equity within scope.</p> <p>The rate applied depends on the execution type, with different rates applied to OTC transactions, trades executed on a regulated market or multilateral trading facility, and high-frequency trades.</p>	
<p><b>Spain</b> A tax rate applies to the purchase of shares of Spanish companies admitted on regulated markets with a market capitalisation above a defined threshold.</p>	
<p><b>Hungary</b> Both domestic and cross-border investment service providers are liable to pay tax on the purchase of financial instruments with an ISIN code issued by KELER Central Depository, up to a maximum level per transaction.</p>	

[Read more about LSEG's regulatory services](#)

\* Accurate at the time of publishing. Rates may change.



# 5

## Fundamental Review of the Trading Book

# Fundamental Review of the Trading Book

## Who does the regulation apply to?

Banks trading or impacted by trading across the world

## Regulatory authority

Basel Committee on Banking Supervision

## Essential facts

The Fundamental Review of the Trading Book (FRTB) outlines the methodology that banks must use to calculate the minimum capital they need to be protected against market risk.

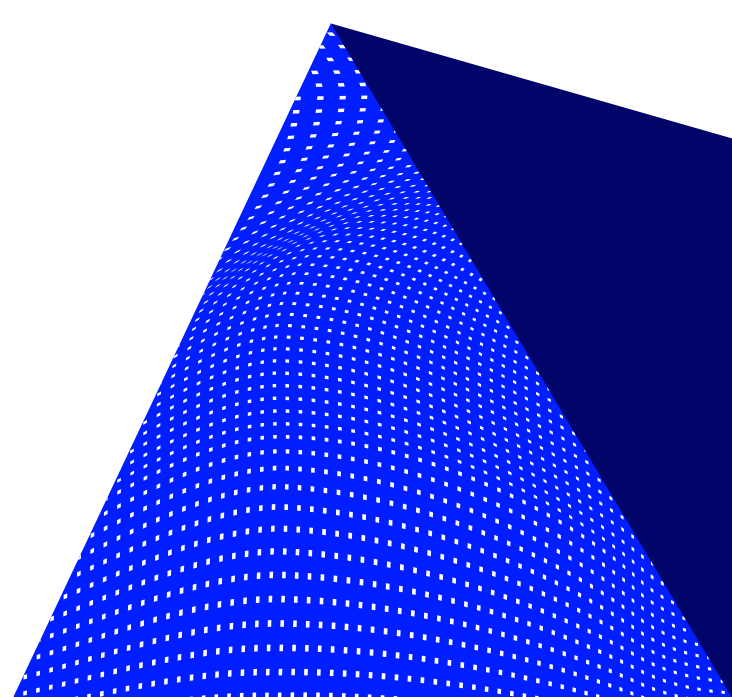
## Specific deadline dates

- **Europe** – January 2026
- **UK** – January 2027
- **United States** – Not yet defined
- **Asia Pacific** – Enforcement dates vary across jurisdictions, with some yet to be defined

## Banks must:

- Follow a **standardised approach** to calculate their minimum capital requirements
- Adopt the standardised **internal models approach** if they also want to use their own market risk models to calculate minimum capital requirements
- Follow rules **restricting the movement of positions between trading and banking books** to stop banks taking advantage of the different rules for calculating capital in each book
- Use **variable liquidity horizons** when calculating how quickly they can sell assets, as some assets are harder than others to liquidate

[Read the full regulation detail here](#)





## How can LSEG help?

### Treatment of equity investments in funds

LSEG allows customers to fulfil multiple aspects of the FRTB regulation related to funds via the DataScope platforms:

- Funds look-through requirements can be fulfilled via the provision of fund constituents and weights
- For funds that track an index benchmark, we provide the ‘tracking error’ with that benchmark
- We provide access to overviews of funds’ investment policies, sourced from the fund prospectus, which can act as a proxy to the fund mandate. This can facilitate the capital requirements calculation for funds that cannot be looked through and that are treated as unrated equity instruments.

## Standardised approach

- To implement the standardised approach (SA), banks need to calculate how their assets react to market changes.
- LSEG's DataScope platform provides data at instrument level to support banks in the calculation of risk sensitivities required for the SA implementation.
- In addition, LSEG provides data for the implementing rules related to equity investment in funds.

Requirement	How LSEG supports
<b>Risk sensitivities</b> Banks need to calculate risks sensitivities across all their trading positions at desk level.	DataScope provides <b>specific data fields</b> at instrument level, including risk class, risk bucket and risk weight.
<b>Funds look-through requirement</b> Banks need to know what's underlying the funds they invest in, so they can properly assess risk.	DataScope provides individual fund constituents and their weights, allowing banks to see the <b>underlying assets</b> in their portfolio.
<b>Funds tracking an index benchmark</b> Banks need to know how closely funds follow index benchmarks, so they can determine risk exposure.	DataScope provides the <b>tracking difference</b> between funds and related benchmark performance.
<b>Funds that cannot be looked through</b> If banks cannot see the underlying assets in a fund, they need a different way to assess the fund's risk. The fund's investment policy can act as a guide.	DataScope provides an overview of the <b>fund investment policy</b> , sourced from the fund prospectus.
<b>Index look-through requirements</b> Banks need to see the individual assets in an index so they can properly assess the risk of index-based products.	DataStream provides information on the <b>individual components</b> of financial indices.

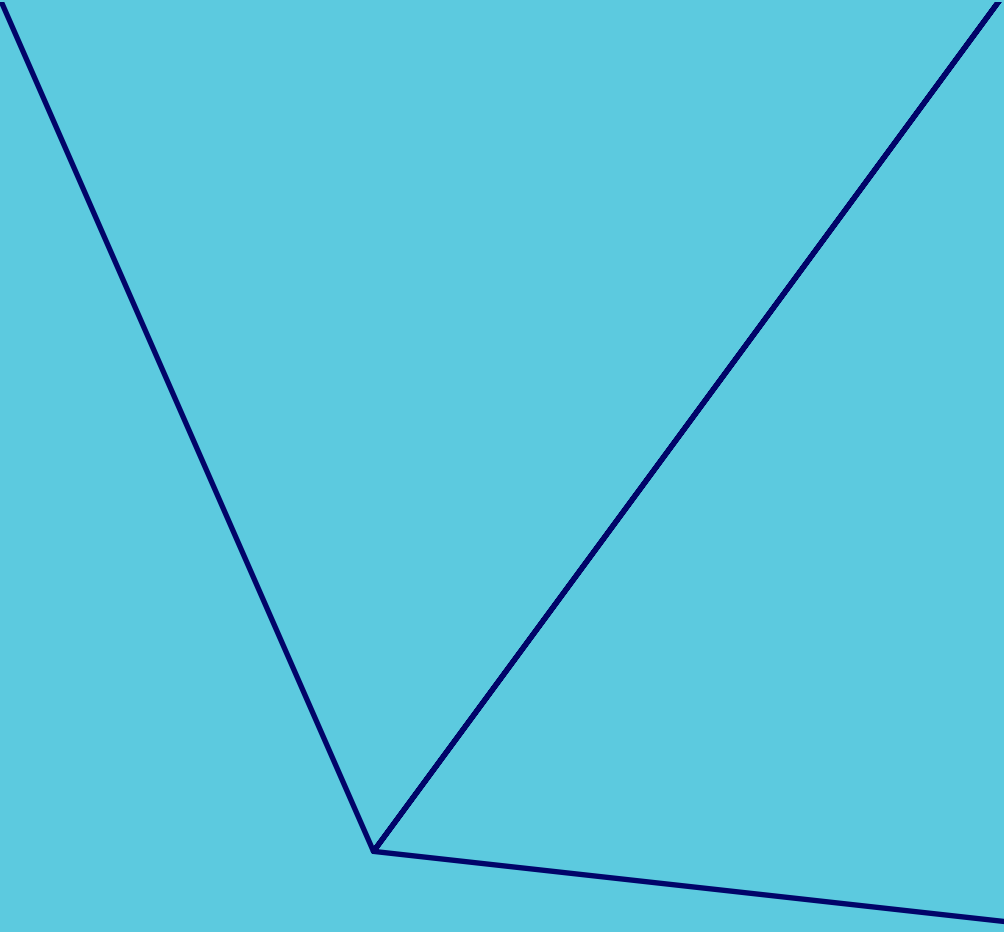
[Find out more about the standardised approach](#)

## Internal models approach

Banks choosing to implement the internal models approach must run several tests on their models, including the Risk Factor Eligibility Test.

Requirement	How LSEG supports
<b>Risk Factor Eligibility Test</b> Banks must check that the data they input into their market risk models is liquid and reliable.  To do this, they must collect real price observations (RPOs) from the last 12 months, map these prices to relevant risk factors and check that they meet the thresholds specified by the regulation.	<b>LSEG Trade Discovery</b> supplies RPOs at instrument level for cross-asset-class exchange-traded and OTC derivatives, sourced from multiple venues and market infrastructure providers.  Real price observations delivered include the underlying T&Cs needed for mapping instruments to banks' risk factors.

[Find out more about the internal models approach](#)



6

**High-Quality  
Liquid Assets**

# High-Quality Liquid Assets

## Who does the regulation apply to?

Mainly sell-side banks

## Regulatory authorities

The Basel Committee on Banking Supervision

## Essential facts

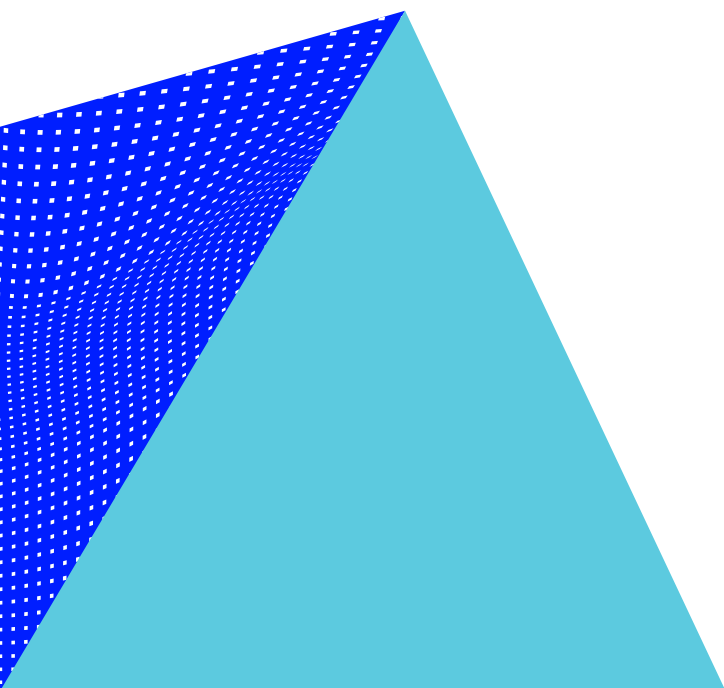
The high-quality liquid assets (HQLA) rules are part of the liquidity coverage ratio regulatory framework introduced under Basel II.

Banks must hold an adequate level of high-quality liquid assets that can be quickly converted to cash to meet their short-term obligations during a period of financial stress.

## Banks must:

- Maintain more capital of higher quality to cover unexpected losses (the minimum Tier 1 capital ratio is 6%, of which at least three quarters must be of the highest quality, namely common shares and retained earnings)
- Meet enhanced capital requirements for market risk, with credit valuation adjustment risk now included in the framework
- Comply with leverage ratios designed to constrain the build-up of debt to fund bank investments and other activities
- Hold sufficient liquid assets to sustain them for 30 days during times of stress (the net stable funding ratio encourages banks to better match the duration of their assets and liabilities)
- Retain earnings to build up capital buffers during periods of high economic growth in order to draw on them during periods of economic stress

[Read more about HQLA](#)





## How can LSEG help?

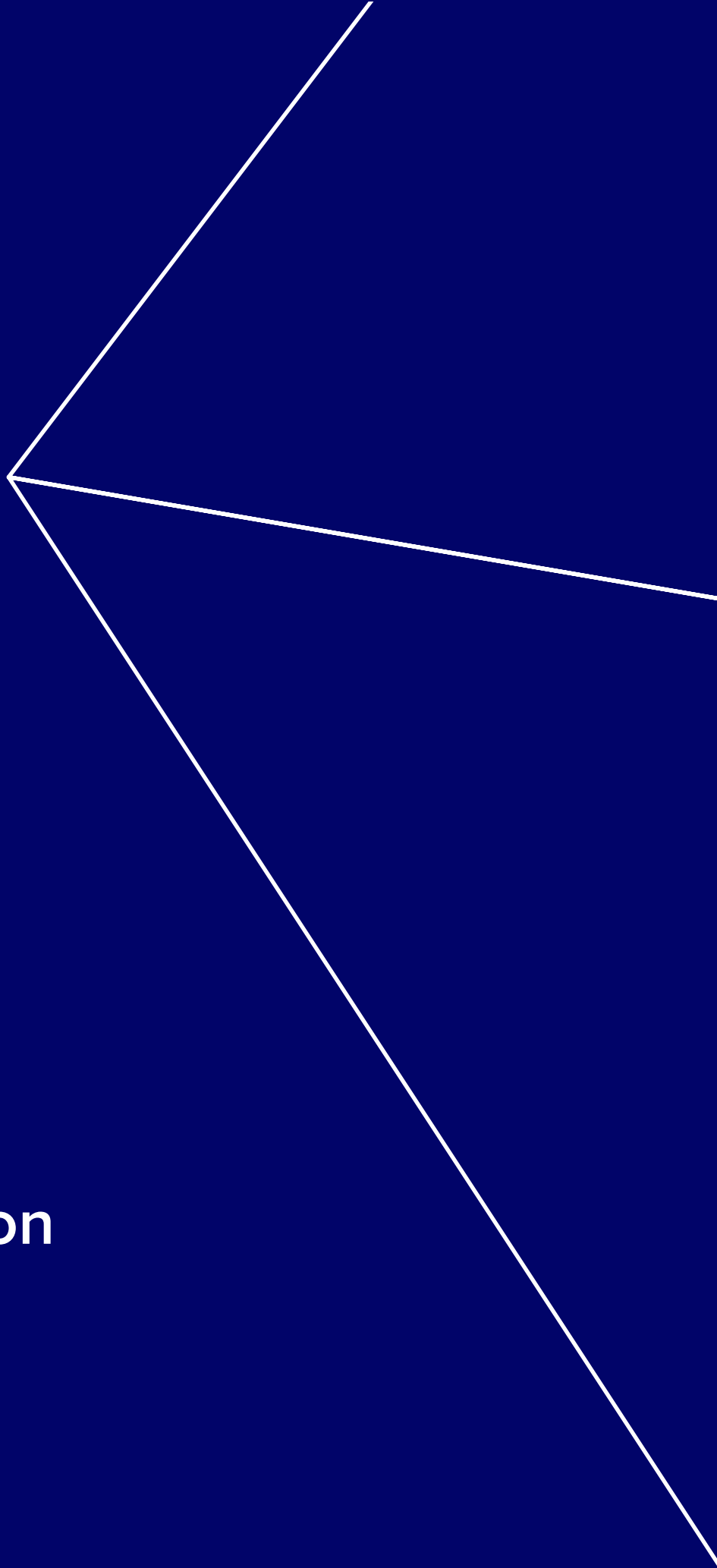
Requirement	How LSEG supports
<p>HQLAs fall into different quality grades: Level 1, Level 1B, Level 2A, Level 2B and Not Eligible.</p> <p>To comply, banks <b>need to calculate the quality grades of asset classes in scope</b> and have all the relevant data fields for doing so.</p>	<p>The LSEG DataScope platform provides the <b>most relevant data fields at instrument level</b>, including:</p> <ul style="list-style-type: none"> <li>– HQLA grades</li> <li>– Mandatory data attributes such as risk weight, credit quality step and liquidity coverage ratio haircut</li> <li>– Bond reference data, such as security type, security status, notional value, currency for the securities</li> <li>– Additional data such as legal entity identifier, country of domicile, type, issuer, immediate parent, ultimate parent or guarantor</li> <li>– OECD data, UCITS and CRD flags</li> <li>– Cover bond and cover pool terms</li> <li>– Regularly updated over collateralisation data</li> </ul> <p>Our <b>Professional Services Team</b> can perform specific analysis on client portfolios of shares, in order to determine whether they fulfil the specific requirements for being classified as Level 2B Assets.</p>
<p>Provide <b>transparency</b> on the methodologies used to calculate HQLAs.</p>	<p>Additional transparency attributes such as full covered bond pool information, central bank eligibility, units and Capital Requirements Regulation compliance.</p>

[Read more about LSEG's regulatory services](#)



7

**LIBOR transition**



# LIBOR transition

## Who does the regulation apply to?

Both buy-side and sell-side firms; front, middle and back office

## Regulatory authority

The Financial Conduct Authority has announced that banks do not have to submit data used to calculate the London Interbank Offered Rate (LIBOR).

Global regulators and central banks have announced that risk-free rates, based on actual overnight money market transactions, will replace LIBOR and similar benchmarks around the world.

## Essential facts

LIBOR, the interest rate benchmark used to underpin financial contracts, ceased to be used at the end of 2021 when submitting banks were no longer obliged to use it.

Regulators and central banks have since released a series of overnight transaction-based risk-free rates, including the Sterling Overnight Index Average (SONIA) in the UK, the Secured Overnight Financing Rate (SOFR) in the US, and the euro short-term rate in the euro area.

There remains a demand for term-structure reference rates to replace the LIBOR tenor equivalents. An ever-increasing amount of derivative market data based on risk-free rates is also being released.

## Financial must:

Identify and transition to new alternative benchmark rates, including new term-structure reference rates to replace the tenor-based LIBOR rates that overnight risk-free rates do not do.

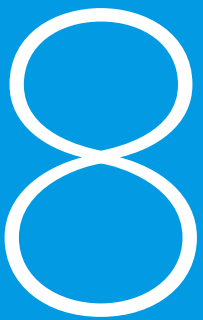
[Read more about LSEG's regulatory services](#)



## How can LSEG help?

Requirement	How LSEG supports
<p>Identify and transition to new alternative benchmark rates.</p>	<p>Access to <b>ISDA Fallback Rates</b> for IBOR via Workspace. Incorporating fallback language to bonds and derivatives.</p> <p>Find <b>alternative LIBOR overnight and daily compounded rates</b> through LSEG platforms.</p> <p>Value assets based on new risk-free rates such as floating rate notes or overnight index swaps, with LSEG's <b>Derived Analytics</b>, providing accurate zero curves.</p> <p>Create and onboard <b>new compound indices</b> from the risk-free rates and fallback rates.</p> <p>Onboard <b>third-party derivative</b> content: interest rate swaps, floating rate notes, overnight index swaps and forward rate agreements.</p> <p>New apps and search capabilities to better enable price discovery, display and analysis of all LIBOR transition data.</p> <p>Access new risk-free rate <b>Interdealer Broker Data</b> with data feeds and LSEG Workspace.</p> <p><b>Forward-looking term rate solutions</b> as an alternative to LIBOR benchmarks, including a Term SONIA Reference Rate.</p> <p>Proper representation and modelling of the details relating to <b>interest payments and fallback provisions of debt securities</b> (bonds, bank loans, securitisations and mortgages) referencing legacy IBORs and new risk-free rates.</p>
<p>Adopt new <b>term-structure reference rates</b> to replace tenor-based LIBOR rates.</p>	<p>Creating new term-structure reference rate <b>benchmarks and compound indices</b> based on the risk-free rates.</p>

[Read more about LSEG's regulatory services](#)



# Markets in Financial Instruments Directive II

# Markets in Financial Instruments Directive II

## Who does the regulation apply to?

The following institutions trading or impacted by trading in Europe:

- Bankers
- Traders
- Fund managers
- Exchange officials
- Brokers

## Regulatory authorities

- Financial Conduct Authority (FCA) (UK)
- European Securities and Markets Authority (ESMA) (EU)

## Essential facts

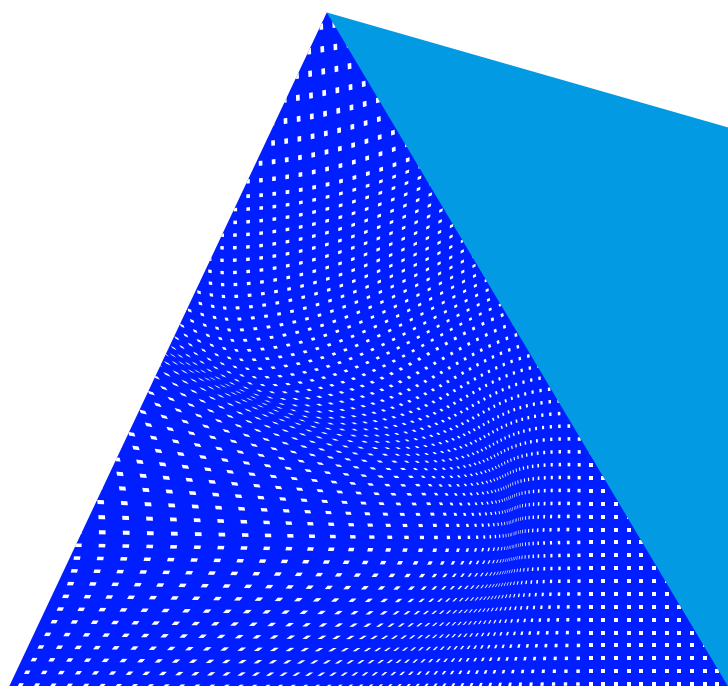
The Markets in Financial Instruments Directive (MiFID) II aims to regulate European financial markets, improve protection for investors and standardise practices across the EU.

It sets reporting requirements and tests to increase transparency and reduce the use of private financial exchanges (dark pools) and over-the-counter trading.

## Financial institutions must:

- Meet **transparency requirements** by disclosing transactions to the public and regulators
- Use **approved trading platforms** to execute over-the-counter derivatives trading
- Produce a **best execution policy** setting out how they will achieve optimum outcomes for clients
- **Report transactions on their venues** to regulators
- Comply with **record-keeping requirements** for a period of at least five years
- Avoid **conflicts of interest** by limiting inducements paid by third parties for access to their customers
- **Separate transaction fees** from research charges.

[Read the full regulation details here](#)

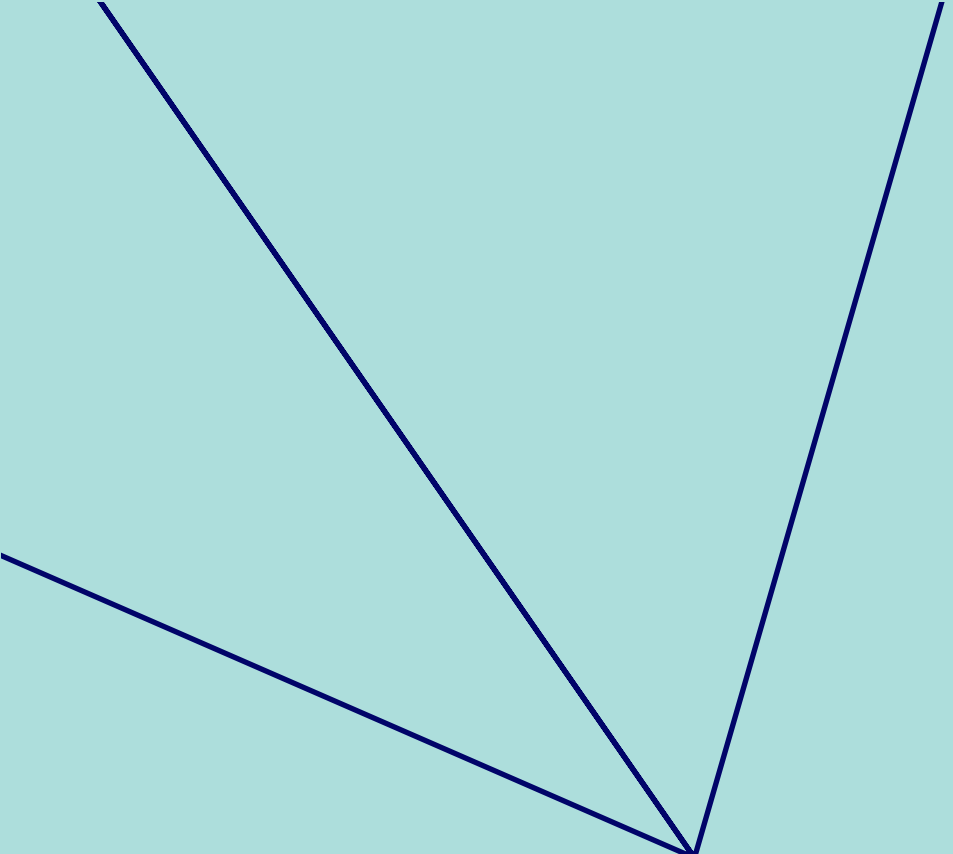




## How can LSEG help?

Requirement	How LSEG supports
<p><b>Pre- and post-trade transparency</b> Firms must report the details of trades to an Approved Publication Arrangement (APA), both before and after the trade is made, for transparency.</p>	<p>Our real-time network supports numerous trade reporting APAs introduced in Europe as a result of MiFID II, including APAs focused on non-equity and exchange-based APAs. This includes both the post-trade and pre-trade systematic internaliser (SI) quotes.</p> <p>For ESMA, Designated Reporting Entities (DPE) have replaced the SI classification. We denote DPE data in our venue file.</p> <p>Tradeweb APA allows all asset classes to be published to <b>support trade transparency rules</b>, including pre- and post-trade reporting requirements.</p>
<p><b>Derivative sub-classes</b> Firms must classify derivatives into sub-classes according to ESMA guidelines (post-Brexit the FCA has continued to follow ESMA's guidelines).</p>	<p>Providing a data file to help firms <b>classify derivatives</b>.</p>
<p><b>Trading venues</b> Firms must use approved trading platforms to execute trades.</p>	<p>Our <b>real-time network</b> supports venues like Tradeweb, Bloomberg, TP ICAP, and BGC Partners.</p>
<p><b>Best execution</b> Firms must report on how they execute trades to make sure they're getting the best possible results for their client.</p>	<p>We use market data and client data to help firms <b>monitor and report</b> on how well they're executing trades.</p>
<p><b>Research, permissioning and unbundling</b> Firms must separate transaction fees from research charges.</p>	<p>StarMine allows firms to <b>peer-rank research</b> from different providers, demonstrating that they are paying fairly for research.</p>
<p><b>Transaction reporting and record keeping</b> Firms must report transactions in MiFID II instruments to regulators or an approved reporting mechanism by the next working day.</p>	<p>Providing access to <b>financial reference data and indicators</b> to identify which instruments require MiFID II transaction reporting.</p>

[Find out more about LSEG's MiFID solution](#)



# 9

## **Securities Financing Transactions Regulation**

# Securities Financing Transactions Regulation

## Who does the regulation apply to?

Banks and investment firms, specifically:

- Counterparties to securities financing transactions established, or with branches in the EU
- Undertakings for collective investment in transferable securities
- Alternative investment fund managers
- Counterparties engaging in reuse, if they are established in the EU or the reuse concerns instruments provided under a collateral arrangement with a counterparty in the EU

## Regulatory authorities

European Securities and Markets Authority (ESMA)

## Essential facts

The Securities Financing Transactions Regulation (SFTR) aims to increase transparency and address shadow banking risks in securities lending and repurchase agreements.

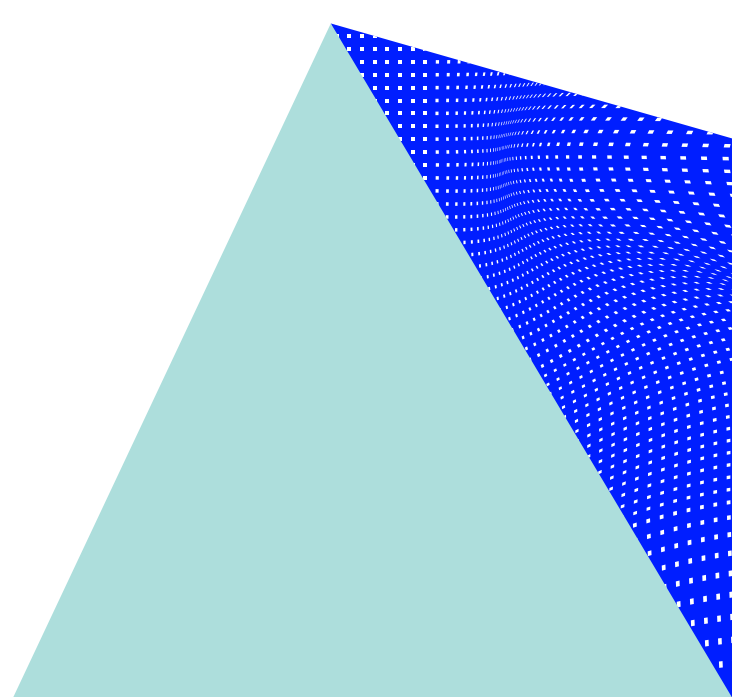
Securities financing transactions comprise any transactions where securities are used to borrow cash, or vice versa, such as:

- A repurchase transaction
- Lending a security for a fee in return for a guarantee
- A buy-sell back transaction or sell-buy back transaction
- A margin-lending transaction

## Banks and investment firms must:

- Report all securities financial transactions to central databases called trade repositories using specified fields
- Comply with specific rules for the reuse of securities posted as collateral for these transactions
- Disclose the use of securities financing transactions and total return swaps by undertakings for collective investments (UCITS) to investors

[Read more about LSEG's regulatory services](#)

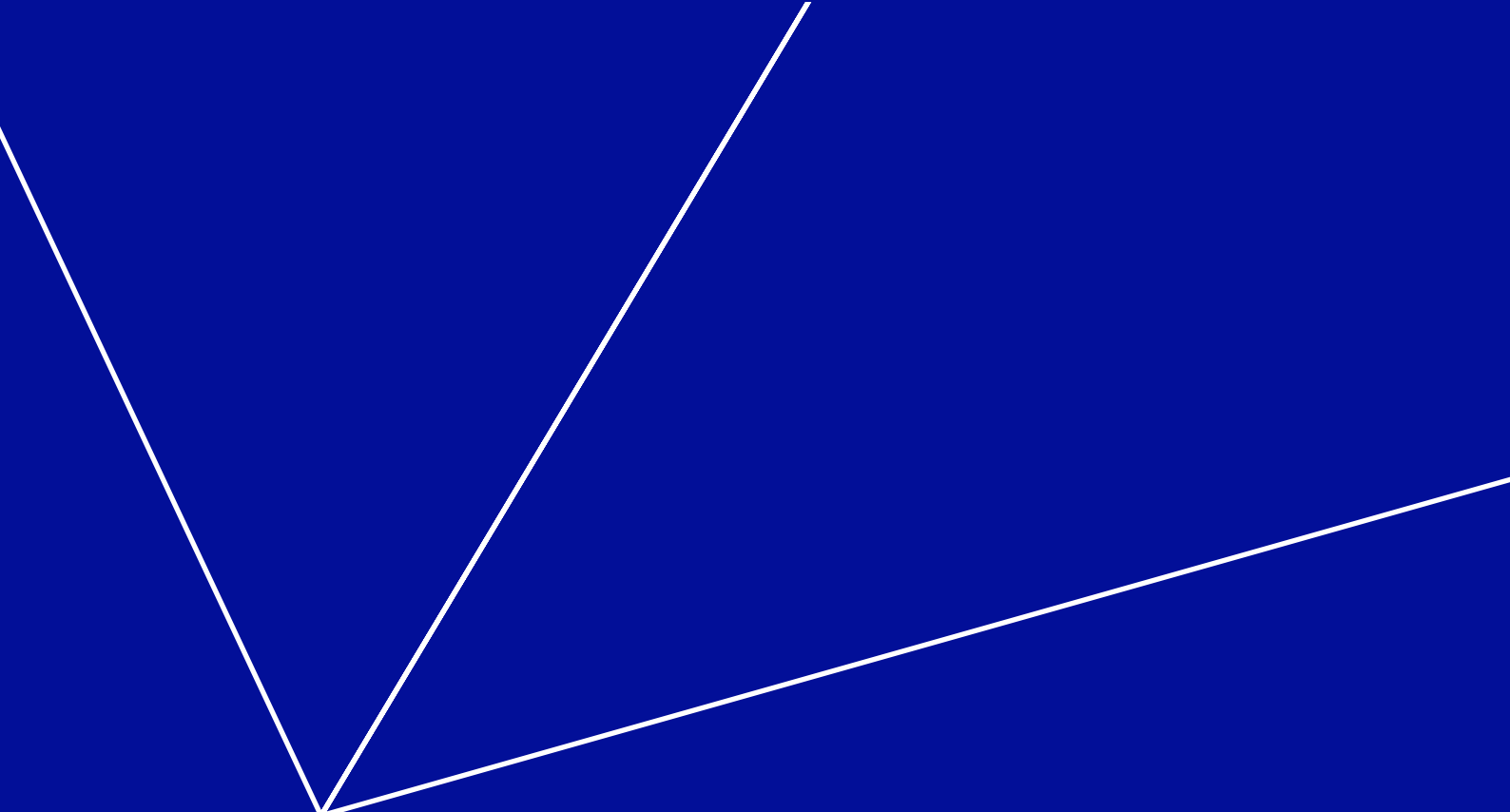




## How can LSEG help?

Requirement	How LSEG supports
<p>All in-scope transactions must be reported to <b>trade repositories</b> using data fields specified by ESMA.</p> <p>Compliance with specific rules for the <b>reuse of securities</b> posted as collateral for these transactions.</p>	<p><b>DataScope</b> cross-asset reference data capability can meet a significant proportion of <b>firm reporting requirements</b>.</p> <p>New data fields created:</p> <ul style="list-style-type: none"> <li>– <b>Bond grade:</b> indicates if the bond falls under investment grade or high-yield category</li> <li>– <b>SFTR Security Type:</b> classifies the type of security or collateral according to SFTR</li> </ul>

[Read more about LSEG's regulatory services](#)



10

**Shareholding  
Disclosure**

# Shareholding Disclosure

## Who does the regulation apply to?

The regulation applies to the buy side of financial institutions, which would include the following entities:

- Asset managers
- Banks
- Investment firms
- Hedge funds
- Pension funds

## Regulatory authority

Shareholding disclosure regulations are present in many jurisdictions around the world, including:

- European Securities and Markets Authority (EU)
- Financial Conduct Authority (UK)
- Securities and Exchange Commission (United States)
- Other local regulators

## Essential facts

Shareholding disclosure regulations have been designed to protect all shareholders by requiring investors and asset owners to disclose to regulators when their holdings relating to a given issuer breach certain predefined thresholds. In this way, regulators and the industry can be made aware of instances where investors obtain a controlling interest in a company.

While these regulations undoubtedly boost market transparency, protect minority shareholders and help to prevent hostile takeovers, they also involve constant monitoring and ongoing reporting – with time and cost implications for asset managers and institutional investors alike.

## The shareholding disclosure rules

- Set requirements around the information that must be disclosed by issuers whose shares are traded on regulated markets
- Seeks to increase transparency in capital markets to support investor protection
- Requires investors and asset owners to disclose to regulators when they breach ownership thresholds for specific issuers

## Financial institutions must:

Monitor and report on relevant shareholdings, including those relating to:

- Substantial shareholdings
- Short positions
- Takeovers
- Sensitive industries
- Articles of association

As of January 2, 2025, the U.S. Securities and Exchange Commission (SEC) introduced **Rule 13f-2**, aimed at enhancing transparency around short sale activities. The SEC also seeks to improve market surveillance to detect and respond to manipulative or abusive short-selling practices.

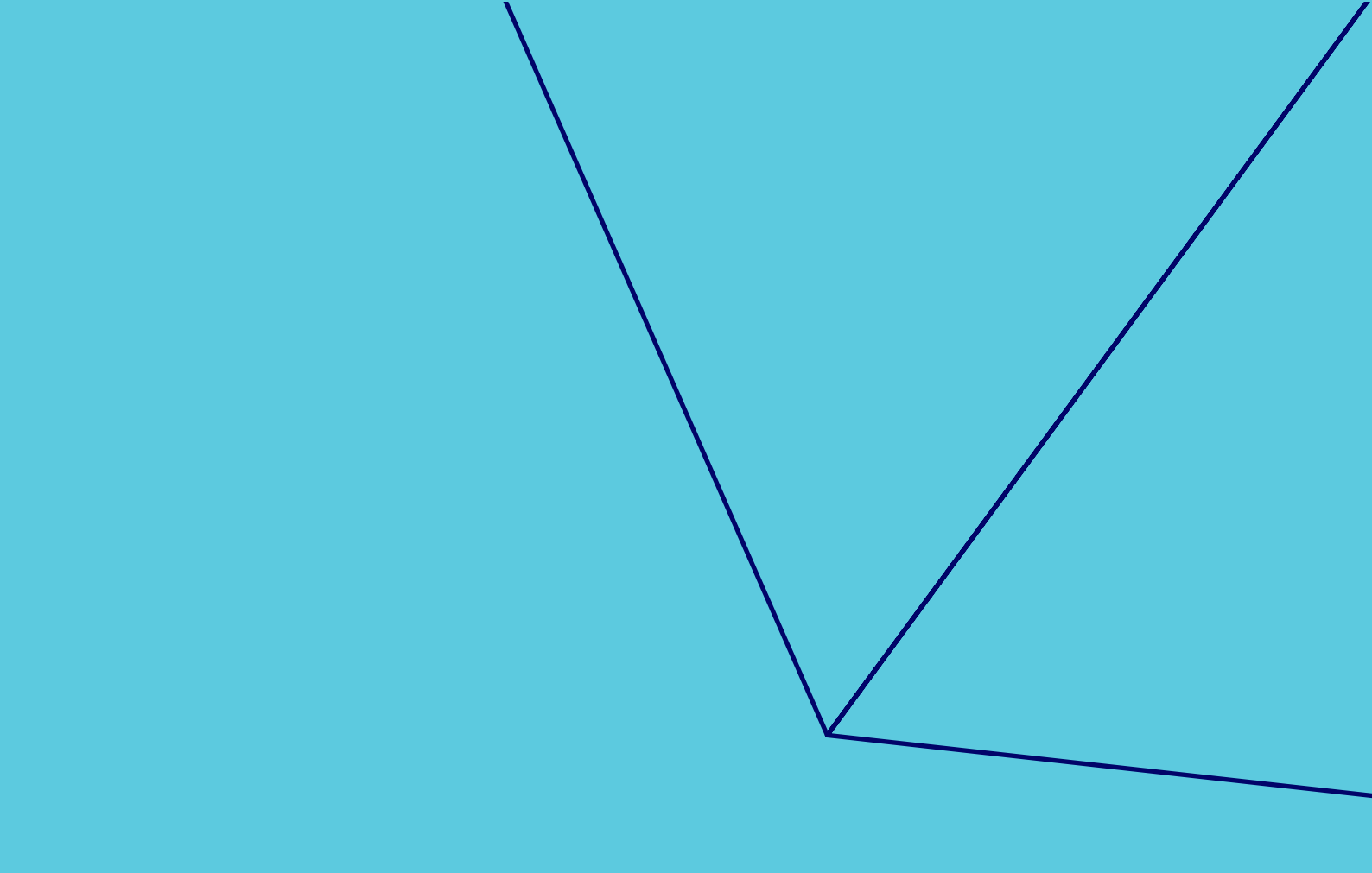
Under the rule, institutional investment managers with short sale positions in certain U.S.-traded equity securities will be required to monitor and report their holdings to the SEC on a monthly basis, if their holdings meet or exceed specific thresholds.

[Find out more about the SEC Rule 13f-2](#)



## How can LSEG help?

Requirement	How LSEG supports
<p><b>Monitor any changes</b> in holdings (equity, sovereign debt and related derivative positions) for each issuer and disclose when applicable thresholds and rules are breached.</p>	<p>LSEG data includes <b>over 240 data points</b> with more than 60 different types of total shares and total voting rights, allowing asset managers to monitor their positions by providing an <b>accurate denominator</b>:</p> <ul style="list-style-type: none"> <li>– Total shares and voting rights are collected from over 150 reliable and timely sources, as well as regular filings from over 70,000 listed companies, providing coverage for 100 countries.</li> <li>– Total shares, voting rights and voting shares data are available at instrument and issuer level, for all classes of shares relevant to deriving an accurate denominator (including unlisted share classes).</li> <li>– Total voting rights where certain jurisdictions allow variable voting rights per share dependent on holder circumstances (e.g. The Florange Act).</li> <li>– Issuer thresholds for Belgium and France, where companies have their own threshold requirements stipulated in their articles of association.</li> </ul>
<p>Report to the relevant regulator whenever certain thresholds are met or exceeded.</p>	<p>A comprehensive set of reference data required for reporting, which would include:</p> <ul style="list-style-type: none"> <li>– Instrument identifiers</li> <li>– Industry classifications</li> <li>– Market segment identifiers</li> <li>– Underlying asset details and ratios for derivatives and depository receipts</li> <li>– Underlying instrument/issuer hierarchies</li> </ul>
<p>Some jurisdictions have rules for enhanced shareholding disclosures referencing issuers under a <b>takeover situation</b>.</p>	<p><b>Takeover panel data</b> comprises details of target companies and acquirers currently in an offer period. A <b>daily update of issuers involved in a takeover situation</b> is offered for many countries.</p>
<p>Under the <b>new SEC Rule 13f-2</b>, investment managers must report on short sale activities on certain equity securities whenever predefined thresholds are met or exceeded.</p>	<p><b>Rule 13f-2 specific data points</b> at the security level, indicating whether the relevant equity security is in scope and providing details about their SEC registration status (section 12b, sections 12g or section 15d).</p> <p><b>Market-level data</b> such as total shares, total voting rights and share prices, to facilitate tracking of positions against SEC thresholds in real time.</p> <p><b>Comprehensive reference data</b> including securities identifiers, asset classification, place of listing and more for reporting.</p>



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**Solvency II**

# Solvency II

## Who does the regulation apply to?

Insurers

## Regulatory authority

European Insurance and Occupational Pensions Authority (EIOPA)

## Essential facts

Solvency II laid out a fresh set of regulatory requirements for European insurers, to harmonise capital requirements and risk management standards across the industry.

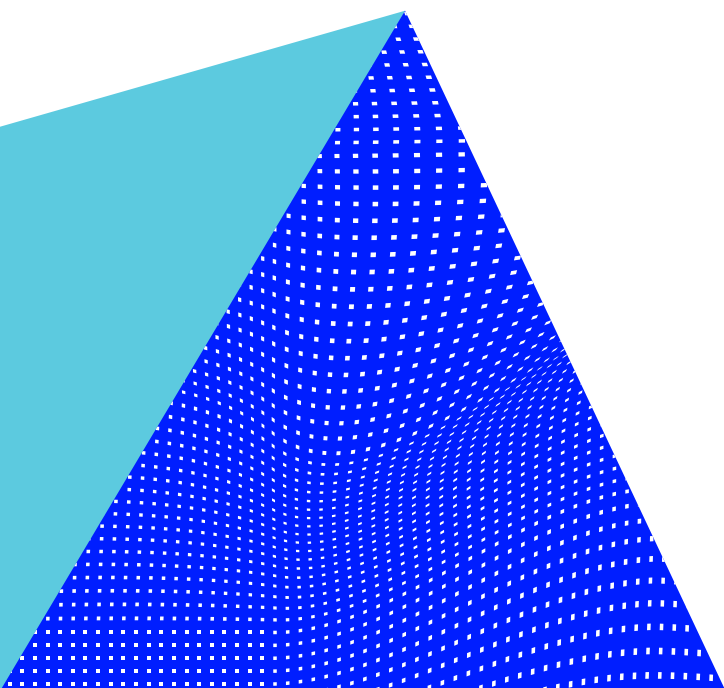
The regulation covers financial resources, governance and accountability, risk assessment and management, supervision, reporting and public disclosure.

## Insurers must:

Meet regulatory requirements under three pillars:

- **Pillar 1:** Sets out quantitative requirements, including the rules to value assets and liabilities (firms must calculate their capital adequacy requirements and identify eligible funds to meet those requirements)
- **Pillar 2:** Sets out risk management and internal governance requirements
- **Pillar 3:** Addresses transparency, reporting and disclosure requirements

[Read more about LSEG's regulatory services](#)





## How can LSEG help?

Requirement	How LSEG supports
<p><b>Value assets and liabilities</b> in order to calculate capital requirements and identify eligible funds to meet them, under Pillar 1 of the rules.</p>	<p>Non-embargoed fund holdings, also known as <b>fund look-through data</b>, provided in a consolidated feed to ensure fund constituents are accurately sourced and aggregated.</p> <p>An extensive <b>library of pricing and reference data</b>, including a wide set of attributes needed for tri-partite template (TPT) and other quantitative reporting templates (QRT) submissions.</p> <p><b>Evaluated pricing team</b> covers hard-to-value assets, meaning the additional capital requirements usually needed when asset valuations are not available can be mitigated.</p>
<p>Meet <b>transparency, disclosure and reporting</b> requirements under Pillar 3 of the regulation.</p>	<p><b>Customer Consulting</b> offers services that can combine full holdings data with pricing, reference and proprietary client data to populate TPT and generate QRT to meet reporting obligations.</p> <p>EIOPA uses LSEG Data &amp; Analytics as its source for <b>risk-free rate term structures</b>. Insurers can gain a four-day timeline advantage by taking underlying data direct from LSEG, rather than waiting for official publication by the regulator.</p>

[Find out more about LSEG's solvency II solution](#)

## About LSEG

LSEG (London Stock Exchange Group) is more than a diversified global financial markets infrastructure and data business. We are dedicated, open-access partners with a commitment to excellence in delivering the services our customers expect from us. With extensive experience, deep knowledge and worldwide presence across financial markets, we enable businesses and economies around the world to fund innovation, manage risk and create jobs. It's how we've contributed to supporting the financial stability and growth of communities and economies globally for more than 300 years.

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