

# Annual Report

# 2024



**BF BETTER FINANCE**

The European Federation of Investors and Financial Services Users  
Fédération Européenne des Épargnants et Usagers des Services Financiers



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## A Turning Point for EU Retail Investors: Reclaiming Their Central Role in Capital Markets

As I reflect on the year 2024, it is clear that we stand at a crucial crossroads in shaping the future of European individual savers and investors. For far too long, EU citizens have been sidelined in the very capital markets that their savings and investments fund. Yet, in 2024, we witnessed a growing recognition of the need to address this imbalance, an acknowledgment that presents a unique opportunity for change.

The looming pensions crisis continues to cast a shadow over the future of millions of EU citizens, placing enormous pressure on our financial systems. The European Commission's proposed Savings and Investment Union (SIU) represents a significant step towards addressing these challenges, yet it is still too often the case that the voices and needs of individual savers remain unheard in broader policy discussions. It is my firm belief that 2024 marked the beginning of a renewed effort to put these individuals at the heart of our financial policies.

In the past year, reports from former Prime Ministers Enrico Letta and Mario Draghi have reinforced a vital point: EU citizens hold the potential to mobilise an astonishing €33.5 trillion in household savings. However, without a concerted effort to design inclusive financial frameworks, these vast resources risk remaining untapped. At BETTER FINANCE, we have called for a focus on accessible, independent advice, alongside simple, cost-efficient investment products that put control back in the hands of individuals. These initiatives, if fully realised, could fundamentally transform the financial security of EU citizens and drive much-needed investment into our economy.

Throughout 2024, we have worked tirelessly to champion the cause of retail investors. While progress has been made in raising awareness of the importance of enhancing investor protection and simplifying the investment process, there is still much more to be done.

One key achievement in 2024, carried over into 2025, has been the growing recognition of the need to make capital markets work for people, not just industry. The SIU, if properly implemented, can be a game-changer, empowering citizens to take control of their financial futures through better access to transparent, low-cost, and high-quality investment opportunities.

In 2024, we also saw a growing push for reforms that address the pensions crisis and improve outcomes for retail investors. Both Letta and Draghi have pointed to the urgency of channelling household savings into productive investments. At BETTER FINANCE, we have echoed these calls, advocating for a system where citizens can directly invest in equities and bonds, rather than being pushed into complex packaged products that offer little long-term value. We are pleased to see that these messages are beginning to resonate at the EU level, with discussions now centred on improving the long-term financial health of European citizens.

But we must not forget the digital transformation unfolding within the financial services sector. As financial services move further online, the opportunities for inclusivity are enormous. Yet, they come with the need for strong consumer protections, particularly for individual investors. 2024 has been a pivotal year in advocating for user-friendly digital platforms that not only enhance access but also safeguard individual rights. We have worked to ensure that the digital shift does not leave behind those who are less financially literate or vulnerable to poor advice and malpractice.

Looking ahead, we are on the cusp of a critical moment. The appointment of the new EU Commissioner for Financial Services and the voiced political will to push for SIU at the Member States level offer a significant opportunity to align the financial policies of the EU with the real needs of citizens as savers and investors. This is a chance to refocus the narrative, ensuring that policies, such as the Savings and Investment Union, are designed with the interests of individual investors front and centre. Only by doing so can we realise the full potential of EU household savings and restore trust in the financial system.

As we move forward from 2024, I am more optimistic than ever about the future of individual investors in the EU. The road ahead may be challenging, but the work we've undertaken this year is laying the groundwork for a more inclusive, transparent, and empowering financial landscape. It is time to reclaim the central role of EU citizens in our capital markets, not just as passive savers, but as active participants in the economic growth that will shape the future of Europe.



Thank you for your continued support and engagement as we work towards this vital mission.

Warm regards,

**Aleksandra Mączyńska**

Managing Director, BETTER FINANCE



# BETTER FINANCE in a nutshell

BETTER FINANCE, established in 2009 in response to the 2008 financial crisis, empowers European financial service users. We represent a diverse range of individuals, including small shareholders, investors, and borrowers.

Our mission is to restore trust in capital markets and to advocate for effective, no-nonsense sustainable investing, while expecting value for money and reasonable returns. We participate in EU advisory groups, provide information and protection to end-users, promote market integrity, and call for strengthened financial supervision.

BETTER FINANCE is a European Federation consisting of 37 member organisations across 25 countries. It directly represents approximately 4 million financial users and has operated with EU support since 2012.

We unite financial service users to advance their interests. Our constituency includes individual and small shareholders, fund and retail investors, savers, pension fund participants, life insurance policyholders, borrowers, and other financial services users, all of whom we prioritise in our work.

At BETTER FINANCE, we believe the financial system should serve the real economy. Our mission is focused on restoring confidence in capital markets and financial intermediaries while promoting sustainable finance for the benefit of all users.

To address the disproportionate influence of financial institutions in the EU financial policy-making process, BETTER FINANCE undertakes the following actions:

- ✓ **Actively participates in EU financial policy advisory groups and processes.**
- ✓ **Engages in campaigns that provide relevant information and enhance protection for end-users.**
- ✓ **Promotes market integrity and transparency for individual investors and non-industry stakeholders.**
- ✓ **Advocates for improved governance of financial supervision to benefit all European citizens.**



# Empowering European Financial Services Users for Fairer and More Transparent Markets



BETTER FINANCE is the leading European Federation dedicated to advocating for the rights and interests of individual investors and financial services users.

Established in 2009 in response to the financial crisis, we unite independent non-profit organisations across Europe to ensure that financial markets operate with integrity, transparency, and accountability, always prioritising the best interests of European citizens over industry stakeholders.

## What We Stand For

### Finance That Serves People and the Real Economy

We envision a transparent, inclusive, and truly sustainable European financial system—one where EU citizens as individual investors and savers are protected, well-informed, and empowered to make responsible financial choices. A system with accessible capital markets, where EU citizens benefit from fair treatment, trusted advice, and effective safeguards, all in support of both their financial well-being and the real economy.



## What We Do

### Empowering Citizens for Fair, Transparent, and Sustainable Finance

BETTER FINANCE defends the rights of individual investors and financial services users across Europe by promoting transparency, accountability, and strong consumer protection. We empower citizens with independent information, advocate for fair access to financial markets, and push for policies that put people before profit.



# Our Key Areas of Focus Include:



## Representation & Advocacy

Actively participating in EU financial policy advisory groups to ensure that financial services users are heard in decision-making processes.



## Information & Protection

Providing independent and reliable financial information to empower European citizens to make informed financial decisions.



## Market Integrity & Transparency

Championing fair, transparent financial markets that foster sustainable investing and prevent conflicts of interest.



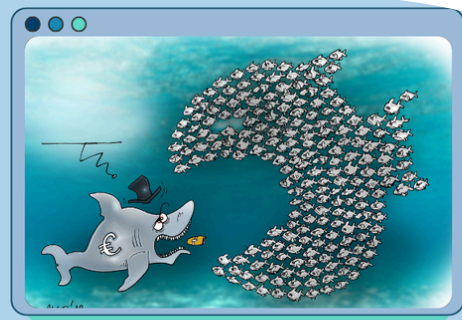
## Improved Financial Supervision

Pushing for stronger governance of financial oversight to safeguard the rights of individual investors and end-users.

## The voice of European Savers and Investors



 [www.betterfinance.eu](http://www.betterfinance.eu)



## Who We Represent

BETTER FINANCE brings together member organisations across Europe and beyond, directly and indirectly representing millions of financial services users, including small shareholders, retail investors, pension savers, borrowers, and other non-industry stakeholders.

As an independent federation supported by the European Union since 2012, BETTER FINANCE stands for a financial system that works for the many, not the few. By advocating for fairer, more sustainable, and more transparent financial markets, we empower European citizens to secure their financial futures and drive positive change.

# Our Policy and Research Priorities

## Pensions & Retirement Savings

Ensuring transparency, cost-effectiveness, and long-term value in pension products. We advocate for fair treatment of pension savers and push for public and private pension systems that deliver adequate and sustainable retirement income.

## Retail Investment and Capital Markets

Promoting fair access to capital markets for individual investors, improving transparency in financial products, and safeguarding against mis-selling. We work to simplify investment choices and reduce barriers to retail participation in equity markets.

## Financial Consumer Rights & Protection

Advocating for effective consumer safeguards across financial services, including banking, insurance, and investment products. We aim to eliminate conflicts of interest, enhance product comparability, and strengthen redress mechanisms for consumers.

## Sustainable Finance and ESG Investing

Defending the rights of citizens to trustworthy and non-misleading information about sustainable investments. We strive to ensure that Environmental, Social, and Governance (ESG) products deliver real impact and are not used for greenwashing.

## Financial Supervision & Regulatory Governance

Monitoring and influencing the effectiveness, independence, and accountability of financial regulators and supervisory bodies at both national and EU levels. We support governance reforms that put users' interests at the heart of regulation.

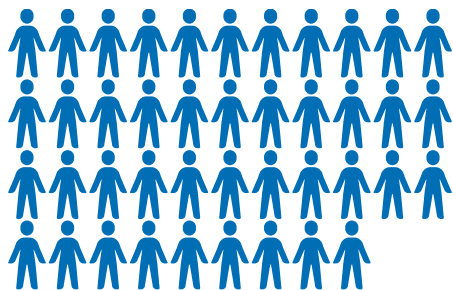
## Digital Finance and Innovation

Engaging with the evolving landscape of fintech, robo-advisory, crypto-assets, and digital platforms. We push for innovation that benefits investors without compromising on transparency, security, or consumer protection.

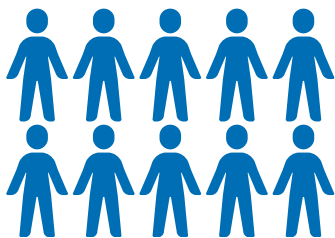


# 2024 | BETTER FINANCE IN NUMBERS

**44 experts in EU  
advisory groups**



**10 staff members  
in Brussels**



**Published 7  
research reports**



**23 press  
releases**



**4 policy position  
papers**



**6 EU Financial Policy  
Insights Newsletters**



**7 events and  
conferences  
across Europe**



**19 responses to  
consultations to  
EU authorities**

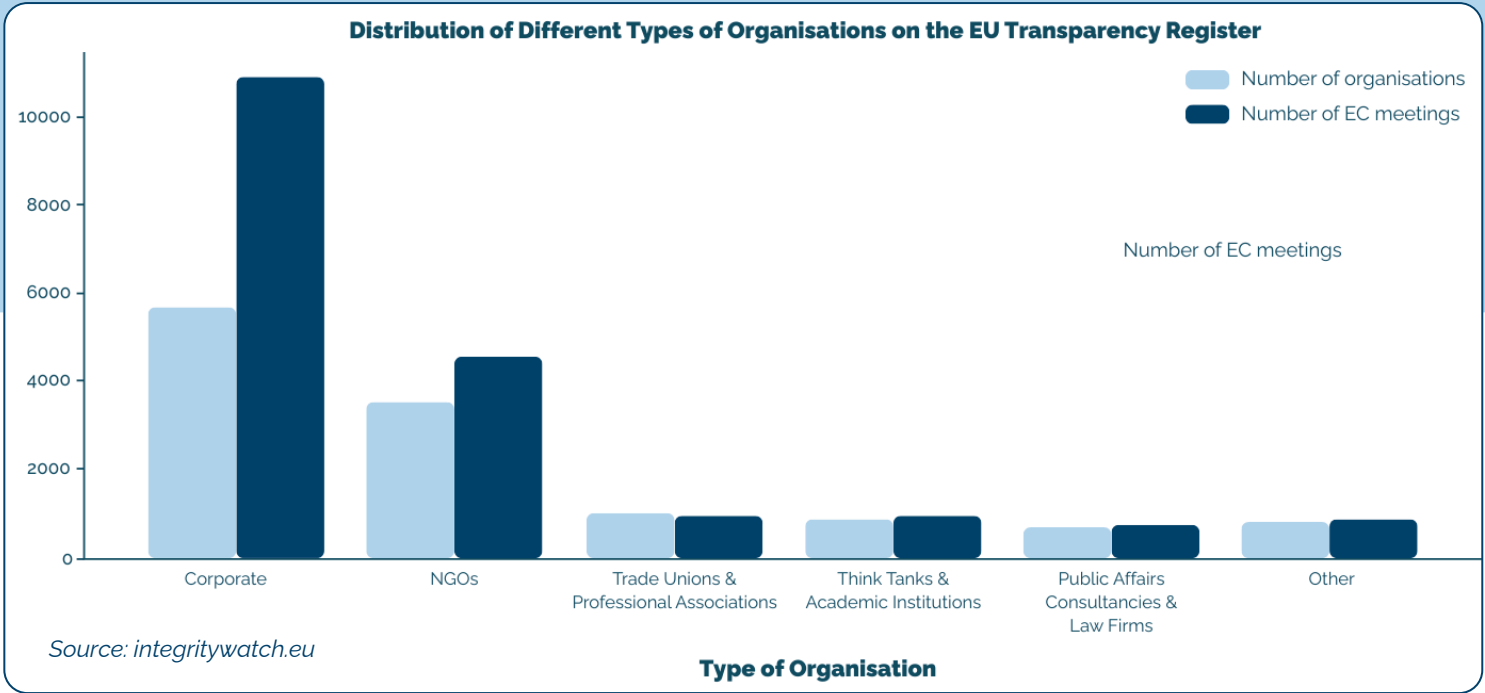


**Defended savers  
and investors  
interests in 16  
public debates**



# 2024 | Who Lobbies EU Policy Makers?

In 2024, the financial industry continued to exert significant influence over European Union (EU) policymaking through extensive lobbying efforts directed at both the European Commission (EC) and the European Parliament (EP). This influence remains markedly disproportionate when compared to the lobbying activities of civil society organisations.



## Lobbying Activities in the European Commission



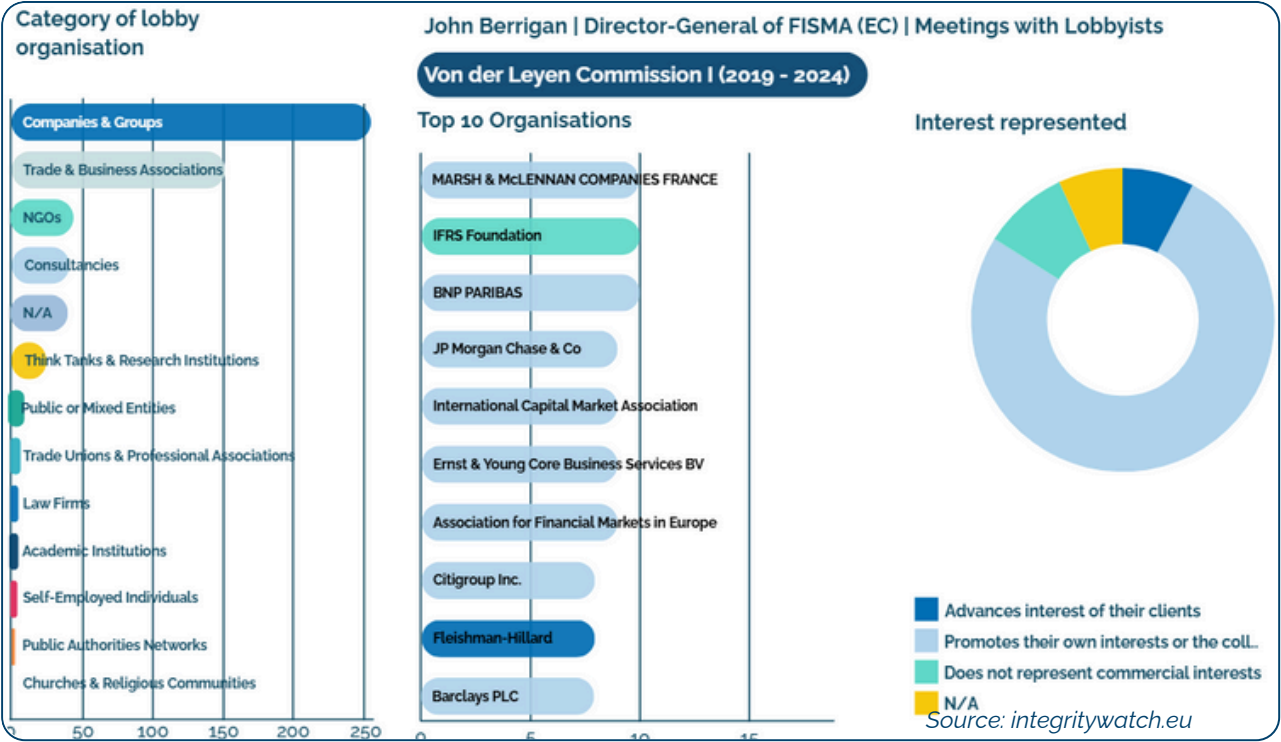
According to data from the EU Transparency Register, as of February 2024, approximately 12,500 entities were listed as active lobbyists within the EU institutions.

Over half of these registrants were in-house lobbyists and trade associations, predominantly representing corporate interests, while over a quarter were non-governmental organisations (NGOs).

This indicates a substantial presence of corporate lobbyists engaging with the EC.



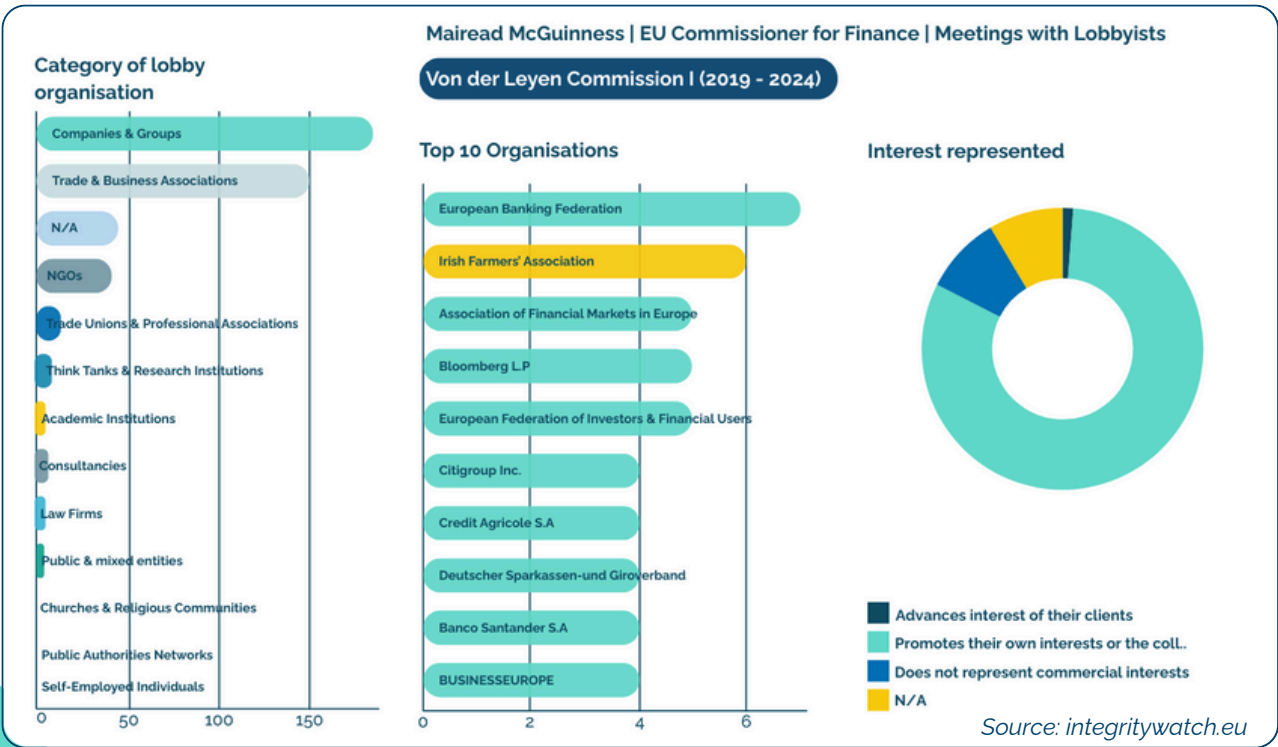
# 2024 | Who Lobbies EU Policy Makers?



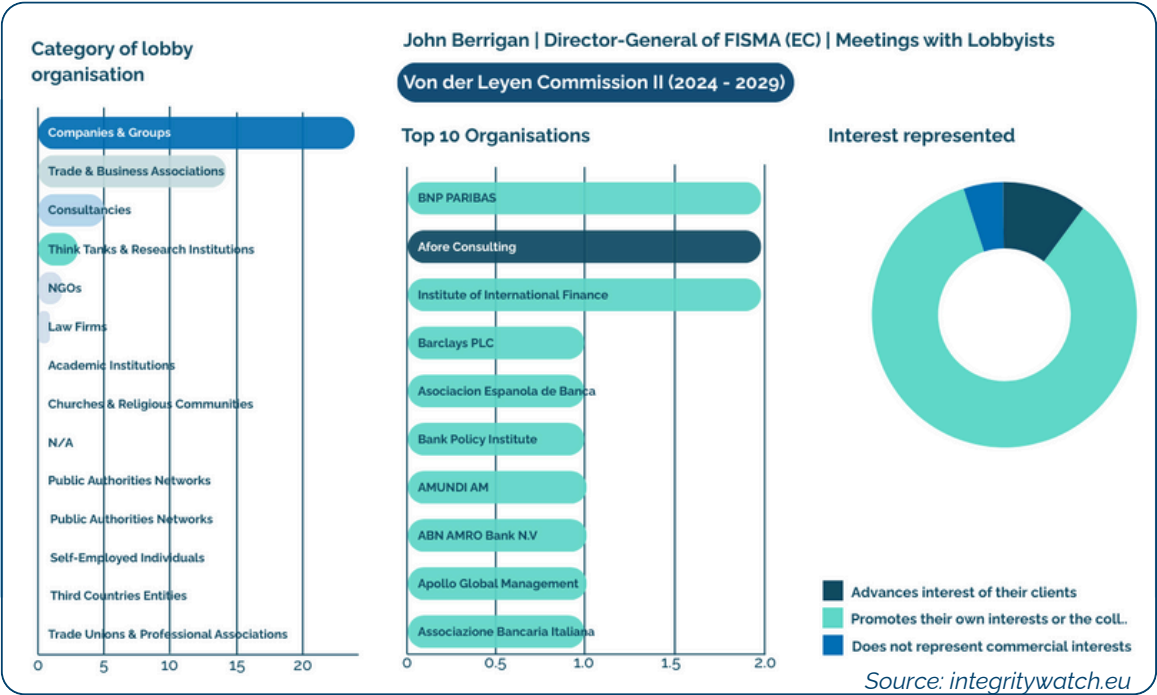
Furthermore, a report by the European Court of Auditors highlighted significant loopholes in the EU's transparency rules, allowing lobbyists to influence policy without sufficient public scrutiny.

The report noted that approximately 29,000 lobbyists are active in Brussels, significantly impacting EU policymaking.

This underscores the substantial lobbying firepower wielded by corporate interests within the EC.



# 2024 | Who Lobbies EU Policy Makers?



## Lobbying Activities in the European Parliament



European Parliament

The European Parliament also experienced a notable imbalance in lobbying activities. An analysis by Transparency International EU revealed that only around 37% of Members of the European Parliament (MEPs) published their lobby meetings online since the start of the current legislature. Of the meetings that were disclosed, a significant portion involved corporate interests.

For instance, BUSINESSEUROPE, a leading corporate lobby group, held 42 high-level meetings. In contrast, prominent NGOs such as Greenpeace European Unit and OXFAM INTERNATIONAL EU ADVOCACY OFFICE held 22 and 20 meetings, respectively, highlighting the disparity in access and influence between corporate entities and civil society organisations.

## Financial Resources and Lobbying Influence

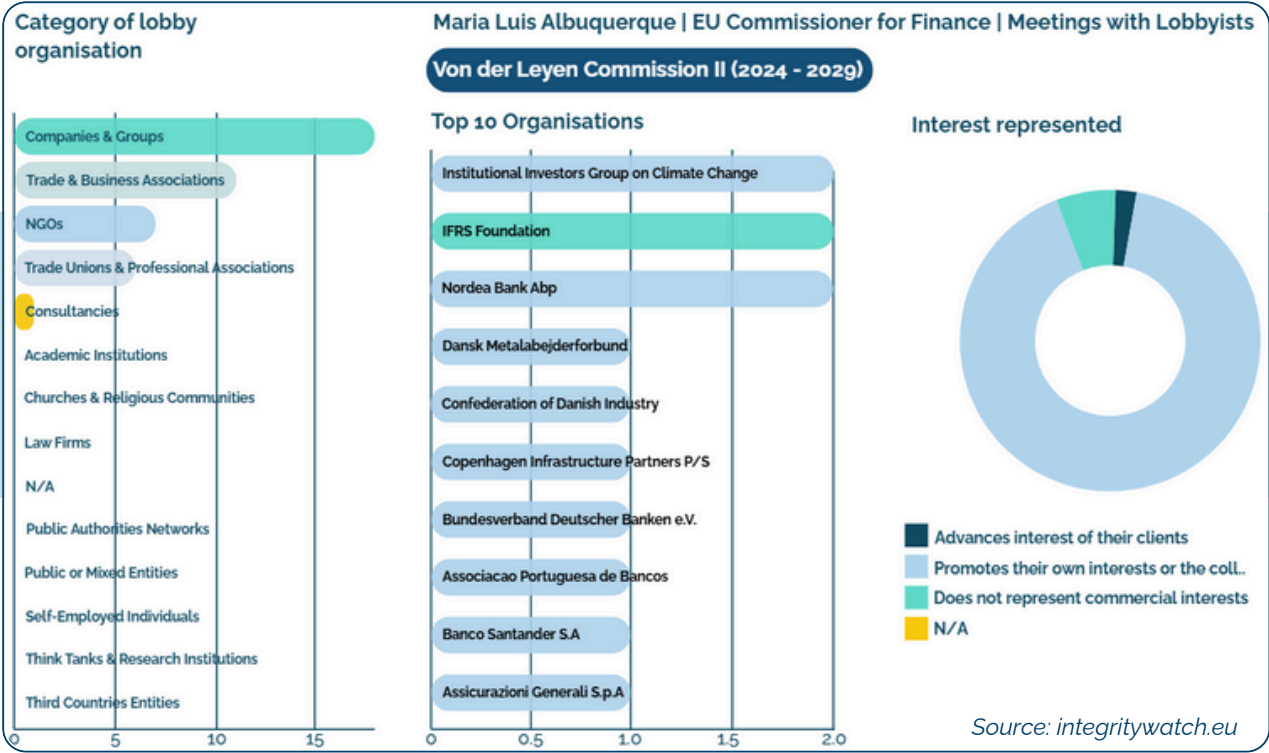
The financial resources allocated to lobbying further illustrate the imbalance. The financial industry spends over €120 million annually on lobbying activities in Brussels, employing over 1,700 lobbyists. This substantial investment enables corporate interests to maintain a pervasive presence in EU policymaking circles.





# 2024 | Who Lobbies EU Policy Makers?

In contrast, civil society organisations often operate with significantly smaller budgets and fewer personnel, limiting their capacity to engage with policymakers to the same extent.



The data from 2024 reaffirms the ongoing dominance of corporate interests, particularly from the financial industry, in lobbying the European Commission and the European Parliament. Despite efforts to enhance transparency and balance in stakeholder engagement, civil society organisations continue to face challenges in achieving comparable access and influence.

Addressing this disparity remains crucial to ensuring that EU policymaking reflects a diverse array of perspectives and serves the broader interests of all stakeholders.

# 2024 | Individual Investors' Key Priorities 2024 - 2029

Sustainable Savings & Investments Union: Reconciling Individuals, Enterprises & Planet



Address the misallocation of EU savings and improve outcomes for consumer



Facilitate access to simple, cost-efficient and pan-European investment products



Effectively address the pensions time bomb



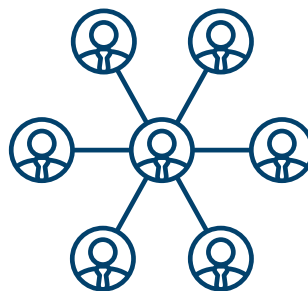
Simplify SMEs' access to capital markets while enabling EU investors' access to private enforcement



Support the ESG transition with investment products that truly aim at having an impact

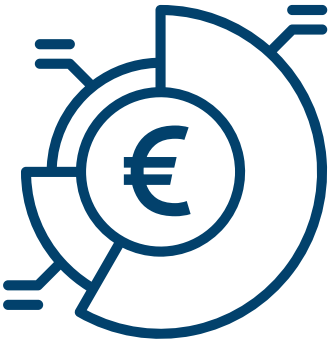


Drive a consumer-centric digital transition



Further involve, consult and empower EU citizens as financial users and investors, and their representative organisations

## Address the misallocation of EU savings and improve outcomes for consumer



The main reason why EU savers invest so little into capital market products such as listed stocks, listed bonds and low-cost listed index funds is that these products are very rarely “advised”, promoted and sold at the retail points of sale. The distribution model mostly favours more complex and much more costly packaged products, with ineffective asset allocation to the EU’s economy funding needs, which also alienates citizens as savers from the investee enterprises.

The most powerful place to provide investment and capital markets education to adults is at the retail point of advice/sales, provided that the advice is independent. EU consumers are poorly served by the current distribution system for retail investment products. Under the dominant “commission-based” distribution system, “advisors” receive remuneration from investment product manufacturers based on the amounts they sell, not for the efforts they put into advising clients. Under this system, clients are led to invest in products that return the most fees for all intermediaries rather than in products that create the most value for the investor and for enterprises.

The result is endemic underperformance of the retail investment products and very little equity funding for the economy. EU citizens rely on these for their long-term and pension savings, chronic underperformance puts them at risk of old-age poverty and fosters consumers’ distrust towards any kind of professional financial and investment advice.

- **Enforce “value for money” requirements and assessments for providers and distributors of packaged products,**
- **Enact a strong ‘best interest of the client’ test, with precise and enforceable requirements, to hold so-called ‘non-independent’ advisors to account,**
- **Make a clear distinction between ‘sales of’ and ‘advice on’ investment products: Reserve the terms ‘advice’ and ‘advisors’ for situations where a professional is remunerated by the client for researching and selecting the most suitable and cost-efficient products,**
- **Move towards an integrated supervision for retail investments to build a true single savings & investments market,**



- Elevate “agency owners” (asset managers of “other people’s money”, pension funds, life insurers, etc.) accountability by implementing a fiduciary duty for exercising all voting rights and for giving a say to the end-investors (misleadingly and paternalistically called “beneficiaries” by the EU) who bear all risks and rewards (after fees and when there are any),
- Encourage effective adult investment education: Promote employee share ownership best practices for investment and capital markets education (learning by doing),
- Require that financial education efforts from the industry be supervised by independent bodies,
- Promote the development of independent, user-friendly digital tools based on independent behavioural studies that would assist consumers in checking and improving their financial health.

**Achieve at last the Single Market for investments (“SIU”) by facilitating access to simple, cost-efficient and Pan-European investment Products.**



EU citizens are encouraged to invest to increase their wealth, to foster economic growth and employment in Europe, and to fund firms' transition to a more sustainable production model. However, there currently exist important discriminations between the various investment channels that EU citizens could use to invest their savings.

In most cases, consumers are led—by tax advantages and financial ‘advice’—towards national-only complex, packaged retail and insurance-based investment products (PRIIPs) that wrap the investment in various fee layers of guarantees. Direct holdings of equity, bonds, listed index funds (“ETFs”) or even fund shares (only 9% of EU households’ financial savings), by contrast, are most often not talked about, “advised” or sold at the retail point of sale, and are often deprived of any of the tax incentives attached to more complex and packaged intermediated products.

Yet, in many cases, simple investment products are fully suitable for retail investors with a long-term investment horizon: their long-term performance tends to be much higher than that of most complex PRIIPs, while their costs are more limited owing to their simplicity and much smaller “inducements”, if any, from providers. It is, therefore, in the interest of EU citizens and the economy to:

- Ensure direct access to simple and cost-efficient investment products (such as listed equities, listed bonds, index ETFs and UCITS funds) bringing EU citizens as investors closer to real economy assets instead of pushing them further into more packaged, complex, opaque and fee-laden products.
- Use taxes as an incentive for long-term and pension investors, not as a punishment,
- Eliminate existing tax discriminations for individual investors within the EU, such as the double taxation of dividends from another Member State, and the uphill battle to try to get a refund of the withholding tax
- Revive the Pan-European Personal Pension product by thoroughly simplifying it (like the US IRA), and by asking Member States to promote it, or at least ensure a level playing field by not establishing tax and other non-tariff barriers,
- Consider creating also a Pan-European corporate long-term and pension plan, looking at extending and developing some successful Member States' experiences such as in Sweden or France, or the successful, simple and cost-efficient US "401k",
- Consider launching a European Total Stock Market Index Fund, finally allowing European citizens to invest significantly in mid- and small-cap equities (SMEs) across all EU Member States, as is the case in the US,
- Make mandatory key investment product disclosure simple, short, intelligible, relevant, comparable and digitally readable,
- Disclose again the actual long-term performance alongside the chosen benchmark's performance, in both nominal and real terms.
- Ensure a consistent level of consumer, investor and shareholder protection throughout the EU, ideally by establishing a Twin Peaks approach with an EU Consumer Protection Agency,
- Introduce fully digitalised and cost-free cross-border voting for EU retail investors, aiming to foster engagement while rebuilding trust and enhancing corporate governance.

## Effectively Address the Pensions Time Bomb



For long-term and pension savers, the year 2022 was disastrous. Poor capital market performance and skyrocketing inflation across all European Union (EU) Member States resulted in mostly low and negative real returns.

- Curb the fixed-income bias in the asset allocation of European insurers and pension plans (for long-term and pension savings schemes), which are de facto more risk-averse than individual investors and their US counterparts,
- Use taxes as an incentive for long-term and pension investors, not as a punishment, by assessing those on the real income (purchasing power) and not largely fictitious nominal income,
- Introduce auto-enrolment in adequate occupational pensions that have a track record of not destroying the real value of their participants' savings,
- Urgently improve reporting to supervisory authorities and the publication of sectoral data, including look-through asset allocations of "institutional" and individual investors, and the ESAs' report on the cost and performance of retail investment products,
- Improve the governance of collective long-term and pension schemes – especially "defined contribution" ones – by giving more say to their participants (the ones bearing the risks),
- Convince more engaged investors to help "green" brown firms, instead of disengaging from the brown economy (i.e. most of it) and "washing their hands"

### Simplify SMEs' access to capital markets while enabling EU investors' access to private enforcement



BETTER FINANCE would support a thorough simplification of SMEs' access to capital markets, provided EU individual investors eventually receive effective private enforcement in cases of abuse. Even today, more than 90% of investor abuse settlements occur only in the US.

One reason why EU citizens' trust in capital markets is very low is the lack of effective collective redress mechanisms, except in the Netherlands, resulting in many scandals and EU investors getting no possibility of redress whenever they have been misled.

Due to lack of expertise, trust, time or resources, individuals rarely pursue their rights or legitimate interests in court to seek injunctive relief or compensatory redress. However, when offered the possibility to act together, 79% of EU citizens would be more willing to defend their rights.



- **Introduce common rules for collective redress for all EU investors: Improve the EU's current collective redress mechanism (introduced by the Representative Actions Directive) by including direct investors in the collective redress scheme,**
- **Introduce compulsory collective redress schemes comparable to the Dutch system across all Member States.**

### **Support The ESG Transition with Investment Products that Truly Aim at Having an Impact**



With retail investors' growing interest in sustainable investment products on the one hand and new scandals concerning such products on the other, the EU must implement measures to improve trust and transparency in sustainable investment products and minimise greenwashing, by focusing on transition and impact investing, and address the lack of positive impact and counterproductive effects of the currently dominant "exclusion" investing approach.

- **Introduce a mandate for a unified engagement mechanism, ensuring common practices and the evaluation of engagement. This would reduce greenwashing and enable the timely phase-out of highly emitting sectors while avoiding the risk of creating stranded assets. Ensure clear transition plan requirements for firms across applicable legislation, with rules specific to transition investing, including a set of "Transition KPIs". Mandate supervisors to monitor them, impose enforcement measures, and sanctions whenever necessary,**
- **For ESG compliant products (in relation to the sustainability preferences of clients), policy makers should consider adding a "transition" and/or "impact" category, and a warning sign which mentions that exclusion approach has no impact on ESG and may be counterproductive to the environmental transition (the necessary "greening" of the brown economy),**
- **End the proliferation of often misleading national/commercial labels and instead revive the EU Ecolabel for financial products.**

## Drive a Consumer-Centric Digital Transition

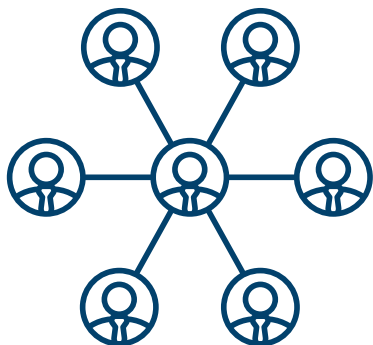


Swift digitalisation in the financial services landscape presents risks and opportunities in equal measures. It is crucial to catalyse a consumercentric approach that ensures the integrity of all market players and emerging trends while addressing online marketing wrongdoing.

Infrastructure should be optimised to enhance financial processes, ensuring clearer and more efficient market practices. Critically, fostering competition is essential, but not at the expense of the 'same service, same rules principle'. The strategic focus should steer the digital finance transition towards responsiveness to consumer needs, emphasising inclusivity alongside suitability, transparency, information, with fundamental safeguards in the face of innovation.

- **Enable shareholders and fundholders to digitally and easily express their votes and preferences (also via smartphones) to promote corporate accountability towards the transition,**
- **Digitalise asap the PRIIPs KID, with layering/drawdowns features to make it easily accessible and comparable on smartphones and simplify and shorten it (in particular with the upcoming addition of key sustainability disclosures),**
- **Foster public independent product databases (Norwegian best practice of "FinansPortl") to feed web comparing tools,**
- **Tackle biases and transparency issues in AI-driven systems for retail clients by promoting an active consumer-centric approach. Ensure algorithmic accountability, also through human oversight and re-assessment, and provide clear information to facilitate clients' evaluations,**
- **Establish a robust and competitive framework for digital financial services, and implement ongoing oversight of new services and business models to guarantee suitability for clients (e.g. robo-advisors) and fair consumer access to simple products,**
- **Open Finance: assess market opportunities and consumer risks by including safeguards that foster sound market practices and prevent exclusion risks, while focussing on financial data security and minimisation, privacy and consumer control, and consumer protection,**
- **Prioritise consumer protection in crypto investing by tackling fraud and manipulation and assessing the appropriateness of MICA,**
- **Address fraudulent online marketing channels and digital services' misconduct to prevent retail investor harm.**

## Further Involve, Consult and Empower EU Citizens as Financial Users and Investors, and Their Representative Organisations



Sustain EU support for the involvement of financial services users in EU policymaking in the upcoming Single Market Programme.

To achieve this:

- Fairly assess and sustain the EU support initiated following the 2008 crisis to better involve investors and other users of financial services in the EU financial policy-making process,
- Ensure that independent experts from user organisations are adequately represented and compensated in all expert consultative groups of the EU institutions (especially the ESAs and the Commission),
- Legitimise EU financial policies by informing and directly addressing the needs of citizens. Harmonise EU legislation for clearer market visibility, empowering citizens to take better control of their finances.

## 2024 | Support for Our Cause



“The voice of retail investors must be heard, and BETTER FINANCE has been instrumental in making that happen. [...] We must continue to engage with BETTER FINANCE to build a financial framework that truly works for European citizens. [...] The insights provided by BETTER FINANCE are crucial in shaping policies that safeguard consumer rights while promoting investment opportunities across the EU [and they] provide an important counterbalance to industry-driven narratives, ensuring that the voice of individual investors is not lost. [...] With the input from BETTER FINANCE, we can work towards a financial system that better serves European citizens, not just large institutions.”

**Maria Luís Albuquerque**

“BETTER FINANCE's contributions to investor protection are well recognised, and we must continue engaging with them to enhance financial fairness in Europe. [...] Collaboration with organisations like BETTER FINANCE ensures that retail investors have a voice in shaping financial regulations that truly serve their interests. [...] BETTER FINANCE's research highlights the importance of fair investment products for retail investors, and we take their findings seriously in shaping regulatory policies. [...] A well-functioning market requires trust, and BETTER FINANCE has been instrumental in ensuring that retail investors have access to fair and transparent investment opportunities. [...] Through co-operation with BETTER FINANCE, we can ensure a better alignment between regulation and the actual needs of retail investors.”

**Verena Ross**



“The role of BETTER FINANCE in advocating for consumer rights cannot be overstated; it is crucial to maintaining trust in our financial system. [...] As we work on improving financial resilience, the research and advocacy by BETTER FINANCE provide valuable insights into the real concerns of European savers and investors. [...] BETTER FINANCE has been a key player in ensuring that European consumers are not left behind in the financial markets. Their work in promoting transparency and fairness is commendable.”

**Petra Hielkema**

“BETTER FINANCE continues to highlight the challenges small investors face, pushing for greater transparency and fairness in financial services. The recommendations from BETTER FINANCE are essential for addressing conflicts of interest in the financial sector [and] creating a more inclusive financial system that benefits all Europeans. [...] The continuous efforts of BETTER FINANCE help ensure that financial markets remain fair and accessible to all investors, not just large institutions. [...] BETTER FINANCE has been instrumental in raising awareness about the challenges retail investors face in Europe, and their advocacy continues to drive necessary policy discussions.”

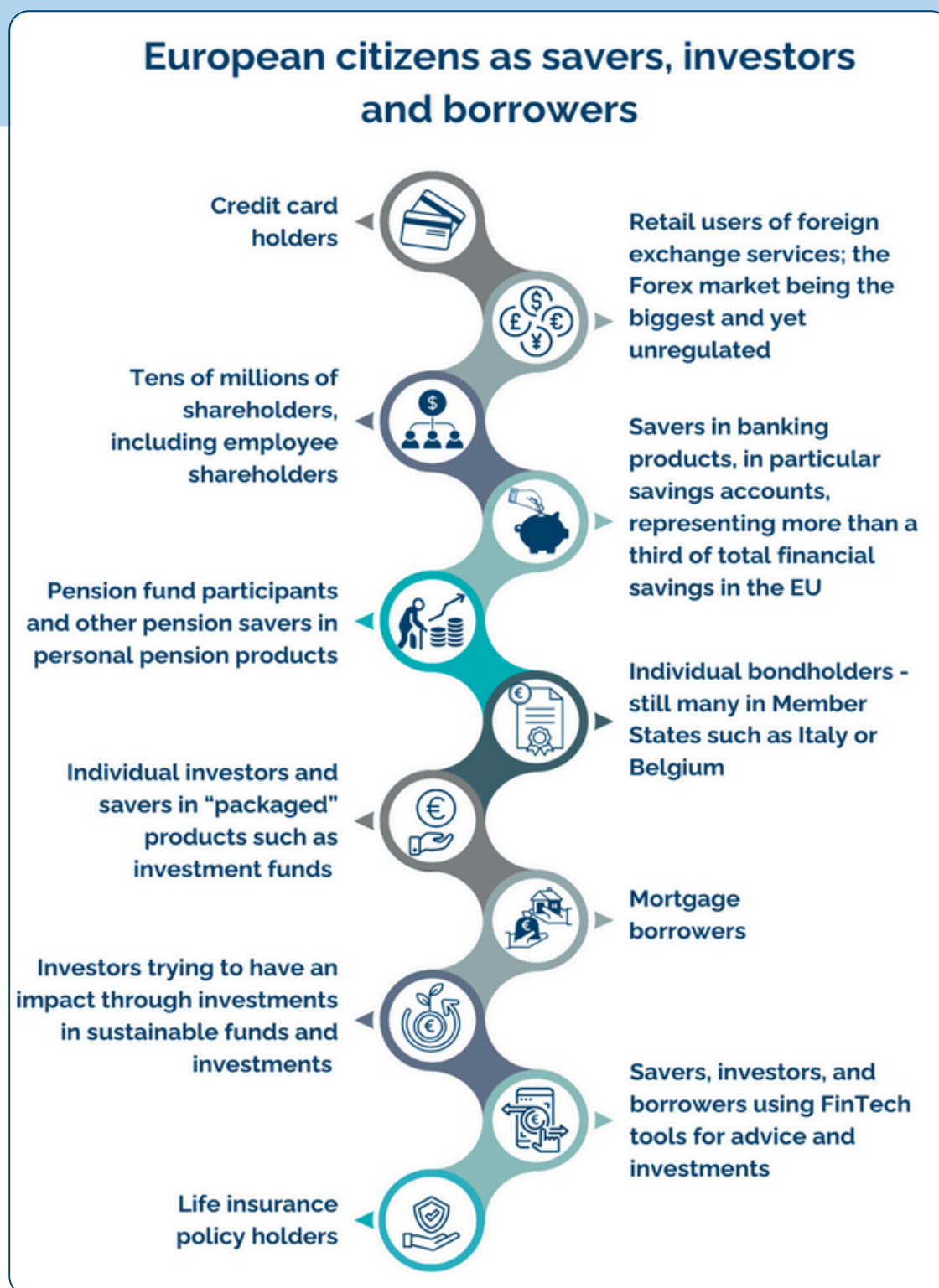
**Eero Heinäluoma**





# Scope | Retail Financial Services

The scope of retail financial services covered by the activities of BETTER FINANCE is – to our knowledge – the broadest of all European end-user and civil society organisations involved in financial services. Among others, our activities focus on the interest of the following constituents:





**On 30th December 2024, BETTER FINANCE released a comprehensive report aimed at addressing the persistent under-participation of EU citizens in capital markets.**

## RESEARCH PAPER

### **Enhancing Financial Health and Wealth in the EU: A Comprehensive Approach to Boosting Retail Investor Participation in Capital Markets**

The study examined the structural and behavioural barriers preventing retail investors from engaging in long-term savings and investment, including limited financial literacy, lack of trust in financial institutions, inadequate access to affordable advice, and regulatory complexity.

BETTER FINANCE proposed a multi-faceted strategy to improve financial health, including enhanced investor education, simplified product offerings, and reforms to better align incentives within the financial services industry. The report called on EU policymakers to place citizen-investors at the heart of capital markets reform and to take coordinated action to boost retail engagement in financial markets.

[\*\*Read the Report\*\*](#)



## RESEARCH PAPER

### 2024 | Transition Investing: Key Challenges and Opportunities

**On 20th December 2024, BETTER FINANCE published its annual report on transition investing, analysing the evolving role of capital markets in financing the shift to a low-carbon economy.**

The report highlighted key challenges such as unclear definitions of transition assets, inconsistent labelling and disclosure practices, and the exclusion of retail investors from meaningful participation.

BETTER FINANCE underscored the risk of greenwashing and the need for greater transparency, credible transition pathways, and standardised reporting. The study also identified opportunities to mobilise retail capital through accessible and trustworthy transition finance products.

It called for clear regulatory guidance and stronger safeguards to ensure transition investing delivers on its climate goals while protecting retail investors.

[Read the Report](#)



On 6th November 2024, BETTER FINANCE released its latest edition of the annual “Will You Afford to Retire?” report, assessing the real returns of long-term and pension savings products across the EU.

## RESEARCH PAPER

### Will You Afford to Retire? | The Real Return of Long-term and Pension Savings | 2024 Edition

The 2024 analysis revealed that, in many cases, savers continued to face negative or negligible real returns after fees and inflation, raising serious concerns about retirement adequacy.

The report highlighted the persistent lack of transparency in cost structures, limited disclosure of net performance, and ongoing misalignment of interests between product providers and consumers.

BETTER FINANCE reiterated its call for stronger consumer protections, improved performance reporting, and harmonised disclosure standards to ensure that pension products deliver value and financial security to European savers.

[Read the Report](#)





## RESEARCH PAPER

### CFA Institute & BETTER FINANCE Report on the Review of the Listing Rules in the EU

**On 31st March 2024, BETTER FINANCE and the CFA Institute jointly released a report examining the EU's listing regime and its implications for public capital market access.**

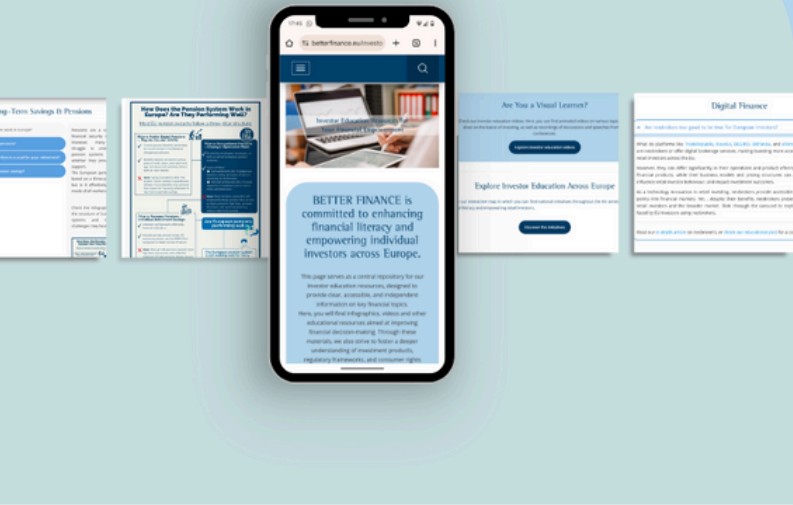
The report reviewed the current rules and procedures for listing on EU exchanges, identifying key impediments such as excessive administrative burdens, lack of proportionality for smaller issuers, and insufficient incentives to go public. The study found that these factors contributed to declining IPO activity and a shrinking pool of publicly listed companies in the EU.

BETTER FINANCE and CFA Institute called for a more balanced and investor-friendly regulatory environment that facilitates capital raising while maintaining high standards of transparency and governance.

The report urged the EU to streamline listing requirements, reduce compliance costs, and support a more dynamic and inclusive capital market ecosystem.

[\*\*Read the Report\*\*](#)

CAMPAIGN

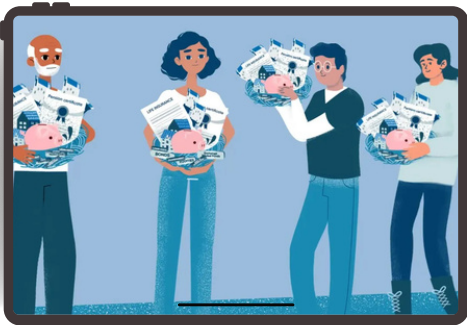


Investor Education:  
Empowering Retail  
Investors in the EU

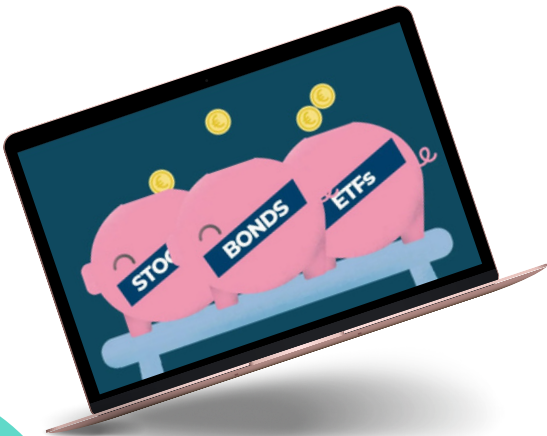
**BETTER FINANCE continued its commitment to investor education, launching new initiatives to empower retail investors across the EU with the knowledge and skills needed to make informed investment decisions.**

In 2024, BETTER FINANCE expanded its investor education initiatives, aiming to empower retail investors across the EU.

The organisation launched new educational programmes, resources, and tools designed to enhance financial literacy, promote responsible investing, and foster a more informed and engaged investor community.



BETTER FINANCE's investor education initiatives focused on key areas such as sustainable finance, digital finance, and pension planning, providing retail investors with the knowledge and skills needed to navigate the complex financial landscape and make informed investment decisions.



[\*\*Check Investor Education Resources\*\*](#)



**In 2024, BETTER FINANCE launched the Invest for a Better Climate EU project to strengthen citizen engagement in sustainable finance and empower retail investors to support the green transition.**

## CAMPAIGN

### **Invest for a Better Climate EU: Empowering Citizens for a Sustainable Financial Future**

The initiative focused on bridging the knowledge and accessibility gaps that hinder individuals from making climate-conscious investment decisions.

Through a series of educational campaigns, stakeholder dialogues, and outreach activities across several EU Member States, the project aimed to demystify sustainable finance concepts and enhance transparency around ESG-labelled financial products.

BETTER FINANCE also provided critical insights into the risks of greenwashing and advocated for robust, standardised sustainability disclosures to enable informed investment choices. The project reaffirmed the importance of placing EU citizens at the centre of the sustainable finance agenda, encouraging both policymakers and financial institutions to facilitate meaningful retail investor participation in the climate transition.

**[Check Invest for Better Climate EU](#)**

**[Read the Position Paper](#)**

## CAMPAIGN



### Value for Money in Retail Investments: Driving Meaningful Reform

In 2024, BETTER FINANCE intensified its ongoing campaign to ensure that retail investors across the EU receive fair value for their money in financial products and services. Amid growing concerns over high costs, poor transparency, and substandard performance in many investment offerings, BETTER FINANCE reinforced its call for EU-wide action to guarantee that products marketed to individual investors deliver outcomes that are cost-effective, transparent, and aligned with investors' interests.

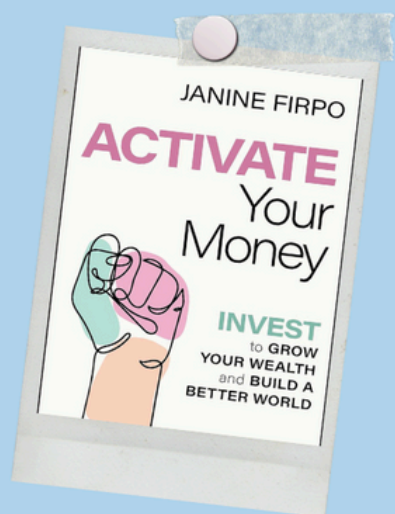
As an active member of the European Commission's Financial Services User Group (FSUG), BETTER FINANCE contributed to and endorsed the FSUG Opinion on Value for Money in Retail Investments, published on 26 February 2024. The Opinion calls for a holistic, principles-based approach to assessing value, including product performance, risk-adjusted returns, and investor needs. It also demands that consistently underperforming products be removed from the market.

The campaign highlighted the duty of product manufacturers to deliver significantly positive real net returns and to increase the purchasing power of savings. BETTER FINANCE called for legislative and supervisory reforms that place citizen investors at the heart of financial markets, enhancing the value proposition of retail investments and rebuilding trust in the system.

[Read Policy Statement](#)

[Read Position Paper](#)





## CAMPAIGN

### Activate Your Money Book Localised and Translated for 4 European Markets

In 2024, BETTER FINANCE joined forces with four member organisations – ADICAE (Spain), DSW (Germany), Place des Investisseurs (France), and the Polish Association of Individual Investors (SII) – to translate and localise *Activate Your Money* by Janine Firpo. The initiative aimed to promote values-based investing and support women in taking greater ownership of their financial choices.

After thorough work in the localisation and translation of the book, to amplify the reach of the book, BETTER FINANCE launched a multilingual awareness campaign, including a book launch event in Brussels, targeted social media advertising in each of the four participating markets, and a video interview with the author. In addition to the book, readers will have access to an accompanying [website](#) offering additional resources to transition from knowledge to action, including guidance on starting and running investment clubs.

This campaign forms part of BETTER FINANCE's wider efforts to enhance financial literacy and empower underrepresented retail investor groups across the EU.

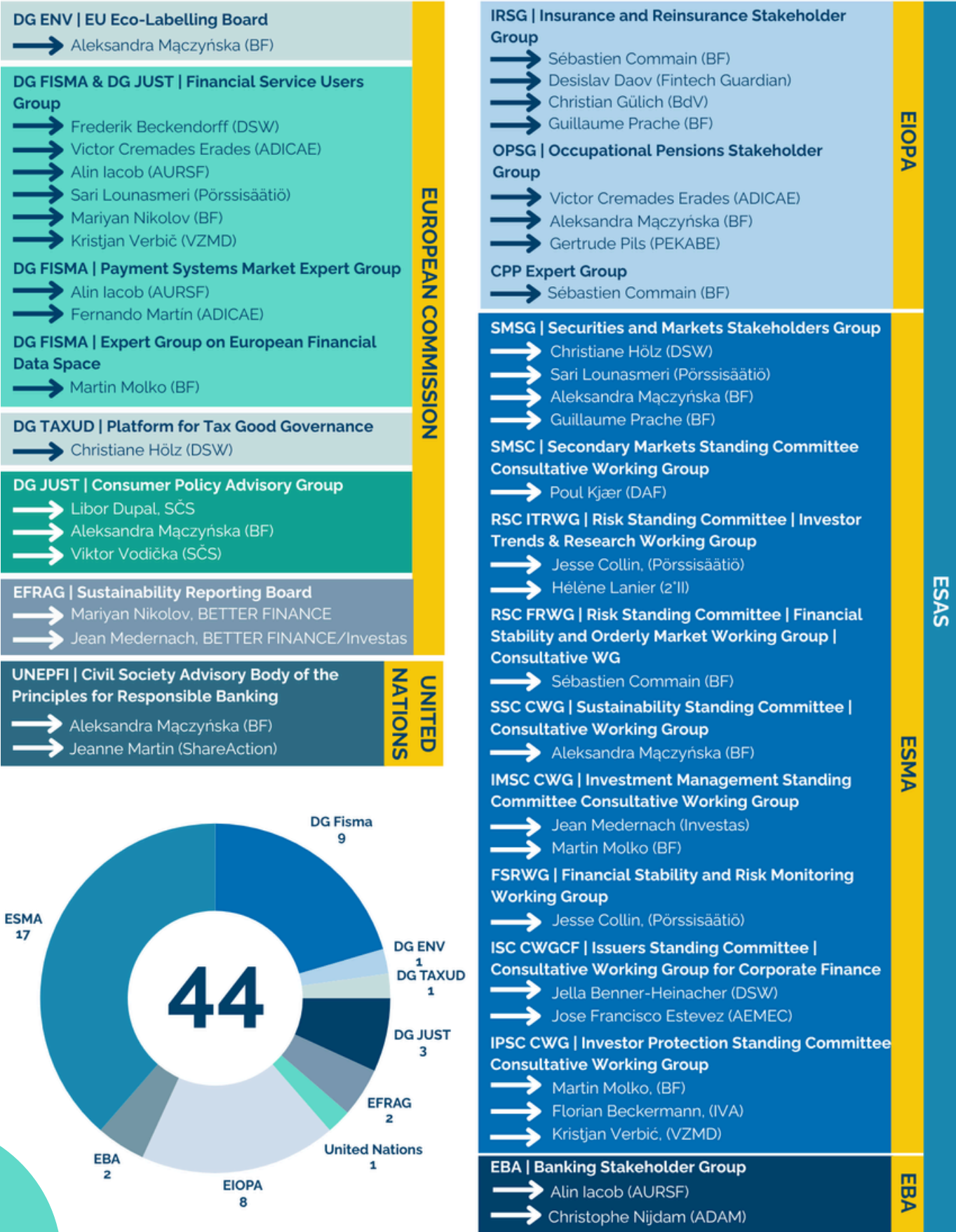


[Check the Website](#)

[Read the PR](#)

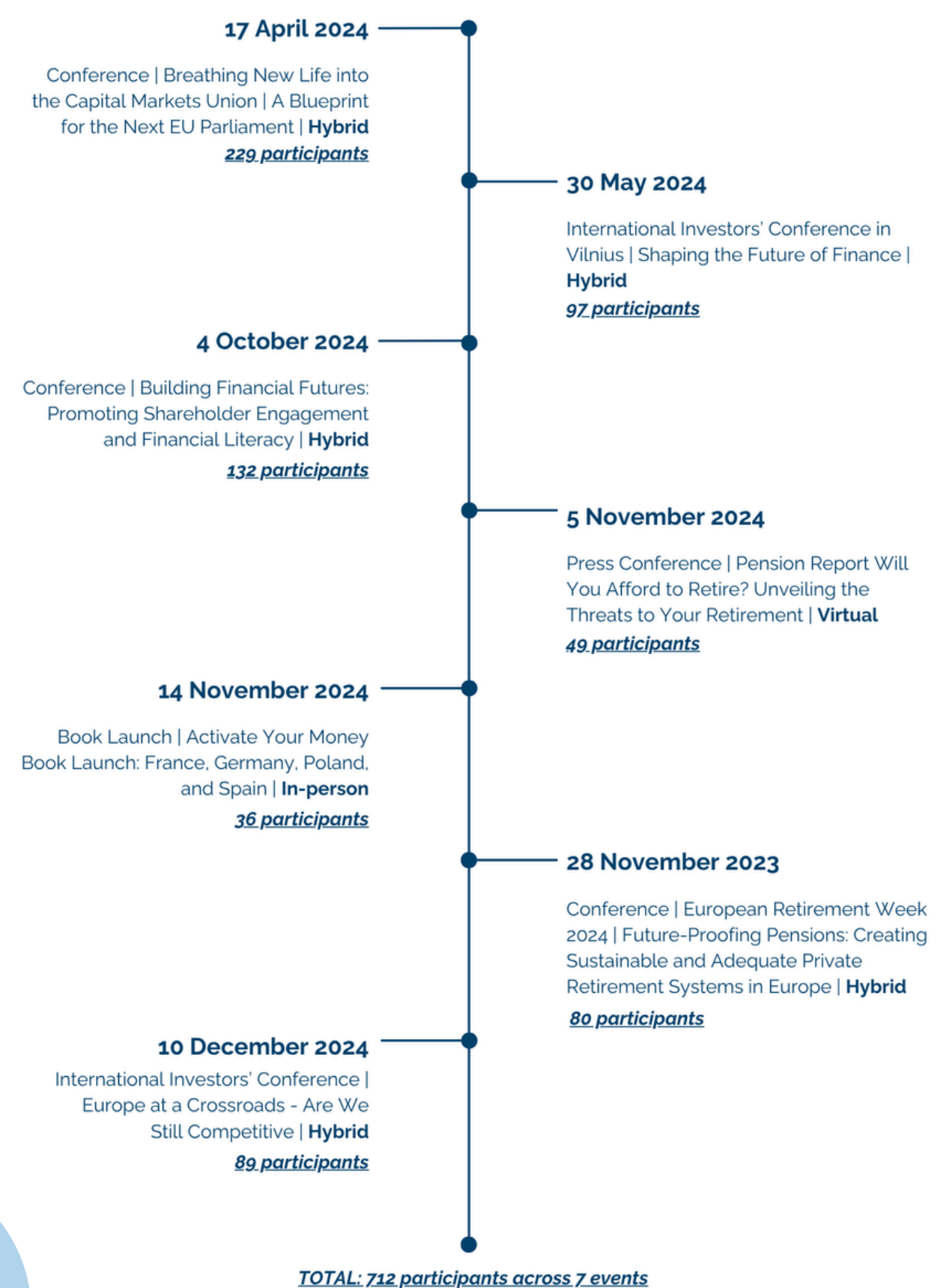
# 2024 | BETTER FINANCE: The Leading Supplier of User-Side Expertise to EU Financial Services Policy Advisory Board

2024/2025 | BETTER FINANCE: THE LEADING SUPPLIER OF USER-SIDE EXPERTISE TO EU FINANCIAL SERVICES POLICY ADVISORY BOARD



# 2024 | Conferences & Events

BETTER FINANCE organised or co-organised seven international events in 2024. As usual, BETTER FINANCE's members played an important role in helping organise conferences in their respective countries, bringing a national perspective to the ongoing European debates and bringing EU financial policy closer to local stakeholders, national press, and the public at large.



# 2024 | Overview - BETTER FINANCE

## Outreach in Number



**166** media articles



**7** events across Europe



**23** press releases



**49,163** website visitors



**5,637** social media followers



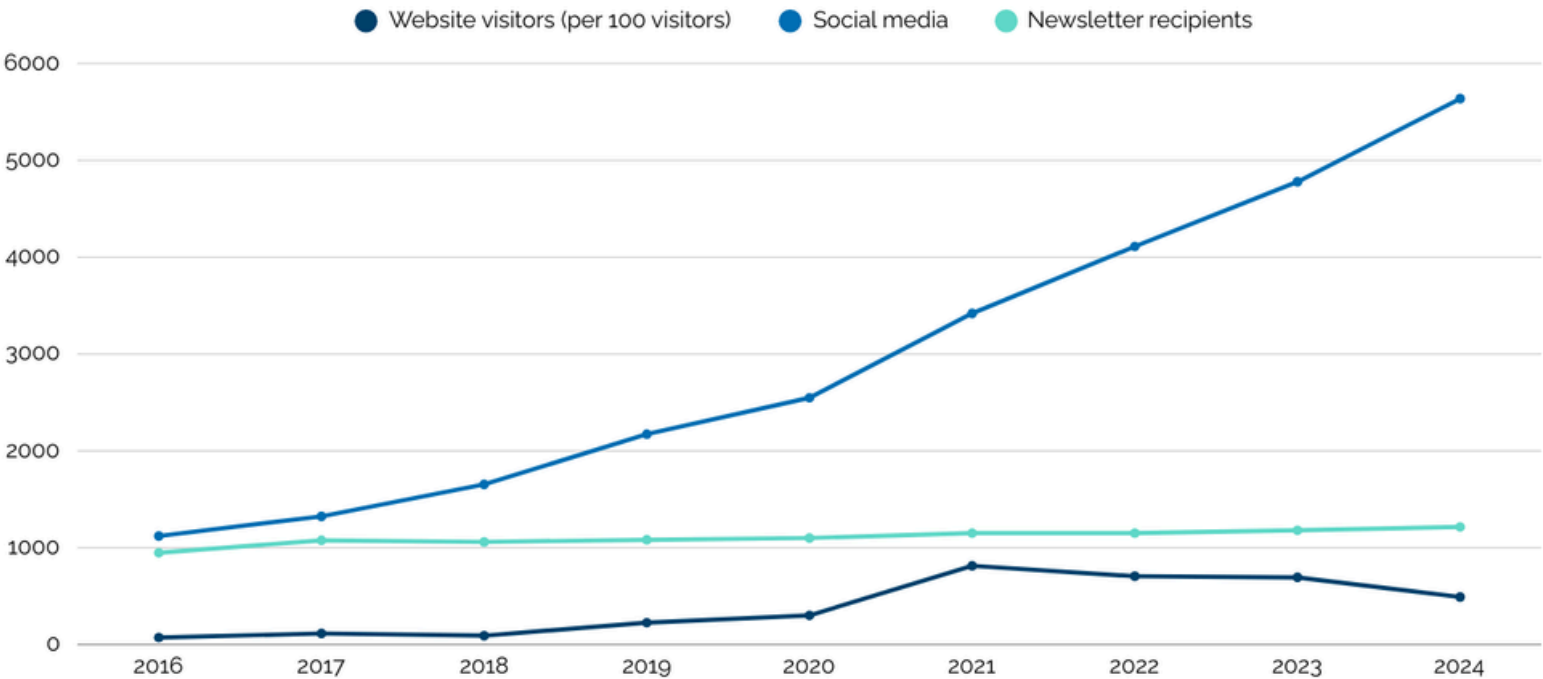
**3,069** research report downloads



**1,679** newsletter subscribers



**12** responses to public consultations





# 2024 | In the Media | Selection of Press Clippings

## Investment Officer | Delay in parliament puts EU Retail Investment Strategy at risk | 10 January 2024

*BETTER FINANCE's Houdmont bemoaned his lack of a crystal ball but offered that a delay might benefit consumers. "If adopted before the next legislature, it would likely result in a diluted RIS and the maintenance of the status quo, favouring the interests of a small group of vested interests."*

*Houdmont said he was more optimistic about a delay past the elections. "A delay that pushes the adoption of the RIS into the new legislature could lead in either direction."*

*He reiterated BETTER FINANCE's message, saying that "The RIS, with the potential to deliver tangible benefits for consumers, the environment and society, is in danger of being watered down to the point where it has no discernible impact for retail investors."*

## IPE | Institutional investors call for an end to virtual-only AGMs | 07 February 2024

*"Shareholders for Change (SfC) – a European network of institutional investors for shareholder engagement, and BETTER FINANCE – the European Federation of Investors and Financial Services Users – have issued a call for an end to virtual-only annual general meetings (AGMs)."*

*In a statement, the SfC said virtual-only AGMs were "detrimental" to sustainable development and all shareholders, while BETTER FINANCE added that AGMs were the "cornerstone" of shareholder democracy."*

## Euronews | Hype over hit: Brussels pensions plan is not working | 07 March 2024

*"The problem is not in the PEPP", Sébastien Commain, research and policy officer at BETTER FINANCE, told Euronews, citing the financial inducements that intermediary advisors can receive recommending less suitable products, adding: "The PEPP is a competitive product in an unfair market."*

*And Commain, whose lobby group represents financial service users, sees good prospects from new market entrants like Finax. The EU pension plan is "a very good wrapper for the kind of investment you can make with a robo-advisor or neo-broker," being simple, cheap and transparent, he said.*

*"I imagine that kind of offer developing in the years to come", he added, as online fund supermarkets expand to cover retirement savings.*

## Agence Europe | 'Listing Act', BETTER FINANCE organisation calls on EU Member States to protect shareholders | 05 April 2024

*On Thursday 4 April, BETTER FINANCE, the European Federation of Investors and Financial Services Users, and CFA Institute, the US association of investment professionals, published the results of surveys of their members conducted between November 2022 and February 2023 on the EU rules governing the listing of companies on stock markets.*

*With a vote in the European Parliament plenary expected to endorse the legislative revision on Monday 22 April, BETTER FINANCE CEO Aleksandra Mączyńska said it was "crucial that Member States implement strict safeguards and ensure comprehensive transparency throughout the investment chain to protect prospective shareholders".*

# 2024 | In the Media | Selection of Press Clippings

## **Ignites Europe | How the EU retail investment strategy missed its mark | 14 May 2024**

*BETTER FINANCE says the removal of many of the commission's proposals by MEPs "effectively eliminate all aspects of the commission's proposal that were of genuine value to consumers, environment, and society". The Brussels-based consumer representative organisation says the "diluted" strategy is "a missed opportunity" to "ensure unbiased advice across all investment services".*

*Arnaud Houdmont, director of communications at BETTER FINANCE, says: "Unfortunately, the reality is that very poor-quality products currently crowd European markets. "If competition for product quality through capable and independent advice is not politically palatable yet, we need to at least eradicate the most blatant cases of products that enrich suppliers whilst impoverishing consumers."*

## **Euractiv | CMU, competitiveness to take centre stage in next economic policy cycle | 23 May 2024**

*One of the main issues is a ban on the payment of sales commissions ('inducements') from product manufacturers to retail distributors, even for non-advised sales ("execution-only").*

*The Commission proposed this, requiring investment firms and life insurers to quantify and justify the costs of their products to their expected performance ('value for money').*

*The ban was scrapped from the Parliament's final compromise text, prompting criticism from consumer-finance NGOs Finance Watch, BETTER FINANCE and the European Consumer Organisation (BEUC), who urged legislators to strengthen and safeguard the value-for-money concept.*

## **Agence Europe | BETTER FINANCE welcomes joint opinion of European supervisory authorities on 'SFDR' regulation | 26 June 2024**

*On Tuesday 25 June, BETTER FINANCE, the European Federation of Investors and Users of Financial Services, welcomed the joint opinion of the European financial market supervisory authorities (ESMA, EBA, EIOPA) on the 'SFDR' regulation on sustainable finance disclosures. On Tuesday 18 June, the authorities proposed improvements to address retail investors' concerns about the current complexity of the SFDR and the potential risks of greenwashing.*

*For the Federation, these improvements are closely aligned with its own proposals to ensure that sustainable investment products meet the needs of citizens as individual investors. "The introduction of a new 'Transition' category represents a significant advancement, empowering investors to actively contribute to the greening of the brown economy, rather than merely reallocating investments within already sustainable sectors", it said.*

# 2024 | In the Media | Selection of Press Clippings

## Deutsche Welle | Aging Europe: Rising costs threaten EU pensions | 16 August 2024

*"Over the past decade, Europe's pension crisis has significantly worsened due to persistently low real returns that have not been sufficient to outpace inflation," Arnaud Houdmont, director of communication at the Brussels-based investors' body BETTER FINANCE, told DW. "That has resulted in a substantial loss of purchasing power for savers." [...] Houdmont said high fees, poor asset allocation and a lack of transparency in pension products were also to blame for lower returns. [...] Houdmont from BETTER FINANCE warned of a day of reckoning in the mid-term due to the "shifting burden" from public to private pension savings, which he said savers weren't ready for. "There is a good chance that the next generation of Europeans will retire considerably poorer and later than their older peers," he said.*

## Agence Europe | Enrico Letta and Mario Draghi's proposals require adjustments for small investors, says BETTER FINANCE | 11 September 2024

*On Tuesday 10 September, the European federation of investors and users of financial services, BETTER FINANCE, called for greater regulatory clarity, consumer-focused digital innovation and enhanced investor protection to maximise the potential of the reports published by Enrico Letta and Mario Draghi. "The initiatives presented by Enrico Letta and Mario Draghi, alongside the EU's Capital Markets Union (CMU) revival, represent significant steps towards mobilising household savings for economic growth," said Aleksandra Mączyńska, Managing Director at BETTER FINANCE.*

## Funds Europe | Inflation, hidden fees threaten EU pension savers' interests | 06 November 2024

*BETTER FINANCE has published its 12th annual pensions report flagging risks to the financial security of European pension savers. The report has highlighted sustained inflation, hidden fees, and inefficient asset allocation as key issues that could affect retirement savings, urging immediate regulatory action to protect savers' purchasing power.*

*Following a tough 2022, 2023 saw a partial recovery, with all 43 pension products examined delivering positive nominal returns. However, the report found that these gains often fall short once inflation and fees are considered, especially for products with limited long-term growth. The report evaluated "real net returns"—returns adjusted for inflation and fees—to provide a realistic view of retirement outcomes for savers. [...]*

*A BETTER FINANCE spokesperson said: "European savers need transparency in fees and performance data to secure adequate retirement returns. The Retail Investment Strategy's reforms are a crucial step toward a fairer future for pension savers."*



# 2024 | Financial Overview



BETTER FINANCE Income 2024		BETTER FINANCE Expenses 2024	
Membership fees	182,196€	HR Costs	838,477 €
Partnering income and donations	121,500 €	Travel and subsistence costs	30,930 €
Project grants - private foundations	231,516 €	Depreciation	1,252 €
Project grants - EU/public sector	5,094 €	Other costs and services	410,213 €
FISMA annual grant	529,707 €		
Other income	7,254 €		
Income forwarded to project partners	219,773 €		
TOTAL Income	1.297.039 €	TOTAL Expenses	1.280.872 €



## 2024 | Member Organisations

Country	Member Organisation	Website
Austria	IVA – Interessenverband für Anleger	<a href="https://www.iva.or.at/">https://www.iva.or.at/</a>
Austria	Pekabe – Schutzverband der Pensionskassenberechtigten	<a href="https://www.pekabe.at/">https://www.pekabe.at/</a>
Belgium	VFB – Vlaamse Federatie van Beleggers	<a href="https://vfb.be/">https://vfb.be/</a>
Czech Republic	SČS – Czech Consumer Association	<a href="https://www.konzument.cz/">https://www.konzument.cz/</a>
Denmark	DAF – Dansk Aktionærforening	<a href="https://www.shareholders.dk">https://www.shareholders.dk</a>
EU	2 Degrees Investing Initiative	<a href="https://2degrees-investing.org/">https://2degrees-investing.org/</a>
EU	EFES – European Federation of Employee Share Ownership	<a href="https://www.efesonline.org/">https://www.efesonline.org/</a>
Finland	Pörssisäätiö Börsstiftelsen – Finnish Foundation for Share Promotion	<a href="https://www.porssisaatio.fi/">https://www.porssisaatio.fi/</a>
Finland	Suomen Osakesäästäjät	<a href="https://www.suomenos.fi/">https://www.suomenos.fi/</a>
France	A.D.A.M. – Association pour la défense des Actionnaires Minoritaires	no website
France	FAIDER – Fédération des Associations Indépendantes de Défense des Épargnants pour la Retraite	<a href="https://www.faider.org/">https://www.faider.org/</a>
France	Place del l'Investisseurs	<a href="https://www.placedesinvestisseurs.org/">https://www.placedesinvestisseurs.org/</a>
France	CGPC – L'association française des Conseils en Gestion de Patrimoine Certifiés	<a href="https://cgpc.fr/">https://cgpc.fr/</a>
Germany	BdV – Bund der Versicherten	<a href="https://www.bundderversicherten.de/">https://www.bundderversicherten.de/</a>
Germany	DSW – Deutsche Schutzvereinigung für Wertpapierbesitz	<a href="https://www.dsw-info.de/">https://www.dsw-info.de/</a>
Greece	Helinas – Hellenic Investors Association	<a href="https://www.helinas.gr/">https://www.helinas.gr/</a>

Iceland	Iceland Savers Association (Samtök Sparifjáreigenda)	<a href="http://sparife.is/">http://sparife.is/</a>
International	ShareAction	<a href="https://shareaction.org/">https://shareaction.org/</a>
Italy	New Savers	<a href="http://www.newsavers.org/">http://www.newsavers.org/</a>
Latvia	IMAB - The Latvian Investor and Minority Shareholders Society	<a href="https://imab.lv/">https://imab.lv/</a>
Lebanon	Lebanese Investors Association	<a href="http://www.bouloslawoffice.com">http://www.bouloslawoffice.com</a>
Lithuania	LVI - Lietuvos Vartotojų Institutas	<a href="https://www.vartotojai.lt/">https://www.vartotojai.lt/</a>
Luxembourg	Investas - Association Luxembourgeoise des Investisseurs Privés	<a href="https://investas.lu/">https://investas.lu/</a>
Malta	MASS - Malta Association of Small Shareholders	<a href="https://mass.org.mt/">https://mass.org.mt/</a>
Norway	Aksjonaerforeningen i Norge	<a href="https://www.aksjonaerforeningen.no/">https://www.aksjonaerforeningen.no/</a>
Poland	SII - Stowarzyszenie Inwestorów Indywidualnych	<a href="https://www.sii.org.pl/">https://www.sii.org.pl/</a>
Portugal	ATM - Associacao dos Investidores e Analistas Técnicos do Mercado de Capitais	<a href="http://www.associacaodeinvestidores.com/">http://www.associacaodeinvestidores.com/</a>
Romania	AURSF - Asociația Utilizatorilor Români de Servicii Financiare	<a href="https://www.aursf.ro/">https://www.aursf.ro/</a>
Slovakia	Institute of Savings and Investments	<a href="http://www.mojeuspory.sk">http://www.mojeuspory.sk</a>
Slovenia	VZMD - Vseslovensko Združenje Malih Deležnikov - PanSlovenian Stakeholders' Association	<a href="https://www.vzmd.si">https://www.vzmd.si</a>
Spain	Adicae - Asociación de usuarios de bancos, cajas y seguros	<a href="https://www.adicae.net">https://www.adicae.net</a>
Spain	AEMEC - Asociación Española de Accionistas Minoritarios de Empresas Cotizadas	<a href="https://www.aemec.eu">https://www.aemec.eu</a>
Sweden	Aktiespararna	<a href="https://www.aktiespararna.se">https://www.aktiespararna.se</a>
Switzerland	SASV - Schweizerischer Anlegerschutzverein	<a href="https://www.anlegerschutzverein.ch/">https://www.anlegerschutzverein.ch/</a>
UK	ShareSoc - UK Individual Shareholders Society	<a href="https://www.sharesoc.org/">https://www.sharesoc.org/</a>
UK	UKSA - UK Shareholders' Association	<a href="https://www.uksa.org.uk/">https://www.uksa.org.uk/</a>

# 2024 | Meet the Team



**Jella Benner-Heinacher**  
President



**Christian Gülich**  
Vice-President



**Jean Berthon**  
Vice-President



**Aleksandra Mączyńska**  
Managing Director



**Matis Joab**  
Executive Director



**Arnaud Houdmont**  
Director of Communications



**Guillaume Prache**  
Senior Adviser & Founder



**Emma Traoret**  
Project & Advocacy Officer



**Sébastien Commain**  
Senior Research & Policy  
Officer



**Martin Molko**  
Research & Policy  
Officer



**Mariyan Nikolov**  
Research & Policy  
Officer



**Rina Zhubi**  
Communication Officer



**Ana Rita Fernandes**  
Junior Legal & Policy  
Officer



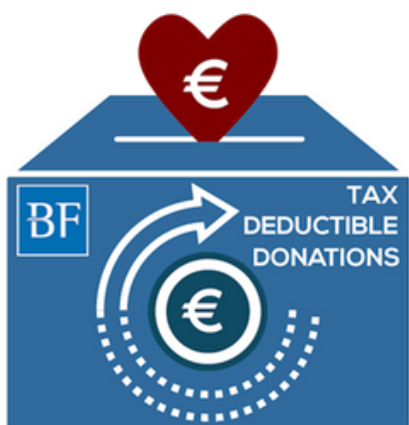
**Sara Álvarez García**  
Finance & Policy  
Assistant

# Support the actions of BETTER FINANCE for a better funding of the economy & better capital markets that work for citizens as investors.

Do you believe the financial system should serve the real economy, that EU citizens as savers and investors should get sustainable value for their money and that it is about time to put our money to good use for the wellbeing of our planet? So do we!

## Friends of BETTER FINANCE Fund

BETTER FINANCE has received official recognition as a public service organisation from the King Baudouin Foundation (FRB/KBS). This means that contributions made through the "Friends of BETTER FINANCE Fund" are eligible for tax deductions in Belgium, Luxembourg, The Netherlands, and Denmark, with recipients receiving national tax receipts.



## Transnational Giving Europe network

Individuals residing in France, Germany, Italy, Spain, and the United Kingdom have the option to make tax-deductible donations via the Transnational Giving Europe network, which also ensures donor anonymity if desired.

Additionally, there is the option to direct your support towards particular BETTER FINANCE initiatives.

- "Will you afford to retire?" - Help ensure pension adequacy for all EU citizens.
- "Gateway to Responsible Investing" - Support a more sustainable economy through responsible investing.






# Stay connected

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