

2024 - 2025

YEAR IN REVIEW

JULY 1, 2024 - JUNE 30, 2025



CSA/ACVM

Canadian Securities Administrators
Autorités canadiennes en valeurs mobilières

ABOUT THE CSA

As the council of Canada's provincial and territorial securities regulators, the Canadian Securities Administrators (CSA)'s objective is to improve, coordinate and harmonize regulation of the Canadian capital markets to ensure the smooth operation of Canada's securities industry and

to protect investors. By collaborating on rules, regulations and other programs, we harmonize securities regulation in Canada, avoid duplication of work and streamline the regulatory process for companies seeking to raise capital.

OUR MISSION

The CSA is committed to a harmonized securities regulatory system in Canada that:




-  Provides protection to investors from unfair, improper or fraudulent practices;
-  Fosters fair and efficient capital markets; and
-  Reduces risks to market integrity and maintains investor confidence in the markets, while retaining the regional flexibility and innovation that are integral to our system of provincial and territorial regulation.



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INTRODUCTION

Each year, we publish a *Year in Review* report as an update on progress made under the CSA tri-annual Business Plan, as well as additional priorities or initiatives undertaken in response to emerging issues and changing market conditions.

This year's report, covering the period between July 1, 2024 and June 30, 2025 under the 2022-2025 Business Plan, highlights progress toward fulfilling the CSA's mandate and achieving the strategic goals outlined in the business plan.

SIX STRATEGIC GOALS

The CSA is committed to a harmonized securities regulatory system in Canada intended to:

- 1 Strengthen** the capital markets regulatory system by implementing a single self-regulatory organization (SRO), pursuing collaboration with federal agencies, modernizing the CSA National Information Technology Systems, incorporating Indigenous issues and perspectives in CSA policy work, all to support more efficient and effective regulation.
- 2 Optimize** investors' ability to contribute to policymaking and expand investor education outreach.
- 3 Improve** investor protection by enhancing investors' ability to obtain redress and strengthening the advisor-client relationship.
- 4 Address** emerging issues and trends, including environmental, social and governance (ESG) issues, and emerging technologies and business models.
- 5 Deliver** smart and responsive regulation protecting investors while reducing regulatory burden.
- 6 Promote** the integrity and financial stability of the Canadian capital markets through effective market oversight.

2024-2025 BY THE NUMBERS

1,011

investor alerts, cautions and warnings issued to help protect the public, of which more than 75 per cent related to crypto assets.

207

instances where CSA members provided formal assistance to one another and to other agencies, including **81** instances of assistance to foreign regulators in enforcement-related matters.

4.5M

Canadians reached through our Check Registration and Spot the Red Flags of Fraud investor education campaigns.

57

publications signaling final adoption of rule changes, consultations, blanket orders and guidance on CSA policy developments.

54

companies and individuals banned permanently from participating in the capital markets following enforcement proceedings.

155

organizations participated in inaugural webinar dedicated to Data Portability, as part of our efforts to foster innovation in the capital markets.

20

crypto-related matters where CSA members took enforcement action to protect the integrity of our capital markets.

55+

engagements with stakeholder groups and market participants, including industry associations, investor advocates, international regulators and forums, standard-setters as well as Federal partners, relating to ongoing policy initiatives.

CHAIR'S LETTER

The CSA and our members are dedicated to harmonizing securities regulation, fostering fair and efficient capital markets and protecting investors.

Over the last year, CSA members worked together to deliver on the final year of our 2022-2025 Business Plan. We did this work within the context of advancements in technology, and shifting geopolitical dynamics. These factors, and more, encouraged us to consider how we can best support our capital markets and enable Canadian enterprises to compete globally.

This *Year in Review* summarizes the progress made within each of the six strategic goals, in addition to initiatives developed to address changes in our environment, demonstrating our commitment to intelligent and responsive regulation.


In April, we announced a pause on the climate- and diversity-related disclosure projects to help Canadian markets and issuers align with and adapt to recent developments in the U.S. and around the globe. This pause coincided with the introduction of additional measures to increase Canada's competitiveness, including four blanket orders aimed at market participants that choose to go public, maintain a listing, or contribute to capital formation in Canada. These efforts serve as a starting point, and we anticipate announcing additional measures in the coming year.

Further demonstrating our ability to evolve with market conditions and changing expectations of industry and investors, we quickly delegated certain registration functions of several CSA jurisdictions to the Canadian Investment Regulatory Organization (CIRO). This delegation is crucial to reduce complexity and burden for certain market participants.

We also proposed amendments to update and advance Canada's mining disclosure regime to provide investors with clear, reliable information about mineral projects, without imposing undue regulatory burden on mining issuers. This reform has been long awaited and was carefully considered as certain proposed elements relate to issuer engagement and agreements with Indigenous peoples and rightsholders. As part of these efforts, we sought out Indigenous groups' perspectives in advance of publication, not only to include Indigenous views within the consultation but also to inform how the CSA can engage appropriately with them in the future.

In parallel to ongoing regulatory work, we also expanded our support of technological advancements that aim to foster innovation in our capital markets. We launched the CSA Collaboratory – a mechanism for regulators, market participants and innovative businesses to test new technologies and business models under real-world conditions – and its first test on data portability. Recognizing the rapid evolution of artificial intelligence (AI) and the opportunities and challenges it can create, we also issued guidance on how securities legislation applies to the use of these systems by market participants.

Enforcement remains a priority for CSA members as they continue to detect, disrupt and deter wrongdoing and hold securities law violators accountable. Our *Year in Review* summarizes work done in the last year, such as Project Avalanche, a compelling example of our members' efforts to work collaboratively with law enforcement and industry to disrupt online investment scams. A summary of our Enforcement Statistics is contained in the [Appendix](#).



The CSA is successful because of the knowledge, experience and hard work of all the dedicated individuals from each regulator across this vast country who collaborate to fulfil our mission. Our approach brings varied perspectives to the table, resulting in strong policy that reflects the diversity of our country.

I am pleased to continue as Chair of the CSA as we embark on the new [2025-2028 Business Plan](#), which sets out the CSA's priorities for the next three years. The plan establishes strategic pillars that are designed to enhance the competitiveness of Canada's capital markets, while maintaining strong investor protection. We will continue to take meaningful steps to advance these goals while also working to complete the initiatives already underway. The plan is also designed to be flexible, allowing us to adapt to future economic and international developments.

I look forward to furthering the important work of CSA members fostering fair and efficient capital markets. I would like to thank each of our CSA members for their ongoing dedication and contributions.

Amid ongoing uncertainty, the CSA remains unwavering in its commitment to supporting the stability and integrity of Canada's markets. We will continue to evolve our regulatory approach to ensure it remains practical, responsive and supportive of new opportunities for market participants. By drawing on a range of perspectives and working collaboratively, we will continue to strengthen Canada's capital markets, protect investors and support a strong future for our nation.



Stan Magidson KC
CSA Chair



STRATEGIC GOAL 1

Strengthen the capital markets regulatory system

2024-2025 HIGHLIGHT

In late November 2024, we announced our intention to explore a streamlined approach to routine registration applications by delegating authority to the Canadian Investment Regulatory Organization (CIRO). We moved quickly to deliver on this initiative, and in April 2025 several CSA jurisdictions completed the delegation, marking a significant milestone for Canada's capital markets. The result is a streamlined, centralized registration process for routine applications that reduces administrative burden, increases harmonization and facilitates participation in the Canadian capital markets.

In the past three years, we reinforced connections with our federal partners to address and combat cross-jurisdictional issues, such as systemic risk and investment fraud. We also acted promptly to:

- Create a single self-regulatory organization (SRO) and an integrated Investor Protection Fund.
- Modernize our National Systems with the launch of SEDAR+.
- Advance our efforts to engage with Indigenous Peoples and organizations.

All of these efforts were designed to bring greater cohesion, clarity and resilience to our regulatory landscape.

Interagency cooperation and information-sharing

Monitoring systemic risk in Canada is a responsibility shared among federal and provincial government agencies, and the CSA has continued to work closely with other financial sector regulators through the

Systemic Risk Surveillance Committee of the Heads of Regulatory Agencies (HoA), a federal-provincial forum for discussion of financial sector issues. The CSA's own Systemic Risk Committee has served as a key forum for analyzing and reporting on emerging threats. More recently, the CSA began [publishing these findings](#), reinforcing its commitment to transparency and accountability.

As global markets evolve, so do the risks. The rise of digital assets and the surge in online investment fraud have prompted the CSA to intensify its intelligence-sharing efforts. Working alongside provincial police forces, the Royal Canadian Mounted Police's (RCMP) Integrated Market Enforcement Teams (IMETs), the Canadian Anti-Fraud Centre (CAFC), and Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), the CSA and its members have built a strong network of enforcement partners. Internationally, CSA members have leveraged the International Organization of Securities Commissions (IOSCO)



framework to enhance cross-border cooperation.

Streamlining regulation: The establishment of a single SRO and Investor Protection Fund

The creation of CIRO and the Canadian Investor Protection Fund (CIPF) marked a milestone for Canada's investment industry. After announcing our intention to amalgamate the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA), we brought together investment and mutual fund dealers under one regulatory roof. In parallel, the former Canadian Investor Protection Fund and the MFDA Investor Protection Corporation merged into one organization.

While our work continues, this consolidation has already resulted in reduced administrative complexity, enhanced harmonization, and provided firms and advisors with greater flexibility to serve Canadian investors. For investors, this has translated into broader access to products and services.

Since the launch of CIRO and CIPF, we have focused on overseeing these entities, advancing the commitments outlined in CSA Position Paper 25-404 *New Self-Regulatory Organization Framework* (Position Paper). We oversee CIRO and CIPF through ongoing reviews, reporting requirements and assessments, ensuring compliance with the terms and conditions of their Recognition and Approval Orders. We also continue to oversee CIRO's efforts to harmonize rules and build a regulatory system that promotes consistency without compromising investor protection.

In 2024, in addition to our oversight work, we advanced a variety of matters, including consolidation of rules applicable to both investment

and mutual fund dealers, a new consolidated fee model that CIRO will apply to investment and mutual fund dealers, and dual registration of CIRO members (allowing firms to operate as both investment and mutual fund dealers under a single entity). We also accelerated the registration of crypto asset trading platforms (CTPs) as CIRO members. Later in the year, we announced expanded delegation of certain registration functions by several CSA members to CIRO. This shift enables us to focus more strategically on oversight, emerging issues and policy development.

As we move into our next business planning cycle, we will continue to deliver on the remaining initiatives outlined in the Position Paper.

Modernizing our National Systems and improving disclosure process

Another pillar in our efforts to strengthen our regulatory system is modernizing our National Systems. These efforts began with SEDAR+, a system to file, disclose and search for issuer information in Canada's capital markets. This secure web-based platform consolidated several legacy issuer information systems and streamlined data access for market participants. In the two years since SEDAR+ launched, we implemented and continue to work on user enhancements. Our efforts to modernize our National Systems have helped us implement new functionality related to regulatory work, such as an improved access model for corporate issuers and modernizing the prospectus filing model for investment funds.

To implement system enhancements, evolve the long-term vision for our National Systems and ensure continuous improvement, we continue to actively gather feedback about SEDAR+. That

feedback comes to the CSA directly from industry associations, a user group of market participants, committee meetings, webinars and other forums. This feedback informs system upgrades and helps to shape the long-term vision for Canada's national securities infrastructure. At the strategic level, we are committed to engaging users early in the development process for future National Systems changes.

Engaging Indigenous voices





Over the course of our business plan, we have made advances in engaging with Indigenous Peoples and organizations. We sought input on several policy initiatives and further explored ways to incorporate Indigenous perspectives into securities regulation, and to understand how best to engage with Indigenous groups. The process is gradual, but we are making headway towards further meaningful engagement and reconciliation action planning. Moving into our next business planning cycle, we aim to further develop these efforts and implement Indigenous engagement practices and training for our teams.

Looking ahead

As we move forward, we remain resolute in maintaining a regulatory framework that is right-sized and responsive to the needs of both market participants and investors. Several of our initiatives are carried through into our next business plan and will continue to support a dynamic and resilient capital market environment in Canada.



STRATEGIC GOAL 1 SCORECARD

CSA initiatives	Status	Achievements
1.1 Lead the creation of a new SRO for the investment industry and a new investor protection fund		CIRO and the new CIPF officially launched on January 3, 2023. Since the creation of CIRO and CIPF, the CSA has provided close oversight of their governance, structure and continued amalgamation activities. This includes coordinating and finalizing the consolidation of former MFDA and IIROC rule books to reduce regulatory burden, and oversight of the development of a cooperative agreement between CIPF and CIRO.
1.2 Pursue collaboration with Federal Agencies on systemic risk, enforcement and other matters relating to the financial markets		To ensure comprehensive monitoring of emerging and systemic risks and the development of appropriate strategies to mitigate these risks, the CSA has been collaborating with other financial sector regulatory agencies at the federal and provincial levels through the HoA. The CSA continues to foster cooperation and information-sharing among different regulatory and law enforcement agencies to support stronger coordination and enforcement actions.
1.3 Replace CSA National Filing Systems		On July 25, 2023, the CSA launched SEDAR+, the secure web-based platform for market participants to file, disclose and search for information that was previously contained in SEDAR, the Cease-Trade Order Database, the Disciplined List, exempt market systems from British Columbia and Ontario, reporting issuer lists, and filings previously made in paper format or in local electronic filing systems.
		We continue to evolve the long-term vision for our National Systems as we move it into our next business plan.

CSA initiatives	Status	Achievements
1.4 Incorporate Indigenous Peoples' issues and perspectives in CSA policy work		The CSA Taskforce on Indigenous Peoples in the Capital Markets examined avenues for integrating consideration of Indigenous Peoples and reconciliation into securities regulation. The CSA also engaged with Indigenous groups to seek their input on the development of new rules related to mining, climate risk disclosure and diversity disclosure. Outcomes from the taskforce include the hiring of a dedicated Indigenous engagement expert to support the development and implementation of an appropriate Indigenous engagement framework for the CSA and its members, work that will continue into the next business plan.
1.5 Advance CSA Data Management and Strategy		The CSA has completed an assessment of its data management practices for National Systems. By consolidating its approach to data management, the CSA aims to formalize and strengthen data practices, leading to improved data quality and enhanced ability to rely on data for compliance, enforcement, and policy development.

STRATEGIC GOAL 2

Optimize investors' ability to contribute to policymaking and expand investor education outreach

2024-2025 HIGHLIGHT

In March 2025, we launched the national “Spot the Red Flags of Fraud” campaign to help Canadians recognize the red flags of online investment fraud. Over a 60-day period, the campaign garnered over 6 million views. The video featured as part of the campaign illustrates the transformation of a seemingly trustworthy online persona into a deceptive scammer. Through a striking visual “glitch” effect, the video reveals the dual nature of online interactions and underscores how appearances can be misleading. The video script integrates real language used by fraudsters and highlights key warning signs.

In response to the evolving retail investing landscape, we took meaningful steps to empower Canadian investors. We established structured channels for their participation in policymaking and refined our educational initiatives based on investor behaviour and knowledge.

Investor voices informing Canada's capital markets regulation

Retail investor groups and their advocates often do not have the resources typically available to industry stakeholders. In 2022, to help address this imbalance and promote the retail investor perspective, we created the CSA Investor Advisory Panel (IAP), whose members have diverse expertise and backgrounds. The IAP supports our goal of achieving more effective regulatory outcomes for retail investors while addressing broader market needs.

Although much of the [panel's work](#) occurs behind the scenes, it is deeply embedded in our policymaking process. Since its formation, the IAP has reviewed 26 initiatives and continues to work closely with CSA staff to support positive

regulatory outcomes for retail investors. CSA staff working on initiatives with significant investor implications, whether policy-driven, research-based or operational, routinely engage with the IAP. This early and ongoing involvement ensures that investor perspectives are considered before proposals are made public, ultimately strengthening the consultation process.

A recurring theme in the panel's contributions is the importance of improved disclosure and clear communication with retail investors, whether they work with advisors or invest independently. The panel has emphasized the need for plain language in all investor-focused initiatives, reinforcing the effectiveness of both mandated disclosures and educational efforts. Their insights have informed several CSA initiatives, including updates to continuous disclosure documents for investment funds, new provisions for electronic access to certain disclosure documents, and ongoing work related to the disclosure of promotional activities.



Engaging Canadians through impactful education campaigns

We continued to expand investor knowledge through national bilingual campaigns designed to meet Canadians where they are—on the platforms they use to get their information. Over the last three years, the combined reach of our education campaigns delivered clear, compelling messages to close to 11 million people across the country, accounting for nearly a quarter of all Canadians. These efforts provided trustworthy, unbiased resources to support informed investment decision-making.

In 2023, we launched the [“Human Disclaimers”](#) video series, where actors personified disclaimers to challenge misleading “get rich quick” content and encourage viewers to verify information sources and conduct their own research prior to investing. In 2024, the [“Check Registration”](#) campaign spotlighted real-life financial scams to warn against taking advice from unqualified or unregistered individuals. This campaign also marked our first foray into Reddit advertising, targeting its large community of do-it-yourself (DIY) investors. In 2025, we continued our efforts to educate Canadian investors about some of the most common online investment frauds with the launch of our [“Spot the Red Flags of Fraud”](#) campaign. The campaign demonstrated how appearances can be deceiving by showcasing a scammer who appears to be credible and sophisticated suggesting a risk-free, high reward investment opportunity—a common tactic used to lure people into fraudulent schemes.

In addition to campaigns, we shared important updates through news releases, social media platforms and through our website and members’ websites. These updates highlighted emerging

trends, potential risks, educational tools, and relevant research, ensuring that Canadians always have access to the information they need. This year, we expanded our reach when [we partnered with the RCMP and CAFC](#) to urge Canadians to report investment fraud and increase their vigilance when considering online investment opportunities.

Data-driven insights supporting investor education

Research and behaviour-based insights are critical to our investor education efforts. Our [Investor Index](#), the CSA’s longest running survey going back nearly 20 years, tracks key measurements, including investor behaviour, knowledge, confidence, attitudes towards risk, and incidences of investment fraud. Data from our 2024 Investor Index, along with a 2025 study to better understand hybrid investors and research from our members and partners have helped inform the CSA’s ongoing education programming.

Information from the Index enhanced our understanding of investor motivations and their financial literacy. This year, we emphasized how Canadians can have ‘the money talk’ with their loved ones and partnered with the CAFC and RCMP to encourage Canadians to help fight fraud by reporting suspected scams and by increasing vigilance when considering online investment opportunities. Data from the Index was also woven into Reddit posts aimed at DIY investors that were well-received by audiences.

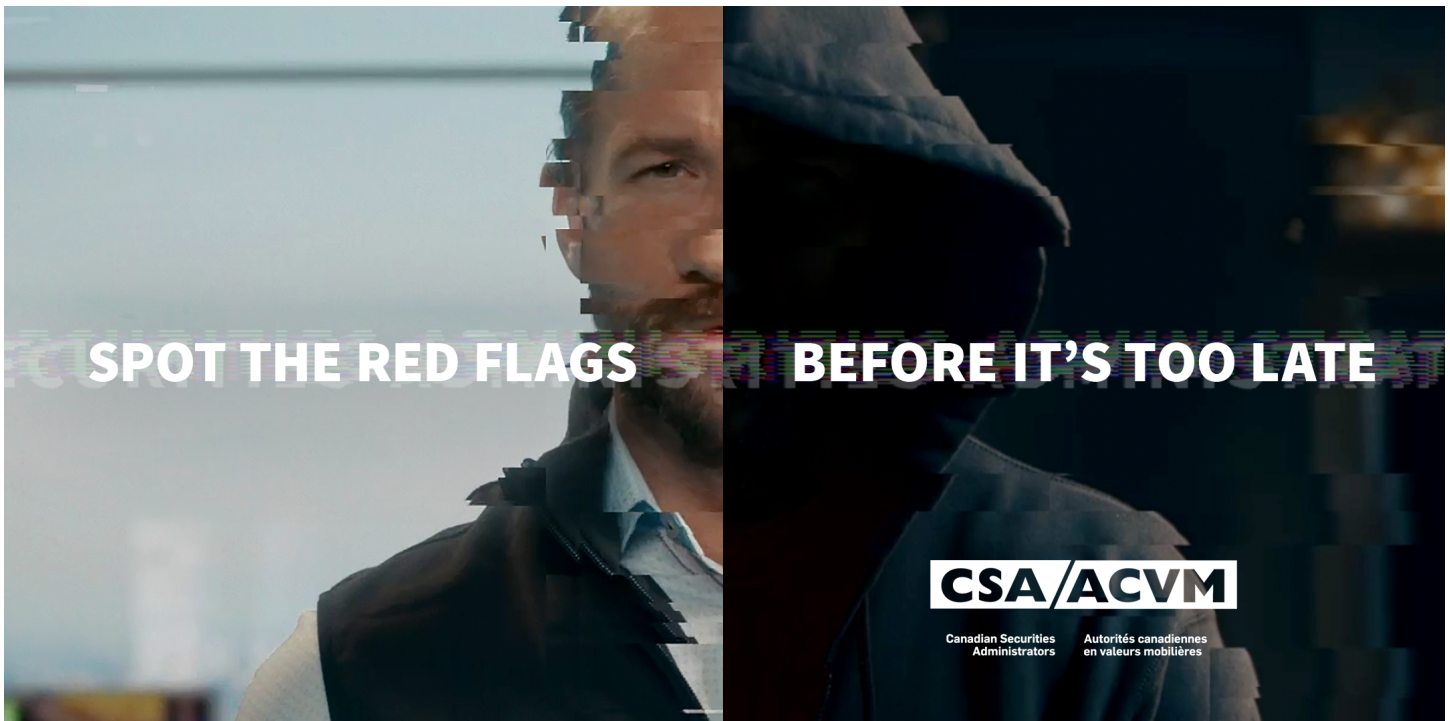
We also learned more about hybrid investors, who use both professional advisors and DIY accounts. They hold both types of accounts for a number of reasons, including advancing their financial literacy and having more personal and direct control over their accounts. The research also illustrated that

these investors often exhibit higher confidence; they take greater risks with their DIY investments and they do not leverage the knowledge they gain from having both kinds of accounts.



This data helps us refine our audience profiles and better understand investors so that we can provide more relevant and tailored messaging for Canadian retail investors.

Looking ahead

We will continue to focus on investors through the CSA IAP, in addition to our ongoing investor education efforts. We remain committed to evolving our strategies and expanding our initiatives to ensure that all investors have the tools and support they need to make informed financial decisions.



STRATEGIC GOAL 2 SCORECARD

CSA initiatives	Status	Achievements
2.1 Ensure successful launch and operation of the CSA Investor Advisory Panel		The CSA IAP was established on July 14, 2022. The panel has provided meaningful insight into retail investors' perspectives and support for CSA's policy development under the 2022-2025 Business Plan. It will continue to carry out its work as part of ongoing operations.
2.2 Increase Canadian investors' awareness of emerging issues and threats		The CSA developed several campaigns aimed at raising investors' awareness of emerging issues and risks, including risks of unqualified financial advice, the importance of checking advisors' registration, and recognizing the red flags of fraud. The CSA also published multiple investor alerts, its latest Investor Index and plans to publish specific research on the growing demographic segment of hybrid investors.

STRATEGIC GOAL 3

Improve investor protection by enhancing investors' ability to obtain redress and strengthening the advisor-client relationship

2024-2025 HIGHLIGHT

In June 2025, in line with our continued efforts to increase transparency, we proposed amendments to prohibit the use of chargebacks in the distribution of certain reporting issuer investment fund securities. Chargebacks is a compensation practice where dealing representatives must repay upfront commissions if clients redeem their investments early, creating a potential misalignment between advisor and client interests. This practice may incentivize advisors to prioritize their own financial interest over that of their clients, undermining investor trust in the advisor-client model. Our proposal addresses this issue directly, aiming to enhance investor protection and preserve confidence in the advisory relationship.

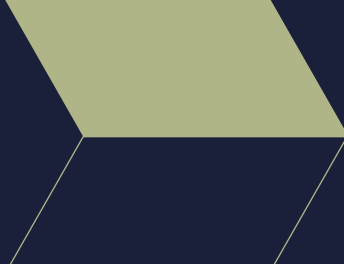
Clear rules on adviser conduct and providing clear, consistent and transparent information on fund performance are essential to building investor trust and protection, which is why we remain focused on aligning adviser interests with investor outcomes through greater fee and compensation transparency.

Minimizing conflicts of interest and improving fee transparency

Over the past three years, and in collaboration with CIRO, we've conducted targeted reviews of registered firms to assess compliance with the Client Focused Reforms (CFRs) first implemented in 2021. These reforms were designed to ensure that client interests come first in the client-registrant relationship. Our reviews revealed certain gaps in how firms manage conflicts of interest, and in 2023 we published our findings as well as practical guidance to help registrants meet their obligations. In 2024, we continued our efforts, focusing our sweeps on Know-Your-Client (KYC), Know-Your-Product (KYP), and suitability requirements. We are

analyzing the results and will share our key findings and further guidance later in the year. We recognize that registrants have made progress in integrating these requirements, and our observations and guidance aim to help them further align with CFR expectations, reinforcing investor protection and trust in the client-advisor relationship.

In November 2024, we proposed amendments to the principal distributor model used in mutual fund distribution. These amendments are designed to foster a more transparent and fairer marketplace for all participants, by requiring disclosure of principal distributor arrangements and compensation to investors purchasing mutual fund securities distributed under this model. They would also clarify that principal distributors may act as a principal distributor only for mutual funds within the same fund family. These measures aim to support more informed investment decisions and reinforce investor confidence in our capital markets.



Finally, we are advancing the implementation of the Total Cost Reporting (TCR) initiative for both investment funds and individual segregated fund contracts offered by insurance companies. TCR will increase awareness of embedded costs, such as management fees and trading expenses. This transparency will empower investors and policyholders to ask informed questions and make better financial decisions. Although the final amendments were published in 2023, we continue to support the industry through the transition, offering guidance and responding to inquiries and preparing them for this change. The first enhanced reports will be delivered for the year ending December 31, 2026.

Modernizing dispute resolution

To strengthen investor confidence in the capital markets, the CSA wants to improve investors' ability to seek and obtain redress through a fair, efficient and accessible dispute resolution process. The CSA has proposed a framework for an independent dispute resolution service, anticipated to be the Ombudsman for Banking Services and Investments (OBSI), that would make binding compensation decisions. The CSA's proposed framework would establish a mechanism that fairly addresses the fundamental elements of complaints while avoiding complex procedures, and would give investors an accessible forum to resolve complaints they make about an investment firm without having to pursue litigation or being pressured to settle for a lower amount. It would create a system that would be balanced and fair for all parties involved—increasing confidence in the complaint-handling process and trust in our capital markets.

Following the publication of our initial consultation in 2023, we reviewed feedback from a wide range of commenters, including the CSA Investor Advisory Panel. We are grateful for the stakeholder engagement and input, which we have considered, including in developing an enhanced regulatory oversight regime that is commensurate with binding authority.

As we enter our new business plan cycle, we remain committed to seeking to deliver a binding dispute resolution system. Several provinces and territories, however, would have to make legislative amendments to enable investors in their jurisdictions to pursue claims under the proposed framework.

Looking ahead

Our recent initiatives have laid a strong foundation for improving investor protection and reinforcing the advisor-client relationship. As we move forward, we will continue to instill investor confidence and maintain market integrity by continuing to deliver on critical initiatives that focus on investors, including the ability to seek redress.

STRATEGIC GOAL 3 SCORECARD

CSA initiatives	Status	Achievements
3.1 Strengthen Ombudsman for Banking Services and Investments' powers		On February 28, 2024, the CSA completed the comment period for a proposed regulatory framework for an independent dispute resolution service whose decisions would be binding, anticipated to be OBSI. The CSA has considered the comments received in response to the consultation and has recently published a further consultation setting out the CSA's proposed approach to oversight of OBSI that would be commensurate with binding decision-making authority, as well as proposed refinements to the regulatory framework proposed previously.
3.2 Review title and proficiency requirements		The CSA is conducting research, data collection and analysis regarding the client-facing titles used by registered individuals to understand the current state of titles usage in Canada, with the intention of formulating recommendations. The CSA also conducted research to identify issues and challenges with the proficiency regime for registrants to help assess potential enhancements to the proficiency framework.
3.3 Enhance fee transparency through total cost reporting		On April 20, 2023, the CSA and the Canadian Council of Insurance Regulators (CCIR) published final regulatory amendments and changes to guidance to enhance the disclosure of total fees and costs associated with investments in investment funds and individual segregated fund contracts. The CSA also established a joint CSA/CCIR committee that supported industry stakeholders in their implementation of TCR enhancements during the transition period, which will end on December 31, 2025.

CSA initiatives	Status	Achievements
3.4 Support the implementation of the framework addressing financial exploitation and cognitive impairment of older and vulnerable investors		The CSA undertook a retrospective review to evaluate the efficacy of the amendments it introduced in 2021, to determine whether the framework to enhance the protection of vulnerable investors through the introduction of the trusted contact person (TCP) and temporary hold provisions is meeting its objectives. Efforts to date have included engaging with key stakeholder groups and issuing a retail investor survey to understand how they perceive the amendments, including their attitudes, familiarity, understanding and experience with the TCP and temporary hold provisions to gather the data needed to assess the efficacy of the amendments.
3.5 Conduct targeted sweeps to ensure the implementation of Client Focused Reforms		Following the implementation of CFRs, the CSA and CIRO conducted several joint compliance reviews of multiple registrant firms across various registration categories to ensure the implementation of the CFR requirements. Results and guidance were published in Joint CSA/CIRO Staff Notice 31-363 <i>Client Focused Reforms: Review of Registrants' Conflicts of Interest Practices and Additional Guidance</i> . It is anticipated that the results of the CSA and CIRO reviews on KYC, KYP, suitability determination practices, and additional staff guidance will be published later in 2025.
3.6 Continue the modernization of mutual fund sales practices		The CSA has reviewed the practices of mutual funds that have principal distributor relationships with registrants to distribute their securities to determine whether rule amendments were needed to clarify the circumstances in which a principal distributor model should be available and whether such a model remained appropriate in light of CFRs. On November 28, 2024, the CSA published for comment proposed amendments to the principal distributor model. Additionally, in June 2025, the CSA published for comment proposed rule amendments to ban chargebacks.

STRATEGIC GOAL 4

Address emerging market issues and trends

2024-2025 HIGHLIGHT

In February 2025, the CSA launched the Collaboratory—an initiative designed to foster innovation and responsible experimentation in Canada’s capital markets. This forward-looking mechanism enables regulators and innovators to collaborate, test new ideas, and gather insights on the impact of emerging technologies and possible regulatory changes. The Collaboratory is more than a sandbox; it is a strategic space where shared expertise is intended to drive meaningful progress. Market participants are encouraged to bring forward proposals for testing, helping shape the future of financial innovation in Canada.

Emerging trends often intersect with what regulators need to consider from both policy and enforcement perspectives. As the digital ecosystem expanded in Canada and globally, we addressed emerging market issues with policy and enforcement considerations to support fair, efficient and well-regulated markets.

Disclosure and conflict of interest in the digital world

Early in this business plan cycle, we established the Market Abuse Taskforce to develop a comprehensive national strategy that addresses abusive promotional tactics and pump-and-dump schemes, often advertised and available through social media platforms. These practices not only erode investor trust but also impose real costs on legitimate junior market issuers.

The Taskforce’s work has revealed a complex challenge for the CSA: how to protect investors from misleading promotions while preserving the role of

legitimate marketing in capital formation. One of the responses the CSA is exploring is a simple and clear disclosure-based framework to help the public identify potential conflicts of interest in promotional content. This initiative is particularly relevant in an era where “finfluencers” and social media personalities increasingly shape retail investor behavior.

The CSA IAP has been actively engaged in this work, ensuring the perspectives of all investor types—including the growing cohort of DIY investors—are considered. As we monitor the evolving digital landscape, our goal is to develop a flexible, forward-looking framework that addresses online financial promotions and the risks they pose. We recognize that tackling these challenges will require a multidisciplinary, cross-jurisdictional approach.



Continued enforcement and disruption in action

Enforcement remains a key pillar for the CSA. Our members continued to take actions to detect, disrupt and deter wrongdoing and hold securities law violators accountable. We commenced 52 matters involving 112 respondents and concluded 53 cases involving 118 respondents. Importantly, 47 individuals and 40 companies were banned from participating in the capital markets (20 individuals and 34 companies permanently). Once a decision is made in one jurisdiction, CSA members automatically reciprocate decisions, broadening the effect of an enforcement decision across the country. Reciprocation of enforcement orders is an effective way of prohibiting a person banned in one jurisdiction from engaging in inappropriate conduct in another. Further Enforcement Statistics are available in the [Appendix](#).

As securities misconduct becomes increasingly global, digital and complex, disruption has emerged as a critical complement to investigation and prosecution. CSA enforcement teams have prioritized disrupting online investment fraud using more sophisticated tools, issuing investor alerts, taking down fraudulent websites, and dismantling deceptive online groups.

A standout example of this approach was Project Avalanche, a coordinated operation that took place during Fraud Prevention Month this past March. In partnership with law enforcement, crypto platforms, and blockchain analysts, several CSA members helped identify compromised Ethereum wallets and warned crypto investors that they may have lost, or may soon lose, some of their assets

as a result of fraud. This operation demonstrated how various agencies at local, provincial and federal levels, along with agencies in other countries, can work together to combat transnational financial crime.

We will continue our disruptive efforts and explore tools to detect and respond to investment scam websites and the threats they pose to the securities industry and the investing public.

Creating space for digital assets as legitimate investments in the Canadian capital markets

While enforcement is essential, so too is enabling innovation within a safe regulatory perimeter. In the last three years, many global CTPs were registered as restricted dealers, a securities registration category that allows them to provide their services and products to Canadians under specific conditions and requirements focused on investor protection. With this registration, CTPs can operate in a regulated environment for a limited period while working toward obtaining membership with CIRO, a requirement we announced in August 2024. Our expectation was that CTPs would actively and diligently seek registration as investment dealers and membership with CIRO by the end of the time-limited period, generally two years.

We are also considering the regulatory framework for value-referenced crypto assets (VRCAs), commonly known as stablecoins.

Our work in this space is collaborative, involving industry stakeholders and regulatory peers, in Canada and internationally, to strike the appropriate balance that would benefit the Canadian capital markets.

Innovation in practice: data portability and e-KYC

As part of our Financial Innovation Hub (FinHub), and through the newly launched Collaboratory, we published a consultation on data portability and the process of collecting client information using digital means, also known as electronic KYC (e-KYC).

This project, our first testing theme within the Collaboratory, also considers the impact of, and intersection with, the emerging Canadian federal legislative framework on open banking (consumer-driven banking) and the recently enacted Quebec legislation providing for data portability rights for Canadian capital markets participants.

As of May 2025, we consulted with targeted stakeholder groups and hosted a forum with more than 155 organizations. We are now exploring interest and a path forward, including industry participation in a potential live testing environment.

Looking ahead



Emerging issues and trends are not simply challenges—they are opportunities to lead.



As technology reshapes the financial landscape, the CSA is committed to fostering innovation and creating opportunities for our capital markets.




We will continue to adapt, collaborate and innovate to ensure that Canada's capital markets remain fair, resilient and globally competitive.





STRATEGIC GOAL 4 SCORECARD

CSA initiatives	Status	Achievements
4.1 Finalize climate change-related disclosure requirements for reporting issuers		On April 23, 2025, the CSA announced it was pausing its work on the development of a new mandatory climate-related disclosure rule to support Canadian markets and issuers as they adapt to the changing economic and geopolitical landscape. The CSA recognized that climate-related risks have become a mainstream business issue and securities legislation already requires issuers to disclose material climate-related risks affecting their business in the same way that issuers are required to disclose other types of material information. The CSA encouraged Canadian issuers to voluntarily disclose climate-related risks having regard to the sustainability standards issued by the Canadian Sustainability Standards Board (CSSB), which are also largely aligned with the standards issued by the International Sustainability Standards Board (ISSB).
4.2 Consider diversity disclosure and related governance issues		On April 23, 2025, the CSA announced it was pausing its work on amendments to the existing diversity-related disclosure requirements. Currently, non-venture issuers are required to provide disclosure regarding the representation of women on their boards and in executive officer positions based on the existing requirements under National Instrument 58-101 <i>Disclosure of Corporate Governance Practices</i> .

CSA initiatives	Status	Achievements
4.3 Build regulatory capacity for emerging digital business models		<p>Under the FinHub, the CSA has launched the CSA Collaboratory, a cohort-based regulatory testing environment. On December 5, 2024, the CSA published Staff Notice and Consultation 11-348 <i>Applicability of Canadian Securities Laws and the Use of Artificial Intelligence Systems in Capital Markets</i>, providing clarity and guidance on how securities legislation applies to the use of artificial intelligence (AI) systems by market participants. On February 18, 2025, the CSA launched the first Collaboratory project: a consultation and testing of tools and strategies to foster greater portability of client data in the investment market. The CSA Collaboratory is also proactively assessing other areas for potential cohort-based testing, including tokenization, decentralized finance and AI in the capital markets. Staff within the CSA FinHub, working through the CSA Collaboratory, are also actively engaging with international regulatory bodies, including members of the Global Financial Innovation Network (GFIN), to assess best practices and innovative topics and developments which may warrant new testing initiatives.</p>
4.4 Continue developing a comprehensive and coordinated regulatory, oversight, compliance and enforcement regime for crypto asset trading platforms		<p>The CSA has developed a robust approach to oversight of CTPs in Canada. To comply with Canadian securities laws, all CTPs operating in Canada must register in accordance with provincial and territorial securities regulations. On August 6, 2024, the CSA and CIRO announced that CTPs that facilitate trading in either a) crypto assets that are securities and/or derivatives or b) instruments or contracts based on crypto assets that are securities or derivatives, are expected to register as investment dealers and become members of CIRO. In addition, on April 17, 2025, the CSA published amendments to National Instrument 81-102 Investment Funds pertaining to reporting issuer investment funds that seek to invest directly or indirectly in crypto assets. CSA members will take action if a CTP is doing business with, or soliciting business from, Canadians without being properly registered and regulated. To help investors navigate the world of crypto assets and CTPs, the CSA regularly updates the list of CTPs authorized to do business with Canadians, CTPs that have filed pre-registration undertakings and banned CTPs.</p>

CSA initiatives	Status	Achievements
4.5 Explore regulatory implications of stablecoins in the capital markets, including their use in connection with crypto asset trading		The CSA has been collaborating extensively with other Canadian regulators on the assessment of VRCAs, also referred to as stablecoins, and their associated risks and potential gaps and overlaps with federal and provincial regulation of VRCAs. In addition, the CSA has been incorporating VRCAs into its oversight and regulatory framework for CTPs by providing guidance to CTPs about trading in VRCAs and setting out interim terms and conditions that would apply to CTPs if they wished to continue allowing Canadian clients to purchase or deposit these assets. While the CSA completed this undertaking under the 2022-2025 Business Plan, it continues its work in this space.
4.6 Monitor ESG-related investment fund disclosure		The CSA continued to monitor the disclosure of investment funds with investment objectives that reference ESG factors in regulatory documents and sales communications. On March 7, 2024, the CSA issued updated guidance for investment funds on ESG disclosure practices, which summarized the results from the ESG-focused reviews of prospectuses, sales communications and continuous disclosure conducted by CSA staff since the original 2022 guidance. The additional guidance addressed matters that were not covered in the original notice and reflected developments and issues that have arisen since.
4.7 Monitor investment fund liquidity risk management		The CSA has been monitoring investment fund liquidity risk management and is in the process of developing proposed rules relating to this issue.

CSA initiatives	Status	Achievements
4.8 Address market abuse and abusive promotional activity		The CSA Market Abuse Taskforce identified and gathered information about abusive promotional activities and techniques, and challenges with investigating and prosecuting this misconduct. It shared its findings with and sought feedback from CIRO and relevant Canadian exchanges and is currently developing recommendations to address issues identified. It is pursuing opportunities for wider CSA collaboration in detecting and analyzing promotions on social media. The CSA is also launching an initiative to develop a tailored framework for promotional activity disclosure in Canada. This is a multi-year initiative that will continue into the next CSA Business Plan.
4.9 Enhance enforcement through improving technological and analytical capacity		The CSA facilitated regular cooperative information-sharing on the use of technology by enforcement staff for electronic evidence management, electronic discovery, advanced analytics, surveillance and work product management. We also worked to identify technology trends and monitor technological developments in the financial markets and to deploy technological solutions to combat and deter cybercrime and websites offering investment or services in contravention of securities legislation. Finally, the CSA organized training sessions for its members on forensic and analytical tools and techniques.

STRATEGIC GOAL 5

Deliver smart and responsive regulation protecting investors while reducing regulatory burden

2024-2025 HIGHLIGHT

In April and May 2025, we introduced a suite of timely and necessary measures designed to make it easier and more cost-effective for businesses to raise capital and grow in Canada. Amid global geopolitical uncertainty, the CSA acted to ensure that Canada’s capital markets remain competitive, resilient and attractive to both issuers and investors.

Investor protection and market efficiency are not mutually exclusive. In fact, they are mutually reinforcing. Over the past three years, the CSA has worked to refine its regulatory framework by balancing protection and progress. Our goal was to deliver regulation that is smart, responsive and proportionate to the risks at hand. This goal guided our efforts to streamline disclosure requirements for issuers, while ensuring investors receive clear and meaningful information.

Behavioural insights and disclosure reform for investment funds

In September 2024, we proposed a modernization of the continuous disclosure regime for investment funds. At the heart of this initiative was a simple idea: make disclosure more useful by making it better suited to investors’ needs.

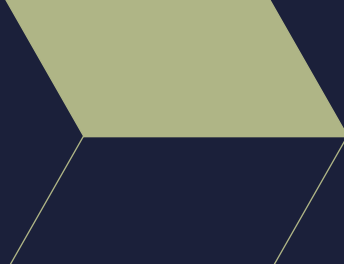
Enter the “Fund Report”, a reimagined version of the traditional Management Report of Fund Performance (MRFP). Developed using behavioural insights and rigorously tested with investors, the Fund Report is designed to be more intuitive and accessible. It uses plain language, provides more focused and valuable disclosure and offers digital

links to other information outside of the report. The CSA IAP noted that the initiative is a model for how thoughtful design can improve the effectiveness of mandated disclosure and investor education.

The amendments proposed through the new “Fund Report” not only make it easier to read these disclosure documents, but make the report more likely to be read, helping investors make informed decisions.

Providing choice and electronic access for certain documents

We also modernized how investors access key documents. In early 2024, final amendments were published to streamline the delivery of prospectuses, shifting from paper to electronic access. The benefits were clear: lower costs, timely delivery and a smaller environmental footprint. Later in the year, we proposed amendments to implement an access model for certain continuous disclosure documents, under a second consultation. Under this proposed access model, investors would maintain their ability to choose how they receive information—and would also be able to choose to access it electronically or receive it in print—while issuers would benefit from reduced mailing and printing costs.



Our second consultation was informed by extensive feedback from industry stakeholders and investor advocates. Our focus was to ensure that we were responding to investors' concerns while keeping pace with the general evolution of our capital markets, recognizing that investors are increasingly accessing and consuming information electronically. We worked with the CSA IAP to evaluate and improve disclosure requirements to increase investors' awareness of the availability of continuous disclosure information. This exercise supported our efforts for improved user accessibility based on the experience and perspectives of IAP members.

The result is a more flexible communication approach that reflects how Canadian market participants consume information in the digital age.

Supporting well-known seasoned issuers and cross-border growth

Recognizing the importance of capital formation and following on temporary exemptions through harmonized local blanket orders issued in December 2021, we proposed permanent amendments in 2023 to streamline the shelf prospectus regime for well-known seasoned issuers (WKSIs).




These issuers, characterized by strong market followings and robust disclosure records, would gain greater flexibility in structuring offerings and faster access to capital markets. The proposed changes would align Canadian practices more closely with those in the United States, facilitating cross-border offerings and reducing regulatory friction. For eligible issuers, this would mean fewer procedural hurdles and more certainty around transaction timing, without compromising investor protection.



While our proposal generally aligns the Canadian regime with the U.S. regime, certain differences remain, as they were necessary and appropriate given the nature of the Canadian markets, including investor protection concerns and experiences under the blanket orders. The WSKI amendments are expected to be published in final form shortly.

Looking ahead

Modernizing regulation in today's capital markets means more than updating rules; it means understanding how people interact with information, how businesses raise capital and how technology is reshaping both. Moving into our next business plan, we will continue to balance the needs of investors and the realities of the marketplace, fostering a more agile system that supports informed decision-making and capital formation. We will continue to build a regulatory environment that protects investors, supports innovation and strengthens Canada's position in the global financial landscape.

STRATEGIC GOAL 5 SCORECARD

CSA initiatives	Status	Achievements
5.1 Streamline certain continuous disclosure requirements for non-investment fund issuers		The CSA initiated a regulatory project to eliminate duplicative or overlapping continuous disclosure among the financial statements, management's discussion and analysis and annual information form of non-investment fund issuers. The CSA published for comment, proposed amendments to National Instrument 51-102 <i>Continuous Disclosure Obligations</i> that would combine some of these reports into one reporting document and amend or eliminate any disclosure requirements that result in excessive disclosure, obscure material information or negatively impact the quality of such disclosure.
5.2 Develop alternative offering system for Canadian well-known seasoned issuers		The CSA published proposed amendments to National Instrument 44-102 <i>Shelf Distributions</i> and changes to relating policies, introducing a proposed expedited shelf prospectus regime for WKSIs in Canada. These amendments are expected to be adopted shortly.
5.3 Implement the access model for corporate issuers and investment funds		On November 19, 2024, the CSA published for a second comment period proposed amendments and changes introducing an access model for annual financial statements, interim financial reports and related management's discussion and analysis of corporate issuers (i.e., non-investment fund reporting issuers). In 2022, the CSA published for comment proposed amendments to National Instrument 81-106 <i>Investment Fund Continuous Disclosure</i> . Based on this consultation, the CSA is currently working on a project to reduce the regulatory burden of the requirement to deliver continuous disclosure documents to investment fund securityholders.

CSA initiatives	Status	Achievements
5.4 Modernize prospectus filing system for investment funds		On November 28, 2024, the CSA published final rules modernizing the prospectus filing model for investment funds that reduce regulatory burden without affecting the quality or timeliness of information provided to investors. The final rules, which became effective on March 3, 2025, allow investment funds in continuous distribution to file prospectuses every two years instead of annually. Investors continue to have access to continuous disclosure documents, Fund Facts and ETF Facts, which are updated annually. They can also request the prospectus or access it online.
5.5 Modernize continuous disclosure for investment funds		On September 19, 2024, the CSA published for comment proposed amendments aimed at modernizing the continuous disclosure regime for investment funds to provide investors with more focused and effective disclosure while reducing the regulatory burden on investment fund managers. The proposed amendments would replace the existing annual and interim MRFP with a new annual and interim Fund Report, provide exemptions from certain conflict of interest reporting requirements if other similar requirements are satisfied, and eliminate some class- or series-level disclosures from investment fund financial statements that are not required by International Financial Reporting Standards. The comment period for this proposal ended on January 17, 2025. While the CSA has completed the undertaking under the 2022-2025 Business Plan, it continues its work on adopting and implementing these proposed amendments.

STRATEGIC GOAL 6

Promoting integrity and financial stability through effective market oversight

2024-2025 HIGHLIGHT

In September 2024, Canada reached a pivotal milestone with the implementation of National Instrument 93-101 *Derivatives: Business Conduct*. This marked a critical point in harmonizing the country's regulatory framework governing business conduct in over-the-counter (OTC) derivatives markets. Developed through extensive consultation, the rule was carefully calibrated to reflect the scale and complexity of the Canadian market while aligning with evolving international standards. The initiative was born out of lessons learned from the global financial crisis, which exposed critical gaps in the oversight of OTC derivatives. By introducing this rule, the CSA closed a long-standing regulatory gap: enhancing transparency, accountability and investor protection in a globally interconnected market.

Aligning standards and reducing market friction

In May 2024, we adopted amendments to support the transition to a shorter settlement cycle for equity and long-term debt trades—from two days (T+2) to one day (T+1) post-trade. This move, coordinated with a similar transition implemented by the U.S. Securities and Exchange Commission, contributed to the competitiveness of Canadian capital markets and helped reduce the risk of cross-border inefficiencies, given the interconnectedness of our markets.

The benefits of this transition were clear: reduced settlement risk, improved operational efficiency and greater alignment with global best practices. The initiative required close collaboration with key stakeholders, including the Canadian Capital Markets Association (CCMA) and the Canadian Depository for Securities (CDS). Despite the complexity, the transition was executed smoothly, with trade failure rates remaining at historic lows, approximately 1 per cent, according to ongoing regulatory monitoring.

Monitoring and mitigating systemic risk

Resilient capital markets must be equipped to identify and withstand systemic threats. CSA members have been analyzing and monitoring systemic risks as part of our core mandate since 2009. Based on this work, and through our Systemic Risk Committee, we have prepared annual systemic risk reports and have shared them with federal agencies to ensure extensive coordination and information exchange. In 2024, for the first time, the CSA published its 2023 Annual Report on Capital Markets, an important step toward transparency and market confidence. Our 2024 Capital Markets report, released in February 2025, recognized that the world's major economies proved resilient, despite continued headwinds from the tightening of central bank policy rates that began in 2022. The report further noted emerging vulnerabilities, including the rise of disruptive innovation, hedge fund arbitrage and increased exposure to private assets. It also flagged potential risks tied to inflationary pressures and geopolitical uncertainty.



By making these insights publicly available, the CSA empowers market participants to incorporate systemic risk considerations into their strategies and decision-making processes.

Strengthening transparency in take-over bid rules

Building on prior consultations, regulatory decisions and stakeholder feedback, we launched a targeted review of the Early Warning Reporting (EWR) regime and National Instrument 62-104 *Take-over Bids and Issuer Bids*. This initiative helps align disclosure requirements with current market practices and regulatory expectations.

Key areas under review include the treatment of equity derivatives—financial instruments that allow investors to gain exposure to companies without acquiring shares directly. We are evaluating whether current rules provide sufficient transparency around these instruments and their implications for corporate control. The review also considers whether disclosures about acquirers’ “plans and future intentions” offer meaningful insight to stakeholders, and whether the 5 per cent market purchase exemption, allowing share acquisitions during a take-over bid, should be removed.

Additionally, we are exploring amendments to



enhance the competitiveness of our capital markets, including a potential exemption for issuer bids that would allow selective share repurchases under specific conditions.

The proposed reforms aim to clarify existing rules, reduce unnecessary burdens and ensure that Canada’s regulatory framework remains responsive and effective.




Looking ahead

We will continue to reinforce the stability and integrity of Canada’s capital markets by enhancing our ability to detect and respond to systemic risks, expanding the use of data analytics, publishing insights to inform market participants and continuing our coordinated activities with other financial sector regulators. Our efforts will continue to advance regulatory oversight, in line with our mandate to foster a resilient financial system that protects investors and adapts to evolving market dynamics.

STRATEGIC GOAL 6 SCORECARD

CSA initiatives	Status	Achievements
6.1 Finalize and implement over-the-counter (OTC) derivatives framework		<p>The CSA continued finalizing and implementing the regulatory regime for OTC derivatives. On September 28, 2023, CSA members other than the BCSC published in final form Multilateral Instrument 93-101 <i>Derivatives: Business Conduct</i>, which came into force in all jurisdictions one year later.</p> <p>On July 25, 2024, the AMF, MSC and OSC published amendments to local rules 91-507 <i>Trade Repositories and Derivatives Data Reporting</i> and the remaining CSA member jurisdictions published amendments to Multilateral Instrument 96-101 <i>Trade Repositories and Derivatives Data Reporting</i>. These amendments streamlined and harmonized OTC derivatives data reporting with global standards. The amendments included a harmonized CSA Derivatives Data Technical Manual that provides a detailed format and values for reporting.</p> <p>The resulting improvements to data quality and consistency enable the CSA to more effectively identify risks and vulnerabilities in the derivatives markets and strengthen protections for derivatives market participants. The amendments will take effect on July 25, 2025.</p> <p>On September 19, 2024, the CSA published for comment proposed amendments to National Instrument 94-101 <i>Mandatory Central Counterparty Clearing of Derivatives</i> to update the list of mandatory clearable derivatives to reflect the transition to a new interest rate benchmarks regime based on overnight risk-free interest rate benchmarks. In 2024, we launched a project to review the current regulation of OTC derivatives trading facilities in Canada, including comparative analysis of international regulatory approaches. Findings from this review will inform the development of potential regulatory changes or the creation of a new trading facilities framework.</p>
6.2 Assess the listing function of exchanges		<p>The CSA completed its work on reviewing the new listing policies of the Canadian Securities Exchange (CSE) to reflect its growth in listings and its proposed expansion into senior exchange areas.</p>

CSA initiatives	Status	Achievements
6.3 Analyze developments in short selling and assess whether regulatory changes are needed		Following the publication in November 2023 of CSA/CIRO Staff Notice 23-332 <i>Summary of Comments and Responses to CSA/IIROC Staff Notice 23-329 Short Selling in Canada</i> , on November 15, 2024, the CSA approved amendments to the Universal Market Integrity Rules (UMIR) that support and clarify the short selling framework under UMIR by adding a new positive requirement in UMIR 3.3 to have, prior to order entry, a reasonable expectation to settle on settlement date any order that upon execution would be a short sale. These amendments, along with accompanying guidance, became effective on April 4, 2025. Following work by a joint CSA/CIRO Working Group on Short Selling, on January 9, 2025, CIRO published proposed amendments to introduce mandatory close-out requirements for fail-to-deliver positions.
6.4 Implement the rule changes supporting T+1 settlement cycle		The CSA published final amendments to National Instrument 24-101 <i>Institutional Trade Matching and Settlement</i> and changes to its Companion Policy on December 14, 2023. The move to a T+1 settlement cycle in Canada came into force on May 27, 2024, the same day the Amendments came into force. On May 23, 2024, the CSA also published final amendments to National Instrument 81-102 <i>Investment Funds</i> and changes to its Companion Policy 81-102 CP to accommodate a range of settlement cycles for mutual funds, including those switching to T+1. These amendments came into force on August 21, 2024.
6.5 Oversee issues relating to the Canadian Dollar Offered Rate (CDOR)		After the Canadian Dollar Offered Rate (CDOR) ceased to be published after a final publication on June 28, 2024, the transition from CDOR to the Canadian Overnight Repo Rate Average (CORRA) or Term CORRA (for certain instruments) was achieved smoothly and successfully. The CSA published guidance for market participants on the adoption of appropriate transition arrangements for securities, derivatives or loan agreements that used CDOR as a reference rate in CSA Staff Notice 25-309 <i>Matters Relating to Cessation of CDOR and Expected Cessation of Bankers' Acceptance</i> and CSA Multilateral Staff Notice 25-312 <i>Reminder of Cessation of CDOR</i> on June 28, 2024.

CSA initiatives	Status	Achievements
6.6 Initiate public consultation regarding Canadian real-time equities market data		On April 18, 2024, the CSA published CSA Staff Notice 21-334 <i>Next Steps to Facilitate Access to Real-Time Market Data</i> . Further to that Staff Notice, the CSA announced that it would pursue further study through industry committees on the data fees methodology, ways to facilitate access to real-time market data products and services by retail investors and their advisors, and standardization of key terms and definitions for agreements to access consolidated real-time market data products.
6.7 Review the rules relating to special transactions		The CSA has conducted extensive research and stakeholder consultations on the review of Multilateral Instrument 61-101 <i>Protection of Minority Security Holders in Special Transactions</i> . Following this work, and considering other emerging policy priorities, the CSA has decided no changes to the existing regime will be made at this time, but intends to revisit the review of MI 61-101 in the future.
6.8 Review the early warning reporting regime		The CSA has completed the review of the early warning reporting regime. Following research and informal consultations, the CSA is preparing a Notice and Request for Comment for targeted amendments to the early warning reporting regime and National Instrument 62-104 <i>Take-Over Bids and Issuer Bids</i> , as well as a proposed new selective repurchase issuer bid exemption.

OTHER SIGNIFICANT ACHIEVEMENTS

While the CSA structures its strategic goals according to the three-year business plan, we maintain an agile approach and remain ready to address new issues and challenges presented by evolving capital market conditions. We continue to monitor emerging trends and international developments in areas under our mandate and determine the appropriateness of commencing any additional initiatives. In the past year, the CSA has completed or has undertaken several initiatives in addition to the projects outlined in the 2022-2025 Business Plan.

Actions to support competitiveness of Canadian markets

In response to current events precipitating uncertainty in global markets, the CSA introduced blanket orders to support market participants that choose to go public, maintain a listing, and contribute to capital formation in Canada:

- 1) On April 17, 2025, the CSA members issued harmonized blanket exemptive orders for companies that are currently reporting, or that choose to pursue an initial public offering (IPO) in Canada. These blanket orders aimed to expand flexibility and efficiency in capital markets through the following measures:
 - **Introduced exemption** from the requirement to provide audited financial statements for the third most recently completed financial year in connection with IPOs and similar transactions, issued by all CSA jurisdictions.
 - **Provided a new prospectus exemption** for companies that will be going public or have recently gone public through an underwritten IPO, allowing greater flexibility to raise additional capital post-IPO under certain conditions, issued by all CSA jurisdictions.

- **Increased the investment limit** under the offering memorandum exemption to permit eligible investors to reinvest proceeds within a 12-month period, issued by Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan. (Note: this limit does not apply in other CSA jurisdictions.)

- 2) On May 14, 2025, the CSA members issued a coordinated blanket exemptive order that raised the capital-raising threshold available under the listed issuer financing exemption, thereby enabling listed issuers to access capital in a more cost-effective way.

Other temporary relief

On November 28, 2024, the CSA announced temporary relief through coordinated blanket orders from requirements for delivery of proxy-related materials in National Instrument 51-102 Continuous Disclosure Requirements and National Instrument 54-101 *Communications with Beneficial Owners of Securities of a Reporting Issuer* due to disruption of postal service in Canada.

Streamlining mining disclosure standards

On June 12, 2025, the CSA published proposed amendments intended to clarify, harmonize and streamline Canada's mining disclosure regime without introducing any new requirements. The proposed amendments would update and enhance the standards for disclosing scientific and technical information about mineral projects to address evolving disclosure practices and policy considerations identified by CSA staff, and to reflect changing industry and investor expectations. The proposed amendments to National Instrument

43-101 *Standards of Disclosure for Mineral Projects* are designed to:

- Remove or replace certain definitions and requirements that have become outdated,
- Modernize and streamline certain requirements to reflect current industry practice,
- Provide clarification and guidance on certain definitions and requirements, and
- Make other minor language changes to clarify disclosure requirements.

Reviewing and enhancing the exchange-traded fund (ETF) regulatory framework

On June 19, 2025, the CSA published Consultation Paper 81-409 *Enhancing Exchange-Traded Fund Regulation: Proposed Approaches and Discussion*. The consultation paper proposes certain enhancements to the ETF framework, taking into consideration a study of the Canadian ETF market conducted by the Ontario Securities Commission's Thought Leadership Division and the Good Practices Relating to the Implementation of the IOSCO Principles for Exchange Traded Funds published by IOSCO. The CSA is pursuing this initiative as part of its efforts under the 2025-2028 Business Plan to mitigate systemic risk and maintain the stability and integrity of Canada's capital markets.



APPENDIX: ENFORCEMENT STATISTICS

This Appendix presents CSA members' enforcement activity across several categories for fiscal year 2024/2025 (April 1, 2024, to March 31, 2025). For previous reporting periods and descriptions of the enforcement activity, [visit the CSA website](#).

Preventative and disruptive measures

CSA members protect investors by issuing or obtaining interim orders or freezing assets while they conduct investigations. Certain jurisdictions have the legislative authority to halt trading on public exchanges when they suspect or identify irregular trading of securities or derivatives, in turn stopping potential market manipulation. Asset-freeze orders help prevent the loss of assets—for example, bank deposits and personal property, including vehicles and buildings—pending the completion of investigations.

Interim orders		
	Number of orders	Number of respondents
Total	19	53

Asset-freeze orders			
	Number of orders	Number of respondents	Amount frozen at the date of the order
Total	11	21	\$2,831,077.38

Investor warnings and alerts

CSA members issue investor warnings and alerts and update their caution lists through their respective websites, email, social media channels, and the CSA website. These alerts inform the public about individuals and companies that are acting in harmful ways. Often, the alerts relate to foreign businesses that are not registered to trade securities in Canada but are targeting Canadian investors.

	Total Number
Investor alerts issued	1,011

Whistleblower programs

Several CSA members have whistleblower programs that enable individuals and employees to report possible securities laws violations. These programs offer key protections, including confidentiality, the option to report anonymously and anti-reprisal measures. These innovative programs continue to provide valuable information about complex securities misconduct that may not otherwise have come to light.

Total Number	
Whistleblower tips received	606

Referrals and assistance

Enforcement referrals are files referred by a CSA member to another CSA member, as well as agencies such as SROs and foreign regulators. Formal assistance in enforcement cases includes the number of times a CSA member formally assisted another CSA member, a self-regulatory organization or a foreign regulator in an enforcement file (e.g., interviewing witnesses, obtaining documents).

Total Cases	
Enforcement referrals (CSA)	59
Assistance in enforcement cases (CSA)	37
Enforcement referrals (SROs)	2
Assistance in enforcement cases (SROs)	10
Enforcement referrals (Foreign regulators)	18
Assistance in enforcement cases (Foreign regulators)	81

Proceedings commenced

Cases in which a CSA member filed a notice of hearing or statement of allegations, swore an information before the courts or served a statement of offence.

Type of offence	Number of respondents
Illegal distribution	27
Illegal insider trading	3
Market manipulation	10
Disclosure violations	3
Fraud	28
No-contest settlements	15
Misconduct by registrants	9
Public interest violations and other misconduct	17
Total	112

Concluded matters

“Concluded matters” refers to cases in which a final decision has been issued or a settlement reached.

Type of offence	Number of respondents
Illegal distribution	22
Illegal insider trading	7
Market manipulation	2
Disclosure violations	5
Fraud	21
No-contest settlements	15
Misconduct by registrants	28
Public interest violations and other misconduct	18
Total	118

Fines, administrative penalties and other

CSA members impose or obtain sanctions for securities laws violations, for conduct contrary to public interest, or through settlements or no-contest settlements. Financial sanctions include penalties and voluntary payments.

Type of offence	Total money ordered
Illegal distribution	\$5,105,000
Illegal insider trading	\$1,543,150
Market manipulation	\$93,000
Disclosure violations	\$237,500
Fraud	\$17,910,000
Public interest violations and other misconduct	\$1,141,000
Misconduct by registrants	\$1,939,000
Total	\$27,968,650

Restitution, compensation and disgorgement

In specific circumstances, some regulators or courts possess restitution, compensation and disgorgement powers or can make financial orders that can result in money being returned to investors.

Type of offence	Total money ordered
Illegal distribution	\$1,641,948
Illegal insider trading	\$117,743
Market manipulation	–
Disclosure violations	–
Fraud	\$89,914,857
Public interest violations and other misconduct	\$18,254,907
Misconduct by registrants	\$768,485
Total	\$110,697,940

Jail terms

	Number of individuals	Total jail term
Securities Act	6	16.25 years
Criminal Code	3*	4.25 years
Total	9	20.5 years

*One individual (Criminal Code) received a sentence of three months under house arrest.

In certain cases, securities regulators investigate breaches of the Criminal Code, or quasi-criminal offences of securities legislation, either independently or in collaboration with law enforcement agencies. Investigations can involve search warrants, surveillance and undercover operations. Subsequently, provincial and federal Crown counsel conduct related prosecutions.

Criminal cases commenced		
	Number of cases	Number of individuals
Total	5	5

Criminal cases completed		
	Number of cases	Number of individuals
Total	4	4

Market bans

As a tool to prevent further misconduct and harm, a tribunal or panel can impose market bans on an individual or company when they have violated securities laws. Individuals or companies can be banned from trading or purchasing, registration, using exemptions, acting as a director or officer, advising in securities, investor relations, or acting in a management or consultative capacity in connection with activities in the market.

Banned from the capital markets			
	Number of individuals	Number of companies	Total number
Total	47	40	87

Banned permanently			
	Number of individuals	Number of companies	Total number
Total	20	34	54

Recidivism

A recidivist is someone sanctioned for breaching securities laws after being previously sanctioned for a securities violation by a securities regulator or the court. Repeat offenders, or recidivists, are a reality in every legal system. CSA members collaborate to identify recidivists across Canada, and impose fair, credible and progressive sanctions that are proportionate to each case and aim to be more severe than those incurred by first-time violators.

	Total number
Number of individuals	5
Number prosecuted in court	3

Out of the five individuals, three were prosecuted before the courts; two received jail time and one is under house arrest.

Two individuals were sanctioned by a tribunal; one was ordered to pay over \$ 18.5 million in fines and disgorgements.