



2025/1142

10.6.2025

COMMISSION DELEGATED REGULATION (EU) 2025/1142

of 27 February 2025

supplementing Regulation (EU) 2023/1114 of the European Parliament and of the Council with regard to regulatory technical standards specifying the requirements for policies and procedures on conflicts of interest for crypto-asset service providers and the details and methodology for the content of disclosures on conflicts of interest

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) 2023/1114 of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937 ⁽¹⁾, and in particular Article 72(5), third subparagraph, thereof,

Whereas:

- (1) When implementing and maintaining the policies and procedures to identify, prevent, manage and disclose conflicts of interest as referred to in Article 72 of Regulation (EU) 2023/1114, crypto-asset service providers should take into account the principle of proportionality to ensure that the conflict of interest policies and procedures are sufficient to achieve the objectives of that Article. In accordance with Article 72(1) of Regulation (EU) 2023/1114, crypto-asset service providers are also to take into account the scale, nature and range of crypto-asset services provided.
- (2) To ensure that the conflict of interest policies and procedures are in the best interest of the crypto-asset service providers and their clients, those policies and procedures should cover situations that may influence or affect, or that may appear to influence or affect, the ability of crypto-asset service providers or of persons connected to those crypto-asset service providers to exercise their duties or responsibilities objectively and independently, in the interest of clients, and the performance of the entity.
- (3) Where the crypto-asset service provider belongs to a group, circumstances related to that fact should be also taken into account.
- (4) Crypto-asset service providers that are part of a group should therefore appropriately address situations that may give rise to a conflict of interest due to the structure and business activities of other entities within their group. To that end, where a crypto-asset service provider provides, on its own or with other entities of its group, multiple crypto-asset services and related activities, the conflict of interest policies and procedures should prevent any abuse resulting from concentrated control, management of related-party transactions, including transactions involving affiliated companies.
- (5) To prevent conflict of interests detrimental to the crypto-asset service providers and its clients, conflict of interest policies and procedures should ensure the careful monitoring of situations where persons connected to the crypto-asset service provider have a personal, professional or a political relationship with another person. Such relationships have the potential to influence the objective judgment of the crypto-asset service provider and connected persons. Personal relationships should include those between relatives by blood or marriage, or social relationships not limited to a formal partnership or marriage. Political relationships should include memberships of political parties, or relationships with government or other public officials. Professional relationships should consist in relationships in a professional setting, including at work or in a business context.

⁽¹⁾ OJ L 150, 9.6.2023, p. 40, ELI: <http://data.europa.eu/eli/reg/2023/1114/oj>.

- (6) In order for the conflict of interest policies and procedures to be effective, crypto-asset service providers should have a transparent organisational and managerial structure, which is consistent with their overall strategy and risk profile, and which is well understood by their management body, affiliated entities, national competent authorities, and clients.
- (7) The sound governance and management of crypto-asset service providers is fundamental to ensure both their functioning and trust in the financial markets. For those reasons, the conflict of interest policies and procedures should deal with cases where the conflicts of interest could impede the ability of the members of the management body to take objective and impartial decisions in the best interests of the crypto-asset service provider and its clients.
- (8) The potential and actual conflicts of interest to be taken into consideration by crypto-asset service providers pursuant to Article 72(1) of Regulation (EU) 2023/1114 should be those affecting, or potentially affecting, the interests of clients as well as those affecting or potentially affecting the performance and situation of the crypto-asset service provider as such and thus, indirectly, also affect the interests of clients.
- (9) To ensure transparency about the measures taken to mitigate identified conflicts of interests, crypto-asset service providers should comply with the requirements to disclose conflicts of interests set out in Article 72(2) of Regulation (EU) 2023/1114. However, to ensure that conflicts of interest policies and procedures meet their objective, crypto-asset service providers should not rely on simply disclosing conflicts of interests as a way to address them. Therefore, they should comply with the requirements of disclosure, but also ensure the identification, prevention and management of conflicts of interest.
- (10) The remuneration of staff involved in the provision of crypto-asset services to clients can give rise to conflicts of interest. While crypto-asset service providers are free to determine their remuneration policies in general, they should ensure that their remuneration policies and practices do not create conflicts between the interests of clients and those of the crypto-asset service provider or connected persons and do not impair the ability of connected persons to carry out their duties and responsibilities in an independent and objective manner. To ensure the efficient and consistent application of the conflicts of interest requirements in the area of remuneration, the notion of remuneration should include all forms of payment and financial or non-financial benefits provided directly or indirectly by crypto-asset service providers to persons with an impact, directly or indirectly, on crypto-asset services provided by the crypto-asset service providers or on their corporate behaviour. Remuneration policies implemented in the context of conflict of interest policies should ensure that clients are treated fairly and their interests are not impaired by the remuneration practices adopted by the crypto-asset service providers in the short, medium or long term.
- (11) In view of appropriate implementation, maintenance and review of conflict of interest policies and procedures, such policies and procedures should ensure that there are adequate and internally independent human resources for the management of conflicts of interest. Those human resources should also have the necessary skills, knowledge and expertise on conflicts of interest. For that reason, the person responsible for the management of conflicts of interest should be able to access and report directly to the relevant internal reporting channel in its management function and, where applicable, in its supervisory function.
- (12) To ensure that clients can take an informed decision, crypto-asset service providers should keep up-to-date the information disclosed about the general nature and sources of conflicts of interest and the steps taken to mitigate them pursuant to Article 72(2) of Regulation (EU) 2023/1114. Such disclosure should take into account the various types of clients it is addressed to, including the fact that those clients have varying levels of knowledge and experience.

- (13) Crypto-asset service providers may often operate in a vertically integrated manner or in close cooperation with affiliated entities or entities of the same group. To make clear to clients in what role and capacity the crypto-asset service provider is acting, the disclosures referred to in Article 72(2) of Regulation (EU) 2023/1114 should include a sufficiently detailed, specific and clear description of the situations which give or may give rise to conflicts of interest. That information is particularly relevant in situations where the crypto-asset service provider markets itself engaging in crypto-asset exchange but actually engages in or combines multiple functions or activities, including operating a trading platform in crypto-assets, market-making, offering margin trading, facilitating custody, settlement, lending, borrowing and proprietary trading. To ensure investor protection, prospective clients and clients should have access to the disclosures referred to in Article 72(2) of Regulation (EU) 2023/1114 in a language with which they are familiar. Therefore, crypto-asset service providers should make available such disclosures in all languages used by crypto-asset service provider to market their services or communicate with clients in the relevant Member State.
- (14) Union law on data protection, in particular Regulation (EU) 2016/679 of the European Parliament and of the Council⁽²⁾, is applicable to the processing of personal data by crypto-asset service providers, including the information collected through their conflicts of interest policies and procedures.
- (15) In line with the principle of data minimisation as laid down in Regulation (EU) 2016/679, crypto-asset service providers should specify which categories of personal data they will process to identify, prevent and manage the conflicts of interest in their policies and procedures referred to in Article 72(1) of Regulation (EU) 2023/1114, taking into account the scale, nature and range of crypto-asset services and other activities provided or carried out by the crypto-asset service provider and the group to which it belongs.
- (16) The European Data Protection Supervisor was consulted in accordance with Article 42(1) of Regulation (EU) 2018/1725 of the European Parliament and of the Council⁽³⁾ and delivered an opinion on 17 July 2024.
- (17) This Regulation is based on the draft regulatory technical standards submitted to the Commission by the European Securities and Markets Authority, in close cooperation with the European Banking Authority.
- (18) The European Securities and Markets Authority has conducted open public consultations on the draft regulatory technical standards on which this Regulation is based, analysed the potential related costs and benefits and requested the advice of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council⁽⁴⁾,

⁽²⁾ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1, ELI: <http://data.europa.eu/eli/reg/2016/679/oj>).

⁽³⁾ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39, ELI: <http://data.europa.eu/eli/reg/2018/1725/oj>).

⁽⁴⁾ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84, ELI: <http://data.europa.eu/eli/reg/2010/1095/oj>).

HAS ADOPTED THIS REGULATION:

Article 1

Definitions

For the purposes of this Regulation, the following definitions apply:

- (1) 'connected person' means any of the persons referred to in Article 72(1), points (a)(i) to (a)(iv), of Regulation (EU) 2023/1114;
- (2) 'remuneration' means any form of payment or other financial or non-financial benefits provided directly or indirectly by crypto-asset service providers in connection with the provision of crypto-asset services to clients;
- (3) 'group' means a group as defined in Article 2, point (11), of Directive 2013/34/EU of the European Parliament and of the Council ⁽⁹⁾.

Article 2

Conflicts of interest potentially detrimental to the crypto-asset service provider

1. The policies and procedures referred to in Article 72(1) of Regulation (EU) 2023/1114 to identify, prevent, manage and disclose conflicts of interests potentially detrimental to the crypto-asset service provider shall specify the circumstances which are capable of directly or indirectly affecting the objectivity and impartiality of the connected persons in exercising their duties and responsibilities. Such policies and procedures shall take into account, at least, situations or relationships where a connected person:

- (a) has an economic interest in a person, body or entity with interests conflicting with those of the crypto-asset service provider;
- (b) has a present relationship with a person, body or entity that has interests conflicting with those of the crypto-asset service provider that could be of a personal, professional or political nature or had that relationship within the previous 3 years, starting from when the assessment is made;
- (c) carries out tasks or activities, or is entrusted with responsibilities, conflicting with those of the crypto-asset service provider or is hierarchically supervised by a person in charge of functions or tasks conflicting with those of the crypto-asset service provider.

2. For the purposes of identifying the persons, bodies or entities with conflicting interests to those of crypto-asset service providers, crypto-asset service providers shall take into account, at least, whether that person, body or entity:

- (a) is likely to make a financial gain, or avoid a financial loss, at the expense of the crypto-asset service provider;
- (b) has an interest in the outcome of a crypto-asset service provided or an activity carried out by the crypto-asset service provider, which is distinct from the crypto-asset service provider's interest in that outcome;
- (c) carries out the same business as the crypto-asset service provider or is a client, consultant, adviser, delegatee, outsourcee, service provider or other supplier (including subcontractors) of the crypto-asset service provider and there are demonstrable grounds that there may be a conflict of interests with the crypto-asset service provider.

⁽⁹⁾ Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19, ELI: <http://data.europa.eu/eli/dir/2013/34/oj>).

3. For the purposes of paragraph 1, point (a), crypto-asset service providers shall take into account situations where the connected person that is a member of the management body, employee of the crypto-asset service provider or a shareholder or member that has a qualifying holding in the crypto-asset service provider:

- (a) holds shares, tokens (including governance tokens), other ownership rights or membership in that person, body or entity;
- (b) holds debt instruments of or has other debt arrangements with that person, body or entity;
- (c) has any form of contractual arrangements related to the activities regulated under Regulation (EU) 2023/1114 with that person, body or entity.

Article 3

Conflicts of interest potentially detrimental to clients

For the purposes of identifying the conflicts of interest that arise when providing crypto-asset services and that may damage the interests of clients, crypto-asset service providers shall take into account whether the crypto-asset service provider or any connected person:

- (a) is likely to make a financial gain, avoid a financial loss, or receive another benefit, at the expense of the client;
- (b) has an interest in the outcome of a crypto-asset service provided to the client or of a transaction carried out on behalf of the client, which is distinct from the client's interest in that outcome;
- (c) has a financial or other incentive to favour the interest of one or more clients over the interests of another client;
- (d) carries out the same business as the client;
- (e) receives or will receive from a person other than the client an inducement in relation to a service provided to the client, in the form of monetary or non-monetary benefits or services.

Article 4

Conflict of interest policies and procedures referred to in Article 72(1) of Regulation (EU) 2023/1114

1. The conflict of interest policies and procedures shall be set out in writing and shall take into account:
 - (a) the scale, nature and range of crypto-asset services and other activities provided or carried out by the crypto-asset service provider;
 - (b) where the crypto-asset service provider is a member of a group, any circumstances which may give rise to a conflict of interest due to the structure and business activities of other entities within the group.
2. The management body of the crypto-asset service provider shall be responsible for the definition, adoption, implementation of those policies and procedures. It shall periodically assess and review their effectiveness and address any deficiencies in that respect.
3. Crypto-asset service providers shall establish effective internal channels to inform and provide ongoing access to employees and members of the management body of their conflict of interest policies and procedures and provide appropriate updated training on those conflict of interest policies and procedures.

4. The conflict of interest policies and procedures shall include:
 - (a) in relation to any crypto-asset service or activity provided by the crypto-asset service provider or carried out on its behalf by a consultant, adviser, delegatee or outsourcee, a description of the circumstances which may give rise to a conflict of interest as referred to in Articles 2 or 3;
 - (b) the processes to be applied in order to identify, prevent, manage, and disclose the conflicts of interest referred to in Articles 2 and 3;
 - (c) a clear reference to the organisational and managerial structure of the crypto-asset service provider.
5. The conflict of interest policies and procedures shall take into account the risk of damage to the interests of one or more clients or the interests of the crypto-asset service provider.
6. The processes referred to in Article 4(4), point (b), shall include at least the following elements:
 - (a) measures to report and communicate promptly to the designated internal reporting channel any matter that may result, or has resulted, in a conflict of interest;
 - (b) measures to prevent and control the exchange of information between connected persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may harm the interests of one or more clients;
 - (c) the separate internal oversight of connected persons whose principal functions involve carrying out activities on behalf of, or providing services to, clients whose interests may conflict with each other or with the interests of the crypto-asset service provider;
 - (d) the removal of any direct link between the remuneration provided to the crypto-asset service provider's employees, delegates, outsourcees, subcontractors or members of the management body principally engaged in one activity and the remuneration of, or revenues generated by, different employees, delegates, outsourcees, subcontractors or members of the management body of the crypto-asset service provider principally engaged in another activity, where there are demonstrable grounds that a conflict of interest may arise in relation to those activities;
 - (e) measures to ensure that connected persons who perform outside business activities related to the crypto-asset service provider are prevented from having inappropriate influence within the crypto-asset service provider regarding those activities;
 - (f) measures to prevent or control the simultaneous or sequential involvement of a connected person in separate crypto-asset services or activities where such involvement may impair the proper management of conflicts of interest;
 - (g) measures to ensure that conflicting activities or transactions are entrusted to different persons;
 - (h) measures to establish the responsibility of the members of the management body to inform other members of and abstain from voting on any matter where a member has or may have a conflict of interest;
 - (i) measures to prevent members of the management body from holding management positions in competing crypto-asset service providers outside of the same group;
 - (j) measures to prevent and control the exchange of information between connected persons engaged in activities involving a risk of a conflict of interest where the exchange of that information may affect the performance of such connected person's responsibilities to the crypto-asset service provider.
7. The crypto-asset service provider shall ensure that policies and procedures referred to in paragraph 3, point (b), provide reasonable reassurance that the risks of damage to the interests of the crypto-asset provider or its clients will be prevented or appropriately mitigated.
8. The conflicts of interest policies and procedures shall ensure that adequate resources, including adequate and independent human resources are dedicated by the crypto-asset service provider to their implementation, maintenance and review, including the appointment of a person that is responsible for the identification, prevention, management and disclosure of conflicts of interest.

That person shall have the authority necessary to discharge their responsibilities appropriately and independently and shall report directly to the management body.

Where that person has been entrusted with other roles or functions, those shall be appropriate given the scale, nature and range of crypto-asset services and other activities of the crypto-asset service provider, and shall not compromise the independence and objectivity of that person.

The conflict of interest policies and procedures shall define the skills, knowledge and expertise necessary for staff in charge of the responsibilities referred to in the first subparagraph and shall provide for such staff to have access to all relevant information for the discharge of their responsibilities.

Article 5

Policies and procedures on conflict of interest in the context of remuneration

1. In their conflict of interest policies and procedures referred to in Article 72(1) of Regulation (EU) 2023/1114, crypto-asset service providers shall define and implement remuneration policies and procedures taking into account the interests of all their clients.
2. Crypto-asset service providers shall ensure that the remuneration policies and procedures referred to in paragraph 1:
 - (a) do not create a conflict of interest or incentive that may lead the persons to whom they apply to favour their own interests or the crypto-asset service provider's interests to the potential detriment of any client or that may lead the persons to whom they apply to favour their own interests to the detriment of the crypto-asset service provider;
 - (b) appropriately mitigate conflicts of interest which may be caused by the award of variable remuneration and underlying key performance indicators and risk alignment mechanisms, including the pay out of instruments to employees or management body as part of the variable or fixed remuneration.
3. Crypto-asset service providers shall ensure that their remuneration policies and procedures referred to in paragraph 1 apply to all of the following:
 - (a) their employees and any other natural person whose services are placed at the disposal and under the control of the crypto-asset service provider and who is involved in the provision of crypto-asset services by the crypto-asset service provider;
 - (b) members of their management body;
 - (c) any natural person directly involved in the provision of services to the crypto-asset service provider under an outsourcing arrangement for the purpose of the provision of crypto-asset services by the crypto-asset service provider.
4. The crypto-asset service provider's remuneration procedures, policies and arrangements shall apply to persons referred to in paragraph 3 that have an impact, directly or indirectly, on crypto-asset services provided by the crypto-asset service providers or on its corporate behaviour, regardless of the type of clients, and to the extent that the remuneration of such persons and other relevant incentives may create a conflict of interest that encourages them to act against the interests of any of the crypto-asset service provider's clients or to favour their own interests to the detriment of the crypto-asset service provider.

Article 6

Policies and procedures on conflicts of interest in the context of personal transactions

1. Conflict of interest policies and procedures shall ensure that transactions resulting in a position in or exposure to a crypto-asset effected by or on behalf of a connected person are subject to close scrutiny and monitoring where at least one of the following criteria are met:
 - (a) the connected person is acting outside the scope of the activities that the connected person carries out in its professional capacity;
 - (b) the transaction is carried out for the account of any of the following persons:

- (i) the connected person;
- (ii) any person with whom a connected person has a family relationship or close links as referred to in Article 3(1), point (31), of Regulation (EU) 2023/1114;
- (iii) a person from whom the connected person can expect to obtain a direct or indirect material advantage linked to the outcome of the transaction, other than a fee or a commission for the execution of the transaction.

For the purposes of the first subparagraph, point (b)(ii), person with whom a connected person has a family relationship shall mean any of the following:

- (a) the spouse of the connected person or any partner of that person considered by national law as equivalent to a spouse;
- (b) a dependent child or stepchild of the connected person;
- (c) any other relative of the connected person who has shared the same household as that person for at least 1 year during the 5 years preceding the date of the personal transaction concerned.

2. In relation to the transactions referred to in paragraph 1, the policies and procedures shall ensure that:

- (a) with respect to the decision to execute such transactions:
 - (i) such transactions are identified by or notified to the person responsible for the management of conflicts of interest before a decision on the execution of the transaction and its conditions is taken and that such transactions are documented;
 - (ii) decisions to enter into such transactions are taken objectively, in the interest of each party;
 - (iii) the conditions for the transaction are equivalent to the conditions that would have applied between independent parties for the same transactions in the absence of a conflict of interest.
- (b) decision-making processes for entering into those transactions are set out and that thresholds, expressed as the volume of the transaction, above which such a transaction requires the approval by the management body are established;
- (c) employees and members of the management body are aware of the rules applied on those transactions, and of the measures established by the crypto-asset service provider in relation to them;
- (d) the crypto-asset service provider is informed promptly of any of those transactions;
- (e) a record is kept of the transaction identified or notified to the crypto-asset service provider, specifying the date and time of the transaction, the conditions, its volume, the counterparty and any authorisation or prohibition in connection with that transaction.

Article 7

Disclosures by the crypto-asset service provider as referred to in Article 72(2) of Regulation (EU) 2023/1114

1. The disclosures made in accordance with Article 72(2) of Regulation (EU) 2023/1114 shall contain a detailed, specific and clear description of:

- (a) the services, activities or circumstances giving rise, or which may give rise, to conflicts of interest as referred to in Article 2(1) and Article 3(1), including the role and capacity in which the crypto-asset service provider is acting when providing the crypto-asset service to the client;
- (b) the nature of the conflicts of interest identified;
- (c) the risks identified in relation to the conflicts of interest referred to in Article 2(1) and Article 3(1);
- (d) the steps and measures taken to mitigate the identified conflicts of interest.

2. The disclosures referred to in paragraph 1 shall not be considered as a sufficient way to manage and mitigate conflicts of interest.
3. Crypto-asset service providers shall make available to their clients the information referred to in paragraph 1 at all times in a prominent place on their website and in formats available on any device through which the crypto-asset service is provided to the client. Where the crypto-asset service provider makes such disclosures on the relevant device, the crypto-asset service provider shall also provide a link to the same disclosures made on its website.
4. Crypto-asset service providers shall keep the information referred to in Article 72(2) of Regulation (EU) 2023/1114 updated at all times.
5. For the purposes of the disclosure referred to in paragraph 2, crypto-asset service providers shall keep up-to-date records of all situations giving rise to actual and potential conflicts of interest, including the relevant crypto-asset services or activities, and of the measures taken to prevent or manage such conflicts in the relevant situations. The records shall be kept for a period of 5 years.
6. Crypto-asset service providers shall make the disclosures available in all languages used by them to market their services and to communicate with their clients in the relevant Member State.

Article 8

Additional requirements in relation to placing

1. For the purposes of identifying the types of conflict of interest that arise where the crypto-asset service provider provides placing services, crypto-asset service providers shall take into account, without prejudice to Article 79(2) of Regulation (EU) 2023/1114, the following situations:
 - (a) the crypto-asset service provider is also offering pricing services in relation to the offer of crypto-assets;
 - (b) the crypto-asset service provider is also providing execution of orders for crypto-assets on behalf of clients and research services;
 - (c) the crypto-asset service provider is placing crypto-assets of which itself or an entity from its group is the issuer.
2. Crypto-asset service providers shall establish, implement and maintain internal arrangements to ensure all of the following:
 - (a) that the pricing of the offer does not promote the interests of other clients of the crypto-asset service provider or the crypto-asset service provider's own interests, in a way that may conflict with the issuer client's interests;
 - (b) that the pricing of the offer does not promote the interests of the issuer client's, the crypto-asset service provider's own interests or the interests of a connected person, in a way that may conflict with other clients' interests;
 - (c) the prevention of a situation where persons responsible for providing services to the crypto-asset service provider's investment clients, or deciding which products should be included in the list of products offered or recommended by the crypto-asset service provider, are directly involved in decisions about pricing to the issuer client;
 - (d) the prevention of a situation where persons responsible for providing services to the crypto-asset service provider's investment clients are directly involved in decisions about recommendations to the issuer client on allocation;
 - (e) the prevention of the exercise of staking rights without prior consent of the investment client.

3. Crypto-asset service providers shall have in place a centralised procedure to identify all their placing operations, including the date on which the crypto-asset service provider was informed of potential placing operations.

Article 9

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 27 February 2025.

For the Commission
The President
Ursula VON DER LEYEN
