



Green Finance Dashboard – 2Q26

Economics, Financial Stability and Risk Department
Consumers, Sustainability and Innovation Analysis

Contents

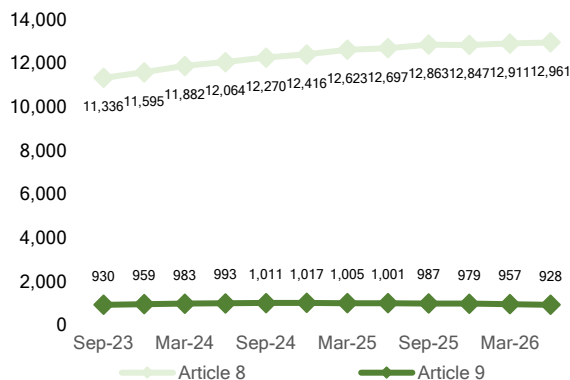
- Summary findings
- Market segments
 - SFDR Article 8 and 9 UCITS funds
 - ESG terms in EU fund names
 - EU funds portfolio greenness
 - EU private investments
 - Climate benchmarks
 - ESG bonds
 - EU Green Bonds
 - Structured retail products
 - Emission allowances
- Definitions and methods
- Objectives and disclaimer

Summary findings

- **ESG markets** are showing continued signs of **resilience, albeit with mixed developments** across the different segments under ESMA's remit.
- **SFDR Article 8 and 9 funds** continued to lead the UCITS market in 2Q26, accounting for 62% of assets under management (AuM). The number of **Article 8 funds increased slightly (+0.4% from 1Q26), while Article 9 funds declined (-3%). AuM increased** for both product types (+6.7% for Article 8 and +7.7% for Article 9).
- **ESG private fund assets** started 2026 with a **strong first half year** mainly driven by venture capital strategies, with CleanTech deals already attracting more capital than in 2025.
- The EU **ESG bond market expanded by 7.5%** since June 2025. EuGB issuance accelerated, **accounting for 12%** of EEA green bond issuance in 2Q26.
- **EU ETS trading** activity **subsided** in 2Q26 as volatility decreased and prices recovered, following a volatile quarter.
- **Physical risk:** Summer 2025's extreme weather is estimated to have **cost the EU €43bn** in gross value added (0.26% of output); 2026 burnt area is already running ~25% above the same point in 2025.

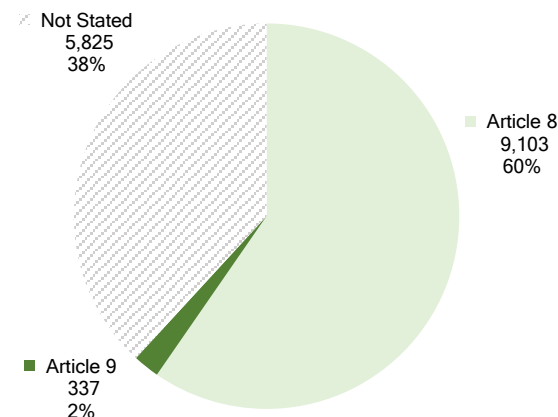
SFDR Article 8 and 9 UCITS

Number of Art.8 and 9 UCITS funds



Note: Number of UCITS investment funds with an SFDR Article 8 and 9 statement in their pre-contractual documentation.
Sources: Morningstar, ESMA.

Share of Art.8/9 funds in UCITS assets



Note: Share of UCITS investment funds with an SFDR Article 8 or 9 statement in their pre-contractual documentation, EUR billion and % of assets under management.
Sources: Morningstar, ESMA.

Number of UCITS funds

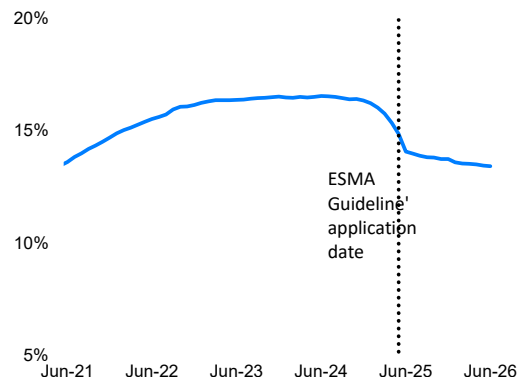
- In 2Q26, the number of SFDR Art. 8 UCITS funds slightly increased (+0.4% from 1Q26), while the number of SFDR Art. 9 UCITS funds decreased (-3% from 1Q26).
- The share of SFDR Art. 8 and Art. 9 funds in the total UCITS fund population was stable at 55%.

Assets under management

- In June 26, SFDR Art. 8 UCITS funds managed assets worth €9,103 bn (+6.7% from December), while SFDR Art. 9 UCITS funds managed €337 bn (+7.7%).
- The share of assets managed by SFDR Art. 8 and Art. 9 UCITS funds accounted for 62% of the total assets of UCITS funds, stable since 1Q25.

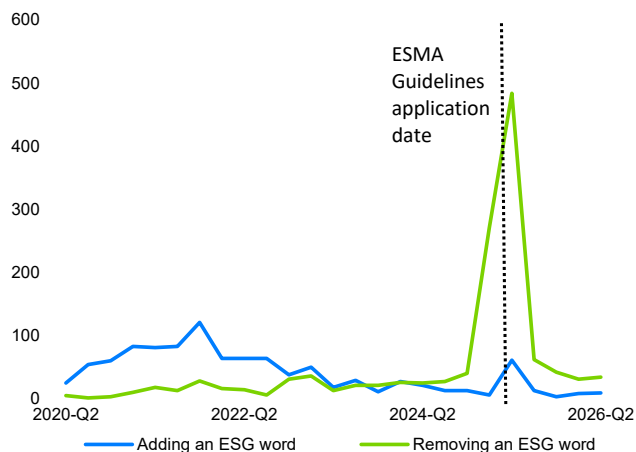
ESG terms in EU fund names

EU funds with ESG term in name



Note: Share of EU funds with ESG words in their name, as a percentage of all EU funds.
Sources: Morningstar, ESMA.

ESG-related fund name changes



Note: Quarterly number of EU funds adding, removing an ESG word to their name or adding an ESG-like word.
Sources: Morningstar, ESMA.

Share of EU fund names using ESG terms

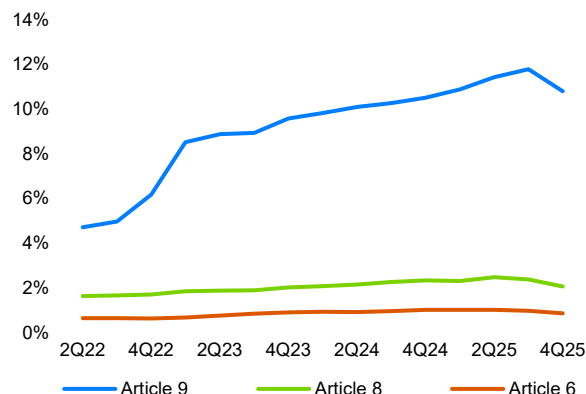
- In June 26, 13.4% of EU funds used an ESG-related term in their name (in March 26 it was 13.5%).
- The number of funds using ESG-related terms in their name stood at 4,034 (-1% from March 26).

Changes in EU fund names

- In 2Q26, more EU funds have removed an ESG-related term from their name (35) than added one (9), for the sixth consecutive quarter.
- ESG-term removals have fallen markedly since the wave surrounding the [ESMA Guidelines on fund names](#) application date in May 25, when around 600 funds dropped an ESG-related term. *

* For further information on the impact of ESMA's fund naming guidelines please see the latest [ESMA TRV Article](#)

SFDR funds exposure to green bonds

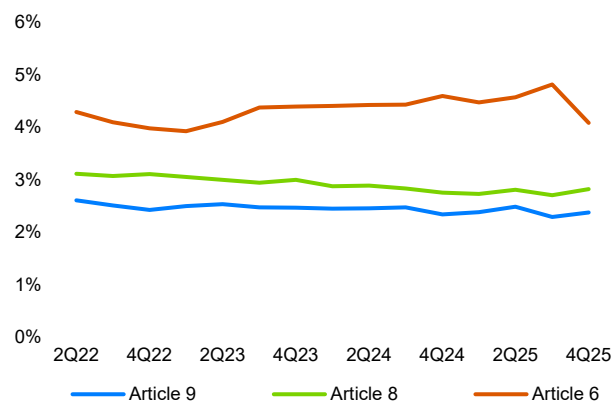


Note: Relative exposure (as % of AuM) of EU funds to Green Bonds per SFDR article type
Sources: Morningstar, ESMA

Share of investments in green bonds

- In 4Q25, 11% of SFDR Article 9 fund assets were invested in green bonds, up from 10% in 4Q24.
- SFDR Article 8 funds had a portfolio exposure to green bonds of 2.3%, up from 2.1% in 4Q24.

SFDR funds exposure to fossil fuel

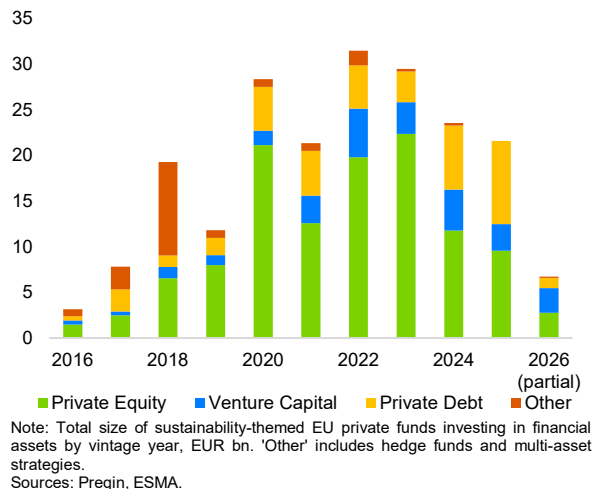


Note: Relative exposure (as % of AuM) of EU funds fossil fuel assets per SFDR article type.
Sources: Morningstar, ESMA

Share of investments in fossil fuel activities

- Since August 24, both SFDR Article 9 and Article 8 funds have shown a gradually declining exposure to fossil fuel activities.
- In contrast, SFDR Article 6 funds maintained a relatively higher exposure to fossil fuel activities, amounting to around 4% of their assets.

Total assets of EU ESG private funds



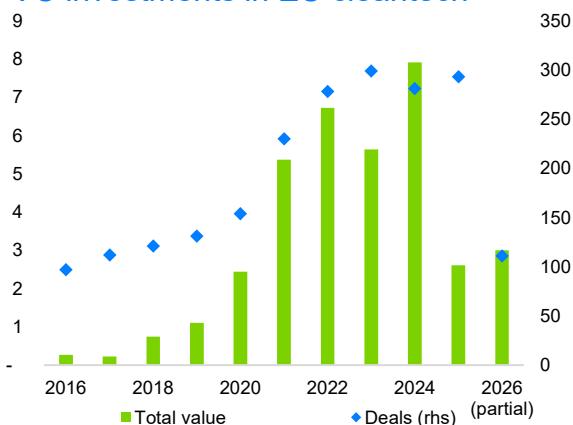
EU ESG private fund assets

- Total size of EU sustainability-themed funds investing in private financial assets launched in 1H26 amounted to €6.7 bn (2025 ended with €17.4 bn in total size).
- Private equity funds accounted for 55% of the total assets of funds launched in 2025.

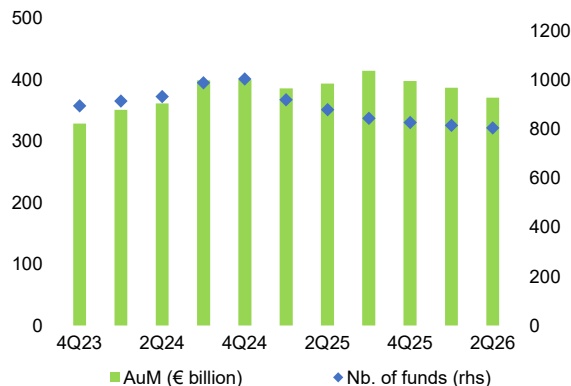
Venture capital investments in cleantech

- Total value of venture capital investments in EU private cleantech deals in 1H26 amounted to €3.5 bn, already above the €3 bn raised in 2025, driven by a €1.4 bn deal into a decarbonized steel production company.
- The number of VC cleantech deals amounted to 111 in 2026 so far, compared with 293 in 2025.

VC investments in EU cleantech

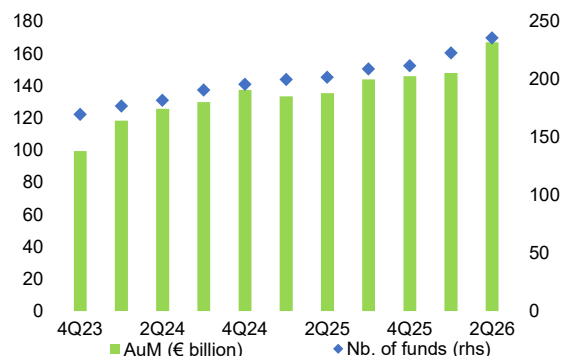


Funds tracking ESG benchmarks



Note: Assets under Management (EUR billion) and number of EU equity and bond funds reporting an ESG benchmarks..
Sources: Morningstar, ESMA.

Funds tracking EU Climate Benchmarks



Note: Assets under Management (EUR billion) and number of EU equity and bond funds tracking EU climate benchmarks. Beginning with Q3 2025, the AuM calculation methodology has been updated to rely on a different variable. As a result, values may differ from those shown in earlier dashboards.
Sources: Morningstar, ESMA.

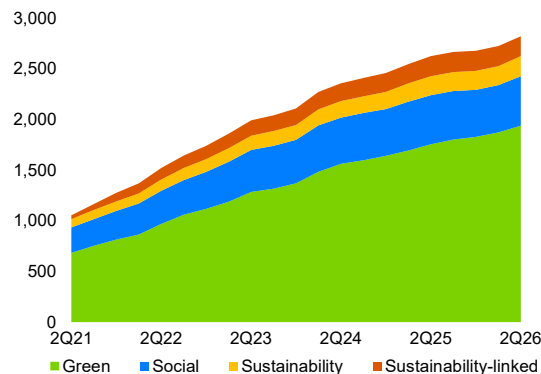
ESG benchmarks

- In June 26, there were 804 UCITS funds reporting a primary benchmark with an ESG word (excluding Climate Benchmarks) in their name (-1.2% from March 26). These funds mentioned a total of 648 different benchmarks.
- The total assets of funds using ESG benchmarks decreased to €371 bn (-4% from March 26). ESG benchmarks accounted for 5.2% of the total assets of funds reporting a primary benchmark.

Climate Benchmarks

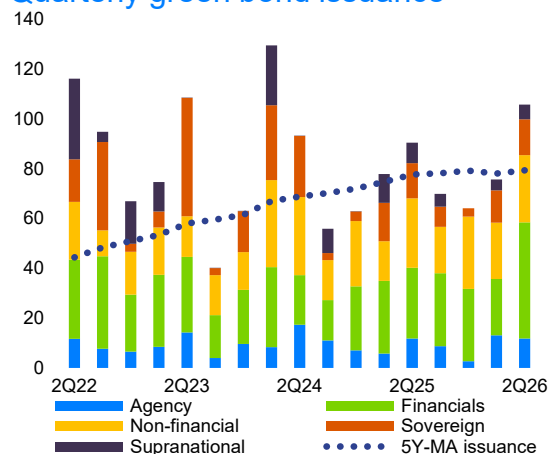
- In June 26, there were 236 UCITS funds tracking EU PAB/CTB (+5% from March 26). These funds were tracking a total of 186 EU climate benchmarks.
- The total assets of funds tracking EU PAB/CTB increased to €167 bn (+12% from March 26).

Value of EU ESG bonds outstanding



Note: Total amount of ESG bonds outstanding issued by EEA30-domiciled issuers, EUR bn. Beginning with Q4 2025, the calculation methodology has been updated. As a result, values may differ from those shown in earlier dashboards.
Sources: Refinitiv EIKON, ESMA.

Quarterly green bond issuance



Note: Green bond gross issuance in the EEA30 by sector, EUR bn.
Sources: Refinitiv EIKON, ESMA.

Market value

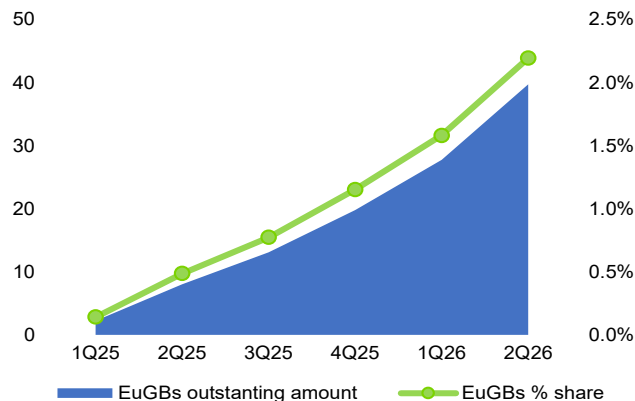
- In June 26, the total value of ESG bonds outstanding from EU issuers was €2,824 billion (+3.5% from March 26).
- The proportion of green bonds in the total slightly increased to 69%.
- The EU ESG bond market is still resilient, with the market growing 7.5% since June 25.

Issuance

- In 2Q26 green bond issuance amounted to €105 billion, up 16% from 2Q25.
- Increase mainly driven by a strong financial sector issuance (+65% from 2Q25).

EU Green Bonds (EuGBs)

Value of EuGBs outstanding

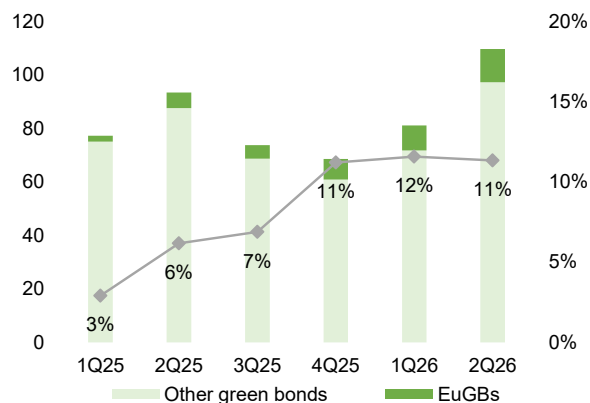


Note: Total amount of EuGBs bonds outstanding, EUR bn (rhs). Share of EuGBs outstanding amount as % of total EU green bonds outstanding amount (lhs)
Sources: Refinitiv EIKON, ESMA.

Market value

- In June 26, the total value of EuGBs outstanding was €39.7 billion (+43% from March 26).
- EuGBs accounted for 2.2% of the total value of EEA green bonds outstanding (up from 1.6% in 1Q26)

Quarterly EuGBs issuance

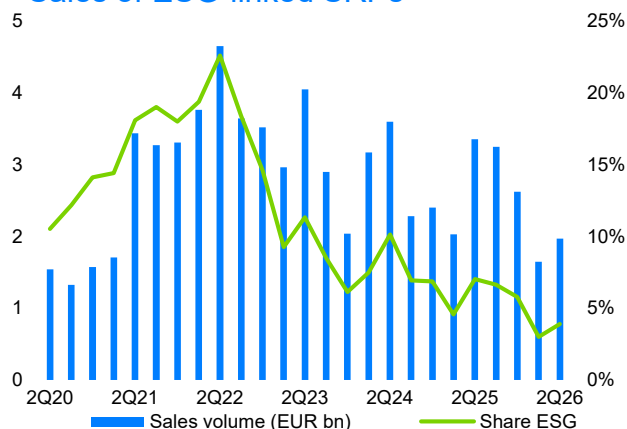


Note: Total issued amount of EuGBs and other green bonds outstanding, EUR bn (rhs). Share of EuGBs issued as percentage of all issued EEA green bonds (lhs)
Sources: Refinitiv EIKON, ESMA.

Issuance

- In 2Q26 EuGBs issuance amounted to €12 billion, up 116% from 2Q25.
- EuGBs accounted for 11% of all EEA green bonds issuances in 2Q26 (up from 6% in 2Q25).

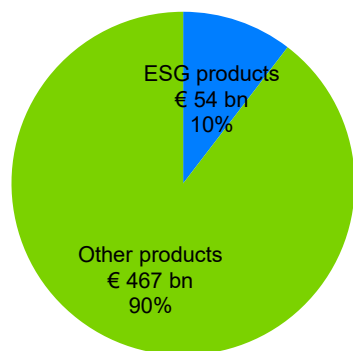
Sales of ESG-linked SRPs



Note: Sales volume of SRPs with an ESG underlying offered in the EU. 2Q26: preliminary data.

Sources: StructuredRetailProducts.com, ESMA

Market share of ESG-linked SRPs



Note: Outstanding value of SRPs sold in the EU as of end 2Q26. "ESG products" are products with an ESG underlying. The figures do not include open-ended products with no fixed subscription period or maturity date.

Sources: StructuredRetailProducts.com, ESMA

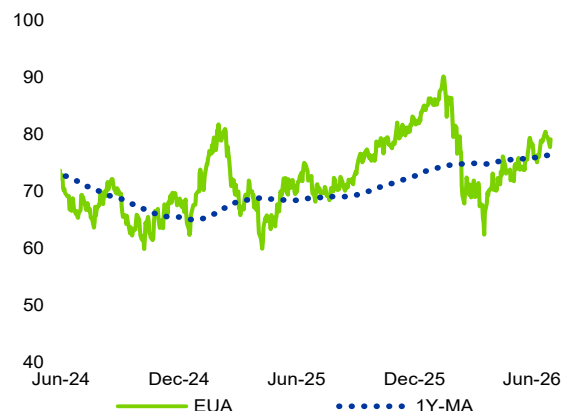
Issuance and sales volumes

- In 2Q26, sales of SRPs with an ESG underlying remained below EUR 2bn, equivalent to 4% of overall SRP sales.
- These products are mostly linked to global or European ESG equity indices, often with a focus on climate change.

Market share

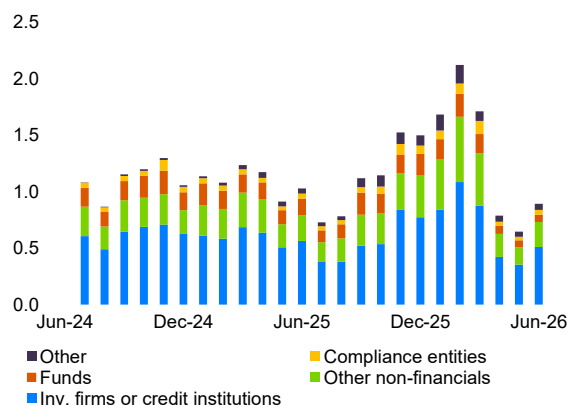
- At the end of 2Q26, SRPs with an ESG underlying accounted for 10% of the total outstanding value of SRPs in the EU (-1 pp from 1Q26).
- The outstanding value was stable at EUR 54bn, with France being the largest market (60%) followed by Germany (25%).
- The median product term of outstanding ESG SRPs at inception was 6 years.

EU ETS spot prices



Note: Daily settlement price of European Emission Allowances (EUA) on European Energy Exchange spot market, in EUR/tCO₂.
Sources: Refinitiv Datastream, ESMA.

EU ETS on-exchange trading volumes



Note: Monthly on-exchange trading volumes of EU emission allowances by counterparty sector, in billions of tonnes of CO₂-equivalent emissions.
Sources: MIFIR, ESMA.

Prices

- In 2Q26, carbon prices in the EU Emissions Trading System (EU ETS) averaged €75/tCO₂, down slightly from €76/tCO₂ in 1Q25.
- After a volatile first quarter, European Emission Allowances prices have been gradually increasing from their low of €62/tCO₂ in March.
- In July the European Commission published proposals to review the EU ETS proposals, which were broadly welcomed by market participants.

Trading

- In 2Q26 the volumes of EU emission allowances traded on exchange amounted to 2.3 billion tonnes of CO₂-equivalent emissions, down 25% from 2Q25.
- The lower trading volumes mainly reflected reduced volatility compared with 1Q26 as policy uncertainty ahead of the EU ETS Directive review subsided.

Definitions and methods (1/2)

SFDR Article 8 and 9 funds

- Sustainable Finance Disclosure Regulation (SFDR) Art. 8 products promote environmental or social characteristics; SFDR Art.9 have sustainable investment as their objective.
- Morningstar identifies funds with an Article 8 or Article 9 statement in their pre-contractual documentation.
- The total universe of EU-domiciled UCITS funds covered around 28,000 funds in 2024.

ESG terms in EU fund names

- The identification of ESG-related terms in EU fund names is based on a list of ESG expressions created by ESMA staff. The list contains keywords related to all aspect of ESG factors and investing in several EU languages.
- Fund name data based on Morningstar portfolio holdings.

EU fund portfolio greenness

- For each SFDR fund category, these two indicators calculate the relative share of portfolio investments exposures as a percentage of total AuM each month.
- Fossil fuel sector investments include financial instruments issued by companies included in the *Global Oil and Gas Exit List* or the *Global Coal Exit List*, published by Urgewald. The identification of green Bonds is based on LSEG data.
- Fund portfolio data and the SFDR fund type are based on Morningstar portfolio holdings and Morningstar Direct.

EU private investments

- 'Sustainability-themed' private funds include all funds contributing to the following themes (as identified by Preqin): affordable housing, carbon credits, circular economy, climate, data privacy, DEI, energy transition, ESG integration, impact investing, nature-based solutions, negative screening, SDGs, sharia compliant and supply chain sustainability.
- 'Cleantech' includes companies engaged in providing processes, products or services that reduce negative environmental impact through significant energy efficiency improvements, the sustainable use of resources, or environmental protection activities.
- All data and definitions from Preqin.

Definitions and methods (2/2)

ESG and Climate benchmarks

- Climate benchmarks include Paris-Aligned Benchmarks (PAB) and Climate-Transition Benchmarks (CTB). These indices incorporate specific objectives related to GHG emission reductions and the transition to a low-carbon economy, as defined in the EU Benchmark Regulation (BMR). ESG benchmarks include all other benchmarks employing ESG-related words in their name.
- Fund benchmark data from Morningstar, covering both index funds tracking a climate or ESG BM and active funds benchmarking their performance against a climate or ESG BM. Climate and ESG BMs are identified using automated text-based search.

ESG bonds

- ESG bonds include use-of-proceeds bonds (green, social and sustainable bonds) as well as sustainability-linked bonds.
- Bond data from LSEG (Refinitiv). Labelled (certified) green bond list from Climate Bond Initiative, other ESG bonds including EuGBs identified using LSEG data.

Structured retail products

- Figures based on SRPs with an underlying classified as “ESG” or “SRI” by StructuredRetailProducts.com.
- Figures for SRPs exclude open-ended products with no fixed subscription period or maturity date, as well as products classified as “flow products” (highly standardised structured products, usually issued in large numbers and on a regular basis).

Emission allowances

- The EU Emissions Trading System (ETS) is a cap-and-trade mechanism that regulates greenhouse gas emissions in carbon-intensive sectors (energy firms, industrials).
- EU emission allowance daily settlement (spot) prices are from the European Energy Exchange.
- Emission allowance derivatives trading based on MiFIR transactions data (deduplicated).



© European Securities and Markets Authority, Paris, 2026. All rights reserved. Brief excerpts may be reproduced or translated provided the source is cited adequately. Legal reference for this Report: 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, Article 32 'Assessment of market developments, including stress tests'.¹ The Authority shall monitor and assess market developments in the area of its competence and, where necessary, inform the European Supervisory Authority (European Banking Authority), and the European Supervisory Authority (European Insurance and Occupational Pensions Authority), the European Systemic Risk Board, and the European Parliament, the Council and the Commission about the relevant micro-prudential trends, potential risks and vulnerabilities. The Authority shall include in its assessments an analysis of the markets in which financial market participants operate and an assessment of the impact of potential market developments on such financial market participants.¹ The information contained in this publication, including text, charts and data, exclusively serves analytical purposes. It does not provide forecasts or investment advice, nor does it prejudice, preclude or influence in any way past, existing or future regulatory or supervisory obligations by market participants. The charts and analyses in this report are, fully or in part, based on data not proprietary to ESMA, including from commercial data providers and public authorities. ESMA uses these data in good faith and does not take responsibility for their accuracy or completeness. ESMA is committed to constantly improving its data sources and reserves the right to alter data sources at any time. The third-party data used in this publication may be subject to provider-specific disclaimers, especially regarding their ownership, their reuse by non-customers and, in particular, their accuracy, completeness or timeliness, and the provider's liability related thereto. Please consult the websites of the individual data providers, whose names are given throughout this report, for more details on these disclaimers. Where third-party data are used to create a chart or table or to undertake an analysis, the third party is identified and credited as the source. In each case, ESMA is cited by default as a source, reflecting any data management or cleaning, processing, matching, analytical, editorial or other adjustments to raw data undertaken.

www.esma.europa.eu

 [European Securities and Markets Authority \(ESMA\)](https://www.esma.europa.eu)
 [@ESMAComms](https://www.instagram.com/ESMAComms)
 [@ESMAComms](https://www.twitter.com/ESMAComms)