

The EU taxonomy

2015: The Paris Agreement was signed

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2018

EU prepares the "Action Plan on Sustainable Finance" consisting of 10 actions points



2020

Adoption of the EU Taxonomy



The EU's adopted obligations and targets towards 2050:

A white thermometer icon inside a yellow circle.

Limit the rise in global temperature to 1.5°C

A white wind turbine icon inside a pink circle.

40% renewable energy

A white factory icon inside a grey circle.

Cut greenhouse gas emissions by at least 55% by 2030

Climate neutral EU by 2050

2018: the EU's "Action Plan on Sustainable Finance"

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2020

Adoption of the EU
Taxonomy



Taxonomy:
Establishment of a
classification system
for sustainable
activities

1

Creating
standards and
labels for green
financial products

2

Fostering
investment in
sustainable
projects

3

Incorporating
sustainability
when providing
financial advice

4

Developing
sustainability
benchmarks

5

Better integrating
sustainability in
ratings and
market research

6

Clarifying
institutional
investors' and
asset managers'
duties

7

Incorporating
sustainability in
prudential
requirements

8

Strengthening
sustainability
disclosure and
accounting
rule-making

9

Fostering sustainable
corporate governance
and attenuating
short-termism in
capital markets

10

One of the action points was to establish the EU Taxonomy

2015

The Paris Agreement
was signed



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2020

Adoption of the EU
Taxonomy



Taxonomy:

Establishment of
a classification
system for
sustainable
activities

The EU Taxonomy is establishing a common framework for economic activities that are considered to be green - “environmentally sustainable”

What is the taxonomy, and what is it not



A science based classification system



A tool to aid companies in the transition
to climate neutrality and a sustainable economy



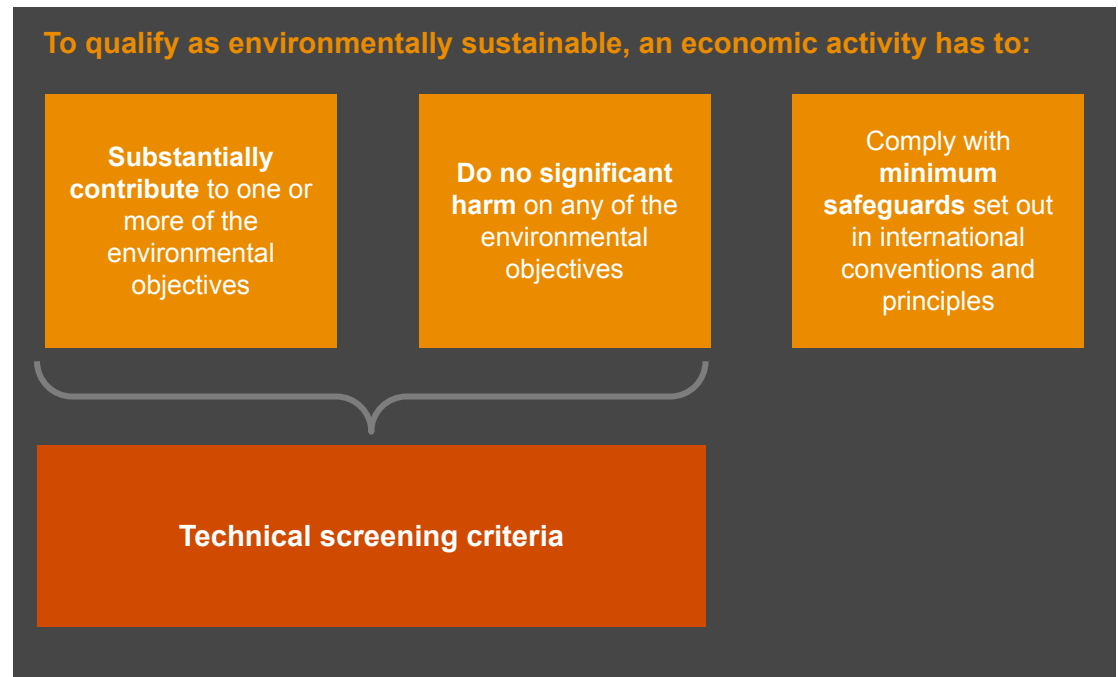
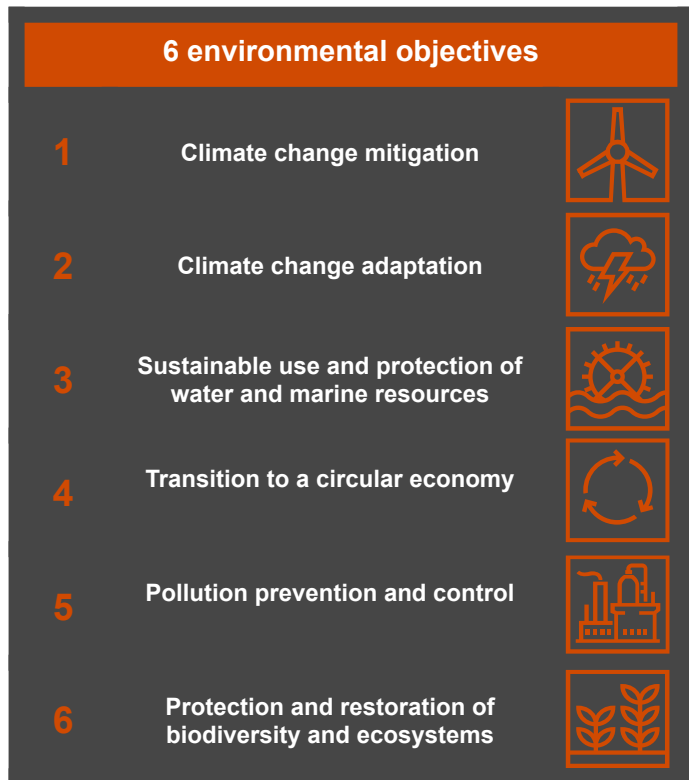
Work in progress








Does not prohibit any activity,
but imposes reporting duties for certain companies



How to assess if an economic activity is aligned with the EU Taxonomy?






Technical screening criterias have been finalised for objective 1 and 2

6 environmental objectives		
1	Climate change mitigation	
2	Climate change adaptation	
3	Sustainable use and protection of water and marine resources	
4	Transition to a circular economy	
5	Pollution prevention and control	
6	Protection and restoration of biodiversity and ecosystems	

Criteria exist for environmental objectives 1 and 2


	Forestry		Manufacturing		Energy
	Construction and real estate activities		Restoration of wetlands		Transport
	Information and communication		Professional, scientific and technical activities		Water supply, sewerage, waste management and remediation











Criteria exist for environmental objective 2

	Financial and insurance activities		Education		Arts, entertainment and recreation
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Sectors included in the PSF final report covering the four last environmental objectives



6 environmental objectives		
1	Climate change mitigation	
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6	Protection and restoration of biodiversity and ecosystems	

	Fishing		Manufacturing		Energy
	Buildings		Disaster risk management		Transport
	Water supply		Sewerage		Waste management
	Agriculture and Forestry		Civil engineering		Restoration, Remediation

Who are obliged to report and when?

Who?



- Undertakings with securities listed on regulated markets **and**
- Credit institutions, insurance undertakings



- 500 employees **and**
- Net turnover +MEUR 40 **or** balance sheet +MEUR 20



- CSRD (Corporate Sustainability Reporting Directive) will extend the scope of companies subject to reporting under the EU Taxonomy.

When?

EU

(excluding Norway)

The EU Taxonomy has entered into force in the EU

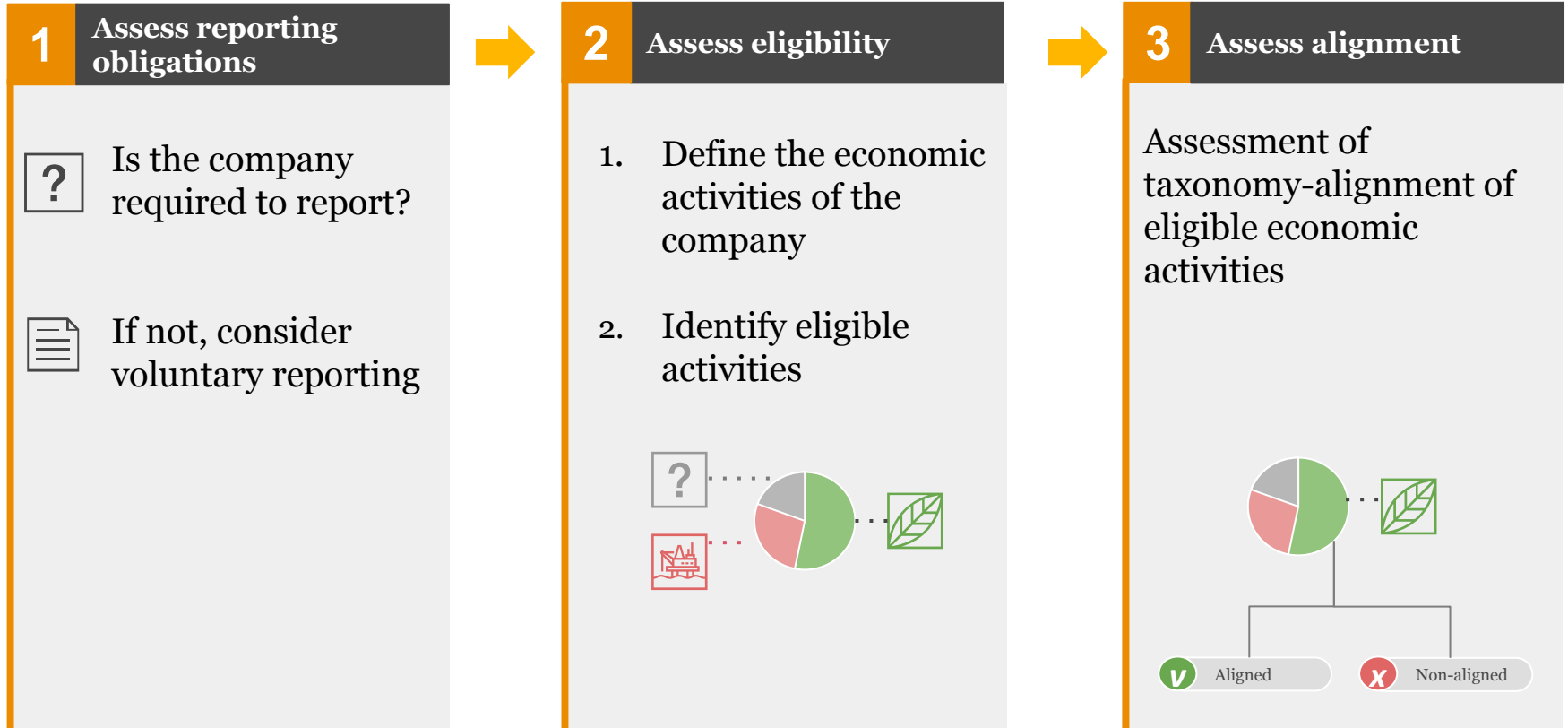
- Large public interest companies must report according to the EU Taxonomy in 2022 (for 2021).
- The first-year reporting limited to “eligible” activities

Norway

The EU Taxonomy has not entered into force in the EEA

- Norway has adopted a law that implements the EU Taxonomy by incorporation, but no date of entry into force has been set.

Where to start?



The implications of the EU taxonomy goes beyond reporting requirements



**Expectations
from
stakeholders**



**Access to, and
cost of capital**



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Thank you for the attention,
and please get in touch if you would like to discuss
any of today's topics!