EU Taxonomy Reporting 2026



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Preface

The EU's Taxonomy Regulation is a cornerstone of the European Green Deal, introduced in 2019, providing a common classification system for environmentally sustainable economic activities and aiming to redirect capital flows, with the goal of transitioning to a climate neutral and resilient economy by 2050. Since its passage into law in 2021, the EU Taxonomy has become an integral part of sustainability reporting in the EU. At the same time, the framework remains in a state of flux and has been subject to many changes. For example, the European Commission published the Omnibus I proposal in February 2025, aimed at making reporting less onerous by significantly narrowing the Taxonomy's scope and simplifying its reporting requirements. These changes were officially announced on 8 January 2026 with the publication of amended Delegated Act (EU) 2026/73 in the Official Journal of the European Union: this allowed the simplified reporting requirements to be used for FY25, although companies could still elect to follow the old rules.

The financial sector is currently at the centre of multiple interconnected transformations. Geopolitical and macroeconomic volatility, accelerating Artifical Intelligence (AI)-driven technological change, demographic change, and increasing climate and nature risks are making decision-making more complex – around both strategy and investments. Alongside financing the transformation of the real economy, financial institutions are also expected to manage growing physical and transition risks, safeguard competitiveness and resilience, and future proof their own business models. In this context, the EU Taxonomy was intended to serve as a key tool to increase transparency and improve strategic management around sustainable economic activities – yet implementing it is challenging, and its relevance remains contested.

Since 2023, PwC has been analysing EU Taxonomy reports from financial institutions across Europe. Our analysis has shown a continuous improvement in reporting and data quality over time. However, significant obstacles persist when it comes to using Taxonomy data for strategic purposes. Continuous changes to the regulation, limited scope and conflicting legal interpretations over time have made it more difficult to compare indicators or institutions to one another, and have limited the utility of Taxonomy KPIs for strategic management, risk management and capital allocation.

This year's study, the fourth edition, examines how market practice is evolving and assesses recent developments – particularly in light of the ongoing debate in the EU around reducing administrative burdens to make companies more competitive – and their implications for the future role of the EU Taxonomy.

We would like to thank everyone at PwC who was involved in this study for their valuable contributions – these came from Germany and nine other European PwC territories. We hope that this study can help ensure more consistent application of the EU Taxonomy and make it more useful for decision-making, effectively steering capital towards sustainable economic activities.

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01

The EU Taxonomy Regulation

Changing regulations: the Omnibus I package

The European Commission introduced substantial amendments to the EU Taxonomy framework in Commission Delegated Regulation (EU) 2026/73, which was published in the Official Journal of the European Union on 8 January 2026 and entered into force on 28 January 2026. This Delegated Regulation forms part of the Commission's Omnibus I package, which was published in February 2025, and amends the Taxonomy Disclosures Delegated Act ((EU) 2021/2178), along with selected provisions of the Climate ((EU) 2021/2139) and Environmental ((EU) 2023/2486) Delegated Acts. The overarching objective of Omnibus I is to simplify Taxonomy reporting, reduce administrative burdens and make Taxonomy Key Performance Indicators (KPIs) more useful for decision-making without compromising the Taxonomy's environmental ambition.

On 30 April 2026, the European Commission published its finalised fourth Commission Notice.[1] This provides guidance on interpretation and implementation of the Omnibus I package, replacing the draft Commission Notice from December 2025.

For 2026 Taxonomy reports (reporting on FY25), companies may choose to continue following the "old" reporting rules[2], although the new requirements must either be applied in full or not used at all – for example, applying the new materiality thresholds while using the old KPI templates is not permitted.[3] Accordingly, for the 2026 reporting cycle, financial institutions must choose between two reporting options, each with significant implications. This leads to inconsistencies in the comparability of Taxonomy data both across institutions selecting different reporting templates and relative to the previous year when institutions implement the new templates.

[1] European Commission (2025). Draft fourth Commission Notice. https://ec.europa.eu/finance/docs/law/251217-draft-commission-notice-faqs-omnibus-delegated-act_en.pdf.
[2] European Commission (2026). Commission Delegated Regulation (EU) 2026/73. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202600073.
[3] European Commission (2025). Draft fourth Commission Notice. https://ec.europa.eu/finance/docs/law/251217-draft-commission-notice-faqs-omnibus-delegated-act_en.pdf.

Financial undertakings can also opt out until 31 December 2027 if they publish a disclaimer in their management report, reading "no activities are claimed as being associated with economic activities that qualify as environmentally sustainable under Articles 3 and 9 of Regulation (EU) 2020/852 (the Taxonomy Regulation)".[4] However, we have seen very few market participants making use of this opt-out, as there are legal questions around the meaning of "Taxonomy-related claims".

The following sections outline the most significant changes.

Introduction of quantitative materiality thresholds

One of the most significant changes is the introduction of quantitative materiality thresholds. Financial undertakings may choose not to assess Taxonomy eligibility and alignment of up to 10% of non-material exposures[5] for which the use of proceeds is known. However, these non-assessed exposures must be reported in a designated section of the templates. Financial undertakings are also required to report exposures that their counterparties disclose as non-assessed. This suggests that additional data sets will be necessary, which would typically be sourced from external data providers.

Credit institutions may also omit individual KPIs altogether if the activities assessed by the KPI in question generate less than 10% of the credit institution's "total net turnover". For example, if a credit institution's turnover from off-balance sheet exposures (FinGuar KPI and AuM KPI) is less than 10% of its total turnover, template 5 and its KPI may be omitted.[6] However, the exact definition of "total net turnover" in this context is unclear, as "net turnover" is a term normally only used for non-financial undertakings, not for credit institutions. Credit institutions have various types of income, and the most practicable approach would be to use total operating income as a basis; this is a known figure, as it is calculated for financial reporting.

There is an important caveat around the introduction of these materiality thresholds: namely, materiality thresholds are dynamic and thus need to be monitored and reassessed annually. In some cases, institutions may decide that it is easier and cheaper to continuously assess all exposures, rather than to constantly monitor each materiality threshold. This is reflected in the results of this study: only a small number of institutions have so far made use of the materiality thresholds.

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[4] Ibid.

[5] Depending on the type of undertaking, these may be on-balance assets, financial guarantees, assets under management, fees and commissions, assets held for trading, gross written premiums (with no restrictions regarding whether the use of the proceeds is known), or revenues from investment services.

[6] European Commission (2026). Commission Delegated Regulation (EU) 2021/2178 supplementing Regulation (EU) 2020/857. Article 4(1)(f). https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:02021R2178-20260101.



Inclusion of voluntarily assessed exposures and clarifications on the treatment of SPVs

Voluntarily assessed exposures can now be included in designated sections of the disclosure templates. Previously, there was only one case where exposures could be included voluntarily: Taxonomy assessments based on estimates. These, however, had to be kept separate from the mandatory disclosures, and so could not be included in the alignment statistics or in any part of the disclosure templates. This seems to have discouraged many undertakings from disclosing voluntary assessments.

The issue of reporting exposures voluntarily is especially relevant in the case of exposures to special-purpose vehicles (SPVs). SPVs are very prevalent in renewable infrastructure projects: from the objectives of the Taxonomy Regulation, it is clear that these should be classified as sustainable financing activities. However, SPVs are largely not subject to the Corporate Sustainability Reporting Directive (CSRD) which means they are not Taxonomy eligible. Under the old rules, the choice of whether to include SPVs when calculating Taxonomy alignment was left to individual judgement. The Omnibus I changes provide clarity about the treatment of SPV exposures. If an SPV is a subsidiary of a company subject to the CSRD or its assets are operated by a company subject to the CSRD, it must be included; if not, it may be included at the reporting entity's discretion. From our point of view, however, it will be challenging for financial institutions to make this distinction, as information about third parties who operate assets belonging to SPV clients is often hard to obtain.

Including exposures in reports voluntarily will only increase Taxonomy alignment levels if these exposures have higher levels of alignment than the mandatory exposures, as the additional exposures will have to be factored into both the nominator and denominator of the Green Asset Ratio (GAR). The Delegated Act does not clarify whether such voluntary disclosures will have to be made for entire portfolio segments or if inclusion on a case-by-case basis is permitted.

Alignment of GAR numerator and denominator for credit institutions

The mismatch between the scope of the numerator and the denominator in the Green Asset Ratio (GAR) was a frequent challenge for credit institutions. The denominator included assets which could not be classified as Taxonomy eligible or aligned, so a 100% GAR was mathematically impossible. To align the scope of the numerator and the denominator, the following asset categories have now been excluded from the denominator:

- SMEs and non-SME undertakings not subject to CSRD disclosure obligations
- Non-EU counterparties not subject to CSRD disclosure obligations
- Derivatives
- On-demand interbank loans
- Cash and cash-related assets
- Other categories of assets

This change makes GARs easier to understand and thus more useful. It is now easier to compare GARs between different financial institutions, although there are still some caveats – for example, not all business models are Taxonomy eligible, and assessment methodologies, underlying assumptions and data providers can all vary.

Alignment of GIR numerator and denominator for insurance/reinsurance undertakings and asset managers

Like the GAR, the numerator and denominator of the Green Investment Ratio (GIR) have now also been brought into alignment for insurance/reinsurance undertakings and asset managers. The asset categories named above – with the exception of on-demand interbank loans, which are not relevant to insurance undertakings – are now not included in the denominator of the GIR.

Simplification of reporting templates

Simplification of the reporting templates was another key aspect of the Omnibus I amendments. Under the old rules, there were five mandatory templates for nuclear and gas-related activities. Under the new rules, Annex XII has been eliminated, substantially streamlining the reporting framework. As a result, significantly fewer templates need to be published, which makes the reports shorter and the calculations less complex.[7]

[7] European Commission (2026). Commission Delegated Regulation (EU) 2026/73. https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202600073.

Instead of the previous five mandatory templates for banks and insurance undertakings, nuclear and gas-related activities have now been aggregated into one KPI for nuclear and one for gas, and moved to other templates. Overall, the structure of the templates has been streamlined, reducing the number of columns and breakdowns – for example, credit institutions are no longer required to break down Taxonomy eligibility by environmental objective.

Instead of each year's report having to include six templates from the previous year's report (which will already have been published in that report), credit institutions are now only required to report the most important KPI from the previous year, e.g. some included template 0 from the prior reporting year in their reports.

Reports by asset managers and insurance undertakings are still required to include the previous year's Annex IV or X template, respectively, as the new templates for insurance undertakings' investment KPIs and asset managers do not have a column for comparative KPIs. Several changes have also been made to the underwriting KPI template for insurance undertakings: some of the detailed breakdown on Taxonomy-aligned premiums has been deleted and disclosing the percentage of non-Taxonomy-eligible premiums is no longer required, but comparative figures for these premiums must now be disclosed, for both the percentages and the absolute amounts.

Overall, the industry has welcomed the aim of simplifying the reporting templates, although some additional work will result when using the new templates for the first time.

Amendment to Annex C of the Climate and Environmental Delegated Acts

Changes to the Climate and Environmental Delegated Acts were limited to a revision of the standard set of Do No Significant Harm (DNSH) criteria for pollution prevention and control. Annex C references a range of regulations on the use of chemicals on the European market. Before Omnibus I, exemptions established in the referenced legal texts for the use of certain substances were not recognised in the DNSH criteria, meaning that legally compliant use could still result in non-alignment for Taxonomy purposes. Some of these DNSH restrictions have now been more closely aligned with the EU chemical law and its existing exemption regimes. However, the complex overall nature of this set of criteria remains unchanged. The DNSH criteria in Annex C are set to be reviewed alongside the Technical Screening Criteria (TSC) in the ongoing Taxonomy Regulation review, which began with a consultation in March 2026.[8]

[8] European Commission (2026). Commission seeks feedback on revision of criteria for sustainable economic activities. https://finance.ec.europa.eu/news/commission-seeks-feedback-revision-criteria-sustainable-economic-activities-2026-03-17_en.

Ongoing reviews expected to create further changes by 2027

Review of TSC in the Climate and Environmental Delegated Acts

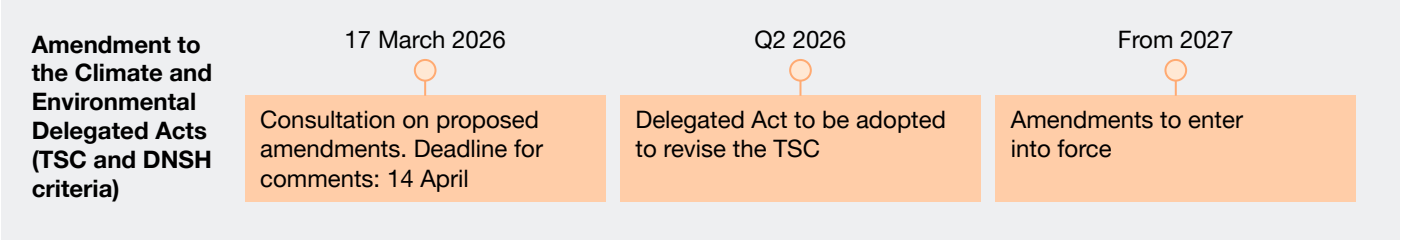
On 17 March 2026, the European Commission published draft proposals to revise the Climate Delegated Act ((EU) 2021/2139) and the Environmental Delegated Act ((EU) 2023/2486). The Commission stated that the proposed amendments affect the activity descriptions and the TSC, with the objective of reducing administrative burdens and making the framework more practicable, while maintaining the overall level of environmental ambition (see "Market response to proposed changes to TSCs" below for further details).[9]

Based on practical experience, formal consultations and stakeholder feedback, the Commission has identified several fundamental shortcomings in the existing framework that prevent effective and consistent application in practice:

- **The TSC are very complex and not very practicable.** This is especially true of the DNSH requirements, which are considered particularly difficult to operationalise and document.
- **Unclear wording and regulatory discretion:** undefined legal terms are used in some places, and an excessive level of detail is found in others. This makes it difficult to judge how to interpret the regulations, resulting in inconsistent implementation practices.
- **Gaps and inconsistencies in references to other EU legislation:** these have made alignment with existing regulatory frameworks difficult and led to duplication of assessments and documentation.
- **Lack of sufficiently clear guidance on how to demonstrate compliance,** particularly regarding acceptable evidence and documentation requirements for meeting the technical screening and DNSH criteria.[10, 11]

The proposed amendments are likely to enter into force from 2027.

Fig. 1 Timeline for the revision and implementation of the Climate and Environmental Delegated Acts



[9] Ibid.

[10] European Commission (2026). Review of the EU Taxonomy Climate Delegated Act. https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14875-Sustainable-investment-review-of-the-EU-taxonomy-climate-delegated-act_en.

[11] European Commission (2026). Review of the EU Taxonomy Environmental Delegated Act. https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14874-Sustainable-investment-review-of-the-EU-taxonomy-environmental-delegated-act_en.

Market response to proposed changes to TSCs

In total, the draft published for consultation would change the TSC for 132 activities and delete six activities outright. The European Commission received over 500 responses, covering most activities under the Climate and Environmental Delegated Acts. PwC advocated for practical, science-based criteria, a consistent scope of eligibility, potential for alignment across environmental objectives, better international alignment, and clearer approaches for assessing DNSH across environmental objectives.[12]

Stakeholders from industry, financial institutions and NGOs that participated in the consultation confirmed that the Taxonomy is a very useful tool for green finance and achieving the EU climate goals, while stressing that its scope should be both refined and expanded to include more energy-intensive industries and agriculture. Many also highlighted the need for alignment with international standards (e.g. Climate Bonds Initiative, GHG Protocol) to reduce fragmentation and support cross-border investment. Another point frequently raised was that the TSC must remain robust, transparent and science-based, with strong DNSH requirements supported by clearer methodologies, sector-specific guidance and more streamlined reporting.

A number of the proposed changes would have far-reaching impacts for the financial sector. One change, which has been welcomed by the industry, is around the DNSH 2 climate risk assessment. Instead of applying to all activities in Annex I of the Climate Delegated Act, some activities (particularly in the transport sector) would be exempted from this assessment. Under the current criteria, it is unclear which location-based climate risks should be assessed for mobile assets such as ships or trains. This change would resolve the issue.

Several other proposed changes, however, have provoked criticism. One example is the proposed change to the TSC for acquisition and ownership of buildings. One of the areas affected by this activity is mortgage portfolios, which form an integral part of the asset portfolios of many financial institutions. The proposed new TSC for this activity are stricter in several respects, especially for buildings built after 2020.

First, the requirement for primary energy demand 10% below the national Nearly Zero-Energy Buildings (NZEB) standard would be replaced by a requirement to meet the Zero-Emission Buildings (ZEB) standard under the reformed Energy Performance of Buildings Directive (EPBD). The ZEB maintains the old NZEB requirement and adds to it: for example, no on-site CO2 emissions are permitted, and the building must be able to respond to external inputs and adjust its energy use accordingly. These ZEB criteria would become mandatory for public buildings from 2028 and all other buildings from 2030. They would make Taxonomy assessments more complex, as additional data that is often not readily available (i.e. not included in the energy performance certificate) would be needed.

[12] PwC (2026). PwC response letter. https://www.pwc.com/gx/en/about/pdf/pwc-response-to-eu-taxonomy-call-for-feedback.pdf.

Secondly, the threshold floor area above which a building's airtightness and thermal integrity need to be tested would be reduced from 5,000m2 to 1,000m^2. The certificates for these tests are often unstructured documents, so they are challenging data points to collect and there is a significant risk that many institutions would fail to collect this data: this, in turn, would result in the building being considered non-aligned.

Thirdly, the threshold floor area above which a building's life-cycle Global Warming Potential (GWP) needs to be calculated (currently 5,000m^2) would be eliminated entirely, making this complex calculation mandatory for all buildings built after 2020. Under the revised EPBD, however, GWPs are not set to become mandatory for buildings with 1,000m^2–5,000m^2 of floor area until 2028, will not become mandatory for all new buildings until 2030. These changes to the TSCs would confront financial institutions with widespread data gaps for many assets. Many buildings built between 2020 and 2028/2030 that could previously be classified as Taxonomy aligned would lose this status under the new criteria.

Another proposed change that would be challenging for financial institutions is the treatment of compensatory measures in Appendix D to Annexes I and II of the Climate Delegated Act. The new standard DNSH assessment for biodiversity would no longer accept compensatory measures as compliant when assets are situated in protected areas. Under the old criteria, construction permits automatically counted as compliant and could be checked by financial institutions in legal due diligence, as permits in the EU are usually based on environmental impact assessments (EIAs) and are often only issued by the authorities if the project includes relevant compensatory measures. If the new criteria were implemented, financial institutions would be required to check the exact conditions under which a construction permit was issued. This would complicate Taxonomy assessments for a range of economic activities, including wind, solar and battery-based electricity generation.

PwC's contribution to the consultation emphasized this potential consequence and called for clearer guidance on the distinction between mitigation measures, which are treated as compliant under the proposed changes, and compensatory measures, which are not.

Finally, the proposal would delete "installation and operation of electric heat pumps" from the list of economic activities. If this happens, it will disincentivise the installation of heat pumps at a time when many cities in Germany are planning how to provide district heating – and this, in many cases, will require large-scale heat pump installation to produce the heat required as efficiently and sustainably as possible (e.g. by drawing heat from rivers).

All in all, while broadly welcoming the aim of improving the usability of the TSC, the financial industry has objected to many of the proposed changes: few usability issues would actually be resolved, and in some cases entirely new issues would emerge.



Further amendments to the Disclosures Delegated Act

The Disclosures Delegated Act ((EU) 2021/2178) – the delegated act supplementing Article 8 of the Taxonomy Regulation – is currently undergoing a substantive review. No material changes are expected for FY26 reporting, but the review is a significant step towards refining the disclosure framework.

The European Commission issued a call for targeted feedback directed at the three European Supervisory Authorities (ESAs) – the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA) – in March 2026.[13] These authorities are currently developing their technical advice, which will address a range of issues related to the design and calibration of the Taxonomy KPIs.

Fig. 2 Timeline for the revision and implementation of the Disclosures Delegated Act



[13] European Commission (2026). Call for technical advice to the European Supervisory Authorities on certain Taxonomy key performance indicators and other aspects of the Disclosures Delegated Act under Article 8 of the Taxonomy Regulation. https://finance.ec.europa.eu/document/download/653c582f-02c7-460b-8cba-e9fba09b12e9_en?filename=260304-call-for-advice-esas-taxonomy-article-8_en.pdf&prefLang=nl.

For credit institutions, the following KPIs are under review:

- The **Fees and Commissions KPI** is being examined to better capture the relevance of advisory, structuring and intermediation services to the Taxonomy.
- The **Trading Book KPI** is being discussed with a view to creating a stronger link to capital market activities. This is intended to reflect the role of financial institutions in facilitating sustainable investment through their trading and market-making functions.

Insurance sector: the underwriting KPI

For the insurance sector, the underwriting KPI is a key area of debate. Insights from an EIOPA consultation workshop held for the review suggest that alignment of the denominator and the numerator of the underwriting KPI would be welcomed by the industry. Alignment levels would increase if the denominator were limited to non-life premiums that are linked to Taxonomy-eligible activities and the numerator continued to include only Taxonomy-aligned premiums. This change would also enable the KPI to provide a more accurate reflection of progress towards increasing Taxonomy alignment for Taxonomy-eligible underwriting products.

With this exception, however, there appears to be limited appetite in the industry for fundamental changes to the KPIs or for the introduction of entirely new KPIs. This sentiment reflects the fact that determining the (currently low) proportion of products that are aligned requires a lot of work, and this information is little used for strategic management purposes – both by financial undertakings and by external stakeholders, such as ratings agencies or customers. In the EIOPA consultation workshop, participants also emphasised the fact that while more transparency could be achieved, the role of insurers in promoting the green transition through underwriting activities will always be inherently limited. This, in turn, constrains the extent to which this KPI can serve as a meaningful indicator of transition finance.

Any amendments resulting from the ESA review are not expected to enter into force for reporting periods before 2028, and may take longer than this.

02

Analysis of FY25 Taxonomy reporting by financial institutions

Overall findings

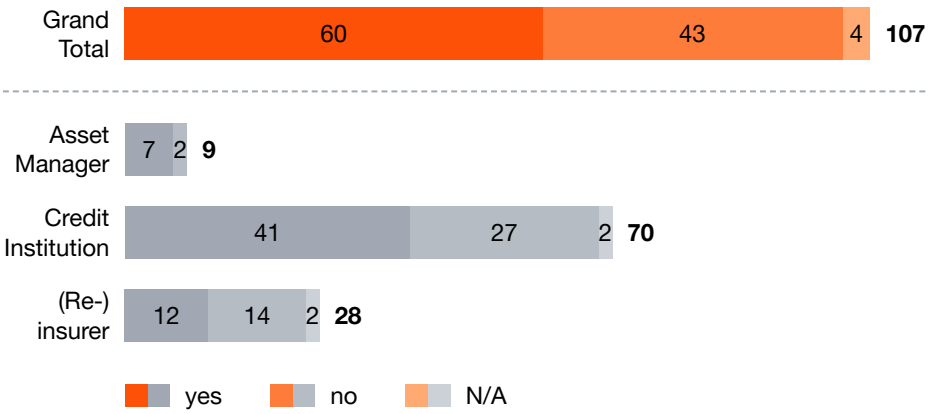
Presentation of Taxonomy disclosures

The CSRD requires Taxonomy disclosures to be presented in the environmental section of the sustainability statement in each company's management report. The 2026 Taxonomy disclosures were significantly shorter than those from 2025, reflecting the European Commission's new templates with the underlying objective of simplifying reporting requirements. However, differences in font, layout, and the freedom to choose between the old and the new templates continued to affect report lengths across institutions, making direct comparisons more challenging.



In total, 94 financial institutions were analysed, 11 of which were financial conglomerates. A small majority of 60 used the new templates, while 43 continued to use the old templates. Of the 94 institutions analysed, 4 decided to opt out of Taxonomy reporting. Use of the new templates varied considerably across sectors: 7 out of 9 asset managers (78%) used the new templates, the highest rate of the three sectors analysed, followed by 41 out of 68 (60%) credit institutions. Among insurance companies, 12 out of 26 (46%) have so far adopted the new format.

Fig. 3 Use of new reporting templates across financial industries



This split between old and new templates has significant implications for comparability, as the new templates contain significant changes to the methodology – notably the convergence of the numerator and denominator of the GAR and GIR, which has significant implications for Taxonomy eligibility and alignment levels. For some institutions, Taxonomy eligibility and alignment have doubled purely as a result of these methodological changes.

Reporting by financial conglomerates continues to be inconsistent. Some institutions reported weighted KPIs in addition to the templates for banking, insurance and asset management activities, while others did not. Although the November 2024 Commission Notice requires the reporting parent undertaking to disclose weighted KPIs, this requirement is not being consistently applied across the market.

Strategic use of Taxonomy data is still limited, but gradually increasing

Taxonomy KPIs are still being reported primarily for compliance reasons. The majority of the financial institutions analysed are not making use of the data for strategic management, and they do not consider it relevant for this purpose. Frequent regulatory changes, which limit the usefulness of the GAR and GIR as reliable long-term management indicators, are the main reason cited for poor relevance and lack of strategic use. Many institutions have highlighted that constant amendments to templates, Commission Notices to clarify interpretation, and changes to the methodology have required them to focus their resources on implementation and compliance, leaving little room for integrating Taxonomy data into business strategy or investment decision-making.

Nevertheless, around a third of financial institutions have increased their strategic use of parts of the EU Taxonomy framework in their financing strategies or risk frameworks over the last year. Some credit institutions are making increasing use of elements of the Taxonomy as a criterion for lending decisions, and some are leveraging Taxonomy KPIs to identify and manage climate-related transition risks, to guide investment decisions, or as part of their Green Bond Frameworks. In the insurance underwriting business, some undertakings have started developing products aligned with climate change mitigation objectives, aiming to reduce emissions in insurance portfolios and to increase their customers' resilience to climate risks. Additionally, some financial institutions are continuing to invest in organisational and training initiatives to build internal Taxonomy skills and to progressively incorporate the TSC into their ESG product definitions.

Use of additional, non-Taxonomy-related sustainability KPIs

Of the 90 financial institutions, 25 reported using additional sustainability KPIs beyond the mandatory EU Taxonomy metrics to measure and make transparent efforts to allocate financing to sustainable business activities. The supplementary metrics cover a broad range of sustainability dimensions (e.g. carbon intensity, transition metrics), and are used as proprietary, company-specific sustainability frameworks to better direct and monitor green and sustainable financing and investment, impact investments and Sustainable Finance Disclosure Regulation (SFDR)-related product classifications. Nevertheless, the majority of financial institutions (65 out of 90) did not disclose any additional sustainability KPIs, indicating that for most institutions, the mandatory Taxonomy metrics remain the sole quantitative sustainability indicators in their external reports.

Sector specifics: banking sector

Taxonomy eligibility and alignment levels among credit institutions vary significantly compared to last year's averages and ranges. The primary reason for this is that this year's reports used both old and new reporting templates, which is allowed as the new templates are not yet mandatory. More than half of the credit institutions analysed (41 out of 68) chose to use the new templates. This simultaneous use of the old and new templates has made this year's Taxonomy data even less comparable between institutions than was the case in previous years.

Applying the GAR calculation methodology in the new templates (which excludes counterparties that are not subject to the CSRD from the denominator) has enabled significant increases in some banks' GARs without any corresponding rises in total eligible or aligned exposures. Average Taxonomy eligibility rises from 28.9% of turnover under the old methodology to 62.0% of turnover under the new, and from 30.5% to 63.0% of CapEx. A similar trend can be observed for average Taxonomy alignment, which increases from 2.4% of turnover under the old template to 7.2% under the new, and from 2.8% of CapEx under the old to 7.9% of CapEx under the new.

Fig. 4 Taxonomy eligibility among credit institutions (stock), comparison of usage of old and usage of new templates

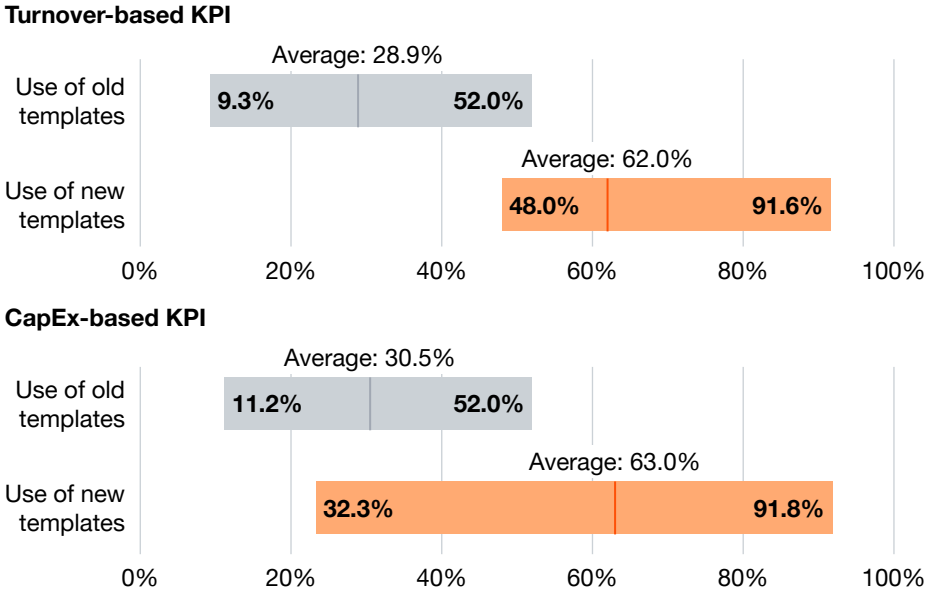
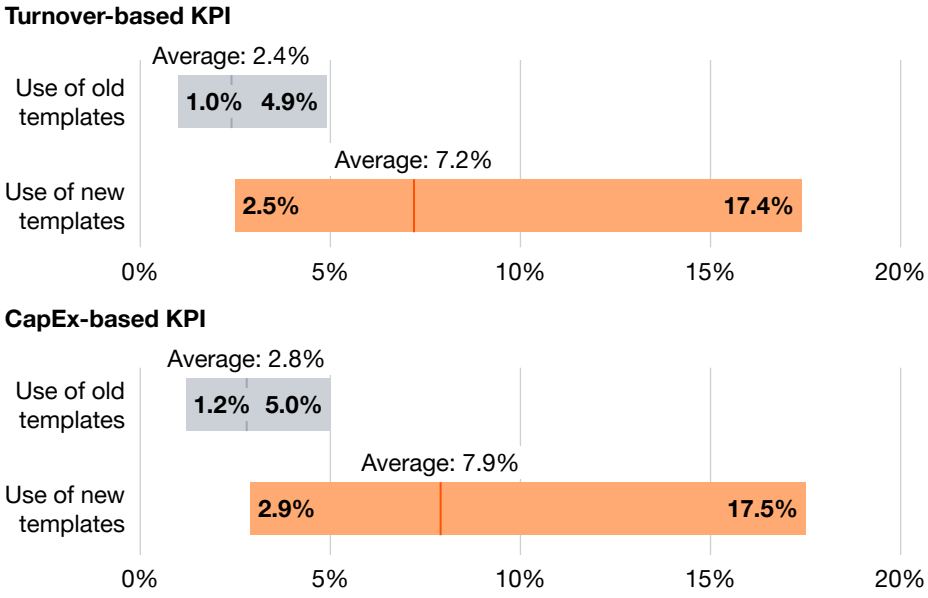
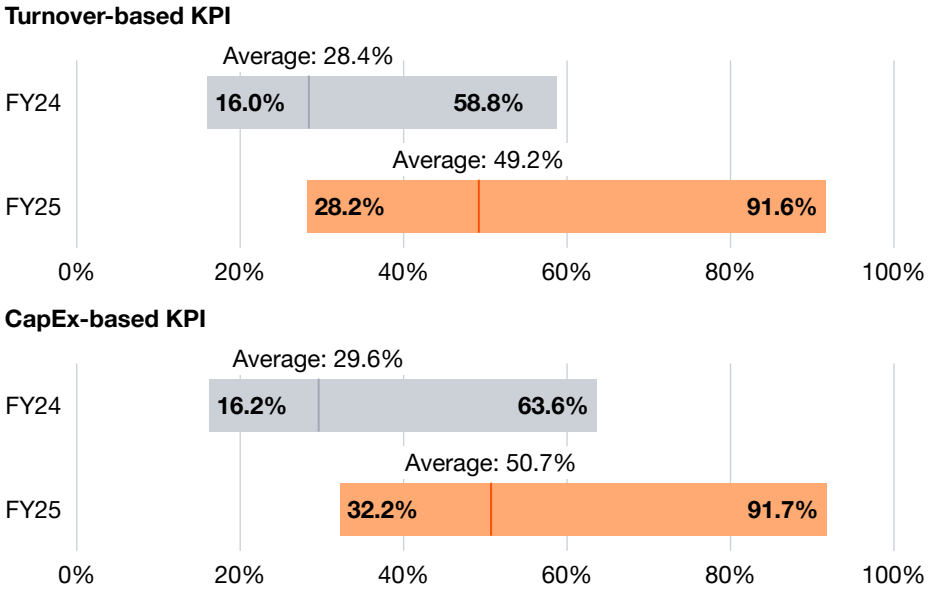


Fig. 5 Taxonomy alignment among credit institutions (stock), comparison of usage of old and usage of new templates



Across credit institutions using either the old or new templates, reported Taxonomy eligibility ranged from 28.2% to 91.6% of turnover and from 32.3% to 91.8% of CapEx, well above last year's ranges of 16.0% to 58.8% for turnover and 16.2% to 63.6% for CapEx. Average eligibility increased from 28.4% of turnover in FY24 to 49.2% of turnover in FY25, and from 29.6% to 50.7% of CapEx over the same period.

Fig. 6 Taxonomy eligibility among credit institutions (stock), for analysed credit institutions using the old and new templates



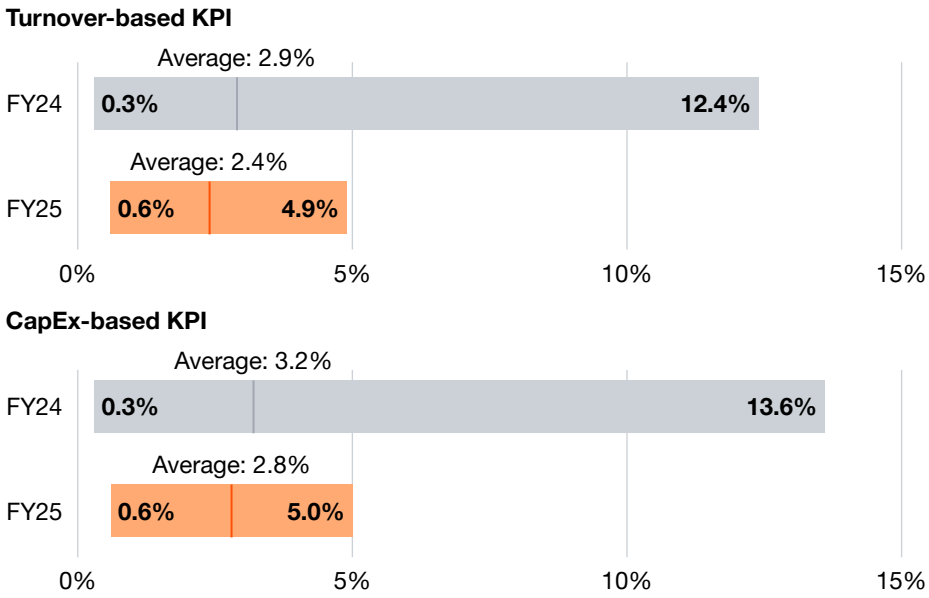
Taxonomy alignment across credit institutions using both the old and new templates was assessed for both stock and flow templates. Average GAR stock was marginally lower than the average GAR flow. GAR stock ranged from 2.9% to 17.4% of turnover, and from 3.1% to 17.5% of CapEx. This range has increased slightly since last year, when it varied between 0.3% and 12.4% of turnover and between 0.3% and 13.6% of CapEx, with a more significant increase at the higher end of the spectrum. On average, 5.3% of turnover and 5.9% of CapEx was Taxonomy aligned.

GAR flow presented a very similar picture to the GAR stock KPIs, with ranges from 1.9% to 16.6% of turnover and 2.2% to 16.8% of CapEx. The averages across all countries were 5.4% (turnover) and 6.3% (CapEx). The Netherlands still reported the highest average proportion of GAR stock and flow in terms of both turnover and CapEx which can likely be attributed to the differences in national data accessibility (e.g. better availability of Energy Performance Certificates (EPCs) in the Netherlands promoting higher Taxonomy alignment levels in real estate financing).

As the only non-EU country analysed the results for Switzerland were not included in the overall sample but are reported separately. Credit institutions in Switzerland have the lowest average GAR stock – just 0.5% of turnover and 0.7% of CapEx. Average eligibility were at 4.5% of turnover and 4.9% of CapEx.

Comparing only those credit institutions that continued to use the old templates, average GAR stock decreased slightly, lying at 2.4% of turnover and 2.8% of CapEx. While the lowest figures increased to 0.6% of both turnover and CapEx (presumably due to better data availability and increased Taxonomy alignment levels of general-purpose financings, the upper limits for institutions using the old templates underwent sharp decreases, dropping to 4.9% of turnover and 5% of CapEx. This may be due to the tendency of credit institutions with fewer aligned exposures to avoid voluntarily taking on the costly task of adopting the new templates already this year, as their overall GARs would benefit less from the smaller denominator. Another reason is that the Dutch institutions have driven the higher ratios observed in recent years; however, in the current year, the analysed Dutch institutions have applied the new templates, resulting in a reduced spread in FY 2025.

Fig. 7 Taxonomy alignment among credit institutions (GAR stock), for analysed credit institutions using the old templates



Only two of the banks, one each from Germany and Austria, opted out of detailed Taxonomy reporting. This suggests that most credit institutions now have reporting processes of sufficient maturity to continue full disclosure, or that they believe there are potential legal or reputational risks to opting out – the former due to unclear regulatory guidance, the latter due to being left as outliers if their peers continue to publish detailed reports.

Only four credit institutions in the sample chose to apply the new materiality threshold. Most institutions assessed their entire portfolio, either due to regulatory uncertainties or operational uncertainties regarding the implementation of the new threshold.

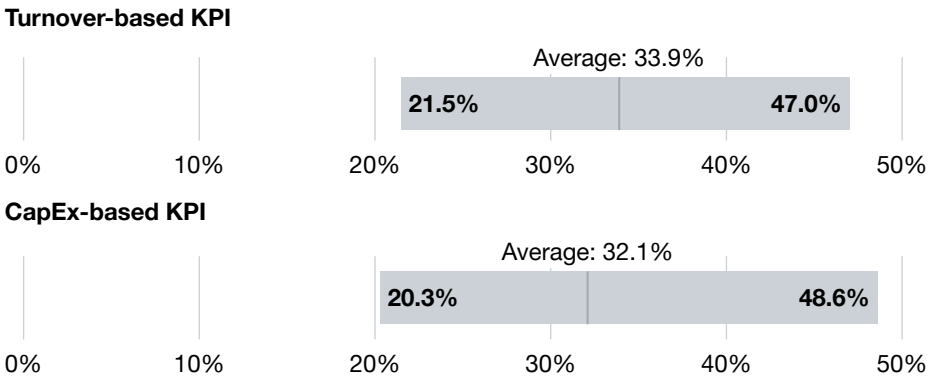
The option to include exposures voluntarily was received much more positively, with a third of the credit institutions that used the new templates making use of this option to boost their eligible and aligned exposure figures. The presentation of these voluntary sub-KPIs varied due to denominators being inconsistently applied, but voluntary inclusion of additional exposures has nevertheless had a significant impact on the GARs of most institutions, leading to increases in their GARs without underlying changes in their financing portfolios.

Taxonomy data is still not being widely used for strategic purposes. The majority of credit institutions do not have a dedicated strategy to increase Taxonomy alignment. The main reason cited was the frequency of regulatory changes, which limits the usefulness of the GAR as a reliable long-term management indicator. Nonetheless, early signs of a more strategic approach are emerging in some markets: for example, some Italian banks have built commercial strategies with dedicated Taxonomy-aligned products in the household segment.

Sector specifics: asset and wealth management sector

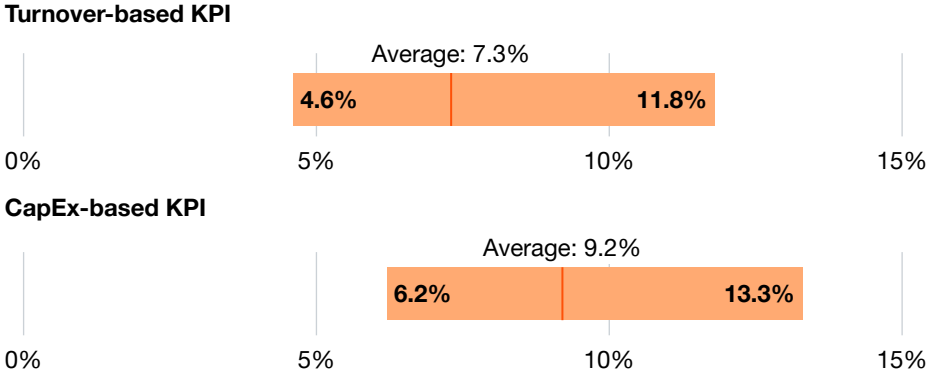
Seven out of nine asset management companies used the new templates. Their average Taxonomy eligibility was 33.9% of turnover and 32.1% of CapEx, with national averages ranging between 21.5% and 47.0% of turnover and between 20.3% and 48.6% of CapEx.

Fig. 8 Taxonomy eligibility in asset management, for analysed asset managers using the new templates



National average Taxonomy alignment of those asset managers who used the new templates ranged from 4.6% to 11.8% of turnover and from 6.2% to 13.3% of CapEx. Overall average Taxonomy alignment was 7.3% of turnover and 9.2% of CapEx. A comparison of these figures to last year is not possible due to the fact that the majority of asset managers used the new reporting templates in the current reporting period.

Fig. 9 Taxonomy alignment in asset management, for analysed asset managers using the new templates



Sector specifics – insurance and reinsurance sector

Most of the insurance and reinsurance sector continues to rely on the old reporting framework. Of the 28 insurance undertakings analysed, 14 chose to report using the old templates while 12 migrated to the new ones; 2 decided to opt out of full reporting. To ensure comparability, the following analysis therefore draws exclusively on the 26 insurance undertakings that reported Taxonomy data.

Investment business

Similar to the banking sector, applying the GIR calculation methodology in the new templates has enabled significant increases compared to last year without any corresponding rises in total eligible or aligned exposures. Average Taxonomy eligibility for the investment business rises from 17.8% of turnover under the old methodology to 38.2% of turnover under the new, and from 18.3% to 40.7% of CapEx. A similar trend can be observed for average GIRs, which increase from 3.1% to 9.4% of turnover and from 3.9% to 11.5% of CapEx; and for Taxonomy alignment under the CCM objective, which rises from 2.3% to 8.8% of turnover and from 3.1% to 10.8% of CapEx. The Netherlands set the upper limit when applying the new templates for taxonomy eligibility and alignment.

Fig. 10 Taxonomy eligibility for the investment business in the (re)insurance sector, comparison of usage of old and usage of new templates

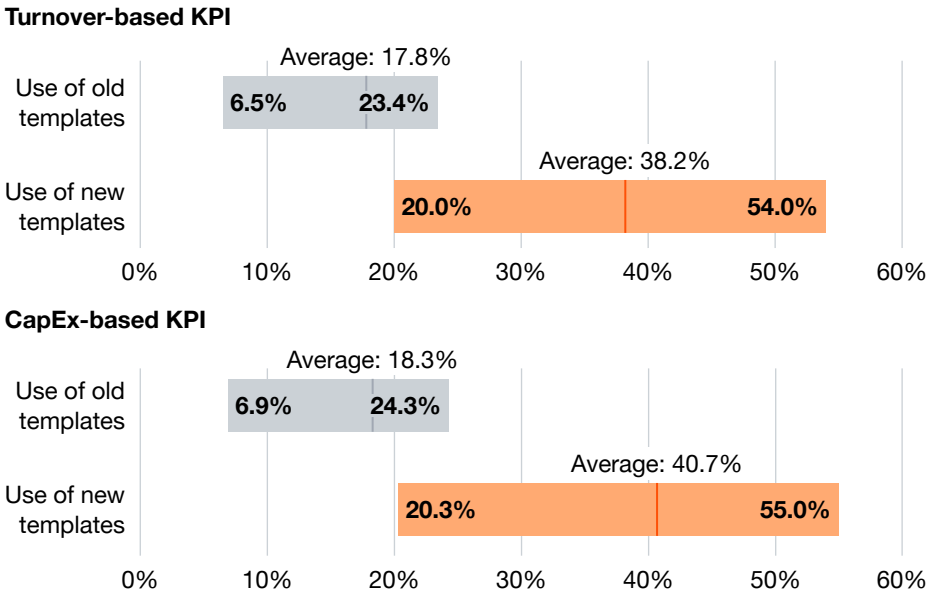
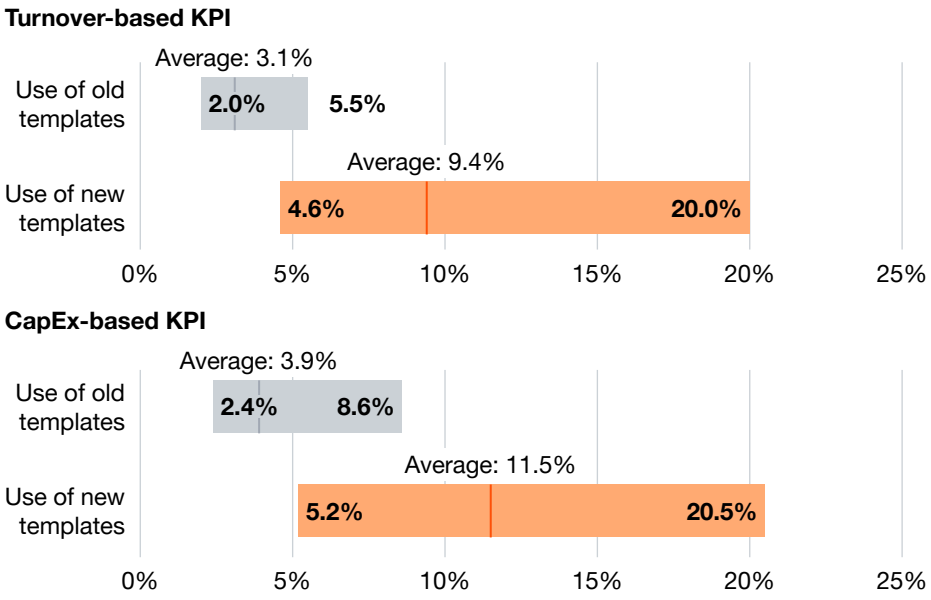


Fig. 11 Taxonomy alignment for the investment business in the (re)insurance sector, comparison of usage of old and usage of new templates

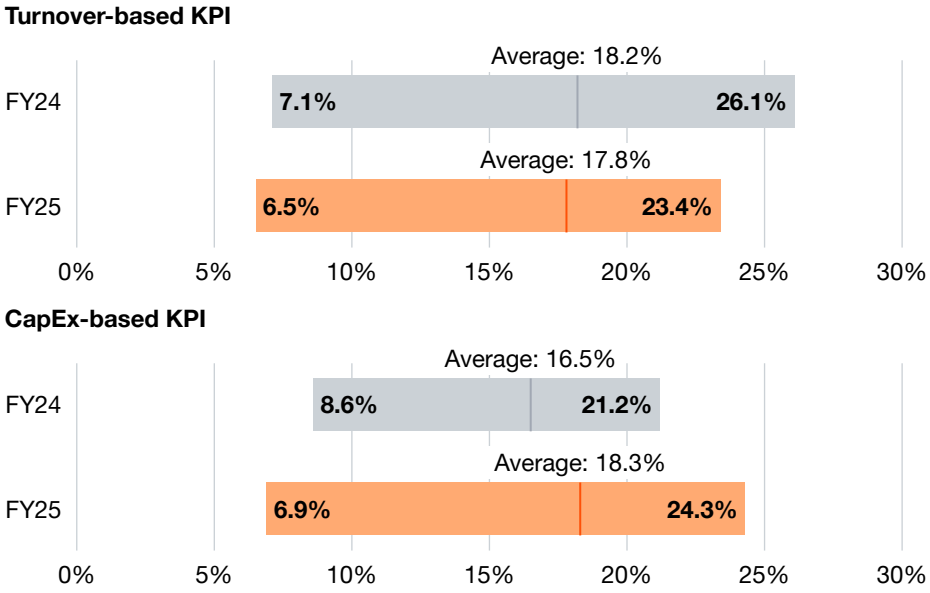


Compared with last year's reports, undertakings using the old templates showed a broadly unchanged range of figures, although average Taxonomy eligibility and alignment increased slightly.



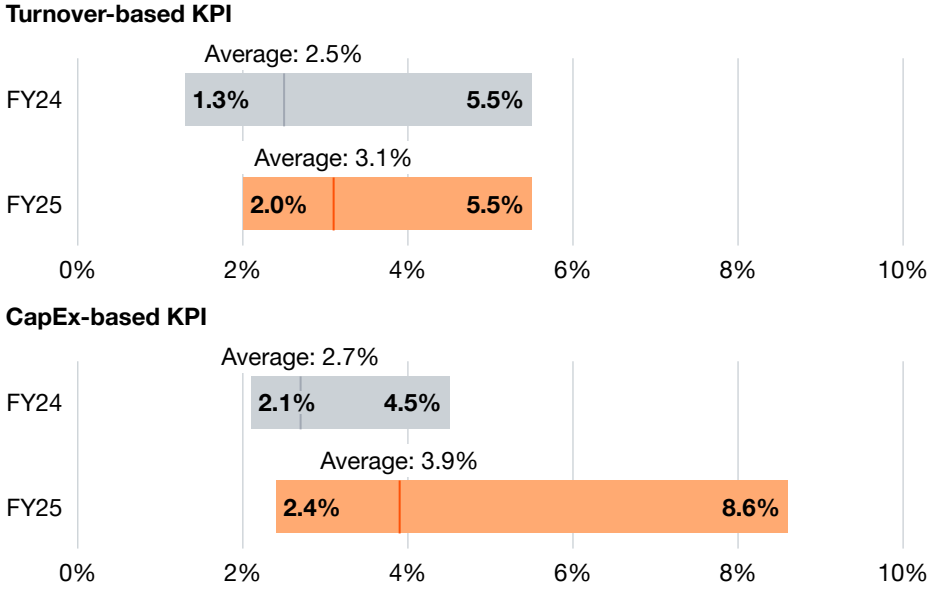
Taxonomy eligibility in the investment business remains moderate, albeit with noticeable variation between countries. Under the old template, average eligible turnover and CapEx are at 17.8% and 18.3%, respectively. This is only a slight change compared to the FY24 averages of 18.2% of turnover and 16.5% of CapEx. Eligibility in Germany is comparatively high, at 23.4% of turnover and 24.3% of CapEx. The lowest eligibility is in Luxembourg, at 6.5% of turnover and 6.9% of CapEx.

Fig. 12 Taxonomy eligibility for the investment business in the (re)insurance sector, for analysed insurance companies using the old templates



Among undertakings using the old templates, the average GIR is 3.1% of turnover and 3.9% of CapEx, exceeding the FY24 figures of 2.5% and 2.7%, respectively. Although there are some differences between countries, the overall level of Taxonomy alignment remains low. At the national level, Italy reported the highest average GIR in terms of turnover at 5.5%, while Belgium had the lowest at 2.0%. A similar pattern is evident in terms of CapEx, with Italy once again in the lead at 8.6% and Belgium in second-last place at 2.4%.

Fig. 13 Taxonomy alignment for the investment business in the (re)insurance sector, for analysed insurance companies using the old templates



Under the climate change mitigation (CCM) objective, average Taxonomy alignment for (re-) insurance companies using the old templates was 2.3% of turnover and 3.1% of CapEx. National averages vary: Germany reported the highest average percentage of Taxonomy-aligned turnover, at 3.2%, while Italy had the highest percentage of aligned CapEx, at 4.0%, followed by Germany with 3.9%. At the bottom of the rankings for these two figures were Belgium (1.7% of turnover) and Luxembourg (2.0% of CapEx).

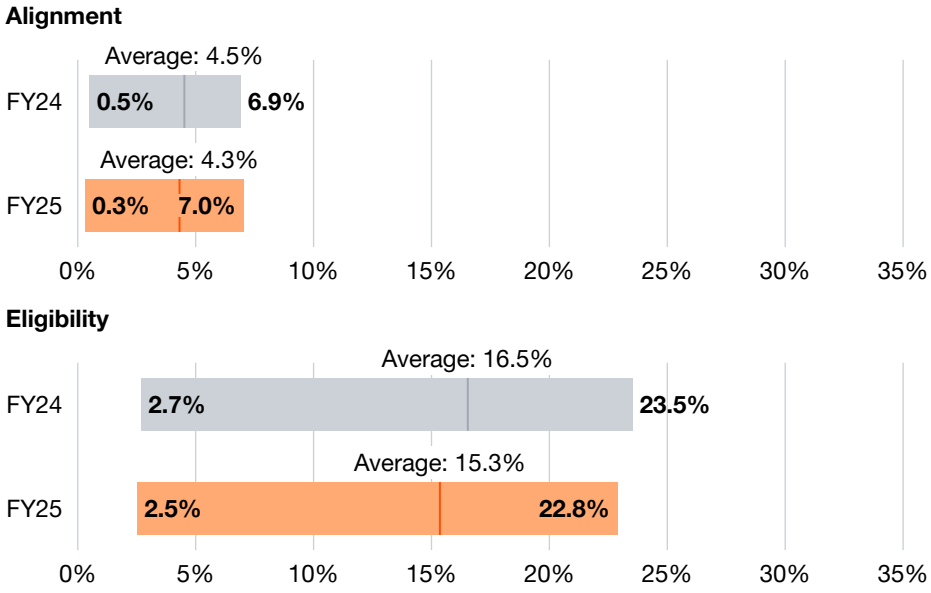
The analysis also shows that among undertakings using the old templates the average coverage ratio is similar to FY24, having fallen very slightly from 76.7% to 76.1%. There is considerable variation at the national level: Germany has the highest national average coverage ratio at 90.3%, followed by Luxembourg (76.0%) and Belgium (74.2%), while Poland (51.4%) is well below the overall average. Like with the figures from last year's reports, it is important to consider the fact that insurance undertakings do not use a consistent definition for this KPI: the numerator is meant to reflect covered assets, but some companies use total assets. Using the new methodology in the new templates results in a considerable increase in the denominator; this, in turn, led to the overall average coverage ratio decreasing to 37.9% under the new methodology.

Taken together, these findings suggest that the rise in Taxonomy KPIs in FY25 reflects maturity of methodologies and improved asset classification more than a genuine reallocation of capital towards sustainable activities, as only three of the insurance and reinsurance companies analysed in this study have so far implemented a specific strategy to increase Taxonomy alignment. Companies are focusing on continuously improving the availability and quality of data to create a broader data basis for Taxonomy assessment. The lack of strategic use of the data is supported by our market insights: at present, Taxonomy data is primarily used for external and internal reporting purposes, although some financial institutions also use the data for risk analysis or company-specific sustainability frameworks.

Underwriting business

For those insurance companies analysed that used the old templates, average Taxonomy alignment for the underwriting business was 4.3% in FY25, slightly below the previous year's average of 4.5%.[14] Average Taxonomy eligibility decreased from 16.5% to 15.3%, indicating a largely stable market with only marginal year-over-year change. National results varied considerably, with average eligibility ranging from below 3% in Luxembourg to over 22% in Poland. Germany had the highest average level of alignment, reaching 7.0%, while eligibility was 18.7%. Luxembourg had the lowest values for both metrics, with Taxonomy alignment of 0.3% and eligibility of 2.5%.

Fig. 14 Taxonomy alignment and eligibility for the underwriting business in the (re)insurance sector, for analysed undertakings using the old templates

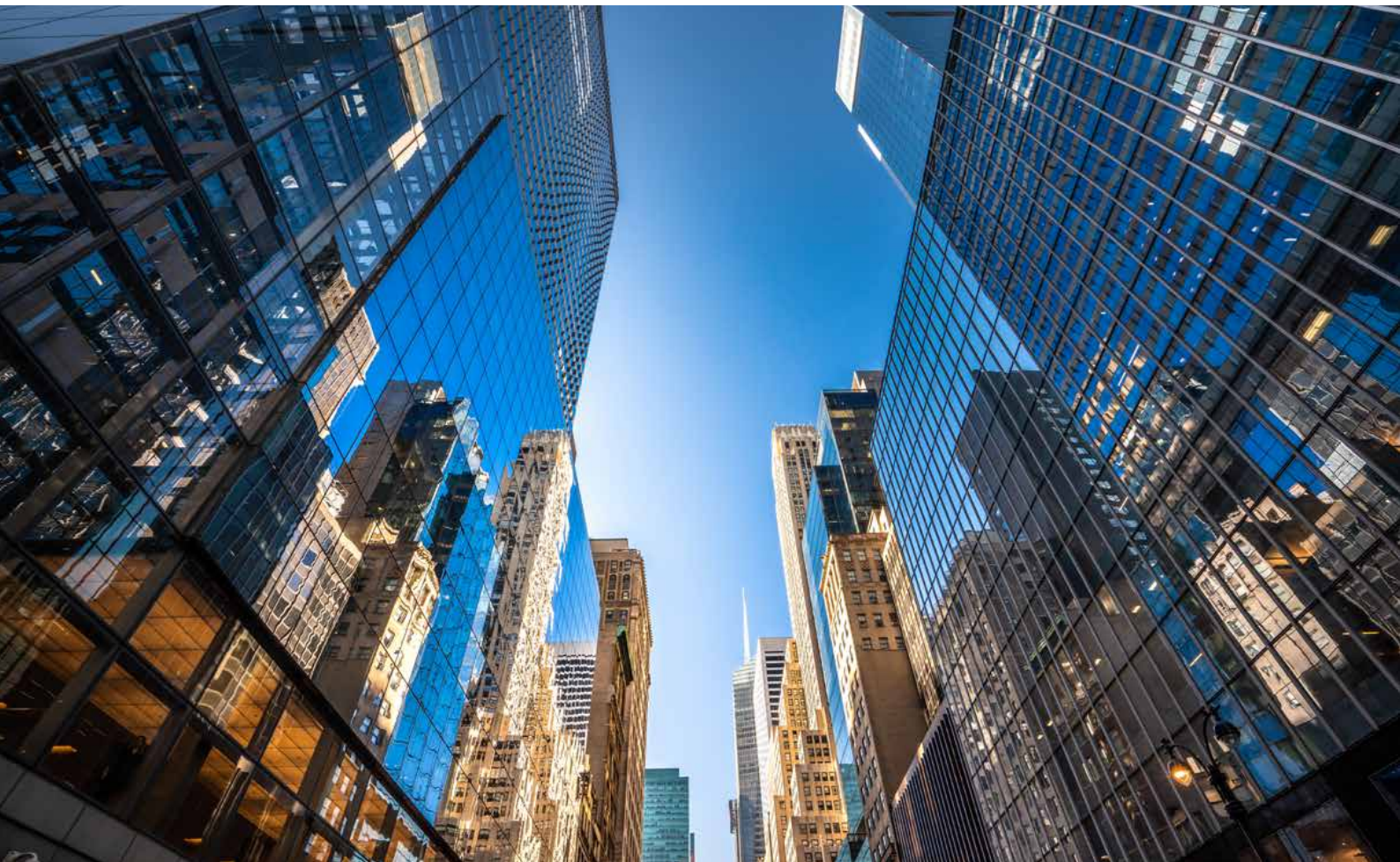


[14] Previous year quota (FY24) is reported based on FY25 reports.

By contrast, insurance companies using the new underwriting templates experienced small increases in both eligibility and alignment: the former rose from 17.3% to 18.6% during FY25, and the latter from 0.8% to 0.9%.

Several structural features of the underwriting KPI remain unchanged compared to last year's study. There are still two possible causes for Taxonomy eligibility of 0%: either the insurer only reports premium shares ultimately classified as aligned, or the company does not undertake any Taxonomy-eligible underwriting activities – for example, an insurance company with a non-life focus and no climate-related premiums. Insurance companies without any Taxonomy-aligned underwriting activities largely did not make the effort to calculate the premium split – the proportion of a premium actually related to the climate-relevant portion of an insurance product – and based their calculations on the total premiums of eligible products.

In line with the picture that emerged for the investment side, the FY25 reports from underwriters reflect maturing methodologies rather than a genuine reorientation towards sustainable activities, as only a small minority of the insurance and reinsurance companies analysed are pursuing a specific Taxonomy alignment strategy. Insights from dialogue with insurers support this interpretation: they still do not generally consider the Taxonomy to be strategically relevant, as customers do not factor it into their decision when choosing an insurance policy. In the case of large, international companies, substantial parts of their portfolios also fall outside the scope of the Taxonomy, which limits its usefulness as a tool for strategic management.



Market insights: current use of Taxonomy data

In addition to the analysis of the sustainability reports presented above, we also conducted nine qualitative interviews with experts from major German financial institutions (six banks, three insurers) to assess the practical relevance of the EU Taxonomy beyond pure compliance. The findings reveal a remarkably convergent picture across banking and insurance: at present, the EU Taxonomy is predominantly a regulatory compliance issue, rather than a tool for strategic decision-making or portfolio management.

Compliance over strategy

Taxonomy data utilisation remains almost exclusively confined to regulatory reporting obligations. While institutions acknowledge the merit of Taxonomy-aligned KPIs in principle, deployment beyond pure disclosure is marginal in practice. In banking, company-specific sustainability frameworks are the strategic management mechanism of choice, being perceived as more stable (as they are not subject to regulatory changes) and operationally actionable. Some of these frameworks consider the UN's Sustainable Development Goals and include sector- and company-specific sustainability guidelines or even exclude certain sectors altogether. Taxonomy KPIs may feed into these frameworks as a byproduct of regulation, but they are not the most important KPIs for operational or strategic management. Instead, they often serve as a catalyst by providing additional documentation or evidence for the environmental factors applied in these frameworks.

All interviewees recognise the Taxonomy's strategic potential, but none of them currently use it in meaningful strategic applications. Reasons cited for this include the complexity and limited impact of the KPIs; insufficient data quality; the Taxonomy's dependence on business models; limited coverage; lack of predictability due to the need for annual re-assessment and constant regulatory changes; and the absence of external demand from markets, customers or the public sector that would incentivise strategic adoption – this last factor being particularly crucial. One institution that initially harboured high expectations has since substantially revised its assessment, with senior management finding Taxonomy KPIs insufficiently useful due to them being so heavily dependent on the business model.

Limited integration into risk management and portfolio management

None of the interviewees – neither bankers nor insurers – systematically integrate Taxonomy alignment into risk management, although two interviewees (both from banks) stated that this is a secondary factor. While ESG risk factors are increasingly being addressed through parallel regulatory channels (Solvency II[15], Capital Requirements Regulation (CRR)[16]), these processes operate independently of the Taxonomy. One banker highlighted a use case related to the Infrastructure Supporting Factor under the CRR, where risk weights and capital requirements can be reduced if sufficient evidence of substantial contribution is available and DNSH is achieved. Another banker mentioned a potential future use case in building renovation projects to improve energy efficiency: this would involve integrating alignment criteria into portfolio restructuring and transition considerations, once evidence for such criteria can be widely and reliably obtained. In insurance, the absence of customer demand for Taxonomy-aligned products further diminishes incentives to integrate the Taxonomy. Where sustainability-related risk analyses exist, they operate independently of the Taxonomy framework.

Company-specific frameworks: a pragmatic alternative

Many financial undertakings have developed proprietary, company-specific sustainability KPIs. Some banks report absolute amounts of sustainable financing in addition to Taxonomy alignment levels, while some insurers employ CO_2-based metrics or other sustainable investment classifications. The experts unanimously described these frameworks as more comprehensible and better suited to decision-making – but their heterogeneity severely limits cross-institutional comparability, precisely the shortcoming that the Taxonomy was designed to address.

Increasing sustainable assets without Taxonomy targets

Most interviewees expressed commitment to increasing sustainable assets – in the case of one bank, sustainability is meant to drive all new business – yet Taxonomy eligibility and alignment targets are not being used to operationalise this ambition. Only one bank has set a target of 100% Taxonomy alignment for specific sectors, such as solar and wind power.

In general, institutions are pursuing absolute financing or premium targets, sector-specific goals or qualitative strategies. Constraints cited include availability of sustainable assets to invest in, risk-return requirements, regulatory uncertainty, and portfolio inflexibility due to long maturities and prudential concerns. Insurance companies in particular emphasised that the investable market cannot be unilaterally shaped by a single institutional actor.

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[15] European Commission (2009). Directive 2009/138/EC. https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32009L0138.

[16] European Commission (2013). Regulation (EU) 575/2013. https://eur-lex.europa.eu/legal-content/en/TXT/?uri=celex%3A32013R0575.

Progress on automation, strategic transformation pending

Regardless of how well they have integrated Taxonomy KPIs into their strategy, there is still a clear drive among financial institutions towards optimised processes, with many having already introduced dedicated tools and achieved a good degree of automation. Given the lack of relevance of Taxonomy data for strategic management, however, the current focus is on stabilising existing processes and improving data quality rather than pursuing further technological breakthroughs. The institutions surveyed remain notably cautious about deploying AI, citing key concerns around data quality, data protection and internal know-how. Some interviewees mentioned the potential benefits of centralised, standardised data platforms – particularly the anticipated European Single Access Point (ESAP) – which could help reduce fragmentation of source data and, over time, facilitate a shift in resources from compliance towards strategic utilisation of Taxonomy data.

Making the Taxonomy relevant to strategy

There is a consistent picture among interviewees with regard to what needs to happen for the Taxonomy to become strategically relevant: criteria need to be simplified, the rules need to stabilise, transition finance beyond the binary of alignment/non-alignment needs to be recognised, specific economic incentives need to be created (one interviewee mentioned capital relief measures from regulators), there needs to be stronger integration with adjacent regulatory regimes (SFDR, CSRD), and – most fundamentally – there need to be signs of external demand from markets, politics or society. Bankers emphasised that the current alternative, the Banking Book Taxonomy Alignment Ratio (BTAR), is not sufficiently widespread to be relevant to strategic management and that there is insufficient guidance on implementing it, while insurers highlighted the need for a shift in public discourse before strategic deployment becomes a rational choice.

Summary

Five years after entering into law, the EU Taxonomy has achieved its objective of establishing a common classification system and requiring systematic engagement with sustainability data. However, it has not transcended its function as a reporting mechanism. The financial sector's response has been pragmatic: institutions have developed parallel sustainability architectures that better suit their operations, but lack the comparability that only the Taxonomy can offer. Bridging this gap will require both refinement of the framework and a fundamental external shift – clearer political commitment, stronger market demand, and a regulatory architecture that rewards alignment rather than just mandating disclosure.

04

Conclusion and outlook

The new, simplified Omnibus I templates and the ongoing regulatory reviews have had a significant impact on this year's PwC EU Taxonomy Study. The data makes it clear that the Taxonomy is maturing: methodologies are becoming more consistent, changes to methodologies have made the GAR and GIR more meaningful, and early strategic applications are emerging.

Key takeaways

1 Changing the methodologies has led to higher alignment levels, increasing potential strategic use

The exclusion of non-CSRD counterparties from the GAR and GIR denominators has led to a near-doubling of Taxonomy eligibility and alignment for institutions applying the new templates. While this increase exists only on paper rather than being a result of a genuine reallocation of capital, it has had a tangible effect: higher GARs and GIRs make these KPIs more visible at management level and easier for external stakeholders to understand. The new templates therefore provide an opportunity to increase the relevance of Taxonomy data and make it more useful for strategic purposes going forward.

However, the use of both old and new templates, together with the lack of guidance on the new KPIs and changes in methodology, has made drawing comparisons and assessing progress more difficult this year.

2 Strategic use has slowly increased, and is likely to grow further in the coming years

The majority of financial undertakings still make only limited use of Taxonomy data for strategic purposes. Market insights show that most financial institutions have developed proprietary company-specific sustainability frameworks which use Taxonomy data as one of many inputs. This is partially due to the limited comparability over time brought about by frequent regulatory changes, so it may improve with more stable regulations in the future. It is also difficult to evaluate the progress achieved by counterparties in the green transition based solely on Taxonomy data, as the Taxonomy Regulation is not applicable to investments outside Europe, the number of Taxonomy-eligible activities is limited, assessment is complex, data availability and quality are often inadequate, and the framework is heavily dependent on the business model.

However, there are early signs of improvements. Alongside continuous improvements in underlying data and internal processes, the amended methodologies have increased the relevance of GARs and GIRs. Our findings show that Taxonomy data is now increasingly being used as a criterion in loan decisions, and on a broader scale, Taxonomy alignment is an eligibility criterion for Green Bonds under the EU Green Bond Standard and for certain green products under the SFDR.

3 Data is improving and data collection is becoming more streamlined

Both the predominantly quantitative analysis in chapter 02 and the qualitative interviews in chapter 03 confirm that financial institutions have made significant progress in building robust Taxonomy data infrastructures. Reporting has matured considerably since the first year, data collection and assessment are increasingly being automated, and internal skills are being strengthened through dedicated training programmes. Voluntarily declared exposures – particularly SPV-related financing relevant to renewable infrastructure – have broadened the data basis and contributed to more comprehensive reporting. Over time, these investments will enable institutions to shift resources from compliance towards strategic utilisation of Taxonomy data.

4 Clear political commitment is required, as are regulatory and market incentives

The ongoing review of the TSC, announced in March 2026, aims to reduce administrative burdens imposed by the Taxonomy and make it more practicable without compromising its level of environmental ambition. The alignment of numerator and denominator has already made the GAR and GIR more meaningful and easier to understand. Nevertheless, there are still some points that need to be addressed in the TSC review. The challenge for the next few years will be to translate this improved reporting infrastructure into actual strategic use of the data and allocation of capital to sustainable economic activities – the Taxonomy's ultimate purpose.

Achieving this objective also requires a much clearer political commitment to sustainability objectives – which would need to be demonstrated by incentives linked to Taxonomy alignment – and stronger demand for Taxonomy data from business partners, customers, ratings agencies and civil society.

Outlook and recommendations

Going forward, we recommend that financial institutions take the following steps around Taxonomy reporting:

1 Improve data quality through engagement

Financial undertakings should continue their efforts to obtain more and better-quality data for assessing Taxonomy alignment. As they are largely dependent on data provided by their counterparties and external data providers, financial undertakings should engage with their counterparties, clients and industry associations to drive up data quality so that the impact of the Taxonomy KPIs in promoting green financing can be achieved. Engagement with counterparties and clients should also include setting incentives for Taxonomy alignment in green products.

2 Invest in data infrastructure and automation to shift resources from compliance to strategy

The EU Taxonomy requires financial undertakings to assess their investments and products annually. Increasing automation and providing adequate resources can enable more frequent regular or ad-hoc assessments for certain investments or asset classes. This ability could increase the usefulness of Taxonomy data for strategic purposes and support efforts to decarbonise investments or product portfolios. The assessment process needs to be flexible and adaptable to regulatory changes.

Taxonomy data should also be kept on a central sustainability data system and made available for other use cases, such as green lending, Green Bonds and other sustainable investment products, sustainability risk management, and corporate strategy.

3 Leverage Taxonomy data for green product design and differentiation

Taxonomy data should feed into the design of green investment, lending and insurance products – for example, SFDR-related investment products, or green premiums in the insurance sector. Taxonomy data could also be used in CRR reporting and as an input for sustainability risk management and the CSRD's double materiality assessment.

4 Engage with ongoing regulatory reviews to enhance impact and practicability

The Taxonomy Regulation will not become more practicable without industry input, so financial institutions should use the engagement opportunities offered by the ongoing ESA review of the Disclosures Delegated Act and the TSC. However, it should not be forgotten that the need for further improvements must be balanced against the need for stable regulation to enable predictability and strategic use.

The Taxonomy cannot work in isolation, and stronger integration with adjacent regimes – notably the SFDR and CSRD – is necessary for it to become a strategic tool. The KPIs themselves must also become more meaningful: alignment of numerator and denominator, now implemented for the GAR and GIR, should be extended to the insurance underwriting KPI to better reflect insurers' efforts to promote the green transition.

Ultimately, internal willingness alone will not drive strategic adoption. External expectations from customers, investors, the public and regulators are what is really needed. In the absence of political tailwinds and clear demand from the market, the Taxonomy will remain a compliance exercise regardless of any technical improvements.



Appendix

Methodology

This study analyses the implementation of the EU's Taxonomy Regulation by examining the disclosed Taxonomy KPIs in the FY25 annual reports from major financial undertakings in nine EU countries and Switzerland. The analysis includes companies from Austria, Belgium, Finland, Germany, Italy, Luxembourg, the Netherlands, Poland, Sweden and Switzerland, as well as some subsidiaries with parent companies based in other EU countries.

A total of 94 reports were examined. 4 out of the 94 institutions made use of the opt-out option for Taxonomy reporting and were therefore not taken into account in the total population. The largest samples were from Germany (20), Italy (17) and Poland (13). Credit institutions, insurance companies and asset managers featured among the sample. 11 of the 90 institutions were financial conglomerates publishing KPIs for credit institutions, insurance companies or asset managers.

65% of the reports came from credit institutions, 26% from insurance companies and 8% from asset and wealth management companies. The ranges of the Taxonomy eligibility and alignment levels given in this study are based on the average national percentages of Taxonomy-eligible and Taxonomy-aligned economic activities.

The study was complemented by nine qualitative and anonymous expert interviews with representatives of nine German financial institutions. The objective of these interviews was to gain deeper insights into the implementation of the EU Taxonomy in practice, current challenges, and the use of Taxonomy data beyond regulatory compliance.

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