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ANNEXES 9 to 11

ANNEXES

to the

COMMISSION DELEGATED REGULATION (EU) .../...

supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation

{SWD(2021) 183 final}

ANNEX IX KPIs of insurance and reinsurance undertakings

1. KPI RELATED TO INVESTMENTS

The KPI related to investments by insurance or reinsurance undertakings shall present the weighted average of those investments that are directed at funding, or are associated with Taxonomy-aligned economic activities. The KPI shall be shown both in percentage terms relative to ‘total investments’ and in absolute monetary units.

Investments shall mean all direct and indirect investments, including investments in collective investment undertakings and participations, loans and mortgages, property, plant and equipment, as well as, where relevant, intangibles.

In additional disclosures, insurance or reinsurance undertakings shall distinguish the proportion of the investments held in respect of life insurance contracts where the investment risk is borne by the policy holders and the proportion of remaining investments. The coverage of the ratio with reference of the balance sheet total shall be disclosed with the exclusion of exposures referred to in Article 7(1) of this Regulation.

The disclosures shall be broken down by environmental objective in percentage terms and monetary units, where available.

The weighted average of the value of the investments shall be based on the proportion of Taxonomy-aligned economic activities of investee companies measured by the following:

- (a) for investees that are non-financial undertakings, turnover and CapEx KPIs as resulting from the calculation of the KPIs of the investee in accordance with Annexes I and II;
- (b) for investees that are asset managers, turnover-based and CapEx based KPIs as resulting from the calculation of the KPIs of the investee in accordance with Annexes III and IV;
- (c) for investees that are credit institutions, the turnover-based and CapEx based green asset ratio as resulting from the calculation of the green asset ratio of the investee in accordance with Annexes V and VI;
- (d) for investees that are investment firms, investments and revenues, as resulting from the calculation of the turnover-based and CapEx based KPIs of the investee in accordance with Annexes VII and VIII in accordance with the proportion of services and activities of dealing on own account and not dealing with own account in the income of the investment firm;
- (e) for investees that are insurance or reinsurance undertakings, investments, gross premiums written or, as applicable, total insurance revenue, as resulting from the calculation either of the turnover-based and CapEx based investments KPI (i.e. the proportion of the insurance or reinsurance undertaking’s investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities) combined, where applicable, with the underwriting KPI of the non-life investee insurance and reinsurance undertakings in accordance with Annexes XI and X.

By way of derogation from the first and fourth paragraph of this point 1, debt securities with the purpose of financing specific identified activities or projects or environmentally sustainable bonds issued by an investee undertaking shall be included in the numerator up to the value of Taxonomy-aligned economic activities that the proceeds of those bonds and debt securities finance, on the basis of information provided by the investee undertaking.

2. KPI RELATED TO UNDERWRITING ACTIVITIES

Insurance and reinsurance undertakings other than life insurance undertakings shall calculate the KPI related to underwriting activities and present the ‘gross premiums written’ non-life insurance revenue or, as applicable, reinsurance revenue corresponding to Taxonomy-aligned insurance or reinsurance activities in accordance with points 10.1. and 10.2. of Annex II to Climate Delegated Act. The KPI shall be depicted in percentage terms relative to, as applicable, one of the following:

- (a) total non-life insurance gross premiums written;
- (b) total reinsurance gross premiums written;
- (c) total non-life insurance revenue;
- (d) total reinsurance revenue.

The disclosures shall be broken down by environmental objective in percentage terms and monetary units, where available.

Supplementing disclosures shall explain the extent to which environmentally sustainable underwriting activities are ceded to a reinsurance undertaking and to which extent sustainable underwriting activities represent reinsurance activities are accepted from other insurance or reinsurance undertakings.

ANNEX X Template for KPIs of insurance and reinsurance undertakings

Template: The underwriting KPI for non-life insurance and reinsurance undertakings

Economic activities (1)	Absolute premiums, year t (3)	Proportion of premiums, year t (4)	Proportion of premiums, year t-1 (5)	Climate change adaptation (6)	Climate change mitigation (7)	Water and marine resources (8)	Circular economy (9)	Pollution (10)	Biodiversity and ecosystems (11)	Minimum safeguards (12)	Category (transitional activity (T)) (13)	Category (transitional activity (T)) (14)	DNSH (Do No Significant Harm)
	Currency	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T	
A.1. Non-life insurance and reinsurance underwriting Taxonomy-aligned activities (environmentally sustainable)											E		
A.1.1 Of which reinsured											E		
A.1.2 Of which stemming from reinsurance activity											E		
A.1.2.1 Of which reinsured (retrocession)											E		
A.2 Activities not included in A1											-		
Total (A.1 + A.2)											-		

“Premiums” in columns (3) and (4) shall be reported as gross premiums written or, as applicable, turnover relating to non-life insurance or reinsurance activity.

The information in column (5) shall be reported in disclosures in the year 2024 and thereafter.

Non-life insurance and reinsurance can only be aligned with Regulation (EU) 2020/852 as activity that enables climate change adaptation. The information reported in column (5) is therefore the same for all insurance and reinsurance undertakings with non-life and/or reinsurance activities.

Where a reinsurance activities of an undertaking comprises products applying at the level of a portfolio of underlying direct insurance products and the undertaking assesses the compliance of the activity with the technical screening criteria and the do no significant harm criteria for a proportion of the reinsurance activity’s underlying products pursuant to Climate Delegated Act, Annex II, point 10.2, paragraph 2.3 (“pro-rata approach”), the pro-rata approach should be applied consistently for the information reported in all columns of row A.1.2.

Template: The proportion of the insurance or reinsurance undertaking’s investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

<p>The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities relative to the value of total assets covered by the KPI, with following weights for investments in undertakings per below: Turnover-based: % Capital expenditures-based: %</p>	<p>The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below: Turnover-based: [monetary amount] Capital expenditures-based: [monetary amount]</p>
<p>The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM). Excluding investments in sovereign entities. Coverage ratio:%</p>	<p>The monetary value of assets covered by the KPI. Excluding investments in sovereign entities. Coverage: [monetary amount]</p>
<p>Additional, complementary disclosures: breakdown of denominator of the KPI</p>	
<p>The percentage of derivatives relative to total assets covered by the KPI. X%</p>	<p>The value in monetary amounts of derivatives. [monetary amount]</p>
<p>The proportion of exposures to financial and non-financial undertakings <u>not</u> subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non financial undertakings: For financial undertakings:</p>	<p>Value of exposures to financial and non-financial undertakings <u>not</u> subject to Articles 19a and 29a of Directive 2013/34/EU: For non financial undertakings: [monetary amount] For financial undertakings: [monetary amount]</p>

<p>The proportion of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non financial undertakings: For financial undertakings:</p>	<p>Value of exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU: For non financial undertakings: [monetary amount] For financial undertakings: [monetary amount]</p>
<p>The proportion of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non financial undertakings: X% For financial undertakings: X%</p>	<p>Value of exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU: For non financial undertakings: [monetary amount] For financial undertakings: [monetary amount]</p>
<p>The proportion of exposures to other counterparties over total assets covered by the KPI: X%</p>	<p>Value of exposures to other counterparties: [monetary amount]</p>
<p>The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities: X%</p>	<p>Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities : [monetary amount]</p>
<p>The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI: X%</p>	<p>Value of all the investments that are funding economic activities that are not Taxonomy-eligible: [monetary amount]</p>
<p>The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI: X%</p>	<p>Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned: [monetary amount]</p>
<p>Additional, complementary disclosures: breakdown of numerator of the KPI</p>	
<p>The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI: For non financial undertakings: Turnover-based: % Capital expenditures-based: % For financial undertakings: Turnover-based: %</p>	<p>Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU: For non financial undertakings: Turnover-based: [monetary amount] Capital expenditures-based: [monetary amount] For financial undertakings: Turnover-based: [monetary amount]</p>

Capital expenditures-based: %		Capital expenditures-based: [monetary amount]
The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned: Turnover-based: % Capital expenditures-based: %		Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders , that are directed at funding, or are associated with, Taxonomy-aligned: Turnover-based: [monetary amount] Capital expenditures-based: [monetary amount]
The proportion of Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI: Turnover-based: % Capital expenditures-based: %		Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI: Turnover-based: [monetary amount] Capital expenditures-based: [monetary amount]
Breakdown of the numerator of the KPI per environmental objective		
Taxonomy-aligned activities – provided 'do-not-significant-harm'(DNSH) and social safeguards positive assessment:		
(1) Climate change mitigation	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)
(2) Climate change adaptation	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)
(3) The sustainable use and protection of water and marine resources	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)
(4) The transition to a circular economy	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)
(5) Pollution prevention and control	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)
(6) The protection and restoration of biodiversity and ecosystems	Turnover: % CapEx:%	Transitional activities: A% (Turnover; CapEx) Enabling activities: B% (Turnover; CapEx)

ANNEX XI Qualitative disclosures for asset managers, credit institutions, investment firms and insurance and reinsurance undertakings

The disclosure of quantitative KPIs shall be accompanied by the following qualitative information to support the financial undertakings' explanations and markets' understanding of these KPIs:

- contextual information in support of the quantitative indicators including the scope of assets and activities covered by the KPIs, information on data sources and limitation;
- explanations of the nature and objectives of Taxonomy-aligned economic activities and the evolution of the Taxonomy-aligned economic activities over time, starting from the second year of implementation, distinguishing between business-related and methodological and data-related elements;
- description of the compliance with Regulation (EU) 2020/852 in the financial undertaking's business strategy, product design processes and engagement with clients and counterparties;
- for credit institutions that are not required to disclose quantitative information for trading exposures, qualitative information on the alignment of trading portfolios with Regulation (EU) 2020/852, including overall composition, trends observed, objectives and policy;
- additional or complementary information in support of the financial undertaking's strategies and the weight of the financing of Taxonomy-aligned economic activities in their overall activity.