

To: Long Term Investments & Sustainable Finance PG
From: Philippe Angelis [CoAuthorsText]
cc:
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Reference: ECO-LTI-23-102

Subject: EC Draft report & call for feedback on EU taxonomy-aligning benchmarks

Summary

Today, EU Platform on Sustainable Finance launches its Taxonomy-Aligning Benchmark report ([here](#)), along with a three-month consultation period (until **13 March 2024**) seeking market feedback and input into the development and use of these benchmarks.

The EU Taxonomy-Aligning Benchmarks (TABs) leverage EU Taxonomy to develop benchmarks that can help manage risk or serve transition planning and monitoring objectives. TABs are inspired by the success of EU Paris-Aligned Benchmarks (EU PABs), which grew to EUR 116bn in assets under management in less than three years. The suggested TAB benchmarks do not discard alternative approaches to leveraging the Taxonomy in the development of benchmarks.

With the introduction of these voluntary benchmarks, the Platform aims to initiate a discussion about the pivotal role the Taxonomy could assume in shaping climate and environmental benchmarks. The main objectives of the proposed benchmarks are to:

- Show how a significant level of comparability of taxonomy aligning benchmarks methodologies could be achieved while providing benchmark administrators with an important level of flexibility in designing their methodology,
- Provide investors with an appropriate tool to align the taxonomy with their investment strategy,
- Increase transparency on investors' impact, specifically with regard to climate change and the environmentally sustainable Capital Expenditures (CapEx) required for the energy transition, and,
- Disincentivise greenwashing.

Members are invited to express their interest in developing a response to the consultation from Insurance Europe. Views can be addressed to angelis@insurancееurope.eu.