INVESTOR BRIEFING

EU TAXONOMY

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PRI Association
Registered office: 5th floor, 25 Camperdown Street
London, UK, E1 8DZ Company no. 7207947
T: +44 (0) 20 3714 3220 W: www.unpri.org E:info@unpri.org

THE PRINCIPLES FOR RESPONSIBLE INVESTMENT

The Principles for Responsible Investment (PRI) is the world's leading initiative on responsible investment. The PRI is a not-for-profit organisation with over 4,000 signatories (pension funds, insurers, investment managers and service providers) to the PRI's six principles with approximately US $110 trillion in assets under management.

The PRI supports its international network of signatories in implementing the Principles. As long-term investors acting in the best interests of their beneficiaries and clients, our signatories work to understand the contribution that environmental, social and governance (ESG) factors make to investment performance, the role that investment plays in broader financial markets and the impact that those investments have on the environment and society as a whole.

The PRI works to achieve this sustainable global financial system by encouraging adoption of the Principles and collaboration on their implementation; by fostering good governance, integrity and accountability; and by addressing obstacles to a sustainable financial system that lie within market practices, structures and regulation.

ABOUT THIS BRIEFING

This investor briefing is updated on a regular basis, please check PRI briefings page for the most recent version.

This version incorporates the Taxonomy climate delegated act published 21 April 2021. The delegated act establishes the Technical Screening Criteria (TSC) for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

For more information, contact:

Elise Attal

Head of EU & UK Policy

Elise.Attal@unpri.org

Hazell Ransome

Policy Analyst

Hazell.Ransome@unpri.org

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AT A GLANCE

WHY THE EU TAXONOMY MATTERS

The EU Taxonomy represents a generational shift in responsible investment. It provides a practical tool to bridge the gap between international sustainability goals, like the Paris Agreement, and investment practice. The technical screening criteria (TSC) which make up the Taxonomy provide performance thresholds, helping investors to assess whether the economic activities in which they invest meet robust sustainability standards and are aligned with high-level policy commitments, such as the EU Green Deal and EU climate law.

As defined in the PRI's and the World Bank's policy toolkit, a sustainable taxonomy is one of five[1] foundational sustainable investment policies. It sets a common language between investors, issuers, project promoters and policy makers, and helps to increase investments that are consistent with sustainability goals, such as creating a net-zero, resilient and sustainable economy.

The EU Taxonomy enables investors to identify if and to what extent companies are investing in green activities and encourages investors to redirect capital flows toward sustainable activities through disclosure incentives. It will help investors and companies to identify future growth opportunities, R&D needs, and required changes in business models in order to avoid stranded assets and future-proof their businesses. The Taxonomy is also a useful tool to support active ownership efforts; investors and companies can use the Taxonomy to plan and report on the transition to a low-carbon, inclusive economy, by setting the objectives and the direction of travel for different economic activities, including when engaging with investees.

TAXONOMIES WORLDWIDE

Many jurisdictions have developed or are developing taxonomies, including Bangladesh, Canada, China, Malaysia, Mexico, Mongolia, South Africa, and the UK. This briefing note focuses only on the EU Taxonomy. As taxonomies are developed worldwide, the PRI encourages standardization at international level to maximise their impact, considering the global nature of financial markets.

The PRI looks forward to the results of the International Platform on Sustainable Finance's (IPSF) dedicated working group on Taxonomies[2]. This group, co-chaired by the EU and China aims to harmonise the sustainable finance taxonomies currently in use by its members. It will issue a "Common Ground" taxonomy setting out the commonalities between taxonomies by mid-2021. The "Common Ground" taxonomy will be used as a basis to create a classification tool for the global green and sustainable finance market to help narrow down differences and inform the work of other international standard setters.

Local and regional differences may exist as countries and regions have different challenges and transition pathways. In this context, it is essential that any taxonomy clearly defines its sustainability goals and level of ambition.

[1] The other four are Corporate ESG disclosures; Stewardship (engagement and voting); Investors' duties to incorporate ESG-related considerations in their investment decision making, to provide sustainability-related disclosures and to report on their ESG incorporation policies and performance targets; and National/regional sustainable finance strategies, that encourage and enable the low-carbon transition and the delivery of the SDGs. For more information see PRI's and the World Bank's policy toolkit: How policy makers can implement reforms for a sustainable financial system | Reports/Guides | PRI (unpri.org)
[2] https://ec.europa.eu/info/sites/default/files/business_economy_euro/banking_and_finance/documents/international-platform-sustainable-finance-annual-report-2020_en.pdf

HOW THE EU TAXONOMY RELATES TO THE PRI

As the world's leading proponent of responsible investment, the PRI works towards creating a global sustainable financial system. Taxonomies of sustainable economic activities defined by common, science-based, technology neutral TSC are now seen as a critical tool for sustainable finance[3]. Investors need a credible EU Taxonomy to make informed, long-term investment decisions aligned with the 2030 and 2050 goals required by the Paris Agreement.

The PRI plays an important role in the development of the EU Taxonomy. Working as a contributor to the High-Level Expert Group on sustainable finance and a member of the Technical Expert Group (TEG) on sustainable finance, the PRI helped shape the course of the Taxonomy regulation and TSC.

In late 2019, the PRI organised the Taxonomy Practitioners Group in which investors, both EU and non-EU based, shared tools and experiences to help understand, and overcome, barriers to implementation of the Taxonomy. PRI published a report summarising the findings of 35 case studies in September 2020, including recommendations from the group to policy makers and supervisors who would oversee the implementation and development of the Taxonomy.

The opportunity to provide expert advice on behalf of our signatories and in support of scientific expertise continues with the PRI's Chief Responsible Investment Officer, Nathan Fabian also working as Chair to the European Platform on Sustainable Finance (PSF).

The Taxonomy directly links to the Principles for Responsible Investment. Specifically:

- Principle 1: We will incorporate ESG issues into investment analysis and decision-making processes.

The Taxonomy will help the market develop more financial products and a more transparent and comparable offering on environmental performance. This encourages consideration of Paris-alignment in investment decisions.

- Principle 2: We will be active owners and incorporate ESG issues into our ownership policies and practices.

The Taxonomy sets clear performance criteria allowing investors to define transition plans. To execute these plans and shift corporate business models, investors will have to engage with their investees, supported by the information corporates will also have to disclose under the Taxonomy regulation.

- Principle 3: We will seek appropriate disclosure on ESG issues by the entities in which we invest.

The Taxonomy Regulation requires corporate as well as investor disclosure. It will also lead to further engagement with investees to provide investors with the relevant ESG data needed for their disclosures.

- Principle 6: We will each report on our activities and progress towards implementing the Principles.

The Taxonomy Regulation provides a disclosure framework allowing consumers and other stakeholders to assess the alignment of financial products with the Paris Agreement goals.

[3] See PRI's and the World Bank's policy toolkit: How policy makers can implement reforms for a sustainable financial system | Reports/Guides | PRI (unpri.org)

RECENT DEVELOPMENTS AND NEXT STEPS

On 21 April 2021 the European Commission published its Sustainable Finance Package containing three important sustainable finance legislative developments: the EU Taxonomy climate delegated act, the proposal for a new Corporate Sustainability Reporting Directive (CSRD), and six amending delegated acts on fiduciary duties and sustainability preferences.

The EU Taxonomy Climate Delegated Act (DA) delivers the first set of TSC for defining activities that contribute substantially to climate change mitigation and adaptation (the first two of six environmental objectives[4] in the EU Taxonomy). These TSC have been developed based on recommendations by the TEG and following public feedback and advice by the PSF. The DA was formally adopted by the Commission on 4 June and will enter into force at the end of a scrutiny period of around 4 months (with a possible two month extension). It will apply from 1 January 2022.

The PRI welcomes the DA as it will bring much needed clarity to investors in their efforts to finance a low-carbon transition, and it allows financial market participants and corporate issuers to get on with preparing for their disclosures as of 1 January 2022. In this investor briefing we provide detail on three important points the DA (and accompanying Commission communication) raise for signatories:

- Clarity on the role of the Taxonomy
- The scientific integrity of the TSC
- How transition activities can be supported

The briefing also looks at next steps in Taxonomy development and provides an update on disclosure requirements. Finally, the annex to this briefing provides a basic overview of the Taxonomy main features and a list of resources to find more information.

THE ROLE OF THE TAXONOMY

The Taxonomy has a very specific role and purpose: to help investors identify, report on and ultimately finance activities with sustainable levels of environmental performance. Uncertainty and reluctance towards the Taxonomy often originate from misunderstandings about this. The PRI strongly supports the Commission's work in its communication to clarify that:

- The Taxonomy does not prohibit investment or block funding in any activity. It is a tool to identify and encourage financial flows towards sustainable economic activities, but it is not prescriptive.
- If an activity is not addressed in the DA, it doesn't necessarily mean it is environmentally "unsustainable". Different activities or sectors will be considered at a later stage (e.g. agriculture and certain manufacturing activities).
- The Taxonomy is a living document which will be updated over time. The TSC are dynamic and will be subject to regular review[5]. New sectors and activities, including further transitional and enabling activities, may be added to the scope over time by amending the DA[6].

The taxonomy does not contain specific minimum requirements for investors but instead, through disclosure obligations, sets a clear signal in terms of investment needs for sustainable activities. For example, it informs capital allocation to assets which need to become more environmentally sustainable and provides a basis for engagement to support investors in their transition pathways. In the short term,

[4] The 6 environmental objectives of the Taxonomy regulation are climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transitions to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems.
[5] The Commission is required to publish a report at least every 3 years which evaluates the effectiveness of the application of the TSC and possible need for revision.
[6] The Commission is required to review criteria established for transitional activities at least every 3 years.

investors will continue to finance companies that need capital and may even allocate capital to harmful activities if they wish to do so. However, as the Taxonomy is adopted and implemented by the market, responsible investors will be able to easily identify companies transitioning to green activities and demonstrate their leadership by redirecting capital towards those activities.

THE TECHNICAL SCREENING CRITERIA

The DA contains TSC for almost 80 climate change mitigation activities and almost 100 climate change adaptation activities, including do-no-significant-harm criteria for all six environmental objectives. This is a significant achievement for the Commission and the technical experts from the public, private and civil society sectors who have contributed to their development. The TSC cover the economic activities of roughly 40% of EU-domiciled listed companies, in sectors which are responsible for almost 80% of direct greenhouse gas emissions in Europe[7].

Improvements have been made in this final DA, compared to the original draft proposal in November 2020. This is a good starting point to help to better align the Taxonomy with the scientific advice of the TEG and PSF. However, there are concerns about the TSC for forestry and bioenergy in the DA, but we expect these will improve with time. As part of its mandate, the PSF will assess the alignment between the adopted TSC and expert advice and make recommendations to revise them accordingly if required.

At this stage, agriculture, certain energy sectors and manufacturing activities have not been included in the Taxonomy. This means currently they do not count as Taxonomy aligned activities. The Commission will put forward a complementary delegated act covering some of these activities after a specific review process expected in summer 2021. The scope of this complementary delegated act is yet to be determined. In their April 2021 Communication on the sustainable finance package the Commission states the delegated act will '*cover nuclear energy subject to and consistent with the results of the specific review process*' and '*cover natural gas and related technologies as transitional activity in as far as they fall within the limits of Article 10(2) of the EU Taxonomy Regulation*'. Agriculture activities (perennial crops, growing non-perennial crops, and livestock) will be added at a later stage once the reform of Common Agricultural Policy is completed.

The PRI supports the original TEG recommended thresholds for these activities and encourages the Commission to take a robust, science-based approach when determining which activities should be included in the forthcoming delegated act and what the TSC should be. The PRI acknowledges challenges surrounding natural gas and nuclear technologies, and their contribution to decarbonisation and welcomes the Commission's commitment to address this through a potential legislation to support the *'financing of certain economic activities, primarily in the energy sector, including gas, that contribute to reducing greenhouse gas emissions in a way that supports the transition towards climate neutrality throughout the current decade'*[8].

SUPPORTING THE TRANSITION

Much of the opposition and debate around the upcoming DA centred on transition activities and whether they are sufficiently captured by the Taxonomy. The Taxonomy already recognises transition activities within some sectors under a very specific definition (see the annex hereafter). Furthermore, companies and investors can use the TSC of the Taxonomy as goals to aspire and work towards through creating and implementing transition plans[9].

[7] European Commission Communication - EU Taxonomy, Corporate Sustainability Reporting, Sustainability Preferences and Fiduciary Duties: Directing finance towards the European Green Deal (see paragraph 5)

[8] See section IV. Financing the transition to sustainability in the Commission's Communication on the sustainable finance package

[9] For further detail see question 11 in the European Commission's FAQ: What is the EU Taxonomy and how will it work in practice?

Other policy instruments, including real-economy policy reforms, carbon pricing etc. are also needed to support the transition. The Commission has committed to provide further clarity on how sustainable finance will foster the transition to a sustainable and climate-neutral economy as part of its updated sustainable finance strategy to be released early July. This will likely be based on recommendations from the PSF's report on transition finance (for more information go to the Next steps section below).

NEXT STEPS

FINALISATION OF DISCLOSURE METHODOLOGY

The methodology and content of corporate and investor Taxonomy disclosures is determined in two separate legislative packages:

- For large companies and other undertakings who are already required to provide non-financial statement under the Non-Financial Reporting Directive (NFRD), this is defined by a delegated act in Article 8 of the Taxonomy.

The European Supervisory Authorities (ESAs) published their recommendations for the Commission on 1 March 2021. The Commission intends to adopt the final requirements by end of June[10] following the public consultation on the delegated act which closed on 2 June 2021. Read PRI's response.

- For financial market participants offering financial products within the EU, this will most likely be defined under amendments to the regulatory technical standards (RTS) for the SFDR.

The ESAs ran a public consultation on Taxonomy-related disclosures concerning Article 8 and Article 9 products under the SFDR, which closed on 12 May. Final RTS are expected to be published by the ESAs in July 2021. Read PRI's response.

UPCOMING WORK OF THE PLATFORM ON SUSTAINABLE FINANCE

Based on its mandate in Article 20 Taxonomy Regulation, the PSF will (amongst other things) advise the Commission on:

- The establishment of the technical screening criteria for the remaining 4 environmental objectives[11].
- Addressing other sustainability objectives, including social objectives, activities that Significantly Harm (SH) the environment and No Significant Impact (NSI) activities.
- The evaluation and further development of sustainable finance policies.

In relation to the latter, in January 2021, the Commission asked the PSF to provide advice on the existing and potential use of the EU Taxonomy framework for enabling the financing of the transition towards a sustainable economy. The PSF published their Transition finance report in March 2021.

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[10] See question 12, European Commission FAQ: What is the EU Taxonomy Article 8 delegated act and how will it work in practice?

[11] The four remaining environmental objectives to be covered under the EU taxonomy are: sustainable use and protection of water and marine resources; transitions to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems.

Technical Screening criteria for remaining 4 environmental objectives

The PSF is due to publish a report on this topic in Q3 2021, and a further report on updating criteria for all six environmental objectives by Q3 2022. For more information watch the PSF webinar series held in February covering the process of developing taxonomy criteria for the remaining four environmental objectives.

Significant harm and Social Taxonomies

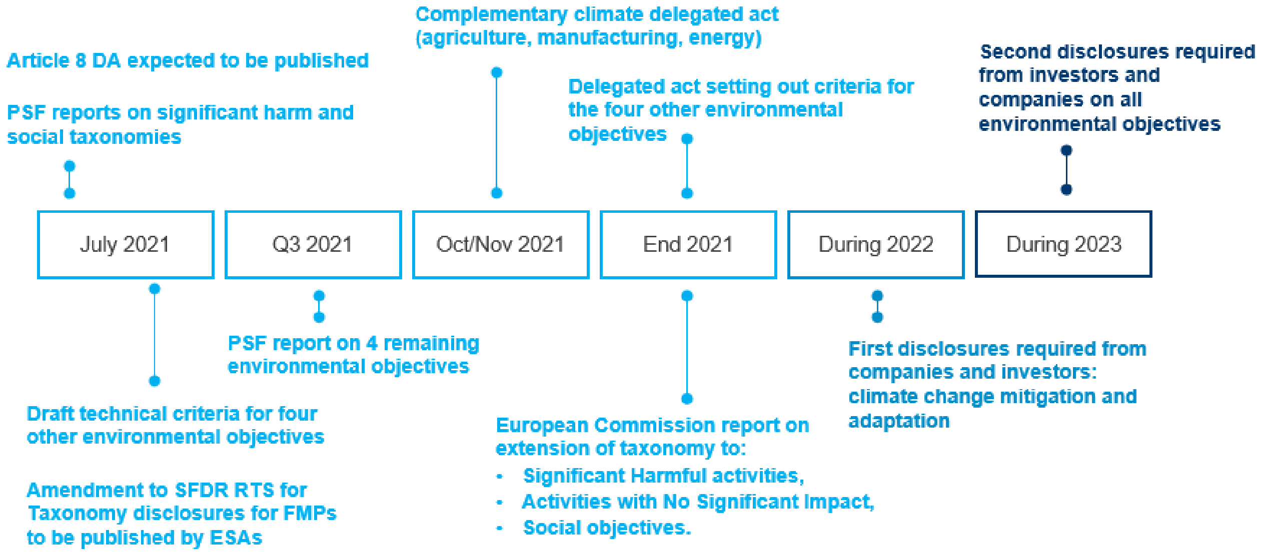
The PSF intends to publish a report for each of these topics by Q2 2021 (with another report due in Q4 2021 on minimum social safeguards). For more information watch the PSF webinar series held in February covering the social taxonomy and potential taxonomies beyond green activities (harmful activities, no significant impact activities).

Transition

In their Transition finance report, the PSF made 19 recommendations to the Commission falling under 3 broad categories:

- Maximising the current Taxonomy – this involves providing clarity on how the Taxonomy already supports transition finance and when new activities will be added etc.
- Developing a future Taxonomy – this has strong links to the work of the PSF subgroup for a significant harm and/or no significant harm Taxonomy.
- Using other policies and tools – this raises important recommendations around financial product labelling, benchmarks and transition pathways.

The Taxonomy is a critical tool to finance the low carbon transition. The report highlights that there are areas in which it can be "*more inclusive whilst maintaining its integrity*", but in its current form it will already help investors and companies to transition towards net zero by 2050. Other policy instruments and tools will also be needed, and the PRI welcomes the Commission's commitment to consider proposing legislation to support financing of the transition towards climate neutrality throughout the current decade[12]. For more information see the PSF's webinar on enabling transition finance.



[12] See section IV. Financing the transition to sustainability in the European Commission's Communication on the sustainable finance package

ANNEX: THE BASICS OF THE EU TAXONOMY

The regulation [(EU) 2020/852] on the establishment of a framework to facilitate sustainable investment (the Taxonomy) sets disclosure requirements for financial market participants offering financial products within the EU, and undertakings who are already required to provide non-financial statement under the [Non-Financial Reporting Directive]. The regulation applies to financial market participants from 1 January 2022.

TAXONOMY ALIGNMENT

To be recognised as "Taxonomy-aligned" an economic activity (referred under NACE activity classification system) must meet three conditions:

- make a substantial contribution to at least one of the six environmental objectives identified in the Taxonomy regulation[13] – for now, the Taxonomy defines what a substantial contribution means for two environmental objectives: climate change mitigation and climate change adaptation;
- do no significant harm to any of the other EU environmental objectives (sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems); and
- meet minimum social safeguards, defined in reference to the UN Guiding Principles on Human Rights, the OECD guidelines and ILO core labour conventions.

The Taxonomy climate delegated act sets out technical screening criteria i.e. performance thresholds which determine whether an activity has met the first two criteria above.

DIFFERENT TYPES OF ACTIVTIES

The Taxonomy regulation (TR) considers three different types of activities that contribute to an environmental objective:

SUBSTANTIAL CONTRIBUTION - those activities which make a substantial contribution based on their own performance, (e.g. renewable energy which have a low impact on the environment and have the potential to replace high impact activities);

ENABLING ACTIVITIES - those which enable other activities to make a substantial contribution through their products or services (e.g. manufacturing of renewable energy technologies, installation of energy efficiency equipment in buildings)[14]; and

TRANSITION ACTIVITIES - those for which low-carbon alternatives are not yet available and that have greenhouse gas emission levels that correspond to the best performance in the sector or industry (e.g. best-in-class cement manufacturing)[15].

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[13] The 6 environmental objectives of the Taxonomy regulation are climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transitions to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems.

[14] Under Article 16 of the TR, an enabling activity is one which enables other activities to make a substantial contribution to one or more of the six environmental objectives, provided that such economic activity:

a) does not lead to a lock-in of assets that undermine long-term environmental goals, considering the economic lifetime of those assets; and

b) has a substantial positive environmental impact, on the basis of life-cycle considerations.

[15] Under Article 10(2) of the TR, transitional activity is an economic activity for which there is no technologically and economically feasible low-carbon alternative [and which] supports the transition to a climate-neutral economy consistent with a pathway to limit the

SCOPE OF THE TAXONOMY

The Taxonomy Regulation affects three groups of stakeholders:

- **Financial market participants** offering financial products in the EU (including occupational pension providers).
- **Large companies** and other undertakings who are already required to provide a non-financial statement under the Non-Financial Reporting Directive (and the additional companies brought under the scope of the proposed Corporate Sustainability Reporting Disclosure, if approved by the co-legislators).
- **The EU and Member States**, when setting public measures, are required to use the Taxonomy or if they propose measures to create EU or national label for financial products that make sustainable/ESG/green claims.

For financial market participants, the products affected are embedded in the definition under the regulation on sustainability-related disclosures in the financial sector (SFDR), i.e.:

- a portfolio managed in accordance with Article 4(1) of Directive 2014/65/EU (MiFID II);
- an alternative investment fund (AIF);
- an Insurance-based Investment Product (IBIPs);
- a pension product;
- a pension scheme;
- a UCITS fund; or
- a Pan-European Personal Pension Product (PEPP).

The SFDR defines three categories of product:

- Financial products which have sustainable investment as their objective ("Article 9" products);
- Financial products which promote, amongst other characteristics, environmental or social characteristics of the investment, which will include ESG integration and stewardship-focussed strategies ("Article 8" products); and
- All other financial products ("Article 7" products).

Article 9 funds and Article 8 funds which include environmental objectives are required to disclose against the Taxonomy. Article 7 funds can elect to disclose against the Taxonomy or provide a standard disclaimer (see Articles 5, 6 and 7 of the Taxonomy Regulation).

For more information on the SFDR, the disclosure requirements it introduces, and the Taxonomy disclosures relating to it please see our investor briefing on the SFDR.

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temperature increase to 1,5°C above pre-industrial levels, including by phasing out greenhouse gas emissions, in particular emissions from solid fossil fuels, and where that activity:

a) has greenhouse gas emission levels that correspond to the best performance in the sector or industry;
b) does not hamper the development and deployment of low-carbon alternatives; and
c) does not lead to a lock-in of carbon-intensive assets, considering the economic lifetime of those assets.

FURTHER RESOURCES

- Taxonomy Regulation
- EU Taxonomy climate delegated act
- PRI statement on Taxonomy delegated act
- PRI consultation response to Taxonomy delegated act
- PRI Taxonomy Practitioners Group report and case studies
- UNEP FI and EBF Testing the application of the EU taxonomy to core banking products: High level recommendations.
- European Commission FAQ: What is the EU Taxonomy and how will it work in practice?
- European Commission Q&A: Questions and Answers: Taxonomy Climate Delegated Act and Amendments to Delegated Acts on fiduciary duties, investment and insurance advice
- Platform on Sustainable Finance Series of webinars on the EU Taxonomy

GLOSSARY

Acronym	Full definition
CSRD (or NFRD)	**Corporate Sustainability Reporting Directive (title of revised Non-Financial Reporting Directive).** This CSRD was proposed on 21 April 2021 as an amendment to the existing corporate reporting requirements under the NFRD. The scope of corporates who have to disclose under the Taxonomy is determined by the NFRD but may change once the CSRD is approved.
DA	**Delegated Act.** This refers to the Taxonomy Climate Delegated Act published on 21 April which sets out the technical screening criteria to determine whether an economic activity is making a substantial contribution to climate change mitigation or climate change adaptation and doing no significant harm to other four environmental objectives (sustainable use and protection of water and marine resources; transition to a circular economy; pollution prevention and control; and protection and restoration of biodiversity and ecosystems). There is also a delegated act relating to Article 8 of the Taxonomy regulation which determines the content and presentation of Taxonomy disclosure requirements for corporates under the NFRD.
DNSH	**Do No Significant Harm.** This is the founding principle of the EU Green Deal and is central to the Taxonomy regulation – to be Taxonomy aligned an activity must DNSH to all of the six environmental objectives.
ESA	**European Supervisory Authorities.** This includes the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA) and the European Insurance and Occupational Pensions Authority (EIOPA). The ESAs were established in 2010, mandated by the Commission to give advice in the adoption of level 1 and 2 acts and for issuing guidelines on the implementation of the rules. They are also responsible for preparing the so-called 'technical standards' – a particular category of level 2 measures that they draft and submit to the Commission e.g. the RTS for the SFDR, the RTS for the Taxonomy disclosures and the Article 8 DA for Taxonomy disclosures.
NACE	**Nomenclature Statistique des Activités Économiques dans la Communauté Européenne.** NACE is the classification of economic activities in the EU.
PSF	**Platform on Sustainable Finance.** The PSF is a permanent expert group of the European Commission that has been established under Article 20 of the Taxonomy Regulation. The Platform will assist the Commission in developing its sustainable finance policies, notably the further development

	of the EU taxonomy. It is comprised of appointed members from a wide range of sectors, including industry, academia and civil society. Nathan Fabian, Chief Responsible Investment Officer at the PRI, chairs the PSF.
RTS	**Regulatory Technical Standards.** RTS are binding technical standards which the Commission will create (with the aid of the ESAs) if they need to supplement or amend the non-essential elements of level 1 legislation (through a DA) with technical aspects. For example, the Taxonomy regulation will be supplemented by an RTS determining the disclosure methodology and presentation requirements for financial market participants.
SFDR	**Sustainable Finance Disclosure Regulation.** The Taxonomy is an amendment to the SFDR. For more information see our investor briefing.
TEG	**Technical Expert Group on Sustainable Finance.** This group was set up by the European Commission in July 2018 to aid the development of, among other things, the technical screening criteria of the Taxonomy and the EU Green Bond Standard. The group consisted of 35 members from civil society, academia, business and the finance sector, as well as additional members and observers from EU and international public bodies. The group finished its work in September 2020.
TSC	**Technical Screening Criteria.** The TSC set thresholds for an economic activity to substantially contribute or DNSH to a certain environmental objective. The first set of TSC have been published (see DA above) and the European Supervisory Authorities will submit draft TSC for the remaining 4 environmental objectives to the Commission by 1 June 2022.