Presentation of the case study on the first-time application of EU taxonomy at EnBW

Workshop on EU Green Taxonomy in the energy and building sectors
Dr. Lothar Rieth (Head of Sustainability)
EnBW Energie Baden-Württemberg AG
Thursday, September 30, 2021
## Agenda

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Timeline: Further Developments of Non-Financial Reporting

Global Reporting Initiative (GRI)
Publication of the G3 - Guidelines for (voluntary) sustainability reporting

CSR-Richtlinie-Umsetzungsgesetz (CSR-RUG)
Obligation for certain large companies to add sustainability disclosures to their management reports

EU-Sustainable-Finance-Taxonomy
Adoption of the taxonomy ordinance, which, among other things, will create a reporting obligation for real economy companies from fiscal year 2022 onwards

Sustainable Development Goals (SDGs) 17
United Nations goals for socially, environmentally and economically sustainable development by 2030

EU Action Plan on Financing Sustainable Growth
Sustainable finance taxonomy at the heart of a total of ten overarching measures to redirect private financial flows to sustainable uses, including to achieve the goals of the Paris climate agreement

Sustainable Finance Committee of the German Federal Government
Final report "Shifting the Trillions" contains, among other things, detailed recommendations for the further development of (non-financial) reporting

Pariser Klimaschutzabkommen (Paris Agreement)
Global framework to combat climate change

EU Technical Expert Group (TEG) on Sustainable Finance
Proposals for key components of the Action Plan

International Integrated Reporting Council (IIRC)
Publication of a framework concept for integrated reporting

Task Force on Climate-related Financial Disclosures (TCFD)
Recommendations for considering climate change opportunities and risks in governance, strategy, risk management and reporting

Platform on Sustainable Finance
Advising the EU Commission on the further development of the EU taxonomy (including technical evaluation criteria)

Non-financial reporting standards
Mandatory application of (global or European) non-financial reporting standards (initiatives of EFRAG and IFRS Foundation)

Initial application of „CSR-RUG2“
Announced: First-time application of the revised non-financial reporting requirements transposed into the German Commercial Code (HGB)
Outlook: Further Developments of Non-Financial Reporting

Reporting Requirements under EU taxonomy

Revision of the Non-Financial Reporting Directive

Development of non-financial reporting standards

<table>
<thead>
<tr>
<th>Implications</th>
<th>Reporting Requirements under EU taxonomy</th>
<th>Revision of the Non-Financial Reporting Directive</th>
<th>Development of non-financial reporting standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group (M. EUR)</td>
<td>Thereof „environmentally sustainable“</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capex</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Opex</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

- **2021/2022**
  - Mandatory reporting in the management report
  - Adjusted definition of materiality
  - More risks subject to mandatory reporting
  - Audit obligation in terms of content

- **2023**
  - Reorganization of the non-financial standard setting
  - Specification of concrete KPIs
  - Disclosure of raw data

- **202x**

EnBW Deloitte
Overview: taxonomy reporting requirements

Corporate Activities

<table>
<thead>
<tr>
<th>Company</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>60%</td>
<td>taxonomy-compliant</td>
</tr>
<tr>
<td>Company B</td>
<td>20%</td>
<td>&quot;not classified&quot;</td>
</tr>
</tbody>
</table>

Financial Activities

<table>
<thead>
<tr>
<th>Financial Institutions</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Example 1: Environmentally sustainable funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A% companies with &gt;50% green activities</td>
<td>98%</td>
<td>60%</td>
</tr>
<tr>
<td>B% companies with 10-50% green activities</td>
<td>45%</td>
<td>20%</td>
</tr>
<tr>
<td>C% companies with 0-10% green activities</td>
<td>5%</td>
<td>0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Institutions</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Example 2: Green Bond Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30% other bonds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>70% taxonomy-compliant Green Bonds</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

70% of the funds are taxonomy-compliant
## EU taxonomy requirements and effects on EnBW’s corporate reporting

### Six environmental objectives of the taxonomy regulation

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

### Adoption EU taxonomy regulation (18.06.2020)

- Mandatory disclosure of “environmentally sustainable” revenues, capex and opex under the NFR.
- “Environmentally sustainable” activities (contributing substantially) to the achievement of one of the six EU environmental targets.

### Delegated act with technical screening criteria for

#### EU environmental targets 1 & 2:
1. Climate change mitigation
2. Climate change adaptation

Published: June 4, 2021

### Delegated act specifying the new reporting requirements

#### EU environmental targets 3 to 6:

(see graphic)

Published: July 6, 2021

### Delegated act with technical screening criteria for

Announced: 31.12.2021

### To be disclosed for FY 2021:

- Revenues, capex and opex associated with EnBW-activities that contribute substantially to the achievement of objectives 1 & 2 and do not significantly affect the achievement of the other environmental and social objectives.
- Analysis of the relevant project activities initially based on the consultation draft for the criteria.

### Specification of Reporting Requirement

- Among other things, for the derivation of revenue, capex and opex, their tabulation and any further explanations required.
- Orientation to the corresponding draft.

### To be disclosed for FY 2022:

- Reporting requirement identical for FY 2021 with expansion to targets 1 through 6.
- Analysis of EnBW business activities also with regard to taxonomy conformity for environmental goals 3 to 6.
EnBW background for implementation of the EU taxonomy Regulation for the reporting year 2020

The announcement of the EU Green Deal has given a further push to the overall topic of Sustainable Finance and the work of the Technical Expert Group on Sustainable Finance (TEG). EnBW was involved in the work of the TEG through its CFO, Thomas Kusterer.

With its strategy EnBW 2025 and its climate neutrality approach, EnBW supports the goal of reducing net emissions of greenhouse gases to zero in the European Union by 2050 and thus becoming climate neutral.

EnBW is committed to transparent, integrated and efficient reporting. We have therefore voluntarily decided to implement the EU taxonomy at an early stage in order to help shape this process.

EnBW has been issuing green bonds since 2018. With these, we are raising the financial resources required for the sustainable transformation on the capital market envisaged in the corporate strategy. The planned EU Green Bond Standard (GBS) will provide further impetus here.

In our view, it is crucial for the successful implementation of the taxonomy that attention is paid to what is technically possible and economically feasible for decarbonization today when defining the specific criteria and thresholds.
For the 2020 financial year, EnBW has voluntarily included information on taxonomy-compliant revenue, capex, opex and Adj. EBITDA in the IAR*.

**Initial Situation:**
- EU taxonomy as a central component of the EU Financing Sustainable Growth Action Plan
- Uncertainty among companies and investors regarding applicability
- EnBW was represented by CFO Thomas Kusterer in the EU Technical Expert Group on Sustainable Finance and wanted to contribute to its finalization by piloting the EU Sustainable Finance taxonomy.

**Project Approach:**
- Establish a common understanding of the taxonomy criteria and reporting requirements.
- Assessing taxonomy compliance and obtaining evidence
- Requirements list for system-side provision of information
- Derivation of "environmentally sustainable" revenues, capex, opex and Adj. EBITDA

**Project Results:**
- Reporting of "environmentally sustainable" revenues, capex, opex and Adj. EBITDA from activities of the segments Renewables and Grids in the IAR 2020.
- Establishment of Reasonable Assurance Readiness: the disclosures were audited as part of the statutory audit of the financial statements
- Joint detailed case study on the EU Sustainable Finance taxonomy: application, experiences and recommendations.

Preliminary work in EnBW’s Integrated Reporting as an important starting point for the application of the EU taxonomy

2012
- First combined report: Financial and sustainability reporting merged with due regard to the requirements of the Global Reporting Initiative (GRI) and the German Sustainability Code (GSC).

2013
- Stakeholder focus and growing need for integrated thinking
- 13 Top-KPIs and their targets for 2020

2014
- First integrated report based on the recommendations of the IIRC

2015
- Complete examination of resources within the business model: finances, relationships, employees, environment, infrastructure, expertise.

2016
- Presentation of interdependencies
- Inclusion new non-financial KPIs and harmonization of non-financial and financial performance indicators

2020
- Communication sustainable corporate strategy with focus on climate neutrality
- Inclusion initial content for EU taxonomy*

2019
- Pursuing of targets for year 2020 and communication of targets 2025

2018/2019
- Further development of EnBW’s strategy 2025
- Governance-consolidation: Anchoring sustainability in investment processes, further development of materiality analysis, reporting on green bonds

2017
- Reporting based on CSR-RUG (esp. non-financial statement)
- First presentation of climate-related risks based on the recommendations of the TCFD
- Presentation of the robustness of the business model

* Based on the taxonomy Regulation (version June 18, 2020) and test criteria (draft delegated legal act, version November 20, 2020).
In the Integrated Annual Report 2020, EnBW has included EU taxonomy disclosures in the management report for the first time.
The project focused on two sub-aspects: in phase 1, the technical sustainability assessment of the activities, and in phase 2, the conversion into financial indicators.

**PROJECT PHASE 1**
Assessment of the environmental sustainability of activities

**PROJECT PHASE 2**
Transfer of the sustainability assessment into financial indicators

Proportion of "environmentally sustainable" activities

<table>
<thead>
<tr>
<th>Revenue</th>
<th>X %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capex</td>
<td>Y %</td>
</tr>
<tr>
<td>Opex</td>
<td>Z %</td>
</tr>
</tbody>
</table>
The determination of the "environmental sustainability" of the activities was made taking into account the available EU documents.

1. **Significant contribution to climate mitigation**
   - Substantial Contribution
   - Significant contribution primarily to EU environmental goal 1: "Climate mitigation", contribution to goal 2: "climate change adaptation" less relevant for EnBW for selected activities.
   - In principle, consideration at **plant level**; if SC is not to be checked (e.g. for wind energy), at activity level possible

2. **No significant impairment of the other environmental objectives**
   - DNSH
   - No significant (!) impairment of the five other EU environmental objectives: Often, in the highly regulated energy sector, required regulatory approvals for construction/operation will be sufficient evidence for the assumption that there is no significant risk of impairment
   - Consideration basically possible at **activity level**

3. **Minimum safeguards for occupational safety and human rights**
   - Minimum Safeguards
   - Due to trends towards supply chain laws and stronger emphasis on human and labor rights in the EU CSR Directive (under revision), consider to what extent these developments should already be anticipated in the taxonomy implementation
   - Consideration basically possible at **group level**
The project was set up in the summer of 2020 and implemented in collaboration with various departments and external support.

A. Project set-up
- EnBW Executive Board member as “project sponsor”
- EnBW Steering Committee: Controlling, Sustainability, Accounting
- Project plan and project organization
- Uniform understanding of taxonomy criteria and reporting requirements

B. Analysis of EnBW-business activities
- Identification of taxonomy-relevant activities
- Assessment of taxonomy conformity and obtaining of evidence
- Requirement list for system-side provision of information

C. Analysis of systems and processes
- Inventory of systems and processes for data collection, gap analysis.

D. Implementation and finalization
- Design and implementation of adjustments to systems and processes
- Test and trial phase
- Technical concept for auditors
- Summary of assumptions, evidence and proofs
Assessment example "significant contribution to climate change mitigation" in energy production (see draft TEG recommendation/delegated act - chapter 4)

Threshold in energy generation for significant contribution to climate change mitigation*

- 100 g CO2 e/kWh determined on the basis of a life cycle analysis according to recognized standards

Evaluation of individual types of energy production

- Running water
- Wind energy
- Solar PV

Analysis of life cycle emissions with UBA standard values

- Running water
  since energy generation in hydropower plants naturally causes no or hardly any CO2 emissions.

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1 Life cycle emissions according to the German Federal Environment Agency.
2 Life cycle emissions based on a life cycle analysis by EnBW and the Forschungsstelle für Energiewirtschaft (FIE).
Example: Construction and operation of wind power plants:

- **Substantial Contribution**: Taxonomy criterion for electricity generation in general: max. 100g CO2e/kWh
- 1. 4.3 Construction and operation of wind power plants: significant contribution to climate protection is assumed.

- **Do no significant harm**:
  2. Adaptation to climate change: physical climate risk assessment
  3. Water quality: compliance with EU law (only to be checked for offshore wind; may be assumed in principle according to TEG report)
  4. Circular economy: design and construction to ensure: long durability, refurbishment and recycling ("high durability, easy dismantling, refurbishment and recycling
  5. Pollution reduction: n/a

- **Minimum Safeguards**: Rather minimum criteria for protection of workers and human rights

- **Derivation**:
  - Revenue: Individually attributable?
  - Capex: Can be allocated individually?
  - Opex: Usually most difficult to allocate clearly.
  - Disclosure of **assumptions, interpretations, exercise of judgment**
Definition Revenue, Opex und Capex

Revenue
› External revenue of the EnBW Group in accordance with IFRS
› Generally: Determination of values in accordance with the framework on which the financial statements are based (IFRS/HGB)

Capex
› Gross capital expenditure on tangible and intangible fixed asset

Opex
› Operating expenses from operation and maintenance, including plant administration costs, excluding energy-related effects and allocations
› No consideration of depreciation

Derivation and comparison of the definitions with the taxonomy Regulation and ESMA recommendations can be found in the case study on the EU sustainable finance taxonomy of EnBW starting on page 17.
Determination of financial indicators - consideration of common controlling and accounting approaches lead to meaningful key indicators

A  Revenue (How green is EnBW at present?)

› 2020: External revenues of the sub-segments can be clearly derived from EnBW segment reporting Internal revenues, e.g. grid fees of the distribution grid compared to own sales are not reported as revenues.
› For EnBW (with own trading department -> fluctuations), revenue is not a relevant control KPI; for producing/service-providing companies, revenue can serve as a control parameter.

B  Adj. EBITDA (How green is EnBW at present?)

› Adj. EBITDA better indicator than revenue for current "ecologically sustainable" EnBW orientation [TOP KPI]; globally accepted by groups, analysts, rating agencies, etc.

C  Capex (How green is EnBW in the future)

› 2020: Gross investments in tangible and intangible assets as well as additions to financial assets (investments). E.g. an offshore wind farm in the construction phase is accounted for as a minority interest and financed 100% by equity, inflow of EnBW equity is capex.
› For EnBW, Capex is a suitable indicator for investments in the future.

D  Opex (Informative value)

› In principle, companies have little interest in as much opex as possible; moreover, no information is available on the interpretation, so that neither the purpose nor the goal of an opex presentation becomes apparent.
› If the focus is on the future viability of companies, then [from EnBW’s point of view] opex can at best refer to non-capitalized R&D expenditures, but this only makes sense for personnel-intensive companies*. 

* For capital-intensive or asset-intensive companies, the disclosure of opex is not expedient, which is why an option (see TEG recommendation) is preferred. For these companies, opex is rarely relevant for management purposes.
### Environmentally sustainable shares of revenue, opex and capex and additionally adjusted EBITDA in relation to total Group activities:

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>19,694</td>
<td>19,436</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>3,513/18</td>
<td>3,007/15</td>
</tr>
<tr>
<td><strong>Opex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>3,417</td>
<td>3,234</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>874/26</td>
<td>788/24</td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>2,526</td>
<td>3,168</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>1,521/60</td>
<td>2,093/66</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td>2,781</td>
<td>2,433</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>1,811/65</td>
<td>1,436/59</td>
</tr>
</tbody>
</table>

Source: EnBW Integrated Annual Report 2020, p. 80

A total of **three tables** showing the shares of environmentally sustainable sales, opex and capex related to:
- the Group as a whole
- the Grids segment and
- the Renewable Energies Segment.

#### Environmentally sustainable shares of revenue, opex and capex and additionally adjusted EBITDA from business activities in the Renewable Energies segment

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energies segment</td>
<td>1,044</td>
<td></td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>1,007/96</td>
<td></td>
</tr>
<tr>
<td><strong>Opex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energies segment</td>
<td>193</td>
<td></td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>181/94</td>
<td></td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energies segment</td>
<td>597</td>
<td></td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>547/92</td>
<td></td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renewable Energies segment</td>
<td>836</td>
<td></td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>826/99</td>
<td></td>
</tr>
</tbody>
</table>

#### Environmentally sustainable shares of revenue, opex and capex and additionally adjusted EBITDA from business activities in the Grids segment

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grids segment</td>
<td>3,676</td>
<td>3,440</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>2,366/69</td>
<td>2,376/69</td>
</tr>
<tr>
<td><strong>Opex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grids segment</td>
<td>1,122</td>
<td>1,039</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>672/62</td>
<td>623/60</td>
</tr>
<tr>
<td><strong>Capex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grids segment</td>
<td>1,407</td>
<td>1,231</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>975/69</td>
<td>778/63</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grids segment</td>
<td>1,347</td>
<td>1,305</td>
</tr>
<tr>
<td>of which &quot;environmentally sustainable&quot; in € million / in %</td>
<td>987/73</td>
<td>940/71</td>
</tr>
</tbody>
</table>
EnBW - EU taxonomy-compliant key indicators

Environmentally sustainable activities of EnBW in relation to the Group as a whole in 2020:

- Environmentally sustainable revenue: €3,513 million (18%)
- Environmentally sustainable opex: €874 million (26%)
- Environmentally sustainable capex: €1,521 million (60%)
- Environmentally sustainable adjusted EBITDA: €1,811 million (65%)
Determination of financial indicators - consideration of common controlling and accounting approaches lead to meaningful key indicators

**General preliminary remark**

**Use of IFRS-HGB figures**: Determination of taxonomy key indicators according to the framework applied in the financial statements: "The three indicators are to be determined and published according to the framework applied in the financial statements: If the financial statements are prepared in accordance with IFRS, "environmentally sustainable" revenues, capex and opex are also to be determined in accordance with IFRS. If the financial statements are prepared in accordance with national law (in Germany: HGB), the three indicators are to be determined in accordance with these requirements".

**1st Project Phase (2020)** - focus on fully "environmentally sustainable" activities of the "RE" and "Grids" segments.

**2nd Project Phase (2021)** - expansion to all other segments (incl. those that are not fully "environmentally sustainable")

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**Activities examined for the EU Taxonomy Regulation**

- **Examined segments**
  - Sales
  - Grids
  - Renewable Energies
  - Generation and Trading

  **Examined activities:***
  - Electricity distribution grids
  - Electricity transmission grids
  - Gas distribution grids
  - Gas transmission grids
  - Grid services
  - Water

  **Examined activities:***
  - Onshore wind
  - Offshore wind
  - Solar
  - Hydropower
  - Biomass

**Source**: EnBW-IAR 2020, p. 80, EnBW taxonomy case study, p. 21

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EnBW’s 2020 reporting comprises four **segments**. For the calculation of the EU taxonomy-compliant key indicators, only the Grids and Renewable Energy segments were addressed.

In these segments, only individual **subsegments** were considered, e.g. electricity distribution networks. These subsegments could be fully classified as "environmentally sustainable".

As EnBW therefore did not prepare accounts at **activity level**, it was possible to dispense with appropriate codes in this project phase.

For EnBW reporting in 2021, all segments and sub-segments will be included and therefore - very likely - **coding** will be required.
Determination of financial indicators - consideration of common controlling and accounting approaches lead to meaningful key indicators

**Basically positive assessment**

- Financial Statements = IFRS → Taxonomy KPIs = IFRS
  - Financial statements = HGB → Taxonomy KPIs = HGB
- Capex: gross calculation (without revaluations, depreciation).
- Capex: The ESMA consultation paper only provided for share deals, the draft of Art. 8 DA correctly includes asset deals and share deals.
- Specification of a standardized table enables comparability and efficient information transfer.
- The following recommendations are in line with EnBW’s approach and appear appropriate: additional information on determination of criteria fulfillment, assumptions, changes, avoidance of double counting, previous year’s figures.

**To be reconsidered, clarification desired**

- Reporting at activity level:
  - Difficult to determine clearly
  - EVU: $26 \times 3 \times 6 \times 6 = 2,808$ disclosures
  - Better reduced meaningful disclosures: Reporting at segment level (IFRS 8)
- Disclosure requirement exists for opex / capex even if an activity does not / will not lead to significant “environmentally sustainable” external sales.
- Capex: In order to be classified as “green” capex, there must be a decided plan according to which the investments must lead to ”green” revenues within five years. The forward-looking capex disclosures required in the draft are too detailed.
- There are requirements to code revenues, capex and before all opex: this should be allowed, analogously including overhead costs in cost of sales
Conclusions / Lessons Learned

Proper implementation requires **sufficient time** and the involvement of internal experts beyond the **sustainability department**. In particular, the department responsible for the internal recording of revenues, capex and opex (usually **controlling or accounting**) should be involved.

Until now, (commercial) **non-financial reporting has often stood alongside financial reporting** (in the management report and financial statements). The taxonomy reporting requirements make it mandatory to [link it to the financial statements](#).

Companies should examine whether further **financially related key indicators** that increase the informative value of the taxonomy reporting should be published. This could, for example, be a **steering-relevant key indicator** for the respective company, such as Adjusted EBITDA at EnBW.

The taxonomy requirements enable the **financial indicators presented to be compared over time**, and comparative analyses are also possible between companies in different industries. However, one challenge for corporate practice at present is that **criteria** for the majority of activities are **not available for all industries**.

* For further insights from the application, see case study from p. 29ff.
Case Study EnBW and Contact

For more information, see EU sustainable finance taxonomy case study

Alternative: Case Study EU-Sustainable-Finance-taxonomy (available in German and English)

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