TECHNICAL NOTE

EU Taxonomy: insurance KPIs

Why EIOPA proposes separating investment and underwriting

The combined Taxonomy KPI brings together an investment metric based on assets and an underwriting metric based on premiums. EIOPA proposes retiring it because those accounting and economic realities do not lend themselves to a single average.

Key points

- Only around 15% of insurers appear to apply the Commission interpretation that calculates a weighted average of the two KPIs.
- EIOPA proposes an investment KPI for life business, an “Adaptation Underwriting KPI” for non-life business and a metric linked to the predominant activity for composite groups.
- The 2024 reports reviewed by EIOPA show about 3% aligned activities, 17% eligible but not aligned and 80% non-eligible on premiums.

Two denominators, two logics

The investment KPI is based on assets. The underwriting KPI is based on premiums. Combining them creates a measure whose weighting, audit trail and economic meaning vary with the interpretation used. Comparability between insurers then becomes fragile.

The non-life case

EIOPA proposes that the numerator should cover only the share of premiums attributable to climate-related perils in relevant contracts. The denominator would be limited to eight eligible lines of business, or a selection including the three most material lines. That change requires more detailed documentation of contract data and allocation rules.

What Finance teams need to prepare

The work concerns the KPI definition, its audit trail, group aggregation and historical comparability. The normative status must remain clear: EIOPA’s advice is technical advice to the European Commission; the proposed changes are not yet applicable rules.

Reference
Source: EIOPA, “EIOPA’s Final Advice on the review of (re)insurance disclosures under the Taxonomy Disclosures Delegated Act”, 30 October 2026. This note retains the caveat in the source material: the complete PDF was not read during the original research.
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