

IN COOPERATION WITH



DYDON AI

BANKENSOFTWARE

TAXO TOOL

AI solution for Sustainable Finance

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With its Green Deal and Sustainable Finance Action Plan, the European Commission has placed climate protection and sustainability firmly in the limelight. Establishing a uniform classification system (taxonomy) for environmentally sustainable economic activities is at the heart of this Action Plan – with the aim of determining the ecological sustainability of an investment. Therefore, the taxonomy acts as a framework for the assessment of economic activities. The Commission defines technical screening criteria for each environmental objective through delegated acts, with the taxonomy set to be gradually integrated into the landscape of the EU’s legal provisions.

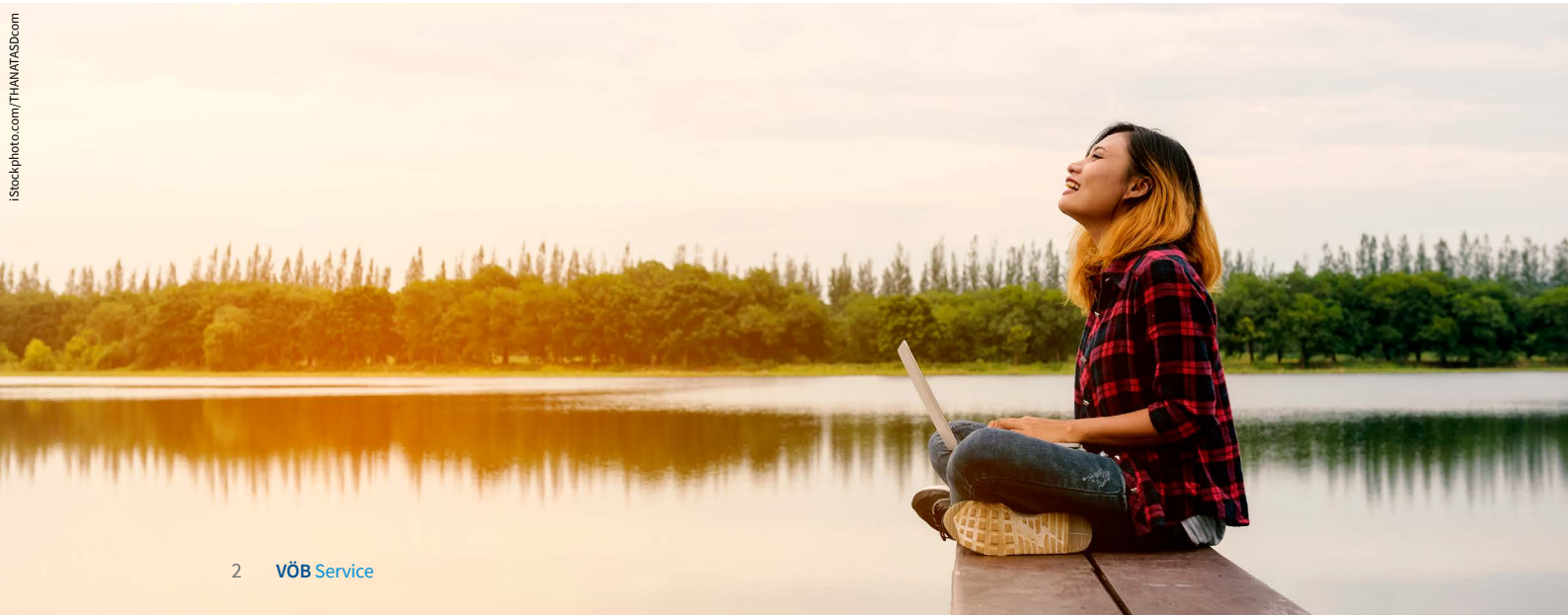
The challenge

The taxonomy is a new and mammoth regulatory project with huge implications for the financial sector, as a result of which bureaucratic costs will increase significantly. The best available techniques (BAT) and the legislative documents contained in the EU’s taxonomy regulation alone make up a total of 24,000 pages. In addition, access to a variety of publicly available data sources is required to calculate carbon emissions and energy consumption figures. The banking sector needs a technical solution to be able to handle the wealth of data and information on the one hand and to make decisions forwarding the aim of a sustainable financial sector on the other.

This is where our solution comes into play: the TAXO TOOL

The Association of German Public Banks (Bundesverband öffentlicher Banken Deutschlands e. V. – “VÖB”), its subsidiary VÖB-Service GmbH and cooperation partner Dydon AG jointly offer an AI-based software solution for implementation of the EU Taxonomy for Sustainable Investing. The application can be used via cloud computing (software as a service, SaaS) or as an on-premise solution. The AI platform supports users in collecting data and identifying documents, waiving the necessity to create an institution-specific solution. As a result, TAXO TOOL helps you to significantly reduce costs whilst enhancing efficiency.

TAXO TOOL reproduces the complexity of the technical screening criteria of the EU taxonomy for sustainability in one system, and allows for automated procedures. In this way, financing projects or financial products can be analysed and assessed as to their conformity with EU taxonomy. Our efficient solution integrates physical and process engineering data – even for project financings, individual projects or small, non-NFRD entities such as municipal utilities. Process engineering models guarantee an automated assessment even if basic company data is not fully available.





The TAXO TOOL solution explicitly addresses the banking market, but also includes insurance companies, investment firms and institutions for occupational retirement provision (IORP), alternative investment fund managers (AIFM) or venture capital funds. Listed companies, credit institutions and insurance companies with more than 500 employees and total assets of more than €20 million or an annual turnover of more than €40 million are required to provide information on the sustainability of their business activities. The legislative proposal for the Corporate Sustainability Reporting Directive (CSRD) provides for an extension to the scope of application from 2023 onwards, with the applicable threshold to be reduced to 250 employees.



Your benefits at a glance

- **Fast implementation** of the Taxonomy **through automated processes** – based on AI technology
- **Increased benefit at reduced costs** – due to a standard software co-developed by banks
- **Procedural models** – always up to date
- **Easy to handle**, and **operational right from the word ‘go’** – thanks to cloud computing (SaaS) or an on-premise solution

YOUR CONTACT PERSON



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