Verimpact

VERIMPACT | SUSTAINABILITY INTELLIGENCE

From sustainability commitments to investment-ready evidence

What Europe's capital flows reveal, and how companies can turn sustainability information into practical decisions

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A Verimpact sustainability intelligence brief, based on the Platform on Sustainable Finance report Monitoring of Capital Flows to Sustainable Investments (October 2026).

From sustainability commitments to investment-ready evidence

What €330 billion of aligned investment, €182 billion of credible transition plans and €1.21 trillion in green lending tell companies about turning sustainability information into confident decisions

Lenders, investors and boards increasingly ask the same question: **does your sustainability strategy connect to real actions, real budgets and real evidence?** The Platform on Sustainable Finance's October 2026 report, Monitoring of Capital Flows to Sustainable Investments, shows how that question is already shaping corporate expenditure, bank lending, bonds and investment funds. [1]

This brief distils the findings that matter, translates them into practical steps, and shows how Verimpact's AI-enabled platform, advisory team and Academy help you act on them. The practical recommendations are Verimpact's interpretation of the report.

€330bn
Taxonomy-aligned CapEx reported in 2025, up 5% on 2024

€182bn
further CapEx linked to companies with credible transition plans

€1.21tn
green lending by EU banks in 2024, up 36%

The headline numbers, and what they really say

A common language for investment is taking hold. More than €1.2 trillion in Taxonomy-aligned CapEx has been reported since 2022, including €330 billion in 2025. The figures cover a defined reporting universe, not every sustainable investment in the economy. [1]

Credible plans count, even before the spend is aligned. A further €182 billion of CapEx sits with companies that have credible transition plans, judged on targets, mitigation actions, financial planning and governance. It is a proxy for plan quality, not proof that each investment is green.

Banks are lending to the transition. Green lending reached €1.21 trillion in 2024, with around 45% reported as Taxonomy-aligned. Green lending and Taxonomy alignment are related but not interchangeable, and the figure is a stock on balance sheets, not one year's new loans.

Companies that can trace a priority issue through the action plan, the investment decision and the evidence of progress are the ones best placed to win the confidence of lenders, investors and their own boards.

Four signals every leadership team should read

1. Electrification leads the way

Electricity supply accounts for 46% of the activity-level Taxonomy-aligned CapEx analysed, with generation, transmission and distribution together close to half of the total. Manufacturing and transport are also visible, a reminder that the transition runs through infrastructure and value chains. [1]

What to do: assess energy sourcing, efficiency, transport and operational dependencies together. Weigh each electrification project on cost, emissions impact, infrastructure needs and delivery timetable, so the target becomes a plan.

2. Credible plans connect ambition with delivery

The report's transition-plan assessment looks at science-based targets, emissions disclosure, mitigation actions, and the alignment of financial planning, governance and incentives. [1]

What to do: use the same questions to stress-test your own plan. Are the actions sufficient? Are resources committed? Who is accountable? Documented milestones and assumptions make it easier to explain progress, and to correct course. This is a planning tool, not an official rating under the report's methodology.

3. Different investments need different capital

Green bonds and loans are well suited to identifiable assets and established business models. The report also points to the need for deeper equity, growth-capital and risk-sharing markets for innovation and first-of-a-kind industrial investment. [1]

What to do: separate projects your budget can carry from those that need external finance, partnerships or risk sharing. Sustainability evidence strengthens that conversation alongside financial viability, execution capability and each finance provider's requirements.

4. Low reported alignment is not low impact

The evidence base mainly covers large reporting companies, with limited visibility of SMEs and mid-caps. Only €2.7 billion of aligned CapEx is recorded for environmental objectives other than climate, largely because criteria coverage is still limited. These are measurement gaps, not proof that investment is absent. [1]

What to do: keep water, nature, circularity and resilience in your assessment wherever they are material. Their importance does not depend on today's Taxonomy statistics.

From insight to action: a four-step path

Start with material impacts and business risks

Identify where you affect people and the environment, and where sustainability-related risks and opportunities could affect your financial prospects. Materiality assessment shows which topics deserve management attention, data and a response.

Connect priorities to actions and expenditure

Turn each priority into a defined action with an accountable owner and measurable milestones. Record expected expenditure, funding status and assumptions, and separate approved investment from open proposals. Where you make a Taxonomy-alignment claim, back it with evidence against the applicable

requirements: eligibility alone does not demonstrate alignment, and a transition ambition is not automatically aligned expenditure.

Make progress and uncertainty visible

Use consistent boundaries, baselines and calculation methods, explain material changes, and keep supporting records. Scenario analysis can test assumptions, provided data limits are clear. Separate measured outcomes from estimates to make disclosures easier to substantiate.

Prepare disclosures that answer the question being asked

GRI addresses an organisation's impacts. IFRS S1 and S2 focus on sustainability-related financial information. ESRS applies double materiality. Taxonomy adds an activity-level lens. One coherent evidence base can serve them all, provided each disclosure respects its framework's purpose.

How Verimpact helps you move faster, with confidence

Verimpact combines an AI-enabled sustainability intelligence platform with specialist advisory and training support.

- **Focus on what matters.** Stakeholder mapping and double materiality assessment show which impacts, risks and opportunities to monitor, report and act on.
- **One source of truth.** Bring finance, risk, operations and sustainability inputs into one platform-supported process, with clear owners and visible data gaps.
- **Reporting across frameworks.** Reporting capabilities and specialist support for GRI, CSRD and ESRS, IFRS S1 and S2, and nature-related disclosures.
- **Look ahead.** Forecasting and scenario capabilities to explore possible developments, within the limits of your data.
- **Build capability in-house.** Verimpact Academy training helps your teams understand reporting concepts, interpret findings and link sustainability to business decisions.

YOUR FIRST STEP

Transition Readiness Diagnostic

A focused review of how your commitments, implementation actions, planned expenditure and reporting evidence fit together.

You receive

- An **evidence-gap assessment** showing where commitments are not yet backed by data or documentation
- A **prioritised action plan** with proposed owners and next steps, ready for board and lender conversations

Find the gaps before the hard questions arrive.

Contact Verimpact to book your Transition Readiness Diagnostic and connect your sustainability commitments, reporting evidence and investment plans.

Read the full report

The diagnostic is an advisory review. It does not provide independent assurance, certify Taxonomy alignment or guarantee financing or lending terms.

[1] Platform on Sustainable Finance, Monitoring of Capital Flows to Sustainable Investments, October 2026. See Executive Summary; Taxonomy stocktake; CapEx beyond sustainable investments; Green Lending; and Concluding Remarks. Figures describe European datasets and should not be treated as equivalent Gulf market evidence.