

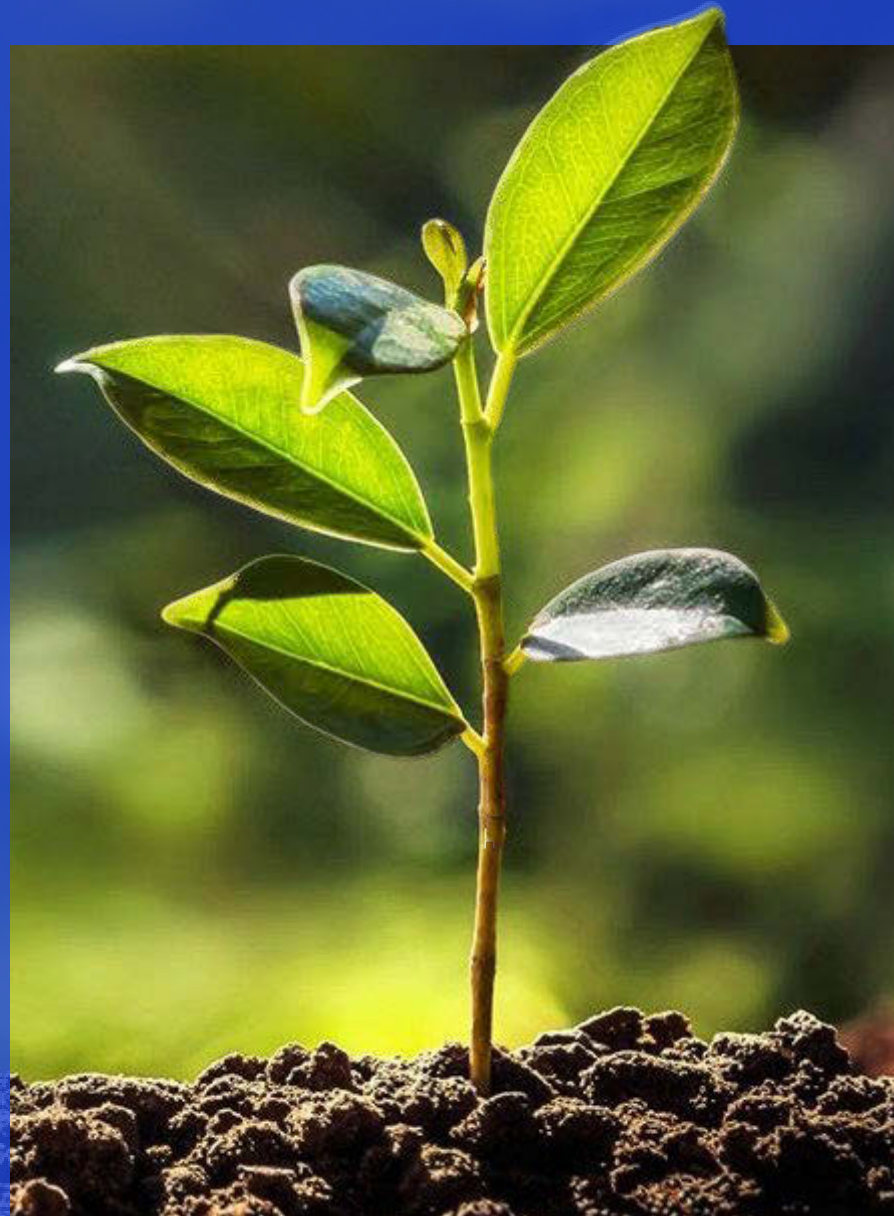


Insurers' sustainability- related disclosures

Benchmarking insurers' sustainability-related disclosures
in the 2024 reporting cycle

—
June 2025

KPMG. Make the Difference.



Purpose of this report

The purpose of this report is to present key observations from our benchmarking analysis of 45 major insurers' sustainability-related disclosures in the 2024 reporting cycle.

For 2024, we dived into disclosures on several sustainability-related topics most relevant to insurers. This represents an expansion of our analysis in prior years which focused only on climate disclosures.

The landscape of sustainability reporting is evolving rapidly. This year, we saw the first reports prepared under the Corporate Sustainability Reporting Directive (CSRD). In addition, we saw the recent Omnibus proposals from the European Commission which will likely result in changes to sustainability reporting requirements for entities operating in Europe. We also anticipate a broader use of the International Sustainability Standards Board (ISSB™) Standards across jurisdictions.

We did not benchmark insurers against the specific requirements of any standard. Rather, this report illustrates the current state of sustainability-related disclosures within the global insurance sector, highlighting how disclosures have evolved from the previous year and opportunities for further refinement. Our benchmarking analysis highlights disclosures relevant to insurers in the context of more frequent and extreme weather-related events affecting both society and the insurance industry.

Contents

<u>Scope and approach</u>	<u>3</u>
<u>Executive summary</u>	<u>4</u>
<u>01</u> <u>Overall observations</u>	<u>5</u>
<u>02</u> <u>Environmental</u>	<u>10</u>
<u>03</u> <u>Social</u>	<u>14</u>
<u>04</u> <u>Governance</u>	<u>16</u>

Scope and approach

Coverage

We reviewed sustainability-related disclosures from **45 major insurers** (9 non-life, 14 life & health, 20 composite, 2 reinsurers) in their most recent reporting cycle. They used various reporting standards and frameworks, including the European Sustainability Reporting Standards (ESRS), ISSB Standards, and recommendations by the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD).

Key topic areas

The analysis explores the following focus areas of sustainability reporting in the insurance sector.

Environmental

- Transition and extreme weather action plans
- Financed and insurance- associated emissions
- Nature and biodiversity

Social

- Consumers and end-users

Governance

- Business conduct

How the analysis was performed

We used publicly available climate and sustainability-related disclosures from annual reports and other relevant standalone reports, when available.

We reviewed disclosures made by 45 selected insurers as part of their 2024 reporting cycle and, where relevant, we compared these with their disclosures from our [2023 analysis](#). We exercised a certain level of judgement when comparing and assessing these disclosures.

The annual reports reviewed for most insurers in our analysis cover the year ended 31 December 2024*.

For those with off-calendar year-ends, we considered their most recent reports (e.g. year-ended 30 June 2024 or 31 March 2024). We reviewed the English language versions of online reports. If these were not available, we reviewed the relevant regulatory filings (e.g. Form 10-K).

**Most insurers in the US release their standalone sustainability-related reports several months after their main regulatory filings. Therefore, these disclosures were not available at the time of our analysis. Where this was the case, we reviewed the reports for the year-ended 31 December 2023.*

Executive summary

As sustainability mandates evolve and diverge, comparability in insurers’ disclosures remains challenging. Insurers have an opportunity to provide clearer, more focused sustainability narratives with more insurance-specific data, better connected to the financial statements.

Sustainability-related disclosures at a glance Most insurers provide detailed sustainability-related disclosures in annual and standalone reports. Quantitative data is extensive for topics with established methodologies, such as climate change and own workforce. For other topics, such as customers and communities, quantitative data is more limited. This may reflect evolving frameworks and methodologies, and differing assessments of materiality.	¹Financed and insurance-associated emissions² There is notable progress in the coverage and detail of quantitative disclosures of financed emissions. However, there is inconsistency in the methodologies applied and investments included. Insurance-associated emissions are disclosed by only a small minority, reflecting ongoing data and methodology challenges.	Consumers and end-users Consumer strategies aim at improving customer experience through digital transformation and financial inclusion. Just over half the insurers disclose their social risks, impacts and opportunities. With changing geopolitical and data privacy risks, integrating customer risk analysis in the risk management framework is key.
Transition and extreme weather action plans 42 percent of the insurers publish transition plans, an increase from the prior year. Many insurers address extreme weather in risk assessments only. They have an opportunity to enhance their disclosures with action plans to mitigate or adapt to extreme weather events.	Nature- and biodiversity-related disclosures 49 percent acknowledge risks related to nature and biodiversity but insurers’ views on the materiality of the topic vary. There is scope for assessments of nature-related risks and opportunities to become more comprehensive and sophisticated as this topic matures over time.	Business conduct Most insurers provide comprehensive qualitative disclosures on business conduct. Regulatory changes, and digital and AI advancements, are leading many to refine policies and frameworks to comply with evolving reporting requirements and manage data and technology risks. More quantitative disclosures, such as business conduct metrics and targets, could enable more effective tracking of progress.

¹ Financed emissions are the absolute emissions that banks and investors finance through their loans and investments. See [Partnership for Carbon Accounting Financials](#) (PCAF).

² Insurance-associated emissions are emissions associated with specific (re)insurance policies aggregated in the (re)insurance portfolio.

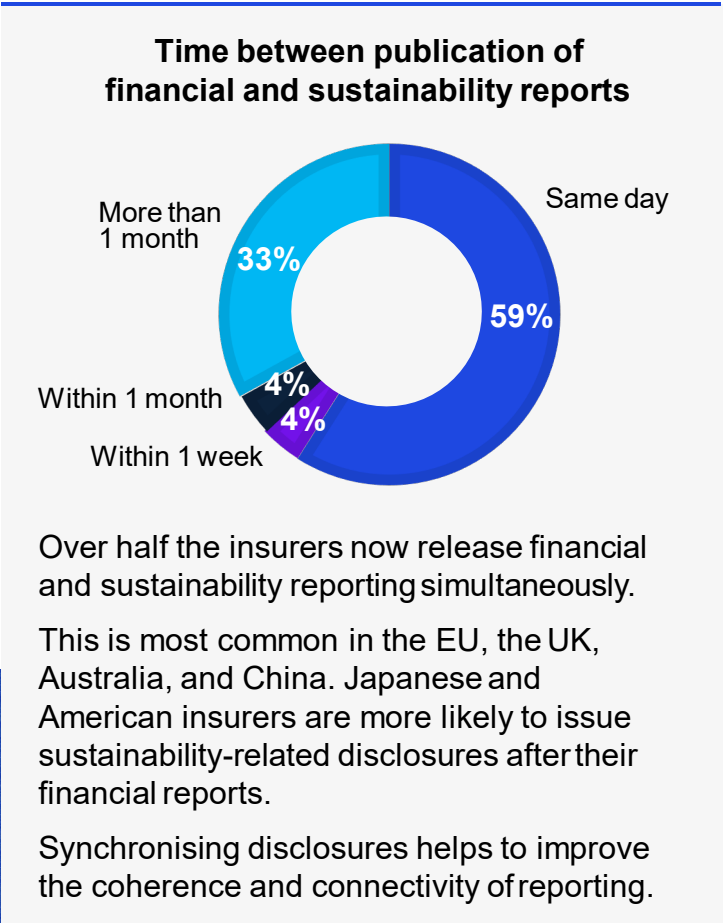


01 Overall observations

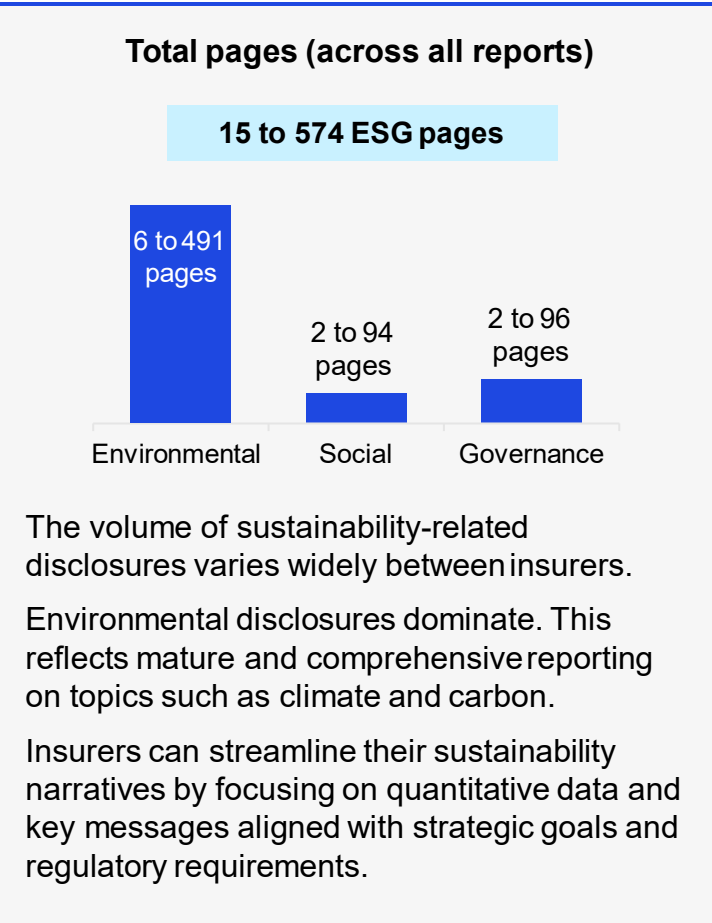
A snapshot of the reporting landscape

Synchronising reporting and streamlining sustainability narratives can enhance clarity and cohesiveness

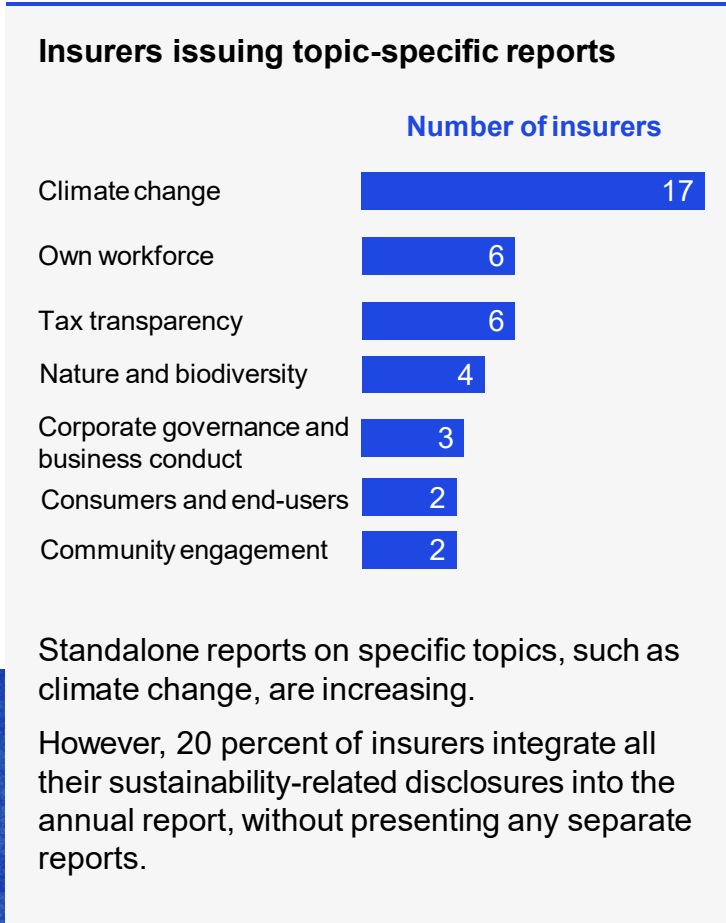
Timing of disclosures



Volume of disclosures



Structure and location of disclosures



Connectivity with financial statements

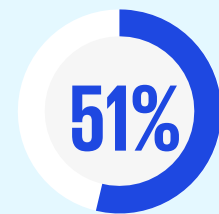
Insurers have begun to include quantitative information and scenario-based climate risk assessments in financial statements

Sustainability-related disclosures in financial reporting typically consist of brief statements on how climate change may affect valuations of financial instruments, investment properties, insurance contract liabilities and intangible assets. This is consistent with last year.

However, in the current reporting cycle, a small number of insurers (five) provide detailed, evidence-based disclosures. These describe their risk assessments and connect the outcomes of climate scenario-based analysis to potential financial effects on assets and liabilities in the financial statements.

Key takeaway: Insurers can include scenario-based risk assessments to improve connectivity of sustainability-related disclosures to the financial statements and support estimates of potential financial effects.

Assessments can be expanded beyond climate to consider potential financial effects of other sustainability-related risks, such as social and governance risks.



disclose financial impacts of sustainability-related risks and opportunities in financial statements

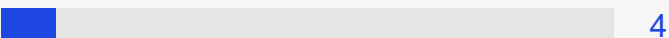
Disclosing financial impacts of climate change

Less than 10 percent of the insurers provide both quantitative and qualitative information on the potential financial impacts of climate change. Information disclosed includes actual and potential liabilities from natural catastrophes and other environmental risks.

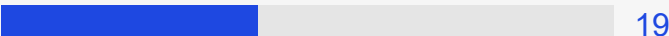
Many insurers that provide qualitative information only state that sustainability-related factors, particularly climate change, have no material financial impact.

Number of insurers and type of disclosure

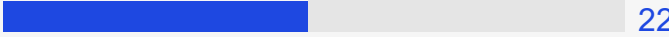
Qualitative and quantitative information



Qualitative information only



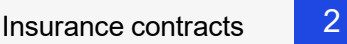
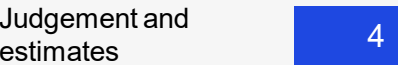
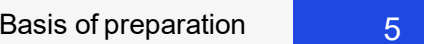
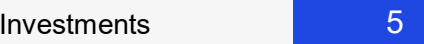
No disclosures



Location in the financial statements

Sustainability-related matters are most frequently disclosed in the risk management sections of financial statements.

Financial statement notes mentioning sustainability-related topics



Number of insurers

**including share-based payments, pensions, guarantees and contingencies, and intangible assets*

Sustainability-related disclosures at a glance

Disclosures on climate change and the company’s own workforce are the most comprehensive

Climate change and own workforce disclosures contain more quantitative information than reporting on other sustainability-related topics. This reflects more mature metrics and measurement methodologies.

Topic		UK	North America	Europe	Asia Pacific	Africa
Environmental	Climate change					
	Water and marine resources*					
	Biodiversity and ecosystems*					
	Resource use and circular economy					
Social	Own workforce					
	Suppliers and their employees					
	Affected communities and community engagement					
	Consumers and end-users					
Governance	Business conduct					
	Tax transparency					

- Comprehensive disclosures (i.e. a dedicated report or sub-section) with metrics and targets and risk information
- A fair level of disclosures with one missing element, either metrics and targets or risk information
- Fewer disclosures with two missing elements, either metrics and targets or risk information
- Datapoint only or a few sentences

* Water and marine resources is considered a separate reporting topic under ESRS, but as part of the “Nature and biodiversity” topic in some other reporting frameworks.

Sustainability-related disclosures at a glance (cont.)

Climate change

Climate-related disclosures dominate in terms of volume across multiple jurisdictions and are often published in separate reports.

Although most insurers disclose Scope 1 and 2 greenhouse gas (GHG) emissions in detail, only eight disclose Scope 3 insurance-associated emissions. This is likely to be due to methodology and data challenges. See [page 12](#).

Water and marine resources

Most insurers limit disclosures to water consumption, and performance targets are rare. Only seven insurers report indirect water and marine resource risks via their insurance businesses and investment portfolios.

Biodiversity and ecosystems

Few insurers disclose detailed biodiversity risk assessments. Most lack comprehensive disclosures, metrics and targets as this is still a relatively new topic in the insurance sector. See [page 13](#).

Resource use and circular economy Reporting focuses primarily on waste management and recycling. Only seven insurers, mainly from the non-life sector, identify risks and opportunities. Risks mentioned include rising claim rates due to scarcity and price volatility of materials.

Opportunities include innovating claims processes to encourage repair over replacement.

Own workforce

Most insurers provide detailed disclosures on their own workforces. Metrics and targets are common for diversity, equity and inclusion. In the UK, Europe, Japan and Australia, many disclose the impacts, risks and opportunities of attracting and retaining talent.

Suppliers and their employees

Disclosures focus primarily on supplier management and climate metrics, such as supply chain emissions. Some insurers also report supplier diversity metrics. 20 insurers, in the UK, North America and Europe, report sustainability-related risks in the supply chain.

Disclosures relate mainly to managing third-party risks through supplier codes of conduct and due diligence.

Affected communities and community engagement

Metrics and targets typically relate to donations, volunteering time and support provided to communities.

A few insurers disclose risks related to the impacts on communities of their investment and underwriting activities. These insurers recognise that investing in, or insuring, entities that may disregard community rights could carry reputational risks.

Consumers and end-users

Most disclosures include detailed customer strategies, metrics and targets. European insurers provide more comprehensive risk information than insurers in other jurisdictions. See [page 15](#).

Business conduct

Qualitative information on business culture and conduct policies is widely disclosed. Many insurers also report risks, impacts and opportunities of business conduct issues and how they manage them. However, only 29 percent disclose related targets. See [page 17](#).

Tax transparency

Tax transparency is an emerging sustainability-related topic.

Disclosures often include data on tax contributions by country and tax risk management approaches. A small number of insurers in South Africa, the UK, Australia and Europe have published separate reports on this topic.

02 Environmental

- Climate change
 - Transition and extreme weather action plans
 - Financed and insurance-associated emissions
- Nature- and biodiversity-related disclosures

Transition and extreme weather action plans

More insurers publish transition plans, but still not the majority, while many focus on extreme weather risk assessments

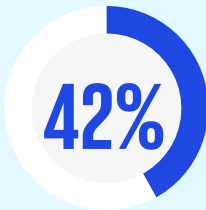
An increasing number of the insurers, but still not a majority, published transition plans in the latest reporting cycle. We expect this trend to continue as several insurers have disclosed intentions to publish transition plans in the future.

It is becoming more common for insurers to report green/sustainable investment strategies and customer screening processes that avoid or limit their exposure to carbon-intensive industries.

Insurers see extreme weather as a major risk, with climatic changes increasing the frequency and severity of events.

Key takeaway: Developing a transition plan and understanding the underlying transition pathways and associated risks are essential to achieving net-zero goals.

Transition plans can be enhanced with short-term targets to measure progress against long-term goals, and with strategies and action plans to mitigate exposure and adapt to extreme weather events.

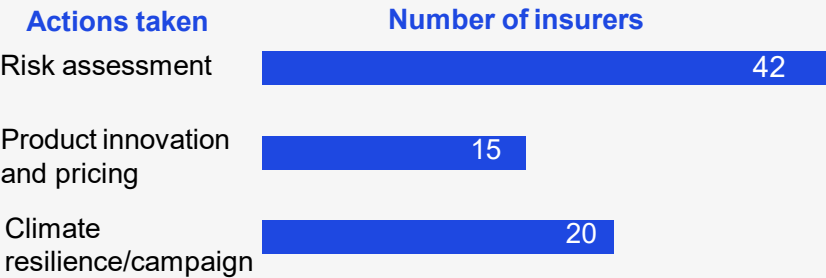


publish transition plans to a lower carbon economy (2023: 34%)

Most insurers assess extreme weather risks

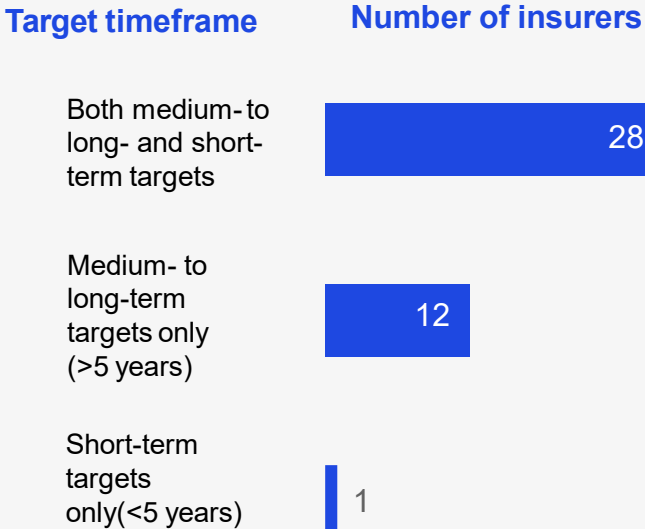
Nearly all the insurers assess risks from extreme weather, but not all disclose extreme weather action plans.

Of those that do, 15 highlight product innovation and pricing adjustments as key risk management initiatives. Some insurers (20) disclose support for climate resilience initiatives, such as advocacy for stronger building codes and improved collaboration between the public and private sectors.



Some insurers lack short-term carbon targets

Almost all the insurers set carbon reduction targets, but nearly one-third (12) set no short-term targets. Short-term targets are important to provide a clear view of progress towards net zero. Most targets apply to operational rather than financed or insurance-associated GHG emissions.



Financed and insurance-associated emissions

There is notable progress, but calculations remain challenging for insurers

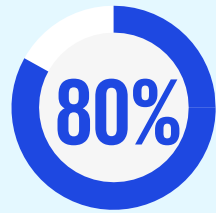
More insurers have disclosed financed emissions in the latest reporting cycle than in the previous year. Disclosures are also more disaggregated, particularly in Europe.

Financed emissions data is typically disaggregated by asset class, but a small number of insurers disclose by sector or region.

Only eight insurers disclose insurance-associated emissions, a small increase from the four that did so in our [2023 analysis](#).

Key takeaway: Insurers continue to face considerable challenges in sourcing emissions data and applying reliable calculation methodologies, especially for insurance-associated emissions. The industry has an opportunity to work with organisations or partnerships such as PCAF to develop guidance in this area.

Meanwhile, the ISSB has proposed relief for the financial sector regarding the reporting of insurance-associated emissions. If this relief is adopted, it could result in reduced disclosures in regions where the ISSB is the main reporting framework.

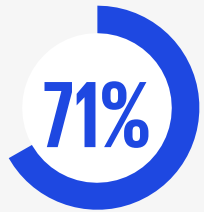


disclose
financed
emissions
(2023: 63%)



disclose
insurance-
associated
emissions
(2023: 10%)

Insurers struggle with data and methodology challenges



disclose
challenges with
financed or
insurance-
associated
emissions data

The established PCAF part A methodology for calculating financed emissions is not always applied consistently due to difficulties in sourcing data from third parties.

Current PCAF part C guidance for insurance-associated emissions is limited to commercial and motor lines only. This poses challenges for other insurers.

33 percent of the insurers disclose other insurance-associated metrics such as weather-related losses, claims emissions, health-insurance related emissions and premiums from high-emitting sectors.

Scope of disclosures can be unclear

Insurers have inconsistent approaches when disclosing financed emissions. Only two insurers explicitly include unit-linked investments in their scope. Some explicitly exclude emissions from certain investments where policyholders bear the investment risk. Others do not state clearly which investments are included or excluded.

Investments excluded	Number of insurers*
Unit-linked investments	9
Others (sovereign bonds, derivatives)	6
No mention	21

* Base: 36 insurers that disclose financed emissions

Nature- and biodiversity-related disclosures

Nature and biodiversity are gaining attention in insurers' risk management policies

Insurers have varied opinions on the materiality of biodiversity to their businesses. Those that acknowledge potential impacts of their investment activities on nature and biodiversity have started to incorporate nature and biodiversity into their investment policies and strategies.

There is a slight rise in the number of insurers adopting the TNFD reporting framework. A small number disclose an intention to adopt the framework in the future.

Key takeaway: There is scope for more comprehensive and in-depth assessments of nature-related dependencies, impacts, risks, and opportunities across the insurance value chain.

Insurers can consider the TNFD recommendations, including the Locate, Evaluate, Assess, and Prepare (LEAP) approach to support their assessment of nature-related risks and opportunities.

Nature in insurers' risk management



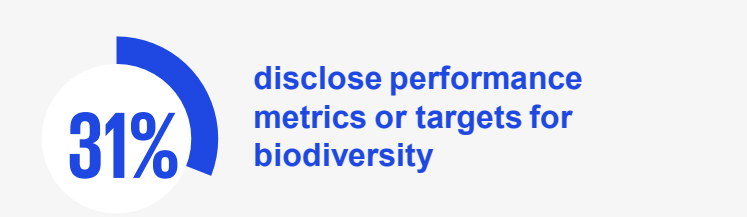
Of the 22 insurers that acknowledge nature and biodiversity risks, half consider the topic to be material. They have applied the TNFD LEAP approach to identify risks related to their dependencies and impacts on nature. Four have published detailed assessments including heatmaps of their exposure.

TNFD adopters gradually grow



Insurers who have signed up as TNFD adopters provide the most detailed disclosures on nature-related risks and strategies.

Biodiversity-related metrics and targets



Biodiversity-related metrics and targets are present, but at an early stage. They relate primarily to reducing deforestation and ecosystem damage through investment activities and increasing investment in nature-based solutions.

Integration into strategy



Strategic initiatives include screening investments to protect nature, investing in afforestation and innovating insurance products that help protect nature.

03 Social

- Consumers and end-users

Consumers and end-users

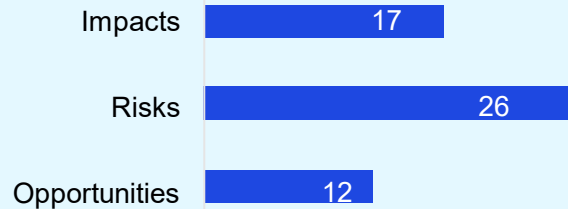
Insurers prioritise customer strategic planning, but some lack measurable targets and impact, risk and opportunity (IRO) assessments

Nearly all the insurers (89 percent) recognise their customers as a material topic for disclosures. However, most focus on reporting strategies for digital transformation, customer wellbeing and financial inclusion. Far fewer identify specific IROs for the topic.

Insurers reporting under the CSRD, particularly in Europe, have enhanced their disclosures to include details of their metrics, targets and risk management frameworks for customer-related issues.

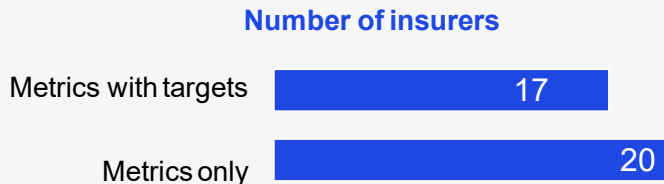
Key takeaway: Given evolving geopolitical and data privacy concerns, integrating customer risk analysis into risk management frameworks is important.

Insurers disclosing customer-related IROs



Metrics and targets

Net promoter scores and customer loyalty are the most common performance metrics related to consumers and end-users. Although most of the insurers (82 percent) disclose customer-related performance metrics, fewer than half also set targets.



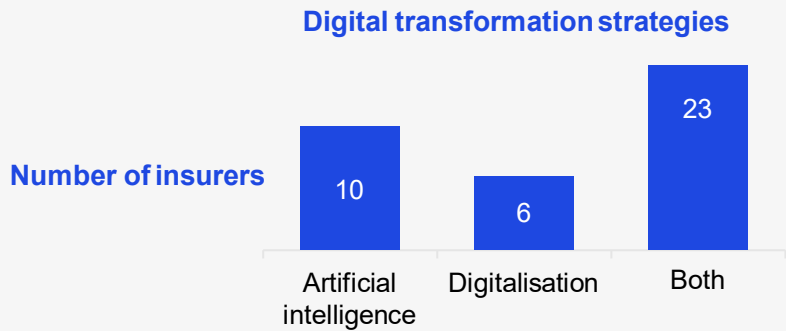
Non-life insurers adopt ESG customer screening



It is becoming more common for non-life insurers to integrate ESG criteria into their customer screening processes. A significant number have implemented exclusion policies for high carbon industries.

Digital transformation strategies are trending

To improve customer experience and achieve related goals, 87 percent of insurers digitalise and/or integrate AI into their customer support, claims assessments and health evaluations.



04 Governance

- Business conduct

Business conduct

European insurers lead in disclosing IROs, metrics and targets for business conduct

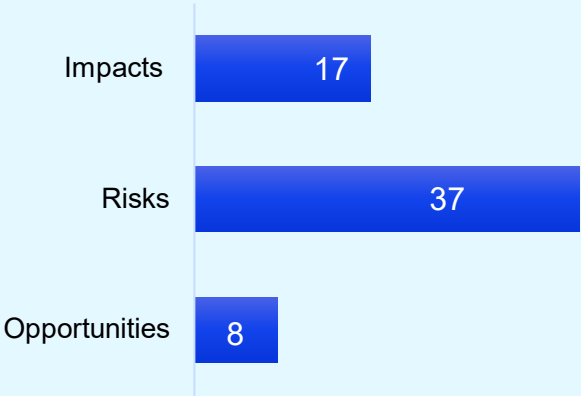
Most insurers demonstrate a mature, albeit qualitative, level of disclosure on business conduct. They detail executive accountability, governance structures, policies and procedures for employees and customer data privacy protection, supplier management and anti-corruption/anti-bribery measures.

Regulatory change, bribery and corruption, and technological threats are the most frequently disclosed risks.

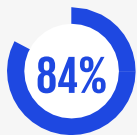
Some insurers also now disclose business conduct impacts and/or opportunities. These are mostly related to improving reputation, policies and procedures, and relationships with stakeholders. These are mostly insurers reporting under CSRD.

Key takeaway: Disclosures can be further enhanced by establishing business conduct metrics and targets to effectively track progress.

Insurers disclosing business conduct IROs



Managing data risks and cyber threats



disclose data and technology risks

Most insurers acknowledge risks inherent in digitalisation and AI. Many also provide detailed disclosures on their risk management approaches which include cybersecurity and data privacy policies, monitoring through IT/risk committees and employee education.

A minority discloses targets

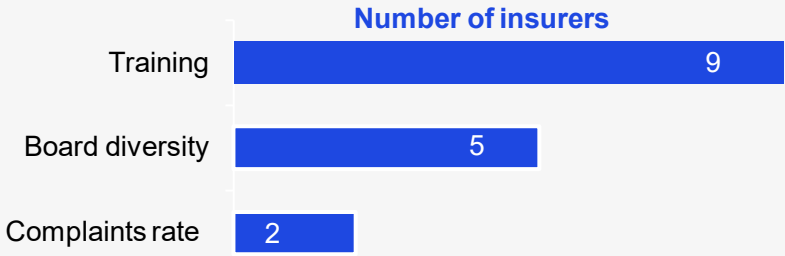


disclose corporate governance and business conduct performance targets

Most insurers that disclose quantitative targets are European companies reporting under CSRD.

Most common metrics and targets

The most common corporate governance and business conduct metrics and targets are:
i) attendance rates for training programmes;
ii) the executive gender ratio; and
iii) the level of complaints relating to issues such as data privacy and bribery and corruption.



Keeping in touch



Mark Taylor

Audit Quality Leader – Insurance

KPMG International

Mark.J.Taylor@kpmgifrg.com



Christoph Krallmann

ESG Insurance Leader, EMA region and Partner,

KPMG in Germany

ckrallmann@kpmg.com



India Preswick

Senior Manager

KPMG International

India.Preswick@kpmgifrg.com



Sarrah Go

Senior Manager

KPMG International

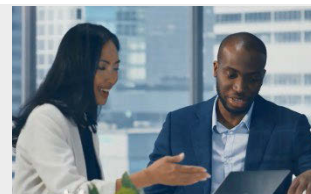
Sarrah.Go@kpmgifrg.com

With thanks to Deborah Chandler for her additional contribution as well as others who assisted.

Follow 'KPMG IFRS' on LinkedIn or visit kpmg.com/ifrs for the latest news.

Whether you are new to IFRS® Accounting Standards and ESRS, or you are a current user, KPMG offers you digestible summaries of recent developments, detailed guidance on complex requirements and practical tools to help you apply the standards.

[KPMG Global
Corporate
Reporting Institute](#)

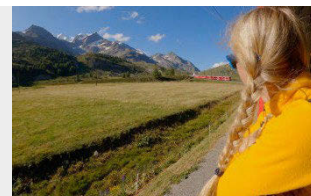


[News](#)

Search all KPMG articles on the standards



[IFRS Accounting
Standards](#)



[Clear on climate
reporting](#)

Digital hub



[IFRS Sustainability
Disclosure
Standards](#)



[Financial reporting
in uncertain times](#)

Digital hub



[European
Sustainability
Reporting
Standards](#)



[Connected
reporting today](#)





kpmg.com/ifrs

Publication name: *Insurers' sustainability-related disclosures (2025)*

Publication number: 137890

Publication date: June 2025

© 2025 KPMG IFRG Limited, a UK company, limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

KPMG International Standards Group is part of KPMG IFRG Limited.

KPMG refers to the global organization or to one or more of the member firms of KPMG International Limited ("KPMG International"), each of which is a separate legal entity. KPMG International Limited is a private English company limited by guarantee and does not provide services to clients. For more detail about our structure please visit kpmg.com/governance.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

This publication contains copyright © material and trademarks of the IFRS® Foundation. All rights reserved. Reproduced by KPMG IFRG Limited with the permission of the IFRS Foundation. Reproduction and use rights are strictly limited. For more information about the IFRS Foundation and rights to use its material please visit www.ifrs.org.

Disclaimer: To the extent permitted by applicable law, the Board and the IFRS Foundation expressly disclaims all liability howsoever arising from this publication or any translation thereof whether in contract, tort or otherwise (including, but not limited to, liability for any negligent act or omission) to any person in respect of any claims or losses of any nature including direct, indirect, incidental or consequential loss, punitive damages, penalties or costs.

Information contained in this publication does not constitute advice and should not be substituted for the services of an appropriately qualified professional.

'ISSB™' is a Trade Mark and 'IFRS®', 'IASB®', 'IFRIC®', 'IFRS for SMEs®', 'IAS®' and 'SIC®' are registered Trade Marks of the IFRS Foundation and are used by KPMG IFRG Limited under licence subject to the terms and conditions contained therein. Please contact the IFRS Foundation for details of countries where its Trade Marks are in use and/or have been registered.