

The insurance sector on the verge of a sustainability transformation

Pulse Check Sustainable Insurance 2021

Maturity

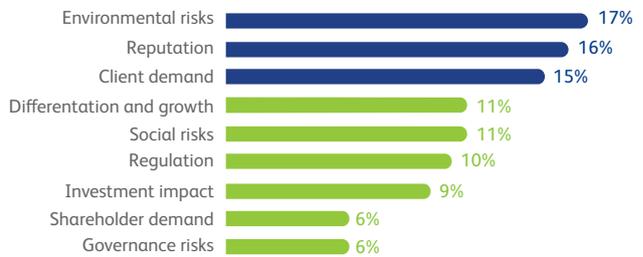
Employees' perception of their company's maturity in terms of sustainability vs. reality differ significantly.



Which priority does the top management of your organization give to sustainability related topics?

The driving forces

Insurer's sustainability engagements are mostly spurred by environmental risks, reputational issues as well as client demand.



What are the main drivers for your engagement in the field of sustainable insurance?

Goals

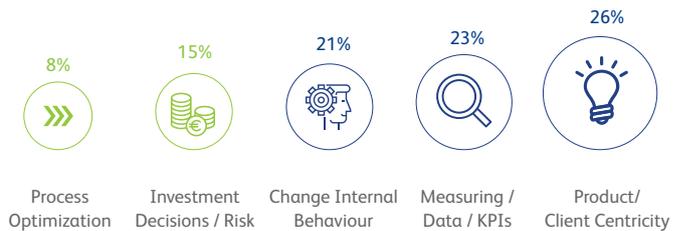
Reduction of CO2 footprint is a top priority, followed by customer-centricity and product/ investment portfolio diversification.



As an insurer, what are your organization's long-term sustainability goals?

Main activities

Product innovation, data and behavioural change dominate the sustainability agenda of insurers.



What are your main activities to reach these long-term sustainability goals?

Challenges

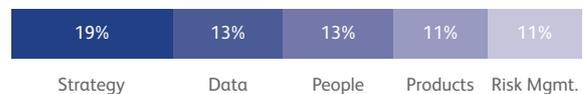
Insurers face both internal and external pressure to drive the sustainable agenda. The main challenges are:



Related to your sustainability ambitions, what are the main challenges you are facing?

Focal points

The successful transformation towards a more sustainable business model depends especially on strategy, data and people¹.



¹ listing of top 5 areas only

Which field of action do you think your organization needs to focus on in order to transform towards a more sustainable business model?

Understanding the case for change

Sustainability considerations are moving into the focus of the financial service industry for mainly three reasons:

1. **Environmental challenges**
2. **Change in mindset of client along with reputational risk**
3. **Regulatory pressure**

In our survey 3 out of 4 re/insurers confirm that **sustainability is a strategic priority**. However, only 1 out of 5 act accordingly.

With **regulators and clients driving the sustainable agenda, not only the reputation is at risk, but also the bottom line.**

Assessing the status quo

Re/insurers are confronted with questions about how to tackle this enormous challenge.

Our survey shows that **Strategy (19%), Data (13%) and People (13%)** are required to change to a sustainable business model.

Creating a competitive advantage

Re/insurers want to achieve a sustainable transformation, however only few know how to manage it.

- **Strategy:** Companies need to understand what their clients expect in terms of green products and customize their offering accordingly to create a competitive edge.
- **Data:** Data analytics are crucial to navigate through the massive ESG data jungle in order to measure the right KPIs, set the right targets and to finally achieve the ambitious goals.
- **People:** Only by overcoming obstacles within their own organization companies can accelerate and take a leap in the right direction.

Contact us for more information

We support our clients along the sustainable value-chain:

1. **Strategy** (CSR Strategy & roadmap definition, sustainability strategy, e-mobility strategy, responsible AI strategy)
2. **Operations** (Sustainable supplier management, sourcing & SCM, waste reduction & circular economy, efficiency & performance improvement)
3. **Data** (Monitoring & Reporting, Regulatory, Sustainable Finance Framework & green investments, emissions calculator and climate dashboard development)

If you are interested in how sustainability will change the future of the insurance industry and what you can do, please contact us.

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