Grant Thornton

Italian insurers and ESG financial communication

Grant Thornton Italy analysis and comparison with the German Insurers benchmark

(Based on Reports FY 2023)

In collaboration with Zielke Consult

Introduzione

What are the ESG impacts in the insurance sector today? How are Italian insurance companies responding to regulatory developments and increasing market expectations? Where do they stand in the broader European context?

These are the questions that continue to drive discussions among insurance sector stakeholders. In a context marked by growing ESG importance, evolving disclosure obligations, and increasing investor and societal expectations, finding an objective and comparable view is not always straightforward.

Once again this year, the *Insurance* team of **Grant Thornton Italy** has undertaken an in-depth ESG benchmarking exercise to shed light on the positioning of Italian insurers. Relying on our exclusive collaboration with the German consultancy **Zielke Research Consult**, a firm with long-standing expertise in ESG financial communication and analysis in the insurance sector, we have applied their rigorous methodology to a representative sample of Italian insurance groups.

This year's analysis—based on 2023 reporting—covers the same nine major Italian insurance groups and companies as last year: **UnipolSai**, **Generali**, **Vittoria Assicurazioni**, **SACE**, **Reale Mutua**, **Intesa Sanpaolo Vita**, **Poste Vita**, **Mediolanum** and **Credem Vita**.

To ensure a robust and comparable evaluation, we analyzed both the Sustainability Reports and the Solvency and Financial Condition Reports (SFCR) of each entity.

Methodology

The methodology is structured into three main parts: the first focuses on **the environmental score**, which includes the evaluation of companies' concrete actions to reduce emissions, the share of renewable electricity used, and total CO_2 emissions (Scope 1, 2, and 3). It also encompasses the integration of ESG factors into investment policies and the incorporation of ESG principles in non-life insurance products, reflecting the company's overall contribution to environmental sustainability.

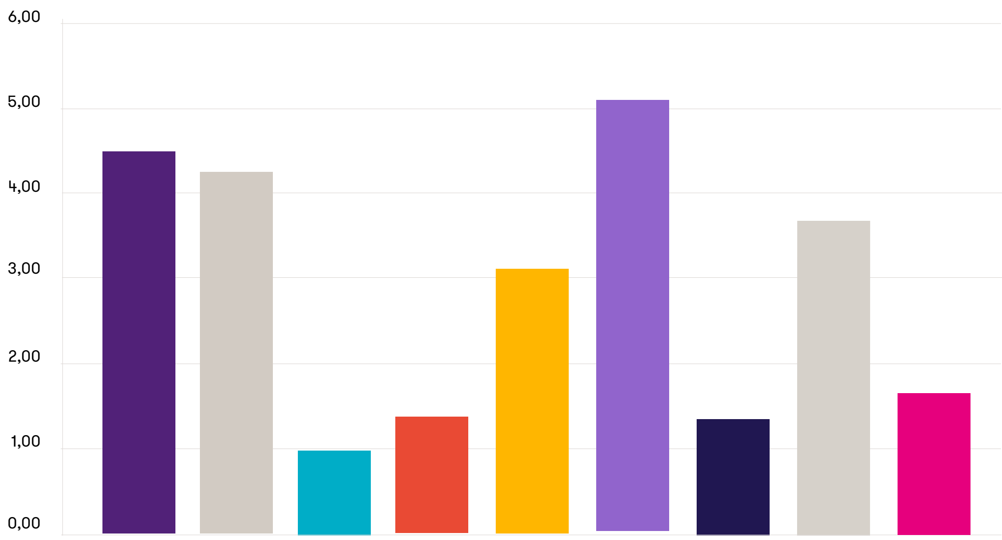
Results

Environmental dimension score

This year's analysis shows continued attention by insurance companies to environmental performance, particularly in the use of renewable energy, with many reporting a high share of green electricity consumption. While there is increasing mention of energy efficiency measures and photovoltaic projects, the level of implementation varies, and room for improvement remains, especially in the adoption of concrete, large-scale actions.

In terms of **ESG integration within investment policies**, most companies performed well—particularly with regard to sustainability-themed investments, such as green bonds or funds aligned with the EU taxonomy, the Best in Class approach, and Exclusion strategies. The latter reflects growing awareness and responsibility, with many companies clearly stating their decision to exclude investments in sectors such as coal, controversial weapons, or companies with serious violations of human rights and environmental standards.

The integration of ESG principles into non-life insurance products continues to be an area where some companies stand out, particularly through offerings tailored to support the green transition, such as coverage for renewable energy systems or environmentally conscious vehicles.

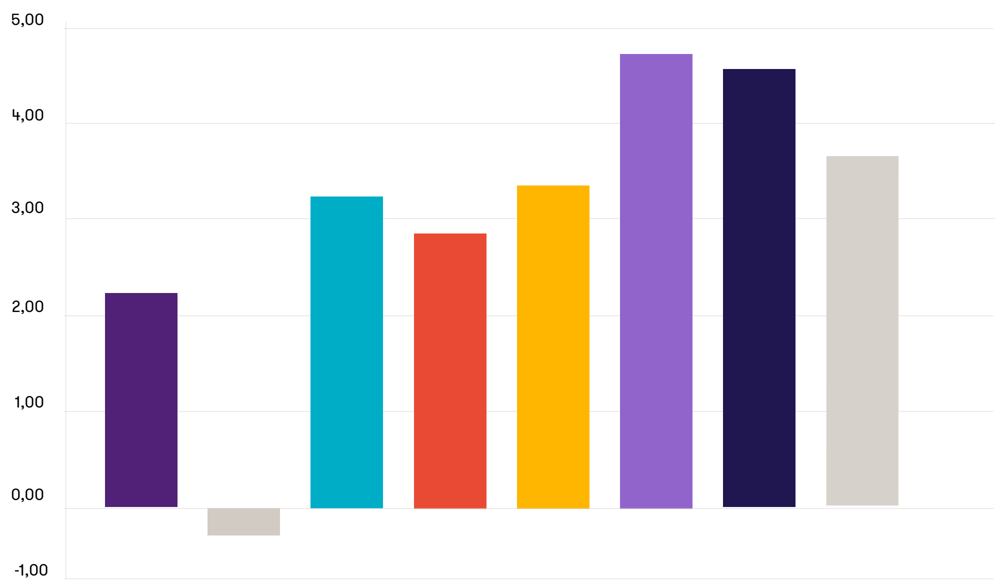


SCORING - ENVIRONMENT

Social dimension score

The score related to **the social dimension** is determined by evaluating the following criteria: the presence of women in managerial roles, the inclusion of employees with disabilities, family-oriented benefits, health management initiatives, customer satisfaction—measured via Net Promoter Score—and social initiatives. This dimension of the methodology reflects how insurance companies relate to their stakeholders, especially employees and the wider community.

In this year's analysis, the inclusion of women in management positions continues to show uneven results, with several companies providing only partial data, especially regarding middle and senior managerial levels. The topic of inclusion, particularly concerning employees with disabilities, also remains insufficiently addressed across most of the sample. Family and childcare support policies, as well as health and well-being programs, were generally well developed and transparently reported, contributing positively to the overall social scores. Most companies also showed structured social engagement through charitable initiatives; however, in several cases, the lack of detail on recipients and financial allocation prevented the assignment of maximum points.

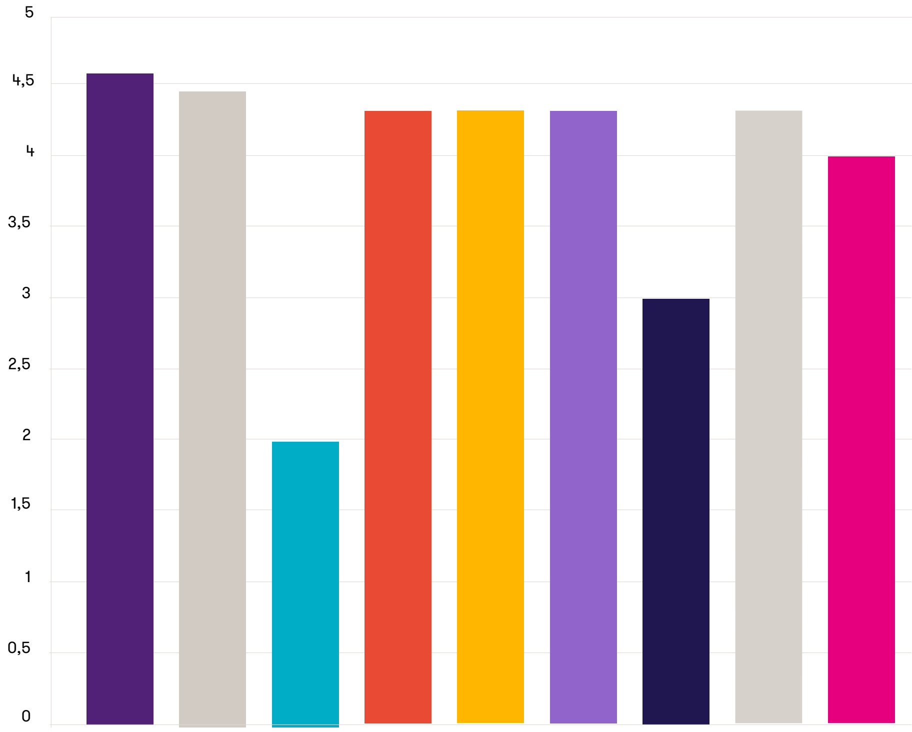


SCORING - SOCIAL

Governance score

The governance score reflects how companies assign ESG responsibilities, formulate sustainability strategies, and report transparently through the SFCR.

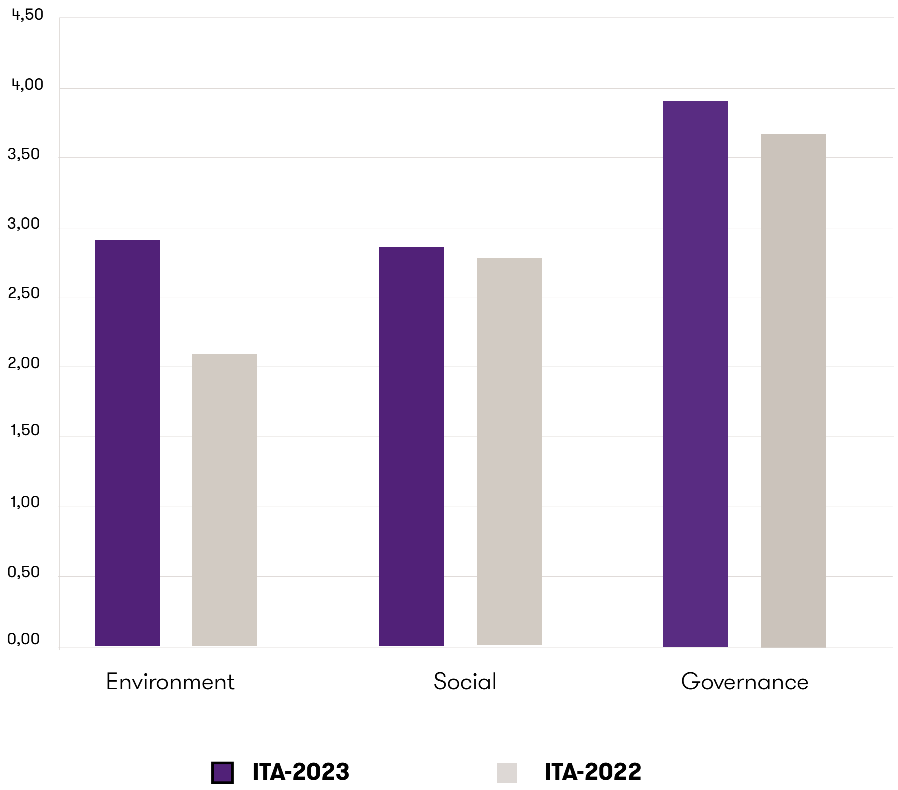
This year, most insurers showed strong governance structures, with clear ESG roles and well-defined strategies across risk, investment, and operations. Overall, governance confirms solid progress and growing attention to structured sustainability oversight.



SCORING - GOVERNANCE

The comparison with 2022 shows **overall improvement across all ESG dimensions**. The most notable progress is in the environmental area, reflecting greater transparency and an increase in tangible actions such as energy efficiency measures and renewable energy usage. Social scores remained stable, with some marginal improvements in employee welfare and customer engagement. Governance remains the strongest dimension, confirming the sector's solid commitment to structured ESG oversight and transparency.

AVERAGE SCORES - ITALIAN BENCHMARK COMPARISON 22 VS 23



The 2023 benchmark comparison shows that the Italian sample slightly outperforms the German sample across all ESG dimensions. The most significant difference is observed in the social area, where the Italian insurers scored higher, particularly in employee health services and family support measures. Governance scores remain strong in both samples, reflecting a common focus on structured sustainability management.

Following the application of the Zielke Consult methodology in the preparation of the Italian benchmark for the insurance sector, the average results for the 2023 Italian sample are the following:

a) 2.9 for Environment,

b) 2.8 for Social, and

c) 3.9 for Governance.

These values were then compared with a German sample composed of 46 groups/companies, assessed using the same methodology by Zielke Consult, resulting in:

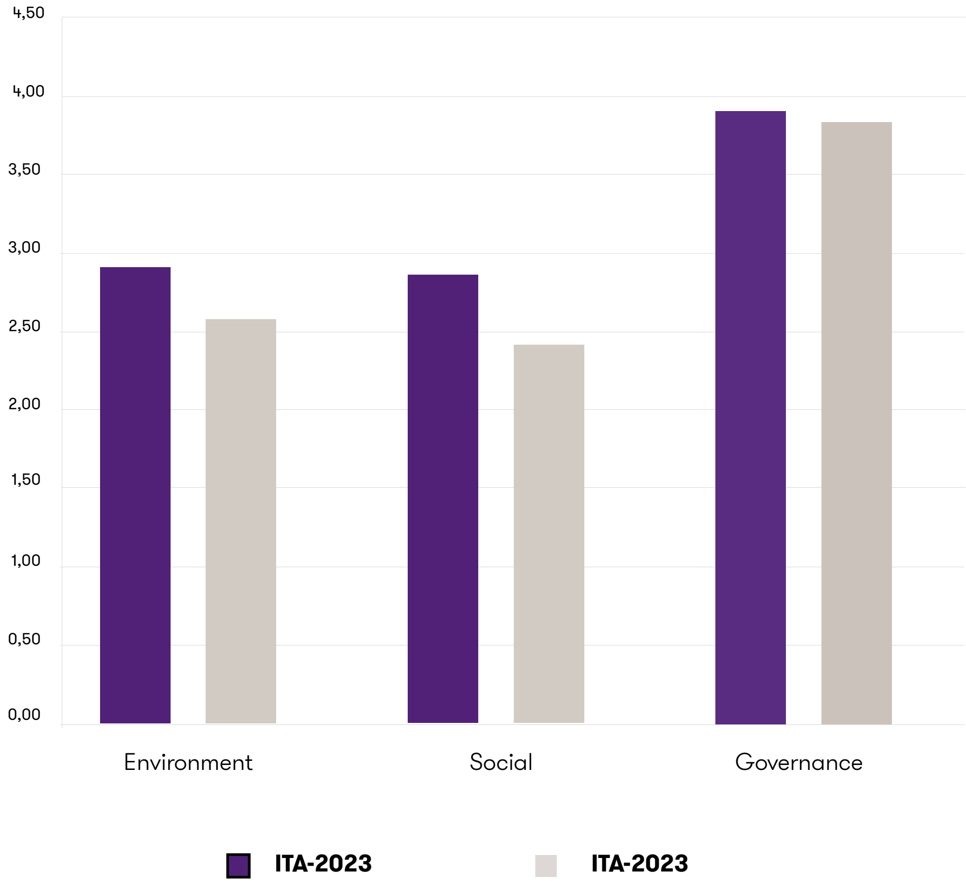
a) 2.7 for Environment,

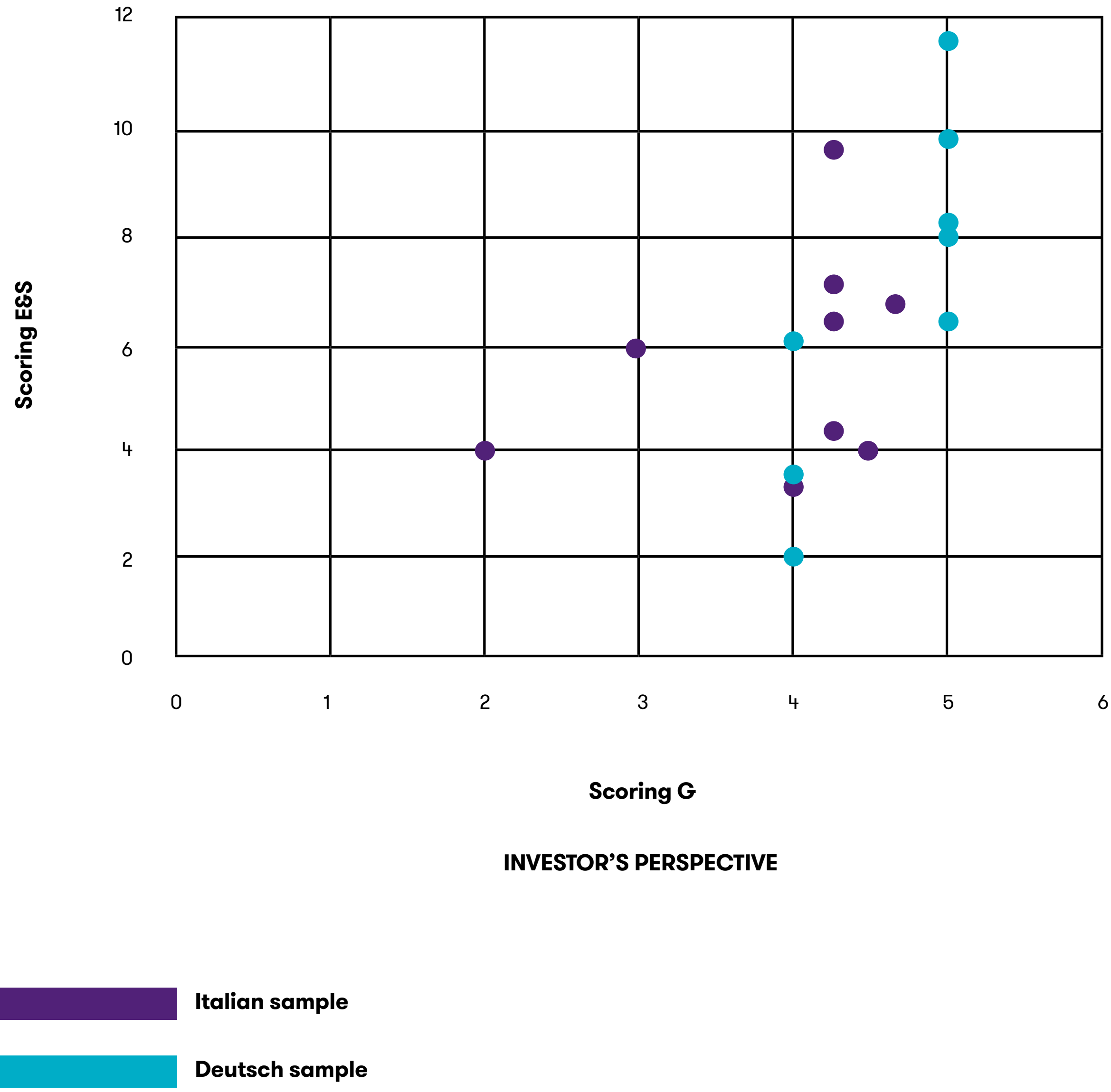
b) 2.5 for Social, and

c) 3.8 for Governance.

Governance continues to represent a critical focus for investors, as it reflects the reliability, transparency, and quality of information shared by a company's management. Strong governance practices are widely recognized as a foundation for investor confidence, influencing not only the perception of corporate integrity but also the credibility of strategic objectives. Companies demonstrating robust governance standards are often viewed more favorably in their environmental and social initiatives as well. The German sample used for this comparison include: Allianz Group, Munich Re, Talanx Group, R+V Versicherung, Debeka, Generali Group (in common), AXA, Huk-Coburg, and Zurich Insurance Group.

AVERAGE SCORES - COMPARISON

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INVESTOR'S PERSPECTIVE
Italian sample
Deutsch sample

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