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Assessing the implementation of ESG criteria in the frontrunners insurance companies in the Spanish market

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Abstract

Purpose: This study aims to explore the implementation of Environmental, Social, and Governance (ESG) criteria within the insurance industry by assessing the frontrunners companies in the Spanish market**.**

Design/methodology: Utilizing a mixed-methods approach that combines quantitative and qualitative analyses, this research provides an empirical examination of ESG criteria application within the Spanish insurance sector. The study adopts the Principles for Sustainable Insurance (PSI) framework to assess ESG implementation across leading insurance companies by employing cluster analysis and Qualitative Comparative Analysis. The empirical study is based on a purposive sample of frontrunner insurance companies in the Spanish market, specifically those that are signatories of the UN-endorsed Principles for Sustainable Insurance (PSI).

Findings: The findings reveal that multinational companies generally outperform in ESG criteria due to their formal governance structures. Key insights include strong performance in strategy and investment management but weaker engagement in claims management and product innovation.

Practical implications: The article offers valuable insights for managers by providing a comprehensive and detailed understanding of how leading companies in the insurance industry are implementing ESG criteria. Moreover, it highlights patterns and differences among companies based on their segment and main characteristics. The findings can also be beneficial to regulators and organizations promoting ESG implementation, as well as those responsible for developing the reference frameworks used in the analysis. The study helps identify the variables where ESG criteria are more thoroughly embedded and highlights areas that require further strengthening in terms of ESG approaches.

Social Implications: This article offers insights into how insurance companies incorporate the social aspect of the ESG framework. It also emphasizes the significance of understanding and implementing the Sustainable Development Goals and other key elements related to sustainability.

Originality/value: The relevance of this research lies in the growing demand—both from regulators and stakeholders—for ESG integration in the financial sector. Within the academic context, the study contributes to the limited empirical research on ESG adoption in the insurance industry by offering a robust framework, model, and methodology for ESG assessment, as well as identifying patterns in ESG adoption. Additionally, the article explores how the combination of outstanding PSI principles achievements influences the ESG rating performance of insurance companies.

Keywords: Sustainability, ESG, Insurance, Finance, Environmental, Green, Climate, Social, Governance

Jel Codes: D63, G22, G52, Q54, Q56

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1. Introduction

The significance of sustainability has gained increasing recognition across various sectors in recent years. The Paris Agreement, established at the COP 21 conference in Paris in 2015 and enforced in 2016, represents a pivotal global commitment to limit the rise in global average temperatures to below 2ºC, marking a critical advancement in international climate policy. Alongside this, the 2030 Agenda for Sustainable Development, endorsed by all United Nations member states in 2015, provides a comprehensive framework to promote peace and prosperity for both people and the planet. Central to this agenda are the 17 Sustainable Development Goals (SDGs), which call for urgent action by all countries—developed and developing alike—through a global partnership.

The **Paris Agreement**, adopted during **COP 21** in 2015 and entered into force in 2016, has become a cornerstone of global climate governance by setting binding obligations on greenhouse gas mitigation, adaptation, and climate finance (UNFCCC, 2015). This agreement requires signatory countries to submit and periodically update nationally determined contributions (NDCs), fostering structural changes in economic and financial sectors. Its goals have significantly influenced ESG-related regulation and investment practices across industries, including insurance. In parallel, the **Sustainable Development Goals (SDGs)** of the **2030 Agenda for Sustainable Development**, particularly SDG 13 (Climate Action), reinforce the objectives of the Paris Agreement and underscore the need for comprehensive environmental accountability in financial systems. These international frameworks provide the normative context and strategic imperative for the insurance sector's transition towards sustainability.

In this context, sustainability reporting has emerged as a critical tool for communicating ESG performance and demonstrating alignment with global frameworks such as the SDGs and the Principle for Sustainable Insurance (PSI). Endorsed by the UN Secretary General and launched in 2012, the Principles for Sustainable Insurance (PSI) serve as a global framework for the insurance industry to address environmental, social and governance risks and opportunities.

Sustainability reporting has become a cornerstone of Environmental, Social, and Governance (ESG) integration within sustainable finance. ESG reporting has emerged as a focal point in contemporary discourse, primarily due to its perceived influence on organizational transparency and decision-making (Schiemann & Sakhel, 2018).

Recent years have witnessed a growing emphasis on Environmental, Social, and Governance (ESG) criteria in corporate strategy, particularly within the insurance sector. To contextualize this trend, the present study draws on **Stakeholder Theory** (Freeman, 1984), which posits that firms bear responsibilities not only to shareholders but also to a wider set of stakeholders including customers, employees, regulators, communities, and the environment. This theoretical framework provides a normative and analytical lens through which to understand the strategic motivations behind ESG adoption and disclosure. By aligning ESG practices with stakeholder expectations, firms seek to enhance legitimacy, transparency, and long-term value creation. Stakeholder Theory thus serves as a foundation for examining how PSI signatory insurers in Spain integrate ESG criteria into their reporting and governance practices.

For numerous economic actors, the broad concept of sustainability and the more tangible SDGs outline a pathway towards more durable development and a growing market of opportunities (Herli, Tjahjadi & Hamidah, 2024). These actors increasingly recognize that advancing sustainability does not necessarily impose costs but can offer substantial long-term benefits, particularly in the realm of sustainable finance (Rajawat & Mahajan, 2024). The financial sector, notably within the European Union, plays a crucial role in facilitating this sustainable transition, with an estimated €2.6 trillion required by 2030 (Schroders, 2021). The insurance industry, given its vast capital base and significant size, is uniquely positioned to address climate change. By managing both financial risks (on the asset side) and underwriting risks (on the liability side), insurance companies have the capacity to redirect capital flows towards carbon-neutral activities (Braun, Schmit & Junger, 2019).

The insurance sector stands out within the financial industry due to its dual role in assuming risks and investing in various industries as part of asset management, setting it apart from other financial entities (Junsun, 2021). The industry faces both challenges and opportunities in the sustainability domain, where the implementation of ESG criteria will be pivotal for its future development and sustainable growth. Climate change-related risks are expected to generate insurance premiums worth $183 billion globally by 2040, as indicated in the report "Insurance 2025 and Beyond" (PwC, 2022). However, this report also highlights that the industry bears significant costs due to the escalating impacts of climate change, with natural catastrophes increasing insured losses by a factor of 3.6 and uninsured losses by a factor of 2 over the past three decades.

In the case of Spain, the relevance is further amplified by the country's increasing vulnerability to climate change, particularly extreme weather events such as wildfires, droughts, and floods, which pose growing underwriting challenges (Ministerio para la Transición Ecológica, 2023). Moreover, Spain's insurance market ranks 8th in Europe by total gross written premiums, with a volume of approximately €65.6 billion in 2022, reflecting its substantial size and influence within the European financial landscape (Insurance Europe, 2023). Additionally, Spanish insurers are undergoing accelerated integration of EU sustainability regulations, including alignment with the EU Taxonomy Regulation, Sustainable Finance Disclosure Regulation (SFDR), and the forthcoming Corporate Sustainability Reporting Directive (CSRD), which mandates ESG reporting and assurance—further reinforcing Spain as a timely and relevant context for investigating ESG implementation in insurance.

Despite these global developments, the degree of ESG criteria adoption remains uneven across countries and sectors. In Spain, although regulatory efforts and corporate awareness have advanced, the insurance sector still exhibits varied levels of ESG integration, both in strategy and in practice. According to a 2023 report by ICEA (Investigación Cooperativa entre Entidades Aseguradoras - ICEA, 2023), only 41% of Spanish insurance companies reported having a formalized ESG strategy, and less than 30% had established ESG-linked key performance indicators (KPIs) in their core governance frameworks. This empirical gap underscores the need for a detailed, sector-specific assessment of ESG implementation in the Spanish market.

Within this context, the Spanish insurance industry offers a particularly compelling case for analysis due to its unique structure, which includes a significant number of domestic firms, bancassurance models, and subsidiaries of multinational corporations.

Climate change-related risks in the insurance sector can be broadly categorized into physical, transition, and liability risks. Physical risks stem from the increasing frequency and severity of natural disasters that lead to higher claims and underwriting losses. Transition risks refer to the financial and strategic implications of policy, regulatory, or technological shifts toward a low-carbon economy, which may affect investment portfolios. Lastly, liability risks arise when insurers are held accountable for failing to adequately disclose or address climate exposures. These categories are increasingly embedded in risk management frameworks, particularly in markets such as Spain, where regulatory alignment with the EU Taxonomy and the Sustainable Finance Disclosure Regulation (SFDR) is ongoing.

A comprehensive review by Gatzert, Reichel and Zitzmann (2020) underscores the broad spectrum of sustainability risks and opportunities facing the insurance industry. While climate change is a major factor (Velte, 2024), it is not the only one; insurers must adopt a holistic approach to managing these risks and opportunities. From a management perspective, a critical challenge lies in integrating ESG risks and opportunities into corporate strategy, particularly within investment, risk, compliance, and regulatory frameworks (Kevser, Tunçel, Gürsoy & Zeren, 2023). ESG factors can significantly impact the solvency of insurance companies through multiple channels. For example, exposure to unpriced climate risks may lead to underestimated underwriting losses or misaligned investment strategies, affecting insurers' capital adequacy. Moreover, regulatory shifts such as mandatory ESG disclosure and stress testing (e.g., under Solvency II) could impose compliance costs and strategic realignments. Literature suggests that failure to integrate ESG factors into risk management and investment decision-making may increase volatility in insurers' portfolios and reduce long-term resilience (UNEP FI, 2022).

In the context of this study, **frontrunner companies** are defined as insurance firms that have demonstrated a voluntary and proactive commitment to sustainability through their affiliation with the United Nations Environment Programme Finance Initiative's Principles for Sustainable Insurance (UNEP FI, 2022). By endorsing the PSI framework, these companies go beyond compliance with regulatory requirements, integrating Environmental, Social, and Governance (ESG) considerations into core business strategies, risk management practices, and stakeholder engagement processes. The PSI signatory status is viewed as a proxy indicator of strategic leadership in ESG implementation, reflecting a firm's intention to embed sustainability across its operations and to influence broader systemic change within the insurance industry (UNEP FI, 2022; Gatzert et al., 2020).

Frontrunners are typically distinguished by several defining characteristics:

1. **Voluntary Commitment to PSI Principles**: These firms have signed the PSI, indicating their alignment with four overarching principles aimed at incorporating ESG issues into decision-making, engaging clients and partners on ESG issues, working with governments and regulators, and demonstrating accountability and transparency.
2. **Advanced ESG Governance Structures**: Frontrunners are more likely to possess formal ESG governance mechanisms such as dedicated sustainability committees, board-level ESG oversight, and ESG-linked performance indicators (Kevser et al., 2023).
3. **Institutional Capacity and Market Influence**: These firms include large multinational insurers and prominent national players with significant market share, resource capacity, and cross-border operations. Their scale and integration into global capital markets make them more responsive to international sustainability frameworks such as the SDGs, EU Taxonomy, and TCFD (Ortiz-Martínez & Marín-Hernández, 2014; UNEP FI, 2022).
4. **Innovative ESG Practices and Industry Benchmarking Role**: Frontrunners often serve as reference points for the sector, experimenting with innovative ESG tools, sustainable underwriting practices, and climate-aligned investment strategies. Their practices provide empirical insight into how ESG integration can be operationalized in a complex and regulated industry like insurance (Johannsdottir, Olafsson & Davidsdottir, 2015).

The study focuses on PSI signatory companies operating in the Spanish market. The selected companies, which consolidate their premiums and profits in Spain, include Aegon, Allianz, AXA, Generali, Helvetia, Nationale Nederlanden, Zurich, Catalana Occidente, Vida Caixa, Línea Directa, Mapfre, Reale, Caixa Enginyers Vida, and Solunion.

The central research question guiding this study is: *How are ESG principles, as defined by the PSI framework, implemented by leading Spanish insurance companies, and what configurations of practices are associated with stronger sustainability performance?* To answer this, the study adopts a mixed-method approach combining cluster analysis and Qualitative Comparative Analysis (QCA), allowing both pattern detection and causal inference from a small but strategically selected sample of frontrunner firms.

This study seeks to examine the implementation of ESG criteria within the Spanish insurance industry, focusing on four primary objectives: developing a framework and methodology for analyzing ESG implementation in insurance companies; evaluating the implementation of the PSI framework; examining combinations of PSI principles that enhance sustainability ratings; and identifying the primary strengths and weaknesses of ESG implementation within the sector. The empirical analysis is based on PSI signatories, regarded as *frontrunners* in sustainability practices due to their voluntary commitment to standards that go beyond legal compliance. These frontrunners serve as a benchmark to evaluate industry leadership in ESG integration.

Based on the objectives outlined above, this study aims to test the following **main hypothesis:**

H1: Leading insurance companies with more formalized governance structures and multinational affiliations demonstrate higher levels of ESG implementation compared to local and bancassurance entities.

H2: Leading insurance companies with more formalized governance structures and multinational perform better in sustainability ratings compared to local and bancassurance entities.

The present study **contributes** in three distinct ways. First, it introduces a novel analytical framework tailored to the insurance industry, integrating the PSI principles into a measurable and replicable methodology for assessing ESG implementation. Second, it contributes to empirical research by applying this framework to the underexplored Spanish insurance market —a context with specific regulatory dynamics and environmental vulnerabilities. Third, it provides both academic and managerial insights by incorporating a mixed-method design —employing both cluster analysis and Qualitative Comparative Analysis (QCA)— to identify patterns and causal configurations in ESG adoption among leading firms.

The structure of this article is as follows: Section 2 establishes the literature review; Section 3 the theoretical framework; Section 4 outlines the methodology for the empirical analysis; Section 5 presents the results, including cluster statistical and QCA analysis; Section 6 discusses these findings; and Section 7 provides a summary and suggests new research avenues.

2. Literature Review

2.1. ESG in the Insurance Sector: Conceptual Foundations and Emerging Trends

Martí, Bastida-Vialcanet and Marimon (2024) present a comprehensive review that highlights the relatively limited academic engagement with environmental, social, and governance (ESG) criteria within the insurance sector. Despite this academic shortfall, professional practice has shown comparatively greater responsiveness, with numerous major insurers endorsing the United Nations Environment Programme's Principles for Sustainable Insurance (UNEP-FI, PSI). The adoption of ESG principles in insurance, however, has remained predominantly conceptual, with empirical studies lagging significantly behind.

A notable empirical contribution in this domain is offered by Eccles, Ioannou and Serafeim (2014), who examine the relationship between ESG implementation and financial performance across major insurance firms. Meanwhile, several scholars have proposed integrative conceptual frameworks to support the operationalization of ESG practices in insurance organizations (e.g., Nogueira, Patricio & Silva, 2018; Johannsdottir & McInerney, 2018). These frameworks aim to embed ESG considerations into strategic, governance, and risk-management processes.

2.2. Empirical Analyses and Reporting Practices

The empirical literature on ESG implementation in the insurance industry remains fragmented and limited in scope. Beiragh and Zitzmann (2020) employ a mixed-methods approach to investigate ESG disclosures across 14 insurance companies, shedding light on the qualitative and quantitative dimensions of reporting. Similarly, Thomae, Dreher and Sonnenburg (2021) focus on the Swiss insurance and pension sectors to evaluate ESG integration and transparency. In the context of regulatory development, Kraft (2022) analyses the European Union's efforts to harmonize ESG reporting standards in the insurance domain. On a national scale, Dropulić and Ćular (2019) assess corporate social responsibility (CSR) reporting among Croatian insurers, with particular attention to its impact on the overall quality of ESG disclosures.

Notably, studies outside the insurance domain provide comparative insight into ESG operationalization. For instance, Testa (2024) explores ESG integration in the utilities industry, emphasizing the influence of ESG criteria on corporate behavior and stakeholder engagement. However, comparable studies in the insurance sector are largely absent, indicating a significant gap in the scholarly landscape. In particular, the evaluation of ESG key performance indicators (KPIs) and their alignment with strategic planning —especially within the context of double materiality matrices— remains underexplored.

2.3. Comparative Perspectives and Conceptual-Strategic Integration

Comparative analyses of recent ESG-focused research reveal significant heterogeneity in methodological approaches and scope. Striker, Pugnetti, Wagner and Zeier-Röschmann (2022) assess ESG–financial performance linkages on a global scale, whereas Thomae et al. (2021) center on a specific national context. In contrast, the present study distinguishes itself by operationalizing ESG implementation through a multidimensional lens —encompassing strategy, governance, and disclosure— while maintaining a single-country focus. Moreover, unlike prior regulatory or descriptive studies (e.g., Kraft, 2022), this research evaluates the internal consistency and strategic alignment of ESG practices through a configurational approach based on causal relationships.

Although the international literature offers rich conceptual and regulatory insights (e.g., Johannsdottir & McInerney, 2018; Beiragh & Zitzmann, 2020; Robineau, 2019), empirical studies specifically addressing the Spanish insurance sector are scarce. Most existing research either adopts a pan-European perspective or addresses the broader financial services sector, without isolating the unique institutional and operational features of insurance companies. Sectoral data from ICEA (Investigación Cooperativa entre Entidades Aseguradoras – ICEA, 2023) indicate a relatively low formalization of ESG strategies among Spanish insurers, with only 41% having implemented structured ESG frameworks and even fewer integrating ESG KPIs into strategic planning. While studies such as Antolín and Ortiz (2023) discuss ESG practices in Spain's financial sector, they do not disaggregate insurance-specific data nor engage with the PSI framework.

2.4. ESG Frontrunners and Cross-Sectoral Lessons

A parallel line of inquiry has examined sustainability frontrunners across various industries, identifying these firms as critical in shaping industry-wide ESG practices (Agwu, Ahmed & Opoku, 2022; Zhou & Xin, 2021). For example, Zinenko, Boughen and Albert (2014) investigate CSR policies among leading European firms, while Kolk and Pinkse (2010) analyze sustainability reporting trends within the Fortune Global 250. Other contributions, such as Murphy (2014) and Johannsdottir et al. (2015), study the implementation of climate policies and environmental strategies among frontrunners in Europe and the Nordic region. These studies underscore the importance of leading firms in setting benchmarks for ESG integration, an insight that informs the present study's focus on PSI signatories as potential ESG leaders within Spain's insurance industry.

Beyond merely identifying frontrunners, the literature emphasizes the mechanisms by which these firms exert institutional influence and drive normative shifts within their sectors. According to Delmas and Toffel (2004), frontrunner firms often operate as "institutional entrepreneurs," initiating practices that later become standardized trough mimetic or normative pressures. Their proactive ESG strategies tend to influence regulatory expectations, stakeholder demands, and even investor norms, thus creating a feedback loop that reinforces sustainable behavior across the industry. This is particularly relevant in the insurance sector, where firms that lead in ESG adoption may shape emerging compliance expectations under frameworks such as the CSRD, EU Taxonomy, or Solvency II.

Cross-sectoral comparisons further suggest that ESG frontrunners share common structural and strategic features, including strong governance architectures, multinational operations, stakeholder-oriented cultures, and long-term investment horizons (Eccles et al., 2014). These attributes enable frontrunners not only to internalize ESG considerations more systematically but also to leverage their leadership for reputational and financial gains. For instance, studies in the banking (Fernando & Lawrence., 2014) and utilities (Testa, 2024) sectors find that ESG leaders tend to outperform peers in terms of risk-adjusted returns and stakeholder trust—both critical metrics in sectors facing increasing regulatory scrutiny and environmental exposure.

In the specific case of insurance, frontrunner firms often exhibit early adoption of voluntary frameworks such as the Principles for Sustainable Insurance (PSI), which serve both as signaling mechanisms and as tools for strategic alignment. PSI signatories, by committing to a global standard that exceeds baseline regulatory requirements, position themselves as leaders in ESG integration, thereby influencing both industry peers and regulators (UNEP FI, 2022). This aligns with Busch & Hoffmann (2011) argument that voluntary initiatives can catalyze industry transformation when adopted by credible and influential firms.

Moreover, frontrunners play a pivotal role in generating and diffusing ESG-related knowledge. Through participation in international coalitions, pilot programs, and industry forums, they contribute to the codification of best practices and facilitate peer learning. In the insurance industry, where climate-related risks are complex and evolving, such knowledge exchange is particularly vital. As Braun et al. (2019) argue, frontrunner insurers often pioneer innovative approaches to climate risk assessment, ESG-linked underwriting, and impact investing, which are subsequently emulated by lagging firms.

Therefore, the theoretical significance of studying frontrunners lies not only in understanding exemplary practices but also in uncovering the causal configurations that enable superior ESG performance. This approach justifies the present study's methodological emphasis on PSI signatories, who are hypothesized to represent leading configurations of ESG implementation in Spain's insurance sector. By analyzing these frontrunners, the research seeks to illuminate broader patterns of ESG diffusion, strategic alignment, and institutional change, contributing to a deeper understanding of how sustainability transitions unfold in regulated yet diverse industry contexts.

3. Theoretical Framework

The current emphasis on ESG criteria and sustainable transition is central to the strategies of many companies, influencing business model evolution and stakeholder relations (Stricker et al., 2022). This emphasis is rooted in Stakeholder Theory, as discussed by Marti et al. (2024), which posits that business practices should maximize value not only for shareholders but also for society at large. Over the past years, scholars and practitioners have increasingly employed Stakeholder Theory to navigate the complexities of modern business challenges, linking business operations with sustainability and ethical considerations (Abraham, 2024; Leena, Balaji, Ganesh-Kumar, Prathima & Satya-Nandini, 2024; Velte, 2022a; Balmer, Fukukawa & Gray, 2007; Barnett, 2007).

Stakeholder Theory, originally formulated by Freeman (1984), emphasizes that a firm's responsibility extends beyond its shareholders to include a broad array of stakeholders such as employees, customers, communities, regulators, and the environment. This theoretical lens is particularly well-suited to ESG discussions, as it frames sustainability as a process of balancing and addressing the expectations of multiple stakeholder groups.

To deepen the theoretical grounding of this study, Stakeholder Theory is used not only as a normative foundation but also as an analytical lens to explain the patterns of ESG implementation observed among PSI signatory insurers. In this context, Stakeholder Theory posits that firms engage in ESG practices to fulfill their obligations toward a diverse array of stakeholders—including shareholders, policyholders, regulators, communities, and the environment—each of whom holds varying degrees of influence and legitimacy (Freeman, 1984; Mitchell, Agle & Wood, 1997). Recent literature reinforces the idea that ESG disclosures are shaped by the need to maintain legitimacy in the eyes of these stakeholders, particularly in industries where social license and regulatory compliance are closely intertwined (Eccles et al., 2014; García-Sánchez, Rodríguez-Domínguez & Gallego-Álvarez, 2013). For instance, Reimsbach, Hahn and Gürtürk (2018) argue that the quality and credibility of ESG reporting often depend on the perceived salience of stakeholder groups—those with power, urgency, and legitimacy—as firms seek to balance competing expectations. This is particularly salient in the industries, where regulatory bodies, institutional investors, and civil society exert increasing pressure for transparent and integrated ESG strategies (Velte, 2022b; Kourula, Pisani & Kolk, 2017). Moreover, ESG criteria serve as a mechanism for operationalizing stakeholder engagement, enabling firms to translate stakeholder expectations into measurable performance indicators (Fernando & Lawrence, 2014). From this perspective, ESG adoption is not merely reactive but also strategic intended to create value, reduce informational asymmetries, and enhance organizational resilience (Ioannou & Serafeim, 2015; Michelon, Pilonato & Ricceri, 2015).

However, critical perspectives caution that stakeholder engagement can be superficial or selectively framed to maintain legitimacy without substantive change (Banerjee, Dasgupta & Kim, 2008). In this study, Stakeholder Theory provides the conceptual foundation to assess how leading insurance companies use ESG reporting not only to fulfill regulatory obligations but to create, signal, and legitimize broader societal value.

This study extends such insights by investigating whether ESG practices among leading Spanish insurers reflect authentic stakeholder-oriented governance or are better understood as symbolic compliance aimed at securing legitimacy. In doing so, it contributes to the literature by empirically testing how Stakeholder Theory manifests in ESG reporting behavior within a sector undergoing rapid regulatory and environmental transformation.

Specifically, this study employs Stakeholder Theory to analyze the strategic rationale behind ESG disclosures among PSI signatory insurers in Spain. It investigates whether the integration of ESG criteria in reporting and practice reflects genuine stakeholder-oriented governance or primarily reputational signaling.

In the insurance sector, various ESG frameworks have been established, including those promoted by UNEP-FI (Principles for Sustainable Insurance), the EU Taxonomy, and the Task Force on Climate-Related Financial Disclosures (TCFD). These frameworks aim to align companies' strategies with sustainable development objectives, as outlined in the United Nations Sustainable Development Goals (SDGs) and the Paris Climate Agreement (Mahsina & Agustia, 2023; Ortiz-Martínez & Marín-Hernández, 2014).

The linkage between ESG, SDGs, and the UNEP FI's Principles for Sustainable Insurance (PSI) is grounded in a shared vision of aligning financial systems with global sustainability objectives. The SDGs provide a comprehensive framework of targets for sustainable development, while ESG criteria operationalize these goals within corporate strategies and disclosures. The PSI, developed by UNEP FI, translate these abstract principles into industry-specific commitments for insurers—such as integrating ESG into underwriting, investments, and stakeholder engagement. These frameworks collectively function as institutional mechanisms that embed sustainability within corporate governance structures. When interpreted through Stakeholder Theory, these alignments reflect evolving stakeholder expectations of financial institutions, especially insurers, to proactively manage environmental and social risks.

The integration of the United Nations Sustainable Development Goals (SDGs), the UNEP Finance Initiative (UNEP FI) Principles for Sustainable Insurance (PSI), and environmental, social, and governance (ESG) frameworks can be coherently understood through the lens of Stakeholder Theory, which emphasizes the importance of addressing the needs and interests of all actors affected by an organization's activities (Freeman, 1984; Donaldson & Preston, 1995). Stakeholder Theory provides a normative and instrumental foundation for firms to internalize social and environmental considerations as part of their corporate responsibilities (Clarkson, 1995). The SDGs, adopted by the UN in 2015, serve as a global blueprint for sustainable development and provide a universal agenda that firms are increasingly expected to align with, especially those in sectors with systemic societal impacts such as finance and insurance (UNDP, 2015; Bebbington & Unerman, 2018). The UNEP FI Principles, including the PSI, explicitly build upon Stakeholder Theory by urging financial institutions to incorporate ESG considerations into decision-making processes that are informed by stakeholder engagement, transparency, and accountability (UNEP FI, 2022). These principles operationalize the broad objectives of the SDGs by guiding insurers to embed ESG criteria into risk management, product development, investment, and disclosure practices that are responsive to stakeholder concerns (UNEP FI, 2022). ESG frameworks, in turn, function as managerial tools that translate the abstract goals of sustainable development into measurable and reportable actions, thereby reinforcing stakeholder-oriented governance through metrics, reporting standards, and assurance mechanisms (Eccles et al., 2018; Ioannou & Serafeim, 2015). Thus, rather than existing as separate agendas, the SDGs, UNEP FI Principles, and ESG criteria represent mutually reinforcing mechanisms for advancing a stakeholder-centric vision of corporate sustainability. This alignment is particularly salient in the insurance sector, where institutions are not only risk managers and capital allocators but also systemic influencers of socio-environmental resilience (UNEP FI, 2022). As such, the PSI provides both a normative framework and a practical strategy for aligning insurance operations with stakeholder expectations and broader societal objectives, in line with both Stakeholder Theory and sustainable development mandates.

Sustainability reporting thus serves as a key interface between firms and their stakeholders, allowing insurers to communicate how ESG principles are integrated into strategy and operations. Its role is central to this study, as it provides the primary empirical basis for evaluating ESG implementation among frontrunner firms.

In conclusion, the implementation of ESG criteria in the insurance industry is closely intertwined with Stakeholder Theory, aligning business practices with societal contributions. Various frameworks, including the SDGs and UNEP FI Principles for Sustainable Insurance, guide this alignment. The literature highlights both qualitative and quantitative approaches to understanding ESG implementation in the industry, with frontrunner companies often serving as models for broader sectoral adoption of sustainability strategies.

4. Methodology

To conduct the study, the following steps were followed: setting up the model to assess ESG criteria implementation, defining the framework to analyse ESG implementation, selecting the frontrunner companies, assessing the PSI implementation level, selecting and validating the statistical methodology, and validating the QCA methodology.

4.1. Setting up the Model to Assess ESG Criteria Implementation

The model for analysing the level of ESG criteria implementation in insurance companies is depicted in Figure 1. This model is foundational for our assessment.

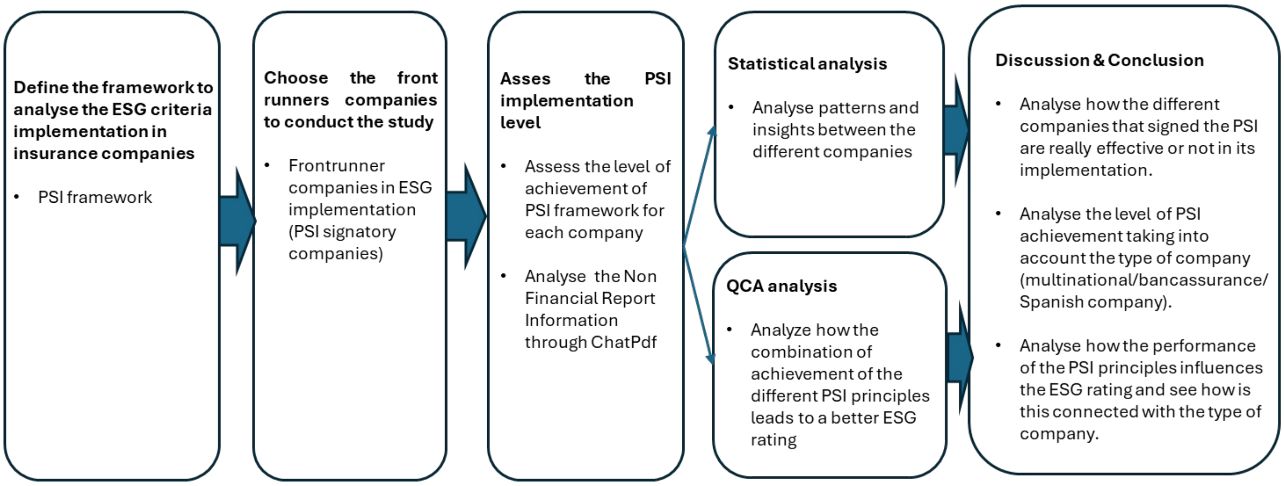

Figure 1. ESG criteria implementation assessment model

4.2. Defining the Framework to Analyse ESG Implementation

Damtoft, van Liempd and Lueg (2024) highlight the measurement and the framework definition as key elements for implementing and assessing the sustainability strategy. The ESG criteria implementation in the insurance industry is being conducted using different frameworks, including the Principle for Sustainable Insurance (PSI), the Task Force on Climate-related Financial Disclosures (TCFD), and the EU Taxonomy.

The UNEP FI Principles for Sustainable Insurance (PSI), endorsed by the UN General Secretary in 2012, provide a global framework for the insurance industry to address environmental, social, and governance risks and opportunities. The PSI framework, supported by a broad network of financial institutions, aims to foster a sustainable global economy by enabling the insurance industry to manage ESG risks and opportunities effectively.

The TCFD, established by the Financial Stability Board (FSB) in 2017, offers recommendations for reporting climate-related financial risks to improve investors' understanding and mitigate systemic financial risks due to climate change. This framework emphasizes consistent, comparable, and clear voluntary financial disclosures relevant to climate risks.

The EU Taxonomy, introduced in 2020 through Regulation (EU) 2020/852 (European Union, 2020), provides a classification system for sustainable activities within the European Union. It aims to ensure transparency, counteract greenwashing, and promote sustainable investment.

Table 1 compares these frameworks, highlighting their focus, variables analysed, applicability, implementation nature, and geographical scope. The PSI framework was selected for this study because it is specific to the insurance sector and addresses all three pillars of sustainability (environmental, social, and governance), unlike the TCFD and the Taxonomy UE that are global frameworks, which mainly focuse on climate risk.

	TFCD	PSI	Taxonomy
Focus	Climate-related financial disclosures	Monitor ESG issues (Environment, Social and Governance)	Climate (Climate change mitigation and adaptation to climate change)
Variables/Areas analyse	Governance	Company strategy	Exposure to eligible activities.
	Strategy	Risk management and underwriting	Exposure to central administrations, central banks and supranational issuers.
	Risk management	Product and service development	Exposure to derivatives.
	Metrics and targets	Claims management	Exposure to companies that are not required to publish non-financial information.
		Sales and marketing	Trading portfolio and interbank loans at sight.
		Investment management	
		Clients and suppliers	
		Insurers, reinsurers and intermediaries	
		Governments, regulators and other policymakers	
		Other key stakeholders	
		Assess, measure and monitor the company's progress in managing ESG issues and proactively and regularly disclose this information publicly	
Sectors applicability	All the sectors + supplemental guidance for the financial sector	Insurance industry	All the sectors
Implementation	Voluntary	Voluntary	Legal (mandatory)
Measure/Monitoring	Qualitative	Qualitative	Quantitative
Framework governance	Adoption of TCFD recommendations They are voluntary in most countries. However, several regulators at the national and global investors have publicly supported the recommendations and are driving adaptation of this reporting framework.	The PSI Initiative will be directly governed by a Board comprising representatives from insurance industry signatory institutions and UNEP. Board members from the insurance industry will be elected by signatories.	European Union Regulation
Framework geographical implementation	Global (the whole World)	Global (the whole World)	European Union

Table 1. Sustainability framework comparative

4.3. Choosing the Frontrunner Companies

As mention in the introduction section, the study focuses on PSI signatory companies operating in the Spanish market. The selected companies, which consolidate their premiums and profits in Spain, include Aegon, Allianz, AXA, Generali, Helvetia, Nationale Nederlanden, Zurich, Catalana Occidente, Vida Caixa, Línea Directa, Mapfre, Reale, Caixa Enginyers Vida, and Solunion. These 14 companies represent a significant portion of the Spanish and EU markets. Table 2 provides details on their direct insurance premiums and market share.

For the fsQCA analysis, only the ten companies that have received a rating from the Sustainalytics agency were considered (Allianz, Helvetia, Generali, Aegon, Zurich, AXA, NN, GCO, Línea Directa and Mapfre).

Company	Segment	Direct insurance premiums (Euros)	Market share
Vida Caixa	Bancassurance	7,726,274,189.51	11.95%
Mapfre	Spanish	7,293,441,604.63	11.28%
Grupo Catalana Occidente	Spanish	3,183,378,885.34	4.92%
Allianz	Multinational	3,011,570,586.01	4.66%
Grupo AXA	Multinational	3,002,237,309.94	4.64%
Generali	Multinational	2,454,962,065.46	3.80%
Zurich	Multinational	2,423,935,195.18	3.75%
Grupo Helvetia	Multinational	1,855,135,777.31	2.87%
Reale	Multinational	1,011,674,778.46	1.56%
Linea Directa	Spanish	946,679,252.36	1.46%
Aegon	Multinational	660,492,048.96	1.02%
Nationale Nederlanden	Multinational	587,513,347.50	0.91%
Solunion	Spanish	144,661,842.31	0.22%
Caja de Ingenieros Vida	Bancassurance	65,797,560.63	0.10%
Total Premiums Companies of the Study		34,367,754,443.60	53%

Table 2. PSI signatories companies in the Spanish market (Investigación Cooperativa entre Entidades Aseguradoras - ICEA, 2023)

4.4. Assessing the PSI Framework Implementation Level

A model was developed to assess the PSI achievement level, as shown in Figure 2. The principles and variables used in the PSI framework are presented in Table 3. Insurance companies are required to publish non-financial information under Directive 2013/34/UE, detailing how their activities align with the technical criteria for environmental sustainability. Data were collected from the public sustainability reports of the PSI signatory entities for the year 2022.

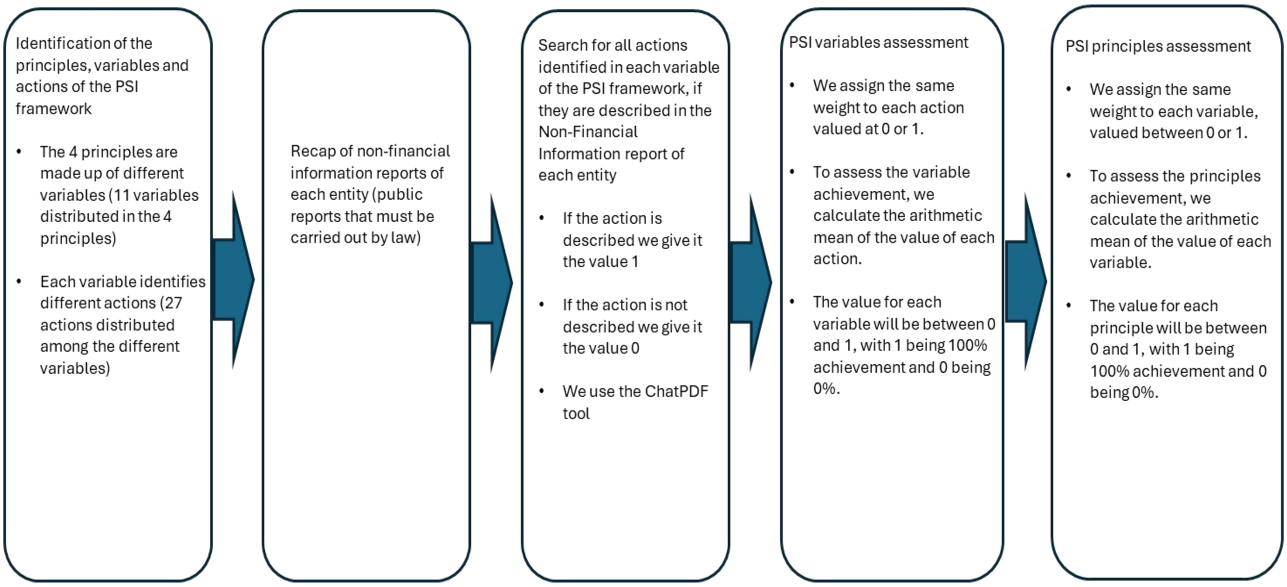

Figure 2. PSI assessment model

Principle 1	V1	We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.
	V1.1	Company strategy
	V1.2	Risk management and underwriting
	V1.3	Product and service development
	V1.4	Claims management
	V1.5	Sales and marketing
	V1.6	Investment management
Principle 2	V2	We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.
	V2.1	Clients and suppliers
	V2.2	Insurers, reinsurers and intermediaries
Principle 3	V3	We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.
	V3.1	Governments, regulators and other policymakers
	V3.2	Other key stakeholders
Principle 4	V4	We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.
	V4.1	We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

Table 3. Principles and variables definition into PSI framework

4.5. Sample and Data Collection

The sample comprises 14 insurance companies, all of which are signatories of the UNEP FI Principles for Sustainable Insurance (PSI). For the fsQCA analysis, only the ten companies that have received a rating from the Sustainalytics agency were considered (Allianz, Helvetia, Generali, Aegon, Zurich, AXA, NN, GCO, Línea Directa and Mapfre).

The data collection to develop the PSI assessment was based on their public disclosure of ESG performance data.

To analyse this information, we use the Chatpdf tool, where we ask the same questions for each entity based on the actions identified by each variable according to the PSI framework (all actions per variable are described in Annex 1).

The Chatpdf tool was utilized to analyse this information, leveraging its natural language processing capabilities to address user queries. This tool is commonly used in academic research, particularly in Quality Data Analysis (QDA) (Cheligeer, He & Zhong, 2022; Leeson, Zuo & Zhan, 2019), due to its benefits in timesaving, productivity, and cost reduction (Chubb, 2023). Although ChatGPT performs more successful at reproducing concrete and descriptive themes and less successful at locating subtle, interpretive themes (Morgan, 2023), and it is noticed that there is a risk of inaccuracy when researchers are not familiar with the topic treated (Chubb, 2023), in our research this risk is minimised by directly reading the sustainability reports.

The level of achievement for each action was assessed using a binary system, where 1 indicates compliance and 0 indicates non-compliance. A weighted average of all assessed actions provided a global assessment for each variable and principle, resulting in an overall score between 0 and 1. Each variable and principle were given equal importance as per UNEP FI guidelines.

4.6. Validating and Choosing the Statistical Methodology

To analyse the achievement levels of the frontrunner companies, a statistical analysis using cluster methodology was conducted. Cluster analysis, particularly the k-means algorithm, was chosen for its simplicity (Jain, Murty & Flynn, 1999) and suitability for identifying patterns and distributions in multivariate data (Halkidi, Batistakis & Vazirgiannis, 2001). The Real Statistics of Excel 2010/2013/2019/365 program was used for this analysis. Three clusters were identified to compare the results with the initial segmentation of multinationals, bancassurance, and Spanish insurers, facilitating the analysis of governance, strategy, and decision-making patterns across different segments.

4.7. Validating fsQCA Methodology

This study employs **fuzzy-set Qualitative Comparative Analysis (fsQCA)**, a methodological approach developed by Ragin (1998, 2009) that is particularly suited for examining causal complexity in small- to medium-sized samples. FsQCA enables the identification of multiple conjunctural causations —combinations of conditions that jointly produce a given outcome— allowing for the existence of equifinal paths. The choice of fsQCA aligns with the study's objective: to explore how different configurations of PSI principles implementation leads to high sustainability ratings. FsQCA allows the study to investigate how different pathways can lead to similar ESG outcomes. This is particularly valuable in ESG research, where institutional behavior is shaped by multiple, context-dependent factors.

In fsQCA, both conditions and outcomes are calibrated into fuzzy sets, with membership scores ranging from 0 (full non-membership) to 1 (full membership). This approach enables nuanced assessment of partial memberships, which is crucial when dealing with ESG ratings and principles implementation levels that are not binary.

Addtionally, fsQCA identifies configurations of conditions that lead to specific outcomes, combining qualitative and quantitative elements. This method is particularly useful for small samples and complex conditions, as it bridges qualitative insights with quantitative rigor (Fernández-Esquinas, Sánchez-Rodríguez, Pedraza-Rodríguez & Muñoz-Benito, 2021; Wyatt & Balmer, 2007), and has been increasingly applied in various disciplines, including political science (Marcos-Marne, 2016; Meuer, Koelbel & Hoffmann, 2019), sociology (Rihoux, Ragin, Alamos-Concha, Bol, Marx & Rezsohazy, 2013), business and organizations (Cobo-Benita, Campo-Torres & Rios-Vargas, 2016; Curado, Henriques & Marin, 2018).

Consequently, this study employs the fsQCA methodology to examine how various configurations of PSI principles contribute to sustainability ratings.

4.8. Measurement and Calibration in fsQCA

To maintain methodological consistency with fsQCA requirements, all raw indicators were calibrated into fuzzy-set scores between 0 and 1 using direct calibration (Ragin, 2009). The Sustainalytics ESG score was chosen as the outcome condition, given its recognition across industries, numerical transparency, and widespread application in the insurance sector. The Sustainalytics score was inverted (since a lower score indicates better ESG performance) and then normalized into a fuzzy-set for analysis.

Table 4 shows the Sustainalytics rating, and Table 5, its transposed values for the companies in the sample putting all the values on the same scale, and therefore, allowing for a comprehensive fsQCA analysis of how PSI principles impact sustainability ratings.

Sustainalytics rating score	
Negible	0-10
Low	10-20
Medium	20-30
High	30-40
Severe	40+

Table 4. Sustainalytics rating score

	Original Sustainalytics rating	Transposed Sustainalytics rating
Allianz	0.13	0.87
AXA	0.16	0.84
GCO	0.17	0.83
Linea Directa	0.22	0.78
Helvetia	0.26	0.74
Generalli	0.18	0.82
Aegon	0.15	0.85
Mapfre	0.2	0.8
NN	0.15	0.85
Zurich	0.18	0.82

Table 5. Transposed Sustainalytics rating

4.9. Analytical Procedure and Thresholds

In fsQCA, necessity analysis determines whether any single condition must be present for the outcome to occur. A condition is considered necessary if it reaches a consistency threshold of ≥ 0.9 (Ragin, 2009).

For sufficiency analysis, the Quine-McCluskey minimization algorithm was used to derive complex, parsimonious, and intermediate solutions. The consistency threshold for sufficiency was set at 0.8, following established guidelines (Schneider & Wagemann, 2012). Coverage indicates the empirical relevance of each configuration; a high coverage score suggests that a large proportion of the outcome can be explained by that configuration.

5. Findings

5.1. PSI Variable Numeric Assessment

The research, conducted through the evaluation of Non-Financial Information reports and the use of a binary system for assignment, provides a numerical assessment of each variable, as detailed in Table 6. All entities score 0.5 or higher across all PSI principles, with V4 attaining the highest scores due to its connection to legal disclosure requirements, and V1 performing well across most companies. Upon examining the variables, it is observed that all entities score at least 0.5, except for some instances of V4, where scores can be as low as 0. The maximum score of 1 is frequently observed across various variables. The subsequent section will provide a deeper analysis of these results using cluster analysis methodology.

	Allianz	AXA	Vida Caixa	GCO	Linea Directa	Reale	Helvetia	Generalli	Solunion	Aegon	Mapfre	NN	Zurich	Caixa Enginyers
V1	0.83	0.81	0.72	0.75	0.64	0.64	0.83	0.83	0.64	0.83	0.75	0.72	0.83	0.72
V1.1	1.00	0.83	0.83	1.00	0.83	0.83	1.00	1.00	0.83	1.00	1.00	0.83	1.00	0.83
V1.2	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
V1.3	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
V1.4	0.50	0.50	0.00	0.50	0.00	0.00	0.50	0.50	0.00	0.50	0.50	0.00	0.50	0.00
V1.5	1.00	1.00	1.00	0.50	0.50	0.50	1.00	1.00	0.50	1.00	0.50	1.00	1.00	1.00
V1.6	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

	Allianz	AXA	Vida Caixa	GCO	Linea Directa	Reale	Helvetia	Generalli	Solunion	Aegon	Mapfre	NN	Zurich	Caixa Enginyers
V2	0.75	0.75	0.63	0.63	0.50	0.63	0.75	0.75	0.50	0.75	0.63	0.75	0.75	0.63
V2.1	0.50	0.50	0.75	0,50	0.50	0.50	1.00	0.50	0.50	0.50	0.75	0.50	0.50	0.75
V2.2	1.00	1.00	0.50	0.75	0.50	0.75	0.50	1.00	0.50	1.00	0.50	1.00	1.00	0.50

	Allianz	AXA	Vida Caixa	GCO	Linea Directa	Reale	Helvetia	Generalli	Solunion	Aegon	Mapfre	NN	Zurich	Caixa Enginyers
V3	0.75	0.75	0.50	0.63	0.63	0.63	0.75	0.75	0.63	0.75	0.63	0.50	0.75	0.50
V3.1	1.00	1.00	0.50	0.50	0.50	0.75	1.00	1.00	0.50	0.50	0.75	0.50	1.00	0.50
V3.2	0.50	0.50	0.50	0.75	0.75	0.50	0.50	0.50	0.75	1.00	0.50	0.50	0.50	0.50

	Allianz	AXA	Vida Caixa	GCO	Linea Directa	Reale	Helvetia	Generalli	Solunion	Aegon	Mapfre	NN	Zurich	Caixa Enginyers
V4	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
V4.1	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Table 6. PSI variable numeric assessment

5.2. PSI Framework Assessment through Cluster Analysis

A cluster analysis was conducted using the values assigned to each variable, aiming to statistically study and analyze the behavior and grouping of different companies.

To form the clusters, we applied the k-means clustering algorithm, which partitions observations into non-overlapping groups by minimizing intra-cluster variance and maximizing inter-cluster differences. Prior to clustering, all input variables were standardized to ensure comparability. The number of clusters ($k = 3$) was determined both a priori —to reflect the initial conceptual segmentation of multinational, bancassurance, and local Spanish firms— and empirically, using elbow plot analysis to assess the trade-off between within-cluster sum of squares. The robustness of the cluster structure was validated by cross-checking with the pre-defined typologies and through visual inspection using principal component analysis projections of the cluster assignments. The use of k-means is justified given its proven effectiveness in ESG and corporate governance literature where distinct strategic profiles are hypothesized (Halkidi et al., 2001).

The cluster analysis yields significant insights, as presented in Table 7. Cluster 1, labeled "ESG Top Performers," demonstrates superior overall performance. Although it surpasses Clusters 2 and 3 in most variables, it scores slightly lower in V2.1 compared to Cluster 2, and in V3.2 compared to Cluster 3. Notably, Cluster 1 excels in variables V1.1, V1.2, V1.5, V1.6, V2.2, V3.1, V3.2, and V4.1, with scores exceeding 0.9.

Clusters 2, labeled "ESG Medium-High Performers," and Cluster 3, labeled "ESG Medium Performers," display similar results, reflecting a medium-high level of ESG implementation. Cluster 2 performs particularly well in V1.1, V1.2, V1.5, V1.6, and V4.1 but achieves moderate scores in V1.3, V2.1, V2.2, V3.1, and V3.2. Cluster 3 excels in V1.1, V1.2, V1.6, and V4.1, with moderate results in V1.3, V1.4, V1.5, V2.1, V2.2, V3.1, and V3.2.

			Cluster 1	Cluster 2	Cluster 3
V1	V1.1	Company strategy	0.97	0.83	0.9
	V1.2	Risk management and underwri	1	1	1
	V1.3	Product and service developme	0.5	0.5	0.5
	V1.4	Claims management	0.5	0	0.2
	V1.5	Sales and marketing	1	1	0.5
	V1.6	Investment management	1	1	1
V2	V2.1	Clients and suppliers	0.58	0.67	0.55
	V2.2	Insurers, reinsurers and interme	0.92	0.67	0.6
V3	V3.1	Governments, regulators and ot	0.92	0.5	0.6
	V3.2	Other key stakeholders	0.92	0.5	0.65
V4	V4.1	Disclosure	1	1	1

Table 7. Cluster analysis results

To further enhance understanding of the PSI framework implementation across clusters, Figure 3 presents a visual comparison of ESG performance scores by PSI variable. The figure reveals that Cluster 1 consistently leads in variables associated with company strategy, stakeholder governance, and disclosure practices. Clusters 2 and 3 display overlapping but distinguishable patterns, with Cluster 3 generally trailing in implementation consistency.

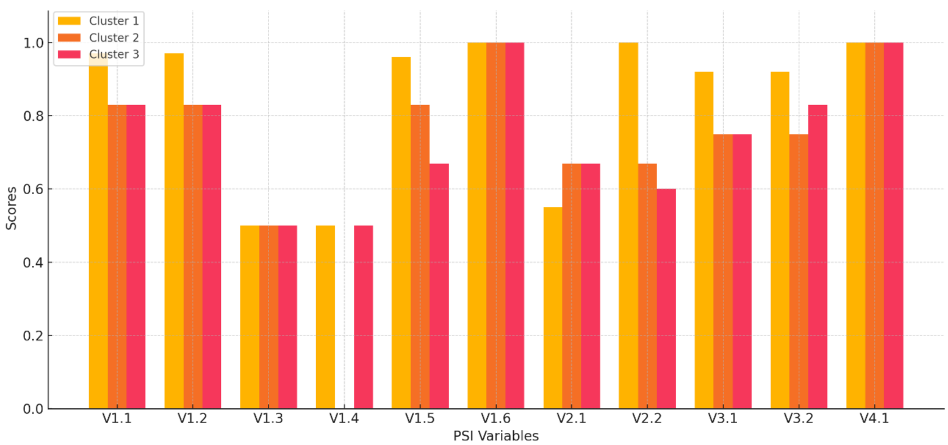

Figure 3. ESG Performance by Cluster Across PSI variables

From a PSI principles perspective, Principle 1 (V1) shows the best performance, largely attributed to the high scores of variables V1.1, V1.2, V1.5, and V1.6, with Cluster 1 outperforming the others in this principle.

Principle 2 (V2) yields moderate results across all clusters, with V2.2 standing out in Cluster 1. Principle 3 (V3) also shows moderate results, similar to V2, with V3.1 achieving good results in Cluster 1. Principle 4 (V4) consistently achieves a 100% score, focusing on disclosure and reporting issues, which are heavily influenced by regulatory factors.

In figure 4, there are shown the average scores of each cluster by PSI principles (V1 to V4).

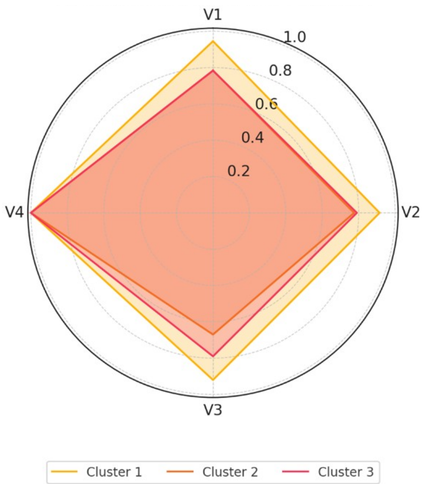

Figure 4. Average scores by PSI Principles

Table 9 compares the cluster analysis results with the typology of each company, as identified in the original segments listed in Table 8. From the perspective of these segments, Cluster 1 ("ESG Top Performers") includes all multinational companies except NN, which is grouped in Cluster 2. Cluster 1 exhibits the best results across all principles.

Original segments	
Multinacional	MN
Bancassurance	BA
Spanish (non bancassurance agreement)	SP

Table 8. Company segment

	Original segment	Statistical cluster
Allianz	MN	1
AXA	MN	1
VidaCaixa	BS	2
GCO	SP	3
Linea Directa	SP	3
Reale	MN	3
Helvetia	MN	1
Generali	MN	1
Solunion	SP	3
Aegon	MN	1
Mapfre	SP	3
NN	MN	2
Zurich	MN	1
Caixa Enginyers	BS	2

Table 9. Company segment vs cluster results

Cluster 2 (“ESG High-Medium Performers”) includes Vida Caixa and Caixa Enginyers, both belonging to bancassurance groups, and NN Spain, a Dutch multinational with bancassurance origins. Cluster 3 (“ESG Medium Performers”) primarily consists of Spanish companies not affiliated with any banking group, except for Reale, a multinational originally established as a mutual company in Italy. This cluster shows the lowest results among the three.

5.2.1. Cluster Analysis Results Summary

- **Cluster 1 (“ESG Top Performers”)** comprises multinational companies, including Allianz, AXA, Zurich, Generali, Helvetia, and Aegon. This cluster showed superior performance across multiple ESG-related variables, particularly those related to strategy, governance, and stakeholder engagement (e.g., V1.1, V1.2, V1.5, V1.6, and V2.2).
- **Cluster 2 (“Medium-High Performers”)** includes firms such as NN Spain, Vida Caixa, and Caixa Enginyers. Although these are part of multinational or bancassurance groups, they do not reach the ESG implementation levels of Cluster 1.
- **Cluster 3 (“Medium Performers”)** is largely composed of local Spanish insurers without without banking affiliations and shows the lowest ESG implementation performance.

In figure 5, there are presented all variable scores per cluster.

Figure 5. Variable scores per cluster

H1: Leading insurance companies with more formalized governance structures and multinational affiliations demonstrate higher levels of ESG implementation compared to local and bancassurance entities, receives partial but consistent support: multinational status and formalized governance are positively correlated with superior ESG integration, although not without exceptions.

These groupings suggest that governance structure and international exposure are correlated with more extensive ESG integration, aligning with Kolk, Rivera-Santos and Rufín (2018), who argue that multinationals tend to adopt more formalized ESG structures due to broader stakeholder scrutiny and compliance obligations.

These findings are broadly consistent with prior research. For instance, Kolk et al. (2018) emphasized that multinational firms are more likely to adopt formalized ESG practices due to reputational exposure and transnational stakeholder pressures, supporting the strong PSI performance observed in Cluster 1. The results also reinforce the proposition that ownership structure and institutional context affect corporate governance and sustainability practices, with multinational insurers benefiting from more advanced internal systems. Conversely, Siew, Balatbat and Carmichael (2016), found minimal performance differences between global and regional insurance firms in their adoption of ESG reporting, suggesting that governance quality may be the differentiator in our context.

5.3. PSI Framework Assessment through fsQCA methodology

Given that V4 has achieved 100% across all entities, the fsQCA analysis focuses on V1, V2, and V3. As seen in Table 6, all PSI principles in all companies score above 0.5. Using the standard value for full membership score (0.5), it is evident that all companies belong to the successful implementation set. The necessary condition analysis reveals that V1 is a necessary variable, with a consistency exceeding 0.9 and coverage surpassing 0.5. This high consistency indicates that over 90 % of cases exhibiting P1 also exhibit the outcome, while the coverage assesses the empirical relevance of the solution.

The fsQCA analysis provides three solutions: complex, intermediate, and parsimonious. Moreover, FsQCA distinguishes between *core* and *peripheral* conditions in solution terms. Core conditions are those that are essential and robustly supported by both parsimonious and intermediate solutions, indicating they play a central role in achieving the outcome. Peripheral conditions, by contrast, appear only in the intermediate solution and reflect contextual or supportive roles that enhance, but do not define, the pathway to the outcome. This distinction provides insight into which PSI principles are foundational for high ESG performance and which are contextually beneficial.

Following Ragin (2009), only the intermediate solution results are reported in this study. This intermediate solution, displayed in Table 10, indicates a single solution where all entities are categorized within the same group, achieving Principles V1, V2, and V3 to secure a good ESG Sustainalytics rating. This solution demonstrates high consistency (0.99) and coverage (0.82), underscoring strong empirical support for these results.

	Solution 1
V1	●
V2	●
V3	●
Raw coverage	0.8256
Unique coverage	0.8256
Consistency	0.9985
Solution coverage	0.8256
Solution consistency	0.9985

Table 10. Intermediate solution results

5.3.1. FsQCA Results with Calibration Criteria

Given that all principles exceeded 0.5, the results of the previous scenario were predictable. Thus, a new scenario is analysed to identify companies that not only meet the PSI but also achieve outstanding results, influencing the ESG Sustainalytics rating. Table 11 presents the calibration criteria for this outstanding achievement scenario.

For calibration in the second scenario, full membership in the "outstanding ESG performance" set was defined as the maximum ESG score observed plus 3%, to emphasize top-tier performers. Full non-membership was set at the lowest 10% of the ESG score distribution, with a crossover point at the median.

	V1	V2	V3
Maximum	0.83	0.75	0.75
90% percentile	0,83	0.75	0.75
Minimum	0.64	0.51	0.51
Mean	0.78	0.7	0.7
Maximun + 3% (full membership)	0.85	0.77	0.77
Adjusted mean to get more observations (cut-off)	0.74	0.69	0.69
10% Percentile (full non-membership)	0.71	0.62	0.62

Table 11. Calibration criteria in the outstanding achievement scenario

In the necessity analysis presented in Table 12, no condition exceeds the consistency value of 0.9, indicating the absence of necessary conditions. Using the Quine-McCluskey algorithm, the minimum number of possible configurations was obtained, considering coverage and consistency criteria as per Ragin (2009). The intermediate solution reveals three groups of entities with good ESG ratings achieved through different combinations of PSI principles.

In fsQCA terminology, the presence of a condition is indicated by the variable appearing in its standard form (e.g., V1), while its absence is denoted by a tilde (~V1).

Principle	Consistency	Coverage
V1	0.756	0.9212
~V1	0.3682	0.9235
V2	0.7232	0.9208
~V2	0.3793	0.8736
V3	0.628	0.918
~V3	0.4707	0.8793

Table 12. Necessity analysis

Each solution identifies a specific combination of conditions sufficient for the outcome. The presence or absence of each PSI principle in the configuration provides insight into which dimensions of the PSI framework are most critical for achieving outstanding ESG ratings.

Table 13 shows that Solution 1 includes entities that do not excel in V2 and V3 but still achieve good ESG Sustainalytics ratings, featuring Spanish companies GCO, Línea Directa, and Mapfre. Solution 2 comprises entities lacking outstanding results in V1 and V3 but obtaining positive ESG ratings, including the Spanish Línea Directa and the multinational bancassurance company NN. Solution 3 involves entities that achieve outstanding results across all variables (V1, V2, and V3), leading to high ESG Sustainalytics ratings, encompassing multinationals such as Allianz, Helvetia, Generali, Aegon, Zurich, and AXA. These groups exhibit acceptable consistency indices (above 0.8), recognized in the global solution with coverage of 1 and consistency of 0.907.

	Solution 1	Solution 2	Solution 3
V1		⊗	●
V2	⊗		●
V3	⊗	⊗	●
Raw coverage	0.3792	0.3646	0.6195
Unique coverage	0.0939	0.0914	0.5292
Consistency	0.8911	0.9432	0.9219
Solution coverage	1		
Solution consistency	0.907		

Table 13. Calibrated scenario results

5.3.2. FsQCA Calibration (Outstanding Performance Scenario) summary

In the calibrated fsQCA scenario designed to identify "outstanding ESG performers," three outcome-based solutions were identified:

- **Solution 3**, which includes only multinational firms (e.g., Allianz, AXA, Zurich, Generali, Helvetia, Aegon), is the most robust configuration. These firms excel in all three PSI principles (V1, V2, V3) and achieve top ESG Sustainalytics ratings, strongly supporting H2.
- **Solutions 1 and 2**, that include local firms and one multinational (Nationale Nederlanden) present good ratings despite not excelling in all PSI principles. This indicates that high ESG ratings are achievable through multiple pathways, not solely via comprehensive PSI adherence or multinational status.

The findings imply that while multinational affiliation and governance formalization are positively associated with better sustainability ratings, they are not exclusive or necessary conditions for such outcomes. The presence of local companies in high-rating solutions suggests that factors beyond governance formality and nationality —such as strategy alignment, stakeholder responsiveness, or sectoral dynamics— may influence rating outcomes.

Furthermore, the absence of any condition with consistency > 0.9 in the necessity analysis (Table 12) confirms that no single variable guarantees a top ESG rating, reinforcing the view that multiple configurations can lead to sustainability success.

Therefore, *H2: Leading insurance companies with more formalized governance structures and multinational perform better in sustainability ratings compared to local and bancassurance entities,* is only partially supported. Multinational insurers tend to cluster among the top-rated entities, but local insurers and bancassurance entities can also achieve strong ratings through alternate pathways, indicating diversity in successful ESG strategies.

6. Discussion

6.1. Cluster Results Discussion

The cluster analysis reveals distinct patterns in ESG performance across different groups of insurance companies. **Cluster 1**, labeled "*ESG Top Performers,*" includes multinational corporations that exhibit superior ESG results. This performance is largely attributed to their robust and formal governance structures—an imperative given their high visibility among investors, rating agencies, and broader public audiences (Rangan, 1998). These firms operate within strong, institutionalized governance frameworks that support the execution of rigorous processes and rules, enabling them to implement business strategies with greater efficiency and technological capability (Kogut & Zander, 2003). These organizational strengths directly contribute to better implementation of the Principles for Sustainable Insurance (PSI).

This finding supports existing literature on the leadership of large insurers in ESG adoption (Braun et al., 2019; Kevser et al., 2023), but adds a novel empirical contribution by mapping ESG maturity levels within a national market using a clustering approach. Unlike studies that rely on descriptive or normative analysis, this research differentiates ESG performance according to organizational typology within the Spanish insurance market, offering a more granular understanding of implementation dynamics.

Cluster 2, or "*ESG High-Medium Performers,*" is composed of bancassurance entities such as VidaCaixa and Caixa Enginyers, as well as National Nederlanden —a Dutch multinational with bancassurance roots. These companies exhibit moderate ESG outcomes, which can be linked to their structural emphasis on product and distribution channels, where customer relationships are often managed primarily through the banking side (Bergendahl, 1995). These results align with earlier findings (Trujillo-Ponce, 2013) that highlight governance challenges inherent in bancassurance models, particularly around aligning ESG goals across siloed financial products. Our study expands on this by showing how these limitations are reflected in PSI variables —especially in areas such as claims management and client dialogue, where integration remains weak.

Cluster 3, termed "*ESG Medium Performers,*" comprises primarily Spanish companies, including Reale. These firms also display moderate PSI scores, influenced by a corporate culture focused on products, assistance services, and risk management rather than formal governance structures. Their strategic priorities tend to center on market development and customer service rather than ESG-aligned governance processes (Martinez, 1995). While previous research has characterized the Spanish insurance sector as operationally conservative and less internationalized (Trujillo-Ponce, 2013), our findings offer new empirical evidence demonstrating how these structural traits impact ESG performance. This adds valuable depth to the literature on ESG implementation within domestic insurance markets.

Among specific variables, **V1.1** (related to company strategy) scores highly across all clusters (ranging from 0.83 to 0.97), with multinationals performing better due to their more formalized strategic planning processes. **V1.2** (risk management and underwriting), a critical aspect of the insurance business (Marti et al., 2024), shows full compliance across all firms, with the highest scores (0.97) observed in Cluster 1. This underscores the importance of formal governance mechanisms in supporting high performance in core ESG areas. These patterns suggest that variables influenced by compliance —often shaped by EU regulatory standards— produce more homogeneous results. In contrast, variables linked to governance, innovation, or stakeholder engagement show wider disparities, as they are more contingent on corporate culture and strategic maturity.

In terms of product development, **V1.3** reveals a notable weakness. Despite some incremental improvements, such as adapting traditional coverage or applying green marketing tactics, few companies have launched new products explicitly designed to address ESG-related risks. As a result, scores for this variable remain low at 0.5 across all clusters. This finding is consistent with Marti et al. (2024), who argue that ESG efforts in insurance have remained superficial when it comes to product innovation. Our study confirms this stagnation in the Spanish context with concrete data.

Claims management (V1.4) emerges as the weakest-performing area overall. The prevailing focus remains on cost efficiency and productivity, with limited attention to integrating ESG factors. This issue is especially pronounced in Cluster 2 —bancassurance entities such as VidaCaixa, Caixa Enginyers, and National Nederlanden— where the scores are as low as 0. The relative simplicity of claims in life insurance, compared to non-life lines where claims affect financial performance more directly, partly explains this gap. This result is significant because it challenges general assumptions in the literature suggesting that life insurers are inherently more ESG-aligned due to their long-term investment horizons (Rajawat & Mahajan, 2024). In practice, our findings indicate that operational simplicity may obscure underlying ESG deficiencies in certain areas.

Marketing and sales (V1.5) is another area where Cluster 1 outperforms, reflecting a multinational focus on brand positioning and performance-driven strategy. For **investment management (V1.6)**—an aspect of PSI Principle 1—all clusters score equally high (100%). This consistency is driven by regulatory requirements for sustainable investment, as well as adherence to the UN's Principles for Responsible Investment (PRI), which strongly promote ESG integration in financial asset management (BlackRock, 2022; JP Morgan Chase, 2022).

Variable V2.1, which assesses stakeholder dialogue with clients and suppliers on ESG criteria, shows moderate implementation (scores between 0.55 and 0.67). This indicates some effort across clusters but suggests a need for deeper engagement, especially with end clients. In **V2.2**, which evaluates the promotion of PSI principles among insurers, reinsurers, and intermediaries, Cluster 1 again leads—likely due to the stringent governance protocols present in multinationals. Clusters 2 and 3 follow behind with scores of 0.67 and 0.6, respectively. Finally, **V3.1 and V3.2**, related to engagement with governments, regulators, and broader stakeholders, are well executed in Cluster 1 (0.92), but show room for improvement in the other clusters. Again, the difference is attributed to the more formal and globally engaged governance structures of multinational companies.

Compared to Gatzert et al. (2020), who observe variation across sectors in stakeholder dialogue, our study identifies significant within-sector differences tied to organizational typology. This micro-level differentiation has received limited empirical attention to date and marks an important contribution of our analysis.

6.2. FsQCA Results Discussion

The fsQCA analysis confirms that most multinational companies—except for Reale and National Nederlanden—demonstrate strong performance across variables V1, V2, and V3, which correlates with high ESG ratings from Sustainalytics. However, two additional solution paths show that companies can achieve strong Sustainalytics ratings even without excelling across all PSI variables. This divergence arises because Sustainalytics ratings primarily assess financial risk exposure due to ESG factors, whereas PSI evaluations adopt a broader, qualitative approach based on the internalization of sustainable principles.

This distinction is methodologically significant. By applying both frameworks—Sustainalytics and PSI—the study presents a novel way to contrast quantitative, risk-based ESG ratings with qualitative assessments of ESG implementation processes. This dual-framework approach is relatively rare in ESG studies within the insurance sector, making it a key innovation of this research.

FsQCA results align closely with the cluster analysis: multinationals consistently perform better. Top Sustainalytics scores belong to Allianz (0.87), Aegon (0.85), National Nederlanden (0.85), and AXA (0.84). Notably, National Nederlanden ranks second by Sustainalytics score despite showing weak PSI implementation, indicating its atypical position among the multinationals.

This discrepancy highlights an important nuance: strong ESG risk mitigation strategies do not necessarily equate to comprehensive ESG integration. This insight, often overlooked in one-dimensional ESG assessments, strengthens an ongoing debate in the literature about the adequacy of existing ESG evaluation methodologies (BlackRock, 2022).

In sum, multinational insurers benefit from formal governance structures that support both rigorous ESG implementation (as assessed by PSI) and effective risk mitigation (as reflected in Sustainalytics scores). Bancassurance and domestic firms show medium to high PSI scores but need improvement in governance-related and stakeholder-facing areas. Nevertheless, these firms still obtain respectable Sustainalytics ratings by focusing on value creation and minimizing ESG-related financial risks.

This nuanced mapping of ESG maturity across insurer types—supported by a mixed-methods approach—constitutes a central contribution of the study to both academic inquiry and industry practice.

7. Conclusions and Future Lines of Research

The findings confirm that the insurance sector has begun to embrace ESG criteria, particularly in strategy, investment management, risk management, and disclosure. All entities have specific action plans for implementing ESG criteria and well-developed risk management processes, particularly concerning climate change-related risks. Investment management is another area where significant progress has been made, with all companies promoting sustainability-oriented investment products.

Principle 4, concerning ESG disclosure, is fully achieved across the board, partly due to legal requirements. The involvement of board members in ESG strategy (variable V1.1) is particularly noteworthy for its current and future impact.

The findings of this study substantively support the core premises of Stakeholder Theory by demonstrating that leading Spanish insurers are increasingly embedding ESG criteria not only to comply with regulatory mandates but also to fulfill broader stakeholder expectations. The differentiated ESG adoption across organizational forms reflects stakeholder salience —where firms with higher visibility or more complex stakeholder networks (e.g., multinationals) exhibit deeper ESG integration. This aligns with Mitchell et al.'s (1997) model, suggesting that stakeholder power, urgency, and legitimacy influence ESG responsiveness. Moreover, the study refines Stakeholder Theory by showing that ESG implementation is not uniformly stakeholder-driven; in areas like claims management and product innovation, the symbolic versus substantive engagement tension becomes evident. This suggests that while ESG frameworks operationalize stakeholder expectations, their impact varies based on internal governance and external pressures. Finally, the study challenges simplistic applications of Stakeholder Theory by revealing that ESG integration is often more strategically selective than uniformly comprehensive, highlighting the need for a more dynamic understanding of how stakeholder-oriented governance is enacted in practice.

The study contributes to the theoretical development of ESG implementation in the insurance sector by demonstrating how different organizational structures (e.g., multinationals vs. bancassurance vs. local insurers) affect the depth and breadth of ESG adoption. Specifically, the analysis reveals that the presence of formal governance structures —central to PSI Principle 1— emerges as a critical enabling factor for comprehensive ESG integration. This supports and extends existing literature on stakeholder theory by showing that organizational form and external visibility are key drivers of ESG formalization and performance.

The research also identifies patterns in ESG criteria implementation among multinationals, bancassurance firms, and Spanish companies, highlighting the significant differences in decision-making, governance, strategy, and action plans across these segments. However, certain areas, such as claims management, product and service development, and stakeholder engagement, still require substantial work to fully integrate ESG criteria.

Building a consistent and credible ESG framework will take time, and this study aims to support the sector in visualizing the path towards a more sustainable insurance industry from a holistic perspective. Measuring and assessing the continuous achievement of ESG criteria is crucial, and this article provides a valuable methodological approach rooted in the PSI framework to support this effort.

To this end, insurance company executives and policymakers are encouraged to act decisively in the following key areas:

- **Claims management**: Develop ESG-integrated claims protocols that go beyond cost-efficiency and incorporate environmental and social impact considerations, particularly in the case of non-life insurance.
- **Product innovation**: Prioritize the design and deployment of insurance products that explicitly target ESG-related risks and opportunities, including climate adaptation, biodiversity loss, and social inclusion.
- **Stakeholder engagement**: Implement structured and measurable ESG dialogue mechanisms with clients, suppliers, and intermediaries to foster collective accountability and resilience.
- **Governance reinforcement**: Embed ESG oversight formally at board and executive levels, ensuring strategic alignment and long-term integration across all operational areas.
- **Transparency and comparability**: Support industry-level initiatives to standardize ESG reporting frameworks to facilitate benchmarking and ensure data consistency across firms.
- **Regulators and public agencies** should also consider strengthening ESG disclosure requirements beyond financial risk, with a focus on sustainability impact. Supporting smaller insurers in the transition by providing technical assistance, shared infrastructure, or incentives for innovation will also be key to broadening ESG alignment across the market.

7.1. Implications

This article presents several significant academic and managerial implications. **Academically**, the research deepens understanding of ESG implementation by empirically validating the PSI framework and offering insights into the structural and strategic conditions that foster its success. It contributes by establishing a model for analysing the implementation of Environmental, Social, and Governance (ESG) criteria within insurance companies. It also provides a methodology to assess the achievement of the Principles for Sustainable Insurance (PSI) in these firms and offers an empirical study of the actual implementation of ESG criteria in the Spanish insurance industryThe study enhances ESG-related literature by clarifying that formal governance and external stakeholder pressures (e.g., visibility in global capital markets) contribute to a more holistic integration of ESG principles. Furthermore, it extends current theory by suggesting that the combination of internal formalization and external legitimacy pressures is critical to achieving higher ESG performance.

Additionally, the article explores how the combination of outstanding PSI principles achievements influences the ESG rating performance of insurance companies, and the results also raise important theoretical questions about the adequacy of ESG ratings as a sole performance indicator. While PSI implementation reflects a more process-oriented and internally consistent integration of sustainability practices, ESG ratings such as those from Sustainalytics are often influenced by financial risk exposure and public disclosures. This divergence underscores the need for future research to reconcile differences between rating-based and framework-based assessments.

From the practitioner perspective, the article offers valuable insights for managers by providing a comprehensive and detailed understanding of how leading companies in the insurance industry are implementing ESG criteria. It helps managers benchmark their performance and identify gaps in strategy, claims management, and stakeholder engagement. The clustering and fsQCA approaches offer actionable typologies that companies can use to assess their ESG maturity and tailor improvement strategies accordingly. Practitioners are encouraged to use the ESG mapping developed here as a strategic diagnostic tool —to benchmark their organization's position relative to peers and to inform continuous improvement in ESG integration. Consultancies and industry associations may also adopt this framework to guide technical assistance programs and best practice dissemination.

For regulators and framework developers, the findings pinpoint where ESG criteria are well embedded (e.g., investment management, governance) and where improvement is still needed (e.g., product innovation and client engagement). The methodology can also guide supervisory bodies in monitoring ESG implementation and aligning policy incentives.

7.2. Limitations and Further Research Areas

This study does have certain limitations. Methodologically, it only includes 14 companies, which, while representing over 53% of the Spanish insurance market, do not encompass the entire market. Additionally, the fsQCA analysis only considers 10 of these 14 companies, specifically those with an ESG rating from Sustainalytics. The evaluation of variables and PSI principles was conducted using the ChatPdf tool and through direct analysis of non-financial information documents published by the entities. Although the study is based on publicly available documentation, much of which is audited or verified by third parties, the details of this documentation were not directly verified with the companies analysed. Consequently, it was not possible to fully verify the quality of the information, nor to complement it with additional data that could have been provided by the entities, which might have allowed for a more accurate assessment.

For further research, several specific suggestions include: conducting a study to analyse the relationship between traditional economic Key Performance Indicators (KPIs) and the qualitative metrics of the PSI framework, to explore the correlation between ESG criteria and financial performance; working on identifying and describing the value generation model and positive impact of insurance companies in implementing ESG criteria; comparing the traditional economic performance of leading companies with that of others to assess the impact of applying ESG criteria; and investigating the types of products companies are launching under the ESG concept and their significance in company portfolios. In addition, future research could explore the barriers to ESG adoption in smaller and regional insurers, the role of digital transformation in enabling ESG data collection, and cross-country comparisons to evaluate the influence of institutional frameworks on ESG implementation in the insurance sector.

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Appendice A. Principles, variables and actions of PSI framework

P1	**We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.**	
V1	**Company strategy**	
	Actions linked to V1	
	V1.1	Establish a company strategy at the Board and executive management levels to identify, assess, manage and monitor ESG issues in business operations
	V1.2	Dialogue with company owners on the relevance of ESG issues to company strategy
	V.1.3	Integrate ESG issues into recruitment, training and employee engagement programmes
V2	**Risk management and underwriting**	
	Actions linked to V2	
	V2.1	Establish processes to identify and assess ESG issues inherent in the portfolio and be aware of potential ESG-related consequences of the company's transactions
	V2.2	Integrate ESG issues into risk management, underwriting and capital adequacy decision-making processes, including research, models, analytics, tools and metrics
V3	**Product and service development**	
	Actions linked to V3	
	V3.1	Develop products and services which reduce risk, have a positive impact on ESG issues and encourage better risk management
	V3.2	Develop or support literacy programmes on risk, insurance and ESG issues
V4	**Claims management**	
	Actions linked to V4	
	V4.1	Respond to clients quickly, fairly, sensitively and transparently at all times and make sure claims processes are clearly explained and understood
	V4.2	Integrate ESG issues into repairs, replacements and other claims services
V5	**Sales and marketing**	
	Actions linked to V5	
	V5.1	Educate sales and marketing staff on ESG issues relevant to products and services and integrate key messages responsibly into strategies and campaigns
	V5.2	Make sure product and service coverage, benefits and costs are relevant and clearly explained and understood
V6	**Investment management**	
	Actions linked to V6	
	V5.1	Integrate ESG issues into investment decision-making and ownership practices (e.g. by implementing the Principles for Responsible Investment)

P2	We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.	
V7	Clients and suppliers	
	Actions linked to V7	
	V7.1	Dialogue with clients and suppliers on the benefits of managing ESG issues and thecompany's expectations and requirements on ESG issues
	V7.2	Provide clients and suppliers with information and tools that may help them manage ESG issues
	V7.3	Integrate ESG issues into tender and selection processes for suppliers
	V7.4	Encourage clients and suppliers to disclose ESG issues and to use relevant disclosure or reporting frameworks
V8	Insurers, reinsurers and intermediaries	
	Actions linked to V8	
	V8.1	Promote the adoption of the Principles
	V8.2	Support the inclusion of ESG issues in professional education and ethical standards in the insurance industry
P3	We will work together with governments, regulators and other key stakeholders to promote widespread action across society on environmental, social and governance issues.	
V9	Governments, regulators and other policymakers	
	Actions linked to V9	
	V9.1	Support prudential policy, regulatory and legal frameworks that enable risk reduction, innovation and better management of ESG issues
	V9.2	Dialogue with governments and regulators to develop integrated risk management approaches and risk transfer solutions
V10	Other key stakeholders	
	Actions linked to V10	
	V10.1	Dialogue with intergovernmental and non-governmental organisations to support sustainable development by providing risk management and risk transfer expertise
	V10.2	Dialogue with business and industry associations to better understand and manage ESG issues across industries and geographies
	V10.3	Dialogue with academia and the scientific community to foster research and educational programmes on ESG issues in the context of the insurance business
	V10.4	Dialogue with media to promote public awareness of ESG issues and good risk management
P4	We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.	
V11	We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.	
	Actions linked to V11	
	V11.1	Assess, measure and monitor the company's progress in managing ESG issues and proactively and regularly disclose this information publicly
	V11.2	Participate in relevant disclosure or reporting frameworks
	V11.3	Dialogue with clients, regulators, rating agencies and other stakeholders to gain mutual understanding on the value of disclosure through the Principles