
A Quality of ESG (Environment, Social, Governance) Reporting by Financial Groups in the Insurance Sector: Evidence from Poland

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Abstract:

Purpose: In light of the ongoing regulatory changes in sustainability reporting (ESG: Environment, Social, Governance), such as the implementation of the CSRD Directive (Corporate Sustainability Reporting Directive) and the European ESRS standards (European Sustainability Reporting Standards), the quality of ESG reporting is becoming increasingly important, particularly in the financial sector where public trust is crucial. This study focuses on assessing the quality of ESG reporting in financial groups that conduct insurance activities in Poland. Particular attention is paid to the impact of the parent company's organizational form and ownership structure on the presentation of ESG information.

Design/Methodology/Approach: The analysis was conducted using ESG reports prepared for the period 2019–2024. Deductive reasoning methods and analysis of the content of annual non-financial reports of the surveyed insurance companies were used. The paper presents an original set of key features that demonstrate the report's quality in accordance with the flagship accounting principles evaluated.

Findings: The survey results indicate that the organisational structure of a financial group and the proportion of foreign capital influence the quality of ESG reporting. Observed differences in the approach to ESG reporting between financial groups conducting insurance activity in Poland. They result from organizational and regulatory solutions in the audited financial institutions. Different solutions for organising the ESG reporting process affect the quality and manner in which ESG information is presented.

Practical implications: The results of the research may contribute to a better understanding of the challenges facing the insurance sector and suggest ways to improve the quality of ESG reporting.

Originality/Value: The scope of the study, which covers financial groups from the insurance sector - a rarely researched area - should be considered innovative. Additionally, the proprietary methodology for examining the quality of ESG reports expands the knowledge base in the field of ESG reporting and fills a research gap in this area.

Keywords: Insurance companies, banks, ESG (Environmental Social Governance).

JEL codes: E02, G21, G22.

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1. Introduction

The introduction identifies key ideas of the research, why it is important, poses research question that needs to be answered and how the findings contribute to the discipline. Introduction includes the description of the study, problems, the aim and tasks of the research, research methods applied, and presents novelty and topicality of the research, as well as lists problematic questions of the conducted research, information sources, delimitations of research subjects, and theoretical discussion.

The introduction should briefly place the study in a broad context and highlight why it is important. It should define the purpose of the work and its significance. References should be financial institutions that have recently been developing dynamically, and their operations are influenced by a number of factors, above all, general economic trends, the occurrence of financial crises, the dynamics of changes in legal regulations, and growing customer expectations, which shape the demand for new products. Issues related to social, ecological, or environmental topics are becoming increasingly popular.

Moreover, this reflects the growing awareness that the success of an economic unit is not only dictated by financial results, but also by its image. The foundation of a strong brand and image is the creation and maintenance of beneficial relations with the socio-economic environment. As a result, this causes business entities to undertake an appropriate information policy, which is expressed in the publication of financial and non-financial information (ESG: Environment, Social, Governance).

The ubiquitous globalization in the financial market, in recent years, has changed the forms of activity of many entities. The development of various networks of relationships between financial institutions has resulted in a blurring of boundaries and an increase in dependencies between entities, primarily because of capital, structural, and product connections.

As a consequence, it seems difficult to specify individual institutions, as well as to consider them as independent units; they are more frequently analyzed in the context of financial groups. In practice, stronger and stronger connections between banks and insurance companies are observed. Nevertheless, when comparing the banking and insurance markets, it is noticeable that they face different challenges and problems.

The contemporary information chaos related to changes in practices, legal regulations, and recommendations affects the information overload regarding ESG reporting. In the age of sustainable development, stakeholders expect institutions to provide assurances of corporate responsibility, which include climate change and human rights issues (Almulla *et al.*, 2025; Shahbaz *et al.*, 2020; Alam *et al.*, 2019; Agnolucci, 2019).

Research on problems related to the quality of ESG reporting usually refers to the lack of an adopted uniform standard, greenwashing, lack of verification or selective presentation of data, e.g., (Poiriazi *et al.*, 2025; Agbakwuru *et al.*, 2024; Łudzińska, 2024; Wagner and Seele, 2017).

Financial institutions, such as banks and insurance companies, are seen as catalysts for ESG change in various economic sectors. This is mainly due to their connections with various types of customers. On the other hand, ESG disclosure is extremely important from the point of view of offering investors and customers information on a company's behaviour with regard to environmental, social, and corporate governance issues.

The above issues prompt an analysis of the quality of ESG reporting in insurance companies, considering new relationships and market conditions. This study aims to evaluate the quality of ESG reporting in financial groups operating in the insurance sector in Poland, with a focus on the specifics of their activities relating to the organisational structure of the parent company within the financial group and its ownership.

The first part of the article presents the evolutionary scope of regulatory standards for ESG reporting as well as an overview of the current research conducted in the field of ESG reporting in insurance companies. In addition, this research was conducted through an analysis of scientific literature and legal regulations related to ESG reporting. The study covered financial groups with a dominant share of insurance and banking.

Annual non-financial reports (ESG) prepared between 2019 and 2024 were evaluated in terms of the quality of the information provided, particularly about its usefulness. This assessment includes an analysis of the principles of publication of non-financial reports and their verification, as well as the frequency of their preparation and the reporting standards applied.

2. The Quality of Non-Financial Information: A Review of Specialist Literature

Insurance companies are among the entities obliged to prepare non-financial information that covers environmental, social, and corporate management issues from 01.01.2017. This is the result of the Non-Financial Reporting Directive (NFRD) 2014/95/EU. Křištofik *et al.* (2016) highlight the advantages of ESG reporting, which can be divided into internal (helps to improve the diagnosis of problems, affects the maintenance of appropriate relationships between the brand and the product) and external (strengthens the brand's credibility, affects reputation risk management and creates conditions for building a competitive advantage of the entity).

According to Rehman *et al.* (2020), Okhrimenko and Manaienko (2019) and Minor and Morgan (2011) non-financial disclosure initiatives have an impact on the reputation and value of insurance companies, as well as customer satisfaction. Research by Schönborn *et al.* (2019) shows that companies that achieve a high ranking in their industry present information on non-financial topics. As a result, these entities are perceived as less risky.

New ESG reporting rules on sustainability are currently in force under the Corporate Sustainability Reporting Directive (CSRD). This change is due to the previous presentation of non-financial information being insufficient. The introduction of the new directive (CSRD) is to ensure the reliability and comparability of the information presented. Entities are obliged to verify the data, but the results of this regulation will be visible only in subsequent reporting years.

The main change in ESG reporting is the introduction of an obligation to present issues related to the environment (E), corporate social responsibility (S), and corporate governance (G). The ESG concept is closely related to the concept of CSR (Corporate Social Responsibility). Socio-economic development and the introduction of restrictive regulatory standards for non-financial reporting have contributed to the evolution of CSR terminology towards ESG (Misztal, 2023).

However, the terms ESG and CSR are not fully identical, as is apparent from regulatory standards (Zieliński, 2023). As Rau and Yu (2024) point out, CSR and ESG present the impact of a company on environmental issues and society. The main difference in terminology lies in the disclosure of non-financial data. The scope of CSR is identified with the business model of a given entity, while ESG includes issues related to the assessment of the company, which investors use to implement CSR. CSR concerns environmental and social aspects. ESG reports should be considered as an extension of CSR to corporate governance.

Research conducted by Lament (2019) shows that the analysis of non-financial reports can be carried out in two aspects (qualitative and quantitative). The qualitative content analysis focuses on the research method for the analysis of the content of non-financial reporting and survey analyses. The scope of research in the qualitative aspect primarily concerns the scope and rules of non-financial reporting relating to the information policy of the insurance company, but also the impact of the decisions made on the entity's image.

Quantitative content analysis is a research method concerning the analysis of the impact of socially responsible decisions made and their presentation in the form of non-financial reports on the financial results of the entity. Research on non-financial reporting in insurance companies is a rarely undertaken matter, which is due to the specific nature of these entities. In the literature on the subject, research related to the qualitative assessment of the content of non-financial reports was conducted by, among others, Otavova *et al.* (2023), Bauer *et al.* (2023; 2021),

Dropulić and Čular (2019), Lament (2017), Jonas (2017), Lock and Seele (2015), Simona (2013), Wieteska-Rosiak (2012), as presented in Table 1.

Table 1. *A qualitative approach to non-financial reporting in insurance companies - a review of the literature on the subject*

Author	Year	Scope of research	Results
Otavova, M. Glaserova, J. Hasikova, I.	2023	Verification of the quality of reported non-financial information disclosed by commercial insurance companies with their registered offices in the Czech Republic and foreign commercial insurance companies with branches in the Czech Republic	Material differences in the quality of non-financial disclosures. They result from the lack of a uniform reporting methodology
Bauer, K. Chmielowiec-Lewczuk, M. Lament, M. Spigarska, E.	2023	The reports of 16 insurance companies in Poland were evaluated	Diverse scopes between companies and over the years
Bauer, K. Chmielowiec-Lewczuk, M. Lament, M. Spigarska, E.	2021	Study on the quality of 160 non-financial reports of selected insurance companies in Poland	Different quality by individual insurance companies
Dropulić, I. Čular, M.	2019	The study covers 24 insurance and reinsurance companies in Croatia	The overall level of CSR disclosure in the insurance sector in Croatia is quite low
Lament, M.	2017	Analysis of the Quality of Non-Financial Reports Prepared by Insurance Companies in Poland in the Years 2001–2015	Varied quality of reports
Jonas, K.	2017	Insurance and reinsurance undertakings operating in Poland	A variety of ways to present
Lock, I. Seele, P.	2015	437 non-financial reports were examined - chemical, banking, and insurance industry in Germany and Switzerland	Non-financial reports are prepared by insurance companies in a non-standard manner
Simona, M.M.	2013	The survey covered 16 insurance companies operating in Romania	Differentiation of non-financial reporting rules
Wieteska-Rosiak, B.	2012	Survey of social and environmental activities of insurance companies (PZU SA, STU Ergo Hestia SA, TU Allianz SA, ING Życie SA, TUiR Warta SA.)	Very low level of disclosure

Source: Based on Otavova et al. 2023, Bauer et al. 2023, Dropulić and Čular 2019, Lament 2017, Jonas 2017, Lock and Seele 2015, Simona 2013, Wieteska-Rosiak 2012.

A review of the literature on the disclosure of ESG information shows that the issue of corporate social activities has not been widely researched within the insurance industry. The research mainly refers to the results of the assessment of the content of non-financial reports, indicating a significant variation in the quality and scope of information disclosed. In many cases, reports are inconsistent, non-standard, and lack uniform presentation rules, making it difficult to compare.

So far, analyses have primarily concentrated on evaluating the content of reports from individual insurance companies. However, they have largely overlooked the broader capital and institutional connections, including the banking and insurance frameworks, that could significantly influence reporting policies.

Taking into account the state of research to date in the field of the quality of ESG information in financial institutions from the insurance sector and the existing research gap in the field of in-depth cause-and-effect analyses and the great importance of the quality of information for decision-making processes, in particular in financial institutions, a research hypothesis was formulated: the reporting scope of ESG information and its quality depends on the organizational and regulatory solutions adopted in financial institutions, in particular on their capital structure.

3. The Importance of Non-Financial Information in Insurance Companies: Research Review

With regard to changing legal regulations, non-financial information plays a key role in assessing the entity's economic activity. Research conducted by Piotrowska (2018) indicates that the analysis and qualitative assessment of non-financial information is challenging. Nevertheless, the availability of this information influences broader and faster decisions of investors, which contribute to reducing the costs of obtaining funds (Bąk *et al.*, 2022).

Rezaee and Tuo (2017) indicate that the quality of the presented non-financial information should be understood as a set of features relating to the truthfulness, completeness, and timeliness of non-financial information contained in the reports (Bek-Gaik and Surowiec, 2019). Therefore, the quality of non-financial information should be considered in terms of its usefulness and features relating to comparability, verifiability, timeliness, comprehensibility, and the prospect of its use in the decision-making cycle. The most common methods of measuring the quality of information include (Bauer, 2023):

- analysis of the level of compliance with the requirements of the guidelines, as presented by, among others, Lament (2023); (2017);
- scoring method, as presented by, among others, Otavova *et al.* (2023), Chmielowiec-Lewczuk *et al.* (2019);
- analysis of the content (content), as presented by, among others, Świercz (2022), Bauer *et al.* (2021), Lock and Seele (2015), Simona (2013), Wieteska

Rosiak (2012), Scholtens (2011);

- surveys, as presented by, among others, Jonas (2017), Yadav *et al.* (2016), Kavitha and Anuradha (2016), Olowokudejo *et al.* (2011), AISAM (2006);
- compactness indexes, as presented by, among others, Dropulić and Čular (2019).

Czajkowska (2024) indicates that the analysis of reports for research purposes should include the following: volume; structure; subject matter; comparability between different units; reports of the same entity concerning the period; graphic aspects; scope of disclosures; form of disclosures; and motives for publication. A significant aspect of auditing non-financial reports is the adopted reporting standard, which demonstrates the quality, transparency, and comparability of the content (Zabawa, 2023).

Disproportions in the approach to non-financial reporting result in different forms and methods of disclosure being used, as evidenced by entities using different norms, standards, and guidelines (Kowalkowska and Martyniuk, 2024). Non-financial reporting most often adheres to the Global Reporting Initiative (GRI) and International Integrated Reporting Council (IIRC) standards (Negri, 2018). Table 2 presents discrepancies in the concept of non-financial reporting by the GRI and IIRC standards.

Table 2. Commonly cited non-financial reporting framework

Acronym	GRI	IIRC
Name	Global Reporting Initiative	International Integrated Reporting Council
Website address	https://www.globalreporting.org/	https://www.integratedreporting.org
Date of creation	1997	2010 Integrated in the VRF in 2021
Objective	guidelines, standard, guide to the preparation of non-financial reports	guidelines, designed to integrate financial reporting with non-financial information
Disclosure location	sustainability or annual report or other published material including information on sustainability	integrated annual report or standalone sustainability report
Primary Audience	Multi-stakeholder	Financial capital provider
Sector-Specific Requirements	Yes	No

Source: The author's compilation based on Stolowy and Paugam, 2023, Bezverkhyyi, *et al.* 2023, Johansson 2022, Afolabi *et al.* 2022.

Reporting according to GRI emphasizes economic, environmental, and social aspects, while IIRC emphasizes the creation of value for investors, business

models, as well as the concept of six capitals. These differences influence reflections on new challenges related to the preparation of integrated reports by the GRI guidelines. Reporting in the area of sustainable development provides a wide range of opportunities to build the value of entities, and the use of reputable and international standards affects the quality, transparency, and comparability of the content contained in the reports.

The changes currently taking place in the world are raising public awareness, putting pressure on financial institutions to present non-financial reporting factors and their potential impact on operational and reputational risk (Lagasio and Cucari, 2019). As Lament indicates, entities in the insurance sector are a special group that is particularly affected by legal regulations on non-financial reporting. Insurance companies must adapt to changes in legal regulations.

Consequently, the reporting system in insurance entities expands to include the non-financial reporting obligation, standards, and the scope of their publication (Lament, 2023). Currently, European insurance companies are operating in an unstable socio-economic environment, primarily due to changes in legal regulations regarding non-financial reporting (Lemkowska, 2023). A significant issue with non-financial reporting is the prevalence of greenwashing practices, whereby companies deliberately mislead the public (Bąk *et al.*, 2022).

Greenwashing is considered a negative consequence of prioritising a company's image, particularly about misleading claims about disclosing the ESG image (Gołębiewski, 2023). Criticism of non-financial reporting mainly concerns the selective and overly general presentation of information. Literature on the subject indicates that this reporting is similar to PR (Małkowska and Walczal, 2023). Moreover, Fijałkowska, *et al.* (2019) argue that the most effective way to combat greenwashing is to introduce external verification of non-financial disclosures and improve the level of attestation.

4. Materials and Methods

Despite the growing interest in non-financial reporting (ESG) and the intensification of regulations in this area (e.g., the CSRD Directive, the SFDR or the EU Taxonomy), the analysis of scientific research indicates limitations in the degree of analysis of the insurance sector, and particular structural and ownership conditions affecting the quality of reports.

An important aspect is the impact of the parent company in the financial group – a bank or an insurance company – on the level of advancement of non-financial reporting and compliance with European and international standards.

The aim of the study is to assess the quality of non-financial reporting in financial groups conducting insurance activity in Poland, with particular emphasis on the

specifics of their activities, relating to the organizational form of the parent company of the financial group and the ownership structure.

The research was divided into two stages. In the first stage of the study, insurance companies operating on the Polish market were evaluated. Their objective was to select the entities to be surveyed. It was assumed that insurance companies, which are diverse in terms of the organizational form of the parent company in the group's business model, as well as different in terms of capital structure, should be examined. The result of the first stage of the research was to determine the entities whose reports would be evaluated.

The second main stage of the research involved analysing the scope of information presented in the non-financial reports of selected financial groups. This assessment included an analysis of the following: the volume of reports; the rules for their publication and verification; how frequently they are prepared; and the types of standards used.

The insurance companies selected were the largest entities, with a market share of over 70% in section I and over 60% in section II in 2023, as measured by gross written premium. Non-financial reports prepared between 2019 and 2024 were evaluated. The analysis covered the non-financial reports of the following entities:

- PZU (Poland),
- Ergo Hestia (Germany),
- Generali (Italy),
- Allianz (Germany),
- Uniqa (Austria),
- PKO (Poland),
- BNP Paribas (France),
- Santander (Spain),
- ING (Netherlands),
- Credit Agricool (France).

The entities surveyed are characterised by their diverse organisational structures, participation of foreign capital, and market positions. The entities were categorized based on their business models and different forms of operation into objects representing a pure insurance structure (parent company – insurance company) and a banking/insurance structure (parent company – bank).

Among the entities characterised by a pure insurance structure, an entity with predominantly domestic capital - PZU - and entities characterised by predominantly foreign capital - Ergo Hestia, Generali, Allianz, and Uniqa - were selected. Entities representing the banking and insurance structure with predominantly domestic capital include PKO, while those with predominantly foreign capital include BNP

Paribas, Santander, ING, and Cr dit Agricole. The selection of the research sample was informed by the diversity of the scope of activities and the market position of the entities – the largest entities were selected for inclusion.

The paper uses methods of deductive reasoning and analysis of the quality of annual non-financial reports of the surveyed insurance companies. In addition, the paper formulates a research hypothesis: the reporting scope of ESG information and its quality depend on the organizational and regulatory solutions adopted in financial institutions, in particular on their capital structure.

Concerning the analysis of the literature on the subject, the paper creates an original set of key features proving the quality of the report by the flagship accounting principles, which were evaluated:

- comparability (year of publication, reporting period, reporting standard, compliance with accounting principles),
- verifiability (external verification, compliance with accounting principles applicable to the preparation of financial statements (IAS/IFRS), reporting standard:)
- timeliness (year of publication, reporting period)
- comprehensibility (volume of the report – commitment to implementation, reporting standard, compliance with accounting principles).

The quality of non-financial reporting was examined and assessed on the basis of comparability, verifiability, timeliness, and comprehensibility of the information provided. Moreover, the number of analysed entities allows for a diversified qualitative analysis. The study of the literature on the subject, in conjunction with the results of the research, will help to draw the conclusions affecting the future development of non-financial reporting.

However, this issue remains relevant because non-financial reporting is increasingly influencing the perception of insurance companies by stakeholders, making it possible to identify imperfections and set directions for their improvement.

5. Results

To examine the relationship between the specificity of the entity and the scope of non-financial reporting, a total of 50 reports were evaluated. Due to the different reporting obligations, the types of audited reports are listed in Table 3. We analysed reports from 10 entities focusing on the disclosure of non-financial information (number of report pages, rules for publication and verification of reports, frequency of their preparation and standardization - GRI and/or other, as indicated in the report). Reports prepared for the years 2019-2024 were evaluated.

Table 3. *Types of reports produced by surveyed entities 2019-2024*

Name	Type of report			Scope	
	CSR	<IR>	ESG	Individual	Group
Insurance structure					
PZU		4	1		5
ERGO HESTIA			5		5
GENERALI		5			5
ALLIANZ			5		5
UNIQA			5		5
Banking structure					
PKO		5			5
BNP PARIBAS		3	1		5
SANTANDER	1		4		5
ING	1				5
CREDIT AGRICOL	2		3		5

Source: The author's own study based on the analyzed reports.

The scope of the presented non-financial information mainly depends on the type of report. The form of the report – individual/group – is one of the factors differentiating non-financial information and affecting its quality. Non-financial information can take various forms, among others the management report, the social report, and the integrated report. The least extensive form of non-financial reporting should be considered to be additional information, which is an element of the financial report, but constitutes a negligible part of the disclosed non-financial information.

More developed forms of non-financial reporting include the sustainability report and the social responsibility report. The highest rank is assigned to the integrated report, which creates the most comprehensive and complicated form of presentation of non-financial information. Non-financial reports of entities for 2019-2024 were most often in the form of an integrated report or an ESG report.

Over the years under review, the scope of disclosures in non-financial reporting has changed. The evolution of regulatory standards has resulted in an approach to reporting disclosures of non-financial information relating to environmental aspects, which can take various forms of reporting (CSR, sustainability or ESG).

The diversity in the presentation of non-financial data makes it difficult to compare them. The reports are diverse in terms of form, scope, and, consequently, the quality of the information disclosed. The lack of a uniform and universally applicable standard results in difficulties in the comparability of data, which are presented in a general or even selective manner.

The non-financial reports that were the subject of the audit were evaluated, and their results are presented in Table 4.

Table 4. Qualitative features of non-financial reports of the audited entities

Year of publication	Reporting period	Number of pages	Reference to Compliance and Reporting Standards		External verification
			Reporting standard	IAS/IFRS Compliance	
PZU					
2024	01.01.2023-31.12.2023	430	GRI, IIRC, ESRS, TCFD	IAS	✓
2023	01.01.2022-31.12.2022	465	GRI, IIRC	IAS	✓
2022	01.01.2021-31.12.2021	245	GRI, IIRC	IAS	
2021	01.01.2020-31.12.2020	223	GRI, IIRC	IAS	
2020	01.01.2019-31.12.2019	175	GRI, IIRC	IAS	
ERGO HESTIA					
2024	01.01.2023-31.12.2023	135	GRI, ESRS, TCFD	IAS	✓
2023	01.01.2022-31.12.2022	170	GRI	IAS	✓
2022	01.01.2021-31.12.2021	online	GRI	IAS	✓
2021	01.01.2020-31.12.2020	114	GRI	IAS	
2020	01.01.2019-31.12.2019	132	GRI	IAS	
GENERALI					
2024	01.01.2023-31.12.2023	172	GRI, TCFD	IAS	
2023	01.01.2022-31.12.2022	170	GRI	IAS	✓
2022	01.01.2021-31.12.2021	166	GRI, IIRC	IAS	✓
2021	01.01.2020-31.12.2020	138	GRI, IIRC	IAS	✓
2020	01.01.2019-31.12.2019	122	GRI, IIRC	IAS	✓
ALLIANZ					
2024	01.01.2023-31.12.2023	158	GRI	IAS	✓
2023	01.01.2022-31.12.2022	164	GRI, IIRC	IAS	✓
2022	01.01.2021-31.12.2021	113	GRI, IIRC	IAS	✓
2021	01.01.2020-	136	GRI	IAS	✓

	31.12.2020				
2020	01.01.2019- 31.12.2019	102	GRI	IAS	✓
UNIQA					
2024	01.01.2023- 31.12.2023	130	GRI	IAS	✓
2023	01.01.2022- 31.12.2022	58	GRI	IAS	✓
2022	01.01.2021- 31.12.2021	47	GRI	IAS	✓
2021	01.01.2020- 31.12.2020	56	GRI	IAS	✓
2020	01.01.2019- 31.12.2019	53	GRI	IAS	✓
PKO					
2024	01.01.2023- 31.12.2023	online	GRI	IAS	
2023	01.01.2022- 31.12.2022		GRI	IAS	
2022	01.01.2021- 31.12.2021		GRI	IAS	
2021	01.01.2020- 31.12.2020		GRI	IAS	
2020	01.01.2019- 31.12.2019		183	GRI	IAS
BNP PARIBAS					
2024	01.01.2023- 31.12.2023	227	GRI, TCFD, ESRS, SFDR	IAS	✓
2023	01.01.2022- 31.12.2022	220	GRI, IIRC, TCFD, SFDR	IAS	✓
2022	01.01.2021- 31.12.2021	159	GRI, TCFD, SFDR	IAS	✓
2021	01.01.2020- 31.12.2020	186	GRI, TCFD	IAS	
2020	01.01.2019- 31.12.2019	139	GRI	IAS	✓
SANTANDER					
2024	01.01.2023- 31.12.2023	online	GRI, TCFD	IAS	
2023	01.01.2022- 31.12.2022	105	GRI, SDGs, PRB, TCFD	IAS	✓
2022	01.01.2021-	154	GRI,	IAS	✓

*A Quality of ESG (Environment, Social, Governance) Reporting by Financial Groups
in the Insurance Sector: Evidence from Poland*

672

	31.12.2021		SDGs, PRB, TCFD		
2021	01.01.2020- 31.12.2020	245	GRI, SDGs, PRB, TCFD	IAS	
2020	01.01.2019- 31.12.2019	171	GRI, SDGs, PRB, TCFD	IAS	
ING					
2024	01.01.2023- 31.12.2023	310	GRI, IIRC, SDGs, ESRS	IAS	✓
2023	01.01.2022- 31.12.2022	273	GRI, IIRC, SDGs	IAS	✓
2022	01.01.2021- 31.12.2021	237	GRI, IIRC, SDGs	IAS	✓
2021	01.01.2020- 31.12.2020	210	GRI, IIRC	IAS	✓
2020	01.01.2019- 31.12.2019	197	GRI, IIRC	IAS	✓
CREDIT AGRICOL					
2024	01.01.2023- 31.12.2023	203	SDGs, PRB, ISO 26000, GRI	IAS	✓
2023	01.01.2022- 31.12.2022	159	SDGs, PRB, ISO 26000, GRI	IAS	✓
2022	01.01.2021- 31.12.2021	128	SDGs, PRB, ISO 26000, GRI	IAS	✓
2021	01.01.2020- 31.12.2020	110	SDGs, PRB, ISO 26000, GRI	IAS	✓
2020	01.01.2019- 31.12.2019	104	-	IAS	✓

Notes: UoR - Ustawa o rachunkowość, GRI - Global Reporting Initiative, IIRC – International Integrated Reporting Council, SDGs – Sustainable Development Goals, PRB – Principles for Responsible Banking, TCFD - Task Force on Climate-related Financial Disclosures, ESRS - European Sustainability Reporting Standard.

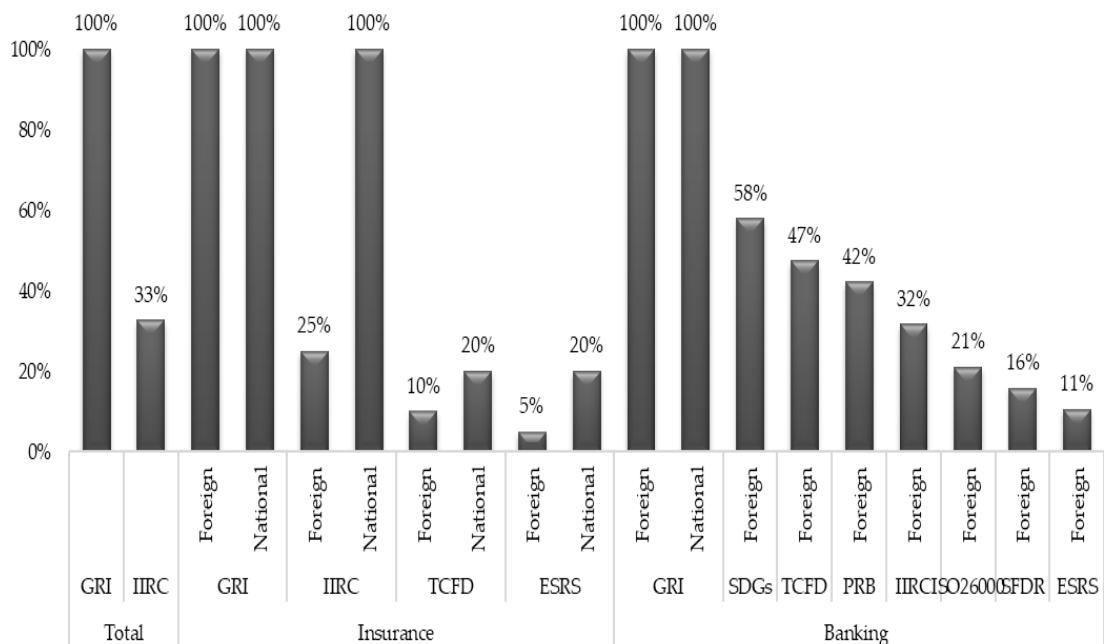
Source: The author's own study based on the analyzed reports.

The analysis shows that there is a qualitative variation in the data presented in non-financial reports by individual groups. The differences are in particular in the number of pages, the reference to compliance and standards, and verification. The research indicates a lack of comparability and diversification in non-financial reports among the audited entities. The main differentiating elements include the number of pages of the presented report.

Therefore, it may indicate the comparability of non-financial information. However, this number is determined by the type of report. In recent years, a noticeable increase in the volume of the report has been observed, indicating progress in the matter. Non-financial reports are often characterised by a varied graphic design, which includes tables, figures, infographics, photos, and other graphic elements. Therefore, the total number of pages in a report is one of the few features that can enhance comparability between entities over time.

However, this can also lead to certain distortions. The audited reports present data on an annual basis. The share of entities with predominantly foreign capital in the structure of the Polish system may influence the approach to non-financial reporting in the form of foreign trends. Another important distinction in non-financial reports is the reference to standards. The non-financial reports of the surveyed financial groups for the years 2019-2024 are characterized by different standardization – as illustrated in Figure 1.

Figure 1. Non-financial reporting standards in the entities examined



Source: The author's own study based on the analyzed reports.

In the analysed period, the surveyed entities most often included GRI (Global Reporting Initiative) and IIRC (International Integrated Reporting Council) standards in the report. A wider range of standards is characteristic of financial groups with dominant banking activity (SDGs, PRB, ISO 26000, GRI).

In the surveyed entities with dominant insurance activity, the generally accepted reporting standard was the GRI set of standards. Therefore, the profile of a given entity (with a dominant share of insurance companies/banks) affects the reporting of issues in the area of sustainable development. Hence, it can be expected that the introduction of CSRD will unify the approach to reporting.

Based on the information provided and the conducted research, differences were found in the evaluated areas (year of publication, reporting period, volume, reporting standard, compliance with the accounting principles applicable to the preparation of financial statements, external verification) – general conclusions are presented in Table 5.

Table 5. *This is a table. Tables should be placed in the main text near to the first time they are cited*

Criterion	Dominant entity in the group	Conclusions
Organizational form of the parent company	Bank	<ul style="list-style-type: none"> • higher level of ESRS, TCFD, SFDR compliance • frequent use of integrated reporting • reports more often in online and ESEF formats, • more often use the approach <IR>, which indicates a systemic approach to the management of non-financial information
	Insurance company	<ul style="list-style-type: none"> • predominance of traditional standards (mainly GRI, occasionally IIRC/TCFD) • extensive, narrative reports • lower level of implementation of new EU requirements (ESRS, CSRD)
Ownership structure	Dominant foreign capital	<ul style="list-style-type: none"> • high compliance with global standards (GRI, TCFD, ISO 26000) • more commonly used external verification
	Dominant domestic capital	<ul style="list-style-type: none"> • focus mainly on core standards (GRI) • external verification is less frequent • rare references to ESRS TCFD, SDGs.

Source: *The author's own study.*

Insurance companies owned by banking groups are more advanced in applying modern ESG standards and publish reports with a higher level of integration with finances. On the other hand, companies in which the dominant entity is the

insurance company report extensively in the CSR/ESG model, but often use a more traditional narrative approach rather than integrated reporting<IR>. Banking groups are faster implementing ESG reporting in line with European regulations, which results from their exposure to sustainable finance and relations with capital markets.

Foreign ownership fosters reporting in line with international frameworks, while state ownership – while more extensive – requires better integration of ESG data into the business model.

External verification is only becoming a standard from 2022 – previously, many insurance companies did not subject ESG data to independent confirmation. Online reports (HTML/websites instead of PDF) appear mainly in banks – the insurance sector mainly uses classic PDF formats. The quality of reporting needs to be standardized in the context of the upcoming CSRD obligations.

The results point to some trends in non-financial reporting:

- the audited entities prepared non-financial reports in the same time frame (calendar year), which proves timeliness and the possibility of comparability;
- the analysis of non-financial reports shows that the volume (more or less pages) cannot be considered a significant differentiating factor between financial groups with a dominant share of insurance companies/banks. The scope of the non-financial report is mainly determined by the adopted form of non-financial reporting;
- the main factor differentiating the non-financial reports of financial groups with a dominant share of insurance companies/banks is the standards used. During the period covered by the analyzed reports (2019–2024), entities use several standards that characterize a given structure of operations. The GRI standard is currently dominant in the reports of the audited entities. This is a positive trend due to the unification of non-financial disclosures for the CSRD – the required guidelines are the ESRS, which will be based on the GRI. Entities with a dominant banking activity are characterized by greater standardization compared to the sector with a dominant insurance share. The scope of the regulations applied significantly affects the quality of the report;
- the reliability and credibility of the audited reports were confirmed through external verification. Reports on dominant foreign capital are more likely to be verified by an external company. The fact of verification may become a model for entities with dominant domestic capital.

6. Discussion

Recently, the quality of ESG reporting in the insurance sector has become the subject of numerous national and international studies. An analysis of the literature on the subject indicates a significant diversity in terms of the scope of information disclosed, the standards applied, and the approach to transparency. Previous analyses have mainly focused on the assessment of the content of reports, ignoring the broader context of connections – organizational and capital structure.

The conducted research indicates that the structure of the parent company's operations in the financial group (insurance activity vs banking activity) has a significant impact on the quality of ESG reporting. Groups with dominant banking activities tend to present more advanced and integrated ESG information, in line with European standards, due to their greater exposure to sustainable finance regulations and capital market expectations.

In contrast, groups in which insurance companies play a dominant role are more likely to use a narrative approach to reporting. An important implication is the predominantly foreign capital structure, which fosters a wider range of disclosures and the use of international reporting frameworks that can present foreign benchmarks in the disclosure of non-financial information, which increases the transparency and comparability of reports.

Therefore, the dominant activity in a financial group affects not only the strategy, but also the adopted reporting standards and how non-financial data is presented, which is important for investors, regulators, and stakeholders.

The quality of ESG reporting is part of the broader context of upcoming regulatory changes, such as the implementation of the CSRD Directive and the obligation to apply the European Sustainability Reporting Standards (ESRS), which will require entities to be more consistent, measurable, and transparent in the presentation of non-financial information.

The results suggest potentially permanent differences in the approaches to ESG reporting, depending on the dominant entity within the financial group. It is worth noting that the narrative models currently used, although broad in terms of topics, often fail to meet the expectations of stakeholders regarding comparability, verifiability, and comprehensibility.

This can be a challenge in the context of the complete integration of non-financial reporting within uniform standards. The results suggest that groups with foreign capital may be better prepared for these changes – thanks to the earlier implementation of global standards and greater experience in integrating ESG data with financial reporting.

7. Conclusions

Financial and non-financial reporting creates a complete picture of the business unit, which affects the assessment of the entity by stakeholders. Insurance companies are special units of public trust that care about a reliable image of the entity. Sustainable activities of insurance companies and their reporting presentation are undoubtedly important information and a public image.

A review of the literature on the subject and an empirical study made it possible to verify the research hypothesis – the reporting scope of ESG information and its quality depend on the organizational and regulatory solutions adopted in financial institutions, in particular on their capital structure.

Insurance companies in banking groups report ESG at a higher level of integration and compliance with European standards than purely insurance entities, which more often use a narrative CSR approach. Foreign ownership fosters the quality of disclosures, while impending CSRD obligations require standardization of the format, verification, and integration of reporting across the industry.

The implementation of the CSRD will contribute to an increase in the number of ESG reports by groups of entities obliged to disclose, as well as those that are not subject to a regulatory obligation. This growth will be the result of the trend related to the presentation of sustainability issues.

The global expansion of reporting obligations increases the importance of building a robust ESG data infrastructure. Future actions should focus on balancing sector-specific needs with the requirement to ensure cross-industry comparability of their verification processes.

Financial institutions that allow themselves to effectively adapt to the dynamic changes in the regulatory environment can gain a significant competitive advantage. Higher strategic efficiency fosters better risk management, improved investment performance, and stronger stakeholder relationships in a world of growing importance of sustainability.

In further research, it is worth considering expanding the sample to include more financial groups and using complementary quantitative methods that would allow ESG reports to be assessed with formal requirements.

An interesting direction would also be to compare ESG reporting in dynamic terms – before and after the implementation of the ESRS – which would allow us to evaluate the real impact of the regulations on reporting practices, as well as to provide in-depth conclusions on the ability of the insurance sector to adapt to new information requirements.

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