

RESEARCH REPORT

Investigating the Social Component of Insurers' Sustainability practices

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SARA HAOUASSIA

BRENDAN LEIBFORTH

TAYLOR COPAS

HARRISON PORTER

Students at Illinois State University, USA

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List of Abbreviations:

PSI	Principles for Sustainable Insurance
IDF	Insurance Development Forum
MiN	Microinsurance Network
ESG	Environmental, Social, and Corporate Governance
ADV	Advanced stage of microinsurance
BEG	Beginning stage of microinsurance
UD	Underdeveloped stage of microinsurance

Section 1: Executive Summary:

With growing interest in sustainability and microinsurance, many businesses (including insurers) for various financial and non-financial considerations have increasingly adopted Corporate Social Responsibility initiatives. Sustainability involves consideration of ESG (E-Environment, S-Social & G-Governance) criteria. This paper will focus on the S (Social) component in the context of insurers as it is more relevant to the Microinsurance Network group. The motivation for this paper is because of the overwhelming focus on “E”, the environment aspects (such as climate change), while the “S” component has been relatively ignored. The Governance component has historically received attention because of its close connection to risk and regulation.

Insurers may consider social criteria in both core business areas such as offering insurance products, and investing in funds with a social purpose, as well as more tangential initiatives such as funding youth or women’s empowerment programs. Some social initiatives have direct relevance to insurers’ core business such as investments in community risk management practices which may result in lower claims, or risk education initiatives that may affect risk taking in society.

With growing interest in microinsurance (aka inclusive insurance) worldwide, the first part of the paper will be focused primarily on microinsurance and the level to which insurers are engaged in offering more inclusive products to the vulnerable people in communities around the world.

We conducted this study mainly through gathering data about **117 insurers** and 20 brokers. Our sample consists of insurers belonging to any of the following lists: (1) top 25 insurers by assets in 2018, (2) top 25 insurers by premiums in 2018, (3) PSI signatories(61%), (4) top 20 brokers by revenue in 2018, (5) Microinsurance Network members as of June 2020, and (6) IDF members (10%) as of June 2020. We were able to investigate the social initiatives of each insurer in our sample while highlighting the insurer's microinsurance involvement. What we were able to deduct from this study is that members of some lists are more actively involved in microinsurance and social initiatives than others, while lack of reporting was more common among the insurers as well as the brokers.

This study emphasizes insurers' involvement in the microinsurance market as well as the efforts and initiatives directed towards the social component of ESG. We created categories of involvement in microinsurance (advanced, beginning, underdeveloped, no reporting) and we were grouped insurers based on their microinsurance involvement. This study offers insights on the category of microinsurance products offered by region of where the microinsurance activity occurs. This approach enabled us to generate maps describing microinsurance activity based on the category and the stage of the products offered. The maps not only helped us in detecting the hotspot locations considered by micro insurers but also enabled us to have an overview of the regions that are still in need of greater microinsurance involvement.

The microinsurance products reported were diverse and ranged from: life, health, agriculture (crops and livestock), property, accident, vehicle insurance. Investments included investing in other companies supporting microinsurance or simply joining a new organization that promotes microinsurance. Unsurprisingly, life and health microinsurance were offered at a higher scale. Our second part of the study is oriented towards the social initiatives such as: risk management education, women empowerment, diversity and inclusion, microfinancing, youth empowerment, nutrition and water. The approach in this report examined the social performance of our sample of insurers in terms of both microinsurance and these various social initiatives.

Key takeaways from this study are:

- Many firms in the sample lacked transparency in communicating their microinsurance efforts.
- Larger firms (top 25) were more engaged in microinsurance than smaller firms.
- PSI signatory status on support for microinsurance activity was mainly limited to TOP 25 insurers by assets or premiums
- North American headquartered firms have less support for microinsurance initiatives compared to European and Asia headquartered firms
- 81% of the MiN members are offering microinsurance with 63% of MiN members surveyed offering Life insurance, Health insurance, or both.
- 58% of IDF members are involved in microinsurance at an advanced level
- The top sustainability initiatives tangentially related to microinsurance for large insurers included nutrition and water at 96%, and risk management education initiatives at 88%. Lower initiatives included youth empowerment initiatives at 56% and .microcredit at 52%.
- PSI Signatories in the sample showed higher support for many of these initiatives with 100% of Top 25 PSI Insurers supporting initiatives in women's empowerment, risk management education, nutrition and water, and microcredit.
- Insurance brokers were not as supportive for microinsurance or sustainability initiatives.

- Firms in the sample sought diversity and inclusion in leadership defined primarily in only three areas: 1) gender, 2) race, and 3) age. Other areas of diversity and inclusion were largely unreported.

The authors of the report would like to thank Jim Jones, Executive Director of the Katie School of Insurance and Risk Management at Illinois State University for his valuable input in this study. We would also like to thank Abhishek Varma , Associate Professor of Finance at Illinois State University, for his continuous help and contribution to this research project. Finally, we would like to acknowledge and thank Katharine Pulvermacher, Executive Director of the Microinsurance Network for her input, guidance, and supervision of the project.

For further information, or if you would like to discuss the content of this report further, please contact the authors of this report at our LinkedIn Addresses.

Best regards,

Sara Haouassia <https://www.linkedin.com/in/sara-haouassia-442356158/>

Brendan Leibforth <https://www.linkedin.com/in/brendan-leibforth-2b141a176/>

Taylor Copas <https://www.linkedin.com/in/taylor-copas/>

Porter Harrison

Section 2. Introduction and background

For the purpose of this study, we attempted to be inclusive of firms that may not specifically use the word microinsurance. For this reason, we used the International Association of Insurance Supervisors (IAIS) definition for microinsurance as “the protection of low-income people against specific perils in exchange for regular premium payments appropriate to the likelihood and cost of the risk involved.”

For purposes of this study, in searching **Social** criteria we considered the following criteria in addition to the word “microinsurance”:

- Intentionally developed for low-income people.
- Social protection for vulnerable and excluded populations from traditional insurance
- Keywords such as sustainable insurance, inclusive insurance, emerging customers.

Sustainability reports as well as websites of companies were the primary sources for capturing data that formed the reports found in this research paper. Press releases and articles were our secondary source of data. As mentioned earlier, microinsurance involvement, as well as sustainability initiatives, were not transparently communicated and was a common issue among insurers and brokers.

For the purpose of this study, we also defined four microinsurance “stages” to assess the stage of the company’s involvement in microinsurance. The stages are defined as follows:

- **ADV:** Advanced microinsurance stage is attributed to any company that is offering microinsurance products in several markets. The insurers who were attributed this stage were offering microinsurance products in more than 7 countries. Also, the insurers offering advanced microinsurance products are very transparent in sharing the information in their sustainability reports and website.
- **BEG:** Beginning level microinsurance stage is attributed to any company that is still in the early stages of developing its microinsurance initiatives. Generally, the company is targeting less than 3 countries. Companies supporting a charitable foundation that offers microinsurance or companies recently joining a microinsurance focused organization were counted as beginning stage of microinsurance.
- **UD:** underdeveloped microinsurance stage is attributed to companies with no developed microinsurance line. The companies to whom we attributed this stage have generally reported some prospective plans involving microinsurance in press releases or on their website.
- **No reporting:** This stage refers to the company’s lacking reporting of microinsurance and sustainable community initiatives. Companies attributed to this stage generally have no mention of microinsurance in their sustainability reports, website or press articles.

This study examined 117 international insurers and 20 brokers coming from the following lists:

- (1) Top 25 firms by assets in 2018: Am Best Ranking 2018.
- (2) Top 25 firms by premiums in 2018: Am Best Ranking 2018
- (3) The UNEP FI Principles for Sustainable Insurance (PSI) signatories
- (4) Top 20 brokers by revenue in 2018
- (5) Microinsurance Network members as of June 2020
- (6) Insurance Development Forum (IDF) members as of June 2020.

This report will report on both the microinsurance involvement as well as the related sustainability initiatives developed by each list of insurers.

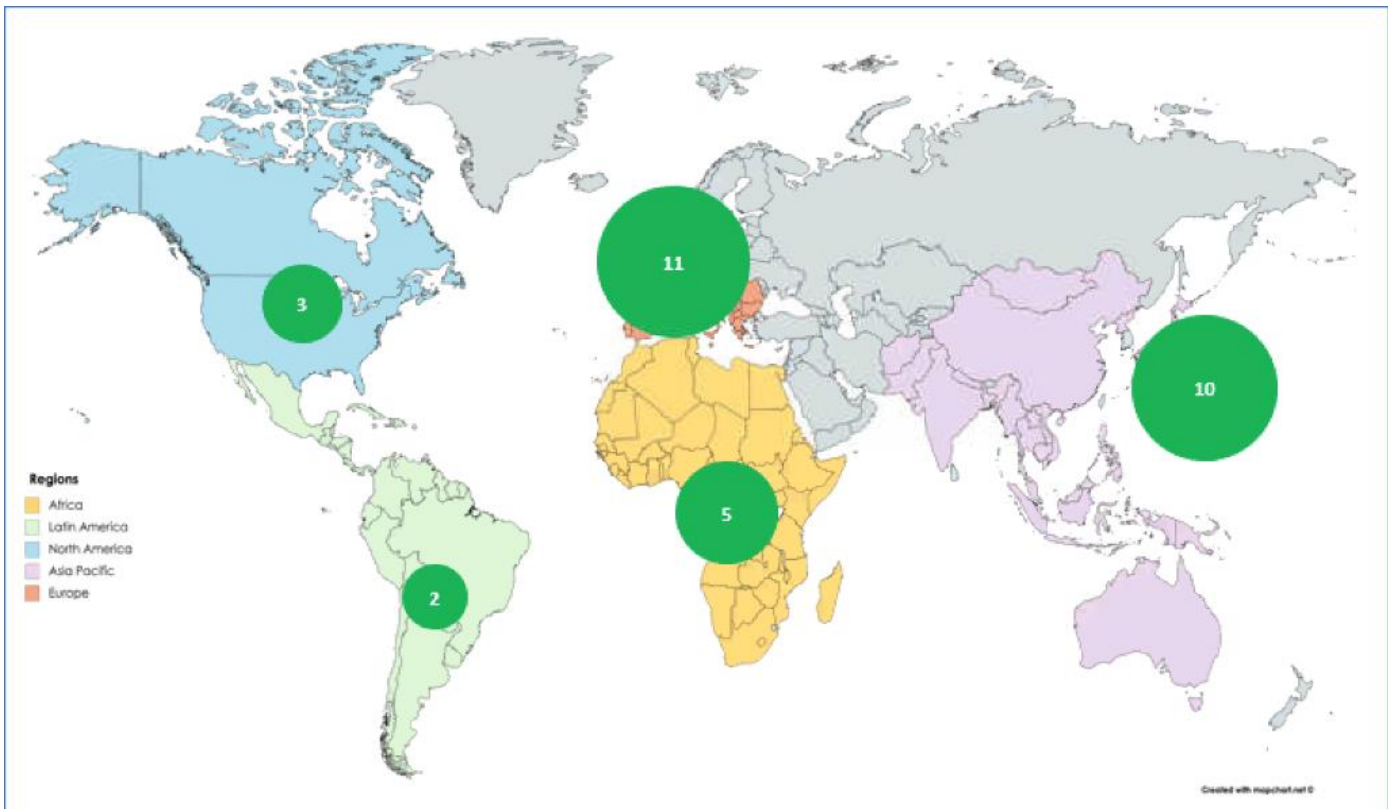
Section 3. Overview of the microinsurance involvement based on the location of insurer’s headquarters:

This section gives an overview of the insurers in our sample based on the location of their headquarters. This analysis shows how insurer involvement in microinsurance relates to the location of their home office and examines the regions where insurers are more actively involved in microinsurance. We analyzed this as a way of helping the Microinsurance Network to ascertain which regions seemed to be more involved in microinsurance, which might help in identifying other similar companies that might support microinsurance. The regions we used to develop our visual maps are Africa, Europe, North America, Latin America and the Asia Pacific region.

1. Advanced stage of microinsurance:

The map below illustrates the location of all the insurers in our sample that were offering advanced microinsurance products. 26% of the insurers in our sample (31 insurers) fell within this category. Most of these insurers were based in Europe and the Asia Pacific region, while we had only three of the insurers offering microinsurance in the advanced stage based were headquartered in North or Latin America.

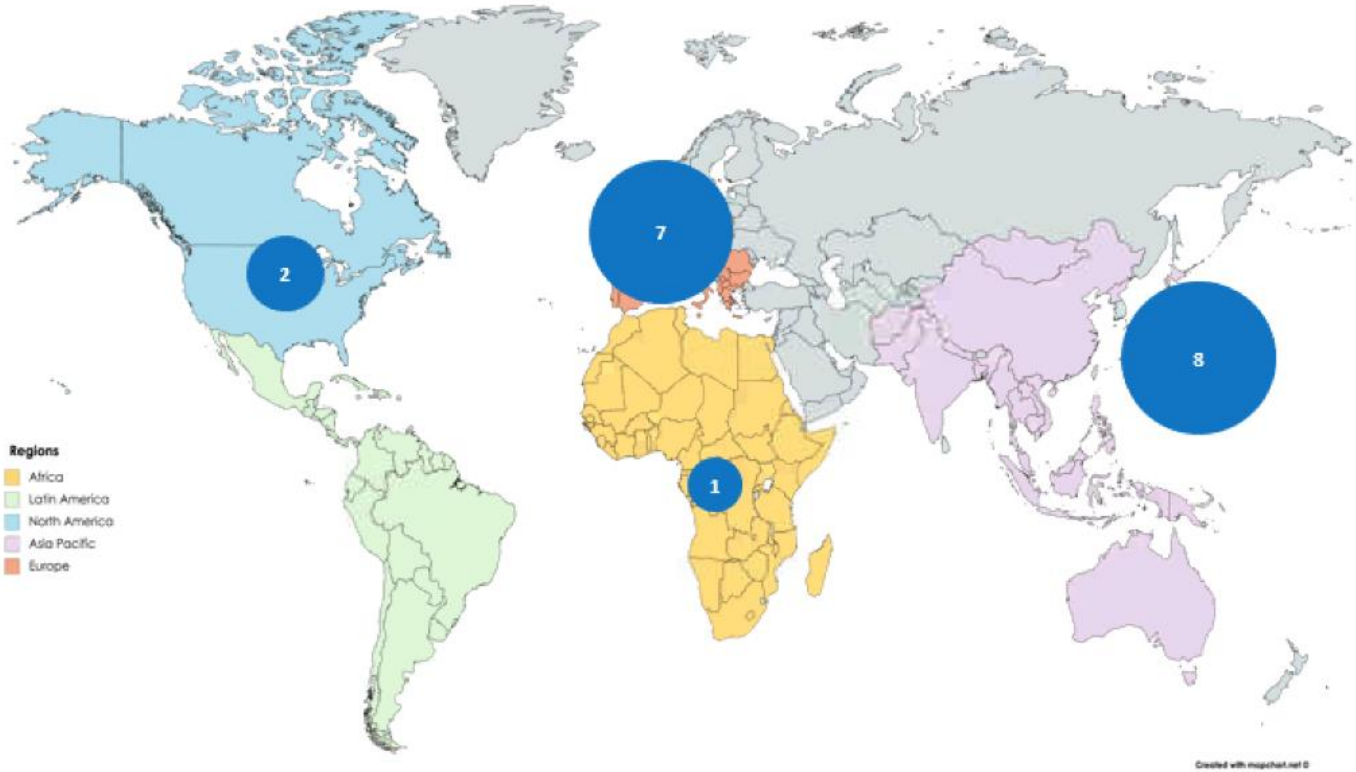
Figure 1: Advanced microinsurance stage in the sample based on insurer's headquarters' location



2. Beginning stage of microinsurance:

The map below illustrates the headquarters' location of all the insurers in our sample that are offering microinsurance in the beginning stage. 15% of the insurers in our sample (18 insurers) fell within this category. Most of the insurers in this category are based in the Asia Pacific region and Europe.

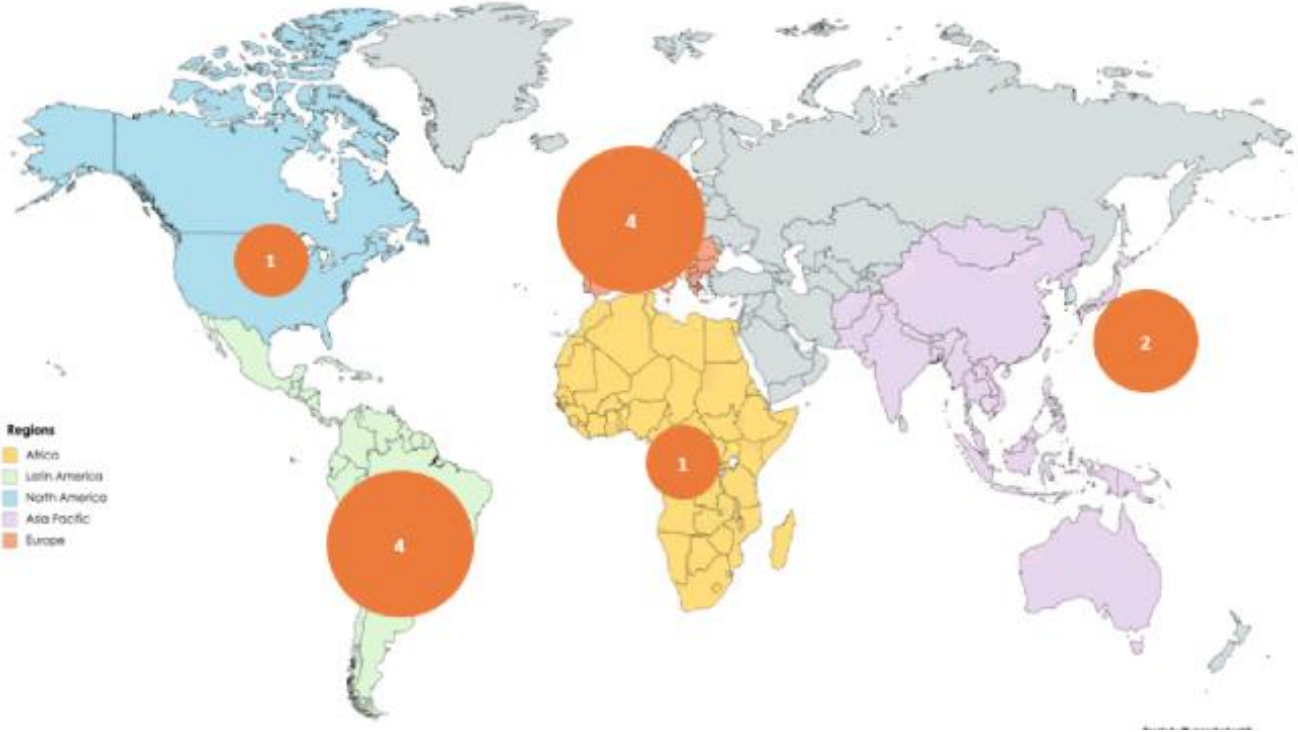
Figure 2: Beginning microinsurance stage in the sample based on insurer's headquarters' location



3. Underdeveloped stage of microinsurance:

For the underdeveloped insurance stage, we had 10% of the insurers in our sample (12 insurers) that fell within this category. For instance, we can see that 4 insurers based in Latin America from our sample are slowly initiating their microinsurance initiatives. Underdeveloped stage is a good key indicator of prospective developed microinsurance initiatives in the region.

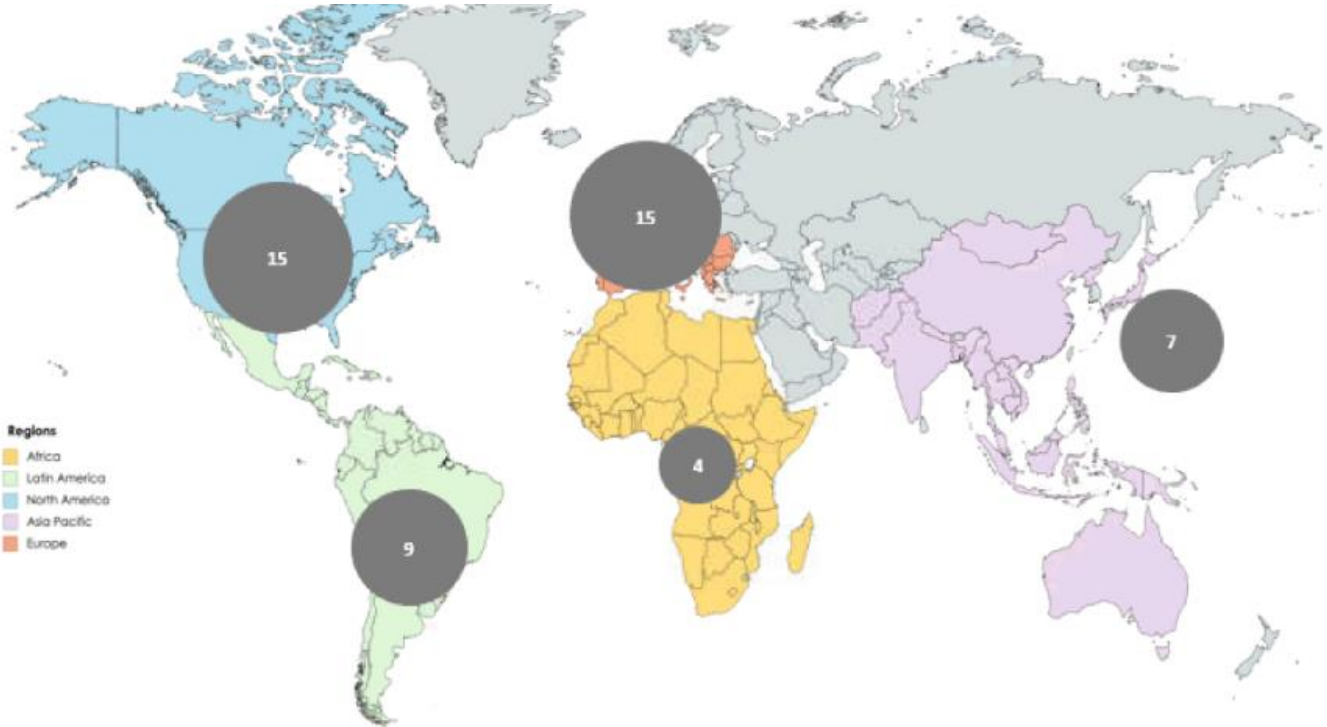
Figure 3: Advanced microinsurance stage in the sample based on insurer's headquarters' location



4. No reporting stage:

48% of the insurers in our sample fell within this category. In fact, lack of reporting is a very crucial issue that we came across throughout our research. Transparency of reporting is one of the main aspects that must be reinforced since lack of reporting will certainly deflate the number of microinsurance initiatives reported. Also, we can see that this issue is common among insurers from all regions as shown in the map below and with a higher tendency for insurers based in the North America as well as Europe.

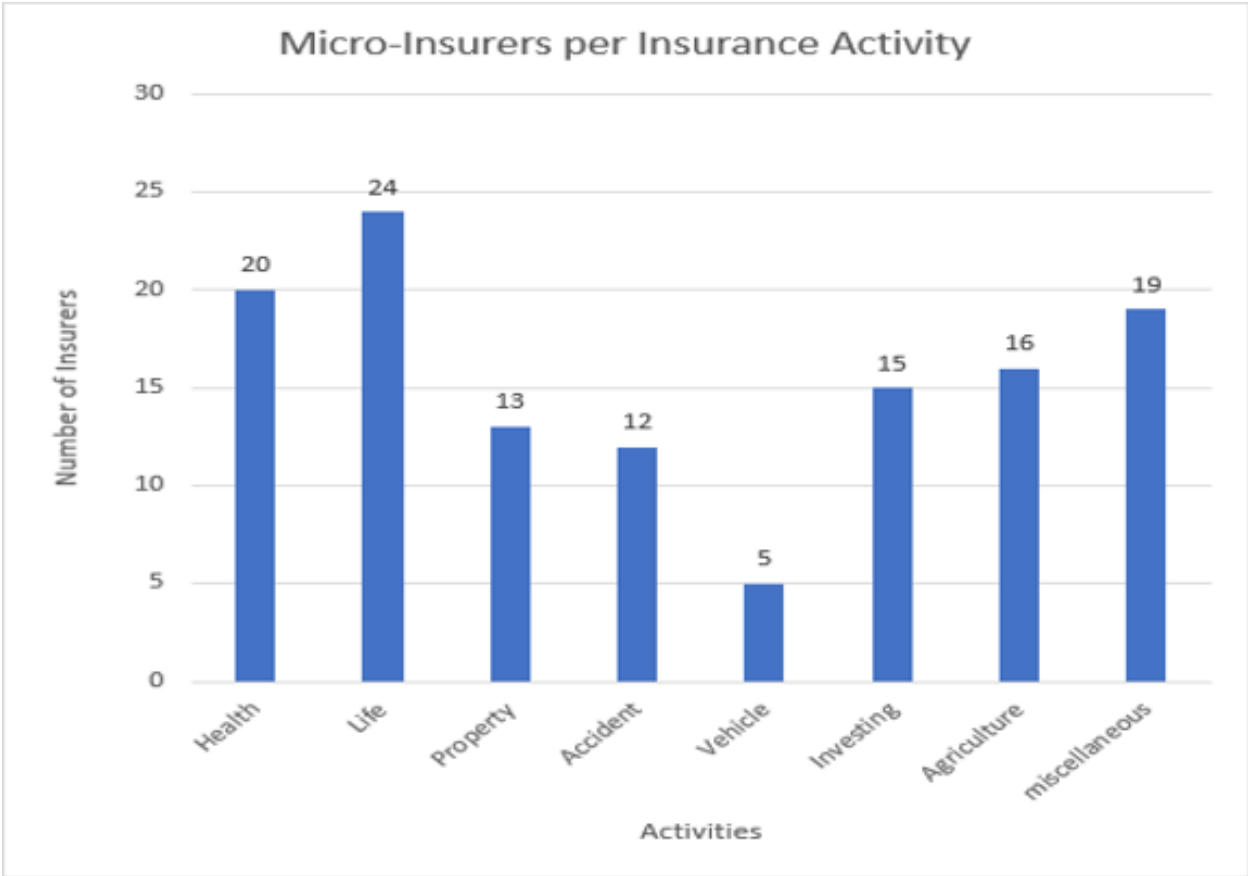
Figure 4: No reporting microinsurance stage in the sample based on insurer's headquarters' location



Section 4. Microinsurance By Insurance Product Involvement

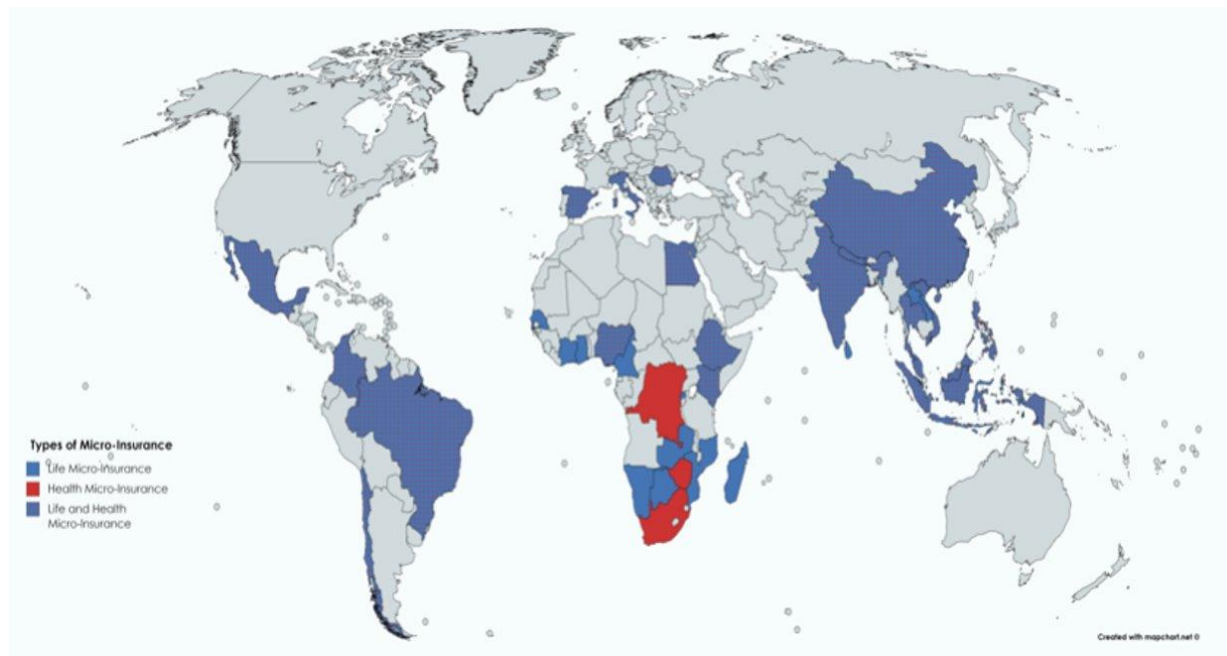
Of 117 Insurers in the sample, 61 were identified that provide some form of advanced, beginning or underdeveloped microinsurance. Most of the products offered fell within Health, Life, Property, Accident, Vehicle, Investing and Agriculture. Life and health insurance were the two categories vastly offered by insurers in the sample. Also, insurers offered a diverse portfolio of insurance products (health, life, agriculture, property) rather than offering one type of insurance and that is illustrated in the graph below. Also, we defined the miscellaneous category of insurance and it refers to activities that did not fit within any of the others usually specialty insurance or niche insurance specific to a region . This later was the third widely offered microinsurance product and is mainly tailored to the different attributes of the population and its needs. Examples of miscellaneous activities would be funding microinsurance initiatives, developing pension funds to provide financial support for women, providing cash assistance to low-income earners in certain industries.

Figure 5: Frequency of microinsurance activity based on insurance type



For the scope of this report, our focus will be more towards health and life microinsurance products as they are the two most offered categories by insurers. Our analysis will also highlight the regions where each type of the previously mentioned categories of microinsurance is offered while identifying regions where more than one microinsurance activity is taking place. The map below illustrates regions where health and life microinsurance are offered, with blue identifying life insurance , red for health insurance and regions with both patterns have both life and health insurance.

Figure 6: Location of microinsurance activity based on insurance type

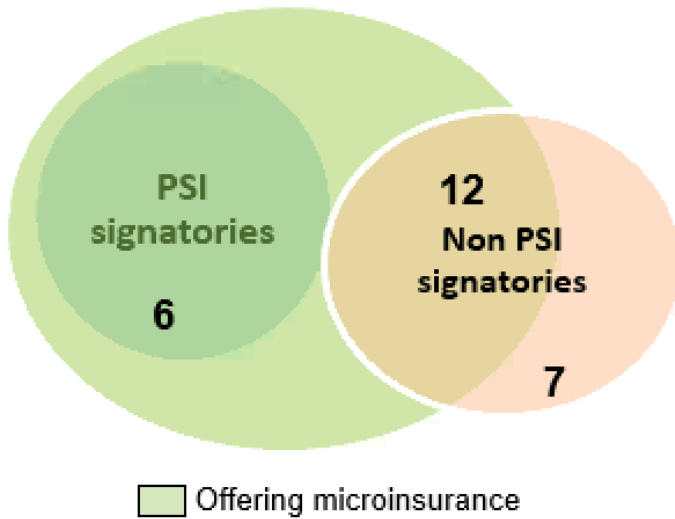


Section 5. Investigating Microinsurance across the different lists of insurers

TOP 25 Insurers by Assets:

We have divided our sample of TOP 25 insurers by Assets into two subsamples: TOP 25 insurers by Assets & PSI signatories and TOP 25 insurers by Assets and non-PSI signatories. The goal behind this approach is to see the effect of being PSI signatory on the microinsurance involvement of the insurer. The same approach will be adopted for the TOP 25 insurers by premiums collected. Below is a visualization illustrating the approach. The green area highlights the insurers who are offering microinsurance based on the TOP 25 insurers by Assets sample.

Figure 7: TOP 25 insurers by assets and PSI vs non-PSI signatories



From our list of TOP 25 insurers by Assets, we found out that:

- 6 of the TOP 25 insurers by assets (24%) are in the PSI signatories list, while 19 of them were non-PSI signatories
- 83% of the TOP 25 insurers by assets who are PSI signatories are based in Europe and 60% of them are offering Advanced microinsurance products while 40% are offering beginning level microinsurance products

Figure 8: TOP 25 insurers by assets and PSI vs non-PSI and microinsurance distribution by stage

- All TOP 25 insurers by assets who are PSI signatories are offering microinsurance products either in the Advanced or beginning stage.

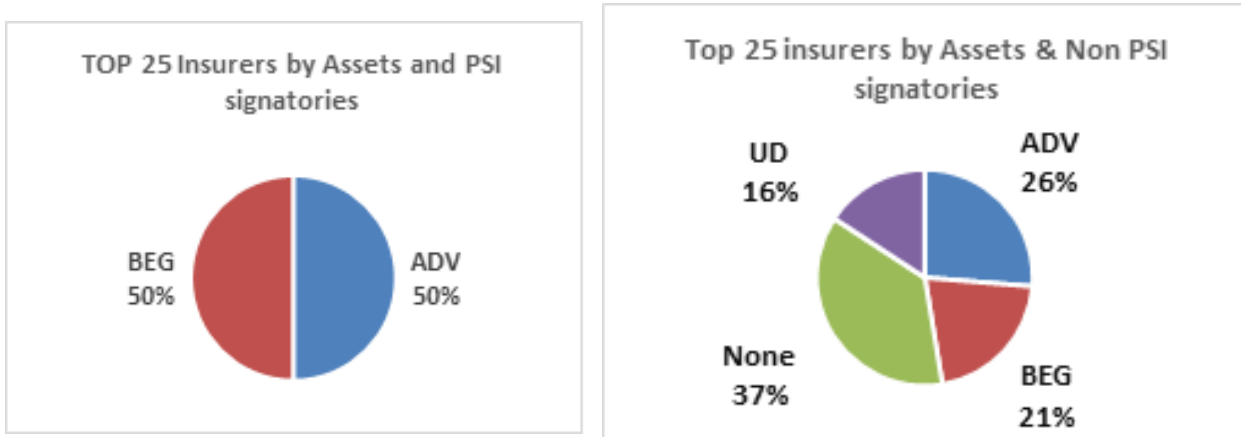


Figure 9: Frequency of microinsurance activity based on insurance type for TOP 25 insurers by assets and PSI signatories

- Life and health microinsurance are the two widely offered types of insurance among this category of insurers. The chart below illustrates the frequency of each microinsurance activity among the Top 25 insurers by assets and PSI signatories.

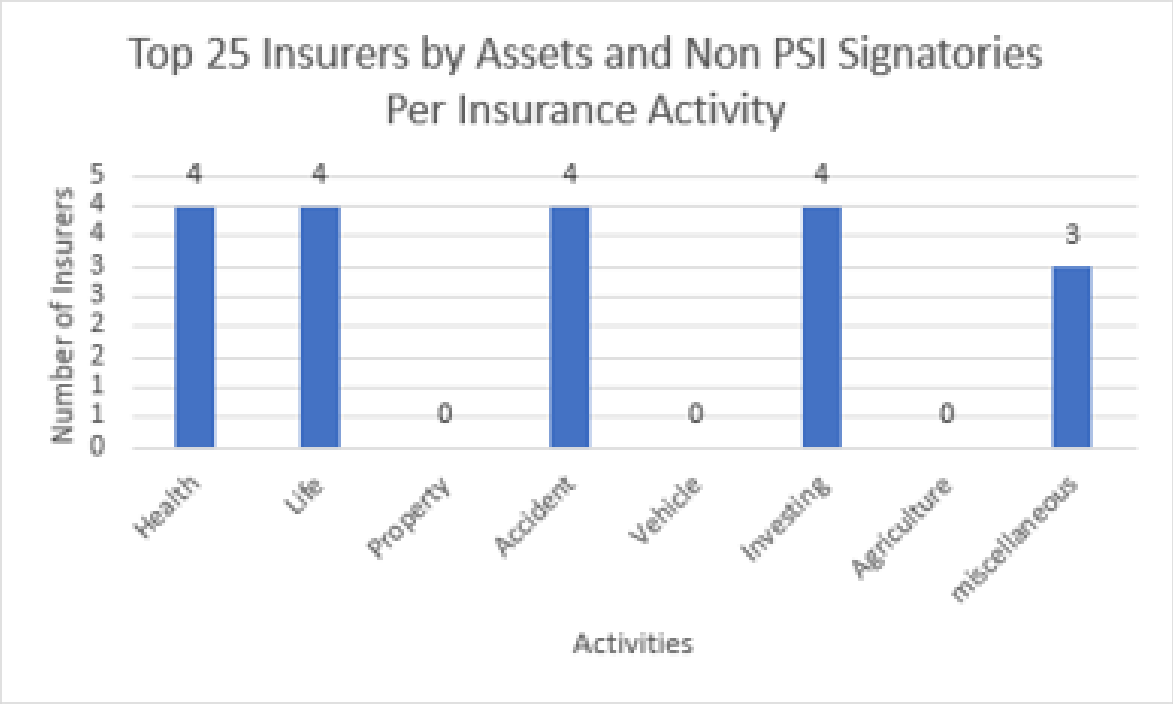


Figure 10: Location of microinsurance activity based on insurance type for TOP 25 insurers by Assets and PSI signatories

The map below illustrates the regions where TOP 25 insurers and PSI signatories are offering microinsurance. All regions highlighted have the red and blue pattern which indicates the offering of both life and health insurance. Health and Life Insurance activities are spread out mainly amongst Latin America, Africa and Asia with most activities taking place in Brazil.

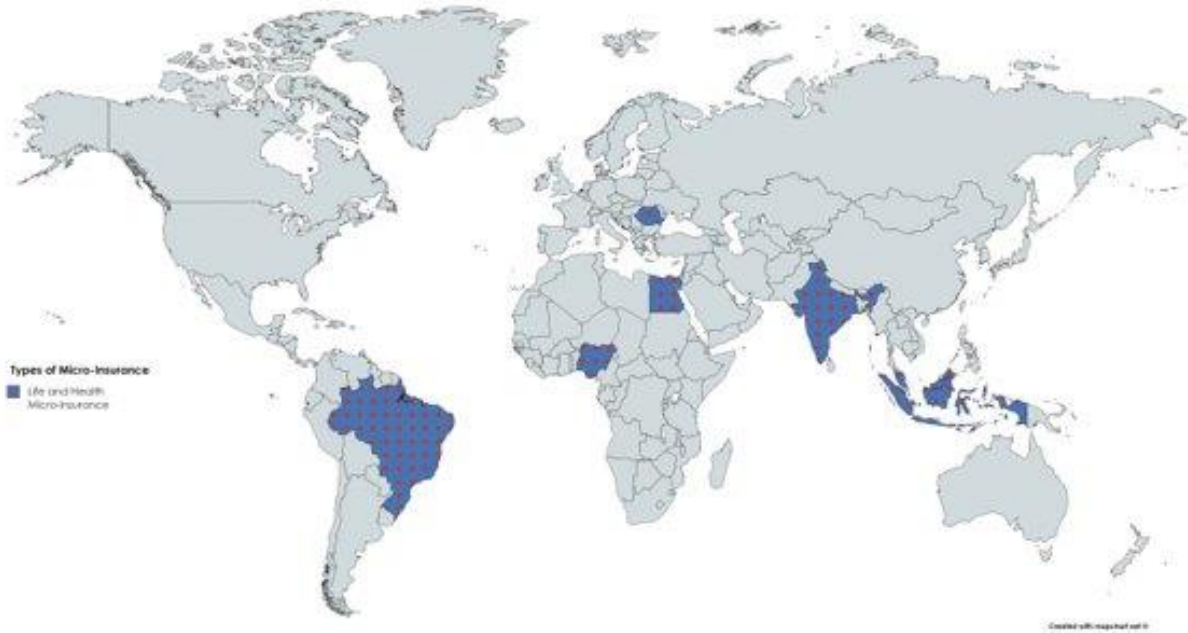
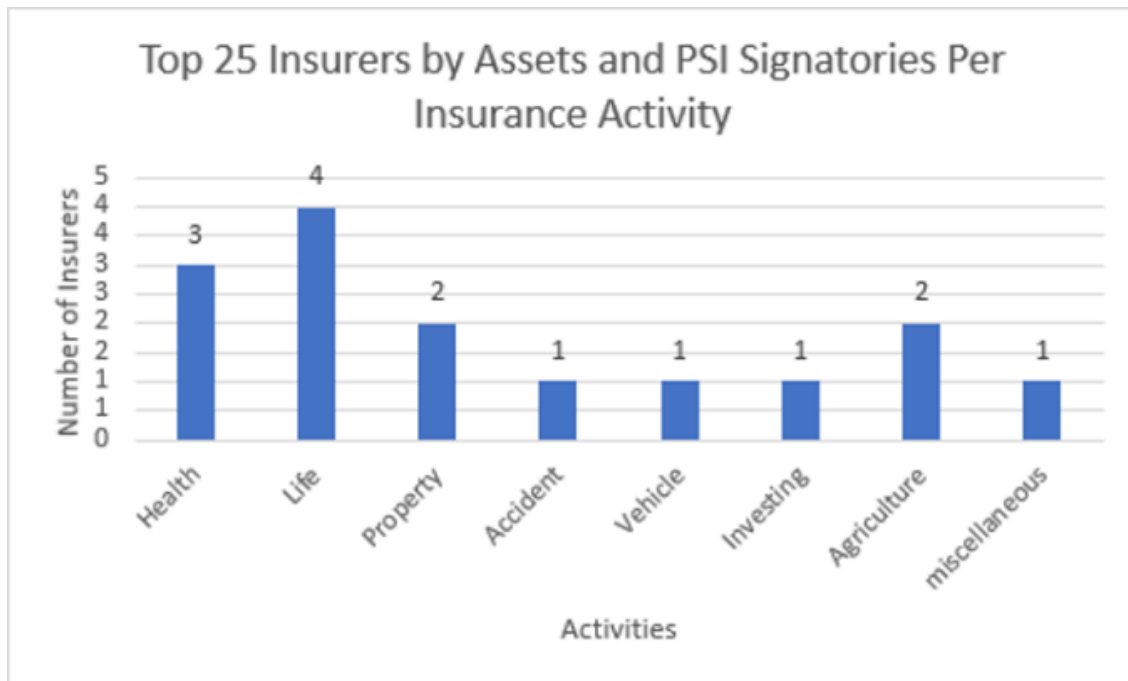


Figure 11: Frequency of microinsurance activity based on insurance type for TOP 25 insurers by assets and non-PSI signatories



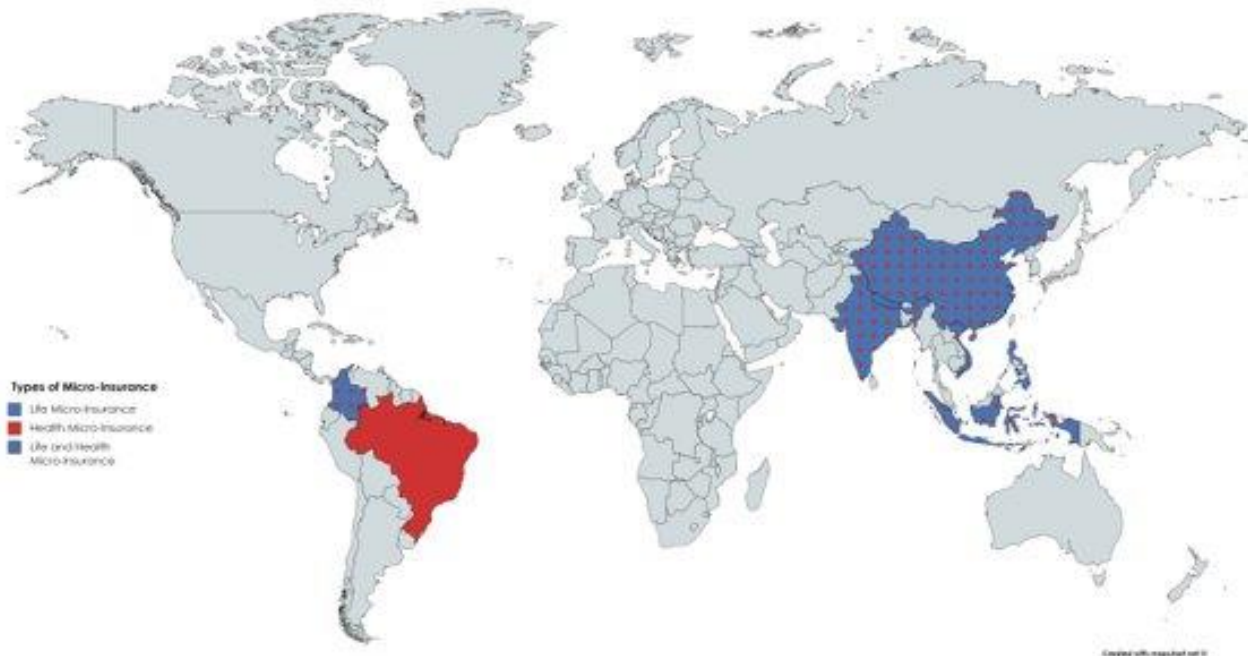
- 76% of the TOP 25 insurers by assets are not PSI signatories and 37% of them have no mention of microinsurance in their CSR report or website with 57% of the companies based in the Asia Pacific region and more specifically Japan.

- 26% and 21% of the TOP 25 insurers by assets who aren't PSI signatories are offering advanced and beginning microinsurance products respectively. The latter are homogeneously distributed across the different insurance types listing: health, life, accident, investing and miscellaneous microinsurance. Below is a graph illustrating the frequency of each type of insurance across the TOP 25 insurers by assets and non-PSI signatories.

Figure 12: Location of microinsurance activity based on insurance type for TOP 25 insurers by Assets and non-PSI signatories

When investigating the regions where microinsurance is offered by the TOP 25 insurers by assets and non-PSI signatories, we found that that Health and Life Microinsurance activities are taking place within 8 countries as illustrated in the map below. Red is indicating Health microinsurance activity, while blue is referring to Life microinsurance and regions with both patterns indicating both life and health microinsurance.

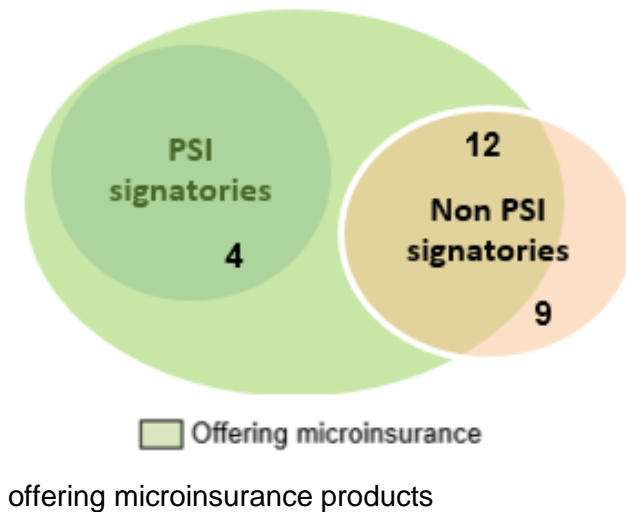
- 62% of the countries shown have both Life and Health micro-insurance activities occurring



- Health and Life Insurance activities are spread out amongst Asia and Latin America with higher concentration in Brazil.
- From the analysis, we can deduce that PSI signatories' companies in TOP 25 insurers by Asset's list are more apt to offer microinsurance products than non-PSI signatories in the same list. The later may explained by PSI signatories undertaking to enhance the ESG aspects while conducting their core business. This hypothesis will later be tested in the coming sections of the report where we investigate the microinsurance activity of PSI signatories without them necessarily belonging to the TOP 25 insurers by Assets or premiums' list.

TOP 25 Insurers by Premiums:

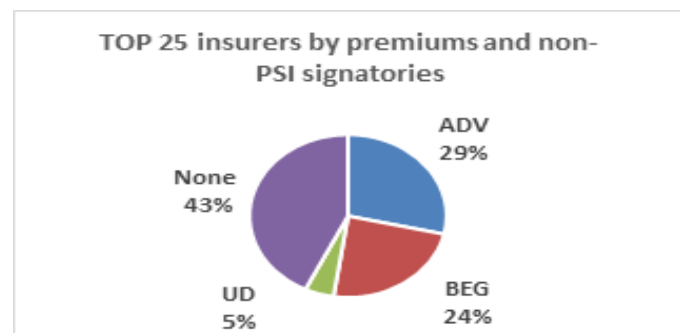
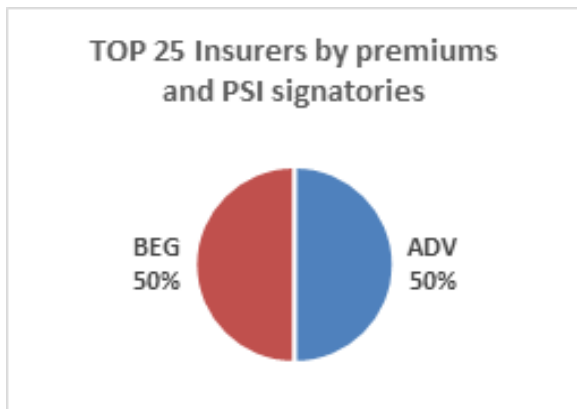
Figure 13: TOP 25 insurers by premiums and PSI vs non-PSI signatories



From our list of TOP 25 insurers by premiums, we found out that:

- 4 out of the TOP 25 insurers by premiums collected (16%) are PSI signatories with 100% of those insurers offering advanced (50%) to beginning stage (50%) microinsurance products.
- 84% of the TOP insurers by premiums are not PSI signatories and only 57% of those insurers are

Figure 14: TOP 25 insurers by premiums and PSI vs non-PSI signatories and microinsurance distribution by stage



- 89% of the TOP insurers by premiums collected who aren't PSI signatories and aren't engaged in microinsurance activity are based in North America and more specifically USA, while the other 11% insurers are based in Japan.
- TOP 25 insurers by premiums who aren't PSI signatories are less likely to be engaged in microinsurance activity, since 100% of PSI signatories in the TOP 25 list are offering microinsurance products compared to only 57% for non-PSI signatories in the same list.

PSI signatories

Figure 15: PSI signatories and microinsurance stage based on insurer’s headquarter location

- From our list of 117 insurers, 71 insurers (61%) were PSI signatories, the table below illustrates the regional headquarters’ location of all the insurers in our sample that are offering microinsurance in all the previously defined stages: ADV, BEG, UD and no reporting (None).

Regions	ADV	BEG	None	UD	Grand Total
Africa	1	1	4	1	7
Asia Pacific	3	5	3	1	12
Bermuda	0	0	2	0	2
Europe	8	6	13	2	29
Latin America	2	0	8	4	14
Middle East	0	0	1	0	1
North America	0	2	4	0	6
Grand Total	14	14	35	8	71

- 40% of the PSI signatories are based in Europe.
- 49% of the PSI signatories are not offering microinsurance and have no mention of it in their CSR reports or website. 41% of those insurers are based in Europe while 20% and 17% of them are based in Latin America and the Asia Pacific region, respectively.

Figure 15: PSI signatories and microinsurance stage based on insurer’s headquarter location

- About 40% of PSI signatories in our sample are offering advanced to beginning stage microinsurance products, while 11% of them are in the pre-early stages of developing their microinsurance line.

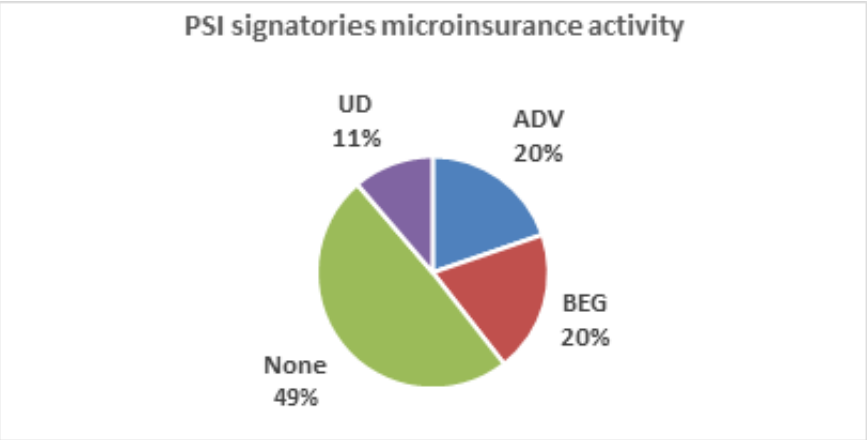


Figure 17: Frequency of microinsurance activity based on insurance type for PSI signatories

- Health and Miscellaneous Insurance Activities had the most Insurers followed by Agriculture, life insurance and investing. Below is a chart illustrating the number of insurers per each insurance type.

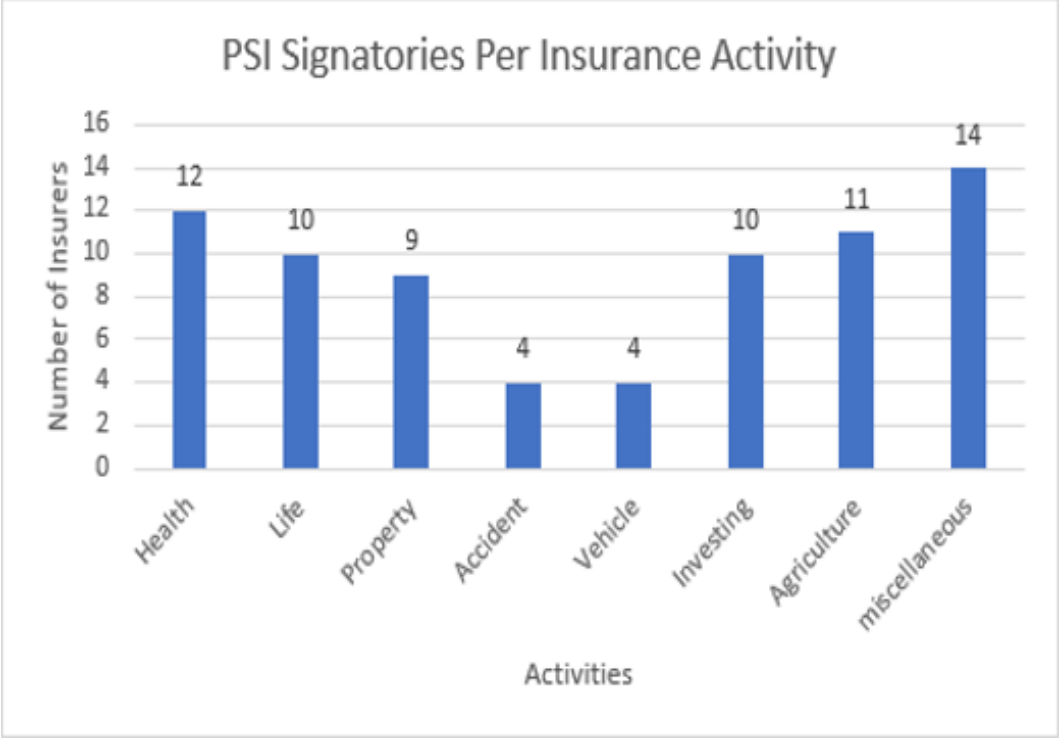
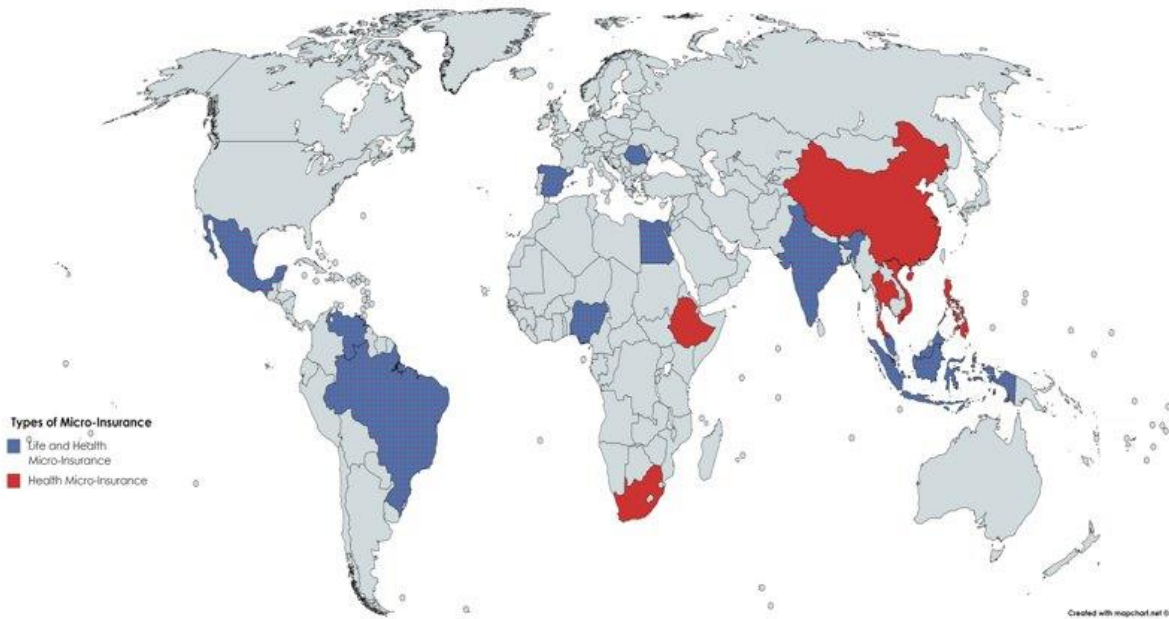


Figure 18: Location of microinsurance activity based on insurance type for PSI signatories

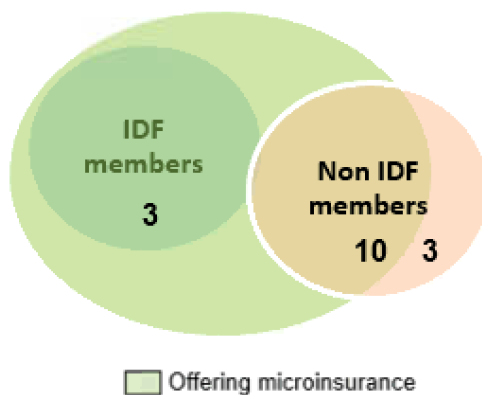
- 50% of PSI Signatories offered Health insurance, Life Insurance or both as illustrated in the map below. Health and Life Microinsurance activities are taking place within 16 countries
- 63% of the countries shown have both Life and Health micro-insurance activities occurring
- Health and Life Insurance activities are mainly based in Latin America Africa and Asia.



- From the analysis of PSI signatories, we can deduce that PSI signatory status doesn't have a major impact on insurers' microinsurance activity unless the insurer is within the TOP 25 insurers by assets or premiums collected. This variance in performance between small and big insurers may be explained by the limited resources that relatively small insurers face to fund their microinsurance initiatives. This would suggest that TOP 25 insurers by assets or premiums have access to larger funds to finance their microinsurance activities and hence we would expect them to be more performant in microinsurance and social initiatives. The later hypothesis will be investigated in a later section of the report where we analyze the performance of insurers in the different lists (PSI signatories, IDF members, MiN members, TOP 25 insurers by assets or premiums) based on the sustainable social Criteria.

Microinsurance Network members:

Figure 19: MiN members and IDF vs non IDF members



- Our sample only included the insurers from the microinsurance network members. We were able to get the data for 16 insurers. We decided to divide our sample of microinsurance network members into two subsamples: MiN members and IDF members vs MiN members and non IDF members.
- 3 out of the 16 microinsurance network members (19%) are IDF members and 100% of them are offering microinsurance products.
- 3 out of the 13 microinsurance network members who are non IDF members have no mention of microinsurance in their CSR reports or website. This is mainly due to the lack of transparency in reporting.

Below we have the distribution of MiN members by IDF membership, headquarters location as well as their involvement in microinsurance.

Figure 20: MiN members and IDF vs non IDF members

Status	IDF Member				
Region	ADV	BEG	None	UD	Grand Total
Europe	2	0	0	1	3
Grand Total	2	0	0	1	3

Status	Non IDF Member				
Region	ADV	BEG	None	UD	Grand Total
Africa	4	0	0	0	4
Asia Pacific	5	0	0	0	5
Cayman Islands	0	0	1	0	1
Europe	0	0	1	0	1
Latin America	0	0	1	1	2
Grand Total	9	0	3	1	13

Figure 21: MiN members and microinsurance distribution by stage

The chart below illustrates the involvement of microinsurance network members in microinsurance. 81% of the members are offering microinsurance and are transparently sharing that information in their sustainability reports and website. However, microinsurance reporting must be reinforced among the 19% of the insurers who are not disclosing their microinsurance activities.

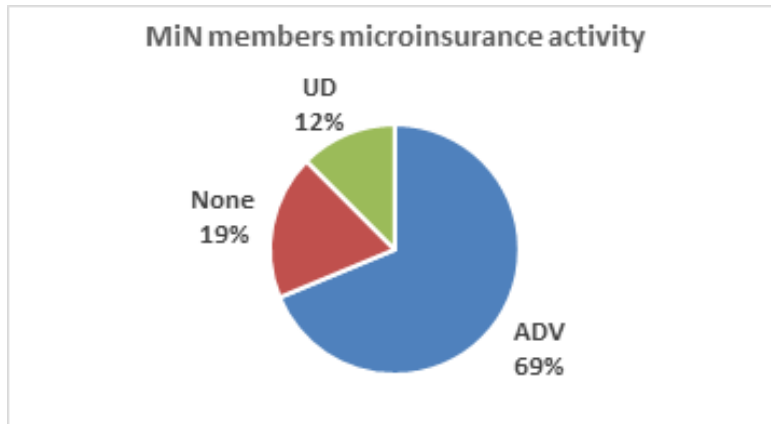
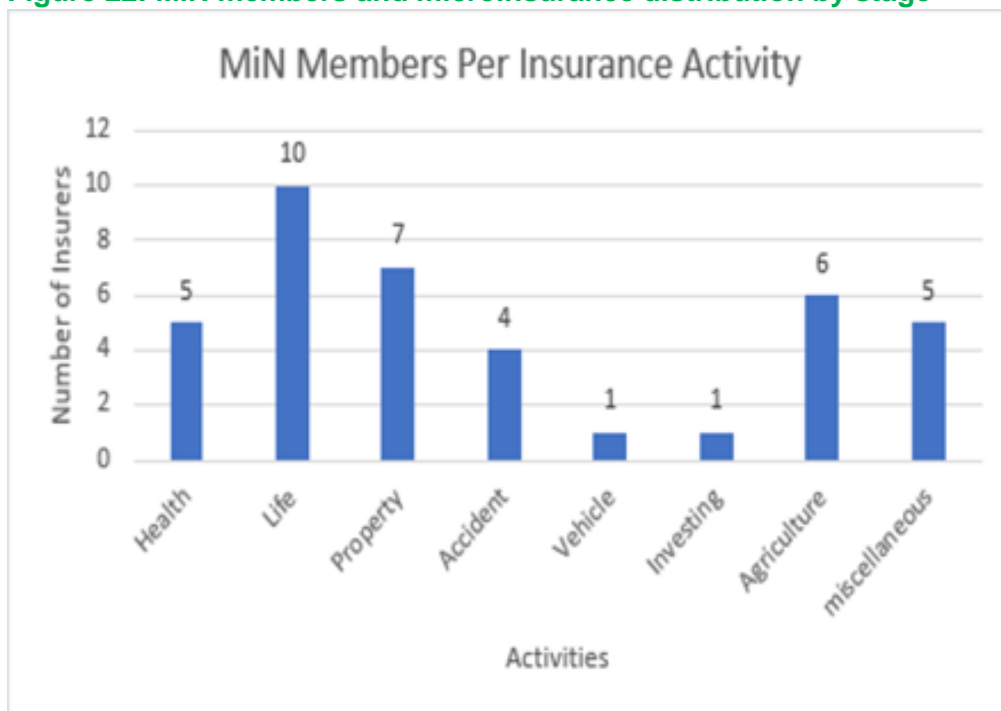


Figure 22: MiN members and microinsurance distribution by stage



From our analysis, we were able to deduce that microinsurance network members who are also IDF members are more likely to be transparent in reporting their microinsurance activities than non IDF members. Lack of transparency in reporting is a crucial issue facing the microinsurance market. The latter hinders the growth of the microinsurance initiatives and deflates them.

Figure 23: MiN members Life and Health Insurance Distribution

- Life and Property insurance were the most observed lines of microinsurance among MiN members
- 63% of MiN members surveyed offered products related to Life insurance, Health insurance, or both.



- Life and Health microinsurance activities are found in 18 different countries
- These countries were mainly found in South American, African, and Asian regions

IDF members:

Figure 24: IDF members and microinsurance distribution by stage

- 12 insurers (10%) in our sample were IDF members
- 83% of the IDF members are offering microinsurance products in the following stages: advanced (58%), beginning (8%) and underdeveloped (17%) .
- 17% of the IDF members aren't engaging in microinsurance and have no mention of microinsurance in their CSR reports nor websites and are based in Bermuda.

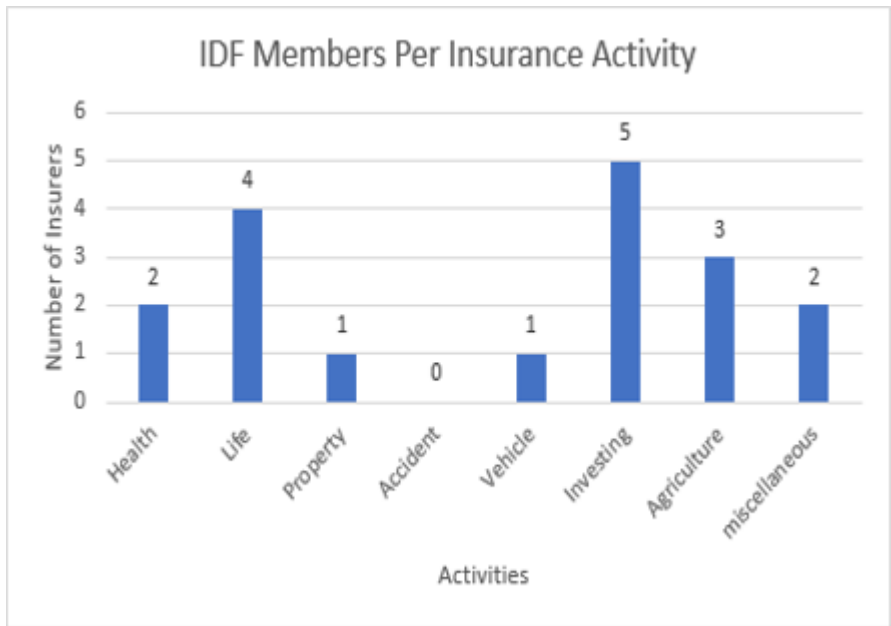
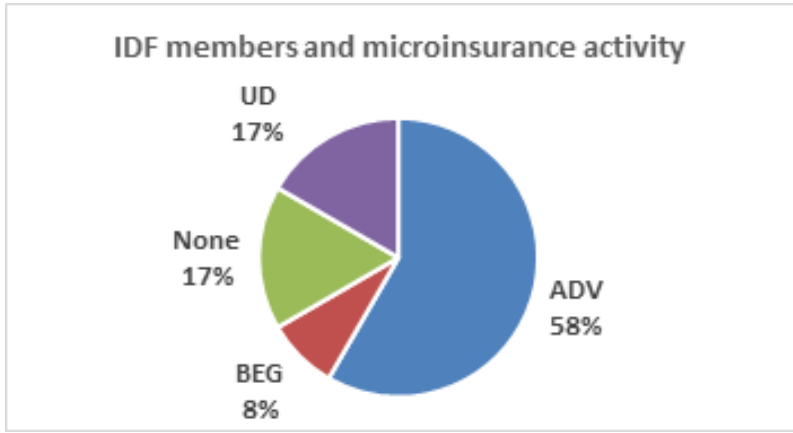


Figure 25: IDF members and microinsurance stage based on insurer's headquarter location

Below we can see a table illustrating the regional distribution of IDF members based on their involvement in microinsurance. 67% of the IDF members are based in Europe and are mostly engaging in advanced microinsurance.

Figure 26: IDF members and microinsurance stage based on insurer’s headquarter location

10 of the 12 IDF members surveyed engaged in some form of ADV, BEG or UD Microinsurance activities

- Life and Investing Insurance activities had the most Insurers
- 42% of IDF members surveyed offered Health insurance, Life Insurance or both

Region	ADV	BEG	None	UD	Grand Total
Asia Pacific	1	0	0	0	1
Bermuda	0	0	2	0	2
Europe	5	1	0	2	8
North America	1	0	0	0	1
Grand Total	7	1	2	2	12

Section 6: Sustainable Social Criteria:

Defining Analyzed Criteria for Sustainable Social Criteria

For this portion of our data, we decided to look at whether the firms had reported engagement in a total of 6 different sustainable social criteria tangentially related to microinsurance. These criteria included:

- **Risk Management Education:** The company has reported involvement in offering or supporting individual specific or small business risk management education
- **Micro Credit:** The company has reported engagement in micro-lending or micro-credit operations
- **General Education:** The company has reported involvement in offering or supporting general education programs or experiences to the community
- **Nutrition & Water:** The company has reported involvement in offering or supporting initiatives set forth to improve community access to nutrition and water
- **Women Empowerment:** The company has reported involvement in offering or supporting women empowerment programs. These programs can vary in nature, and range from programs that support pregnant mothers to combating domestic violence
- **Youth Empowerment:** The company has reported involvement in offering or supporting youth empowerment programs. These programs include things like supporting athletics and youth groups.

The methodology of finding whether a company was involved in each criterion was consistent with the rest of the research. This information was ascertained through consistent scouring of company reports and websites.

Top 25 Insurers by Assets & Sustainable Community Initiatives

The chart below takes a deeper look into the Top 25 Insurers by Assets. Overall, these 25 large insurance carriers were found to score well in the sustainable social criteria, with four of the six criteria having at least 84% reporting. The top initiatives from this group included Nutrition and Water at 96%, and Risk Management Education Initiatives at 88%. The bottom performers from this group Microcredit Initiatives at 52%, and Youth Empowerment Initiatives at 56%.

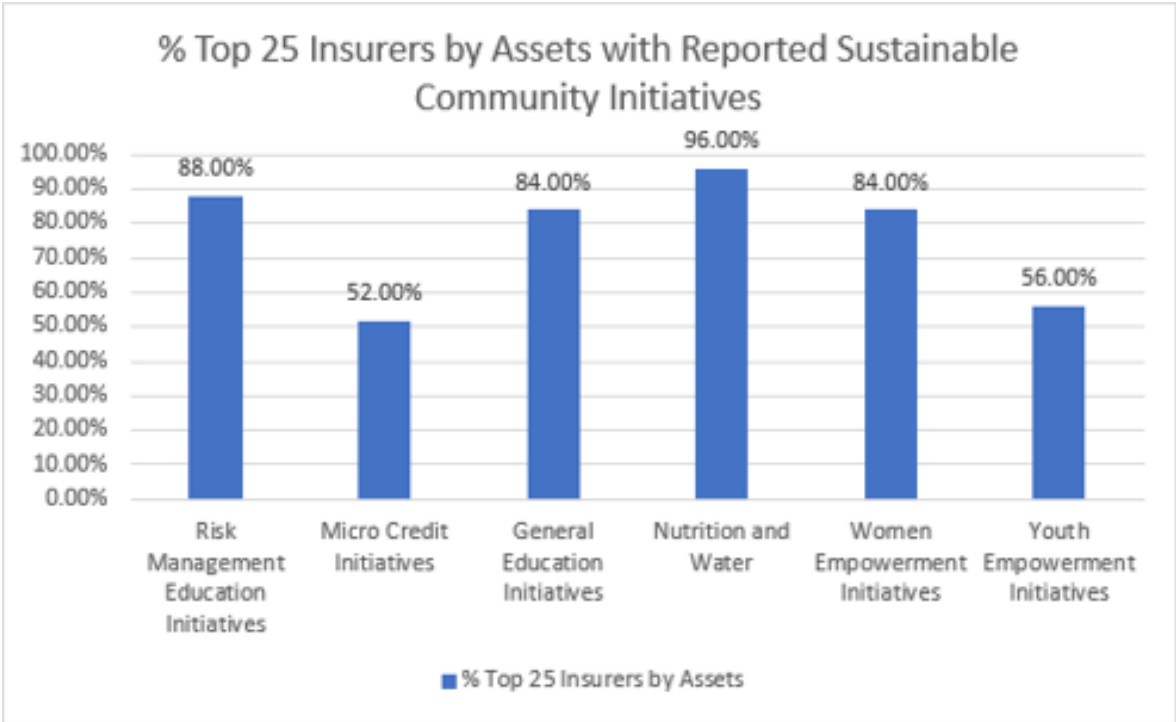


Figure 27: Sustainable Community Initiatives among Top 25 Insurers by Assets

Top 25 Insurers by Assets & PSI and Microfinance Initiatives:

For the Top 25 Insurers by Assets & PSI and Microfinance Initiatives, all 6 Top 25 Insurers by Assets that are also PSI signatories were found to support microfinance and microcredit initiatives. Out of the remaining 19 insurers in the Top 25 by Assets list, only 7 of them were found to support Microcredit. These findings are consistent with the rest of our data that the Top 25 Insurers by Assets that are non-PSI signatories have superior reporting in Microfinance and Microcredit.



Figure 28: Top 25 by Assets and PSI – Microcredit Figure

Top 25 Insurers by Assets & PSI:

Furthermore, the Top 25 Insurers by Assets that are also PSI Signatories had superior reporting in all the sustainable social criteria. They were found to have 100% reporting in Women Empowerment, Nutrition and Water, Micro Credit Initiatives, and Risk Management Education. Along with our Microinsurance findings, this cohort of companies was found to have the most robust reporting amongst those analyzed.

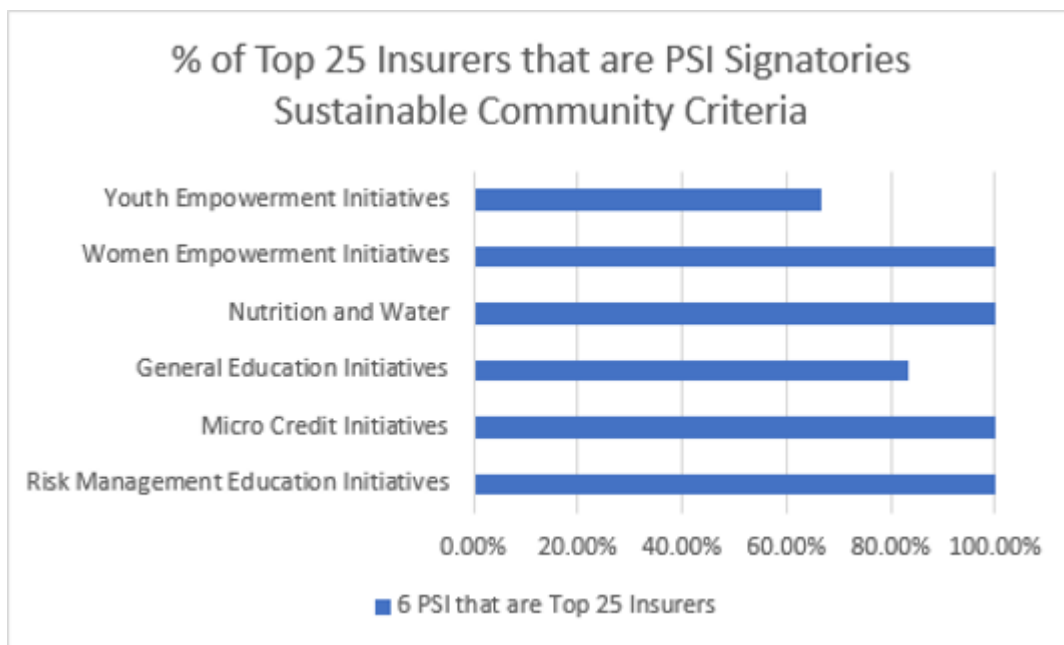


Figure 29: Top 25 by Assets and PSI – Sustainable Social Criteria

Women Empowerment Across the Globe

Women Empowerment is a social program that is more commonly found in certain areas of the world than others. This graph is meant to demonstrate where we were able to find some of the countries that offered the programs. Countries in red have one or more PSI Signatories with Women Empowerment, countries in blue have one or more Top 25 by Assets companies with Women Empowerment, and countries with stripes have both. The countries without notation on this map does not mean that there are no companies offering Women Empowerment programs, but that there were no companies in our sample that had reported it.

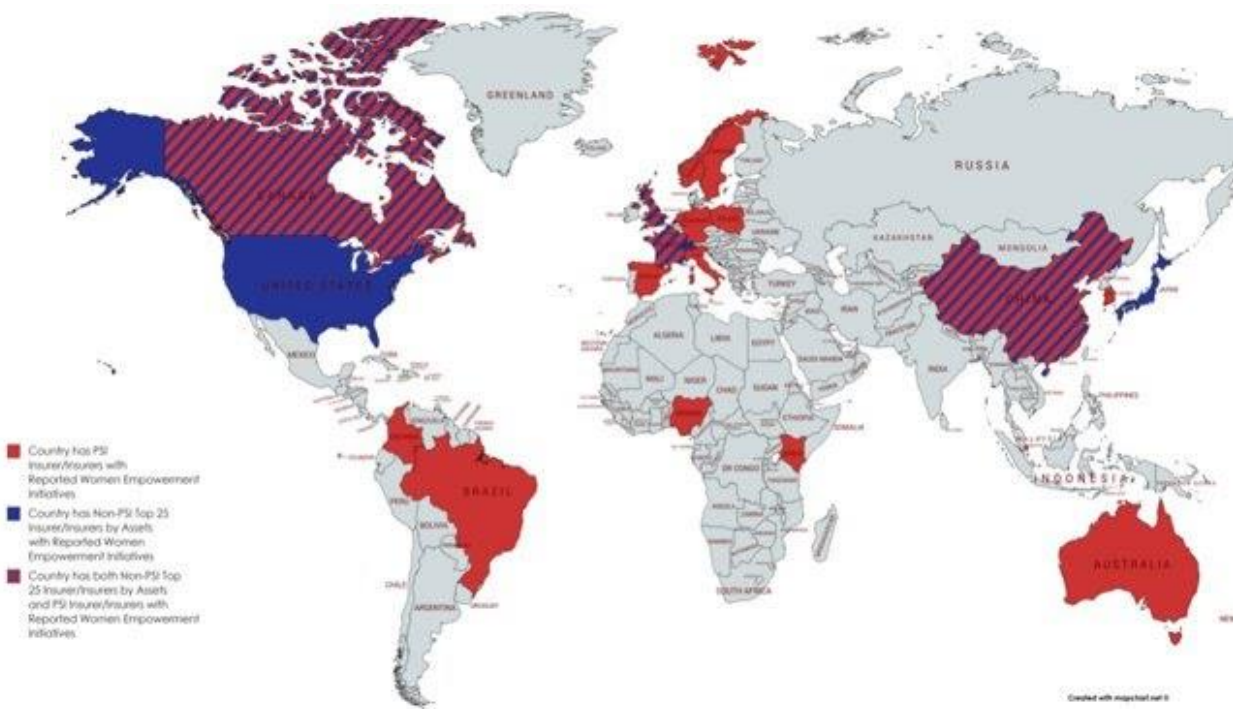


Figure 30: Geography of Women Empowerment Initiatives

Top 19 Brokers by Country

Originally started with top 20 insurance brokers. Jardine Lloyd Thompson purchased by Marsh and McLennan in April 2019. The top brokers are overwhelmingly American, with 15 of the top 19 being located within the United States. Perhaps this plays a role in the lack of social sustainability programs that are reported amongst this group.

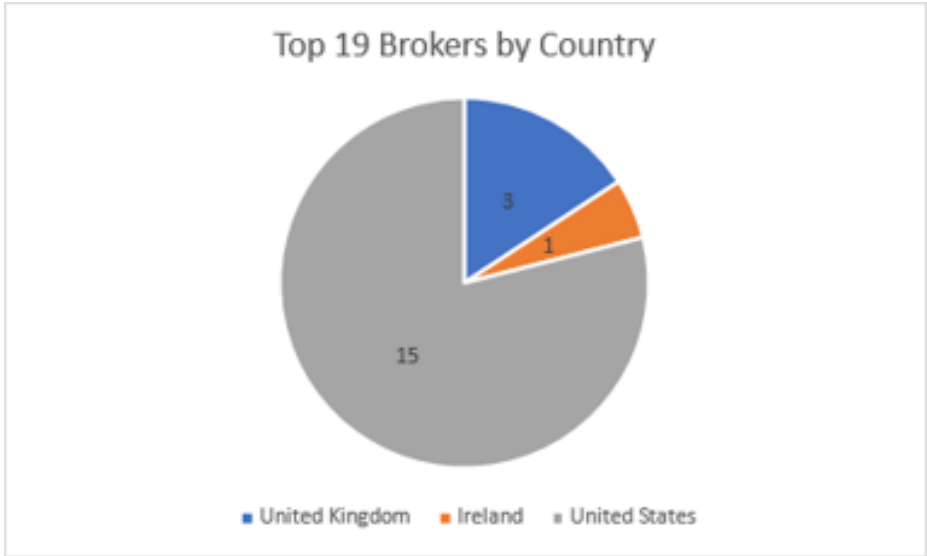
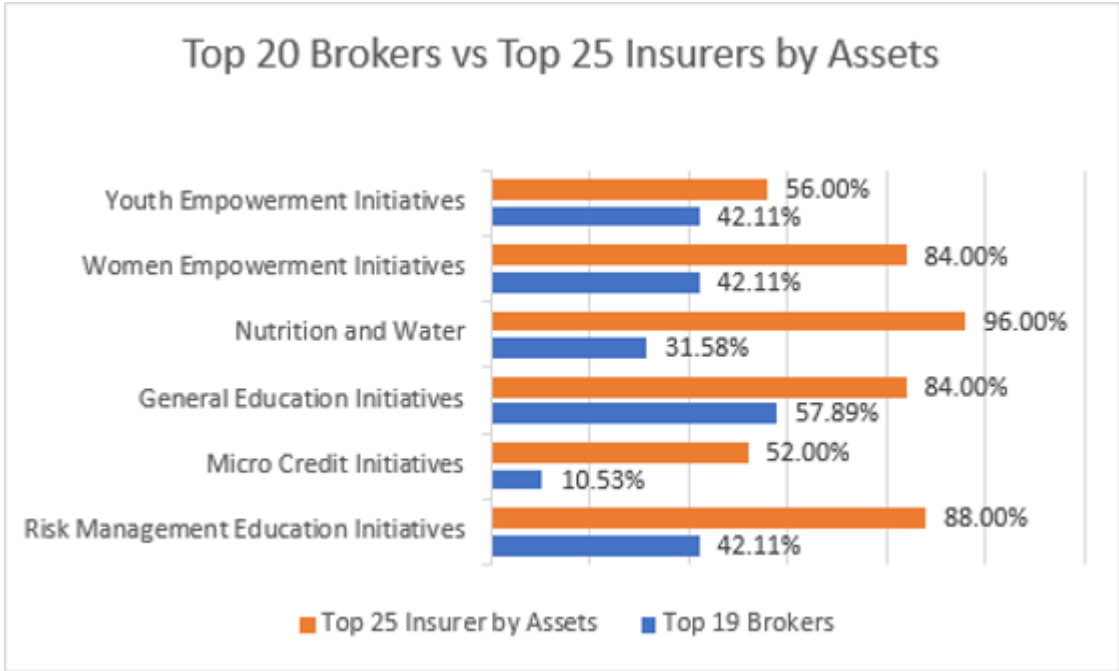


Figure 31: Top 19 Brokers by Country

Top 20 Brokers vs Top 25 by Assets

The Top 20 Brokers were found to have worse reporting than the Top 25 Insurers by Assets in all 6 sustainable community initiatives analyzed. Some of the most significant reporting differences are found in Nutrition and Water, Risk Management Education, and Women Empowerment initiatives. It is not known as to why this may be, but some of these differences can be attributed to a lack of reporting on the Broker side.

Figure 32: Top 20 Brokers vs Top 25 by Assets

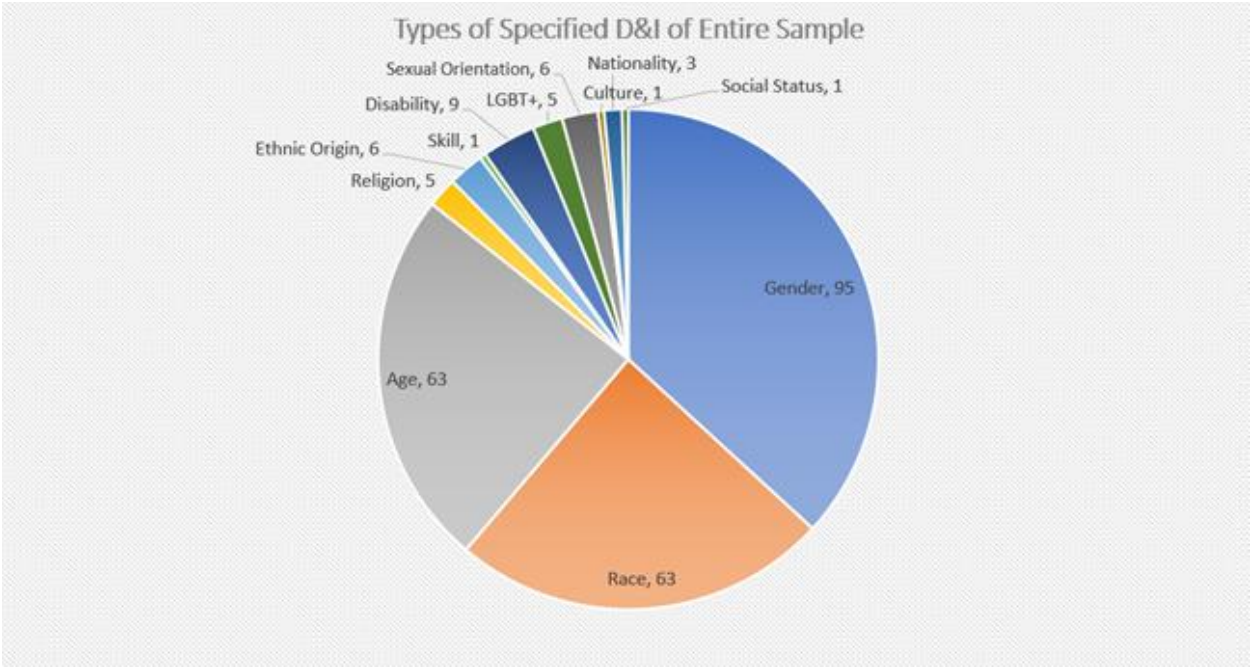


Section 7: Diversity and Inclusion

Defining Criteria

As mentioned in the beginning of the report, along with observing the microinsurance initiatives within the sample of top 25 insurers by assets, top 25 insurers by premiums, PSI Signatories, Microinsurance network members, IDF members, and top 20 brokers by revenue, diversity and inclusion initiatives among the sample were observed as well. The three criteria used to evaluate the samples diversity and inclusion involvement include engagement in diversity and inclusion, specified type of diversity and inclusion, and diversity and inclusion in leadership. Engagement in diversity and inclusion was reported if the firm mentioned hiring a diverse workforce, or other related diversity and inclusion initiatives. The specified types of diversity and inclusion included gender, age, race, religion, ethnic origin, skill, disability, LGBT+, sexual orientation, culture, nationality, and social status. Finally, leadership in diversity and inclusion was reported if the firm had executives, managers, or board members that specifically represented the firm’s diversity and inclusion initiatives that actively promoted diversity and inclusion in leadership.

Figure 33: Types of Specified D&I of Entire Sample



The chart above shows a breakdown of the specified types of diversity and inclusion previously mentioned. Each of the reported types of diversity and inclusion was out of 136 firms (117 insurers and 19 brokers) as stated in section 1. The top 3 reported specified types were gender with 95 of the 136 firms, and age and race both with 63 of 136 firms mentioning it within their CSR and/or sustainability reports. The remaining types are reported as follows:

- Disability: 9 of 136 firms
- Sexual orientation: 6 of 136 firms

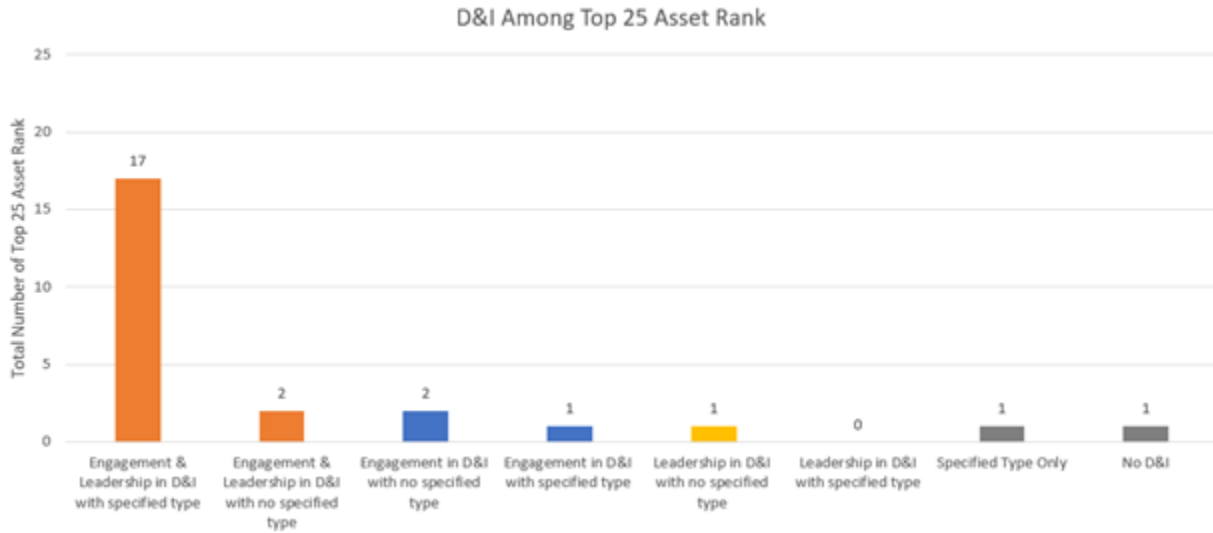
- Ethnic origin: 6 of 136 firms
- Religion: 5 of 136 firms
- LGBT+: 5 of 136 firms
- Nationality: 3 of 136 firms
- Skill: 1 of 136 firms
- Culture: 1 of 136 firms
- Social status: 1 of 136 firms

Although much data came from the 136 firms and their reported diversity and inclusion initiatives and involvement, one thing that was very prominent was the lack of reporting of social/sustainability related matters. More specifically, 30 of the 136 firms had no mention of any diversity and inclusion within their website, reports, or press articles.

Top 25 Insurers by Assets

Breaking down our sample further, data was analyzed specific to the top 25 insurers by assets. As you will see in the chart below, there are 4 colored sections. The orange encompasses engagement in diversity and inclusion, the blue depicts just engagement in diversity and inclusion, the yellow shows leadership in diversity and inclusion only, and the grey section includes specified type only (no engagement or leadership) and no diversity and inclusion whatsoever. Of the 25 insurers in the top 25 asset rank, 17 reported engagement and leadership in diversity and inclusion with a specified type (refer to previous subsection on defining criteria), while 2 reported engagement and leadership without specifying a type. 2 of the firms reported engagement only without a specified type, and 1 with engagement only with a specified type. There was 1 firm who reported leadership only without a specified type. No firms reported leadership with a specified type. Finally, there was 1 firm who did not report any engagement or leadership but did mention a specific type within their reporting, and there was 1 firm who reported nothing related to diversity and inclusion. Generally, the top 25 insurers by assets were involved with reported their diversity and inclusion initiatives well.

Figure 34: D&I Among Top 25 Asset Rank



Top 25 Insurers by Assets + PSI Signatories

Within the top 25 insurers by assets, there are a few firms that are PSI Signatories as well. As you can see in the pie chart below, 6 of the top 25 insurers by assets are PSI Signatories.



Figure 35: Number of PSI Signatories Among Top 25 Asset Rank

Of those 6 PSI Signatories, 4 reported both engagement and leadership in diversity and inclusion with a specified type, 1 reported engagement and leadership without a specified type, and 1 reported engagement only without a specified type. None of the 6 PSI Signatories reported only leadership in diversity and inclusion with or without a specified type, and none reported no diversity and inclusion at all

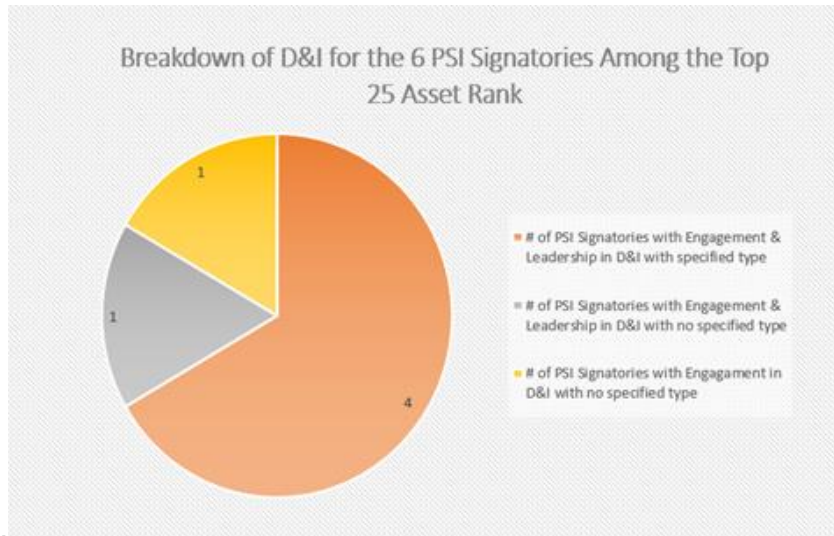
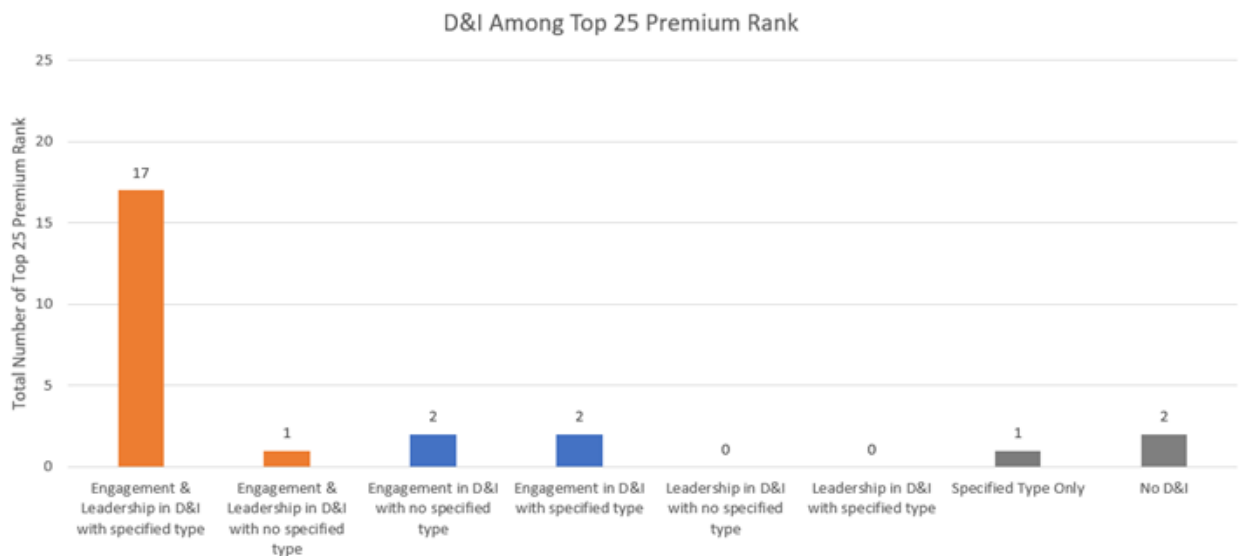


Figure 36: Breakdown of D&I for the PSI Signatories Among the Top 25 Asset Rank

Top 25 Insurers by Premiums

Moving on to top 25 insurers by premiums, the chart follows the same structure of the chart associated with top 25 insurers by premiums. Of the 25 insurers in the top 25 premium rank, 17 reported engagement and leadership in diversity and inclusion with a specified type, while 1 reported engagement and leadership without specifying a type. 2 of the firms reported engagement only without a specified type, and 2 with engagement only with a specified type. No firms reported leadership only with or without a specified type. Finally, there was 1 firm who did not report any engagement or leadership but did mention a specific type within their reporting, and there were 2 firms who reported nothing related to diversity and inclusion. This is almost identical to the top 25 insurers by assets, with just slight differences to differentiate the two.

Figure 37: D&I Among Top 25 Premium Rank



Top 25 Insurers by Premiums + PSI Signatories

Within the top 25 insurers by premiums, there are a few firms that are PSI Signatories as well. As you can see in the pie chart below, 4 of the top 25 insurers by assets are PSI Signatories.



Figure 38: Number of PSI Signatories Among Top 25 Premium Rank

Of those 4 PSI Signatories, 2 reported engagement and leadership in diversity and inclusion with a specified type, 1 reported engagement in leadership without a specified type, and 1 reported engagement only without a specified type. Leadership with or without a specified type was not reported, and none reported no diversity and inclusion at all.

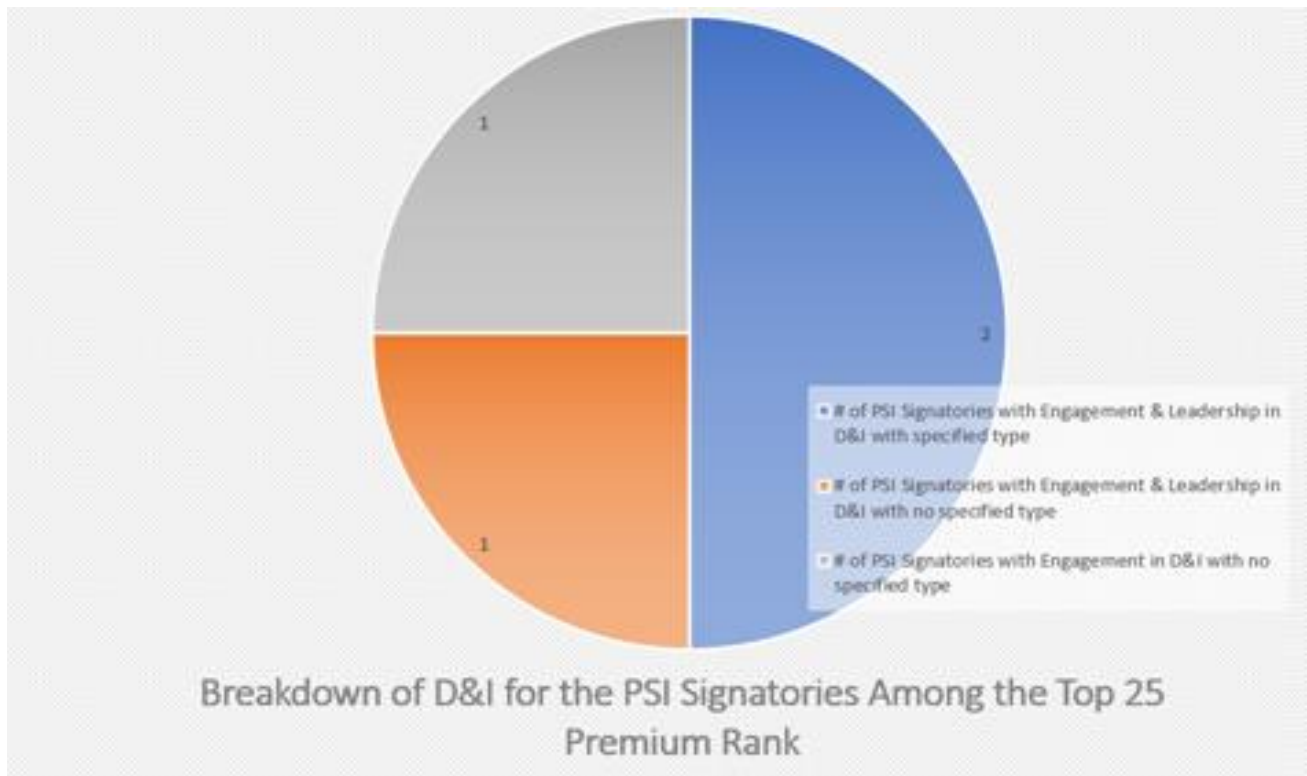


Figure 39: Breakdown of D&I for the PSI Signatories Among the Top 25 Premium Rank

PSI Signatories

PSI Signatories were the largest group in the sample by far. The data collected on PSI Signatories consisted of 78 firms in total, however, 4 of those firms had little to no transparency or reports online that could be located. For that reason and for the preservation of the data analysis, the following data was collected of the 74 firms with reporting that could be found. The structure of the graph below is consistent with the graphs shown in the top 25 insurers by asset rank and top 25 insurers by premium rank. 49 of the 74 PSI Signatories reported engagement and leadership in diversity and inclusion with a specified type. 2 of the 74 PSI Signatories reported engagement and leadership without a specified type. In the engagement only section 5 of the 74 had engagement with a specified type, and 3 had engagement without a specified type. None of the PSI Signatories reported only leadership. Most interestingly, 2 of the 74 reported just a specified type of diversity and inclusion, and 12 reported no diversity and inclusion whatsoever. This clearly strays from what was observed with the top 25 insurers by assets and top 25 insurers by premiums in that there are quite a few firms did not report diversity and inclusion activity.

Figure 40: D&I Among PSI Signatories

