

To: Sustainability WG, Public Affairs & Communications Committee, Solvency II WG.

## EIOPA publishes its report on biodiversity risk management by insurers

On 30 June 2025, the European Insurance and Occupational Pensions Authority (EIOPA) published its [report on biodiversity risk management by insurers](#). The report is the first European supervisory report mapping current practices and challenges in the identification, measurement, and management of biodiversity risks by (re)insurer as part of the existing Solvency II risk management framework. It analyses market practices based on the existing regulatory requirements for the identification and management of sustainability risks in the [Solvency II Directive](#) and [Delegated Regulation](#).

The report follows a **public consultation (December 2024 – February 2025)**, to which **Insurance Europe submitted a response** ([here](#)).

In a nutshell, the report states the following:

- Biodiversity loss, or more broadly nature-related risk, can result in significant economic and financial risks, potentially threatening financial stability. It can affect investment values, increase insured losses and reshape insurers' risk profiles.
- Insurers are significantly exposed to nature-dependent investments, while underwriting exposure remains difficult to assess due to limited data.
- Biodiversity risk is complex, with strong links to climate risk. but translating indicators into risk metrics remains difficult.
- Integration into risk frameworks is at an early stage, with most assessments qualitative and focusing on emerging risks like reputation, liability and investments.
- EIOPA highlights promising practices, but calls for better data, methodologies and focus on high-risk business lines.
- EIOPA urges targeted action on the climate-biodiversity nexus and will support capacity-building across supervisors and industry on biodiversity-related risk management.

### Next steps

- The secretariat will analyse the report and get back to members in due course.

### For more info

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