

**ESG RISK MANAGEMENT IN THE INSURANCE DISTRIBUTION CHAIN IN  
BRAZIL: A CASE STUDY**

**NADIA DE BARROS ALCANTARA**

FACULDADE DE ECONOMIA, ADMINISTRAÇÃO E CONTABILIDADE DA UNIVERSIDADE DE SÃO PAULO - FEA

**FERNANDO ANTONIO GODOY DE SOUZA**

USP - UNIVERSIDADE DE SÃO PAULO

**MARCIO GDALETA**

FACULDADE DE ECONOMIA, ADMINISTRAÇÃO E CONTABILIDADE DA UNIVERSIDADE DE SÃO PAULO - FEA

**JEFFERSON LUIZ BUTION**

FACULDADE DE ECONOMIA, ADMINISTRAÇÃO E CONTABILIDADE DA UNIVERSIDADE DE SÃO PAULO - FEA

## **Introdução**

The growing complexity of regulatory, technological, social, and climate-related challenges has led companies to adopt structured risk management. ESG risks—environmental, social, and governance—have become central, especially in insurance, due to its systemic role. These risks differ from traditional ones, posing measurement and coordination challenges across value chains. This study analyzes ESG risks in Brazil’s insurance distribution chain using Oliva’s (2016) maturity model, highlighting how management maturity influences risk identification and response in a key insurer’s operations.

## **Contexto Investigado**

This study analyzes ESG risks from the perspective of a major Brazilian insurer with nationwide operations across diverse insurance lines and channels. With strong physical and digital presence, it serves individuals and businesses through a broad network of brokers and partners. As the core link in the value chain, the insurer connects reinsurers, distributors, and service providers. Using Oliva’s (2016) model, the study explores ESG risks across the chain, highlighting efforts in sustainability governance, regulatory compliance, stakeholder engagement, and eco-efficient digitalization.

## **Diagnóstico da Situação-Problema**

The insurance sector faces growing pressure to integrate ESG criteria into risk management, given the complexity and long-term nature of ESG risks. Insurers, as key intermediaries, must go beyond traditional roles to support sustainable transitions. Studies show that poor ESG performance increases exposure to operational, reputational, and compliance risks. In Brazil, most firms now recognize socio-environmental risks, yet formal policies remain limited. This study explores how insurers can adopt systemic, collaborative approaches using Oliva’s (2016) maturity model to bridge current gaps.

## **Intervenção Proposta**

To assess ESG risks from a major Brazilian insurer’s perspective, a single case study was conducted, enabling direct engagement with key stakeholders. Initial steps included an exploratory interview and document review to identify ESG-related agents and risks. Then, 18 semi-structured interviews were held with experienced professionals from the public and private sectors. The process allowed co-creation of insights and revealed that suppliers and clients are the primary sources of ESG risks due to their high impact and mitigation complexity.

## **Resultados Obtidos**

The study mapped ESG risks across the insurance value chain using Oliva’s (2016) maturity model, revealing suppliers and clients as the most critical sources. Suppliers showed high-probability environmental risks (e.g., waste and air pollution) and social risks tied to outsourced labor. Clients posed high-impact risks related to environmental liabilities, governance gaps (fraud, lack of succession planning), and value misalignment. Other agents—distributors, competitors, regulators, and “value destroyers”—also presented ESG risks, though with less direct impact on core business operations.

## **Contribuição Tecnológica-Social**

The application of Oliva’s (2016) maturity model enabled detailed mapping of ESG risks, agents, and relationships within the insurer’s value chain, revealing critical gaps and opportunities. The model proved effective as a diagnostic and strategic tool, supporting tailored governance solutions and integration across stakeholders. Aligned with COSO (2017), ISO (2018), and Gualandris & Kalchschmidt (2016), it reinforces insurers’ roles as ESG promoters. Its adoption strengthens resilience, fosters innovation, and offers a replicable approach for managing ESG risks in complex, regulated markets.