Sustainability Blog

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4th PwC International Sustainable Finance Conference “From Sustainability Reporting to Value Creation”

Presentations by senior experts from the financial sector, regulators such as the European Commission and EIOPA, academia, and civil society, followed by discussions.

The fourth annual PwC International Sustainable Finance Conference was held on June 3rd, 2025. The theme for this year, “From Sustainability Reporting to Value Creation,” guided the presentations by senior experts from the financial sector, regulators such as the European Commission and EIOPA, academia, and civil society, followed by discussions. The following questions were addressed: How can financial institutions benefit economically and strategically from sustainability data? What are the key opportunities of net zero transition plans? How can future resilience and insurability be ensured? What financing demands are in place for an effective energy transition?

The Conference opened on the 34th floor in the PwC tower’s experience center with two distinguished keynote presentations from the European Commission and the International Sustainability Standards Board (ISSB).

The EU Competitiveness Compass and the Omnibus proposals

Sven Gentner from the European Commission presented the changes included in the EU Omnibus proposals as well as next steps. The primary objective is to reduce reporting burdens, in particular for Small and Medium-sized Enterprises (SMEs) while preserving the overall content of the regulation. Interoperability with existing international standards is seen as a key success factor.

The so-called Stop the Clock Proposal has already been published in the EU Official Journal and has to be transcribed by EU member states by the end of the year. The EU Trilogue negotiations are challenging to predict, but the CSRD Content Proposal is anticipated to be finalized at the beginning of next year. EFRAG is expected to deliver its technical advice on the proposed simplified European Sustainability Standards (ESRS) by the end of October. With the discontinuation of sector-specific ESRS, the European Commission continues to gather feedback on the necessity of sector-specific guidance. In the context of political developments in the USA, the European Commission remains committed to its own strategy of integrating competitiveness with resilience and sustainability.

Who Owns the Future? Sustainable Value and the Global Baseline

Veronika Pountcheva from the ISSB emphasized that a global baseline is the absolute minimum when it comes to sustainability reporting. The quality of reporting and the applicable standards vary significantly based on factors such as the size of the reporting company and its geographical location. As of now, 35 jurisdictions have already decided to use or are taking steps to introduce ISSB Standards in their legal frameworks.

Following a stakeholder consultation, the ISSB is researching biodiversity and human capital to potentially develop related standards, taking into account other international standards. The availability and quality of data, as well as interoperability with CSRD and financial reports, require further enhancement.

CSRD implementation: Value creation through sustainability reporting?

A workshop on CSRD implementation highlighted progress and further opportunities in moving from initial compliance and data setup challenges to leveraging sustainability data for steering and cost reductions through efficiency gains. Key topics included the need to improve data quality by implementing new data management processes and opportunities through enhanced cross-departmental collaboration, creating a better understanding of business risks and opportunities that can be used for strategic purposes. It was also emphasized that there is still a limited comparability of KPIs due to differing approaches.

Implementing Net Zero Transition Plans

Another workshop covered the opportunities and challenges of net zero transition plans, which are action plans for meeting climate goals with specific milestones. The financial sector plays a critical role in facilitating the transition to a sustainable economy by promoting decarbonization strategies within its financing and underwriting practices. To effectively monitor their climate objectives, financial institutions rely on accurate ESG data from their counterparties. Additionally, the financial sector is crucial as a risk manager. For instance, insurance companies necessitate transition plans to address the escalating climate risks in their portfolios and maintain long-term competitiveness.

Overall, it was emphasized that several key points are vital to ensuring a successful pathway to Net Zero: enhancing data quality, considering sector-specific decarbonization pathways, adopting a long-term perspective, and recognizing the inherent opportunities for the financial sector in facilitating companies' net zero transition.

Building resilience: Future insurability and new climate-friendly technologies?

During a workshop on future insurability, speakers highlighted the significant challenges that climate change presents to the insurance industry, particularly in Europe, which is experiencing rapid warming compared to other regions. This phenomenon has resulted in increased costs, with global losses projected to reach $145 billion by 2025, with only a quarter of these previously insured, thereby revealing a substantial protection gap.

The insurance industry is adapting to play a pivotal role in mitigating climate-related risks through partnerships, advancements in technology, and investments in renewable energy projects, thereby functioning as both risk advisors and investors. The European Insurance and Occupational Pensions Authority (EIOPA) emphasized the importance of accessible and affordable insurance to secure long-term climate resilience. Public-private partnerships were identified as a crucial mechanism for financing resilience initiatives, such as nature-based flood solutions, advocating for collaboration between insurers, banks, and investors. Implementing prudent and proactive measures can enhance the benefits provided by natural systems, reduce emissions, and strengthen resilience.

Financing The Energy Transition

The final keynote speaker, Dr. Kai Roger Lobo from the Verband Kommunaler Unternehmen (VKU) highlighted the significant investments needed to meet the ambitious energy transition targets. Most energy companies experience challenges in securing capital due to restricted external funding options, a reluctance to dilute ownership, and pressure from interest rates. There is a projected investment requirement of €721 billion by 2030. To address this, there is a need for innovative financing frameworks and tools, such as funds that utilize equity-like instruments to enhance debt leverage. These funds would be available to companies of all sizes, target long-term institutional investors, and benefit from state guarantees to improve their risk-return profile.

The impact of Net Zero Transition Plans

The final panel discussion brought together the perspective of the demand side of energy companies with the investor perspective and once more discussed the important topic of net zero transition plans. Speakers highlighted that sustainability should be integrated into corporate strategy as it affects the entire company and that it can be very effective to link executive salaries to climate objectives. Being a member of net zero initiatives like Science-Based Target Initiative (SBTI) or the Net Zero Banking Alliance (NZBA) can be helpful. A challenge raised was the need to comply with different legal requirements in the USA and in the EU.

Key takeaways

Financial institutions remain committed to decarbonisation despite reduced reporting requirements and geopolitical factors, driven by risk management. Supervisory authorities like the European Central Bank (ECB) and the European Supervisory Authorities (ESAs) recognize sustainability risks as systemic and are increasing pressure. Implementing net zero transition plans is key from a risk management perspective as climate and biodiversity risks are continuously increasing.

The financial sector serves a crucial function as a risk manager in the transition. It is imperative that resilience and sustainability are incorporated into financial and insurance products. Following the initial reporting year based on the Corporate Sustainability Reporting Directive (CSRD), the accumulated sustainability data can add value by being integrated into corporate strategy. To achieve the energy transition targets stronger collaboration between the investment and the demand side is important.

Thank you again to all distinguished speakers and physical and virtual participants! We are looking forward to welcoming you again next year and continuing to provide a platform for exchange on Sustainable Finance!

Further links:

- Studie: Nachhaltigkeitsstrategie im Versicherungsvertrieb
- CSRD-Benchmarking: Transitionspläne sind noch in Entwicklung, aber erste Schritte sind getan
- Erste Einblicke in die CSRD-Berichterstattung von Banken
- CSRD-Benchmarking: Kennzahlen aus der Versicherungsbranche
- Erste Einblicke in die CSRD-Berichterstattung von Banken und Versicherern

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To further PwC Blogs

Keywords

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