



Insurance
industry ESG
knowledge and
skills analysis
2023

About this report

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Foreword

Ireland's sustainable finance roadmap and skills of the future reports

- In October 2021, Ireland for Finance in conjunction with Sustainable Finance Ireland published Ireland's Sustainable Finance Roadmap. This report prioritised developing sustainable finance talent as a key pillar of the roadmap (Pillar 1 Action 2)
- Similarly The Financial Services in Ireland – Skills of the Future Report (published in June 2022) highlighted the need to “develop sustainable finance skills and talent within organisations”

Insurance industry ESG knowledge and skills analysis

- In this context, and acknowledging regulatory change at a local and European level, the Sustainable Finance Skillnet engaged with Insurance Institute of Ireland, Insurance Ireland, Brokers Ireland and the LIA to undertake research in recognition of the need for upskilling in the area of ESG in the insurance industry.
- As a result of this Sustainable Finance Skillnet engaged KPMG Ireland to carry out research as outlined in this report.



Objectives and methodology



Objectives

- The objective of this study is to identify **where the insurance industry is today** in relation to ESG capabilities and what it needs to do to **upskill for tomorrow**
- In particular the report aims to address the following topics and questions:
 - Overall market awareness of ESG across the Insurance sector
 - Current and future skills and talent needed for ESG knowledge growth and development
 - Current recruiting landscape for talent in the ESG space
 - How ESG skills and talent gaps can be narrowed

Methodology

Survey

- Survey conducted with 400+ members of Insurance Ireland, Insurance Institute, LIA and Brokers Ireland to gather views on the ESG agenda within insurance/ broker firms as well as views on skills, capabilities and training

Interviews and consultations

- Received qualitative views and input from 9 firms from across the industry

Other research and data

- Scan of previously published reports and data (including LinkedIn job posting information)

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Executive summary

Executive summary



Industry drivers

- **51% of the industry has an appetite to take an ESG training course whilst 94% of the industry has no formal ESG training:** this is most prevalent amongst risk professionals, 74% of which expressed an interest in taking an ESG related course.
- **82% of global insurance companies have a firm-wide policy on responsible investing or ESG issues:** The ESG agenda is top of mind for global Insurance CEOs with the majority having sustainability policies in place.
- **Regulatory and reporting drivers are significant driver of change:** the Sustainable Finance Disclosure Regulation (SFDR), Corporate Sustainability Reporting Directive (CSRD), the Central Bank's CP 151 paper and the Insurance Distribution Directive (IDD) are examples of the types of legislation that insurance firms will need to navigate and understand as the ESG agenda continue to move the fore.
- **75% of GenZs prefer to base buying decisions on sustainability of the product, rather than prestige of the brand:** the evidence is clear that younger consumers in particular are increasingly factoring in ESG criteria into buying decisions.
- **Based on peer interviews there is recognition from across the Irish insurance landscape on the importance of the ESG agenda with acknowledgement that the life/investment side of the industry is more mature vs general insurance.**



Industry awareness

- **In total, there were 153 Irish based "ESG" jobs located in Ireland advertised on LinkedIn over a 3 week period with only 1% directly associated with the Insurance industry (3% of the total PAYE workforce, work in insurance):** insurance firms are not looking as much to the external market to fill ESG related skills and capability gaps versus other sectors.
- **People upskilling requirements was the lowest ranked factor in a relative ranking of a range of issues on the insurance industry:** regulatory costs, ESG related pressures on profitability and data & reporting requirements are top of mind.
- **58% and 63% of survey respondents consider social and governance issues respectively to be incorporated into policy and strategy within their firms vs 33% for environmental issues.**
- **33% of risk professionals consider themselves to have the necessary ESG skills and capabilities to carry out their role effectively compared to 80% of investment advisers:** the self assessed level of confidence in existing skills and capabilities varies significantly by role.



Skills and knowledge gaps

- **Basic ESG knowledge (“ESG 101”) is considered to be the most relevant skill/knowledge area across the majority of roles in insurance companies:** this was particularly evident for sales, claims, marketing and customer service and HR professionals with 20%+ across those role profiles considering it to be the number 1 related ESG skill most relevant to their role.
- **45% of the industry have a preference for a 1 day foundation course versus other modes of delivery:** this preference is greater at both below manager (51%) and C-suite (47%) grades. However, at larger organisations (1000+ employees), whilst a 1 day foundation course is still popular, only 29% of respondents considered it to be their preferred mode of delivery.
- **The perception of a lack of industry focus on ESG related issues and limited course availability are considered to be the top ranking challenges in the advancement of the ESG skills agenda:** limited capacity and lack of management support are second tier issues in comparison.



Recommendations and action plan

- **The consensus view suggests there is a need for an introductory ESG course that provides a high level interpretation of the key themes:** additional courses could be developed that would address a range of aims and outcomes as required.
- **In-depth courses should be delivered on a role specific vs topic specific basis to ensure knowledge, skills and learning are applicable and practical.**
- **There appears to be a lack of awareness industry wide on the depth and level of upskilling required to address knowledge gaps in the sector:** however, this varies by roles within organisations.
- **As ESG is an evolving risk and regulatory environment there will be a need to ensure course content is constantly under review and relevant.**



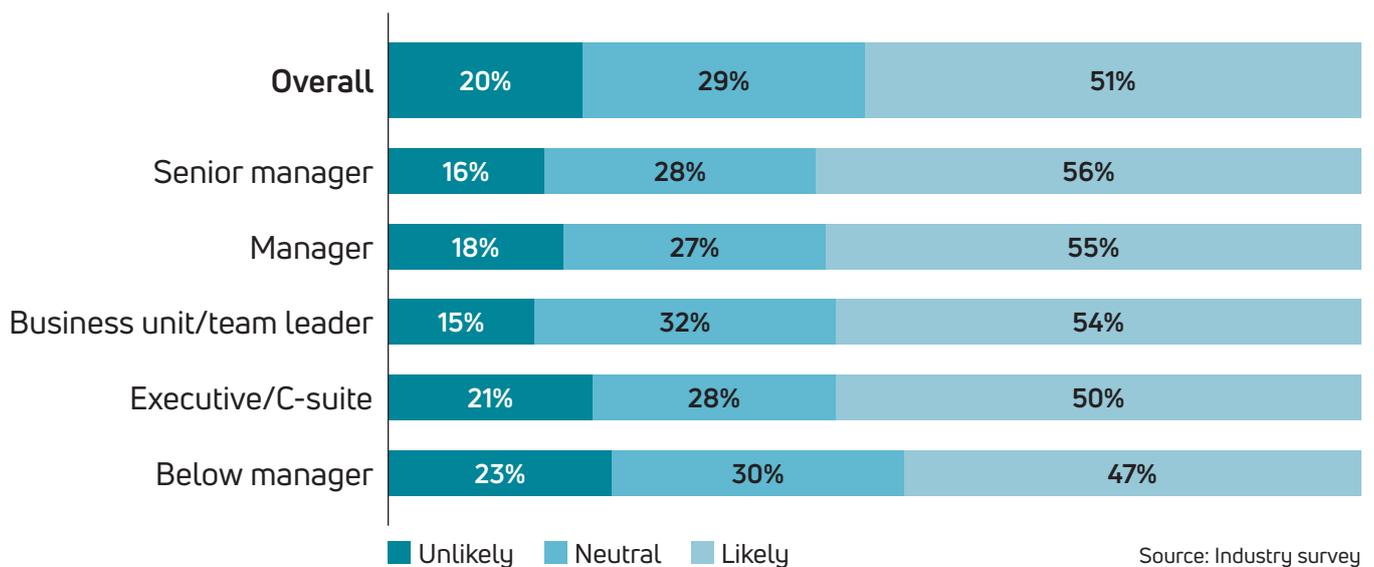
Industry appetite for ESG training



Appetite to undertake training: seniority view

Despite the belief that people have sufficient ESG skills and capabilities to carry out their current roles, there is still an appetite for recognised training programmes

How likely would you be to undertake a recognised programme in ESG if available to you?
(% respondents) n = 419



“ ESG and sustainability are now major societal talking points. People want to learn more and there is an appetite from across all areas of the organisation to do so.”

Head of Strategy, P&C insurer

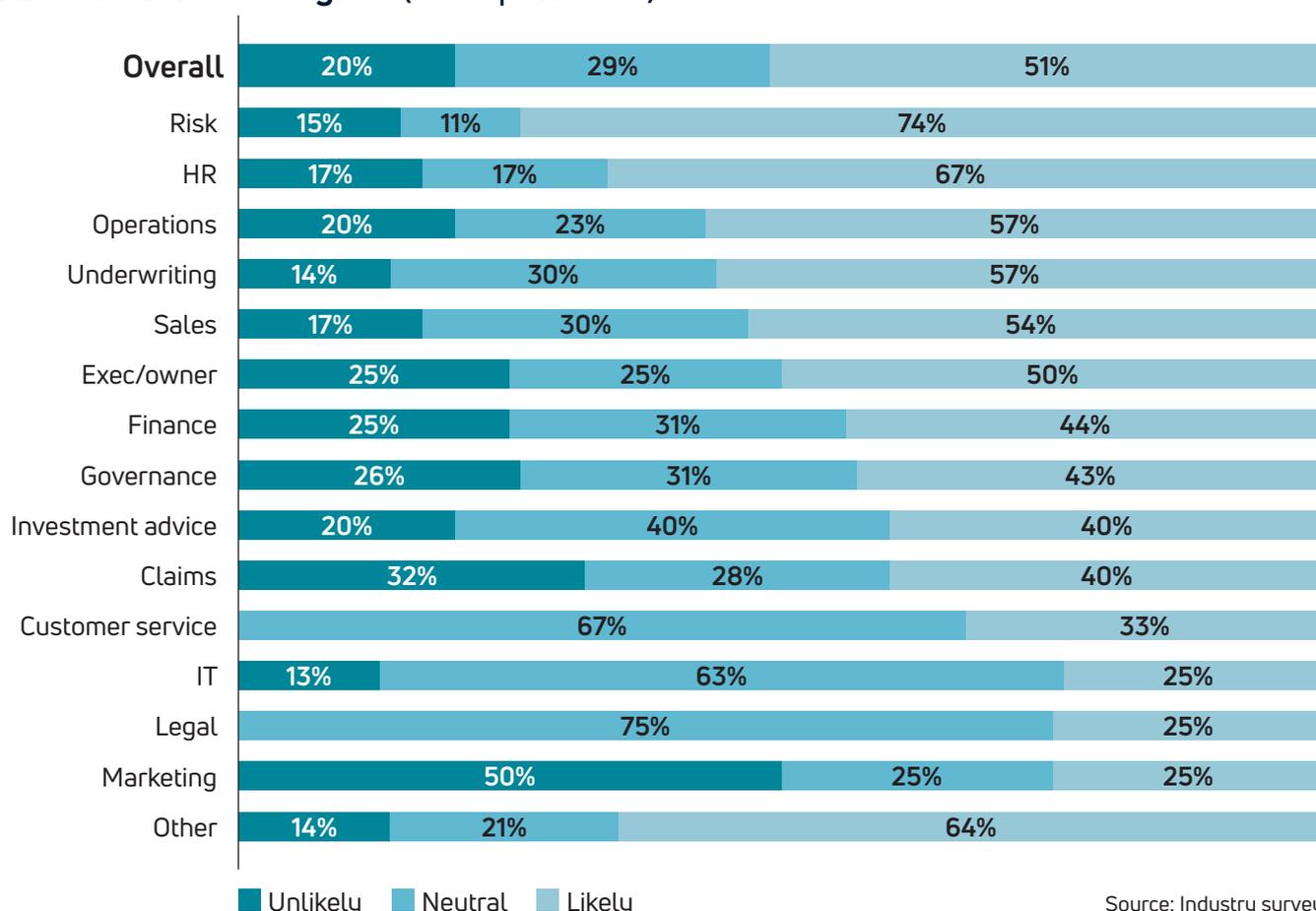
Key Observations

- Junior staff are most hesitant regarding undertaking an ESG related course despite the self-identified knowledge gaps.

Appetite to undertake training: role view

In general, insurance professionals have a strong willingness to undertake training in the area of ESG but the level of appetite varies by function

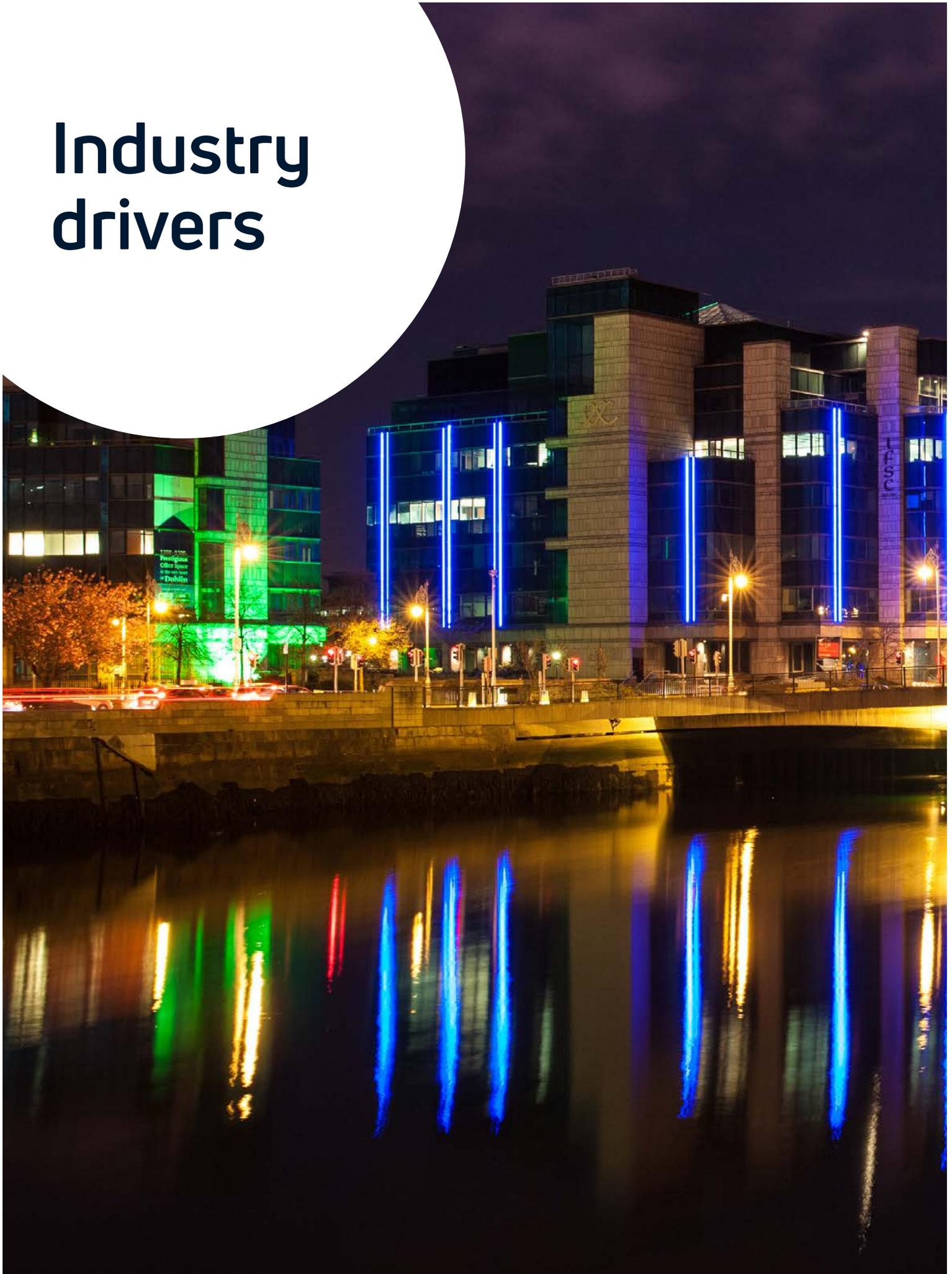
How likely would you be to undertake a recognised programme in ESG if available to you? (% respondents) n = 419



Key Observations

- There is very strong appetite amongst risk professionals to take an ESG related training (74% of respondents indicating they would be likely or extremely likely to undertake a recognised ESG programme if available to them)
- IT, legal and marketing professionals exhibited the most limited appetite with only 25% indicating they would be likely to take an ESG course.

Industry drivers



Global CEO agenda

ESG is a burning topic for insurance industry CEOs

Insurance CEOs' ESG challenges

52%

are seeing an increased demand from stakeholders for greater levels of reporting and transparency on ESG matters

43%

find it challenging to tell a compelling ESG story to stakeholders (investors, regulators, customers)

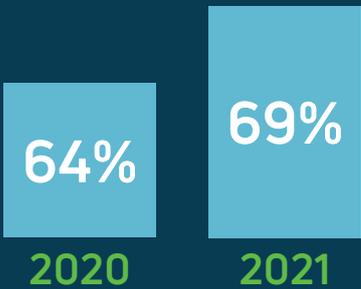
46%

indicated their companies' ESG programme resulted in a reduction in financial performance

ESG agenda items for CEOs

(% of respondents agreed with the statement)

Enhanced focus on "S" component of ESG



Leaders are **enhancing** their focus on the **social component** of their **ESG programme** up from August 2020. This does not reflect a lower focus on other areas of ESG.

Continued focus on environment and climate risk in 2021



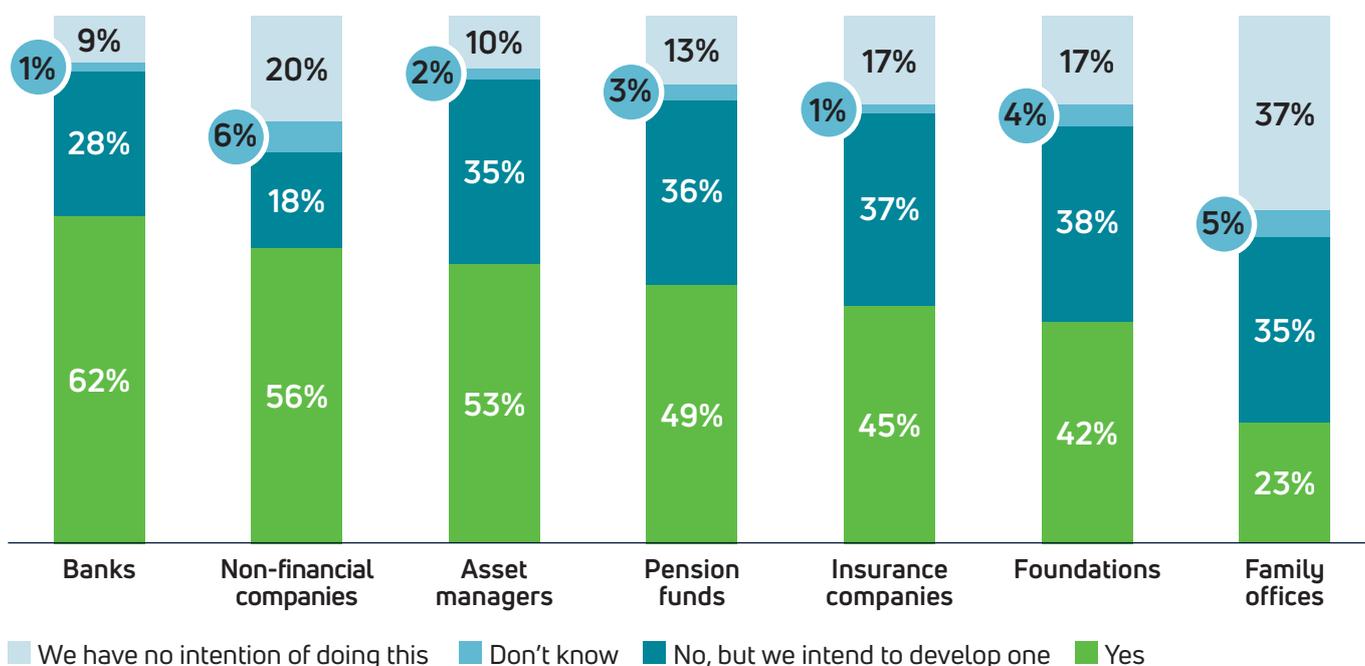
90% of CEOs are looking to lock in progress made on sustainability and climate change agendas via new ways of working adopted during the Covid crisis (e.g. adoption of digital practices, reduced travel, etc.).

Source: KPMG The Rising Importance of ESG report, CEO Pulse survey, 2021

ESG policy adoption by organisation type

At a global level, there is widespread adoption of policies on responsible investing and ESG across financial services firms

Financial services organisations with a firm-wide policy on responsible investing or ESG issues (%) (n = 1000)(1)



Source: (1) Sustainable financing and investing survey 2020, HSBC

Key Observations

- Banks and asset managers lead the way in adopting ESG policies with 90% and 88% respectively indicating that they have policies in place or intend to develop them.
- In contrast, the equivalent figure for insurance firms is 82%.

Regulatory landscape: CP151 Central Bank of Ireland

The CBI released consultation paper 151 guidance for insurance and reinsurance undertakings on climate change risk. It is based on 6 overarching principles.

01	Iterative approach	Initially simplifications or qualitative approaches may be required, however it is expected that the scope, sophistication and depth of the methods improves over time.
02	Key risk	Climate change is no longer an emerging risk and has transitioned to a key risk.
03	Double materiality	When performing their materiality assessment firms are expected to consider both the effect that climate change has on the activities of the (re)insurer and the impact that the (re)insurers' own activities have on the climate. The materiality assessment is expected to determine the extent of scenario analysis performed.
04	Role of the ORSA	The Own Risk & Solvency Assessment (ORSA) is central to forming a forward looking view through scenario analysis on the impact that climate change risk has on the setting of strategy, understanding the future business model and understanding the impact on investments, pricing, underwriting, reserving and capital across the value chain.
05	Time horizons	Firms should assess climate change risk, including materiality assessment and scenario analysis, over the short (5-10 years), medium (30 years or mid-century) and long term (80 years end century).
06	Group engagement	Where (re)insurers leverage group policies and activities, they should ensure that this input is appropriately adapted for the local entity, including an assessment of the appropriateness of a group ORSA for the local entity.

Source: CP151 Central Bank of Ireland, Guidance for (Re)insurance Undertakings on Climate Change Risk, KPMG

Regulatory landscape: SFDR

The Sustainable Finance Disclosure Regulation (SFDR) regulation imposes mandatory ESG disclosure obligations on financial market participants

<p>What is the SFDR?</p>	<ul style="list-style-type: none"> • The Sustainable Finance Disclosure Regulation (SFDR) imposes mandatory ESG disclosure obligations for asset managers and other financial markets participants (“FMPs”). • It was introduced by the European Commission alongside the Taxonomy Regulation and the Low Carbon Benchmarks Regulation as part of a package of legislative measures arising from the European Commission’s Action Plan on Sustainable Finance.
<p>Level 1 vs level 2 disclosures</p>	<ul style="list-style-type: none"> • Level 1 disclosures are firm and product level disclosures which require information about FMP policies on the identification and prioritisation of principal adverse sustainability impacts. Please note FMPs will also need to provide a description of sustainability impacts and of any actions in relation thereto taken or where relevant, planned as well as a summary of engagement policies. • Under the SFDR Level 2 requirements, funds within the scope of Article 8 and Article 9 of the SFDR will be required to submit Principle Adverse Impact (“PAI”) data, under certain circumstances.
<p>Central Bank of Ireland fast track disclosure</p>	<ul style="list-style-type: none"> • The Central Bank of Ireland has formally confirmed that it will facilitate a fast-track filing process for pre-contractual updates required under SFDR Level 2 and published a process clarification document in which it set down the parameters of this process.

Source: SFDR – a Snapshot, KPMG; Taxonomy Regulation Disclosures, KPMG; Central Bank of Ireland confirms SFDR level 2 fast track conditions, Matheson

Regulatory landscape: IDD

Modifications to the Insurance Distribution Directive (IDD), now integrates sustainability factors, risks and preferences into product oversight and governance

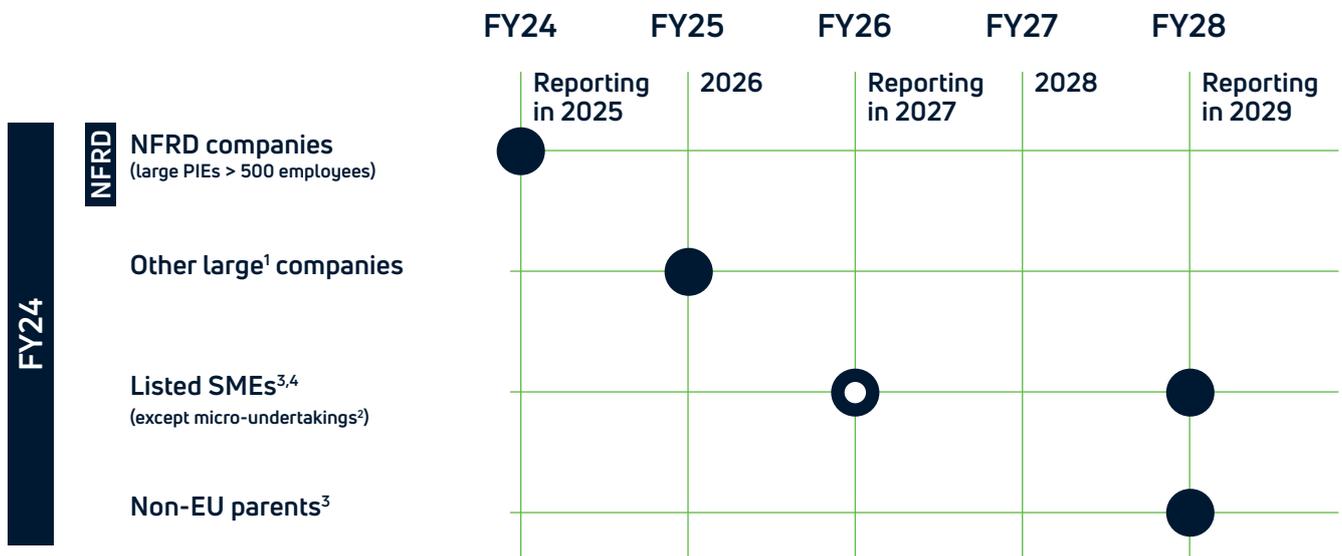
What is the IDD?	<ul style="list-style-type: none">• The IDD regulates how insurance products are designed and distributed in the EU. It sets out to harmonise regulation of the insurance market across the single European market and to improve consumer protection standards. The IDD aims to ensure that distributors take responsibility for consumer outcomes and that the products sold meet consumers' needs.
ESG related changes	<ul style="list-style-type: none">• The IDD amending regulation (adopted on 21 April 2021) integrates sustainability factors, risks and preferences into product oversight and governance requirements for insurance undertakings and insurance distributors and into the conduct of business rules and investment advice for insurance-based investment products (IBIPs). The key modification include:<ul style="list-style-type: none">• Product oversight and governance requirements: Manufacturers of insurance products will need to factor sustainability-related objectives of customers into the product approval and product testing processes. Additionally, sustainability-related objectives will need to be factored into distribution arrangements.• Conflicts of interest: Distributors of IBIPs will be required to integrate sustainability factors into their processes for identifying conflicts of interest which may damage the interests of a customer or potential customer.• Product suitability assessment: Distributors recommending IBIPs are required to obtain information about a customer to determine the customer's suitability for a particular product and this includes assessing the customer's preference for risk taking and risk tolerance.

Source: Insurance Insights October 2022, KPMG; Insurance Distribution (ICC). European Insurance and Occupational Pensions Authority; ESG-related changes to the Solvency II and IDD frameworks, A&L Goodbody;

Regulatory landscape: reporting requirements

The EU's Corporate Sustainability Reporting Directive (CSRD) expands the scope of the Non Financial Reporting Directive (NFRD) to a broader range of companies

EU Reporting timeline



Source: Get ready for European Sustainability Reporting Standards, KPMG

¹ Large companies are those that exceed on the balance sheet date two of the following three criteria (including EU and non-EU subsidiaries): 250 employees, net revenue of EUR 40m or total assets of EUR 20m.

² Micro-undertakings are companies that do not exceed two of the following three criteria (including EU and non-EU subsidiaries): 10 employees, net revenue of EUR 700,000 or total assets of EUR350,000.

³ Separate standards will be developed for SMEs and non-EU parent companies (to be adopted by the European Commission by 30 June 2024).

⁴ Small and non-complex institutions and captive insurers are treated like listed SMEs (opt-out option until 2028 does not apply unless they also meet the definition of SME).

Key Observations

- All information shall be addressed and reported with a **double materiality** approach (sustainability risk affecting the company and the company's impact on society and the environment) and should be prioritised based on the relative importance for stakeholders



“The ESG agenda is more to the fore on the investments/ advice side of the business versus general insurance. However, there is a significant reliance and challenge in relation to data across the piece.”

Compliance manager, Re-insurer

Consumer behaviour

The evidence is clear that consumers are increasingly factoring in ESG criteria into buying decisions, however, largely not at the expense of investment returns

72%

of consumers with pensions consider ESG factors important when investing

53%

of consumers believe that it is important that a company has a positive record of social responsibility and good corporate governance

31%

of consumers would completely switch away from a company if they had a perceived negative environmental impact

71%

of pension holders would only invest their pension in sustainable funds if the returns were the same or better

75%

of GenZs prefer to base buying decisions on sustainability of the product, rather than prestige of the brand.

Source: Industry survey

“ I’m seeing a clear demographic divide amongst my customer base. The older age bracket are simply interested in the best return for their money, whereas younger investors are now looking at funds that take sustainability factors into consideration”

Director, Financial Broker

Peer views

There is recognition from across the insurance industry of the importance of the ESG agenda

“ There is a rapidly growing awareness of ESG as an important topic at an industry level. As well as the impact on profitability and balance sheets, (re)insurers are being forced to meet regulatory requirements and expectations. There is strong understanding and expertise at certain levels in terms of sustainable underwriting, investments and operations. However, there are significant differences across the industry depending on size of organisation, core business and geographical locations.”

Compliance manager, Re-insurer

“ The ESG agenda is more to the fore on the investments/advice side of the business versus general insurance. However, there is a significant reliance and challenge in relation to data across the piece.”

Compliance manager, Re-insurer

“ Up until this point, insurers were able to take a more holistic and rounded view of ESG. However, the focus has very much shifted to reporting and regulatory requirements. Insurance remains slightly ahead of other areas of financial services.”

Actuary, Re-insurer

“ General insurance is at a much earlier stage of sophistication versus life insurance in relation to ESG. However, on the life/ investment side there are still major challenges particularly in relation to measuring scope 3 emissions.”

Head of Sustainability, General Insurer

“ I see the insurance industry as broadly on par with other areas of financial services in terms of its approach to ESG. However, a particularly challenging area for the industry is in determining the carbon impact of insurance or (re) insurance portfolios.”

Underwriter, General insurer

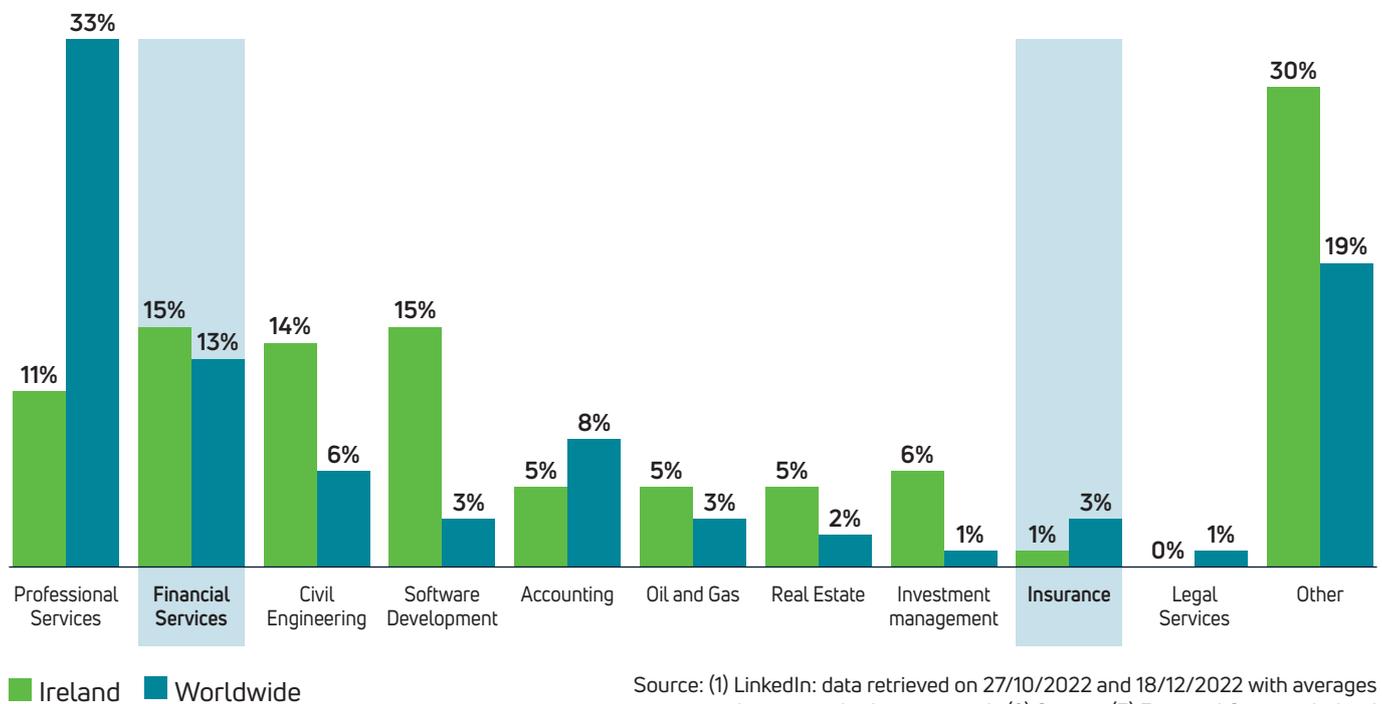
Industry awareness



Current demand

A snapshot of the jobs market indicates that insurance firms are not looking as much to the external market to fill ESG related skills and capability gaps versus other sectors

“ESG” roles advertised on LinkedIn by industry (27/10/2022 – 18/12/2022), Ireland and Worldwide (% of total)⁽¹⁾



Source: (1) LinkedIn: data retrieved on 27/10/2022 and 18/12/2022 with averages taken across both time periods (2) Statista (3) Financial Services Ireland

Key Observations

- In total, there were 153 ESG jobs located in Ireland with only 1% directly associated with the Insurance industry. The equivalent global figure is 3%. For reference ~3% and 17% of Ireland's (PAYE) workforce work in insurance and financial services respectively ⁽²⁾⁽³⁾.

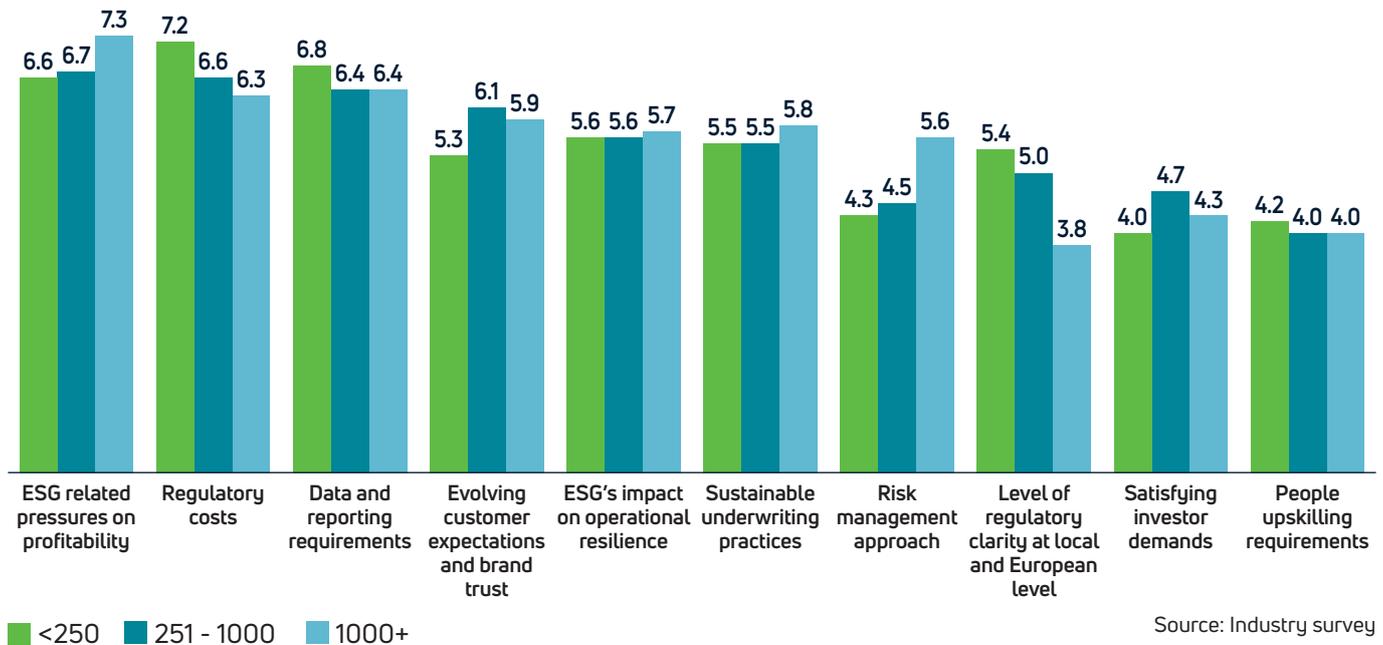
“The skills and capabilities that we need are very hard to come-by in the external market. Instead we focus on upskilling our existing staff in the ESG focussed knowledge and capabilities needed to carry out their role effectively. As a larger organisation, we are lucky that we can leverage wider Group capability in order to do that.”

Head of HR, General Insurer

ESG's impact on the insurance industry

With respect to ESG, regulatory costs are top of mind for smaller players. For larger firms, pressures on profitability is more to the forefront of the agenda.

Which of the following aspects of ESG agenda have the biggest impact on the insurance industry? (rank from highest to lowest by organisation size), weighted average, n = 350



The challenges around data and reporting requirements are top of mind for us. These processes remain very manual. I'm surprised that people upskilling requirements are not more to the fore in survey responses. However, this may reflect a level of naivety on the skills and knowledge/gaps that exist.

General manager, General insurer

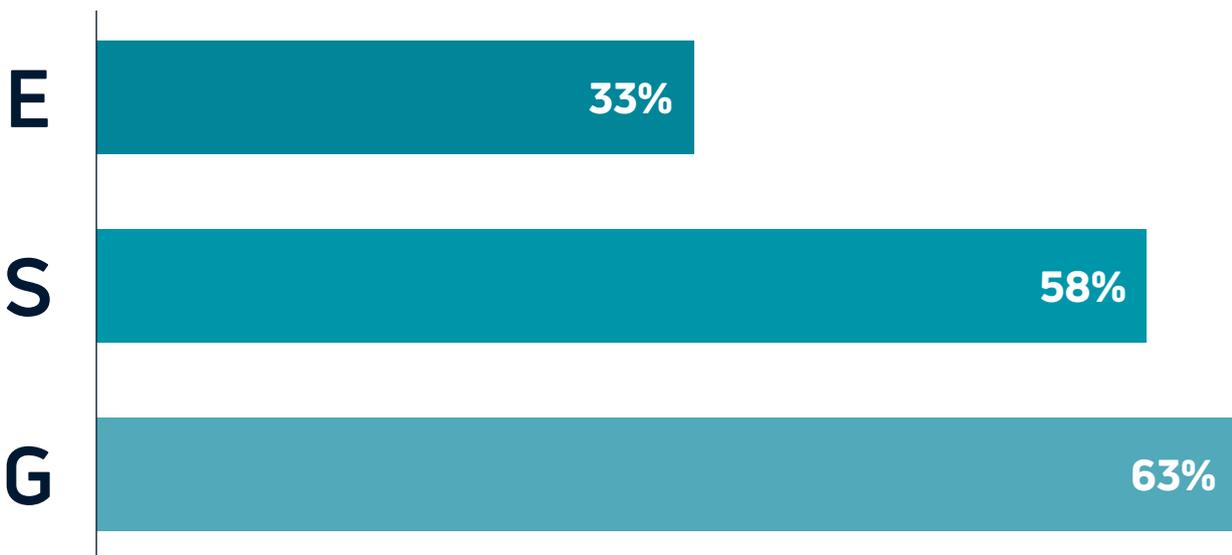
Key Observations

- The impact of regulatory costs, pressure on profitability and data/reporting requirements are considered to have the largest impact on organisations.
- The need to upskill people in ESG related skills ranked relatively low across organisations of all sizes.
- Compared to their larger peers, smaller organisations feel that the level of regulatory clarity is having an impact on the industry.

ESG in insurance company decision making

Social and governance issues are currently more incorporated into decision making, policy and strategy within insurance companies versus environmental factors

To the best of your knowledge, in your organisation which of the of the following factors across "E", "S" and "G" are currently incorporated within decision making, policies and business strategy? (% of responses) n = 414



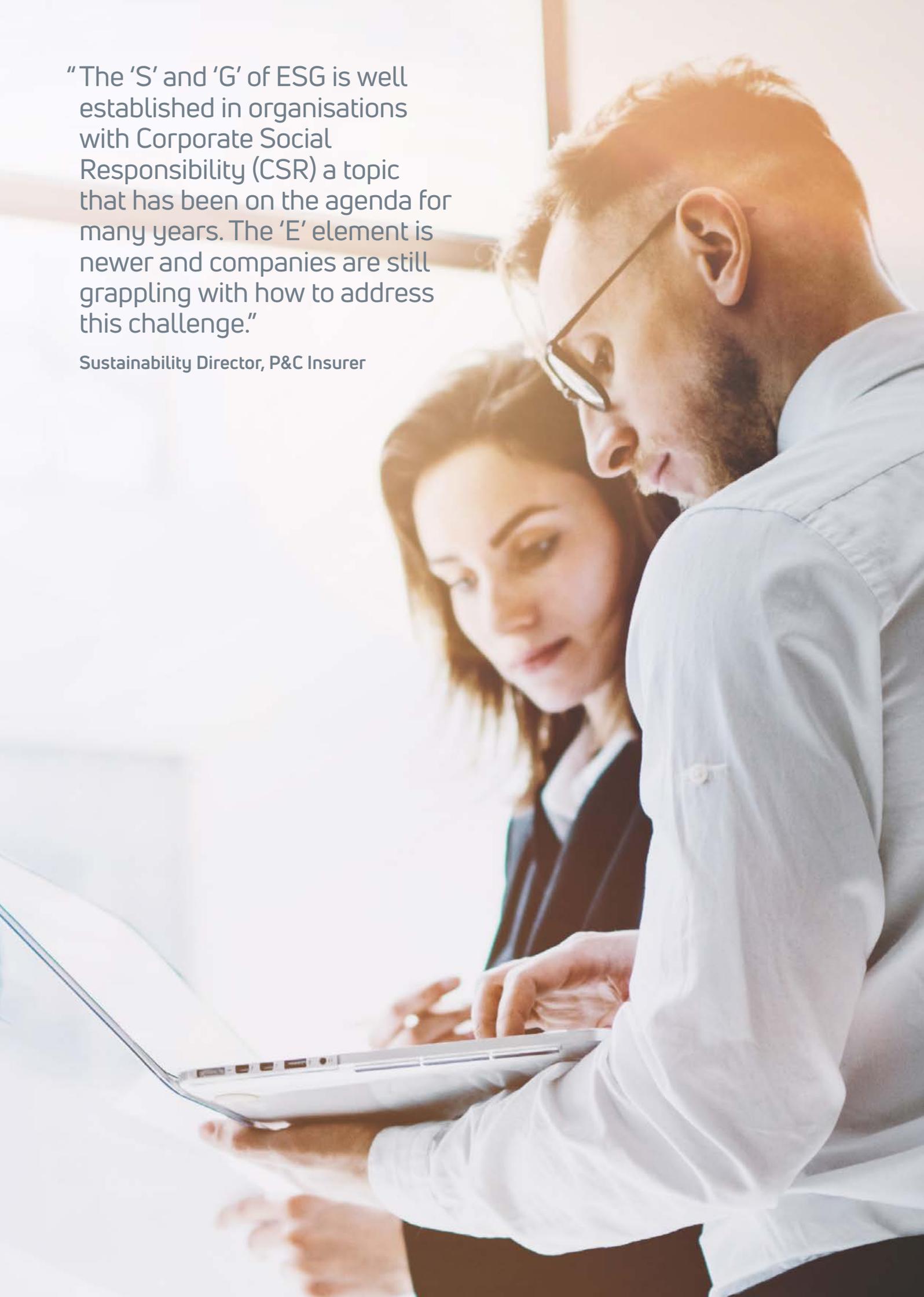
Source: Industry survey
Note: Result represents aggregate responses across a range of sub-categories

Key Observations

- Emerging topics such as biodiversity are less to the fore in policy and strategy versus other more established areas.

“The ‘S’ and ‘G’ of ESG is well established in organisations with Corporate Social Responsibility (CSR) a topic that has been on the agenda for many years. The ‘E’ element is newer and companies are still grappling with how to address this challenge.”

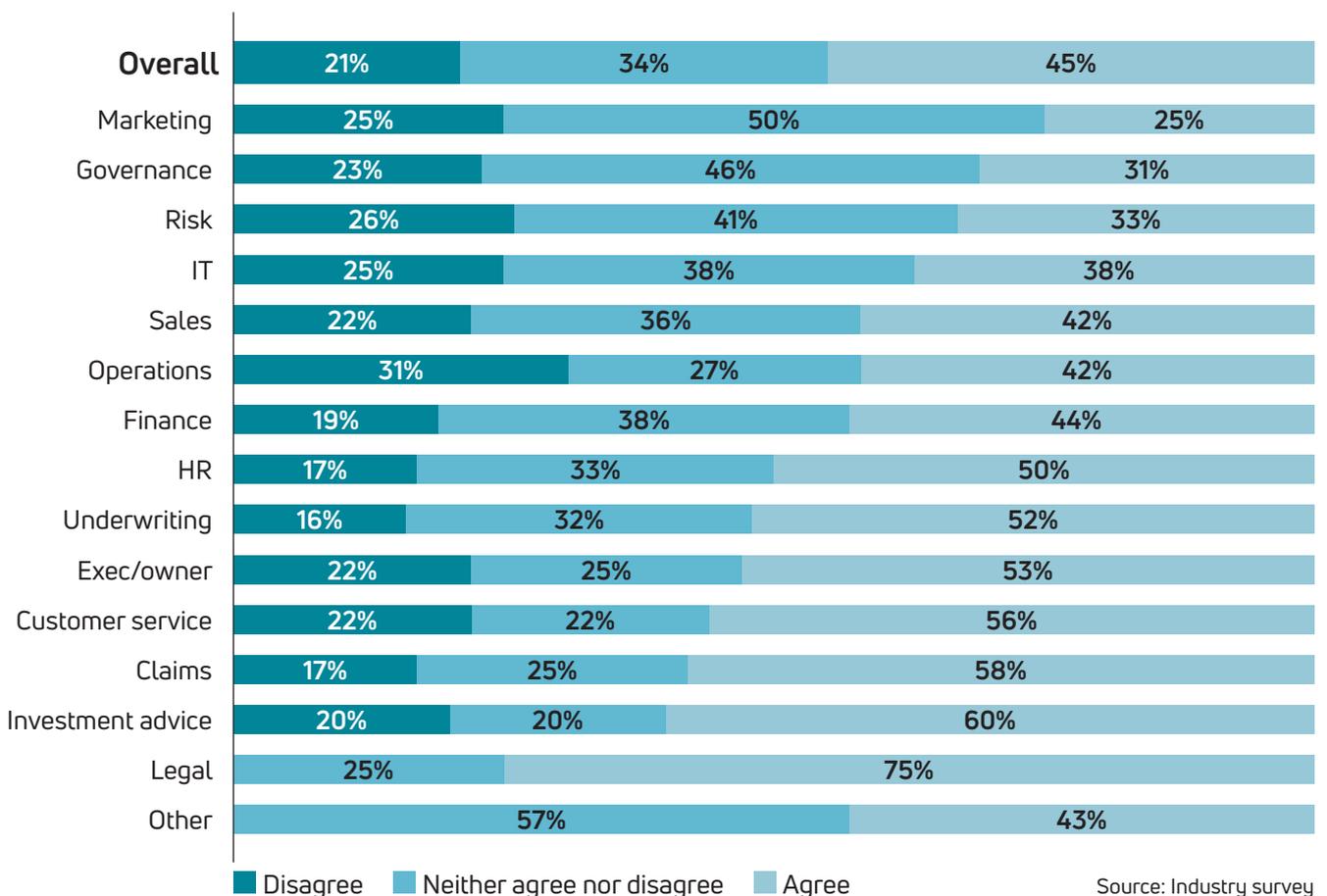
Sustainability Director, P&C Insurer



Existing capability: role view

The self assessed level of confidence in existing ESG related skills and capabilities varies significantly by role

To what extent do you agree that you have the necessary ESG related skills and capabilities to carry out your current role effectively? (% of responses) n = 420



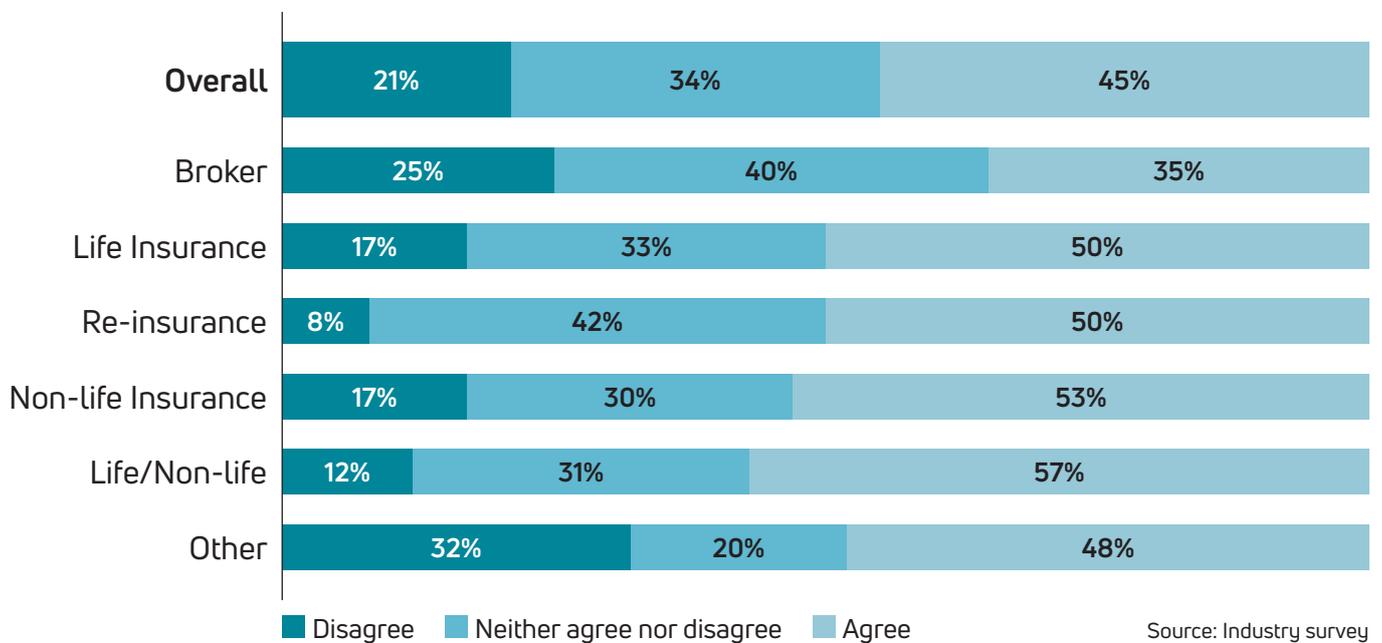
Key Observations

- Less than 40% of marketing, governance, risk and IT professionals indicate that they currently have the requisite ESG skills to carry out their roles effectively.
- In contrast, those working in claims, investment advice and legal are confident in their current ESG skills and capabilities

Existing capability: organisation view

Those working in broker firms are less likely to consider themselves to have the necessary ESG related skills and capabilities to carry out their roles effectively

To what extent do you agree that you have the necessary ESG related skills and capabilities to carry out your current role effectively? (% of responses) n = 420



The fact that the survey was carried out relatively shortly after the release of the Central Bank’s CPI 151 paper may explain why a larger cohort of responses are in the neutral category. Organisations will need to digest the regulatory position before understanding how this impacts on skills and capabilities.

Actuary, Re-insurer

Key Observations

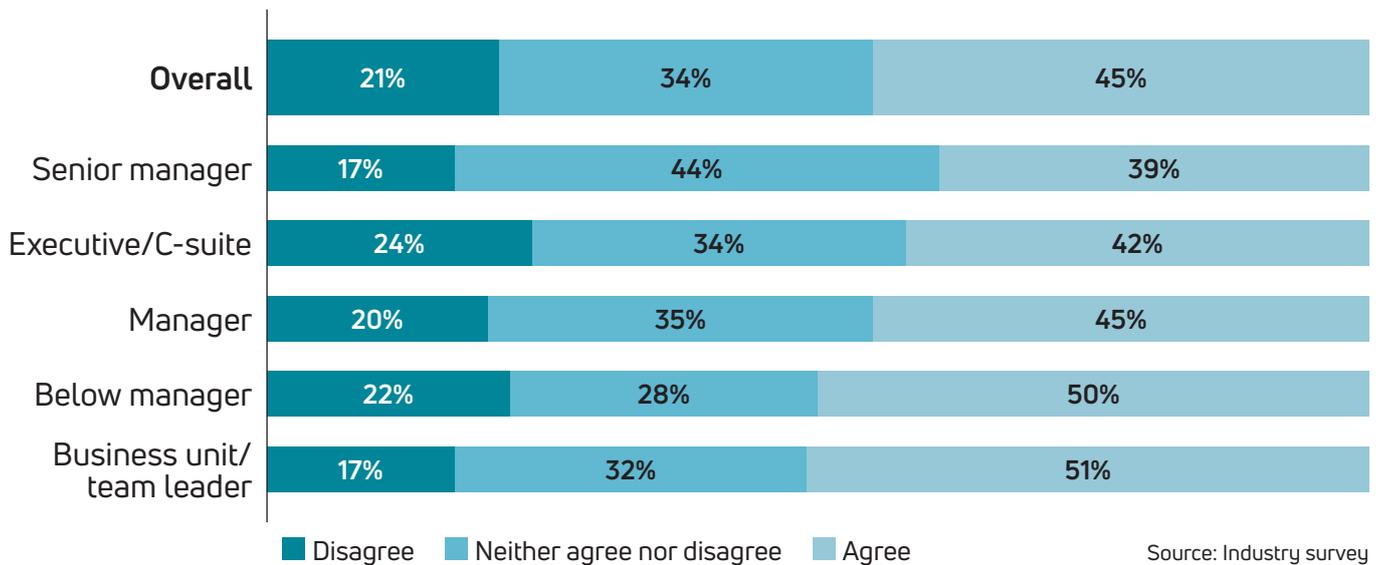
- **Brokers** are least likely to consider that they have necessary ESG skills/ capabilities versus other areas of the industry

Existing capability: seniority view

Those at the senior manager grade are least likely to agree that they have the skills and capabilities required to carry out their roles effectively

To what extent do you agree that you have the necessary ESG related skills and capabilities to carry out your current role effectively?

(% of responses) n = 420



Key Observations

- The **Executive/C-suite** cohort had the highest level of disagreement to the statement that they had the necessary ESG skills/ capabilities to carry out their roles effectively.

We don't know what we don't know. If this survey was re-taken in 12-18 months time, I would expect that the neutral category would decrease as skills requirements become more evident

Underwriter, General insurer

Skills and knowledge gaps

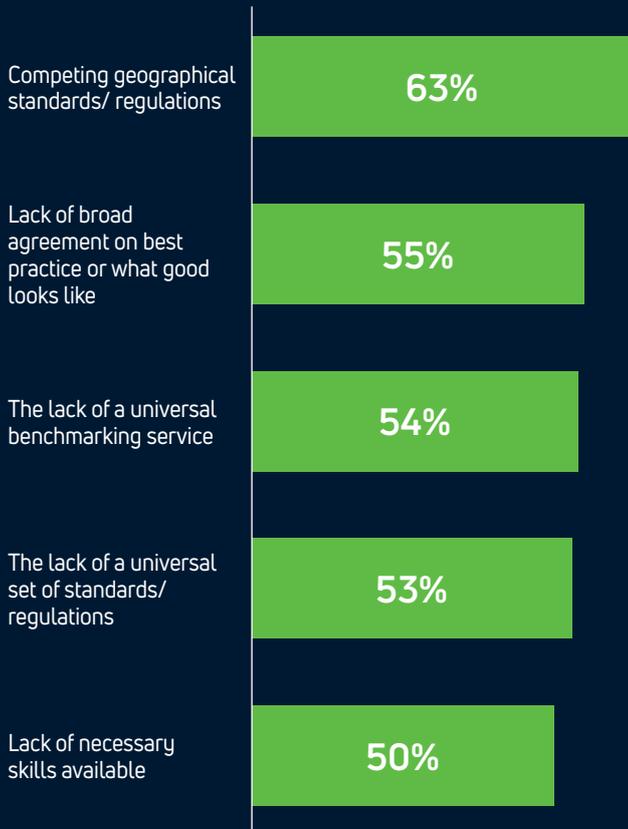


ESG skills

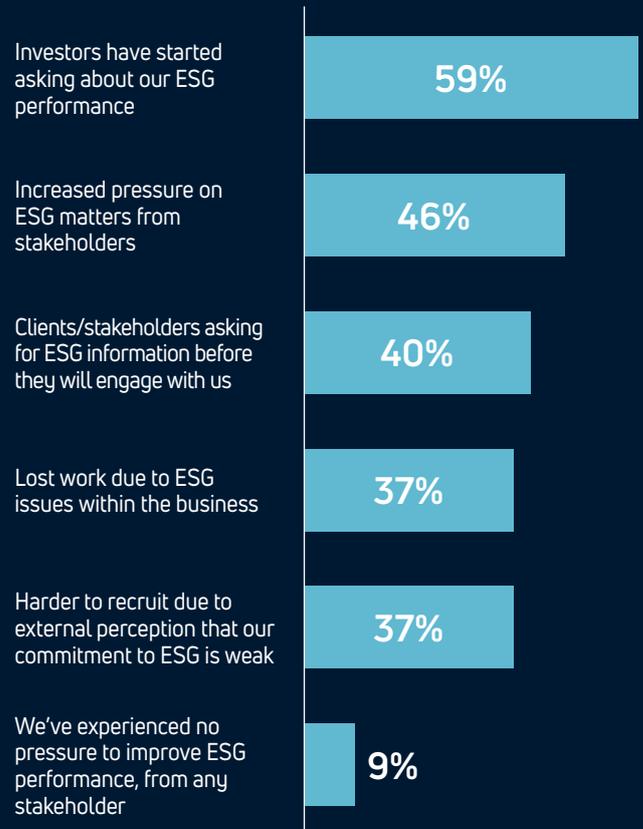
50% of the insurers face challenges in implementing their ESG strategy due to a lack of skills which is amplified by the difficulty in recruiting talent



External challenges in implementing an ESG strategy



Stakeholder pressure on ESG



Source: Making ESG an integral part of the business survey, dwf group

Skills requirement heatmap by role

Basic ESG knowledge (“ESG 101”) is considered to be the most relevant skill/knowledge area across the majority of roles in insurance

Which of the following ESG related skills, capabilities and knowledge areas do you consider to be the most relevant to your role? (% of responses by each role)

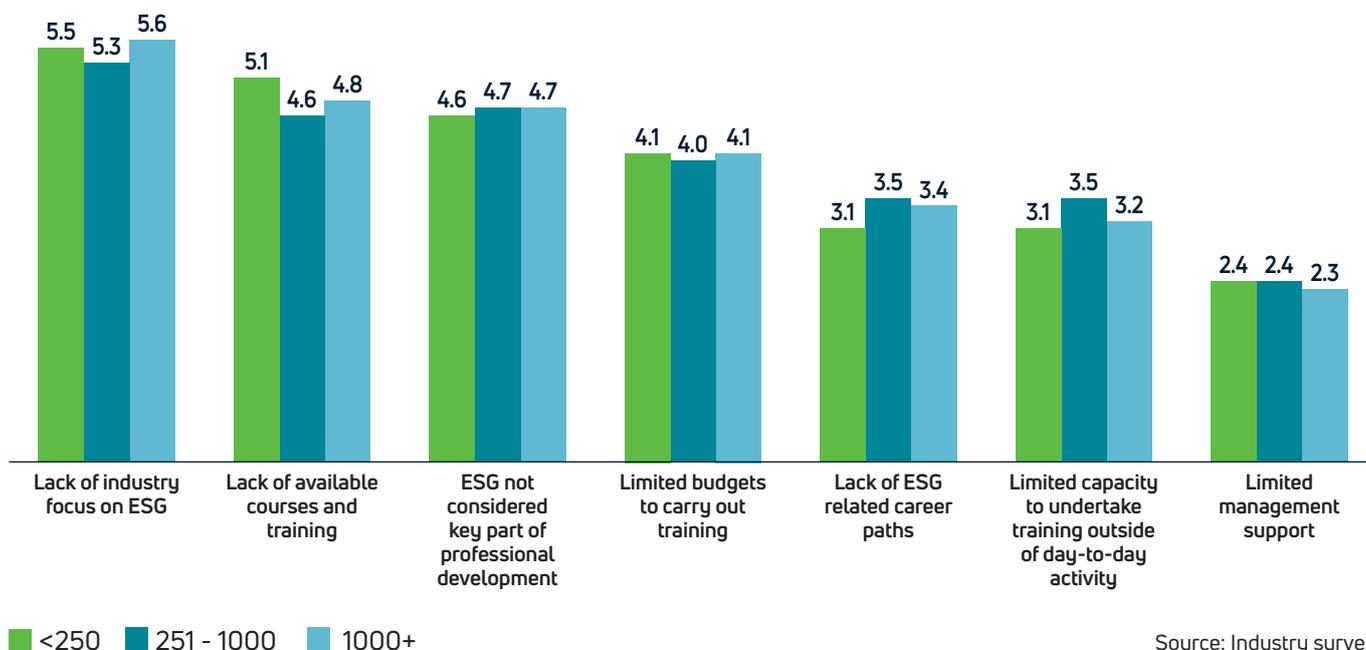
	ESG 101	Frame-works and regulation	Integrating ESG into strategy	ESG risk mgmt.	Sustainable culture	ESG for product design	Reporting and disclosure	Scenario analysis	ESG audits	Science under-pinning	Climate risk modelling
Other	19.0%	19.0%	7.1%	14.3%	11.9%	14.3%	2.4%	7.1%	2.4%	0.0%	2.4%
Sales	24.1%	12.5%	12.2%	10.0%	7.5%	12.7%	6.4%	3.3%	2.2%	7.2%	1.9%
Claims	27.7%	11.7%	8.8%	9.5%	6.6%	5.8%	10.2%	3.6%	5.8%	5.8%	4.4%
Under-writing	17.8%	14.0%	13.4%	14.6%	8.9%	10.2%	4.5%	5.7%	2.5%	1.3%	7.0%
Exec/owner	13.9%	12.8%	16.1%	10.6%	8.9%	9.4%	11.7%	5.6%	3.3%	3.9%	3.3%
Govern-ance	14.3%	14.9%	9.9%	13.7%	12.4%	9.9%	6.8%	5.0%	8.7%	2.5%	1.9%
Operations	17.5%	13.1%	10.6%	7.5%	10.6%	13.1%	11.3%	2.5%	8.1%	4.4%	1.3%
Risk	15.3%	14.5%	10.5%	16.1%	7.3%	6.5%	8.9%	6.5%	4.8%	4.0%	5.6%
Marketing	27.3%	0.0%	18.2%	18.2%	18.2%	9.1%	9.1%	0.0%	0.0%	0.0%	0.0%
Customer service	23.1%	11.5%	7.7%	3.8%	11.5%	11.5%	7.7%	3.8%	3.8%	7.7%	7.7%
IT	14.7%	8.8%	11.8%	8.8%	8.8%	11.8%	14.7%	8.8%	0.0%	5.9%	5.9%
HR	20.8%	16.7%	16.7%	12.5%	16.7%	4.2%	12.5%	0.0%	0.0%	0.0%	0.0%
Finance	19.2%	21.2%	7.7%	7.7%	5.8%	9.6%	13.5%	7.7%	1.9%	1.9%	3.8%
Investment advice	18.5%	11.1%	7.4%	11.1%	14.8%	14.8%	3.7%	0.0%	7.4%	11.1%	0.0%
Legal	9.1%	9.1%	13.6%	13.6%	13.6%	13.6%	13.6%	4.5%	9.1%	0.0%	0.0%

Source: Industry survey

Challenges in ESG skills development

The lack of focus on ESG within the industry and the perceived lack of available courses are deemed to be the most prominent challenges in ESG skills development

What do you consider to be the main challenges to the development of ESG and sustainable finance skills in the insurance industry n = 306



Source: Industry survey

Key Observations

- Challenges to the development of ESG skills are broadly the same across different types of organisation size

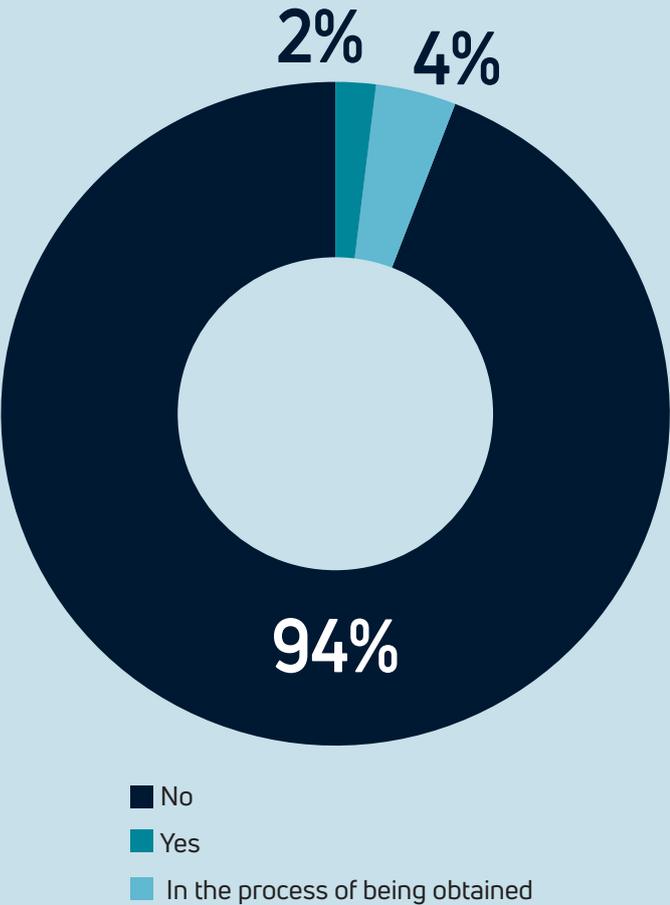
There is appetite within the industry to upskill and learn about ESG. However, a key step forward would be to allow staff to earn CPD points for taking ESG related courses. This would help ensure participation.

Head of Sustainability, General Insurer

Existing course participation

Only a limited number of those working in the insurance industry have a qualification in an accredited ESG topic

Do you currently have an accredited qualification in an ESG related topic? (% of respondents) (n = 419)



Example courses identified by survey respondents

Awarding body disclosed	Cambridge University Sustainable Finance online course
	ACCA Certificate in Sustainability for Finance
	UNPRI Certificate
	CFA Certificate in ESG Investing
	ESG Designation Program for Business Leaders (Competent Boards, Canada)
Awarding body not disclosed	MSc Environmental Resource Management
	Certificate in Climate Risk and Sustainability
	Cert in Sustainable Finance
	MSc in Governance, Risk & Data Protection
	Responsible Investment Adviser course

ESG learning landscape: selected courses

There are a range of courses available in Ireland and globally

Organisation	Course	Duration	Description/Curriculum
Insurance Institute of Ireland	Certificate in Climate Risk	13 weeks	Recently launched programme with the aim of providing insurance professionals with the with the professional knowledge, understanding and technical skills relating to climate change, and climate risk with a view to supporting customers, clients, colleagues, and communities with the transition to a sustainable, low-carbon world.
Insurance Institute of Ireland	Insurance Practitioner Apprenticeship	3 years	The Insurance Industry, from a D&I perspective, was the first to launch a Level 8 Apprenticeship Programme. This is the first-degree apprenticeship programme in Ireland and it is now entering its 8th year.
Chartered Financial Analyst (CFA) Society Ireland	Certificate in ESG investing	Self paced	Covers the knowledge and skills required by investment professionals to integrate ESG factors into the investment process
ESG Ireland/ Responsible Investment Institute	Responsible Investment Courses	1 hour – 2 days	Range of short courses covering SFDR, responsible investing, and general ESG topic
The Sustainability Training Hub (SustHub)	Sustainability & ESG Reporting	1 day – 5 day (dependent on level)	Example learning outcomes: <ul style="list-style-type: none"> • Non-financial reporting trends and regulations • A framework for development of and implementation of a corporate sustainability policy, plan, measures and reporting • Navigate reporting standards, principles & protocols, benchmarks & certifications, ESG ratings & indices
Chartered Accountants Ireland	Certificate in Sustainability Strategy, Risk and Reporting	10 weeks	<ul style="list-style-type: none"> • Programme helps accountants understand key reporting frameworks, tools, and metrics, and equip participants to address the sustainability opportunities and challenges they already face.
Institute of Bankers/ UCD	Responsible and Sustainable Finance	3 months	<ul style="list-style-type: none"> • An introduction to, and an understanding of themes such as: response to climate change; the catalyst for sustainable finance and EU regulatory initiatives. The programme also examines non-financial disclosures, climate and sustainability reporting including climate related risks, opportunities and financial impacts.

Source: Company websites

Organisation	Course	Duration	Description/Curriculum
TCD	Sustainable Development for Business	1 year	Programme is designed for mid-level executives and above from the private sector, public sector and third sector, who are looking to examine their organisation's impact on society as well as the environment.
TCD	Creating Value with ESG	6 weeks	Particular target for this micro-credential is sustainability and CSR managers, community affairs directors, corporate affairs directors as well as managers in diverse functions – including legal and compliance, procurement, human resources, and external affairs.
IEMA	Carbon, GHGs, Foot Printing, Accounting and Management	N/A	The course includes key learning around the key drivers of climate change, measurement, methodologies, application and performance management.
IEMA	Pathways to Net Zero	2 days	The IEMA Pathways to Net Zero course gives clear, consistent guidance on best practice on response to the climate crisis, the course aims to provide supervisors and leaders with a strategic and operational overview of environmental sustainability as it affects their specific industry and work area.
ACCA	Certificate in Sustainability for Finance (CertSF)	2 days	Course for finance and accounting professionals to adapt to sustainable practices. Topics covered sustainability analytics and ESG reporting
UN PRI	ESG and responsible investing	Multiple timer periods	Courses range from getting started in Responsible Investing, Foundations in Responsible Investing and Advanced Responsible Investing. Insurance Ireland have offered grants for the course
Education for sustainability	ESG in Insurance	3 hours	An introduction to sustainability in the insurance industry. This course is for financial regulators, underwriters, consultants, and P&C insurance professionals.
Fitch Learning	ESG Sustainable Finance Instruments	3 hours	Course focusses on nature of sustainable finance instruments, (e.g. green, social, and sustainable bonds), before assessing trends in tis marketplace.
Cambridge University	Sustainable Finance	8 weeks online	The course covers (for example) an understanding of how sustainability is rewiring financial systems to benefit society and business as well as providing the tools and frameworks to respond to financial risks posed by sustainability issues

Source: Company websites

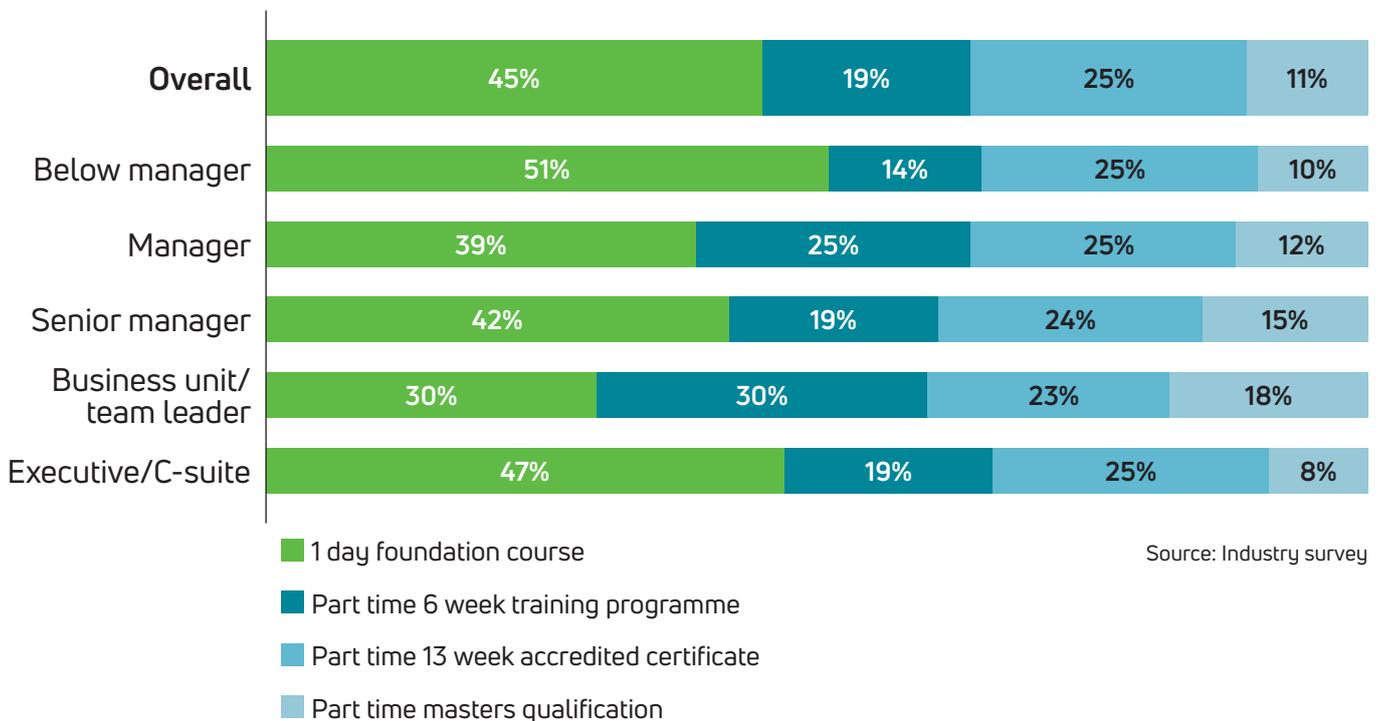
Organisation	Course	Duration	Description/Curriculum
Chartered Institute for Securities and Investment (CISI)	Climate Risk Certificate	Self paced	The aim of the course is to develop the learner's professional knowledge, understanding and skills relating to climate change, climate risk and sustainable finance, with a view to supporting customers, clients, colleagues, and communities with the transition to a sustainable, low-carbon world.
Frankfurt School of Finance and Management	Certified Expert in Sustainable Finance	6 months (Self paced)	In this course, students learn about creating impact, managing sustainability risks, and benefiting from sustainable business opportunities. The course aims to enable financial professionals to integrate Sustainable Finance related aspects into their work through new knowledge and tools for advising their clients and business partners.
Global Association of Risk Professionals	Sustainability and Climate Risk (SCR) Certificate	Self paced	This course is aimed at risk professionals to prepare them for sustainability and climate risk challenges. It covers foundations of climate change, climate change risk, green and sustainable finance, climate models and scenario models amongst other topics.
Luxembourg Green Stock Exchange	Fundamentals of Sustainable Finance	3 days	Course covers the most important concepts at the core of Sustainable Finance and provides an overview of key concepts used in the market including the latest EU legislation
Chartered Insurance Institute (UK)	Certificate in Climate Risk	Self paced (130 hours study time)	This qualification is aimed at all financial services professionals globally who have an understanding of risk management principles and wish to develop and demonstrate their knowledge and expertise of climate risk.

Source: Company websites

Mode of delivery

There is an appetite for shorter-form courses across all levels of seniority within organisations

If ESG training of relevance to your role was available, which of the following modes of delivery would you most likely avail of? n = 407



Shorter form courses (less than a week) have limited value and could be seen as a “tick box” exercise. Particularly, when dealing with more complex, domain specific topics, 3-6 months duration would be necessary (similar to a CFA module) for these types of courses.

Compliance lead, Life-insurer

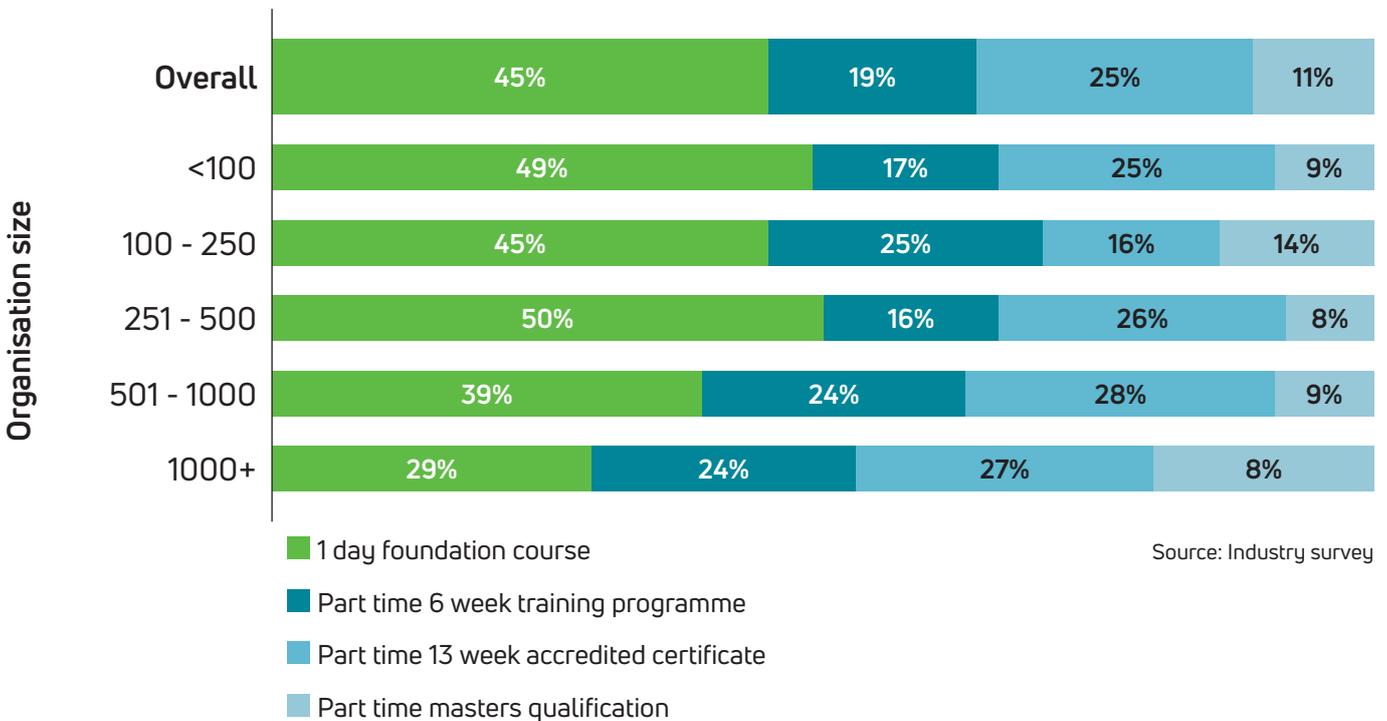
Key Observations

- Business unit/team leaders (below C-suite) are the most amenable to longer form training beyond 1 day foundation course.

Mode of delivery: organisation size

Compared to other firm types, there is a greater appetite for longer form courses at larger organisations

If ESG training of relevance to your role was available, which of the following modes of delivery would you most likely avail of? n = 407



Key Observations

- Larger organisations already have greater access to ESG learning material and can see the value of professional development in this area.

There is a balance to be struck between making courses mandatory and attracting those from across the industry who have the greatest appetite to get involved and could act as ESG leaders in their own organisations.

Compliance lead, Life-insurer

Recommendations and action plan



Recommendations

01	Introduction to ESG for Insurance professionals	<ul style="list-style-type: none"> • Develop high-level “Introduction to ESG for insurance professionals” course suitable for all grades, organisations and backgrounds. • This course would cover (at a high level) major ESG drivers affecting the insurance industry, regulatory developments, ESG investment strategies, ESG and underwriting, sustainable insurance products and initiatives, climate risk, etc. • For certain roles, this would be a mandatory qualification.
02	ESG champion course	<ul style="list-style-type: none"> • Develop “ESG champion course” that builds on the “Introduction to ESG for insurance professionals” but would be over a longer timeframe and would delve into topics in greater detail. This would be aimed at those within the industry with a particular interest in the topic who would in turn become ESG champions within their organisations.
03	Detailed courses by function	<ul style="list-style-type: none"> • Detailed, longer form courses to be developed that cover a range of function specific topics across core areas such as: <ul style="list-style-type: none"> • Incorporating ESG elements into financial and non-financial reporting • Climate risk • Sustainable investing • Operational aspects of ESG • ESG aspects of underwriting • Courses to include case study elements to ensure real world situations
04	Central repository of information	<ul style="list-style-type: none"> • Develop central repository of ESG related information that is comprised of course material, the latest regulatory insights, third party reports and thought leadership.
05	Continuous learning	<ul style="list-style-type: none"> • As the regulatory and policy agenda evolves: <ul style="list-style-type: none"> • Develop short-form “top-up” courses as the regulatory and policy agenda evolves • Re-assess broader course material on an annual basis.
06	Incentives, accreditation and partnerships	<ul style="list-style-type: none"> • CPD points to be made available for courses developed to encourage participation • Build ESG element into required Director curriculum • Consider partnerships with academic institutions and other bodies (e.g. Insurance Institute, CFA institute, Society of Actuaries, etc.) for accreditation in order to heighten the appeal of any courses developed. • Micro credentialing to be explored with partners (LinkedIn, Coursera, etc.) for shorter specialised courses
07	Awareness campaign	<ul style="list-style-type: none"> • Roll-out marketing campaign to raise awareness of the need for upskilling in an evolving ESG landscape. This could be positioned around a number of “did you know” themes. For example, “did you know you will now be subject to CSRD”.

Action plan

Lessons can be learned from development of initial course material to inform subsequent course and training material



Appendix



Survey methodology

Collection date: 24/11/2022 – 02/12/2022

Respondents: 420

RESPONDENT BY COMPANY SIZE		RESPONDENT BY COMPANY ACTIVITY		RESPONDENT BY COMPANY DEPARTMENT		RESPONDENT BY SENIORITY	
<100	212	Financial Broker	73	Claims	53	Below manager	134
100 - 250	47	General Insurance	57	Customer service	9	Manager	60
251 - 500	51	Insurance Broker	69	Exec/owner	36	Senior manager	64
501 - 1000	55	Life Insurance	30	Finance	16	Business unit/ team leader	41
1000+	55	MGA	16	Governance	36	Executive/C-suite	121
		Non-life Insurance	104	HR	6		
		Re-insurance	12	Investment advice	5		
		General Broker	8	IT	8		
		Other	51	Legal	4		
				Marketing	4		
				Operations	45		
				Risk	27		
				Sales	114		
				Underwriting	44		
				Other	14		

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