

# LSFI Sustainable Finance Education & Training Working Group

## Training Needs & Gaps Analysis in the Luxembourg Financial Sector - Findings Report



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## **Introduction**

This report presents the analysis conducted in the first half of 2023 by the LSFI Working Group on Sustainable Finance Education and Training.

With the aim to analyse and strengthen the sustainable finance skills and competencies of Luxembourg's financial centre, the assessment maps and identifies gaps and needs and proposes practical solutions to develop suitable sustainable finance-related education paths/training in Luxembourg.

This white paper exposes the working group's objective, the methodology and scope used for the analysis, the main findings, the solutions identified and the following steps to be carried out by the Luxembourg Sustainable Finance Initiative (LSFI).

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## **Acknowledgments**

The LSFI would like to sincerely thank all the working group members for their commitment and time. Your expertise, hands-on experience and dedication have been pivotal to conduct this assessment which has provided very insightful findings to help advance the Luxembourg sustainable finance training and education field in Luxembourg. Special thanks to Patrick Levaldaur, Chair of the Working Group, for steering and leading this important analysis.

We would also like to express our gratitude to all the training providers that presented us their courses and filled in the provided matrix according to their offer, adapting to our requirements, timeframe and scope. Your contribution has also been central to this assessment and its future actions.

# 1. About the LSFI Working Group on Sustainable Finance Training and Education

During its first years of activity, the LSFI conducted a thorough mapping exercise to identify the gaps and needs of the financial sector when it comes to sustainable finance. Following this exercise and in line with the [Luxembourg Sustainable Finance Strategy Action Plan](#), the LSFI decided to organise cross-sectoral working groups to help address these gaps and advance sustainable finance.

The overall goal behind these working groups is to help the financial players in Luxembourg transition towards increased sustainability and to ensure coordination between the involved actors by regularly exchanging information, fostering dialogue, sharing best practices, and proposing practical solutions.

The first of these working groups started in November 2022 to cover sustainable finance training and education.

## 1.1 Mission and Objective

The general mandate and aim of the Sustainable Finance Education and Training Working Group is to cover and strengthen the sustainable finance skills and competencies of Luxembourg's financial sector players to push sustainable finance. To fulfil its mandate, the working group worked towards achieving a set of objectives.

The first objective was to map and identify gaps and needs and propose practical solutions to develop suitable sustainable finance-related education paths/training for professionals from the financial sector. More in particular, the working group's aim in this regard was to:

- Reflect on skills and knowledge gaps on sustainable finance within the Luxembourg financial sector and propose practical remedial actions.
- Assess current training offerings focusing on Luxembourg's expertise and needs.
- Identify key training or propose the development of new ones (by the LSFI or other organisations) based on current offerings, gaps analysed, and demand observed, focusing on Luxembourg's key expertise and needs to support it further.
- Look for synergies between different educational/training initiatives in the sustainable finance sphere.
- Propose partnerships between the LSFI and Luxembourgish or foreign academic organisations/training institutions.

The second objective, to be developed in the second phase, is to promote sustainable finance-related trainings. More in particular, suggest newly identified relevant trainings regarding the sustainable finance courses listed on the LSFI website under its Take Action section; and advice communication activities targeting the financial sector to help raise awareness of the importance of sustainable finance education.

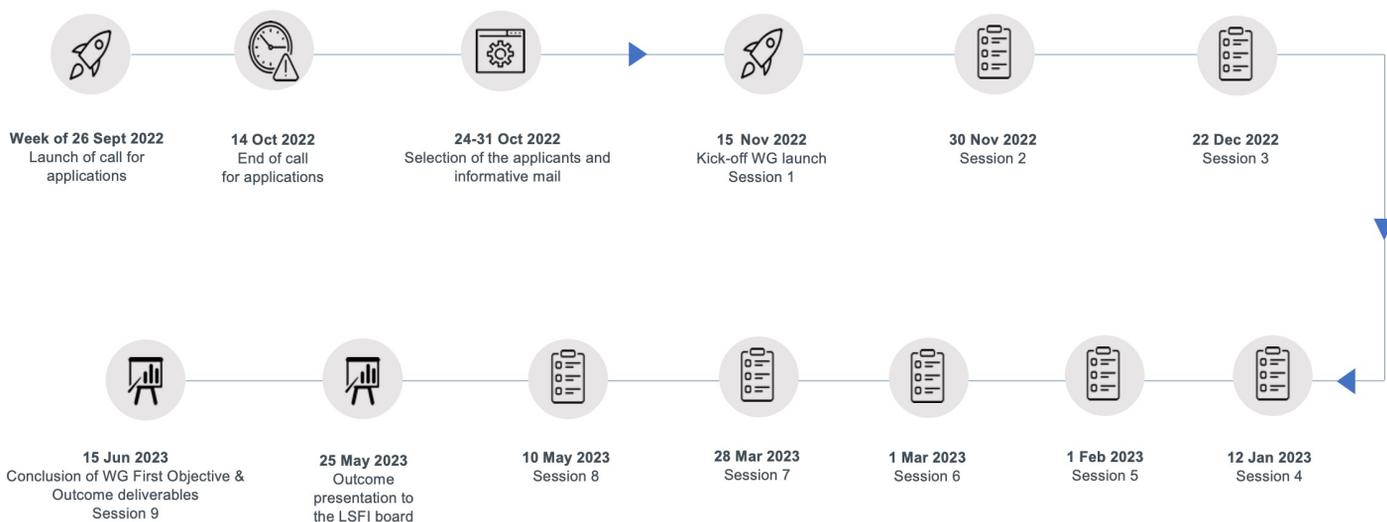
In addition, regularly, the working group also has the goal of exchanging information on the various sustainable finance-related education and training activities in Luxembourg and abroad, targeting both professionals and the wider public.

The analysis presented here focuses on the results and the work developed under the first objective.

## 1.2 Timeline and Meetings

In September 2022, the LSF1 launched the call for applications for this working group. The working group's objectives, described above, were set out on its specific terms of reference. The call for applications was open from 29th September to 14th October. Following a selection process, the LSF1 announced the applicants' selection on 31st October and the kick-off session was held on 15th November. From that date until the publication of this analysis, nine meetings were held among the members, concluding with the working group's first results outlined in this document.

The graph below provides an overview of the working group timeline.



## 1.3 Members

Following the call for applications and the selection criteria outlined, the LSF1 team and the LSF1 board selected the members. This working group is composed of twelve professionals, including a chair and co-chair, with relevant experience and expertise in sustainable finance and education who contributed actively and regularly to the objectives of this working group. They represent financial industry institutions, research and sustainable finance education organisations, consulting industry and NGOs organisations. To ensure the neutrality of the members and the quality of the work to be done, each member received a Conflict of Interest Policy to be signed.

Membership includes:

- Patrick LEVALDAUR, General Manager, European Financial Planning Association (EFPA) Luxembourg - Chair
- Catherine BOURIN, Member of the Management, The Luxembourg Banker's Association (ABBL) - Co-chair
- Paul CHAHINE, Sustainable Finance Manager, Luxembourg Green Exchange (LGX)
- Joanne FITZGERALD, Director, BlackRock
- Olivier GOEMANS, Advisory & ESG Coordination, Banque Internationale à Luxembourg (BIL)

- Denis GRAAS, Senior Manager, PwC
- Nicolas JUTARD, Head Learning & Development, Société Générale
- Hakan LUCIUS, Head of Corporate Sustainability, European Investment Bank (EIB)
- Alice MARTINOU, Responsible for Impact Solution, BNP Paribas Wealth Management
- Peter (Dr) MATHIS, Research Scientist in Sustainable Finance, Université de Luxembourg
- Ekkehart SCHMIDT, Responsible for Public Relations, ETIKA
- Denise VOSS, Chairwoman, LuxFLAG

## 2. Methodology

### 2.1 Preparatory work by the LSFI

During 2021 and the first half of 2022, the LSFI conducted a mapping exercise to understand better the needs to advance sustainable finance further in Luxembourg. These mapping took different shapes: introductory meetings; roundtables to foster discussions; mapping of active working groups; the LSFI Stakeholder Assembly to comprehend the challenges and priorities of the LSFI stakeholders. It was done across sectors, including the Luxembourg financial ecosystem, as well as research, civil society and public bodies.

From this process, it became apparent that given that sustainable finance is a relatively recent domain, financial professionals need to develop a new set of skills. In consequence, training institutions need to create also new and timely adapted sustainable finance trainings offer that can help build that set of skills. The main two questions resulting from this mapping were:

- What precisely those newly needed skills are;
- Where the sustainable finance training offering stands.

Having identified this need and as a first step, the LSFI started a research work that consisted in collecting all the publicly available sustainable finance training in Luxembourg and main ones in the neighbouring countries. The goal was to get a first snapshot of what training courses already existed, which audiences were targeted, which topics covered, and which formats used. The research found more than one hundred sustainable finance courses developed by various training providers.

Given these results, the LSFI developed an online toolkit within its website called [“Take Action – Training”](#). This one gathers a comprehensive list of over 100 sustainable finance trainings in Luxembourg, abroad and online. The toolkit includes synthetic information about the training to ease the navigation of the users: what the training is about, what main themes it covers, any prerequisites to attend it, the location, the duration and the level of professionals/seniority it addresses. To simplify the user’s navigation, a search box and filters were integrated into the toolkit to help them find which learning best suits their needs depending on their level of expertise or topics of interest.

To build upon this research work and further deep dive into the current training offering and the needs of the sector, the LSFI, following the approval of its board and as explained above, decided to launch a cross-sectoral working group on sustainable finance education and training.

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## **2.2 The methodology used by the working group**

To fulfil the mandate of the working group and taking into account the LSFI preparatory work, the working group members decided to focus on analysing in depth the current training offering on sustainable finance in Luxembourg for financial professionals. Conducting this analysis was considered the necessary action to be able to map and identify gaps and propose practical solutions to develop suitable sustainable finance-related education path/training. The working group defined the scope for the analysis and designed a methodology that would allow them to reach this objective.

The following section covers the scope of analysis, the methodology used, and the process followed.

### **2.2.1 Scope of the analysis**

Given the LSFI's mission and its target audience, it was decided to focus the analysis on Luxembourg training courses and providers primarily. As a first step, the working group determined to look at the main training providers within the country that offer publicly available courses, being those:

- Arendt Institute
- EFPA Luxembourg
- House of Training
- IMS Academy
- LGX Academy
- PwC Academy
- University of Luxembourg

In addition, it was also decided to look at some international providers to obtain a broader outlook. Those are:

- CFA Institute
- PRI Academy
- University of Lichtenstein

Out of these training providers and their courses, the working group focused the subsequent analysis only on the trainings covering sustainable finance for professionals, topics such as sustainability or sustainable development were not considered. It was also agreed not to assess tailored or on-demand courses as they are not available for all the public, are not standardised and thus it is more cumbersome to access them and assess them objectively. In addition, no trainings independently developed by single financial institutions for internal purposes were assessed. Considering this, the list of training providers analysed and to which the study findings refer are the following ones:

- Arendt Institute
- CFA Institute
- House of Training
- LGX Academy

- PRI Academy
- PwC Academy
- University of Luxembourg

This accounted for a total of 30 training courses being studied. The complete list of the analysed trainings can be found in annexe I.

### 2.2.2 Presentations and guidelines used

The first step of the analysis consisted of a round of presentations. The goal was to set the scene and obtain a first understanding of the current Luxembourg offering.

Each provider mentioned above presented its current sustainable finance offering, detailing all their courses. They all had to follow a specific set of guidelines the working group members prepared for these presentations. The goal was to ensure comparability as well as transparency.

In particular, for each training, the presenter had to provide detailed information about:

- What the course is about
- Main objectives of the course
- Main topics covered
- Who the targets are (sector, role, seniority)
- Number of attendees since the launch
- Number of current attendees
- Who the trainers are
- What is the background of the trainers
- Requirements/prerequisites to attend the course
- How the course is displayed (online, e-learning, MOOC, Masterclass)
- How often the course occurs
- How to access the course
- Feedback from the participants after attending the course

### 2.2.3 Needs and sustainable finance topics identification

After the presentation sessions, the working group members discussed and researched a methodology that could help them assess the current offering against the sector's needs. While different sources were considered, nothing was available that would fully fit the working group's purposes.

Consequently, the members decided to identify the main topics where professionals need to be knowledgeable within the sustainable finance field and, thus those that sustainable finance trainings should cover. The list of topics identified can be found in annexe III.

Following the identification of these topics, the working group also listed the main job functions and roles in the Luxembourg finance sector and matched the identified topics with these job functions. The list of job functions can be found in annexe II. In addition, the level of expertise needed for each topic by each job function was set. In particular, they distinguished between generalist and advanced:

- Generalist: when a good understanding of a particular field is necessary.
- Advanced: when a complete mastery of a particular field is necessary.

Identifying the topics where knowledge is needed to and relating them to specific job profiles was considered an important activity to be able to assess afterwards whether the current training offering covers the skills required for each professional and at what level, as well as the existent gaps. This needs identification was also double-checked with a working group member who has Human Resources background, leveraging the expertise of the working group.

These topics' identification and their relation to particular job profiles, including the expected level, was set out in "the Needs" matrix, a table found in annexe IV.

## 2.2.4 Mapping exercise and assessment

Following the identification of the required skills for each job profile, and the presentations from the training providers, the working group mapped and assessed what topics per profile and at which level are covered by the training courses within the scope.

The working group used the above-mentioned matrix as a reference template to do this analysis. A snapshot of it can be seen below:

Profiles to be covered by the training	Client facing roles (Bankers & insurers and equivalent)			Financial/wealth management and product specialists (Products specialists)			Sustainable Finance and ESG task force members	Management, middle and back office (Other functions)				
	Retail or private sales, RMs, customer service	Corporate client	Insurance agent	Financial analyst, portfolio/wealth manager, product specialist	Financial planner, product marketing	Credit specialist		Asset servicing, depositary, middle, back offices	Risk manager and auditors	Compliance, legal	C-suite, executives, boards, authorized managers	Other functions and services
Description of the profiles to be covered by the training	A position that focuses on client-facing, B to C positions. It requires contact with clients with no distinction between retail and private banking.	B to B positions, contact with corporate clients is required with no distinction between SMEs and large corporates.	A position that focuses on working on Life insurance products and where IARD is less relevant.	A role that deals with pure asset management issues.	Position that includes less contact with clients, but more involved in advice and/or wealth planning and/or communication.	A position that deals with credit or loans, for both retail and corporate clients.	This role includes overseeing ESG or sustainable finance policies and developments in a financial entity.	Middle and back-office staff, including other positions in charge of NAV, reporting, etc.	Figures as risk managers, auditors, and other roles involved in the control of the financial products.	This position includes compliance officers, legal services, and conducting officers.	It refers to management and directors, including independent directors.	It refers to marketing profiles, human resources profiles, IT specialists, etc.
Fields to be covered by the training												
<b>Foundation of Sustainable Finance</b>												
Key definition, factors and risks (climate change, social risk, biodiversity...)												
Role and history of sustainable finance (trends, challenges,...)												
ESG and climate risk for a portfolio and tools introduction												
ESG risk & return application												
<b>Regulations, Standards, and norms</b>												
EU action plan package and norms												
Taxonomy & Benchmark regulations												
SFDR												
CSRD/ CSDD and CSR strategies & practical cases												
MIFID II, Client ESG preferences, and client advisory process												
IDD & PRIIPS implications												
EET (original norms provided by the EU)												
International standard and norms (TCFD and others)												
<b>Investment processes</b>												
Investment policies												
Investment tools (PAI, materiality, EET, ESG data & ratings, Label ESG, Rating ESG...)												
Sustainable investment approaches and investment strategies												
ESG integration in tactical and strategical asset allocation												
ESG integration in stock and bond selection and analysis												
ESG benchmarks												
<b>ESG Analysis &amp; Reporting</b>												
ESG reporting & data (regulation & norms)												
ESG analysis and ratings KPIs for ESG performance measurement												
Applications of TCFD and other norms (EET by Findatex)												
Climate Scenario Analysis, CO2 emissions of fin products and Target Setting												
How ESG rating are built (data providers, methodologies and toolkits)												
<b>Financial products in Sustainable finance (Applications)</b>												
ESG funds												
Green and social bonds, including SLBs												
How to sell and/or market an ESG product? (how to avoid reputational risk)												
Impact investing, inclusive finance, and blended capital												
Banking product & services (responsible lending)												
Insurance products												
ESG and Real Estate investing												
ESG and Private Equity investing												
<b>Miscellaneous</b>												
Fintech applications to support Sustainable Finance												
Sustainable governance (ESG governance, fund governance)												
ESG ecosystem (actors and implications)												

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The working group requested each training provider to fill in this empty matrix with the information from their training courses. In short, for each profile/topic, they indicated if each of the presented training courses was covering or not the identified need. It was decided that it would be training providers the ones to fill the matrix as these are the only ones with a full understanding and comprehensive information of their training courses. The matrix would also allow to compare all the trainings in an objective and standardised way.

After all the training providers filled in the matrix, the working group chair and the LSFI secretariat, took care of compiling all the grids to create a unique compiled results matrix (referred to as “the Offer”).

Afterwards, the working group cross-checked the “Offer” matrix with the “Needs” one, which resulted in the findings of this assessment. The following results emerged from this exercise.

### **No training available**

This compiled matrix showed which topics/profiles are already covered by the current trainings offering and for which ones there is a training gap, as per the identified level, among all the analysed courses.

### **Lack of diversification**

In addition, the working group members also considered that having only one or two training courses covering a topic/profile was not sufficient to consider the need covered. For that purpose, they also look at possible lack of diversification cases. Lack of diversification was understood when the training on a specific topic targeting a concrete job profile is provided only by less than 3 courses out of the 30 assessed.

### **Luxembourg vs international offer**

In this analysis, to provide further granularity, the working group also marked whether the gaps identified refer only to the Luxembourg offer or if they pertain to the analysed international courses too.

The section below exposes the results found by the matrix mapping and assessment.

## 3. Findings

Having identified the needs and assessed the training offer, two main types of results emerged from the analysis. The first one refers to the training gaps, these can be found in section 3.1. The second one indicates those cases where a lack of diversification is present, these can be found in section 3.2. In addition, section 3.3 provides an overview of Luxembourg offering compared to the analysed international one. Section 3.4 reflects on general qualitative observations that can be extracted from the assessment.

Readers are reminded that the analysis relates to the 30 training courses identified above and listed in annexe I. Therefore, the conclusions are drawn for this representative sample which remains relevant regarding the training offering in Luxembourg.

### 3.1 Training gaps

This section presents the gaps that emerged from the analysis, more in particular, two types were identified:

1. No training course among those analysed covers a specific topic for a particular job profile at all.
2. No training course among those analysed covers a specific topic for a particular job profile at the level identified as needed by the working group.

The following paragraphs highlight and deep dive into those.

#### Client-facing Roles & How to Sell ESG Products Knowledge

Client-facing roles are composed of customer service, insurance agents, corporate client officers or retail officers. These roles undertake the task of explaining and introducing the products and its specification to the clients.

Considering this and the duty posed by the updated MiFID II regulation, the working group considered it a must to have advanced knowledge of how to sell ESG products, being this at the core of their function. However, the analysis found a considerable gap in this field; among both the Luxembourg and international courses assessed, there isn't any advanced course covering the topic of how to sell ESG products for these profiles. Besides, only 2 out of 30 cover the topic at a generalist level.

In addition, for insurance agent, within client-facing roles, a training gap was also identified on the topic of IDD & PRIIPS implications (Insurance Distribution Directive & Packaged retail investment and insurance products).

#### Sustainable and ESG Task Force Members Roles & Sustainable Governance and Financial Products Knowledge

This group refers to professionals in charge of ESG or sustainable finance policies and developments within a financial entity.

According to the analysis, for this group, there is training that covers most of the identified topics such as Regulation or the Foundations of Sustainable Finance. However, within the Luxembourg courses, no one covers Sustainable Governance at an advanced level.

Likewise, more specific topics such as Private Equity and Retail Investing are also not covered by any training course in Luxembourg at an advanced level.

The working group had considered it necessary for this group to have advanced knowledge on those topics where a gap has been found.

### Credit Specialists Roles & Foundations of Sustainable Finance Knowledge

Credit specialists are professionals dealing with credit or loans for retail and corporate clients. For this particular profile, the working group considered necessary to have knowledge, at an advanced level, of the Foundations of Sustainable Finance, such as:

- Key Definition, Factors and Risks of Sustainable Finance
- Role and History of Sustainable Finance
- ESG and Climate Risk for a Portfolio and Tools Introduction
- ESG Risk & Return Application

The analysis shows that while credit specialists have available trainings covering topics within the investment process, products and regulation fields, the foundations of sustainable finance are not covered at all among the Luxembourg training courses for this particular profile at an advanced level; in particular, Key Definitions, Factors and Risks of Sustainable Finance, ESG and Climate Risk and ESG Risk & Return Application. The only existent courses are only generalist.

### Asset Servicing/Depository/Middle & Back offices experience gaps in several topics

Asset servicing, depository, and middle and back-office profiles are overall the functions that face the more significant amount of gaps.

Only Foundations of Sustainable Finance and Regulatory topics are entirely covered for this group and at the necessary level. In contrast, under the other thematic categories, the group faces various gaps in the analysed Luxembourg and international courses. In particular, there is no training covering the following topics at an advanced level in Luxembourg, and only 1 or 2 exist at a general level:

- ESG Reporting & Data
- Impact Investing, Inclusive Finance, and Blended Capital

In addition, the following topics are not covered at all by the Luxembourg training offering, neither at a generalist nor advanced level.

- ESG integration in stock and bond selection and analysis
- How ESG ratings are built (data providers, methodologies and toolkits)
- ESG and Real Estate Investing
- ESG and Private Equity Investing
- FinTech applications to support sustainable finance

### Other Functions roles experience gaps in several topics

Other functions englobe profiles such as marketing, IT, HR and others. The working group considered it necessary for these profiles to have general knowledge of the foundations of sustainable finance and regulation and advanced understanding of specific topics within the sustainable finance products and investment processes' areas.

While foundations of sustainable finance and regulation are covered in the vast majority and at the appropriate level, the assessment found that there are no advanced courses covering the following topics, which had been identified as necessary:

- Insurance Distribution Directive (IDD) & Packaged Retail Investment and Insurance Products (PRIIP) implications
- Impact investing, inclusive finance, and blended capital
- Insurance products
- ESG integration in tactical and strategical asset allocation

### Training gaps regarding the role of FinTech

Besides the specific knowledge gaps that could be observed concerning particular job functions, there is a topic for which the analysis shows an overall lack of training covering the matter across various job profiles. It is the case of FinTech and, in particular, the role that this field will play in supporting the development of sustainable finance. Wealth management and product specialist roles, as well as management and middle and back-office functions, generally lack training courses on this topic both in Luxembourg and internationally. In most of those cases, the working group members had indicated that it would be convenient to have advanced or generalist knowledge on the matter (see annexe II for more details).

## **3.2 Diversification Gaps**

As stated above, the analysis of the Luxembourg and some international offerings of sustainable finance trainings showed gaps for certain functions on certain topics.

The assessment sought to go a step further and understand how many courses covered each topic/profile, considering the level of knowledge needed in each case. The reasoning behind this was that having only 1 or 2 training courses covering a topic might not be sufficient to upskill financial centre professionals in sustainable finance. This might result in the professionals being unable to find a course covering most of their needs at once and thus having to follow many different courses to fulfil their knowledge gaps.

In consequence, the working group looked for a lack of diversity cases. This was assumed as those times when only 3 out of the 30 courses cover a topic for a specific job profile at the needed level.

Considering this, the analysis shows two possible gaps:

- Lack of diversity for needed topics: several topics identified as a need at a particular level for some profiles are not covered by more than three courses across multiple job functions. This can be found in section 3.2.1.
- Lack of diversity of multiple topics for a specific role: various job functions have numerous topics for which there isn't a diverse offering at the needed level. This can be found in section 3.2.2.

### 3.2.1 Main themes where there is a lack of diversity among the training courses analysed

This section highlights those themes not covered by more than three courses despite having been identified as a need for some of the profiles. Therefore, those themes are not enough covered in most cases when it was defined as necessary.

- Foundation of Sustainable Finance
  - ESG risk & return application
- Regulations, Standards and Norms
  - IDD & PRIIPS implications (Insurance Distribution Directive & Packaged retail investment and insurance products)
  - EET (original norms provided by the EU)
- Investment Process
  - Investment policies
  - ESG integration in tactical and strategical asset allocation
  - ESG integration in stock and bond selection and analysis
  - ESG benchmarks
- ESG Analysis & Reporting
  - ESG analysis and rating KPIs for ESG performance measurement
  - Applications of TCFD and other norms (EET by Findatex)
  - Climate Scenario Analysis, CO2 Emissions of fin Products and Target Setting
  - How ESG ratings are built (data providers, methodologies and toolkits)
- Financial Products in Sustainable finance (Applications)
  - Green and social bonds, including SLBs
  - How to sell and/or market an ESG product? (how to avoid reputational risk)
  - Impact investing, inclusive finance, and blended capital
  - Banking products & services (responsible lending)
  - ESG and Real Estate Investing
  - ESG and Private Equity Investing
- Miscellaneous
  - Fintech applications to support Sustainable Finance
  - Sustainable Governance (ESG governance, fund governance)

The following paragraphs highlight and deep dive into some of them.

#### Sustainable Governance (ESG governance, fund governance)

The working group considers this topic a must-have for financial analysts, board of directors, c-suite and executives, and sustainable finance and ESG task force members. However, there is a diversification gap for this topic both in Luxembourg and internationally which is experienced among board of directors, c-suite and executives, as well as for sustainable finance and ESG task force members.

## Impact Investing, Inclusive Finance, and Blended Capital

Acquiring knowledge on these different topics was identified as a need for asset servicing, depository, middle and back office, credit specialist and other functions. However, the analysis showed that all those job functions don't have a diverse offering covering impact investing at the necessary level.

## How ESG Ratings are built

This topic was considered necessary at a generalist level for the profiles falling under management, middle and back office; however, there are not enough courses for these profiles at the generalist level. Financial planners & product marketing roles also face this gap. This applies to both Luxembourg and International courses.

## ESG Integration in Stock and Bond Selection and Analysis

This topic was identified as necessary for asset servicing, depository, middle and back offices, risk managers and auditors, compliance and legal at a generalist level, and sustainable finance and ESG task force members at an advanced level. However, there are no trainings for asset servicing, depository, middle and back offices, and diversity gaps for risk managers and auditors and compliance officers, among others have been found.

## ESG and Private Equity Investing (including Infrastructure, Private Debt, Venture Capital)

This topic was identified as relevant for most of the functions. However, on top of the cases where a training gap was found (see section 3.1), there is also a diversity gap in courses targeting financial planners & product marketing and compliance/legal roles, asset servicing, depository, and middle and back-office functions. In also those cases, there are insufficient generalist courses among Luxembourg offer.

## Applications of TCFD and other norms (EET by Findatex)

The functions for which this knowledge is more relevant are those under the category of financial/wealth management and product specialists, sustainable and ESG task force members and c-suite. However, the analysis showed a lack of diversification for all those job profiles at the required generalist level, both among the Luxembourg and International courses analysed.

## Climate Scenario Analysis, CO2 Emissions of Financial Products and Target Setting

This topic is necessary for financial analysts, portfolio/wealth managers and product specialists, financial planners, sustainable finance and ESG task force members, and c-suite and other functions. However, all these present a diversity gap at the required level within the Luxembourg courses. None of the profiles who would need to know about this topic has enough training courses available about it.

## ESG Risk & Return Application

This topic was considered necessary for all the profiles; while there are training courses covering it, there is a diversity gap for various job functions. This is the case for financial planners & product marketing and credit specialists; these two would require advanced knowledge. However, there aren't enough trainings covering this topic at an advanced level. The same applies to compliance/legal functions.

## ESG Benchmarks

ESG benchmarks were considered necessary for almost all the roles except for other functions. However, the assessment showed that numerous roles do not have enough courses at the required level. This is the case for all the client-facing ones who do not have enough generalist courses in Luxembourg. Financial analysts, portfolio or wealth managers, product specialists, risk managers and compliance / legal parts don't have enough courses at an advanced level.

### Banking Products & Services (responsible lending)

This topic was considered especially relevant for financial/wealth management and products specialists, and sustainable finance and ESG task force members. However, there is a diversity gap for credit specialists, the only function required to know advanced level among the analysed Luxembourg and International courses.

### Green and Social Bonds, including SLBs

Green and Social Bonds were also considered necessary for all the roles, but the one labelled other functions. However, this topic is also one of the ones that presents a diversity gap for multiple functions both among Luxembourg and international courses.

### EET (original norms provided by the EU)

EET was also indicated as necessary for all the roles analysed. However, the assessment presents that multiple functions do not have enough courses at the required level. For instance, even though financial analysts and credits specialists, and sustainable finance and ESG task force members should have advanced knowledge, they don't have enough courses covering this topic both in Luxembourg and the international offering; likewise, asset service, depositary, middle and back office and c-suite level also don't have enough training courses at the needed level which in this case was indicated as a generalist.

### 3.2.2 Main profiles where there is a lack of diversity for numerous topics at the required level among the training courses

This section highlights those job functions that have multiple topics lacking diversity of training courses covering them at the needed level. Thus, those roles present consistent diversity gaps and are generally covered inadequately.

#### Job Function presenting more topics with a lack of diversity

- Financial/wealth management and product specialists
- Financial analyst/portfolio or wealth manager/product specialist
- Financial planner & product marketing
- Credit specialist
- Sustainable finance and ESG task force members
- Management, middle and back office (other functions)
- Compliance officer, legal services, conducting officer

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Below we deep dive into some of the job profiles.

### Sustainable Finance and ESG Task Force Members

This is one of the profiles with a more significant number of topics presenting a diversity gap. It is also a highly relevant profile for which the working group had identified as necessary to have advanced knowledge of most of the existent sustainable finance topics.

However, there is a diversity gap for multiple topics, from “Foundation of sustainable finance” to “investment processes” topics such as “ESG integration in tactical and strategic asset allocation” and “ESG integration in stock and bond selection and analysis” or all the topics listed under miscellaneous.

### Compliance & Legal Roles

This is the other profile with a more considerable number of topics presenting diversity gaps. Likewise, the working group had identified it as a role which has to know most of the identified sustainable finance topics.

However, less than 3 trainings are available covering regulatory topics such as the “EU Action Plan” or “the Taxonomy” at the required level. Besides, topics related to investment processes such as investment tools, investment processes and ESG benchmarks, and those within the financial products in sustainable finance area (Green and social bonds including SLBs and ESG and Private Equity investing) are covered by less than 3 training at the necessary level.

### Financial/Wealth Management and Products specialist roles

All the functions englobed under this set of roles present considerable diversity gaps in topics identified as necessary.

Financial planners are the ones experiencing a more significant number of topics with diversity gaps. It can be highlighted that this happens especially for all the topics under “Foundations of sustainable finance”, and for most of the topics under “ESG analysis and reporting” (e.g., How ESG ratings are built, Climate Scenario Analysis or Applications of TCFD).

In the case of financial analysts, portfolio or wealth managers and product specialists, there are not enough training courses introducing some of the “Foundations of sustainable finance”, regulatory topics such as “ETT”, “MiFID II” and “investment policies”, among others.

Credit Specialists also present diversity gaps for most of the “Foundation of sustainable finance” as well as among “financial products in sustainable finance” such as, and especially relevant, “banking products”.

### Asset Servicing / Depositary / Middle & Back Office

This function also presents diversity gaps across various topics. In particular, for “ESG and real estate investing”, “ESG and private equity investing”, “ESG integration in stock and bond selection and analysis”, “ESG benchmarks”, “ESG reporting & data” and “ESG analysis and rating”, and “KPIs for ESG performance measurement”, there are enough training courses available at the needed level.

### **3.3 Luxembourg vs International Offering**

When looking and comparing the trainings offered by Luxembourg-based entities and the ones offered at international level (covered by this analysis), some conclusion can be extracted regarding the similarities, differences, and areas of focus. This section does not aim to be comprehensive, given the scope of the international analysis is limited, but to provide some general observations.

Overall, the Luxembourg and the International courses assessed are aligned in most of the topics covered for the identified job functions. Likewise, the assessment shows that most of the gaps found at Luxembourg level also exist among the international offering. For instance, when looking at the function level, this applies to the gaps concerning client facing roles and other functions. On the topics level, we can observe the same gaps on several occasions such as “How to sell and/or market an ESG product?”, “Impact investing, inclusive finance, and blended capital” and, “IDD & PRIIPS implications”.

Despite these similarities, there are some occasions where the gaps vary; Luxembourg courses do not cover some topics for a specific function, while the international offering does. This is the case of the gaps found in “ESG and Real Estate Investing” and “ESG and Private Equity investing” both for Sustainable and ESG task force members and Asset Servicing/Depository/Middle & Back offices.

When looking at where the training offering focuses the most, some appreciations can be extracted too. In general terms, the Luxembourg offering focuses the most on the topics under the umbrella “Foundation of sustainable finance” and “Regulation, standards and norms”. The international offering generally focuses on “Foundation of Sustainable Finance” and “Investment processes”.

### **3.4 Overall outlook and strengths of the Luxembourg sustainable finance training Offering**

Besides the training and diversity gaps outlined by the assessment and exposed above, the analysis made also allows to extract some important general observations: they reflect the characteristics, the focus and the level of development of the Luxembourg offering.

#### **Advanced status of the Luxembourg Sustainable Finance Training Offering**

In general terms, the Luxembourg sustainable finance training offering presents a high degree of completion. Numerous training institutions are providing a diverse offer, a large variety of themes is covered to some degree and multiple job profiles are taken into account.

In particular, the training mapping indicates that there is a diversity of training providers, which come from different backgrounds and areas of expertise, from the traditional educational spheres, such as the University, to private players with a long track record in the field. This allows the offering to cover multiple topics and job functions, while also encompassing a large pool of professionals to share and enhance the sector knowledge in the space. This also results in the existence of multiple training courses. For a country of relatively small size, there are 24 training courses on sustainable finance offered by Luxembourg players only – and based on the training providers' presentation, the number is expected to grow. Likewise, the current offer covers all the identified job profiles on some sustainable finance topics.

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In addition, Luxembourg training providers have shown a high level of dynamism; new modules or courses get developed frequently depending on the market's needs.

Despite the large number of training courses available in Luxembourg, our financial centre should continue to innovate through its training centres to prepare its professionals for the challenges of a sustainable finance sector that is constantly evolving, both in terms of its processes and its regulatory frameworks.

### General Characteristics of the Offering

The courses in Luxembourg are usually defined by topics or the level of knowledge rather than the target. It is, therefore, more typical to have training that will target several profiles and that will focus on a particular topic, such as the “Foundations of Sustainable Finance” or regulation instead of a course targeting a specific profile, such as sustainable finance and ESG task force members or compliance/legal roles.

On the one hand, this allows to reach several profiles through the same training course, fostering further reach and knowledge-share. On the other hand, considering the identified gaps, the number of courses and the fact that those are defined mainly by topic or level, the different topics that each profile has to master are split across various courses. The offer is often fragmented among training providers and across sectors. Consequently, a particular job profile might need to follow several courses to have the knowledge required.

It can also be noted that in most cases, training providers reported that they could adapt their offering according to the clients' needs and expectations if needed and requested.

### The focus of the Training Offering

As anticipated in section 3.3., Luxembourg training offering presents its strength within the topics under “Foundation of sustainable finance” and “Regulations, standards, and norms”. Most of the topics under these two categories are highly covered for all the profiles (some exceptions apply). In addition, the offering is very diverse; on numerous occasions there are more than 10 training courses covering the same topic for a specific profile. Likewise, these categories also present a lower number of gaps in terms of topics covered. While all the topics' categories identified in the analysis are pivotal in the advancement of sustainable finance, these two set the baseline and cover one of the central challenges the industry faces at the moment: the regulatory framework.

With regards to the job functions, as anticipated, the offer is very diverse and each has several training courses targeting them with a variety of the topics covered. If we look at the profiles that present none or very few (i.e., only one) gaps considering the needs, we can confirm that the profiles that are better covered are financial analysts, portfolio or wealth managers, product specialists, followed by risk managers and auditors, followed by retail or private sales, RMs, customer service and corporate clients.

In this regard, even though there are gaps that need to be addressed, the Luxembourg sustainable finance training offering stays abreast of the needs of the sector. It is also invested into providing relevant and various courses to foster sustainable finance education.

## 4. Priorities and solutions identified

Taking into account the gaps uncovered by the assessment, the working group also identified solutions and designed a course of action to address them.

For that, the working group classified the gaps according to three levels of priority; for each level of priority, the group assigned a timeframe in which those gaps should be addressed. To organise them under each priority level, the working group members took into account the findings of the assessment as well as the current state of sustainable finance and the regulatory landscape.

The following sub-sections outline the priority given to each gap, the reasoning and the solution suggested. This section does not dive deep into the type of gap found and for which profile the gap applies, as found in “Chapter 3. Findings”; it focuses primarily on listing the gaps identified as a priority and the level of urgency assigned to each.

### 4.1. Gaps to be addressed as a first priority – Short Term

Priority number one refers to those gaps that need to be addressed in the short term, being this understood as one year. These are:

#### How to sell and/or market an ESG product?

Classified as a first priority given a training gap was found for specific profiles and because it is key to avoiding greenwashing and reputational risks. This is reinforced by the duty imposed by the updated MiFID II regulation and the fact that this topic is especially relevant for client-facing roles. Arendt Institute, the University of Luxembourg, CFA Institute and UN-PRI Academy provide training on this theme, but none at the advanced level indicated as necessary for specific profiles. Therefore, engaging with these training providers is recommended to see to what extent the current offering is adapted to the needs and how to adapt it better if need be.

#### Impact Investing, Inclusive Finance, and Blended Capital

Among these, the priority is given mainly to “impact investing” and “blended finance”. In the case of inclusive finance, while the courses analysed present a lack of diversity, it has to be noted that this topic is covered by other training courses, not within the scope of this study. However, impact investing and blended finance present a training and diversity gap for specific profiles. It is also considered a first priority as getting an oversight of this topic is an opportunity to upskill financial institutions with relevant knowledge on enhancing impact-related strategies.

First, the working group recommends engaging with InFiNe and ADA, given their expertise in the matter.

#### Sustainable Governance

Considered as a first priority given a diversity gap was found for specific profiles for which this topic is key such as board of directors and the conducting officers, roles that play a central function in the transition.

The working group suggests starting a discussion with the Luxembourg Administrators Institute ILA to identify which training can be created or enhanced, given its function in supporting Directors.

## ESG integration in stock and bond selection and analysis

Classified as first priority given both training gaps and diversity gaps were found. More precisely there are no trainings for asset servicing, depository, middle and back offices, and diversity gaps for risk managers and auditors and compliance officers, among others, have found at the required level. This role is key in avoiding any risk in the reporting of investment products provided by Luxembourg.

The University of Luxembourg, CFA Institute and UN-PRI Academy provide training on the topic but on this occasion at a more advanced level than what had been indicated as necessary for certain profiles. Therefore, engaging with these training providers is recommended to see how to adapt them better.

## ESG and Private Equity Investing

Labelled as a first priority given both training and diversity gaps for specific profiles were found and for the importance of the reporting processes, as well as to better inform the final clients.

The working group suggests starting a discussion with the Luxembourg association LPEA, focused on Private Equity, to identify which training can be created or enhanced for this purpose.

## Applications of TCFD and other norms such as EET

Considered first priority as diversity gaps for specific profiles were found and because gaining insights on new tools such as TCFD and other needs is central for reporting purposes.

In more general terms, given only ABBL provides one advanced training on this matter and those training provided by CFA Institute and UN-PRI Academy are generalists, it is recommended to have a broader conversation with all the providers to discuss how to cover this topic.

## Banking product & services

This is closely linked to “How to sell ESG Products”. Considering that diversity gaps were found for credit specialists, the establishment of the new MiFID II requirement as well as the increased interest from retail investors in sustainable finance, it has been also considered a first priority.

The working group suggests starting a discussion with the Luxembourg association ABBL, focused on banking, to identify how to reinforce the current courses on this topic.

## **4.2 Gaps to be addressed as second priority – Medium Term**

Priority number two refers to those gaps that need to be discussed in the medium term, being this understood as one-two years. These are:

### **Fintech applications to support sustainable finance**

Despite having found diversity and training gaps for certain profiles, FinTech is not yet at an established maturity level regarding sustainable finance; hence, it is classified as a second priority.

However, considering the industry's data challenge, the working group suggests discussing with the LHoFT to streamline how to better prepare the financial centre for its digitalisation within the sustainable finance domain.

### **Insurance Products**

Despite its relevance and having found complete and diversity gaps, it has been classified as a second priority given the need to wait for the update of IDD (Insurance Distribution Directive).

The working group suggests starting a discussion with the Luxembourg association ACA, focusing on insurance companies, to identify which training can be created.

### **ESG integration in tactical and strategical asset allocation**

While several diversity gaps were identified for specific profiles, it was classified as a second priority as most of the learning in this regard is practice-based.

The University of Luxembourg, CFA and UN-PRI provide training on this theme, but not at the identified level. Therefore, discussing with these and the other training providers is recommended to fill the gap.

### **How ESG ratings are built**

Despite having both training and diversity gaps for certain profiles, this topic has been classified as a second priority given there is, at the moment, a lack of standardisation in the ESG rating domain and also considering the European Commission's work on how to regulate this domain is still ongoing.

ABBL, University of Luxembourg, CFA Institute and UN-PRI Academy provide training on the themes but not at the advanced level indicated as necessary for specific profiles. Therefore, engaging with these training providers is recommended to see to what extent the lessons provided are adapted to these needs and how to adapt those better if need be.

## Climate Scenario Analysis, CO2 Emissions of Financial Products and Target Setting

While knowledge of these methodologies and fields is key to avoiding greenwashing and reputational risks, this was identified as the second priority as only diversity gaps were found for specific profiles. In addition, a more stable and mature ecosystem is required to run trainings on these topics.

The University of Luxembourg, CFA Institute and UN-PRI Academy provide training on the themes but not at the advanced level that had been indicated as necessary for certain profiles. Therefore, engaging with these training providers is recommended to see to what extent the course provided adapts to these needs and how to adapt them better.

## ESG and Real Estate Investing

Identified as a second priority given that while it is relevant for the industry and training and diversity gaps were found for specific profiles, it is still necessary to stabilise the norms of the industry before training professionals on this issue.

The working group suggests starting a discussion with the Luxembourg association LuxReal, focusing on real estate, to identify which training can be created.

### **4.3 Gaps to be addressed as a third priority – Long Term**

Priority number three refers to those gaps that need to be discussed in the long term, being this understood as two-three years. These are:

#### ESG benchmarks

While the assessment found both training and diversity gaps for specific profiles, it has also been classified as second priority because the topic is less urgent than others considering wealth planners current priorities. However, it is important to keep it under the working group scope.

Arendt Institute, University of Luxembourg, CFA Institute and UN-PRI Academy provide training on the themes, but not at the advanced level indicated as necessary for certain profiles. Therefore, engaging with these training providers is recommended to see how the lessons provided are adapted to these needs and how to adapt them better.

#### IDD & PRIIPS implications (Insurance Distribution Directive & Packaged retail investment and insurance products)

Identified as a third priority, given that while it is relevant and some gaps were found, there is a need to wait for updates on IDD.

The working group suggests starting a discussion with the Luxembourg association ACA, focusing on insurance companies, to identify which training can be created.

## 5. Next steps by the LSFI

Going forward, the working group suggested a few actions to pursue the solutions identified and thus to fill the existing gaps. The LSFI Board of Directors has approved all these suggestions.

Examining the current training offering in detail, with the overall goal of understanding how to enhance it, has been fundamental to this assessment. Therefore, the first suggestion for the LSFI is to engage with the different trainings' providers/actors, starting from the ones present in the working group, seeking different goals. On the one hand, the objective is to discuss with each of them the gaps and the lack of diversity findings that have been found and discuss how to enhance the current training offering and which new courses could be developed. In addition, the working group recommends that training providers use the matrix developed for the analysis as a reference document for their offering. The LSFI team will therefore engage with the different training providers to ask them to use the matrix developed by the working group.

Moreover, considering that there are some profiles for which the training ecosystem is more mature and a track record exists, the LSFI will also explore if the programme of these existing courses, can be further extended leveraging the developed expertise to other job functions.

The working group also recommended the LSFI to ensure the assessment remains updated and pertinent. For that, it has been suggested to ask all the different trainings' providers who took part in the assessment to keep LSFI updated on new courses they will develop.

In addition, having a conversation with the industry, in particular, with CEOs of financial institutions and human resources professionals, was also highlighted as a recommended action. This can help further develop the training offering by gaining feedback from the analysis, as well as help the institutions better understand the skills required for their current and future employees. Because of this, the working group suggested that the LSFI organises sessions with financial institutions to explain the assessment and empower them to understand the current training needs on sustainable finance.

As specified in the Methodology section, the assessment here enclosed was done to achieve the working group's first objective. The working group has also recommended to reconvene in six months, and then on an annual basis to reassess the training offering and update the needs identification accordingly.

The assessment done by this working group and the solutions identified will guide the work of LSFI in sustainable finance education and training, with the ultimate goal of helping the critical transition of the sector towards sustainability.

## 6. Annexes

### Annexe I - Training courses assessed

Full list of the trainings assessed:

1. House of Training - ABBL - Sustainable Finance - Foundation
2. House of Training - ABBL - Sustainable Finance - Operational Aspects - Advanced
3. House of Training - ABBL - Sustainable Finance - Regulatory Aspects – Advanced
4. House of Training - ABBL - Sustainable Finance - The Case of Green, Social and Sustainability Bonds and ESG Funds - Advanced
5. House of Training - FORETHIX - GRI (Global Reporting Initiative) International Certified Sustainability Professional (8 Modules) - with focus on Financial Services Sector Supplement
6. University of Luxembourg - Certificate in Sustainable Finance
7. University of Luxembourg - MSc in Finance and Economics –Sustainable Finance track
8. University of Luxembourg - Certificate in Law and Regulations of Inclusive Finance
9. PwC ACADEMY - Sustainable finance foundations(e-learning)
10. PwC ACADEMY - Sustainable finance
11. PwC ACADEMY - ESG/climate/sustainability... what does it all mean for risk management?
12. PwC ACADEMY - Sustainable finance and reporting (SFDR)
13. PwC ACADEMY - Sustainable finance regulations
14. ARENDT INSTITUTE - SFDR, the EU Taxonomy and the broader EU regulatory framework
15. ARENDT INSTITUTE - Sustainability & Risk Management
16. ARENDT INSTITUTE - ESG & Distribution
17. ARENDT INSTITUTE - ESG for Banks: Getting ready to compete in the ESG regulatory world
18. ARENDT INSTITUTE - Key ESG concepts and definitions
19. ARENDT INSTITUTE - Regulatory Aspects of ESG
20. ARENDT INSTITUTE - Practical challenges and current trends
21. CFA INSTITUTE - Certificate in ESG Investing
22. LGX ACADEMY - Fundamentals of Sustainable Finance
23. LGX ACADEMY - Products and Standards: sustainable bonds and ESG funds
24. LGX ACADEMY - Sustainable Bonds Ecosystem
25. LGX ACADEMY - EU Sustainable Finance package
26. PRI ACADEMY - Understanding RI
27. PRI ACADEMY - Applied RI
28. PRI ACADEMY - Advanced RI Analysis
29. PRI ACADEMY - ESG in Alternative Investments
30. PRI ACADEMY - RI for Trustees

## Annexe II - Financial Institutions' roles identified

### **Client-facing roles (bankers & insurers and equivalent):**

- Retail or private sales, RMs, customer service: positions that focus on client-facing, B to C positions, they require contact with clients with no distinction between retail and private banking.
- Corporate client: B to B positions, contact with corporate clients is required with no distinction between SMEs and large corporates.
- Insurance agent: positions that focus on working on Life Insurance Products and where IARD<sup>1</sup> is less relevant.

### **Financial/wealth management and product specialists (products specialists):**

- Financial analyst, portfolio/wealth manager, product specialist: roles that deal with pure asset management issues.
- Financial planner, product marketing: positions that include less contact with clients, but on the other hand they are more involved in advice and/or wealth planning and/or communication.
- Credit specialist: position that deal with credit or loans, for both retail and corporate clients.

**Sustainable Finance and ESG task force members:** these roles include overseeing ESG or sustainable finance policies and developments in a financial entity.

### **Management, middle and back office (Other functions)**

- Asset servicing, depository, middle, back offices: middle and back-office staff roles, including other positions in charge of NAV, reporting, etc.
- Risk manager and auditors: roles that include figures as risk managers, auditors, and other roles involved in the control of the financial products.
- Compliance, legal: positions that include compliance officers, legal services, and conducting officers.
- C-suite, executives, boards, authorized managers: roles that encompass management and directors, including independent directors.
- Other functions and services: these roles refer to marketing profiles, human resources profiles, IT specialists, etc.

<sup>1</sup>This acronym stands for: incendies, accidents et risques divers

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## **Annexe III - Sustainable Finance topics identified**

### **Foundation of Sustainable Finance**

- Key definition, factors and risks (climate change, social risk, biodiversity, etc.)
- Role and history of sustainable finance (trends, challenges, etc.)
- ESG and climate risk for a portfolio and tools introduction
- ESG risk & return application

### **Regulations, Standards, and norms**

- EU action plan package and norms
- Taxonomy & Benchmark Regulation
- SFDR
- CSRD/ CSDD and CSR strategies & practical cases
- MiFID II, Client ESG preferences, and client advisory process
- IDD & PRIIPS implications - Insurance Distribution Directive & Packaged retail investment and insurance products
- EET (original norms provided by the EU)
- International standards and norms (TCFD and others)

### **Investment processes**

- Investment policies
- Investment tools (PAI, materiality, EET, ESG data & ratings, Label ESG, Rating ESG, etc.)
- Sustainable investment approaches and investment strategies
- ESG integration in tactical and strategical asset allocation
- ESG integration in stock and bond selection and analysis
- ESG benchmarks

### **ESG Analysis & Reporting**

- ESG reporting & data (Regulation & norms)
- ESG analysis and rating KPIs for ESG performance measurement
- Applications of TCFD and other norms (EET by Findatex)
- Climate Scenario Analysis, CO2 emissions of financial products and Target Setting
- How ESG ratings are built (data providers, methodologies and toolkits)

### **Financial products in Sustainable finance (Applications)**

- ESG funds
- Green and social bonds, including SLBs.
- How to sell and/or market an ESG product? (how to avoid reputational risk)
- Impact investing, inclusive finance, and blended capital
- Banking product & services (responsible lending)
- Insurance products
- ESG and Real Estate investing
- ESG and Private Equity investing

### **Miscellaneous**

- Fintech applications to support Sustainable Finance
- Sustainable Governance (ESG governance, fund governance)
- ESG ecosystem (actors and implications)

# Annexe IV – The Needs matrix

<p><b>Profiles to be covered by the training</b></p> <p><b>Description of the profiles to be covered by the training</b></p> <p><b>Fields to be covered by the training</b></p>	<p>Retail or private sales, FMs, customer service</p>	<p>Corporate client</p>	<p>Insurance agent</p>	<p>Financial wealth manager, portfolio wealth manager, product specialist</p>	<p>Financial wealth management and product specialists (Products specialists)</p>	<p>Sustainable ESG task force members</p>	<p>Asset servicing, depositary, middle, back offices</p>	<p>Management, middle and back office (Other functions)</p>		
	<p>A position that focuses on client-facing, B to C positions, it requires contact with clients with no distinction between retail and private banking.</p>	<p>B to B positions, contact with corporate clients is required with no distinction between SMEs and large corporates.</p>	<p>A position that focuses on working on life insurance products where IARD is less relevant.</p>	<p>A role that deals with pure asset management issues.</p>	<p>Position that includes less contact with clients, but more involved in advice and/or wealth planning and/or communication.</p>	<p>A position that deals with credit or loans for both retail and corporate clients.</p>	<p>This role includes overseeing ESG or sustainable finance policies and developments in a financial entity.</p>	<p>Middle and back-office staff, including other positions in charge of NMY reporting, etc.</p>	<p>Figures as risk managers, auditors, and other roles involved in the control of the financial products.</p>	<p>This position includes compliance officers, legal directors, and independent directors.</p>
<p><b>Foundation of Sustainable Finance</b></p> <p>Key definition, factors and risks (climate change, social, risk, biodiversity,...)</p> <p>Role and history of sustainable finance (trends, challenges,...)</p> <p>ESG and climate risk for a portfolio and tools introduction</p> <p>ESG risk &amp; return application</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Advanced</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>
<p><b>Regulations, Standards and norms</b></p> <p>EU action plan package and norms</p> <p>Taxonomy &amp; Benchmark regulations</p> <p>SFDR</p> <p>CSRD/ CSDD and CSR strategies &amp; practical cases</p> <p>MMD II, Client ESG preferences, and client advisory process</p> <p>IDD &amp; PRI/PS implications</p> <p>EET (original norms provided by the EU)</p> <p>International standard and norms (TCFD and others)</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>
<p><b>Investment Processes</b></p> <p>Investment policies</p> <p>Investment tools (PAI, materiality, EET, ESG data &amp; ratings, Label ESG, Rating ESG,...)</p> <p>Sustainable investment approaches and investment strategies</p> <p>ESG integration in tactical and strategic asset allocation</p> <p>ESG integration in stock and bond selection and analysis</p> <p>ESG benchmarks</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>
<p><b>ESG Analysis &amp; Reporting</b></p> <p>ESG reporting &amp; data (regulation &amp; norms)</p> <p>ESG analysis and ratings KRIs for ESG performance measurement</p> <p>Applications of TCFD and other norms (EET by Findelix)</p> <p>Climate Scenario Analysis, CO2 emissions of fin products and Target Setting</p> <p>How ESG ratings are built (data providers, methodologies and toolkits)</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>
<p><b>Financial products in Sustainable finance (Applications)</b></p> <p>ESG funds</p> <p>Green and social bonds, including SLBs</p> <p>How to sell and/or market an ESG product? (how to avoid reputational risk)</p> <p>Impact investing, inclusive finance, and blended capital</p> <p>Banking product &amp; services (responsible lending)</p> <p>Insurance products</p> <p>ESG and Real Estate Investing</p> <p>ESG and Private Equity Investing</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>
<p><b>Miscellaneous</b></p> <p>FinTech applications to support Sustainable Finance</p> <p>Sustainable governance (ESG governance, fund governance)</p> <p>ESG ecosystem (actors and implications)</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Advanced</p>	<p>Generalist</p>	<p>Generalist</p>	<p>Advanced</p>	<p>Generalist</p>

IARD stands for: incendies, accidents et risques divers

# Annexe V - Empty assessment matrix

Profiles to be covered by the training	Client facing roles (Bankers & insurers and equivalent)	Financial/wealth management and product specialists (Product specialists)	Sustainable Finance and ESG task force members	Management, middle and back office (Other functions)
Description of the profiles to be covered by the training	<p>A position that focuses on client-facing, B to C positions. It requires contact with clients with no distinction between retail and private banking.</p> <p>B to B positions, contact with corporate clients is required with no distinction between SMEs and large corporates.</p> <p>A position that focuses on Life insurance products and where IARD is less relevant.</p>	<p>Financial analyst, portfolio/wealth manager, product specialist</p> <p>Financial planner, product marketing</p> <p>Credit specialist</p>		<p>Asset servicing, depositary, middle back offices</p> <p>Risk manager and auditors</p> <p>Compliance, legal</p> <p>C-suite, executives, boards, authorized managers</p> <p>Other functions and services</p>
<p><b>Foundations of Sustainable Finance</b></p> <p>Key definition, factors and risks (climate change, social risk, biodiversity...)</p> <p>Role and history of sustainable finance (trends, challenges...)</p> <p>ESG and climate risk for a portfolio and tools introduction</p> <p>ESG risk &amp; return application</p>				
<p><b>Regulations, Standards, and norms</b></p> <p>EU action plan package and norms</p> <p>Taxonomy &amp; Benchmark regulations</p> <p>SFDR</p> <p>CSRD/ CSDD and CSR strategies &amp; practical cases</p> <p>MIFID II, Client ESG preferences, and client advisory process</p> <p>IDD &amp; PRI/PS implications</p> <p>EET (original norms provided by the EU)</p> <p>International standard and norms (TCFD and others)</p>				
<p><b>Investment Processes</b></p> <p>Investment policies</p> <p>Investment tools (P/Al, materiality, EET, ESG data &amp; ratings, Label ESG, Rating ESG...)</p> <p>Sustainable investment approaches and investment strategies</p> <p>ESG integration in tactical and strategic asset allocation</p> <p>ESG integration in stock and bond selection and analysis</p> <p>ESG benchmarks</p>				
<p><b>ESG Analysis &amp; Reporting</b></p> <p>ESG reporting &amp; data (regulation &amp; norms)</p> <p>ESG analysis and ratings KPIs for ESG performance measurement</p> <p>Applications of TCFD and other norms (EET by Findaxiv)</p> <p>Climate Scenario Analysis, CO2 emissions of fin products and Target Setting</p> <p>How ESG rating are built (data providers, methodologies and lookkis)</p>				
<p><b>Financial products in Sustainable Finance (Applications)</b></p> <p>ESG funds</p> <p>Green and social bonds, including SLBs.</p> <p>How to sell and/or market an ESG product? (how to avoid reputational risk)</p> <p>Impact Investing, inclusive finance, and blended capital</p> <p>Banking product &amp; services (responsible lending)</p> <p>Insurance products</p> <p>ESG and Real Estate Investing</p>				
<p><b>Miscellaneous</b></p> <p>FinTech applications to support Sustainable Finance</p> <p>Sustainable governance (ESG governance, fund governance)</p> <p>ESG ecosystem (actors and implications)</p>				

24 Training programs	Client facing roles (Bankers & Insurers and equivalent)				Financial/wealth management and product specialists (Products specialists)				SF and ESG risk force members		Management, middle and back office (Other functions)					
	Retail or private Sales, RfMs, Customer Service	Corporate client	Insurance Agent	People working on Life insurance products, IARD without distinction of SME or large corporate.	Financial analyst / portfolio or wealth manager / product specialist	Financial planner and Product marketing	Credit specialist	People less in touch with the client but involved in advice and/or wealth planning and/or communication	People dealing with pure asset management issues	People dealing with credit or loans, for both retail and corporate clients.	People in charge of ESG or SF policies and developments in a financial entity	Asset Servicing/Deposit or Middle & Back offices	Risk manager, auditors and people involved in the control of the financial products	Compliance / Legal	Control, Executives, Boards, Authorized Mgrs	Other function (marketing, IT, HR...)
<b>Foundation of Sustainable Finance</b> Key definition, factors and risks (climate change, social risk, biodiversity...) Role and history of Sustainable Finance (trends, challenges...) ESG and climate risk for a portfolio and tools introduction ESG risk & return application	12 Gen, 2 Adv. 13 Gen, 12 Adv. 7 Gen, 12 Adv. 3 Gen, 12 Adv.	12 Gen, 2 Adv. 14 Gen, 1 Adv. 7 Gen, 11 Adv. 3 Gen, 11 Adv.	8 Gen. 9 Gen. 4 Gen. 1 Gen.	13 Gen, 2 Adv. 14 Gen, 2 Adv. 6 Gen, 3 Adv. 2 Gen, 3 Adv.	10 Gen, 1 Adv. 11 Gen, 1 Adv. 4 Gen, 1 Adv. 1 Gen, 1 Adv.	10 Gen. 11 Gen. 5 Gen. 1 Gen.	11 Gen, 2 Adv. 12 Gen, 2 Adv. 5 Gen, 3 Adv. 1 Gen, 3 Adv.	10 Gen. 11 Gen. 5 Gen. 2 Gen.	10 Gen. 11 Gen. 5 Gen. 2 Gen.	10 Gen. 11 Gen. 5 Gen. 2 Gen.	13 Gen, 2 Adv. 14 Gen, 2 Adv. 6 Gen, 3 Adv. 2 Gen, 3 Adv.	12 Gen, 1 Adv. 13 Gen, 1 Adv. 6 Gen, 12 Adv. 2 Gen, 11 Adv.	12 Gen, 1 Adv. 13 Gen, 1 Adv. 6 Gen, 12 Adv. 2 Gen, 11 Adv.	13 Gen, 1 Adv. 14 Gen, 1 Adv. 6 Gen, 12 Adv. 2 Gen, 11 Adv.	13 Gen, 1 Adv. 14 Gen, 1 Adv. 6 Gen, 12 Adv. 2 Gen, 11 Adv.	10 Gen. 11 Gen. 4 Gen. 1 Gen.
<b>Regulations, Standards and norms</b> EU action plan package and norms Taxonomy & Benchmark Regulation SFPR CSRD, CSDD and CSF strategies & practical cases MIFID II, Client ESG preferences, and client advisory process IDD & PRIIPS implications EET (original norm provided by the EU) International standard and norms (TCFD and others)	13 Gen, 2 Adv. 12 Gen, 12 Adv. 10 Gen, 13 Adv. 7 Gen, 3 Adv. 7 Gen. 4 Gen. 3 Gen. 8 Gen.	14 Gen, 1 Adv. 12 Gen, 1 Adv. 10 Gen, 12 Adv. 7 Gen, 12 Adv. 6 Gen. 3 Gen. 3 Gen. 7 Gen, 1 Adv.	9 Gen. 9 Gen. 4 Gen. 3 Gen. 2 Gen. 1 Adv. 4 Gen. 4 Gen.	12 Gen, 4 Adv. 11 Gen, 1 Adv. 10 Gen, 11 Adv. 9 Gen, 12 Adv. 6 Gen, 5 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 7 Gen, 2 Adv.	11 Gen, 1 Adv. 10 Gen, 11 Adv. 9 Gen, 12 Adv. 8 Gen, 12 Adv. 6 Gen, 12 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 5 Gen, 1 Adv.	12 Gen. 11 Gen. 10 Gen. 7 Gen. 4 Gen. 1 Gen. 5 Gen. 5 Gen.	10 Gen, 14 Adv. 9 Gen, 14 Adv. 9 Gen, 15 Adv. 6 Gen, 12 Adv. 6 Gen, 11 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 7 Gen, 2 Adv.	11 Gen, 1 Adv. 10 Gen, 11 Adv. 9 Gen, 12 Adv. 8 Gen, 12 Adv. 6 Gen, 12 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 5 Gen, 1 Adv.	10 Gen, 14 Adv. 9 Gen, 14 Adv. 9 Gen, 15 Adv. 6 Gen, 12 Adv. 6 Gen, 11 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 7 Gen, 2 Adv.	10 Gen, 14 Adv. 9 Gen, 14 Adv. 9 Gen, 15 Adv. 6 Gen, 12 Adv. 6 Gen, 11 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 7 Gen, 2 Adv.	11 Gen, 1 Adv. 12 Gen, 2 Adv. 8 Gen, 1 Adv. 1 Adv.	11 Gen, 1 Adv. 12 Gen, 2 Adv. 8 Gen, 1 Adv. 1 Adv.	12 Gen, 2 Adv. 13 Gen, 3 Adv. 9 Gen, 13 Adv. 7 Gen, 11 Adv.	12 Gen, 2 Adv. 13 Gen, 3 Adv. 9 Gen, 13 Adv. 7 Gen, 11 Adv.	13 Gen, 2 Adv. 14 Gen, 3 Adv. 10 Gen, 13 Adv. 8 Gen, 11 Adv.	7 Gen. 8 Gen. 5 Gen. 1 Adv.
<b>Investment processes</b> Investment policies (P&I, materiality, EET, ESG data & ratings...) Sustainable investment approaches and investment strategies ESG integration in tactical and strategic asset allocation ESG integration in stock and bond selection and analysis ESG benchmarks	10 Gen, 1 Adv. 5 Gen, 1 Adv. 5 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 2 Gen, 1 Adv.	9 Gen, 1 Adv. 5 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 2 Gen, 1 Adv.	4 Gen, 1 Adv. 4 Gen, 1 Adv. 2 Gen, 1 Adv. 1 Adv. 1 Adv. 4 Gen.	9 Gen, 1 Adv. 5 Gen, 3 Adv. 4 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 2 Gen, 1 Adv.	6 Gen, 1 Adv. 5 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 5 Gen, 1 Adv.	6 Gen, 1 Adv. 5 Gen, 2 Adv. 4 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Gen.	7 Gen, 11 Adv. 4 Gen, 3 Adv. 3 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 1 Gen, 1 Adv.	6 Gen, 1 Adv. 5 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 5 Gen, 1 Adv.	7 Gen, 11 Adv. 4 Gen, 3 Adv. 3 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 1 Gen, 1 Adv.	6 Gen, 1 Adv. 5 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 5 Gen, 1 Adv.	9 Gen, 1 Adv. 5 Gen, 3 Adv. 4 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 2 Gen, 1 Adv.	8 Gen, 1 Adv. 5 Gen, 3 Adv. 4 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Gen, 12 Adv. 2 Gen, 1 Adv.	8 Gen, 1 Adv. 9 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 5 Gen, 1 Adv.	8 Gen, 1 Adv. 9 Gen, 2 Adv. 5 Gen, 2 Adv. 1 Gen, 1 Adv. 1 Gen, 1 Adv. 5 Gen, 1 Adv.	5 Gen, 1 Adv. 5 Gen, 1 Adv. 3 Gen, 1 Adv. 1 Adv.	
<b>ESG Analysis &amp; reporting</b> ESG reporting & data (Regulation & norms) ESG analysis and ratings KPIs for ESG performance measurement Applications of TCFD and other norms (EET by Finclava) Climate Scenario Analysis, CO2 emitters of fin products and Target Setting How ESG rating are built (data providers, methodologies and tools)	4 Gen, 4 Adv. 3 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	4 Gen, 4 Adv. 3 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	3 Gen, 2 Adv. 2 Gen, 1 Adv. 1 Adv. 1 Adv.	5 Gen, 5 Adv. 3 Gen, 5 Adv. 1 Gen, 12 Adv. 14 Adv.	3 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	3 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	2 Gen, 1 Adv. 1 Adv. 1 Adv. 1 Adv.	1 Gen, 5 Adv. 1 Gen, 5 Adv. 1 Gen, 12 Adv. 14 Adv.	1 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 5 Adv. 1 Gen, 5 Adv. 1 Gen, 12 Adv. 14 Adv.	2 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.	2 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.	2 Gen, 4 Adv. 1 Gen, 2 Adv. 1 Gen, 1 Adv. 13 Adv.	2 Gen, 4 Adv. 1 Gen, 2 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.
<b>Financial products in Sustainable Finance (Applications)</b> ESG funds Green and social bonds, including SLBs How to sell and/or market an ESG product? (how to avoid reputational risk) Impact investing, inclusive finance, and blended capital Banking product & services (responsible lending) Insurance products ESG and Real Estate Investing ESG and Private Equity Investing	3 Gen, 5 Adv. 2 Gen, 2 Adv. 3 Gen, 1 Adv. 3 Gen, 1 Adv. 3 Gen. 3 Gen. 1 Gen.	3 Gen, 4 Adv. 3 Gen, 2 Adv. 2 Gen, 1 Adv. 3 Gen, 1 Adv. 3 Gen. 3 Gen. 1 Gen.	3 Adv. 2 Adv. 1 Adv. 1 Adv. 1 Adv. 1 Adv. 1 Adv.	1 Gen, 5 Adv. 3 Gen, 2 Adv. 1 Gen, 1 Adv. 2 Gen, 1 Adv. 3 Gen. 3 Gen. 1 Gen.	1 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	2 Gen, 1 Adv. 1 Adv. 1 Adv. 1 Adv.	1 Gen, 5 Adv. 1 Gen, 5 Adv. 1 Gen, 12 Adv. 14 Adv.	1 Gen, 4 Adv. 2 Gen, 12 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 5 Adv. 1 Gen, 5 Adv. 1 Gen, 12 Adv. 14 Adv.	2 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.	2 Gen, 3 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.	2 Gen, 4 Adv. 1 Gen, 2 Adv. 1 Gen, 1 Adv. 13 Adv.	2 Gen, 4 Adv. 1 Gen, 2 Adv. 1 Gen, 1 Adv. 13 Adv.	1 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.	1 Gen, 1 Adv. 1 Gen, 1 Adv. 1 Adv. 1 Adv.
<b>Miscellaneous</b> FinTech applications to support SF Sustainable Governance (ESG governance, fund governance) ESG ecosystem (actors and implications)	1 Gen. 4 Gen. 7 Gen.	1 Gen. 3 Gen. 7 Gen.	1 Gen. 4 Gen. 1 Adv.	3 Gen, 1 Adv. 1 Gen, 7 Adv. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 1 Gen. 6 Gen.	1 Gen. 3 Gen. 7 Gen.	1 Gen. 3 Gen. 7 Gen.	1 Gen. 3 Gen. 7 Gen.	1 Gen. 3 Gen. 7 Gen.	1 Gen. 3 Gen. 7 Gen.	5 Gen.

Compilation International offer		Client facing roles (Bankers & Insurers and equivalent)			Financial/wealth management and product specialists (Products specialists)			SF and ESG task force members		Management, middle and back office (Other functions)					
6 Training programs		Client facing roles Retail or private Sales, FMs, Customer Service	Corporate client	Insurance Agent	Financial analyst / Portfolio or wealth manager / product specialist	Financial planner & Product marketing	Credit specialist	People less in touch with the client but involved in advice and/or wealth planning and/or communication	People dealing with pure asset management issues	People in charge of ESG or SF policies and developments in a financial entity	Asset Servicing/Deposit or/Middle & Back offices	Risk manager and auditors	Compliance / Legal	Executive, Board, Authorized Mgrs	Other function (marketing IT, HR...)
<b>Foundation of Sustainable Finance</b>															
Key definition, factors and risks (climate change, social risk, biodiversity...)															
Role and history of Sustainable Finance (trends, challenges,...)															
ESG and climate risk for a portfolio and tools introduction															
ESG risk & return application															
<b>Regulators, Standards, and norms</b>															
EU action plan package and norms															
Taxonomy & Benchmark Regulation															
SFDR															
CSRD/ CSDD and CSR strategies & practical cases															
MIFID II, Client ESG preferences, and client advisory process															
IDD & PRI/PS Implications															
EET (original norms provided by the EU)															
International standard and norms (TCFD and others)															
<b>Investment processes</b>															
Investment policies															
Investment tools (PA, materiality, EET, ESG data & ratings,...)															
Sustainable investment approaches and investment strategies															
ESG integration in tactical and strategic asset allocation															
ESG integration in stock and bond selection and analysis															
ESG benchmarks															
<b>ESG Analysis &amp; Reporting</b>															
ESG reporting & data (Regulation & norms)															
ESG analysis and ratings (KPIs for ESG performance measurement)															
Applications of TCFD and other norms (EET by Finders)															
Climate Scenario analysis, CO2 emissions of fin products and Target Setting															
How ESG rating are built (data providers, methodologies and toolkits)															
<b>Financial products in Sustainable Finance (Applications)</b>															
ESG funds															
Green and social bonds, including SLBs.															
How to sell and/or market an ESG product? (how to avoid reputational risk)															
Impact Investing, inclusive finance, and blended capital															
Banking product & services (responsible lending)															
Insurance products															
ESG and Real Estate Investing															
ESG and Private Equity Investing															
<b>Miscellaneous</b>															
Fintech applications to support SF															
Sustainable Governance (ESG governance, fund governance)															
ESG ecosystem (actors and implications)															

# Annexe VIII – Training gaps matrix

Profiles to be covered by the training	Client facing roles (Bankers & insurers and equivalent)	Financial analyst, portfolio/wealth manager, product specialists	Product specialists (Products specialists)	Sustainable finance and ESG lead/ team members	Asset servicing, custody, middle back, etc.	Management middle and back office (Other functions)	Compliance, legal	Call center executives, brokers, authorized managers	Other functions and services
<p><b>Description of profiles to be covered by the training</b></p> <p><b>Fields to be covered by the training</b></p> <p><b>Foundation of Sustainable Finance</b> Key definition, factors and risks (climate change, social risk, biodiversity,...) ESG and climate risk for a portfolio and ESG integration ESG risk &amp; return application</p> <p><b>Regulations, Standards, and norms</b> EU action plan package and norms Taxonomy &amp; Benchmark, Regulation SFDR CSRD/ CSDD and CSK strategies &amp; practical cases MiFID II, Client ESG preferences, and client advisory process IDD &amp; MiFIS implications ETI (original norms provided by the EU) Investment process</p> <p><b>Investment process</b> Investment tools (PII, materiality, EET, ESG data &amp; ratings, Label ESG, Rating ESG,...) Sustainable investment approaches and investment strategies ESG integration in tactical and strategic asset allocation ESG integration in stock and bond selection and analysis ESG benchmarks</p> <p><b>ESG Analysis &amp; Reporting</b> ESG reporting &amp; data (Regulation &amp; norms) ESG analysis and ratings (PII for ESG performance measurement Applications of GRI and other norms (EET by Financial Analysts, etc.) How ESG rating and built data providers, methodologies and toolkits)</p> <p><b>Financial products in Sustainable finance (Applications)</b> ESG funds Green and social bonds, including SIBx How to sell and/or market an ESG product? (how to avoid reputational risk) Impact Investing, inclusive finance, and blended capital Banking product &amp; services (responsible lending) Insurance products ESG and Real Estate Investing ESG and Private Equity Investing</p> <p><b>Microskills</b> Financial applications to support SF Sustainable Governance (ESG governance, fund governance) ESG ecosystem (actors and implications)</p>	<p>A position that focuses on client-facing, B to C retail or private sales, RMs, customer service</p> <p>B to B positions, contact with corporate clients is required with no distinction between large and small companies.</p> <p>A position that focuses on working on life insurance products and other assets relevant.</p>	<p>A role that deals with pure asset management issues.</p> <p>Position that includes less contact with clients but more involved in advice and/or communication</p>	<p>A position that deals with credit or loans, for both retail and corporate clients.</p>	<p>This role includes overseeing ESG or sustainable finance policies and developments in a financial entity.</p>	<p>Market and back-office middle management positions in charge of NAV, reporting, etc.</p>	<p>Figure as risk managers, Risk manager and auditors</p> <p>This position includes services and conducting the financial products.</p>	<p>This position includes and director, including independent directors.</p>	<p>It refers to marketing profiles, human resources profiles, IT specialists, etc.</p>	
<p><b>Investment process</b></p> <p>Investment tools (PII, materiality, EET, ESG data &amp; ratings, Label ESG, Rating ESG,...) Sustainable investment approaches and investment strategies ESG integration in tactical and strategic asset allocation ESG integration in stock and bond selection and analysis ESG benchmarks</p>									
<p><b>ESG Analysis &amp; Reporting</b></p> <p>ESG reporting &amp; data (Regulation &amp; norms) ESG analysis and ratings (PII for ESG performance measurement Applications of GRI and other norms (EET by Financial Analysts, etc.) How ESG rating and built data providers, methodologies and toolkits)</p>									
<p><b>Financial products in Sustainable finance (Applications)</b></p> <p>ESG funds Green and social bonds, including SIBx How to sell and/or market an ESG product? (how to avoid reputational risk) Impact Investing, inclusive finance, and blended capital Banking product &amp; services (responsible lending) Insurance products ESG and Real Estate Investing ESG and Private Equity Investing</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	<p>General gap</p>	
<p><b>Microskills</b></p> <p>Financial applications to support SF Sustainable Governance (ESG governance, fund governance) ESG ecosystem (actors and implications)</p>									



## Annexe X - Disclaimer

The findings and solutions exposed in this report are the result of the work conducted by the LSFI Sustainable Finance Education and Training Working Group; the aim has always remained to try to help unravel the challenges of the financial sector in Luxembourg in the sustainable finance education and skills field and bring clarity into which topics and profiles need more attention going forward to have the financial sector further advance towards sustainability.

Taking this into account, some clarifications regarding the scope, methodology, and assessment findings can be highlighted: The assessment might include potential shortcomings resulting from the methodology applied.

- The working group members include representatives of some of the training providers analysed. It should be noted that while this provided access to additional insights regarding the courses, all the members signed a “Conflict of Interest Policy” to ensure objectivity in the analysis.
- The assessment has been focused mainly on the Luxembourg offering. We acknowledge this leaves other international and digitally available courses that the Luxembourg professionals could access out of scope. However, this has been done considering the LSFI's role, the working group's objective, and its members' expertise. In this regard, the ultimate goal was to analyse and strengthen the Luxembourg offering and the skills set of the Luxembourg financial professionals.
- The training courses analysed are those existing in the public catalogues at the time of the working group. This work does not cover on-demand and private training courses.
- The topics covered and the profiles identified by this assessment result from an market analysis deriving from the working group members expertise and experience and from the training courses presented in the first sessions. Variations in job titles and theme types have been done to be as inclusive as possible.
- Despite the thorough work from the working group members and the LSFI secretariat, additional topics might be missing and could be considered in the future as needs.
- The training providers have been the ones to fill in their trainings' matrix, this was decided as these are the only ones with a full understanding and comprehensive information about their training courses.
- For referring to the “diversity gap”, the working group has used a threshold of 3 or fewer training courses to indicate a diversity gap. This figure has been selected as it represents a 10% of the offering analysed.
- The report's results show the strengths and gaps of the assessed training courses when conducting the analysis. However, sustainable finance and its training offering and needs are constantly evolving; thus, the results cannot be considered definitive.



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