

The integration of sustainability factors, risks and preferences in insurance - “An insurance intermediary’s view”

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The tale of three brothers

Exclusion (Negative screening)

Integration (Positive selection)

Engagement (Responsible ownership)

Principle Adverse Impact

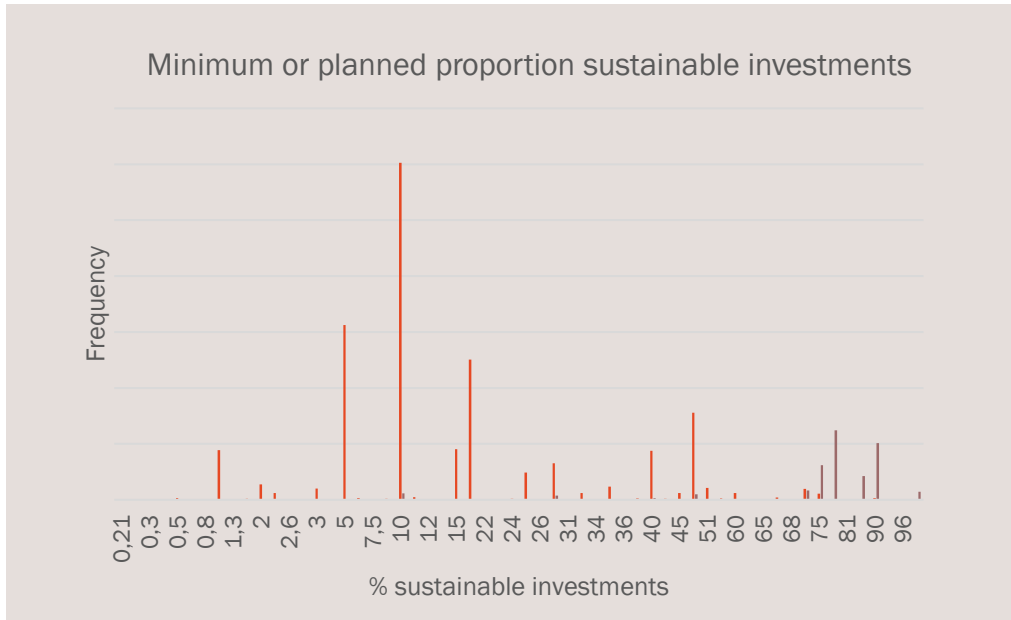
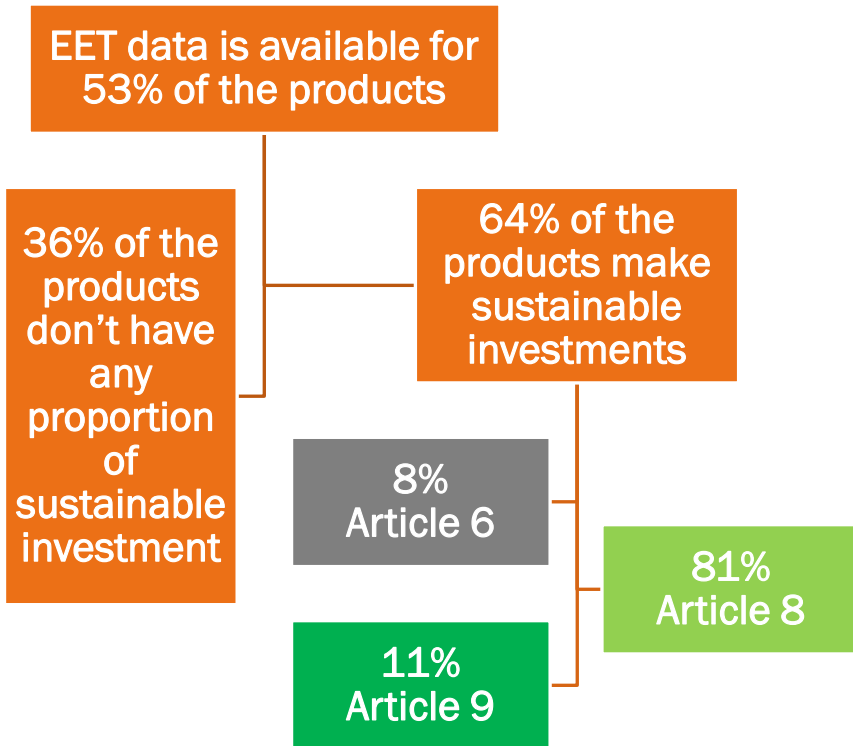
Proportion of sustainable investments

Proportion of taxonomy-aligned investments

What does the demand look like?

- Nordic retail investors have historically shown a high demand for sustainable insurance-based investment products (IBIPs).
- 80% of respondents want sustainability to be integrated into advisory.
- However, clients' willingness to specify what sustainability means is low. The general attitude is “as much (sustainable) as possible”.
- The motive for investing sustainably is not always to make the world a better place.

What does the supply look like?



Challenges

- Information from manufacturers.
- Infrastructure, data availability and quality.
- Explaining the questions in a simple way.
- Time constraint in the meeting.
- Clients with high sustainability preferences.
- Risk that sustainability preferences will stand back.

Opportunities

- Homogenic view on how to define clients' sustainability preferences.
- Incentivizes sustainability reporting from manufacturers.
- Pushing for more sustainable products.
- Awareness enhancing initiatives.

Thank you!

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