



The technical skills, knowledge, behaviours and capabilities required to tackle environmental challenges and unlock the opportunities for growth they present. ([IEMA/Deloitte](#))

Refers to a range of skills including:

- Data analytics
- AI skills
- Risk management
- Accounting
- Strategy development
- Policy development
- Leadership skills
- Sustainable finance

Why do we need to build these skills?

Regulatory compliance

- Governments and international bodies are increasingly implementing regulations and standards focused on environmental sustainability. Financial institutions must ensure their workforce is knowledgeable about these regulations to remain compliant and avoid penalties.

Risk management:

- Environmental risks, including climate change, significantly impact financial markets and asset values. Employees with green skills can better assess and manage the risks, building institutional resilience against environmental shocks.

Corporate social responsibility (CSR):

- Developing green skills aligns with broader CSR goals, demonstrating a commitment to contributing positively to environmental sustainability. This can improve employee morale and attract talent who value sustainability.

Competitive advantage:

- As the demand for sustainable products and services increases, having a workforce proficient in green skills can provide a competitive edge. Financial institutions that integrate sustainability into their operations and offerings can differentiate themselves from competitors.

AI opportunity:

- AI can enhance financial institutions' sustainability efforts by improving data analysis, risk assessment, portfolio optimisation, customer engagement, fraud detection and energy efficiency. Green Skills will enable individuals to carefully monitor the use of AI in their sustainability work.

Key facts:



The global average of green skill concentration at an industry wide level is **12.3%** whilst the UK green skills concentration in the FS sector is **7.6%** (1)



One in five jobs in the UK will require green skills as a result of the transition to net zero (2)



65% of organisations allocated just **0-10%** of training budget to sustainability initiatives (3)



Failure to close the green skills gap in time will result in the UK **missing** its publicly-stated Net Zero target (4)



67% of people want their financial institution to be **more sustainable** (5)

