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Diversity, Equity, and Inclusion (DEI) in the insurance industry - The Gender Perspective

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Access to Insurance Initiative (A2ii)

A unique global partnership....



*... working to ensure that the world's excluded and underserved **have access to insurance.***

*As an implementation partner of the IAIS, we do this by **supporting insurance supervisors and regulators** to create the conditions necessary for an inclusive insurance market to grow.*

Why DEI matters in Insurance ?

IAIS adopted Diversity, Equity and Inclusion (DEI) as one of its key strategic themes in 2021, recognizing its value to insurance industry and its supervision.

In 2022, resultant from a stock take survey, IAIS summarized the following benefits that accrue by encouraging DEI in an insurers' culture :

- Embedding DEI into an organizations' operations and culture encourages greater innovation that leads to better customer outcomes.
- Inculcating DEI reduces misconduct by promoting a strong culture where all employees are valued and get a sense of belonging and appreciation.
- DEI driven leadership at insurers and other organization improves their corporate governance and risk management by reducing the risk of 'groupthink'.

Source: Stocktake on diversity, equity and inclusion in the insurance sector, IAIS, December 2022

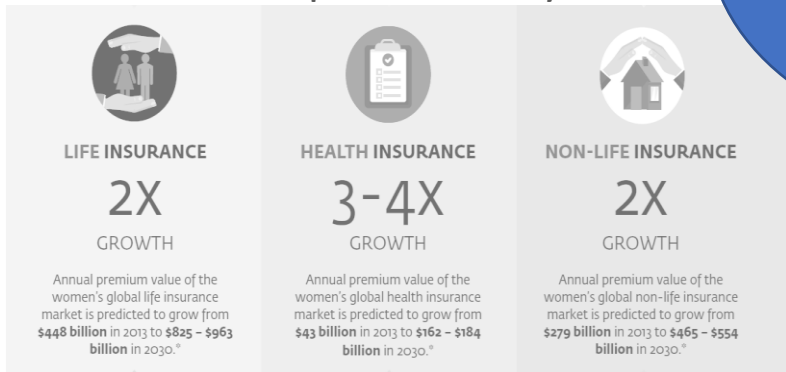
Gender Equity in Insurance – First Step to DEI

- A major opportunity!
- Annual women’s market opportunity for the insurance industry globally will represent between USD 1.45 - 1.7 trillion by 2030
- An increase in GDP due to gender parity will translate into an additional USD 2.1 trillion in global insurance premiums by 2029

- But.....
- Women only made up 23% of re/insurance company executives, 10% of CEOs and 8% of board chairs globally in 2019.

We don't know!!

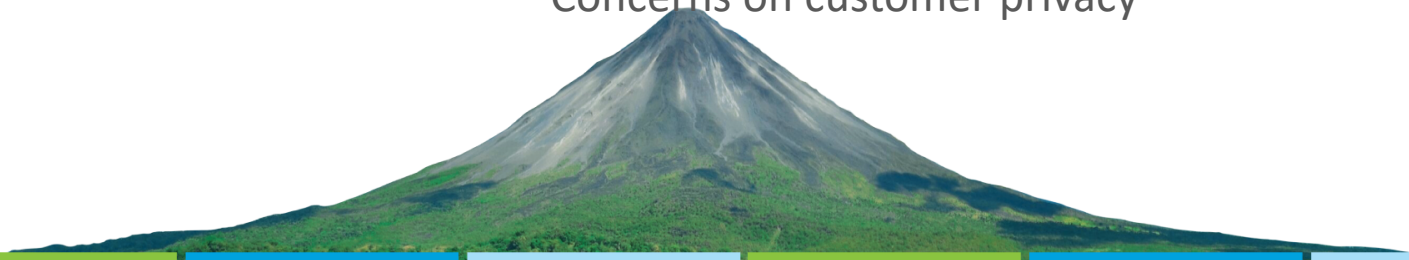
- Women have carried a bigger brunt of the socio-economic fall out of the pandemic.
- Increasingly, women would carry a disproportionately higher quantum of the negative impacts of climate change.
- So how far behind are women, as compared to men, in accessing insurance?



The absence of gender disaggregated data

If we don't have gender disaggregated data, how can we know:

- What products and services women value or need ?
 - What distribution channels women prefer ?
 - What challenges women face in making claims?
 - Do women entrepreneurs face more difficulty in accessing insurance for their businesses?
 -
- No comprehensive data sets exist on women's access to insurance, neither on the demand nor the supply side.
 - In Microinsurance Network's microinsurance landscape survey, 2021 more than half (55%) of the products/providers didn't collect data on women.
 - Challenges in collecting gender disaggregated data:
 - Definitions and also how insurers collect data
 - Digital channels (mobile phones etc.) don't collect such data
 - Concerns on customer privacy



Gender Diverse Constraints to Insurance Access

- **Lack of IDs and asset ownership** – women are 9% less likely than men to have ID in Sub-Saharan Africa
- **The Digital Gap and Gender** – Women are 8% less likely to have a mobile phone and 20% less likely to be accessing mobile internet over a smart phone
- **Socio-cultural constraints** – Women face barriers in many societies while accessing insurance agents, other sales and service points and sources of information as they tend to be male dominated
- **Limited representation** - Women only made up 23% of re/insurance company executives, 10% of CEOs and 8% of board chairs globally in 2019.
- **Women face disproportionate impacts of climate change** - UN Women says that ‘ when climate disasters happen, women are less able to access relief and assistance, further threatening their livelihoods, wellbeing and recovery, and creating a vicious cycle of vulnerability to future disasters.’

Source: AXA, Accenture and IFC, 2016, Swiss Re Institute, 2019 and 2021, IFC, 2020.

From Gender Neutral to Gender Aware

- Insurance regulations tend to be gender neutral that may unintentionally overlook gender specific needs or constraints
- Women have unique risks (in terms of health, life cycle needs etc.) , gender neutral products (and at times regulations) do not meet these unique needs
- Climate and disaster risks have gendered impact, hence there is a need to analyze gender aware data to understand those risks and impacts
- IAIS plans to initiate work aimed at helping supervisors to further understand the benefits of DEI, the connection between promoting DEI and their supervisory mandates, and the range of available supervisory practices to promote DEI.

Mainstreaming Gender at A2ii

Statement of intent - A2ii seeks to inspire regulators to support the financial inclusion of women by facilitating more accessible markets and promoting women's representation in the industry

| <u>Key question/need</u> | <u>Tool/framework</u> |
|--|--|
| Why gender mainstreaming? | A2ii statement of intent |
| What information is needed? | Boilerplate templates |
| How do we ensure gender is included/integrated in knowledge, advocacy & capacity building? | Checklist |
| How do regulators/supervisors know where they are or where to begin their efforts? | <ol style="list-style-type: none"> 1. Rapid gender assessment 2. Gender mainstreaming model for inclusive insurance supervision & regulation |
| How can A2ii support regulators using these tools? | <ol style="list-style-type: none"> 1. Rapid assessment tool responses can shape support strategies 2. Boilerplate can shape training content |

A2ii's Gender Maturity Tool and Model

| Workforce and workplace practices | Answer: |
|---|---------|
| % of women: | |
| Executive leadership: Commissioner and direct reports | |
| Pipeline: senior leadership team (reports to executive leadership) | |
| People managers | |
| Employee development (e.g., participation in trainings or professional development, mentoring programs) | |
| Full time employees | |
| Employees hired in the last 12 months | |
| Employee promotions in the last 12 months | |
| HR policies/practices include: | |
| Equal opportunity employment policy | |
| Recruiting strategy includes gender diversity | |
| Employee promotions and development opportunities reviewed by gender | |
| Anti-sexual harassment policy | |
| Anti-discrimination policy | |
| Mechanism to report sexual harassment or discrimination | |
| Result | |
| Regulatory and supervision practices | Answer: |
| We have data on the approximate number/percent of women policy holders in my country | |
| We collect gender information from insurers (e.g., % women policy holders) | |
| We analyze gender data collected from insurers | |
| We review regulations to assess proportionate impact on men and women | |
| In the last 12 months we have approved regulations that specifically address women's needs and risks (e.g., maternal health coverage, relaxed KYC) | |
| In the last 12 months, we have conducted gender advocacy work (e.g., multilingual awareness campaigns, financial literacy for women in informal employment sectors, roundtable with insurers to promote gender-inclusive insurance) | |
| We track gender representation of insurers (e.g., % women on boards, % women in senior roles) | |
| We provide guidelines for insurers on gender representation (e.g., goals for % women on boards, % women in senior roles) | |
| Result | |
| Current overall level of Gender Maturity: | |
| A2ii Gender Maturity Tool (+) | |

Gender mainstreaming model for inclusive insurance supervision & regulation

Gender diversity efforts progress along a continuum. This model presents a guiding vision of stages of gender mainstreaming and actions to move from foundational to advanced stages.

Use the model to shape the direction and the ambition of your gender mainstreaming efforts in conjunction with the rapid gender assessment tool that provides a snapshot of where your organization stands with respect to key gender diversity indicators.

FOUNDATIONAL: meets fair market and employment standards

Description

- Understanding of women's barriers to insurance but approach to supervision, regulation and policy development is gender neutral
- In compliance with equal employment legislation

Key Actions

- Establish the business case for increasing women's participation in all aspects of insurance
- Run rapid assessment to determine strengths and pain points
- Secure buy-in of commissioner to focus on gender diversity
- Implement foundational workplace policies to address gender gaps

INTERMEDIATE: pursues initiatives aimed at short term objectives

Description

- Understanding that practices and policies assumed to be gender neutral may have disproportionate gender impact
- Gender-disaggregated data (internal & external) is collected
- Leadership is engaged in gender equity discussions

Key Actions

- Close gaps in gender data collection (e.g.; product lines by male/female, internal gender representation)
- Analyze data to understand current state internally and externally
- Integrate gender equity focus into people management practices
- Develop gender action plan

ADVANCED: invests in strategies aligned with long term vision

Description

- Active support of financial inclusion of women by facilitating more accessible markets and promoting women's representation in the industry
- Leadership creates and drives a culture of inclusion that achieves demonstrable gender equity outcomes

Key Actions

- Proactively examine proportionate impact of risks (e.g.; climate, covid) on men and women
- Use data to influence policy development
- Capacity building training for regulators and supervisors to advance gender equity in the insurance market
- Develop a multi-year gender equity strategy with outcome driven KPIs

Building capacities & Generating Knowledge

Gender focused reports & webinars



- Publication and webinar on 'Role of insurance supervisors in boosting women's access to insurance'
- Gender balance in all our policy dialogues, Lab work and other external engagements



Gender awareness training module

- An introduction to the unique context of women and their risk-mitigation needs.
- Opportunity to examine some of the myths and biases about women's market
- Offers a deeper understanding of how supervisors can apply a gender lens to their regulatory and supervisory work

Gender Disaggregated Data Toolkit

- Easy to use tool to collect and analyze gender disaggregated data and use that information to guide their work
- Seeks to collect and report sex disaggregated KPIs on DEI and market access
- As an output offers supervisors the opportunity to collate data from all insurers and gather some quick high-level insights on what more they can do



Thank you!

For details on A2ii's gender training modules and scholarships and other gender knowledge resources please visit a2ii.org or write to secretariat@a2ii.org

