



# Association of British Insurers

Peter Montagnon

Head of Investment Affairs



# Who are we?

- **Trade Association for Insurance Industry**
- **Representing large investors – around Yen 200 trillion under management**
- **Big equity component**
- **Long term holders who have to care what happens to companies**



# Why are we involved in SRI?

- **Partly driven by pension fund legislation**
- **But also by the business impact of social, environmental and ethical issues**
- **Union Carbide hurt many people**
- **Shareholders can help society, companies and themselves by working to prevent such disasters**



# Three questions for companies

- **Have you assessed the social, environmental and ethical risks in your business?**
- **Do you have measures in place to manage those risks?**
- **Are you checking that these measures are working?**



# ABI guidelines

- Available on our website [www.abi.org.uk](http://www.abi.org.uk)
- Call on companies to answer these questions
- Capture all the important issues
- Take social responsibility out of the realm of pr
- Allow for variation within companies
- Work through alignment of interest



# Mainstream UK approach

- **Other investors adopting similar approach**
- **Companies are responding**
- **Alignment of interest should bring quality response**
- **Needs developed corporate governance systems**
- **Is it right for Asia?**