

SRI in Korea: Trend and Underlying Issues

Special survey
on SRI in Korea

Economy21 SRI Survey

Economy21 is,

- # Sister economic weekly of *The Hankyoreh*
- # Published by Hankyoreh E&C
- # Striving for enlargement of its coverage to the intersection between business and social responsibility

This survey is,

- # Conducted 5.30~6.4 with Hankyoreh Corporate Evaluation Center
- # Sample: 500 Koreans, residents of Seoul, Busan, Daegu, Incheon, Gwangju, Daejeon, Ulsan, Kyungki
- # Sample error: $\pm 4.4\%$ in 95% confidence area

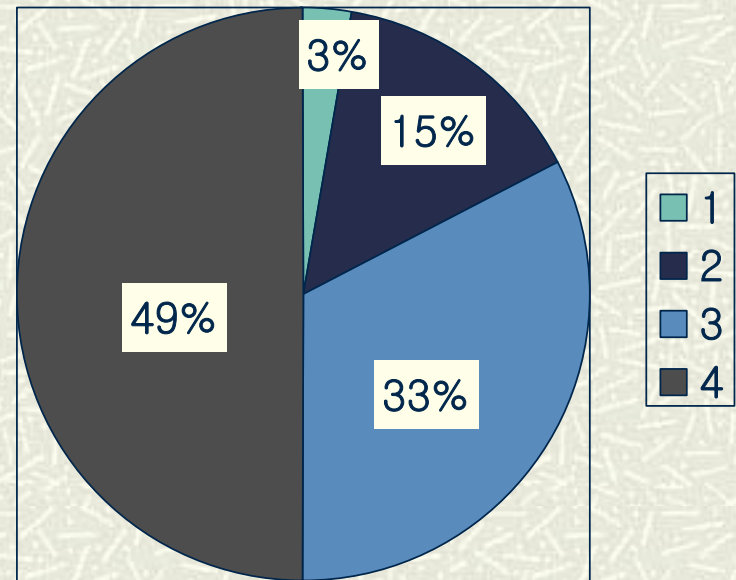
SRI in Korea: Mission Impossible?

- # Experts reaction: big doubt on financial performance of SRI funds
- # Limited public awareness on SRI concept
- # Result: only one SRI equity fund in Korea (Samsung Eco-fund)

Big Doubt

Do you think SRI funds are acceptable for Koreans?(44 financial experts)

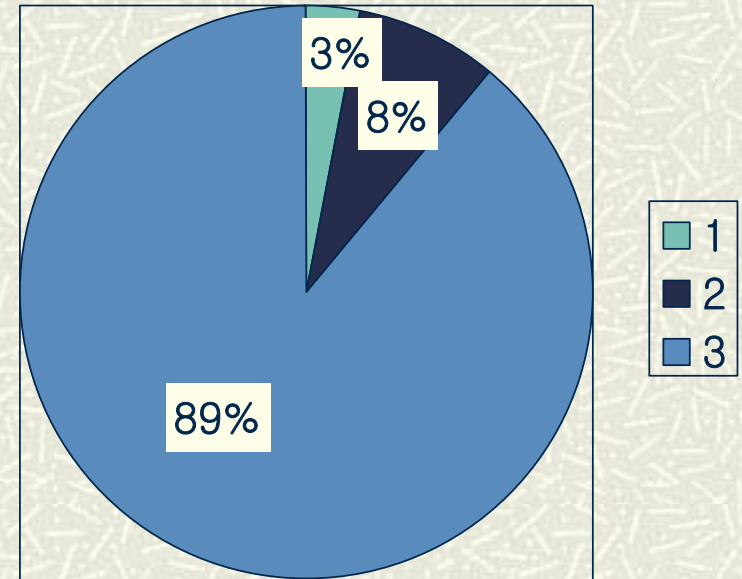
1. Very acceptable
2. Relatively acceptable
3. Relatively unacceptable
4. Very unacceptable



Limited Public Awareness

Have you heard of SRI?

1. Have heard and understand the concept
2. Have heard, but do not understand the concept
3. Have not heard



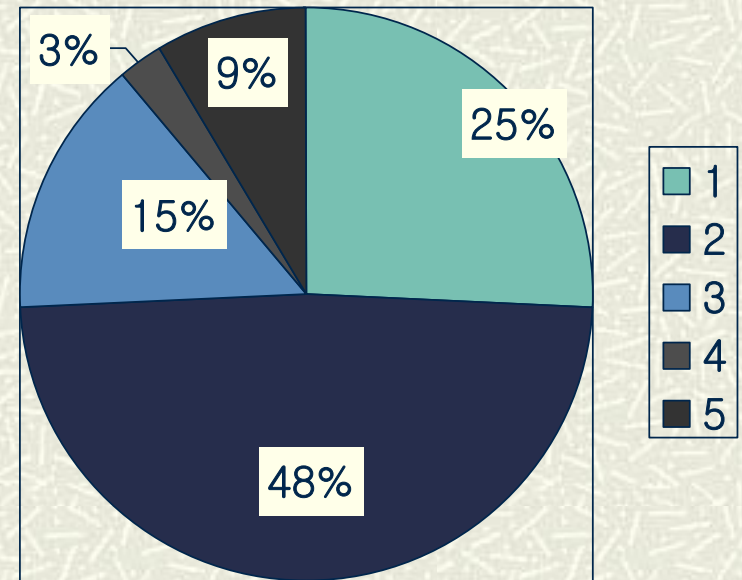
SRI in Korea: However... Still a Chance

- # Number of Korean investors taking corporate social responsibility into account when they invest
- # Experts ready to use SRI analysis tools
- # All the society members should govern a corporations – not shareholders

The Right Way!

Do you think SRI is a right way of investment? (equity investors)

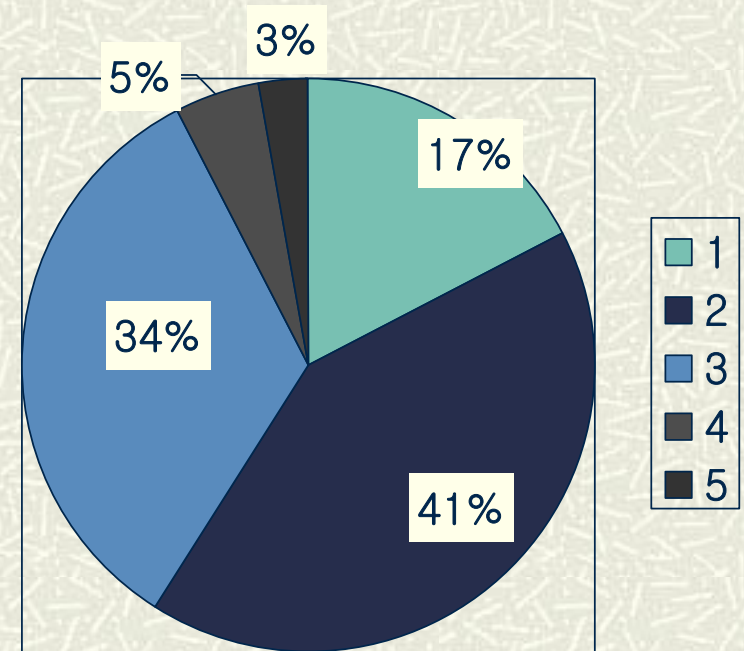
1. Very right
2. Relatively right
3. Relatively wrong
4. Very wrong
5. Do not know



Nice Investors

Do you think social contribution of a company is important when you invest?

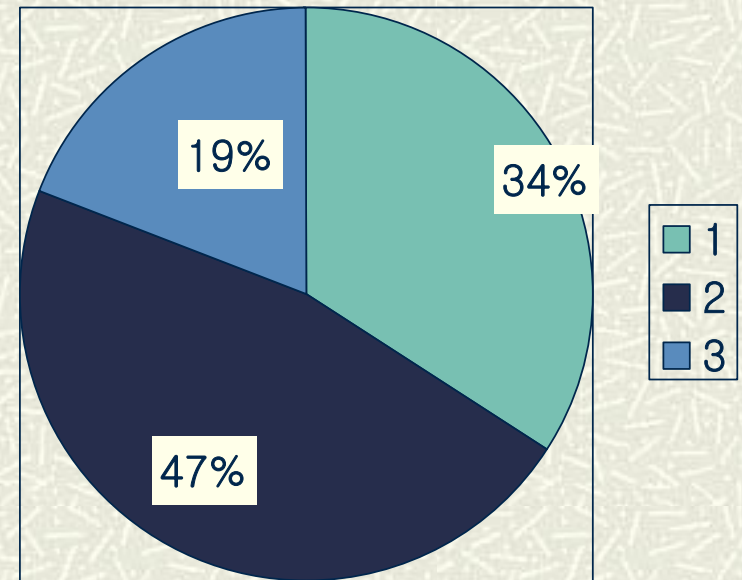
1. Very important
2. Relatively important
3. Relatively not important
4. Never important
5. Do not know



Big Potential

Are you willing to invest your asset in SRI funds if financial institutions sell them?(all)

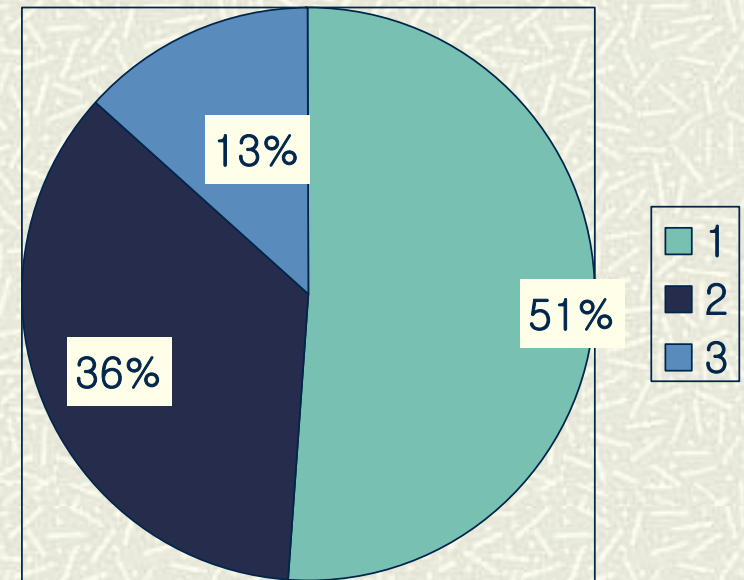
1. Yes
2. No
3. Do not know



Nicer Investors

Are you willing to invest on SRI funds if financial institutions sell it?(fund investors)

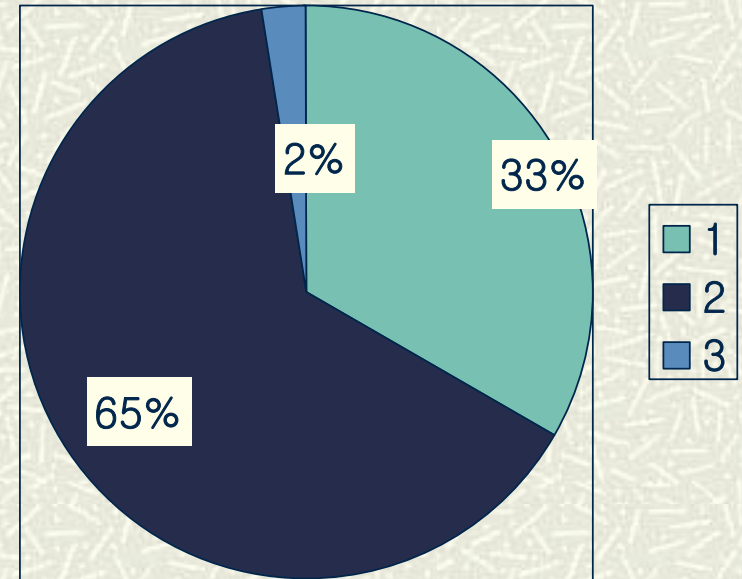
1. Yes
2. No
3. Do not know



Give me SRI, Now!

If evaluation on CSR is done, are you willing to consider the result in your investment decisions? (financial experts)

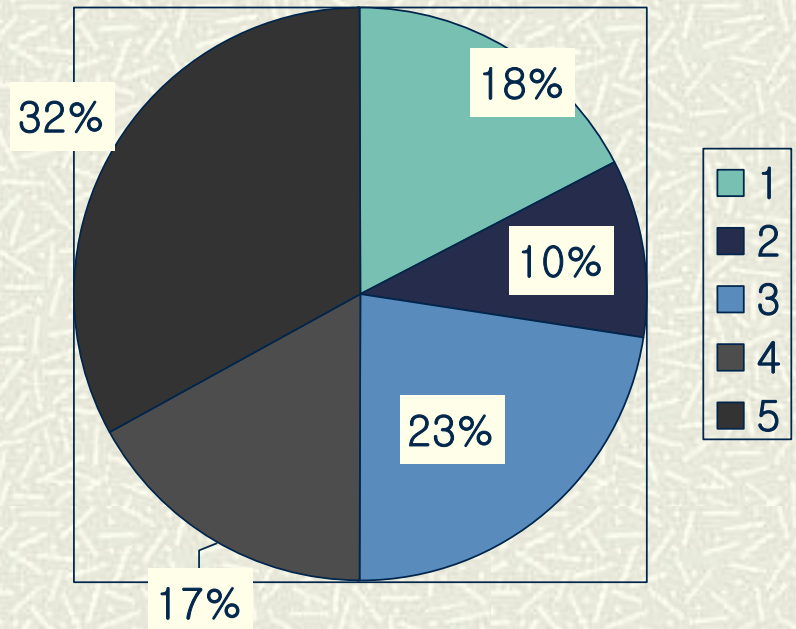
1. Yes, right now
2. Yes, but not now
3. No



Who Should Govern it?

Who should govern a company? (all, multiple choice)

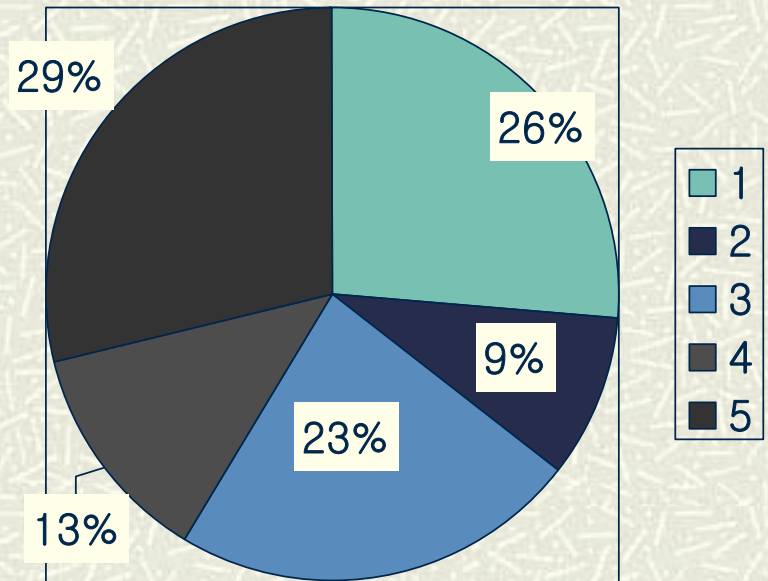
1. Shareholders
2. The management
3. Employees
4. Consumers
5. All the members in the society



Who Should Govern it?(2)

Who should govern a company? (investors, multiple choice)

1. Shareholders
2. The management
3. Employees
4. Consumers
5. All the members in the society



SRI in Korea: What Is To Be Done?

- # Public campaign to make the level of public awareness and that of hidden public intention closer
- # Establishing confident evaluation of corporate social responsibility
- # Corporate sustainability reports

Thank You!

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