



*The Association for Sustainable and Responsible Investment in Asia*

## ***Where Next for SRI in Asia?***

[www.asria.org](http://www.asria.org)



# SRI in Asia Today

**JAPAN:** Nikko-Eco – one of SRI's biggest success stories globally....9 other SRI choices... proven market among one of the world's largest elderly populations

**HONG KONG:** ASrIA inaugural conference Nov 2001 ...Kingsway Fund Mgmt, Henderson's Global Sustainability Fund... Friends Ivory & Sime about to launch SRI fund

**MALAYSIA:** Some faith-based funds

**SINGAPORE:** United Global Unifem UOB Fund...ASrIA Seminar April 2002

**AUSTRALIA:** Developed SRI market... AU\$10 billion under management... several SRI research houses

➤ Starting to gain momentum, but a long way to go...an opportunity on which to capitalise...



# Asian Environment Outlook 2001

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*The region's environmental degradation is  
"pervasive, accelerating and unabated"*

- Water Pollution
- Water Scarcity
- Wastes and Toxics
- Air Pollution
- Resource Degradation

<http://www.adb.org/documents/books/aeo/2001/default.asp>



## **.. but Asia's Future still to be decided**

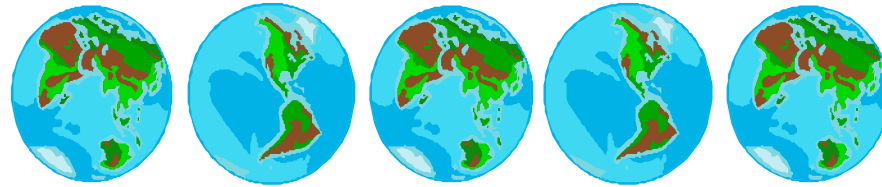
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- Asia has yet to install 80 percent of the industrial capacity it will have by the year 2010.
- New industrial investment in Asia will dominate total investment during the next fifteen years, providing a once-in-a-lifetime opportunity to shift industry to clean production.

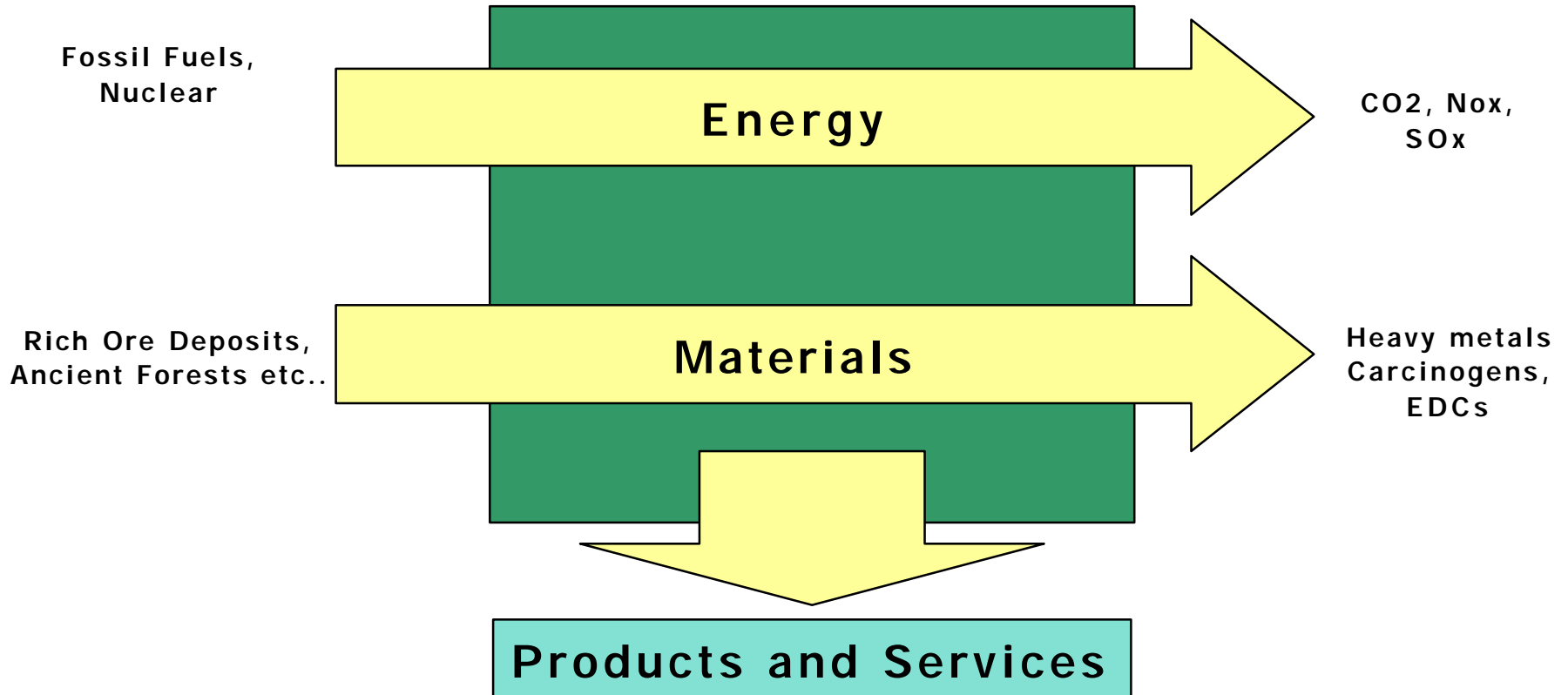
*USAEP Investment & Environment Paper*



# Five World Economy

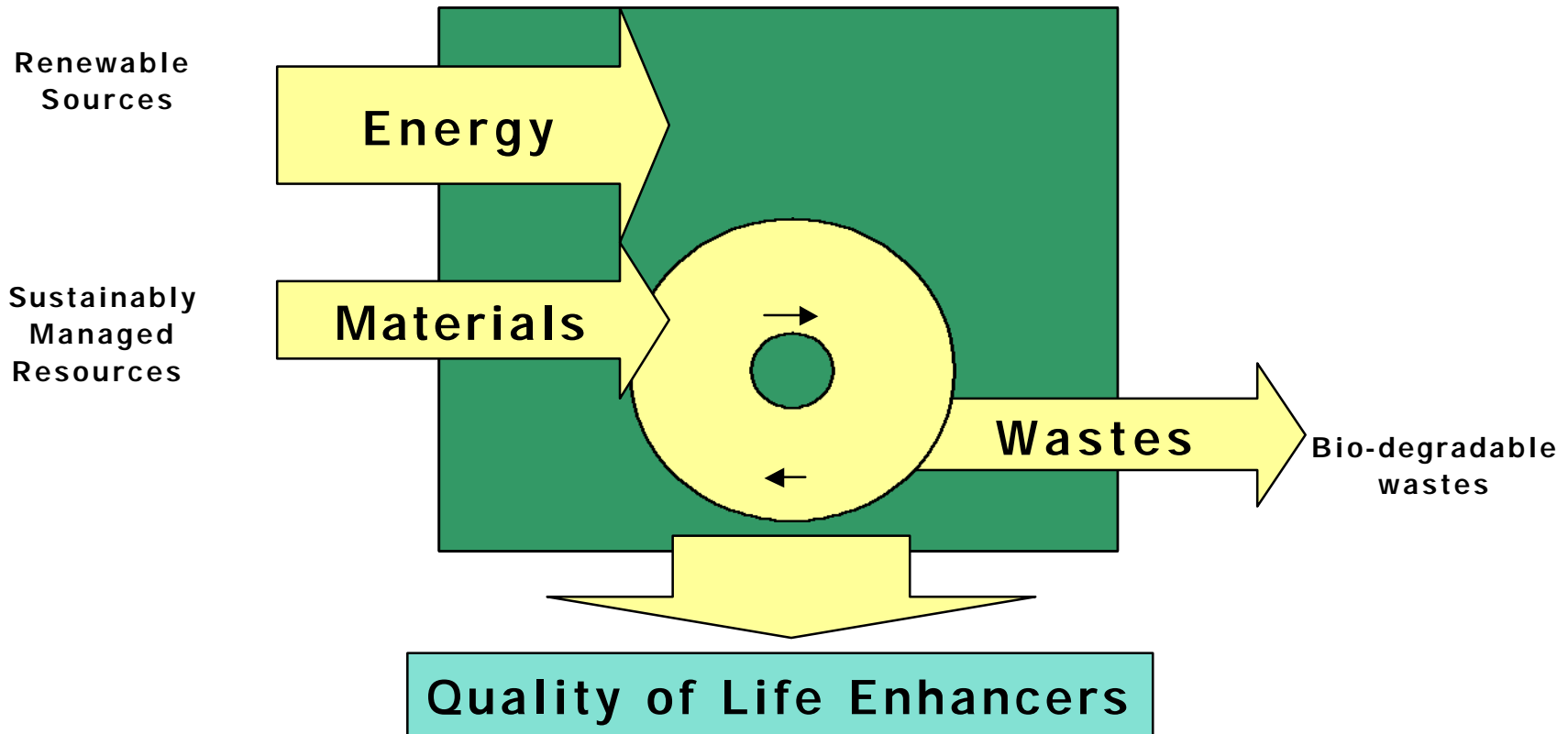


## Linear Economy





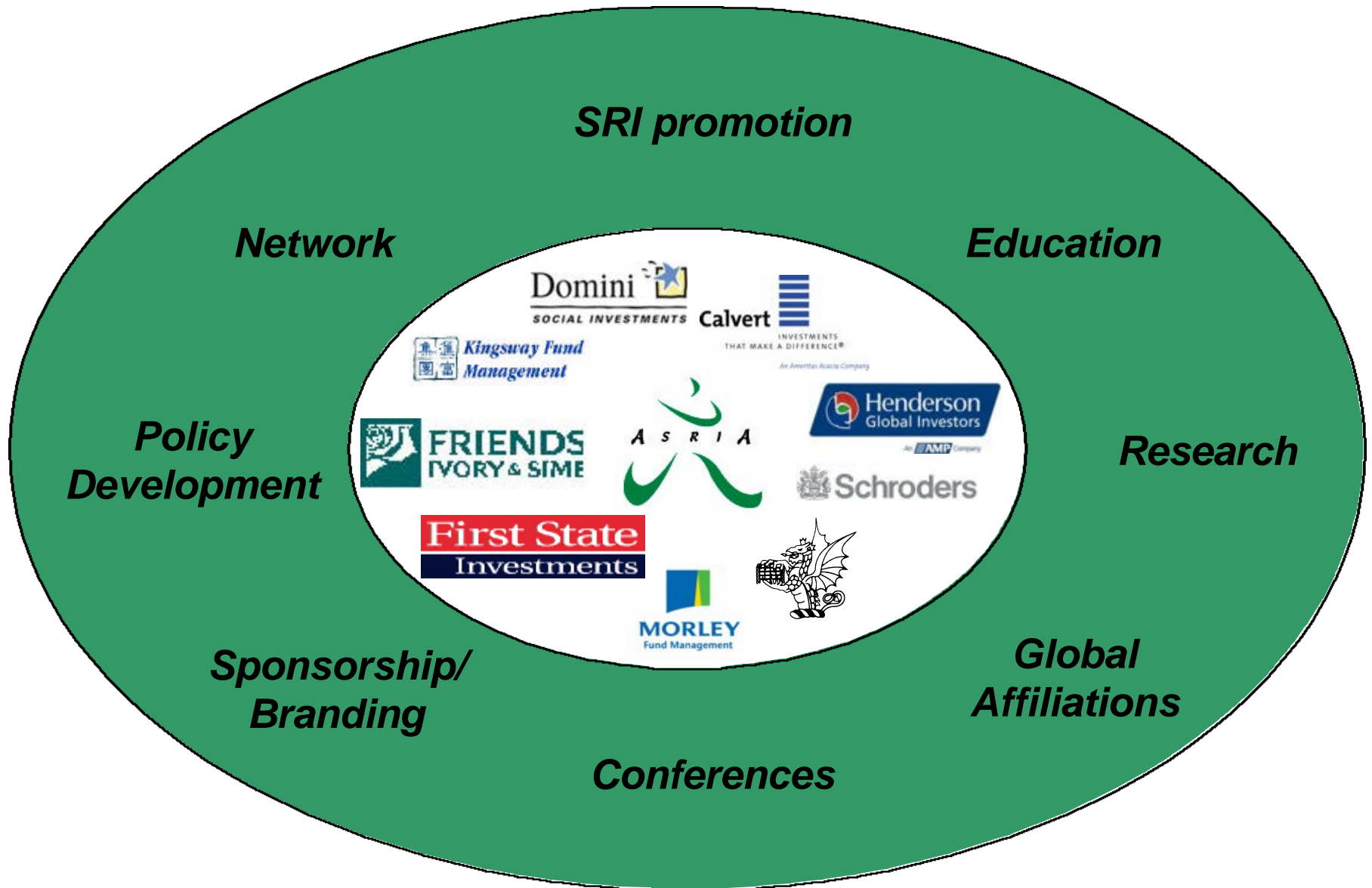
## Cycling Economy



- Politicians promoting agenda....UK legislation sets new precedent



# Introducing ASrIA



*SRI promotion*

*Network*

*Education*

*Policy Development*

*Research*

*Sponsorship/  
Branding*

*Global Affiliations*

*Conferences*

Domini  
SOCIAL INVESTMENTS

Calvert  
INVESTMENTS  
THAT MAKE A DIFFERENCE®  
An Ameritas Avaya Company

Kingsway Fund  
Management

FRIENDS  
IVORY & SIME



Henderson  
Global Investors  
An AMP Company

Schrodgers

First State  
Investments

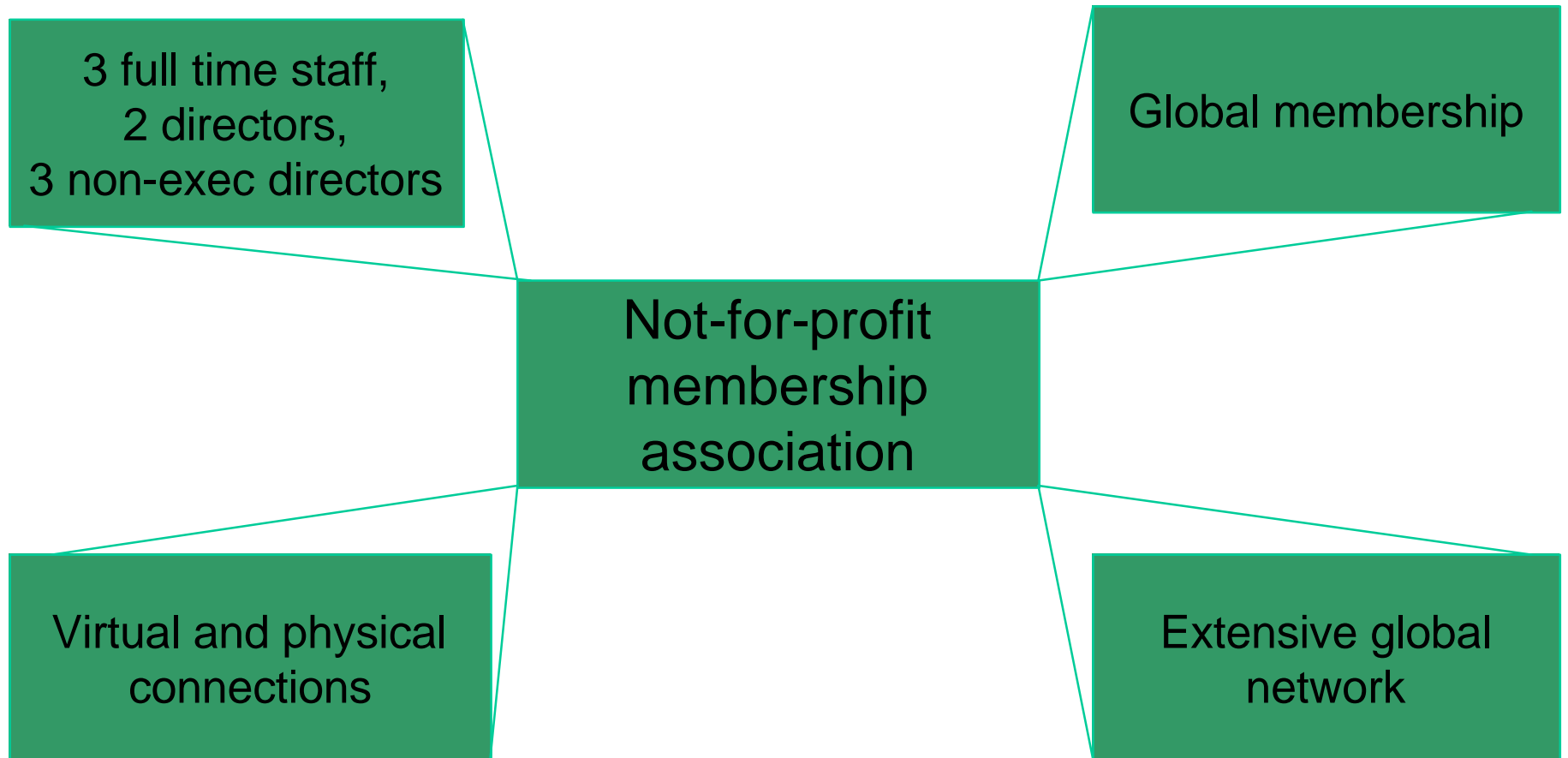
MORLEY  
Fund Management





# ASrIA Organisation

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# ASrIA Objectives

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- Increase awareness of SRI
- Increase Investor Choice of SRI products
- Open up opportunities for ASrIA members
- Increase information and market intelligence
- Support continuous learning and high standards
- Break down barriers to SRI practice



## ASrIA 2001 - 2002 to date...

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- Inaugural conference in HK.
- 25+ conference/seminar presentations in region & globally
- Greater China market research, SRI in Asia booklet
- Significant press coverage – media, TV, radio
- Website launch: average 233 hits per day in March '02, average 377 in April '02, 62% m-o-m growth
- New SRI funds come to HK.

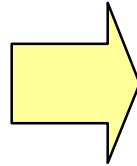
41 Corporate  
Members  
and  
20 Associate  
Members



# ASrIA Going Forward in 2002

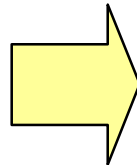
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## Outreach



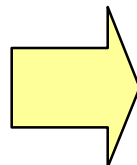
- International Conference in Tokyo, October 2002
- Hong Kong workshops
- Taiwan and Korea seminars
- Numerous speaking roles at global conferences

## Research



- Major policy focus on SRI disclosure in Asia
- Incubating an Asian SRI research business
- Market research
- Strategic SRI thought pieces

## Website [www.asria.org](http://www.asria.org)



- Upgrading with more facilities
- Expanding existing content
- Development of `members page`
- Japanese and Chinese language



# SRI prospects in Asia: Focus One

**KOREA:** Corporate governance a big theme....retail equity investment booming!

**TAIWAN:** Mutual fund industry 40% CAGR last 17 years, only 16% penetration! ... active religious groups.... environmentally aware ... a core target market

**SINGAPORE:** Developed and sophisticated retail investment market... significant state participation in equity investment.

**HONG KONG:** Government increasingly focused on the environment and public aware... ..new scope with MPF... big charitable institutions (eg Jockey Club, Kadoorie Foundation)

Growing populations...high growth mutual fund industries...differentiation opportunity

# SRI prospects in Asia: Focus Two

**CHINA:** The BIG one!...Govt. sponsored CG initiatives... nascent mutual fund industry and growing retail equity culture...SRI may be 'the angle' for early participation

**THAILAND:** High level of interest in SRI but very early days, desire for modernisation with environmental benefits.

**INDIA:** Vast educated population....a major SRI opportunity.... Retail financial services taking off .. but work to be done...

**PHILIPPINES:** High environmental awareness and public participation in reform.. Poorly developed savings culture.

**INDONESIA:** big need.. fragmented opportunity

**MALAYSIA:** Wealthy, educated population...active religious groups... strong retail investment culture

Growing populations...less developed investment fund industries...need for SRI approach substantial



## Other SRI Goals: Regional Focus

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Begin to influence relevant policies of:

- ASEAN and APEC
- Multilateral Investment Agencies: WB, ADB and IFC
- GRI Initiative and CSR Disclosure



# Focus Taiwan

**PARTNERS:** work in collaboration with local groups such as BCSD Taiwan to build an SRI community

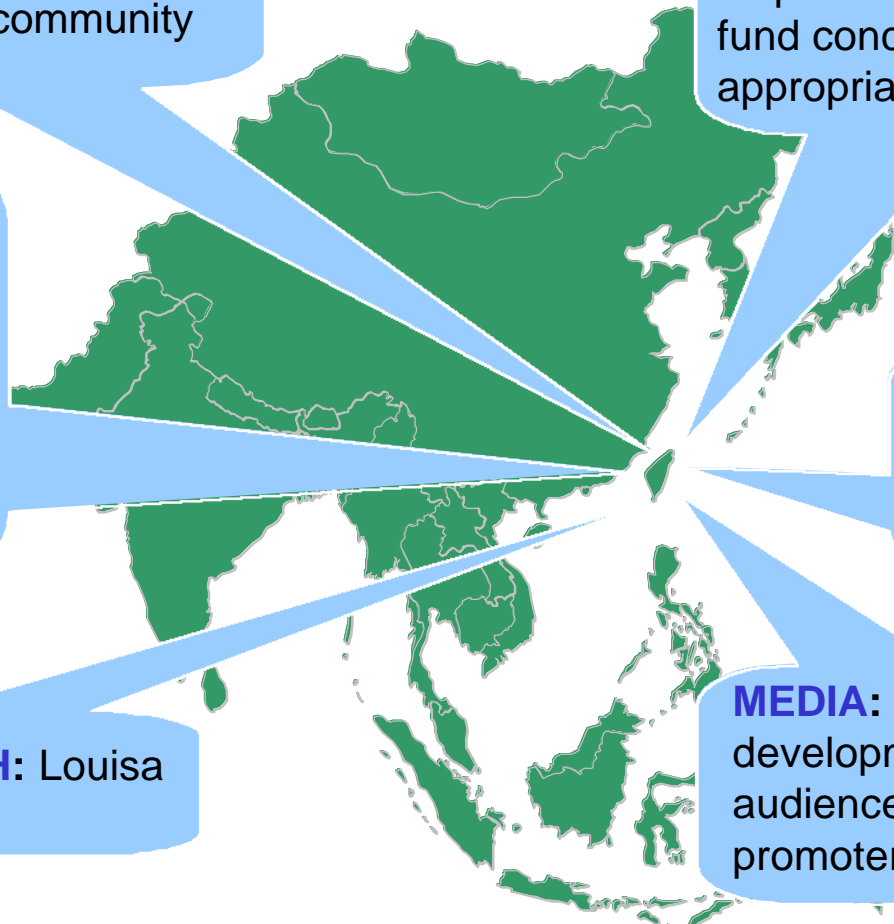
**PRODUCT DEVELOPMENT:** help investment groups develop fund concepts and set up appropriate internal procedures.

**INFORMATION:** web-support for developments with info in Chinese. News about SRI globally, research and technical guidance.

**POLICY:** disclosure issues, right to know, sustainability reporting

**MARKET RESEARCH:** Louisa Mitchell to present...

**MEDIA:** communicate developments to wider audience and work with promoters in Taiwan



**Let's Make it Happen!**