

**Association for Sustainable & Responsible Investment In Asia**

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**Asian Markets and ESG—Treasure Trove or Hornet's Nest**

*Melissa Brown, Executive Director*

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# Growth, Risk, and Ambiguity

## *Saratoga Launches Indonesian Private Equity Fund*

- Saratoga Capital will invest in Indonesia's **infrastructure and natural resources** sectors
- The partners believe their **network of relationships** will assist them to identify both the companies and the managers who can affect turnarounds
- The partners ... also draw attention to the stable political environment and say **the government is working hard to stamp out corruption**

Source FinanceAsia.com Ltd.

# Plumbing Matters

## *Regulatory and Enforcement Trends in China*

- During 2000-2001, China's State Council released **184 rules**, regulations and related documents on OHS. Departments and Ministries released **another 135**. At local levels, **another 107** were released
- Guangdong has started to **name and shame** companies failing to pay wages or violate labor laws. In September 2005, **20 companies** were named. In January 2006, Shenzhen named **another 30**. Guangdong named **another 30** in June 2006

Source: CSR Asia

# People Matter

## *China BlueChemical*

The company intends to “further enhance our existing clear and decisive management procedures through:

- 1) a **highly transparent** management performance assessment system...;
- 2) appropriate delegation of responsibility to management and **clear criteria**...;
- 3) **performance-based employee compensation** and incentives; and
- 4) implementing a **training** system...”

Source: China BlueChemical SEHK IPO Prospectus

# Prices Matter

## *ASrIA's Fearless Forecast for China*

- Gradual tightening of labor market will improve conditions
- Higher prices for power and water are inevitable
- Contaminated land is a looming issue
- Insurance trends will become a useful metric for evaluating operating risk profiles