

# HOW DOES HONG KONG COMPARE GLOBALLY ON ESG STRATEGIES?

## ESG STRATEGY FOR HONG KONG



Sustainability investing



Impact investing



Neg/pos screening



Integration achieved by

Financial Services Department Council advocates integrated ESG ecosystem in Hong Kong in latest ESG research report.

As ESG investment continues its direction of travel from niche to mainstream, the FSDC report sets out key recommendations to ensure Hong Kong is not left behind.

### GOVERNMENT LEADERSHIP

Government will lead way in encouraging public funds' support for integration.

### HKMA ENHANCEMENT

Hong Kong Monetary Authority to heighten external investment manager requirements.

### MPFA INJECTION

MPFA to require more from trustee approval, monitoring and awareness practices.

### SFC UPGRADE

SFC to add "comply or explain" to existing Principles of Responsible Ownership.

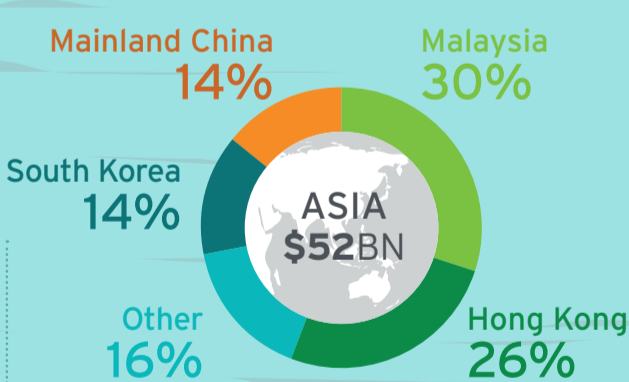
### SFC+ GUIDANCE

SFC to join other regulators in offering more direction on thematic investment products.

### SEHK EMPHASIS

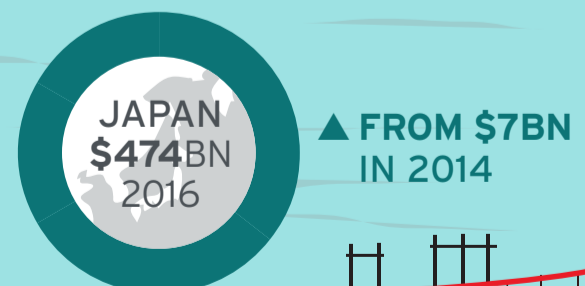
Stock Exchange of Hong Kong to underscore ESG to listing applicants and companies.

### BRING ALL ESG TRENDS IN ASIA TO LIFE?



Assets Managed under Sustainable Investment Strategies during 2016  
**▲25% OR \$4.6TR SINCE 2014**

**THAT'S \$1 IN \$4 MANAGED!**



Category	Global	Asian	Hong Kong
Institutional Investor interest	▲5 Years	▲48%	▲33%
ESG Investment	▲Globally	Assets \$23TR ▲28%	Europe taking \$12TR
			Japan 2Y growth at 6,689%

**Hong Kong** Does **NOT** require pension funds to disclose their ESG investing approach.

AUSTRALIA, BELGIUM, FRANCE, GERMANY, ITALY, MEXICO, NETHERLANDS, SPAIN, SWEDEN, UK  
 Not the case in other jurisdictions!"

Note all \$ figures listed are US dollars. \*OECD. \*\*Global Sustainable Investment Review, 2014-2016.

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