The New Asian Power Brokers

The Growing Influence of Asian Government Pension Funds

The Time to Lead is Now

The Adoption of ESG Analysis by Asian Government Pension Funds

July 2009

Alexandra Tracy Vice Chairman, ASrIA 2nd November 2009



Toolkit Proxy Voting Infrastructure Country Profiles



Association for Sustainable & Responsible Investment In Asia







Responsible investing















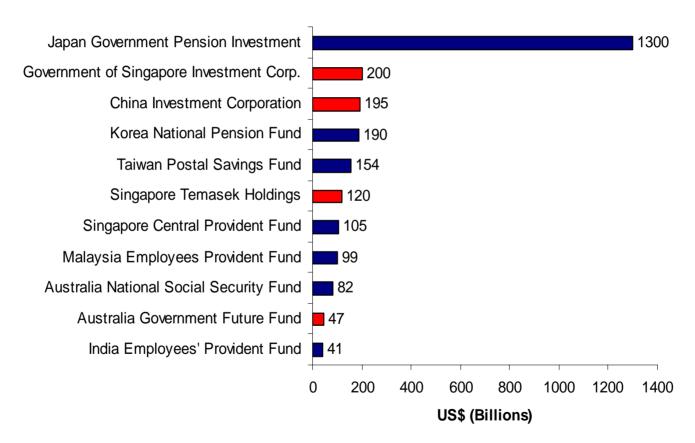
Institutional Investors Group on Climate Change

ASTIA

2

Asian power brokers

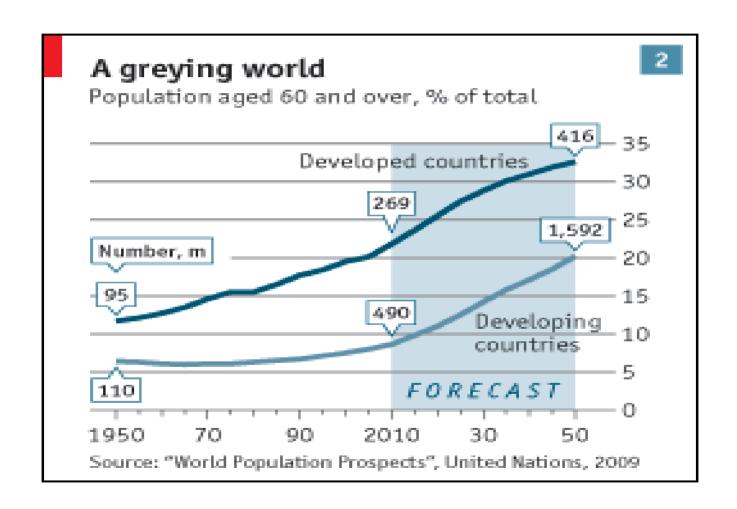
Asia has eight of the top 20 pension funds and four of the 10 largest sovereign wealth funds



Source: IRRCi/Risk Metrics, Watson Wyatt



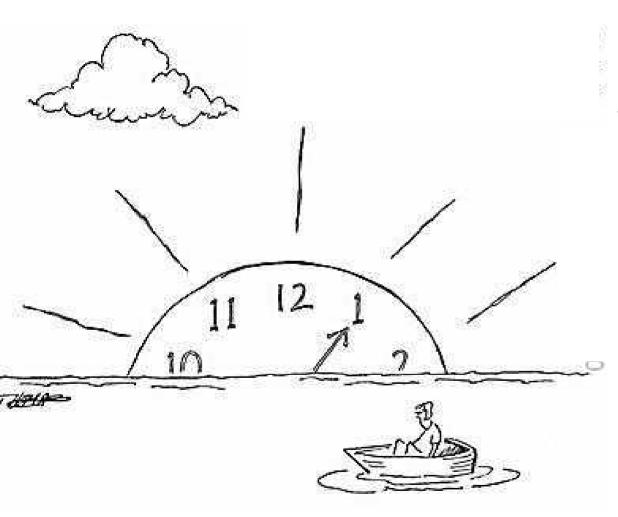
"Getting old before getting rich ... "





4

Fiduciary duty ~ long-term time horizon

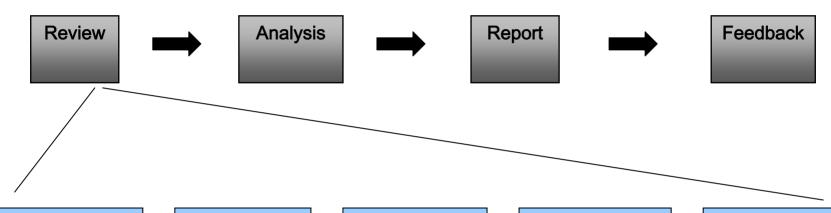


"... the evidence shows that share price depends on long-term returns ..."

Koller, Godhart, Wessels, 2005



RI implementation



Process

- Investment policy
- Analysis and decision making
- Risk management
- Prioritisation
 ESG issues

Organisation

- In-house ESG specialists
- Access to ESG research
- Training and staffing budgets

Performance

- Demand disclosure
- Supply chain research
- Valuation
- Engagement

Transparency

- Client Reporting
- External Reporting
- Performance Attribution
- Engagement

Leadership

- Remuneration and career progress
- Top management
- Walk the Talk



₹I implementation ~ ESG



t may be a breach of fiduciary es to fail to take account of ESG siderations that are relevant ..."

Freshfields, 2005

