

Sustainable Investment

The Strategy to Lead in Wealth Management Business

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To Board of Directors

Structure of Analysis

01 Sustainable Investment Overview

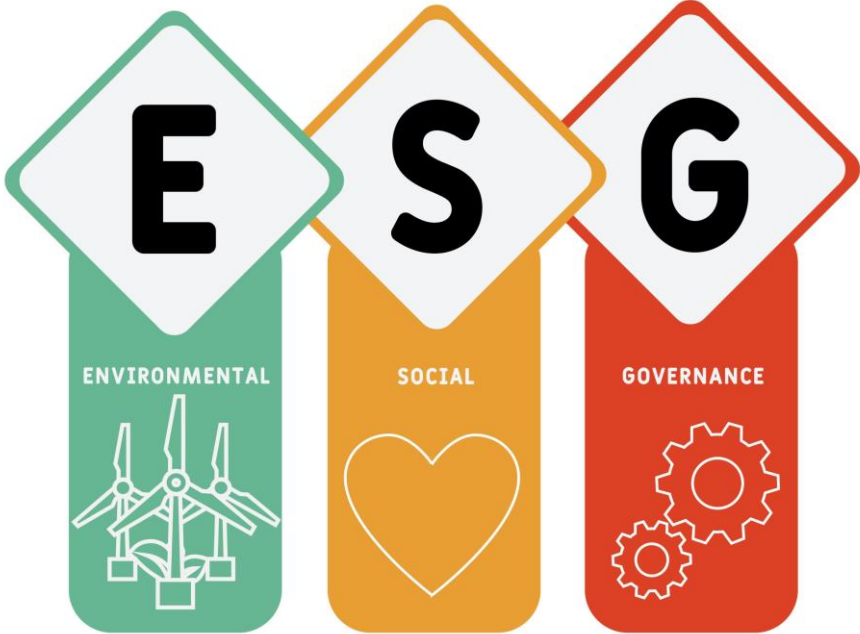
02 Reasons We Care This Strategy

03 Ways to Differentiate

04 Decision Matrix

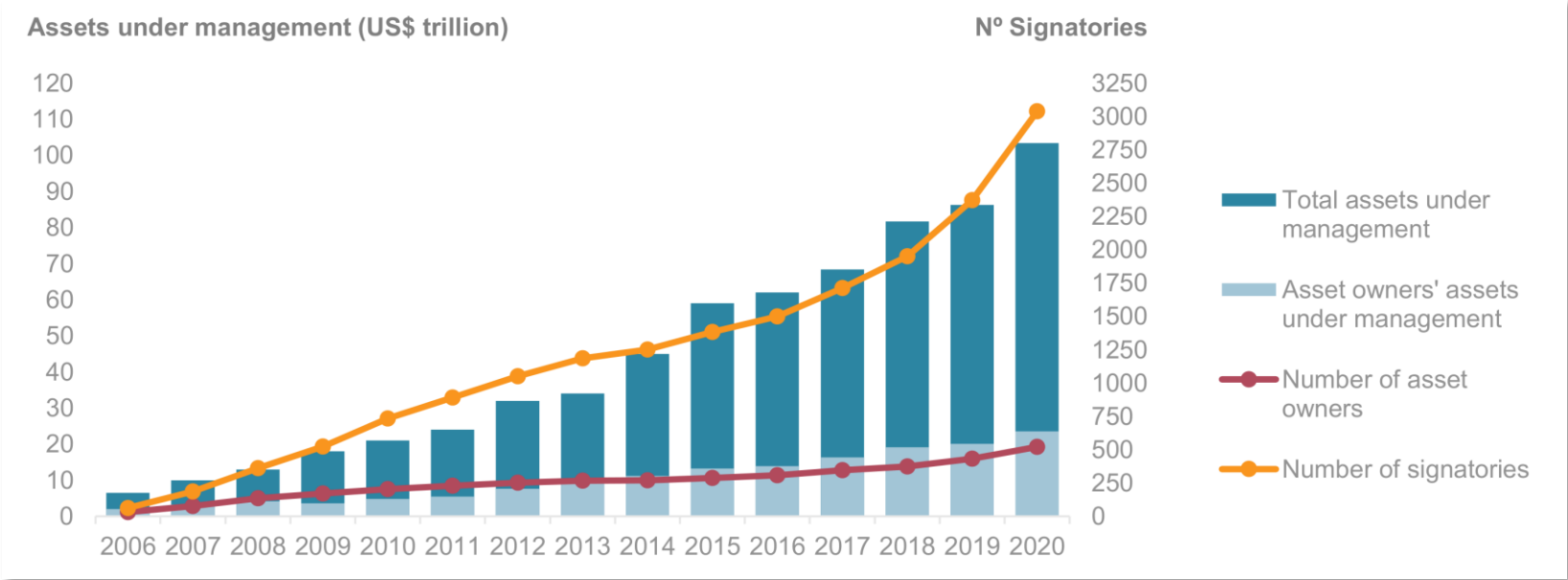
From the Younger Generation, to the Younger Generation

Three Central Factors in Sustainable Investment



Rapid Growth of Sustainable Investment

Figure: Growth in UN PRI signatories and assets (2006-2020)



Source: ftserussell.com

We Care Because Our Clients Care

Younger Generations Are the Future

78%

Clients

89%

Millennials

\$51.1

Billion contributed by
millennials

Source: theimpactivate.com

ESG Has Material Impact on Investment Performance

Incorporate ESG Considerations

Environmental Pollution

Poor Labor Practice

Inadequate governance

Low ESG Scores

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Incorporate ESG Considerations

High ESG Scores

Responsible

Dependable Profits

Long-Term Growth Prospects

ESG Has Material Impact on Investment Performance

Incorporate ESG Considerations

“ Strong ESG scores could signal that a firm is more naturally disposed to longer-term strategic thinking and planning.

”

Mark Carney

Governor, Bank of England,
“A new horizon”, March 2019

Differentiate Ourselves in the ESG Competition

Three Approaches

Thematic
Portfolios

- Attract Investors looking for “positive impact”

Positive
Screening













- Select companies above ESG minimum score

Integration

- Update the traditional investment strategies

The Strategy to Lead Over Next Twenty Years

Decision Matrix

Decision Criteria	Sustainable Investment	Traditional
Fit with Macro		
Competitive Edge		
Level of Risks		
Diversification		
Fit with Firm		
Profitability		

Sustainable Investment

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