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ESG Talent Shortage Holding Back Sustainable Investing in Asia

Over 40% of institutional investors in Asia say they are being held back from more environmental, social and governance (ESG) based investing, due to a shortage of expertise or qualified staff, according to HSBC's Sustainable Finance and Investing Survey 2021.

The figure is up from 26% in 2020, and is now the most common reason Asian investors point to when asked what is holding their firm back from pursuing ESG investing more broadly and fully.

The survey also showed that only 39% of investors in Asia have a firm-wide policy on responsible investing or ESG issues. This compares to 91% and 72% in Europe and the US respectively. However, 72% of respondents in Asia say they are paying greater attention to ESG issues compared to last year, indicating greater prioritisation among investors in the region, and showing remaining concerns about returns are diminishing quickly.

Jonathan Drew, head of ESG solutions at HSBC, said:

"Let's get behind the efforts of governments, regulators and industry associations across the region to build talent and create robust green jobs for the future."

"Sustainable finance and investment is a huge untapped opportunity for Asian corporates and investors, to differentiate themselves and drive growth. It is also critical in ensuring the region – which is among the most vulnerable to the climate crisis – transitions to a path of sustainable, low carbon, economic growth.

"A robust ecosystem of principles, frameworks and standards, across definitions and disclosure, requires expertise and dedicated human resource for it to happen. Meeting this need requires focus and investment, but doing so should pay huge dividends both in terms of building a sustainable future, and in terms of improving the bottom line."

HSBC is committed to helping issuers and investors better understand and manage sustainable financing and investing.

In 2020 it launched an ESG Solutions Unit, focused on supporting and advising clients including businesses, governments and asset managers.

In 2018, in collaboration with the University of Cambridge Institute for Sustainable Leadership (CISL), HSBC launched an online course for all employees and since 2009, over 4,000 senior staff, clients and suppliers have been educated through HSBC Sustainability Leadership Programmes in partnership with environmental NGO Earthwatch.

HSBC also runs the [Centre for Sustainable Finance](#), which provides thought leadership on low carbon solutions, investment opportunities and climate risk management.

HSBC has played a lead part in developing Asia's sustainable finance markets through its role in organisations including the International Capital Markets Association (ICMA), the Asia-Pacific Loan Market Association (APLMA) and the Hong Kong Green Finance Association (HKGFA).

Download full report [here](#).

About HSBC

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 64 countries and territories in its geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,976bn at 30 June 2021, HSBC is one of the world's largest banking and financial services organisations.

HSBC Sustainable Financing and Investing Survey 2021

The HSBC Sustainable Financing and Investing Survey 2021 is an annual global survey of 2,000 capital market issuers and institutional investors. The survey was run during May and June and was designed and executed by Euromoney Institutional Investor PLC. Respondents were split evenly between issuers, from across 19 industries, and institutional investors, including asset allocators and asset owners. In total, respondents were based in 34 territories across the regions of Americas, Europe, Middle East, Asia-Pacific, and Asean.

The global report and regional reports for Asia Pacific, Americas, Middle East and Europe can be accessed here: <https://www.gbm.hsbc.com/en-gb/campaigns/sfi-survey>