

New multi-stakeholder initiative launched in Singapore to drive excellence in sustainable finance

SINGAPORE, 21 JANUARY 2019 - Today marks the launch of the Asia Sustainable Finance Initiative (ASFI) which aims to help shift Asia's financial flows towards sustainable economic, social, and environmental outcomes. With WWF as secretariat, this multi-stakeholder platform will bring together the finance industry, academia, and science-based organisations, to support Singapore-based financial institutions operating in the region in deepening their sustainable finance expertise.

The financial sector is crucial in creating resilient and sustainable economic growth through its ability to influence companies to adopt best practices and to direct financial flows towards sustainable development outcomes. As a key global financial hub, Singapore is an important conduit for capital flows into the Asia region, and as such its financial institutions have significant potential to shape resilient regional economies. In addition, ASFI can foster peer-to-peer sharing with other national sustainable finance initiatives in the region.

According to a joint statement by the Ministry of Environment and Water Resources (MEWR) and the Monetary Authority Singapore (MAS), “[p]artnerships and collective action are essential to achieving sustainable development. With increased global recognition of the role that the financial sector has to play to achieve sustainability, MEWR and MAS welcome the formation of ASFI which will help the financial sector advance this agenda in Singapore and the region.”

Sustainable finance is a critical lever to address the increasing vulnerability of the region to climate change, the degradation of land and ocean ecosystems, labour and human rights, and water risk. At the same time, the shift to sustainable economies represents around \$5 trillion of investment opportunities between now and 2030 in Asia alone. To support the finance sector in navigating these risks and opportunities, ASFI was developed to speed up the integration of Environmental, Social, and Governance (ESG) principles into financial decision-making, and to ensure that this leads to measurable and meaningful outcomes aligned with the Paris Agreement and the Sustainable Development Goals (SDGs).

“Today’s pressing environmental and social challenges threaten the political and economic stability of Asian economies and put the resilience of the regional finance sector at risk. By working on a multi-stakeholder basis alongside other science-based Knowledge Partners, we can facilitate an orderly transition to economies that deliver wellbeing to all people whilst protecting the natural capital on

which all businesses and societies depend,” said Jeanne Stampe, the head of WWF’s Asia Sustainable Finance team and founder of ASFI.

Under ASFI, a number of organisations – each at the leading edge in their field of sustainability or sustainable finance – will collaborate as Knowledge Partners to bring unique and innovative perspectives and capabilities to the initiative. WWF will act as both a Knowledge Partner and Secretariat to the initiative. Importantly, ASFI’s Knowledge Partners are creating the latest tools, research, and frameworks for sustainable finance, and will support financial institutions in the practical applications of these. In this way, ASFI can support financial institutions in delivering their commitments under global initiatives such as Principles for Responsible Investment (PRI), Principles for Responsible Banking (PRB), Principles for Sustainable Insurance (PSI), Science Based Targets (SBT) and the Taskforce for Climate Related Financial Disclosures (TCFD).

To ensure ASFI’s work streams remain relevant and are aligned with industry priorities and developments, the initiative will also call on strategic guidance from its Advisory Group – the Association of Banks in Singapore (ABS), Institute of Banking and Finance (IBF), Investment Management Association Singapore (IMAS), Life Insurance Association (LIA), and the Singapore Exchange Regulation Pte. Ltd. (SGX).

ASFI will build on the strides that have been made thus far in developing an ecosystem for sustainable finance in Asia. In Singapore, these include the introduction of banking sector Guidelines on Responsible Financing, SGX sustainability reporting listing requirements for companies, the announcement of MAS’ Green Bonds Scheme and its role as founding member of the Network of Central Banks and Supervisors for Greening the Financial System, and ongoing capacity building support by industry associations for their members.

“ASFI’s Knowledge Partners look forward to working with financial institutions to further drive sustainable finance regionally and to co-creating practical and impactful solutions that will define the resilient, thriving economies of tomorrow,” added WWF’s Jeanne Stampe.

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For more information, please contact:

Julien Anseau

Media Relations Manager, WWF International

Email: janseau@wwfint.org

phone: +65 9060 1957

ASFI Factsheet

Secretariat	WWF Singapore
Knowledge Partners	<p>Asia Investor Group on Climate Change (AIGCC)</p> <p>CDP</p> <p>Centre for Governance Institutions, and Organizations, National University of Singapore (NUS)</p> <p>Global Canopy</p> <p>Oxford Sustainable Finance Programme, University of Oxford</p> <p>UNEP Finance Initiative (UNEP FI)</p> <p>World Resources Institute (WRI)</p> <p>World Wide Fund for Nature (WWF)</p> <p>2° Investing Initiative</p>
Advisory Group	<p>Association of Banks in Singapore (ABS)</p> <p>Institute of Banking and Finance (IBF)</p> <p>Investment Management Association Singapore (IMAS)</p> <p>Life Insurance Association Singapore (LIA)</p> <p>Singapore Exchange Regulation Pte. Ltd. (SGX)</p>
	<p>ASFI’s work will address the following 6 focus areas:</p> <p>Standards – ASFI will disseminate knowledge and updates about the most meaningful and credible standards and certifications that FIs can use to drive transparency and improvement in corporate sustainability</p> <p>Green Financial Solutions – by collaborating with progressive FIs, ASFI will support the development of innovative financial solutions that have clear positive financial, environmental, and social outcomes</p> <p>Research & Tools – ASFI will develop research and offer practical guidance on the range of tools and resources available to bridge critical gaps in data or insights on environmental and social (E&S) risks. It will also facilitate the participation and feedback of Singapore FIs in the development of international tools and frameworks to factor in Asia related considerations</p> <p>Regulations & Guidelines – ASFI will provide insights into the global regulatory landscape and its implications for Asia, as well as facilitate dialogue on</p>

	<p>supportive industry association guidelines</p> <p>Assessment & Capacity Building – through workshops and trainings, ASFI aims to improve FIs’ understanding of material environmental and social issues, share perspectives on best practices, and support FIs with the implementation of tools or the development of internal policies and frameworks governing ESG practices</p> <p>Engagement – ASFI will support investors in implementing the Singapore Stewardship Principles by providing insights and analysis on material E&S issues and facilitating collaboration among investors to develop effective engagement strategies. ASFI will also support banks in understanding investor expectations on certain and sectors</p>
Membership	<p>In its current form, there are no membership fees and FIs are not obliged to make any commitments to benefit from ASFI’s events, research, and network. Individuals from financial institutions may sign up at www.asfi.asia.</p>

About WWF (World Wide Fund for Nature)

As one of the world’s largest conservation organisations, with over 6000 employees active in 100 countries, WWF strives to build a future where people live in harmony with nature by conserving the world’s biological diversity, ensuring the sustainable use of renewable natural resources, and promoting the reduction of pollution and wasteful consumption. To support this decoupling of human and economic development from environmental degradation, WWF has identified the finance sector as a key driver. Through a global practice of 80 sustainable finance professionals – 33 of which based in Asia – WWF works with financial institutions (FIs), regulators, and stock exchanges to understand and address Environmental, Social, and Governance (ESG) issues and achieve positive sustainable development outcomes. The practice’s work draws from conservation experience on the ground across WWF’s global practices; transformative work with companies on key issues such as climate, food, energy, and water; participation in cutting edge sustainable finance initiatives at the multi-stakeholder and regulatory level; and experience developing science-based sustainability standards. For more information, please visit www.wwf.sg.