

PRESS RELEASE

ASIFMA Releases New Guidance on Investors' ESG Expectations on Gender Diversity in Asia

6 December 2022 (Hong Kong) – ASIFMA's Asset Management Group (AAMG), which comprises some of the world's largest investment managers, today released guidance on investors' expectations with "[Gender Diversity: An Asian Perspective](#)", a follow-on to its June 2021 paper "[Investors' ESG Expectations: An Asian Perspective](#)". The publication aims to help improve companies' understanding of, engagement with, and disclosure of, sustainability issues.

"In last year's paper we described the reasons why companies should adopt best practice in ESG issues, from the business and financial rationale, to taking charge of the corporate narrative in building trust with investors, consumers and employees," said Yvette Kwan, Executive Adviser to AAMG. "This follow-on guidance delves into investors' expectations around gender diversity in Asia, against a backdrop of increasing regulation. Practical recommendations for investee companies to improve gender diversity are also explored."

"Over the past few years, there has been an increasing focus from both investors and regulators on corporate gender diversity, often starting with board gender diversity," continued Ms. Kwan. "Regulators in Asia are increasingly mandating disclosure and even board gender diversity quotas."

In the broader Asia Pacific region, investors may set policies, commitments and targets for gender diversity for their investee companies and also support industry-led initiatives.

Recommendations

The three key recommendations set forth in this paper are:

- 1. Board Gender Diversity**
 - Commitment to board diversity
 - Representative and inclusive leadership
 - Robust and inclusive selection process

- 2. Gender Diversity Across the Company**
 - Senior management reflects broader workforce
 - Women representation supported by processes and data
 - Policies and other initiatives

- 3. Gender Diversity as Part of a Broader Diversity and DEI Strategy**
 - Gender diversity is just one aspect of diversity
 - Organisational culture set-up
 - Equity in pay structure

- Data to support and measure outcomes

Key Takeaways

This follow-on guidance leads to several key takeaways for the industry:

- The need for greater gender diversity is increasingly acknowledged by companies and emphasised by regulators and investors alike
- Board gender diversity has been the traditional focus of regulatory and investor action, but it is just one indicator of broader diversity that companies should be looking to achieve
- Adopting (and disclosing on) policies, programmes, metrics and targets to promote DEI across the company are critical to achieve a more diverse and inclusive corporate culture

“While there has been significant progress in gender diversity for companies in Asia, there is still much more work to be done and we very much hope that our follow-on guidance provides helpful insights to support further development in this continually important focus area for investors,” concluded Ms. Kwan.

The full paper can be found [here](#).

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About ASIFMA

[ASIFMA](#) is an independent, regional trade association with over 165 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative, and competitive Asian capital markets that are necessary to support the region’s economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the [GFMA](#) alliance with [SIFMA](#) in the United States and [AFME](#) in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region. More information about ASIFMA can be found at: www.asifma.org.