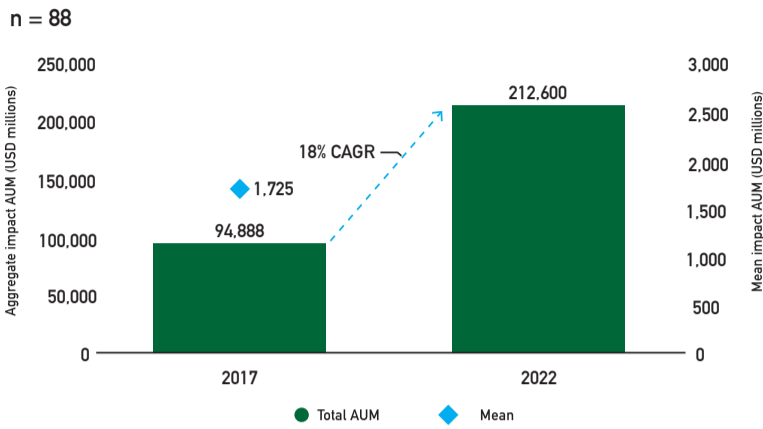


# Trailblazing for Change: Hong Kong, the Impact Investing Hub of Asia



## State of Impact Investing

### Impact AUM growth over a five-year period

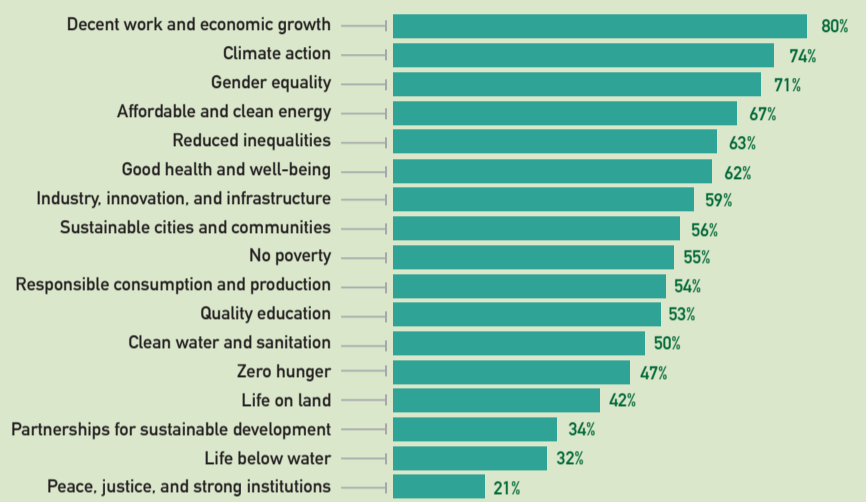


Note: This figure represents a subset of 88 repeat respondents from the 2018 Annual Impact Investor Survey and 2023 Market GIIInsight briefs. Between 2017 and 2022, impact AUM grew by a CAGR of 18%.

The total AUM of impact investment grew by an average of around **18% per year between 2017 and 2022**. Impact investing in Asia grew **15% annually in the same period**.

**96% of impact investors were found to be targeting at least one of the United Nations SDGs.**

### SDGs targeted by investors



Note: Respondents could select multiple SDGs.



## Challenges Faced by Impact Investors in Hong Kong

1



### Limited awareness and education on impact investing

- Overcoming perceptions of risk and return
- Lack of impact investing education for investors

2



### Challenges to developing impact strategies

- Lack of guidance and incentives for investors to develop impact strategies
- Scarcity in impact investing deals and impact investment managers with track records in Hong Kong

## Policy Recommendations



### Awareness raising: Empowering well-intentioned investors

- Prioritise SDGs and encouraging early adoption of impact frameworks
- Setting an example through direct government involvement

### Capacity building: Enhancing education with a multifaceted approach

- Empowering retail investors through increased investor education
- Enriching asset owners' expertise through collaborative partnerships and industry engagement
- Cultivating early through higher education

### Incentivising impact: Creating a conducive environment for impact investment

- Enhancing the ease of incorporation
- Promoting investing with purpose

