



Launch of new Asia climate change investor guide

Asian investors must face up to major climate risks

Asian investors can protect long-term returns by taking greater measures to manage climate risk.

This is one of the key messages in a comprehensive new climate change investor guide launched today at the China SIF summit in Beijing by the Asia Investor Group on Climate Change (AIGCC).

“Asian investors are fast realising this region is one of the most at threat from climate change,” said Rebecca Mikula-Wright, Director of AIGCC. “This is not just in terms of the physical impacts such as increased natural disasters, it also includes the stranded asset risk inherent in fossil fuels as renewable energy becomes cheaper and climate regulation starts to kick in.”

As the Asia Development Bank (ADB) pointed out in its ‘Region as Risk’ report in July, Asia faces ‘high risks and significant opportunities’ as a result of climate change.

While the USD\$7.7 trillion required for renewable energy and energy efficiency to meet the demands of China, India, Japan, and South-East Asia under a 2°C warming target represents a major upside, Asian cities face the brunt of global flood losses which are expected to reach US\$52 billion a year by 2050, an eight-fold increase on 2005.

Navigating this period of rapid change is one of the major challenges for Asian investors and this new guide provides the latest practical case studies from around the world of how climate risk management is implemented most effectively. From Temasek in Singapore to Norges in Norway, investors are moving to safeguard themselves against climate risk, whilst reaping dividends from the shift to clean energy.

The Guide was initially developed to inform discussion at the AIGCC CEO/CIO Asset Owner [Roundtable](#) in Singapore in September 2017. Participating investors included GPIF, NipponLife, Japan Post, Monetary Authority of Singapore, Temasek, GIC, CalPERS, Cathay Financial Holdings, ASABRI, International Finance Corporation, OP Trust, Catholic Super, Manulife Asset Management, Generation Investment Management, BlackRock

“We have a great opportunity to work with our peers to understand and integrate climate change into our investment strategies and practices,” said Sophia Cheng,

CIO of Cathay Financial Holdings. “This guide helps Asian investors to learn from global best practice to shape our own futures.”

AIGCC has recently welcomed new members such as ASABRI the Indonesian Military and Police fund. “We hope our participation will help encourage other institutional investors and assets managers in our country, Indonesia, to integrate the climate change agenda in their investment practices,” said Hari Setianto, Chief Investment Officer of PT ASABRI, Indonesia.

International funds like OPTrust from Canada have a growing presence in the Asia region. “As OPTrust is an organization with a strong commitment to responsible investment, we are very pleased to join AIGCC,” said Hugh O’Reilly, OPTrust President and CEO. “We see ourselves as good pension citizens who use corporate engagement to build positive relationships with companies we invest in. We are looking forward to expanding our activities in Asia, while keeping the risks and opportunities associated with climate change top of mind.”

About the Asia Investor Group on Climate Change (AIGCC)

The Asia Investor Group on Climate Change (AIGCC) is an initiative to create awareness among Asia’s asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity for investors to share best practice and to collaborate on investment activity, credit analysis, risk management, engagement and policy.

With a strong international profile and significant network, including pension, sovereign wealth funds, insurance companies and fund managers, AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy.

Investors in the region are invited to participate in the group, including China, Japan, India, South Korea, Singapore, Hong Kong, Taiwan, Indonesia, Malaysia, Thailand, Philippines, Vietnam and the Pacific.

AIGCC currently has 18 members who represent over USD550bn assets under management.

www.aigcc.net

About the Global Investor Coalition on Climate Change (GIC)

In December 2012, the four regional climate change investor groups, IIGCC (Europe), Ceres INCR (North America), IGCC (Australia & New Zealand) and AIGCC

(Asia) formed the Global Investor Coalition on Climate Change (GIC). The coalition provides a global platform for dialogue between investors and governments on climate policy, facilitates corporate engagement on climate risk, and supports increased low carbon investment.

www.globalinvestorcoalition.com