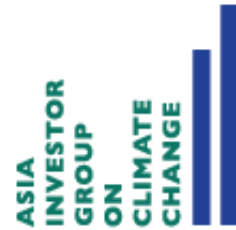


Media Release



1 December 2020

Investors set to boost engagement with Asian electric utilities on climate change

A new report by the Asia Investor Group on Climate Change (AIGCC) calls on electric utilities to ramp up efforts to mainstream climate risk response into their business strategies and existing operations to be better prepared for the transition to a net-zero emissions economy.

The AIGCC report finds that electric utilities across the region are of particular concern to investors due to their emissions-intensive nature. Asian electric utilities alone contribute almost a quarter of global greenhouse gas emissions, have a young asset age profile and represent more than USD200 billion of market capitalisation on regional stock indices.

The report – *Investor Expectations of Asian Electric Utilities Companies - Crossover to Net Zero* – argues that Asian electric utilities will play a critical role in ensuring that countries maintain their national competitiveness as global investors and supply chains increasingly look to invest and source from low carbon economies.

Included in the report is a comprehensive practice guide developed by AIGCC, which will help underpin a new investor engagement program with Asian electric utilities on climate change. This new program will run in parallel to Climate Action 100+, which is already engaging with a number of major Asian electric utilities.

AIGCC Executive Director, Rebecca Mikula-Wright, said investors increasingly recognise that climate change will impact their holdings, portfolios and asset values, and that mitigating this risk is critical to protecting the sustainable returns for the beneficiaries on whose behalf they invest.

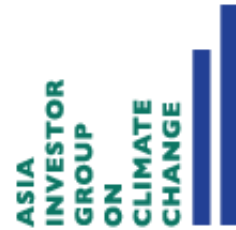
“Investor engagement with companies on climate change has become a dominant theme in global capital markets and has already helped create a marked shift in corporate attitudes towards better integrating climate risk response.

“Investors are concerned some companies are not sufficiently prepared for the transition to a net-zero emissions economy.

“Asian electric utilities will be critical to the transition to net-zero emissions being targeted by many of the major Asian economies. The electricity generation sector’s integration with others such as heavy industry, transport and real estate makes it essential to achieving decarbonisation.

“Business strategies and capital allocations made by Asian electric utilities today will determine their future sustainability and profitability in a carbon-constrained world.”

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Notes to editors:

- A full copy of the report – *Investor Expectations of Asian Electric Utilities Companies Crossover to Net Zero* – can be [found here](#).
- [Climate Action 100+](#) is the world's largest investor engagement initiative on climate change, backed by over 520 investors, responsible for more than USD47 trillion in assets under management. AIGCC is one of five investor groups that founded Climate Action 100+ and helps coordinate the initiative in Asia along with the Principles for Responsible Investment (PRI).
- More details of the additional AIGCC climate change engagement program for Asian electric utilities will be released in 2021.

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ABOUT AIGCC:

The Asia Investor Group on Climate Change (AIGCC) is an initiative to create awareness and encourage action among Asia's asset owners and financial institutions about the risks and opportunities associated with climate change and low carbon investing. AIGCC provides capacity and a trusted forum 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, AIGCC represents the Asian investor perspective in the evolving global discussions on climate change and the transition to a greener economy. AIGCC has 49 members from 11 markets representing over USD11 trillion in assets under management.

www.aigcc.net