



## **Climate Action 100+ investors encourage Korean Republic Presidential Committee on Carbon Neutrality to support companies with clear 2050 decarbonisation pathways**

**11 October 2021** – Investor and stewardship service provider signatories to Climate Action 100+ have written to the Presidential Committee on Carbon Neutrality encouraging it to outline a clear and fully aligned-2050 decarbonisation pathway to support South Korean company transition to net zero emissions.

The letter urges that the recently developed Net Zero 2050 scenario from the International Energy Agency (IEA NZ2050), and its indicative coal and gas phase-out dates, be embedded in the transition pathways the Committee is developing for South Korea to achieve its mid-century carbon neutrality goal.

The letter is signed by investors and stewardship service providers, responsible for USD\$6.7 trillion (~~₩~~7,993 trillion) in assets under management. This includes four lead investors engaging with South Korean companies through Climate Action 100+ – APG Asset Management, BMO Global Asset Management, EOS at Federated Hermes and Sumitomo Mitsui Trust Asset Management.

**The letter from Climate Action 100+ investors states:** “For many of the companies we are engaging with, the outcome of national South Korean policy on energy and climate change is critical to the achievement of their net zero ambition.

“Adopting a clear pathway to net zero emissions by 2050 is also crucial for the Korean economy to remain competitive in global capital markets.

“We recognise the work of the Presidential Committee on Carbon Neutrality to develop pathways for the Republic of Korea to achieve the national commitment to reach net zero emissions by 2050.

“We believe that the private coal-fired power plants currently under construction in Korea will go against efforts of the Committee, putting assets at risk of becoming stranded and unprofitable due to low utilization rates and extra efforts necessary to offset emissions incurred.

“The IEA NZ2050 scenario, including the indicative fossil fuel phase out dates, should be embedded in the scenarios being developed by the Committee.”

**Head of APAC Responsible Investment & Governance at APG Asset Management, Yoo-Kyung Park, said:** “Investors are engaging constructively with South Korean companies to help them make a successful transition to net zero emissions, mitigate climate risk and protect long-term value.

“These companies need clear market signals from policymakers about the economic transition required to reach net zero emissions by 2050 so that they can develop business transformation strategies and allocate capital expenditure. This must include clear dates for the phase-out of coal in line with achieving the Paris objective of keeping global warming to 1.5°C.

“It is critical the pathways being developed by the Committee are fully aligned with the Paris Agreement, reach net zero emissions by no later than 2050 and do not further embed coal in the Korean economy, delaying the inevitable and urgent transition that is required.”

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For media enquires please contact [news@climateaction100.org](mailto:news@climateaction100.org)

Investor signatories to the letter include: AkademikerPension, ANDA Asset Management, APG Asset Managerment, BMO Global Asset Management, Boston Common Asset Management, Brawn Capital, Dalton Investments LLC, EFG Asset Management, EOS at Federated Hermes, KBI Global Investors, Legal & General Investment Management, Local Authority Pension Fund Forum, Nikko Asset Management Co., Ltd., Nordea Asset Management, Oldfield Partners, Polunin Capital Partners Limited, Railpen, Robeco, RWC Partners, Sumitomo Mitsui Trust Asset Management, Universities Superannuation Scheme, Velliv, and WHEB Asset Management.

A full copy of the letter can be found [here](#).

### **About Climate Action 100+**

[Climate Action 100+](#) is the world’s largest investor engagement initiative on climate change. It involves more than 615 investors, responsible for over \$55 trillion in assets under management. Investors are focused on ensuring 167 of the biggest corporate greenhouse gas (GHG) emitters take the necessary actions to align their business strategies with the goals of the Paris Agreement. This includes improving corporate governance, reducing GHG emissions, and strengthening climate-related financial disclosures.

The 167 companies include the initial 100 ‘systemically important emitters’, identified with the highest combined direct and indirect GHG emissions, and additional companies selected by investors as critical to accelerating the net zero transition.

Launched in 2017, Climate Action 100+ is coordinated by five investor networks: Asia Investor Group on Climate Change ([AIGCC](#)); Ceres ([Ceres](#)); Investor Group on Climate Change ([IGCC](#)); Institutional Investors Group on Climate Change ([IIGCC](#)) and Principles for Responsible Investment ([PRI](#)). These organisations, along with five investor representatives from AustralianSuper, California Public Employees' Retirement System (CalPERS), Gam Investments, Ircantec, and Sumitomo Mitsui Trust Asset Management form the global Steering Committee for the initiative. Follow us on Twitter: [@ActOnClimate100](#).