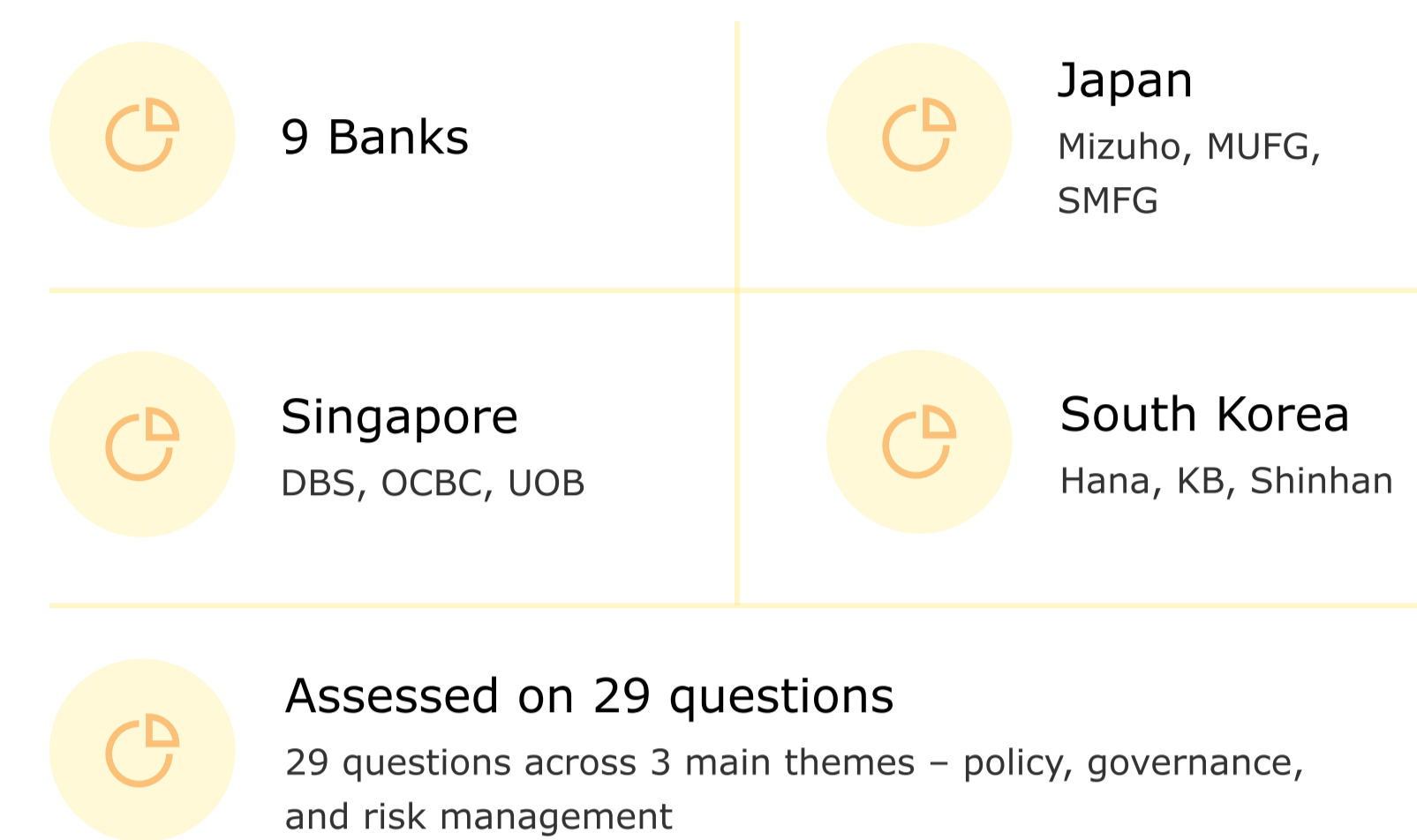


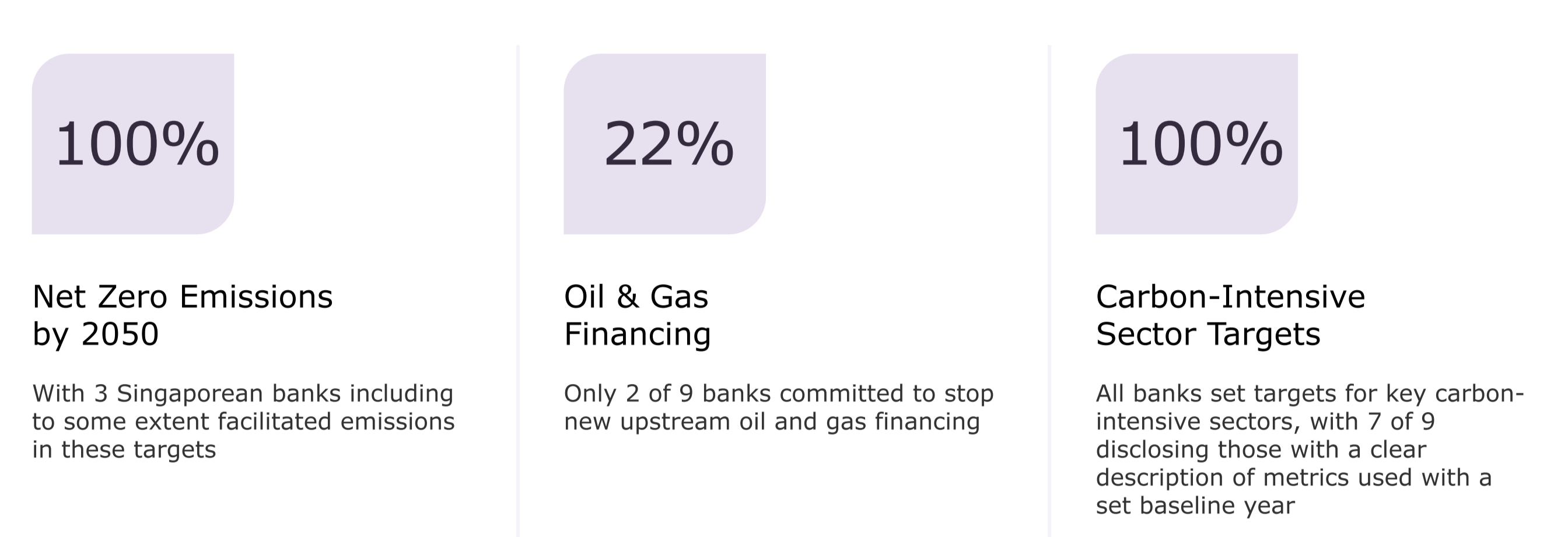
# Shifting Gears

## Key Asian Banks Can Accelerate The Energy Transition

### Analysis



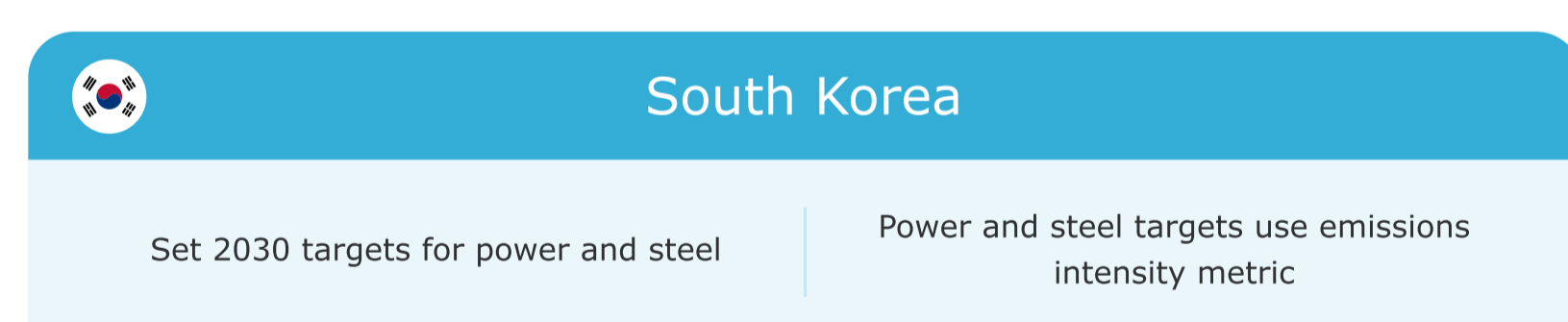
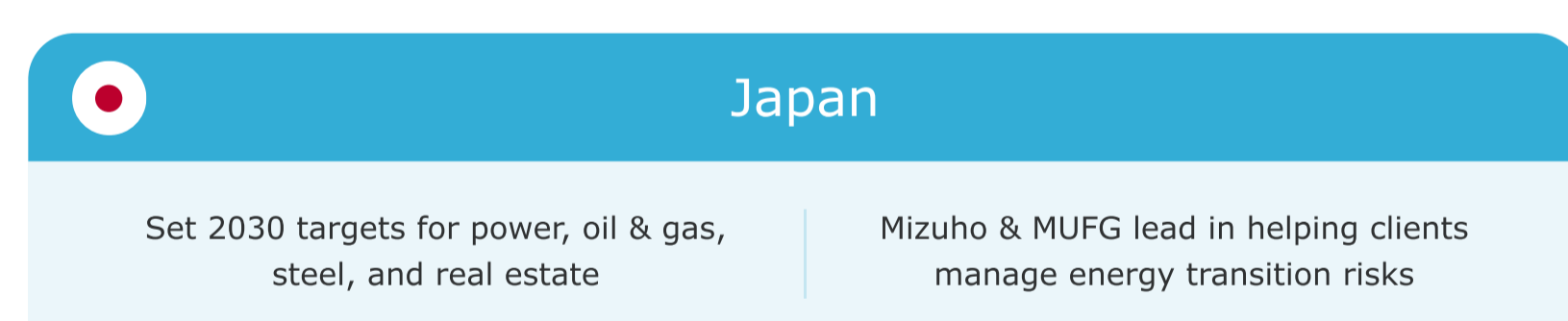
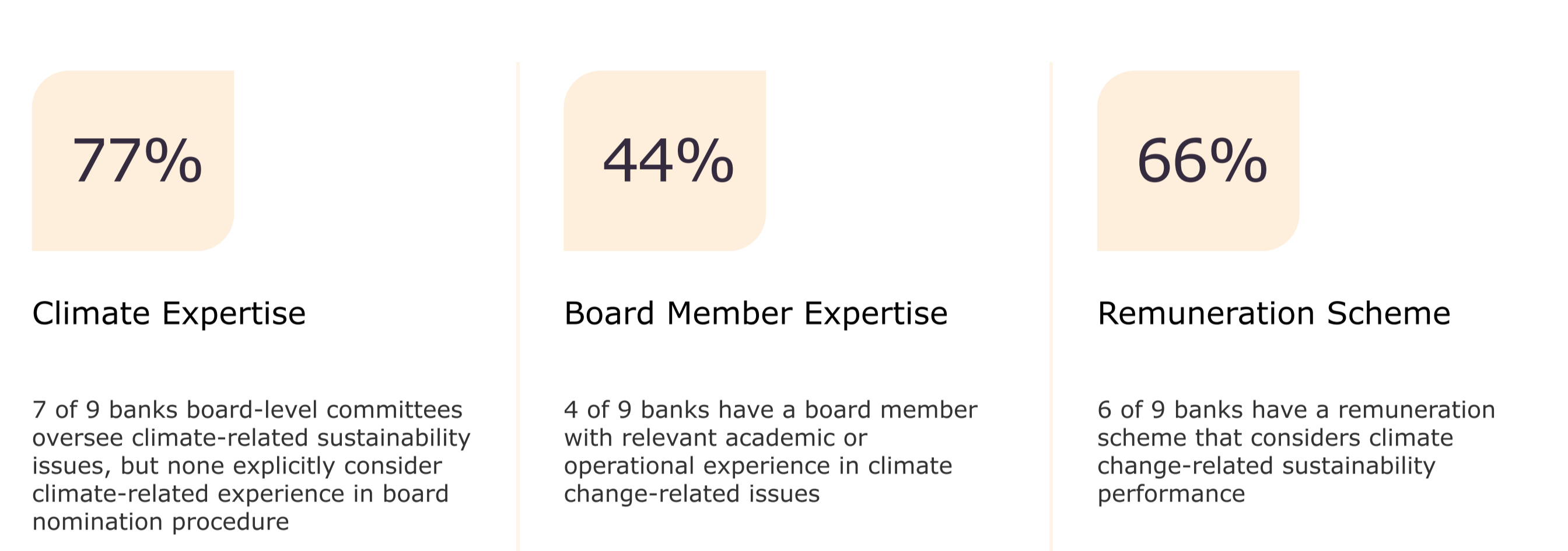
### Policy



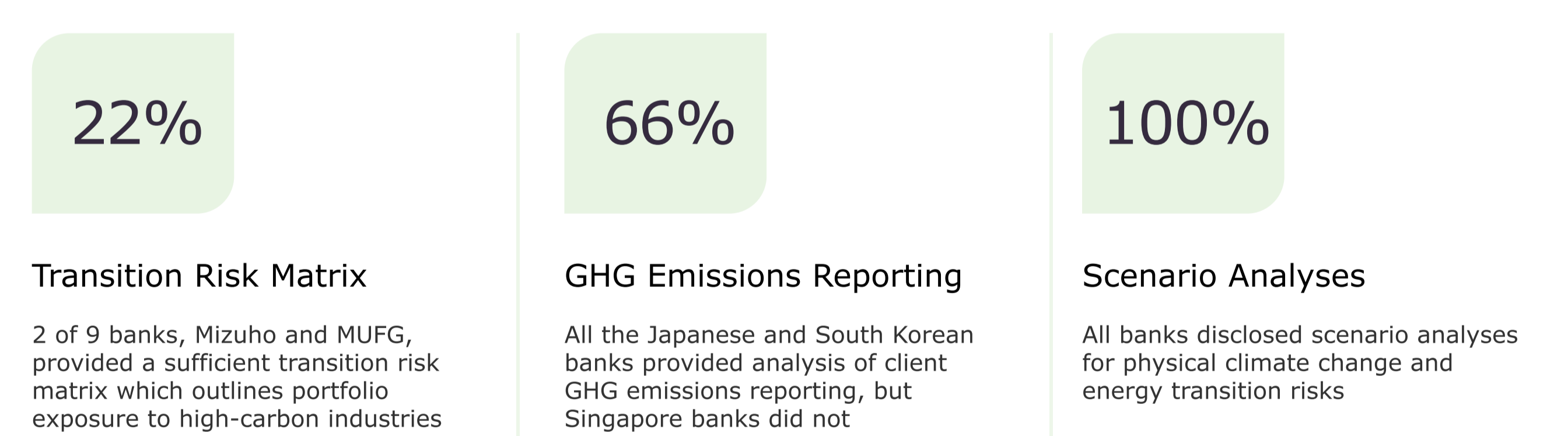
### Results Highlights

All Banks		
<p><b>Net Zero</b></p> <p>Set a 2050 net zero financed emissions target</p>	<p><b>TCFD</b></p> <p>Aligned with four pillars (governance, strategy, risk management, metrics and targets)</p>	<p><b>Sustainable Financing</b></p> <p>Disclosed level and committed to increasing it</p>
<p><b>Carbon-intensive Sectors</b></p> <p>Set emissions reduction targets for either some or all key sectors in their portfolio</p>	<p><b>Scenario Analyses</b></p> <p>Disclosed results for evaluating physical climate and energy transition risks</p>	<p><b>Risk Assessment</b></p> <p>Developed internal capacity systems to evaluate climate, sustainability, and ESG risks</p>

### Governance



### Risk Management



## Key Takeaways

#### Banks should enhance their role in the energy transition and climate response by:

- ✓ Broadening net-zero emissions targets to include more banking activities, including facilitated emissions.
- ✓ Setting comprehensive interim and long-term sectoral targets aligned with a 1.5°C pathway, with clear metrics and baseline year.
- ✓ Establishing a policy on new upstream oil and gas projects and a long-term policy on oil and gas financing covering the entire supply chain.
- ✓ Setting coal financing policies that ensure a total withdrawal of corporate and project financing to coal companies and eliminate loopholes.
- ✓ Including climate change performance in determining executive remuneration and ensuring specific climate-change expertise at the board level for strategy and risk assessment.
- ✓ Developing and disclosing a transition risk matrix, or similar tool, to guide clients, especially in carbon-intensive sectors.
- ✓ Disclosing detailed reporting of financed emissions at the sectoral level, in terms of volume and share of total portfolio, covering both lending and investments.