



AIIB AND AMUNDI LAUNCH CLIMATE CHANGE INVESTMENT FRAMEWORK TO DRIVE ASIA'S GREEN RECOVERY AND TRANSITION

The Framework is the first investment benchmark tool taking a holistic approach to analyzing issuer's climate change performance based on the three objectives of the Paris Agreement

[SEPTEMBER 9, 2020] A new AIIB-Amundi Climate Change Investment Framework is being launched today by the Asian Infrastructure Investment Bank (AIIB) and Amundi, Europe's largest asset manager. This benchmark investor tool will for the first time holistically assess climate change risks and opportunities in line with the three objectives of the Paris Agreement at the issuer-level.

Endorsed by Climate Bonds Initiative, a major international certifier and industry thought leader in the green and climate bond market, the AIIB-Amundi Climate Change Investment Framework translates the three key objectives of the Paris Agreement into fundamental metrics, equipping investors with a new tool to assess an issuer's level of alignment with climate change mitigation, adaptation and low-carbon transition objectives.

While groups of leading institutional investors have responded to the climate challenge by integrating climate change into investment processes, the Framework developed by AIIB and Amundi takes a holistic approach that current private-capital mobilization efforts lack. Equity capital markets currently focus on thematic funds and commonly face strong sector bias, while low-carbon indexes have a pronounced focus on mitigation efforts. In fixed income, green bonds have been the main climate finance solution for debt capital markets, but they do not consider exposure to climate investment risks and opportunities from the viewpoint of an issuer's entire balance sheet.

"The global climate challenge is a huge threat to our world and urgent multilateral action is needed to address this crisis and help our members meet their commitments to the Paris Agreement," said AIIB President and Chair of the Board of Directors Jin Liqun at the Climate Bonds Initiative international conference. "In launching this Framework today, we and our partners show our commitment to playing an important role in the battle against climate change, by contributing to strengthening market capacity and driving the green agenda in Asia."

Investors can expect portfolios aligned with this Framework to deliver a potential financial impact by benefiting from any future repricing of climate change risks and opportunities in the capital market. The Framework allows investors to measure issuer performance against the three objectives of the Paris Agreement. This allows investors to systematically include A-list issuers (those that are already performing well on all three objectives) and B-list issuers (those that are moving in the right direction but are not A-list issuers yet) into their investment portfolio. An investment strategy targeting both A and B List issuers should be more resilient to climate change risk and more exposed to opportunities not yet priced in by the market.

In addition, the Framework also delivers extra financial impact as it is designed to encourage the integration of climate change risks and opportunities into business practices by targeting the engagement of so-called “B-List” issuers to help them transition to “A-List” credentials.

Yves Perrier, CEO of Amundi, added: “We are proud to launch this Framework with AIIB as we continue to make strides in the field of climate finance. Mobilizing key stakeholders in supporting the Paris Agreement in Asia is in line with Amundi’s commitment to ESG investing and reflects our extensive commitment to the region. This new Framework will further help the investment community address climate change through the mobilization of capital to emerging markets where it is much needed.”

Sean Kidney, CEO, Climate Bonds Initiative, commented: “Action on climate means action on investment and private sector involvement to create green capital markets. With this Framework, AIIB and Amundi are laying a new foundation for the development and growth of climate finance and transition investment in the region.”

This Framework builds upon AIIB’s climate finance milestones to date. In 2019 AIIB’s climate finance amounted to USD1.7 billion or 39 percent of total financing approved—an increase from USD2.5 billion or 35 percent of total financing approved over the previous three years combined (2016-2018). In 2019 the Bank launched the USD500 million AIIB Asia Climate Bond Portfolio to accelerate members’ climate action, catalyze emerging market investment and address the underdeveloped climate-aligned bond market, providing a working model for the Framework. The portfolio will also function as the investment case for the Framework.

Amundi has been at the forefront of Climate Finance development, creating innovative solutions to bring new large-scale funding dedicated to financing the low-carbon economy across asset classes and geographies. As a responsible investor, Amundi seeks to fulfil its role by supporting investor mobilization and market development through flagship initiatives (such as the Portfolio Decarbonization Coalition) and partnerships with multilateral finance institutions. As of June 2020, climate finance solutions represented EUR19 billion in assets under management.

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For more information about the AIIB-Amundi Climate Change Investment Framework visit:
<https://www.aiib.org/en/policies-strategies/framework-agreements/climate-change-investment-framework/index.html>

About AIIB

The [Asian Infrastructure Investment Bank](#) (AIIB) is a multilateral development bank with a mission to improve social and economic outcomes in Asia. Headquartered in Beijing, we began operations in January 2016 and have now grown to 103 approved members worldwide. By investing in sustainable infrastructure and other productive sectors in Asia and beyond, we will better connect people, services and markets that over time will impact the lives of billions and build a better future.

About Amundi

Amundi, the leading European asset manager, ranking among the top 10 global players¹, offers its 100 million clients - retail, institutional and corporate - a complete range of savings and investment solutions in active and passive management, in traditional or real assets.

With its six international investment hubs², financial and extra-financial research capabilities and long-standing commitment to responsible investment, Amundi is a key player in the asset management landscape.

Amundi clients benefit from the expertise and advice of 4,500 employees in nearly 40 countries. Created in 2010 and listed on the stock exchange in 2015, Amundi currently manages nearly €1.6 trillion of assets³.

Amundi, a Trusted Partner, working every day in the interest of its clients and society

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¹ Source: IPE “Top 500 Asset Managers” published in June 2020, based on assets under management as at 31/12/2019

² Boston, Dublin, London, Milan, Paris and Tokyo

³ Amundi data as at 30/06/2020