

Biz.Hankook articles from the hybrid event, “[Emerging synergies between national and corporate transition planning: Spotlight on Korea,](#)” co-hosted by the TPI Global Climate Transition Centre ([TPI Centre](#)), the Centre for Economic Transition Expertise ([CETEx](#)) and the Institute for Green Transformation ([IGT](#)), during UNFCCC Climate Week and Korea Green Transformation (K-GX) International Week (20-26 April 2026) in Yeosu, Korea

Bizhankook.com, 23 April 2026

<https://www.bizhankook.com/bk/article/32112>

[UNFCCC Climate Week] Corporates Ready for Decarbonisation — “It is Now for Transition Finance to Respond”

18 of 46 Korean Companies Achieve “Top Level” on Management Quality... Post-Verification, Disclosure Requirements Must Accompany Financing to Materialise Commitments

2026.04.23(Thu) 18:58:48

[BizHankook] Major Korean companies have demonstrated Asia-leading capabilities in climate transition management quality and a strong commitment to decarbonisation; however, experts warned that the domestic ‘transition finance’ framework required to substantively support these ambitions remains structurally insufficient.



The ‘Emerging synergies between national and corporate transition planning: Spotlight on Korea’ seminar held at the UNFCCC Climate Week in Yeosu, South Jeolla Province on 23 April. Photo by Kim

At the UNFCCC Climate Week seminar held in Yeosu, South Jeolla Province on 23 April, the TPI Global Climate Transition Centre (TPI Centre) at the London School of Economics (LSE), the Centre for Economic Transition Expertise (CETEx), and the Institute for Green Transformation (IGT) jointly hosted a seminar titled the 'Emerging synergies between national and corporate transition planning: Spotlight on Korea'.

At the seminar, Antonina Scheer, Deputy Director of Policy at the TPI Centre, presented the results of TPI's corporate climate action assessments of 2,016 global corporations, of which 46 were major Korean companies. The TPI corporate climate action assessment is structured around two principal pillars: 'Management Quality' and 'Carbon Performance'.

Management Quality is assessed on a level of 0 to 5, based on the degree to which climate change has been integrated into corporate governance and management strategy. Level 1 represents basic awareness of climate change, while Level 2 denotes the capacity-building stage for greenhouse gas measurement and management. Level 3 begins the integration of climate risk and climate response into operational decision-making, and Level 4 represents systematic assessment of climate change as a strategic risk. Level 5, the highest tier, indicates that a company has voluntarily formulated and is actively implementing a concrete transition plan.

According to the findings, 18 out of 46 major Korean companies (39%) achieved 'Level 5', the highest rating for Management Quality. This substantially exceeds the global average (16%), as well as the Asian average (14%), Japan (27%), and China (0%). POSCO (steel) and SK Innovation (oil and gas) were among the representative companies to attain Level 5.

Korean companies assessed also demonstrated strength in Carbon Performance, which assesses the alignment of companies' emissions reduction targets with Paris Agreement goals. Forty-five per cent of Korean companies met the Paris Agreement benchmark, surpassing both the global average (28%) and the Asian average (24%). However, 18% of the companies were found to have no or unsuitable disclosure. Korean Air fell short of Paris Agreement targets, while Pan Ocean, a major integrated shipping company, lacked adequate climate-related disclosure.

Deputy Director Scheer stated that "for corporate efforts to translate into actual greenhouse gas reductions, clear policy directions can build market confidence. These necessary directions include disclosure rules, carbon pricing, and transparency in climate investment plans," adding that "Nationally Determined Contributions (NDCs) must be built in the sectoral level so that companies can plan their capital expenditures."

The seminar emphasised the importance of transition finance as a mechanism to bring corporate greenhouse gas reduction plans to fruition. Transition finance differs somewhat from 'green finance', which channels capital into environmentally sustainable industries. Whereas green finance involves investing in inherently low-carbon businesses such as solar and wind energy, transition finance supplies capital

to high-emitting industries, such as steel, petrochemicals, cement, shipping and aviation, which cannot realistically be phased out immediately, to support their shift towards reduced emissions.

In other words, it is financing directed at companies that are not yet fully green, but that hold credible reduction plans and transition pathways and are committed to restructuring their carbon-intensive operations. Accordingly, it does not merely provide funding, but also demands scientifically robust reduction targets, specific implementation plans, independent third-party verification and post-issuance disclosure.

Kim Jeong-su (Louise Kim), Director of ING Bank's APAC Sustainable Solutions Group, noted that from an investor perspective, transition finance is more operationally complex than conventional green finance. Director Kim emphasised that "to attract capital from global investors, companies cannot rely solely on their own internal plans, independent third-party external verification, post-issuance monitoring, and transparent disclosure are all indispensable."

Oh Seon Ah, Researcher at IGT, pointed out that the government's transition finance guidelines apply lax standards at every stage, including market entry, verification, disclosure and sanctions. Researcher Oh raised concerns that "the K-Taxonomy (Korea's domestic green taxonomy) includes fossil fuel activities, which is problematic" and that "capital could flow towards extending the operational lifespan of high-carbon infrastructure such as liquefied natural gas (LNG) power plants."

Reporter [Kim Min-ho](mailto:goldmino@bizhankook.com) (goldmino@bizhankook.com)

Bizhankook.com, 28 April 2026

<https://www.bizhankook.com/bk/article/32134>

[UNFCCC Climate Week] "Failure to Green-Transform of Korea's Steel Industry could Cost It Global Competitiveness"

UK Financial Policy Expert Professor Patalano: "Bank of Korea's Climate-Related Policy Could Be a Golden Opportunity"

2026.04.28(Tue) 11:03:42

[BizHankook] Global financial markets are now demanding substantive change beyond mere 'eco-friendly' rhetoric. In particular, Korea's flagship industries, including steel, petrochemicals and automotive manufacturing, have been placed on the firing line of 'decarbonisation transition'. Moving beyond the outdated approach of simply divesting high-emitting sectors from investment portfolios, 'transition finance', designed to facilitate a soft landing of high-emitting industries into a low-carbon paradigm, has emerged as the central topic of discourse.

BizHankook attended the UNFCCC 3 Climate Week and Korea Green Transformation International Week, held in Yeosu, South Jeolla Province on 23 April. There, we met with Robert D. Patalano, LSE Professor and Executive Director of CETEx, and Antonina Scheer, Deputy Director of Policy at the TPI Centre. The two respectively served as moderator of the panel discussion and keynote presenter (attending via videoconference) at the seminar, titled 'Emerging synergies between national and corporate transition planning: Spotlight on Korea'. Following the seminar, we spoke at length with both on Korea's decarbonisation transition.



Interview with LSE Professor Robert Patalano following the conclusion of the 'Emerging synergies between national and corporate transition planning: Spotlight on Korea' seminar held in Yeosu, South Jeolla Province on 23 April. Photo courtesy of the Institute for Green Transformation.

Professor Robert Patalano is a financial policy expert who previously served as Head of the Financial Markets Division at the OECD and as Head of Market Intelligence and Analysis at the Bank of England. Professor Patalano issued a stark warning to Korea's carbon-intensive industries, which must simultaneously undertake structural restructuring and decarbonisation transition. He addressed the potential consequences if Korea's steel industry were to opt for conventional structural restructuring over green transformative innovation over the next five to ten years.

Professor Patalano stated that “even setting aside environmental considerations and looking purely from a competitiveness standpoint, the situation is serious,” noting that “China, Scandinavian countries, the United Kingdom, and other European nations have already committed astronomical investments in clean technologies such as hydrogen.” He cautioned that “when these technologies become progressively more cost-competitive, if Korea fails to secure technological leadership, Korean steel companies will lose their competitive edge in international markets and ultimately become an enormous economic liability to the nation.”

He further stressed that “technological upgrading of high-carbon industries is essential, even as a means of mitigating exposure to geopolitical risks that drive energy price volatility,” adding that “this is the self-evident answer from the perspective of protecting shareholder value and advancing societal efficiency.”



Interview conducted via videoconference with Antonina Scheer, Deputy Director of Policy at the TPI Centre. Photo courtesy of the Institute for Green Transformation.

Deputy Director Antonina Scheer advised that transition finance must go beyond mere capital injection and flow in a direction that improves corporate fundamentals. In the past, investors preferred the approach of simply divesting from high-emitting companies to reduce portfolio carbon intensity, an approach

characterised as mere 'Paper Decarbonisation' that did little to deliver actual emissions reductions.

Deputy Director Scheer articulated that "genuine transition finance means focusing on high-emitting industries and measuring whether companies' forward-looking targets are aligned with the scientific benchmark, ie, the 1.5-degree pathway." She added that while the chemicals sector is particularly complex to evaluate, the Centre recently introduced a methodology that rigorously applies to assess whether corporate targets and R&D investments are substantively aligned.

She also expressed critical views on Korea's sustainability disclosure framework. Deputy Director Scheer raised concerns about the gap between Korea's draft disclosure standards and the global benchmark set by the International Sustainability Standards Board (ISSB), particularly regarding delays in the disclosure of 'Scope 3 (value chain emissions)' and 'transition planning requirements. Investors regard Scope 3 data, which can account for 70 to 90 per cent of total emissions, as critical to understanding the extent of transition risk exposure within supply chains.

She noted that "in particular, automotive manufacturing and fossil fuel-based industries have very high Scope 3 emissions, and in the absence of this information, Korean companies are highly likely to be disadvantaged in global investment markets."



Professor Robert Patalano attending the 'Emerging synergies between national and corporate transition planning: Spotlight on Korea' seminar on 23 April. Photo by Kim Min-ho

As he concluded the interview, Professor Patalano identified central bank leadership as the final missing piece for Korea's successful decarbonisation transition. He expressed high expectations for Shin Hyun Song, the incoming Governor of the Bank of Korea, with whom he had previously worked at the Bank for International Settlements (BIS).

He remarked that "at a time when central bank commitments to climate policy are wavering in the United States and elsewhere, having an expert with both theoretical knowledge and practical experience at the helm of the Bank of Korea represents an extraordinary opportunity for Korea."

Professor Patalano argued that central banks must integrate climate factors into their monetary operations, risk management frameworks, collateral frameworks and investment portfolios. The logic is that when a central bank incorporates climate considerations into its securities valuations, it sends a signal to financial markets that companies performing well on transition carry lower risk than those lagging behind.

Professor Patalano urged that "should the Bank of Korea now collaborate with the government to create an innovative market environment, it will find itself at a golden moment to reward companies at the forefront of transition and penalise those that fall behind."

Reporter [Kim Min-ho](mailto:goldmino@bizhankook.com) (goldmino@bizhankook.com)

This is an unofficial translation published with permission from Biz Hankook. In the event of any discrepancy, the original Korean text shall prevail.