



PRESS RELEASE

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Leading China CEOs' landmark commitment to tackle climate change

China Mobile, Broad, and Suntech join The Climate Group's global business coalition

24 October 2008 - BEIJING - CEOs of three of China's leading companies today became the newest members of The Climate Group's global climate coalition making a landmark commitment to fight global warming and play a key role in the world's transition to a low carbon economy.

The Climate Group unveiled its new China members to be **China Mobile** (the world's biggest wireless operator with 420 million subscribers), **Broad Air Conditioning** (the world's leading manufacturer of low-energy air-conditioning units) and **Suntech** (the world's third largest solar energy company). Uniting with other international members of The Climate Group, the China CEOs pledged to reduce corporate greenhouse gas emissions and to work with their stakeholders to accelerate a low carbon economy.

Mr Jianzhou Wang, Chairman and CEO of China Mobile said: "We will work together with The Climate Group and other organizations to deliver China Mobile's international commitments to reduce our emissions and lead our stakeholders towards a low carbon economy."

Mr Yue Zhang, CEO of Broad Air Conditioning said: "Joining The Climate Group will help Broad better practice its corporate citizenship."

Dr Zhengrong Shi, Chairman and CEO of Suntech said: "Joining The Climate Group is a tremendous opportunity for collaboration with some of the world's brightest environmental minds in developing practical solutions to carbon reduction."

Steve Howard, CEO, The Climate Group, said: "China is fast establishing itself as a major global hub for low carbon investment, technology and leadership. Today's CEO commitments are of national and global importance and significantly strengthen the global business axis needed to address climate change."

Changhua Wu, Greater China Director, The Climate Group said: "This announcement underpins China's ambition to lead the clean revolution. I am hopeful that the level of industry leadership and engagement witnessed today will soon become commonplace for all Chinese businesses."

Today's announcement was welcomed by other leading supporters of The Climate Group:

Rt Hon Tony Blair, former UK Prime Minister, whose 'Breaking the Climate Deadlock' initiative is partnering The Climate Group, said: "China is a vital ally in the fight against global warming. I would like to congratulate China Mobile, Broad and Suntech for their bold and positive leadership. I hope the commitments their CEOs make today will mobilise more global business leaders to cut emissions and realise economic benefits from advancing the global low carbon economy."

Lord Browne, former CEO of BP and European Managing Partner and Managing Director of Carlyle Group/Riverstone Holdings said: "Leadership from China's business community and policy-makers is instrumental to reducing global emissions and putting the world on track for the low carbon economy."

A recent report published by The Climate Group - *China's Clean Revolution* - reveals that China is already the world's leading renewable energy producer and is over-taking more developed economies in exploiting valuable economic opportunities, creating green-collar jobs and leading development of critical low carbon technologies.

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About The Climate Group (www.theclimategroup.org)

The Climate Group (www.theclimategroup.org) is an independent, not-for-profit organisation that works internationally with government and business leaders to advance climate change solutions and accelerate a low carbon economy. The Climate Group was founded in 2004 and has offices in the UK, USA, China, India and Australia.

Its coalition of proactive leaders - from government, and business - demonstrates that emissions reductions, essential to slow climate change, can be achieved while boosting profitability and competitiveness. More companies, states, regions and cities around the world are realising there are significant economic as well as environmental advantages of taking decisive action now.

The Climate Group's corporate membership includes Arup, Austin Energy, Baker & McKenzie, Barclays, Bloomberg, BP, BT, BSKyB, Cadbury Schweppes, Catalyst, CB Richard Ellis, Climate Change Capital, Dell, Deutsche Bank, Dow Chemical, Duke Energy, FPL Group, Google, HDR, HSBC, IBM, Interface, Johnson & Johnson, JP Morgan Chase Co, Lenovo, Man Group, Marks & Spencer, MWH, Munich Re Group, News Corporation, Nike, Pratt Industries, Standard Chartered Group, Starbucks, Swiss Re, Swire, Tesco, Timberland, and Virgin.

About China Mobile (www.chinamobile.com)

China Mobile serves more than 420 million customers, around 70 per cent of the domestic market, making it China's and the world's leading wireless operator by subscribers.

Formerly known as China Mobile (Hong Kong) -- and before that as China Telecom (Hong Kong) -- it has added 25 million more users by buying an additional 10 provincial networks from its parent, China Mobile Communications. China Mobile is now the largest market capital company listed in the Hong Kong Stock Exchange.

A state-owned enterprise, it was spun off from former monopoly China Telecom in 2000. The Group's GSM global roaming services covers 219 countries and regions and its GPRS roaming services covered 138 countries and regions. China Mobile also owns Paktel in Pakistan.

Since July 2008, China Mobile has implemented a "green packaging" and reusable logistics system for its products. The system will reduce corporate carbon dioxide emissions by 120,000 tonnes and establish a new universal, efficient and economical packaging and transport standards system to ensure that all packaging can be reused. To tackle climate change, on the one hand, China Mobile manages to improve energy efficiency and reduce its own CO2 emission; on the other hand, it contributes to carbon reduction in the society through utilising information and internet technology.

Sales(2007):	USD \$47 billion
Customers:	420 million
Market %	70%
Employees:	128,000
One year growth:	22.4%
Net income:	USD \$8.5 billion
Income growth:	25.4%

About Broad Air Conditioning (www.broad.com)

Broad is a privately-owned Chinese company and one of the world's leading manufacturers of non-electric air-conditioning units. It was established in 1988 with USD \$3000. As market leader in China, Europe and the USA, its low-energy units are now sold in over 60 countries with sales totalling \$460 million (2007).

As incomes rise in the developing world, the demand for air conditioning is exploding, creating a new source of GHG emissions. Broad's proprietary technology has created large-scale highly efficient air-conditioning units which are twice as energy efficient as conventional air-conditioning units, cutting and reducing emissions from conventional units by 75%.

Broad estimates that global installations to date have saved more than 90 million tons of CO2, reduced more than 1 million tons of SO2, reduced more than 500,000 tons of NOX and reduced more than 10 thousand tons of CFCs.

Non-electric air conditioning is powered by fuels, waste heats with the medium of LiBr solution and water. Broad sells about 1700MW cooling capacity every year, which can meet air conditioning demand of regular buildings at 28 million square meters or energy efficient buildings at 56 million square meters.

Sales(2007):	USD \$460 million (2007)
Employees:	2200
Growth:	20% from 2006

About Suntech Holdings Ltd (www.suntech-power.com)

Founded in 2001, Suntech Power Holdings Co., Ltd. is already the world's leading solar energy company as measured by both production output and capacity of solar modules. Suntech is passionate about improving the environment we live in and dedicated to developing advanced solar solutions that enable sustainable development. Suntech designs, develops, manufactures, and markets a variety of high quality, cost effective and environmentally friendly solar products for electric power applications in the residential, commercial, industrial, and public utility sectors. Suntech offers one of the broadest ranges of building integrated photovoltaic (BIPV) products under the MSK product line. Suntech has sales offices worldwide and is a market share leader in key global solar markets.

Suntech won an exclusive contract to supply solar power to Beijing's famous Bird Nest Stadium for 2008 Olympic Games.

Times Magazine listed Suntech chairman and CEO, Dr. Zhengrong Shi, hero of environmental protection in 2007. The Guardian listed Dr. Zhengrong Shi as one of 50 people who could save the planet in 2008.

Sales(2007)	RMB 10 billion
Market Cap:	USD \$3.5 billion
Growth:	60 fold capacity growth in 6 years
Employees:	Over 10,000

KEY FINDINGS from The Climate Group's *China's Clean Revolution* report:

The full report can be viewed at <http://www.theclimategroup.org/about/publications/>

- **China has recently over-taken the US as the world's leading emitter of greenhouse gas** and will play a key role in solving the climate change challenge facing the world. China's 1.3 billion population currently accounts for 24 per cent of total global emissions. Although China's CO2 per capita is still relatively low, should China's citizens ever emit as much CO2 per capita as Americans now are, China's total emissions would be roughly equivalent to the entire planet today. Often described as the factory of the world, 23 per cent of China's CO2 emissions were produced in the manufacture of products for export in 2004, mainly to the developed world. However, it is precisely its ability to manufacture technology in large volumes and at competitive prices that will enable it to dominate the world's renewable technology market.
- **China is already the leading renewable energy producer in the world** in terms of installed generating capacity, with the largest hydro-electric fleet and fifth largest wind power fleet in the world. It plans to double the proportion of renewable energy to 15 per cent by 2020. China has seen investment of USD \$12billion in renewable energy - more than any other country in the world except Germany.
- **China is already a leading manufacturer of solar photo-voltaic technology** with 820 megawatts of production by the end of 2007, second only to Japan. Output of solar panels has doubled for each of the last four years. By 2009, China will also become the world's leading manufacturer of wind turbines, with companies Goldwind and Sinovel branching into exports. It is also taking the lead in solar water heaters, energy efficient home appliances, and rechargeable batteries.
- **China leads the world in low carbon transport.** China is introducing fuel efficiency standards for cars which are 40 per cent higher than those in the US. 21 million electric bicycles and 1.64 million energy efficient compact cars were sold in 2007. China is the world's third largest ethanol producer, and by converting an area of marginal land half the size of the UK, it plans to grow 12 million tonnes of low carbon fuel per year by 2020.
- **China is making successful efforts in reducing energy intensity.** China has targeted a 20 per cent reduction in energy intensity by 2010, on 2005 levels. Using high efficiency, super critical technology to replace small, inefficient coal plants, China has avoided CO2 emissions of approximately 37.6 million tonnes a year (since 2007). China has set energy efficiency targets for its 1000 largest energy consuming companies.
- **China has a strong and comprehensive low carbon policy framework in place.** In addition to an over-arching 20 per cent energy intensity reduction target and a 15 per cent energy reduction target a comprehensive set of complementary regulations have been developed to cover almost every sector of China's economy. These include fuel economy regulations, mandatory efficiency and labelling standards for home appliances, green car taxes, strict building efficiency design codes, and renewable subsidies.
- **Chinese entrepreneurs are riding a low carbon wave of investment.** A low carbon wave has swept up tens of thousands of Chinese companies and created some of China's most successful business leaders. China's six largest solar PV manufacturers had a market value of over USD\$15bn in July 2008; the market for solar water heaters is worth over USD\$2bn a year and is growing at 20 per cent; and the market for electric bicycles (e-bikes) is around USD\$6bn.
- The report highlights the **massive investment opportunity** that will be created around China's low carbon development. Returns on energy efficiency improvements often exceed 50 per cent per year, equivalent to a pay-back period of only two years. China is the second largest recipient of sustainable energy investment (USD \$12billion) of any other country in the world except Germany. Taking advantage of international markets, China has already become the largest supplier of Clean Development Mechanism (CDM) credits in the world which is now funding billions of dollars worth of carbon reductions. It is estimated that China will require a further USD \$398 billion (USD \$33bn per year) to meet its 2020 renewable energy goals.