

The 2025 Disclosure Dividend in APAC

Assessing business resilience in a rapidly changing world



Jose Ordonez

Chief Revenue
Officer and
APAC Managing
Director

Environmental risk is financial risk – perhaps nowhere more so than in Asia-Pacific.

The region faces profound climate-related disruption and nature loss, making environmental risk a daily financial reality. From flood-prone factories to drought-exposed supply chains, companies are facing escalating costs and systemic threats. No industry is exempt. Over the past three decades, the region has suffered **US\$2 trillion in economic losses from extreme weather** – more than any other continent (World Economic Forum, Climate Risk Index).

Yet, as CDP data shows, within this challenge lies opportunity. Acting on environmental risks makes good business sense – opening new markets, and with that a new world of commercial opportunities.

According to CDP's 2025 Disclosure Dividend analysis, an Asian company investing in physical climate risk mitigation could **gain US\$11 return for every US\$1 they invest in resilience**. And the return on investment isn't just a long-term gain. In 2024 alone, leading Asian companies disclosed having realized a combined **US\$598 billion in financial value from climate-related opportunities**.

Disclosure is the engine behind this transformation. Across APAC, an average of **79% of companies identified environmental risks with substantive financial effects** – above the global average of 67% – making it the region where awareness of environmental risk is most widespread.


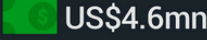

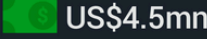



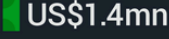
Policy-related risks rank highest at 32% on average, reflecting regulatory momentum as 13 APAC jurisdictions look to adopt ISSB-aligned disclosure rules and nearly 70% of regulators plan climate reporting. These are followed closely by acute physical shocks such as floods and heat stress.

Yet a critical action gap remains. While nearly three-quarters of Asian companies (**71%**) **identified climate-related opportunities last year, only 9% acted** and reported measurable gains.

The economics of Earth-positive action have never been clearer. The dividend lies not simply in awareness – but in translating insight into impact. Globally, inaction could cost US\$38 trillion annually by 2050. In APAC, the financial case is especially compelling: companies see average **gains of US\$36.5 million at a cost of US\$4.5 million to realize them, delivering an 8.1x return**. The opportunity is obvious – the imperative now is turning intent into action.

Environmental opportunities far outweigh the costs to realize them

■ Average environmental opportunities per company ■ Average cost to realize those opportunities

		Return:
Global	 US\$33.1mn  US\$4.6mn	7.2x
APAC	 US\$36.5mn  US\$4.5mn	8.1x
Japan	 US\$73.1mn  US\$11.3mn	6.5x
China	 US\$9.8mn  US\$1.4mn	7x

Environmental action is smart business –
but not enough companies are taking advantage



■ APAC

71% identified opportunities

9% have realized opportunities so far

US\$598bn opportunities realized this reporting year

■ Japan

75% identified opportunities

6% have realized opportunities so far

US\$123bn opportunities realized this reporting year

■ China

71% identified opportunities

12% have realized opportunities so far

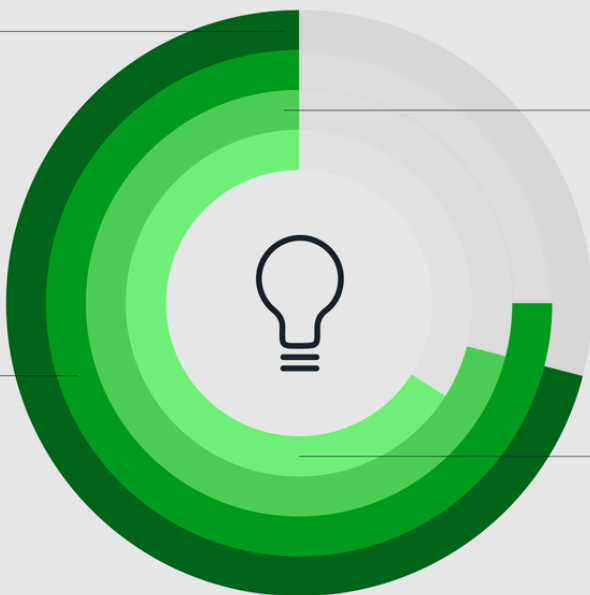
US\$158bn opportunities realized this reporting year

■ Southeast Asia

66% identified opportunities

11% have realized opportunities so far

US\$273bn opportunities realized this reporting year

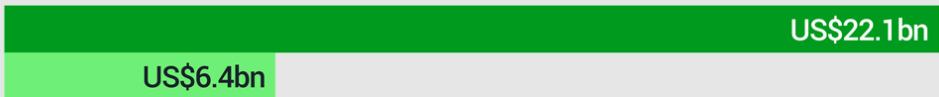


The data is clear; by cutting emissions you cut costs

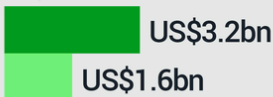
■ Annual savings linked to emissions reduction initiatives

■ Emissions savings from most popular initiative

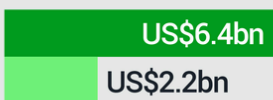
APAC



Japan



China



Southeast Asia



Top emissions saving initiative:

APAC
Energy efficiency in production processes

Japan
Energy efficiency in production processes

China
Energy efficiency in production processes

Southeast Asia
Low-carbon energy generation

Note on methodology

This analysis uses data derived from a subset of over 24,800 organisations that submitted environmental issue response data via CDP during the 2024 disclosure cycle. The median benefit-cost ratio is based on companies' self-reported estimates of the potential financial impact of physical climate risks over medium and long-term horizons (whichever is higher), and the associated response costs. Figures vary widely across companies within the same industry, likely due to differences in geography, size, risk exposure, and methodologies.



For more information, and to read the full report, scan or click the QR code.