



## Press release

# CTBC becomes first in Taiwan to join PCAF – a global carbon accounting partnership

TAIPEI, Taiwan, Oct. 26, 2020—CTBC Holding has officially signed on to the Partnership for Carbon Accounting Financials (PCAF), becoming Taiwan’s first financial institution to join the industry-led initiative.

The Oct. 8 move, which requires the disclosure of portfolio companies’ greenhouse gas emissions, was a natural next step for CTBC Holding, which has been adopting new inventory measures in recent years to assess the carbon emissions of its financial products as well as help its customers with low-carbon transformation.

“Urgent solutions are required to address the risks brought by climate change,” CTBC Holding President Daniel Wu said, noting the PCAF’s importance given that emission calculations serve as the foundation on which enterprises set emission reduction goals.

Wu added that the financial industry differs from carbon-intensive industries, such as the petrochemical and semiconductor industries, in that its emissions come primarily from portfolio companies.

The PCAF was launched to this end in Europe in 2015 and globally in 2019, assisting financial institutions in measuring and disclosing the greenhouse gas emissions generated by financial products such as loans and investments. Its methodology measures the greenhouse gas emissions of portfolio companies or individual investment assets, covering collateral, real estate loans, power generation project financing, and company equity or debt.

By signing on to the PCAF, CTBC Holding has committed to measuring and disclosing the greenhouse gas emissions of its portfolio companies within three years while learning and sharing reliable carbon accounting methods and experience. In addition, the Science Based Targets initiative has officially endorsed the PCAF’s methodology as a universal method for calculating and disclosing financial products’ greenhouse gas emissions.

With the addition of CTBC Holding, a total of 80 financial institutions worldwide have now joined the PCAF.

The Taiwanese company’s participation in the PCAF is the latest in a series of moves bolstering the sustainability of its operations, guided by the spirit of the U.N.’s Sustainable Development Goals and Paris Agreement. In the past two years alone, CTBC Holding and its subsidiaries have voluntarily joined a raft of international sustainability initiatives.

In April this year, CTBC Holding signed on to the Task Force on Climate-related Financial Disclosures, while last year, subsidiary CTBC Bank joined the Equator Principles and announced that it would comply with the U.N. Principles for Responsible Banking.

In addition, in 2019, subsidiary Taiwan Life adopted the Principles for Responsible Investment (PRI) and Principles for Sustainable Insurance (PSI). The insurer then published the Taiwan industry’s first PRI report with external assurance in July 2020 and plans to release its first PSI report by the end of this year.



The pressing need for financial institutions to take greater action against climate change was highlighted earlier this year by the World Economic Forum's Global Risks Report 2020, whose top five global risks in terms of likelihood were all environmental — for the first time in the report's 15-year history.

CTBC Holding said that by signing on to the PCAF and maintaining effective inventory of its products' greenhouse gas emissions, it hopes to expand and use its influence for good.

Alongside these sustainability-focused efforts, the company has prioritized assisting facilitating the low-carbon transformation of clients, rapidly responding to stakeholder concerns, and fulfilling its social responsibilities.

## **Media inquiries**

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## **About CTBC Holding**

CTBC Holding (TPE: 2891) was established in 2002, having grown out of CTBC Bank, which has been helping build customers' personal wealth and Taiwan's economy since 1966. Headquartered in Taipei, its subsidiaries specialize in diverse services including banking, securities, insurance, venture capital, and asset management.

With a global team of over 27,000 people, CTBC Holding operates 266 locations in 14 markets, including the U.S., Canada, Japan, China, Hong Kong, Singapore, India, Indonesia, Malaysia, Vietnam, Thailand, Myanmar, the Philippines, and Australia. It is also a Taiwan industry leader in corporate and environmental sustainability, consistently being an early adopter of emerging international standards and best practices.