

# Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in year 2018 of  
**Cathay Financial Holding Co., Ltd.**

No.296, Sec.4, Renai Rd., Daan Dist.,  
 Taipei, Taiwan



has been verified in accordance with ISO 14064-3:2006 as  
 meeting the requirements of

## ISO 14064-1:2018

Direct emissions  
**3,272.0431** tonnes of CO<sub>2</sub>e  
 Indirect emissions  
**57,727.5455** tonnes of CO<sub>2</sub>e  
 Direct emissions and indirect emissions  
**60,999.589** tonnes of CO<sub>2</sub>e

Authorized by

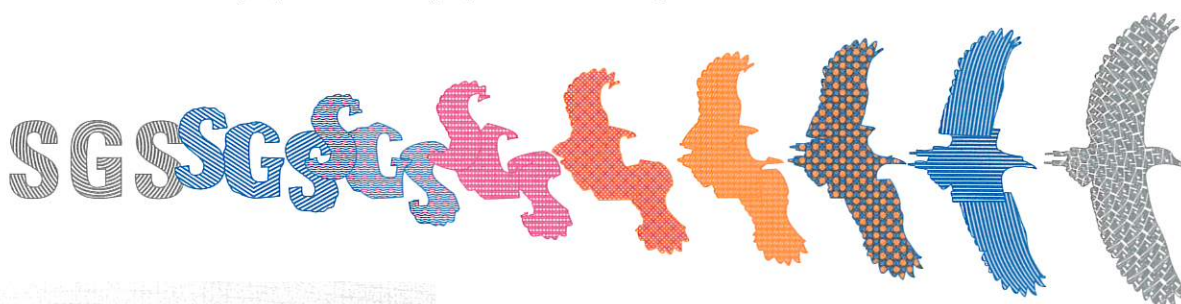


David Huang  
 Director

Date: 09 May 2019

Version 1

TGP 5615A-1 1902  
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SGS has been contracted by Cathay Financial Holding Co., Ltd. (hereinafter referred to as “Cathay Financial Holding”), No.296, Sec.4, Renai Rd., Daan Dist., Taipei, Taiwan for the verification of direct and indirect Greenhouse Gas emissions in accordance with

### **ISO 14064-3: 2018**

as provided by Cathay Financial Holding Co., Ltd. (hereinafter referred to as “Cathay Financial Holding”) , No.296, Sec.4, Renai Rd., Daan Dist., Taipei, Taiwan, in the GHG Assertion in the form of GHG report covering GHG emissions of the period 01 January 2018 to 31 December 2018.

### **Roles and responsibilities**

The management of Cathay Financial Holding is responsible for the organization’s GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

It is SGS’s responsibility to express an independent GHG verification opinion on the GHG emissions as provided in the GHG Assertion for the period 01 January 2018 to 31 December 2018.

SGS conducted a third party verification of the provided GHG assertion against the principles of ISO 14064-1:2018, in the period 04 March 2019 to 26 March 2019. The verification was based on the verification scope, objectives and criteria as agreed between Cathay Financial Holding and SGS on 27 February 2019.

### **Level of Assurance**

The level of assurance agreed is that of reasonable assurance.

### **Scope**

Cathay Financial Holding has commissioned an independent verification by SGS Taiwan of reported GHG emissions of Cathay Financial Holding arising from composed of insurance, securities, banking and other diversified financial institutions activities, to establish conformance with ISO 14064:2018 principles within the scope of the verification as outlined below.

This engagement covers verification of emission from anthropogenic sources of greenhouse gases included within the organization’s boundary and is based on ISO 14064-3:2006.



## Statement TW19/00102GG, continued

- Title or description activities: GHG verification for Cathay Financial Holding in year 2018
- Location/boundary of the activities:

Unit	Address
Cathay Financial Holdings	No.296, Sec.4, Renai Rd., Daan Dist., Taipei, Taiwan
Cathay Life Insurance	No.296, Sec. 4, Renai Rd., Daan Dist., Taipei, Taiwan
Cathay Century Insurance	5F, 7F & 11F, No.296, Sec. 4, Renai Rd., Daan Dist., Taipei, Taiwan
Cathay Securities Investment Trust	6F., No.39, Sec. 2, Dunhua S. Rd., Daan Dist., Taipei, Taiwan
Cathay United Bank	No.7, Songren Rd., Xinyi Dist., Taipei, Taiwan
Cathay Venture Inc.	7F., No.68, Sec. 5, Zhongxiao E. Rd., Xinyi Dist., Taipei, Taiwan
Cathay Futures	19F., No.333, Sec. 2, Dunhua S. Rd., Daan Dist., Taipei, Taiwan
Cathay Securities Investment Consulting	6F., No.108, Sec. 5, Xinyi Rd., Xinyi Dist., Taipei, Taiwan
Cathay Securities	20F., No.333, Sec. 2, Dunhua S. Rd., Daan Dist., Taipei, Taiwan

- Physical infrastructure, activities, technologies and processes of the organization:  
Composed of insurance, securities, banking and other diversified financial institutions
- GHG sources, sinks and/or reservoirs included: Sources as presented in the inventory spreadsheet provided by Cathay Financial Holding
- Types of GHGs included: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub>
- The IPCC 2007 AR4 GWP values are applied in this inventory.
- Electricity emission factor: 0.554 kgCO<sub>2</sub>e/kwh  
(Announced by Bureau of Energy, Ministry of Economic Affairs in 2018)
- Directed actions: NA
- GHG information for the following period was verified: 01 January 2018 to 31 December 2018
- The version of inventory sheet: Date 0329
- The version of GHG assertion: Date 0505
- Intended user of the verification statement: Private

### Objective

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the GHG emissions are as declared by the organization's GHG assertion
- The data reported are accurate, complete, consistent, transparent and free of material error or omission.

### Criteria

Criteria against which the verification assessment is undertaken are the principles of ISO 14064-1:2018

### Materiality

The materiality required of the verification was considered by SGS to 5%, based on the needs of the intended user of the GHG Assertion.

### Conclusion

Cathay Financial Holding provided the GHG assertion based on the requirements of ISO14064-1: 2018. The GHG information for the period 01 January 2018 to 31 December 2018 disclosing emissions of 60,999.589 metric tonnes of CO<sub>2</sub> equivalent and 0.0000 metric tonnes of direct CO<sub>2</sub> emissions from the combustion of biomass are verified by SGS to a reasonable level of assurance, consistent with the agreed verification scope, objectives and criteria.

The emission of each site is described as below:

Unit: tonnes of CO<sub>2</sub>e

Unit	Direct emissions	Indirect emissions	Direct emissions and indirect emissions
Cathay Financial Holdings	67.4251	621.9379	689.363
Cathay Life Insurance	2,174.8935	34,101.0435	36,275.937
Cathay Century Insurance	183.1036	2,635.8219	2,818.926
Cathay Securities Investment Trust	10.1997	494.8128	505.012
Cathay United Bank	780.8886	18,442.4911	19,223.380
Cathay Venture Inc.	2.6914	30.7606	33.452
Cathay Futures	4.4013	78.5314	82.933
Cathay Securities Investment Consulting	0.5057	84.4175	84.923
Cathay Securities	47.9341	1,237.7289	1,285.663



SGS's approach is risk-based, drawing on an understanding of the risks associated with reporting GHG emissions information and the controls in place to mitigate these. Our examination includes assessment, on a test basis, of evidence relevant to the amounts and disclosures in relation to the organization's reported GHG emissions.

We planned and performed our work to obtain the information, explanations and evidence that we considered necessary to provide a reasonable level of assurance that the GHG emissions for the period 01 January 2018 to 31 December 2018 are fairly stated.

We conducted our verification with regard to the GHG assertion of Cathay Financial Holding which included assessment of GHG information system, monitoring and reporting plan/protocol. This assessment included the collection of evidence supporting the reported data, and checking whether the provisions of the protocol reference, were consistently and appropriately applied.

In SGS's opinion the presented GHG assertion

- is materially correct and is a fair representation of the GHG data and information, and
- is prepared in accordance with ISO14064-1:2018 on GHG quantification, monitoring and reporting.

### **Confidentiality**

The reports and attachments may contain relevantly confidential information of the clients. In addition to being submitted as governmental application or certification documents, the reports and attachments are not allowed to be edited, duplicated, or published without the clients' agreement in written form.

### **Avoidance of Conflict of Interest**

The reports and attachments are completely complied with the standards and procedures that related-authorities established. The reports and attachments of auditing process are conduct with fairness and honesty. If not, the auditing institution not only has to bear the relevant compensation duties, but also to receive legal charge and punishment.

This statement shall be interpreted with the GHG assertion of Cathay Financial Holding as a whole.

### Verifier Group

Above statements coincide with auditing process with fairness and impartiality, and aim at the emission of year 2018 of clients.

Lead Verifier:

*Chris Peng*

Verifier:

*Bor Huang*

*Emma Kao*

*Andy Hsu*

*Darren Chan*

*Vanessa Chen*

*Kevin Hsieh*

Note: This Statement is issued, on behalf of Client, by SGS Taiwan Ltd. ("SGS") under its General Conditions for Greenhouse Gas Verification Services available at [http://www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). The findings recorded hereon are based upon an audit performed by SGS. A full copy of this statement, the findings and the supporting GHG Assertion may be consulted at Cathay Financial Holding, No.296, Sec. 4, Renai Rd., Daan Dist., Taipei, Taiwan, This Statement does not relieve Client from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations. Stipulations to the contrary are not binding on SGS and SGS shall have no responsibility vis-à-vis parties other than its Client.