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Message from the Chairman

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Carbon footprint of investment portfolios in 2020-2021

		Proprietary Assets		Cathay SITE (Asset Manager)	
		2021	2020	2021	2020
Absolute Emissions tCO ₂ e	Equity	1,059,599	1,025,288	311,296	230,101
	Bond	10,207,824	11,682,803	961,146	593,907
	Equity+Bond	11,267,423	12,708,091	1,272,443	824,008
WACI tCO ₂ e/\$ m revenue	Equity	149	139	149	158
	Bond	268	304	358	369
	Equity+Bond	248	278	241	276

Sectoral and regional carbon footprint of investment portfolios in 2021

		Proprietary Assets		Cathay SITE (Asset Manager)	
		Absolute Emissions tCO ₂ e	WACI tCO ₂ e/\$ m revenue	Absolute Emissions tCO ₂ e	WACI tCO ₂ e/\$ m revenue
Sectoral	Energy	64	142,767	36	64
	Material	27	98,620	29	27
	Utilities	120	66,544	38	120
Regional	Asia-Pacific	92	568,015	104	92
	America	119	363,811	87	119
	Europe	16	227,992	15	16

Notes for the two carbon footprint sheet:

Note 1: Total carbon emissions is calculated according to PCAF methodology.

Note 2: Weighted average carbon intensity (WACI) is calculated based on the method recommended by the TCFD.

Note 3: The scope of proprietary assets includes Cathay Life, Cathay United Bank, Cathay Century and Cathay Securities.

Note 4: Assets managed by Cathay SITE don't include mandate assets.

Note 5: For investees without carbon emission data, Cathay estimates carbon emissions using the PCAF methodology. The data coverage of proprietary assets is 100%. The data coverage of assets managed by Cathay SITE is 97% in 2021, and 92% in 2020.

Note 6: The data of sectoral and regional carbon footprint includes equity and bond.