

## Portfolio carbon footprint for Principal MPF – Smart Plan (as of 31 Dec 2022)

Fund	Financed Carbon Emissions (tons CO2e / \$M invested)	Financed Carbon Emissions Coverage (%)
Principal Age 65 Plus Fund	12.17	21.18
Principal Balanced Fund	47.73	75.22
Principal Cash Fund	2.15	80.50
Principal Core Accumulation Fund	10.01	21.18
Principal Dynamic Asia Pacific Equity Fund	146.44	85.82
Principal Dynamic Asian Bond Fund	194.10	38.05
Principal Dynamic Global Bond Fund	15.75	79.58
Principal Dynamic Global Equity Fund	46.59	95.16
Principal Dynamic Greater China Equity Fund	23.41	98.65
Principal Dynamic Hong Kong Equity Fund	34.38	97.52
Principal Growth Fund	56.47	90.28
Principal Guaranteed Fund	94.06	69.98
Principal Hang Seng Index Tracking Fund	61.60	100.00
Principal MPF Conservative Fund	0.38	48.70
Principal Stable Fund	28.93	45.04

Source: Carbon data is provided by MSCI based on the portfolio holdings as of 31 Dec 2022

Methodology: In accordance with the Consultation Conclusions on the Management and Disclosure of Climate-related Risks by Fund Managers, Principal adopts the following methodology for calculating portfolio carbon footprint of our funds.

$$\sum_N^i \left( \frac{\text{Current value of investment}_i}{\text{Investee company's enterprise value}_i} \times \text{Investee company's Scope 1 and Scope 2 GHG emissions}_i \right) \div \text{Current portfolio value (\$ million)}$$

- Scope 1 refers to the direct emissions from the investee company.
- Scope 2 refers to indirect emissions from purchased electricity, steam, heating, and cooling by the investee company.

All available asset classes/issuers are used in our overall fund carbon calculations. Due to current disclosures and methodologies available through MSCI, there are certain asset classes (e.g., sovereign bonds), that do not currently have coverage and would be excluded in our calculations. There are limitations in collecting emissions data from underlying third-party collective investment schemes or Exchange Traded Funds. The emission scope, data availability and time lag covered may differ from the underlying third-party collective investment schemes.

The footprint is expressed in tons of CO2 equivalent per year and per million dollars invested (in USD).

## **DISCLOSURES**

*Investment involves risks. Past performance of any particular fund or product mentioned in this document is not indicative of future performance of the relevant fund or product, and the value of each fund or product mentioned in this document may go down as well as up. You should not invest solely in reliance on this document. There is no assurance on investment returns and you may not get back the amount originally invested.*

*You should consider your own risk tolerance level and financial circumstances before making any investment choices. If you are in doubt as to whether a certain fund or product mentioned in this document is suitable for you (including whether it is consistent with your investment objectives), you should seek legal, financial, tax, accounting and other professional advice to ensure that any decision made is suitable with regards to your circumstances and financial position, and choose the fund(s)/product(s) suitable for you accordingly.*

*The information contained in this document has been derived from sources believed to be accurate and reliable as of the date of publishing of this document. The content is for information purpose only and does not constitute an offer, a solicitation of an offer or invitation, advertisement, inducement, representation of any kind or any advice or recommendation to enter into any transactions in respect of the funds/products referred to in this document. This document is not intended to be relied upon as a forecast, research, or investment advice regarding a particular investment or the markets in general, nor is it intended to predict or guarantee the information as a comprehensive statement to be relied upon. All expressions of opinion and predictions in this document are subject to change without notice.*

*Subject to any contrary provisions of applicable law, neither the companies, nor any of their affiliates, nor any of the employees or directors of the companies and their affiliates, warrants or guarantees the accuracy of the information contained in this document, nor accepts any responsibility arising out of or in connection with any errors or omissions of the contents set out in this document.*

*This document is the property of Principal Asset Management Company (Asia) Limited that no part of this document may be modified, reproduced, transmitted, stored or distributed to any format for any purposes without Principal Asset Management Company (Asia) Limited's prior written consent.*

*Source of this document is from Principal Asset Management Company (Asia) Limited.*

*Principal, Principal and symbol design and Principal Financial Group are registered trademarks and service marks of Principal Financial Services, Inc, a member of the Principal Financial Group.*

*This document has not been reviewed by the Securities and Futures Commission.*

*This document is issued by Principal Asset Management Company (Asia) Limited.*