2022 Da Cheng International

Climate-related Risk Management Report

Preface

The challenges posed by climate change are becoming increasingly urgent on a global scale and have become an important issue today. Along with the intertwined global challenges, it is time to actively address climate change and to reduce the risks it may cause.

As the core of modern economy, finance plays an important role in promoting low-carbon transition and achieving the goal of "Net Zero". In fact, regional governments have been gradually increasing investment in the green energy industry and encouraging the green financial products while promoting energy transition to achieve the ambitious emission reduction goals. As an asset manager, we have our responsible stewardship for our clients who are asset owners. Always striving for green value creation, we keep long-term investment in mind and take climate risks into account. As a responsible investor, we encourage the investee companies to improve ESG risk management, including climate issues, and to develop more sustainable business practices.

We keep up with the global trend of climate change and never stop our effort in sustainable development. We actively identify the risks and opportunities of climate change and manage climate risks in a holistic manner. A systematic climate-related risk governance structure has been established, and a top-down monitoring and management system for climate-related risk issues has been formed.

In the future, we will constantly improve our climate-related risk management. By fully releasing the potential of responsible asset managers in promoting low-carbon transition, and further directing capital flows to greener industries, we are committed to creating long-term investment value and stable investment returns for our clients.

About Da Cheng International

Da Cheng International Asset Management Co., Ltd. (Da Cheng International), which is a wholly-owned subsidiary of Da Cheng Fund Management Co., Ltd, was established in 2009 in Hong Kong. Da Cheng International is one of the first subsidiaries of a Chinese fund company to be established in Hong Kong. We value our business development. To that end, we take the lead in launching a series of public funds and provide diversified asset management services.

With our philosophy of "Based in Hong Kong with a Global Vision ", we actively explore and develop cross-border and global investment business. Adhering to the principles of active management and the pursuit of absolute income, we aim to create sustainable and stable investment returns for clients.

Climate change has never stopped. Along with many other global challenges, it is particularly urgent to jointly tackle climate change issues. We have established a systematic governance structure for climate-related risks at the governance, management, and executive levels. We have achieved top-down communication and implementation of monitoring and management of climate-related risk issues. It has been our goal to effectively manage climate-related risks, capitalize on the climate opportunities, and to provide sustainable investment returns for our clients from a long-term perspective.

About This Report

This Report, released by Da Cheng International Asset Management Co., Ltd. (hereinafter referred to as [Da Cheng International] or [The Company] or [We]), aims to objectively and fairly reflect the performance of Da Cheng International in climate-related risk management.

This Report adopts the "appropriateness" approach to disclose the management of climate related risks from a "pragmatic" perspective.

Report time range: The data used for climate-related risks assessment is based on the positions of portfolios as of the end of 2022.

Basis for preparation: This Report is prepared in accordance with the Fund Manager Code of Conduct (FMCC) and the requirements of Circular to Licensed Corporations-Management and Disclosure of Climate-related Risks by Fund Managers issued by the Hong Kong Securities and Futures Commission (SFC). This Report is prepared with reference to the framework of the recommendations of Task Force on Climate-related Financial Disclosures (TCFD), and the relevant contents are disclosed from four aspects: Governance, Strategy, Risk management, Metrics and targets.

Release and update of the report: This Report is published in both Chinese and English. In case of any discrepancy, the Chinese version shall prevail. In compliance with the requirements of Circular to Licensed Corporations-Management and Disclosure of Climate-related Risks by Fund Managers, disclosures will be reviewed at least annually, and be updated where considered appropriate. We will inform fund investors of any material changes as soon as practicable.

Executive Summary

Since the establishment in 2009, as a responsible asset management institution, Da Cheng International has been committed to incorporating sustainability into our investment strategy, effectively managing risks through systematic risk management policies, transforming risks into investment opportunities, and maximizing value for our clients.

Climate change is becoming increasingly prominent, and the challenges it brings to the development of human society has been an international consensus. Currently, climate change has become one of the biggest systemic risks, which could have long-term impacts on both investors and financial practitioners. In recent years, with the increase of potential financial risks associated with global climate change, addressing climate change has become a central issue in global sustainable development.

As an asset manager, we deeply understand that we, an asset management institution, are both users and disclosers of climate-related information. Therefore, we have actively identified risks and opportunities brought by climate change and managed climate risks comprehensively. A systematic climate-related risk governance structure has been built and finalized to form a top-down monitoring and management system for climate-related risks since 2022.

We have carried out the identification, assessment, management and monitoring process of climate-related risks, conducting quantitative analysis of climate-related risks for the funds as of December 31, 2022 from the perspective of relevance and materiality. Material climate-related risks would be factored into the investment management process. Moreover, we have optimized the Company's internal investment management and risk management process and taken climate-related risks into consideration based on the results of the risk assessment and the Company's overall investment philosophy, risk appetite, etc.

In addition, we have finalized the "Engagement Policy" and combined it with the original internal "Voting Policy". By comprehensively practicing active ownership and actively exercising our rights, we expect to promote the low-carbon transition of our investee companies and drive sustainable development through future engagement activities.

Based on the overall mission and strategy of Da Cheng International in response to climate change, we have disclosed our climate-related information in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, with a purpose to effectively demonstrate to our stakeholders the philosophy of responsible investment and sustainable development that we adhere to, as well as the core information and climate practices we have conducted along the journey.

Governance

A sound and effective corporate governance structure is critical to implementing our overall investment philosophy, meeting client expectations and fulfilling our social responsibilities. A systematic governance structure for climate-related risk management at the Board, management and executive levels has been established since 2022. We have formulated an internal document naming *The Climate Investment Management Structure and Risk Management Process of Da Cheng International Asset Management*, which specifies the top-down oversight and management structure of climate-related risks.

Board Level - Oversight and Decision-making

Board of Directors

The Board of Directors (the "Board") provides oversight of the climate-related risk exposures and opportunities based on the investment strategy and risk appetite of the Company . In 2022, in order to lay emphasis on climate issues, the Company convened a Board meeting on climate-related risk issues. The Board approved the corresponding governance structure of climate-related risk management and has delegated oversight of climate-related risk management to the Risk Control Committee.

- **Oversees** progress towards climate-related targets;
- **Monitors** company-wide management of climate-related issues and the implementation of climate-related strategies;
- **Oversees** the incorporation of climate-related consideration into investment and risk management processes of the Company, reviews the risk management framework covering climate-related risks, and ensures climate-related consideration is included;
- The Board delegates the management responsibilities to the Risk Control Committee, reviews the management of the Company's climate-related risks at least once a year, and is **aware** of the progress of implementation reported by the Risk Control Committee.

Management Level - Monitoring and Guidance

Risk Control Committee

As a standing deliberative part of the Company, the Risk Control Committee has relative organizational and operation independence. The Risk Control Committee is responsible for managing climate-related risks and incorporating climate-related risk matters into risk control procedures of the Company. The Risk Control Committee reports to the Board on the management of climate-related risks.

- Manages climate-related risks at the company-wide level and **reports** to the Board;
- The Risk Control Committee sorts out and forms a written report on major sustainability-related matters (such as climate, ESG, etc.) in due course, submits it to the Board for review, and adheres to the requirements of timely reporting major issues to the Board;
- **Determines** the climate-related risk management structure, and sets up the Climate Working Group under the Risk Control Committee to be responsible for the daily management and implementation of the company's climate related matters;
- **Establishes** a process for the management to be regularly informed about the progress of efforts;
- Ensure the Company has devoted sufficient human and technical **resources** to support and implement the duty to manage climate-related risks;
- Incorporates climate-related risk management into the Company's risk control policies, and establishes robust internal controls and **written procedures;**
- Sets climate-related targets (company level or portfolio level) based on the development of the company, develop corresponding action plans at the company-wide level, and guide and monitor the implementation of the action plan.

Executive Level - Execution and Landing

Climate Working Group

- **Coordinates** internal and external resources, guides and supports climate-related functional departments to comprehensively promote the implementation of climate-related policies and systems;
- **Coordinates** departments involved in the work of climate-related risks, organizes and carries out training according to the needs of each department, and ensures the input of sufficient human, technical and other key resources;
- **Cooperates** with the executive staff of each department to implement and promotes the strategies, targets and specific work of Da Cheng International;
- **Leads in preparing** the annual report on climate-related risk management information disclosure;
- **Reports** the progress of climate-related matters to the Risk Control Committee.

Strategy

In order to effectively integrate climate-related risks into the investment management process, in terms of management, the Board is responsible for the oversight of climate-related risks and the Risk Control Committee bears the management responsibility, which ensures the efficient promotion of climate-related risk management.

In terms of execution, Da Cheng International has systematically reviewed internal policies, systems and processes. By incorporating the management of climate-related risks into the company's investment management and risk management systems, we have standardized and systematically supervised the process of climate-related risk management. The system emphasizes the attribution of authority and responsibility for climate-related risk management, explains the assessment of climate-related physical and transition risks, details the implementation of climate-related risk management, and clarifies the frequency of assessment of climate-related risks, etc.

Investment Research, Management and Decision-making

The Research Department of the Company supports the research on the impact of climate, ESG and sustainable development on individual securities and portfolios and assists in the analysis of investee companies.

Departments involved in investment activities have assessed the climate-related risks. Furthermore, we have also incorporated climate-related risk consideration into our internal investment management system as key steps taken to incorporate climate-related risks into the investment management process.

With accumulation of assessment data and our deepened understanding of climate-related risks, we will continue to improve our management system of climate-related risks. Through regular assessments and methodological iterations, newly identified relevant and material climate-related risks will be effectively and timely incorporated into the investment management process to support decision-making.

Climate Scenario Analysis

Scenario analysis is a method used to consider plausible future pathways of development and their outcomes. It allows the Company to look at different future scenarios and explore the possible courses of action given specific assumptions and constraints. According to *Implementing the TCFD Recommendations: A Guide for Asset Owners* published by UN PRI, the purpose of climate scenarios is to assess the potential earnings impairment of companies (as a result of transition policies, demand changes, physical impacts and other factors) and how this might be translated into investment returns in a portfolio. While uncertainty exists in terms of the rate of warming, pace of technology change, and future government policy, such uncertainty is not infinite.

As an asset manager, it is critical to understand how climate change and the energy transition are affecting the investment returns of our investee companies and markets, so that we can create more resilient portfolios and generate long-term returns for our clients.

While the industry has not yet developed a uniform standard or requirement for climate scenario analysis, standing from a forward-looking perspective, we believe it is necessary to prepare in advance and accelerate the learning and application of this methodology.

We will continue to monitor the progress of climate scenario analysis methodologies. Relevance and utility evaluation would serve as the first step for further scenario analysis based on the funds' climate-related risk assessment results. The transition scenarios designed and launched by the International Energy Agency (IEA) are widely used under the development towards a low-carbon economy. The Intergovernmental Panel on Climate Change (IPCC) aims to provide a comprehensive assessment from the understanding of scientific, technical, and socio-economic perspectives of climate change with the best knowledge, potential impacts and adaptation strategies, providing internationally recognized representative physical scenarios. These scenarios will become our top consideration due to their high relevance and utility, as well as their credibility. We will make plans to conduct the scenario analysis within a reasonable timeframe to test the climate resilience against uncertainty by adopting relevant and useful scenarios mentioned above once fund was assessed as material to climate-related risks.

Risk Management

Climate change is not a standalone issue. It is an intersecting risk that can not only physically impact on the daily business operation and business continuity of the Company, but also interact with other factors and become a driver that can cause risks such as compliance risks. Therefore, consideration of climate-related risks should be integrated into investment decisions, investment processes and broader business and operational strategies rather than independent of other risk management processes.

Since 2022, Da Cheng International has integrated climate-related risk factors into the Company's risk management processes and policies. Within the existing risk management system, we have further specified and executed the management responsibilities for climate-related risks.

Identification of Climate-related Risks and Opportunities

The severity of climate change and our social responsibilities as an asset manager has made us recognized that effective identification of climate-related risks and opportunities and incorporation of climate-related considerations into the overall and investment strategies of the Company is an important task to achieve long-term value growth and promote low-carbon transition of the society.

As an asset manager, it is our goal to identify and respond to potential risks and generate long-term financial returns for our clients. On the one hand, the unstable changes in energy prices and the intervention of relevant laws and regulations may increase the transition risk exposure of the portfolio; On the other hand, the global attention to climate change factors will spawn new industries and investment directions, and bring new investment opportunities for asset managers.

Based on the above assessment logic, we have identified climate-related risks and opportunities that may have potential impacts on our investment as followed:

Time Frame	Climate-related Risks	Climate-related Opportunities
Short-term (0-2 years)	◆ Changes to laws and regulations could directly impact the industry operation license, supply chain management and operation management of high-risk industries or regions, thus negatively affecting the business continuity of the investee companies; ◆ Increased frequency of extreme weather events such as floods and typhoons could adversely affect daily operations and business services;	◆ Changes to laws and regulations and energy prices are driving companies to improve energy efficiency and reduce carbon emissions from operations, benefiting the carbon foot-print reduction of our portfolios; ◆ Climate change and policy changes could positively affect the return on investment in certain industries;
Medium-term (2-5 years)	◆ Technological progress and changes in client preferences could lead to the transition crisis and product upgrading, further affecting the investment returns; ◆ Increased frequency of extreme weather events such as floods and typhoons could adversely affect the daily operations and business services of companies, interrupt business continuity, and negatively impact the financial conditions of the investees;	◆ Facilitate energy structure and low-carbon transition of investee companies, reduce their sensitivity to climate-related risks, enhance climate change resilience and indirectly improve the overall portfolio climate resilience; ◆ Climate change could bring positive impact on the return on investment in certain industries;

Long-term (more than 5 years)	◆ A range of assets or industries could become obsolete due to regulatory changes and market transition, impacting the investment returns; ◆ Climate change can have long-term irreversible impacts on the infrastructure and physical assets, including those of which could affect asset valuations such as interruption costs, renovation costs and reconstruction costs.	◆ The increase in customer demand for climate-friendly/carbon-neutral products under future energy policies may require the product and marketing departments to deepen the research on climate-related policies, thus providing forward planning support for climate-related product development strategies and company business expansion; ◆ Leveraging the role of capital in driving a low-carbon transition and contributing to "Net Zero" targets.

Climate-related Risk Assessment

Climate-related risk assessment is relatively new for the industry we are in, and we never stop our effort for better methodology. With the accumulation of relevant data, we will gradually improve our assessment methodology considering the actual situation, investment strategy, risk appetite and other factors, in order to better manage climate-related risks.

In-depth analysis of the underlying investee companies in the portfolios have been conducted. Based on multi-dimensional information such as the industry characteristics, the location of operations and revenues of the companies, we comprehensively evaluated the physical and transition risks of our investee companies. With sufficient reference international organizations recommended by SFC in assessing the materiality of climate-related risks, we have summarized the approaches given by the Sustainability Accounting Standards Board (SASB), PRI, TCFD, etc., followed the qualitative and quantitative guidelines suggested by SFC, and formed an internal process method for assessing climate related risks suitable for our company.

We have quantified the physical and transition risks for our portfolios subject to the compliance, with holdings information as of 31st, December 2022. On this basis, the relevance and materiality of climate-related risks are assessed. Where relevance is identified with materiality, the climate-related risks will be incorporated into the investment management process. Risks will be periodically reassessed for those are relevant but not material to minimize portfolio risk exposures.

<u>Relevance assessment of risks</u>

Investees would be evaluated from the industry and sector dimension to assess if they are exposed to physical risks or transition risks. By incorporating with weightings distribution across different industries, the overall risks quantification would be aggregated from the underlying assets to the portfolio level. A threshold would be determined at first to decide whether the physical and transition risks are relevant. The risks would be assessed as relevant if the result is above the threshold, and irrelevant if not.

Materiality assessment of risks

Physical Risks: More risk dimensions have been considered with higher granularity data available, which all derives from IPCC, WRI and other sources with strong credibility and reliability. Based on the geographical location of the investees and the affiliated entities, different climate hazards exposure could be connected to each investee. The industry vulnerability for diverse hazards has also been incorporated into the assessment. Supported by such methodology, supplemented with holdings weightings, the physical risk score at both underlying asset-level and the portfolio-level could be quantified, which could serve as an effective indicator for the overall physical risk materiality evaluation.

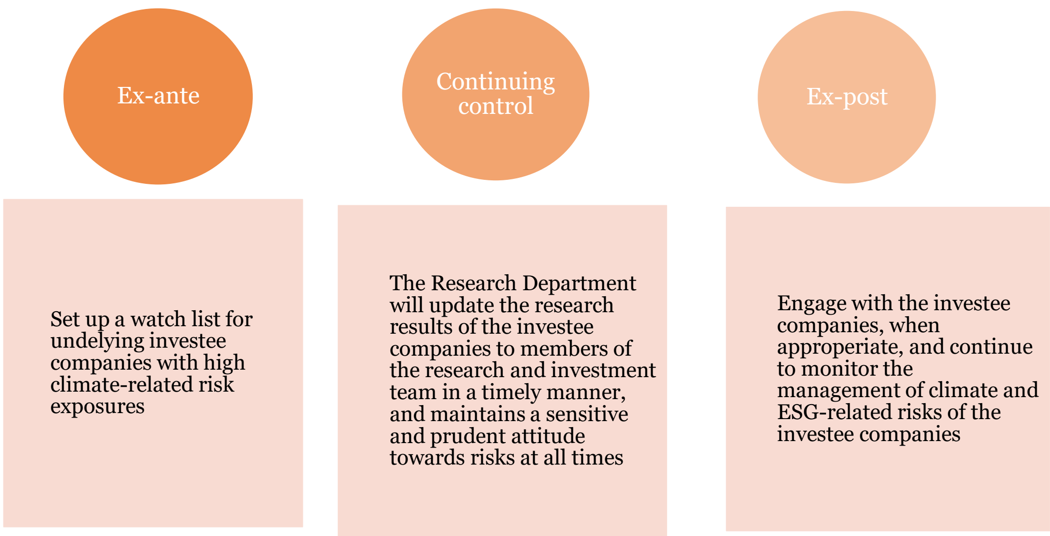
Transition Risks: Carbon shadow price serves as an important indicator of transition risk in reflecting the development of future policy trend and technological progress of the low-carbon society. Based on possible impacts of carbon price on the operations of a company, we have established transition risk score indicator to identify investee companies showing higher sensitivity to carbon price. We quantify the materiality of transition risks by calculating the proportion of the net asset values in the portfolio.

Each climate-related risk assessment result would be kept for record and served as guidance in risk management and opportunity capture. Adhering to the principles of “pragmatic” and “appropriateness”, we will integrate this information with our investment strategies and risk appetites, so as to constantly optimize our climate-related risk assessment methodology.

Climate-related Risk Management and Monitoring

Risk control is the foundation and guarantee for the development of the Company. The investment decision-making and operation should be based on strict and effective risk control. Avoidance of risks is based on prevention so as to avoid and reduce losses as much as possible.

To this end, we have established and maintained an effective policy and a dedicated risk management function to identify and measure the risks that the company might face, taking appropriate and timely actions to manage the climate-related risks.



In practice, the Climate Working Group coordinates the risk management departments to identify and assess climate-related risks for each fund. For underlying investee companies with high climate-related risk exposure, we set up a Watch List as a reference to enhance the systematic process of climate-related risk control.

Active Ownership

Built on our Voting Policy, supplemented with Engagement Policy, the Company has developed an active ownership policy to promote investee companies' adherence to sustainability and to reduce climate-related investment risks by advocating to participate in the decision-making process of the investee companies. "*We will be active owners and incorporate ESG issues into our ownership policies and practices*" is one of the Principles of UN PRI, and an important strategy for Da Cheng International to implement responsible investment. We believe that practicing active ownership is the proper responsibility of a fund manager. Active ownership is a practice that aims to protect and enhance the returns of investors by promoting the long-term sustainability of the investee companies.

We expect to promote sustainable development (including ESG, climate related risks, etc.) business practices and high-quality disclosure of information through engagement and voting activities. Our mission is to contribute to the positive impact on the investee companies or market environment through engagement with investee companies or policy makers.

The objectives of Da Cheng International to practice active ownership, can be summarized as followed:

1. • Promote Da Cheng International to conduct responsible investment activities and achieve sustainable development goals
2. • Create environmental and social benefits and maximize the overall interests of clients while obtaining better portfolio returns
3. • Embrace the concept of sustainable development and improve the awareness of the investee companies' management on climate, ESG, sustainability and other related issues by practicing active ownership
4. • Encourage the management of investee companies to formulate sustainability-related goals and policies, and promote the investee companies to carry out concrete actions of improving sustainability performance

The Company will not seek to participate in specific operations and management of the investee companies from the macro and micro levels, however, when appropriate, we will interact with the investee companies on important ESG issues, climate-related risk and opportunity management, overall business strategy, capital allocation, etc., to encourage them to improve their ESG performance, climate -related practices and information disclosure. While promoting investee companies to take active measure to address ESG and climate-related risk, we could also reduce our investment risks and play an active role in creating sustainable investment returns.

Climate-related issues have been written into our policy as one of the issues that we will focus on during the engagement with our investee companies. We hope that with the joint efforts, we can facilitate our investee companies to pay more attention to climate change, so that they can improve their operational resilience while reducing our investment risks, creating sustainable financial returns.

To promote the "Engagement Policy", we expect fund managers, investment managers or researchers should promptly communicate and engage with the investee company when the research and investment team believes that the investee company's poor disclosure or management of ESG and climate-related matters may put the investment at risk or adversely affect the sustainable development outcomes, of which such insight is concluded after "hotspots" investees and material climate-risks have been identified.

Metrics and Targets

Setting and achieving financed carbon targets start with understanding and measuring our current financed carbon emissions. Based on internationally recognized measurement methodologies, the Company quantifies the climate-related risks and carbon footprints of our portfolios through evaluation and use of data from multiple sources. Portfolio carbon footprint would be disclosed when climate-related risks are assessed to bring relevant and material impact on the portfolio.

Portfolio Carbon Footprint Calculation Methodology

During our practice, we have paid great attention to combining international methodologies with local authoritative practical experience. To this end, we procured high-quality carbon emission data from professional third-party data provider. We measured the carbon footprint on both underlying asset-level and portfolio-level with holdings as of 31st December 2022. The calculation methodology is based on the Global GHG Accounting & Reporting Standard released by Partnership for Carbon Accounting Financials (PCAF Standard). It standardizes carbon emissions by the market value of the portfolio and presents them in terms of carbon dioxide equivalent per million monetary unit dollars invested. The calculation formula is as follows:

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

Assumptions and limitations

Given the evolving methodology and the data quality with room for improvement, there are limitations on the accuracy of the calculation results.

Accurate calculation of carbon emissions at the portfolio level depends on high quality basic information about underlying investee companies. Many companies are publicly reporting their operation emissions, which benefits us in directly obtaining data for our calculations. However, on the one hand, the quality of self-reported data varies with limited third-party assurance. On the other hand, many companies have not yet conducted internal carbon accounting, which makes it necessary for us to rely on other data to estimate their carbon emissions in order to understand the carbon footprint of the fund.

Currently, with the help of the third-party professional data service provider, by combining the reviewed self-reported data and the estimated data, we have been able to quantify climate-related risks and the carbon metrics. However, there is still room for improvement in the accuracy of the estimated data and the credibility of the self-reported data. Further, since the quality of estimated carbon emissions can hardly go beyond the self-reported data of companies, the estimation may not truly reflect the carbon emissions of any of the underlying companies in our portfolios.

Next Goals

Currently, the industry has not yet formed a complete and unified measurement methodology, and the overall data quality in the market still has room for improvement. We will actively engage with our investee companies to improve the transparency and disclosure quality of carbon-related data in the industry, while improving the accuracy of our own measurement.

Irrelevance Evaluation Rationales

Money Market Fund relevance and materiality assessment

We conduct regular review for the money market funds. We determine the relevance of climate-related risks to money market funds primarily by assessing the impact of climate-related risks on monetary policies. Currently, the market evidence and research to conclude or support the direct causal relationship between monetary policy and climate change is not sufficient. The assessment conclusion that climate-related risks are irrelevant is still effective.

The practical analysis of the impact of climate change on monetary policy in "*Climate-Related Financial Risks - An Analysis Based on Central Bank Functions*" by the Research Bureau of the People's Bank of China shows that the economic and financial impact periods of climate change are either too short or too long to influence monetary policy decisions. We learned that monetary policy is not the appropriate choice to promote economic structural reform, such as low-carbon transition. Second, monetary policy uses countercyclical instruments designed to stimulate or smooth out economic activities over a future period. However, the climate change issue has a longer time horizon so there is a natural mismatch between monetary policies and climate-related risks. Third, the number of monetary policy instruments is relatively small, and monetary policy targets such as safeguarding inflation may be harder to achieve if central banks use the limited tools to address climate change. Climate change is a global issue and requires a global solution. As the monetary policy reflects sovereignty, the inconsistency of monetary policy objectives across countries may make it more difficult to systematically address global issues.

From a practical perspective, the major central banks begin to pay attention to the physical risks and transition risks of climate change and their impact on monetary policies, however, the practice of central banks promoting low-carbon transition through monetary policies is limited.

Therefore, we assess that climate-related risks are irrelevant to the money market funds with current information available. In the future, we will regularly do the research in the relevance of the monetary policy and climate change, track policy practice, and regularly conduct an overall reassessment of the relevance on an annual basis.

We will regularly reassess and adjust our assessment conclusions. Latest external developments and progress of climate-related risks will be monitored. When material changes occur, we will update disclosure, where considered appropriate, and inform stakeholders as soon as practicable.

Future Envision

As the public has gradually accepted the fact that the average global temperature will continue to rise due to climate change, the world is realizing the importance of mitigating and responding to climate change. The low-carbon transitions of various industries are necessary and urgent. As key components of the socio-economic system, financial institutions play an important role in facilitating the low-carbon transition. However, such unique role also brings higher exposure to a variety of climate-related risks. It is essential that financial institutions adopt approaches and tools to proactively conduct climate-related risk assessment and management.

In the future, we will closely monitor relevant international and domestic climate policies and trends, keep learning from the global leading practices, and expect to make improvements from the following aspects:

(I) Enhance climate-related risk management: promote the oversight, management and implementation of climate-related risk management at the Board, management and executive level, and constantly optimize our current governance structure and corresponding responsibilities.

(II) Improve and optimize climate-related risk assessment methodology: Along with accumulating years of climate-related risk assessment result data, combined with the Company's overall risk appetite and investment strategy, we aim to keep optimizing the existing assessment methods in terms of data availability, threshold setting, parameter selection, etc., to better facilitate investment decisions.