



CTBC BANK

EVERCOMM

Digitizing PCAF Implementation

From Compliance to Value Creation

Where Climate Targets Meet Industrial Reality





Executive Summary

As the Partnership for Carbon Accounting Financials (PCAF) gains global adoption, financial institutions are entering a new phase of climate accountability.

For CTBC Bank, one of Asia's leading financial institutions and the **PCAF Asia-Pacific Chair**, this shift represents more than a reporting obligation, it is an opportunity to **accelerate transition finance** by helping clients define credible, science-aligned, and bankable decarbonization targets.

Through strategic partnerships and digital innovation, CTBC Bank has reimagined PCAF implementation as a data-driven foundation for engagement and value creation — enabling bankers to guide clients on practical pathways toward low-carbon competitiveness.



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From Reporting to Partnership

For years, financial institutions have viewed climate disclosure as a compliance requirement.

Yet, true progress requires more than accurate reporting it demands **collaboration with clients** to turn climate targets into actionable transition plans.

CTBC Bank's approach centers on **transforming financed emissions data into client engagement intelligence**, enabling the Bank to play a proactive role in guiding enterprises through their decarbonization journeys.

This transition from reporting to partnership is reshaping the purpose of transition finance — from measuring risk to unlocking opportunity.



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The Challenge: Bridging Ambition and Bankability

Most companies today recognize the need to reduce emissions but face barriers to implementation:

- Difficulty quantifying baseline emissions accurately.
- Limited visibility into cost-effective reduction options.
- Uncertainty about how to translate climate ambition into bankable projects.

For banks, this creates a credibility gap: **targets may be announced, but few are verified or financially structured.**

CTBC Bank's solution is to bridge this gap with **data-driven transition intelligence** ensuring every financed emission and every climate target is measurable, traceable, and investable.



Building the Digital Foundation

From Reporting to Relationship

Historically, emissions reporting sat in compliance teams. Today, it belongs in **client engagement and credit strategy**. CTBC Bank’s PCAF digital framework enables bankers to engage clients using verified, real-time emissions intelligence turning data into dialogue.

Digital Building Blocks		
Capability	Purpose	Outcome
Centralized Financed-Emission Data Hub	Integrates multiple data sources into a unified PCAF-aligned structure	Single source of truth for portfolio emission baselines
AI-Driven Calculation & Verification (MRV)	Automates Scope 3 Category 15 and asset-level calculations	Reduced manual workload and higher data confidence
Sector-Specific Benchmarks	Embeds industry pathways and national targets	Enables credible, context-specific target setting
Scenario Simulation	Quantifies emission reduction vs. cost/investment trade-offs	Identifies viable transition opportunities
IFRS S2/CSRD-Aligned Reporting	Auto-generates disclosures and assurance trails	Audit-ready, regulator-trusted transparency

Key outcomes include:

- **Automated PCAF-aligned emission calculations** across multiple asset classes.
- **Data quality scoring** to improve transparency and comparability.
- **Audit-ready reporting** aligned with IFRS S2 and CSRD requirements.
- **Integrated simulation tools** that link decarbonization scenarios to financing needs.

This digital infrastructure lays the groundwork for credible, science-based decision-making.

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Empowering Transition Finance

With digital PCAF data as its foundation, CTBC Bank can now support clients in designing credible and bankable transition strategies, using the following process:

01

Baseline Definition

Identify and verify client emissions data across scopes and activities.

02

Scenario Simulation

Model emission-reduction pathways using sector-specific benchmarks and engineering data.

03

Financial Structuring

Quantify investment requirements and link them to appropriate transition or sustainability-linked financing instruments.

04

Verification and Disclosure

Generate transparent, audit-ready documentation for regulators, investors, and credit committees.

This approach helps clients move from climate ambition to financing eligibility, accelerating access to transition-linked loans, bonds, and advisory services.

CTBC's Four-Step Engagement Framework:

01 **Baseline Assessment**
Quantify and verify client emissions using digital MRV.

02 **Pathway Simulation**
Model emission reduction scenarios with cost and ROI estimates.

03 **Financial Structuring**
Translate reduction potential into investment requirements and loan structures.

04 **Monitoring & Disclosure**
Automate updates for loan covenants, investor reports, and PCAF submissions.

This allows CTBC to structure **transition-linked loans, sustainability-linked bonds, and portfolio decarbonization programs** with measurable impact and minimal friction.



Delivering Value Across Stakeholders: From Data to Dialogue

Stakeholder	Digital Value Proposition
Clients	Gain credible emission baselines, Science-aligned targets, and access to tailored transition finance.
Bankers	Access decision-grade data and simulation tools to structure bankable decarbonization solutions.
Regulators & Investors	Receive transparent, auditable, and standards-aligned disclosures.
Communities & Markets	Benefit from more sustainable, competitive, and resilient industries.

Digitalization transforms the conversation from compliance data to strategic engagement and shared value creation.

Results at a Glance:

- **1,500+ man-hours saved** in data collection and reporting cycles.
- **Improved client participation** in data sharing and validation.
- **Audit-ready traceability** across multiple jurisdictions.
- **Expanded transition-finance pipeline**, converting compliance data into actionable credit opportunities.



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The Path Forward: Scaling Digital Transition Finance

CTBC Bank envisions a future where **every financed ton of carbon becomes a pathway for engagement, innovation, and value creation.**

To realize this vision, CTBC continues to:

- **Promote PCAF adoption** and digital alignment across the Asia-Pacific region.
- **Collaborate with ecosystem partners** to expand data interoperability and standardization.
- **Integrate transition insights** into credit, risk, and product strategies.
- **Empower clients** with access to verified technology providers and financing-readiness tools.

Through these efforts, CTBC aims to catalyze a financial ecosystem that connects data, capital, and climate action.



Conclusion

Digitizing PCAF implementation is more than a technical evolution it represents a strategic shift in banking's role within the low-carbon transition.

For CTBC Bank, it means moving from compliance reporting to partnering with clients on credible, bankable, and verifiable transition journeys.

By embedding digital intelligence into every stage of the process from measurement to financing CTBC demonstrates how financial institutions can lead with both accountability and innovation.

This is where climate targets meet industrial reality, and where transition finance becomes a shared journey of value creation.





About CTBC Bank

CTBC Bank is one of Asia's leading financial institutions with a strong commitment to sustainability and innovation. As the PCAF Asia-Pacific Chair, CTBC leads regional efforts to advance climate accounting and transition finance best practices. Through cross-sector collaborations and digital transformation, CTBC is redefining the role of finance in accelerating the low-carbon economy.



Technology Partner: Evercomm

Evercomm is an award-winning climate-tech company headquartered in Singapore. Recognized by the UNFCCC COP28 TechSprint Award and Singapore Apex Corporate Sustainability Award, Evercomm develops AI-powered platforms that support banks and governments in digitizing financed emissions, transition planning, and verification (MRV).

Evercomm's NX Engine powers CTBC Bank's financed emissions and transition finance framework.