

## **Bank of America Announces New \$50 Billion Environmental Business Initiative**

11 June 2012, Bank of America announced a new 10-year, \$50 billion environmental business goal to help address climate change, reduce demands on natural resources and advance lower-carbon economic solutions. The company also introduced significant new goals to reduce the environmental impact of its own operations.

The new goal, effective Jan. 1, 2013, follows the anticipated completion of the company's current 10-year, \$20 billion environmental business initiative – a program that is more than four years ahead of schedule.

“Environmental business delivers value to our clients, return for our shareholders, and helps strengthen the economy,” said Bank of America Chief Executive Officer Brian Moynihan. “We met our prior goal in about half the time we set for ourselves, so more than doubling our target is ambitious but achievable.”

The new environmental business initiative will consist primarily of lending, equipment finance, capital markets and advisory activity, carbon finance, and advice and investment solutions for clients. The areas of focus include:

- Energy efficiency – in residential, commercial, and public properties, as well as supporting the full supply chain that drives energy efficiency.
- Renewable energy and energy infrastructure – including wind, solar, hydro, biomass and waste-to-energy solutions and their upstream and downstream supply chains, as well as smart grid, large-scale energy storage and other important infrastructures.
- Transportation – including certain lower carbon forms of transport such as electric and hybrid electric vehicles, batteries/fuel cells and sustainable bio-fuels, as well as developing local and regional charging infrastructure to support the growth of new hybrid vehicle technologies.
- Water and waste – focusing on innovative new technologies and infrastructure development, including water purification and waste disposal and recycling.

The bank also announced a goal to provide \$100 million in grants and program-related investments to nonprofit organizations, community development financial institutions and other non-governmental organizations promoting low-carbon and resource conservation solutions.

Bank of America will meet its new \$50 billion goal by continuing to develop low-carbon business across its global platform. The company expects to grow its business activities around the world as governments, companies and individuals worldwide shift spending and investing patterns in response to energy security, resource efficiency and broader environmental awareness. The company also will work with traditional businesses such as agriculture, forestry, transportation, technology, retail and healthcare to help advance their low-carbon activities.

“Many of our clients are transitioning to more environmentally conscious business practices, products and services,” said Cathy Bessant, Global Technology and Operations executive and chair of Bank of America's Environmental Council. “We can continue to grow our business, promote a greener global economy and address climate change by helping our clients meet their own sustainability objectives.”

Bank of America also will work with third parties to explore how best to quantify the impact of its capital commitment on reducing greenhouse gas (GHG) emissions and

promoting energy conservation, renewable energy generation and other tangible environmental and societal benefits.

Today's announcement builds on Bank of America's legacy of leadership in the environmental arena. The company was one of the first financial institutions to launch a substantial, formal environmental business initiative, and as of March 31, 2012, it has delivered \$17.9 billion toward that initiative, including:

- \$8.4 billion, or 47 percent, for energy efficiency activities ranging from its \$55 million Energy Efficiency Finance Program to provide low-cost loans and grants to support energy efficiency retrofits in low-income neighborhoods, to financing lighting, heating and cooling equipment upgrades in public housing developments, commercial and government buildings.
- \$5 billion, or 28 percent, for renewable energy projects as diverse as helping the San Jose Unified School District in California become one of the largest solar powered systems in the world, and working with integrated food-energy business CleanStar Mozambique to replace thousands of charcoal-burning cook stoves with cleaner bio-ethanol fuelled stoves. In 2011, the company helped arrange—and finance the world's two largest rooftop solar projects – with clients Prologis and NRG Energy, and SolarCity respectively – supporting the potential creation of more than a thousand megawatts of solar energy capacity and thousands of jobs across the U.S.
- Nearly \$1 billion for consumer financing of hybrid vehicle purchases.

In 2004, Bank of America was the first financial institution to publicly commit to GHG reduction targets through the former EPA Climate Leaders program. In 2009, it was the first financial institution to exceed its targets: reducing emissions by 18 percent from 2004 to 2009 – twice its original 9 percent reduction goal. As part of the company's commitment to LEED® (Leadership in Energy and Environmental Design) building, it partnered with The Durst Organization to build the Bank of America Tower at One Bryant Park, the world's first Platinum-certified high-rise office building under the LEED Core and Shell rating system.

**New internal environmental goals**

Today, Bank of America also announced new operational goals it plans to achieve by 2015:

- 25 percent reduction in energy consumption from 2004 – equal to eliminating 1.2 million megawatt hours of annual energy use from our portfolio.
- 20 percent reduction in paper consumption (2010 baseline); paper used will:
  - Contain 20 percent post-consumer recycled content.
  - Be sourced entirely from certified forests.
  - 20 percent reduction in global water consumption (2010 baseline).
  - 70 percent diversion of global waste from landfill.
    - All electronic waste streams to be disposed of using certified, responsible vendors.

These new goals build on the May 2011 announcement that by 2015, Bank of America plans to achieve:

- More than 30 percent aggregate reduction in global GHG emissions (2004 baseline).
- 20 percent LEED certification within its corporate workplace portfolio.

“Meeting these aggressive, industry-leading goals requires new ways of working across our company,” said Bessant. “We have a strong culture of environmental sustainability. Our work is even stronger due to important collaboration with a number of leaders in this space like Ceres, Carbon Disclosure Project and the U.S. Green Building Council, who have helped us define and shape our focus as we continue to deliver impressive results.”

This year, the United Nations launched the Sustainable Energy for All initiative, a public-private partnership that highlights the important link between energy – in particular, energy access, energy efficiency and renewable energy – and broader development issues. Bank of America will further discuss its renewed external and internal goals with global leaders of governmental, private sector and non-governmental organizations at the United Nations Conference on Sustainable Development's Rio+20 Conference in June, where the UN will lay out an ambitious range of energy targets.  
(Source: CSR Wire)

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