

Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Bank of America (BoFA) is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company provides unmatched convenience in the United States, serving approximately 66 million consumer and small business clients with approximately 4,300 retail financial centers, including approximately 2,700 lending centers, 2,600 financial centers with a Consumer Investment Financial Solutions Advisor and approximately 2,400 business centers; approximately 17,000 ATMs; and award-winning digital banking with approximately 40 million active users, including approximately 31 million mobile users. BoFA is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. BoFA offers industry leading support to approximately 3 million small business households through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and approximately 35 countries. Bank of America Corporation stock (NYSE: BAC) is listed on the New York Stock Exchange. (As of April 15, 2021)

At BoFA, we're guided by a common purpose to help make financial lives better, through the power of every connection. We're delivering on this through responsible growth with a focus on our environmental, social and governance (ESG) leadership. The ESG, Capital Deployment and Public Policy group works to embed ESG across our eight lines of business and reflects how we help fuel the global economy, build trust and credibility, and represent a company that people want to work for, invest in and do business with. It's demonstrated in the inclusive and supportive workplace we

create for our employees, the responsible products and services we offer our clients, and the impact we make around the world in helping local economies thrive. An important part of this work is forming strong partnerships with nonprofits and advocacy groups, such as community, consumer and environmental organizations, to bring together our collective networks and expertise to achieve greater impact.

As evidenced by the most recent United Nations Intergovernmental Panel on Climate Change's Fifth Assessment Report, the International Energy Agency Net Zero by 2050 Report and the United States government's Fourth National Climate Assessment, urgent action is needed to address climate change and prevent its increasingly devastating impacts from accelerating. At BofA, we recognize that climate change poses a significant risk to our business, our clients and the communities where we live and work.

As one of the world's largest financial institutions, BofA has a responsibility and an important role to play in helping to mitigate and build resilience to climate change by using our expertise and resources, as well as our scale, to accelerate the transition to net zero. In alignment with more than 190 countries, we support the Paris Agreement on climate change, its commitment to take action to keep global temperature rise this century to below 2°C above pre-industrial levels, and its efforts to limit the temperature increase to no more than 1.5°C. Doing so will require changes in all sectors of our economy, particularly the transformation of critical areas like energy, power, transportation and real estate.

BofA will mobilize \$1 trillion in capital by 2030 through the Environmental Business Initiative. This continued commitment increases the company's investment in low-carbon business activities as part of its focus on deploying capital for responsible, sustainable growth. Through lending, investing, capital raising, advisory services and developing financing solutions, this expanded commitment will drive innovation and help to accelerate the transition to a net zero economy. Since launching our first Environmental Business Initiative in 2007, we have mobilized over \$200 billion of capital for responsible, sustainable growth.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-FS0.7

(C-FS0.7) Which organizational activities does your organization undertake?

Bank lending (Bank)

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	<p>Our Board and its committees oversee our sustainability and ESG initiatives, including in relation to climate change. The Corporate Governance, ESG, and Sustainability Committee (CGESC) has ultimate responsibility for overseeing management of climate change-related issues. As stated in its Charter, this Committee is responsible for periodically reviewing the company's strategy, policies and practices regarding environmental, social and related governance (ESG) matters that are significant to the company. The CGESC receives regular reports from the Global ESG Committee, which is the management-level committee responsible for significant ESG activities. Climate change oversight is assigned to the CGESC because it is included within the scope of ESG matters that are significant to the company.</p> <p>As a result of the Board's increasing engagement and oversight of sustainability and ESG matters, they made the decision in early 2020 to change the name of the CGESC from "Corporate Governance Committee" to the "Corporate Governance, ESG, and Sustainability Committee". Our Board has further strengthened its ESG oversight by having our management-level Global ESG Committee escalate environmental and social risks to the Management Risk Committee, which in turn reports to the Board's Enterprise Risk Committee. In addition, BofA has named a Global Climate Risk Executive, who reports to our Chief Risk Officer and updates our Board's Enterprise Risk Committee on associated risks.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain

<p>Scheduled – some meetings</p>	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Monitoring implementation and performance of objectives</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>Climate-related risks and opportunities to our own operations</p> <p>Climate-related risks and opportunities to our bank lending activities</p> <p>Climate-related risks and opportunities to our investment activities</p> <p>The impact of our own operations on the climate</p> <p>The impact of our bank lending activities on the climate</p> <p>The impact of our investing activities on the climate</p>	<p>The Global ESG Committee meets at least six times a year and reports to the CGESC. The chair of our Global ESG Committee discusses ESG topics with the CGESC during scheduled meetings. During 2020, ESG topics were discussed at three of eight scheduled CGESC meetings. During 2020, the CGESC reviewed with management developments in measuring our progress related to the United Nation's Sustainable Development Goals, our CEO's efforts through the International Business Council to drive harmonization of ESG reporting and disclosure standards, the company's efforts to reduce our environmental impact and achieve carbon neutrality in our operations, and the focus to achieve net zero greenhouse gas (GHG) emissions in our financing activities, operations, and supply chain. In addition, our Board's lead independent director and lead independent director successor discussed climate and environmental topics with shareholders during their engagement meetings in 2020.</p> <p>ESG metrics are included in our Executive Management team's performance measurement dashboard. This team comprises all direct reports to the CEO. The metrics include, for example, progress towards our Environmental Business Initiative commitment. The Global Sustainable Finance and Environmental Groups that track this goal provides a quarterly update on progress that is incorporated into the dashboard by our Corporate Strategy team and included in an update for Board members.</p> <p>Each quarter the Enterprise Risk Committee and the full Board receive a summary of key risks facing the bank, including climate change.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Vice Chairman	CEO reporting line	Both assessing and managing climate-related risks and opportunities	Risks and opportunities related to our bank lending activities Risks and opportunities related to our investing activities Risks and opportunities related to our own operations	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The executive management team member with direct responsibility for leading the company's ESG efforts is a Bank of America Vice Chairman. The Vice Chairman reports to the CEO and chairs our Global ESG Committee. This Committee is composed of senior leaders across every major line of business and support function and oversees our strategy and initiatives for ESG activities and practices. The Global ESG Committee informs the Corporate Governance, ESG, and Sustainability Committee of the Board of Directors on environmental and social issues and ensures climate-related risk is integrated into strategy. The Global ESG Committee meets six times a year, at a minimum. On matters of environmental and social risk, the Global ESG Committee reports out to the Management Risk Committee which falls under the board level Enterprise Risk Committee. BofA's Global Climate Risk Executive, who reports to our Chief Risk Officer, updates the Management Risk Committee on matters related to climate risk.

This structure ensures that emerging ESG issues, risks and opportunities identified by ourselves, advocates, regulators and other stakeholders are integrated into our core business decisions and are being monitored and managed at the highest levels of the company. In addition to our global governance of ESG, we have established regional committees in Latin America, Asia Pacific, and Europe, the Middle East and Africa (EMEA) to guide our ESG strategy and ensure accountability at the regional level.

The Global ESG Committee serves as an integration point for various internal working groups with responsibility for environmental and social issues such as the Blended Finance Catalyst Pool Working Group. In 2018 we formed the Blended Finance Catalyst Pool with an initial allotment of \$60

million to mobilize additional private capital toward the United Nations Sustainable Development Goals (SDGs), with a specific focus on energy access (SDG7), affordable housing (SDG11), water and sanitation access (SDG6), and climate resiliency (SDG13). A Working Group comprised of several senior executives from across the bank is responsible for guiding our deployment of capital under this program.

The Climate Risk Steering Council oversees our climate risk management practices, shapes our approach to managing climate-related risks in line with our Risk Framework and meets monthly. In 2020, the Climate Risk management effort was bolstered through the appointment of a Global Climate Risk Executive who reports to the Chief Risk Officer and chairs the Climate Risk Steering Council, and the creation of a new division within our Global Risk organization to drive execution of the climate risk management program with the support of lines of business (LOB), ESG, support functions and Risk partners.

In 2020, we created a Sustainable Markets Committee, co-chaired by our Chief Operating Officer and Vice Chairman, and established a new position, Global Head of Sustainable Finance, to oversee our sustainable finance activities. Our Sustainable Finance mission includes the mobilization of capital and human innovation to accelerate financing of companies and projects that advance the transition to a zero carbon and circular economy. The Global Sustainable Finance Cross-Line of Business Council serves to execute the Sustainable Markets Committee's mission across our eight LOBs, drive sustainable finance transactions across the firm, report progress and escalate specific initiatives, transactions, or related issues to the Sustainable Markets Committee.

Within our ESG, Capital Deployment and Public Policy group we have a dedicated internal team that works on our environmental initiatives. The Global Environmental Group (GEG) focuses on five strategic areas: Sustainable Finance, Responsible Operations, Employee Programs, Partnerships, and Governance and Policy and operates under the direction of our Global Environmental Executive. The GEG in partnership establishes and has accountability for the company's environmental goals – our Environmental Business Initiative, our net zero before 2050 target and all associated interim commitments. The team develops strategies and implements initiatives to ensure that resources across the company are mobilized to meet these goals. The GEG is responsible for developing internal policies to support the goals and to manage risk. The GEG works with other teams across the bank to determine our public policy positions and provides climate related expertise to internal and external partners and clients.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Provide incentives for the management of climate-related issues	Comment
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Row 1	Yes	
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C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Emissions reduction target	As part of our Responsible Growth strategy we have added Environmental, Social and Governance (ESG) metrics to our Executive Management team's performance dashboard. These metrics include progress towards our Environmental Business Initiative and net zero commitments, the value of ESG assets under management, and our performance in ESG ratings/rankings. These metrics are tracked and reported to the Board.
Environment/Sustainability manager	Monetary reward	Emissions reduction target	The Global Environmental Group (GEG) is tasked with catalyzing and supporting the development of low-carbon business activity, the achievement of greenhouse gas emissions reductions and carbon neutrality across operations, development, development and execution of our net zero strategy, and coordinating the monitoring and reporting of climate change activities. The team is incentivized based on its success in these areas.
Chief Procurement Officer (CPO)	Monetary reward	Supply chain engagement	The Chief Procurement Officer is responsible for BofA's responsible sourcing strategy and is incentivized based on its success in these areas.
Environment/Sustainability manager	Monetary reward	Supply chain engagement	Global Procurement is tasked with engaging with our vendors on the management of climate change, including the delivery of our climate-related supplier engagement targets. The team is incentivized based on its success in these areas.
Business unit manager	Monetary reward	Emissions reduction target	Delivering operational GHG emissions reduction targets and reaching carbon neutrality: teams responsible for our internal operations, including the Global Real Estate Services team, the Global Technology & Operations team, Consumer, Global Procurement, the Global Environmental Group along with others are incentivized to successfully implement

			activities and initiatives that support energy efficiency and manage and reduce GHG emissions.
Business unit manager	Monetary reward	Other (please specify) Managing climate change opportunities	Realization of climate change related revenue opportunities: lines of business that focus directly on climate innovation and environment-related revenue streams are evaluated based on their management of these opportunities. For example, GSFG and teams such as Energy Services and Renewable Energy Finance (energy efficiency, solar and wind equipment finance) are paid based on the volume and scale of energy efficiency and renewable energy transactions they complete.
All employees	Monetary reward	Emissions reduction project	<p>Incentivizing use of low-carbon vehicles for employees in the U.S., Canada, Ireland and U.K. Our low-carbon vehicle program has provided over 12,000 reimbursements since its inception in 2006. Through this initiative, U.S. employees receive a \$4,000 reimbursement for the purchase or \$2,000 for a lease (reimbursement amount differs by country) of a new, eligible, highway-capable electric or hydrogen fuel cell vehicle. In 2020, new participants in the low-carbon vehicle program achieved an estimated cumulative emissions reduction of over 1,100 metric tons of CO₂e a year.</p> <p>We also have more than 200 EV charging ports at offices across the U.S. and U.K. which are free for employee use.</p>
All employees	Monetary reward	Emissions reduction project	Reducing cost of residential solar installation: In 2019, we continued our partnership with SunPower to offer employees a discount on residential solar power contracts. Through the end of 2020, 161 employees have chosen to power their homes with solar energy through the program. By educating employees on the benefits of solar energy and addressing the barriers to installation, the program continued to grow in 2020, garnering positive feedback from all involved.
All employees	Monetary reward	Efficiency project	Employee ideas for efficiency projects: as part of our Simplify and Improve program, employees are encouraged to submit ideas on how to make the company more effective and efficient. Employees submitting ideas through the internal online forum and other channels are eligible to receive a monetary incentive if their idea is the first of its kind and

			selected for implementation. Conserving resources and reducing waste through green initiatives has been a common theme and employees have been rewarded for their suggestions.
All employees	Non-monetary reward	Other (please specify) Volunteer service	Supporting environmental volunteerism: Last year, BofA volunteers donated over 1 million hours globally, helping address critical needs in the communities where they live and work, including over 33,000 volunteer hours devoted to environmental causes. Since 2010 employees have logged 496,979 volunteer hours on environmental efforts. We support employee volunteerism by offering employees up to two hours of paid time off each week to volunteer (U.S. only) at organizations of their choice. In addition, employees who volunteer regularly (50 hours per year or more) may apply for a volunteer grant from the Bank of America Charitable Foundation.
All employees	Non-monetary reward	Other (please specify) Charitable contributions	Employee Giving: The Bank of America Charitable Foundation supports employee giving in various ways, including through the Matching Gifts program which offers a way to double – up to \$5,000 per person each calendar year – employees' cash or securities contributions to their favorite charitable organizations. In 2020, the foundation provided nearly \$31 million to support employee giving.

C-FS1.4

(C-FS1.4) Does your organization offer its employees an employment-based retirement scheme that incorporates ESG principles, including climate change?

	We offer an employment-based retirement scheme that incorporates ESG principles, including climate change.	Comment
Row 1	Yes, as an investment option for some plans offered	We offer ESG investment options for employment-based retirement schemes in the U.S. and Europe.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	6	
Long-term	6	10	Net Zero would be 30 years (long term)

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

For CDP reporting, we define a “substantive financial or strategic impact” to be a potential impact that exceeds a threshold of potential annual financial implications for our business. The quantifiable indicator we use is a \$10 million threshold. Therefore, for CDP reporting, we consider risks and opportunities with potential financial implications for our business of over \$10 million per year to be substantive.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Governance of climate-related risks takes place at various levels throughout the company, with ultimate responsibility resting with the Chairman of the Board of Directors and CEO. The Corporate Governance, ESG, and Sustainability Committee of the Board of Directors has specific responsibility for reviewing activities relating to ESG matters, including climate change. The Enterprise Risk Committee is responsible for overseeing management's handling of material risks and the implementation of the enterprise Risk Framework. Each quarter the Enterprise Risk Committee and the full Board receive a summary of key risks facing the bank, including emerging risks. Climate change is monitored as part of this process. A Climate Risk Steering Council oversees our climate risk management practices and shapes our approach to managing climate-related risks in line with our enterprise Risk Framework.

Our enterprise Risk Framework serves as the foundation for consistent and effective monitoring and management of all risks we face. This Framework describes responsibilities for the management of risk, provides a blueprint for how the Board of Directors, through delegation of authority to committees and executive officers, establish risk appetite and associated limits and describes the seven key risk types we face: credit, market, liquidity, compliance, operational, strategic and reputational risk. Increasingly, ESG issues, including climate change, may impact all of these. Monitoring and oversight of risks associated with business activity is integrated into the overall governance process, as well as the roles and accountabilities of all employees. Our front-line units identify risks and, using a consistent scale, rank their likelihood and severity. Climate-related risk is identified in our risk inventory and integrated into our risk management framework through its potential impact to the

seven risk types.

Our Environmental and Social Risk Policy Framework (ESRPF) provides additional clarity and transparency on our approach to ESG risks, including how we identify, measure, monitor and control these risks consistent with our enterprise Risk Framework. As part of our client due diligence and other on boarding processes, front line units and risk teams determine if a proposed transaction or relationship presents potential ESG risks. Subject matter experts, including GEG members and external consultants, participate in the environmental and social risk management process and help to determine the relative significance of these risks in relation to other risks. Recognizing that certain sectors are of heightened sensitivity, we outline certain minimum client requirements in our ESRPF and we undertake enhanced due diligence for business activities in these sectors to evaluate the associated risks, including regulatory and reputational risks. If due diligence reveals that a business activity presents environmental and/or social risk, that activity may be escalated to the appropriate line of business reputational risk committee for further evaluation prior to the business activity being approved, approved with conditions or declined.

We track and assess opportunities to finance the transition to a net zero economy in several ways. We conduct research, discuss with clients and other stakeholders and incorporate regulatory incentives into our net zero strategic planning and transactional work. Members of the GEG closely monitor research, regulatory and market trends which informs the identification of new opportunities to participate in financing the transition to a net zero economy. We also track relevant initiatives being led by non-governmental organizations and engage in regular discussions with our clients, peers and other stakeholders which assists us in identifying and evaluating market needs and opportunities. In 2020 we established a Sustainable Markets Committee (SMC), a Global Head of Sustainable Finance position and a Global Sustainable Finance Group (GSFG) to bring additional structure and focus to our efforts to identify and develop new opportunities, products and services to help transition to a net zero economy. The Sustainable Markets Committee, co-chaired by our Chief Operating Officer and the ESG, Capital Deployment and Public Policy Vice Chairman, is responsible for overseeing and accelerating our Sustainable Finance strategy and initiatives across all eight lines of business (LOB). The GSFG implements the strategy set by the SMC and works alongside all eight LOB to mobilize and scale capital deployment that is aligned with the United Nations Sustainable Development Goals.

We provide climate-related awareness training to our client-facing teammates as well as our Global Risk teammates to increase knowledge of climate related risks and opportunities. Our aim is to increase understanding of specific implications for clients, financing opportunities, sector decarbonization pathways and new, emerging technologies.

Examples of how these processes are applied to specific risks and opportunities:

Physical Risk: Within our operations, at the facility level, we conduct Proximity Risk assessments to consider potential shared risk between production and recovery facilities based on probable risks for a given geography and the specific locations of the production and recovery sites. For example, a production and recovery facility located a short distance apart from each other on the Florida south coast may have a shared hurricane risk. Assessments prioritize risk based on scores derived through the analysis of the severity and likelihood of occurrence for each risk category. The assessment results are reported to business units using the recovery facilities who then remediate the risk (e.g., by using another site) or escalate the risk for senior management review.

Transitional Opportunity: BofA is engaging with stakeholders and conducting research on green hydrogen – hydrogen produced from renewable energy. We estimate that clean hydrogen has the potential to provide up to 24% of our energy needs by 2050, helping to cut emissions by up to 30%, all while offering the potential to generate \$2.5 trillion of direct revenues and \$11 billion of indirect infrastructure investment opportunity. In its report ‘the Special 1 – Hydrogen primer’, BofA Global Research team that focuses on ESG topics describes how hydrogen technology will soon enter the mainstream thanks to the rapidly falling cost of renewable energy and electrolyzers used to produce green hydrogen, increased policy support, fuel cell and electrolyser technology, efficiency and flexibility improvements and a global focus on decarbonization that is expanding potential end-markets. We participate in the Sustainable Markets Initiative Hydrogen taskforce which seeks to drive growth in the demand for and supply of green hydrogen through company and sectoral public commitments coupled with practical, demonstrable projects.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>This risk type is relevant and included in our risk assessments because we are both directly exposed to regulation and indirectly exposed to credit and reputational risk related to regulation that affects our clients.</p> <p>Direct exposure:</p> <p>We are directly exposed to disclosure requirements for financial institutions related to climate including emissions and processes and controls to identify, assess, monitor and manage climate risk. Our CEO has been supportive of increased disclosure of climate-related risks; we have been issuing climate-related disclosures for nearly two decades and in 2020, we issued our first TCFD report. We also included disclosure of how we manage climate risk in our 2020 10-K. We face</p>

		<p>risk if our systems or data capabilities are not sufficient to measure, model and disclose climate risks consistent with varying national and regional disclosure requirements. As a global bank, we are working to meet regulatory expectations on managing climate for our international entities, including those under the supervision of the European Central Bank and the Bank of England. To that end, we are assessing climate-related risks at the industry, country, legal entity and obligor-level, as well as developing climate-scenario stress test capabilities, among other initiatives.</p> <p>In some countries we are also subject to regulations related to our energy consumption and GHG emissions. An example is the U.K. Streamlined Energy and Carbon Reporting Regulation. Currently these types of regulations manifest themselves as increased administrative costs. While not deemed substantive for our organization, we are committed to complying with such legislation and have processes in place to monitor regulatory requirements and associated risks.</p> <p>Indirect exposure: Depending on the sector and geographic location, many of our business clients are already subject to climate change regulation, such as California's AB 32 or the European Trading Scheme. If not effectively anticipated and managed, such regulations could adversely impact our clients' profitability and in turn have financial implications for our company by affecting their ability to service debts or make new investments.</p>
Emerging regulation	Relevant, always included	<p>This risk type is relevant and included in our risk assessments because we are directly exposed to emerging regulation and indirectly exposed to credit and reputational risk related to emerging regulation that affects our clients.</p> <p>Direct Exposure We are directly exposed to emerging risk management, disclosure and diligence requirements for financial institutions related to ESG risk, including climate risk. We face risk if our systems or data capabilities are not sufficient to measure, model and disclose climate risks in a way that is consistent with potential future disclosure requirements that are likely to vary across regions.</p> <p>We are monitoring the developing focus on ESG disclosure, including climate risk, by the US Securities and Exchange Commission (SEC). In 2020, the SEC began an effort to evaluate reporting requirements for issuers to include material, decision-useful ESG factors, and the SEC Asset Management Advisory Committee recommended that the SEC require the adoption of standards for corporate issuer disclosure of material ESG risks. The SEC is currently evaluating its</p>

		<p>existing disclosure rules with the goal of facilitating the disclosure of consistent, comparable, and reliable information on climate change. BofA recently provided a detailed response to the SEC's request for public input on climate-related disclosure.</p> <p>Indirect Exposure</p> <p>As countries move to introduce regulations designed to promote a transition to a net zero economy, these new regulations could have a negative impact on our clients, and in turn on our business, if clients do not effectively anticipate and plan for them. Clients in the power sector, for example, are potentially exposed to emerging regulations that put a price on GHG emissions. It is important that the future costs of complying with such regulation are factored into decisions about new long-term investments in this sector.</p> <p>In 2020 we started monitoring the development of the EU Taxonomy which has now set performance thresholds for economic activities that contribute to climate change and other environmental objectives. As a global bank which is investing heavily in financing the transition to a net zero future, we face risk if various taxonomies for green finance are not well aligned or do not allow for climate finance transition to be recognized.</p>
Technology	Relevant, sometimes included	<p>This risk type is relevant and is evaluated as part of our credit risk management and due diligence process where we provide financing for companies that are bringing new low-carbon technologies to market. We are exposed to client risk should such companies and their technologies fail to be successful. We evaluate repayment sources, underlying collateral (if any), and the expected impacts of the current and forward-looking economic environment on the borrowers or counterparties.</p>
Legal	Relevant, always included	<p>This risk type is relevant in the form of exposure to lawsuits, investigations and regulatory enforcement actions related to our efforts to manage climate risks, climate-related performance and disclosures and our compliance with laws and regulations. We consider this risk to be closely linked to reputational risk. As we document in our enterprise Risk Framework, 'reputational risk may arise from negative perception on the part of key stakeholders (e.g., clients, counterparties, investors, regulators, rating agencies), scrutiny from external parties (e.g., policymakers, consumer groups, NGOs, media organizations) and the ongoing threat of litigation.'</p> <p>One way in which we evaluate and address legal risks is through implementation of our ESRPF. For example, recognizing</p>

		<p>certain client sectors may be more exposed to climate-related risks than others, for business activities in these sectors we engage in enhanced client and transactional review and due diligence, involving subject matter experts and the appropriate line of business reputational risk committee as needed to evaluate and escalate the associated risks.</p> <p>Another way we evaluate legal risk is by enhancing disclosures associated with capital markets issuances. We were involved in the creation of the Climate Capital Markets Playbook led by The Chancery Lane Project to provide those drafting disclosure documents associated with capital markets activity with the tools to better address climate change.</p>
Market	Relevant, sometimes included	<p>Changes in market conditions may adversely impact the value of assets or liabilities, as well as liquidity, which can negatively impact earnings.</p> <p>Both physical and transitional climate related changes may impact market risk. For example, in the case of physical risk, weather related events can impact asset valuations which in turn could negatively impact real estate related securities. In another example, if the finances of states or cities are negatively impacted by physical climate change, this could impact their ability to repay municipal bonds and therefore impact the market value of these instruments, and our ability to either liquidate those instruments or get repaid if we hold them.</p> <p>For transitional market risk, we are using climate scenario analysis to inform potential for losses to arise from sudden movements/shocks to the financial markets which are not adequately priced into the valuation of traded products (e.g., equities, rates, FX, commodities, credit, structured assets). Typically, gradual changes in the financial markets will be reflected in the asset valuation. However, sudden shocks to certain market factors, such as the sudden introduction of a carbon tax may result in a need for loss from the sharp revaluation. Therefore, the market risk component is most often captured through an instantaneous shock to several market risk factors such as equity volatilities, interest rates and commodity prices.</p> <p>Some countries will be particularly affected by the economic impact of transition risk and/or chronic physical risk under certain climate scenarios due to the deterioration of public finances and potential related geopolitical instability. Sovereign exposures of the trading portfolio will be subject to re-valuation at fair value under the selected climate scenarios, as it pertains to market risk exposure.</p>

		As another example of how this risk type is relevant, market conditions could impact demand for our low-carbon financing products and services and this in turn could adversely affect our earnings and our ability to realize our significant Environmental Business Initiative. We also face competition in the market from other financial institutions investing in low-carbon financing products and services.
Reputation	Relevant, always included	<p>Environmental and social issues often present reputational risk, also an aspect of our Risk Framework and a key part of our risk assessment process.</p> <p>We are subject to reputational risk directly, for example, if we are not considered to be making meaningful public commitments on how we are addressing climate-related issues or if we do not make substantial progress towards meeting our commitments. We are subject to reputational risk indirectly through our lending and other financial services if we are not perceived to be adequately evaluating and mitigating environmental and social risks associated with client transactions.</p> <p>One way in which we manage this reputational risk is through implementation of our ESRPF and associated policies as well as ESG reporting. Recognizing that certain sectors may be more exposed to climate-related risks than others, in these sectors we engage in enhanced client and transactional review and due diligence. This involves subject matter experts and the appropriate line of business reputational risk committee as needed to evaluate and escalate the associated risks. Our published ESRPF is an important way in which we communicate our position on financing in specific sectors to our stakeholders. In 2020 we updated our ESRPF to indicate that we will not directly finance petroleum exploration or production activities in the Arctic. The Framework was also revised to update our position on coal extraction and coal-dependent industries which face significant challenges. Specifically, we will not directly finance the construction or expansion of new coal-fired power plants – unless those facilities employ technology that is focused on complete or near elimination of atmospheric carbon emissions and will not directly finance new thermal coal mines or the expansion of existing mines.</p>
Acute physical	Relevant, sometimes included	This risk type is relevant and we assess it as an operational risk because we have locations in regions that are vulnerable to an increase in the severity, duration and/or frequency of tropical storms. We also have operations in regions which are experiencing an increase in extreme heat events and prolonged dry periods increasing the frequency and severity of wildfires. We conduct an annual assessment of physical risks to our facilities from factors including severe weather, wildfires and flooding. Our Business Continuity team assesses risks associated with our operations and has planned

		<p>recovery facilities for our major locations. The assessment results are reported to business units who then remediate the risk (e.g., by using another site) or escalate the risk for senior management review.</p> <p>Our clients' operations in such regions could also be adversely impacted which in turn could expose us to credit risk. Impacts to our clients' assets and businesses from climate driven events could include increasing operational, capital maintenance and insurance costs and reduced staff health, safety and productivity. If the profitability or viability of a client or a group of clients is adversely affected this could have a negative effect on their repayment capacity. To build on our existing risk identification process, we engaged the climate risk team at Willis Towers Watson to complete a preliminary acute physical risk analysis on a sample portfolio of BofA residential mortgages across the U.S. We built on this analysis in 2020 by examining the potential impacts of two Category 5 hurricanes striking the Miami-Dade area within two weeks of each other as part of our scenario design within the company's stress testing processes.</p>
Chronic physical	Relevant, sometimes included	<p>This risk type is relevant and included as an operational risk because physical changes arising from sustained temperature increases, such as sea level rise and coastal erosion, storm surges and flooding effects could directly impact our own operations, for example, where we have facilities in low-lying, coastal regions.</p> <p>Annual assessments by our business continuity team consider physical risks to our facilities from factors including severe weather, wildfires and flooding. Our Business Continuity team manages planned recovery facilities for our major locations prone to physical risk. The assessment results are reported to business units who then remediate the risk (e.g., by using another site) or escalate the risk for senior management review.</p> <p>Our client's operations in such regions could also be adversely impacted which in turn could expose us to credit risk which is reviewed through our risk identification process. Impacts to our clients' assets and businesses from climate driven events could include increasing operational, capital maintenance and insurance costs and reduced staff health, safety and productivity. If the profitability or viability of a client or a group of clients is adversely affected, this could have a negative effect on their repayment capacity.</p>

C-FS2.2b

(C-FS2.2b) Do you assess your portfolio's exposure to climate-related risks and opportunities?

	We assess the portfolio's exposure	Please explain
Bank lending (Bank)	Yes	<p>The climate risk management program is being implemented across the enterprise under the leadership of Global Climate Risk and with oversight from our Climate Risk Steering Council. The effort includes risk management teams across all seven risk types, the Global Climate Risk team, Chief Financial Officer organization, Global Risk Analytics, BofA Global Research and ESG. Together these teams are leading our work to assess climate-related risk.</p> <p>The goal is to understand the environmental risks and opportunities associated with our portfolios. In 2020, we expanded our analysis to include calculating emissions associated with our financing activities beginning with business loans. This effort will include assessment of high emitting sectors, understanding decarbonization pathways and deeper engagement with clients to understand how we can support their transition plans. Currently, we monitor and report our exposure to industries with a moderate and high level of exposure to climate-related risks, including financial and carbon metrics. As we state in our 2020 TCFD report, as of December 31, 2019, these sectors represented approximately 22% of our total committed commercial credit exposure of \$1.062 billion. Energy and Power Utilities, which are generally viewed as particularly susceptible to transition risk made up less than 7% of the total committed commercial credit exposure. We track and publish our energy utility portfolio emissions intensity which decreased by 30% between 2011 and 2020. We also measure our low-carbon exposure. An internal analysis of the generation fuel mix associated with our power utilities portfolio indicates approximately a third of our exposure is low-carbon, not inclusive of our \$10.1 billion portfolio of tax equity investments in wind and solar projects throughout the U.S.</p> <p>We use a range of methods to evaluate our portfolio's exposure to climate-related risks and opportunities. Our evaluations draw from the leading assessments in the scientific community, as well as from Bank of America Global Research on how global temperature rises will drive a range of economic, physical and ecological changes by the end of this century. We engage in regular discussions with our clients and other stakeholders, and we use tools such as scenario analysis, stress testing and enhanced due diligence in line with our ESRPF.</p>

Other products and services, please specify	Not applicable	The other products or services category does not apply for our business.
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C-FS2.2c

(C-FS2.2c) Describe how you assess your portfolio's exposure to climate-related risks and opportunities.

	Portfolio coverage	Assessment type	Description
Bank lending (Bank)	All of the portfolio	Qualitative and quantitative	<p>We have selected all of the portfolio because we have reviewed our entire portfolio to identify the sectors that are likely most exposed to climate-related risks based on transitional and physical risk attributes such as material contributors to greenhouse gas emissions, revenue streams highly sensitive to physical impacts, investment in technology and/or operations needed, and insurance availability. We are prioritizing further analysis on the most vulnerable sectors such as Real Estate and Energy.</p> <p>For opportunities, while high-emitting sectors of the economy (such as energy and power) present significant near-term opportunities, all sectors of the economy ultimately will have to evolve their business models and operations to address climate change. So, we look across our entire portfolio for opportunities to increase our support for climate innovation and deliver on our Environmental Business Initiative and Net Zero commitment.</p> <p>Establishing appropriate governance structures, such as our new Global Sustainable Finance Group and Sustainable Markets Committee, and regular routines across all business units and support groups, as well as geographies, has been an important focus for us during 2020 and early 2021. This is driving harmonization and collaboration across the enterprise and optimizing efforts to identify and develop new opportunities, products and services to drive the transition to a net zero economy.</p> <p>To support our clients' transition efforts we have established an advisory effort focused on Net Zero and Carbon Neutrality within the GSFG to educate clients about how our products and services can facilitate achievement of their climate goals. This will assist us in determining which clients are excelling and which are falling behind in</p>

		<p>our collective journey to net zero – enabling us to bring solutions to the table to support clients at all levels, but in particular to help those that are struggling to ultimately excel.</p> <p>BofA uses a variety of tools to evaluate our portfolio’s exposure to climate-related risks and opportunities. Our evaluations draw from the leading assessments in the scientific community, as well as BofA Global Research, on how global temperature rises may drive a range of economic, physical and ecological changes by the end of this century. We engage in regular discussions with our clients and other stakeholders, and use tools such as scenario analysis, stress testing and enhanced due diligence in line with our ESRPF. We also use financial and carbon metrics to track our exposure to high-risk sectors. For example, we track and publish our energy utility portfolio emissions intensity which decreased by 30% between 2011 and 2020. The company also measures low-carbon exposure. Per our 2020 TCFD report an internal analysis of the generation fuel mix associated with our power utilities portfolio indicates approximately a third of our exposure is low-carbon, not inclusive of our \$10.1 billion portfolio of tax equity investments in wind and solar projects throughout the U.S. (2019 data).</p> <p>Examples of tools used:</p> <p>Scenario Analysis and Stress Testing: BofA designs various macroeconomic scenarios to incorporate relevant risks from the company’s Risk Inventory and may customize certain macroeconomic variable trajectories as part of the process to test idiosyncratic risks. To generate forecasts, the resulting macroeconomic variables are used in various models/methodologies and the customized narratives are also considered when generating forecasted results. These macroeconomic scenarios and resulting forecasts are used for multiple purposes including assessments of capital adequacy and overall risk management. As part of our climate risk work, we have begun developing models and macroeconomic scenarios to capture physical and transition risks associated with climate change.</p> <p>Credit risk: as part of our work to integrate climate risk to our credit risk framework we started by assigning a high, moderate or low climate risk rating to ~1300 industry segments, leveraging industry research and expert opinion from enterprise industry owners in our Risk and Wholesale Credit teams. At the Enterprise level, plans include incorporation of climate risk within the Risk Appetite Statement along with the development of</p>
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			associated metrics. We plan to enhance this monitoring by introducing more granularity to the sector metrics by risk rating, tenor, and product.
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C-FS2.2d

(C-FS2.2d) Do you assess your portfolio's exposure to water-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	Yes	Minority of the portfolio	<p>The parts of our portfolio that we assess for water-related risks and opportunities represent less than 50% of our overall portfolio. Therefore, we selected minority of the portfolio.</p> <p>Working with Willis Towers Watson, we completed a preliminary acute physical risk analysis on a sample portfolio of BofA residential mortgages across the U.S. Each property was given a score based on the level of risk associated with 12 potential hazards. These included water-related hazards such as river flood, flash flood and coastal flood.</p> <p>Our business lines that work with clients in sectors such as agriculture located in water-constrained regions have expertise in the local water context and consider related issues as part of the Know Your Customer process. If concerns are identified through this process, enhanced due diligence may be completed to further evaluate water-related risks.</p> <p>BofA has the only dedicated team of U.S. municipal water and wastewater finance professionals amongst its financial peers. This top-ranked, specialty water financing team evaluates the market for water-related financing opportunities and tracks trends and any emerging risks in this market. According to the American Water Works Association, an estimated \$1 trillion is necessary to maintain and expand service to meet water demands, including through upgraded transport and treatment infrastructure, over the next 25 years. Related investments are generally considered lower risk due to factors including the high credit quality of the sector, stable demand, strong contractual frameworks</p>

			and considerable pricing flexibility provided through the sector's largely autonomous rate-setting authority.
Other products and services, please specify	Not applicable		The other products or services category does not apply for our business.

C-FS2.2e

(C-FS2.2e) Do you assess your portfolio's exposure to forests-related risks and opportunities?

	We assess the portfolio's exposure	Portfolio coverage	Please explain
Bank lending (Bank)	Yes	Minority of the portfolio	<p>The parts of our portfolio that we assess for forest-related risks and opportunities represent less than 50% of our overall portfolio. Therefore, we selected minority of the portfolio.</p> <p>A forestry management team in our Global Wealth Management LOB provides focused products and advisory services for long-term timber assets. This is a very small part of our overall business, but it is the area where we have the most direct exposure to forest-related risk. We have established specific policies that outline risk tolerances and due diligence processes for clients in the sector.</p> <p>In our ESRPF we describe our position on forest-related risks as well as opportunities (e.g., financing of reforestation). We have established a Forest Practices Policy which describes due diligence measures we take to ensure that lending proceeds are not used to finance commercial operations that result in deforestation of high value forests, illegal logging and/or negative impacts on indigenous communities.</p> <p>We also describe in our ESRPF our specific requirements for clients focused on ownership and management of palm oil plantations. Transactions where the majority use of proceeds supports palm oil production are subject to enhanced due diligence. This consists of a formal review by a subject matter</p>

			expert on risks attributed to palm oil. The reviewer discusses environmental and social risks with the client, reviews client disclosures, completes a media search and has the client complete a Palm Oil Client Questionnaire. We require that clients whose business is focused on ownership and management of palm oil plantations have their operations certified to the Roundtable on Sustainable Palm Oil standards or equivalent, or have in place an outlined action plan and schedule for certification. Incorporation of these requirements in our ESRPF helps to mitigate risks associated with potential client exposure to current and future regulatory requirements in this sector.
Other products and services, please specify	Not applicable		The other products or services category does not apply for our business.

C-FS2.2f

(C-FS2.2f) Do you request climate-related information from your clients/investees as part of your due diligence and/or risk assessment practices?

	We request climate-related information	Please explain
Bank lending (Bank)	Yes, for some	<p>Increasingly we are talking with clients about ESG and collecting various information for evaluation. As part of our Know Your Customer Policy, due diligence, and other on boarding processes, front line units and risk teams will determine if a proposed transaction or relationship presents any potential environmental or social risks, including climate risks. This determination is driven by a number of factors, including cross-referencing our prohibition list and any areas of heightened sensitivity (both part of the ESRPF); understanding our clients' business, industry, management and reputation; application of our policies; adherence to regulation; and consultation with subject matter experts (SMEs) and teams focused on client screening and on boarding.</p> <p>Standard due diligence is conducted when environmental and social risks are well understood or expected to be relatively low for the client, business activity, industry or geography. Due diligence begins with the front-line unit,</p>

		<p>and this process may include, but is not limited to, client engagement, ESG disclosure including emissions and climate goal analysis, reputational risk searches and other screening tools. This standard review may result in a client relationship or transaction being approved, conditionally approved subject to specific mitigating actions, or declined in line with the line of business approval process. If, during this due diligence process, the client, business activity, industry or geography is identified as posing heightened risk, then enhanced due diligence is conducted.</p> <p>A client relationship or transaction may require enhanced due diligence related to climate due to a policy or standard; because a front-line unit or risk manager made a referral after standard due diligence; or if the client, business activity, industry or geography is deemed sufficiently sensitive. In these instances, enhanced due diligence is conducted before the relationship or transaction can proceed toward approval. Enhanced due diligence includes a deeper analysis of issues related to client transactions and associated stakeholders and is conducted by individuals with subject matter expertise (SME) and an understanding of a range of stakeholder perspectives. The enhanced due diligence process may include, but is not limited to, direct client discussion on relevant risks, review of client disclosures, a comparison of the client's practices to industry peers, and consultation with and assessment by additional SMEs. Reviewed material may include regulatory filings, environmental and social impact reports and assessments, TCFD reporting, ESG reports, and a media search that is focused on environmental and social reputation risk.</p> <p>As one of the world's largest financial institutions we serve approximately 66 million consumer and small business clients and count most of the Fortune Global 500 companies among our clients. We estimate that approximately one-third of our Global Banking and Markets commercial clients are engaged in terms of number of clients and in terms of the proportion of the associated portfolio value chain.</p>
Other products and services, please specify	Not applicable	The other products or services category does not apply for our business.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Current regulation

Other, please specify

A variety of climate change regulations

Primary potential financial impact

Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

We have indirect exposure to legislation through clients. We have relationships with most of the U.S. Fortune 100 companies and the Fortune Global 500, as we are among the world's largest global commercial, corporate, investment banking and markets financial institutions. We are

indirectly exposed to credit and market risk because of the potential direct impacts of climate-related regulation on our clients' profitability and their ability to service debts or make new investments, which in turn could have financial implications for our company.

Many of our clients are already subject to climate change regulation, such as the EU Emissions Trading Scheme. Others face new regulatory requirements such as the European Green Deal, which commits to achieve net zero emissions in the EU by 2050 through actions such as decarbonizing the energy sector. The emissions trading regime under development in China is another example.

As we state in our TCFD report published in 2020, we had \$71.25 billion of committed credit exposure to Energy and Power Utilities sectors as of December 31, 2019 which was less than 7% of our overall committed commercial credit exposure. These sectors are generally viewed as more carbon emission intensive and therefore particularly susceptible to transition risk from regulation and other factors. As countries and states declare emission reduction targets, regulation will follow to require utility companies to reduce their emissions so the targets can be met. For instance, the EU has recently increased its 2030 climate targets, committing to cut GHG emissions by 55% from 1990 while in the U.S. the Federal administration has announced a 2030 target to reduce economy wide emissions by 50-52% from 2005. These targets could result in new requirements for utility companies to invest significant funds in technologies to reduce their emissions. If companies do not have the funds and do not have access to the capital markets to raise funds, it could create a credit risk to the Bank. We are evaluating this potential credit risk and developing and piloting processes to manage it.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Our clients' profitability could be affected if they do not prepare for new legislation, if they face a proliferation of regional legislation or if legislation is poorly designed. This in turn could impact their ability to service debts or make new investments, with potential negative financial implications for our business of greater than \$10 million annually. We arrived at this figure by considering whether we expected the potential financial impact to exceed our \$10 million threshold for 'substantive' for CDP reporting. This estimate is based on professional judgment by our subject matter experts within the business.

Cost of response to risk

18,000,000

Description of response and explanation of cost calculation

We are working to embed climate-related factors into each transaction decision as we set up the internal systems needed to reach our net zero and eventual interim targets. We are embedding climate risk management into the credit risk framework and are training credit and risk officers on climate and its impact on credit risk. We have assigned a high, moderate, or low climate risk rating to ~1300 industry segments and all countries in our coverage universe and have developed climate risk supplements for high and moderate risk industries and incorporated it into our enterprise Industry Risk Guidance documents. These provide credit underwriters and risk officers with guidance for clients in their industries and countries. The risk ratings are supplemented by borrower level assessment of climate risk since two companies in the same sector/country may be impacted differently by climate change based on their unique business model, management awareness, strategy and preparedness to deal with the risks. We are piloting a borrower level risk assessment in EMEA before implementing it more broadly. These actions aim to enable credit underwriters and risk officers to evaluate whether a risk rating adjustment is warranted as part of the underwriting approvals process based on the transition and physical climate risk faced by borrowers.

We actively engage with clients to accelerate their progress toward net zero business models. We are encouraging clients to set net zero goals and short-term, science-based targets to reduce emissions in the transition to net zero. To support our clients' environmental transition efforts, we have established a carbon advisory effort within the GSFG to educate clients about products and services that can facilitate clients in

reaching their climate goals. This will assist us in ascertaining which clients are excelling and which are struggling in our collective journey to net zero – enabling us to bring solutions to the table to support clients at all levels.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our lines of business.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Other, please specify

Business disruption, employee health

Climate risk type mapped to traditional financial services industry risk classification

Operational risk

Company-specific description

We operate 4,000+ U.S. retail financial centers, some of which are vulnerable to an increase in the severity, duration and frequency of season storms and severe weather conditions with the potential to disrupt the accessibility of our retail outlets to our customers. Physical risks in the U.S. take the form of increased frequency and severity of storms with related flooding, particularly affecting the coastal southern and eastern

states, and extreme heat events resulting in drought conditions and numerous wildfires across the West, Central and Southeast regions. This could lead to temporary or, in the event of severe damage, permanent closure of our financial centers. Physical climate risks in the U.S. are compounded by aging infrastructure, critical infrastructure dependencies, expanding urban areas in tornado zones, coastal population expansion, rising temperatures, precipitation and sea level rise, and a lack of associated forward investment as highlighted in a November 2018 report by National Climate Assessment. Our U.S. operations experienced 68 natural disaster events related to hurricanes, tropical storms, flooding, wildfires, heavy snow and earthquakes in 2020. Our Life Event Services supported over 2,000 employees with urgent and unmet significant needs during weather related events. Approximately half of the employees requesting support were referred to the Employee Assistance Program and the Employee Relief Fund. Additionally, approximately 5% of those employees were provided support for needs such as hotel accommodations or food.

Our operations in Asia Pacific, Europe, Latin America, the Middle East and Africa are also vulnerable to climate change impacts. For example, with offices in Hong Kong, Japan, the Philippines, Taiwan and China our Asian operations are vulnerable to an increase in the severity and duration of tropical storms experienced in these regions. There were 30 natural disaster events (tropical storms, typhoons, flooding, and earthquakes) in non-US geographies in 2020.

Climate change may contribute to less predictability regarding the types, timing and location of severe weather events, and we account for this in our business continuity planning.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

33,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Implications include retail outlet and/or office closures, facility repair costs, lost work time, increased utility costs, lost revenue, and increased insurance premiums. The financial impacts are driven in part by the number and severity of events in a given year. We arrived at this figure based on the total operational losses from the direct impacts on our facilities of approximately \$33 million from Superstorm Sandy in 2012. This illustrates the potential financial implications of a single, high magnitude event for our business. Total operational losses in 2020 were approximately \$760,000 as a result of hurricanes, winter storms and wildfires occurring in the U.S. The costs are based on natural disaster tracking records from our real estate and business continuity teams. We track work order costs of repairs after severe weather events and as the dataset develops over time, we will use it to understand trends associated with climate risk.

Cost of response to risk

2,000,000

Description of response and explanation of cost calculation

Our Building Disaster Recovery Planning (BDRP) team prepares our facilities for natural disasters. During 2020, the team managed response and recovery for 137 global events, 98 of which were natural disasters. In partnership with vendors, the team delivers preparedness and response training for natural disasters, including hurricanes. Through the provision of laptop, tablets and fobs, many employees can work remotely and are able to support operations should an impact occur. In response to the coronavirus pandemic, a Technology Enablement Tool was launched to enable work from home provisioning to employees in functions who traditionally could not work from home. In such an event, clients are encouraged to use online banking, mobile telephone banking, and contact centers. We have a large, distributed ATM network and reciprocal agreements for our clients to use ATMs operated by other banks. We have a fleet of mobile financial centers and mobile ATMs strategically located within the U.S. for immediate deployment to areas impacted by natural disasters. In 2020, our U.S. Regional Support team successfully prepared for significant natural disasters—multiple hurricanes, winter storms, wildfires and flooding, driving broader awareness of the threats and enabling central coordination of continuity plans for business lines. During these natural disasters, our systems, platforms, and

applications all performed without interruption, despite record-setting hurricane force winds, driving rains, substantial flooding, devastating wildfires and widespread power outages.

We calculated the cost of response to risk by summing the estimated additional annual costs of 1) business continuity planning and 2) recovery due to climate-induced changes. The annual cost of the response is greater than \$2 million.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Increased credit risk

Climate risk type mapped to traditional financial services industry risk classification

Credit risk

Company-specific description

We are exposed to the impacts our clients face from physical climate changes, such as extreme weather events and flooding. Impacts to our clients' assets and businesses could include increasing operational, capital maintenance and insurance costs; reduced staff health, safety and productivity; and increased asset depreciation rates. If the profitability or viability of a client or a group of clients is adversely affected, this could result in potential credit defaults as well as having a negative economic effect on our business of providing financing services to these clients.

This risk applies to our corporate clients and our mortgage customers. For our corporate clients, climate change risk can have an impact at the level of individual assets in securing loans or entire sectors. Industries at greatest long-term risk include agriculture, insurance, and travel and tourism all of which are vulnerable to the physical effects of climate change. Flooding is an area of potential exposure for the bank as it relates to our mortgage business. There is scientific consensus that flood risks are increasing in many regions due to climate change. Increased flood incidence and severity could lead to our customers defaulting on their mortgage payments if, for example, flood insurance premiums become unaffordable. Customers may also find themselves in a negative equity situation due to housing values being impacted when insurance costs rise due to expanding flood hazard zones and increased flood incidence and severity.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Physical climate change could impose a financial cost on our clients, for example through direct damage to their facilities, increased insurance premiums, and lost revenue due to facility closures, lost work time and production or distribution delays. This in turn could impact their ability to service debts or make new investments, with potential negative financial implications for our business of greater than \$10 million annually. We arrived at this figure by considering whether we expected the potential financial impact to exceed our \$10 million threshold for 'substantive' for CDP reporting. This estimate is based on professional judgment by our subject matter experts within the business.

Cost of response to risk

18,000,000

Description of response and explanation of cost calculation

To understand how physical risks may impact BofA, we engaged Willis Towers Watson on a pilot project to assess the potential exposure of select residential mortgage portfolios.

Willis Towers Watson completed a preliminary acute physical risk analysis on a sample portfolio of BofA residential mortgages across the U.S. Each property scored based on the level of risk associated with 12 potential hazards: tornado, earthquake, tropical cyclone, hailstorm, wildfire, river flood, flash flood, coastal flood, lightning, tsunami, volcano, and winter storm. The score is an attempt to have a single scale of severity across hazards. Heatmaps of the outstanding mortgage balances exposed to the most relevant hazards for acute physical climate risk were developed. With increased frequency and severity of extreme weather events likely over time, these heatmaps serve as a baseline assessment of our potential risk exposure. Following this analysis, as part of the first-generation approach for scenario analysis, an acute physical risk scenario incorporating concurrent hurricanes in Florida was implemented in our 2020 stress testing processes. We examined the potential impacts of two Category 5 hurricanes striking the Miami-Dade area within two weeks of each other as part of our severely adverse scenario design for quarterly stress testing. We are building upon this approach in 2021, with plans to test longer horizon scenarios to test chronic transmission channels and evolve our capabilities while informing various aspects of climate risk management. We expect these capabilities to be enhanced over time.

Our credit risk is partially mitigated by insurance and borrower equity, both of which insulate us from potential losses and have historically resulted in de minimis losses for extreme weather events. As climate events are more widely felt, we continue to assess risk mitigation factors. This analysis builds upon our existing risk identification process, which includes climate-related risks, as well as our disaster response systems, both of which factor in the severity and potential impact of events.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation

Increased stakeholder concern or negative stakeholder feedback

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

Reputational risk

Company-specific description

As one of the world's largest financial institutions, protecting our brand among stakeholders, including clients, employees, shareholders, regulators and NGOs, is of vital importance.

We are subject to reputational risk directly, for example if we are not considered to be making meaningful public commitments on climate change or if we do not make substantial progress towards meeting our commitments. Examples of those commitments include the \$1 trillion Environmental Business Initiative and the Net Zero before 2050 commitment to which the credibility and associated business value of these initiatives could be undermined by perceptions that seem to counter to our commitments.

If we are perceived to fall behind on our commitments, this could affect our standing in ratings and indices that highlight environmental credentials and could potentially lead to clients switching their business to other financial institutions. In addition to direct client engagement, we

receive a significant number of requests for proposals for banking services that include questions on our ESG policies and practices, and how they align with those of our clients.

We recognize there are risks associated with our current levels of energy financing, including reputational risk as negative stakeholder perceptions of our financing could adversely impact our company. We are actively engaging with clients in key high emitting sectors to support and understand their climate transition plans and how we can accelerate their progress toward net zero. In our ESRPF, we have developed position statements on how we evaluate and mitigate the ESG risks associated with client relationships and transactions in certain sensitive sectors.

As investor understanding of the relationship between the effects of climate change and business performance grows shareholder advocacy, including through resolutions directed at increasing corporate climate disclosure and action is on the rise. BofA takes this advocacy seriously and through dialogue, for example, with the proponents of individual resolutions we seek to understand our shareholder concerns and expectations and to consider these as we evolve our policies, practices and disclosures.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

There are possible financial implications to our company if we are unable to fulfil our climate commitments, effectively integrate climate change considerations into our lending and investment activity or are not transparent about our impacts and actions. These implications could include loss of client relationships/business, failure to secure new business and/or reduced shareholder value. We arrived at the figure by considering, with regards to new business specifically, the typical revenue value of RFPs we receive each year that incorporate environmental, social and governance requirements, and this is above \$10 million. We consider this value to be one measure of the financial implications to our business of maintaining and enhancing our strong ESG practices.

Cost of response to risk

18,000,000

Description of response and explanation of cost calculation

We are committed to setting, achieving, and communicating impactful climate targets. We ensure senior oversight of our programs through our Global ESG Committee, Sustainable Markets Committee, Climate Risk Steering Council and supporting governance structure. We engage in regular dialogue with external stakeholders, and we widely communicate our efforts, including in our Annual Report to Shareholders, ESG Performance Data Summary, CDP response, TCFD report and our recent Net Zero White Paper. One way we collect stakeholder feedback is through our National Community Advisory Council (NCAC). The NCAC is a stakeholder group that provides us with important perspectives on consumer policy, social justice, community development and environmental challenges facing the bank, our clients, and the communities we serve.

In relation to reputational risk related to financing of environmentally sensitive activities, we communicate our position in our publicly available ESRPF which we periodically review and update, considering feedback and input we receive through stakeholder engagement. In 2020, we revised the ESRPF to describe our policies on financing in the energy, power and extractives sectors. These include no direct financing of petroleum extraction or production in the Arctic, no direct financing of new thermal coal mines or mine expansions and a phase out of financing of companies deriving >25% revenue from thermal coal by 2025 unless the company has a Paris Agreement aligned transition plan to diversify away from thermal coal.

In line with our ESRPF, if due diligence reveals that a business activity presents significant environmental risk, the activity will be escalated to a line of business reputational risk committee which can approve, conditionally approve, or decline the activity. We track and externally report on ESRPF related items discussed by these committees. Eight items were referred to a line of business reputational risk committee in 2020 due to environmental considerations.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

The agreement made at the U.N. Conference on Climate Change (COP21) in Paris provides a framework to drive international climate action and is generating significant opportunities to increase our business. The Paris Agreement provides for international mechanisms to promote climate-friendly finance, carbon trading, technology transfer and adaptation to climate change impacts. It is giving momentum to national emission reduction plans and targets, and the related actions of international, sub-national and private sector organizations. Nearly every nation on earth is a signatory to the Paris Agreement, and 192 countries, including the U.S. have submitted their updated emissions reduction commitments in the form of Nationally Determined Contributions (NDCs) to support and implement the Paris Agreement. These commitments have generated many opportunities; including our Blended Finance Catalyst Pool which is increasing investment in developing and emerging markets, green bonds to facilitate investments in environmental improvements and other financial solutions to accelerate the transition to renewables and other low and zero carbon technologies.

These opportunities are being driven by a ramping up of investment in climate change mitigation measures such as renewable energy technologies, smart grids and energy storage. The transition creates significant opportunity; a recent Global Financial Markets Association report estimates that investments totalling \$100-\$150 trillion will be required over the next three decades to transition to a low-carbon economy. This translates to at least \$3-\$5 trillion of investment per year – an increase of five to eight times current levels. Through lending and capital markets activity, financial services companies can help align the capital needed to reduce the impacts of climate change and play a pivotal role in driving real world emission reductions.

Achieving the goals of the Paris Agreement will mean transforming the global economy, and the kind of lending and investing that will be needed for this transformation requires financial services firms, such as ours, with the scale, expertise and influence to make a real difference and capitalize on new markets. Our Environmental Business Initiative and Net Zero commitment, along with the other financial commitments made by our peers, are helping to mobilize the capital needed for this transition to a net zero economy through sustainable and environmental business activities.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

By generating opportunities for our climate finance business, we anticipate that implementation of the Paris Agreement will result in well over \$10 million of additional business annually for us. We arrived at this figure by considering whether we expected the potential financial impact to exceed our \$10 million threshold for 'substantive' for CDP reporting. This estimate is based on professional judgment by our subject matter experts within the business. This will manifest from our Environmental Business Initiative and specific programs and initiatives including our Blended Finance Catalyst Pool.

Cost to realize opportunity

18,000,000

Strategy to realize opportunity and explanation of cost calculation

In response to the opportunity created by the Paris Agreement and NDCs, we have developed and expanded innovative financing structures and new partnerships.

For example, our Blended Finance Catalyst Pool was launched in late 2018 with an initial allotment of \$60 million with a goal of stimulating additional private capital to finance sustainable development in developing markets. As part of this initiative, in 2020, we made an investment in the Blue Orchard InsuResilience fund. This fund provides loans to micro-finance institutions who extend loans to entrepreneurs to enhance their climate resilience through micro-insurance. The underlying premise is that insurance providers can play a critical role in mitigating the financial impacts of adverse climate events on poor and vulnerable populations. Through deployment of our Blended Finance Catalyst Pool funds we aim to support economic growth, drive growth in more sustainable jobs, development and projects as well as to drive climate innovation and resilience.

As our clients seek to decarbonize their value chains in line with the goals of the Paris Agreement, we are providing innovative financing structures to assist them. Our Global Transaction Services (GTS) business consists of commercial deposit and treasury management services, including account maintenance and other services, such as cash management. A growing area in our supply-based financing, often called Supply Chain Finance. This is the provision of financing and risk-mitigation to support implementation of sustainable practices across counterparties in a client value chain. For example, increasing the accessibility of supply chain financing for suppliers that meet certain ESG criteria. This program also helps clients identify suppliers that are performing well on ESG and therefore direct additional spending to that vendor if desired. This is an area we expect to continue to grow as clients increasingly focus on the ESG impacts within their value chain.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Policies that place a price on carbon, require emission reductions, and incentivize clean energy, clean infrastructure, energy efficiency and carbon sequestration, are important for enabling the growth needed to deliver the Paris Agreement goals, and they create a framework that supports our financing. As a result of the US Administration's recent decision to re-join the Paris Agreement and its new target to reduce US net GHG emissions by 50-52 percent from 2005 levels by 2030, we anticipate the introduction of new policies designed to advance decarbonization of the US economy. In turn these policies will create conditions that are supportive of our climate financing goals.

Our renewable energy financing business lines benefit from tax incentives such as the U.S. federal investment tax credit and production tax credit and policies such as renewables portfolio standards, interconnection standards and net metering rules. With these regulatory drivers and market dynamics, including falling technology costs and increased demand for renewables, our deployment of capital towards renewables projects has grown substantially. Our Renewable Energy Finance team provides tax equity investments enabled by the U.S. federal tax credits. Our portfolio at the end of 2020 was approximately \$10.1 billion of tax equity renewable energy investment. In addition to tax equity, we provide a full range of services to support the renewable energy sector – including lending, capital markets and advisory services. Additionally, we have been the top tax equity investor in the US since 2015. Our investments have contributed to the development of approximately 17% (33GW) of total installed renewable wind and solar energy capacity in the U.S. and include 193 wind projects, 49 utility scale solar projects and various investments in the C&I, Community and Residential solar sector.

Real Estate is a key portfolio category for BofA and policies designed to advance the decarbonization of buildings through approaches including; increased energy efficiency, smart meters and controls, electrification and refrigerant phase out, create opportunities for us to finance retrofits and new responsible commercial and residential development projects. With the U.S. Paris Agreement goal, we expect to see more

legislation and incentives be developed. An example is the New York City Greater Greener Building Code which is a comprehensive set of energy efficiency laws.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12,000,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We expect regulatory incentives to influence the viability of renewable energy projects and large-scale capital energy efficiency projects. We estimate the possibility of approximately \$10 billion in additional business towards our Environmental Business Initiative over the next three years from this opportunity. This is based on the sum of projected business in tax equity, debt financing, and energy efficiency financing.

Cost to realize opportunity

18,000,000

Strategy to realize opportunity and explanation of cost calculation

We track and incorporate regulatory incentives into our clean energy strategic planning and transactional work. We tailor development of this business in response to evolving regulation.

To demonstrate how we actively manage this opportunity, in 2020 we worked on several tax equity deals in the U.S. that were facilitated by policy incentives. Examples include provision of tax equity financing to EDP Renewables for 405 megawatts of onshore wind energy, including the 200 megawatt Harvest Ridge project and the 205 megawatt Bright Stalk project, both located in Illinois. We also provided tax equity financing for several solar projects in 2020, including Lightsource bp's new 260 megawatt Impact Solar project in Lamar County, Texas. One notable new development, where we are deploying our leadership and expertise, is offshore wind in the US where we expect to make investment in the near future.

In recognition of our contribution to the U.S. renewable energy sector, we have received a Renewable Energy Leadership Award from the American Council on Renewable Energy (ACORE). ACORE is a national nonprofit organization that unites finance, policy and technology to accelerate the transition to a renewable energy economy. ACORE's Renewable Energy Leadership Award honors organizations that have made outstanding contributions to growing the renewable energy economy.

Having developed world-class expertise in the U.S. market, we are expanding our asset-based lending, tax equity, and placement activities across specific clean energy sub-sectors (wind, solar, distributed generation, and associated infrastructure) and new select markets in Europe, the Middle East, Asia and Latin America.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Factors including increased understanding and awareness about climate change and the associated impacts, as well as policy, reputational and financial factors are driving increased client demand for our low-carbon products and services. In 2020, our Global Corporate and Investment Bank delivered \$36.4 billion of environmental transition-related advisory, lending, leasing and capital markets activity and our Global Markets group delivered almost \$13 billion of environmental transition-related capital markets advisory, underwriting and distribution for municipal and corporate clients. In aggregate, other business groups delivered another \$1 billion in financial products and services aimed at supporting the transition to a net zero economy, bringing the 2020 total counted towards our Environmental Business Initiative to \$50.5 billion.

Our Global Research team published the report “ESG – from A to Z,” part of a series of research focused on why investors should pay attention to environmental, social and governance factors to both enhance returns and reduce risk. The team found that a strategy of buying stocks that rank well on ESG metrics would have outperformed the broader market by up to 3 percentage points per year over the last five years. These trends create opportunities for our Wealth Management businesses to support clients in considering ESG factors in their investing decisions. At the end of 2020, Wealth Management clients had almost \$37 billion in assets with a clearly defined ESG approach.

We are also seeing significant growth in our green bonds business. Green bonds are fixed income, liquid financial instruments for raising debt capital, enabling investors to direct capital towards climate and other environmental protection initiatives. The green bond market is growing rapidly and climbed to a record high of \$269.5 billion at the end of 2020 (according to the Climate Bonds Initiative). We actively engage in industry level initiatives to ensure a robust and credible green bond market. BofA was a founding member of the Green Bond Principles and Social Bond Principles Executive Committee, and we were re-elected for a new 2-year term in 2021. Within the International Capital Market Association, we participate in the Climate Transition Finance and Sustainability-Linked and Green Bond Working Groups.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,000,000,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We estimate that increasing client demand for low-carbon financing represents an opportunity for \$1 trillion in additional business for us from 2007 to 2030. As an illustration of this opportunity, increasing client demand helped us deliver \$50.5 billion towards our Environmental Business Initiative in 2020.

Cost to realize opportunity

18,000,000

Strategy to realize opportunity and explanation of cost calculation

In 2020, we developed the “4 R’s” approach to decarbonization for our corporate clients: Reduce, Renew, Retire, and Realign. We financed energy efficiency projects that helped clients reduce their energy usage; we helped shift clients’ electricity footprints from fossil fuels to renewable energy by providing debt financing, tax equity and leasing capital for wind and solar power generation; we mobilized capital for more

EV production and leasing; and we financed LEED certified construction of office facilities and manufacturing sites. We are also helping develop a more robust, voluntary carbon-offset market and have established a carbon advisory effort within GSFG to educate clients about products and services that can facilitate clients in reaching their climate goals.

In response to growing client demand, our Wealth Management business has enhanced our sustainable investing process, platform and resources to help our advisors gain a deeper understanding of this area, including how to address the needs of a growing number of clients. We are increasing the number of available strategies, and now have over 150 total sustainable and impact investment options on our platform. As of March 31, 2021, over 60% of our advisors use five or more sustainable and impact investing solutions – 40% more advisors than three years ago. All advisors have access to training modules created in collaboration with the Money Management Institute and the firm also supports the Chartered SRI Counselor certification from the College of Financial Planning.

Our ESG Capital Markets team leads our strategy to realize opportunities in the green bond market by educating our relationship bankers across corporate and investment banking and public finance to offer this financing tool to clients. 2020 examples include the first green bond for a steel manufacturer, Big River Steel, whose electric arc furnace production is dramatically more energy efficient than alternative production techniques, the first sustainability-linked bond for Suzano following the publication of the sustainability-linked bond principles which we helped write, and a sustainability bond for Pfizer, the first ever globally in the pharmaceutical industry.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Reputational benefits resulting in increased demand for goods/services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As one of the world's largest financial institutions, we are experiencing increasing interest from our stakeholders including employees, investors, clients, NGOs and policymakers in our environmental performance and initiatives. To the extent that we can positively differentiate ourselves, for example through operational goals and initiatives, innovative financing solutions and partnerships, and environmental risk policies, we have an opportunity to enhance our brand, attract new employees, investors and clients and increase employee retention rates.

As our clients and other stakeholders seek to address environmental challenges and opportunities in key growth markets, they are looking to work with and learn from financial services partners with a reputation for building a demonstrable track record and body of expertise on these topics. For example, we are a top underwriter in ESG capital markets globally, and a top underwriter of Green Bonds for U.S. Municipalities and this has positioned us well to participate in the rapidly growing green bond market in other regions. In Asia-Pacific for example, we participated in several bonds that were recognized by external awards programs in 2020. These include a green bond for China Construction Bank (Hong Kong) and a corporate sustainability bond for Posco which were recognized as the Best Green Bond in China and the Best Sustainability (Corporate) Bond in Korea by the Asset Magazine Triple 'A' Awards.

During 2020, we were also recognized by Euromoney as the world's best bank for corporate responsibility. In announcing this award, Euromoney acknowledged our commitment to helping finance the transition to net zero emissions. We were also recognized for our efforts to reduce our own emissions footprint. This external recognition helps to build our reputation in the marketplace.

Our environmental commitments are of interest to, and a source of pride for, many of our employees. Our employees are important ambassadors for our environmental leadership both internally with their colleagues and externally with our customers and in their communities

Our My Environment program drives positive change by helping employees act as better environmental stewards at work, at home and in the community and has more than 24,000 members across 33 countries – making it the second largest employee group at the bank.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Reputational opportunities have possible financial implications for our company through the potential to attract new clients, recruit talent, drive additional revenue, improve shareholder value, and reduce costs associated with employee turnover. While it is very difficult to comprehensively quantify the positive financial implications, we estimate the potential for over \$10 million of additional revenue per year to result from a reputation for leadership in the environmental financing field. We arrived at this figure by considering whether we expected the potential financial impact to exceed our \$10 million threshold for 'substantive' for CDP reporting. This estimate is based on professional judgment by our subject matter experts within the business.

Cost to realize opportunity

18,000,000

Strategy to realize opportunity and explanation of cost calculation

We build our reputation in many ways, including setting, communicating and delivering ambitious operational goals, following through on our net zero financing commitments and participating in external programs and partnerships. To build our reputation internally among employees, quarterly newsletters, which we issue to our over 24,000 My Environment members provide progress updates on our operational and financing commitments and share information about My Environment group wide initiatives and local chapter activities aimed at expanding environmental stewardship.

We have achieved carbon neutrality for our operations and are on a path toward net-zero before 2050. We have reduced our energy use by 45% and our location-based GHG emissions by 60%, sourced 100% renewable electricity, and purchased and retired high quality, certified carbon offsets for unavoidable emissions. By 2030, we are targeting a 75% reduction in location-based GHG emissions and 55% reduction in energy use.

In 2020, we signed some long term agreements to source new renewable electricity for our facilities. Continuing to install onsite renewable generation at 60 of our locations, we additionally completed a 10-year structured renewable energy agreement with Reliant, an NRG company, for solar power in Texas that will serve 345 of our facilities in the region. We also became the first company to participate in Duke Energy's Green Source Advantage program, agreeing to purchase solar power to cover 45% of our North Carolina electricity load. In support of our 100% renewable electricity commitment, we have been members of the US EPA Green Power Partnership since 2017. This track record at managing our own footprint positions us well to have comprehensive discussions with our clients about net zero as a business imperative, to encourage clients to establish a concrete and credible glide path plan to reduce their own carbon footprints and to offer clients advisory services and financial tools to support their decarbonization efforts.

We calculated the cost of response based on the combined annual operating costs for the GEG, Climate Risk and GSFG, whose activities are central to the effective integration of climate risk and opportunity management across our business.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, and we do not intend it to become a scheduled resolution item within the next two years	

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify Scenarios with sudden shocks that may affect our company over a relatively short time horizon (2 to 4 years), but would be generally consistent with a 2-degree pathway	To analyze how transition risk could impact our clients, we tested two hypothetical event-based scenarios to see how each could impact companies in one of the sectors most exposed to climate-related risks – oil and gas. We worked with peer institutions in the financial services sector and in collaboration with the management consultancy Oliver Wyman, to examine this transition risk with the intent to better understand the sensitivity of the creditworthiness of oil and gas companies to policies and market changes linked to the transition to a low-carbon economy.

	<p>The analysis was run under two different potential scenarios, both compatible with a 2°C or lower pathway, on a sample of our oil and gas portfolio:</p> <ul style="list-style-type: none"> - The policy implementation of an economy-wide carbon tax - The market's sudden widespread adoption of electric vehicles (EVs) <p>The carbon tax scenario assumed that a global carbon tax of \$50 and \$100 per metric ton of carbon dioxide was adopted over a three-year period and applied to upstream producers who then passed on part of the additional costs to customers. The scenario also assumed that as a result of the carbon tax, production decreased resulting in a supply curve shift.</p> <p>The electric vehicle scenario assumed a widespread increase in EV sales over a three year period with 20% of new vehicle sales being EVs versus ~2% for 2019. A 15-year turnover rate was applied to existing vehicles and the scenario assumed 30% of additional electricity (generated by gas) would be required to support the increase in EVs.</p> <p>Oliver Wyman created a tool to identify and assess key drivers of operating economics such as volume, cost, price, and capital expenditures, then looked at how each could be impacted by the scenario and further result in impact to the borrower's financial statements based on scenario adjustments.</p> <p>Results:</p> <p>This tool was useful in informing us of how oil and gas companies may be impacted differently based on the policy or market change and their business mix. Depending on the company, the carbon tax may negatively impact operating economics, which could lead to a weaker credit profile. However, the EV scenario indicated a longer timetable (beyond three years) for any potential material impact on the credit profiles of oil and gas companies.</p> <p>We learned that to fully analyze the impact of a policy change, it is necessary to assess a</p>
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	<p>counterparty's operating economics and supply and demand implications. There is a wide variation in how the creditworthiness of oil and gas companies may be affected by a \$50 carbon tax scenario. For some companies there was little impact while for others it was more significant. As we improve the efficacy of transition scenario analysis, it will become one of the array of tools used to continuously monitor the ability of a borrower or counterparty to perform under its obligations.</p> <p>Influencing strategy:</p> <p>The conclusions from our early climate scenario analysis work are informing our progress towards an integrated multi-generational strategy for enterprise-level climate risk scenario analysis and stress testing capabilities and for embedding such tools into our business planning and decision-making processes. As part of our approach, we evaluated various scenarios, considering potential impacts across relevant risk types. Given the need to assess transition risk at the individual counterparty level, we are incorporating an evaluation of transition risk into underwriting and credit risk management practices.</p>
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C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>How strategy has been influenced:</p> <p>Increased awareness of climate change and its causes and effects, climate-related policy, reputational considerations and financial factors are driving increased client demand for our low-carbon products and services. The deployment and mobilization of capital is one of our biggest opportunities to have a positive environmental impact. Under the Environmental Business Initiative, our businesses have developed a full suite of products and services to work with clients to direct capital to climate innovation to address climate change and other demands on natural resources. An example is green bonds, which</p>

		<p>are fixed income, liquid financial instruments for raising debt capital for climate mitigation and adaptation initiatives. BofA has been a leader in developing the green bond market since it began a decade ago and we have a team dedicated to our work in this space. We worked with financial peers to develop the Green Bond Principles, and more recently the Sustainability Linked Bonds Principles to ensure the credibility of the market, we were the first corporation to issue a benchmark sized green bond, and have led the market in underwriting.</p> <p>Time horizon of strategy: Our strategy considers the short, medium and long time horizons (0 to 10 years).</p> <p>Case study of strategic decision: The establishment and expansion of our Environmental Business Initiative is a substantial strategic decision influenced by climate-related risks and opportunities. In 2007, we announced a 10-year, \$20 billion Environmental Business Initiative to address climate change and natural resource demands, which we achieved early. In 2013 we began a new target of \$50 billion over 10 years, which then increased to \$125 billion in 2015. In 2019, we met that target six years ahead of schedule. In 2019 we established a new target of \$300 billion, and recently increased it to \$1 trillion by 2030. Since 2007 we have already deployed \$200 billion in support of environmental business efforts globally. Another example of a strategic decision is our commitment to achieve net zero greenhouse gas emissions in our financing activities, operations, and supply chain before 2050.</p>
Supply chain and/or value chain	Yes	<p>How strategy has been influenced: We are indirectly exposed to the impacts of climate risks on our suppliers. This has influenced our strategy in a number of ways. We integrate environmental sustainability criteria into our supplier sourcing processes by providing our sourcing managers with specific questions regarding supplier sustainability practices and scoring criteria for incorporation into Requests for Proposals and Requests for Information. In addition, our Responsible Sourcing and Supplier Diversity team is continually reviewing ESG issues and opportunities relevant to our supply chain and leading efforts to integrate them into our procurement approach.</p>

		<p>We also face risk if our clients' businesses are adversely impacted because they do not effectively anticipate and manage new climate-related regulatory requirements or by physical climate changes.</p> <p>Time horizon of strategy: Our strategy considers the short, medium and long time horizons (0 to 10 years).</p> <p>Case study of strategic decision: Our most significant decisions have included continuing participation in CDP Supply Chain and setting supply chain targets. Since 2009, we have invited suppliers to respond to the CDP questionnaire, which helps us track climate change impacts and associated risks related to our global supply chain. Following the survey, we provide individualized feedback regarding each vendor's level of transparency and performance to the participating vendors and their vendor managers. This has facilitated ongoing dialogue between the bank and supplier which promotes collaboration. In 2016, we set our first-ever goals to address climate change within our supply chain with two vendor engagement goals which we track annually: to maintain a response rate to the CDP supply chain questionnaire of at least 90%, and for 90% of CDP supply chain responding vendors to disclose GHG emissions. In 2020, we launched a vendor ESG Assessment which monitors for consistency with our Vendor Code of Conduct. The resulting ESG Score is taken into consideration when evaluating third party business capabilities. If a vendor does not meet expectations a remediation process follows. In 2020, 77% of assessed vendors disclosed environmental impacts and 61% had public climate goals. Through this assessment, we inform our vendors of our expectations and support them to ensure these expectations are met.</p>
Investment in R&D	Yes	<p>How strategy has been influenced: The global transition to a net zero economy will require new and innovative forms of finance. This creates opportunities for us to develop and bring to market additional products and services, which has influenced our business strategy. For example, through partnerships such as the Sustainable Markets Initiative which our CEO, Brian Moynihan is co-leading with His Royal Highness The Prince of Wales and the Global Innovation Lab, we are participating in piloting new forms of innovative climate finance solutions, which will be needed to broaden investment opportunities in climate mitigation and</p>

		<p>adaptation. We are introducing innovative products such as facilities that link pricing to a client's carbon reduction efforts. We are incorporating ESG factors into our regular engagement routines with clients to encourage their transition to net zero and discuss new innovative ways to finance their investment in this transition.</p> <p>Time horizon of strategy: Our strategy considers the short, medium and long-time horizons (0 to 10 years).</p> <p>Case study of decision: One significant decision has been our partnership with the Global Innovation Lab for Climate Finance. We are one of 20 principals in the Global Innovation Lab which identifies, develops, and pilots transformative climate finance instruments and aims to drive billions of dollars of private investment into climate change mitigation and adaptation in developing countries. As a principal, we review submissions to the Lab, discuss the merits of each proposal, help improve the structure to make each idea more investable, and participate in working groups to help bring the finalist instruments to market.</p> <p>Another decision has been the development of our Blended Finance Catalyst Pool with an initial allotment of \$60 million to mobilize additional private capital toward the SDGs, with a specific focus on energy access, affordable housing, water and sanitation access, and climate resiliency. A working group comprised of several senior executives from across the bank is guiding our deployment of capital under this program. In 2020 we invested in Blue Orchard InsuResilience fund which provides loans to micro-finance institutions who extend loans to entrepreneurs to enhance their climate resilience through micro-insurance. We also invested in SunFunder's Solar Energy Transformation Fund.</p>
Operations	Yes	<p>How strategy has been influenced: Climate-related risks and opportunities have influenced our operations strategy in several ways. In response to physical climate risks, our Building Disaster Recovery Planning (BDRP) team implements a robust business continuity program to prepare our facilities for climate-related severe weather events. We are increasingly incorporating climate change considerations into our resilience and operational scenario planning. As part of our efforts to support innovation that can help us rethink how we use</p>

		<p>energy and transportation today, we are installing onsite renewable generation at 60 of our locations and have more than 200 EV charging ports installed at office locations for employee use. Over 58,000 bank employees work at buildings with EV charging stations. We have established a dedicated internal team that works full-time on our environmental initiatives, including those in operations. The GEG establishes and has accountability for our operational environmental goals and develops strategies and implements initiatives to ensure that resources across the company are mobilized to meet these goals.</p> <p>Time horizon of strategy: Our strategy considers the short, medium and long time horizons (0 to 10 years).</p> <p>Case study of decision: In one of our significant operational strategy decisions, we have set a wide range of public business and operational targets to minimize our direct impact on the climate. These targets are continually assessed through the appropriate governance routines and recalibrated as we respond to the urgency of the climate change challenge. Our ultimate goal is to align our business with the scientific consensus of what is needed to prevent global temperatures from rising more than 1.5–2°C, as outlined in the Paris Climate Agreement. In 2020 we developed new operational targets as part of our Net Zero strategy. These including maintaining carbon neutrality for operations (Scopes 1 and 2), purchasing 100% zero carbon electricity annually, reducing location-based emissions by 75%, reducing energy use by 55% and achieving LEED® certification (or comparable) for 40% of building space.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs	Revenues: The deployment of financial capital is one of our biggest opportunities to have a positive environmental impact. Through implementation of strategies to realize our Environmental Business Initiative we are realizing revenue by directing

	<p>capital to climate innovation. The establishment and expansion of this initiative is an example of financial planning influenced by climate-related risks and opportunities. In 2007, we announced a 10-year, \$20 billion Environmental Business Initiative to address climate change and natural resource demands, which we achieved early. In 2013 we began a new target of \$50 billion over 10 years, which then increased to \$125 billion in 2015. In 2019, we also met that target six years ahead of schedule. In 2019 we established a new target of \$300 billion, and recently increased it to \$1 trillion by 2030. Since 2007 we have deployed \$200 billion in support of environmental business efforts across the globe. The significant growth in our commitment and performance under the commitment demonstrates how integral this opportunity is to our strategy. This planning considers the short, medium and long-time horizons (0 to 10 years), as this initiative will be implemented across those time spans.</p> <p>Direct costs: In order to effectively manage the risks and opportunities presented to our business by climate change we are investing direct operating costs toward internal resources including our Global Environmental Group, Global Sustainable Finance and Climate Risk teams.</p>
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C-FS3.6

(C-FS3.6) Are climate-related issues considered in the policy framework of your organization?

Yes, both of the above

C-FS3.6a

(C-FS3.6a) In which policies are climate-related issues integrated?

	Type of policy	Portfolio coverage of policy	Description
Bank lending (Bank)	Credit policy Risk policy Underwriting policy Policy related to other products and services Engagement policy	All of the portfolio	<p>Our Environmental and Social Risk Policy Framework (ESRPF) defines our risk management policies and approach and provides for the clear ownership of and accountability for managing risk well across the company. Key to this philosophy is that all employees are accountable for identifying, escalating and debating risks facing the company. The ESRPF is applied across our lending, underwriting and other financing products and services. This is the basis for our indication of the portfolio coverage.</p> <p>Our ESRPF is aligned with the Enterprise Risk Framework and provides additional clarity and transparency on our approach to environmental and social risks, including how we identify, measure, monitor and control these risks consistent with our enterprise Risk Framework.</p> <p>In our ESRPF we set out our position on key environmental and social issues, including climate change, and we describe our policies for managing activities with heightened environmental and/or social sensitivity. This includes additional measures we take to identify, evaluate and mitigate environmental and social risks for certain clients, business activities, industries and geographies. Areas that require additional enhanced due diligence include those that carry increased concern related to climate change, such as energy and extractives and forestry.</p> <p>Climate risk considerations are embedded into the risk framework and are being further integrated as applicable. For example, we are re-evaluating our industry underwriting policies and guidelines.</p>
Other products and services, please specify			The other products or services category does not apply for our business.

C-FS3.6b

(C-FS3.6b) Describe your exclusion policies related to industries and/or activities exposed or contributing to climate-related risks.

Type of exclusion policy	Portfolio	Application	Description
Coal	Bank lending	New business/investment for new projects	<p>Transitioning entire sectors of the economy will take time. Like many companies, we balance the need to support traditional energy sources in the near term with the recognition that their emissions contribute to climate change and exacerbate risk to our business and communities in the longer term. Our engagement strategy for the energy and power sector is reflective of this challenge. We maintain our strong focus on driving capital to critical areas like energy efficiency, renewable energy, electric vehicles and other low-carbon technology adoption while working to progress areas like advanced nuclear and carbon capture and storage/use.</p> <p>Companies focused on coal extraction, particularly coal used in power generation (“thermal coal”), face significant challenges. The focus of power utility clients, investors, regulators and other stakeholders on addressing global climate change and meeting the goals of the Paris Climate Agreement, combined with the recent proliferation of natural gas, solar, wind and other lower carbon energy sources, is intensifying and accelerating these challenges.</p> <p>We have a Coal Policy which sets out our overall position on coal and describes circumstances where we will not provide financing. Our position on coal is also described in our Environmental and Social Risk Policy Framework (ESRPF). We have significantly reduced exposure to coal extraction companies and, we will not directly finance new thermal coal mines or the expansion of existing mines. By 2025, we will phase out all financing (including facilitating capital markets transactions and advising on mergers and acquisitions) of companies deriving $\geq 25\%$ of their revenue from thermal coal mining, unless the company has a public commitment to align its business (across Scope 1, 2 and 3 emissions) with the goals of the Paris Climate Agreement.</p> <p>Additionally, we will not directly finance the construction or expansion of new coal-fired power plants –</p>

			unless those facilities employ technology that is focused on complete or near elimination of atmospheric carbon emissions and we will not directly finance new thermal coal mines or the expansion of existing mines.
Oil & gas	Bank lending	New business/investment for new projects	Our ESRPF was updated in 2020 to state that we will not directly finance petroleum exploration or production activities in the Arctic.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2010

Covered emissions in base year (metric tons CO₂e)

1,750,939

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

100

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

0

Covered emissions in reporting year (metric tons CO₂e)

0

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

1.5°C aligned

Please explain (including target coverage)

In 2019, we reached our goal of becoming carbon neutral for Scope 1 and 2 emissions, one year ahead of our plan. To reach this goal, we started by reducing our location-based emissions by 60% since 2010. Second, we have focused on purchasing renewable electricity in a way that supports new solar and wind. This is being done through installing onsite solar and long-term agreements for new utility and small scale solar and wind projects in the U.S. Finally, for unavoidable emissions we purchased high quality, certified carbon offsets in each region in which we operate.

Target reference number

Abs 2

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2010

Covered emissions in base year (metric tons CO₂e)

1,785,417

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

892,708.5

Covered emissions in reporting year (metric tons CO₂e)

711,025

% of target achieved [auto-calculated]

120.351940191

Target status in reporting year

Achieved

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

2°C aligned

Please explain (including target coverage)

In tandem with the carbon neutrality goal, we achieved our goal to reduce our location-based emissions by 50% by 2020.

Target reference number

Abs 3

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2010

Covered emissions in base year (metric tons CO₂e)

1,785,417

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

75

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

446,354.25

Covered emissions in reporting year (metric tons CO₂e)

711,025

% of target achieved [auto-calculated]

80.234626794

Target status in reporting year

Underway

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

In tandem with the carbon neutrality goal, we are committing to reduce our location-based emissions by 75% by 2030.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Net-zero target(s)

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2010

Figure or percentage in base year

1

Target year

2020

Figure or percentage in target year

100

Figure or percentage in reporting year

100

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Our goal is to purchase 100% of electricity globally from renewable sources. To do so, we have focused on purchasing renewable electricity in a way that supports new solar and wind development. In 2019 we reached this goal, one year ahead of our plan. This is being done through installing onsite solar and long-term agreements for new utility and small scale solar and wind projects in the US. We have executed a variety of deals across the U.S. We partnered with Duke Energy, NRG Energy, 3Degrees, Pine Gate Renewables, NativeEnergy and Birdseye Renewable Energy to support 10 new solar projects across three states, including North Carolina, home to the company's headquarters. The agreements total 200 megawatts (MW) of new solar electricity capacity and will supply over 340,000 megawatt-hours (MWh) of Green-e certified RECs annually. We also executed two long-term contracts to purchase Green-e certified RECs from renewable energy installations in Texas. One of the contracts is to purchase 500,000 MWh of RECs per year for five years from the Capricorn Ridge (I and III) Wind Farms in Texas in which the bank has a tax equity ownership stake. These wind farms were repowered in 2017 to improve wind energy production and extend the life of the wind farms, which were installed over 10 years ago. The second contract is to purchase RECs from a new 240-MW wind farm in Texas. BofA provided the hedge agreement for this project, which is anticipated to be operational in 2021. We will require that any new solar deals support enhanced perennial vegetation that facilitates increased ecological services and environmental benefits including healthy habitats for pollinators.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency

GJ

Target denominator (intensity targets only)

Base year

2010

Figure or percentage in base year

13,916,433

Target year

2020

Figure or percentage in target year

8,349,860

Figure or percentage in reporting year

7,595,737

% of target achieved [auto-calculated]

113.5473477129

Target status in reporting year

Achieved

Is this target part of an emissions target?

Abs 2

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

We achieved our goal to reduce energy use by 40 percent. This target covers all our global operations.

Target reference number

Oth 2

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Low-carbon buildings

Percentage of buildings with a green building certificate

Target denominator (intensity targets only)

Base year

2010

Figure or percentage in base year

10

Target year

2020

Figure or percentage in target year

20

Figure or percentage in reporting year

24

% of target achieved [auto-calculated]

140

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

We achieved our goal to maintain LEED certification in 20 percent of owned and leased space. This target covers all our global operations.

Target reference number

Oth 3

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Other, please specify

Response rate to our CDP supply chain information requests

Target denominator (intensity targets only)

Base year

2010

Figure or percentage in base year

84

Target year

2020

Figure or percentage in target year

90

Figure or percentage in reporting year

90

% of target achieved [auto-calculated]

100

Target status in reporting year

Achieved

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

We achieved our goal to maintain a 90 percent response rate to our CDP supply chain requests.

Target reference number

Oth 4

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers
Percentage of suppliers disclosing their GHG emissions

Target denominator (intensity targets only)

Base year

2011

Figure or percentage in base year

76

Target year

2020

Figure or percentage in target year

90

Figure or percentage in reporting year

86

% of target achieved [auto-calculated]

71.4285714286

Target status in reporting year

Expired

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

Our goal was to increase to 90 percent the number of our CDP supply chain responding vendors who report GHG emissions. We increased this to 86 percent.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs3

Target year for achieving net zero

2050

Is this a science-based target?

Yes, but we have not committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

Please explain (including target coverage)

Building on our longstanding support for the Paris Climate Agreement, the company outlined initial steps to achieve our goal of net zero greenhouse gas emissions in our financing activities, operations and supply chain before 2050. We are a founding member of the Net Zero Banking Alliance and we plan to establish 2030 science based emissions targets for high-emitting portfolios, including energy and power starting in 2022.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	9	
To be implemented*	20	380
Implementation commenced*	20	380
Implemented*	700	3,400
Not to be implemented	53	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings

Other, please specify

Varied energy efficiency projects

Estimated annual CO2e savings (metric tonnes CO2e)

3,400

Scope(s)

Scope 1

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,200,000

Investment required (unit currency – as specified in C0.4)

52,000,000

Payback period

>25 years

Estimated lifetime of the initiative

3-5 years

Comment

Approximately 700 energy efficiency projects were implemented in 2020, including lighting and HVAC equipment and controls upgrades, data center equipment and controls upgrades, and decommissioning unneeded equipment. Since 2004, we have completed approximately 18,000 efficiency projects. Since 2010, we've exited 50 data centers, consolidating our computing operations into significantly fewer buildings, which reduced overall emissions.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	Dedicated budget for renewable energy
Financial optimization calculations	
Internal finance mechanisms	
Employee engagement	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Our Environmental Business Initiative includes a range of financial services and products that assist our clients in reducing or avoiding GHG emissions and reducing demands on important natural resources. Since 2007 when it was launched, we have financed more than \$200 billion in capital towards clean energy, energy efficiency, water conservation, sustainable transportation, and other environmentally supportive activities. Our efforts consist of lending, equipment finance, tax equity investments, capital markets and advisory activity, carbon finance, and other advice and investment solutions for clients. Our equipment finance Energy Services team supplies financing for a wide range of energy efficiency and renewable energy assets that meet client needs in municipal, federal, education, institutions, and healthcare markets. The team works directly

with established contractors and Energy Services Companies (ESCOs) to provide financing for energy conservation measures (building envelope improvements, central plant retrofits, solar assets, etc.). Our Renewable Energy Finance team provides tax advantaged capital, debt and related financial solutions to clients developing commercial and utility-scale renewable energy (wind and solar) projects. Our Commercial Real Estate Banking group provides financing for projects pursuing and using LEED certification, ENERGY STAR, brownfields redevelopment and the use of renewable energy tax credits. The Global Investment Banking and Debt Capital Markets group facilitates capital flows to clients developing and adopting clean technologies, including through an industry leading green bond platform. Our Consumer Vehicle Lending group provides loans for hybrid/electric vehicle purchases while our Global Wealth Management group offers ESG investment solutions for clients. Through the provision of such financing and advisory services, we facilitate and enable energy efficiency, renewable energy and other sustainable technologies, which in turn results in reduced and/or avoided GHG emissions. We help our employees and clients reduce paper consumption through statement suppression, electronic payments, and envelope-free deposit image ATMs. Our expanding mobile and online banking capabilities also help reduce clients' travel to and from financial centers.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Sustainability Impact Assessment method

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Bank lending

Other, please specify

Corporate Loans, Commercial Loans, Corporate Real Estate, Asset Financing, and Project Finance

Comment

Level of aggregation

Group of products

Description of product/Group of products

Green bonds are fixed income, liquid financial instruments for raising debt capital for climate mitigation or adaptation projects or programs and other environmentally beneficial activities. Since green bonds first came onto the market nearly a decade ago, we helped write the green bond principles and have been a leader in developing the market through collaborating with peers and we are a top ranked green bond underwriter globally according to Environmental Finance Green Bond Database. Examples of our 2020 activity include the first green bond for Big River Steel, a manufacturer whose electric arc furnace production is dramatically more energy efficient than alternative production techniques. The first sustainability-linked bond for Suzano following the publication of the sustainability-linked bond principles, which we helped write. And a sustainability bond for Pfizer, the first ever globally in the pharmaceutical industry. Proceeds of which will primarily support two green building certified manufacturing facilities.

We were the first corporate to issue a benchmark-sized green bond and the first US financial institution to issue five corporate green bonds. Through our own issuances, we are advancing renewable energy generation by financing new projects— such as a multistate residential solar portfolio and a wind turbine facility in Oklahoma.

In 2020, we issued our first \$2 billion Equality Progress Sustainability Bond designed to advance racial equality, economic opportunity, and environmental sustainability and the first offering of its kind in the financial services industry.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Green Bond Principles (ICMA)

% revenue from low carbon product(s) in the reporting year

% of total portfolio value

Asset classes/ product types

Investing

Fixed Income

Comment

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2010

Base year end

December 31, 2010

Base year emissions (metric tons CO₂e)

106,870

Comment

Scope 2 (location-based)

Base year start

January 1, 2010

Base year end

December 31, 2010

Base year emissions (metric tons CO₂e)

1,678,547

Comment

Scope 2 (market-based)

Base year start

January 1, 2010

Base year end

December 31, 2010

Base year emissions (metric tons CO₂e)

1,644,068

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

The Greenhouse Gas Protocol: Scope 2 Guidance

US EPA Center for Corporate Climate Leadership: Direct Fugitive Emissions from Refrigeration, Air Conditioning, Fire Suppression, and Industrial Gases

US EPA Center for Corporate Climate Leadership: Indirect Emissions From Purchased Electricity
US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources
US EPA Center for Corporate Climate Leadership: Direct Emissions from Mobile Combustion Sources

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

53,390

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

657,635

Scope 2, market-based (if applicable)

7,685

Comment

Our market-based emissions include the impact of renewable energy certificates (RECs) purchased in the United States, Guarantees of Origin (GOs) in Europe, REGOs in the United Kingdom, I-RECs in various countries, J-Credits in Japan, and PowerPlus in India. All U.S. RECs we purchase are Green-e certified. Emissions reflect supplier-specific emission rates where available, all of which comply with Scope 2 Guidance criteria. Emissions reflect residual mix factors for European facilities. Residual mix factors are not currently available for facilities outside of Europe.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1,573,430

Emissions calculation methodology

Cradle-to-gate emissions from our purchased goods and services were calculated using a combination of two approaches. The first approach uses vendor-specific emission factors developed based on vendor emissions disclosures from CDP (reported Scopes 1, 2, & 3 emissions per company revenue). These factors were multiplied by BofA's spend with the vendor to calculate scope 3 emissions. The second approach aggregates our total spend data into standard vendor sector categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are from the US EPA Environmentally-Extended Input-Output (EEIO) database. GWPs are IPCC Second Assessment Report (SAR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

22

Please explain

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

74,283

Emissions calculation methodology

Cradle-to-gate emissions from our capital goods were calculated using an approach that aggregates our total spend data into standard vendor sector categories. The spend in each category is multiplied by sector-specific cradle-to-gate emission factors. Emissions factors are from the US EPA Environmentally-Extended Input-Output (EEIO) database. GWPs are IPCC Second Assessment Report (SAR - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

134,786

Emissions calculation methodology

The activity data used to quantify these activities' emissions are the quantity consumed of each energy type, such as electricity or natural gas. Consumption by fuel type is then multiplied by emission factors for each of the three activities included in this category. Emission factors for upstream emissions of purchased fuels are based on life-cycle analysis software. Emission factors for upstream emissions of purchased electricity are based on life-cycle analysis software for the U.S., and on U.K. Defra Guidelines for other countries. Emission factors for transmission and distribution losses are location-based and taken from EPA's eGRID database for the U.S., and on IEA's CO2 Emissions from Fuel Combustion (2020 Edition) for other countries. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

116,149

Emissions calculation methodology

This figure encompasses emissions from armored cars, check couriers, freight shipments, mail and express shipments, and vehicles owned by our facility management partners that are dedicated to serving our facilities. Activity data for the emission sources are obtained from the internal group that manages this transportation. Emissions were calculated using EPA Emission Factors for Greenhouse Gas Inventories and Climate Leaders Mobile Source Guidance. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

15,850

Emissions calculation methodology

This figure represents emissions associated with waste disposed of via landfilling, incineration, composting, and recycling. It does not include wastewater treatment. Data on waste quantity, composition, and disposal method are obtained by our waste management providers. Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

This figure represents emissions associated with waste disposed of via landfilling, incineration, composting, and recycling. It does not include wastewater treatment. Data on waste quantity, composition, and disposal method are obtained by our waste management providers. Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

31,481

Emissions calculation methodology

Business travel includes air and rail travel, rental cars, contracted black cars, and hotel stays. Air and rail travel activity data were obtained from the bank's travel agency. Rental car and contracted black car activity data is provided by rental car and contracted black car providers. Hotel data are aggregated by bank staff. Emissions were calculated using emission factors and methodologies from the Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting, EPA Emission Factors for Greenhouse Gas Inventories, Climate Leaders Mobile Source Guidance, and Climate Leaders Business Travel and Commuting Guidance. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

The reported emissions are gross emissions. Starting for 2020, BofA applied carbon offsets to business travel emissions to reach carbon neutrality for this Scope 3 category. Thus our net business travel emissions are 0.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

126,415

Emissions calculation methodology

Commuting emissions include emissions from employees' personal vehicles and from shuttles that transport employees to and from work. Commuting emissions for US and UK employees are based on calculations of distance from employees' homes to primary work location. US and UK averages were applied to other regions. The modes of transportation are based on employee surveys and on publicly available information. Shuttle emissions are calculated based on the miles travelled per shuttle type, amount of fuel consumed, and MPG when the amount of fuel was not available. Given the impacts of the COVID-19 pandemic in 2020, the commuting calculations were split into two phases for the year – 1) "pre-COVID" (January-March 15), under which it was assumed that all employees were commuting as usual and 2) "post-COVID" (March 15-December), for which the number of commuting employees was adjusted (reduced) due to COVID-19 work from home policies. Total emissions for each mode of transportation, plus the shuttle emissions, were calculated using emission factors and methodologies from EPA Emission Factors for Greenhouse Gas Inventories, Climate Leaders Mobile Source Guidance, Climate Leaders Business Travel and Commuting Guidance, and Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

In addition to adjusting the number of commuting employees due to the COVID-19 pandemic, emissions from the use of laptops and monitors by employees at home were also included to account for increased working from home. Calculations were completed using the number of employees working from home during the "post-COVID" phase and the average electricity consumption of the models of laptops and monitors most frequently distributed to employees. Total emissions associated with laptops and monitors were calculated using the US average electricity emission factor from EPA eGRID 2019 (released February 2021).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Under the operational control approach of defining our inventory boundary, emissions from all upstream leased assets are included in our Scope 1 and Scope 2 emissions.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

1,200,000

Emissions calculation methodology

This figure represents emissions associated with client travel to and from retail financial centers and ATMs. It currently does not include client travel to wealth management facilities or other facilities. Activity data used to quantify these emissions includes measured data on the number of teller and ATM visits and the average distance travelled to financial centers and ATMs. The mode of travel was assumed based on the availability of parking at facilities. Data were used to calculate total miles and gallons of gasoline consumed. Emissions were calculated using emission factors and methodologies from the EPA Emission Factors for Greenhouse Gas Inventories and Climate Leaders Mobile Source Guidance. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

We have no emissions in this category because we do not sell intermediate products that require processing into final products.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

4,000

Emissions calculation methodology

This figure represents emissions associated with client use of computers and smartphones for online banking. The activity data used to quantify these emissions include tracking data on the number and length of online and mobile banking sessions. Based on research, assumptions were developed for the mix of laptop and desktop computers as well as tablets and smartphones. The total online time is used to calculate the amount of total electricity consumed, which is multiplied by the U.S. average eGRID location-based emission factor for electricity. Computer wattage values are based on data from the EPA and industry sources. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

End of life treatment of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

15,000

Emissions calculation methodology

This figure represents emissions associated with the disposal of credit and debit cards and client mailings. Activity data used to quantify emissions include the number and weight of cards issued and the total weight and type of paper for mailings. This figure represents emissions associated with waste disposed via landfilling, incineration, and recycling. Emissions from waste are calculated using methodologies and emission factors from the EPA's Waste Reduction Model (WARM). This model calculates emissions based on a life-cycle analysis, including emissions from the long-term decomposition of waste in a landfill or from upstream sources/sinks. GWPs are IPCC Fourth Assessment Report (AR4 - 100 year).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

Emissions in this category are insignificant, because we have an inconsequential amount of owned spaced that is leased to others.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

We do not operate any franchises.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00000071

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

61,075

Metric denominator

Other, please specify

Total revenue - \$ in millions

Metric denominator: Unit total

85,528,000,000

Scope 2 figure used

Market-based

% change from previous year

19

Direction of change

Decreased

Reason for change

Absolute market-based emissions decreased 24% primarily due to emission reduction activities, including consolidating space, implementing energy-efficiency projects, and purchasing renewable energy. Like others, we have also benefited from a less carbon-intensive utility grid. Total revenue decreased 6%. The net result is a decrease in emissions per unit revenue.

Intensity figure

0.29

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

61,075

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

213,000

Scope 2 figure used

Market-based

% change from previous year

26

Direction of change

Decreased

Reason for change

Absolute market-based emissions decreased 24% primarily due to emission reduction activities, including consolidating space, implementing energy-efficiency projects, and purchasing renewable energy. Like others, we have also benefited from a less carbon-intensive utility grid. The number of employees increased 2%. The net result is a decrease in emissions per FTE employee.

Intensity figure

0.00079

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

61,075

Metric denominator

square foot

Metric denominator: Unit total

77,318,171

Scope 2 figure used

Market-based

% change from previous year

22

Direction of change

Decreased

Reason for change

Absolute market-based emissions decreased 24% primarily due to emission reduction activities, including consolidating space, implementing energy-efficiency projects, and purchasing renewable energy. Like others, we have also benefited from a less carbon-intensive utility grid. Square feet of facility area decreased 3%. The net result is a decrease in emissions per square foot.

C7. Emissions breakdowns

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	We implemented several new onsite solar installations in 2020, but their part-year operation had minimal impact to emissions so far. Thus, we have reported no change.
Other emissions reduction activities	64,552	Decreased	8	We have reduced location-based emissions across our portfolio by consolidating space and implementing energy-efficiency projects. Like others, we have also benefited from a less carbon-intensive utility grid. The resulting location-based emission reduction was 64,552 t CO ₂ e, divided by our total emissions in the previous year of 791,409 t CO ₂ e gives a 8% reduction $(64,552/791,409)*100 = 8\%$.)

Divestment				
Acquisitions				
Mergers				
Change in output				
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other	15,828	Decreased	2	This is our estimate of reductions in our facilities due to employees working from home during the pandemic. The resulting location-based emission reduction was 15,828 t CO ₂ e, divided by our total emissions in the previous year of 791,409 t CO ₂ e gives a 2% reduction $(15,828/791,409) \times 100 = 2\%$.)

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	238,591	238,591

Consumption of purchased or acquired electricity		1,827,969	0	1,827,969
Consumption of purchased or acquired steam		0	26,377	26,377
Consumption of purchased or acquired cooling		0	16,696	16,696
Consumption of self-generated non-fuel renewable energy		321		321
Total energy consumption		1,828,290	281,664	2,109,954

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

7,595,737

Metric numerator

Gigajoules of total energy consumption

Metric denominator (intensity metric only)

N/A

% change from previous year

6

Direction of change

Decreased

Please explain

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Bank of America - CDP Verification Statement 2020_Final Rev 1.pdf

Page/ section reference

Whole document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Bank of America - CDP Verification Statement 2020_Final Rev 1.pdf

Page/ section reference

Whole document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 Bank of America - CDP Verification Statement 2020_Final Rev 1.pdf

Page/ section reference

Whole document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3 (upstream & downstream)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 Bank of America - CDP Verification Statement 2020_Final Rev 1.pdf

Page/section reference

Whole document

Relevant standard

ISO14064-3

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Renewable energy products	ISAE 3000	We receive an annual verification of sustainability metrics including renewable energy purchases for our Environmental, Social and Governance reporting.
C8. Energy	Energy consumption	ISAE 3000	We receive an annual verification of sustainability metrics including energy consumption for our Environmental, Social and Governance reporting.

C11. Carbon pricing

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

The bank continues to drive emissions reductions across operations and the entire value chain. For operational emissions that are unavoidable, the bank has invested in nature-based solutions. We support high quality, verified carbon projects across the globe that drive innovation and maximize environmental and social impacts aligned with the UN Sustainable Development Goals (SDG).

We executed multi-year commitments to four projects located in low-income areas across the U.S., South America, Africa, and Asia. These projects are helping to preserve biodiversity and drive reforestation, while furthering economic mobility for the local populations. All projects are verified by third-party, market leading standards. The bank's nonprofit partners, Arbor Day and Cool Effect, apply their expertise to work directly with project developers and to conduct extensive due diligence for every project the bank supports. These projects propel sustainable, science-based solutions; conduct regular on-ground and satellite monitoring; follow ICROA's Code of Best Practices; and have social and environmental safeguards in place. The following statistics reflect reporting materials as of Jan 2020.

Project 1: Located in Peru's high forest between the Andes and the Amazon Basin, Cordillera Azul is a community-driven program helping tens of thousands of local people prosper and protect the land, water, and biodiversity. Economic assistance and access to basic services such as sanitation, health care and education lead to both sustainable livelihoods and landscapes.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

47,557

Number of credits (metric tonnes CO2e): Risk adjusted volume

47,557

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Agriculture

Project identification

Project 2: The International Small Group and Tree Planting Program (TIST) is a combined reforestation and sustainable development project carried out by subsistence farmers. TIST empowers small groups (6-12) farmers in Kenya and Uganda to combat the devastating effects of deforestation, poverty and drought through tree ownership and innovative technology.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

15,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

15,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify

Peatland protection

Project identification

Project 3: Peatlands only cover 3% of the Earth's surface but store twice as much carbon as the world's forest; protecting them is vital.

Protecting mature forest ecosystems, restoring degraded lands, and providing access to economic opportunities for the local people of Central Kalimantan ensures the longevity and resiliency of this key climate ecosystem.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

15,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

15,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Project 4: We support the largest reforestation project in North America working to restore over a million acres of degraded lands back to their original and highly beneficial forest ecosystems in the lower Mississippi River Valley. Reforestation provides resiliency against climate change and flooding while creating vital habitat and positively impacting some of the U.S.'s poorest counties.

Verified to which standard

ACR (American Carbon Registry)

Number of credits (metric tonnes CO2e)

15,000

Number of credits (metric tonnes CO2e): Risk adjusted volume

15,000

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

75

% of supplier-related Scope 3 emissions as reported in C6.5

40

Rationale for the coverage of your engagement

Since 2009, we have invited vendors to respond to the CDP supply chain questionnaire, which helps us track climate change impacts and associated risks related to our global supply chain. Our selection process for inviting takes into account a) environmental impact (using sector level U.K. Defra GHG emission intensity factors), b) spend (as a proxy for how much business we do with the vendor). However, if a vendor has been engaged in the past but spend with the vendor has dropped below our threshold, we continue to engage with them. We feel this level of coverage is appropriate because it addresses more than 70% of our total procurement spend.

Impact of engagement, including measures of success

In 2020, we requested disclosures from 197 vendors. Following the survey, we provide individualized feedback regarding each vendor's level of transparency and performance to the participating vendors and their vendor managers. This has facilitated ongoing dialogue between the bank and vendors which promotes collaboration and provides us with the opportunity to recognize leadership among our highest-performing vendors.

In 2016, we set our first-ever goals to address climate change within our supply chain with two vendor engagement goals: to maintain a response rate to CDP supply chain questionnaire of at least 90 percent, and for 90 percent of CDP supply chain responding vendors to disclose GHG emissions. Tracking progress towards these goals is a way we measure our success.

There are several indications of the impact of our engagement. In 2020, we achieved our first goal with a response rate of 90 percent. We had 86 percent of responding vendors report GHG emissions. Although short of our 90 percent goal, it is was our highest rate to date.

We are proud to report that, as of 2020, 127 of our vendor respondents have greenhouse gas emissions reduction or renewable electricity procurement goals. Nineteen vendors that we invited to respond to the CDP supply chain survey are on the 2020 Supplier Climate A List, a ranking based on their survey responses and demonstration of strong and transparent climate strategies.

Comment

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Other, please specify

Monitor compliance with our Vendor Code of Conduct

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In addition to CDP, we evaluate and engage our vendors in key areas as outlined by our Vendor Code of Conduct. Focus areas include environmental sustainability, labor and human rights, and diversity and inclusion. Specific to environmental impacts, we expect our vendors to quantify and disclose environmental impacts, including at a minimum scope 1 and scope 2 greenhouse gas emissions. We also expect our vendors to establish public goals to reduce environmental impacts and disclose progress relative to targets. Our ESG Assessment was implemented in 2020 and monitors for compliance with the Vendor Code of Conduct.

Impact of engagement, including measures of success

Our ESG Assessment monitors for compliance with our Vendor Code of Conduct and the resulting score is taken into consideration when evaluating vendors' business capabilities. If a vendor does not meet expectations a remediation process follows. In 2020, 77% of assessed

vendors disclosed environmental impacts and 61% had public climate goals. Through this assessment, we inform our vendors of our expectations and support them to ensure these expectations are met.

Comment

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change

% of suppliers by number

0.01

% total procurement spend (direct and indirect)

0.2

% of supplier-related Scope 3 emissions as reported in C6.5

0.1

Rationale for the coverage of your engagement

BofA engages with food services vendors to reduce red meat consumption, increase vegetarian options, increase the amount of spend on local produce (defined as within 400 miles of a BofA café), reduce food waste, and donate food when possible. We believe that these efforts will have a positive impact on the environment and our employees' health.

Impact of engagement, including measures of success

In 2020, BofA purchased 146,344 pounds of beef, and 10.8% of produce purchased was local. We hope to decrease the amount of red meat purchases in the future and increase the amount of spend on local produce. We donated over 25,000 pounds of food that would have otherwise been wasted in 2020.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

33

% of customer - related Scope 3 emissions as reported in C6.5

Portfolio coverage (total or outstanding)

Minority of the portfolio

Please explain the rationale for selecting this group of customers and scope of engagement

Here we consider clients and investees as customers. We engage with our customers on ESG which includes climate strategies, GHG emissions and climate risk.

Our lines of businesses have strategies to engage clients on ESG issues, including climate, and market various ESG-related products and services. Our client facing divisions host high-profile client events focused on ESG and climate change. Bankers include ESG and climate information in client presentations to share our strategy and engage in discussion on clients climate programs. In addition to this standard engagement we have a carbon advisory team that meets with clients to educate them about the importance of climate goals and how to build a

net zero strategy. Another critical part of our strategy is strong engagement and partnership with clients in high emitting sectors. Through this engagement, we share our expertise and perspectives on corporate and financial strategies to help reduce emissions, create positive and constructive dialogues with key stakeholders, and encourage and influence clients to consider their role in the net zero transition. Importantly, we are encouraging climate target setting and sharing innovative ways to finance their transition investment. We are also actively engaged with clients to drive increased investment in climate innovation and the delivery of our Environmental Business Initiative. By way of example, we recently hosted a climate-focused event, ESG Matters: Journey to Net Zero, with roughly 600 middle market clients. We have reached out individually to commercial, corporate and municipal clients to encourage participation in the burgeoning green bond market, and have incorporated ESG/Impact Investing into our regular engagement with individual and institutional investor clients to grow that platform.

On individual transactions, we engage with clients when our review indicates the need for mitigation to minimize certain environmental impacts associated with the deal in question. We prioritize these types of engagements based on an evaluation of the severity of environmental risks associated with each of these transactions.

We estimate that we engage with approximately 33% of our Global Banking and Markets commercial and Global Wealth Management clients, in terms of number of clients and in terms of the proportion of the associated portfolio value chain.

Impact of engagement, including measures of success

Measures of success for our client engagement include the growth of our green bond, ESG investing and overall low-carbon business. As an indication of the impact of this engagement, increasing client demand helped us deliver \$50.5 billion towards our Environmental Business Initiative in 2020.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Trade associations
- Funding research organizations
- Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

American Council on Renewable Energy

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The American Council on Renewable Energy (ACORE) is a non-profit organization dedicated to advancing the renewable energy sector through market development, policy changes, and financial innovation. ACORE works with its members to educate the public and decision makers about effective policies that will promote renewable energy development. The U.S. Partnership for Renewable Energy Finance (U.S. PREF) is managed by ACORE and is a coalition of senior level financiers who invest in all sectors of the energy industry, including renewable energy. U.S. PREF members meet with policymakers to provide their perspectives on how renewable energy finance policies affect the market, and how proposed policies could affect the market. U.S. PREF is not a lobbying organization or an advisory committee to government, rather it is an educational program that provides expert input on how the renewable energy finance market works. U.S. PREF activities include ongoing dialogue with Administration officials, members of Congress and their staffs, and other government officials involved in developing policy. When requested, PREF members provide testimony before a committee or subcommittee of Congress or submit testimony for inclusion on the public record of a hearing. Members author white papers that provide detailed information on how the renewable energy finance market works and analyze how specific policies affect the market.

How have you influenced, or are you attempting to influence their position?

The Global Head of Power and Renewables of Investment Banking is a member of the ACORE board and participates in ACORE and U.S. PREF speaking events and in organized meetings with members of the legislative and executive branches of the U.S. government. Our goal in participating in U.S. PREF is to provide expert input to policy makers on renewable energy finance. This is with a view to informing renewable energy policies that support continued expansion of the renewable energy market in an efficient and effective way.

Trade association

Global Financial Markets Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Global Financial Markets Association (GFMA) represents the common interests of the world's leading financial and capital market participants, to provide a collective voice on matters that support global capital markets. The GFMA advocates on policies to address risks that have no borders, regional market developments that impact global capital markets, and policies that promote efficient cross-border capital flows to end-users by efficiently connecting savers and borrowers, benefiting broader global economic growth. On matters of sustainable finance the GFMA conducts membership surveys and research to inform policy making and responds to public policy consultations such as the recent IFRS Foundation Consultation Paper on Sustainability Reporting. On this topic the GFMA's position is that if sustainable finance is to grow at a rate required to fund the global transition then internationally agreed sustainability reporting standards will be needed to achieve consistent and comparable reporting on ESG matters.

How have you influenced, or are you attempting to influence their position?

Our Global Head of Global Financing and Futures is a member of the GFMA Board of Directors and bank representatives participate in various GFMA sustainability focused groups, including the Sustainable Finance Steering Committee and Sustainable Market Structure Project Working Group. In 2020, we contributed to the Climate Finance Markets and the Real Economy report that was jointly published by the GFMA and Boston Consulting Group, outlining market-wide and sector-specific recommendations necessary to accelerate investment in climate finance and serving as a call to action for coordinated and concerted action by the public, social, and private sectors to significantly scale the Climate Finance Market Structure over the next three decades.

Trade association

U.S. Chamber of Commerce

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

In its recently published climate change position statement, the U.S. Chamber of Commerce states its belief in a policy approach that acknowledges the costs of action and inaction and the competitiveness of the U.S. economy. The position statement calls on “policymakers to seize on an approach that rises to the challenge of climate change, leveraging business leadership and expertise, America’s energy edge and our ability to innovate.” It also states “Our climate is changing, and humans are contributing to these changes. Inaction is simply not an option.” The Chamber believes that an effective climate policy should leverage the power of business, maintain U.S. leadership on climate science, embrace technology and innovation, aggressively pursue energy efficiency, promote climate resilient infrastructure, support trade in U.S. technologies and products and encourage international cooperation.

How have you influenced, or are you attempting to influence their position?

BofA has taken a leadership role in bringing together a group of U.S. Chamber members into a Climate Solutions Working Group. While not an official U.S. Chamber entity, this informal group of Chamber members is working to use its collective influence to move the Chamber on climate and energy issues. In 2019, following input from BofA and other companies working to align the Chamber’s climate positions with their own, the U.S. Chamber issued a statement supporting the U.S. staying in the Paris Climate Accord and created a Task Force on Climate Actions. BofA’s global environmental executive is a member of the Task Force, which puts us in a key position to influence Chamber positions on climate action. With input from our Climate Solutions Working Group and Task Force on Climate Actions, in 2021, the U.S. Chamber further updated its Climate Change position statement, most notably endorsing for the first time a “Market-Based Approach to Accelerate GHG Emissions Reductions across the U.S. Economy.”

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Yes

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

We are supportive of policies that will help accelerate the transition to a net zero economy and have continuously stated our support for a price on carbon as we know voluntary action alone is not enough to address the climate challenge. Through our membership in trade associations and nonprofit partnerships, we take an active policy stance on climate change issues, advocating for a stable and predictable regulatory environment with a goal to advance clean energy and a net zero economy.

We are a key member of various global alliances focused on sustainable finance, such as the U.N. Global Investors for Sustainable Development Alliance, the Energy Transition Committee, the recently formed Net Zero Banking Alliance, and the World Economic Forum (WEF) Net-Zero Transition Finance Committee, among others. Our CEO is actively involved in several alliances, including his Royal Highness the Prince of Wales's Sustainable Market Initiative which he co-chairs with the Prince of Wales, the WEF Climate CEO Leaders Alliance and the WEC International Business Council which he chairs, and which is spearheading efforts along with global accounting firms Deloitte, EY, KPMG and PwC towards convergence of ESG indicators and disclosures for use by investors and other financial participants. This work resulted in the 2020 Measuring [Stakeholder Capitalism: Toward Common Metrics and Consistent Reporting of Sustainable Value Creation](#) Report which establishes a set of universal ESG metrics and disclosures to measure stakeholder capitalism that companies can report on regardless of industry or region.

Our Managing Director, Climate Advisory co-chairs the International Chamber of Commerce's Sustainable Finance Working Group and sits on the Board of the International Emissions Trading Association, The Climate Group and the Corporate Advisory Board of the We Mean Business coalition.

Through our memberships in various trade groups focused on financial institutions and markets, we participate in discussions on the policy conditions needed to advance sustainable finance. For example, through our membership in the International Institute of Finance, we are involved in the Taskforce for Scaling Voluntary Carbon Markets and through our membership of the Global Financial Markets Association and the Association for Financial Markets in Europe we are engaging in discussions on the EU Action Plan on Sustainable Finance. This is in support of policy led efforts to develop a clear and detailed taxonomy for sustainable activities and establish EU labels for green financial products to enable investors to easily identify products that comply with sustainability criteria.

In the U.S., we are a member of the Ceres Company Network, the Center for Climate and Energy Solutions, the Business Roundtable Climate Working Group, the Rocky Mountain Institute Center for Climate Aligned Finance and the WRI Corporate Consultative Group. On clean energy, we are a member of the Solar Energy Industries Association, and the U.S. Partnership for Renewable Energy Finance, managed by the American Council on Renewable Energy. Our goals are to help unlock capital flows to renewable energy projects, provide expert input on how renewable energy finance policies affect the market and advocate for policies that promote renewables and other clean sources of electricity.

We provide intellectual capital and fund research into policy solutions that will support the transition to a low-carbon economy, including promoting financial innovation to increase low-carbon investment and climate resilience.

We are partnering with Stanford University on the Strategic Finance Initiative (SFI). SFI aims to accelerate the scaling-up of financing for an increasingly low-carbon economy, one that is better adapted to emerging technologies and a revival of long-term sustainable growth. SFI is examining risk issues and deal structures and bringing together national and sub-national players to address unique challenges in specific markets.

The Bank of America Charitable Foundation (BACF) provides funding support to the University of California Berkeley Center for Law, Energy and the Environment, which educates the next generation of environmental leaders and proposes policy solutions. BACF funds a Climate Change fellow position and co-sponsors the Center's Climate Change and Business Research Initiative which connects leaders from business, government, nonprofits and academia to address pressing environmental needs, serves as a conduit to experts and a clearinghouse for the latest climate change policy research.

Since 2013, BACF has provided financial support to the Clean Air Task Force, whose mission is to catalyze the rapid global development of low-carbon energy and other climate-protecting technologies through research and analysis, policy advocacy and partnerships with the private sector.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Our Global ESG Committee, which comprises senior leaders across every major line of business and support function at BofA, is responsible for overseeing our strategy and initiatives for managing ESG activities and practices, including those related to climate change, and for ensuring that these activities and practices, including those that seek to influence policy are consistent with our overall climate change strategy.

Our Global ESG, Capital Deployment, and Public Policy teams were merged into the same group in 2019, which facilitates a consistent approach to climate related policy engagement. This group works across the enterprise to embed our ESG and responsible growth strategy into all aspects of our business.

Our Global Environmental Group (GEG) which is part of the Global ESG, Capital Deployment and Public Policy group is responsible for leading our efforts to engage with policymakers on climate-related matters. The GEG, together with our Climate Risk and GSFG collaborate closely on our net zero strategy by working individually and collectively with the lines of business and control functions across the enterprise to address climate change. This includes assessing and managing climate risk and opportunities, mobilizing intellectual and financial capital to assist clients in their transition and engaging on external stakeholders. Together, these groups ensure the bank has a robust, consistent and integrated platform for governing and executing the enterprise climate strategy.

GEG and members of our public policy and risk management groups actively communicate and work with business lines engaged with clients across sectors to ensure that they are aware of our position on climate change and operate in accordance with that position. Our direct and indirect policy engagement efforts are aimed at supporting the competitiveness of and markets for climate innovation as well as promoting greenhouse gas emissions reductions in carbon intensive sectors. Our approach is to identify and partner with a range of stakeholders, including non-governmental organizations, academics and clients whose objectives are aligned with our own, and we have several long-standing partnerships that we believe have made significant steps towards addressing the climate change mitigation challenge.

Our ESRPF clearly and transparently articulates our positions on and approach to sectors that we recognize as being of heightened sensitivity and importance to us and our stakeholders, including those that carry elevated climate change concerns. Implementation of our ESRPF helps to ensure that employees across our business are taking a consistent approach to management of risks in these areas. Training on our Enterprise Risk framework, which includes information on our ESRPF, is mandatory for all employees and ESG is embedded into our Employee Code of Conduct.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

 BAC_2020_Annual_Report.pdf

Page/Section reference

Pages 9-11, 34-37, 41-42, 108

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

 BAC_2021_ProxyStatement.pdf

Page/Section reference

Pages iii-viii, 18, 30-35, 57

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

 environmental-and-social-risk-policy-framework-report Feb 2021.pdf

Page/Section reference

Whole document

Content elements

Governance
Strategy
Risks & opportunities
Emission targets
Other metrics

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

 ESG_Data-2020.pdf

Page/Section reference

Whole document

Content elements

Emissions figures
Emission targets
Other metrics

Comment

C-FS12.5

(C-FS12.5) Are you a signatory of any climate-related collaborative industry frameworks, initiatives and/or commitments?

	Industry collaboration	Comment
Reporting framework	Equator Principles Partnership for Carbon Accounting Financials (PCAF) Principles for Responsible Investment (PRI) Task Force on Climate-related Financial Disclosures (TCFD) Other, please specify Sustainability Accounting Standards Board, International Business Council Stakeholder Capitalism Metrics, Global Reporting Initiative, GHG Protocol	
Industry initiative	Partnership for Carbon Accounting Financials (PCAF) Principles for Responsible Investment (PRI) Ceres Other, please specify Net Zero Banking Alliance, Glasgow Finance Alliance for Net Zero, Rocky Mountain Institute Center for Climate Aligned Finance, Sustainable Markets Initiative, Sustainable Aviation Buyers Alliance, WEF Alliance of CEO Climate Leaders	
Commitment	Other, please specify Net Zero Banking Alliance, PCAF, EV100	

C14. Portfolio Impact

C-FS14.1

(C-FS14.1) Do you conduct analysis to understand how your portfolio impacts the climate? (Scope 3 portfolio impact)

	We conduct analysis on our portfolio's impact on the climate	Comment
Bank lending (Bank)	No, but we plan to do so in the next two years	
Other products and services, please specify	Not applicable	The other products or services category does not apply for our business.

C-FS14.1c

(C-FS14.1c) Why do you not conduct analysis to understand how your portfolio impacts the climate? (Scope 3 Category 15 "Investments" emissions or alternative carbon footprinting and/or exposure metrics)

We have not yet conducted this analysis because previously there has not been an agreed upon methodology widely used in the financial services sector for calculating and disclosing Scope 3 financed emissions. A methodology has now been developed by the Partnership for Carbon Accounting Financials (PCAF), of which we are a core member. We are in the process of calculating Scope 3 financed emissions in accordance with the GHG Protocol and using the PCAF methodology. We plan to start reporting emissions in 2022. We also joined the Net-Zero Banking Alliance (NZBA), in which we committed to quantify and report financed emissions, reach net zero before 2050 and set interim targets to reduce these emissions.

C-FS14.3

(C-FS14.3) Are you taking actions to align your portfolio to a well below 2-degree world?

	We are taking actions to align our portfolio to a well below 2-degree world	Please explain
Bank lending (Bank)	Yes	<p>Since 2007, BofA has mobilized more than \$200 billion toward our environmental business, and in April, 2021, we announced a ten-year environmental sustainable finance goal to mobilize and deploy an additional \$1 trillion in capital by 2030 to accelerate the environmental transition to a net zero economy.</p> <p>We are currently in the process of implementing the PCAF methodology to start calculating and ultimately disclosing the emissions associated with our financing activities in 2022. In the last year, we committed to</p>

		<p>achieve net zero greenhouse gas emissions in our financing activities, operations, and supply chain before 2050. We will also be setting 2030 targets for relevant high-emitting sectors, as part of our commitment to the Net Zero Banking Alliance starting in 2022 with the energy and power sectors.</p> <p>We will accomplish a net zero goal through an integrated climate strategy across our enterprise, building on nearly two decades of work in this space. This includes assessing clients and helping them with their own transitions, effectively managing climate risk across the bank, enhancing internal policies and advocating for external climate policy and also reducing environmental impacts of our operations and supply chain. Over the last year we have announced our 2030 goals for operations and supply chain.</p>
Other products and services, please specify	Not applicable	The other products or services category does not apply for our business.

C-FS14.3a

(C-FS14.3a) Do you assess if your clients/investees' business strategies are aligned to a well below 2-degree world?

	We assess alignment	Please explain
Bank lending (Bank)	Yes, for some	As part of our ongoing ESG advisory work with clients of the global corporate and investment banking business and the global commercial banking business, we regularly benchmark our clients' performance on a variety of climate metrics to encourage improvements in performance that better align with Paris Agreement targets. We also highlight the opportunity to align our clients' efforts and improvements in performance on emissions reduction to cost of capital through our product offering of sustainability-linked loans and bonds. In 2021, as we begin to calculate financed emissions and consider interim emission reduction targets we will engage further with clients and assess their climate progress.

C-FS14.3b

(C-FS14.3b) Do you encourage your clients/investees to set a science-based target?

	We encourage clients/investees to set a science-based target	Please explain
Bank lending (Bank)	Yes, for some	<p>As part of our sustainable finance work the team advises clients on climate goals and transitions encouraging the setting of long and short term science aligned goals. In addition, our CEO co-wrote a letter to all attendees of the World Economic Forum Annual Meeting at Davos in January 2020. In that letter, he encourages all companies, including our clients and investees, to:</p> <p>Set a target to achieve net zero greenhouse gas emissions by 2050 or sooner.</p> <p>Join the UN Global Compact Business Ambition for 1.5 Degrees</p> <p>Consider setting GHG emission reduction targets in line with the 1.5°C emission scenario of the Paris Climate Treaty</p> <p>Consider including a 2030 milestone target</p>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer (CFO)	Chief Financial Officer (CFO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	85,528,000,000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	0605051046

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Accenture

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

12

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is

up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with this group and with our fleet management personnel to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Accenture

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

142

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

AIB Group Plc

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

1

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

AIB Group Plc

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

15

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

AT&T Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0

Uncertainty ($\pm\%$)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

AT&T Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

27

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Caesars Entertainment

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

338

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are

identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Compagnie Financière Richemont SA

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Compagnie Financière Richemont SA

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

27

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

CVS Health

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

25

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

CVS Health

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

308

Uncertainty ($\pm\%$)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

9

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Deloitte Touche Tohmatsu Limited

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

108

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Goldman Sachs Group Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

18

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are

identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Goldman Sachs Group Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

227

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Kellogg Company

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

2

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Kellogg Company

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

22

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Keurig Dr Pepper

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

0

Uncertainty ($\pm\%$)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Keurig Dr Pepper

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

12

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

MetLife, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

148

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are

identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

NRG Energy Inc

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

5

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

NRG Energy Inc

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

59

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

16

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

Prudential Financial, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO2e

194

Uncertainty ($\pm\%$)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

20

Major sources of emissions

Stationary combustion, mobile combustion, refrigerants, and other fugitive emissions

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

Requesting member

The Allstate Corporation

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

Emissions in metric tonnes of CO₂e

0

Uncertainty (±%)

20

Major sources of emissions

Purchased electricity, steam, and chilled water

Verified

No

Allocation method

Allocation based on the market value of products purchased

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

We include in our inventory all Scope 1 and 2 GHG sources under our operational control. This includes all owned and leased facilities and vehicles. To ensure that all our facilities are included in the inventory, we consult our facility database each year to ensure that the facility list is up to date. Through discussions with our Real Estate Services group we ensure that all emissions sources associated with our facilities are identified and included in the inventory. We also work with our fleet management team to identify vehicles that are under our operational control for inclusion in the inventory.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

We use primary data based on our own emissions and revenue to allocate emissions. We do not use published industry average data. As our goods and services are primarily non-physical, we use an economic allocation approach based on market value, as defined by the GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Revenue is used as the market value metric. To allocate Scope 1 emissions to a client, corporate total Scope 1 emissions are multiplied by the ratio of the client's spend with us versus our total revenue. The same approach is taken for Scope 2 emissions.

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	The operations of our businesses and support lines are highly integrated, utilizing a central shared services infrastructure for many functions. As a result, the only feasible means for us to allocate emissions to our clients is to use corporate level data, rather than business line or facility level data.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

We anticipate that the economic allocation approach that we currently use to allocate emissions to clients will be the most appropriate approach for the foreseeable future.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Accenture

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

AIB Group Plc

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

AT&T Inc.

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Caesars Entertainment

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Compagnie Financière Richemont SA

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

CVS Health

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO₂e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Deloitte Touche Tohmatsu Limited

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Goldman Sachs Group Inc.

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Kellogg Company

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Keurig Dr Pepper

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

MetLife, Inc.

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

NRG Energy Inc

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

Prudential Financial, Inc.

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

Requesting member

The Allstate Corporation

Group type of project

Type of project

Emissions targeted

Estimated timeframe for carbon reductions to be realized

Estimated lifetime CO2e savings

Estimated payback

Details of proposal

We do not have a specific proposal, but we would be happy to discuss collaboration on any initiatives you are considering.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms