



For what matters.

Presentation to Canadian Business and Biodiversity Council 2011 National Workshop

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November 24, 2011

- Introduction to CIBC
- Environmental Management Framework
- Environmental Management in Practice
- Carbon Management
- Green Financing
- Forest Biodiversity and Conservation Efforts
- Q&A

- CIBC is a leading North American financial institution serving clients in Canada and around the world
- We provide a full range of products and services to almost 11 million clients
- 42,000 employees worldwide
- 1,100 branches across Canada with almost 4,000 ABMs

Constituent of the Dow Jones Sustainability Index (DJSI) for ten consecutive years

Four times as Carbon Disclosure Leader in Canada

- Our Corporate Environmental Management Program has a broad mandate
 - Includes aspects related to:
 - 1) Environmental Credit Risk Management
 - 2) Environmental Footprint
 - 3) Stakeholder Engagement
 - 4) Reporting
- The overarching principles of CIBC's environmental strategy are contained in our Corporate Environmental Policy
 - Approved by Board of Directors in 1993, regularly updated and approved by Risk Management Committee

- CIBC's Environmental Credit Risk Management Standards and Procedures guide how credit-specific environmental risks are managed
 - Two full time staff provide environmental review and guidance
 - Project financings must comply with the Equator Principles, which CIBC initially adopted in 2003

- Continue to reduce our environmental footprint
 - Environmentally Responsible Procurement Standard
 - Programs to improve energy efficiency, reduce consumption, reuse and recycle

- Established in 1991, CIBC's Environmental Credit Risk Management program identifies and manages environmental risks in our lending decisions
- CIBC's Environmental Credit Risk Management Standards and Procedures apply to most business lending
 - We use checklists, questionnaires, and the work of professional environmental consultants, as needed, to help us in our assessment
 - In 2007, we updated specific questions regarding the borrower's ability to manage climate change-related risks and the borrower's operations in environmentally sensitive areas (e.g., high conservation value forests, critical habitat, wetland or conservation areas)

- 515 transactions were referred to CIBC Environmental Risk Management for specialized environmental credit review (2010)
- Last year, ERM reviewed seven projects per the requirements of the Equator Principles
 - IFC Performance Standards for Environmental and Social Risk Management apply, including biodiversity aspects
 - Revised standards take effect in January, including a revised Performance Standard 6 – Biodiversity Management

- Environmentally Responsible Procurement Standard
 - Sets out requirements for including environmental considerations in procurement activities
 - Applies to all products and services that could have an adverse environmental impact
- Responsible fibre sourcing
 - We will not knowingly purchase forest products that were illegally harvested or from endangered forests
 - Preference for Forest Stewardship Council (FSC) certified paper
 - 84% of CIBC's bank-wide paper supply was sourced on FSC-certified paper in 2010

- Programs to improve energy efficiency, reduce consumption, reuse and recycle
 - On-going reduction in total energy use and related decrease in greenhouse gas emissions
 - Multi-functional device for printing and copying with card access (double-sided default)
 - Climate neutral, Cool Carpet used for renovations and new builds
 - Computers are donated to Computers for Schools program
 - Office furniture reuse program in place
 - All internal paper is securely collected, shredded, and recycled – over 8,000 t in 2010

- Carbon Risk Management program has five elements:
 1. Managing carbon emissions from our operations
 2. Assessing impacts of carbon regulation on our credit portfolio
 3. Tracking and assessing opportunities in emerging North American carbon markets
 4. Developing carbon risk screening tools in credit risk assessment
 5. Assessing the physical impacts of climate change to our operations and to our lending & investment portfolio

- In 2009, CIBC formed an investment team focused on green energy and clean technology markets.
 - Led by a vice-chairman in our Wholesale Banking business, this team integrates CIBC's expanding efforts in investment banking, lending and trading to provide capital and advice to leading Canadian companies.
- Since 2009, CIBC has arranged over \$1.5 billion in public and private equity financings and advised on the purchase or sale of over \$20 billion in assets for companies in these sectors.
- In 2011, CIBC lent approximately \$600 million of its own capital to finance specific projects generating electricity from wind, hydro, geothermal, landfill gas, biomass, clean natural gas and transmitting renewable power.

- In the last five years, worked on boreal forest issues in collaboration with conservation groups, industry associations (e.g. FPAC), Environment Canada, the Canadian Boreal Initiative, and other Canadian banks
- In 2007, we integrated responsible fibre sourcing components into our Environmentally Responsible Procurement Standard
- In 2007, we revised our Environmental Credit Risk Management Standards and Procedures to include questions regarding the borrower's ability to manage operations in environmentally sensitive areas and how climate change is managed
- Continue to engage in productive and proactive discussions with shareholders and NGOs on these important environmental issues

Questions & Answers