BMO Climate Ambition Backgrounder

Introducing the BMO Climate Institute – a new multi-disciplinary organization harnessing science, analytics powered by innovative technology and industry-leading expertise

The BMO Climate Institute is a virtual hub that brings together science, analytics and expertise to unlock solutions to climate change and drive climate adaptation innovations. The Institute will foster new ideas, build a community of thought leaders, and conduct rapid prototyping of practical solutions and strategies for managing risks and capturing opportunities in the face of a changing planet.

Purpose of the BMO Climate Institute

Leveraging a multi-disciplinary team of experts and state of the art technology to build unique climate analytics capabilities in order to be our clients’ lead partner in the transition to a net zero world. The Institute will:

- Provide a platform for thought leadership and collaboration on climate transition and adaptation solutions
- Identify investment and risk management opportunities for clients
- Act as an incubator for climate finance innovation
- Drive insights and best practices for industry, government, academia and investors

Sectors and industries in scope

Key financial sector climate themes in-scope for the Institute include

- Decarbonization and transition pathways
- Physical climate risk
- Biodiversity
- Deforestation
- Water management

Among others, sectors include:

- Mining
- Energy
- Agriculture
- Real estate
- Transportation

A new climate analytics platform

Unique to the BMO Climate Institute is a new climate analytics platform built by BMO’s Sustainability team and BMO Enterprise AI Labs with external partners. Leveraging geospatial data and leading scientific modelling, the platform will generate actionable insights on the impacts of climate change on physical assets. Other innovative technology solutions are also being integrated into the work of the Institute.

Working with leading organizations
The BMO Climate Institute will act as a convenor and thought leader on climate change and climate finance in partnership with leading organizations and institutions, including Queen’s University’s Institute for Sustainable Finance.

BMO’s recent actions and recognition on the path to Net Zero

- In 2019, BMO unveiled its Purpose to Boldly Grow the Good in business and life, announcing commitments to double the good for a thriving economy, sustainable future, and inclusive society
- In 2019, established a $250MM impact investment fund to help scale companies creating solutions to sustainability challenges
- BMO has been carbon neutral across its operations since 2010 and in October 2020 BMO reached a key milestone in matching 100 per cent of electricity usage with renewable electricity
- World-class sustainability disclosure, including on climate-related risks and opportunities in line with the Taskforce on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) standards
- In 2019, BMO issued a $500 million USD Sustainability Bond with use of proceeds tied to the UN Sustainable Development Goals
- In May 2020, BMO signed the Operating Principles for Impact Management, a gold standard for impact investment fund management, developed by the International Finance Corporation of the World Bank
- In October 2020, BMO joined the Mastercard Priceless Planet Coalition to contribute to the Priceless Planet goal of restoring 100 million trees in the next five years
- In February 2021, BMO provided the first labelled Green Loan in Canadian history to Atlantic Packaging to finance a new 100% recycled containerboard facility, and worked with Atlantic to publish a Green Financing Framework
- In March 2021, BMO automated its Green Home Program, making it easier for customers to get rebates. Homes that meet energy efficiency criteria are eligible for CMHC insurance rebates of up to 25 per cent at time of application

BMO’s leadership on sustainability has been recognized on numerous rankings, including:

- Ranked 15th on the Wall Street Journal’s 2020 list of the 100 Most Sustainably Managed Companies in the World, third overall on Social Capital, only bank in North America
- Top North American bank on Corporate Knights’ 2021 Global 100 Most Sustainable Corporations in the World for the second year in a row
- Ranked in the top 10 per cent of banks globally on the Dow Jones Sustainability Index, and the top North American bank (2020)
- Scored an A- on the 2020 CDP Climate Change disclosure
- Ethisphere® Institute's 2020 list of the World's Most Ethical Companies®
- Corporate Knights 2020 Best 50 Corporate Citizens in Canada

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