

A Exercise 5 (Track 14)

Climate protection: Milestones Bank set to neutralize its carbon footprint by 2018 High-level Climate Change Advisory Board will assist Milestones Bank in implementing its climate change strategy

Over the next ten years, Milestones Bank has committed itself to reducing its global carbon footprint by 10 percentage points per year compared to its 2007 base year. The objective is to neutralise CO₂ emissions of its worldwide operations by 2018. This will be achieved by reducing the Bank's carbon emissions through sustainable improvements in the energy efficiency of its buildings and technology infrastructure and greater use of renewable energy sources. The Bank will also purchase emission certificates to offset any remaining CO₂ emissions.

Dr. Martin Scheffler, Chairman of the Management Board, said: "It is our obligation as good corporate citizens to do what we can to create a healthy environment and stable economic and social conditions, in the interests of future generations. Neutralising CO₂ emissions will help us increase our lead in the field of sustainable economic activity. We are firmly committed to achieving carbon neutrality by 2018, and so far we are right on target."

The statement came at the conclusion of a three day conference in London of the ESC with the Bank's Climate Change Advisory Board. The recently established Board comprises eminent climate change leaders from business, policy-making and science. The mission of the Board is to assist Milestones Bank in shaping and implementing its climate change strategy with respect to employees, clients and other stakeholders.

At the conference, the ESC and the Climate Change Advisory Board of Milestones Bank agreed that it was essential for governments to maintain their commitment to climate change action, especially in the current economic environment. Investments into infrastructure to improve energy efficiency in buildings, the electric power grid, renewable power or public transport would not only lead to significant carbon reduction but also create jobs and help the economy to move faster out of recession.

For Milestones Bank, achieving carbon neutrality is an essential component of its overall climate change strategy. The Bank's Greenhouse Gas inventory for its 2007 'base year' was assessed at approximately 500,000 tonnes CO₂ worldwide. This is mostly made up of emissions caused by energy use, air conditioning and travel.

Roughly half of the greenhouse gases produced by the Bank come from energy consumption. A major priority will therefore be to improve the energy efficiency of its buildings in the coming years. For example, carbon emissions will be cut by more than 50% at the Bank's head office in Stuttgart, which is currently being transformed into one of the most environmentally-friendly office towers in Europe. Milestones Bank will also increase its use of renewable energy from certified suppliers. Today, regenerative energy sources already cover the Bank's entire power needs in Germany, Italy and Switzerland.

Strategies to further reduce carbon emissions caused by business travel will include asking employees to make more use of trains for short business trips and expanding modern teleconference technologies, including desktop videoconferencing, to reduce the need for business flights.

The Bank has earmarked € 22 million up to 2018 to neutralise unavoidable carbon emissions by purchasing emission certificates like CERs (Certified Emission Reductions) and ERUs (Emission Reduction Units) that are issued by the UN in line with the requirements of the Kyoto Protocol.

Since June 2008 the Bank has also been regularly informing its 40,000 employees around the world about energy, water and paper conservation as well as environmentally sound methods of waste disposal in order to raise environmental awareness.