

FACT SHEET: White House Launches American Business Act on Climate Pledge

Today at the White House, Secretary of State John Kerry and senior White House officials will host 13 of the largest companies from across the American economy who are standing with the Obama Administration to launch the American Business Act on Climate Pledge: Alcoa, Apple, Bank of America, Berkshire Hathaway Energy, Cargill, Coca-Cola, General Motors, Goldman Sachs, Google, Microsoft, PepsiCo, UPS, and Walmart. The companies making pledges as part of today's launch represent more than \$1.3 trillion in revenue in 2014 and a combined market capitalization of at least \$2.5 trillion.

The impacts of climate change are already being felt worldwide. Nineteen of the 20 hottest years on record occurred in the past two decades. Countries and communities around the world are already being affected by deeper, more persistent droughts, pounded by more severe weather, inundated by bigger storm surges, and imperiled by more frequent and dangerous wildfires. Rising temperatures can lead to more smog, longer allergy seasons, and an increased incidence of extreme-weather-related injuries, all of which imperil public health, particularly for vulnerable populations like children, the elderly, the sick, the poor, and some communities of color. No corner of the planet and no sector of the global economy will remain unaffected by climate change in the years ahead.

Climate change is a global challenge that demands a global response, and President Obama is committed to leading the fight. The President's Climate Action Plan, when fully implemented, will cut nearly 6 billion tons of carbon pollution through 2030, an amount equivalent to taking all the cars in the United States off the road for more than 4 years. And while the United States is leading on the international stage and the federal government is doing its part to combat climate change, hundreds of private companies, local governments, and foundations have stepped up to **increase energy efficiency, boost low-carbon investing, and make solar energy more accessible** to low-income Americans.

The measures taken by the public and private sectors enabled President Obama to set an ambitious but achievable goal of reducing greenhouse gas emissions economy-wide by 26-28% by 2025 last November—and to do so alongside Chinese President Xi Jinping,

who committed for the first time that China would peak their emissions by around 2030. As the world looks toward global climate negotiations in Paris this December, American leadership at all levels will be essential.

By signing the American Business Act on Climate pledge, these companies are:

- Voicing support for a strong Paris outcome. The pledge recognizes those countries that have already put forward climate targets, and voices support for a strong outcome in the Paris climate negotiations. To date, countries representing nearly 70% of global carbon pollution from the energy sector have announced post-2020 climate policies ahead of Paris.
- Demonstrating an ongoing commitment to climate action. As part of this initiative, each company is announcing significant new pledges to reduce their emissions, increase low-carbon investments, deploy more clean energy, and take other actions to build more sustainable businesses and tackle climate change.
- All told, today's announcements total **at least \$140 billion in new low-carbon investment** and **more than 1,600 megawatts of new renewable energy**, in addition to ambitious, company-specific goals to cut emissions as much as 50 percent, reduce water intensity as much as 15 percent, purchase 100 percent renewable energy, and pursue zero net deforestation in supply chains.
- Setting an example for their peers. Today's announcements are only the beginning. This fall, the Obama Administration will release a second round of pledges, with a goal of mobilizing many more companies to join the American Business Act on Climate Pledge. In addition, on October 20-21, Secretary Kerry will convene a forum at the State Department to highlight American leadership in climate investment and innovative solutions to our toughest climate finance challenges.

As President Obama said at the U.N. Climate Summit last September, "There's one issue that will define the contours of this century more dramatically than any other, and that is the urgent and growing threat of a changing climate." The American Business Act on Climate Pledge shows that the U.S. private sector, with its history of innovation and ingenuity, is committed to stepping up and doing its part in taking on this global challenge.

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THE AMERICAN BUSINESS ACT ON CLIMATE PLEDGE

We applaud the growing number of countries that have already set ambitious targets for

climate action. In this context, we support the conclusion of a climate change agreement in Paris that takes a strong step forward toward a low-carbon, sustainable future.

We recognize that delaying action on climate change will be costly in economic and human terms, while accelerating the transition to a low-carbon economy will produce multiple benefits with regard to sustainable economic growth, public health, resilience to natural disasters, and the health of the global environment.

We put forth our pledges as follows:

ALCOA

Building on our existing global commitment to reduce GHG intensity by 30% by 2020 (vs. 2005 baseline), Alcoa pledges to:

- Reduce absolute GHG emissions by 50% in the U.S. (vs. 2005 baseline) by 2025,
- Deploy our full range of innovations to develop materials, products and technologies that move us toward a low carbon sustainable future, and
- By 2025, demonstrate a net reduction of GHG emissions from the use of our products equal to three times the emissions created by their production.

APPLE

Apple, already running all of its U.S. operations on 100% renewable energy, will bring an estimated 280 megawatts of clean power generation online by the end of 2016 through investments in Arizona, California, Nevada, North Carolina, Oregon and Sichuan Province, China. Since 2011, Apple has reduced carbon emissions from its global corporate facilities, data centers and retail stores by 48%.

BANK OF AMERICA

Since 2007, Bank of America has provided more than \$39 billion in financing for low-carbon activities to help address climate change. Bank of America pledges to:

- Increase our current environmental business initiative from \$50 billion to \$125 billion by 2025 through lending, investing, capital raising, advisory services and developing financing solutions for clients around the world.
- Attract a wider array of capital to clean energy investments by developing innovative financing structures – from reducing investment risk through our Catalytic Finance Initiative to engaging individual investors through our Socially

Responsible Investing platform to building new markets for green bonds, yield-cos and other vehicles.

BERKSHIRE HATHAWAY ENERGY

Berkshire Hathaway Energy pledges to:

- Build on our investment of more than \$15 billion in renewable energy generation under construction and in operation through 2014 by investing up to an additional \$15 billion.
- Pursue construction of an additional 552 megawatts of new wind generation in Iowa, increasing MidAmerican Energy Company's generating portfolio to more than 4,000 megawatts of wind which is comparable to 57 percent of its retail energy load in 2017. MidAmerican Energy Company is the nation's largest owner of wind generation among regulated, investor-owned utilities.
- Retire more than 75 percent of our coal-fueled generating capacity in Nevada by 2019.
- Add more than 1,000 megawatts of incremental solar and wind capacity through long-term power purchase agreements to PacifiCorp's owned 1,030 megawatts of wind generating capacity. PacifiCorp is the nation's second largest owner of wind generation among regulated, investor-owned utilities. This incremental renewable generation, expected to be online by the end of 2017, would bring PacifiCorp's non-carbon generating capacity to more than 4,500 megawatts which equates to approximately 22 percent of PacifiCorp's retail energy load in 2017.
- Invest in transmission infrastructure in the West and Midwest to support the integration of renewable energy onto the grid.
- Support and advance the development of markets in the West to optimize the electric grid, lower costs, enhance reliability and more effectively integrate renewable resources.

CARGILL

Cargill established comprehensive goals around climate, energy, and water 10 years ago. We have improved energy efficiency by 16 percent, carbon intensity by 9 percent, and freshwater efficiency by 12 percent since setting energy goals in 2000 and climate and water goals in 2005. We continue to raise the bar and have set new goals through 2020.

From our 2015 baseline, Cargill pledges to over the next five years:

- Improve greenhouse gas (GHG) intensity by 5 percent.
- Improve freshwater efficiency by 5 percent.
- Improve energy efficiency by 5 percent.
- Increase renewable energy to 18 percent of our total energy use, up from 14 percent.

Cargill is a signatory to the United Nations' New York Declaration on Forests, committed to doing its part to cut natural forest loss in half by 2020, and strive to end it by 2030.

Cargill continues to work with customers and civil society to build sustainable supply chains that address climate concerns. We also partner with farmers and ranchers to help agriculture adapt to a changing climate. Our focus areas address sensitive needs in the critical supply chains of palm, soy and beef.

- Palm: Cargill is building a traceable and transparent palm oil supply chain firmly committed to no deforestation of high conservation value (HCV) lands or high carbon stock (HCS) area; no development on peat, and no exploitation of rights of indigenous peoples and local communities.
- Soy: Cargill has played a critical role in stemming the spread of deforestation in the Amazon by working with industry and NGO partners to develop and implement the Brazilian Soy Moratorium, a voluntary zero-deforestation agreement that contributed to a dramatic drop in deforestation in the region.
- Beef: A founding member of the Global Roundtable for Sustainable Beef (GRSB) and the U.S. Roundtable for Sustainable Beef (USRSB), Cargill is committed to conserving, reducing and more efficiently managing resources, and mitigating greenhouse gas emissions.

COCA-COLA

Coca-Cola pledges to reduce the carbon footprint of “the drink in your hand” by 25% by 2020.

Across the Coca-Cola system (our company and more than 250 bottling partners globally), we intend to make significant, comprehensive changes, investments and technology advancements to reduce our greenhouse gas emissions by 25 percent by 2020 as our

business continues to grow. We estimate that achieving this ambitious goal will prevent approximately 20 million metric tons of carbon emissions annually by 2020. That's four times the Coca-Cola system's annual carbon emissions from manufacturing.

This goal is comprehensive and extends across our entire value chain - ingredient sourcing, manufacturing processes, packaging formats, delivery fleet, and refrigeration equipment.

GENERAL MOTORS

General Motors pledges to:

- Reduce energy intensity from facilities 20 percent by 2020 over a 2010 baseline.
- Promote use of 125 megawatts of renewable energy by 2020 over a 2010 baseline.
- Reduce carbon intensity from facilities 20 percent by 2020 over a 2010 baseline.
- Reduce water intensity 15 percent by 2020 over a 2010 baseline.
- Reduce total waste 40 percent by 2020 over a 2010 baseline.
- Achieve 150 landfill-free facilities by 2020 and set an aspirational goal to have all manufacturing sites send zero waste to landfill.
- Maximize vehicle efficiencies and reduce carbon emissions around the globe while meeting a variety of customer needs.
- Help make electrified vehicles become more mainstream.
- Collaborate with others and proactively look for sustainability opportunities that collectively drive economic, environmental and social improvements.

GOLDMAN SACHS

Goldman Sachs pledges to:

- Goldman Sachs has had a long standing commitment to harness markets and deploy capital to scale-up clean energy technologies and facilitate the

transition to a low carbon energy future. In 2012, we established a ten year goal to finance and invest \$40 billion in clean energy globally. Three-and-a-half years into that goal, we have already mobilized \$33 billion of capital for solar, wind, smart grid and other clean technologies. We expect to achieve the full goal within the next year and will commit to establish a larger 2025 target to deploy capital to clean tech and renewable energy.

- We will also harness financial mechanisms to help our clients strengthen their physical resiliency and more effectively manage risks relating to weather extremes. Since 2006, we have structured over \$14 billion of weather-related catastrophe bonds. As part of our continuing efforts in providing risk management solutions, we will facilitate new models that can evaluate the financial benefits of increased investments in physical resiliency.
- Recognizing the importance of reducing our own carbon footprint, we pledge to achieve carbon neutrality across our operations and business travel in 2015 and maintain it thereafter. We will also aim to use 100% renewable power to meet our global electricity needs by 2020. Finally, by 2020 we will strive to reduce absolute energy use across our occupied operationally-controlled facilities by at least 10% from a 2013 baseline.

GOOGLE

Google pledges to:

- Renewable energy: Google is committed to powering our operations with 100% renewable energy. We have purchased 1.1 gigawatts of renewable energy to power our data centers, and we commit to tripling our purchases of renewable energy by 2025. We believe that by directly investing in renewable energy projects, we can help accelerate the shift to zero-carbon power and create a better future for everyone. We commit to continuing our \$2 billion/2.5 gigawatts cumulative investments in transformative global clean energy projects, including major investments by 2025 in emerging markets, where there is both great need and great potential.
- Transportation: Google shuttles and corporate electric vehicles result in net annual savings of 29,000+ metric tons of CO₂, equivalent to taking 5,700 cars off the road or avoiding 87M vehicle miles every year. In our Bay Area headquarters we commit to reducing single occupancy vehicle commuting to 36%, a 10% reduction from today, by transitioning our employees to shuttles, carpool, public transit, biking, and walking.

- Water Usage: Google is committed to reducing our water consumption, particularly in the drought-ridden Western United States, through the use of recycled water irrigation, drought tolerant plants, less turf grass, fixture replacements and employee awareness efforts. After exceeding our 20% energy, water and waste reduction goals in 2014 associated with the California Best Buildings Challenge, we are now targeting a 30% reduction in potable water use by our Bay Area headquarters in 2015 from our 2013 baseline.
- Products and Platforms: Google's products help drive carbon mitigation efforts and inform climate science. Our Google Earth Engine geospatial analysis platform makes more than 40 years of satellite imagery available online so scientists and researchers can analyze real-time changes to the Earth's surface. Through the Climate Data Initiative, we provided one petabyte of cloud storage for data and climate/weather models, plus 50 million hours of high-performance cloud computing. We commit to continuing to develop products and platforms that can help reduce emissions and bring the power of cloud computing to climate science.

MICROSOFT

At Microsoft, we're committed to driving environmentally sustainable business practices and catalyzing technology innovations that help people and organizations around the world to realize a sustainable future.

Microsoft pledges to:

- Maintain carbon neutral operations for our datacenters, offices, labs, manufacturing facilities, and business air travel.
- Purchase 100% renewable energy for the operations of our datacenters, offices, labs, and manufacturing facilities.
- Offset 100% of emissions from business air travel through supporting carbon offset projects that also drive social benefits in emerging nations.

PEPSICO

At PepsiCo, we recognize that limiting global warming to 2° Celsius is absolutely critical to our future and reiterate our call for collective action and our commitment to implementing solutions that will help achieve this goal. PepsiCo pledges to:

- Utilizing PepsiCo's Sustainable Farming Initiative, expand the use of sustainable

farming practices to 500,000 acres of farmland used by our North American agricultural suppliers in our corn, oats, potato, and citrus supply chains by the end of 2016.

- Continue to implement hydrofluorocarbon (HFC)-free point-of-sale equipment (coolers, vending machines and fountain dispensers) to meet the goal that all of our new equipment in the U.S. will be HFC-free by 2020.
- Continue to reduce the greenhouse gas emissions from our global fleet through the use of electric, hybrid, compressed natural gas, alternative fuel vehicles and other fuel efficiency programs.
- Strive for zero deforestation in our business operations and global supply chain by 2020.
- Utilize the data generated and best practices learned at our facilities employing photovoltaic systems in the U.S. to help inform future solar installations and meet our goal of achieving an absolute greenhouse gas reduction.
- Strive to increase the amount of recycled content in our global packaging, as we have in our U.S. beverage packaging which included 111 million pounds of rPET in 2014.

UPS

In 2013, successful execution of our global greenhouse gas strategy at UPS enabled us to exceed a 10 percent reduction in carbon intensity three years ahead of our 2016 goal. In 2014, we achieved a 14.1 percent reduction in our carbon intensity versus a 2007 baseline as a result of successfully executing carbon reduction strategies in our ground and air fleet.

Accordingly, UPS pledges:

- To double our goal to a 20 percent reduction in greenhouse gas emissions by 2020, as measured by our UPS Transportation Intensity Index, off a 2007 baseline. The Transportation Intensity Index normalizes our greenhouse gas (GHG) emissions to business volume, for instance by reducing the amount of fuel required to travel a given distance or to carry a given amount of cargo or packages; covers 96 percent of our worldwide Scope 1 and Scope 2 CO₂e emissions; and combines data from separate carbon intensity metrics associated with our business segments.

- To achieve by 2017 a cumulative billion miles of package or freight movement in our alternative fuel/technology truck fleet, which we expect will number over 7,700 trucks by the end of 2015.

Our UPS plan includes:

- Network and mode optimization to minimize the miles traveled and energy consumed.
- Investments in fuel-saving technologies to reduce our dependency on petroleum-based fuels.
- Investments in alternative fuel vehicles to help offset the use of conventional petroleum fuels
- Energy conservation through facility design, operational practices, renewable energy, and retrofitting.
- Accurate, verified disclosure of global greenhouse gas emissions data per recognized standards.

WALMART

At Walmart, we believe climate change is an urgent and pressing challenge, and we must all do our part to reduce, avoid and mitigate the impact of rising greenhouse gas (GHG) levels. We remain committed to our role in accelerating the transition to a sustainable future.

In 2014, we operated with 9 percent less energy per square foot compared with our 2010 baseline and 26 percent of our electricity used was generated from renewable sources - keeping us on track toward our goal of being powered by 100 percent renewable energy. Additionally, we've reduced the GHG intensity of our operations (Scope 1 and 2) for eight consecutive years, we're on track to hold our absolute emissions flat over this decade, even with our continued growth as a company, and working with our suppliers, we're on track to exceed our 2015 goal of eliminating 20 million metric tons of GHG emissions from our supply chain.

Walmart is committed to collaborating with suppliers, NGOs, governments and other corporate partners to continue to enhance the sustainability of our operations and product supply chains for people and the planet.

Walmart puts forth our pledges as follows:

- Drive the production or procurement of 7 billion kilowatt hours (kWh) of renewable energy globally by Dec. 31, 2020 – an increase of more than 600 percent versus our 2010 baseline.
- Double the number of on-site solar energy projects at our U.S. stores, Sam's Clubs and distribution centers by 2020, compared with our 2013 baseline.
- Reduce the total kWh-per-square-foot energy intensity required to power our buildings around the world by 20 percent by 2020 versus our 2010 baseline.
- Gain increasing visibility into key metrics regarding yields, water usage and GHGs in our food supply chains by 2025. Walmart is now working with suppliers, representing approximately 70% of our food sales, to report their yield, water and GHG footprints all the way back to the farm.
- Establish joint agricultural partnerships with 17 suppliers, cooperatives and service providers on 23 million acres of land in the U.S. and Canada, with the potential to reduce 11 million metric tons of GHG by 2020.
- Achieve zero net deforestation in product sourcing by 2020 as part of The Consumer Goods Forum.