WHEREAS: Banks play a critical role in meeting the Paris Agreement's goal of limiting global warming to 1.5 degrees Celsius, requiring net zero greenhouse gas (GHG) emissions by 2050. Projections have found that limiting global warming to 1.5 degrees versus 2 degrees will save $20 trillion globally by 2100, and exceeding 2 degrees could lead to climate damages in the hundreds of trillions. Yet in 2019, the Bank of England reported that the global financial system supports carbon producing activities that will cause temperature rise greater than 4 degrees Celsius -- double the limit necessary to avoid catastrophic warming.

This carbon intensive funding creates systemic portfolio risks to the global economy, investors, and banks' profitability. The United States' Commodity Futures Trading Commission recently acknowledged that climate change could impair the productive capacity of the national economy. Recognizing growing risk, the European Investment Bank, the largest global multilateral lender, will stop funding fossil fuel projects in 2021. Over half the syndicated lending of major American banks is exposed to climate transition risk, with Bank of America (BofA) leading the list.

BofA's financing contributes to this global climate risk. BofA is the fourth largest source of financing to fossil fuel companies globally, averaging nearly $40 billion annually since the Paris Agreement was signed. Significantly, its financing of fossil fuels *increased* over 38% in 2019, moving our bank in the wrong direction on climate impact.

In contrast, peer U.S. banks are following the lead of other global banks in beginning to address the GHG emissions associated with their financing activities. Morgan Stanley has committed to reach net zero financed emissions by 2050. JPMorgan made a Paris aligned financing commitment, with interim 2030 targets to be set soon. Bloomberg noted the importance of interim targets, challenging banks to pursue 50 percent reductions by 2030.

While BofA has recognized the need for its clients to reduce GHG emissions, set a goal to increase low carbon financing, undertaken climate risk analysis, achieved carbon neutrality in its own operations, and announced its participation in the global Partnership for Carbon Accounting Financials (PCAF) to measure and disclose its financed emissions, it has not indicated whether it plans to reduce its financed emissions in alignment with the Paris Agreement's net zero targets. In fact, its financing of fossil fuels is moving in the opposite direction.

BE IT RESOLVED: Shareholders request that BofA issue a report, at reasonable cost and omitting proprietary information, outlining if and how it intends to reduce the GHG emissions associated with its financing activities in alignment with the Paris Agreement's 1.5 degree goal, requiring net zero emissions.

SUPPORTING STATEMENT: Shareholders recommend the report disclose, among other issues, at board and management discretion

- Whether BofA is considering setting Paris aligned, net zero targets, such as Science Based or other targets, and on what timeline, to reduce the carbon footprint of its financing activities.