



Green Bond Impact Report

2021



Introduction

Welcome to CIBC's first Green Bond Impact Report.

CIBC issued its inaugural Green Bond in October 2020. The USD\$500 million, five-year Green Bond is financing projects, assets and businesses in North America and internationally that are shaping a more sustainable future, including through climate change solutions.

CIBC's Green Bond raised and provided USD\$500 million to 20 green projects, ranging from offshore wind farms to green buildings, while also supporting several of the UN's Sustainable Development Goals. Proceeds from CIBC's Green Bond were allocated to eligible assets in alignment with [CIBC's Green Bond Framework](#) (the "Framework", established in March 2020).

CIBC recognizes that the current climate change emergency will have an increasingly potent influence on all sectors. Through sustainable financing activities, we aim to facilitate the transition to a greener future for our clients and our community. To support this ambitious goal, CIBC has also announced an ambition to achieve net zero greenhouse gas (GHG) emissions across our financial and operational activities by 2050.

As our clients' interests in ESG focused investments increase, we're proud to be responding with innovative new solutions to meet their evolving needs. In 2021, CIBC launched the CIBC Index Growth GICs (GIC) for retail investors, becoming the first Canadian bank to offer our retail investors an environmental, social and governance (ESG)-themed Market-Linked Guaranteed Investment Certificate where proceeds were allocated to eligible assets in alignment with CIBC's Green Bond Framework.

This report summarizes the Framework, provides an overview of the Green Bond Asset Portfolio ("the Portfolio") and highlights the environmental impacts of projects financed through it. The Portfolio refers to the assets allocated from CIBC's Green Bond proceeds. We intend to report annually to outline any changes to our Portfolio.

Green Bond highlights

- USD\$500 million provided for investments that address environmental challenges
- 20 green projects supported in North America and internationally
- USD\$148 million to complete CIBC's new, lower-carbon and to be LEED-certified global headquarters in Toronto, Canada
- USD\$53 million to construct a world-leading wind farm in the UK



Green Bonds:

Advancing our sustainable financing ambitions

As the need and demand for environmentally responsible capital allocation increases, CIBC is committed to being a leader and a catalyst for progress. Our activity in the green bond market is a strategic part of our broader program to mobilize \$300 billion in environmental and sustainable finance activities by 2030.


By issuing our own Green Bond, we are raising funds to support investments that address critical environmental and sustainability challenges. Through CIBC Capital Markets, we have also led or participated in a number of green bond issuances by other organizations.

CIBC currently ranks in the top 10 in financing for the renewable energy sector across North America, a clear indication of the progress being made in helping clients achieve their sustainability ambitions.

Our Green Bond Framework

Our Green Bond is based on CIBC's Green Bond Framework and follows the 2018 International Capital Market Association ("ICMA") Green Bond Principles.

As outlined in the accompanying chart, the Framework establishes eight eligible categories that support the UN Sustainable Development Goals ("SDGs"). We are focusing on these areas to increase environmental progress and make a lasting positive impact. A business must derive at least 90% of its revenue from these categories to be eligible for funding by CIBC's Green Bond.

Eligible categories	UN SDGs alignment
Renewable energy	
Energy efficiency	
Pollution prevention and control	
Environmentally sustainable management of living natural resources and land use	
Terrestrial and aquatic biodiversity conservation	
Clean transportation	 
Sustainable water and waste water management	 
Green buildings	

Proceeds management and reporting

The Green Bond Framework outlines the process for issuing green bonds:

Identify potentially eligible assets

Our Corporate Banking and Commercial Banking group identifies clients and loans that may align to eligible categories in the Framework.

Verify that assets meet Green Bond criteria

CIBC's Green Bond Council screens each proposed client and loan against the Framework to ensure that they meet our criteria. The Council uses publicly available data, client information and sustainability knowledge to screen assets against the criteria for eligible categories.

Manage proceeds

The Green Bond Council oversees allocating Green Bond proceeds, through a portfolio approach. The Green Bond Asset Portfolio is dynamic, with maturing assets being replaced with new eligible assets.

Measure impact and report

Portfolio data comes from internal and external sources. Data is used to calculate impact by eligible category. We have included the calculation methodologies in the Impact Metrics and Methodology section on page 5.

CIBC's Green Bond Council is comprised of professionals from specialist teams in Treasury, Environmental Risk Management, Capital Markets and Commercial Banking.

External review

Sustainalytics – an independent provider and global leader in ESG research, analysis and services to investors – has provided a second-party opinion on the Framework's alignment with the Green Bond Principles. As part of the procedures laid out in the Framework, Sustainalytics has also completed an annual review of the projects funded through the Green Bond. EY, our independent auditor, has provided reasonable assurance on the allocation of proceeds from the Green Bond and Index Growth GIC.

Please refer to the [Sustainalytics' Annual Review](#) and [EY's Reasonable Assurance Report](#).



Asset portfolio – allocation of proceeds

The total amount of CIBC Green Bond proceeds was allocated to the Green Bond Asset Portfolio, which contains assets across the eligible categories. Below, we've shown the allocation by eligible category and a summary of the estimated environmental impact for the two largest categories. All the data is as at July 31, 2021 and is based on the currency stated.

CIBC Green Bond details

Amount:
USD\$500MM

Issued:
October 23, 2020

Maturity date:
October 23, 2025

CIBC Index Growth GIC details

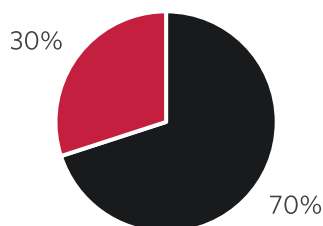
Amount issued:
CAD\$23MM

Issued:
June - July 2021

Maturity term:
3 - 5 years

Use of proceeds / allocation of proceeds of the Green Bond

Allocation (USD\$MM)



■ Renewable Energy ■ Green Buildings

Eligible categories	Green Bond Amount (USD\$MM)	Index Growth GIC Amount (CAD\$MM)
Total Green Bond proceeds	500	
Total GIC proceeds		23
Renewable energy	352 [†]	
Green buildings	148 [†]	23 [†]
Allocation of proceeds	500 [†]	23 [†]
Balance of proceeds	0 [†]	0 [†]

[†] Included within scope of reasonable assurance provided by Ernst and Young LLP.

Green Bond impact metrics and methodology

	Energy capacity (MW)	Green energy generated annually (MWh)	GHG emissions avoided annually (tCO ₂ e)
Renewable energy*	406	1,474,079	1,066,234

* Where clients couldn't provide measurements or, when data was not available, estimates were used. When not reported directly, annually generated green energy was estimated by applying efficiency factors to client-provided total capacity megawatts (MW). Regional emissions factors from the Environmental Protection Agency (EPA) were used to estimate greenhouse gas (GHG) emissions avoided annually.¹ CIBC's loan share was applied to each project to determine the portfolio's final impact metrics.

	Green building space (m ²)	GHG emissions avoided annually (tCO ₂ e)	Energy saved annually (MWh)	Water conserved annually (L)
Green buildings [†]	156,500	1,716	13,277	14,540,069

* Where clients couldn't provide measurements or, when data was not available, estimates were used. Avoided GHG emissions (tCO₂e) on energy saved annually (MWh) were calculated in reference to an EUI of 217, per the LEED 2009 standard, using regional factors from Energy Star Portfolio Manager. Energy saved annually includes total energy and gas savings compared to the Model National Energy Code for Buildings (MNECB) baseline. Green building space is seeking LEED Platinum certification. CIBC's loan share was applied to each project to determine the portfolio's final impact metrics.

Featured Green Bond projects

Since launching one year ago, our Green Bond has helped fund 20 projects, putting USD\$500 million of the proceeds to use. A few of these projects are described below.

We aim to grow our green bond program over the coming years, with the goal of driving environmental progress and building a climate-resilient economy. Our work and aspirations in this area are aligned with the Government of Canada's Expert Panel on Sustainable Finance², which emphasizes the need to mobilize finance for the transition to a low-carbon, more sustainable economy.

Green buildings: CIBC SQUARE (Hines and Ivanhoé Cambridge)

CIBC acted as Lead Arranger, Bookrunner, Green Structuring Agent and Administrative Agent on a term financing for this building located in Toronto, Ontario, Canada. The site at 81 Bay Street represents the first of two world-class office towers comprising CIBC SQUARE, a project developed by global real estate leaders Hines and Ivanhoé Cambridge. The CIBC SQUARE campus will be one of the first office complexes in Toronto to reduce water consumption by capturing, filtering and sanitizing groundwater and rainwater for use in on-site washrooms. To help tenants choose lower impact commuting options, it will connect directly to Union Station and provide over 500 bicycle racks and 28 shower facilities. 81 Bay is the first building in Canada to achieve WiredScore Platinum Pre-Certification. This standard identifies and certifies buildings with advanced and redundant technology. It will also garner LEED Core & Shell Platinum Certification and is pre-registered for WELL Building Standards certification.

Renewable energy: Solar generation facilities (TerraForm Canada)

CIBC acted as Bookrunner, Joint Lead Arranger, Administrative Agent and Collateral Agent in the financing to TerraForm Canada UTL Solar Holdings LP ("TerraForm Canada"), which owns four solar assets. TerraForm Canada is fully-owned by Brookfield Renewable Partners L.P. and its institutional partners. Located across Ontario, Canada, the projects have a combined operating capacity of 40 MW. The projects include a 10 MW solar generating facility in Lindsay, Ontario; a 10 MW solar generating facility in Uxbridge, Ontario; and two 10 MW solar generating facilities in Kawartha Lakes, Ontario.

Renewable energy: Offshore wind project (Northland Power / Deutsche Bucht)

CIBC was Mandated Lead Arranger for Northland Power in the refinancing the Deutsche Bucht offshore wind project. Deutsche Bucht, a EUR1.5 billion project, is located in the German North Sea and has an operating capacity of 252 MW. The project was completed in March 2020 and will help meet the annual energy needs of 300,000 people in Germany. Deutsche Bucht will play an important role in reducing the annual CO₂ emissions of Germany by 700,000 tons, supporting the German government's CO₂ reduction ambitions.

Renewable energy: World's largest offshore wind farm (Dogger Bank)

CIBC acted as Mandated Lead Arranger and provided term financing to Dogger Bank Wind Farm A & B, owned by SSE Renewables, Equinor and Eni. Dogger Bank is an offshore wind farm being developed in three phases - Dogger Bank A, B and C - located between 130 km and 190 km from the North East coast of England at their nearest points. Collectively, once built Dogger Bank will be the world's largest offshore wind farm. Each phase will have an installed generation capacity of up to 1.2 GW and represents a multi-billion pound investment. Combined, they will have an installed capacity of up to 3.6 GW and will be capable of powering up to 6 million homes.



CIBC's commitment to sustainability

Sustainability is at the heart of CIBC's purpose: to help make clients' ambitions a reality.

Guided by this purpose, we integrate sustainability into every aspect of our business, focusing on environmental, social and governance (ESG) matters of importance to our stakeholders. From using our lending and investments to help drive a greener economy, to ensuring the availability of and fair access to financial services, CIBC is creating sustainable value for our stakeholders in a wide variety of ways.

About CIBC

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\$300 billion by 2030

CIBC's new target for mobilizing sustainable finance.



Net zero ambition by 2050

Goal for our operational and financing activities.



More information

Visit our website to learn more about [CIBC's Green Bond](#) or its associated Framework, or contact our Investor Relations team.

¹ epa.gov/avert

² The panel defines sustainable finance as: Capital flows (as reflected in lending and investment), risk management activities (such as insurance and risk assessment) and financial processes (including disclosures, valuations and oversight) that assimilate environmental and social factors as a means of promoting sustainable economic growth and the long-term stability of the financial system.

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