

Union Bank of India Becomes First major Indian Bank to Join the Partnership for Carbon Accounting Financials (PCAF)

Union Bank of India proudly announces that it has become the first Indian bank to join the Partnership for Carbon Accounting Financials (PCAF), a significant milestone in its commitment to sustainability and transparent reporting of Green House Gas (GHG) emissions.

The PCAF, launched globally in September 2019, is a collaboration among financial institutions worldwide that aims to harmonize the assessment and disclosure of GHG emissions financed by loans and investments. With over 500 financial institutions from six continents, including major global players like Barclays, Morgan Stanley, Citi, and Bank of America, PCAF is rapidly expanding its influence across North America, Latin America, Europe, Africa, and Asia-Pacific.

Union Bank of India's decision to join PCAF aligns with the Reserve Bank of India's (RBI) draft disclosure framework on climate-related financial risks, which requires banks to begin reporting on these risks by April 2025 and to meet specific climate targets by April 2027. By joining PCAF, Union Bank of India is proactively positioning itself to meet these requirements well in advance, reinforcing its commitment to sustainability.

Key Benefits of Joining PCAF:

- **Industry-Standard Methodology:** Union Bank of India will gain access to a globally recognized methodology for measuring the emissions associated with its activities, ensuring that its reporting is consistent, transparent, and comparable with industry peers.
- **Enhanced Transparency:** The bank will be better equipped to publicly disclose the GHG intensity of its business, providing investors with the transparency needed to monitor progress and make informed decisions.
- **Alignment with Climate Goals:** The bank is dedicated to aligning its lending portfolios with India's Nationally Determined Contributions and the targets set by the Paris Agreement on Climate Change. PCAF's standardized approach will aid in assessing GHG emissions at the portfolio level in a granular and systematic manner.
- **Pioneering Role in India:** Union Bank of India will play a crucial role in developing standards for financed emissions, such as agriculture and microfinance, where such standards have not yet been established.

By joining PCAF, Union Bank of India is not only preparing to meet future regulatory requirements but also contributing to the global effort to combat climate change. The bank's participation in this initiative underscores its commitment to sustainability, transparency, and the transition to a lower-carbon economy.

"We are proud to be the first major Indian bank to join PCAF. This collaboration enables us to measure and disclose the emissions related to our business in a way that is comparable

with our peers, allowing us to make informed decisions as we help our clients transition to a lower carbon footprint. Our investors can rely on consistent, transparent data to monitor our progress," said Union Bank of India.

Union Bank of India is committed to using the PCAF methodology to measure and disclose the GHG emissions in its portfolio by FY 2027-28, with the ambition to achieve this goal well ahead of the deadline.