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Hannon Armstrong Joins Partnership for Carbon Accounting Financials

Partnership Building a Global Standard for Financed Emissions Assessment and Disclosure

ANNAPOLIS, Md.--(BUSINESS WIRE)-- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong") (NYSE: HASI), a leading investor in climate change solutions, today announced it has joined the Partnership for Carbon Accounting Financials (PCAF), a global industry-led partnership to facilitate a consistent and transparent approach to assess and disclose greenhouse gas (GHG) emissions associated with loans and investments in the financial services industry.

With its membership, Hannon Armstrong joins a network of more than 70 financial institutions working to establish a common carbon accounting framework.

"Seven years ago, we became one of the first capital providers to evaluate the carbon efficiency of our investment portfolio utilizing CarbonCount, our proprietary scoring tool," said Hannon Armstrong Chairman and CEO Jeffrey W. Eckel. "By joining PCAF, we are pleased to partner with other financial institutions in developing a global and transparent standard on financed emissions that will enable investors the ability to measure the efficiency with which their capital is reducing carbon emissions and mitigating climate change."

Launched in 2019, PCAF will offer a consistent approach to portfolio carbon accounting that provides financial institutions the information required to inform actions and strategy, set climate targets, assess climate transition risks, and disclose progress. This approach feeds into the work of other climate disclosure guidelines and reporting initiatives, such as the Task Force on Climate-related Financial Disclosures (TCFD), Science Based Targets initiative (SBTi), and CDP.

"We are very pleased that Hannon Armstrong has taken a leadership position by joining PCAF," said Ivan Frishberg of Amalgamated Bank and a member of the PCAF Steering Committee. "Measuring the carbon impact of loans and investments is a fundamental building block for further climate action and is of growing importance to investors. As we work towards COP26 next year and further align the finance sector with the goals of the Paris Climate Agreement, we believe that PCAF and member financial institutions will play an important leadership role in that work."

PCAF published a draft version of the Global Carbon Accounting Standard on August 3, with public comments to be collected through the end of September. Visit PCAF's [Global Carbon Accounting Standard page](#) to view a copy of the standard.

Hannon Armstrong has long been recognized as a leader among U.S. companies in terms of GHG reductions and transparent disclosures. In 2013, the company developed [CarbonCount®](#), a tool for evaluating investments in U.S. based renewable energy, energy efficiency, and climate resilience projects to determine the efficiency by which each dollar of invested capital reduces annual carbon dioxide equivalent (CO2e) emissions. In 2017, Hannon Armstrong became the first U.S. public company to commit to TCFD and was among the first companies to integrate TCFD recommendations into its financial filings beginning in 2018.

Earlier this year, Hannon Armstrong published its seventh annual [sustainability report card](#) disclosing the CarbonCount® associated with each investment. As of December 31, 2019, Hannon Armstrong's investments have avoided 3.2 million metric tons of CO2e annually and saved 3.4 billion cumulative gallons of water annually. More information about Hannon Armstrong's commitment to a sustainable and resilient future can be found at www.hannonarmstrong.com/esg/.

About Hannon Armstrong

Hannon Armstrong (NYSE: HASI) is the first U.S. public company solely dedicated to investments in climate change solutions, providing capital to leading companies in energy efficiency, renewable energy, and other sustainable infrastructure markets. With more than \$6 billion in managed assets as of June 30, 2020. Hannon Armstrong's core purpose is to make climate-positive investments with superior risk-adjusted returns. For more information, please visit <http://www.hannonarmstrong.com>. Follow Hannon Armstrong on [LinkedIn](#) and Twitter [@HannonArmstrong](#).

About Partnership for Carbon Accounting Financials

The Partnership for Carbon Accounting Financials (PCAF) launched in 2019, currently consists of more than 70 banks and investors who have committed to the PCAF initiative. PCAF participants work together to jointly develop the Global Carbon Accounting Standard for the financial services industry to measure and disclose the greenhouse emissions of their loans and investments. By doing so, PCAF participants take the first step required to assess climate-related risks, set targets in line with the Paris Climate Agreement and develop effective strategies to decarbonize our society. For more information see <https://carbonaccountingfinancials.com/>.

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