

A large, faint watermark of the Bank of Valletta logo is visible in the background, featuring a stylized 'B' and 'V' intertwined.

Bank of Valletta's Involvement in Climate Change

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Chief Operations Officer



Our Origins

- Established in 1974 Bank of Valletta (BOV) has roots dating back to the nineteenth century.
- Founded by a group of prominent Maltese and British businessmen forming the Anglo – Maltese Bank.
- In the early twentieth century, a merger of several well-established banks operating at the time, saw the formation of the National Bank of Malta.
- When BOV took over the business of this Group it inherited 180 years of experience, goodwill and prestige – Today, 70% of the Maltese population makes use of the Bank’s services, BOV is the leading financial services provider in Malta.
- As a key financial services provider, the Bank’s impact on the Maltese Economy is quite high. This brings with it both opportunities as well as threats.

Primary Areas of Responsibility

Part of BOV's GREEN focus as articulated in the Bank's Environmental Policy is primarily directed towards:

Impact Evaluation: Identify and evaluate the potential environmental impact of new or reviewed policies, products and initiatives within the Bank's operations

Sustainable Development Measures: Our ambition is to continue to plan and build our future growth as the leading financial services provider. In doing so, we are committed not only not to compromise but also to safeguard the natural resources for future generations

Legislation: As a legal entity we have to comply with all the mandated environmental, health and safety regulations and legislation

Sustainable Development Approach

Environmental Commitment

2011 - Setting up of the Environmental Responsibility Department within the Bank's Facilities Management Unit.

The initial responsibility consisted of the assessment of the Bank's carbon emissions impact and commenced by addressing primary areas of concern due to their impact on the environment. These included:

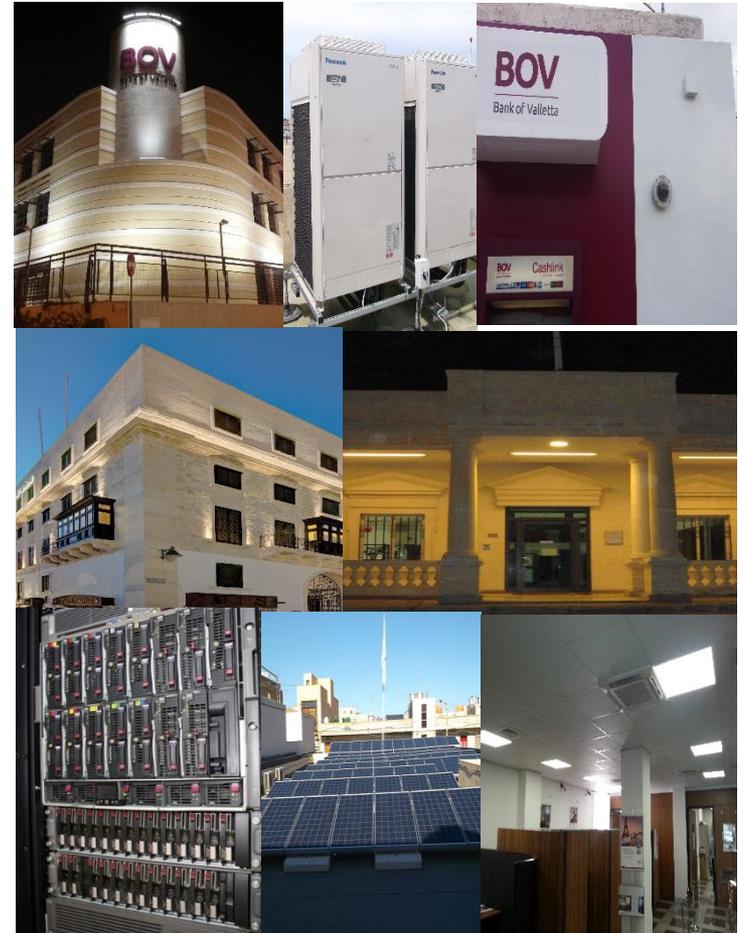
- Electricity consumption
- Waste Management
- Water Consumption and Conservation
- Motor Vehicles and carbon emissions
- Increasing Employee awareness through Educational and Environmental Activities

Specific focus on milestones to reduce the Bank's carbon footprint and electricity consumption.

Milestones – The concept of a Green Bank

Our Target was set to reduce the Bank's carbon emissions between 1,100 to 1,300 tons per year between 2012-2016

- Replacement of light fittings on BOV facades, offsite ATMs, internal and emergency lighting
- Removal of obsolete air conditioning systems, replacing them with Variable Refrigerant Flow (VRF) technology in line with EU Reg: 2037/2000 to replace the R22 refrigerant which has been banned from use in new equipment due to its ozone - depletion substances.
- Review of our installed products with a view of adding an environmental element where possible.
- Review of systems/practices across the group to lead by example



Various Projects undertaken by BOV

Energy Saving Results

Energy saving example and summary of Emissions saved

New Light Fittings - Electricity Consumption BOVC Facade

Old Installation electricity consumption of **26,462.5 k/w per year**

New Installation electricity consumption of **2336.0 k/w per year**

Total energy saved **24,126.5 k/w per year**

Return on Investment - on average we are charged at €0.18c per unit.

24,126.5 x 0.18 = €4,342 savings per year.

Return on Investment benefit at a total cost of €18,000 is redeemed in circa **4 years**.

Table of Typical Emissions saved

▪ Air conditioners	c 720,000 kg
▪ Electricity Measures	c 158,000 kg
▪ PV Cells	c 150,000 kg
▪ BOV Car Fleet	c 65,000 kg
▪ Tree Planting (1,000 trees yearly)	c 25,000 kg
Total emissions saved	circa 1,100 tons

Milestones Achieved – Electricity Reduction



Adoption of the Free Cooling AC Systems for the Bank's Data Centres

Phase 1 IT Data Centre at back up site
Free Cooling AC System

Phase 2 Main IT Data Centre installation
is currently in progress

Adopted cooling methodology
35% through Free Cooling
35% mixture of Free Cooling and Refrigerant
30% electricity dependence

IT Modernisation Strategy
**Estimated decrease in energy
consumption by circa 30%**

BOV Eco-loans

BOV has always played a leading role in promoting widespread use of solar energy and financing of Eco friendly Equipment through various advantageous packages aimed at supporting sustainable development.

A number of Joint Ventures undertaken with various local bodies in order to design tailor made credit facilities to support the local industry and private households in investing in energy efficiency measures. These included:

1995 - Loan scheme for the installation of Solar Thermal Systems

1997- Special package to the tourism sector to encourage the installation of solar heating equipment

1998 – Loan Scheme to assist Solar Energy Heating Equipment for private households

2006 - Eco Personal Loan to finance purchases of Eco Friendly Equipment

2008 - Improved Loan Scheme for the purchase of Eco Friendly Equipment and Electric Vehicles

2009 - Industry Energy Efficiency Financing Package from structural funds 2007-13

2016 - BOV Eco Personal Loan – Malta Developers Association Special Scheme



An Environment Friendly Loan

NEW IMPROVED FEATURES

BOV ECO Personal Loan

- Discounted interest rates
- No Processing Fees
- Loan up to €60,000
- Repayments over 8 years*

think **green** and **save** on your **energy bills**

Take out a **BOV ECO Personal Loan** to finance your eco-friendly equipment including:

- ☑ solar collectors
- ☑ electric / hybrid cars
- ☑ energy saving Class 'A' white goods
- ☑ double glazing & thermal insulation products

Visit any BOV branch for more details.

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BOV
Bank of Valletta
your Success, our Goal

Green Procurement - Leading by Example

Extract from the Bank's Procurement Rules on Green Procurement

“Green Procurement involves integrating environmental considerations into all stages of the purchasing process by identifying greener products. Where possible Procurement Department is to source products/services that are energy efficient compared to alternatives. Preference is given to products that can be reused/recycled”



Initiatives taken in favour of the Environment even if this meant higher costs are:

- Green Laptops
- Bio degradable pens made from recycled material
- Purchasing of paper only from suppliers who conform to ISO14001 standards
- Exclude products containing CFC's or substances that are non conforming to EU standards
- Introduction of personalised controlled printing system
- Addition of Hybrid vehicles to BOV Car Fleet

Applying New Technology - Challenges

Prioritisation process when considering new technology

- Budget & Prioritising

- Regular Energy Efficiency Tests are undertaken on equipment and specific attention given on technology reaching end of life cycle
- Periodic consultations are carried out with our engineers followed by proposal of projects to the Management Board and Finance Department for approval
- Inefficient or equipment deemed to be critical is given priority along with recommended new technology
- Employment / training of resources specialising in green technology

Role of Bank as a Multiplier

The Bank joins forces with various local bodies to encourage and support public and private sector to promote Eco friendly products. Our intention is to continue in this direction and give our products a more Environmental element in the future.

The challenges to beat remains - **Technology**. The price at which this is available.

Being a small island with various small businesses, this is the point where we have to meet and work closer at obtaining further support in the form of:

- Financial packages
- Accessibility to information
- Widespread availability of technology
- Professional knowledge
- Availability to promote premises, employees proof of concepts

Role of Policy Makers

With 70 % of the Maltese population making use of BOV's services, the Bank has the potential to be one of the country's catalysts in supporting Green initiatives whether public or private

However, given that our business is to provide financial products and services, we are being more stringently regulated by both local as well as EU regulators. Such restrictions have a direct impact on our ability to diversify our range of products or services offered especially if these will consist of financing for the acquisition of new technologies. Whilst this may manifest itself as a lucrative and profitable market it may also be equally volatile.

Banks like BOV need the support of policy makers and governments to help them share or transfer the risks especially when considering that most of our financing for Green and Environmentally friendly products, is mostly unsecured.

We truly believe that together, we can proceed towards sustainable development, aimed at securing a better Environmental Europe and the World to live in.

THANK YOU

Bank of Valletta p.l.c.
BOV Centre
Triq Il-Kanun
St Venera

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