

New environmental business goal and operational targets

In June, Bank of America announced a new \$50 billion, ten-year environmental business goal. The new goal will begin on January 1, 2013, and follows the anticipated completion of the company's current \$20 billion environmental business initiative by the end of this year. The new environmental business initiative will focus on energy efficiency, renewable energy, transportation, waste and water and consist primarily of lending, equipment finance, capital markets and advisory activity, carbon finance, and advice and investment solutions for clients.

"Many of our clients are transitioning to more environmentally conscious business practices, products and services," said Cathy Bessant, Global Technology and Operations executive and chair of Bank of America's Environmental Council. "We can continue to grow our business, promote a greener global economy and address climate change by helping our clients meet their own sustainability objectives."

The Bank also announced new operational targets that it plans to achieve by 2015:

- 25 percent reduction in energy consumption from 2004 – equal to eliminating 1.2 million megawatt hours of annual energy use from our portfolio.
- 20 percent reduction in paper consumption (2010 baseline).
- 20 percent reduction in global water consumption (2010 baseline).
- 70 percent diversion of global waste from landfill.

These new goals build on last year's announcement that by 2015, Bank of America plans to achieve:

- More than 30 percent aggregate reduction in global GHG emissions (2004 baseline).
- 20 percent LEED certification within its corporate workplace portfolio.

Building a cleaner energy mix in the mid-west

E.ON Climate and Renewables North America (E.ON), a subsidiary of E.ON AG, is one of the world's largest owners of renewable power projects. The company develops, owns, and operates some of the highest performing renewable energy projects in the United States.

In Q2, Banc of America Public Capital Corp.'s Renewable Energy Finance (REF) group structured a deal to provide \$149.8MM in tax equity financing to Pioneer Trail, a wind power tax equity partnership managed by E.ON. REF's financing solution provided an extremely cost-efficient source of funding to E.ON, while also contributing to a cleaner energy mix in the State of Illinois.

The Pioneer Trail facility is located on a 12,000 acre site in east-central Illinois. The wind farm is fully operational with ninety-four 1.6 MW turbines that generate 150.4 MW of renewable generation – enough to power 45,000 homes every year.

The United Nations convenes Rio+20

More than 40,000 people – including government leaders, UN officials, corporate executives and civil society leaders – attended Rio+20 from 20-22 June. The event was a follow-up to the Earth Summit in 1992, also held in Rio de Janeiro, during which countries adopted Agenda 21 – a blueprint to rethink economic growth, advance social equity and ensure environmental protection. Bank of America's Chairman, Chad Holliday, participated in Rio+20 in his role leading the United Nations' *Sustainable Energy for All* initiative. The goal of the initiative is to ensure access to modern energy for everyone, double the rate of improvement in energy efficiency and double the rate of renewable energy in the global energy mix – all by 2030. Holliday was accompanied by a small BAC delegation representing various businesses and areas of expertise, including carbon trading, renewable energy, investment banking and enterprise environmental strategy.



Michael Liebreich, Bloomberg New Energy Finance CEO, Alex Liftman, BAC Global Environmental Executive, and Chad Holliday, BAC Board Chairman at Rio+20.

GWIM responds to growing client interest in environmental investments

Global Wealth and Investment Management has launched a GWIM-wide Environmental/Social/Governance (ESG) Council. The ESG Council has been established to identify and share ESG investment solutions, thought leadership, and intellectual capital across all of GWIM. The goal of the Council is to meet this rapidly emerging client need, establish a leadership position against competitors in this category and deliver strong revenues to the firm. The Council has representatives from all of the GWIM businesses and across all client segments, as well as Global Research's #1 category leading ESG and Sustainability team. The Council's initial work will focus on environmental investments, as this is the area of greatest interest for our clients in the ESG category.



The Global Environmental Group worked with a cross-functional GWIM team to deliver a business case that identified the ESG business opportunity and led to the establishment of the GWIM-wide Council. This work included a survey of client attitudes which revealed greater interest in environmental investments than previously recognized, research showing that environmental investments now deliver competitive performance and an analysis of client behaviors that made it possible to build a propensity model and easily identify clients likely to have this need.

Smart meters – Conserving water, saving money and funding wells in El Salvador

Bank of America has been installing smart meter controllers in the irrigation systems of properties across our U.S. portfolio. Nearly 200 projects were completed by the end of Q2. The smart meter program conserves water, saving the company money, but it also delivers an additional and surprising benefit. The company that was hired to provide the smart meter system has an internal policy under which they donate a percentage of profits to Living Waters International to fund the drilling of wells in developing countries. Proceeds from the BAC projects will fund two new wells in El Salvador in Q1 of 2013. Fresh water is a major concern in El Salvador where 16% of the population still does not have ready access to clean water.



Employees volunteered, turned in e-waste and answered the challenge to reduce paper usage

April 22 was the 42nd Anniversary of Earth Day and our employees participated in almost 100 events across the globe. Volunteers planted gardens and trees, cleaned up parks and waterways, and contributed more than 7,600 hours in service to environmental causes and activities.

In May, a successful IT Amnesty pilot was held at 5 Canada Square in London, yielding more than 500 unused devices such as computers, monitors, and keyboards (pictured to the right). These items have since been recycled, re-used internally, donated to charity or returned to the leasing company.

Supported by the local My Environment Ambassadors, the goal of the amnesty program is to prevent any future build-up of e-waste, raise awareness of the risks of having these materials lying around and improve our work environment. The IT Amnesty program will continue to rollout across several EMEA locations for the remainder of the year.

From Earth Day to mid-June, nearly 1,400 My Environment Ambassadors worldwide participated in an 8-week challenge to reduce their paper usage. The ambassadors delivered an overall reduction of almost 10%, saving more than 25,500 pages of paper and three trees in fewer than two months.

