Sustainability at Bank of America

BANK OF AMERICA

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Additionally, certain statements contained in this document may constitute "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, including sustainability-related statements regarding our aspirations, targets, goals, commitments, efforts or programs such as our commitment to achieve Net Zero greenhouse gas emissions before 2050 in our financing activities, operations and supply chain, interim 2030 Net Zero greenhouse gas emissions targets, including financed emissions targets and sustainable finance commitments, which may evolve over time and are the subject of proposed legislative and regulatory changes in multiple jurisdictions, which may have a material impact on our future measurement and reporting, as well as the results of the efforts and programs set forth in this document. We use words such as "anticipates," "targets," "expects," "hopes," "estimates," "intends," "plans," "goals," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could" to identify forward-looking statements. Forward-looking statements are not based on historical facts, but reflect management's current expectations, plans or forecasts, are not guarantees of future results or performance, involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and often beyond the Company's control and are inherently uncertain. You should not place undue reliance on any forward-looking statement. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements due to a variety of factors, including global socio-demographic and economic trends, energy prices, technological innovations and advances, climate-related conditions and weather events, legislative and regulatory changes, public policies, engagement with clients, suppliers, investors, government officials and other stakeholders, the quality and availability of third-party data, including data measured, tracked and provided by data providers, our clients and other stakeholders, our ability to gather and verify data, our ability to successfully implement sustainability-related initiatives under expected time frames, third-party compliance with our expectations, policies and procedures and other unforeseen events or conditions. Discussion of additional factors, including uncertainties and risks, can be found in the Company's 2023 Annual Report on Form 10-K and subsequent SEC filings. Forward-looking statements speak only as of the date they are made and the Company undertakes no obligation to update or revise any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made. Additionally, this document may contain statements based on hypothetical or severely adverse scenarios and assumptions, which may not occur or may differ significantly from actual events. These statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk.

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Message from the CEO

At Bank of America, our purpose is to help make financial lives better. We do this by driving Responsible Growth as we deliver for our clients, teammates, shareholders, and communities.

We ask them: What would you like the power to do? We listen to their unique answers, and then we get to work, developing and providing the necessary products and services across our eight lines of business.

One area in which we gain a range of insights from our clients is their perspectives on energy. The work underway in this area across all industries in every corner of the world is driven by the need for more secure, affordable, and sustainable energy coupled with the emergence and growth of clean energy technologies. This is creating significant opportunities for our clients and for Bank of America as we help our clients address these opportunities. At the same time, geopolitics and other factors highlight the risks to a ready supply of energy across the communities and in the many countries in which we support clients. Societal perspectives and the decisions of government policymakers are also key drivers; these perspectives and decisions vary greatly and can change quickly in the many countries, and even individual U.S. states, in which we operate.

We approach the energy transition with a desire for a just transition across every dimension. The economic, financial, and societal aspects of the transition will attract trillions of dollars of investment every year over the next several decades. The private sector is bringing creativity and capital to this work. While new voluntary and regulatory frameworks have been developed to help chart the path of an energy transition, much of the work we are doing with clients reflects both old and new business opportunities that do not depend on these more recent developments. Where we do see challenges or obstacles to doing even more, we engage in private-public sector collaboration where appropriate to help facilitate a balanced and effective approach.

We play an important and valuable role by supporting our clients and communities in their transitions. We do this by helping them understand the risk and opportunities in an energy transition – and by offering our products and services to help them implement their transition goals and plans.

We also engage with many non-profit organizations and with governments to help them understand the private sector perspectives and to learn from them about theirs. One example of how we foster collaboration among the private sector is the Sustainable Markets Initiative (SMI), which I have the honor to chair.

The SMI, which was founded by His Majesty King Charles III in his previous role as Prince of Wales, brings together CEOs from companies across every industry and region. Working together, the companies these CEOs lead are addressing the business risk and opportunities presented by the twin goals of a clean energy and nature-positive future.

This document provides a comprehensive perspective about the role we see for ourselves, working with our clients, in a just transition to a more sustainable future. We do this by managing our own climate-related risk and by striving to reduce the impact of our operations on the environment. Still, our biggest contribution towards a just energy transition comes through the work we do by helping our clients meet their own goals and targets.

Our work includes a goal to achieve net zero in our financing, operations, and supply chain before 2050. We set that goal in 2021, when we also set out greenhouse gas emission and environmental targets for our operations and supply chain. To help our clients meet their plans, we also set a target of mobilizing and deploying $1.5 trillion towards sustainable finance by 2030. Of this, $1 trillion is focused on the environmental transition, with the remainder dedicated to inclusive social development. In the first three years since announcing the $1.5 trillion goal in 2021, we have mobilized and deployed $560 billion in sustainable finance, of which more than $316 billion aligns to the transition to a sustainable, low-carbon economy. These figures almost certainly understate the full level of our clients' activities in these areas.

I want to re-emphasize what we see as the most important point of all: helping our clients - and our suppliers - achieve their own transition goals is creating significant opportunity. Our clients, including those in the high-emitting manufacturing and energy industries, are heavily invested in clean energy technology and innovation. These industries are key to economic prosperity and dependable energy. Through all of this and more, we are helping them create new jobs around the world.

Every day we serve our clients and engage in our communities to address important societal challenges and opportunity. All of this is core to how we deliver Responsible Growth.

-Brian Moynihan, Chair and CEO, Bank of America

Introduction

Bank of America Corporation (Bank of America or the Company) is committed to using our expertise to deliver results for our teammates, clients and shareholders while helping address today's biggest challenges. Our focus on profits and purpose is embedded across our eight lines of business. We are guided by Responsible Growth:

- Grow and win in the market, no excuses.
- Grow with a customer focus.
- Grow within our risk framework.
- Grow in a sustainable manner: driving operational excellence, making our company a great place to work and sharing our success.

This focus reflects how we help fuel the global economy, build trust and credibility and enable people to want to work for, invest in and do business with our Company.

We have long recognized the importance of addressing sustainability - partnering closely with clients and dedicating significant intellectual and financial capital to advance both low-carbon and socially-inclusive solutions[1]. We address climate-related risks and opportunities by focusing on our own environmental impact, engaging with clients on their transition paths to a low-carbon economy, managing climate-related risks with the same rigor we apply to other risks at the Company and working with governments and markets to accelerate change. We address social sustainability through our strong employee programs (e.g. benefits, leadership training, etc.), leading third party practices, balanced product design and deep local community programs.

As the landscape of sustainability disclosure continues to progress, we are working within the International Sustainability Standards Board (ISSB) S2 Climate-related Disclosures framework, which incorporates the Task Force on Climate-Related Financial Disclosures (TCFD) framework used for our 2020, 2022 and 2023 climate reports. We have also expanded sustainability coverage through inclusion of the Global Reporting Initiative (GRI) index - which includes metrics on social and community support – and align various performance metrics to the United Nations' Sustainable Development Goals (SDGs).

Refer to our 2023 Annual Report to shareholders (Annual Report) for disclosure against the World Economic Forum International Business Council stakeholder capitalism metrics and how we share success with communities.

Updates to our climate strategy and Net Zero[2] goal in this publication include:

- Setting and disclosing new 2030 Financing Activity Targets[3] for iron and steel, and maritime shipping;
- Developing our approach for a Just Transition and issues at the climate-nature nexus; and
- Working across the enterprise to address the decarbonization needed in key high-emitting sectors.

These updates reflect components of our Transition Plan, which align with our climate strategy, and are contained within and visually marked with this symbol (see also: Transition Plan Index in the Appendix).

Our sustainability strategy centers on engagement and partnership with both internal and external parties - including employees, clients, investors and shareholders, communities, non-governmental organizations (NGOs), advocates, regulators and policymakers and suppliers. In preparing this document, we collected feedback from a range of stakeholders to understand key areas of focus and concern.

We also acknowledge that our Net Zero goal reflects a voluntary objective that is based on some factors within our control and some that we do not control. When we discuss those areas in which we have made commitments, we recognize there are external factors that could impact our ability to reach those goals and targets. We commit to working with our clients, understanding their own transition plans, and sharing our expertise and capabilities to help our clients deliver on their plans. We commit to the deployment of capital to help advance clean energy and innovative technology, and we are well along the $1.5 trillion, ten-year goal we made. At the same time, we operate in the context of policies, government decision-making and prioritization and other factors that are beyond our control. We will continue to provide our perspective that the transition is important and necessary, and that the transition creates significant opportunity for Bank of America in support of our clients.

[1] Bank of America is focused on social inclusive development, scaling capital to community development, affordable housing, healthcare and education, in addition to racial and gender equality - see https://about.bankofamerica.com/en/making-an-impact for more details

[2] "Net Zero" is the point at which human-caused greenhouse gas (GHG) emissions going into the atmosphere have been reduced as much as possible and remaining GHG emissions are balanced by carbon removal out of the atmosphere (source: World Resources Institute). In 2021, Bank of America committed to achieving Net Zero before 2050 in our financing activities, operations and supply chain (Net Zero goal). We believe achieving Net Zero by 2050 on a global scale is a fundamental component of limiting global temperature rise to 1.5°C above pre-industrial levels, per the Paris Agreement (COP21; ratified in 2016).

[3] Bank of America has set targets to reduce the emission intensity of its loan portfolios in key high-emitting sectors by 2030. See Minimizing BAC's Impact on the Environment: Financing Activity within the Strategy section of this document for more details. See also the Company's announcement of these targets: https://newsroom.bankofamerica.com/content/newsroom/press-releases/2022/04/bank-of-america-announces-2030-financing-activity-targets-as-par.html

CONSUMER BANKING

Retail Banking

Serves mass market U.S. consumers with a full range of financial products and services through award-winning digital banking capabilities, backed by a financial center network.

Preferred Banking

Provides personalized solutions, valuable rewards, and advice and guidance for clients with more complex banking, borrowing and investing needs as well as for small businesses with revenues of up to $5 million.

GLOBAL WEALTH & INVESTMENT MANAGEMENT

Merrill

Serves high-net-worth and ultra-high-net-worth clients. Anchored in financial planning, our personal advisor relationships allow us to help individual investors and their families plan for and achieve their unique financial goals by investing and providing access to banking and lending services.

Private Bank

Serves ultra-high-net-worth clients with investable assets of more than $3 million through teams with specialized expertise in wealth and estate planning, investment management, banking and custom lending.

GLOBAL BANKING

Business Banking

Delivers advisory and banking services for deposits, credit, treasury, trade, foreign exchange, equipment finance and merchant services to U.S. companies with annual revenues of $5 million to $50 million through locally based client relationship teams.

Global Commercial Banking

Serves middle-market companies with revenues of $50 million to $2 billion across all major industries—delivering the full capabilities of the Company, including treasury, lending, leasing, advisory, debt and equity underwriting and digital solutions.

Global Corporate & Investment Banking

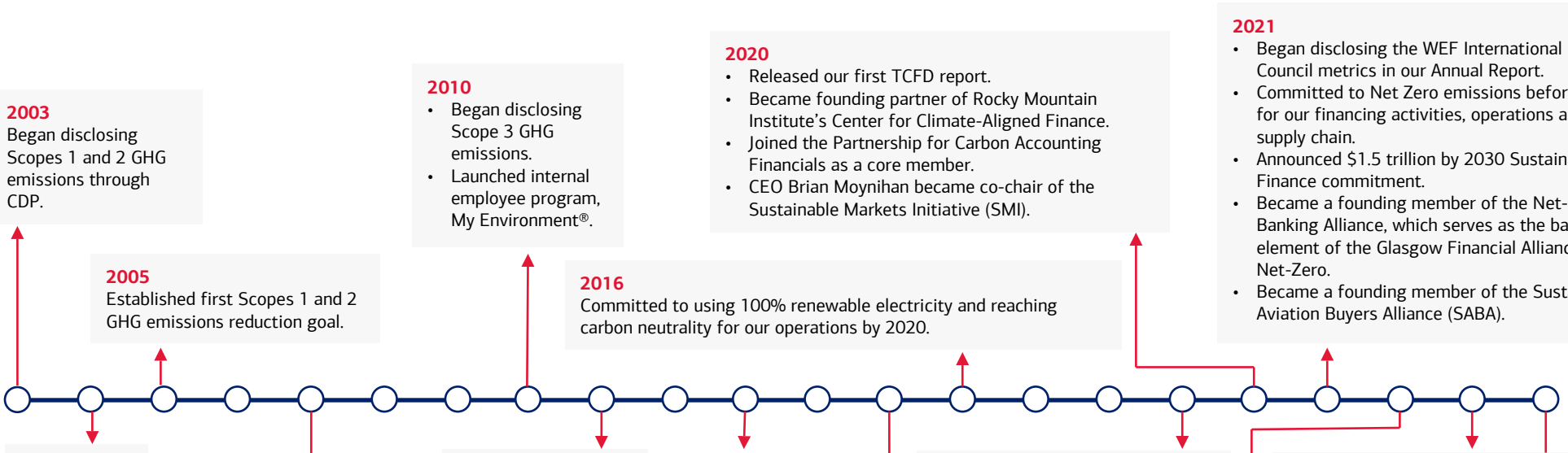
Provides investment banking advisory, underwriting and distribution services to companies of all sizes around the world and across all major industries. It also offers financing, deposit and other treasury services globally to corporations with revenues of more than $2 billion in the U.S. and more than $1 billion internationally.

GLOBAL MARKETS

Provides services across the world's debt, equity, commodity and foreign-exchange markets. This includes liquidity, hedging strategies, industry-leading insights, analytics and competitive pricing to approximately 8,000 clients consisting of asset managers, hedge funds, pensions and insurance, corporates, governments and other financial institutions.

Environmental Actions to Date

Bank of America's commitment to reaching Net Zero builds on 20 years of climate leadership. Since 2003, the Company has been a leader in environmental reporting, reducing operational impacts and scaling climate finance.



2003
Began disclosing Scopes 1 and 2 GHG emissions through CDP.

2004
Published first Global Reporting Initiative (GRI) report.

2005
Established first Scopes 1 and 2 GHG emissions reduction goal.

2007
Launched first sustainable finance goal – our Environmental Business Initiative – to mobilize $20 billion over 10 years.

2010
- Began disclosing Scope 3 GHG emissions.
- Launched internal employee program, My Environment®.

2011
Announced first set of comprehensive environmental operations goals.

2013
Assisted in drafting the Green Bond Principles and issued our first benchmark corporate green bond.

2015
Announced an additional $125 billion commitment under our Environmental Business Initiative after early achievement of our previous commitment.

2016
Committed to using 100% renewable electricity and reaching carbon neutrality for our operations by 2020.

2019
Achieved renewable electricity and carbon neutrality goals one year early and announced a new 10-year, $300 billion commitment under our Environment Business Initiative.

2020
- Released our first TCFD report.
- Became founding partner of Rocky Mountain Institute's Center for Climate-Aligned Finance.
- Joined the Partnership for Carbon Accounting Financials as a core member.
- CEO Brian Moynihan became co-chair of the Sustainable Markets Initiative (SMI).

2021
- Began disclosing the WEF International Business Council metrics in our Annual Report.
- Committed to Net Zero emissions before 2050 for our financing activities, operations and supply chain.
- Announced $1.5 trillion by 2030 Sustainable Finance commitment.
- Became a founding member of the Net-Zero Banking Alliance, which serves as the banking element of the Glasgow Financial Alliance for Net-Zero.
- Became a founding member of the Sustainable Aviation Buyers Alliance (SABA).

2022
- Announced 2030 targets for reducing emissions associated with financing activities related to auto manufacturing, energy and power generation. This process is also known as "financed emissions".
- Released Approach to Zero™, which details our Net Zero GHG emissions approach and target setting process.
- Set 2030 Sustainable Aviation Fuel (SAF) goals for sustainable finance mobilization and the Company's corporate and commercial jet fuel usage.
- Released our second TCFD report, in which we disclosed Scope 3 financed emissions and emissions intensity metrics for the auto manufacturing, energy and power generations sectors.

2023
- Set 2030 financed emissions targets for cement and aviation, and disclosed Scope 3 financed emissions and emissions intensity metrics for these sectors.
- Received Terra Carta Seal from SMI.
- Developed a Climate Risk Framework.

2024
- Set financed emissions targets for the maritime shipping and iron and steel sectors.
- Announced a commitment to be a TNFD Early Adopter.

Key Environmental Achievements Since Last Publication

Set new goals and targets[4] and made progress toward existing:

In 2023, exceeded our 2030 SAF usage goal of 20%; SAF accounted for 31% of our corporate and commercial jet fuel usage.

Set and disclosed new 2030 Financing Activity Targets for iron and steel and maritime shipping.

In 2023, we mobilized and deployed ~$150B against our 10-year $1.5T sustainable finance goal, of which $81B was for environmental transition. This brings our cumulative total, since the goal announcement in 2021, to $560B - of which $316B was for climate and environmental transition.

Enhanced internal processes to manage toward existing goals and targets:

Developed an internal Transition Plan, components of which are contained in this document (see Transition Plan Index in the Appendix).

Enhanced processes to manage our 2030 Financing Activity Targets, including the creation of a Target Management Forum.

Enhanced our risk identification and climate-related scenario analysis processes.

Signaled our intent to become an early adopter of the TNFD's reporting framework[5]:

The Company has been a member of the 40-person Task Force on Nature-Related Financial Disclosures (TNFD) since September 2021. In January 2024, we were one of 320 companies including financial institutions to signal intent to become an early adopter of the TNFD's reporting framework. Over time, we plan to increase the nature content in our annual disclosures, particularly as more guidance is expected from both TNFD and others on the subject of integrating nature into transition plans.

[4] We currently do not plan to set targets for the agriculture, aluminum, thermal coal mining, commercial or residential real estate or other sectors for a variety of reasons, such as immaterial exposure, lack of climate scenarios and methodologies for these sectors and data quality challenges. See Strategy section, Additional Details for more.
[5] Being a TNFD early adopter means disclosing against at least 1 of the 14 TNFD recommended disclosure areas starting in 2026 based on FY 2025 data and then building incrementally over time.

GOVERNANCE

Proper management of climate-related risks and opportunities through oversight starting with the Company's Board of Directors (Board) and management committees through to business councils, forums and steering groups.

Our governance framework establishes oversight of our climate strategy by the Board and management-level committees and forums. Additionally, across our lines of business, risk and control functions, we have routines in place to help deliver decisions in a timely manner, escalate risks and issues and achieve milestones. These councils and steering groups provide management oversight of activities related to the financial risks and opportunities from climate change and of sustainability-related regulatory requirements. From an international perspective, sustainability-related strategic, risk and regulatory governance routines are conducted in each region (Europe, Middle East and Africa (EMEA), Latin America (LATAM) and Asia Pacific (APAC) and for certain legal entities.

Enterprise Governance and Execution of Climate-related Risks and Opportunities

BOARD-LEVEL DIRECTORS AND COMMITTEES

Oversees all environmental and social sustainability-related matters, including climate risks and opportunities, and engages with management on strategic climate topics,including the Company's Net Zero goal

- **Enterprise Risk Committee**: Oversees risks, including reputational and climate risks
- **Audit Committee**: Oversees the integrity of our financial reporting including sustainability-related disclosures
- **Compensation and Human Capital Committee**: Oversees human capital management practices, including compensation programs
- **Corporate Governance, ESG and Sustainability Committee (CGESC)**: Oversees social and environmental sustainability matters generally, other than human capital matters

MANAGEMENT-LEVEL COMMITTEES & COUNCILS

Accountable for execution of the climate strategy, including climate risk management

- **Management Risk Committee**: Oversees all company risks, including climate risk
  - **Regional and LOB Reputational Risk Committees**: Oversee and review business activities that present elevated levels of reputational risk
  - **Regional and LOB Risk Committees**: Embed climate risk into key risk considerations across LOBs
  - **Legal Entity Risk Committees**: Review and oversee risks at the legal entity-level, including climate-related risks
- **Responsible Growth Council***: Oversees our mandate to grow in a sustainable manner and works to accelerate our progress on social and environmental initiatives
  - **ESG Disclosure Council**: Oversees accuracy, completeness and timeliness of ESG-related disclosures

ENTERPRISE FUNCTIONAL AND CLIENT-FACING GROUPS WITH SUSTAINABILITY EXPERTISE

Enterprise Functional Groups

- Global Climate and Environmental Risk Group
- Global Environmental Group within the Global Public Policy Group
- Corporate Social Responsibility Group
- Corporate Sustainability Controller

Client-Facing Groups

- Global Sustainable Finance Group
- Sustainable Banking Solutions Group
- Business Banking and Global Commercial Banking Sustainability Team

*Note: The Board's CGESC regularly receives updates from the Responsible Growth Council (RGC) on sustainability matters.

Board of Directors Oversight

The Company's Board oversees the business and affairs of the Company, providing active and independent oversight of management, including management's development and execution of our climate-related strategy and activities. Our directors are seasoned leaders who bring deep and diverse experience from a range of industries and backgrounds. Their perspectives, experiences and expertise help inform and guide how we deliver long-term, sustainable value for our shareholders and share success with our communities.

Our Board is keenly focused on its composition and succession planning. When evaluating and identifying director candidates, the Board considers the experiences, skills and expertise that are critical to its ability to provide effective oversight of the Company and are directly relevant to our Company's business, strategy and operations. In addition, the Board, through its Corporate Governance, ESG and Sustainability Committee (CGESC), follows applicable regulations in confirming that the Board includes members with an understanding of risk management principles, policies and practices, and experience in identifying, assessing and managing risk exposures[6].

Our Board understands the importance of director education to directors in fulfilling their oversight responsibilities. All new directors participate in our director orientation program during their first six months of service, through a series of meetings with management representing all business and staff areas. Continuing director education is provided as part of formal Board and committee meetings and as stand-alone information sessions outside of those meetings. For example, in 2023, in response to director input, our Board and committees held more frequent discussions with management on implementation of the Company's sustainability initiatives, climate activities and new climate disclosure requirements[7]. In 2024, at the CGESC's request, the Board held a stand-alone information session to review the Company's sustainability initiatives, including its voluntary commitments and the regulatory requirements it is subject to.

The Board has adopted thoughtful governance practices and processes consistent with the Company's drive toward Responsible Growth. A key tenet of Responsible Growth is to grow in a sustainable manner. The Board and its committees actively oversee the Company's drive to grow in a sustainable manner through comprehensive governance and risk oversight practices, including through regular review and discussion of climate-related topics.

For example:

- The Board receives periodic presentations from management on climate topics, including the Company's progress toward its Net Zero goal and sustainable finance target.
- The Board's Enterprise Risk Committee (ERC) oversees risk, including reputational risk and climate risk[8], and receives updates as needed on the continued enhancement to and evolution of the Company's climate risk management efforts and overall climate program. The Board and the ERC receive risk reporting on key and emerging risks, including climate risk.
- The Board's CGESC, which has specific responsibility for overseeing the Company's environmental and social sustainability-related activities and practices, reviews (at least annually) the Company's climate-related work, including its sustainable finance activities, 2030 Financing Activity Targets and certain climate reports.
- The Board's Audit Committee oversees the integrity of the Company's financial reporting, including sustainability-related disclosures, and reviews the Company's enterprise climate disclosures in its financial reports filed with the U.S. Securities and Exchange Commission. The Audit Committee also receives regular updates on the evolving regulatory landscape and development of climate-related disclosure requirements.
- The Board's Compensation and Human Capital Committee oversees the Company's human capital management practices and promotes strong governance of our pay-for-performance compensation philosophy, which includes considerations related to growth in a sustainable manner with focused sustainability leadership, as detailed in the Performance and Remuneration section.

[6] See Bank of America 2024 Proxy Statement for additional details.
[7] In response to feedback provided through the formal and informal components of the Board's self-evaluation processes in 2023.
[8] In the Company's Risk Framework and Risk Appetite Statement (RAS), climate risk is identified as a risk spanning all seven key risk types (strategic, credit, market, liquidity, operational, compliance and reputational) and the RAS includes a qualitative component outlining how the Company manages climate risk in a manner consistent with Responsible Growth.

Management Oversight

Supporting the Board in its oversight of climate-related and transition planning activities are management-level committees and councils comprised of senior leaders across every major line of business and control function[9]. Our Transition Plan is aligned with and integrated into key processes across the Company including strategic and financial planning, and assessment and management of climate-related risks. By integrating climate risk and transition planning into our core enterprise routines, the opportunities and risks stemming from climate change are embedded in our core evaluation and decision-making tools and processes to support our and our clients' transition commitments.

The Management Risk Committee (MRC), co-chaired by our chief executive officer (CEO) and chief risk officer (CRO), oversees risks facing the Company, taking into consideration climate risk, which spans across all key risk types. The MRC reports to the Board's ERC and is supported by subcommittees organized by risk type (e.g., credit, market, operational) and line of business, which also review the implications of climate-related risks.

The Responsible Growth Council (RGC) is responsible for overseeing the Company's mandate to grow in a sustainable manner and our progress on environmental and social initiatives, including climate and our Net Zero goal. The RGC is co-chaired by our chief administrative officer and our vice chair, who was formerly our chief financial officer. Its members are comprised of senior leaders representing each line of business (LOB) and control function. The RGC is accountable to the CEO and is supported by its sub-council, the ESG Disclosure Council, which is responsible for reviewing and providing oversight of our climate and other sustainability-related public disclosures.

Number of meetings held in 2023	
Responsible Growth Council	5
National Community Advisory Council	2

The Responsible Growth Council, in accordance with its statement of governance principles, escalates sustainability matters and related risks to the CGESC and to the MRC, respectively. It monitors our focus on climate transition and sustainable finance across our LOBs as we work to meet our Net Zero goal. The details on our approach to Net Zero and the 2030 Financing Activity Targets outlined herein were approved by the RGC and reviewed by senior management and the Board.

The Target Management Forum is directly responsible for reviewing the transition plans of top clients in the sectors where we have set 2030 Financing Activity Targets. The Target Management Forum consists of senior leaders from Global Banking, Enterprise Credit and the Global Environmental Group and is described in more detail in the Understanding Client Transitions section of this document.

We enlist many independent third parties, including our National Community Advisory Council, for advice, counsel, perspective, ideas and assistance. These third parties and other stakeholders (including employees, clients, investors/shareholders, communities, regulators and policymakers) represent a range of diverse perspectives and provide continuous feedback on our actions and progress, holding us accountable. We are transparent and report on our activities, seeking input from our shareholders about the type of information that would be useful to them in assessing our activities, as we have done with this document.

[9] Control functions provide guidance and subject matter expertise on day-to-day activities affecting the Company and include Legal, Global Risk Management, Global Human Resources and certain groups within the Chief Financial Officer and Chief Administrative Officer Groups and Global Strategy and Enterprise Platforms.

Multiple teams across the Company work to execute our plan to reach our Net Zero goal, mobilize intellectual and financial capital to assist clients in their transition and assess and manage both climate-related risks and opportunities. These groups, outlined below, report progress to senior management through routines such as the Responsible Growth Council and Management Risk Committee.

Internal Functional Groups with Sustainability Expertise

Global Climate and Environmental Risk

Our climate risk management efforts are overseen by an officer who reports to the CRO. Our Global Climate and Environmental Risk (GCER) group is a second-line function within Global Risk Management (GRM) responsible for overseeing climate risk management in line with our Risk Framework, including establishing our climate risk framework and governance structure, providing independent assessment and challenge of enterprise-wide climate risks, providing input on risk appetite, delivering an enterprise-wide view on climate risk metrics and managing the climate compliance and operational risk program. GCER provides subject matter expertise to help front-line units (FLUs) and control functions integrate the unique aspects of climate risk into their risk management programs, such as identifying climate risks over the relevant time horizons and determining climate risk scenario requirements for risk management use and regulatory reporting. GCER has established a Climate Risk Council consisting of leaders across risk, LOBs and control functions and meets routinely to discuss our approach to managing climate-related risks.

Global Public Policy

The Global Public Policy (GPP) team includes Federal, State, Local and International Government Relations as well as our Policy Analysis and Insights group. The Global Public Policy team, along with the Corporate Social Responsibility Team are part of the Chief Administrative Office group. GPP analyzes current and emerging issues and legislative and policy developments, fosters regular interactions with policy-makers, regulators, influencers, think tanks and other stakeholders and builds awareness of the brand and our capabilities. They coordinate with trade associations on policy objectives, implement our strategy for advocating to officials, direct lobbying efforts and develop policy recommendations that inform and guide internal and external discussions around global challenges. GPP includes the Global Environment Group (GEG), which partners across the lines of business and support/control functions to shape and execute our environmental strategy. Additional responsibilities of the GEG are delineated next.

The Global Environmental Group (GEG)

- Works across the enterprise to help embed our environmental work into our ordinary business activities in support of Responsible Growth and a Just Transition.
- Operates the Financing Activity Methodology and Strategy (FAMS) workstream to develop, debate and direct Net Zero goal strategy, financed emissions methodological decisions (e.g., calculations and targets) and manage related alliances and organizations with which the Company is involved. FAMS includes leaders from multiple LOBs, Risk, Enterprise Credit, the Chief Financial Officer (CFO) group, Legal, Global Compliance and Operational Risk (GCOR) and Audit.

Corporate Social Responsibility

The Corporate Social Responsibility (CSR) Group includes both the International CSR Group and the CSR Data and Reporting Team, both of which support our Net Zero efforts, including reporting progress along the way.

- The International CSR Group works across regions outside of the U.S. to integrate our environmental and social strategies into all aspects of our business and in support of the communities we serve. This team includes an enterprise advisory function that works across different LOBs to support sustainable business activity, including to drive progress toward our $1.5 trillion sustainable finance and Net Zero goals. The group also contributes to the development of our policies and practices as well as brings expertise to support a balanced and Just Transition globally. Additionally, the group catalyzes and supports the monitoring and reporting of a number of our environment- and climate-related activities.
- The CSR Data and Reporting Team leads data management and external disclosures of the Company's activities related to people, planet and governance. This includes collaborating with the CFO Group on disclosure controls and oversight and governance through the ESG Disclosure Council.

CFO

The Corporate Sustainability Controller is part of the CFO Group and also supports the work to reach our Net Zero goal and contributes to our overall climate strategy. This team works in close cooperation with the CSR Data and Reporting Team and GEG, focusing on strengthening our control environment and governance processes for sustainability and climate reporting.

Client-Facing Groups with Sustainability Expertise

Global Sustainable Finance

The Global Sustainable Finance Group (GSFG) is a Company-wide FLU within Global Markets that works with our Management Team and partners across our LOBs to support the Company's sustainable finance objectives (e.g. our 10-year goal to mobilize and deploy $1.5 trillion in sustainable finance by 2030); drive thought leadership across international alliances and task forces; expand existing sustainable finance activities across LOBs; and innovate across emerging areas of environmental (including climate) and social finance. The Global Head of Sustainable Finance chairs the Global Sustainable Finance Cross-LOB Council (the SF Council) as well as the Global Sustainable Finance Data Taxonomy Governance Council (SF Data Council), both of which are accountable to and serve as sub-councils of the RGC. The SF Council meets routinely and is responsible for implementing initiatives and accelerating the Company's sustainable finance progress across all eight LOBs and all four core roles the Company plays in sustainable finance, including: (i) balance sheet deployment – financing and investment, (ii) underwriting/distribution, (iii) advisory/structuring and (iv) processing, servicing and trading. The SF Data Council provides governance of our sustainable finance reporting and oversees the Sustainable Finance Taxonomy and key data decisions.

Sustainable Banking Solutions

Within our Global Corporate and Investment Banking (GCIB) business, our Sustainable Banking Solutions Group (SBSG) delivers expertise on how addressing sustainability considerations impacts clients' cost of capital and ability to execute on their strategic priorities. SBSG provides market insights and investor perspectives, in coordination with investment banking, corporate banking and capital markets partners, to help structure and execute transactions where sustainability factors are a component of the value proposition for investors. This includes Green, Social and Sustainability Bonds and other financings for projects and investments with environmental and social benefits and sustainability-linked transactions focused on issuers' performance on sustainability. Notably, SBSG is driving the work to help the business stay on track toward meeting our 2030 Financing Activity Targets. This includes instituting a framework to drive client engagement, data collection and assessment and progress monitoring. See the *Understanding Client Transitions* section for additional details. In 2023, the Sustainability Transaction Forum (Forum) was created in GCIB to review and discuss sustainability transactions with potential reputational risks to recommend further action. Core participants of the Forum include senior leaders from Global Banking as well as representatives from Global Banking Legal, Climate and Environmental Risk, the Global Environmental Group and other rotational participants as necessary based on the transaction type.

Our Board Compensation and Human Capital Committee oversees the governance of our pay-for-performance compensation philosophy, which focuses on pay for performance over the long-term, as well as on an annual basis. Performance considerations encompass both financial and nonfinancial measures, including the manner in which results are achieved for the Company, LOBs and individual employees.

At the start of each year, goals aligned to the tenets of Responsible Growth, including growing in a sustainable manner, are established for each executive officer and progress to meeting those goals is tracked on scorecards and taken into consideration by the Board's Compensation and Human Capital Committee when making compensation decisions. For example:

- Our executive officer team's performance dashboards contain sustainability metrics that are tracked and reported to the Board. The Board also reviews and considers progress toward our $1.5 trillion sustainable finance goal and Net Zero goal in its evaluation of pay-for-performance.

Additionally, below and to the right are other ways sustainability is evaluated across the company.

- FLUs, such as the GSFG, Renewable Energy Finance and SBSG, focus directly on climate innovation and environment-related revenue streams and are evaluated based on the management of these opportunities as well as engagement with our eight LOBs to finance the environmental transition in alignment with the United Nations 17 Sustainable Development Goals (U.N. SDGs).
- The GEG is responsible for the Company's environmental strategy, including our work to drive progress toward our Net Zero goal and other environmental commitments and is evaluated on advancement in these areas.
- The chief procurement officer leads the Company's responsible sourcing strategy and is evaluated on success in these areas. The Third Party Program is tasked with engaging suppliers on the management of climate change and delivering on our climate-related supplier engagement targets.
- Teams responsible for delivering operational and supply chain greenhouse gas (GHG) emissions reductions and maintaining carbon neutrality include Global Real Estate Services, Global Technology, Global Operations, Consumer, the Third Party Program, Corporate and Executive Travel Services and GEG. Team performance is evaluated based on successfully implementing activities and initiatives that support energy efficiency and manage and help reduce GHG emissions.

STRATEGY

Consistent with Responsible Growth, we continue to make progress on our strategy to support and finance the transition to a low-carbon economy by staying focused on managing climate-related risks and capturing opportunities.

This progress includes setting and disclosing milestone targets, engaging with clients to support their transition, investing in climate solutions, developing and reporting decision-useful metrics to drive progress, leading industry collaborations and following guidance for transparency.

At Bank of America, we are driven by what matters most to our clients, employees and shareholders and are committed to using our capabilities to help those we serve be successful. We recognize that we can only be successful when the individuals, companies, communities and employees we serve are able to reach their vision of success. Climate-related risks can impact operations, supply chains, distribution networks, clients and markets. Climate-related opportunities, including efforts to mitigate and adapt to climate change, could benefit our clients, employees and shareholders.

The opportunities associated with the transition to a lower-carbon economy include innovation, jobs and growth. The investment needed for this transition is estimated to require hundreds of trillions of financing by 2050[10]. Shifting behavior is an opportunity for financial institutions and other industry participants to meet the preferences of their clients, by providing resources to promote customer understanding and offering solutions.

We believe Bank of America is well positioned to capture these opportunities by mobilizing our bankers to engage our clients, deepening relationships with our existing clients, winning new clients in the emerging low-carbon economy and deploying our full suite of financial solutions to support our clients' transitions or help them make more sustainable choices. Our approach to managing climate-related risks and opportunities is embedded in our three-pronged climate strategy: 1) minimize our impact on the environment, 2) support and enable our clients to achieve Net Zero and 3) assess and manage climate-related risks.

Minimize BAC's impact on the environment: Net Zero before 2050

Drive Net Zero in operations, supply chain and financing activities before 2050

Achieve 2030 targets to reduce financed emissions and environmental impacts across our value chain

Maintain carbon neutrality in our operations

Support and enable clients to achieve Net Zero by 2050

Actively engage clients across all industry sectors to deliver traditional and tailored climate transition solutions

Initiate coverage of new industries and companies

Mobilize and deploy $1.5 trillion in sustainable finance by 2030

Assess and manage climate-related risks

Oversee our climate risk practices and adhere to a rigorous risk management program

Shape our approach to managing climate-related risks in line with our Risk Framework

[10] Source: https://business.bofa.com/en-us/content/sustainable-energy-transition.html

Time Horizons

While we have been addressing climate-related risks and opportunities - since we first started voluntarily reporting on our operational GHG emissions in 2003 - the science and geopolitical context surrounding the clean energy transition continue to evolve. Based on this evolution, our work includes several time horizons. We define the following short-, medium- and long-term horizons, which are relevant for execution of our climate strategy. Our priorities across these time horizons guide us as we continue to operate against the backdrop of evolving social, political and technological perspectives.

Short-term: One to three years
Aligns with the time horizon of how we evaluate and manage impacts from policy changes, potential market and reputational risks, client and transaction due diligence and engagement.

Medium-term: Four to ten years
Aligns with the time horizon for managing risks and opportunities related to our 2030 GHG emissions and environmental targets for financing activities, operations and supply chain, our 2030 sustainable finance goal, internal climate-related scenario analysis, policy and regulatory-related risks and industry credit risk assessments.

Long-term: More than ten years
Aligns with the time horizon for managing risks and opportunities related to the firm's Net Zero before 2050 goal across our financing activities, operations and supply chain and internal climate-related scenario analysis.

Nature and biodiversity

The relationship between climate change and biodiversity loss is complex. First and foremost, climate change is one of the main drivers of biodiversity loss and also contributes to other negative impacts on nature. Secondly, interactions between climate and nature can sometimes accentuate physical and transition risks as well as create new opportunities. For example, agriculture, forestry and other land use are together the second largest contributor to global GHG emissions behind the energy sector, primarily due to deforestation and land conversion[11]. As forests are depleted, we lose one of the world's most important carbon sinks, which accelerates climate change and compounds biodiversity loss[12]. Furthermore, the world's oceans are being affected by climate change and resource over-use, which threatens sectors like fisheries and ocean ecosystems including their important role in keeping carbon sequestered[13].

At the same time, we see opportunities to deploy capital into nature-positive areas aligned with our commitment to mobilize and deploy $1.5 trillion in sustainable finance by 2030 such as climate-smart and regenerative agriculture, alternative protein, sustainable aquaculture, circular economy models and nature-based solutions. The interactions between climate and nature suggest that an integrated approach could be beneficial when considering potential synergies in addressing climate change and biodiversity loss. To that end, we have identified five potential objectives where we aspire to make progress over time in reflecting nature-specific considerations:

1. Deploy and mobilize more capital into investments that deliver positive outcomes for nature across its four realms – land, ocean, freshwater and atmosphere.
2. Evolve our heightened due diligence framework to reflect evolving risk and best practices in addressing negative impacts on nature.
3. Integrate nature-related risks into our business risk management.
4. Include additional nature-related disclosures and integrate nature considerations into our existing disclosures.
5. Partner with leading business networks, as well as academic and nature conservation organizations, to help achieve a systems-wide integrated approach to climate and nature (including supporting our own suppliers).

[11] Sources: U.N. climate action biodiversity article; Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES) Nov. 2019 article.
[12] Source: U.N. climate action article.
[13] Sources: U.N. climate action oceans article; Finance for Biodiversity article.

Minimize BAC's Impact on the Environment: Net Zero before 2050

As a large global company, our scale lets us take measurable action to reduce our impacts by operating with greater efficiency, implementing and supporting the development of new technologies and engaging our clients and supply chain.

In February 2021, we announced our Net Zero goal and set a range of targets to reduce the environmental impact, including GHG emissions, of our operations and supply chain, as shown below. Expanding upon these targets, we began announcing our 2030 Financing Activity Targets in 2022 starting with auto manufacturing, energy and power sectors and added other key high-emitting sectors targets through 2024, which are also included in the chart below. We intend to include capital markets transactions to cover our facilitation activities in our 2025 disclosure.

2030 Targets		
Operations	**Supply chain**	**Financing activity**
• Maintain carbon neutrality (Scopes 1 and 2) and purchase 100% zero carbon electricity • Reduce GHG emissions by 75% by 2030 (Scopes 1 and 2, location-based) from 2010 baseline • Reduce energy use by 55% from 2010 baseline • Reduce potable water use by 55% from 2010 baseline • Achieve LEED® certification (or comparable) from 40% of building space • Responsibly manage waste to reduce amount sent to landfill • Divert 75% of construction and demolition waste from landfill • Dispose 100% of electronic waste using certified responsible suppliers	• Goal that 70% of global suppliers, by spend, set GHG emissions reduction or renewable energy targets • Assess 90% of global suppliers, by spend, for ESG risks as outlined by our Supplier Code of Conduct • Continue to reduce paper use and purchase 100% of paper from certified sources • Utilize Sustainable Aviation Fuel (SAF) for at least 20% of the Company's total annual corporate and commercial jet fuel usage, equivalent to 100% of corporate jet fuel and a significant percentage of fuel associated with employee travel on commercial airlines.	Auto Manufacturing • Reduce intensity 48% by 2030 (gCO_2e/km Scope 1, 2 & 3 end use) from 2019 baseline Aviation • Reduce intensity 37% by 2030 (gCO_2e/RTK Scope 1) from 2021 baseline Cement • Reduce intensity 32% by 2030 (tCO_2e/tCP Scope 1&2) from 2021 baseline Energy • Reduce intensity 45% by 2030 (gCO_2e/MJ Scope 1-2) from 2019 baseline • Reduce intensity 29% by 2030 (gCO_2/MJ Scope 3 end use) from 2019 baseline Iron and Steel • Reduce intensity 27% by 2030 (tCO_2e/t Scope 1-2) from 2021 baseline Maritime Shipping • Keep intensity in alignment or below the decarbonization trajectory derived from the Poseidon Principals. Power Generation • Reduce intensity 70% by 2030 ($kgCO_2$/MWh Scope 1) from 2019 baseline

Operations and Supply Chain

Minimizing environmental impacts in our operations and supply chain is key to operating the Company sustainably, and helps enable us to share our expertise and best practices with clients. To achieve our operations and supply chain goals, we take deliberate efforts to limit the emissions associated with a range of different activities, including, but not limited to, the facilities we own and operate, purchase of goods and services from our suppliers and our employees' business travel. We employ responsible natural resource management which includes efforts to improve energy efficiency, expand renewable energy procurement and reduce water consumption.

Recent sustainability efforts in our global real estate portfolio include:

1. Piloting carbon capture technologies
2. Evaluating wind turbine technologies
3. Executing decarbonization audits of owned assets with plans to implement energy efficiency upgrades over next five years
4. Evaluating geothermal energy as a renewable energy source
5. Conducting infrared building shell assessments

Our Operations

We have been reporting Scopes 1 and 2 GHG emissions since 2003 and were the first U.S. bank to announce a Scope 1 and Scope 2 GHG[14] emissions reduction goal through the U.S. Environmental Protection Agency (US EPA) Climate Leaders. We began publicly disclosing our significant categories of Scope 3 GHG emissions, exclusive of financed emissions, in 2010, and over the past decade have set targets to manage and reduce the environmental impacts of our activity across all scopes of GHG emissions.

Since 2010, we have reduced our location-based GHG emissions by 62% and in 2019, we achieved carbon neutrality for our operations, one year ahead of our goal. To reach and maintain carbon neutrality for Scopes 1 and 2 GHG emissions, we reduce our location-based emissions, purchase all of our electricity from renewable sources and acquire a small number of carbon credits for our residual emissions[15].

Key areas of focus for us and our clients as part of the global energy transition include electric vehicle (EV) adoption and infrastructure, SAF usage, decarbonization of the power grid, electrification of gas-fired equipment, utilization of carbon credits and development of new technologies. We detail our efforts across these key areas below.

Availability of charging stations is essential to increase EV adoption and therefore reduce associated emissions. To help facilitate the increased adoption of EVs by our employees and clients, in 2019, we teamed up with Electrify America to begin installing EV charging stations at select financial center locations across the U.S. Additionally, through our global EV Program, we offer a credit to employees who purchase or lease a new all-electric passenger vehicle, provided certain eligibility criteria are met.

In 2022, we announced our support for the production and use of 1 billion gallons of SAF by 2030. To drive the usage of SAF, the Company committed to utilize SAF for at least 20% of total annual corporate and commercial jet fuel usage by 2030. This includes 100% of corporate jet fuel and a significant percentage of fuel associated with employee travel on commercial airlines. Through 2023, SAF accounted for 31% of our corporate and commercial jet fuel usage, surpassing our 2030 goal. In addition, the Company partners with a number of leading organizations to support our SAF efforts[16]:

- American Airlines: Three-year agreement supporting the purchase of 1 million gallons of SAF annually for 2021-2023. To date and at the time of completing the agreement, this was the largest publicly announced SAF agreement by volume between an airline and corporate customer.
- SkyNRG: 10-year partnership to support the production of 1.2 million gallons of SAF per year beginning in 2025.
- Sustainable Aviation Buyers Alliance (SABA): As part of SABA, Bank of America and other buyers purchase SAF certificates at scale. These SAF certificates provide the market with a demand signal for fuel producers to make more high-integrity SAF, which in turn influences SAF cost competitiveness with

[14] GHG emissions Scopes as defined per the Greenhouse Gas Protocol. US EPA Climate Leaders launched in 2002 as a voluntary program that worked with companies to measure GHG emissions and set long-term emissions reduction goals.
[15] Information about our approach to carbon credits can be found on page 21, and Metrics and Targets section of this document.
[16] Source for American Airlines and SkyNRG: https://newsroom.bankofamerica.com/content/newsroom/press-releases/2022/02/bank-of-america-sets-2030-sustainable-aviation-fuel--saf--goal.html

conventional jet fuel. In 2023, we joined a consortium of companies to purchase SAF certificates linked to 850,000 gallons of high-integrity SAF produced by World Energy[17].

- Avelia: Bank of America was the first financial institution to join Avelia, the digital platform program built by Shell, Amex GBT, and Accenture with support from the Energy Web Foundation to support the purchase of SAF.
- United Airlines Ventures Sustainable Flight Fund: Bank of America joined companies and consumers to come together and increase the supply of SAF through the support of start-ups.
- GREATER MSP Partnership: Bank of America and others jointly established the Minnesota SAF Hub – the first large-scale SAF Hub in the U.S.
- Additionally, Bank of America is an active contributor in the World Economic Forum's aviation decarbonization initiative Airports of Tomorrow focusing on cross-sectoral collaboration to enable SAF production scaling towards 2030.

Furthermore, in 2023, we procured all of our electricity from renewable sources, with 10% of our renewable electricity procured through power purchase agreements (PPAs[18]). PPAs allow power generators to fund and build projects by providing revenue certainty for new assets. Renewable PPAs also help to reduce the carbon footprint for us via a secure and predictable supply of green energy. We continue to complete installation of solar panels on buildings across our portfolio.

Carbon Credits

While we prioritize emission mitigation in our approach to reaching Net Zero, we also recognize the important role that high-integrity carbon credits play in reducing global emissions, including for our clients. There is a growing convergence among experts that high-integrity carbon credits can deliver real, additional and durable cuts in emissions, when included as part of a portfolio of solutions to reduce emissions in a company's operations and across supply chains. Importantly, carbon credits should always be a supplementary action that follows the emissions mitigation hierarchy of first avoiding activities that create emissions wherever possible, and second, switching to less carbon-intensive activities.

As discussed earlier, deforestation[19] is one of the largest drivers of GHG emissions today and if continued at scale, is expected to deplete important carbon sinks in the future. High-integrity carbon credits are a way to link economic benefits with nature conservation and have the potential to support decarbonization efforts globally. They can also help channel climate finance to where it is needed most, including in low-income communities and developing countries, and provide several co-benefits such as economic development and sustainable livelihoods, as well as conservation of land, water resources and biodiversity. In addition, carbon credits focused on removal of carbon — both nature- and technology-based — will be increasingly important in achieving Net Zero, especially as we get closer to 2030 and beyond, so it is important to invest today in the systems, mechanisms and technologies that support such credits. The Intergovernmental Panel on Climate Change (U.N. IPCC) recognized the necessity of carbon removal as a climate mitigation strategy in its 2022 climate mitigation report[20].

As part of our strategy to reduce emissions in our operations, we believe it is necessary to both reduce emissions in alignment with science and to support the development of an effective carbon market. When selecting carbon credit projects, we focus on those that address multiple U.N. SDGs. One project that demonstrates this approach is a sustainable infrastructure project that reduces and prevents gas leakages within a gas distribution network. The project financed the purchase and import of specialized leak detectors and advanced sealant materials to provide long-lasting sealing of identified leaks. Additional benefits of the repairs include reduced risks of accidents and hazardous pollution from gas leaks and creation of jobs for local residents. This project aligns to multiple U.N. SDGs, such as Good Health and Well-Being, Decent Work and Economic Growth and Climate Action.

Carbon credit reporting	Units	2021	2022	2023
Avoidance carbon credits retired	Metric tons CO_2e	53,786	94,140	100,806
Removal carbon credits retired	Metric tons CO_2e	36,000	70,601	77,799
Total carbon credits retired	Metric tons CO_2e	89,786	164,741	178,605

[17] Source: https://about.bankofamerica.com/en/making-an-impact/sustainable-aviation-fuel-saf
[18] A power purchase agreement (PPA) is a contract between two parties, a party that generates electricity (the seller) and a party that is looking to purchase electricity (the buyer).
[19] Deforestation includes both terrestrial land conversion (e.g., in tropical and sub-tropical forests) and coastal ecosystem degradation (e.g., loss of mangrove forests). Agriculture, fuelwood harvesting, aquaculture and infrastructure development are among the leading causes. Since mangroves store thousands of years of carbon dioxide beneath the soil, the destruction of these forests can release significant amounts of greenhouse gasses into the atmosphere. Source: National Oceanic and Atmospheric Administration.
[20] Source: IPCC Climate Change 2022 report.

We engage with The Integrity Council for the Voluntary Carbon Market (ICVCM), Voluntary Carbon Markets Integrity Initiative (VCMII), Global Carbon Trust, Energy Transition Accelerator (ETA) and other organizations to help improve the framework and governance of a market for high-quality carbon credits. See Metrics and Targets for more information and methodology related to our carbon credit activities.

Our Supply Chain

In addition to achieving Net Zero in our operations, we are working to reach Net Zero with respect to indirect emissions generated across our supply chain. For many years we have educated our sourcing managers and supplier managers on the business imperative for Net Zero and continue to require they take an annual climate training. This helps enable our Third Party Program to deliver effective and continued engagement with suppliers.

We set environmental expectations of our suppliers through our Supplier Code of Conduct (Supplier Code), to which we expect suppliers to adhere while conducting business with or on behalf of the Company. Our expectations, including those related to climate, are also reiterated in our contract templates, designed to foster supplier accountability. Escalation is required if suppliers wish to negotiate any changes to these terms.

We monitor adherence with our Supplier Code by utilizing a risk-based approach to review the policies and procedures of our highest spend suppliers and those aligned to industries with environmental and social risk prior to awarding and/or renewing contracts. LOBs are accountable for selecting suppliers that satisfactorily meet expectations and for escalating if suppliers are unwilling or unable to provide evidence of compliance on an annual basis. Suppliers that do not meet our expectations must remediate findings to avoid escalation.

We partner annually with CDP (formerly Carbon Disclosure Project), an international nonprofit that runs an environmental disclosure system, to collect emissions data and climate target details from our high spend suppliers. As a founding member of the CDP supply chain program, we have asked suppliers to respond to the CDP survey since 2009 to help us understand the climate change impacts on our suppliers' businesses and associated risks related to our global supply chain. The data received from suppliers is used to help validate that high spend suppliers are disclosing emissions and targets, to calculate our supply chain emissions and to track our progress toward Net Zero.

To educate, upskill and support our suppliers in calculating and reporting emissions data and setting ambitious climate targets, we offer a variety of free resources, including webinars and individualized advisory services. We also provide suppliers with individualized feedback regarding their CDP survey performance to facilitate an ongoing dialogue, which helps promote collaboration and drives positive environmental change. As part of our long-standing commitment to transparency and accountability, we have maintained public goals to address supply chain emissions, focused on supplier engagement, since 2016. Currently, we have a goal that 70% of global suppliers, by spend, set GHG emissions reduction or renewable energy targets by 2030.

More detail on our GHG emissions reduction progress and our suite of operational and supply chain goals can be found in the Metrics and Targets section, as well as in our CDP Climate Change Questionnaire response, located in our reports center.

We recognize that fully achieving Net Zero in our operations and supply chain, across all relevant emission scopes, involves additional efforts that we have only begun to explore. This includes evaluating the success of piloting new, innovative technologies to address emissions in our real estate and data center portfolios. Learnings from our experiences will further help us assist our clients as they transition and help us better understand challenges that we and others may encounter on the journey to Net Zero. We continue to track and manage the environmental impacts of our operations and supply chain and refine our methodology in an effort to most accurately collect and report on these data. Progress toward our 2030 targets are shown on the following page and our full environmental operations dataset can be found in the Metrics and Targets section. Related assurance statements can be found in Appendices 2 and 3, and on www.bankofamerica.com/esgreports.

Goal (2010 Baseline)	Units	2021	2022	2023	2030 Target
Greenhouse gases/Energy					
Maintain carbon neutrality for operations (Scopes 1 and 2)	% reduction	100%	100%	100%	Carbon Neutral
Reduce location-based GHG emissions by 75% (Scopes 1 and 2)	% reduction	63%	61%	62%	75%
Reduce energy use	% reduction	47%	44%	45%	55%
Purchase electricity from zero carbon sources	% renewable	101%	101%	104%	100%
Green building					
LEED® certification (or comparable) in owned and leased space	% certified	25%	26%	32%	40%
Water					
Reduce potable water use	% reduction	53%	51%	55%	55%
Waste (2011 Baseline)					
Divert construction and demolition waste from the landfill	% diversion	73%	74%	76%	75%
Dispose of electronic waste using certified responsible suppliers	% disposed	100%	99.61%	99.98%	100%
Paper					
Paper from certified sources	% from certified sources	98.6%	98.7%	98.2%	100%
Supplier engagement					
Assessment of global suppliers, by current year spend, for ESG risks as outlined by the Company's Supplier Code	% of spend	63%	78%	86%	90%
Goal that global suppliers, by previous year spend, set GHG emissions reduction or renewable energy targets	% of spend	61%	63%	70%	70%
Sustainable Aviation Fuel (SAF - commitment announced in 2022)					
Mobilize $2B in sustainable finance for the production of SAF and other low-carbon aviation solutions	$ USD (B)	Not available	$0	$0.20	$2
Support production and use of 1B gallons of SAF by 2030	# of gallons (M) (cumulative)	Not available	1	4	1,000
Utilize SAF for at least 20% of total annual corporate and commercial jet fuel usage	% of jet fuel usage	Not available	13%	31%	20%

Financing Activity

As a financial institution, the emissions from our financing activity[21] are considered part of our value chain and comprise the largest component of our overall emissions. Therefore, we focus on reducing emissions from key carbon intensive sectors within our financing activity and publishing progress on our targets annually. We have set 2030 Net Zero aligned targets for seven sectors - auto manufacturing, aviation, cement, energy, power generation, iron and steel, and maritime shipping - and detail our approach, including decarbonization pathways, key sectoral considerations and metrics and data used, in this and historical reports. Our 2030 Net Zero aligned targets are portfolio-level targets for each sector, using an emissions intensity reduction or alignment metric. These sectors are prioritized as they rank among the most significant contributors to global GHG emissions in the broader economy and our lending portfolio. For further details on other sectors, see Additional Details on our Approach on page 26.

The target setting process is led by the FAMS Workstream in partnership with the key stakeholders as described in the Governance section. Setting targets for financing activity emissions is complex, requiring an extensive amount of research to inform decisions.

[21] We define financing activity emissions as the emissions associated with our loans and investments, according to the The Global GHG Accounting and Reporting Standard for the Financial Industry.

Financing activity emissions metrics and targets mostly cover clients within Global Corporate and Investment Banking, Global Commercial Banking and Global Markets. Our intention is to incorporate additional financing activities in the future, including tax equity and capital markets. The sector-specific decisions are detailed in the Metrics and Targets section and overarching strategic decisions are outlined below.

Key Elements of our Financing Activity Targets Approach

Selection of Climate Scenarios

Climate scenarios describe expected hypothetical energy demand, emissions and corresponding global temperature rise at a future period in time. Some industry-specific climate scenarios outline pathways to reduce sector emissions by a targeted amount over time. Decarbonization pathways are derived from some of the sector-specific aspects of these scenarios and represent a sector's downward energy demand and emission trajectories that are a fundamental tool in defining our organization's interim and long-term climate goals. Setting targets on our financing activity emissions involves evaluating the decarbonization pathways for each sector as outlined in existing climate scenarios to determine the emission reductions required across relevant scopes to achieve Net Zero before 2050. We evaluate all potential scenarios and determine the best sectoral decarbonization pathway for our targets based on our portfolio and the strategic approach needed to meet our objectives. Aligning with recognized climate scenario decarbonization pathways is integral to establishing our Net Zero commitments, following guidance from industry frameworks, and underpins our related internal strategy. The selected climate scenarios for each target sector are outlined in the Metrics and Targets section.

The U.N. IPCC periodically produces reports focused on the physical science of climate change, corresponding societal impacts and potential adaptation or mitigation strategies. By merging U.N. IPCC data with energy system models, cost-effective and technically feasible pathways can be developed to achieve desired emissions outcomes. Unlike traditional energy models, which provide descriptive forecasts of the energy market and do not attempt to achieve any specific objective, climate scenarios show what conditions are required to achieve a certain outcome.

Several organizations develop and publish climate scenarios with consistent objectives and similar trends within major energy sectors and regions, despite being based on distinct assumptions and forecasts.

For example, the International Energy Agency (IEA) publishes leading resources for climate scenarios and provides foundational data for other organizations that develop scenarios with specific sectoral or geographic focus areas.

Our sectoral targets are derived and informed by energy and emissions pathways from commonly-referenced climate scenarios, such as the IEA Net Zero Emissions by 2050 scenario (IEA NZE2050). Some scenarios take a bottom-up approach, while others such as the IEA scenarios use an economy-wide carbon budget that allocates emissions across all sectors to meet energy needs. These scenarios provide extensive data which can be used to establish targets for portfolio alignment and combined into other useful tracking metrics. For example, they offer data on absolute emissions as well as activity metrics for different sectors (e.g., total global electricity generation) that can be used to glean emissions intensities for target setting. Due to the interconnectedness of energy sectors and how carbon budgets are uniquely distributed within individual models, we confirm alignment on key assumptions, such as sectoral carbon budgets, across all scenarios that we use in sectoral target setting.

Consideration of Sectoral Decarbonization Pathways and Decision-Useful Emission Metrics

Sectoral decarbonization pathways are essential in setting physical unit emissions intensity reduction targets that are industry specific and incorporate relevant expectations, constraints and other factors. For example, decarbonization levers applicable in one sector may not be important – or even exist – in a different sector. We also consider pathways that offer region-specific insights to enable the development of sectoral targets that better reflect the composition of our portfolios.

For each of our sectoral targets, we take a holistic approach in selecting the most appropriate climate scenario and metric by analyzing how well they align with the commercial activities of our clients and importantly, available data. As these decisions inform financing strategy, this process entails careful consideration of different pathways and how existing and future clients will be impacted. More detail on sector-specific assumptions related to the scenarios is available in the Metrics and Targets section.

We use physical unit emissions intensity to set targets which allows us to better assist clients in reducing their emissions and facilitates more effective stakeholder engagement. In our view, physical unit emissions intensity is the best measurement of progress toward Net Zero, accounting for clients' improvements in technologies and systems to reduce emissions and improve efficiency, or emissions per physical unit. Physical unit emissions intensity also allows for comparison of clients of different sizes within a sector. While our Net Zero before 2050 target is based on absolute financed emissions and we report on these emissions for each of our sectors, there are challenges to using this metric for 2030 interim targets. More detail on metrics and targets can be found in the Metrics and Targets section.

Reassessment as Scenarios Change and New Data Becomes Available

Because climate scenarios are developed with continuously improving climate science and interrelated, ever-changing market and technology factors, organizations like the IEA regularly release updated scenarios that may reflect short and long-term adjustments to energy and emissions pathways. These updates require us to evaluate the degree and driving factors of scenario changes. We consider a variety of criteria to determine the impact of refreshed data on both our sectoral targets and internal strategy. We prioritize a balanced approach that weighs the importance of referencing the latest climate science, while also valuing continuity for clients.

We understand that clients are navigating a variety of stakeholder expectations, and we aim to support clients in their decarbonization efforts by limiting major changes to our expectations, if possible. We intend to follow industry guidance that suggests targets be reviewed and revised at least every five years, but we also regularly monitor scenario updates and may determine that target amendments are necessary more frequently. Ultimately, our strategy aims to connect the climate science from recognized scenarios with the commercial potential of our clients to demonstrate progress in the transition to a Net Zero economy.

Role of Decarbonization Levers

Decarbonization levers are tools and strategies used to reduce carbon emissions, and they play a crucial role in both shaping the assumptions included in climate scenarios, and in achieving our targets.

The technology readiness, market availability and emissions abatement potential of decarbonization levers vary significantly across sectors. Decarbonization levers can also vary significantly across geographies and regulatory regimes. For example, some power sector clients may have abundant policy and regulatory incentives to install wind, solar or even nuclear generation, while others have strong disincentives to install such technologies.

We review market and technology analyses, such as the IEA Technology Readiness Level (TRL) rating system, to help understand when potential levers, such as expansion of clean energy capacity, adoption of electric vehicles, use of sustainable aviation fuel and other strategies, may reach scale to impact meaningful market transformation and decarbonization. Further, we identify which emissions reductions strategies are in the direct control of our sector-based groups of clients, and we focus our sector targets, as well as our client engagement, around those strategies. As a leader in sustainable finance, we are providing expertise and mobilizing capital to improve the commercial viability of many of the important decarbonization levers needed by our clients. For more information, see the Support and Enable our Clients to Achieve Net Zero: Supporting our clients in high-emitting sectors, to understand the various decarbonization levers by sector.

Carbon Credits

To reach our 2030 Financing Activity Targets, we intend to apply client use of carbon removal credits to our 2030 targets as the data is available. These credits will have to meet specific criteria including certification by a credible body that follows leading industry guidance and use in combination with a science-aligned emission reduction commitment. We recognize this is an area where guidance on both the supply-side and demand-side (claims while using carbon credits) is rapidly evolving and will continue to track leading guidance on the application of carbon credits, including: Oxford University's Net Zero Guiding Principles, ICVCM's Core Carbon Principles, VCMI Carbon Credit Claim's Guidance and IETA Guidelines for High Integrity Use of Carbon Credits. See Carbon Credits in Operations section above for enterprise perspective on carbon credits.

Additional Details on our Approach

As mentioned previously, our focus for sectoral targets is on the most significant contributors to global GHG emissions in the broader economy and our lending portfolio. We currently do not plan to set targets for commercial or residential real estate, agriculture, aluminum, thermal coal mining or other sectors for a variety of reasons including immaterial exposure, lack of established climate scenarios and methodologies and data quality challenges. Improving data quality across our portfolio is an important ongoing area of focus in our approach.

The real estate sector contributes a significant portion of overall global emissions but data availability on a property-by-property level is very challenging. Moreover, our estimation of the emissions associated with our financing of both the commercial / residential real estate sectors yielded relatively low results compared to the priority sectors for which we have set targets. As decarbonization of real estate is highly reliant on the decarbonization of upstream sectors such as cement, iron and steel, energy and power generation, we are focusing our attention on supporting clients in those sectors to reduce emissions, as measured and managed through our 2030 Financing Activity Targets, which will in turn support decarbonization of our real estate portfolios.

For the agriculture sector, our decision to not set a target is due to the variety and complexities of sub-sectors and lack of robust and mature scenarios and decarbonization pathways. We will continue to track the development of global decarbonization roadmaps and banking industry best practices for this sector. As indicated previously, we are focused on addressing business impacts on nature and biodiversity using other tools. See the Nature and Biodiversity section of this document for further information or the Biodiversity and Ecosystems section of our Environmental and Social Risk Policy Framework (ESRPF) to better understand how we are minimizing risk in this space.

Our exposure to the aluminum sector and the estimated associated financed emissions are not significant and therefore we have not set a target. We are focused on progressing toward our iron and steel target, which was set and disclosed earlier this year.

We have not set a target on financed emissions related to our pure play thermal coal extraction portfolio as our exposure to the sector was de minimis in 2023 (less than $10 million). Our absolute emissions in the pure-play thermal coal mining sector were 339 thousand tCO_2e in 2022, down from 1,398 thousand tCO_2e in 2021.

Best practices for financial institution target setting continue to evolve and be refined. We may consider setting targets for additional carbon intensive sectors over time. With the addition of our iron and steel sector and maritime shipping sector targets in 2024, a majority of our financing activity emissions within our commercial credit lending portfolio are now covered by our targets.

Understanding Client Transitions

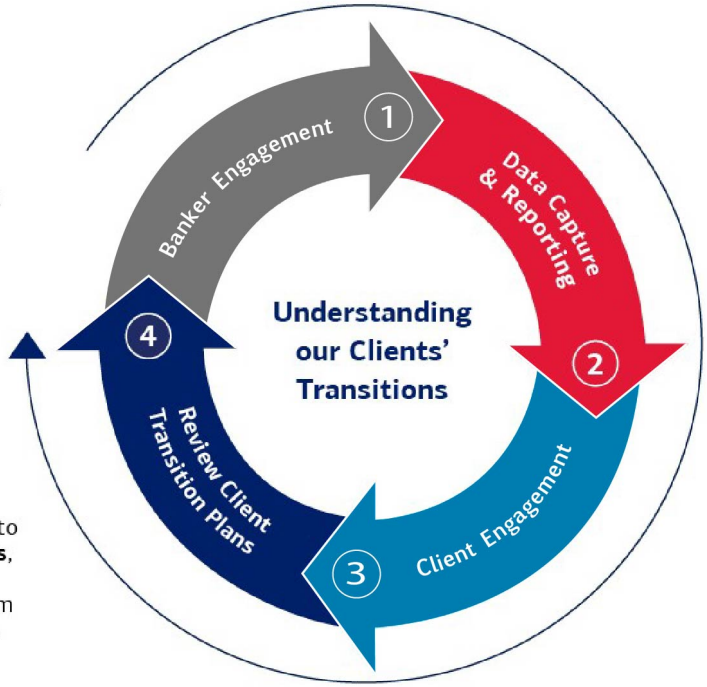
One of our roles in the transition to Net Zero is to discuss related risks and opportunities with our clients, understand their priorities and strategies, and support them on their journeys to achieve their own Net Zero goals. To do this effectively, we have established a dedicated workstream within the Global Banking business. We partner with enterprise-wide functional teams in designing a framework that allows us to actively manage to the 2030 Financing Activity Targets, better understanding our clients' transition plans on a client-by-client basis and using our expertise and knowledge to support them. This framework was designed to be flexible and incorporates the contextual factors critical to understanding the opportunities – and challenges – facing our clients.

We recognize that only by helping clients see the value of setting and meeting their Net Zero goals can the Company achieve its own 2030 Financing Targets. We also acknowledge the impact that external factors have on our clients' abilities to decarbonize, such as the timeframe for emerging technologies to become economically viable and the societal and geopolitical factors that can impact this work, as discussed in the Introduction. This framework allows us to review each client's transition plan on an individual basis and begin to incorporate the results as a factor, among others, when evaluating our relationships and business opportunities. The primary elements of this framework as shown below are 1) banker engagement, 2) data capture and reporting, 3) client engagement and 4) client transition plan review.

Starting with our largest, most carbon intensive clients and then expanding scope to the broader portfolio

1

For our most carbon intensive clients, we conduct **deep-dive sessions with our bankers** so they are knowledgeable about our financed emissions calculations, boundaries and methodologies.



2

We designed and implemented a **robust data capture model to source quantitative and qualitative information**, beyond our clients' emissions profiles, to support transition plan assessments.

4

The **Target Management Forum** meets regularly to **review and discuss clients in scope for targets**, with the bankers presenting all the information collected on our clients' transition plans. The Forum then **directs clients engagement** appropriately.

3

Our bankers are engaging with clients across all sectors on this topic, with **more focused and specific engagements with clients in scope for our targets**.

Banker Engagement

We began by educating bankers across the platform on climate and Net Zero to help enable active engagement with clients in multiple sectors. Our Net Zero curriculum is designed to provide front-line bankers with the requisite knowledge, tools and skills to engage with and support clients on their paths to Net Zero. This includes training on Net Zero and climate; and education on emerging decarbonization technologies such as alternative fuels, carbon markets, carbon capture utilization and storage, energy efficiency, energy storage, EVs, green hydrogen, renewable energy and resource efficiency. These trainings (including additional courses that are optional) are available to all front-line bankers and support them as they engage with clients. Because our client base extends across multiple industries and regions, we also developed sector- and region- specific materials to support deeper understanding of trends, benchmarking and financing opportunities. These materials cover high-emitting sectors such as automotive, aviation, chemicals, construction, energy, food and beverage, healthcare, machinery, metals and mining, real estate, retail and utilities — expanding beyond the sectors where we have set targets.

We added resources within Global Banking to share sustainability expertise with clients and help structure and execute transactions where sustainability factors are a component of the value proposition for investors. These resources provide market insights and investor perspectives, in coordination with investment banking, corporate banking and capital markets partners. They also deliver supplemental trainings to keep product and coverage bankers abreast of new developments in the markets.

We are also deepening climate expertise within Global Banking sector teams to focus on climate, sustainability and energy transition. In 2022, we introduced a dedicated GCIB Energy Transition vertical and repositioned the Natural Resources industry group to the Natural Resources and Energy Transition Group within our Global Investment Banking organization. Additionally, we have dedicated climate and sustainability resources within our Emerging Growth and Regional Coverage practice. Within GCIB, we have organized forums across banking coverage teams to identify cross-sector opportunities, drive ideation and collaboration and enhance client engagement.

In the sectors where we have set our 2030 Financing Activity Targets, bankers are given more focused and intensive resources. We conduct deep dive sessions so they are knowledgeable about financed emissions calculations, boundaries and methodologies.

These sessions provide our bankers with the data inputs, sources, assumptions, and granular results for all financed emissions metrics calculated at each step in the model. We also include peer comparisons to other clients in the sector and the overall portfolio, and then finally comparison of our model output to any client-disclosed emissions or intensity data. We have initiated these sessions for our top clients in each sector where we have set targets. Moving forward, we will look to expand this to cover all of our in-scope clients in an automated and scalable manner as part of our suite of reporting and analytical tools.

Data Capture and Reporting

Simply looking at a client's raw emissions data at a point in time is not sufficient to fully understand the client's trajectory toward Net Zero. To most effectively support our clients and for us to make the most informed decisions, we must be able to understand our clients' transition plans to develop a holistic view of their strategic priorities, investment plans and governance. Therefore, we incorporate contextual information — beyond a client's emissions profile — into our client engagement and processes. We built a robust data capture framework to source this information at scale for all clients in scope for targets to support the evaluation of client transition plans.

The sourced data contains both qualitative factors and quantitative information consisting of client targets, emissions data, relationship metrics, output from our Climate and Environmental Risk Assessment and third-party scoring. Qualitative inputs include client strategic goals, investment plans, levels of oversight and actions taken to drive performance. See below for a description of the data elements we capture. When combined with active client engagement, this evaluation gives us a more complete picture of their trajectories and helps us to support them on their journeys. We developed a template to be able to review clients consistently within each industry, considering key indicators of a client's transition plan and trajectory. We continue to enhance this template, as overall data quality and disclosures improve. This has enabled us to introduce financed emissions metrics and clients' transition plans into the way we review client relationships.

We have designed a suite of reporting and analytical capabilities for bankers, senior management and risk partners to understand the composition of the portfolio and track progress of clients in scope for our 2030 Financing Activity Targets.

This includes a dashboard for our front-line bankers and senior management that provides portfolio- and client-level financed emissions metrics. This tool provides insight into a client's emissions profile and their impact on the overall portfolio, helping us to understand the relative significance and weighting of each client, as well as comparison to the portfolio's and other clients' calculated intensities. Through this dashboard, bankers can see all relevant financed emissions metrics, year-over-year comparisons and relative significance within the portfolio.

Additionally, we are building the capability to understand how a potential transaction would impact our portfolio. This is expected to allow bankers to run "what-if" scenarios incorporating exposure changes, emissions intensity and the impact of adding or removing clients from our portfolio. These analytical capabilities are critical to developing a more holistic view of our clients and understanding how the Company can support their transitions.

Client Engagement

Among the most important assets we have at the bank are the relationships and trust we have developed with our clients. All of our activities are oriented around serving our clients. Therefore, one of the best tools we have to understand our clients is the day-to-day interactions of our bankers which provide us with valuable insight into their strategy, priorities and areas of focus. We learn more from this engagement than anything we could glean from a public filing or third-party rating. The issues facing our clients vary widely depending on the region, industry and regulatory framework in which they operate – not to mention the bespoke challenges and opportunities each individual client encounters based on their own specific circumstances - our bankers' understanding of this is critical to contextualizing all of this. As noted above, we provide our bankers with a plethora of data and training to give them the foundation to understand the work their clients are doing, but nothing can replace the in-depth insights that comes from the frequent interaction our bankers have with their clients. For example, supporting an auto manufacturing client on a battery manufacturing mergers and acquisitions assignment signals their intent to vertically integrate their supply chain in their transition goals. The intelligence we gather helps us to understand their plans and provide the right advice and solutions to help them advance their goals.

Data Capture Framework

Emissions Data	Absolute emissions and emissions intensity PCAF data quality score Contribution to portfolio financed emissions metrics (based on sectoral targets)
Relationship Metrics	Revenues, returns or historical client relationship Future business opportunities
Output from Climate and Environmental Risk Assessment	Overall composite CERA score Awareness disclosure score Physical risk score Transition risk score Strategy and mitigation score
Decarbonization Strategy	Net Zero transition plan or strategies Absolute emissions to emissions intensity targets or commitments Progress toward targets or commitments Governance and strategic importance Investment in carbon reduction projects and decarbonization efforts CapEx allocated to the transition
Other Considerations	Regional considerations Regulatory considerations Macroeconomic factors

Client Transition Plan Reviews

The process to review our clients' transition plans leverages work done in training bankers, collecting and analyzing data, and engaging with clients. As discussed earlier, this is just one tool we use to understand clients' risks and opportunities — each review is bespoke and individualized to capture the nuanced and unique circumstances of our clients. We have established a Target Management Forum, consisting of senior leaders across the business, that is directly responsible for reviewing our clients' transition plans based on the qualitative and quantitative factors noted in the Data Capture Framework section. The Target Management Forum directs client engagement and provides guidance on the products, services and advice most relevant for the client.

The seniority of its members drives accountability in the business and emphasizes the importance of understanding our clients' transition plans to maximize opportunities and address risks.

The Target Management Forum reviews our top clients in the sectors with financing activity 2030 targets. The bankers covering those clients present three elements to the Target Management Forum: 1) quantitative data , 2) qualitative information and 3) intelligence from engaging with our clients. Adding to the information that comes from our clients' public disclosures, our bankers layer on a deeper insight that can only be ascertained by continued, long-standing relationships built on trust. Bankers are expected to have detailed knowledge of the clients' commitments, investment and implementation plans and progress they have made to date. They are asked to provide specific examples of client actions and explain how they are engaging with the client to support their transition. While we want to understand the risks, we equally want to appropriately pursue opportunities. The combination of objective data and more nuanced input from bankers gives the Target Management Forum a full complement of contextualized information. By the end of 2024, the Target Management Forum will have discussed and reviewed clients by intensity and impact across our first five sector targets (auto manufacturing, aviation, cement, energy and power).

Thus far, client transition reviews presented to the Target Management Forum have shared intelligence on what our clients are doing, where our risks lie and how we are capturing the opportunity. This is resulting in specific actions to drive engagement with our clients. We are early on in this process, and we fully expect to learn and modify as we go, but we are confident that we have designed a framework that assists us in effectively understanding our clients.

As mentioned above, this transition plan review is completed for our top clients by intensity and impact in the sectors where we have set 2030 targets. Going forward, we look to expand this to include a broader set of clients in our GCIB and GCB businesses. Since it will not be practical to have all clients presented to the Target Management Forum, we will likely create a more standardized review that we can leverage at scale for a large number of clients. We will continue to present our largest, most carbon-intensive clients to the Target Management Forum.

Key Challenges

Given how nascent all of this is, both for us and for our clients, we are continually enhancing our processes to accommodate and consider better data, improved reporting and evolving science. As data becomes more available and is of a higher quality, as the science driving the Net Zero pathways changes and as the macroeconomic and policy environments evolve to either enable or inhibit progress, we will need to re-evaluate progress.

For example, as more clients report emissions, we will rely less on estimations. However, that switch is likely to result in variations – both positive and negative – in our reported progress.

Further, in many industries, our clients are dependent on still-emerging technologies to achieve their targets. The IEA estimates that the share of emissions reductions in 2050 from technologies under development is approximately 35%-down from 50% estimated in 2021[22]. Despite progress, this is still a significant hurdle for our clients. If technologies don't become viable in a timeframe that aligns with the Net Zero pathways, then our clients' ability to transition will likely be negatively impacted. Since many levers for our clients to transition are out of their control and reliant on the economic viability of emerging clean technologies and shifting consumer preferences, we are engaging industry experts and bankers to continuously re-assess our methodologies. Given this dependency, one of our areas of focus for sustainable finance is to deploy and mobilize capital to the emerging clean technologies so critical to client transition. See the Support and Enable Clients and Metrics and Targets - Sustainable Finance sections for more information.

We recognize that not all clients will move at the same pace, as they are starting from different places and have unique and nuanced factors impacting their ability to transition. However, we have established a review process incorporating data collection, reporting tools and analytics and senior leader and banker engagement to drive progress toward our goals and enhance engagement with clients.

[22] Source: IEA Net Zero Roadmap, 2023 update.

Support and Enable Clients to Achieve Net Zero Before 2050

We recognize there are challenges with transitioning to a low-carbon economy, but there are also opportunities—for innovation, jobs and growth.

Given our global presence and relationships with clients across industries and in more than 35 countries, combined with the experience of navigating our own climate journey, we believe we are well positioned to assist our clients and provide them with the advice and financial solutions necessary for them to achieve their transition goals. We also recognize our responsibility to support a Just Transition by financing the transition to a low-carbon economy in an equitable way that shares benefits and minimizes negative impacts on vulnerable groups. In 2021, we set a 10-year goal to mobilize and deploy $1.5 trillion of sustainable finance capital by 2030. Aligned with the 17 U.N. SDGs, $1 trillion is dedicated toward the environmental transition. Through this goal, we advance the environmental transition spanning sectors and geographies, including solutions in energy efficiency, renewable energy, sustainable transportation (e.g. electric vehicles, charging infrastructure, sustainable aviation fuel and biofuels), resource efficiency, sustainable water (e.g. water treatment and water desalination) and agriculture, as well as improved forestry and pollution control measures.

We continue to expand our sustainable financing activities and capabilities, including increased asset-based debt financing, tax incentive related investments and distribution and capital raising across technologies and activities that support clean energy and power, transportation and other industry sectors, as well as nature and biodiversity. Notwithstanding geopolitical and economic challenges, we remain focused and have made significant progress toward our sustainable finance goal. See the Metrics and Targets section for our full taxonomy as well as 2023 and cumulative progress. Through the spectrum of capabilities delivered by our eight LOBs, we focus on helping clients navigate every stage of their financial lives, working with companies, small to large, to help drive the world economy forward and providing insights, ideas and award-winning research for institutional investors. Many of our original perspectives on the economy, sustainability and global transformation are publicly available on the Bank of America Institute website. Our goal is to position the Company as the financial partner of choice for clients, whether they are at the beginning of understanding how a changing climate could impact them or well on their way to managing their transition to a low-carbon economy.

Just Transition

We define a Just Transition as transitioning to a low-carbon economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind. Sustainable development can only be achieved by striking the right balance between economic, environmental and social components. For example, this includes that workers and communities reliant on fossil fuels today for jobs and revenue will not be left behind as society transitions away from these fuels.

We are committed to supporting our clients, policymakers and other stakeholders to identify and understand the social risks and opportunities that arise from this transition. We also understand the importance of a context-specific approach which recognizes that the development needs of countries will differ. Highlighted within this document are some recent efforts and ongoing work to support the Just Transition.

Mobilized and deployed $560B of sustainable finance capital since announcing our Sustainable Finance goal in 2021

Approximately **$316B of sustainable finance capital directed toward the transition to a low-carbon, sustainable economy** (2021 through year-end 2023)

Research and Insights

The Company's Global Research organization is made up of award-winning analysts who provide insightful, objective and in-depth research to clients across the enterprise. Bank of America Global Research delivers in-depth research and analysis of Sustainability and ESG investment themes across asset classes and regions. Global Research produces a suite of proprietary research reports including thematic report publications that explore the five themes we believe are driving a transforming world: people, innovation, markets, government and earth and their related sub-themes. In addition, the Bank of America Institute publishes its own insights to clients across the eight LOBs under key topic areas – the economy, sustainability and transformation.

These Institute publications are also made available to broader audiences to help drive an understanding in consumer behavior and the economy. The Institute findings are available to government and corporate leaders, small business owners and investors, offering differentiation and exemplifying the Company as a thought leader. Recent publications by the Institute on the topic of sustainability include *The Path to a Clean Energy Future; Feeding the Future: How climate and agriculture intersect (2023); IRA Ripple Effect: 10 areas of impact*[23].

Economy

Data-driven trends in consumer behavior that are shaping local and global economies

Sustainability

How environmental and social initiatives affect businesses, communities and society

Transformation

Forward-looking strategy in technology, cybersecurity and other areas redefining business

[23] Support and more information: https://business.bofa.com/en-us/content/business-banking/corporate-sustainability-insights.html

Supporting and Enabling Clients across our Eight LOBs

Consumer Banking

Our Retail and Preferred Banking businesses serve millions of U.S. consumers and small businesses whose needs are dynamic and evolving. As consumer demand is a key part of the transition to a low-carbon economy, we leverage the diversified capabilities of the Company to offer products and services to meet clients' sustainability needs, including:

- Digital and paperless products and services.
- 80% post-consumer recycled plastic cards.
- Loans and leases for both hybrid and fully electric vehicles, bundling home charging station financing with auto loans (we have mobilized approximately $6.4 billion in hybrid and fully electric originations since 2021).
- Rewards and benefits, including cash back rewards on electric vehicle charging spend and enablement of tax credit for certain electric vehicle leases.
- Sustainable and Impact Investing strategies through Merrill Edge® Self-Directed and Merrill Guided Investing.

CASE STUDY: Black Tie Moving

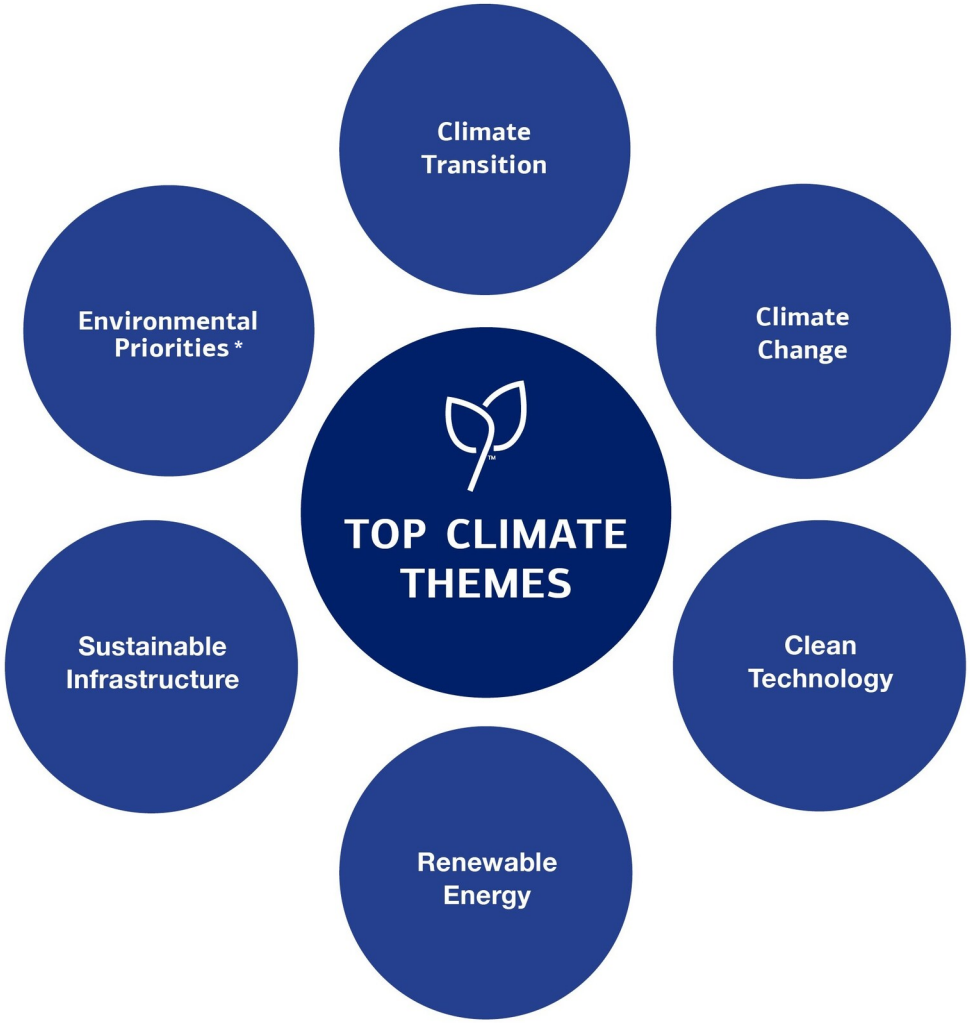
After seeing a trade show presentation, Black Tie Movers (BTM) asked their small business banker about electrifying their vehicle fleet. We discussed financing options to help the business stay competitive and provide long-term savings. Ultimately, we were able to assist BTM by increasing their equipment lease line to $2 million to support the electrification of their vehicle fleet. *BTM provides custom home, celebrity and commercial business relocations nationwide.*

We educate our small business clients on climate impacts through articles on relevant sustainability topics that may be of interest. We work with the Bank of America Institute to deliver the latest research on topics such as EVs, government incentives and key industries that are impacted by climate transition goals to consumers. We also garner client feedback through our annual Business Owner Report, where the most recent findings showed that 81% of small business owners have implemented sustainable business practices in 2024, up from 75% in 2023[24]. Sustainability topics are now fully integrated into small business banker conversation guides. Lastly, we host events, such as the Annual EVolution Virtual Show, an electric vehicle summit, to drive awareness of available resources and offerings.

Global Wealth and Investment Management

Our Merrill and Private Bank businesses within Global Wealth and Investment Management (GWIM) serve high net worth and ultra-high net worth clients, who have wide-ranging views and knowledge regarding climate opportunities and risks. We are seeing an increase in clients who express the desire to align their investment strategy with their sustainability preferences. Some also ask for visibility, transparency, data and reporting outcomes of climate-focused and sustainable investment strategies. As clients evolve with shifting interests and as new themes emerge (e.g. climate, infrastructure, decarbonization), we continue to evolve with them.

[24] 2024 Business Owner Report: https://about.bankofamerica.com/content/dam/about/report-center/sbor/2024/2024-BankofAmerica-Business-Owner-Report.pdf



To help clients achieve their goals, we focus on:

- Educating our clients on sustainable investing to help close the "aspirational gap" between client interest and current levels of adoption.
- Aligning client interests with availability of investment products (e.g., renewable energy, clean water and water scarcity) across asset classes and investment vehicles (e.g., pooled investment vehicles, separately managed accounts and alternative investments).
- Providing guidance and implementation to their advisors.

Our approach has generated results: interest in sustainable investing has continued to grow over time, demonstrated by growth in GWIM client balances identified as sustainable from $25 billion in 2019 to $53 billion in 2023 and positive net flows over the same five-year period. Despite this significant growth, we believe there is great opportunity to further increase education and potential adoption of climate-friendly investments, particularly given the need for investment in existing and emerging technologies to support the transition to a low-carbon economy.

Chief Investment Office (CIO) Sustainable Environment Portfolios

- Centrally managed, proprietary model, with a low investment minimum primarily constructed with mutual funds and ETFs.
- Holdings are assessed for environmental exposure, using the CIO's internal evaluation of how they integrate environmental considerations into the investment approach, in conjunction with data from MSCI ESG Research. The majority of the components in the strategy are intended to have an environmental focus.

*Environmental priorities include clean water, waste scarcity, sustainable and natural resources, agriculture, biodiversity and nature.

Understanding our Clients' Needs

Customized and Holistic Solutions
We engage clients to understand where they are in their transition to Net Zero and what role they have in their respective value chain to support their capital and funding needs against their strategic priorities. It is through these insights that we can better provide advice and access to a spectrum of financing solutions that align to client priorities and the pace at which they are able to execute each stage of transition.

Anticipation of Market Reactions
We provide corporate clients insights on how markets may react to various elements of their transition plans and how it could impact their cost of capital. Our market insights and guidance are designed to help clients understand how the transforming world is picking up on financing activities and the potential impact to valuations and sector allocations.

Recognition of the Value of Investments
We help clients to understand how climate-related investments may be reflected in their valuation.

Global Banking

Our Business Banking (BB), Global Commercial Banking (GCB) and Global Corporate & Investment Banking (GCIB) businesses within Global Banking serve thousands of companies ranging from mid-sized and middle-market companies in the U.S. and major corporations across the globe. These clients cover the full spectrum of the global economy, including manufacturing, transportation, retail trade, food service, agriculture, technology, healthcare, nonprofit and industrials. Our aim is to become a market leader in sustainability resources and capabilities so that our clients can be successful in the transition to a low-carbon economy, regardless of size.

Business Banking and Global Commercial Banking

Many BB and GCB clients are suppliers to large manufacturers or other large corporates, and as such are included in those companies' Scope 3 emissions calculations. Therefore, BB and GCB companies are experiencing increased interest in their decarbonization plans from large manufacturers and large corporates as they work towards their own sustainability goals.

In 2023, we continued educating our bankers on the business opportunities and the ways we can assist clients with decarbonization via six new sustainability-focused training courses, including intermediate-level climate training, regulatory and legal updates and new hire modules. Bankers received sales support materials such as sector-specific primers outlining key climate trends, decarbonization pathways, and case studies of leading industry players in a wide array of high-emitting sectors. In total, BB and GCB bankers had held over 25,000 foundational sustainability conversations with clients before 2023 year-end. These discussions uncovered a range of opportunities to help deliver for our clients and win over prospects, from financing and capital raising to thought leadership and advisory expertise. We remain in close partnership with sustainability resources across the enterprise to differentiate our capabilities in the market and drive meaningful client engagement.

CASE STUDY: Global Precision Group

Bank of America assisted Global Precision Group (GPG) in enhancing its sustainable business practices by: (i) sharing practical financing advice such as suggesting the client explore availability of IRA tax deductions for energy efficiency projects, (ii) delivering industry benchmarking and research, and (iii) providing a list of third party resources who could further support GPG in its sustainability journey. Improving its sustainable business practices enabled GPG to maintain the long-standing relationship with its largest client. *GPG is a privately owned precision machining company that processes and machines gray iron, ductile iron, aluminum, nickel bronze and steel alloy materials for the agricultural equipment and transportation industries.*

Global Corporate and Investment Banking

Our approach to engaging with GCIB clients on their transitions is based on an understanding of their Net Zero needs. The clients we work with on sustainability typically fall into four categories based on their industry and focus (see below). We have fine-tuned our engagement approach based on client needs across these categories, as evidenced by client case studies herein. Through our extensive engagement with clients on the transition to Net Zero, we have identified some common client actions and macro considerations as they consider their climate impact and strategy (see the following page).

High Emitters are companies in carbon-intensive sectors looking to decarbonize and evaluate new technologies to do so (e.g., auto manufacturing, aviation, cement, energy, iron and steel, power generation, maritime shipping). These clients seek our advice on how to manage capital expenditures and investment in climate technologies, as well as a view into market reaction to their energy transition plans and resulting impact on their cost of capital.

Recent Adopters are companies who are not directly impacted by the transition to Net Zero but are looking to incorporate sustainability into their strategy and culture and are at the very early stages of their sustainability journey. These clients want to stay abreast of trends in the market, benchmarking against peers and aware of best practices.

Sustainability Forward are companies who embed sustainability into their products or supply chain or have it as a part of their core mission (e.g., apparel company with a sustainable supply chain). These clients seek our advice on how to best position themselves in the market and green financing solutions.

Pure Play Sustainability are companies whose business models are built around energy transition or sustainability solutions and are developing the technologies needed by incumbent clients in high-emitting industries (e.g., renewable fuels, sustainable agriculture, etc.). These clients want to secure necessary capital to develop technologies and ensure economic viability (e.g., strategic alternatives such as IPOs, JVs or M&A and creative ideas around financing).

CASE STUDY: U.S. Steel

Bank of America served as a bookrunning senior manager on U.S. Steel's $240 million tax-exempt private activity bonds with a green bond designation focused on assets for handling, sorting, processing, treatment and recycling of ferrous scrap metals for new electric arc furnaces, which will produce steel primarily from scrap metal feedstock[25]. *U.S. Steel produces and sells steel products for clients in the automotive, construction, consumer, electrical, industrial equipment, distribution and energy industries.*

CASE STUDY: TenCate Grass Holding B.V.

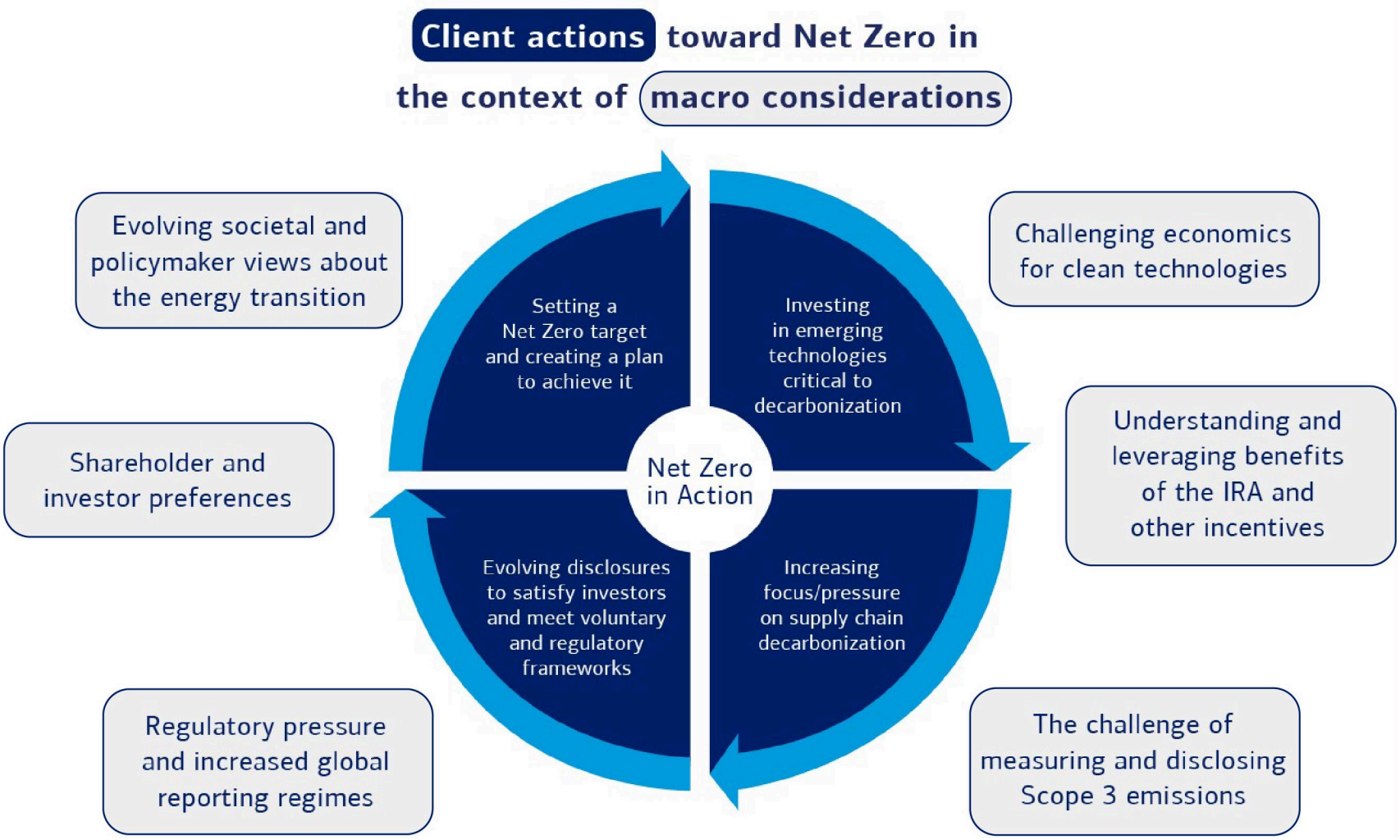
BofA Securities served as lead financial advisor to TenCate Grass Holding B.V. who agreed to be acquired by a private equity firm. *TenCate is a leading, vertically integrated manufacturer, distributor and installer of artificial turf and other surfaces, with a focus on pro-actively driving sustainability throughout its industry by developing fully circular solutions.*

CASE STUDY: Enlight Initial Public Offering

In February 2023, BofA Securities served as an active bookrunner on the $289 million U.S. Initial Public Offering (IPO) of Enlight Renewable Energy Ltd. This transaction marked the first U.S. IPO of a pure-play developer, owner and operator of renewable energy projects in a new and growing industry and the first U.S. listing for a Tel Aviv listed company since September 2014. *Enlight is a renewable energy company, combining greenfield development with power production across segments of renewables.*

[25] Source: U.S. Steel press release.

We help our clients navigate these challenges through our suite of solutions, and we continue to adapt and refine our product offerings to evolve alongside their needs. The sustainability solutions we provide are built around our core products: Advisory, Debt and Equity Capital Markets and Lending. Across GCIB, we are strengthening our partnership with BB, GCB and GSFG to help provide coverage across all products and project/asset-level financing. This is expected to aid us in focusing on clients who are developing emerging technologies and provide coverage to companies who will be leaders in the clean energy space, in addition to current coverage of incumbent clients in high-emitting sectors working to transition.



Global Markets

The majority of Global Markets clients are institutional clients whose focus is generally on market access and liquidity. As such, not all of our products drive direct decarbonization, but rather they enable market liquidity, efficient flow and allocation of capital and risk mitigation. For our corporate client base, we offer a suite of on-and off-balance sheet financing solutions to help them finance their transition goals.

These corporate clients are focused on 1) accessing capital and investment products to drive progress toward their climate transition goals and adapting to an economy of low-carbon technologies and more resilient business models, 2) seeking advice and guidance on how to best navigate and leverage the benefits of governmental incentives (e.g., IRA.), 3) addressing emerging regulatory requirements and transition to a low-carbon economy, and 4) gaining transparency on criteria to improve sustainability rankings to drive down the cost of capital and improve valuations. The Company assists them in their transition journey through multiple Global Markets groups:

Global Sustainable Finance Group: Provides asset-based debt financing, tax incentive-related investments and distribution, capital raising and other firm-wide solutions to scale and mobilize capital for:

- Mature decarbonization technologies: wind and solar; distributed generation (residential, commercial and industrial solar); EVs and EV infrastructure, energy efficiency, battery storage, geothermal energy
- Emerging decarbonization technologies: clean hydrogen, SAF, carbon capture and sequestration, renewable natural gas, advanced manufacturing, water and sanitation
- Emerging markets through blended finance solutions

Just Transition in our Financing Activity[26]

The Greenhouse Gas Reduction Fund, a component of the IRA, offers an opportunity to bring capital to low-income communities to rapidly deploy low- and zero-emissions technologies. Our Community Development Financial Institutions (CDFI) and Global Sustainable Finance teams are advising clients on how subsidies and credit enhancements can be used to leverage private capital to reach these low-income and disadvantaged communities. Our GCIB and Global Markets teams are also incorporating Just Transition considerations into a range of financing strategies and opportunities, both in the U.S. and around the world. The teams work to mobilize and deploy capital to advance environmental sustainability and socioeconomic empowerment for underserved populations and in underserved regions.

Internationally, we work with the Sustainable Markets Initiative and other forums to partner with governments, regional lenders, multilateral development banks (MDBs), development finance institutions (DFIs) and philanthropies to help accelerate the flow of private capital toward sustainable development in emerging markets. Our work includes exploring opportunities with MDBs, DFIs and energy developers in Africa, supporting Just Energy Transition Partnerships with both Indonesia and Vietnam, and developing renewable energy and clean transportation infrastructure projects located in Small Island Developing States in the Caribbean. We have also co-invested in several high-impact blended finance vehicles with DFIs and private and philanthropic investors that are increasing clean energy access in sub-Saharan Africa, through expansion of solar energy across residential, commercial and industrial and mini-grid sectors.

A financing portfolio of solar generation for residential and commercial / industrial customers and EVs, comprised of **177 wind farms, 68 solar farms** and nearly **150,000 rooftop installations.**

With the guidance of GCIB, the Company **continues to be one of the largest U.S. corporate issuers of sustainability-themed bonds.**
Since 2013 through year-end 2023, we have issued
$14.93B
across six green, two social and three sustainability bonds.

In 2023
our GCIB business was
No. 4 globally
in ESG debt issuance volumes
and
No. 2 globally
in Green Bond issuance volumes.

[26] Sources: https://about.bankofamerica.com/en/making-an-impact/blended-finance; https://about.bankofamerica.com/en/making-an-impact/sustainable-finance

Global Commodities: Provides liquidity through market-making of derivative instruments and other financial products for renewable fuels, transition metals and other environmentally-important products; delivers financing and investment solutions to help support the build out of low-carbon commodity products and other risk management solutions.

Carbon Credits

An active carbon market, including both emission allowance trading as well as high-integrity carbon credits, is expected to play an increasingly important role in achieving decarbonization at a low cost in addition to providing resiliency, preserving biodiversity and other co-benefits.

Our Global Commodities group within Global Markets is an active market participant in the most traded compliance carbon markets in Europe and North America (EUA, UKA, CCA, RGGI and WCA), voluntary carbon offsets markets and other power-related environmental attributes (RECs)[27]. In 2023, we transacted with power generation, energy and industrial clients who hedge risk in their regulated carbon exposure as well as service sector clients who procured carbon offsets to compensate for residual operational emissions from business travel. As it relates to the transportation sectors, we help airlines, international couriers, maritime shipowners and long-haul road freight clients on fuel switching initiatives to low-carbon fuels (such as sustainable aviation fuel, renewable diesel and biodiesel) as well as trade fuel-related environmental attributes (LCFS and RINs)[28].

In 2023, we helped clients producing low-carbon fuels with efficient financing solutions and began working with clients procuring low-carbon fuels to risk-manage these new exposures. In addition, see pages 21, 25, 81 and 83 for information on the Company's carbon credit activities.

Municipal Banking and Markets: Executes sustainable municipal transactions across multiple states, cities and local governments for issuers ranging from airports, mass transportation, housing, pollution control and sanitation.

Global Mortgages and Securitized Products: Extends financing through three segments: Asset-backed Securitization (ABS), Commercial Real Estate (CRE) and Subscription Finance. To help accelerate their transition to Net Zero, Global Mortgages and Securitized Products is focused on providing various financing solutions for clients.

Global Rates and Credit: Enables market participants to finance their climate transition targets by providing liquidity and supporting secondary trading in sustainability-linked instruments and partners with Debt Capital Markets to help our clients with sustainability-linked issuances.

Global Equities: Provides liquidity and supports secondary trading volume for sustainability-themed exchange-traded funds (ETFs), index swaps and a suite of liquid custom basket solutions as well as providing sustainable portfolio and execution strategies.

[27] EUA: European Union Allowance; UKA: United Kingdom Carbon Emission Allowance Market; CCA: California Carbon Allowances; RGGI: Regional Greenhouse Gas Initiative; WCA: Washington Carbon Allowance Market; RECs: Renewable Energy Credits.

[28] LCFS: Low-Carbon Fuel Standard; RIN: Renewable Identification Numbers.

Deploying Capital Into Nature-positive Areas

We see increased opportunities to work with our clients to help deploy capital into new nature-positive areas aligned with our goal to mobilize and deploy $1.5 trillion in sustainable finance by 2030. One way we are supporting clients in this area is through thematic and structured bonds that focus on biodiversity and debt-for-nature provisions.

The Company is also leveraging its position in sustainability-linked balance-sheet financing by looking for opportunities to link our corporate banking clients' nature-related targets to different sustainability-linked financing products. We recently developed a sustainable supply chain financing program with PureCircle, a subsidiary of Ingredion. PureCircle was able to deploy sustainable agricultural practices across its small- to medium-enterprises farmer supply chain for stevia leaf, a natural sweetener.

CASE STUDY: Gabonese Republic Debt-for-Nature-Swap[29]

Bank of America served as initial purchaser, structuring agent, dealer-manager and book runner on the first-ever debt-for-nature transaction in Continental Africa to refinance $500 million of sovereign debt for the Government of Gabon. Political risk insurance of up to $500 million provided by the U.S. International Development Finance Corporation resulted in a Aa2 investment grade rating which attracted investors, extended the tenor and lowered interest payments. In addition, Gabon will contribute $163 million (including endowment returns) in new funding for nature and ocean conservation, with The Nature Conservancy as the project manager and technical advisor, supporting their commitment to protect 30% of its lands, freshwater systems and ocean by 2030.

We are engaged in raising capital for companies active in emerging areas such as the alternative protein and sustainable farming sectors, and we have deployed capital into blended finance vehicles with a focus on natural capital, such as climate-smart and regenerative agriculture and food systems transformation in emerging and developing economies. Examples of our capital contributions include our investment made in 2023 in the responsAbility Climate Smart Agriculture & Food Systems Fund. As previously mentioned, our Commodities business is also active in the voluntary carbon credits market with a focus on nature-based solutions such as blue carbon, carbon soil sequestration, reforestation and afforestation.

Aligned with the goals of the Mangrove Breakthrough Initiative, we are leveraging our diverse financial product expertise and philanthropic resources to help mobilize $4 billion by 2030 to protect 15 million hectares of mangroves which could deliver an array of economic, carbon sequestration, climate resilience and biodiversity benefits[30].

[29] Source: https://newsroom.bankofamerica.com/content/newsroom/press-releases/2023/08/bank-of-america-refinances-gabon-sovereign-debt-for-nature-and-o.html
[30] The Mangrove Breakthrough Initiative is a science-based goal for non-state actors and governments to collectively restore and protect mangroves. Source: UN Framework Convention on Climate Change - Climate Champions.

Supporting our clients in high-emitting sectors

In addition to the support outlined above across LOBs, at Bank of America we have applied an additional focus on supporting our clients in high-emitting sectors as outlined below.

Sector	Decarbonization Levers	
Auto Manufacturing	• Shift to Electrification: Realign businesses to EVs, including battery EVs (primarily light-duty vehicles) and fuel cell EVs powered by green hydrogen (primarily heavy-duty vehicles). • Higher Efficiency ICE: Expand internal combustion engine (ICE) portfolio of vehicles with higher energy efficiency in usage. • Direct Use of Renewables: Switch to renewable energy for aluminum production and battery assembly. Switch to biomass for plastics production and for aluminum. • Direct Efficiency Improvements: Increase production or logistics efficiencies. • Supply Chain use of Renewables: Source green materials (sustainably sourced or manufactured raw materials). • Supply Chain Efficiency Improvements: Increase efficiency of suppliers' electrical consumers, procure best-in-class low-carbon steel. • Circularity, Recycling and Supply Chain: Increase recycling share for aluminum and transform to scrap-based electric arc furnace (EAF) steel; redesign existing products and increase recycling.	• Shift to the Future of Mobility: Realign the business to mobility modes (e.g., autonomous vehicles, e-scooters) that lessen the overall dependency of high-emitting transport. • New Processes: Switch to direct reduced iron (DRI) EAF production route for steel and to bio-based plastics manufacturing. • Support for Higher-Blend Fuels: Supporting vehicles for the uptake of higher-blend fuels (e.g. E15 and higher) that are increasingly available to consumers. • Remove Carbon: By purchasing verified carbon offsets as well as investing directly in negative emission technologies (e.g., carbon capture), including capturing remaining emissions in steel, plastics or batteries manufacturing. • New Fueling Infrastructure: Investments in end-use alternative refueling and electric charging infrastructure.
Power Generation	• Clean Energy: Realign power generation sources to renewables (wind, solar, biofuels, battery storage, other) and nuclear. • Grid Modernization: Modernize transmission and distribution system to enable connections with renewable energy and distributed energy resources, increased electrification, enhanced reliability and resilience and improved efficiency and metering.	• Fuel Switching: Transition from higher emitting to lower-emitting energy sources as medium-term bridge to clean energy (e.g., coal to natural gas, fossil fuel generation to renewables including biofuels). • Operational Efficiency: Streamline generation processes (e.g., implementing predictive maintenance). • Remove Carbon: By purchasing verified carbon offsets as well as investing directly in negative emission technologies (e.g., carbon capture).
Energy	• Minimize and work to eliminate flaring and fugitive methane emissions: Deploy technologies and actions to minimize flaring and lower methane emissions, with third-party monitoring, leak detection, control devices and component replacements. See "Note on Methane" below. • Clean Molecules: ◦ Renewable Fuels: Increase production of biofuels (e.g., ethanol, biodiesel, sustainable aviation fuel and renewable natural gas) to facilitate fuel switching. ◦ Green Hydrogen: Generate on-site low-emission hydrogen via electrolysis.	• Clean Electrons: Shift to Electrification - Increase the usage of electric power in gas compressors and other on-site equipment. • Oil to Liquefied Natural Gas (LNG): Increase production of LNG to facilitate fuel switching. • Decarbonize Core Processes: Reduce waste and resource intensity, enhance energy efficiency and more deeply engage supply chain on decarbonization. • Remove Carbon: By purchasing verified carbon offsets as well as investing directly in negative emission technologies (e.g., carbon capture). Deploy carbon capture, utilization and storage (CCUS) technologies to CO_2-intensive processes along the oil and gas supply chain.

Sector	Decarbonization Levers	
Aviation	• Increase SAF Uptake and Deployment: Support clients in securing SAF to transition from high carbon jet fuel to low carbon SAF. • Support SAF Development and Infrastructure: Increase the availability and development of low carbon SAF as well as the supporting infrastructure to transport SAF to its end use. • Fleet Modernization: Retrofit aircraft for increased fuel efficiency and acquire aircraft with higher efficiency engines and/or building design to lower fuel usage and resultant CO_2 emissions as older aircraft are retired.	• Remove Carbon: Purchase of verified carbon offsets as well as direct investment in negative emission technologies (e.g., carbon capture). • Alternative Propulsion Technologies: Support the development and/or purchase of new aircraft technologies such as hydrogen or electric planes. • Operations Efficiencies: Trajectory optimizations allow aircraft to operate optimum profiles, reducing fuel burn and CO_2 emissions.
Cement	• Clinker Production and Substitution: Substitute clinker for less carbon-intensive materials, such as by-products from other industries or alternative raw materials. • Capture and/or Remove Carbon: Invest directly in carbon capture technologies to be deployed in cement kilns, as well as purchase verified carbon offsets.	• Energy Efficiency and Renewable Fuels: Leverage alternative fuels as a replacement for conventional fossil fuels.

In addition to considering decarbonization actions for each sector, we also recognize the interdependent cross-sectoral nature of the transition to a low-carbon economy. A few examples of this include:

- Efforts in the energy sector to reduce flaring and fugitive emissions also reduce the Scope 3 lifecycle emissions in other sectors where natural gas is used (especially power, auto and cement).
- Achieving power generation decarbonization magnifies the impacts of electrification in other sectors by providing more zero-carbon electricity available for purchase and use (especially auto pivot to EVs, and energy sector deployment of electric compressors).
- Efforts in the energy sector to develop clean molecules (renewable fuels) can support aviation sector achievement of SAF targets.
- Efforts in the energy sector to advance commercial readiness of CCUS can create positive spill over into manufacturing sectors (e.g., cement).

CASE STUDY: LG Energy Solution Inaugural Green Bond

Bank of America served as a joint bookrunner on LG Energy Solution's $1 billion inaugural green bond, with use of proceeds allocated to finance or refinance new or existing projects related to low-carbon transportation and energy efficiency. *LG Energy Solution is one of the largest producers of rechargeable lithium-ion batteries in the world with the largest number of production base globally and offers a wide array of battery products for various applications, such as advanced automotive batteries, mobile and IT batteries and energy storage systems.*

Auto Manufacturing

Reducing emissions from light trucks and passenger vehicles is critical to the overall decarbonization of the economy and the effort to limit warming to below 1.5° Celsius. GHG emissions from road vehicles totaled nearly 6.0 gigatonnes (Gt) of global CO_2e in 2022, with light-duty vehicles contributing nearly 50% of that total. In totality, road emissions represented 16% of total global CO_2e emissions. Behind coal, road transportation represents the second largest single source of global CO_2e emissions. Given the importance of the overall road transportation sector to the global decarbonization effort, we see focus on this sector's decarbonization trajectory as vital to our 2050 goals.

As our auto manufacturing clients begin and continue along their decarbonization journeys, there are several specific key actions that will make the largest impact in reducing overall GHG emissions. For most light-duty vehicle manufacturers, the vast majority of emissions are from vehicle use and manufacture of components (measured in Scope 3). The shift to electric vehicles is the clear long-term pathway to decarbonization. There are other levers, as noted above, but it is well understood by our clients in the space that the shift to electrification is the most important. To be aligned to the IEA's Net Zero by 2050 pathway, the auto manufacturing sector as a whole must reach 65% electric vehicle sales by 2030 and end new internal combustion engine (ICE) vehicle sales by 2035[31].

CASE STUDY: Stellantis Inaugural Green Bond

Bank of America served as a green structuring agent, joint bookrunner and billing and delivery agent on Stellantis's €1.25 billion seven-year inaugural Green Bond offering in accordance with the newly established Green Bond Framework. Stellantis will allocate an amount equal to the net proceeds of any Green Bond issued under its 2023 Green Bond Framework to investments and expenditures related to the design, development and manufacturing of Zero Emission Vehicles that are Battery Electric Vehicles (BEV) and Fuel Cell Electric Vehicles (FCEV). *Stellantis is a global automaker and mobility provider.*

Scope 3 accounts for the majority of emissions for auto manufacturers. For traditional ICE vehicle manufacturers,, this is comprised mostly of Scope 3 downstream activities (e.g., vehicle use). As the industry moves toward EVs, this is expected to shift as Scope 3 downstream emissions decrease and Scope 3 upstream emissions increase (e.g., supply chain). Electric vehicles produce more emissions in production, but less in operation when compared to traditional internal combustion engine vehicles. This will likely result in an increased focus on the emissions of original equipment manufacturer suppliers. There are several levers that auto manufacturers can pull to influence their Scope 3 upstream emissions, including increase of secondary (recycled) materials rate in sourcing of aluminum, steel, polymer, electronic, and batteries and adopting circular business models.

As auto manufacturers have shifted their focus to developing their EV capabilities, we have shifted with them. We engage them in discussions on mergers and acquisitions for their supply chain to support the shift to electrification components and green bonds and other bespoke financing alternatives that address their desire to integrate their funding into their transition strategy. More recently, we have been discussing how the IRA impacts their investment decisions and how project finance, tax equity and tax credit transferability can be tools for them to use.

To better support client engagement, we have created a Mobility Team within GCIB which coalesces bankers from industrials, natural resources and technology teams to provide coordinated coverage across clients in the supply chain who will be critical to the EV transition. These can include battery developers and EV parts manufacturers. By evolving our offering and coverage model, we are building upon the deep relationships we already have with clients to further our success.

Power Generation

The global power and utility sector comprises 27%[32] of global GHG emissions and necessitates the most rapid decline in emissions among sectors for the global transition. Decarbonization in this sector is critical to limit climate change in line with a 1.5° pathway. To meet our 2050 goals, and as one of the largest finance providers to the sector, it is imperative that we support our clients in making their transition, especially given the interdependencies with other sectors. For instance, with electrification of the auto sector, demand for power will increase.

The power sector is already facing headwinds, with global electricity demand expected to rise at a faster rate over the next three years, on average by 3.4% annually through

[31] Source: IEA Electric Vehicles.
[32] Source: Boston Consulting Group.

2026, according to the International Energy Agency[33]. Some of the most significant drivers of this are expected to be economic growth outside of advanced economies, increased electricity demand from data centers, artificial intelligence (which impacts data centers, though not all data centers are equipped for AI) and cryptocurrency.

As our clients begin and continue along their decarbonization journey, there are several specific key actions that will make the largest impact in reducing overall GHG emissions, such as shifting power generation sources to renewables and nuclear, modernizing transmission and distribution systems and streamlining generation processes. There is a well-defined pathway to decarbonization through renewable energy – primarily wind and solar. The technology is both mature and economically viable, with significant investment directed toward it. There has already been significant progress, and investment in clean energy continues to grow.

We support a wide range of companies, from large cap utilities who are building renewable capabilities into their mix to emerging technology providers. Our coverage model is integrated to include Financial Sponsors and Sovereign Wealth Funds which have also made significant investments in the space. We have dedicated bankers who focus on energy transition in our natural resources and emerging growth teams and we integrate our energy transition specialists with coverage of traditional utilities to provide a complete picture.

CASE STUDY: National Grid

Bank of America served as a Joint Active Bookrunner and Billing & Delivery Agent on the Green tranche for National Grid's issuance of a dual tranche €1.75 billion bond offering with €750 million in Green notes. National Grid has identified itself as "the energy transition company" and aims to be a leader in supporting the clean energy transition. *National Grid is an electricity and gas delivery company serving millions of customers through its networks in the U.K., and New York, Massachusetts, New Hampshire and Vermont in the U.S.*

CASE STUDY: Snam Transition Bond

Bank of America acted as a joint global coordinator and joint bookrunner on a €500m E.U. Taxonomy-aligned Transition Bond offering for Snam S.p.A. ("Snam") into Italgas S.p.A. ("Italgas"). Snam intends to use the net proceeds from the issue of the exchangeable bonds to finance or refinance, in whole or in part, existing and/or future Eligible Projects, as set forth in their Sustainable Finance Framework. The landmark transaction is the first ever transition-exchangeable bond and the third Italian equity-linked bond issuance since August 2023.

Financing is a key need for clients developing renewables projects, whether they are a public utility or a start-up project developer. We combine our debt capital markets and tax equity franchises to offer clients holistic and customized financing solutions. Equity capital markets and M&A are also critical products, and our team leverages in-depth market knowledge to provide best alternatives for our clients. As the environment and regulations have changed, we are adapting the tax equity product to focus on an originate-to-distribute model which will be less balance sheet and tax capacity intensive. GCIB is partnering with GSFG to develop this new market for tax credits, combining the structuring expertise and deep relationship base to identify the most likely users of the tax credit product.

Energy[34]

The energy sector remains one of the most important pieces to the overall decarbonization of the economy and the effort to limit warming to below 1.5° Celsius. Emissions from oil and gas refining, production and transportation (scope 1 and 2), represent approximately 5.1 Gt in CO_2e emissions or 15% of the global energy-related GHG emissions total in 2022. The end use of oil, gas and other petroleum products contribute an additional 40% of global CO_2e emissions. In totality, energy accounts for more than three-quarters of all global CO_2e emissions, by far the largest contributor to global emissions. Decarbonization efforts focused on reducing intensity of operations and lowering usage will have an outsized effect on the global reduction of GHG emissions.

The pathway to decarbonization is more complicated in the energy sector compared to automotive manufacturing and power generation. Approximately 15% of global emissions result from the production of energy - reflected as the energy sector's

[33]Source: IEA Electricity 2024 report.

[34] Sources for certain data in this section: IEA; IEA World Energy Outlook 2023 report; IEA GHG Data and Statistics.

Scope 1 and 2 emissions – but another 40% result from the burning of hydrocarbon fuels by other industries – reflected as the energy sector's Scope 3 emissions. There are levers energy companies can pull to reduce their Scope 1 and Scope 2 emissions. While Scope 3 emissions remain a challenge, there are additional levers to address end use as well.

Decarbonization drivers in the energy sector have largely bifurcated into two main approaches: 1) the "clean electrons" approach, which focuses on producing and using clean electricity for petroleum operations. The clean electrons approach has dominated decarbonization efforts in the past, while 2) the "clean molecules" approach has gained momentum as technology has improved.

Note on Methane

Bank of America and certain clients (including some in the methane measurement and monitoring space) are part of a financing working group in the newly launched (2023) Methane Abatement Financing Taskforce led by Climate Bonds Initiative. Refer to the IEA for more information.

As part of our Client Transition Plan Assessments for oil and gas clients, we specifically look to understand their methane abatement plans and emissions reductions targets.

And, we are one of the largest financing providers for more efficient compressors, which reduces the amount of methane leaking into the atmosphere.

According to the U.N. Intergovernmental Panel on Climate Change, the global warming effect of methane is approximately 84-87 times stronger than carbon dioxide over a 20-year period, and 28-36 times stronger over a 100-year period. The energy sector is the second largest source of methane from human activity, and the abatement of methane emissions is critical to limit global temperature rise. According to the IEA's Net Zero Emissions by 2030 Scenario, a 75% cut in methane from fossil fuel operations is needed by 2030 to limit global warming to 1.5° Celsius. The Company is committed to helping clients reduce methane emissions[35].

Clean molecules focuses on the generation of alternatives to petroleum products (biofuels, hydrogen and CCUS technologies). The technologies and engineering deployed by energy companies will be critical to addressing decarbonization across not only the energy industry, but also other industries that rely on burning fuel. Within our coverage groups (Natural Resources and Emerging Growth), we have dedicated bankers to focus on energy transitions. We are leveraging our strong historic knowledge of incumbent energy providers while integrating our energy transition experts to deliver holistic and customized solutions to our clients. Our energy bankers engage closely with clients who are dedicated to low-carbon solutions and energy transition in order to understand the client's approach. Our clients' approaches vary across the industry: some are more focused on renewables, others are more focused on carbon capture and still others are more focused on hydrogen or leveraging their sub-surface expertise to explore mining for transition metals.

Once we have identified the client's focus, our coverage teams bring in the appropriate energy transition experts to discuss about the mergers and acquisitions landscape, investment alternatives or capital raising. Sometimes these discussions require insight from bankers in other sectors, such as agriculture to discuss feedstocks for renewable gas or mobility to address battery storage. We have developed our coverage model to enable these cross-industry collaborations. More recently, we have been discussing tax credit transferability. In the energy sector, our clients are not only potential project developers, but also potential large buyers of the tax credits.

[35] Sources: IEA methane tracker 2021, and also The Global Methane Pledge. *"Methane is a powerful but short-lived climate pollutant that accounts for a third of net warming since the Industrial Revolution. Rapidly reducing methane emissions from energy, agriculture and waste can achieve near-term gains in our efforts in this decade for decisive action and is regarded as the single most effective strategy to keep the goal of limiting the warming to 1.5˚ C within reach while yielding co-benefits, including improving public health and agricultural productivity."* - *The Global Methane Pledge (GMP), launched at COP28 by the E.U. and the U.S.*

Aviation

The aviation sector is a major contributor to global emissions, representing approximately 2% of global GHG emissions in 2022[36]. Aviation is a challenging sector to abate, with limited opportunities to decarbonize in the short term.

CASE STUDY: SkyNRG Funding Round from Macquarie Asset Management

Bank of America served as a sole placement agent to SkyNRG on an initial investment of up to €175 from Macquarie Asset Management via the Macquarie GIG Energy Transition Solutions (MGETS) Fund. This supports SkyNRG's next phase of growth and helps achieve its ambitious goal to become a major SAF producer through the development and operation of SAF production facilities.

One of the primary levers for aviation decarbonization is the use of Sustainable Aviation Fuel (SAF). SAF has a lower carbon footprint compared to conventional jet fuel, and it is produced from multiple sources, the most common of which are currently renewable biomass and waste resources. Power to Liquid (PtL) SAF also shows significant promise for the aviation industry, especially once electricity grids are decarbonized, thereby demonstrating the interdependency of sectors in a successful transition. The SAF industry is still nascent but shows promise with a significant increase in the number of offtake agreements in the past two years as airlines demonstrate their commitment to the technology, and new projects boost anticipated production capacity. Offtake agreements, whereby airlines are making long-term commitments to purchase a given volume of SAF, help provide certainty of supply and demand for the produce and reduce the risk associated with investments in new technology and infrastructure needed to produce. SAF is not without challenges, including increasing demand of production volumes, development of new technologies, scarcity of supply, competition with renewable diesel for resources and higher costs relative to traditional jet fuels. The Mission Possible Partnership (MPP) PRU scenario assumes SAF to account for 13% of aviation fuel consumption by 2030[37]. Achieving this is key to bring these technologies to market and enabling the ramp up in production needed for fuel volumes to drastically increase in later years. Bringing the technologies to market and unlocking IEA's NZE 2050 Scenario estimates SAF demand to account for 11% of aviation fuel consumption by 2030[38].

Another key lever for aviation decarbonization is increasing the fuel efficiency of planes through fleet modernization, retrofit and engineering improvements. The MPP PRU scenario assumes efficiency gains of 2% per year[39] are achieved by these actions.

The Company continues to support the reduction of aviation emissions. In addition to our own actions to champion SAF, we continue to support our airline clients - major commercial and passenger airlines across the globe - in their adoption of SAF and through support to purchase new high-efficiency aircraft and retrofit less fuel-efficient aircraft in their fleets. In 2023, the Company helped launch a first-of-its-kind coalition in Minnesota dedicated to SAF production. Through the GREATER MSP Partnership, Bank of America, Delta Air Lines, Ecolab and Xcel Energy established the Minnesota SAF Hub, which was the first large-scale SAF collaboration in the U.S., committed to scaling SAF production to replace conventional jet fuel.

Cement

The cement manufacturing industry is a major contributor to global emissions. According to the IEA, cement accounts for approximately 6.5% of global GHG emissions. There are three primary levers for the cement industry to reduce its carbon footprint:

1. Clinker Production and Substitution: Clinker is the key component of cement and is produced by fusing limestone, clay and other materials in a high temperature kiln. This is where the majority of direct CO_2 emissions are produced. Cement manufacturers can use byproducts from other industries or alternative raw materials, such as blast furnace slag, fly ash, calcined clay and limestone filler, as less-carbon intensive clinker substitutes in cement production. Some developers are also working on new cement types that do not require clinker.
2. Carbon Capture: Carbon capture is a process that captures CO_2 from direct sources or the atmosphere and then stores or reuses the captured CO_2. This technology is particularly important for hard-to-abate sectors. For cement manufacturers, this technology is required to capture unavoidable CO_2 emissions from limestone calcination during the clinker production process.
3. Energy Efficiency and Renewable Fuels: Cement production is a highly energy-intensive process and demands large amounts of heat input. Cement

[36] and [38] Source: IEA Aviation.
[37] Source: Mission Possible Partnership.
[39] Source: IATA Aviation Net-Zero CO_2 Transition Pathways report.

manufacturers can leverage alternative fuels, such as refuse-derived fuels, biomass or low-carbon hydrogen, as a replacement for conventional fossil fuels to reduce their Scope 1 emissions. Additionally, Scope 1 emissions can be reduced with the electrification of cement kilns. Clean electricity is also a key lever to decrease Scope 2 emissions.

Many of our clients in the cement sector not only have Scope 1 and 2 emissions reduction targets, but also have specific targets for clinker substitution, use of alternative fuels and use of carbon capture technology. We continue to support our clients with the financing needed to reduce their emissions in this highly carbon-intensive production process. As this document reflects year-end 2023, industry details are not included for the iron and steel and maritime shipping sectors. Those targets were announced in April 2024; more details can be found in the Metrics and Targets section and also in our TCFD Addendum. We partner with various organizations to support the decarbonization of high- emitting sectors. Key organizations are as follows.

CASE STUDY: Cemex Inaugural Green Bond:

Bank of America served as a joint bookrunner, billing and delivery agent on $1 billion of new Green Perpetual NC5 Subordinated Notes for Cemex. The transaction represented Cemex's first green bond issuance. This unique hybrid structure marked a landmark transaction in the building materials sector. Proceeds will be used to finance or refinance eligible green projects - mainly capital and select physical asset operating expenditures. Also included: research and development for projects related to pollution prevention and control; renewable energy; energy efficiency; clean transportation; sustainable water and wastewater management; eco-friendly and/or circular economy adapted products; and production technologies and processes.

Organization/Initiative	Sector	Overview
First Movers Coalition	Multiple	Mobilizes collective demand for critical emerging technologies essential for the Net Zero transition. The FMC is a coalition of companies using their purchasing power to create early markets for innovative clean technologies across seven hard-to-abate sectors.
Airports of Tomorrow	Aviation	Addresses the technology, policy and financing needs of the transition to Net Zero aviation through strategic dialogues between public and private stakeholders across the aviation value chain.
Sustainable Aviation Buyers Alliance (SABA)	Aviation	Sustainable Aviation Buyers Alliance aims to accelerate the path to Net Zero aviation by driving investment in and adoption of sustainable aviation fuel (SAF). Members work to develop a rigorous, transparent system that expands opportunities to invest in high-integrity SAF to all businesses and organizations interested in reducing the climate impacts of flying.
Breakthrough Energy Catalyst	Multiple	Breakthrough Energy Catalyst (Catalyst), a program within the larger Breakthrough Energy network founded by Bill Gates, is a novel platform that funds and invests in first-of-a-kind commercial projects for emerging climate technologies. By investing in these opportunities, Catalyst seeks to accelerate the adoption of these technologies worldwide and reduce their costs. Bank of America was one of the program's first private sector partners when we invested in 2021.
Mission Possible Partnership	Multiple	MPP is a movement of climate leaders and companies driving industrial decarbonization across the entire value chain of the world's highest-emitting heavy industry and transport sectors.

Actions and Dependencies Toward Achieving our Goals

There are factors outside of our control explained throughout this document which may heavily impact our ability to meet our Net Zero targets and interim 2030 goals.

These dependencies include but are not limited to: climate-related data availability and quality; new decarbonization technology to meet Net Zero targets; lack of credible/ actionable transition plans by our clients; regulatory, policy, political and societal views, and consumer behavior. Key actions we are taking toward progress in light of these challenges are shown below. Refer to the Risk Management section for details about the third prong of our climate strategy: Assess and Manage Climate-related Risks. See also: Cautionary Information and Forward-Looking Statements.

Achieving 2030 Targets	2023	2024	2025	2026	2027 onward
Operations and supply chain					
Grow percentage of renewable electricity purchased through PPAs	■	■	■		
Complete installation of solar panels on buildings across occupied portfolio	■	■	■		
Evaluate success of piloting new, innovative technologies to address emissions in real estate and data center portfolios	■	■	■	■	■
Financing activity metrics and target setting					
Annually calculate and disclose financing activity emissions metrics for all covered sectors to track progress	■	■	■	■	■
Work to calculate additional financing activities, such as tax equity and consider for inclusion in 2030 targets		■	■	■	■
Work to calculate facilitated emissions and consider for inclusion in 2030 targets		■	■	■	■
Assess targets and update as necessary to incorporate the latest climate science			■	■	■
Evaluate other high emitting sectors for potential financing activity targets		■	■	■	■
Understanding client transitions					
Continue to enhance client data capture as data quality and disclosures improve	■	■	■	■	■
Build the capability to understand, on a client level, how future changes in exposure or emissions intensity impact our portfolio		■	■		
Enhance our capabilities in understanding client transition plans			■	■	■
Supporting and enabling clients					
Provide advisory and financing for clean energy and transition activity, including supporting new technologies	■	■	■	■	■
Advocating and engaging					
Continue to advocate for consistent reporting standards	■	■	■	■	■
Continue to advocate for regulatory and legislative developments that enable the Just Transition to a low-carbon economy	■	■	■	■	■
Continue to advocate for regulatory and legislative developments that enable scaling and commercialization of low-carbon technologies	■	■	■	■	■
Risk management					
Strengthen policies and procedures related to how we identify, measure, monitor and control climate risk	■	■	■	■	■
Enhance risk identification process to incorporate physical and transition risk considerations across LOBs and control functions	■	■	■	■	■
Continue to refine industry climate risk ratings and country classifications	■	■	■	■	■
Evolve climate risk reporting and metrics	■	■	■	■	■

Public Engagement

Our ability to reach Net Zero in our operations, supply chain and financing activity is heavily reliant on many stakeholders, and we engage on policies, regulations and partnerships that support this transition. We collaborate with clients, investors, industry organizations, policymakers and community partners to inform our perspectives and shape our efforts. We also have learned the importance of sharing these external stakeholder perspectives with our employees.

As we continue to enhance our approach to reaching our Net Zero goal, we track and monitor voluntary and regulatory expectations and participate in climate-related collaborations to advocate for policies that support our strategy. Through our engagement, we are focused on supporting the development of comprehensive sustainability reporting standards, allowing for more consistent and comparable disclosure. We also encourage policies that support the infrastructure and technological advances needed to effectively decarbonize our economy, while promoting a just and balanced transition. We have a long history of leading and participating in public-private and cross-sector coalitions and collaborations to drive progress in these areas.

Investors and Shareholders

We engage with shareholders year-round through targeted, active outreach and responsiveness to inbound inquiries. Shareholder input from these engagements is shared with our Board and with management. More on this can be found in the Company's 2024 Proxy Statement. In addition, we assess broader shareholder sentiments, including voting results of our shareholders' meetings. This ongoing exchange is critical to how we drive progress on our sustainability initiatives and the related risks and opportunities, among others. They inform and contribute to governance and disclosure enhancements that help us address the issues our shareholders and key stakeholders tell us matter most to them. Exchanges since our last report included discussions on our approach to transition planning and financing activity emissions.

Industry Organizations

The Company participates in a number of organizations/initiatives to share expertise, work on common challenges and advance progress and transparency toward a sustainable future, including the following:

Organization/Initiative	Overview	Bank of America Involvement
Glasgow Financial Alliance for Net Zero (GFANZ)	A forum for the financial sector to support the transition to a Net Zero economy.	We are a founding member of GFANZ, serve on the Principals and Steering Groups and participate in various work efforts.
International Capital Markets Association (ICMA)	ICMA and its members promote the development of the international capital and securities markets, pioneering the rules, principles and recommendations that have laid the foundations for their successful operation. ICMA serves as Secretariat to the Green Bond Principles (GBP) — of which Bank of America was one of the original authors — the Social Bond Principles (SBP), the Sustainability Bond Guidelines (SBG) and the Sustainability-Linked Bond Principles (SLBP), providing support while advising on governance and other issues.	The Company has representatives on both the ICMA Board and the ICMA Principles Executive Committee, as well as on the ESG Working Group of the ICMA Legal and Documentation Committee.
Net-Zero Banking Alliance (NZBA)	Industry-led, United Nations-convened banking alliance under GFANZ. which develops guidelines and voluntary considerations for credible Net Zero commitments and interim targets for banking members.	We are a founding member of NZBA, serve on the Principals and Steering Groups and participate in various work efforts.
RMI's Center for Climate-Aligned Finance	Launched by RMI to support the financial sector's role in transitioning the global economy toward a zero-carbon, 1.5°C future, the Center for Climate-Aligned Finance powers the finance sector's climate ambition, developing practical solutions to mobilize capital at the scale needed to finance a just energy transition.	We assisted in the launch of the Center for Climate-Aligned Finance and participate in various work efforts.

Organization/Initiative	Overview	Bank of America Involvement
Sustainable Markets Initiative (SMI)	The Sustainable Markets Initiative was launched in 2020, by His Majesty King Charles III, then The Prince of Wales. The Sustainable Markets Initiative has built a coordinated, CEO-led global effort to enable the private sector to accelerate the transition to a sustainable future. It follows the 10 Articles of the Terra Carta mandate to provide a roadmap for its CEO members, alliances and supporters to continue to partner, engage and enable the transformation toward sustainable markets and economies for Nature, People and Planet.	Bank of America Chair and CEO, Brian Moynihan, is the Chair of the Sustainable Markets Initiative. Bank of America is a member of the Sustainable Markets Initiative, and recipient of the Terra Carta Seal.
World Economic Forum (WEF) International Business Council (IBC) Stakeholder Metrics Initiative	Commissioned by the WEF IBC, the Stakeholder Metrics outline a recommended set of 21 core and 34 expanded metrics, drawn from existing global standards, to drive toward a global convergence of nonfinancial reporting. The work catalyzed a broader discussion about the need for convergence of standards, and played a crucial role in the genesis of the International Sustainability Standards Board.	Brian Moynihan recently completed a four-year term as chair of the IBC where he led the group on the Stakeholder Metrics Initiative, along with EY, Deloitte, KPMG and PwC. He now serves as chair of the Stakeholder Metrics Initiative, and we continue to incorporate the metrics framework into our Annual Report to shareholders.
International Financial Reporting Standards (IFRS) Foundation and the International Sustainability Standards Board (ISSB)	The IFRS Foundation is a not-for-profit, public interest organization established to develop high-quality, understandable, enforceable and globally-accepted accounting and sustainability disclosure standards. The IFRS formed the International Sustainability Standards Board (ISSB), which is delivering a comprehensive global baseline of sustainability disclosures focused on the needs of investors and the financial markets.	Bank of America supports ISSB's development of IFRS S1 and IFRS S2 as a global baseline for sustainability reporting that is based on and incorporates key principles from existing reporting frameworks such as the TCFD recommendations, SASB standards and the WEF IBC Stakeholder Capitalism metrics, among others. Our Chief Accounting Officer is an IFRS Foundation Trustee, and our Corporate Sustainability Controller is a member of the Forum ISSB Preparers Group, which is a collaboration between the WEF and the ISSB.
Partnership for Carbon Accounting Financials (PCAF)	Global partnership of more than 500 financial institutions to develop a consistent methodology to assess and disclose emissions associated with financial activities. In collaboration with 15 other financial institutions, Bank of America helped develop the first version of the Global GHG Accounting and Reporting Standard for the Financial Industry.	We have participated in the development of PCAF's various accounting methodologies. In 2022, we began quantifying and disclosing emissions related to our business loan portfolio (financed emissions) based on the PCAF standard.

We work with environmental partners to support science-based environmental research and other climate-related initiatives. We collaborate with our financial services peers to understand data requirements and methodologies needed for sector-specific decarbonization pathways. We join other companies that work economy-wide to endorse U.S. government investments in low-carbon infrastructure to address the physical and economic risks posed by climate change, and we work with industry peers to define best practices and engage with regulators pertaining to climate risk management. See the following page for a partial list of these partners.

Environmental Partner - Organization/ Initiative	Overview
Taskforce on Nature-related Financial Disclosures (TNFD)	One of Bank of America's executives is a member of the 40-person Taskforce on Nature-related Financial Disclosures (TNFD), whose mission is to develop a risk management and disclosure framework for organizations to report and act on evolving nature-related risks and opportunities, with the ultimate aim of supporting a shift in financial flows toward nature-positive outcomes.
The Ocean Risk and Resilience Action Alliance (ORRAA)	ORRAA is the only multi-sector collaboration connecting the international finance and insurance sectors, governments, nonprofits and stakeholders from the Global South to pioneer finance products that incentivize investment into coastal and ocean Nature-based Solutions (NbS). Their mission is to activate at least $500 million of investment into this space by 2030, and in so doing, help build the resilience of 250 million climate-vulnerable coastal people. This work is focused on building resilience and adaptive capacity of marine and coastal ecosystems and the coastal communities around the world that rely on them. ORRAA drives investment into ocean and coastal Nature-based Solutions, and the mitigation of risk multipliers like overfishing and pollution. These solutions will enable the ocean and the communities which depend on it to thrive, creating greater economic security as well as social and cultural resilience for climate-vulnerable coastal communities.
1t.org	Facilitates the leadership of U.S. companies, nonprofits, governments and individuals to reach a goal of conserving, restoring and growing one trillion trees globally by 2030.
Clean Air Task Force	Working to safeguard against the worst impacts of climate change by catalyzing the rapid global development and deployment of low-carbon energy and other climate-protecting technologies.
Partnership for Biodiversity Accounting Financials (PBAF)	The PBAF Standard enables financial institutions to assess and disclose impact and dependencies on biodiversity of loans and investments, providing practical guidance on biodiversity impact and dependency assessments and defining what is needed in order for these assessments to deliver the right information to financial institutions.

Regulators and Policymakers

Achieving Net Zero will require collective action by governments at all levels, corporations, individuals, nonprofits and other actors. Our public policy team is engaged with policy makers across the globe to help us understand and, where appropriate, work to influence potential policy changes that could impact the Company or our clients. Independently, and working with trade associations and other collaborations, we promote policies that align with the roles played by financial institutions in support of their clients in helping to finance the balanced and Just Transition to Net Zero. We support and encourage the role government policymakers can play to accelerate the work underway in the private sector. In addition to our continuously stated support for a price on carbon, read on for some of our key areas of focus.

Climate Risk and GHG Emissions Disclosure

We continue to support convergence among the many efforts to drive transparent, comparable and consistent climate risk and GHG emission disclosures. Companies, investors, policymakers, regulators and other stakeholders benefit from more consistent and comparable disclosure on climate to assist in decisions as to where best to deploy capital and support transition toward a Net Zero economy. To this end, last year the IFRS ISSB took an important step in developing a global baseline of comprehensive market-driven sustainability reporting with the launch of its inaugural standards, IFRS S1 and IFRS S2[40]. In doing so, the ISSB has aided in driving the convergence of voluntary and regulated disclosure toward greater coherence. This work leveraged the World Economic Forum (WEF) International Business Council (IBC) Stakeholder Capitalism Metrics, in which our company played a leading role, and we and other companies have committed to beginning to align our reporting to the new standards.

[40] IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information; IFRS S2 Climate-related Disclosures.

Facilitating Demand for Low-Carbon Products

The viability of decarbonization pathways depends on both sufficient customer demand for low-carbon products and conditions that enable effective supply to meet the demand. We support public sector efforts to encourage, facilitate and strengthen the necessary demand signals to drive effective decarbonization. For example, in 2021 the White House announced a challenge to inspire the production of at least 3 billion gallons of SAF per year in the U.S. by 2030[41], and in 2022 the U.S. Department of Energy issued a plan in conjunction with several federal agencies detailing a government-wide roadmap to achieve this goal[43]. These efforts are supplemented by incentives in the IRA to drive production of SAF at a cost that is competitive with traditional petroleum fuel. In addition to our other efforts around SAF (pages 20 and 86), the Company is part of the Sustainable Aviation Buyers Alliance (SABA) where we purchase SAF certificates at scale, along with other buyers. These SAF certificates provide the market with a demand signal for fuel producers to make more high-integrity SAF, which in turn influences SAF cost competitiveness with conventional jet fuel. Our actions serve as another lever to help advance the necessary economic signal stimulating clean technology and market innovation to fuel new, low-carbon drivers of economic growth.

Nature Partnerships

We participate in coalitions to provide thought leadership and help advocate for nature-positive outcomes. For example, we are a member of the Natural Climate Solutions Investment Accelerator which aims to build the demand-side for investment in nature-based solutions. We are also on the Steering Committee of the Ocean Risk and Resilience Action Alliance which is exploring how to scale investment in areas like blue carbon to deliver both carbon removal and co-benefits such as restoring ocean ecosystems and improving the resilience of coastal communities.

We dedicate philanthropic resources to support innovative approaches to leveraging sustainable finance to preserve nature. For example, we are funding efforts by The Nature Conservancy and local leaders in Barbados to build out a marine spatial plan that will protect 30% of the country's marine areas[42] by 2030. Execution of the plan will be funded by proceeds from a blue bond that was issued by the Government of Barbados with co-guarantees provided by InterAmerican Development Bank and The Nature Conservancy. Previously, we supported efforts by The Nature Conservancy to develop an insurance policy for coral reefs that could be damaged during extreme weather events. Similar policies are now in place in Mexico and in Hawaii, with more jurisdictions looking to employ this strategy. In addition, we have been a long-time supporter of Ocean Conservancy, participating in its Trash Free Seas Alliance and supporting the International Coastal Cleanup, an annual global effort to remove debris from coastlines, as well as inland waterways, preventing this trash from polluting marine ecosystems.

MDB Reform

Multilateral Development Banks (MDBs) and Development Finance Institutions (DFIs) are in a key position to catalyze private investment in emerging and developing economies. The inability of these entities to mobilize private capital at levels required to meet the U.N. SDGs is a function of their current operating model which is incentivized toward on balance sheet capital deployment versus total capital mobilization. Given the importance of crowding in private capital where it is needed most, the Company is actively participating across a number of convening organizations, such as SMI, GFANZ, the U.N. Global Investors for Sustainable Development (GISD) and B20's Finance and Infrastructure Task Force, to provide recommendations with the goal of increasing MDBs and DFIs capital mobilization abilities. These recommendations include, but are not limited to, establishing and reporting quantifiable targets focused on the total capital mobilized, making more efficient use of their balance sheets through increased co-investing structures and developing and scaling risk mitigation instruments such as guarantees and first loss tranches.

Capital Investment

While we continue to see growing client interest in the energy transition, additional capital will be needed to help drive the innovation necessary for a Net Zero economy. We support public policies that facilitate such capital investment by reducing the cost to deploy existing and emerging technologies and establishing safeguards to protect workers and communities for a balanced and Just Transition, as well as mitigating risk in order to catalyze private capital investment. Similar to and in combination with MDB reforms, government policies can mitigate risks to

[41] Source: White House SAF press release, Sept. 2021.
[42] Source: The Nature Conservancy.
[43] Source: Department of Energy roadmap report Sept. 2022.

help participants across the financial sector aid companies in every industry innovate and drive the desired outcomes. This can take many forms, including:

- Using public finance to help enhance returns for investments in climate technology, including, through the use of tax incentives and concessional loans.
- Using public finance (either concessionary or first loss) to assist in de-risking and reducing the "green premium" on emerging technologies.
- Using public procurement power to help drive adoption of existing and emerging technologies to reduce costs for all players.
- Supporting citizens and workers in affected communities during and throughout the balanced transition.

Biodiversity Loss

We actively participate in the international policy discussions around biodiversity loss, including sharing our expertise at the 2022 Biodiversity COP15 meeting in Montreal, which adopted the Kunming-Montreal Global Biodiversity Framework.

Infrastructure

Large scale infrastructure investments will be required to reach Net Zero, such as grid modernization, decarbonization of public transportation and EV charging infrastructure.

This may include:

- Comprehensive permitting reform that facilitates the construction of projects at the scale, speed and certainty necessary to aid in the balanced and Just Transition.
- Advancing efforts to bring affordable and climate-resilient clean energy to all citizens via innovative solutions that are flexible and technology neutral.
- Incentivizing investment in smart grid infrastructure by electricity generators in order to accelerate a more stable transition to diversified clean energy.

Complementary Government Policies and Collaborations with Trade Associations

To encourage policy action, we collaborate within trade associations through cross-sectoral and financial sector alliances and with nonprofit partners. Some of these associations are listed below, though this list is not exclusive. Given the breadth and scale of our business, the Company participates in numerous trade associations that advocate on a range of topics relevant to our business. As such, we will not always agree with every position taken by the trade associations in which we participate. However, through active engagement, we share our policy positions with partners and advocate for alignment with the goals we outline throughout this document.

Trade Association	About	Climate Position	Bank of America's Role
American Bankers Association (ABA)	Nonpartisan public policy, education, tools and insights and advocacy group, representing banks of all asset sizes and charter types. Bank of America is an active participant in ABA's Environmental, Social and Governance Working Group and Climate Task Force.	ABA believes common-sense, market-based solutions offer the best opportunity for addressing this worldwide issue. In addition, every effort should be made to prevent or minimize economic dislocation from policy and market changes, and to recognize the unique challenges facing financial institutions in energy-intensive communities.	The Company participates in ABA's Environmental, Social and Governance Working Group and Climate Task Force, focused on discussions around proposed climate disclosure frameworks.
Bank Policy Institute (BPI)	Nonpartisan public policy, research and advocacy group, representing the nation's leading banks. Bank of America is an active participant in BPI's Climate Working Groups.	Supports efforts to develop and articulate principles-based guidance for climate-related financial risk management. BPI also supports efforts to develop a more consistent global approach to addressing climate-related risks.	The Company participates in BPI's Climate Working Group focused on discussions around various proposed climate disclosure rules, climate-related financial risk and CSA.

Trade Association	About	Climate Position	Bank of America's Role
Business Roundtable (BRT)	Association comprised of CEOs working to promote a thriving U.S. economy and expanded opportunity for all Americans through sound public policy.	Business Roundtable CEOs are calling for a well-designed market-based mechanism and other supporting policies to provide certainty and unleash innovation to lift America toward a cleaner, brighter future.	The Company participates in BRT's Corporate Governance Coordinating Committee and Energy and Environment Coordinating Committee focused on reform and energy tax-related discussions.
Financial Services Forum	Nonpartisan economic policy and advocacy organization whose members are the CEOs of the eight largest and most diversified financial institutions headquartered in the U.S.	Promotes a principles and risk-based approach to managing climate-related financial risks.	The Company participates in the Forum's Climate Risk Working Groups.
Global Financial Markets Association (GFMA)	Global association of financial and capital market participants to provide a collective voice on matters that support global capital markets. Brings together three of the world's leading capital markets trade associations to provide a forum for the largest globally active financial and capital market participants to develop standards to improve the coherence and interaction of cross-border financial regulation.	GFMA and its member organizations listed here are committed to maintaining the efficiency of global financial markets and providing help to its members as they serve corporate clients in addressing physical and transition climate risk. GFMA and its members prioritize a focus on climate finance and mobilizing capital to finance the transition.	The Company participates in GFMA's sustainable finance steering committee.
SIFMA	North American member of GFMA. As the voice of America's securities industry, SIFMA represents hundreds of broker-dealers, investment banks and asset managers. Members facilitate access to capital, provide advice, and offer products and services that help clients achieve their long-term goals.		The Company participates in SIFMA's Sustainable Finance Task Force, which focuses on global regulatory climate / voluntary carbon markets discussions.
Asia Securities Industry and Financial Markets Association (ASIFMA)	Asian member of the GFMA alliance - an independent, regional trade association with over 160 member firms of leading financial institutions.		The Company participates in ASIFMA's Sustainable Finance Committee and ESG Committee.
Association for Financial Markets in Europe (AFME)	European member of the GFMA alliance, is the voice of Europe's wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. It represents global and European banks and other capital market players.		The Company participates in AFME's Sustainable Finance Prudential Workstream and Climate Risk Stress Testing Working Group.

Trade Association	About	Climate Position	Bank of America's Role
The American Council on Renewable Energy (ACORE)	Focal point for collaborative advocacy across the renewable energy sector. With a membership that spans the renewable energy value chain, ACORE promotes policies, regulations and financial structures necessary for renewable energy growth.	The first organization dedicated to expanding the pan-renewable economy in the United States. For more than two decades, ACORE has sought to unite finance, policy and technology to accelerate America's renewable energy transition.	The Company participates with as project finance working group focused on sustainable finance discussions, including the Basel III proposal's impact on tax equity.
Institute of International Finance (IIF)	Global association of the financial industry, with about 400 members from more than 60 countries. Its mission is to support the financial industry in the management of risks; to develop sound industry practices; to advocate for regulatory, financial and economic policies that are in the broad interests of its members and to foster global financial stability and sustainable economic growth.	Identifies and promotes capital markets solutions that support the development and growth of sustainable finance, with transition finance and blended finance as key components. In addition, the IIF advocates for sustainable finance policies that prioritize prudential risk management, financial stability and economic growth.	The Company participates in IIF's Sustainable Finance Policy Expert Group focused on discussions around proposed climate disclosure frameworks, climate-related financial risk, CSA and voluntary carbon markets.
U.S. Chamber of Commerce	Organization with members ranging from the small businesses and chambers of commerce across the country that support their communities, to the leading industry associations and global corporations that innovate and solve for the world's challenges, to the emerging and fast-growing industries that are shaping the future. Bank of America is an active participant in the Chamber's Energy, Environment, Climate and Sustainability Policy Committee.	The U.S. Chamber of Commerce believes there is common ground on which all sides of the climate discussion could come together to address climate change with policies that are practical, flexible, predictable and durable. They believe in a policy approach that acknowledges the cost of action and inaction and the competitiveness of the U.S. economy.	Bank of America participates in the Chamber's Energy and Environment Working Group focused on discussions around proposed climate disclosure rules.

Political Spending Activities

For information on our political spending activities, please refer to our Political Activities disclosure available on the Bank of America Investor Relations website.

Community and Other Partners

Community stakeholders are engaged in part through our National Community Advisory Council, a forum made of senior leaders from social justice, consumer advocacy, community development, environmental and research organizations who provide external perspectives, guidance and feedback on our business policies and practices. See 2024 Proxy Statement for further details.

$21.5 million

In 2023 **in philanthropic giving** to non-profit organizations focused on addressing programs that promote **environmentally sustainable development, jobs and living.**

Employee Engagement

Employees are critical to our ability to reach our Net Zero goal and effectively manage climate-related risks and opportunities. We strive to equip our employees across the Company with the skills and knowledge needed to drive our enterprise climate priorities. Employees are provided resources and training on various climate-related topics such as climate risk, sustainable finance and Net Zero. In fact many pursue third party industry certification for climate and sustainability risk. Our company encourages and supports employees seeking such industry certifications. Bank of America's learning organization, The Academy, oversees training across the enterprise to help drive consistency, coordination and content development of Net Zero- and climate-related learning assets. See the Strategy section for more information on our LOB-specific efforts to educate our bankers on climate and Net Zero.

One key way we engage with our employees on sustainability matters is through the My Environment® program. With more than 25,000 employee members across 35 countries spanning six continents around the world, the My Environment® employee program helps drive positive environmental change by engaging employees in our environmental initiatives and programs, and by providing opportunities to participate in educational and volunteer events to help them act as better environmental stewards at work, at home and in the community. Program elements include local market and enterprise webinars, virtual discussion courses, lunch and learn sessions, newsletters and employee engagement initiatives to reinforce sustainable living habits. In 2023, My Environment® members contributed nearly 80,000 hours of volunteer time to environmentally oriented programs for local communities.

In 2023, employees completed nearly:

22,300
sustainability trainings,

10,700
Net Zero trainings, and

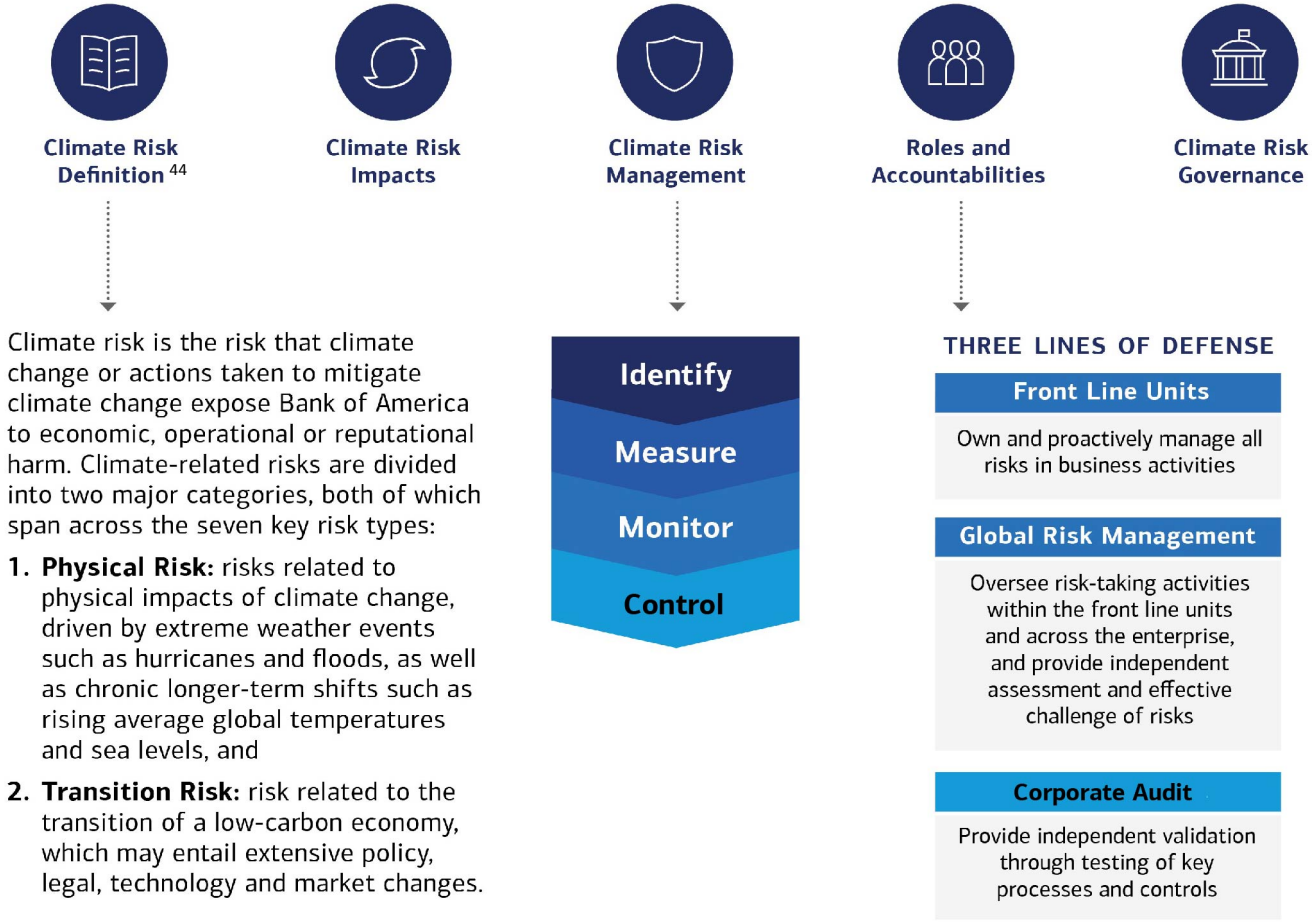
7,300
greenwashing trainings.

RISK MANAGEMENT

At Bank of America, risk is inherent in all our business activities. Managing risk well, a core tenet of Responsible Growth, is the responsibility of every employee.

As the third prong of our climate strategy, the Company assesses and manages climate-related risks by embedding climate-related factors into our company-wide risk management framework. This is done, for example, by supplementing existing risk management policies, processes, activities with climate risk considerations, where appropriate.

Bank of America's Risk Framework sets forth the roles and responsibilities for the management of risk by LOBs, GRM, other control functions and Corporate Audit. It provides a blueprint for how the Board establishes our risk appetite and associated limits for our activities by delegating authority to committees and executive officers. Our Risk Framework also describes how we identify, measure, monitor, and control risk across the seven key risk types that we face: credit, market, liquidity, compliance, operational, strategic and reputational. In our Risk Framework and Risk Appetite Statement, climate risk is identified as a risk spanning all seven key risk types. LOBs are responsible for owning and proactively managing all risks in business activities, including climate risks, while GRM provides second-line oversight of the management of climate risks across the Company's key risk types. In 2023, we created an internal Climate Risk Framework to promote a consistent approach to managing climate risk across the enterprise. The Climate Risk Framework is built off the Company's Risk Framework and addresses how we identify, measure, monitor and control climate risk. The framework also details the roles and responsibilities for climate risk management across the three lines of defense. We expect the Climate Risk Framework to evolve over time as best practices in climate risk management continue to mature.

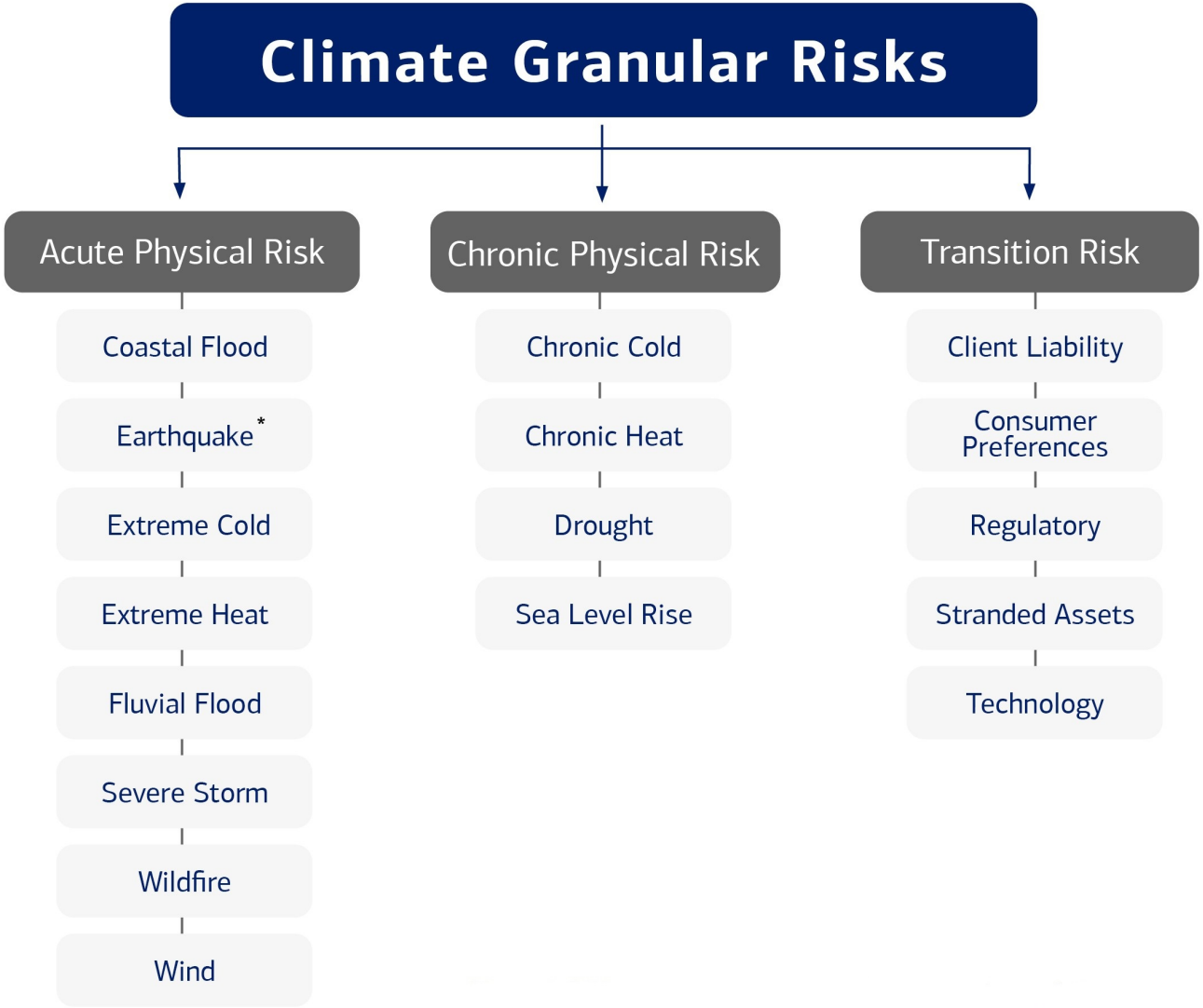


[44] Our definition of climate risk is climate-related financial risk which is aligned with the interagency Principles for Climate-Related Financial Risk Management for Large Financial Institutions. Source: Department of the Treasury, OCC, 2023.

To be effectively managed, climate risk must be proactively identified and well understood.

Risk identification is an ongoing process that incorporates input from stakeholders across the LOBs and control functions with relevant expertise. It is designed to be forward looking and capture relevant risk factors to which we are or may be exposed. The LOBs and control functions identify risks that are captured consistently in an enterprise-wide risk inventory and are reviewed quarterly.

In recent years, we have enhanced our risk identification process to incorporate climate-related factors such as physical (acute and chronic) and transition risk across LOBs and control functions. We continue to explore opportunities to expand risk identification capabilities related to physical and transition risk and the resulting impacts to our businesses. Last year, we expanded the Company's risk identification portal to embed additional climate risk considerations including the ability to add details related to sector, product and geography, connecting new and existing risks to other sustainability categories, aligning specific perils and/or transition categorization and identifying time horizons across the short- (< 3 years), medium- (3-5 years), and long-term (> years) time horizons.



*There is not scientific consensus whether earthquakes are impacted by climate, but they are included as it is a significant natural disaster.

Bank of America Risk Types	Physical risk example	Transition risk example
Credit Risk of loss arising from the inability or failure of a borrower or counterparty to meet its obligations	Impacts on repayment capacity or collateral caused by physical climate or environmental event	Financial impacts to client revenue, income, cash flow, assets or collateral due to climate or environment related policy, legal, technology or market changes, including shift to climate or environment related investments
Market Risk that changes in market conditions adversely impact the value of assets or liabilities or otherwise negatively impact earnings	Impacts to assets valuations or secondary exposure to insurers caused by physical climate or environmental events	Impacts to market prices due to climate or environment related policy, legal, technology or market changes
Liquidity The inability to meet expected or unexpected cash flow and collateral needs while continuing to support our businesses and clients under a range of economic conditions	Sudden and unexpected decline in deposit balances, increases in draws from unfunded commitments or loss of access to funding providers due to physical climate or environmental events	Impact of clients needing more liquidity to fund capital expenditures and other investments in response to climate or environment related regulatory changes or changes in market appetite
Compliance Risk of legal or regulatory sanctions, material financial loss or damage to the reputation of the Company arising from the failure of the Company to comply with the requirements of applicable laws, rules and regulations or our internal policies and procedures	Workplace disruptions from physical climate or environmental events could impact our ability to comply with regulatory requirements	Failure to meet rapidly emerging compliance requirements for classification and disclosure in multiple jurisdictions could lead to regulator fines or sanctions
Operational Risk of loss resulting from inadequate or failed internal processes or systems, people or external events	Workplace disruptions from physical climate or environmental events impact our ability to deliver services and/or execute important controls	Transition requirements that impact third-party service providers may require bank businesses to change providers or move processes in-house, creating operational risks associated with change management
Strategic Risk to current or projected financial condition arising from incorrect assumptions about external or internal factors, inappropriate business plans, ineffective business strategy execution or failure to respond in a timely manner to changes in the regulatory, macroeconomic or competitive environments in the geographic locations in which we operate	Impact of incorrect assumptions (e.g. capital expenditures), inadequate planning or poor strategy execution related to risks associated with physical climate or environmental events and trends	Impact of inability to quickly adapt and execute a strategy to address changing regulatory requirements, client demands or the competitive environment as it relates to the transition to a lower-carbon economy or sustainable business practices
Reputational The risk that negative perception of the Company may adversely impact profitability or operations	Impact of perceived inadequate management of physical climate or environmental events on our operations	Impact of negative perceptions regarding financing of high-emitting sectors or ability to achieve climate or environment goals/targets

Once a risk is identified, it should be appropriately measured, monitored and controlled.

We measure climate risks using a range of methods and tools across the LOBs and control functions, such as industry-, country- and borrower-level assessments as well as scenario analysis to better understand the climate risks posed to our business, operations, clients and counterparties. We have enhanced business processes to incorporate climate risk monitoring across all risk types. Risk type reporting is developed within each of the individual risk domains and is tailored by the risk managers and executives within each of these areas in supporting their independent oversight and review of business activities. The GCER team produces a quarterly Climate Risk Report that provides an aggregation of climate risk metrics and trends, driving awareness and providing decision-useful information. The report aggregates metrics across the risk types, providing insights on overall exposure; borrowers, sectors and asset classes requiring additional focus and vulnerability to physical and transition risks. Risk controls are then established through processes, policies, procedures and governance. Examples of how we manage potential climate risks by risk type are outlined here.

The table on the next page illustrates the key industry sectors that we have identified as having heightened vulnerability to climate-related risk, based on sub-sectors of each industry sector that are rated Moderate, High or Very High. The table aligns with the Commercial Credit Exposure by Industry disclosure in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (2023 Form 10-K).

Credit Risk

INDUSTRY RISK

- Created a methodology to classify the possible financial risks of climate change at the industry level
- Classifications apply to industries based on the North American Industry Classification System (NAICS) and to Industry Groups as defined by the Company
- Based on judgmental considerations for physical and transition climate-related risks, industries are rated as Very Low, Low, Moderate, High or Very High
- Ratings use a 2030 time horizon in line with Bank of America's milestone 2030 Financing Activity Targets

COUNTRY RISK

- Created a framework to assess climate-related risks to all countries in our banking coverage universe
- Proprietary methodology uses subject matter expertise and a range of third-party indicators covering physical, transition and overall climate risk
- Countries are rated using the same five categories as industry risk ratings - Very Low, Low, Moderate, High or Very High
- Ratings are reviewed at least annually by Enterprise Credit Risk

CREDIT RISK MEASUREMENT

BORROWER RISK

- Created a Climate and Sustainability Center of Excellence within Enterprise Credit to steer the ongoing implementation of borrower-level climate and environmental risk assessments (CERAs)
- Borrower-level CERAs conducted per internal policies governing applicability and scope which are based on factors such as:
  - The degree of sector/subsector climate risk
  - The amount of committed exposure
  - The LOB managing the relationship
- The CERA score results are generated on a 5 point scale derived from qualitative and quantitative inputs, where available
- The CERA considers industry physical and transition risk ratings and country climate risk classifications, where relevant
- The following assessment factors are leveraged to generate a CERA score at the borrower level
  - Management awareness of climate and company disclosures
  - Physical risk vulnerabilities
  - Transition risk vulnerabilities
  - Risk mitigation and strategy
- The CERA score is integrated into the underwriting and credit risk lifecycle

CONSUMER RISK

- Executing a multi-year plan to identify, measure and monitor physical and transition-related climate risks
- Leveraging physical risk data to develop models to support improved portfolio and geographic monitoring and scenario exercises
- Current efforts focused on identifying and quantifying key risks, including:
  - Insurance availability, affordability and adequacy for home loans
  - Monitoring Electric Vehicle originations, credit metrics and industry trends for the Consumer Vehicle Lending Business
- A view of the metrics is also available for Merrill and Private Banks
- In target state, relevant metrics will be embedded in ongoing business monitoring routines across all products

Committed Commercial Credit Exposure by Industry Sectors rated Moderate, High or Very High

Industry sector	Total Committed Commercial Credit $ Exposure	% of total $ Exposure
Asset managers and funds	$169,318	13.9%
Real estate	$100,269	8.3%
Capital goods	$97,044	8.0%
Materials	$55,296	4.6%
Retailing	$54,523	4.5%
Food, beverage and tobacco	$49,426	4.1%
Consumer services	$49,105	4.0%
Utilities	$39,481	3.3%
Energy	$36,996	3.0%
Transportation	$36,267	3.0%
Global commercial banks	$25,684	2.1%
Consumer durables and apparel	$20,732	1.7%
Insurance	$19,322	1.6%
Automobiles and components	$16,459	1.4%
Subtotal for sectors listed above	$769,922	63.4%
Total commercial credit exposure (source: 2023 Form 10-K)	$1,214,112	

$ in M as of 12/31/2023

Note: Commercial credit exposure U.S. dollar amounts sourced from the 2023 Form 10-K and include U.S. small business commercial exposure. Totals and subtotals may not reconcile exactly due to rounding.

Market Risk

Climate-related impacts to market risk are measured and monitored at the issuer and portfolio level. Daily reporting has been deployed, whereby market risk sensitivities and price impacts are aggregated by sector and geographies across various asset classes including commodities, fixed income and equities, to identify and monitor climate-sensitive concentrations. This leverages both industry and country climate risk classifications described in the Credit Risk section above. Where applicable, country climate risk classifications are used to aggregate risk sensitivities for rates, foreign exchange and sovereign trading instruments into climate-sensitive exposures.

Stress tests are also used to understand the impact of climate risks on trading portfolios, with a particular focus on identifying concentrations of risk within a portfolio, including monitoring of results within a monthly dashboard. Metrics continue to be developed to take advantage of improved industry data and modeling for the measurement of both transition and physical risks.

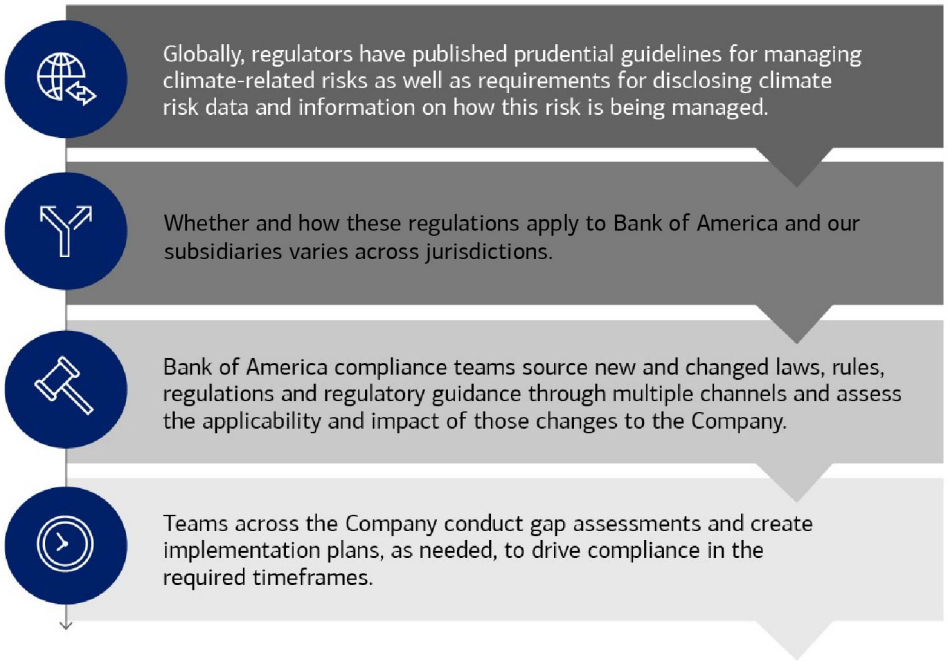
Liquidity Risk

Risk assessments are conducted to analyze client behavior before, during and immediately following physical climate events. These assessments provide benchmarks for sensitivity and scenario analysis, help to identify the transmission channel mechanisms by which climate risk drivers affect liquidity and identify the specific capabilities needed to better analyze how the Company's liquidity risk profile changes in a climate stress event.

Compliance and Operational Risk

The Company regularly assesses the operational and compliance risks of climate change across the enterprise, which have been aligned to our processes. A dedicated Climate Change coverage team executes this assessment by reviewing inherent risk, the control environment and residual risk based on independent coverage activities including compliance monitoring, tracking of issue trends, operational loss analysis, risk assessments and process management. We evaluate compliance with incoming regulations for managing and disclosing climate-related risks as shown in the chart below.

The climate regulatory landscape continues to evolve



The Company considers the risks posed by physical climate events and the chronic impacts of climate change in business continuity and resilience planning.

Reputational and Strategic Risk

LOBs and control functions leverage the Company's Environmental and Social Risk Policy Framework (ESRPF), which summarizes policies to provide clarity and transparency around how we manage environmental and social risks. We assess potential climate and environmental risks associated with client relationships, transactions and business decisions more likely to result in reputational risk. Certain business activities with heightened reputational risk arising from climate or broader sustainability concerns must go through an enhanced due diligence process and be escalated to the senior-most risk governance body in the applicable line of business for decisioning. The Company's Strategic Plan, which is aligned with the capital, liquidity and financial planning processes, includes climate-related risks and opportunities identified by each LOB or control function. Through strategic risk governance routines, we continuously evaluate changes to the internal and external environment, including impacts due to climate risk.

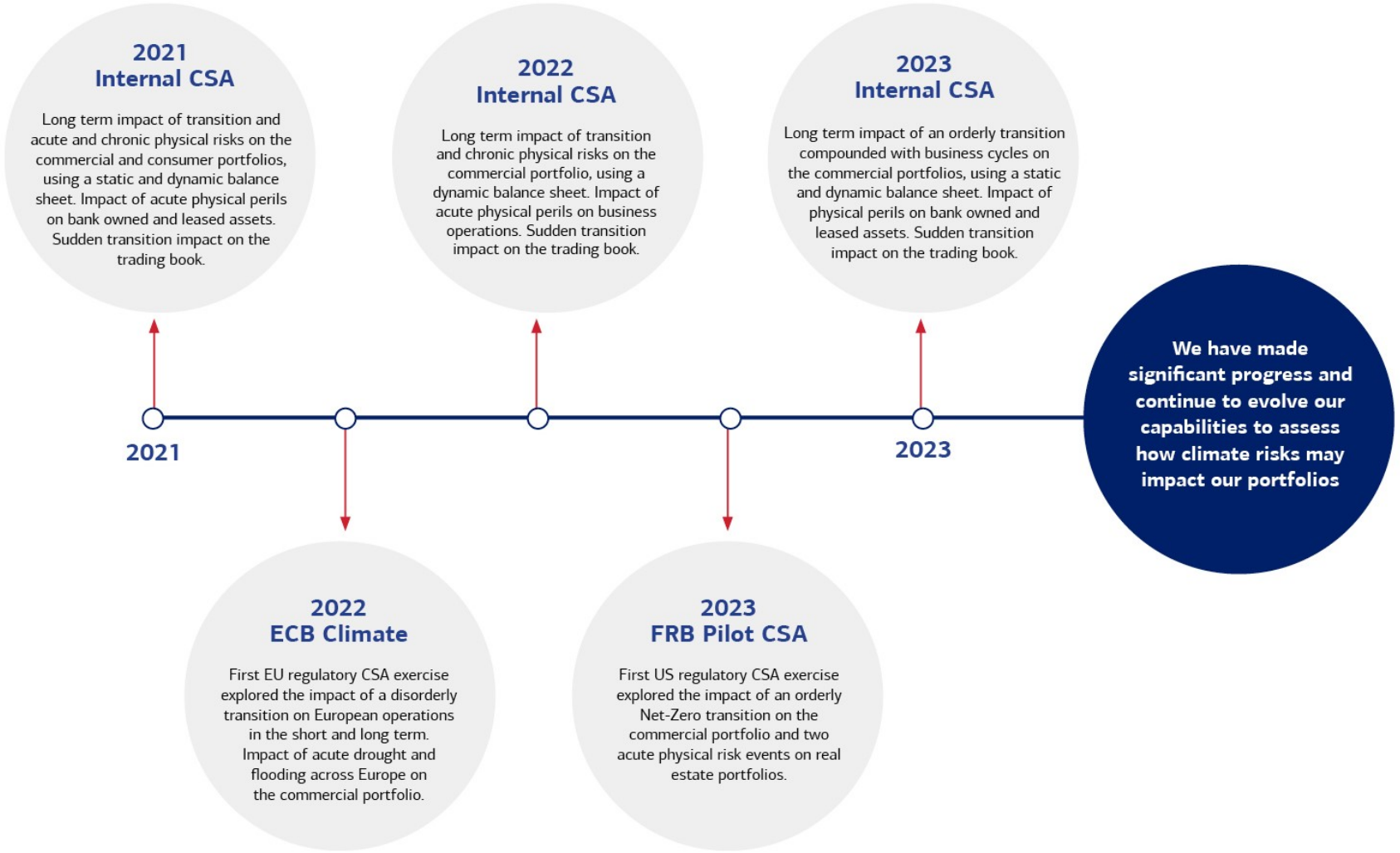
Environmental-related Risks

We are beginning to embed additional environmental-related risk management into our company-wide risk management processes. Similar to climate-related risks, environmental risks are divided into two major categories, both of which span across the seven key risk types:

- Physical Risk: Risk to assets, capabilities and valuations arising from environmental factors (e.g., impacts on biodiversity, water stress, waste production)
- Transition Risk: Risk of failing to adapt to changing client needs/behaviors or financial impacts driven by the transition to more sustainable environmental practices. Risk includes costs of implementing regulatory, technology and customer preference changes. Also includes changing market equilibriums and unsustainable environmental practices impacting our client's operations or ability to pay or the valuation of issuers. By using nature risk heatmapping approaches, we are working to identify nature-related risks (a type of environmental risk) and assess the impacts they may have on our business as well as how our business activities may be contributing to nature loss. To this end, we are building out capabilities such as use of the ENCORE model to assess nature dependencies, impacts, risks and opportunities across SASB industry sectors to better understand concentrations of various environmental risks — including biodiversity loss — across our portfolio's industry segments, starting with our EMEA portfolio.

To understand and assess the potential impacts of climate-related risks across a range of possible outcomes, we conduct climate scenario analysis (CSA). Evaluating a range of possible outcomes helps to broaden our understanding of potential financial impacts to inform risk management and may in the future inform business strategy. CSA is an important tool that helps us understand how various risks and opportunities may manifest, and we continue to explore potential use cases. We have a long record of investing in all aspects of stress testing, and we are doing the same for CSA. Since our first TCFD report in 2020, we have assessed the potential impact of transition and physical risks on specific sectors and geographies and explored the impact across multiple portfolios, time horizons and outcomes, as illustrated below[45].

Evolution of Climate Scenario Analysis

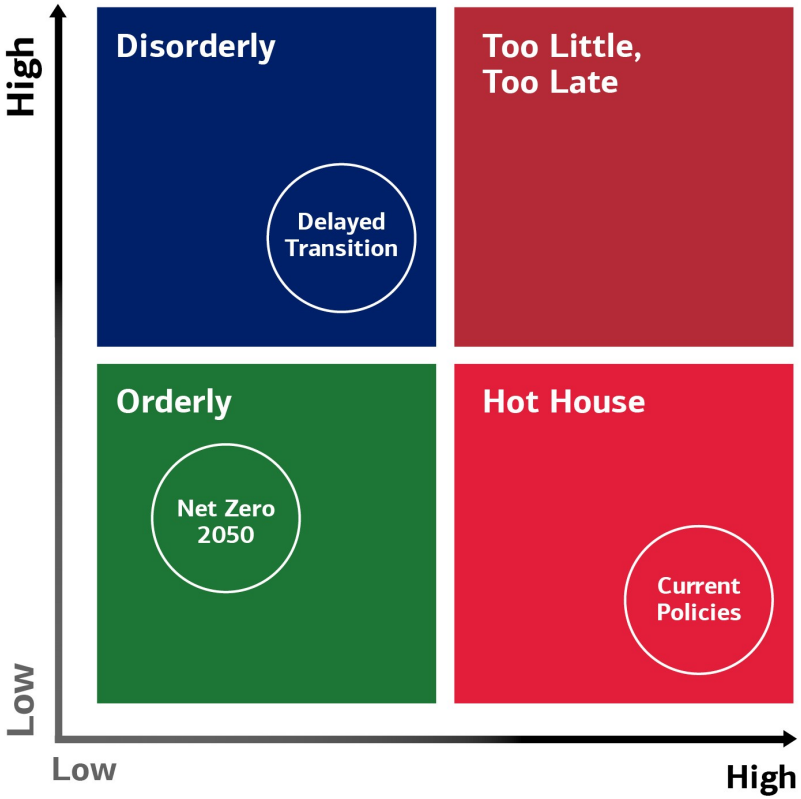


[45] In 2023, Bank of America also participated in the European Banking Authority's Fit-for-55 climate risk scenario analysis, which was a one-off data collection exercise.

Climate Scenario Analysis Framework

We continue to embed climate-related risks into our existing enterprise-wide scenario analysis framework, which supports overall risk management and business strategy. In the past year we have been able to leverage this to explore additional potential transition risk and physical risk events. Internally developed scenarios have primarily leveraged the climate change scenarios published by the Network for Greening the Financial System (NGFS) as the main economic backdrop for the long-term transition and chronic physical risk scenarios, which were customized to incorporate additional idiosyncratic risks, as well as the IPCC scenario framework for acute physical risk scenarios. The IPCC scenarios explore how different pathways of GHG concentration in the atmosphere that might occur in the next century impact the frequency and severity of weather events.

NGFS Climate Scenario Overview*



Transition Risk

Risks related to the transition to a lower-carbon economy, which may entail extensive policy, legal, technology or market changes

Physical Risk

Risks related to the physical impacts of climate change, driven by extreme weather events, as well as chronic longer-term shifts such as rising average global temperatures and sea levels

Climate Risk Scenarios Analyzed to Date

Scenarios and time horizons are selected based on the attributes of the portfolios being analyzed and Risk Identification inventory. The following scenarios have been analyzed for one or more portfolios during either internal or regulatory exercises:

Long-term Scenarios

Current Policies

Assumes that only currently implemented policies are preserved, leading to high physical risks and warming of 3°C+

Delayed Transition

Strong policies introduced in 2030 to limit warming to 1.6°C. Assumes annual CO_2 emissions do not decrease until after 2030

Net Zero 2050

Policies are introduced in 2022 which limit global warming to 1.5°C reaching global net zero CO_2 emissions around 2050

Short-term Scenarios

Assumes a disorderly instantaneous market shock impacted broadly across industries from climate policy changes, leveraging the Delayed Transition NGFS scenario narrative

Extreme weather events (e.g., hurricanes, flooding, strong thunderstorms) in the United States EMEA and APAC leveraging IPCC scenarios

* Visit the NGFS Climate Scenario Analysis website for additional information regarding the NGFS Climate Scenario Framework and Phase III Scenarios.

Climate Scenario Analysis Capabilities

CSA is a continually evolving area and we have made significant investments in it over the years, including expanding our modeling capabilities, acquiring more granular and robust data, producing new scenarios and exploring longer term time horizons.

Data

The quality of CSA is dependent on sufficiently granular and timely climate data to properly analyze the impact of climate risks on the Company

Progress – We have continued to expand our inventory of climate data to improve our CSA results. This has included both enhancing internal practices to capture relevant client climate data while also seeking data from external data providers where gaps exist.

Challenges – The primary challenges for further developing our measurement and monitoring approaches include the accessibility, completeness and timeliness of internal and external data, and the work required to validate that available data, is specifically appropriate for climate risk.

Looking Ahead – We will continue to identify, evaluate and resolve gaps in data coverage, further improving the reliability of CSA results.

Models

Climate scenario analysis models must be sufficiently granular to capture potential pockets of risk over a long-term forecast horizon

Progress – We have developed an internal suite of models with segmentation at both the industry and region/country level and have integrated third-party models into our model ecosystem, where appropriate, that incorporate climate-specific risk factors (e.g., company emissions, carbon price, physical peril metrics, etc.) at the counterparty and property level.

Challenges – A fundamental challenge when developing climate models is a lack of relevant historical experience and data given the unprecedented nature of climate change impact on the economy. Methodologies require key inputs which are inherently difficult to predict, for example, the ability to pass through increased costs to customers in a competitive market, changes in customer preferences and a client's ability to manage effectively through transition.

Looking Ahead – We continue to expand our modeling capabilities to enhance the capture of potential pockets of risks so results can be used to inform business strategy.

Scenarios

Exploring a wide range of plausible hypothetical scenarios provides the Company insight into the impact of climate risks on key portfolios

Progress – We have continued to explore scenarios provided by the NGFS and have customized scenario forecasts to cover idiosyncratic climate risks. In 2023, we designed customized versions of the NGFS scenarios to include business cycles to explore the amplifying impact of transition risks in an already stressed economy. We also continue to develop new and more expansive acute physical risk scenarios to test impacts of extreme weather events.

Challenges – Scenarios produced by the NGFS and other external providers often lack the industry and regional granularity and narrative required for effective modeling design and do not consider all the drivers of climate risk that may impact the economy (e.g., tipping points, mass migration, etc.), potentially underestimating risk.

Looking Ahead – We will continue to evolve how we select, customize and produce climate scenarios for each portfolio. We are exploring the new NGFS scenarios and designing scenarios that look at different risk drivers and compounding effects.

Time Horizons

Assessing climate scenarios over short-, medium- and long-term horizons provides the Company insight into the impact of physical and transition risk on our portfolios that may manifest over different time periods

Progress – We have selected forecast time horizons based on the unique attributes of each portfolio as provided by the lines of business through the risk identification process. Market, Liquidity and Operational Risks may manifest over shorter time horizons than Credit risks. Our suite of climate models have been developed to capture risk throughout the relevant time horizon for each portfolio.

Challenges – Predicting how clients will make decisions in the future is inherently challenging and requires our lines of business to think differently and consider hypothetical long-term scenarios often lacking historical precedent.

Looking Ahead – We will continue to explore different time horizons to align with ever evolving business and regulatory objectives.

In our mission to understand how climate-related financial risks may impact our clients and business activities, we have faced both conceptual and practical challenges. Generally, these are common challenges faced by all firms undertaking CSA efforts. However, our work to date has helped enable us to better understand the impacts of climate risks on our portfolios and address applicable regulatory requirements.

Lessons Learned

Our CSA framework has allowed us to explore various climate change scenarios in the context of additional and second-order effects. These exercises have shown that the effects of climate change combined with other stresses can compound to be more impactful than analyzing climate change risks in isolation. Some sectors, geographies and processes have been revealed to need additional consideration as we continue to work through inherent limitations:

- For transition risk, we found that while results in the aggregate were not very stressful in a Net Zero 2050 scenario, there was differentiation across sectors, with higher-risk industries generally seeing greater loss rates than moderate- or low-risk industries. In this scenario, company-level results were more generically driven by starting financial strength and emissions profile.
- Physical risk scenario analysis has uncovered an increasing vulnerability in our portfolio to the impacts of flooding, wind and wildfire in the Southeast and Western regions of the United States. Additionally, we found that insurance can have a large impact on results, and further work is needed to examine the changing insurance landscape to incorporate variations of insurance availability, affordability and adequacy into our exercises.
- Leveraging governance and control frameworks in place for traditional stress testing exercises proved to be a good foundation to build upon for the additional unique processes for CSA. For example, we incorporated industry teams' reviews on key sectors to provide insightful feedback and to help us contextualize results. Additionally, we augmented our pre-existing stress testing governance to include the role of subject matter experts specific to the CSA process, including GCER. We will continue to enhance our existing processes to be consistent with the level of granularity inherent in CSA.

Continued Enhancement

We continue to develop and evolve our CSA capabilities and risk management processes by working to resolve our data gaps, expand our models and explore more scenarios to better assess, measure and manage the potential impact of climate change risks and opportunities on our portfolios.

METRICS AND TARGETS

Below you will find updates on progress toward our goals and other performance metrics - including Sustainable Finance; environmental operations, supply chain and financing activity.

The Company has set a wide range of public operational and business targets to manage our environmental impact and finance the transition to a low-carbon economy. To accomplish this transition, we are tracking progress toward our 2030 sustainable finance goal, 2030 Financing Activity Targets and environmental operations and supply chain goals.

In addition to the historical Performance Data Summary and TCFD reports, we publish sustainability highlights, including environmental data, each year in our Annual Report to shareholders. We plan to continue reporting on progress toward our targets and goals following the expectations of regulators and relevant voluntary guidelines as appropriate.

As discussed in the Strategy section above, we are committed to helping clients transition toward and capitalize on low-carbon opportunities, which means increasing the flow of capital to clients focused on low-carbon technologies and activities. In April 2021, the Company announced a goal to mobilize and deploy $1 trillion by 2030 to accelerate the environmental transition, as part of its 10-year $1.5 trillion sustainable finance goal to support the U.N. SDGs.

Bank of America Sustainable Finance Eligibility Criteria

Sustainable finance is the mobilization and deployment of capital to finance the transition to a low-carbon, more inclusive economy. To confirm the integrity of our $1.5 trillion sustainable finance by 2030 goal, we worked with a third-party sustainability advisory firm to create an internal taxonomy document, the Sustainable Finance Taxonomy (Taxonomy), that aligns with the 17 United Nations Sustainable Development Goals (SDGs). The Taxonomy provides thematic guidance to determine enterprise-wide activities that align to particular SDGs and is informed by external market standards such as the E.U. Taxonomy and the Green, Social and Sustainability Bond Principles which were developed by the International Capital Markets Association. Utilizing the Taxonomy guideposts, the Company includes primary market activities consisting of lending, investing, capital markets and advisory as part of our goal. In addition, understanding that the Taxonomy and associated products continue to evolve, the Company has instituted a process for governing the Taxonomy and the associated accounting methodologies that is managed through the Global Sustainable Finance Data Taxonomy Governance Council, a sub-council of the RGC.

In scope products and services include primary market activities within the following categories: including but not limited to sovereign, municipal, corporate, institutional, CDFI and consumer lending, debt and equity capital markets, M&A advisory, asset-based debt financing and tax incentive related investments and distribution, environmental/minority and women-led funds and CDFI investments (secondary market trading and derivatives are not in scope).

The Focus of our Sustainable Finance Business

Environmental Transition

Address climate change and promote the circular economy including solutions for renewable energy, energy efficiency, clean transportation, water and sanitation, recycling, sustainable agriculture and carbon capture and sequestration.

Category	Definition
Renewable energy or other low-carbon technologies	Power generation from renewable or low-carbon sources such as wind, solar, geothermal, biomass, oceans, hydropower, nuclear and hydrogen; development or manufacturing of renewable energy or storage technologies.
Energy efficiency	Energy efficiency improvements in residential and commercial buildings, agriculture and industrial processes, utilities and other public services.
Clean transportation	Zero- or low-emissions vehicles, rail or boats, public or mass transportation, sustainable aviation fuel.
Water and sanitation	Water conservation, improvements in water supply, quality and infrastructure, desalination, wastewater treatment.
Sustainable food, agriculture and forestry	GHG emissions reductions, land conservation and food loss and waste reduction through sustainable forestry and agricultural practices.
Recycling, carbon capture and sequestration	Recycling and waste management, processes/systems to reduce GHG emission in product supply chains, carbon capture and storage or reuse, circular economy projects.

Inclusive Social Development Advance community development, affordable housing, healthcare, education, financial and digital inclusion and access to basic services, as well as promote a Just Transition.	

Category	Definition
Affordable housing	Development of affordable and workforce housing, provision of affordable homeownership for low- to moderate-income (LMI) families.
Healthcare	Development of nonprofit, public healthcare facilities, expansion of healthcare for LMI communities and other vulnerable populations, development of critical medical equipment, research into neglected diseases, affordable or subsidized medicines, access to fresh food, water and nutrition programs.
Education	Public K-12 schools, colleges and universities, educational services for marginalized populations.
Financial inclusion	Support for minority- or women-owned businesses, Minority Depository Institutions (MDIs) and funds; small businesses located in LMI geographies, nonprofit organizations or Community Development Financial Institutions (CDFIs) with programs and activities that support environmental transition or inclusive social development.
Digital inclusion	Infrastructure to increase rural or remote connectivity including free or affordable internet or improved transportation.
Economic development	Financing provided to Development Finance Institutions or clients located in World Bank Eligible countries, which are countries the World Bank lends to based on classifications as International Development Association (IDA), International Bank for Reconstruction and Development (IBRD) or a blend of the two.

In 2023, the Company mobilized and deployed almost $150 billion in sustainable finance activity, of which $81 billion was for climate and environmental transition. With this, as of the end of 2023, we have mobilized or deployed $560 billion toward our $1.5 trillion goal, of which over $316 billion went toward the environmental transition. Our financing has helped drive development and increased deployment of energy efficiency, renewable energy, sustainable transportation, water conservation and sustainable land use. The LOB breakout of our cumulative $560 billion toward our sustainable finance goal is shown below and on the next page.

Progress Toward our $1.5 trillion Sustainable Finance Goal

Sustainable Finance Categories	FY 2023 ($M)			Cumulative Program-to-date ($M)		
	Environment	Social	Total	Environment	Social	Total
Global Corporate and Investment Banking: advisory, lending, leasing and capital markets activity for clients and activity aligned with the SDGs	**60,401**	**33,716**	**94,117**	**236,498**	**127,829**	**364,327**
Debt Capital Markets: green, social and sustainability bond underwriting, sustainability-linked bond underwriting and sustainability-linked lending, bond underwriting aligned to SDGs and underwriting which facilitates capital toward developing economies	22,622	21,385	44,007	84,123	81,709	165,832
Equity Capital Markets: advisory associated with clients aligned to SDGs, including capital raises for clients in developing economies	4,875	507	5,382	20,603	8,040	28,643

Sustainable Finance Categories	FY 2023 ($M)			Cumulative Program-to-date ($M)		
	Environment	Social	Total	Environment	Social	Total
Mergers and Acquisitions: advisory associated with clients aligned to SDGs and advisory to facilitate capital flows to target companies in developing economies	26,931	3,404	30,335	110,243	19,363	129,606
Lending, Leasing and Trade Finance: corporate and sustainability-linked lending, leasing and trade financing for clients / use-of-proceeds aligned with SDGs, including in developing economies	5,974	8,419	14,393	21,528	18,717	40,245
Global Markets: capital markets advisory, underwriting and distribution for municipal and corporate clients and activity aligned with the SDGs	**15,093**	**18,883**	**33,975**	**58,843**	**56,329**	**115,172**
Asset-based Finance: sustainable asset-based finance	4,245	0	4,245	8,634	0	8,634
ABS / MBS: underwriting of green- and social-labelled ABS / MBS	692	138	830	3,361	171	3,531
Public Finance / Municipals: labelled municipal underwriting, municipal underwriting aligned to SDGs and financing provided to municipals in support of the SDGs	10,155	18,745	28,900	46,848	56,158	103,006
Regional Banking: lending, leasing, and capital markets activity aligned with the SDGs	**3,753**	**14,264**	**18,018**	**10,912**	**50,640**	**61,553**
Retail and preferred: Hybrid/EV lending, LMI lending for homeownership and small business	3,140	5,040	8,180	6,382	18,638	25,020
Business Banking: Lending to clients aligned with the SDGs	40	220	260	138	704	842
Global Commercial Banking: advisory, lending, leasing and capital markets activity for clients and activity aligned with the SDGs	573	9,005	9,579	4,392	31,299	35,690
Other	187	794	981	2,924	4,739	7,663
Merrill and Private Bank: net inflow/outflow to ESG AUM	1,872	936	2,808	7,522	3,761	11,283
Total	81,306	68,593	149,900	316,000	243,298	559,997 [46]

[46] Balance-sheet deployment comprises ~25% ($37 billion) of the $150 billion of 2023 sustainable finance progress and 21% ($119 billion) of the $560 billion of cumulative progress since the inception of our $1.5 trillion goal in 2021. Differences in the Total columns are due to rounding.

As discussed previously, we have set voluntary 2030 Financing Activity Targets as a part of our Net Zero goal for the following sectors: auto manufacturing, aviation, cement, energy, power generation, iron and steel and maritime shipping. The metrics we use to track progress, sector-specific decisions and other methodology considerations are outlined below.

Our metrics include physical unit emissions intensity targets, absolute emissions and economic intensity following the PCAF methodology, plus other data related to our target metrics and information regarding our target sector financing exposure. While we are focused on driving progress toward our sectoral physical unit emissions intensity targets as a milestone to reaching Net Zero, we also include other metrics that we monitor. Calculations disclosed herein were subject to multiple levels of review, including Model Risk Management review, challenge and third-party limited assurance review and validation (Appendix 3).

Our weighted average physical unit emissions intensity metric (target metric) is derived by taking the client emissions divided by the client physical unit activity for the year to develop a client-level emissions intensity per unit of production. That intensity is then multiplied by our committed loan exposure to the client divided by our total committed loan exposure to the sector. These individual intensities for all clients in scope are then summed to create a portfolio-wide intensity for the sector.

While we are using physical unit emissions intensity metrics to manage our Net Zero alignment and 2030 Financing Activity Targets, we also calculate and disclose the absolute emissions and economic intensity metrics for the target sectors, plus thermal coal extraction, as additional indicators of progress toward Net Zero. The absolute emissions metric has some fundamental challenges with the way it is calculated which diminishes its ability to be used in decision making. For example, the PCAF standard for business loans includes the use of enterprise value including cash (EVIC) as the denominator in determining attribution of client emissions, which can lead to volatility. This volatility makes it challenging to use an absolute metric to measure progress toward a short-term target. We continue to partner with PCAF to explore solutions to these challenges. For more insights into our approach to target-setting, please see the Strategy section.

Physical Intensity

Weighted average physical unit intensity (target metric) =

$$\sum_{c} \frac{\text{client emissions}}{\text{client production}} \times \frac{\text{client financing}}{\text{total sector financing}}$$

With c = borrower

Absolute Financed Emissions

Listed companies

$$\sum_{c} \frac{\text{outstanding amount}_c}{\text{enterprise value including cash (EVIC)}_c} \times \text{client emissions}_c$$

With c = borrower

Private companies

$$\sum_{c} \frac{\text{outstanding amount}_c}{\text{total equity + debt}_c} \times \text{client emissions}_c$$

With c = borrower

Economic Intensity

Economic intensity =

$$\frac{\text{absolute financed emissions (sector)}}{\text{total utilized financing (sector)}}$$

Table 1: Absolute Financed Emissions and Economic Intensities

Sector			Absolute Emissions (thousand tCO_2e[49])			Utilized Commercial Credit Loan Exposure (millions $)	% of Total Utilized Commercial Credit Loan Exposure	Data Quality Score[48]	Economic Intensity (tCO_2e/million $)
Sector	Subsector Boundaries Included	Emission Scope(s) Included	2019[47]	2021	2022	2022	2022	2022	2022
Auto Manufacturing	Light-duty passenger car and truck manufacturers	1 and 2	1,598	1,011[47]	1,208	1,010	0.14%	2.0	1,196
		3.11						2.0	
Aviation	Commercial aviation	1	—	3,486[47]	4,152	4,509	0.64%	2.5	921
Cement	Cement manufacturing	1 and 2	—	1,512	1,779	625	0.09%	2.2	2,847
Coal	Pure play thermal coal extraction	1, 2, and 3.11	3,134	1,398	339	16	0.002%	5.0	21,787
Energy	Upstream producers, refiners and integrated companies in the oil and gas industry	1 and 2	2,915	2,384	1,961	5,601	0.79%	2.7	3,670
		3.11	23,974	18,339	18,593			3.4	
	Midstream and downstream oil and gas companies	1 and 2	2,926	3,023	2,605	5,813	0.82%	3.6	448
Iron and Steel	Crude steel production	1 and 2	—	3,682	2,708	1,496	0.210%	2.6	1,810
Power Generation	Power generation	1	3,894	3,909	3,496	9,417	1.34%	2.9	371

[47] Updated from previously published value. Please refer to Other Data Challenges on page 80.
[48] PCAF provides a scoring mechanism for emissions calculations to evaluate data quality. Under this system, the use of verified client-reported emissions achieves a data quality score of 1, unverified emissions achieve a score of 2 and estimated emissions range from a score of 3 to 5 based on the information used to conduct estimations. Per the PCAF standard, our data quality scores are based on utilized commercial credit exposure.
[49] tCO_2e = metric ton of carbon dioxide equivalent.

Table 2: Physical Intensity, Intensity Targets, and Portfolio Alignment Score

Sector				Target				Physical Intensity		2022 Exposure	
Sector	Subsector Boundaries Included	Emission Scope(s) Included	Reference Scenario	Baseline Year	Baseline[50]	2030 Targets (As % of Baseline Reduction)	2030 Target (Calculated Emissions)	2021	2022	Committed Commercial Credit Loan Exposure (millions $)	% of Total Committed Commercial Credit Loan Exposure
Auto Manufacturing	Light-duty passenger car and truck manufacturers	1, 2 and 3.11	IEA NZE2050	2019	182.8 gCO_2e/km	48%	94.9 gCO_2e/km	215.0 gCO_2e/km[54]	201.6 gCO_2e/km	4,634	0.39%
Aviation	Commercial aviation	1	MPP PRU	2021	1007.8 gCO_2e/RTK	37%	639 gCO_2e/RTK	1007.8 gCO_2e/RTK	940.1 gCO_2e/RTK	6,813	0.57%
Cement	Cement manufacturing	1 and 2	IEA NZE2050	2021	0.683 tCO_2e/tCP	32%	0.467 tCO_2e/tCP	0.683 tCO_2e/tCP	0.651 tCO_2e/tCP	1,108	0.09%
Energy	Upstream producers, refiners and integrated companies in the oil and gas industry	1 and 2	IEA NZE2050	2019	7.5 gCO_2e/MJ	45%	4.1 gCO_2e/MJ	7.0 gCO_2e/MJ[52]	6.5 gCO_2e/MJ	$17,922[51]	1.49%[51]
		3.11			60.6 gCO_2/MJ	29%	43.1 gCO_2/MJ	60.5 gCO_2/MJ	59.7 gCO_2/MJ		
Iron and Steel	Crude steel production	1 and 2	IEA NZE2050	2021	1.75 tCO_2e/t crude steel	27%	1.28 tCO_2e/t crude steel	1.75 tCO_2e/t crude steel	1.77 tCO2e/t crude steel	3,613	0.30%
Power Generation	Power generation	1	IEA NZE2050	2019	336.4 $kgCO_2/MWh$	70%	100.9 $kgCO_2/MWh$	362.0 $kgCO_2/MWh$	322.2 $kgCO_2/MWh$	24,857	2.07%

Sector				Portfolio Alignment Score %		2022 Exposure		Data Quality Score[53]
Sector	Subsector Boundaries Included	Emission Scope(s) Included	Reference Scenario	2021	2022	Committed Commercial Credit Loan Exposure (millions $)	% of Total Committed Commercial Loan Exposure	2022
Maritime Shipping	Vessel-level commercial shipping	Scope 1 CO_2	Poseidon Principles via 2018 Initial IMO GHG Strategy	-3.31	-0.47	3,624	0.30%	2.0

[50] gCO_2e/km or /MJ or /RTK or /MWh = grams carbon dioxide equivalent per kilometer or per megajoule or per revenue ton kilometer or per megawatt hour; tCO_2e/tCP or /t crude steel = metric tons of carbon dioxide equivalent per metric ton cementitious product or per metric ton crude steel.

[51] The committed exposure to the energy sector published in the 2023 TCFD report included exposure to other energy categories not included in the target boundary. The committed energy exposure value shown here has been updated to reflect only financing to upstream producers, refiners and integrated companies in the oil and gas industry, aligning with the boundary for our intensity metrics.

[52] Updated from previously published value. Please refer to Other Data Challenges on page 80.

[53] Please refer to Other Data Challenges on page 80. PCAF provides a scoring mechanism for emissions calculations to evaluate data quality. Under this system, the use of verified client-reported emissions achieves a data quality score of 1, unverified emissions achieve a score of 2 and estimated emissions range from a score of 3 to 5 based on the information used to conduct estimations. Per the PCAF standard, our data quality scores are based on utilized commercial credit exposure.

Sector Performance

Our first set of targets in the auto manufacturing, energy and power generation sectors were set in April of 2022. We then set aviation and cement sector targets in 2023, and iron and steel sector and maritime shipping sector targets in April of 2024. In this document, we are disclosing 2022 weighted average physical unit emissions intensities due to latency inherent in emissions data. As such, the results discussed below can be attributed to changes in client intensities driven by client actions and industry developments, along with a shift in our client portfolio mix within sectors. This is not an exhaustive list and there are other drivers impacting physical intensity performance. Informed by the latest science, we continue to engage with our clients to understand and support their emissions reduction and transition-related activities. See Understanding Client Transitions starting on page 27 and Support and Enable Clients to Achieve Net Zero before 2050 on page 31 to learn more about our commitment to supporting our clients and meeting our 2030 Financing Activity Targets.

Auto Manufacturing

The 2022 emissions intensity for our auto manufacturing portfolio increased by 10% compared to our 2019 baseline due to expanded and improved emissions data and reporting, which increased some clients' intensities, thereby increasing our overall physical unit emissions intensity[54]. Additionally, global supply chain issues created by the COVID-19 pandemic meant that even as the global economy was recovering, many auto manufacturers could not return to their normal levels of production, resulting in some lower sales numbers. These were some of the main factors that impacted the overall weighted average physical unit emissions intensity across our loan portfolio in 2022.

Aviation

The 2022 emissions intensity for our aviation portfolio declined by 7% compared to our 2021 baseline largely due to the improvement in production intensity of more than half of our clients. Our intensity metric is based on our client's ability to efficiently meet demand by filling planes with passengers or cargo (i.e., a full plane is most efficient). The improvement in cargo load factor, and thereby intensity in 2022, can be attributed in part to continued recovery from the COVID-19 pandemic and an increase in travel.

Cement

Compared to the 2021 baseline, the physical unit emissions intensity of our cement portfolio declined by 5% due to improved production intensities for more than 85% of our clients. Moreover, while the use of alternative fuels in this sector is still emerging, there is increased use of biomass and non-renewable waste as fuels in the production process, resulting in a lower emissions product.

Energy

For our Scope 1 and 2 target, there was a 13% decrease in the weighted average intensity compared to our 2019 baseline, despite impacts from the global energy crisis triggered by the Ukraine-Russia war. The improvement is mainly a result of a decline in production intensities for a number of our top clients who have made decreasing operational emissions intensity a priority. For our Scope 3 target, we saw a decrease in physical unit emissions intensity of 1.5% from our 2019 baseline, due to a slight decline in Scope 3 production intensity for some of our largest clients.

Iron and Steel

There was a slight increase of 1% to our 2022 weighted average intensity compared to our 2021 baseline due to a shift in client portfolio mix. Globally, steel's emissions intensity also increased slightly from 2021 to 2022.

Maritime Shipping

The 2022 portfolio weighted average alignment score for maritime shipping of -0.47% decreased from -3.31% in 2021. While not ideal, our portfolio continues to outperform the Poseidon Principles decarbonization trajectory. The fluctuation was mainly driven by declines in efficiency for some of the vessels within our portfolio. Vessels travelled fewer total distances during 2022 with less corresponding declines in total emissions, thereby increasing intensity.

Power Generation

Due in part to increased financing to less carbon-intensive clients, along with clients' increased adoption of renewable power generation sources, the physical unit emissions intensity for our power generation portfolio decreased 4% from our 2019 baseline. Although global renewable electricity generation reached an all-time high in 2022, the COVID-19 pandemic delayed renewable energy projects due to lockdown measures and supply chain issues starting in 2020 and lasting for multiple years.

[54] This increased our 2021 intensity as well. These updates were not available in 2019 so the baseline does not reflect these updates.

Sector Details

Auto Manufacturing

The auto manufacturing target includes global light-duty passenger car and truck manufacturers and was derived from the IEA NZE2050 GHG emissions pathway for road vehicles. The target covers our client's Scopes 1 and 2 CO_2e and end use Scope 3 CO_2. These end-use CO_2 emissions are the most significant for this sector and are often referred to as tank-to-wheel (or tailpipe) emissions. The GHG emissions intensity target includes the lifetime emissions of each new vehicle sold within the year. The majority of our clients report the GHG emissions information needed for our calculations, partly due to the regulated nature of the sector. Therefore, most of the data was retrieved directly from client reports. Where reported information was not available, we used S&P Global Trucost revenue-based factors to estimate GHG emissions. Scope 3 end-use emissions is estimated using 200,000 kilometers (km) as the estimated lifetime distance traveled for the new vehicles, as this is used by the IEA in their analysis[55]. The auto sector is relatively advanced in GHG emissions reporting and reduction efforts, with many clients setting their own reduction targets and transitioning manufacturing to zero emissions vehicles, such as EVs. Our target metric, grams of GHG emissions per kilometer traveled (gCO_2e/km), aligns with the sector standards and is calculated by weighting the client's physical unit emissions intensity based on their portion of committed loan financing in our auto manufacturing portfolio.

Aviation

The aviation sector target includes commercial passenger and freight operations (e.g., passenger, belly freight, cargo, scheduled and nonscheduled air transportation activities). It is derived from the Mission Possible Partnership Prudent (MPP PRU) emissions pathway for aviation and covers our clients' Scope 1 GHG emissions or "tank-to-wake" (TTW) emissions. These operational emissions include those from fuel combustion during flights, which represent the majority of emissions for commercial airlines. We chose MPP PRU as it was developed with insight from the aviation industry and other non-governmental organization stakeholders, including Clean Skies for Tomorrow[56]; it is aligned to a 1.5°C pathway by 2050 and provides the detail needed without requiring adjustments.

In addition, approximately 70 major institutions in the aviation industry including airlines, equipment manufacturers, fuel producers and airports[57] have validated the model inputs and architecture and endorse the general thrust of the arguments made. Many clients within the aviation sector report the emissions and physical unit information necessary to complete our calculations. We leveraged reported information from MSCI[58], S&P Global Trucost or directly from client reports. When reported emissions information was not available, we used S&P Global Trucost revenue-based emissions factors based on sectoral GHG emissions/revenue to estimate client emissions. Additionally, many clients have their own emission reduction targets and participate in efforts to decarbonize and drive forward the production of SAF as an important solution for the sector.The target metric uses physical unit emissions intensity which measures grams of GHG emissions per revenue ton kilometer (gCO_2e/RTK). RTK is a commonly used metric in the industry and is calculated based on the utilized capacity of an aircraft in passengers and cargo that generate revenue over a specific time period. RTKs measure the aircraft efficiency based on how airlines are fulfilling demand (passenger and cargo) by incorporating the utilization of space available on flights. Commercial passenger flights carry both passengers and belly cargo. Some passenger airlines may provide only passenger metrics or passenger and cargo metrics separately in the form of Revenue Passenger Kilometers (RPK) and cargo RTKs. RPK is similar to RTK in that it is a utilization metric based on the passenger capacity of an aircraft and does not include belly cargo capacity. RPKs can be converted to RTKs by assuming a weight of 100 kilograms per passenger, which is the industry standard used by the Air Transportation Association (IATA). Passenger metrics converted to RTK can be added to belly cargo RTKs, if available, to arrive at a total for a client. To arrive at our target metric, we took the client's annual physical unit emissions intensity as described above and weighted it based on their portion of committed loan financing in our commercial aviation portfolio.

[55] Source: IEA data and statistics.
[56] The World Economic Forum's Clean Skies for Tomorrow (CST) initiative, established in 2019, is a coalition across aviation's value chain working to facilitate the transition to Net Zero flying by mid-century.
[57] Source: Mission Possible Partnership "Making Net Zero Aviation Possible" 2023 report.
[58] Morgan Stanley Capital International.

Cement

The cement target includes cement manufacturing companies and is derived from the IEA NZE2050 decarbonization pathway for cement manufacturing. The target includes clients' Scopes 1 and 2 GHG emissions, covering the emissions associated with the manufacturing of cementitious product. Cementitious product[59] is a sum of clinker and mineral components, including ground limestone, natural and calcined pozzolans, as well as industrial byproducts such as fly ash and ground-granulated blast-furnace slag. The Global Cement and Concrete Association (GCCA) is coordinating efforts to decarbonize the cement and concrete industry to achieve Net Zero by 2050. As a result, many of our clients have set emission reduction targets and are making efforts to align to the industry objectives. For our purposes, we retrieve emissions and production information from MSCI, S&P Global Trucost or directly from client reports. When reported information is not available, we used S&P Global Trucost revenue-based factors to estimate GHG emissions. The metric being used for our target is tons of GHG emissions per ton of cementitious product manufactured (tCO_2/t cementitious product). To arrive at our target metric, we take the client's physical unit emissions intensity and weight it based on their portion of committed loan financing in our cement manufacturing portfolio.

Energy

The energy sector targets include upstream producers, refiners and integrated companies within the oil and gas industry. Including these upstream companies allows us to capture the majority of emissions within the oil and gas sector and aligns with the IEA NZE2050 scenario. Our targets include Scopes 1 and 2 CO_2e emissions and Scope 3 CO_2 end use emissions from combustion of the oil or gas produced or refined per megajoule. We have not included midstream (transportation) or downstream (retail) oil and gas clients in these targets as they are not well aligned with the scenario or metric. While not included in our targets, we have disclosed the relevant absolute financed emissions associated with these portfolios.We set separate intensity targets for Scopes 1 and 2 and then Scope 3 in order to best apply the different IEA NZE2050 pathways for the sector and to reflect progress in reducing both operational emissions and end use emissions. To arrive at a separate target for Scopes 1 and 2, we applied the IEA NZE2050 reduction pathways for methane, flaring and other carbon emissions. For Scope 3 we applied the intensity reduction pathway for the sector end use emissions. We feel this best reflects the clients' efforts to reduce emissions from existing processes and the necessary transition to other low- and zero-carbon energy sources. To arrive at the target metrics, we take the clients' physical unit emissions intensity and weight it based on their portion of committed loan financing in the oil and gas portfolio. While some energy clients are reporting Scopes 1 and 2, we found less reported information for Scope 3 end use emissions. We also found variation in the GHG reporting approach used, with some clients using an equity boundary and others applying an operational control boundary. Therefore, in order to achieve a consistent and harmonized approach for clients within the target we estimate emissions for Scope 3 end use across the portfolio. We do so by collecting client production information from public reporting and applying the appropriate emission factor from the U.N. IPCC. Where production information was not available, we used client-reported revenue and the appropriate subsector Scope 3 downstream emissions factor from S&P Global Trucost to estimate emissions. We continue to evaluate client reporting of Scope 3 emissions and evaluate our ability to use reported information in future calculations.

Iron and Steel

The iron and steel target includes primary and secondary steel producers and iron ore mining clients who have steel production within their value chain. Our target is derived from the IEA NZE2050 decarbonization pathway for iron and steel production and includes clients' Scopes 1 and 2 GHG emissions related to crude steel production — the most emissions-intensive stage of the production process. Crude steel is the midstream activity of steel production and represents the first solid steel product upon solidification of liquid steel prior to casting. Since the IEA NZE2050 trajectory for iron and steel emissions intensity includes only Scope 1 emissions, we estimate Scope 2 emissions using data from the World Energy Outlook, the IEA NZE2050 scenario for the sector's energy demand, the expected proportion of energy demand from electricity and the applicable emissions factors. We retrieve emissions and production information from either MSCI or S&P Global Trucost, or directly from our clients' reports and disclosures. While some clients do not disclose emissions, we found it encouraging that more clients are responding to industry led initiatives and reporting GHG emissions and production information. As a result, we still need to estimate emissions for a portion of the portfolio where information is not available by using S&P Global Trucost revenue-based emissions factors. The metric for our target is

[59] Source: World Business Council for Sustainable Development - Cement Sustainability Initiative.

metric tons of GHG emissions per metric ton of crude steel (tCO_2e/t crude steel). To arrive at our target metric, we weight each client's physical unit emissions intensity by their portion of committed loan financing in our iron and steel producing portfolio. For clients without reported production data from which their emissions intensity could be calculated, we include their emissions in our absolute metric but exclude them from the sector physical intensity metric. These clients are therefore excluded from the sector level physical intensity target. Another point of difference between the absolute and intensity metrics is that our absolute calculation follows the PCAF methodology and includes additional components of the iron and steel sector i.e. all iron ore mining, forging, casting and processing, as well as the crude steel production. As a result, our absolute metric includes more clients than our physical intensity metric does.

Maritime Shipping

The maritime shipping sector target includes vessel-level commercial shipping activities that fall under the purview of the International Maritime Organization (IMO) (e.g., vessels with a gross tonnage of 5,000 or more). Each vessel secures a loan or finance lease on our balance sheet. The methodology covers our clients' Scope 1 GHG emissions, or "tank-to-wake" emissions, from the operation of the vessels. Our maritime shipping target methodology is derived from the Poseidon Principles, which were initially published in 2019 and are the prevailing methodology used by financial institutions to set decarbonization targets for their asset-specific shipping portfolios. The Poseidon Principles leverage the 2018 Initial IMO GHG Strategy (IMO Strategy) due to its provision of asset-level trajectories. The Rocky Mountain Institute's Center for Climate Aligned Finance led the development of the Poseidon Principles utilizing the expertise of sector stakeholders and financial institutions, which included reviews by sector participants, stakeholders and nongovernmental organizations prior to publishing.

The Poseidon Principles methodology tracks performance using the vessel's annual efficiency ratio (AER), a capacity-based physical unit emissions intensity metric that is common within the sector. AER is calculated as grams of carbon dioxide divided by deadweight tonnage times nautical miles traveled during the year (gCO_2/dwt*nm). Each vessel's AER is compared to a vessel-specific decarbonization trajectory derived using the IMO Strategy, the Third IMO GHG Study 2014[60] and the Fourth IMO GHG Study 2020 to arrive at a vessel-level climate alignment score. The portfolio weighted average alignment score (in a percentage) is calculated based on the committed exposure for each vessel. A zero percent score means a company is aligned with the decarbonization pathway. A positive score indicates a portfolio is not aligned with and falling behind the decarbonization trajectory; and a negative score indicates a favorable outcome: accelerated decarbonization relative to the pathway.We have engaged Maritime Strategies International (MSI) to provide vessel-level emissions, distance traveled and vessel characteristics. MSI's database of vessel characteristics, such as type and capacity, is compiled and verified using a wide range of industry sources. MSI has provided leading independent market insight and business advisory services to the international shipping sector for over 35 years. The IMO and the Poseidon Principles have committed to changes to both the decarbonization trajectories and methodologies. The IMO adopted an updated decarbonization strategy in 2023 which includes more aggressive decarbonization goals and increased emissions coverage. The Poseidon Principles have committed to adopting this approach and are expected to release an updated methodology with vessel-level decarbonization trajectories aligned to the 2023 IMO decarbonization goals in 2024. The Company will continue to monitor updates to maritime shipping decarbonization guidance and may consider adjustments to our approach in the future.

Power Generation

The power generation target includes the Scope 1 CO_2 emissions from clients' generating power as these emissions are the most relevant for the sector and align to the scenario. Clients included in the target boundary generally align to the classification of utilities with a few exceptions. We have excluded water, sewage, steam and air conditioning utilities and have included municipal power utilities. As with other sectors, power generation is regulated and therefore widely reported. This reported generation data (often available by fuel source and/or asset) and other resources are used by Environmental Resources Management (ERM), a third-party supplier, to allocate electricity generation and associated emissions to clients based on their equity ownership in power generating facilities. The target was derived from the IEA NZE2050 emissions pathway for power generation. The physical unit emissions intensity metric is aligned to the scenario and is widely used and reported within the sector to show the emissions per megawatt hour of generation. This metric best reflects the expected increase in generation as the economy moves to electrification and the transition to zero-carbon electricity. To arrive at our target metric, we take the client's carbon intensity and weight it based on their portion of committed loan financing within the portfolio. As noted above, our target currently includes only

[60] Since 2000, IMO has commissioned studies that provide a global reference in estimating GHG emissions from international shipping. These studies are prepared by research organizations across the world under the oversight of a panel of Member Governments and the IMO Secretariat.

commercial credit lending. We intend to include our tax equity investments in this portfolio within the next few years and expect this to have a positive impact on our physical intensity emissions reduction target. As one of the leaders in renewable energy tax equity financing in wind and solar in the U.S., we believe this sector represents both a business and decarbonization opportunity. We are committed to investing in renewable energy solutions and will look to participate in a policy environment that encourages greater investment.

Methodology and Data Sources

The PCAF Global GHG Accounting and Reporting Standard for Financial Institutions was originally released in November 2020 and updated in 2022. We have participated in the various workstreams to develop asset class methodologies since 2020. We have implemented this standard to quantify the share of absolute GHG emissions generated by our clients that can be attributable to us due to our financing relationship with them. This is often called absolute financed emissions when referring to a lending portfolio. To calculate these emissions for each client, we divided our on-balance sheet utilized exposure to the client by the client EVIC. This calculation provides us with an attribution factor to apply to the client's relevant Scopes 1, 2 and 3 emissions to measure our absolute financed emissions from that client. We have applied this standard to our target sectors within our commercial credit lending portfolio (business loans).

Calculating financing activity emissions demands significant allocation of analytics, data, technology and modeling resources. As part of our commitment to develop decision-useful metrics, we have built and continue to enhance an internal technology system to, among other things: collect and house client emissions data, estimate client emissions where not available, calculate client physical unit emissions intensity and quantify our absolute financed emissions. Where possible, we prioritize client-reported emissions data to conduct these calculations and monitor client progress over time. Bank of America's Global Environmental Group worked with our LOBs and Global Risk Analytics (GRA)[61] teams to develop a process that follows relevant industry best practice to measure our financing activity emissions.

The initial step in calculating financing activity emissions is to gather data on our clients' emissions. However, clients vary widely in their disclosure of emissions, and even when reported, data is often not verified by a third party. Additionally, there is no one data source, or even group of data sources, that adequately and consistently covers our needs for client emissions and production information across the target sectors.

We obtained historic reported emissions and production data for some clients from their public reports and leveraged certain third-party suppliers.Emissions data are sourced from:

- Reported client emissions as sourced through S&P Global Trucost, MSCI or ERM.
- Reported client or site emissions from publicly available databases (such as the EPA16 or CDP) and/or company disclosures.
- S&P Global Trucost or ERM estimations based on reported company data or their proprietary estimation model.

Additionally, financial information such as client equity and debt, EVIC[62], revenue, total assets and production information are derived/sourced from suppliers and manually sourced client reports either publicly disclosed or provided to the Company. Where financial information is not available for clients, we have applied an industry average emissions intensity factor (as available through the PCAF emissions factor database), mapped to the Company's primary North American Industry Classification System (NAICS) code, to the available loan information for the client. From a data and technology perspective, calculating emissions associated with financing activities enlists the integration of multiple internal systems housing exposure and client financial statement details with various pieces of external data, including client emissions and production information, along with third-party emissions estimation factors. The complexity of this process only serves to highlight the critical need for consistent, verified public reporting of emissions and other climate-related data. For additional information, see public policy coverage within the Advocating and Engaging Stakeholders section.

[61] Global Risk Analytics (GRA) is a subgroup within GRM. GRA is responsible for developing a consistent and coherent set of models and analytical tools for effective risk and capital measurement, management and reporting across Bank of America. In addition to model development, GRA conducts model implementation, data management, model execution and analysis, forecast administration and model performance monitoring. The team drives innovation, process improvement and automation across all of these activities.
[62] From internal sources or MSCI.

Other Data Challenges

In addition to difficulties related to the gathering and quality of data, the timing of emissions data availability also presents a challenge due to an inherent lag in public GHG accounting and reporting by clients. To align the time periods of information, the financing activity emissions calculations use the loan information, with reported or estimated emissions based on reported revenues, all from the same year. Where client emissions information was not available for the same year as loan information, we used the best available emissions information. However, to provide consistent year-over-year comparison, we are disclosing 2022 calculations, as 2023 emissions and production information is not yet available. This type of data lag is common for emissions associated with financing activity emissions calculations and reporting.

Estimating financing activity emissions is an evolving landscape, requiring the use of assumptions and data with varying levels of quality. We expect that there will continue to be meaningful improvements to data capture, data sourcing and estimation methodologies over time. Given these circumstances and consistent with industry trends, there can be volatility in our sectoral emissions estimates unrelated to actual sectoral emissions performance. As an example, we use best available emissions and production information for our estimates, meaning we take the most recently reported information and if it is not reported, we estimate the emissions (see sector specific sections above for additional details). If companies who previously did not report emissions or production information begin to report such for prior periods, it can impact our estimates and may potentially result in restatements of historical results. We expect the potential of this to increase as more regulations are adopted and more companies begin to report emissions data.

To align with industry guidance, we developed internal guidelines and governance related to restating prior metrics and baselines. We follow these guidelines in determining when to restate those metrics and baselines, in an effort to improve the accuracy of our financing activity emissions estimates. Following these guidelines, we have restated certain metrics, shown in Table 1 and Table 2 above, including as a result of improved data availability, internal model enhancements. These restated metrics followed our governance process, which included reviews by the ESG Disclosure Council and the RGC.

The tables below presents Bank of America's GHG emissions data for 2010 (the baseline) as well as for the three most current years of data, covering Scopes 1, 2 and 3 emissions. Our inventory uses the methodology established by the GHG Protocol and guidance from the U.S. EPA. All of the environmental metrics we disclose in the following pages undergo internal review, controls and governance, and several undergo third-party verification each year (see Appendix 2).

GHG Emissions	Units	2010 (baseline)	2021	2022	2023
Scope 1 and Location-Based Scope 2 Emissions					
Scope 1 Direct Emissions	Metric tons CO_2e	106,870	57,076	66,775	68,050
Location-Based Scope 2 Indirect Emissions	Metric tons CO_2e	1,678,547	601,906	634,510	610,013
Total Scope 1 and Location-Based Scope 2 Emissions	Metric tons CO_2e	1,785,417	658,982	701,285	678,063
Reduction in Total Scope 1 and Location-Based Scope 2 Emissions	Percent decrease from base	Not applicable	63%	61%	62%
Scope 1 and Market-Based Scope 2 Emissions					
Scope 1 Direct Emissions	Metric tons CO_2e	106,870	57,076	66,775	68,050
Market-Based Scope 2 Indirect Emissions	Metric tons CO_2e	1,644,068	13,886	17,794	17,736
Total Gross Scope 1 and Market-Based Scope 2 Emissions	Metric tons CO_2e	1,750,939	70,963	84,569	85,786
Carbon Credits Retired[63]	Metric tons CO_2e	0	70,963	84,569	85,786
Total Net Scope 1 and Market-Based Scope 2 Emissions	Metric tons CO_2e	1,750,939	0	0	0
Reduction in Total Net Scope 1 and Market-Based Scope 2 Emissions	Percent decrease from base	Not applicable	100%	100%	100%
Scope 3 Indirect Emissions					
Category 1 - Purchased Goods and Services[64]	Metric tons CO_2e	Not available	1,153,411	1,571,077	1,722,654
Category 2 - Capital Goods[64]	Metric tons CO_2e	Not available	52,236	47,621	48,570
Category 3 - Fuel and Energy-Related Activities[65]	Metric tons CO_2e	341,783	158,213	164,599	168,018
Category 4 - Upstream Transportation and Distribution[66]	Metric tons CO_2e	243,881	167,033	176,322	152,752
Category 5 - Waste (Traditional Disposal)[67]	Metric tons CO_2e	Not available	11,757	18,826	18,406
Category 6 - Business Travel[68]	Metric tons CO_2e	189,977	18,715	82,583	92,818
- Business Travel Carbon Credits Retired	Metric tons CO_2e	0	18,823	80,172	92,819
- Total Net Scope 3 Business Travel Emissions	Metric tons CO_2e	189,977	0	2,411	0
Category 7 - Employee Commuting	Metric tons CO_2e	675,193	144,625	250,783	355,974
Category 8 - Upstream Leased Assets	Metric tons CO_2e	Not relevant	Not Relevant	Not Relevant	Not Relevant
Category 9 - Downstream Transportation and Distribution	Metric tons CO_2e	Not available	1,000,000	1,000,000	1,000,000
Category 10 - Processing of Sold Products	Metric tons CO_2e	Not relevant	Not Relevant	Not Relevant	Not Relevant
Category 11 - Use of Sold Products	Metric tons CO_2e	Not available	3,000	2,000	2,000
Category 12 - End of Life Treatment of Sold Products	Metric tons CO_2e	Not available	9,000	11,000	10,000
Category 13 - Downstream Leased Assets	Metric tons CO_2e	Not relevant	Not Relevant	Not Relevant	Not Relevant
Category 14 - Franchises	Metric tons CO_2e	Not relevant	Not Relevant	Not Relevant	Not Relevant
Category 15 - Investments[69]	Metric tons CO_2e	See Financed Emissions portion of this Metrics and Targets section			

[63] In 2023, retired carbon credits were equivalent to 13% of the total Scope 1 and location-based Scope 2 emissions. This can be calculated by dividing the number of carbon credits retired (85,786 metric tons CO_2e) by the total Scope 1 and location-based Scope 2 emissions (678,063 metric tons CO_2e). Carbon credit retirements are subtracted from gross Scope 1 and market-based Scope 2 emissions, resulting in net Scope 1 and market-based Scope 2 emissions of zero. Numbers may not sum exactly due to rounding.
[64] Prior year values updated in 2023 due to using additional supplier-specific data in calculations, and a change in methodology regarding paper/print and payment network spend
[65] Prior year values updated in 2023 due to change in methodology of emission factor sources.
[66] Prior year values updated in 2023 due to data collection error and change in methodology.
[67] Prior year values updated in 2023 due to data collection error.
[68] Prior year values updated in 2023 due to change in methodology of incorporating more airline-specific emissions reports.
[69] Relevant financed emissions figures are detailed previously in the Financing Activity Metrics section.

METHODOLOGY

We follow the World Resources Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Corporate Accounting and Reporting Standard to calculate Scope 1, 2 and 3 emissions. We use an operational control approach to define our boundary. The base year for emissions reductions is 2010; the rationale for choosing 2010 as the base year is that 2010 is the earliest year with comprehensive data. Scope 1 and 2 calculations are based on site-specific data for fuel consumed and utilities purchased, applying published emissions factors and global warming potentials (GWPs). Scope 3 calculations are based on data for the relevant activity, applying published emissions factors and GWPs. Where actual data is not available, estimates are made based on actual data collected in prior years. The gases included in the calculation of Scope 1, 2 and 3 emissions are Carbon Dioxide (CO_2), Methane (CH_4), Nitrous Oxide (N_2O), and Hydrofluorocarbons (HFCs). Our market-based GHG emissions include the impact of renewable energy certificates (RECs) purchased in the U.S., Renewable Energy Guarantees of Origin (REGOs) purchased in the U.K., Guarantees of Origin (GOs) purchased in Spain and Ireland, J-Credits and Non-Fossil Certificates (NFCs) purchased for Japan, PowerPlus purchased for India, and International RECs (I-RECs). All U.S. RECs purchased by Bank of America are Green-e certified. Emissions reflect supplier-specific emission rates where available, all of which comply with Scope 2 Guidance criteria. Emissions reflect residual mix factors for European facilities. Residual mix factors are not currently available for facilities outside of Europe. Location-based emission factors are used to quantify electricity-related Scope 3 emissions. Emissions are recalculated back to the base year when a change to a prior inventory would result in a change in emissions of 0.5% or greater. Therefore, prior year values shown in the current year of this document may not match the values published in prior reports. .

GHG Emissions by Region	Units	2023 Gross Location-Based Emissions			2023 Gross Market-Based Emissions		
		Scope 1 direct emissions	Scope 2 indirect emissions	Total Scope 1 and Scope 2 emissions	Scope 1 direct emissions	Scope 2 indirect emissions	Total Scope 1 and Scope 2 emissions
U.S. and Canada	Metric tons CO_2e	64,091	510,430	574,521	64,091	4,842	68,934
Asia Pacific	Metric tons CO_2e	598	78,223	78,821	598	12,246	12,844
Europe, Middle East and Africa (EMEA)	Metric tons CO_2e	3,298	19,979	23,277	3,298	593	3,891
Latin America	Metric tons CO_2e	62	1,381	1,443	62	55	117
GHG Emissions by Country							
United States	Metric tons CO_2e	63,978	510,311	574,289	63,978	4,842	68,821
India	Metric tons CO_2e	267	48,280	48,547	267	374	641
United Kingdom	Metric tons CO_2e	2,303	16,777	19,080	2,303	0	2,303
China	Metric tons CO_2e	139	9,905	10,044	139	208	347
Singapore	Metric tons CO_2e	13	7,129	7,143	13	7,129	7,143
Japan	Metric tons CO_2e	62	5,777	5,839	62	1	62
Australia	Metric tons CO_2e	1	1,994	1,995	1	1,060	1,061
South Korea	Metric tons CO_2e	66	1,769	1,834	66	1,769	1,834
Taiwan	Metric tons CO_2e	18	1,685	1,703	18	1,685	1,703
Ireland	Metric tons CO_2e	553	729	1,281	553	0	553
Rest of World	Metric tons CO_2e	651	5,658	6,309	651	669	1,320

Carbon Credit Reporting	Units	2021	2022	2023
Total carbon credits retired				
Total carbon credits retired	Metric tons CO_2e	89,786	164,741	178,605
Carbon credits retired by type of credit				
Avoidance carbon credits retired	Metric tons CO_2e	53,786	94,140	100,806
Removal carbon credits retired	Metric tons CO_2e	36,000	70,601	77,799
Total carbon credits retired	Metric tons CO_2e	89,786	164,741	178,605
Carbon credits retired by scope applied to				
Scope 1 and 2	Metric tons CO_2e	70,963	84,569	85,786
Scope 3 Business Travel	Metric tons CO_2e	18,823	80,172	92,819
Total carbon credits retired	Metric tons CO_2e	89,786	164,741	178,605

METHODOLOGY
Credits are sourced from a variety of projects: Uberlandia I and II Landfill Gas Project in Brazil, Bondhu Chula Cookstoves and Gas Distribution Leak Reduction in Bangladesh, Cumare Carbon Project in Colombia, Green Bricks for Residential and Commercial Buildings in India, Safe Drinking Water in Mozambique and Northern Kenya Rangelands. Table represents sum of all carbon credits retired per year, which addresses Scope 1, market-based Scope 2 and Scope 3 business travel emissions.

Facilities	Units	2010 (baseline)	2021	2022	2023
LEED® (or comparable) certifications	Net square feet	12,537,553	17,882,033	18,398,417	21,157,019
	Percent of total square footage	10%	25%	26%	32%

Land use	Units	2010 (baseline)	2021	2022	2023
Land use and ecological sensitivity – U.S.	Sites that intersected with areas protected for biodiversity	Not available	10	13	13
	Area of buildings (square meters)	Not available	7,120	7,500	7,500

METHODOLOGY
For the WEF IBC - land use and ecological sensitivity metric, Bank of America only includes U.S. sites in this analysis as U.S. sites make up the majority of Bank of America's real estate footprint. All U.S. sites were overlaid on the U.S. Geological Survey's Protected Areas Database (PADUS) to understand intersection with protected areas. The types of buildings that intersect with protected areas are owned and leased office buildings, banking centers, warehouses and ATMs.

Water	Units	2010 (baseline)	2021	2022	2023
Total water withdrawals	U.S. gallons (B)	3.54	1.67	1.76	1.61
	Megaliters	13,410	6,325	6,672	6,089
Total potable water withdrawals	U.S. gallons (B)	3.52	1.64	1.72	1.57
	Megaliters	13,331	6,223	6,498	5,952
Reduction in potable water withdrawals	% decrease from base year	Not applicable	53%	51%	55%
Water withdrawals by source – Third-Party (municipal)	Megaliters	13,410	6,243	6,536	6,001
	% withdrawals	100%	98.7%	98.0%	98.6%
Water withdrawals by source – Surface Water (rainwater)	Megaliters	Not available	83	136	88
	% withdrawals	Not available	1.3%	2.0%	1.4%
Total water consumption	U.S. gallons (B)	0.57	0.39	0.40	0.36
	Megaliters	2,149	1,492	1,518	1,379
Estimated annual savings from water reduction projects	U.S. thousand gallons (K)	Not available	8,455	2,813	33,572
Third-party withdrawals and consumption from regions with high or extremely high baseline water stress	Megaliters withdrawals	Not available	2,571	2,718	3,299
	Megaliters consumption		680	719	778
	% withdrawals		41%	42%	55%
	% consumption		46%	47%	56%

METHODOLOGY

Data for water withdrawals are sourced from utility bills where possible. Where utility bills are not available (such as in a leased property), we estimate based on internal estimation intensities by building type. These estimation intensities are calculated annually based on actual data. We use the same boundary in calculating water withdrawals as in our GHG emissions calculations. Water is withdrawn from municipal sources (except for a small amount of rainwater) and discharged to municipal sewer systems. Water consumption is equal to water used for irrigation. Data for groundwater and rainwater are sourced from meter readings for the systems in place. Potable water is defined as water treated to levels that meet state and federal standards for consumption. For Bank of America, this includes all water except gray water used for irrigation, untreated groundwater and reclaimed water. Water values are recalculated back to the base year when a change to a prior inventory would result in a change in water values of 0.5% or greater. Therefore, prior year values shown in the current year of this document may not match the values published in prior reports. Baseline water stress is determined according to the World Resources Institute Aqueduct Water Risk Atlas tool.

Waste	Units	Disposal method	2011 (baseline)	2021	2022	2023
E-waste disposed through certified suppliers[70]	Percent certified		68%	100%	99.61%	99.98%
Non-hazardous waste (office, confidential, construction and demolition, electronic and other)[70]	Metric tons	Landfill and incineration	60,370	21,957	35,315	29,249
	Metric tons	Recycling, compost and remarketing	68,217	44,818	51,524	56,616
	Diversion rate		53%	67%	59%	66%
Hazardous waste	Metric tons	Landfill and incineration	3	0.5	0.005	0
	Metric tons	Recycling, reuse and salvage	334	507	884	1,176
	Diversion rate		99.2%	99.9%	99.9%	100%
Construction and demolition waste	Metric tons	Landfill and incineration	12,523	5,478	6,393	3,745
	Metric tons	Recycling, reuse and salvage	18,046	14,654	18,409	11,817
	Diversion rate		59%	73%	74%	76%
Total waste[71]	Metric tons	Landfill and incineration	60,373	21,957	35,315	29,249
	Metric tons	Recycling and other diversion	68,551	45,325	52,408	57,792
	Metric tons	Total waste	128,924	67,282	87,723	87,040
	Waste to landfill percent decrease from base year		Not applicable	64%	42%	52%
	Diversion rate		53%	67%	60%	66%

METHODOLOGY

[70] In 2021 all (100%) of e-waste was disposed through certified suppliers. In 2022 and 2023 in one country, a small amount of e-waste was not disposed through a certified supplier. The base year for waste data is 2011. Data are sourced where possible from suppliers that provide waste removal services. Where weight data are not available (such as in a leased property), we estimate based on internal intensities by building type which were developed using actual data. We use the same boundary in calculating waste as in our GHG emissions calculations. The waste disposal method was determined from data provided by the waste suppliers. Numbers may not sum exactly due to rounding. Regulated waste is reported on a 1-year lag, so the 2023 waste data includes regulated waste from 2022. Waste values are recalculated back to the base year when a change to a prior inventory would result in a change in waste values of 0.5% or greater. Therefore, prior year values shown in the current year of this document may not match the values published in prior reports.

[71] Prior year values updated in 2023 due to data collection error.

Renewable material usage - Paper	Units	2010 (baseline)	2021	2022	2023
Total Usage	Metric tons	65,501	26,788	31,734	28,952
	Percent decrease from base year	Not applicable	59%	52%	56%
	Recycle input materials by weight	8%	15%	14%	20%
	Certified input materials by weight	Not applicable	98.6%	98.7%	98.2%

METHODOLOGY

Paper is purchased from external suppliers. Data are sourced from direct measurements based on invoices from our paper suppliers. Purchased paper includes copy paper, commercial paper, paper office supplies and janitorial paper. Janitorial paper was included in the goal for the first time in 2021. We have a commitment to the procurement of environmentally and socially sustainable paper products. Details can be found in our ESRPF.

Supplier engagement	Units	2010 (baseline)	2021	2022	2023
Suppliers invited to CDP Supply Chain	# of suppliers	89	210	242	354
Response rate to our CDP Supply Chain information requests	% responded	84%	93%	92%	87%
Spend with suppliers who report GHG or renewable energy targets	% of previous year spend	Not available	61%	63%	70%
Spend with suppliers assessed for risks as outlined by our Supplier Code of Conduct	% of current year spend	Not available	63%	78%	86%

Transportation	Units	2010 (baseline)	2021	2022	2023
Bank of America supported SAF production and use	# of cumulative gallons (M)	Not available	Not available	1.0	3.8
SAF for annual corporate and commercial jet fuel usage	%	Not available	Not available	13%	31%
Sustainable finance investment for the production of SAF	$ (B)	Not available	Not available	0	0.2

METHODOLOGY

In 2022, we announced 2030 sustainable aviation fuel (SAF) goals. These goals are to deploy and mobilize two billion in financing to support the production and use of one billion gallons of SAF and to utilize 20% SAF across our corporate and commercial jet fuel usage, including 100% of corporate jet usage and a significant portion of commercial jet fuel usage.

NOx, SOx, and other significant air emissions from direct combustion	Units	2010 (baseline)	2021	2022	2023
Sulfur Oxides (SOx)	Metric tons	17	1	2	2
Nitrogen Oxides (NOx)	Metric tons	44	19	20	19
Carbon Monoxide (CO)	Metric tons	56	27	28	26
Volatile Organic Compounds (VOCs)	Metric tons	7	2	2	2
Particulate Matter (PM)	Metric tons	4	3	3	3
Ozone-depleting substances (R-11, R-12, R-123, R-12B1, R-13B1, R-22 and R-501)	Metric tons CFC-11e	3	3	2	2
Impact of air pollution	$ USD	Not available	134,000	143,000	138,000

METHODOLOGY

Data are sourced from the Scope 1 and 2 inventory and records kept through our compliance program. Significant air emissions are calculated based on site-specific data and published emission factors. We use the same boundary in calculating these air emissions as in our GHG emissions calculations. R-22 is an ozone-depleting substance with a high global warming potential. Bank of America fully eliminates R-22 from our operations when we decommission equipment instead of re-selling to encourage the complete phase out of R-22 from the market. R-22 is an ozone-depleting substance with a high global warming potential. The impact of air pollution (SOx, NOx, CO, VOCs and PM) is calculated using social cost factors of each pollutant as reported in the World Resources Institute's Transport Emissions and Social Cost Assessment Tool v 1.0.

Direct and Indirect Energy Consumption	Units	2010 (baseline)	2021	2022	2023
Electricity	Gigajoules	11,889,018	6,348,311	6,487,212	6,382,669
Other indirect (purchased steam and cooling)	Gigajoules	200,907	151,197	135,465	123,028
Natural gas	Gigajoules	1,488,556	758,595	762,855	721,683
Other direct (fuel oil, jet fuel, gasoline, diesel fuel, propane)	Gigajoules	337,952	165,529	350,139	377,115
Total energy	Gigajoules	13,916,433	7,423,632	7,735,671	7,604,496
Reduction in total energy	% decrease from base year	Not applicable	47%	44%	45%

METHODOLOGY

Data are sourced from utility bills where possible. Where utility bills are not available (such as in some leased properties), we estimate based on internal estimation intensities by building type. These estimation intensities are calculated annually based on actual data. We use the same boundary in calculating energy consumption as in our GHG emissions calculations. See the "REDUCTIONS IN GHG EMISSIONS AND ENERGY CONSUMPTION" table for gigajoules saved by energy reduction initiatives.

Electricity from renewable sources	Units	2010 (baseline)	2021	2022	2023
Electricity consumption	MWh	3,302,505	1,763,420	1,802,003	1,772,964
Total renewable electricity procured	MWh	39,598	1,780,488	1,820,673	1,850,251
% of electricity from renewable sources	% of electricity	1%	101%	101%	104%

METHODOLOGY
Bank of America adheres to certification, geography, technology and project age standards when purchasing the following Energy Attribute Certificates (EACs): Renewable Energy Certificates (RECs), Renewable Energy Guarantees of Origin (REGOs), Guarantees of Origin (GOs), J-Credits, Non-Fossil Certificates (NFCs), PowerPlus and International RECs (I-RECS).

Reductions in greenhouse gas emissions and energy consumption	Units	2010 (baseline)	2021	2022	2023
Projected annual emissions savings from reduction initiatives	Metric tons CO_2e	Not available	10,994	3,311	5,599
Projected annual savings from energy efficiency measures	Gigajoules	Not available	109,467	35,687	62,247

METHODOLOGY
Data are sourced from records kept by Global Real Estate Services, which records each project undertaken and relevant details,including project annual electricity or fuel savings and projected annual monetary savings. Reductions in GHG emissions and energy consumption is estimated based on projections of project performance.

Climate-related capital expenditure	Units	2010 (baseline)	2021	2022	2023
Projected annual monetary investment on climate-related capital expenditure	$ USD in thousands	Not available	92,948	80,578	172,222

Indirect energy consumption by fuel mix	Units	2010 (baseline)	2021	2022	2023
Coal	% of mix	35%	14%	15%	14%
Petroleum	% of mix	3%	1%	1%	1%
Natural gas	% of mix	30%	46%	46%	47%
Nuclear	% of mix	23%	22%	21%	21%
Renewable	% of mix	9%	17%	17%	18%

METHODOLOGY
These data represent the mix of primary energy consumed to produce the intermediate energy (electricity, steam, chilled water) used. They primarily represent the mix of grid electricity sources provided by electricity suppliers, and thus are distinct from the above tracking of electricity from renewable sources, which represent the bank's proactive purchase and implementation of renewable electricity.

Indirect energy consumption by primary fuel source	Units	2010 (baseline)	2021	2022	2023
Coal	Gigajoules	13,024,897	2,830,605	3,133,178	2,789,250
Petroleum	Gigajoules	791,057	112,612	165,970	194,946
Natural gas	Gigajoules	8,357,102	6,530,861	6,482,397	6,514,037

METHODOLOGY
These data represent total source energy consumed to produce the intermediate energy (electricity, steam, chilled water) used.

Compliance	Units	2010 (baseline)	2021	2022	2023
Non-compliance with environmental regulations	Value of monetary fines in $ USD	$23,854	$0	$500	$0
	Non-monetary violations	9	2	2	4
Significant releases	# of releases	2	1	5	15
	Volume – U.S. gallons (petroleum products)	3	0 [72]	8	37
	Amount - pounds (refrigerants/ fire suppressants)	0	22	823	3,536

Environmental Spend	Units	2010	2021	2022	2023
Total environmental protection spend	Value of spend ($ USD in M)	Not available	$15.8	$19.4	$19.5

METHODOLOGY
Data are sourced from our compliance management system, in which we record all instances of non-compliance with environmental regulations and spills and spend with select third-party suppliers on environmental protection and compliance.

[72] 2021 Value updated to zero as it is a refrigerant release and not a spill.

Equator Principles (2023 Activity)[73]	Category A	Category B	Category C
INFRASTRUCTURE (Total)	1		
Desalination Plant	1, Chile	-	-
OIL AND GAS (Total)	1		1
Liquified Natural Gas (LNG)	1, U.S.	-	-
Renewable Natural Gas (RNG)			1, U.S.
POWER (Total)		21	9
Solar		21, U.S.	7, U.S.
Battery Energy Storage Systems (BESS)	-	-	2, U.S.
OTHER: GENERAL MANUFACTURING (Total)		3	
EV Parts Manufacturing		3, U.S.	
TOTAL PROJECTS (By Category)	2	24	10
TOTAL EP PROJECTS	36	-	-

METHODOLOGY

The Equator Principles provide a framework, when adopted by financial institutions, for determining, assessing and managing environmental and social risk in project finance by establishing minimum standards for due diligence. The Company was a signatory to the Equator Principles Association from 2004 to 2023. In 2023, 36 projects were financed with consideration of the Equator Principles framework.

[73] In 2024, the Equator Principles Association changed its governance model and organizing structure to become the Equator Principles Limited. Bank of America declined to be signatory to the new Equator Principles Association. However, per the terms of the Company's 2023 Signatory agreement with the legacy Equator Principles Association, the Company has reported Projects that reached financial close in 2023 to the Equator Principles and they are listed on the on the Equator Principles website. The Company will not provide any future reporting to or through the Equator Principles. Going forward, we will project finance transactions using our internal Project Financing Due Diligence Standard, which is in part informed by the Equator Principles framework and report on these transactions through the Company's annual reporting.

Conclusion and Looking Ahead

At Bank of America, we believe that the risks outlined in this document are accompanied by significant opportunity to do more for our clients and to gain new clients. We adhere to the tenets of Responsible Growth in all we do, and we expect to continue to be a leader in sustainable finance and the clean energy transition.

Over the last year, we have taken meaningful actions to help make our beliefs a reality. In 2023, we mobilized and deployed $560 billion in sustainable finance, as we further progress toward our goal to deploy $1.5 trillion by 2030. We finalized interim 2030 targets under our Net Zero goal while working directly with clients to advance their own transitions. We built upon our risk management structures and developed our own Transition Plan, while accelerating efficiencies in our operations and supply chain.

Looking ahead, we intend to build on these successes. Technology will play a key role in helping to transition to a decarbonized global economy and the Company will continue bringing capital to clients that are developing scalable solutions needed to accelerate that transition. Another imperative is assisting businesses around the world understand how they can realize their sustainability goals. Our efforts across our eight lines of business will help us enable those businesses to have the tools they need to meet their ambitions.

While addressing climate change remains a key priority, our sustainable finance continues to be deployed to advance progress on a range of critical environmental and societal issues. The growing recognition of a need to protect and remediate nature and biodiversity around the world has led many organizations to explore how they can contribute to a solution. We look forward to working with clients and within our own business to recognize the risks and opportunities around this critical issue.

To help us remain accountable to our stakeholders, we remain steadfast in our dedication to transparency and disclosure. As the data and science around the issues that we prioritize continues to evolve, we believe that we are prepared to adjust our approach to continue the value of our impact. And as disclosure frameworks around the world evolve to meet the expectations of the moment, we will align our practices.

We are also mindful that a financial institution, even one with the range of clients and communities we are privileged to serve in the U.S. and around the world, is a transmission mechanism for the financial objectives of our clients - individuals and companies of every size - as shaped by policies in the dozens of countries in which we operate. We outline throughout this document our views and perspectives, including how we attempt to inform the policy environment in which we operate. As opportunities, perspectives, the needs of markets and economies impacted by geo-political events and a host of other factors evolve, we will continue to adjust as we always do to help deliver positive outcomes.

One matter is certain: our approach to Responsible Growth has helped enable us to make significant progress toward delivering both profits and purpose. The future brings opportunity for building a more sustainable world and we will continue to drive toward that vision while delivering for our clients, teammates, communities and shareholders.

ISSB Recommendations Index

We are beginning to report against the ISSB standard recommendations[74]. The table below illustrates where we disclose, in this document, key information aligned to ISSB S2 recommendations.

Recommended disclosure	Location	Additional resources
Governance		
Describe the board committee or equivalent governance body responsible for oversight of climate-related risks and opportunities.	Governance • Enterprise Governance of Climate-related Risks and Opportunities • Board of Directors Oversight • Management Oversight	2023 Annual Report to shareholders (p. 135) 2024 Proxy Statement (p. 39) Corporate Governance, ESG and Sustainability Committee Charter
Describe management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Governance • Enterprise Governance of Climate-related Risks and Opportunities • Management Oversight • Enterprise Functional Teams	2023 Annual Report to shareholders (p. 135) 2024 Proxy Statement (p. 39)
Strategy		
Describe how climate-related risks and opportunities could reasonably be expected to affect the entity's prospects, considering physical and transition risk over the short, medium and long term, including how the entity defines short, medium and long term and how that is linked to their planning horizons for strategic decision-making.	Strategy - Intro to Strategy (Time Horizons) Risk Management • Risk Identification • Climate Scenario Analysis (CSA)	2023 Annual Report to shareholders (p. 135)
Describe current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain, including a description of where the entity's business model and value chain climate-related risks and opportunities are concentrated.	Strategy - Minimize BAC's Impact on the Environment: Net Zero before 2050 Risk Management. • Risk Identification • Risk Management by Risk Type	2023 Form 10-K (p. 81-82) 2023 Annual Report to shareholders (p. 135)
Describe the effects of climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan.	Introduction Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050 • Support and Enable Clients to Achieve Net Zero before 2050 Transition Plan Index	2023 Annual Report to Shareholders (p. 135)

[74] The Company acknowledges that it is still working to fully conform to the specific recommendations of the ISSB framework, resulting in partial fulfillment for some recommendations.

Recommended Disclosure	Location	Additional Resources
Strategy		
Describe the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, as well as anticipated effects over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning.	Strategy • Intro to Strategy (Time Horizons) • Support and Enable Clients to Achieve Net Zero before 2050 Risk Management - Risk Identification	
Describe the climate-related risks and opportunities that have affected the entity's financial position, financial performance and cash flows for the reporting period for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	*We are currently in the process of assessing this requirement, and/or developing systems and processes needed to support a response.*	
Describe the climate resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties.	Cautionary Information and Forward-Looking Statements Strategy - Advocate and Engage Stakeholders Risk Management • Climate Scenario Analysis (CSA) • Risk Management by Risk Type Metrics and Targets - Financing Activity Metrics and Targets	
Describe information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation, as well as any climate-related transition plan the entity has and dependencies on which the entity's transition plan relies. The entity should include information about how it is resourcing, and plans to resource, such activities, and describe quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with such activities.	Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050 • Support and Enable Clients to Achieve Net Zero before 2050 Metrics and Targets Transition Plan Index	2024 Proxy Statement (p. 42)
If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity, the entity shall explain why it has not provided quantitative information about those financial effects and the combined financial effects of that climate-related risk or opportunity with other climate-risks or opportunities or other factors (if useful).	*We are currently in the process of assessing this requirement, and/or developing systems and processes needed to support a response.*	

Recommended disclosure	Location	Additional resources
Strategy		
Describe how the entity uses climate-related scenario analysis to assess its climate resilience, including the entity's assessment of its climate resilience as at the reporting date and how and when the climate-scenario analysis was carried out.	Strategy • Intro to Strategy (Time Horizons) • Minimize BAC's Impact on the Environment: Net Zero before 2050 Risk Management - Climate Scenario Analysis (CSA)	
Risk Management		
Describe the processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities and the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Risk Management	2023 Annual Report to shareholders (p. 135) 2024 Proxy Statement (p. 39) Environmental and Social Risk Policy Framework (p. 4-7)
Metrics and Targets		
Describe information relevant to the cross-industry metric categories, including GHGs, the amount and percentage of assets or business activities vulnerable to climate-related physical and transition risks, the amount and percentage of assets or business activities aligned with climate-related opportunities, the amount of capital expenditure, financing or investment deployed toward climate-related risks and opportunities, internal carbon prices and remuneration.	Governance - Performance and Remuneration Metrics and Targets • Sustainable Finance Metrics and Targets • Environmental Operations and Supply Chain Metrics and Targets	
Describe industry-based metrics that are associated with one or more particular business models, activities or other common features that characterize participation in an industry.	See Annual Report, Stakeholder Capitalism metrics	2023 Annual Report to shareholders (p. 66-74)
Describe targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress toward these targets.	Metrics and Targets - Financing Activity Metrics and Targets	
Describe the entity's approach to setting and reviewing each target and how it monitors progress against each target.	Strategy - Minimize BAC's Impact on the Environment: Net Zero before 2050 Metrics and Targets - Financing Activity Metrics and Targets	

Recommended disclosure	Location	Additional resources
Metrics and Targets		
Describe the entity's performance against each climate-related target and an analysis of trends of changes in the entity's performance.	Metrics and Targets	
For each GHG target disclosed, describe which GHGs are covered by the target, whether Scope 1, Scope 2 or Scope 3 GHG emissions are covered by the target, whether the target is a gross GHG emissions target or net GHG emissions target, whether the target was derived using a sectoral decarbonization approach and the entity's planned use of carbon credits to offset GHG emissions to achieve any net GHG emissions target.	Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050 • Support and Enable Clients to Achieve Net Zero before 2050 Metrics and Targets • Financing Activity Metrics and Targets • Environmental Operations and Supply Chain Metrics and Targets	2023 Annual Report to shareholders (p. 69)

GRI Content Index

Bank of America has reported the information cited in this GRI content index for the period January 1 - December 31, 2023 in reference to GRI Standards where available and as applicable. In this context, our approach to materiality is guided by our commitment to Responsible Growth and doing so in a sustainable manner, which helps us deliver for our clients and shareholders, and address society's biggest challenges. We use these principles to evaluate our company's ESG priorities. See www.bankofamerica.com/esgmateriality for more details.

Disclosure	Response
2-1 Organizational details	• Direct Response: Bank of America Corporation • Certificate of Incorporation • 2023 Annual Report, Corporate Information, p. 232 • Businesses and Institutions, Connect with our offices around the world
2-2 Entities included in the organization's sustainability reporting	• 2023 Annual Report • Privacy and Security, Bank of America Affiliate Companies
2-3 Reporting period, frequency and contact point	• Direct Response: Questions regarding the content in this publication should be directed to ESG_Information@bofa.com. • Title page; p. 1; Cautionary Information p. 3 • Making an Impact, Find Resources • Annual Reports Webpage
2-4 Restatements of information	• Direct Response: Restatements are clearly marked throughout our reporting content.
2-5 External assurance	• Direct Response: Assurance statements applicable to this publication, which were shared with the RGC and ESG DC, can be found in the Appendix starting on p. 110. External assurance statements applicable to other reports, including past reports, can be found on the Report Center.
2-6 Activities, value chain and other business relationships	• 2023 Annual Report, Executive Summary; p. 80
2-7 Employees	• Direct Response: See the 2023 Annual Report, Human Capital Management Update, p. 46-63 for demographic information on our employees. At this time, the Company does not disclose the regions in which employees (full-time, part-time or non-guaranteed hourly) operate. However, we do report on hires and turnover by region.
2-8 Workers who are not employees	• Omission Statement: The Company does not publicly disclose details on our contractors nor the work they perform. Reason for Omission: Information Unavailable/Incomplete
2-9 Governance structure and composition	• Governance; p. 9-15 • Bank of America investor relations, Corporate governance, management team and directors • Bank of America investor relations, Corporate governance, Board committee
2-10 Nomination and selection of the highest governance body	• Direct Response: Our Board of Directors seeks directors whose complementary knowledge, experience and skills provide a broad range of perspectives and leadership expertise in financial services and other global, highly complex and regulated industries, strategic planning and business development, business operations, marketing and distribution, technology, cybersecurity, risk management and financial controls, human capital management, corporate governance, public policy, and other areas important to our company's strategy and oversight. Additional information is available in our 2024 Proxy Statement; p. 8-36
2-11 Chair of the highest governance body	• Direct Response: Brian T. Moynihan is the Chair of our Board and the Chief Executive Officer of Bank of America. See the 2024 Proxy Statement, Corporate Governance; p. 25-36.

Disclosure	Response
2-12 Role of the highest governance body in overseeing the management of impacts	• Direct Response: The Board approves the Company's strategy as outlined in the 2024 Proxy Statement, Corporate Governance; p. 25-36 and Shareholder Engagement; p. 37-38. More information specific to the governance of climate-related impacts can be found in the Governance section of this report starting on p. 9.
2-13 Delegation of responsibility for managing impacts	• Direct Response: The Board approves the Company's strategy as outlined in the 2024 Proxy Statement, Corporate Governance; p. 25-36 and Shareholder Engagement; p. 37-38. More information specific to the governance of climate-related impacts can be found in the Governance section starting on p. 9.
2-14 Role of the highest governance body in sustainability reporting	• Governance; p. 9-15 • 2024 Proxy Statement, Responsible Growth: Growth that is Sustainable; p. 43
2-15 Conflicts of interest	• Direct Response: The Company's Code of Conduct guides all staff and management on conflicts of interest. • 2024 Code of Conduct, We avoid conflicts of interest; p. 16 • 2024 Proxy Statement, Governance objectives; p. 4
2-16 Communication of critical concerns	• 2023 Annual Report, Commitments and Contingencies; p. 189-193 • 2024 Code of Conduct, We honor our Code; p. 10
2-17 Collective knowledge of the highest governance body	• 2024 Proxy Statement, Director Education; p. 30
2-18 Evaluation of the performance of the highest governance body	• 2024 Proxy Statement, Board Evaluation; p. 28
2-19 Remuneration policies	• 2024 Proxy Statement; p. 53-87 • Working here, Being a great place to work, Recognizing and rewarding performance
2-20 Process to determine remuneration	• Working here, Being a great place to work, Recognizing and rewarding performance • 2024 Proxy Statement; p. 53-87 • Direct Response: The Compensation and Human Capital Committee is committed to a compensation governance structure that effectively contributes to our company's overall risk management policies.
2-21 Annual total compensation ratio	• 2024 Proxy Statement, CEO pay ratio; p. 85
2-22 Statement on sustainable development strategy	• Message from the CEO; p. 4; Strategy p. 16-56 • 2023 Annual Report, A letter from Chairman and CEO Brian Moynihan; p. 2 - 11
2-23 Policy commitments	• Direct Response: We apply the precautionary approach to identifying and addressing longer-term social and environmental issues that may impact our business, clients and communities, including global climate change, human rights and responsible business conduct. Our commitment to specific policies, industry best practices and collaboration with external experts helps to inform our risk assessments in this area. • Our company, Business practices, Responsible Growth • 2024 Code of Conduct, we are making an impact; p. 35 • Supplier Code of Conduct • Human Rights Statement

Disclosure	Response
2-24 Embedding policy commitments	• Risk Management; p. 57-67 • Our company, Business practices, Responsible Growth • 2024 Code of Conduct • Supplier Code of Conduct • Human Rights Statement
2-25 Processes to remediate negative impacts	• Direct Response: We encourage our employees and supplier employees to speak up, without retaliation, about any concerns they may have, including through our grievance channels. Through our Ethics and Compliance Hotline, our employees and our supplier employees can report complaints or possible violations regarding ethical issues or other inappropriate activity, including adverse impacts on human rights. For additional information, see the 2024 Code of Conduct.
2-26 Mechanisms for seeking advice and raising concerns	• 2024 Code of Conduct
2-27 Compliance with laws and regulations	• 2023 Annual Report, Commitments and Contingencies; p. 189-193
2-28 Membership associations	• Advocate and Engage Stakeholders p. 49-56 • Direct Response: Information is available on our Investor Relations website.
2-29 Approach to stakeholder engagement	• Making an impact • Making an impact, Our approach to ESG priorities • 2024 Proxy Statement, Shareholder Engagement; p. 37-38 • 2023 Annual Report, Stakeholder Capitalism Metrics; p. 68 • Direct Response: In 2023, more than 13,680 thousand customers/prospects participated in customer and client satisfaction surveys.
2-30 Collective bargaining agreements	• Direct Response: No U.S.-based employees are subject to collective bargaining agreements.
3-1 Process to determine material topics	• Governance; p. 9-15 • Making an impact, Our approach to ESG priorities • Making an impact, Environmental, Social and Governance Reports
3-2 List of material topics	• Making an impact, Our approach to ESG priorities
3-3 Management of material topics	• Message from the CEO; p. 4 • Governance; p. 9-15 • Making an impact, Our approach to ESG priorities • Making an impact, Environmental, Social and Governance Reports • 2023 Annual Report • 2024 Proxy Statement
201-1 Direct economic value generated and distributed	• 2023 Annual Report
201-2 Financial implications and other risks and opportunities due to climate change	• Risk Management; p. 57-67 • 2023 Annual Report • 2023 CDP Climate Change Questionnaire

Disclosure	Response
201-3 Defined benefit plan obligations and other retirement plans	• Working Here, Being a great place to work, Wellness and benefits • 2023 Annual Report, Human Capital Management (p. 46-63) and Note 17 Employee Benefit Plans, Pension and Postretirement Plans (p. 199-203).
201-4 Financial assistance received from government	• Direct Response: Bank of America did not benefit from any direct capital or liquidity assistance from the U.S. government in 2023.
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	• Direct Response: We have set a commitment to raise our minimum hourly wage to $25 by 2025. Currently, the Company pays a minimum hourly wage of $23, which exceeds the federal minimum ($7.25) by 31.5%. • Omission Statement: The Company does not report on entry level nor minimum wages by gender because they are standard regardless of gender. Reason for Omission: Not Applicable
203-1 Infrastructure investments and services supported	• Metrics and Targets; p. 68-90 • 2023 Annual Report • Direct Response: In 2023, the Company provided the following support across communities we serve:

Data below reflects calendar year 2023

Access to banking
- Opened 5.76 million consumer demand deposit accounts (DDAs) that were SafeBalance Banking accounts, bringing the total percent of DDAs that are SafeBalance accounts to 54%.
- Increased the number of branches located in low moderate income (LMI) geographies to 29%.
- Added 2.48 million mobile banking users in 2023, bringing the total to 37,927,203.

Support for Small Businesses
- Extended nearly 520,000 small business loans, or 78% of loans, to communities classified as LMI.
- Extended $11.54 billion in new credit to small business owners, contributing to $43.8 billion in total credit to small business owners (new and renewal).
- Served more than 11 million small business clients.

Home finance
- Served homebuyers, including the 51% of customers who were first time homebuyers.
- Served first time mortgage customers, including the 37% of whom were from LMI communities.
- Extended more than $1.69 billion in home equity lines of credit to LMI customers.
- Had 10,287 first mortgage LMI customers and 27,874 first mortgage U.S. customers.
- Extended more than $19.41 billion in first mortgages to U.S. homeowners and $3 billion in first mortgages to LMI customers.

204-1 Proportion of spending on local suppliers	Omission Statement: The Company does not currently report on the proportion of spending on local suppliers versus non-local suppliers. Reason for Omission: Information Unavailable/Incomplete
205-1 Operations assessed for risks related to corruption	• Direct Response: Businesses with applicable operations are analyzed for risks related to corruption. • 2023 Annual Report, Stakeholder Capitalism Metrics; p. 67
205-2 Communication and training about anti-corruption policies and procedures	• Direct Response: All governance body members and employees are required to take training on anti-bribery and anti-corruption policies as part of Bank of America's Code of Conduct training. More information on anti-corruption policies and training can be found in the 2024 Code of Conduct, and a breakdown of the Company's operations by region can be found on our website.

Disclosure	Response
205-3 Confirmed incidents of corruption and actions taken	• Omission Statement: As applicable, incidents are disclosed in our 2023 Annual Report. None occurred in this reporting period. Reason for Omission: Not applicable
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	• Omission Statement: As applicable, incidents are disclosed in our 2023 Annual Report. Data that is intended for limited disclosure on a need-to-know basis and where unauthorized disclosure, loss or corruption of these data elements would cause serious or high-degree of damage, reputational risk or penalties to the Company, its customers, partners or employees, etc. Reasons for limiting disclosure include, but are not limited to, government regulations, legal or contractual agreements and competitive advantage for the Company. Reason for Omission: Confidentiality Constraints
207-1 Approach to tax	• Omission Statement: Data that is intended for limited disclosure on a need-to-know basis and where unauthorized disclosure, loss or corruption of these data elements would cause serious or high-degree of damage, reputational risk or penalties to the Company, its customers, partners or employees, etc. Reasons for limiting disclosure include, but are not limited to, government regulations, legal or contractual agreements and competitive advantage for the Company. Reason for Omission: Confidentiality Constraints
207-2 Tax governance, control, and risk management	• Omission Statement: Data that is intended for limited disclosure on a need-to-know basis and where unauthorized disclosure, loss or corruption of these data elements would cause serious or high-degree of damage, reputational risk or penalties to the Company, its customers, partners or employees, etc. Reasons for limiting disclosure include, but are not limited to, government regulations, legal or contractual agreements and competitive advantage for the Company. Reason for Omission: Confidentiality Constraints
207-3 Stakeholder engagement and management of concerns related to tax	• Omission Statement: Data that is intended for limited disclosure on a need-to-know basis and where unauthorized disclosure, loss or corruption of these data elements would cause serious or high-degree of damage, reputational risk or penalties to the Company, its customers, partners or employees, etc. Reasons for limiting disclosure include, but are not limited to, government regulations, legal or contractual agreements and competitive advantage for the Company. Reason for Omission: Confidentiality Constraints
207-4 Country-by-country reporting	• Omission Statement: The Company reports on tax governance in most instances, but does not have the infrastructure required to record and report it in all instances. Reason for Omission: Information Unavailable/Incomplete
301-1 Materials used by weight or volume	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary
301-2 Recycled input materials used	• Making an impact, Environmental sustainability. In 2023, we transitioned to 80% or more recycled plastic use in credit and debit card production. Switching to recycled plastics for credit cards reduces GHG emissions, energy and water usage. Using recycled materials for both cards and mailers reduces pollution in waterways, oceans, and landfills. For more, see newsroom.bankofamerica.com.
302-1 Energy consumption within the organization	• Metrics and Targets; p. 68-90 • 2023 CDP Climate Change Questionnaire

Disclosure	Response
302-4 Reduction of energy consumption	• Metrics and Targets; p. 68-90 • 2023 CDP Climate Change Questionnaire
303-1 Interactions with water as a shared resource	• Metrics and Targets; p. 68-90 • Direct Response: Water is withdrawn from municipal sources (except for a small amount of rainwater) and discharged to municipal sewer systems and their associated treatment facilities. • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire • Omission Statement: The Company has determined that any further level of granularity in water resource tracking is not material to the business. Reason for Omission: Not Applicable
303-2 Management of water discharge-related impacts	• Direct Response: Water is withdrawn from municipal sources (except for a small amount of rainwater) and discharged to municipal sewer systems and their associated treatment facilities. • Omission Statement: The Company has determined that any further this level of granularity in water resource tracking is not material to the business. Reason for Omission: Not Applicable
303-3 Water withdrawal	• Metrics and Targets; p. 68-90 • Direct Response: Water is withdrawn from municipal sources (except for a small amount of rainwater) and discharged to municipal sewer systems and their associated treatment facilities. • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
303-5 Water consumption	• Metrics and Targets; p. 68-90
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	• Metrics and Targets; p. 68-90 • Direct Response: None of our operational sites, whether owned or leased are in or adjacent to protected areas and/or areas of high biodiversity value.
304-2 Significant impacts of activities, products and services on biodiversity	• Omission Statement: Based on a high-level location analysis of our interactions with nature, our direct operations do not have significant direct or indirect impacts on biodiversity. Reason for Omission: Not applicable
304-3 Habitats protected or restored	• Making an impact, Environmental sustainability • See the link above for more information about our environmental stewardship and volunteerism. • Omission Statement: Due to the limited impacts from our direct operations on nature, we have not undertaken any activities to conserve or restore any habitat areas. Reason for Omission: Not applicable
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	• Direct Response: Based on our high-level location analysis of our interactions with nature, we have zero IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organization.

Disclosure	Response
305-1 Direct (Scope 1) GHG emissions	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
305-2 Energy indirect (Scope 2) GHG emissions	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
305-3 Other indirect (Scope 3) GHG emissions	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
305-4 GHG emissions intensity	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
305-5 Reduction of GHG emissions	• Metrics and Targets; p. 68-90 • 2022 Performance Data Summary • 2023 CDP Climate Change Questionnaire
305-6 Emissions of ozone-depleting substances (ODS)	• Metrics and Targets; p. 68-90
305-7 Nitrogen Oxides (NOx), sulfur oxides (SOx), and other significant air emissions	• Metrics and Targets; p. 68-90
306-1 Waste generation and significant waste-related impacts	• Metrics and Targets; p. 68-90
306-2 Management of significant waste-related impacts	• Metrics and Targets; p. 68-90
306-3 Waste generated	• Metrics and Targets; p. 68-90
308-1 New suppliers that were screened using environmental criteria	• Metrics and Targets; p. 68-90
401-1 New employee hires and employee turnover	• 2023 Annual Report, Equal Employment Opportunity (EEO) diversity statistics; p. 62 • Omission Statement: The Company does not report new employee hires nor turnover by age group. Reason for Omission: Information Unavailable/Incomplete
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	• 2023 Annual Report, Human Capital Management, Benefits overview; p. 50-52 • Working here, Being a great place to work, Wellness and benefits • Working here, Being a great place to work, Recognizing and rewarding performance
401-3 Parental leave	• 2023 Annual Report, Human Capital Management, Benefits overview; p. 50-52 • Working here, Being a great place to work, Wellness and benefits

Disclosure	Response
403-1 Occupational health and safety management system	• Direct Response: See the Human Capital Management section of the 2023 Annual Report (p. 46-63) for information on how Bank of America supports employee safety and health. In addition, Bank of America's Enterprise Occupational Safety and Health Policy complies with relevant statutory requirements relating to health, safety and the physical environment, as they affect employees, suppliers, clients and the public. The Company is committed to providing a safe working environment for its employees, customers, third party suppliers and any others operating within Company premises or at the behest of the Company. a. The Company maintains a global safety program that aligns with applicable laws, rules and regulations and is supplemented by regional safety and health systems that support the Bank's policy. b. The Bank's Safety Program covers all employees, workplaces and activities conducted on behalf of the Company. The Company's Safety Program incorporates the following statement: Safety is everyone's responsibility. Supporting workplace safety assures your own protection and the protection of other employees, customers, contractors/suppliers and the general public.
403-2 Hazard identification, risk assessment, and incident investigation	• Direct Response: Bank of America's Occupational Safety and Health Council advises on direction and changes of the Enterprise Occupational Safety and Health Policy. It reviews the safety and health metric dashboard and corresponding action plans quarterly in line with Policy objectives and resolves issues and risks that have been escalated. a. The objective of the Bank of America Safety Program is to provide a safe work environment and to identify, correct and eliminate workplace hazards. Employees may raise issues regarding workplace health or safety to the 24/7 security hotline. Additionally, workplace hazards should be reported to an appropriate member of management, the site safety coordinator (if applicable), Corporate Workplace (Facility Management) or anonymously through the Ethics and Compliance Hotline. b. Bank of America's Employee Handbook states the following: "All employees have the right to raise issues or file a workplace health or safety complaint without fear of retaliation. To anonymously report any complaints, contact the Ethics and Compliance Hotline…" Additionally, there are numerous Whistleblower Policies in place across the globe.
403-3 Occupational health services	• Direct Response: See the Human Capital Management section of the 2023 Annual Report (p. 46-63) for information on how the Company supports employee safety and health. In addition, the Company makes health services available for all employees who require consultations and/or care related to a workplace hazard or incident, including dedicated Life Events Services or Employee Assistance Program resources as needed to facilitate a smooth transition back to work. Our Life Safety team facilitates the Occupational Safety and Health Council at an enterprise level, ensuring multiple lines of business work together to identify and minimize risk across their functions and our global footprint. Regionally-based security/safety managers proactively assess and mitigate many situational and physical risks while also responding to workplace safety concerns escalated through our numerous reporting channels (24/7 Security Hotline, See Something Say Something anonymous reporting, direct engagement, etc.).
403-4 Worker participation, consultation, and communication on occupational health and safety	• Direct Response: The Company engages in a variety of consultation and communication activities dependent upon sizes of offices ranging from direct senior management face to face meetings through to health and safety committees and works councils at which employee representatives are attendees. Bank of America's Occupational Safety and Health Council advises on direction and changes of the Enterprise Occupational Safety and Health Policy. It reviews the safety and health metric dashboard and corresponding action plans quarterly in line with Policy objectives and resolves issues and risks that have been escalated to the Council. See the Human Capital Management section of the 2023 Annual Report (p. 46-63) for more information.
403-5 Worker training on occupational health and safety	• Direct Response: Annual safety-related enterprise training is required of all employees and is compliant with applicable laws, rules and regulations. Additionally, safety and health training is provided for specific work environment hazards/risks in accordance with laws, rules and regulations (i.e., Chemical Inventory and Material Safety Data Sheets and Powered Industrial Truck Operator Training Assessment and Asset Inventory). See also the 2023 Annual Report for information on well-being-related training and other expanded resources.

Disclosure	Response
403-6 Promotion of worker health	• 2023 Annual Report, Human Capital Management, Benefits overview; p. 50-52 • Working here, Being a great place to work, Wellness and benefits
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	• Direct Response: The Company does not own all the buildings in which we operate. Where that is not the case, we manage safety and health risk through contractual agreements, and relationships with landlords and third party suppliers to identify and resolve unfavorable safety and health conditions in the workplace. Suppliers are bound by contract to adhere to Bank policies and standards while performing services for or on behalf of the Company and/or when on Bank premises. Customers, employees and visitors are required to adhere to all posted safety signage, including, but not limited to no smoking, firearms prohibitions, etc. Additional health and safety information can be found in the 2023 Annual Report (p. 46-63).
403-8 Workers covered by an occupational health and safety management system	• Direct Response: As mentioned previously, all (100% of) employees and others whose workplace may be controlled by the Company are covered by Bank of America's Enterprise Safety Program, in accordance with Bank of America's Occupational Safety and Health (OSH) Policy and with Federal and state Occupational Safety and Health Administration (OSHA) plans, which is subject to regular internal audit as well as Federal OSHA and state and local safety and health agency inspections.
404-1 Average hours of training per year per employee	• 2023 Annual Report, Equal Employment Opportunity (EEO) diversity statistics including number of training hours; p. 63 • Omission Statement: The Company does not report this by employee category at this time. Reason for Omission: Information Unavailable/Incomplete
404-2 Programs for upgrading employee skills and transition assistance programs	• 2023 Annual Report, Human Capital Management; p. 46-63 • Working here, Being a great place to work, Wellness and benefits • Working here, Being a great place to work, Recognizing and rewarding performance
405-1 Diversity of governance bodies and employees	• 2023 Annual Report, Equal Employment Opportunity (EEO) diversity statistics; p. 62 • Omission Statement: Bank of America does not report on employees by age group. However, the ages of members of the Board of Directors are available in the 2024 Proxy Statement. Reason for Omission: Information Unavailable/Incomplete
405-2 Ratio of basic salary and remuneration of women to men	• 2024 Proxy Statement; p. 44 • 2023 Annual Report, Principles of Governance; p. 72 • Working here, Being a great place to work, Recognizing and rewarding performance
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	• Direct Response: With respect to our operations, no U.S.-based employees are subject to collective bargaining agreements. For our supply chain, we do not collect this data.
408-1 Operations and suppliers at significant risk for incidents of child labor	• Modern Slavery Act Statement • Human Rights Statement
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	• Modern Slavery Act Statement • Human Rights Statement
410-1 Security personnel trained in human rights policies or procedures	• Modern Slavery Act Statement

Disclosure	Response
413-1 Operations with local community engagement, impact assessments, and development programs	• 2023 Annual Report • 2023 CDP Climate Change Questionnaire • 2024 Code of Conduct • Making an impact, Our approach to ESG priorities • Direct Response: See GRI 403 for more information on occupational health and safety committees.
414-1 New suppliers that were screened using social criteria	• Direct Response: As part of our supply chain monitoring process, all suppliers receive our Supplier Code of Conduct, which sets forth our expectations for human rights, labor and environmental standards throughout our global supply chain. We monitor compliance with the code using a risk-based approach, which includes assessing our largest suppliers for risk prior to contracting. Our supplier contract templates include terms aligned to the expectations set forth in our code.
414-2 Negative social impacts in the supply chain and actions taken	• Direct Response: Refer to the 2024 Modern Slavery Act Statement for the number of suppliers with identified risks and percentage of total suppliers this represents. • Human Rights Statement
415-1 Political contributions	• Direct Response: Information is available on our Investor Relations website.
417-2 Incidents of non-compliance concerning product and service information and labelling	• Direct Response: We report and manage material non-compliance incidents in accordance with applicable regulatory requirements.
417-3 Incidents of non-compliance concerning marketing communications	• Direct Response: We report and manage material non-compliance incidents in accordance with applicable regulatory requirements.
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	• Privacy and Security • Omission Statement: The Company does not publicly report on the total number of substantiated complaints received concerning breaches of customer privacy nor the total number of identified leaks, thefts or losses of customer data. • Reason for Omission: Confidentiality constraints

Transition Plan Index

Informed by numerous organizations' guidelines and frameworks, as well as financial industry and experts at the Company, in 2024 we created a Transition Plan, components of which we disclose in this document. Our ability to provide support to our clients in their transition toward Net Zero, which may involve referring to voluntary frameworks for their sector, is critical to our own transition. Below is a table overviewing the components of this document that address elements of our Transition Plan.

Section / Theme	Component	Key content	Report section
Governance	Roles, Responsibilities and Remuneration	Roles for the Board or strategy oversight body and senior management ensuring they have ownership, oversight and responsibility for the Net Zero targets. Appropriate individuals and teams assigned to aspects of both design and delivery of the Transition Plan. Remuneration incentives for appropriate roles, where possible. Review of progress and plans regularly to include updates/ developments, challenges are reviewed as an opportunity to correct course and implementation risks are properly managed.	Governance
	Skills and Culture	Training and development support to the teams and individuals designing, implementing and overseeing the plan so that they have sufficient skills and knowledge to perform their roles (including at the Board and senior management level). Support to embed the Transition Plan into the organization's culture and practices.	Governance • Board of Directors Oversight Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050 • Support and Enable Clients to Achieve Net Zero before 2050 • Advocate and Engage Stakeholders
Strategy / Foundation	Objectives and Priorities	The organization's objectives to reach Net Zero by 2050 or sooner, in line with science-based pathways to limit warming to 1.5°C, with clearly defined and measurable interim and long-term targets and strategic timelines as well as priority financing strategies of Net Zero transition action to enable real economy emissions reduction.	Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050
Strategy / Implementation	Products and Services	Use of existing and new products and services to support and increase clients' efforts to transition in line with 1.5°C Net Zero pathways. Include accelerating and scaling the Net Zero transition in the real economy, providing transition-related education and advice and supporting portfolio decarbonization in accordance with the institution's Net Zero transition strategy.	Strategy • Support and Enable Clients to Achieve Net Zero before 2050
	Activities and Decision-Making	Embedding of the financial institution's Net Zero objectives and priorities in its core evaluation and decision-making tools and processes . This applies to both top-down/oversight structures and bottom-up tools and actions.	Governance • Management Oversight Strategy • Minimize BAC's Impact on the Environment: Net Zero before 2050

Section / Theme	Component	Key content	Report section
Strategy / Engagement	Clients and Portfolio Companies	Proactive and constructive feedback and support to clients and portfolio companies to encourage Net Zero-aligned transition strategies, plans and progress	Strategy • Support and Enable Clients to Achieve Net Zero before 2050
	Industry	Engagement with peers in the industry to 1) as appropriate, exchange transition expertise and collectively work on common challenges, and 2) represent the financial sector's views cohesively to external stakeholders, such as clients and governments.	Strategy • Advocate and Engage Stakeholders
	Government and Public Sector	Direct and indirect lobbying and public-sector engagement to, in a consistent manner, support an orderly transition to Net Zero,	Governance • Management Oversight Strategy • Advocate and Engage Stakeholders
Metrics and Targets	Metrics and Targets	Established a suite of metrics and targets to drive execution of the Transition Plan and monitor progress of results in the near, medium and long term. Metrics and targets are focused on aligning financial activity in support of the real-economy Net Zero transition, executing the Transition Plan and measuring changes in client and portfolio GHG emissions.	Metrics and Targets

Organization/Initiative	Overview
Ceres	Advances leadership among investors, companies and capital market influencers to drive solutions and take action on the world's most pressing sustainability issues.
World Economic Forum Alliance of CEO Climate Leaders	Group of CEOs who continue to set the bar higher and catalyze action across all sectors and engage policymakers to help deliver the transition to a Net Zero economy.
Risk Management Association's Climate Risk Consortium	Focuses on advancing best practices in climate risk management within the financial services industry.
Coalition for Negative Emissions	Coalition of potential capturers and purchasers of carbon removals, supply chain and industry organizations providing policymakers, NGOs and other key stakeholders with a platform to advance global action to rapidly deploy negative emissions solutions.
Natural Climate Solutions Alliance	Multistakeholder coalition supporting and catalyzing the use of high-quality NCS carbon credits.
IETA (formerly known as the International Emissions Trading Association)	IETA is a nonprofit business organization representing over 300 leading international organizations operating in compliance and voluntary carbon markets. For 25 years, IETA has been the leading voice of business on ambitious market-based climate change solutions. IETA advocates for market-based trading systems for emissions reductions and removals that are environmentally robust, fair, open, efficient, accountable and consistent across national boundaries. IETA is a trusted partner in developing international policies and market frameworks to reduce greenhouse gas emissions at the lowest cost while building a credible path to Net Zero emissions.
The Global Investors for Sustainable Development Alliance	Alliance of leaders from major financial institutions and corporations across the globe seeking to deliver concrete solutions to scale up long-term finance and investment in sustainable development in partnership with fellow investors, governments and multilateral development institutions.
International Swaps and Derivatives Associations (ISDA)	Bank of America was a participant in ISDA's Trading Book Climate Scenario Working Group, an industry collaboration to explore the climate-related risks impacting trading books. Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 1,000 member institutions from 77 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers.

Organization/Initiative	Overview
Center for Climate and Energy Solutions (C2ES)	Environmental nonprofit focused on advancing strong policy and ambitious action to meet critical climate and energy challenges. Bank of America serves with over 40 other companies on C2ES's Business Environmental Leadership Council — the largest U.S.-based association of companies devoted to climate-related policy and corporate strategies.
World Resource Institute's Corporate Consultative Group (CCG)	World Resources Institute (WRI) is a global organization that uses research-based approaches to meet people's essential needs, to protect and restore nature, and to stabilize the climate and build more resilient communities. Bank of America is a member of WRI's Corporate Consultative Group (CCG) that includes more than 30 global companies partnering with WRI to advance business practices that mitigate harm and invest in improved outcomes for people, nature and climate. In addition to impact partnership, CCG membership dues provide unrestricted funding which is critical for WRI's open-source tools, platforms and research.
EIT Climate-KIC	EIT Climate-KIC is Europe's leading climate innovation agency and community, supporting cities, regions, countries and industries to bridge the gap between climate commitments and current reality. Bank of America is the lead corporate supporter of EIT Climate-KIC's ClimateLaunchpad program in Europe, reaching new entrepreneurs and bringing together technology and green innovation to catalyze climate impact, create jobs and contribute toward a Just Transition.
UK Finance	Trade association for the U.K. banking and financial services sector that represents over 300 firms in the U.K., providing credit, banking, markets and payment-related services. Bank of America is an active participant in UK Finance's working groups focused on sustainability.
Oxford University – Smith School of Enterprise and the Environment (SSEE)	The Smith School of Enterprise and the Environment (SSEE) sits within Oxford and is part of a world-leading ecosystem of environmental change-makers, delivering business-focused solutions to stabilize the climate and protect the natural world. Bank of America is partnering with Oxford's Smith School (2022-2024) to accelerate groundbreaking research in the climate space. Through this work, Researchers are exploring critical themes such as greenhouse gas removal, water security and food sustainability, as well as the integration of nature-based metrics into sustainable finance frameworks.

INDEPENDENT LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Bank of America

Introduction and objectives of work
Apex Companies, LLC (Apex) has been engaged by Bank of America to provide limited assurance of select aspects of its Environmental Policy/ Management System implementation. This assurance statement applies to the Subject Matter included within the scope of work described below.

The Subject Matter information is the sole responsibility of the management of Bank of America. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the tenth year in which we have provided assurance over Bank of America's select aspects of its Environmental Policy/Management System.

Scope of work
The scope of our work was limited to assurance over the following information included within the Report for the period of January 1, 2023 through December 31, 2023 (the 'Subject Matter').
Bank of America requested Apex to conduct an independent review of select aspects of Bank of America's Environmental Policy/Management System (EMS), specifically:

- Existence of a written policy outlining the organization's programs and guidelines on environmental resource management and compliance; planning and resources to develop them; and the procedure for the implementation and management of those programs and policies.
- Implementation of policies outlined in the EMS.
- Existence of an EMS Database / Information System.
- Existence of Bank of America's internal EMS verification program.

Our assurance does not extend to any other information included in the Report.

Reporting Criteria
The Subject Matter needs to be read and understood together with the Bank of America's EMS and CSA.

Limitations and Exclusions
Excluded from the scope of our work is any assurance of information relating to:

- Certification of Bank of America's EMS or verification program against any international or other external standard.
- Activities outside the defined assurance period.

This limited assurance engagement relies on a risk based selected sample of data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities
The preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of Bank of America.

Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Stakeholders of Bank of America.

Assessment Standards
We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ±5-percent was set for the assurance process.

Summary of Work Performed
As part of our independent assurance, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of Bank of America, their contractors and consultants;
3. Reviewing documentary evidence provided by Bank of America, their contractors and consultants;
4. Conducting in-person reviews of EMS implementation for two facilities in Phoenix, Arizona conducted during February 2024 and reviewing EMS audit results for 2023; and,
5. Reviewing Bank of America systems for collection, aggregation, analysis, internal verification, and review of environmental data.

Conclusion
On the basis of our methodology and the activities described above, it is our opinion that:

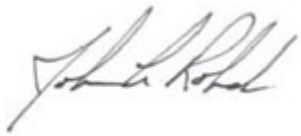
- Nothing has come to our attention to indicate that the Subject Matter is not fairly stated in all material respects; and
- It is our opinion that Bank of America has established appropriate systems for the collection, aggregation and analysis of quantitative data for the Subject Matter.

Statement of Independence, Integrity and Competence
Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Bank of America, its Directors or Managers beyond that required of this assignment. We have conducted this assurance independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the assurance of sustainability related assertions.



John A. Rohde, Lead Verifier
Reviewer
Apex Companies, LLC
Lakewood, Colorado

Trevor Donaghu, Technical

Apex Companies, LLC
Pleasant Hill, California

May 2, 2024

This assurance statement, including the opinion expressed herein, is provided to Bank of America and is solely for the benefit of Bank of America in accordance with the terms of our agreement. We consent to the release of this statement by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.

INDEPENDENT REASONABLE AND LIMITED ASSURANCE STATEMENT

To: The Stakeholders of Bank of America

Introduction and objectives of work

Apex Companies, LLC (Apex) has been engaged by Bank of America to provide assurance of selected environmental and social data reported in its 2023 Environmental, Social & Governance Report (the Report). This assurance statement applies to the Subject Matter included within the scope of work described below.

The Subject Matter information and its presentation in the 2023 Environmental, Social & Governance Report are the sole responsibility of the management of Bank of America. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the ninth year in which we have provided assurance over Bank of America's selected environmental and social data.

Scope of work

The scope of our work was limited to assurance over the following information included within the Report for the period of January 1, 2023 through December 31, 2023 (the 'Subject Matter'):

- Reasonable Assurance of the environmental data and information included in the Report for the calendar year 2023 reporting period, specifically:
  - Materials (Total quantities procured and percentage of recycled input materials - paper)
  - Energy (Direct and Indirect Consumption; Energy saved due to conservation; Initiatives to provide energy-efficient or renewable energy-based products; Carbon Neutrality; and initiatives to reduce indirect energy consumption)
  - Water (Total withdrawal and volume recycled; initiatives to reduce consumption, withdrawal and consumption from water stressed areas)
  - Air Emissions (Greenhouse Gas (GHG) emissions: Direct Scope 1 and Indirect Scope 2 emissions by weight, by country and by region; Emissions of ozone- depleting substances by weight; Initiatives to reduce greenhouse gas emissions and reductions achieved; Nitrous Oxides (NOx) emitted; Sulfur Oxides (SOx) emitted; and other significant air emissions)
  - Waste Quantities and Disposition
  - Total number and volume of significant spills
  - Compliance (Monetary value of significant fines for non-compliance with environmental laws & regulations and amount spent on environmental compliance)
  - Transport (Significant environmental impact of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce)
- Limited Assurance of Scope 3 GHG Emissions and select social data and information included in the Report for the calendar year 2023 reporting period, specifically:
  - Optional Scope 3 GHG emissions related to purchased goods and services; capital goods; fuel and energy related activities; upstream transportation and distribution; waste disposal; business travel; employee commuting; downstream transportation and distribution; use of sold products; and end of life treatment of sold products
  - Other Metrics (EV Charging Stations, Societal impacts of air pollution and GHG emissions, Sustainable Aviation Fuel (SAF) usage, Vendor CDP Engagement, and sites in areas protected for biodiversity)
- Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyze, and review the information reported;
- Evaluation of the reported data against the principles of the Global Reporting Initiative (GRI) Reporting Framework as defined in the GRI Sustainability Reporting Standards, Core Option.

Reporting Criteria

The Subject Matter needs to be read and understood together with the Bank of America's Inventory Management Plan which is based on the Global Reporting Initiative (GRI) Standards, descriptions of the Subject Matter in the Report, and the GRI Standards.

Limitations and Exclusions

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period;
- Text or other written statements associated with the Report; and
- Financial information that is audited by others.

This limited and reasonable assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities
The preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of Bank of America.

Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited or reasonable assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Directors of Bank of America.

Assessment Standards
We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ±5-percent was set for the assurance process.

Summary of Work Performed
As part of our independent assurance, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of Bank of America, their contractors and consultants;
3. Reviewing the data collection and consolidation processes used to compile the Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;
4. Reviewing documentary evidence provided by Bank of America, their contractors and consultants;
5. Agreeing a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing Bank of America systems for quantitative data aggregation and analysis;
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information;
8. Conducting a in-person review of EMS implementation for two facilities in Phoenix, Arizona conducted during February 2024;
9. Conducting a review during a meeting with Bank of America headquarters personnel and consultants in Charlotte, North Carolina to review methods for Subject Matter compilation and management;
10. Reperforming a selection of aggregation calculations of the Subject Matter; and
11. Comparing the Subject Matter information to the prior year amounts taking into consideration changes in business activities, acquisitions and disposals.

Conclusion
On the basis of our methodology and the activities described above, it is our opinion that:

- Bank of America's Scope 1 and Scope 2 (location- and market-based) GHG emissions, water, waste and other information subject to reasonable assurance is presented in accordance with the Reporting Criteria and is, in all material respects, fairly stated (Reasonable);
- Nothing has come to our attention to indicate that the Scope 3 GHG emissions, social and other information subject to limited assurance are not fairly stated in all material respects (Limited); and
- It is our opinion that Bank of America has established appropriate systems for the collection, aggregation and analysis of Subject Matter (e.g., quantitative data including Scope 1, Scope 2, and Scope 3 GHG emissions, and other select social and sustainability metrics).

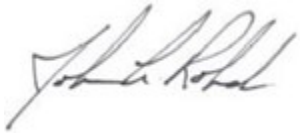
The assured information is summarized in the attached table.

Statement of Independence, Integrity and Competence
Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

No member of the assurance team has a business relationship with Bank of America, its Directors or Managers beyond that required of this assignment. We have conducted this assurance independently, and there has been no conflict of interest.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the assurance of sustainability related assertions.



John A. Rohde, Lead Verifier
Apex Companies, LLC
Lakewood, Colorado

Trevor Donaghu, Technical Reviewer
Apex Companies, LLC
Pleasant Hill, California

May 23, 2024

This assurance statement, including the opinion expressed herein, is provided to Bank of America and is solely for the benefit of Bank of America in accordance with the terms of our agreement. We consent to the release of this statement by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.

Assured Data: Calendar Year 2023

Energy		
Electricity	6,382,669	GJ
Other Indirect (purchased steam and cooling)	123,028	GJ
Natural Gas	721,683	GJ
Other Direct (fuel oil, jet fuel, gasoline, diesel fuel, propane)	377,115	GJ
Energy Saved Due to Conservation (Projected)	62,247	GJ
Emissions Saved Due to Conservation (Projected)	5,599	tCO_2e
Estimated Cumulative Energy Savings (2010-2023)	>$589	M
Projected annual monetary investment on climate-related capital expenditure	172,222	Thousand USD
Electricity from Renewable Sources		
Total Renewable and Non-Renewable Electricity Consumption	1,772,964	MWh
Total Renewable Electricity Procured	1,850,251	MWh
% of Total Electricity Procured from Renewable Sources	104	%
Water		
Total Withdrawal	1.61	US gallons (B)
Total Potable Water Withdrawal	1.57	US gallons (B)
Total Consumption	0.36	US gallons (B)
Total Withdrawal in Water-stressed Areas	3,299	Megaliters
Total Consumption in Water-stressed Areas	778	Megaliters
Water Saved Due to Conservation (Projected)	33,572.00	Thousand US gallons
Waste Quantities and Disposition		
e-Waste Disposed through Certified Vendors	99.98	%
Non-Hazardous Waste (Landfill and Incineration)	29,249	Metric tons
Non-Hazardous Waste (Recycling and Compost)	56,616	Metric tons
Construction and Demolition Waste (Landfill and Incineration)	3,745	Metric tons
Construction and Demolition Waste (Recycling, reuse and salvage)	11,817	Metric tons
Construction and Demolition Waste - Landfill Diversion Rate	76	%
Hazardous, Universal, Used Oil and Asbestos Waste (Landfill and Incineration)	0	Metric tons
Hazardous, Universal, Used Oil and Asbestos Waste (Recycling, Reuse and Salvage)	1,176	Metric tons
Total Waste	87,040	Metric tons
Materials		
Paper		
Total Paper	28,952	Metric tons
Recycled Input Materials by weight	20	%
Certified Materials by weight	98.2	%
Transportation		
Support Production and Use of SAF (Cumulative since 2022)	3.8	Gallons (M)
Percent of jet fuel usage utilizing SAF for annual corporate and commercial jet fuel usage	31	%
Mobilize sustainable finance investment for the production of SAF and other low-carbon aviation solutions	0.2	USD (B)
Supplier Engagement		
Response rate to climate disclosure requests	87	%
Suppliers asked to disclose climate data	354	number
% of spend with suppliers who report GHG or renewable energy targets	70	%
% of spend with suppliers assessed for ESG risks as outlined by our Supplier Code of Conduct	86	%

Emissions			
Scope 1 GHG Emissions		68,050.00	tCO_2e
Scope 2 GHG Location-Based Emissions		610,013.00	tCO_2e
Scope 2 GHG Market-Based Emissions		17,736.00	tCO_2e
Scope 1 and Scope 2 Carbon Credits Retired		85,786.00	tCO_2e
Total Net Scope 1 and Market-Based Scope 2 Emissions		0	tCO_2e
Scope 3 GHG Emissions			
	Purchased Goods and Services	1,722,654	tCO_2e
	Capital Goods	48,570	tCO_2e
	Fuel- and Energy-Related Activities	168,018	tCO_2e
	Upstream Transportation and Distribution	152,752	tCO_2e
	Waste (Traditional Disposal)	18,406	tCO_2e
	Gross Business Travel	92,818	tCO_2e
	Business Travel Carbon Credits Retired	92,819	tCO_2e
	Net Business Travel	—	tCO_2e
	Employee Commuting	355,974	tCO_2e
Downstream Transportation and Distribution		1,000,000	tCO_2e
Use of Sold Products		2,000	tCO_2e
End of Life Treatment of Sold Products		10,000	tCO_2e

GHG Emissions by Region	Scope 1 direct emissions (tCO_2e)	Scope 2 indirect emissions - location-based (tCO_2e)	Scope 2 indirect emissions market-based (tCO_2e)	Total Scope 1 and Scope 2 emissions - location-based (tCO_2e)	Total Scope 1 and Scope 2 emissions - market-based (tCO_2e)
U.S. and Canada	64,091	510,430.00	4,842.00	574,521.00	68,934.00
Asia Pacific	598	78,223.00	12,246.00	78,821.00	12,844.00
EMEA	3,298	19,979.00	593	23,277.00	3,891.00
Latin America	62	1,381.00	55	1,443.00	117

Carbon Credits		
Avoidance Carbon Credits Retired	100,806	tCO_2e
Removal Carbon Credits Retired	77,799	tCO_2e
Total Carbon Credits Retired	178,605	tCO_2e
Valued Societal Impact of GHG Emissions	216,712,000	USD
Emissions of Ozone-Depleting Substances	2	Metric tons

NOx, SOx and Other Significant Air Emissions from Direct Combustion		
Nitrous Oxides (NOX)	19	Metric tons
Sulfur Oxides (SOX)	2	Metric tons
Volatile Organic Compounds (VOCs)	2	Metric tons

Particulate Matter (PM)	3	Metric tons
Carbon Monoxide (CO)	26	Metric tons
Valued Societal Impact of Air Pollution	138000	USD
Facilities		
LEED (or comparable) certifications	21,157,019	Net square feet
LEED (or comparable) certifications percent of total square footage	32	%
Sites in areas protected for biodiversity	13	Sites
Area of buildings in areas protected for biodiversity	7,500.00	Square meters
Total Number and Volume of Significant Releases		
Number of Releases	15	qty
Volume of Releases (Gasoline/Diesel)	37	gallons
Amount of Release (Refrigerant)	3,536	lbs
Compliance		
Monetary value of significant fines for non-compliance with environmental laws and regulations	0	USD
Non-Monetary Violations	4	
Total Environmental Protection Spend	19,500,000	USD

VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

To: The Stakeholders of Bank of America

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Bank of America for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Bank of America. Bank of America is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information.

Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Financed Emissions (Auto Manufacturing, Aviation, Cement, Energy, Iron and Steel, Maritime [asset specific] and Power Sectors utilized amounts only)

Type of GHGs: CO_2, N_2O, CH_4, refrigerants

GHG Emissions Statement:

Scope 3 - Investments:

Category	Units	Utilized	Data Quality
Absolute Total Financed Emissions (Auto Manufacturing includes Scope 1, Scope 2, and Scope 3)	Thousand Metric tons CO_2e	1,208	2.0[1] 2.0[2]
Absolute Total Financed Emissions (Aviation includes Scope 1)	Thousand Metric tons CO_2e	4,152	2.5
Absolute Total Financed Emissions (Cement includes Scope 1 and Scope 2)	Thousand Metric tons CO_2e	1,779	2.2
Absolute Total Financed Emissions (Energy – Pureplay thermal coal extraction includes Scope 1, Scope 2 and Scope 3)	Thousand Metric tons CO_2e	339	5.0
Absolute Total Financed Emissions (Energy – Upstream producers, refiners, and integrated companies in the oil and gas industry - includes Scope 1 and Scope 2)	Thousand Metric tons CO_2e	1,961	2.7
Absolute Total Financed Emissions (Energy –– Upstream producers, refiners, and integrated companies in the oil and gas industry - includes Scope 3.11)	Thousand Metric tons CO_2e	18,593	3.4
Absolute Total Financed Emissions (Energy – Midstream and downstream oil and gas companies - includes Scope 1 and Scope 2)	Thousand Metric tons CO_2e	2,605	3.6
Absolute Total Financed Emissions (Power Generation - Scope 1 only)	Thousand Metric tons CO_2e	3,496	2.9
Absolute Total Financed Emissions (Iron & Steel includes Scope 1 and Scope 2)	Thousand Metric tons CO_2e	2,708	2.6
Portfolio Alignment Score – (Maritime Shipping Asset Specific includes Scope 1)	Percent	-0.47	2.0

[1] Scope 1 and 2
[2] Scope 3

Category	Units	Utilized
Economic Intensity (Auto Manufacturing includes Scope 1, Scope 2, and Scope 3)	Metric tons CO_2e/ Million USD exposure	1,196
Economic Intensity (Aviation includes Scope 1)	Metric tons CO_2e/ Million USD	921
Economic Intensity (Cement includes Scope 1 and Scope 2)	Metric tons CO_2e/ Million USD	2,847
Economic Intensity (Energy - Oil & Gas Refiners and Producers includes Scope 1, Scope 2 and Scope 3)	Metric tons CO_2e/ Million USD	3,670
Economic Intensity (Energy – Midstream and downstream oil and gas companies - includes Scope 1 and Scope 2)	Metric tons CO_2e/ Million USD exposure	448
Economic Intensity (Energy – Pureplay thermal coal extraction includes Scope 1, Scope 2 and Scope 3)	Metric tons CO_2e/ Million USD exposure	21,787
Economic Intensity (Power Generation - Scope 1 only)	Metric tons CO_2e/ Million USD exposure	371
Economic Intensity (Iron & Steel includes Scope 1 and Scope 2)	Metric tons CO_2e/ Million USD	1,810
Category	**Units**	**Utilized**
Physical Intensity (Auto Manufacturing includes Scope 1, Scope 2, and Scope 3)	g CO_2e/km	201.6
Physical Intensity (Aviation includes Scope 1)	gCO_2e/RTK	940.1
Physical Intensity (Cement includes Scope 1 and Scope 2)	tCO_2e/tCP	0.651
Physical Intensity (Energy – Energy - Oil & Gas Refiners and Producers includes Scope 1, Scope 2)	g CO_2e/MJ	6.5
Physical Intensity (Energy – Oil & Gas Refiners and Producers includes Scope 3)	g CO_2/MJ	59.7
Physical Intensity (Power Generation – Scope 1 only)	kg CO_2/MWh	322.2
Physical Intensity (Iron & Steel includes Scope 1 and Scope 2)	Metric tons CO_2e/Metric Tons CS	1.77

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2022 to December 31, 2022

Criteria against which verification was conducted:

- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3)
- Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry
- Bank of America's Internal Protocol for calculating Financed Emissions

Reference Standard: ISO 14064-3 Second edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of Bank of America and their consultant;
- Review of documentary evidence produced by Bank of America;
- Review of Bank of America data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of data used by Bank of America to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the Scope 3 GHG emissions statement shown above:

- is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that Bank of America has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with Bank of America, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

John A. Rohde, Lead Verifier
Principal Consultant
Apex Companies, LLC

Trevor Donaghu, Technical Reviewer
ESG Director
Apex Companies, LLC

August 12, 2024

This verification opinion declaration, including the opinion expressed herein, is provided to Bank of America and is solely for the benefit of Bank of America in accordance with the terms of our agreement. We consent to the release of this declaration to the public or other organizations for reporting and/or disclosure purposes, without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

To: The Stakeholders of Bank of America

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Bank of America for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Bank of America. Bank of America is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Financed Emissions (Auto Manufacturing, Aviation, Cement, Energy, and Power Sectors utilized amounts only)

Type of GHGs: CO_2, N_2O, CH_4, refrigerants

GHG Emissions Statement:

- **Scope 3 – Investments:**

Category	Units	Utilized
Absolute Total Financed Emissions (Auto Manufacturing)[1]	Thousand Metric tons CO_2e	1,011
Absolute Total Financed Emissions (Aviation includes Scope 1)[1]	Thousand Metric tons CO_2e	3,486

1 This is a restated value

Category	Units	Committed
Physical Intensity (Auto Manufacturing)[1]	g CO_2e/km	215
Physical Intensity (Energy – Energy - Oil & Gas Refiners and Producers includes Scope 1, Scope 2)[1]	g CO_2e/MJ	7

Data and information supporting the Scope 3 GHG emissions statement were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2021 to December 31, 2021

Criteria against which verification was conducted:

- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3)
- Partnership for Carbon Accounting Financials (PCAF) Global GHG Accounting & Reporting Standard for the Financial Industry
- Bank of America's Internal Protocol for calculating Financed Emissions

Reference Standard:

- ISO 14064-3 Second edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of ±5% for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of Bank of America and their consultant;
- Review of documentary evidence produced by Bank of America;
- Review of Bank of America data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of a sample of data used by Bank of America to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the Scope 3 GHG emissions statement shown above:

- is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that Bank of America has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with Bank of America, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

John A. Rohde, Lead Verifier
Principal Consultant
Apex Companies, LLC

Trevor Donaghu, Technical Reviewer
ESG Director
Apex Companies, LLC

August 12, 2024

This verification opinion declaration, including the opinion expressed herein, is provided to Bank of America and is solely for the benefit of Bank of America in accordance with the terms of our agreement. We consent to the release of this declaration to the public or other organizations for reporting and/or disclosure purposes, without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.

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