Corporate Social Responsibility is embedded in the way we run our business and across the breadth of our franchise. We are committed to achieving business results that create value for our clients, the communities we serve and our shareholders.

Fabrizio Gallo, Global Head of Equities and Head of EMEA Global Markets

Our Business
With offices in over 30 cities across Europe, the Middle East and Africa (EMEA), Bank of America Merrill Lynch is one of the leading financial services companies in the region. We have been operating in EMEA for more than 90 years serving corporations, governments, institutions and individuals.

Our client support provides a wide breadth of services including Corporate & Investment Banking, Equities, Fixed Income, Currencies & Commodities, Wealth Management, Global Treasury Solutions, Research, and Consumer Card.

Creating Shared Value
Developing solutions for social and environmental challenges is at the core of our strategy. We partner with clients, employees, shareholders and communities in more than 40 countries around the world, to create shared value that empowers individuals and communities to thrive, whilst simultaneously contributing to the long-term success of our business.

Our Corporate Social Responsibility Focus Areas
- Responsible Business Practices
- Strong Economies
- Environment
- Leadership & Service
- Arts & Culture
- Diversity & Inclusion

“Corporate Social Responsibility is embedded in the way we run our business and across the breadth of our franchise. We are committed to achieving business results that create value for our clients, the communities we serve and our shareholders.”

Fabrizio Gallo, Global Head of Equities and Head of EMEA Global Markets
Responsible Business Practices
The strength and stability of the financial sector is critical to the world’s economic health. As a leading financial services provider, it is imperative that Bank of America Merrill Lynch has the appropriate governance framework, risk management processes and internal controls in place.

We are committed to promoting and ensuring responsible business practices, including providing fair value, effectively managing risk, and operating in an ethical and transparent manner. Guided by our Core Values and Code of Ethics, we aim to meet our responsibility to customers, clients, shareholders and employees.

In 2011 we created an International Governance & Control Committee and implemented a new framework for governance and internal control structure. With clearly defined roles, responsibilities and accountabilities across all levels of the organisation, this enhanced framework ensures a clear connection between the enterprise, the region and individual markets, as well as greater connectivity and cooperation between lines of businesses, risk and legal entity management through to the International Governance and Control Committee.

The financial environment across Europe continues to challenge governments, financial institutions, investors and consumers. We have been carefully managing its exposure to Greece, Ireland, Italy, Portugal and Spain, while continuing to serve clients in those countries. Our total sovereign and non-sovereign exposure to these European countries was $15.3 billion at 31 December 2011 compared to $16.6 billion at 31 December 2010. Our total net sovereign and nonsovereign exposure to these countries was $10.5 billion at 31 December 2011 compared to $12.4 billion at 31 December 2010, after taking into account net credit default protection.

We will continue to monitor conditions in these countries while taking appropriate steps to manage our exposure while serving customers and clients. We have a global presence, see opportunity on a global scale and intend to pursue it prudently.

Strong Economies
We are dedicated to building strong economies through investing and giving in the communities in which we operate. Our community investments and philanthropy programmes focus on providing meaningful response to critical community challenges and creating opportunities to build a better economic future.

- In 2011, our support of Junior Achievement in Ireland, Lebanon and Luxembourg generated greater understanding of business and enterprise amongst young people. The programme helps young people prepare for the world of work, giving them communications skills, interview preparation techniques and teaching them ways to manage and make the most of their future salaries.

- In Russia, we supported the Center for Humanitarian Programmes, which promotes children’s health and well-being. Led by an internal committee of local leadership and other volunteers, our employees provided critical needs and activities that brought creativity to the children’s lives.

- In the UK, Bank of America Merrill Lynch supported a three-year part-time BA (Hons) degree in Social Enterprise, delivered in a community setting at the Bromley by Bow Centre in partnership with the University of East London. This unique degree creates opportunity by educating students to be social entrepreneurs of the future and creating sustainable businesses in London.

- In 2011, we also supported our long-term community partner Shanduka Black Umbrellas in South Africa. This SMME business development microfinance provider supports start-ups for black, disadvantaged individuals. Black Umbrellas is stimulating employment through a multiplier effect — for every
EUROPE, MIDDLE EAST, AFRICA

SMME start-up, at least three new jobs are created. 77% of the Black Umbrella’s board and management are black as defined in the BEE Act and all SMMEs are 100% black-owned.

- In addition to our proactive investments, in 2011 Bank of America Merrill Lynch and its employees provided critical support and funding to address major disasters around the globe. In response to the drought and famine affecting the Horn of Africa, we provided $200,000 in immediate disaster relief assistance. The commitment included a $100,000 donation to the U.N. World Food Programme to help transport food in affected areas as well as a $100,000 donation to Save the Children to help address the needs of women and children, through emergency food, water and sanitation. Following the 2011 October earthquake in Turkey, we provided financial support via the American Red Cross to aid immediate and long-term disaster recovery efforts.

Environmental Sustainability
Through capital, capabilities and employees, we are helping to finance a new, low-carbon economy, reduce our environmental footprint, and promote environmentally sustainable solutions regionally and around the world. We believe we have an important leadership role to play in helping clients, employees and the communities navigate this important transition.

To achieve our environmental goals, we are focusing on three areas:

1 Mobilising Capital
- In 2007, Bank of America Merrill Lynch made a 10-year $20 billion commitment to support environmentally sustainable business practices, and we expect to achieve that goal by the end of 2012 — more than four years ahead of schedule.
- Line of business integration enabled the development of products and services that help clients manage risk and realise the opportunities relating to climate change as well as broader environmental issues.
- Our carbon-related transactions in Africa, which focus on sustainable agriculture, clean cook-stoves and the distribution of LED lighting in rural communities, supported local economies, and created significant health, social and environmental benefits in developing countries.
- In 2011 our London-based Socially Responsible Investing research group was rated the number 1 brokerage firm in the industry for the quality of its reports and advisory services.

2 Managing our own environmental footprint and supply chain
- Achieving our business and operational goals are dependent on employee engagement and education. In 2011 our global group of environmental ambassadors continued to grow in the region and helped play a crucial role in driving workplace initiatives and delivering environmental education.
- Our work with Bank of America Merrill Lynch’s supply chain group helped manage their environmental footprints and provided opportunity for innovative solutions.

3 Working proactively with external groups and organisations
- From small specialist charities, to global leaders of sustainability, we continued to develop our expertise by partnering with groups that have resources and in-depth knowledge on specific environmental issues, to enhance our leadership position as a responsible corporation.
• In 2011 our memberships helped catalyse progress, including: Aldersgate Group, a UK forum for senior business leaders, government and society who value a sustainable economy; Green Mondays, a UK business networking event for environmental and sustainability professionals; and the London Accord, which holds financial services reports on environment issues.

• By investing in nonprofit organisations such as Carbon Leapfrog and Groundwork in the UK, and the London Science Museum Climate Change Gallery, we provided opportunities for the community and our employees through a range of environmental programmes. In 2011, our partnership with Wildscreen helped raise awareness of species affected by climate change with the launch of an employee region-wide photography competition.

• Each year Bank of America Merrill Lynch employees from around the world volunteer for environmental initiatives. In EMEA, they dedicated almost 700 hours to environmental volunteering initiatives in 2011. An ongoing example of this is our efforts to help clean up debris from rivers and foreshores for International Coastal Cleanup Day in partnership with the Ocean Conservancy.

CASE STUDY
CLEANSTAR MOZAMBIQUE, MAPUTO

CleanStar Mozambique helps transform the livelihoods of farmers and the health of their families by producing cooking oil from sustainable sources and encouraging the rapid take-up of clean cook-stoves in Mozambique’s capital city, Maputo.

In 2011 we announced a multi-million Certified Emissions Reductions financing agreement with CleanStar, whereby we have an option to purchase and market carbon credits generated in Mozambique and other developing countries in sub-Saharan Africa through the displacement of highly polluting charcoal with clean cooking fuel. The rollout of clean cook-stoves are subsidised by this carbon finance.

The deal was shortlisted for most FT/IFC sustainable deal of the year, by the Financial Times.
Leadership & Service

Fostering leadership development across EMEA is grounded in the belief that investment in individuals and organisations will help build a more robust future in which to do business. We do this by partnering with and giving our time to, organisations that address critical issues, in particular, education and employability.

- In the UK, we worked closely with several London-based organisations to support critical programmes aimed at improving individuals’ employability and raising aspirations. These organisations included Business in the Community, East London Business Alliance, Education and Employers Taskforce, Heart of the City and Tower Hamlets Education Business Partnership.

- In Ireland, Bank of America Merrill Lynch volunteers supported Bank Your Future, a six-week financial education programme aimed at 15-17 year olds, primarily in disadvantaged schools. Since its launch in 2007, Bank Your Future has worked with 6,200 students across Ireland, with 2,250 students in 2011 alone.

- In Spain, we supported Madrid’s Fundación Tomillo Reading and Scene project covering 193 local schools, promoting integration for children aged 10-12, who are at risk of social exclusion. Employees volunteered in the programme which used theatre to improve students’ motivation.

- Since 2008 we have partnered with Elethu Themba School in Entabeni, South Africa through the Adopt-a-School Foundation. Support included the funding of a science laboratory for students aged 13-18 and employees volunteered at the school throughout the year.

CASE STUDY

THE FINANCIAL EDUCATION AND EMPLOYABILITY PROGRAMME, LONDON


As the first and largest of its kind in the UK, the programme comprises activities to improve students’ knowledge, skills and attitudes to prepare them for the workplace.

Since 2007, 700 students in the programme gained a nationally recognised work-related qualification as a result of their participation.

The programme has proved a great success and more than 4,500 students and 2,000 employees have participated since 2005. We have seen test scores improve – GCSE grades, including English and Math have increased by 78% (Swanlea), 51% (Mulberry) and 52% (Bow) against a national average of 18% since 2005. Both Swanlea and Mulberry Schools have achieved ‘Outstanding’ Ofsted reports.

The Financial Education and Employability Programme has now been extended to include a module for primary schools.
Arts & Culture

Bank of America Merrill Lynch is one of the world’s leading corporate supporters of the arts. We are committed to a diverse programme of cultural support which is designed to engage individuals, organisations and communities in creative ways while creating greater access to the arts and helping to build mutual respect and understanding.

The programme is built around three main pillars: Enable, Share and Preserve.

Enable
Worldwide Support

We support a wide range of initiatives from community outreach and education programmes such as The Prince’s Foundation for Children and the Arts in the UK, to sponsoring world class arts institutions, including the UK’s Royal Opera House Cinema Season (2011 – 2013).

In 2011 we supported the Old Vic Theatre in London, as Season Sponsor, and we were presenting sponsor for The Bridge Project, a theatre partnership between the Old Vic and the Brooklyn Academy of Music. The final season of The Bridge Project saw Kevin Spacey star in the title role of Sam Mendes’ acclaimed Richard III production in London, before touring in cities throughout the world.

Share
Art in Our Communities®

The Bank of America Art Collection has been converted into a unique resource from which museums and nonprofit galleries may borrow complete or customised exhibitions at no cost. The initiative helps generate vital revenue for these institutions and allows important works to be shared with communities around the globe.

Since its launch in late 2008, more than 50 exhibitions have been loaned to museums. In 2011 this included The Wyeths: Three Generations of American Art at the Mona Bismarck Foundation, Paris; The Art Books of Henri Matisse at the Chester Beatty Library, Dublin, Ireland; and the photography exhibition Conversations at the Museo del Novecento in Milan.

Preserve
The Bank of America Merrill Lynch Art Conservation Project

This unique project provides grants for the restoration of paintings, sculptures, archaeological or architectural pieces that are significant to the cultural heritage of a country or region, or important to the history of art.

In 2011 works from 10 countries were restored, including: Pablo Picasso’s Mujer en azul (Woman in Blue) at the Museo Nacional Centro de Arte Reina Sofia in Madrid, Peter Paul Rubens’ Cain Slaying Abel from The Courtauld Gallery in London, a collection of handmade beaded aprons at the Wits Art Museum in Johannesburg, and Daniel Maclise’s The Marriage of Strongbow and Aoife at the National Gallery of Ireland in Dublin.
Diversity
Through our regional diversity and inclusion councils and employee networks, we promote and encourage diversity at Bank of America Merrill Lynch. We appreciate that it makes us a stronger institution and allows us to better serve our diverse customers, clients and shareholders.

Diversity & Inclusion Council
Our EMEA Diversity & Inclusion Council comprises senior leaders from the region’s major businesses and support groups. It operates under the guidance of the Global Diversity & Inclusion Council whose purpose is to set and monitor a diversity and inclusion strategy that takes into account the different challenges and opportunities the company has in the marketplace.

Employee Networks
Bank of America Merrill Lynch’s Employee Networks are professionally run by our employees. They create an environment that accepts, values and encourages diversity and inclusion, and include:

- Disability Affinity Network (DAN): One half of the world’s population is impacted by disabilities, either directly or through family, personal or work relationships. The DAN helps its members expand their internal and external networks, establish new alliances and increase disability awareness.

- Leadership, Education, Advocacy and Development for Women (LEAD for Women): LEAD for Women harnesses the power of our women, giving them access to mentoring, role models, professional development and networking opportunities.

- Lesbian, Gay, Bisexual and Transgender Pride Resource Group (LGBT Pride): All employees are encouraged to bring their whole selves to work. Members and allies of the LGBT Pride Resource Group are committed to raising awareness about LGBT issues and opportunities in the community.

- Multicultural Leadership Network (MLN): The MLN brings together employees from ethnic and cultural minorities to support each other, identify new business opportunities, educate, empower and excel at work.

- Parents and Carers Network (PCN): The PCN brings together employees who have children or other caring responsibilities. It provides them with access to advice and support, and to network and share experiences with other parents and carers across the company.
2011 Awards, Rankings and Recognition

Thomson Reuters Extel and UK SIF
Thomson Reuters Extel and UK SIF Socially Responsible Investing and Sustainability Survey rated Bank of America Merrill Lynch Global Research Group:
#2 Leading Brokerage Firm for SRI and Sustainability
#1 Leading Brokerage Firm for SRI Research

Financial Times Sustainable Finance Award
Honourable Mention, Base of the Pyramid category

Business in the Community Example of Excellence for Education
Awarded for helping to produce outstanding results in four schools in Tower Hamlets, East London

The Lord Mayor’s Dragon Award for Education
Awarded for the sustained impacts our Financial Education and Employability Programme

Tower Hamlets EBP 20th Anniversary Award
Awarded for our longstanding support of financial education in Tower Hamlets’ schools in East London

East London Business Alliance London Legacy 2020 Champion Award
Shortlisted for Bank of America Merrill Lynch’s employee volunteer programmes

Times Top 50 Employers for Women 2011
Recognised as a business offering a positive working environment for women by promoting gender equality

Contact
For more information on Bank of America Merrill Lynch’s CSR programme and our full CSR report visit bankofamerica.com/csrreport or email csr.emea@baml.com.
For information on our business in EMEA visit bankofamerica.com.