

# Investing in the Environment

Sustainable Banking Products and Environmental Stewardship Program



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**Green Housing Conference**  
**May 14, 2009**

# Agenda

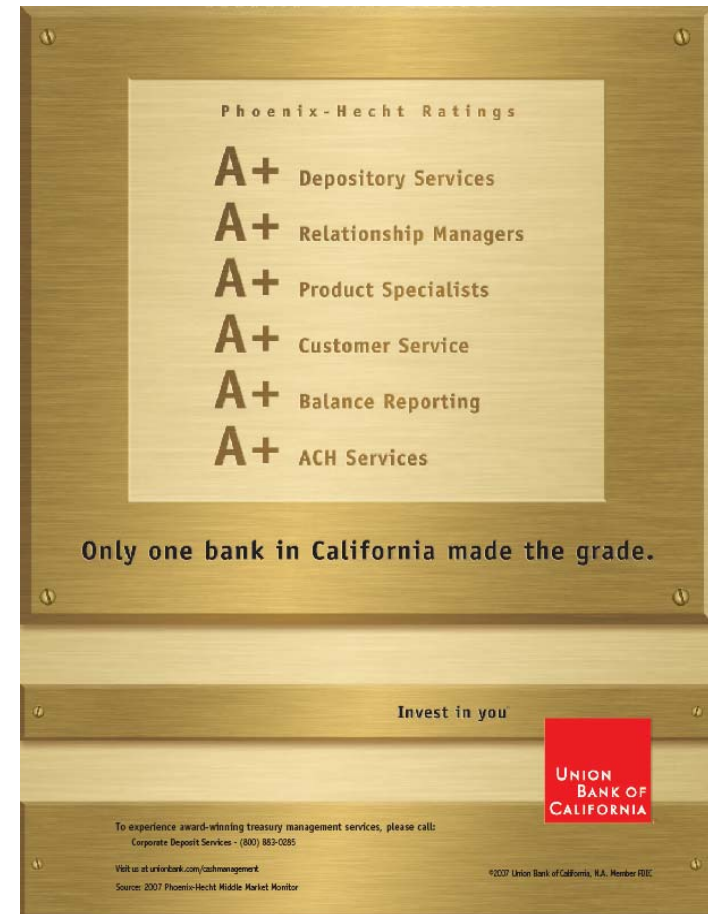
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- Introduction
- Corporate Environmental Stewardship
- Sustainable Banking Products and Services
  - eStatements and Image on Demand
  - ACH Services
  - Remote Deposit

# Introduction

## Union Bank, N.A.

- Founded in 1864 and headquartered in San Francisco, CA
- Primary banking subsidiary of UnionBanCal Corporation
- Assets of \$70.1 Billion as of 12/31/08
- Union Bank is among the 25 largest banks in the United States
- Award-winning customer satisfaction
  - Phoenix – Hecht Ratings
  - Greenwich Associates
  - Ernst & Young – Cash Management Survey



# Introduction

## Real Estate Treasury Services

- Provider of leading treasury management products and technology specifically tailored to our Real Estate Treasury Services clients
- Staffed by Industry experts with both account relationship and treasury management expertise
- Excellent customer support specializing in real estate-related companies
- Partnership style relationship management structure



# Corporate Environmental Stewardship

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- Union Bank's commitment to the environment extends to all aspects of our company's culture and operations. Our environmental stewardship program focuses on three areas:
  - Internal operations
  - Grants and charitable giving of the Union Bank Foundation
  - Sustainable, environmentally friendly banking products and services

# Corporate Environment Stewardship – Internal Operations

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- Remote Branch Capture Initiative
  - Checks, deposit tickets, and other documents processed by our offices are scanned and electronically transmitted to our central Proof area thereby reducing branch courier pick-ups
  - Initial project included 10 test branches. Plan to convert remaining offices is underway with an expected completion date of March 2010.
  - Projected benefits from this initiative will eliminate 8,241 courier miles per day and reduce 4,156,460 pounds in greenhouse gas emissions each year\*

\*Note – Statistic derived from green calculator.

# Corporate Environment Stewardship – Internal Operations

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## Business Energy Coalition Member

- Leveraged Hardware/Software to reduce energy consumption, updated HVAC systems, use outdoor air and natural light whenever possible.
- Three Union Bank buildings were awarded the EPA Energy Star Award in 2008 for energy performance. An Energy Star Building is one that uses approximately 35 percent less energy and emits 35 percent less green house emissions compared to a typical office building.

# Corporate Environment Stewardship – Internal Operations

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- Green Cleaning Program
  - Together with Jones Lang LaSalle Americas, Inc. eliminated the use of toxic and environmentally unfriendly chemicals for cleaning in all of the Bank's facilities.

# Corporate Environmental Stewardship – Giving

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- The Union Bank Foundation believes that a safer, cleaner, and sustainable environment helps attract long-term investments in communities and propels the cycle of community health, housing, education, and wealth generation. Two notable grants provided by the Union Bank Foundation include:
  - \$100,000 in operating support to California Academy of Sciences. The Academy is an international center for scientific education and research.
  - \$500,000 for the Trust for Public Land’s Parks for People-Bay Area program. The Trust for Public Land is a national nonprofit conservation organization dedicated to preserving land for parks, gardens, and other natural places.

# Sustainable Banking Products and Services

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- eStatements and Image on Demand
- ACH Services
- Remote Deposit

# eStatements and Image on Demand

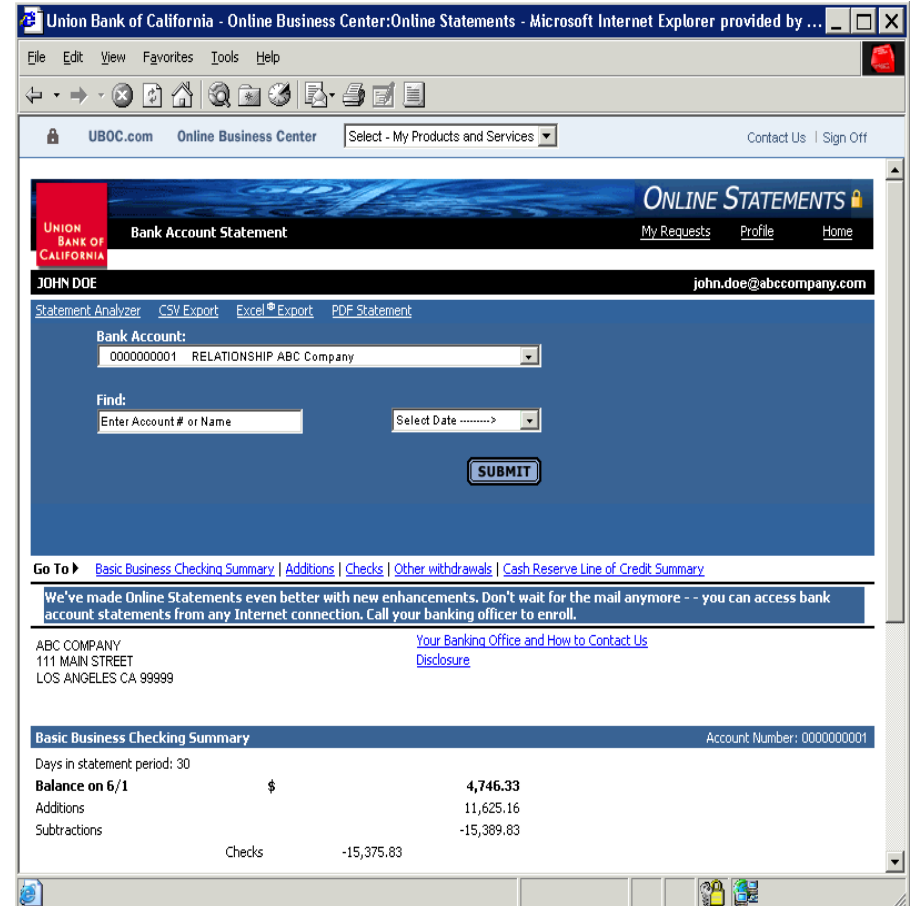
- View checking account, money market, and savings account activity
- View account analysis statement to monitor fees and earnings credits

The screenshot displays the Union Bank of California Online Business Center interface. The page title is 'Bank Account Statement' and the user is identified as JOHN DOE. The interface includes a search form for account numbers and dates, a 'SUBMIT' button, and a 'Basic Business Checking Summary' table.

Basic Business Checking Summary		Account Number: 000000001
Days in statement period: 30		
Balance on 6/1	\$	4,746.33
Additions		11,625.16
Subtractions		-15,389.83
Checks	-15,375.83	

# eStatements and Image on Demand

- View up to seven years of imaged checks and deposit tickets
- View deposit offsets
- Receive email alerts when statements are available for viewing



The screenshot displays the Union Bank of California Online Business Center interface. The main heading is 'Bank Account Statement' with a search form. Below the search form, there are navigation links and a summary table for a 'Basic Business Checking Summary'.

**Bank Account Statement Search Form:**

- Bank Account: 0000000001 RELATIONSHIP ABC Company
- Find: Enter Account # or Name
- Select Date: [Dropdown]
- SUBMIT

**Basic Business Checking Summary Table:**

Basic Business Checking Summary		Account Number: 0000000001
Days in statement period: 30		
Balance on 6/1	\$	4,746.33
Additions		11,625.16
Subtractions		-15,389.83
Checks	-15,375.83	

# eStatements stats

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- Among our commercial clients, 43 percent receive electronic statements only and 99.9 percent have their cancelled checks truncated (not returned)
- Approximately 50 percent receive both paper and electronic statements
- Only six percent receive statements in paper only format

# ACH Services

- ACH is an efficient, low cost method of payment origination for our commercial clients to pay businesses or consumers
- Most common form of ACH transactions is direct deposit of payroll

The screenshot displays the UBOC.com Online Business Center interface. At the top, there is a navigation bar with "UBOC.com", "Online Business Center", a dropdown menu for "Select - My Products and Services", and links for "Contact Us" and "Sign Off". Below this is a banner for "ONLINE" with the Union Bank of California logo. A secondary navigation bar contains buttons for "Welcome", "Home", "Consumer", "Corporate", "Transfers", "Other Services", "Reports", "Administration", and "Exit". A blue bar below the navigation bar lists services: "Direct Deposit", "Preauthorized Debit", "Consumer w/Offsets", "Consumer Cross-Border", "Telephone Initiated", and "Web Initiated". The main content area shows a welcome message: "Welcome, product 1, demo w96Test Mode. Date: 12/3/2007 Time: 9:21:12 AM". Below this is a table with three columns: "Pending Approval", "Pending Acknowledgment", and "Notifications". The "Pending Acknowledgment" column contains a list of services with counts: "11 Direct Deposit", "1 Preauthorized Debit", "4 Corporate", and "16 ALL PAYMENTS". Below the table are two buttons: "6 Rejected Payments" and "31 Work in Progress". A "Help" button is located below the table. At the bottom, the text "Version 3.5.1" is displayed.

# ACH Services

- ACH payment origination improves vendor relations, cash forecasting, and reduces clerical time
- View transactions and generate reports for up to 45 days or download on your system for permanent storage, thus eliminating the need for paper reports

The screenshot displays the UBOC Online Business Center interface. At the top, there is a navigation bar with "UBOC.com", "Online Business Center", a dropdown menu for "Select - My Products and Services", and links for "Contact Us" and "Sign Off". Below this is a banner for "ONLINE" with the Union Bank of California logo. A secondary navigation bar contains buttons for "Welcome", "Home", "Consumer", "Corporate", "Transfers", "Other Services", "Reports", "Administration", and "Exit". A third navigation bar lists services: "Direct Deposit", "Preauthorized Debit", "Consumer w/Offsets", "Consumer Cross-Border", "Telephone Initiated", and "Web Initiated". The main content area shows a welcome message: "Welcome, product 1, demo w96Test Mode. Date: 12/3/2007 Time: 9:21:12 AM". Below this is a table with three columns: "Pending Approval", "Pending Acknowledgment", and "Notifications". The "Pending Acknowledgment" column contains a list of transactions: "11 Direct Deposit", "1 Preauthorized Debit", "4 Corporate", and "16 ALL PAYMENTS". Below the table are two summary boxes: "6 Rejected Payments" and "31 Work in Progress". A "Help" button is located below the summary boxes, and the version number "Version 3.5.1" is displayed at the bottom.

# ACH stats

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- NACHA – The Electronic Payments Association ranked Union Bank as the 20<sup>th</sup> largest ACH originator in the United States in 2008
- Over 82 million ACH transactions were processed here at Union Bank in 2008 compared to 43 million ACH transactions in 2005
- Q1 volumes for 2009 is 22.4 million transactions

# Remote Deposit

- Remote Deposit automates the deposit process
- It significantly reduces courier expenses or trips to the Bank
- Audit controls built into the system insure accuracy of deposits

The screenshot displays the 'Remote Deposit' interface for Union Bank of California. The top navigation bar includes 'Remote Deposit', 'Funds Mgmt', 'Reporting', and 'Administration'. The main content area shows a scanned check from Union Bank of California, N.A. with a check number of 007861. The check is for \$100.00 and is dated Thursday, October 12, 2006. The interface includes buttons for 'Start Scan', 'Save', 'Cancel', and 'Reset Scanner'. A summary table shows the following totals:

Totals	Count	Amount
Control	10	\$8,600.00
Actual	10	\$8,600.09
Difference	5	\$1,399.91
Rejected	0	

Below the summary table is a table listing the deposited items:

Debit ABA	Debit Account	Check Number	Check Type	Amount	Reference	Status
122000496	1234567890	007861	Personal	100.00	Cust# 4324	Accepted
122000496	1234567890	007862	Personal	1,000.00	Cust# 5433	Accepted
122000496	1234567890	007863	Personal	250.00	Cust#44564	Accepted
122000496	1234567890	007864	Personal	500.00	Cust# 98923	Accepted
122000496	1234567890	007865	Personal	300.00	Cust# 49854	Accepted

# Remote Deposit – How it Works

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- Using a check scanner installed at their office, our clients can easily scan the front and back of the check
- Deposits are submitted via the Internet and clients receive a deposit confirmation



# Remote Deposit – How it Works

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- Reports download formats include CSV, Yardi Enterprise, Voyager, and Quick Books



# Remote Deposit stats

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- Our remote deposit solution is serving clients in 173 cities across 20 states
- In 2008, 841 clients deposited over 2.9 million checks into Union Bank accounts via remote deposit. That is 110 percent growth in volume over 2007.

# Remote Deposit stats

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- Using our Green Savings Calculator, we estimate that in 2008, Union Bank clients saved:
  - 65,598 gallons of gasoline
  - 3,347 barrels of oil
  - 3,856 trees
- Reduced greenhouse gas emissions by 1,252,601 pounds
- Calculate your green savings at [https://www.uboc.com/business/hidden/green\\_calc.jsp](https://www.uboc.com/business/hidden/green_calc.jsp)

# Remote Deposit Estimated 2008 Savings

## Union Bank Remote Deposit - Green Savings Calculator

Help Save the Environment with Remote Deposit	Calculation	Description
On average, how many trips per week to make a deposit at the bank or ATM? <sup>1</sup>	2,523	Trips/week
About how many minutes does each trip take (including time spent at the bank)? <sup>2</sup>	30	Minutes/trip
How many miles away is the bank branch you go to? <sup>3</sup>	5	Miles/trip
How many CITY miles per gallon does your car or truck get? <sup>4</sup>	20	Miles per gallon (mpg)
What is the average price of a gallon of gas in your city? <sup>5</sup>	\$2.11	Price/gallon (regular unleaded)
By Making Deposits via Remote Deposit for One Year, the Savings Will Be:	Green Savings Output	Description
This many gallons of gasoline:	<b>65,598</b>	Gallons of gas
Which translates into this many barrels of oil: <sup>6</sup>	<b>3,347</b>	Barrels of oil
And reduces greenhouse gas emissions by this many pounds: <sup>7</sup>	<b>1,272,601</b>	Pounds
Which is the equivalent of planting this many trees: <sup>8</sup>	<b>3,856</b>	Trees
Not to mention saving this many hours:	<b>65,598</b>	Hours
And this much money on fuel costs:	<b>\$138,609</b>	Fuel Cost

# Remote Deposit – Footnotes

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- #1. A remote deposit customer had an average of 5 deposits per week based on 2008 remote deposit volumes. For this calculation, the assumption is the customer would make fewer trips to the bank, so a conservative estimate is 3 trips per week.  
The total for all remote deposit customers is 3 trips/week/customer x 841 customers = **2,523** trips per year.
- #2 to #4 are pure conservative assumptions.
- #5. Based on  
<http://energyalmanac.ca.gov/gasoline/index.html>,  
February 2, 2009
- #6. Based on the Energy Information Administration's published estimate of 19.6 gallons of finished gasoline, plus by products, per barrel of oil refined.
- #7. Based on U.S. Environmental Protection Agency's published figure of 8.8kg carbon dioxide produced per gallon of gasoline.
- #8. Based on estimated 330 pounds of carbon dioxide consumed per tree annually by the USDA Forest Service Center for Urban Forest Research.

# Thank you!

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Invest in you<sup>®</sup>

