



## **Pillar 3 U.S. Net Stable Funding Ratio (NSFR) Disclosure**

**For the quarters ended March 31, 2023 and June 30, 2023**

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**Important Presentation Information**

These disclosures are required by the Net Stable Funding Ratio: Public Disclosure Requirements Final Rule published by the Board of Governors of the Federal Reserve System in alignment with the Basel 3 liquidity framework and U.S. Net Stable Funding Ratio (NSFR) Final Rule (NSFR Rule). Information contained in this report is presented in accordance with the NSFR Rule, and follows the Net Stable Funding Ratio: Public Disclosure Requirements Final Rule for the quantitative and qualitative presentation of data. Information presented herein may differ from similar information presented in the Consolidated Financial Statements and other publicly available disclosures. Unless specified otherwise, all amounts and information are presented in conformity with the definitions and requirements of the NSFR Rule.

U.S. banking regulators permit certain Pillar 3 disclosure requirements to be addressed by their inclusion in the Consolidated Financial Statements of the Corporation. In such instances, incorporation into this report is made by reference to the relevant section(s) of the most recent Forms 10-Q and 10-K filed with the U.S. Securities and Exchange Commission. This Pillar 3 report should be read in conjunction with the aforementioned reports as information regarding liquidity and risk management is largely contained in those filings. The table below indicates the location of such disclosures.

**DISCLOSURE MAP**

Description	Pillar 3 Report page reference	2022 Form 10-K page reference	1Q23 Form 10-Q page reference	2Q23 Form 10-Q page reference
Executive Summary	3	25-26	3	3
NSFR Requirements and Disclosures	3	53-58	27-29	27-29
Main Drivers of the NSFR	4	53-58	27-29	27-29
Concentration of Funding Sources	5	53-58	27-29	27-29
Derivative Exposures and Potential Collateral Calls	5	-	-	-
Centralized Liquidity Management Function	5	53-58	27-29	27-29

**EXECUTIVE SUMMARY**

Bank of America Corporation (together, with its consolidated subsidiaries, Bank of America, “we” or “us”) is a Delaware corporation, a bank holding company and a financial holding company. When used in this report, “the Corporation” may refer to Bank of America Corporation individually, Bank of America Corporation and its subsidiaries or certain of Bank of America Corporation’s subsidiaries or affiliates. Bank of America is one of the world’s largest financial institutions, serving individual consumers, small- and middle-market businesses, institutional investors, large corporations and governments with a full range of banking, investing, asset management and other financial and risk management products and services. Our principal executive offices are located in the Bank of America Corporate Center, 100 North Tryon Street, Charlotte, North Carolina 28255.

**NSFR REQUIREMENTS AND DISCLOSURES**

The objective of the NSFR is to promote a more resilient banking sector and financial system by reducing the likelihood that disruptions to a banking organization’s regular sources of funding that could compromise its liquidity position over a one-year period. The NSFR is intended to support the ability of banks to lend to households and businesses in both normal and adverse economic conditions and is complementary to the LCR, which focuses on short-term liquidity risks. The NSFR is calculated as the amount of a financial institution’s available stable funding (ASF) over its required stable funding (RSF), expressed as a percentage. In compliance with the final rule, this disclosure utilizes simple daily averages of the NSFR. The NSFR requires banking organizations to maintain minimum ASF to support their assets, commitments, and derivatives exposures (RSF) over a one-year period. The NSFR will fluctuate due to normal business flows from customer activity.

## THE MAIN DRIVERS OF THE NSFR

The main drivers of the Corporation's U.S. NSFR include ASF of Capital and Securities, Retail Funding, Wholesale Funding, and Other Liabilities. Drivers of the Corporation's RSF include total High Quality Liquid Assets (HQLA), Loans and Securities, and Other Assets.

For the quarterly period that began January 1, 2023 and ended March 31, 2023, the Corporation's average daily U.S. NSFR was 118.8 percent. This ratio is the result of ASF of \$1.8 trillion divided by RSF of \$1.5 trillion.

Quarter ended 3/31/2023 In millions of U.S. Dollars		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 Months	6 months to < 1 year	>= 1 year	Perpetual	
<b>ASF ITEM</b>							
1	Capital and securities:	-	29,487	14,853	253,459	295,052	555,937
2	NSFR regulatory capital elements	-	-	-	17,036	289,995	307,031
3	Other capital elements and securities	-	29,487	14,853	236,422	5,057	248,906
4	Retail funding:	1,205,382	8,034	12,066	5,022	-	1,150,620
5	Stable deposits	716,083	9,212	8,690	3,515	-	700,626
6	Less stable deposits	358,773	3,531	3,367	1,426	-	330,387
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	122,056	29	8	81	-	112,768
8	Other retail funding	13,677	-	-	-	-	6,838
9	Wholesale funding:	649,115	355,990	12,826	1,478	-	350,898
10	Operational deposits	389,968	1,113	-	-	-	195,540
11	Other wholesale funding	259,148	279,024	12,826	1,232	-	155,357
	Other liabilities:						
12	NSFR derivatives liability amount					1,723	
13	Total derivatives liability amount					54,423	
14	All other liabilities not included in categories 1 through 13 of this table	298,860	-	-	-	-	-
15	<b>TOTAL ASF</b>						<b>1,780,638</b>
<b>RSF ITEM</b>							
16	Total high-quality liquid assets (HQLA)	234,346	18,221	4,611	912,701	-	92,816
17	Level 1 liquid assets	206,402	17,914	4,565	426,298	-	4,992
18	Level 2A liquid assets	25	242	13	484,837	-	73,032
19	Level 2B liquid assets	27,919	65	32	1,566	-	14,792
20	Zero percent RSF assets that are not level 1 liquid assets	71,388	579	-	194	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	4,574	-	-	-	-	2,287
22	Loans and securities:	320,148	260,147	89,134	855,485	31	1,010,750
23	Loans to financial sector entities secured by level 1 liquid assets	10,011	111,061	1,297	1,936	-	3,881
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	80,000	48,086	9,131	85,490	-	115,919
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	136,595	99,407	66,916	447,212	-	576,857
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	249	12,195	9,377	23,917	-	28,206
27	Retail mortgages	902	72	43	252,937	-	172,241
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	223,960	-	146,974
29	Securities that do not qualify as HQLA	92,594	1,743	1,753	67,909	31	141,851
	Other assets:						
30	Commodities					17,696	15,041
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangement					49,524	43,243
32	NSFR derivatives asset amount					356	356
33	Total derivatives asset amount					53,056	
34	RSF for potential derivatives portfolio valuation changes					115,360	5,768
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	94,090	11,873	6,182	187,575	69,022	300,833
36	Undrawn commitments					552,946	27,647
37	<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						<b>1,498,742</b>
38	<b>Required stable funding adjustment percentage</b>						<b>100%</b>
39	<b>TOTAL adjusted RSF</b>						<b>1,498,742</b>
40	<b>NET STABLE FUNDING RATIO</b>						<b>118.8%</b>

Note: Disclosure line 15 excludes excess available stable funding held at certain subsidiaries.

Bank of America – Pillar 3 U.S. Net Stable Funding Ratio Disclosures

For the quarterly period that began April 1, 2023 and ended June 30, 2023 the Corporation's average daily U.S. NSFR was 119.8 percent. This ratio is the result of ASF of \$1.8 trillion divided by RSF of \$1.5 trillion. The Corporation's average daily NSFR increased to the prior quarter primarily driven by an increase in Capital and Securities within the ASF.

Quarter ended 6/30/2023 In millions of U.S. Dollars		Average Unweighted Amount					Average Weighted Amount
		Open Maturity	< 6 Months	6 months to < 1 year	>= 1 year	Perpetual	
<b>ASF ITEM</b>							
1	Capital and securities:	-	35,846	19,575	254,089	301,227	565,104
2	NSFR regulatory capital elements	-	-	-	16,159	295,617	311,776
3	Other capital elements and securities	-	35,846	19,575	237,930	5,611	253,329
4	Retail funding:	1,158,804	15,893	20,940	5,239	-	1,122,024
5	Stable deposits	714,356	9,793	13,700	3,572	-	704,350
6	Less stable deposits	333,980	4,639	5,662	1,535	-	311,234
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	107,063	1,461	1,578	132	-	99,834
8	Other retail funding	13,212	-	-	-	-	6,606
9	Wholesale funding:	644,068	355,990	16,879	1,478	-	357,704
10	Operational deposits	387,822	-	-	-	-	193,911
11	Other wholesale funding	256,246	355,990	16,879	1,478	-	163,793
	Other liabilities:	-	-	-	-	-	-
12	NSFR derivatives liability amount					426	
13	Total derivatives liability amount					51,022	
14	All other liabilities not included in categories 1 through 13 of this table	303,995	-	-	-	-	-
15	<b>TOTAL ASF</b>						<b>1,792,261</b>
<b>RSF ITEM</b>							
16	Total high-quality liquid assets (HQLA)	373,707	1,847	5,398	848,206	-	84,505
17	Level 1 liquid assets	357,973	1,388	5,357	368,647	-	3,745
18	Level 2A liquid assets	14	329	2	477,335	-	71,702
19	Level 2B liquid assets	15,720	129	39	2,223	-	9,058
20	Zero percent RSF assets that are not level 1 liquid assets	65,381	1,576	-	63	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	6,133	-	-	-	-	3,066
22	Loans and securities:	254,869	259,532	102,599	858,879	-	1,007,970
23	Loans to financial sector entities secured by level 1 liquid assets	12,669	119,445	2,738	3,165	-	5,408
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	30,928	49,338	22,805	91,933	-	126,449
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	126,566	88,861	75,591	440,672	-	566,246
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	41	9,034	9,411	23,994	-	26,403
27	Retail mortgages	862	57	39	252,202	-	172,926
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	222,927	-	147,337
29	Securities that do not qualify as HQLA	83,843	1,831	1,427	70,906	-	136,941
	Other assets:						
30	Commodities					15,373	13,067
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangement					59,377	50,470
32	NSFR derivatives asset amount					2,065	2,065
33	Total derivatives asset amount					52,661	
34	RSF for potential derivatives portfolio valuation changes					112,787	5,639
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	95,353	9,940	6,450	188,472	69,023	300,758
36	Undrawn commitments					557,593	27,880
37	<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						<b>1,495,421</b>
38	<b>Required stable funding adjustment percentage</b>						<b>100%</b>
39	<b>TOTAL adjusted RSF</b>						<b>1,495,421</b>
40	<b>NET STABLE FUNDING RATIO</b>						<b>119.8%</b>

Note: Disclosure row 15 excludes excess available stable funding held at certain subsidiaries.

## **CONCENTRATION OF FUNDING SOURCES**

We fund our assets primarily with a mix of deposits and secured and unsecured liabilities through a centralized, globally coordinated funding approach diversified across products, programs, markets, currencies and investor groups. We consider a substantial portion of our deposits to be a stable, low-cost and dependable source of funding. Our long-term unsecured debt is issued in a variety of maturities and currencies to achieve cost-efficient funding, to maintain an appropriate maturity profile and to ensure that we maintain global capital market access. Trading activities in our broker-dealer entities are primarily funded on a secured basis through securities lending and repurchase agreements. These amounts will vary based on customer activity and market conditions. We believe funding these activities in the secured financing markets is less sensitive to changes in our credit ratings than unsecured financing, and more economical. For additional information on funding sources refer to *Liquidity Risk – Diversified Funding Sources* within the March 31, 2023 Form 10-Q and the June 30, 2023 Form 10-Q, respectively.

## **DERIVATIVE EXPOSURES AND POTENTIAL COLLATERAL CALLS**

We enter into derivative transactions with customers to help them manage different types of risk, including risks that they may face given changes in interest rates, currency relationships, securities prices or commodities prices. In addition, we enter into derivative transactions with third parties and between affiliate legal entities to enable management of risk across the enterprise. Risk factors in derivatives activities impacting liquidity include: contractual margin asymmetries, cash and collateral outflows related to changes in the financial condition of the Corporation, counterparty behavior and valuation changes.

## **CENTRALIZED LIQUIDITY MANAGEMENT FUNCTION**

We manage our liquidity position through line of business and asset-liability management activities, as well as through our legal entity funding strategy, on both a current (including intraday) and forward basis under both stable and stressed conditions. We believe that a centralized approach to funding and liquidity management enhances our ability to monitor liquidity requirements, maximizes access to funding sources, minimizes borrowing costs and facilitates timely responses to liquidity events. For additional information on funding sources refer to *Liquidity Risk – Funding and Liquidity Risk Management* within the MD&A section in the March 31, 2023 Form 10-Q and the June 30, 2023 Form 10-Q, respectively.