



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

**For the quarters ended September 30, 2023 and December 31, 2023**

**TABLE OF CONTENTS**

DISCLOSURE MAP .....3

EXECUTIVE SUMMARY .....3

NSFR REQUIREMENTS AND DISCLOSURES.....3

THE MAIN DRIVERS OF THE NSFR .....4

CONCENTRATION OF FUNDING SOURCES .....5

DERIVATIVE EXPOSURES AND POTENTIAL COLLATERAL CALLS .....6

CENTRALIZED LIQUIDITY MANAGEMENT FUNCTION .....6

**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, as the case may be, 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	3Q23 Form 10-Q page reference	2023 Form 10-K page reference
Executive Summary	3	3	2
NSFR Requirements and Disclosures	3	26-28	52-57
Main Drivers of the NSFR	4	26-28	52-57
Concentration of Funding Sources	5	26-28	52-57
Derivative Exposures and Potential Collateral Calls	5	-	-
Centralized Liquidity Management Function	5	26-28	52-57

**EXECUTIVE SUMMARY**

Bank of America Corporation (together, with its consolidated subsidiaries, Bank of America, “we”, “us” or “our”) 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 of 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 NSFR 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 July 1, 2023 and ended September 30, 2023 the Corporation's average daily U.S. NSFR was 119.3 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 decreased from the prior quarter primarily driven by a decrease in Long Term Debt in the ASF.

Quarter ended 9/30/2023 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:	-	30,619	18,347	250,096	304,197	563,467
2	NSFR regulatory capital elements	-	-	-	15,505	299,068	314,573
3	Other capital elements and securities	-	30,619	18,347	234,592	5,129	248,894
4	Retail funding:	1,125,186	30,482	28,791	4,400	-	1,095,092
5	Stable deposits	695,239	16,130	15,295	2,917	-	693,102
6	Less stable deposits	318,665	7,681	6,571	1,238	-	300,740
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	99,479	6,671	6,925	245	-	95,349
8	Other retail funding	11,803	-	-	-	-	5,901
9	Wholesale funding:	647,910	337,554	24,631	2,875	-	357,826
10	Operational deposits	398,455	-	-	-	-	199,227
11	Other wholesale funding	249,455	337,554	24,631	2,875	-	158,599
	Other liabilities:	-	-	-	-	-	-
12	NSFR derivatives liability amount					10	
13	Total derivatives liability amount					54,167	
14	All other liabilities not included in categories 1 through 13 of this table	304,570	-	-	-	-	-
15	<b>TOTAL ASF</b>						<b>1,762,505</b>
<b>RSF ITEM</b>							
16	Total high-quality liquid assets (HQLA)	361,328	120	3,816	836,315	-	81,626
17	Level 1 liquid assets	350,082	30	3,808	363,861	-	4,101
18	Level 2A liquid assets	118	70	-	470,748	-	71,093
19	Level 2B liquid assets	11,127	20	8	1,706	-	6,432
20	Zero percent RSF assets that are not level 1 liquid assets	66,164	341	-	30	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	4,696	-	-	-	-	2,348
22	Loans and securities:	307,859	249,896	109,331	846,175	-	1,002,642
23	Loans to financial sector entities secured by level 1 liquid assets	12,482	113,939	4,418	3,411	-	6,091
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	81,765	47,629	20,058	91,525	-	126,908
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	129,476	86,562	83,287	431,733	-	563,883
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	60	8,425	10,507	25,391	-	27,508
27	Retail mortgages	807	29	44	251,949	-	172,538
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	222,672	-	147,031
29	Securities that do not qualify as HQLA	83,328	1,737	1,524	67,557	-	133,223
	Other assets:						
30	Commodities					11,154	9,481
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangement					58,506	49,730
32	NSFR derivatives asset amount					2,369	2,369
33	Total derivatives asset amount					56,526	
34	RSF for potential derivatives portfolio valuation changes					122,728	6,136
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	88,425	8,595	9,008	213,362	43,823	294,648
36	Undrawn commitments					569,126	28,456
37	<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						<b>1,477,437</b>
38	<b>Required stable funding adjustment percentage</b>						<b>100%</b>
39	<b>TOTAL adjusted RSF</b>						<b>1,477,437</b>
40	<b>NET STABLE FUNDING RATIO</b>						<b>119.3%</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 October 1, 2023 and ended December 31, 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 from the prior quarter primarily driven by an increase in Regulatory Capital and Long Term Debt in the ASF.

Quarter ended 12/31/2023 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:	-	28,320	13,897	257,426	307,151	571,526
2	NSFR regulatory capital elements	-	-	-	14,386	302,759	317,145
3	Other capital elements and securities	-	28,320	13,897	243,040	4,392	254,380
4	Retail funding:	1,094,089	48,222	33,997	7,029	-	1,080,687
5	Stable deposits	678,631	23,606	14,673	3,283	-	684,184
6	Less stable deposits	308,879	10,853	6,609	1,396	-	294,964
7	Sweep deposits, brokered reciprocal deposits, and brokered deposits	94,652	13,763	12,715	2,350	-	95,576
8	Other retail funding	11,927	-	-	-	-	5,963
9	Wholesale funding:	668,389	382,386	43,278	3,600	-	377,268
10	Operational deposits	410,113	-	-	-	-	205,057
11	Other wholesale funding	258,275	382,386	43,278	3,600	-	172,212
	Other liabilities:	-	-	-	-	-	-
12	NSFR derivatives liability amount					3,534	
13	Total derivatives liability amount					56,801	
14	All other liabilities not included in categories 1 through 13 of this table	297,300	-	-	-	-	-
15	<b>TOTAL ASF</b>						<b>1,769,680</b>
<b>RSF ITEM</b>							
16	Total high-quality liquid assets (HQLA)	391,495	54,876	5,320	838,157	-	86,546
17	Level 1 liquid assets	380,339	54,788	5,294	366,496	-	5,265
18	Level 2A liquid assets	53	32	-	469,509	-	74,613
19	Level 2B liquid assets	11,103	56	26	2,152	-	6,669
20	Zero percent RSF assets that are not level 1 liquid assets	70,954	809	-	33	-	-
21	Operational deposits placed at financial sector entities or their consolidated subsidiaries	6,137	-	-	-	-	3,068
22	Loans and securities:	341,538	269,678	109,788	840,896	-	1,018,892
23	Loans to financial sector entities secured by level 1 liquid assets	13,710	117,684	4,836	3,247	-	6,619
24	Loans to financial sector entities secured by assets other than level 1 liquid assets and unsecured loans to financial sector entities	92,069	55,287	20,243	88,734	-	121,589
25	Loans to wholesale customers or counterparties that are not financial sector entities and loans to retail customers or counterparties	133,808	95,073	82,209	427,543	-	566,596
26	Of which: With a risk weight no greater than 20 percent under Regulation Q (12 CFR part 217)	9	9,551	9,752	26,448	-	28,295
27	Retail mortgages	875	24	39	250,797	-	173,029
28	Of which: With a risk weight of no greater than 50 percent under Regulation Q (12 CFR part 217)	-	-	-	221,228	-	147,118
29	Securities that do not qualify as HQLA	101,076	1,610	2,461	70,575	-	151,059
	Other assets:						
30	Commodities					11,708	9,952
31	Assets provided as initial margin for derivative transactions and contributions to CCPs' mutualized loss-sharing arrangement					57,730	49,071
32	NSFR derivatives asset amount					488	488
33	Total derivatives asset amount					53,755	
34	RSF for potential derivatives portfolio valuation changes					121,619	6,081
35	All other assets not included in the categories 16-33 of this table, including nonperforming assets	67,056	11,527	8,134	186,845	69,021	274,412
36	Undrawn commitments					571,587	28,579
37	<b>TOTAL RSF prior to application of required stable funding adjustment percentage</b>						<b>1,477,089</b>
38	<b>Required stable funding adjustment percentage</b>						<b>100%</b>
39	<b>TOTAL adjusted RSF</b>						<b>1,477,089</b>
40	<b>NET STABLE FUNDING RATIO</b>						<b>119.8%</b>

Note: Disclosure line 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 for the third and fourth quarters of 2023, refer to *Liquidity Risk – Diversified Funding Sources* within the Management’s Discussion and Analysis of Financial Condition and Results of Operations (MD&A) section of the September 30, 2023 Form 10-Q and the December 31, 2023 Form 10-K, 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 for the third and fourth quarters of 2023, refer to *Liquidity Risk – Funding and Liquidity Risk Management* within the MD&A section of the September 30, 2023 Form 10-Q and the December 31, 2023 Form 10-K, respectively.