

# Morgan Stanley Financials Conference

**Andy Sieg**

President, Merrill Lynch Wealth Management

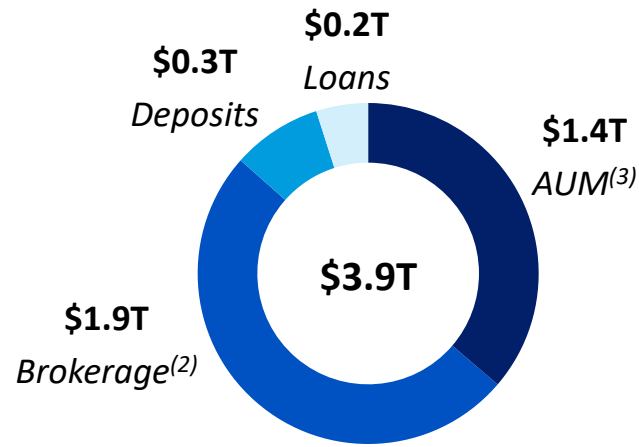
**Katy Knox**

President, Bank of America Private Bank

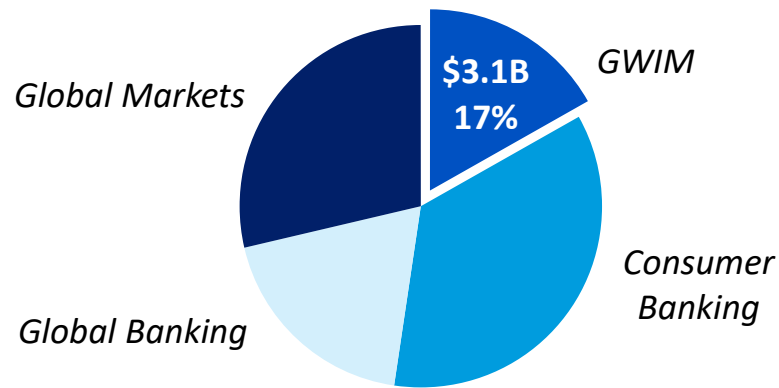
June 14, 2021

# Bank of America is a Leading Wealth Management Franchise<sup>(1)</sup>

## Wealth Management Client Balances



## BAC 2020 Net Income<sup>(4)</sup>



## Breadth and Scale

- **20K** Advisors
- **4MM** Total Households
- **6MM** Workplace Plan Participants
- **\$19B** FY 2020 GWIM Revenue

## Industry Leadership

- **#1 Barron's Top 1,200** ranked Financial Advisors (2021)
- **#1 Barron's Top 100 Women** Advisors (2020)
- **#1 in Forbes' Top Next Generation Advisors** (2020)
- **Best Private Bank for Philanthropy Services** (Globally)<sup>(5)</sup>
- **Best Private Bank for Customer Service** (North America)<sup>(5)</sup>

## Digital Leadership

- 🏆 Digital Wealth Impact **Innovation Award for Digital Engagement**<sup>(6)</sup>
- 🏆 Wealth Tech Award – **Best Wealth Manager in North America for Use of Technology**<sup>(5)</sup>
- 🏆 Wealthmanagement.com Award for **Social Media Leadership**

Note: Balances, advisors and households across BAC include Merrill Edge, Merrill Lynch Wealth Management and Bank of America Private Bank. Amounts may not total due to rounding.

(1) As of March 31, 2021, unless otherwise noted.

(2) Includes Brokerage, Custody, and total Merrill Edge relationship balances.

(3) Excludes managed deposits.

(4) Bank of America reports the results of its operations through four segments with the remaining operations recorded in All Other. Total BAC 2020 Net Income of \$17.9B.

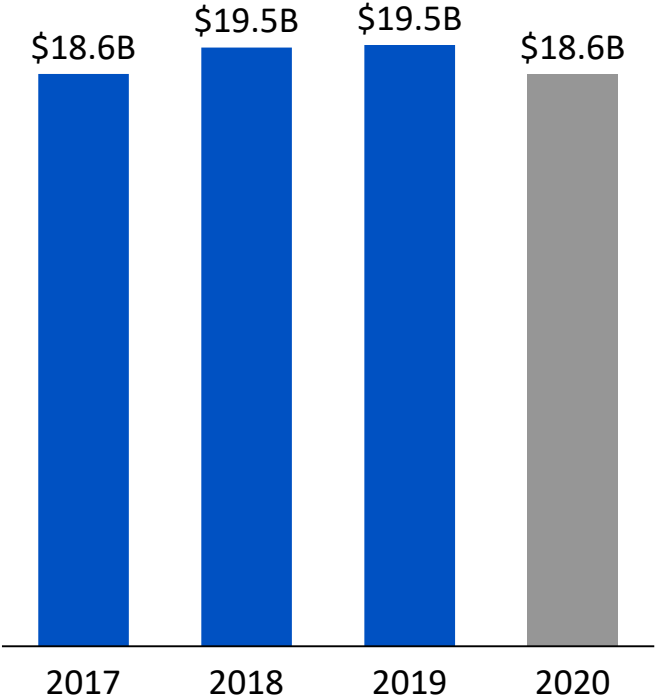
(5) Source: Professional Wealth Management, a Financial Times publication, 2020.

(6) Source: AITE Group, 2020.

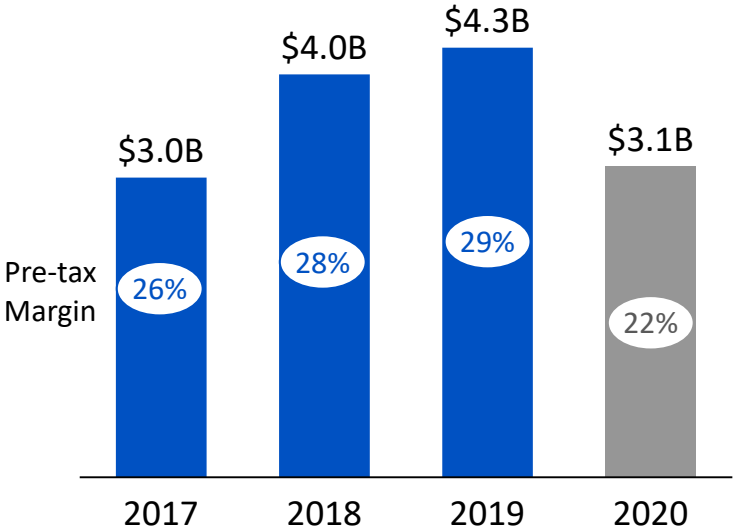


# Global Wealth & Investment Management Produces Solid Results

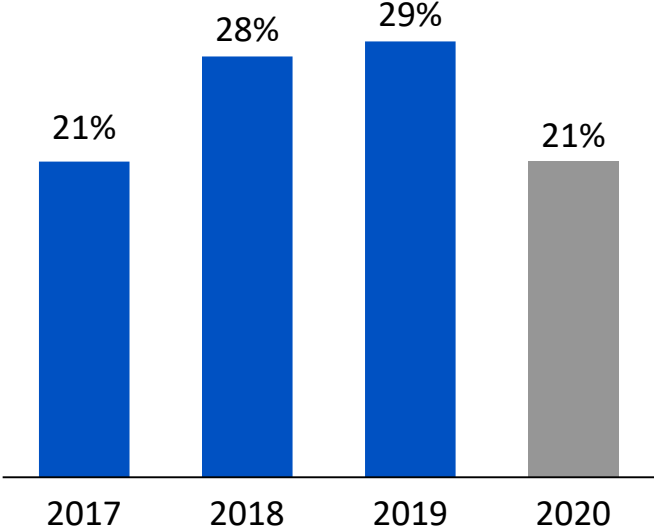
## Revenue



## Net Income



## Return on Capital



# Competitive Differentiation of Wealth Management at Bank of America through...

- **Strong ability to deliver comprehensive financial advice and planning at scale...**
- **...across wealth continuum**, leveraging our industry leading banking platform
- **Meaningful engagement of prospects and clients** leading to record levels of client satisfaction
- **Driving organic growth** that enables us to reinvest strategically
- **Investing in industry-leading digital experience** for clients and advisors...
- **...and in advisor talent** through our development program and advisor academy



# We are Well Positioned to Address Significant Market Opportunity



Self-directed investors seeking research, tools & wide range of investments



Affluent investors seeking guidance & advice aligned to their goals



Customizable advice & investing solutions for complex needs



Sophisticated approach for managing significant wealth

## Wealth Continuum

**Mass Market**  
(<\$250K)

**Affluent**  
(\$250K - \$1MM)

**High Net Worth**  
(\$1MM - \$10MM)

**Ultra High Net Worth**  
(\$10MM+)

## Wealth Management Client Balances<sup>(1)</sup>

**\$0.1T**

**\$0.4T**

**\$1.4T**

**\$2.0T**

## Market Opportunity 5-Year CAGR<sup>(2)</sup>

**\$5T**  
3%

**\$8T**  
6%

**\$24T**  
11%

**\$8T**  
10%

## BAC Internal Opportunity<sup>(3)</sup>

**\$1T**  
15MM Households

**\$3T**  
6MM Households

**\$6T**  
3MM Households

**\$1T**  
70K Households

Note: Market opportunity per IXL data as of June 2020. BAC client balances includes loans while market opportunity excludes loans.

(1) BAC client balances as of March 31, 2021.

(2) 4.5-year Compound Annual Growth Rate for the period of December 2015 through June 2020.

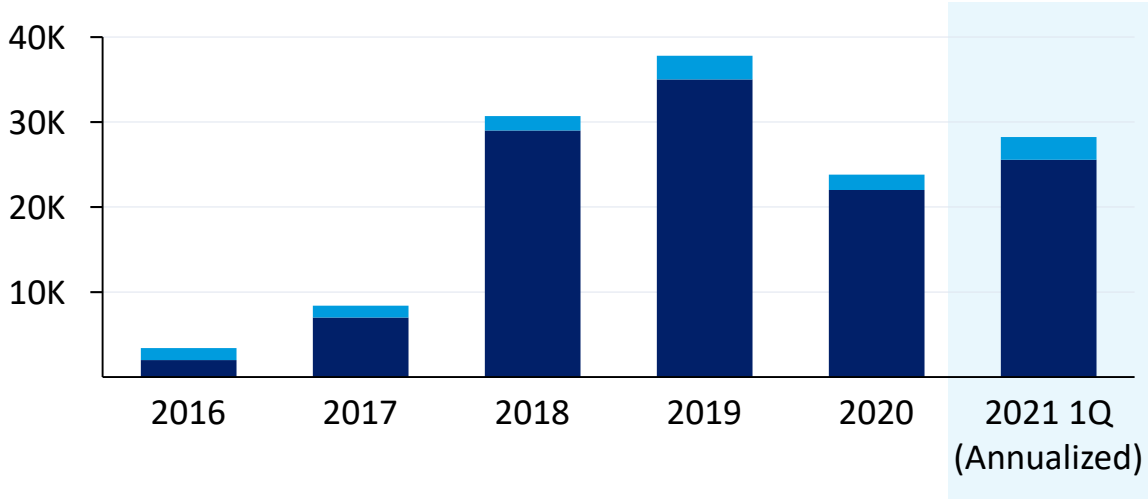
(3) Deposit-only Households as of March 31, 2021. Assets are based on IXL data and represent total off-us assets.



# Organic Growth and Enterprise Connectivity Power Our Business

## Net New Households

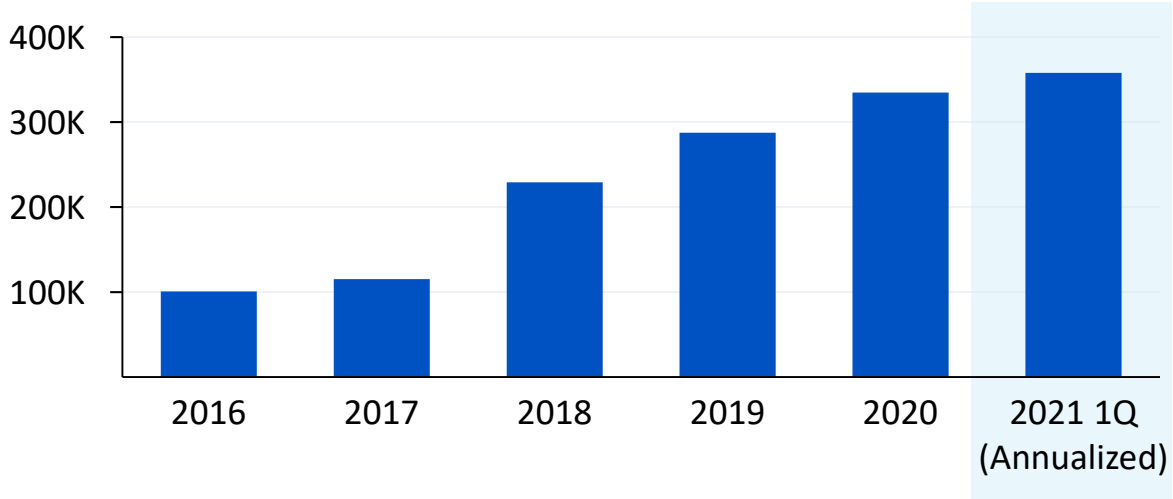
Private Bank  
Merrill



**Drivers:**

- **‘Growth Grid’** rewarding both household acquisition and overall business growth
- **Market level management** driving accountability for client acquisition
- **Leveraging full Enterprise platform** to support client needs

## Wealth Management Referrals within BAC<sup>(1)</sup>



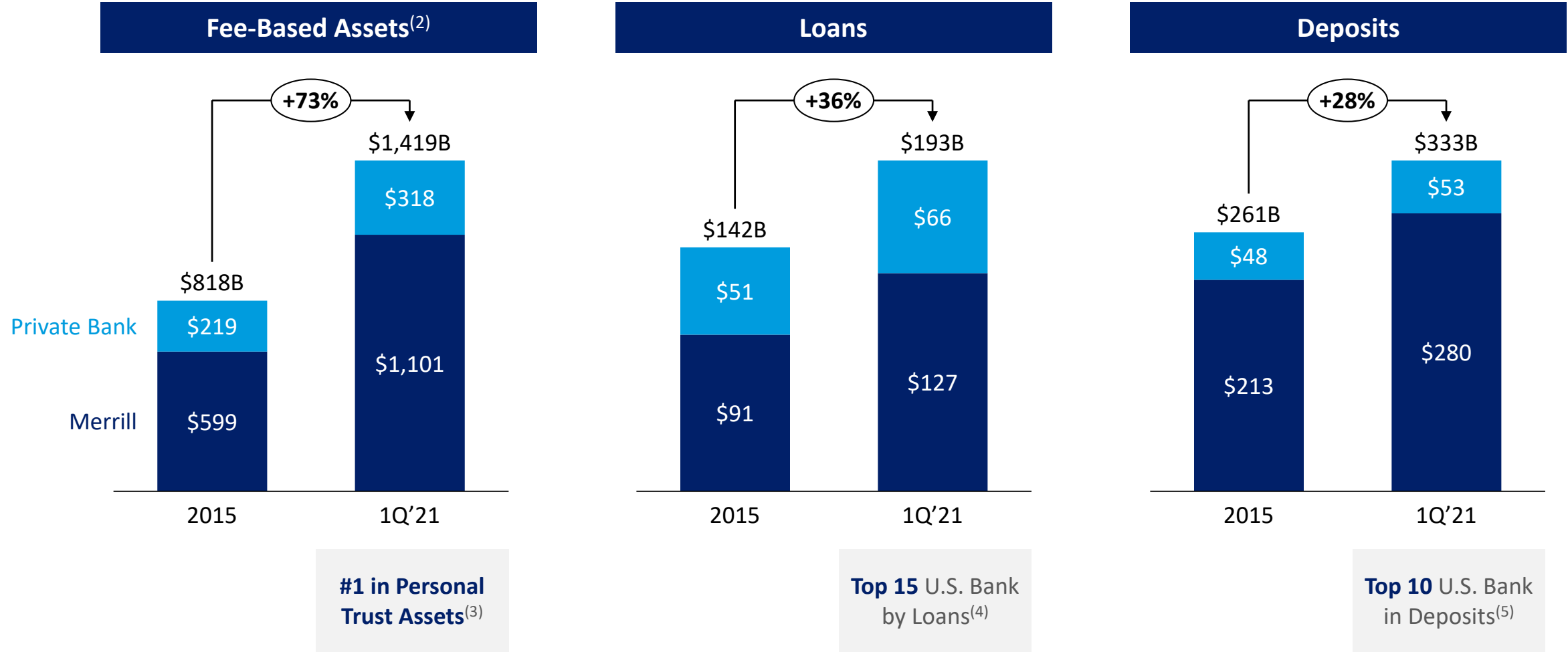
**Drivers:**

- **Network of 91 Local Markets** driving connectivity and line of business integration
- **Leadership positions across lines of business** providing solutions for our clients
- **Preferred Rewards program** offering unique value across solutions

(1) Measures wealth management referral volume to and from other lines of business.



# Wealth Management Business is Growing Strategically<sup>(1)</sup>



(1) Data is end of period (EOP).  
 (2) Excludes managed deposits and approximately \$80 billion of BofA Global Capital Management's AUM, which were transferred to a third party during the three months ended June 30, 2016.  
 (3) Based on March 31, 2021 Industry FDIC call reports.  
 (4) Based on Federal Reserve Board data for large commercial banks assets as of March 31, 2021.  
 (5) Based on FDIC total deposits data as of March 31, 2021.

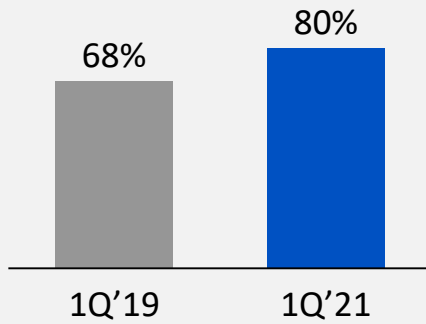


# Driving Digital Engagement Across the Enterprise

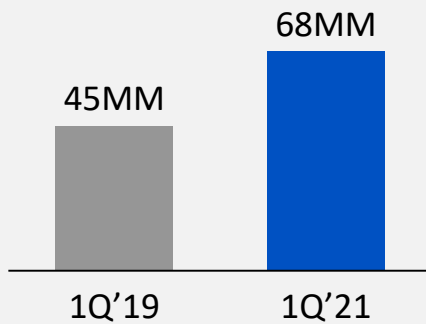


## Digital Engagement

### Clients Using Enterprise Digital

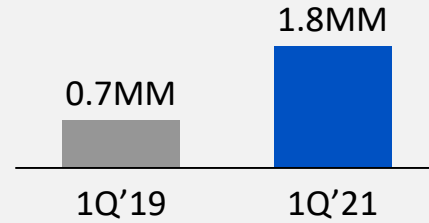


### Enterprise Digital Logins

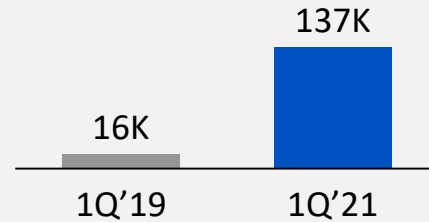


## Digital Collaboration

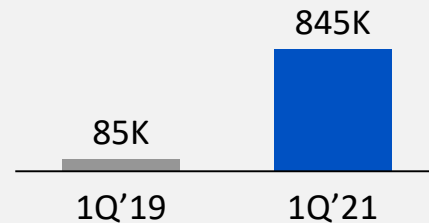
### Secure Messages Exchanged



### WebEx Meetings Hosted

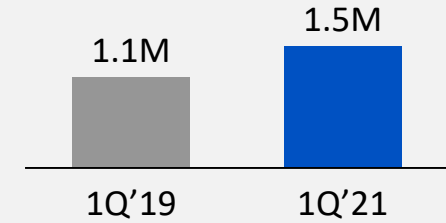


### Erica Sessions

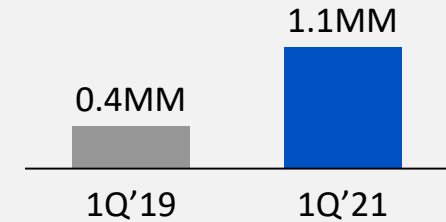


## Digital Transactions

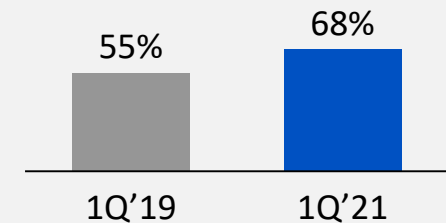
### Mobile Check Deposits



### Zelle Transfers



### Households in Paperless Program



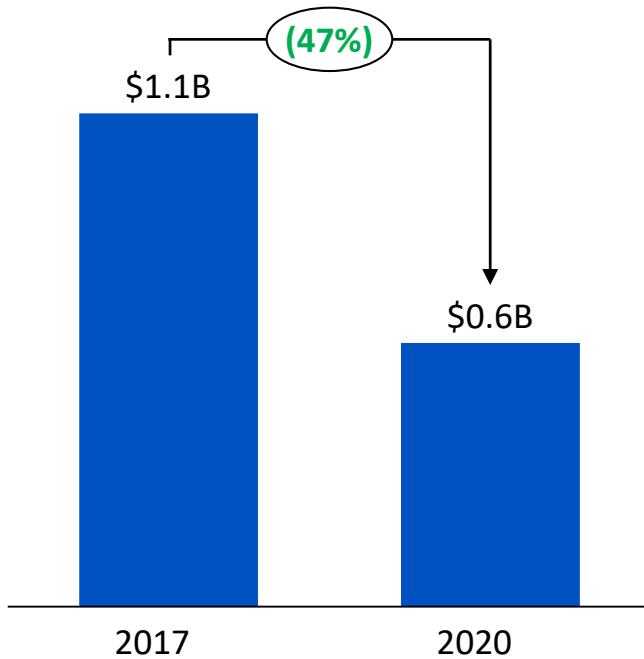
Note: Data includes Merrill Lynch Wealth Management and Bank of America Private Bank.



# Re-Investing Cost Saves from Advisor Recruiting into Developing Talent

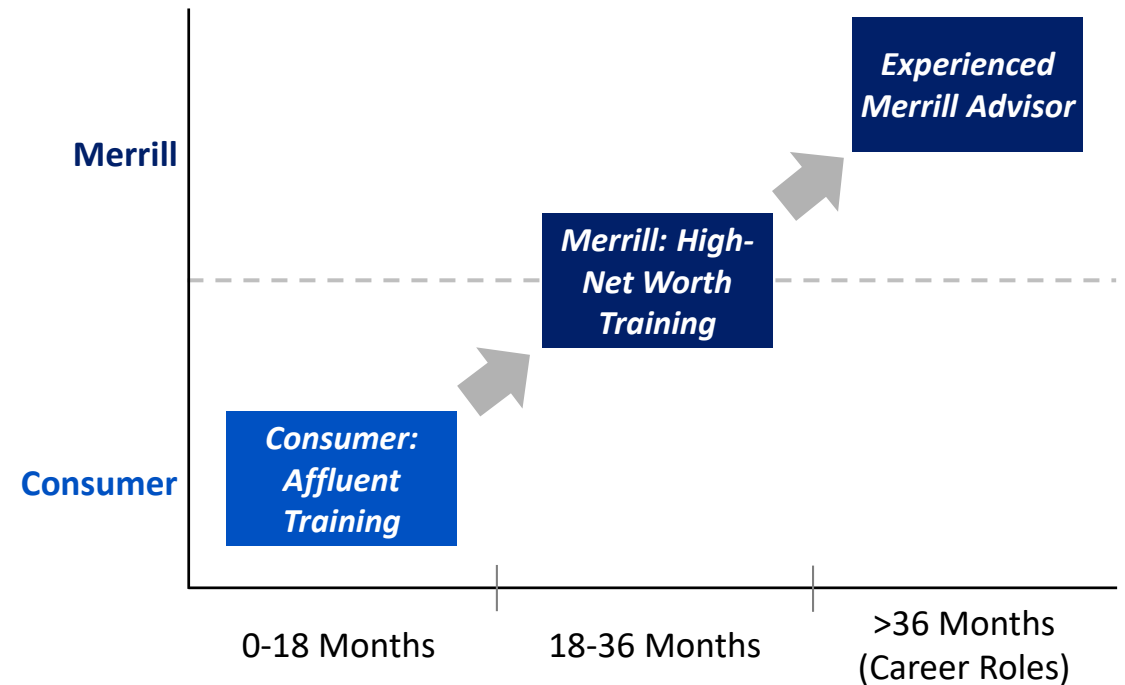
## Reductions of Advisor Recruiting Spend...

Outstanding Advisor Loans<sup>(1)</sup>



## ...Invested Back into Advisor Development

New Advisor Development Program



(1) Source: Merrill Lynch, Pierce, Fenner & Smith Incorporated and Subsidiaries' Financial and Operational Combined Uniform Single Report filed with the Securities and Exchange Commission as of December 31, 2020. Certain advisors receive cash upfront in the form of an interest-bearing loan. Financial advisors who receive this loan also receive a monthly service incentive payment that equates to the principal and interest due on the loan for as long as they remain with the Company during the loan term. The outstanding loan balance becomes due if employment is terminated before the vesting period.



# Forward-Looking Statements

Bank of America Corporation (the “Corporation”) and its management may make certain statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often 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.” Forward-looking statements represent the Corporation’s current expectations, plans or forecasts of its future results, revenues, provision for credit losses, expenses, efficiency ratio, capital measures, strategy, and future business and economic conditions more generally, and other future matters. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond the Corporation’s control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed under Item 1A. Risk Factors of the Corporation’s 2020 Annual Report on Form 10-K and in any of the Corporation’s subsequent Securities and Exchange Commission filings: the Corporation’s potential judgments, damages, penalties, fines and reputational damage resulting from pending or future litigation and regulatory investigations, proceedings and enforcement actions, including as a result of our participation in and execution of government programs related to the Coronavirus Disease 2019 (COVID-19) pandemic; the possibility that the Corporation’s future liabilities may be in excess of its recorded liability and estimated range of possible loss for litigation, and regulatory and government actions; the possibility that the Corporation could face increased claims from one or more parties involved in mortgage securitizations; the Corporation’s ability to resolve representations and warranties repurchase and related claims; the risks related to the discontinuation of the London Interbank Offered Rate and other reference rates, including increased expenses and litigation and the effectiveness of hedging strategies; uncertainties about the financial stability and growth rates of non-U.S. jurisdictions, the risk that those jurisdictions may face difficulties servicing their sovereign debt, and related stresses on financial markets, currencies and trade, and the Corporation’s exposures to such risks, including direct, indirect and operational; the impact of U.S. and global interest rates, inflation, currency exchange rates, economic conditions, trade policies and tensions, including tariffs, and potential geopolitical instability; the impact of the interest rate environment on the Corporation’s business, financial condition and results of operations; the possibility that future credit losses may be higher than currently expected due to changes in economic assumptions, customer behavior, adverse developments with respect to U.S. or global economic conditions and other uncertainties; the Corporation’s concentration of credit risk; the Corporation’s ability to achieve its expense targets and expectations regarding revenue, net interest income, provision for credit losses, net charge-offs, effective tax rate, loan growth or other projections; adverse changes to the Corporation’s credit ratings from the major credit rating agencies; an inability to access capital markets or maintain deposits or borrowing costs; estimates of the fair value and other accounting values, subject to impairment assessments, of certain of the Corporation’s assets and liabilities; the estimated or actual impact of changes in accounting standards or assumptions in applying those standards; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements; the impact of adverse changes to total loss-absorbing capacity requirements, stress capital buffer requirements and/or global systemically important bank surcharges; the potential impact of actions of the Board of Governors of the Federal Reserve System on the Corporation’s capital plans; the effect of changes in or interpretations of income tax laws and regulations; the impact of implementation and compliance with U.S. and international laws, regulations and regulatory interpretations, including, but not limited to, recovery and resolution planning requirements, Federal Deposit Insurance Corporation assessments, the Volcker Rule, fiduciary standards, derivatives regulations and the Coronavirus Aid, Relief, and Economic Security Act and any similar or related rules and regulations; a failure or disruption in or breach of the Corporation’s operational or security systems or infrastructure, or those of third parties, including as a result of cyber-attacks or campaigns; the impact on the Corporation’s business, financial condition and results of operations from the United Kingdom’s exit from the European Union; the impact of climate change; the impact of any future federal government shutdown and uncertainty regarding the federal government’s debt limit or changes in fiscal, monetary or regulatory policy; the emergence of widespread health emergencies or pandemics, including the magnitude and duration of the COVID-19 pandemic and its impact on the U.S. and/or global financial market conditions and our business, results of operations, financial condition and prospects; the impact of natural disasters, extreme weather events, military conflict, terrorism or other geopolitical events; and other matters.

Forward-looking statements speak only as of the date they are made, and the Corporation undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.



