

Quarterly Newsletter

January 2023

Bank of America Reports Q4 Net Income of \$7.1 Billion, EPS of \$0.85

Our financial results for the fourth quarter of 2022

On Friday, January 13, 2023, Bank of America reported net income of \$7.1B or diluted earnings per share of \$0.85 compared with \$7.0B or \$0.82 per diluted share in the year ago quarter.

"We ended the year on a strong note growing earnings year over year in the 4th quarter in an increasingly slowing economic environment. The themes in the quarter have been consistent all year as organic growth and rates helped deliver the value of our deposit franchise. That coupled with expense management helped drive operating leverage for the sixth consecutive quarter^(A). Our earnings of \$27.5 billion for the year represent one of the best years ever for the bank, reflecting our long-term focus on client relationships and our responsible growth strategy. We believe we are well positioned as we begin 2023 to deliver for our clients, shareholders and the communities we serve," said Chair and Chief Executive Officer Brian Moynihan.

"Our focus on responsible growth and solid client activity helped produce loan growth and increase net interest income by \$3.3 billion versus the year-ago quarter. We passed that along largely to the benefit of shareholders. Asset quality remained strong with loss rates increasing modestly off recent historic lows. Prudent management of capital in the quarter helped us to grow loans, buy back shares and increase our capital buffer on top of our regulatory requirements," said Chief Financial Officer Alastair Borthwick.



Visit the [Bank of America Newsroom](#) for the full news release and supplemental Q4 2022 Financial Information, including additional information about the non-GAAP financial measures contained herein.

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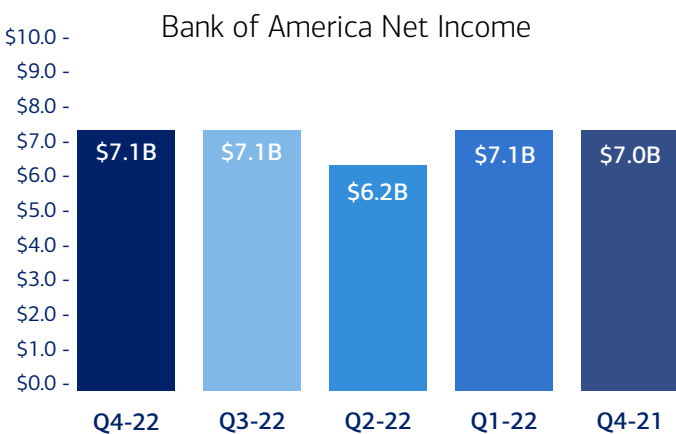
9. We've been named America's Most JUST Company
We've been recognized as Corporation of the Year by the National LGBT Chamber of Commerce
The Notable Women on Wall Street list is out — see our three leaders who were recognized
Holly O'Neill named to Forbes' 50 Over 50 list

Retiree and alumni resources

10. Learn how cybercriminals try to trick you into revealing information and how the Security Center can help keep you protected
Get help with your life plan through available products and services
11. Recognition highlights Q4 2022

Q4 2022 Financial Highlights¹

- Net income of \$7.1 billion, or \$0.85 per diluted share, compared to \$7.0 billion, or \$0.82 per diluted share for Q4-21
- Pretax income up 1% to \$7.9 billion impacted by a reserve build compared to a reserve release in Q4-21^(C)
 - Pretax, pre-provision income^(D) increased 23% to \$9.0 billion
- Revenue, net of interest expense, increased 11% to \$24.5 billion
 - Net interest income (NII)^(E) up \$3.3 billion, or 29%, to \$14.7 billion, driven by benefits from higher interest rates, including lower premium amortization expense, and solid loan growth
 - Noninterest income of \$9.9 billion declined \$799 million, or 8%, as declines in investment banking and asset management fees as well as lower service charges more than offset higher sales and trading revenue
- Provision for credit losses of \$1.1 billion increased \$1.6 billion
 - Net reserve build of \$403 million vs. net reserve release of \$851 million in Q4-21^(C)
 - Net charge-offs of \$689 million increased compared to prior year but remained well below pre-pandemic levels
- Noninterest expense increased \$812 million, or 6%, to \$15.5 billion driven by investments in the franchise across people and technology, partially offset by lower revenue-related incentive compensation; operating leverage of 6%; efficiency ratio of 63%
- Average loan and lease balances up \$94 billion, or 10%, to \$1.0 trillion led by strong commercial loan growth as well as higher credit card balances
- Average deposits down \$92 billion, or 5%, to \$1.9 trillion; End of period balances relatively flat compared to Q3-22
- Average Global Liquidity Sources of \$868 billion^(F)
- Common equity tier 1 (CET1) ratio of 11.2% (Standardized) increased 25 bps from Q3-22^(G); returned \$12 billion to shareholders in 2022 through common stock dividends and share repurchases⁶
- Return on average common shareholders' equity ratio of 11.2%; return on average tangible common shareholders' equity ratio of 15.8%⁷



See page 11 for endnotes. Amounts may not total due to rounding.

¹ Financial Highlights and Business Segment Highlights are compared to the year-ago quarter unless noted. Loan and deposit balances are shown on an average basis unless noted.

² The Corporation reports the results of operations of its four business segments and All Other on a fully taxable-equivalent (FTE) basis.

³ Sum of ending deposits, loans and leases, including margin receivables, and consumer investments, excluding deposit sweep balances.

⁴ Represents the percentage of consumer checking accounts that are estimated to be the customer's primary account based on multiple relationship factors (e.g., linked to their direct deposit).

⁵ Source: Dealogic as of January 2, 2023.

⁶ Includes repurchases to offset shares awarded under equity-based compensation plans.

⁷ Return on average tangible common shareholders' equity ratio represents a non-GAAP financial measure. For more information, see page 12.

Q4 2022 Business Segment Highlights^{1,2(B)}

Consumer Banking

- **Record net income of \$3.6 billion**
- Client balances relatively flat at \$1.6 trillion³
- Average deposits of more than \$1 trillion, up \$20 billion, or 2%
- Combined credit/debit card spend of \$223 billion, up 5%
- **Client Activity**
 - Added ~195,000 net new Consumer checking accounts in Q4-22; 16th consecutive quarter of growth; added 1.1 million net new Consumer checking accounts in full-year 2022
 - Record 35.9 million Consumer checking accounts with 92% being primary⁴
 - Small Business checking accounts of 3.8 million, up 5%
 - Consumer investment accounts of 3.5 million grew 7%; record client flows of \$11 billion in Q4-22 and \$28 billion in full-year 2022
 - Digital logins ~3 billion while digital sales grew 8% and represented 49% of total sales

Global Wealth and Investment Management

- **Net income of \$1.2 billion**
- Client balances of \$3.4 trillion, down 12%, driven by lower market valuations, partially offset by positive net client flows
- Pretax margin of 29%, down from 30%
- **Client Activity**
 - AUM balances of \$1.4 trillion declined \$237 billion; \$21 billion of AUM flows since Q4-21
 - Average loan and lease balances of \$225 billion, up \$20 billion, or 10%
 - Added more than 800 wealth advisors in second half of 2022
 - Added more than 9,000 net new relationships across Merrill and Private Bank, up 25% in Q4-22

Global Banking

- **Net income of \$2.5 billion**
- Total investment banking fees (excl. self-led) of \$1.1 billion, a decrease of 54%, reflecting weaker industry-wide underwriting activity this year
- No. 3 in investment banking fees⁵ for 2022
- **Client Activity**
 - Average loan and lease balances of \$380 billion, up \$42 billion, or 12%
 - Global Transaction Services revenue of \$3.1 billion, up \$1.0 billion, or 50%

Global Markets

- **Net income of \$504 million**
- Sales and trading revenue up 20% to \$3.5 billion, including net debit valuation adjustment (DVA) losses of \$193 million; Fixed Income Currencies and Commodities (FICC) revenue up 37% to \$2.2 billion and Equities revenue up less than 1% to \$1.4 billion
- Record Q4-22 sales and trading revenue and highest full-year since 2010
- Excluding net DVA^(H), sales and trading revenue up 27% to \$3.7 billion; FICC up 49% to \$2.3 billion; Equities up 1% to \$1.4 billion

Brian Moynihan to our Global Diversity & Inclusion and Volunteer Award recipients: “You’re here because you’ve done great things”



For the first time since 2019, Global Diversity & Inclusion and Volunteer Award recipients came together in Charlotte in December to be recognized and celebrated by CEO Brian Moynihan, his leadership team and many others. Last year, 246 award recipients made exceptional contributions to advance diversity, inclusion, equality and volunteerism.

Making a difference here and in our communities

In his remarks to the group, Brian noted the positive impact that each award recipient is making on the company, our communities and the world. “At the end of the day, you’re here because you’ve done great things,” he said. Touching on our values and the importance of sharing our success with our communities, he reiterated that the company is run with profits and purpose in mind.

Chief Administrative Officer D. Steve Boland also spoke to the award winners. “Your dedication, selflessness and leadership exemplify the very best of our company’s purpose and values,” Steve said. “And it’s your collective efforts that impact our communities and society that really make a difference.”

Volunteerism in action at the event

Attendees at the event were able to network, hear from senior leaders and take part in volunteer activities benefitting [Renaissance West](#) and [Charlotte Bilingual Preschool](#), two Charlotte-based nonprofit organizations. Collectively, award winners made 150 stuffed bears and blankets and built 75 bookshelves for the organizations and families in need.

Additionally, for the first time, both Global Diversity & Inclusion and Volunteer Award winners were able to allocate \$1,000 to a nonprofit organization of their choosing through the Bank of America Charitable Foundation, resulting in contributions of \$150,000 in communities around the world.



“The world recognizes the incredible talent we have generally, but especially with our women talent” — see highlights from the Global Women’s Conference

In November, more than 300 women and men leaders from all lines of business and functions gathered for the Global Women’s Conference in New York City to discuss business priorities and shared ownership for the advancement of women at Bank of America.

Senior and emerging leaders from across the globe joined the conference — in person for the first time in three years — to connect with each other, celebrate progress, and advance the empowerment and development of our women leaders.

All seven women on our management team hosted a dialogue on their personal reflections on leadership, mentorship and career development. Vice Chair of Global Strategy Cathy Bessant, Chief Human Resources Officer Sheri Bronstein, Chief Audit Executive Christine Katziff, President of The Private Bank Katy Knox, Global General Counsel Lauren Mogensen, President of Retail Banking Holly O’Neill and President of Global Commercial Banking Wendy Stewart all shared personal advice from their own lived experiences with mentorship and career navigation.

The importance of sponsorship

Sheri Bronstein kicked off the event by talking about the importance of authenticity and how the ability to take risks is critical at every career stage. “Sponsorship is really important, and Bank of America creates such a culture of caring where you can create your network,” she said. “Discovering yourself and those unique aspects of what makes you successful will develop over your career. I encourage you to discover what motivates you to do your personal best.”

CEO Brian Moynihan joined virtually and shared how women are critical leaders in our mission to deliver Responsible Growth. “The world outside our company recognizes the incredible talent we have at Bank of America generally, but especially with our women talent,” he said. “You are extremely impactful leaders, and I can see that in the way you engage with each other, your clients and communities. You are critically important to how we run the company and drive Responsible Growth.”

Participants also heard from several sponsors from our Women’s Sponsorship Council, in which former women CEOs and senior business leaders support the development of our Bank of America women leaders. Throughout the meeting, there were discussions on what makes Bank of America unique in how we support our employees, clients and communities, and what is next on our path forward.



With our Enterprise Manager Development Series, we're investing in manager growth and development

As we continue driving Responsible Growth, we're investing in the growth and development of managers across our company. In 2021, we launched our Enterprise Manager Development Series (EMDS), which includes eight training modules to create awareness of and build capabilities around manager expectations. Areas of focus include championing diversity and inclusion; managing process, data and risk; being a financial steward; driving business outcomes; and serving as an enterprise advocate, people manager and coach.

To date, about 90% of our managers have participated in at least one module, with nearly 50% of managers completing all eight modules. Once managers have completed all eight modules, they're able to attend a capstone session that discusses real-world examples, encouraging managers to go deeper on their EMDS learnings and how to apply them. At the conclusion of the session, participants create action plans on areas for development to further embed their learning.

Manager development leads to stronger employee engagement

Employees provided positive feedback on the increased focus on manager development in our 2022 employee engagement survey, and we continue to look for ways to support our managers in our efforts to make Bank of America a great place to work. In addition to EMDS modules and the capstone session, we offer managers opportunity to share best practices and learnings through the online Manager Excellence Community, provide interactive conversations through monthly Manager Excellence Live sessions, and share timely updates through our regular Manager Minute newsletter.



Strengthening teammate connections across the globe in new ways

Throughout the fourth quarter, teammates were connecting and collaborating in the office in new ways — coming together through our Lunch On Us program, end-of-year celebrations and volunteer opportunities. Additionally, teammates around the world participated in new engagement initiatives — sharing recipes for [Flagscape's first holiday cookbook](#), submitting photos and helping create a festive holiday card, and even sharing photos of their pets in costume as part of a Halloween Pet Parade.



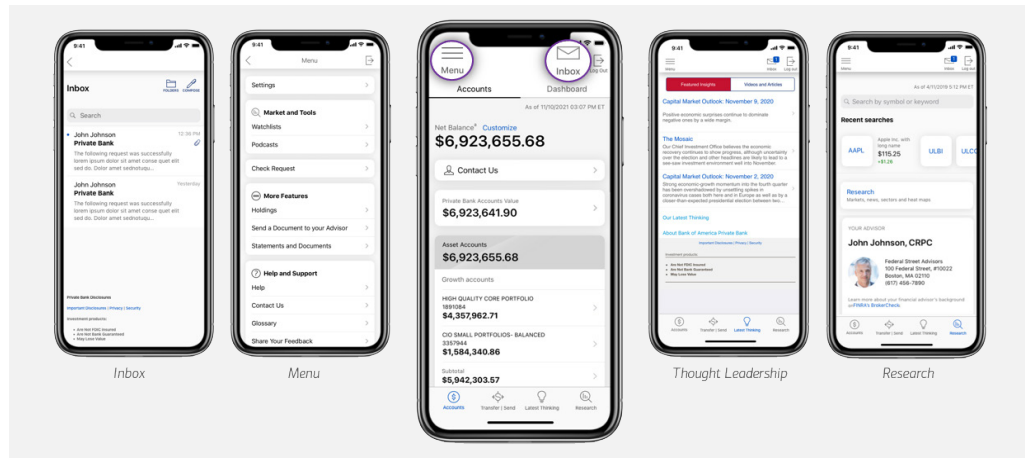
See how we're improving the digital experience for our wealth management clients with our redesigned mobile app platform

Our Digital and Technology teams have created a unified mobile app experience for wealth management clients who have both investment and banking accounts with us. The Merrill, Merrill Edge and The Private Bank apps have been redesigned with a new layout, providing a more seamless and efficient experience consistent with the Bank of America and Benefits Online mobile apps.

Our unified mobile platform is foundational to providing clients access through a central hub and simplifying their experience while enabling access to more features and functions. The unified mobile app strategy is a multi-year initiative, building and migrating hundreds of features from Merrill Edge, Merrill, The Private Bank and Benefits Online apps into a single container for all mobile apps to share.

Navigation updates

The shared navigation enhancements for our wealth management apps align with our Consumer Mobile Banking app menu and setting options. Additionally, Merrill and The Private Bank login pages have been updated to align with the Consumer app.



Within the Merrill and Merrill Edge apps, the bottom navigation updates provide quick access to popular features. In The Private Bank, Merrill Edge and Merrill apps, navigation updates also include moving the menu and inbox, and adding quick links for the latest thinking and research features.

These changes give our apps a more modern interface and help ensure clients have a consistent and seamless digital experience.

Here's a peek under the hood of our record-setting \$1 billion Business Advantage Auto Loan milestone

In November, our Consumer Vehicle Lending team reached a new milestone: \$1 billion in new loan originations year to date for the first time ever.

Why are more businesses choosing to finance new vehicles with us?

Our direct-to-client and dealer sales financing for Business Advantage Auto Loans is being driven by recent product enhancements, simplified loan documentation and special offers our teams are delivering to clients in the market for new vehicles.

"This success is a core example of how we deliver on client needs by offering the best product, easy-to-use loan applications and digital tools," said Sharon Miller, president of Small Business and head of Specialty Banking & Lending. "The commitment of our teams to engage clients about their vehicle needs and work with dealerships to make the buying process as seamless as possible is impressive."

Here's a look at our successes

- \$1 billion in originations is 30% above originations for the same period in 2021.
- 57% of the originations are client direct loans delivered as a result of the partnership between our client-facing professionals offering the product and our loan officers and loan specialists guiding clients through the loan process.
- 43% of the originations are from dealer sales where our Dealer Sales Retail client managers demonstrate the value of our products to dealerships across the country every day.

Recent product enhancements and new processes

Clients are benefiting from product enhancements and new ways to make applying for a Business Advantage Auto Loan easier. Recent examples include:

- A new approved buyers program simplifies the buying process at RouteOne dealers, a financing processing platform that many car dealerships use. We've added an activation code to their dealer approval letter that makes financing a purchase with us seamless.
- In 2022, Business Advantage Auto Loans were part of the seasonal Consumer Vehicle Lending rate reduction offers. On our latest offer, auto loan rates were reduced by 0.15% in December.



The Private Bank hits a major milestone — thanks to their partnership with Support Services



The Private Bank just hit a major project milestone on its journey to modernize its systems, processes and capabilities, and they're crediting their success in part to the expert fulfillment capabilities offered by Support Services — our team of over 300 professionals with intellectual or developmental disabilities who partner with our lines of business to provide marketing and mailing support.

Transforming our clients' digital experience through the PB Modernization strategy

Through their PB Modernization strategy, The Private Bank is focused on delivering faster, more tech-enabled processes to create more space for employees and

advisors to focus on what's truly important to our clients. According to Mike Pelzar, Wealth Management transformation executive, modernizing The Private Bank goes hand-in-hand with improving our client experience and delivering operational excellence for the company.

For one recent modernization initiative, The Private Bank teamed up with Support Services to launch a complex mailing to transition more than 16,000 client accounts to a centralized wealth management trading platform. The move offers a significant opportunity for efficiency and automation and will transform the client experience with improved transaction speed, trade execution with zero commission costs and enhanced performance reporting. The size and scope of the mailing would have been a big lift for the client-facing teams, so the partnership with Support Services and their expertise in this area made this crucial phase of the project possible.

"We were thrilled to work with The Private Bank on this project which gave our Support Services teammates the opportunity to manage a complicated mailing process flawlessly," says Mark Feinour, head of Support Services. "The Support Services team is always ready to step in to help our business partners fulfill their client needs, and I encourage any teammates considering fulfillment, screen printing or assembly projects to contact us to learn how we can help."

Bernie Mensah meets colleagues, clients and partners in Asia Pacific: "This region has never been more important when it comes to our global franchise"

Bernie Mensah, president of International, met key stakeholders and spent time with colleagues during his visit to two major Asia Pacific markets, Tokyo and Hong Kong, in November.

His visit to the fastest-growing region outside of the U.S. was timely, with Asia finishing a year of growth and increasing market share and set for another strong year ahead. Bernie met key clients, colleagues and regulators, and ended his visit by meeting regional leadership to discuss Asia Pacific's strategy and priorities.

Celebrating with clients, arts and heritage in Tokyo

Bernie's visit kicked off in Tokyo, where a key highlight was his attendance at the "Evening Celebrating Art & Heritage" client event. More than 170 C-suite clients joined in celebration of our 75th anniversary in the country. The event gave clients access to an exclusive tour of the museum's special 150th anniversary exhibition, featuring national treasures that included several pieces conserved through our global Arts Conservation Project. As a significant recognition of Bank of America's contribution to Japanese society, the event also featured remarks from Japan's Prime Minister, Fumio Kishida.

Employees were a focus, as well, with several employee engagement events hosted by Bernie and the Japan leadership team. These included sessions with women talent and with teammates who onboarded during the pandemic.

Continuing in Hong Kong and meeting with employees and local officials

In Hong Kong, our Asia Pacific headquarters, Bernie hosted a town hall for our teams across Greater China during which he discussed key updates, shared his views on our strategy going forward and answered questions from the different offices. He also hosted a session with recent new joiners.

Bernie also met with key stakeholders in Hong Kong including, Paul Chan, the Financial Secretary of Hong Kong, and the respective heads of the Hong Kong Monetary Authority and the Securities and Futures Commission.

Additionally, building on tradition amidst the Thanksgiving season in November, teammates in multiple countries across APAC and EMEA raised more than \$290,000 for our regional charity partners, while enjoying friendly competition and fellowship.



Left: Bernie's fireside chat with Japan Country Executive Tamao Sasada; Right: Bernie's Greater China Town Hall, hosted out of Hong Kong.

Our teammates invested in their health and local community — and we donated an additional \$8 million to fight hunger as a result!



The Memphis, TN team presents their vaccine campaign check to Mid-South Food Bank.

During the fourth quarter, thousands of our teammates took action to support local food banks by investing in their health and in the health of our local communities. As a result, our company donated an additional \$8 million to fight hunger.

For each U.S. employee who received a flu shot, our company donated \$50 to a local organization to fight hunger, and for each employee who received and recorded a coronavirus vaccine or booster, another \$50 was donated. On top of that, the company added to the contribution to further address hunger relief and made donations to World Central Kitchen and World Food Programme on behalf of employees located around the globe. Many employees also contributed to the fight against hunger through personal donations to local hunger organizations that were doubled through our matching gifts program.

And the total 2022 contribution is ...

The contribution builds on the campaign from earlier in 2022, when we donated \$10.6 million to hunger relief organizations, and is above and beyond the philanthropic support we already provide to help fight hunger and food insecurity in our communities. That means we donated over \$18 million to fight hunger in 2022, thanks to our teammates.

“Secure access to food is a critical issue for families around the world, particularly at this time of year,” said CEO Brian Moynihan. “Today, Bank of America is giving another boost to the fight against hunger throughout our local communities, while we continue to support the health and wellbeing of our teammates.”

Bank of America has a longstanding commitment to address hunger relief and strengthen local communities, having donated nearly \$150 million toward hunger relief efforts since 2015.

Brian Moynihan at COP27: “We are all here because we want to help the world toward a low-carbon, sustainable future”

In November, CEO Brian Moynihan and other senior leaders attended the COP27 conference in Egypt, where they reinforced how we’re accelerating the transition to a low-carbon, energy-secure future.

2022 marked the 27th year of the United Nations’ Climate Change Conference of the Parties, or COP27. Brian, along with Vice Chair Paul Donofrio, Global Head of Sustainable Finance Karen Fang, Head of Public Policy Larry Di Rita and Global Environmental Executive Alex Liftman, joined Sustainable Markets Initiative (SMI) CEOs, global policymakers and other partners to share progress on our net zero and \$1.5 trillion sustainable finance goals. In addition, the group discussed how to reach a more equitable and sustainable low-carbon future.

COP27 also served as the backdrop to the Sustainable Markets Initiative’s second Terra Carta Action Forum. As co-chair of the SMI, Brian led a delegation of almost 50 SMI CEOs who participated in 22 panels and roundtables as part of the Forum.

Read our leaders’ key takeaways from COP27

Brian on building a sustainable future: “We are all here because we want to help the world toward a low-carbon, sustainable future. I believe, firmly, the best way to do this is through partnerships between the private and public sector. The private sector has the funding, the scale, the long-term thinking to help with the toughest issues. At Bank of America, we’re working with clients of every size and every sector to support a just transition to a sustainable future and energy security around the world.”

Paul on the business value of net zero: “We cover 40,000 companies globally. On any given day, our teammates are having thousands of conversations with key decision makers at these companies. Each one of these conversations is an opportunity to engage on how they can evaluate and reduce their carbon footprint. We need to be able to inspire and inform our customers on the

business imperative to execute a net zero plan, on the risks and significant opportunities net zero presents, and on how we can help finance their transition.”

Karen on how we’re helping catalyze the Sustainable Aviation Fuel (SAF) market: “One of the most important things that can help drive down green premiums in newer decarbonization technologies is strong demand signals from a coalition of buyers. This can speed up the supply demand flywheel and reduce cost of production, in turn making these tools more affordable and available for broader markets. Public private collaboration is needed to make sure we deliver speed and scale in the capital deployment towards critical solutions such as SAF for the aviation industry.”





The 44th annual Bank of America Chicago Marathon helps communities thrive

40,000 runners from over 100 countries and all 50 states participated in the annual Bank of America Chicago Marathon in October — including more than 250 of our own teammates!

Positively impacting Chicagoland year after year

The Marathon, which weaves through 29 of Chicago's neighborhoods on an architectural and cultural tour, generates more than \$300 million in economic impact to Chicagoland annually. It's just one example of how we're helping communities thrive as we continue driving Responsible Growth and supporting small businesses and charities. Thousands of runners participated in the race's Charity Program, with over 180 official charity teams raising \$20-\$30 million annually through the Program.

"The dedication of our teammates who plan, execute, organize and volunteer is truly amazing," said Joe Gianni, president, Bank of America Hartford, who participated in the race. "I was truly moved by the Charity Block party around mile 15, since it serves as reminder of how many participants were running and fundraising on behalf of important local, national and global causes. The philanthropic resources raised through the Marathon will do so much good in the local community and beyond."

As part of the Marathon weekend, we also hosted the inaugural Bank of America Play It Forward Running Clinic in partnership with Girls on the Run. More than 30 young women attended the clinic, which featured valuable lessons on pacing, sportsmanship and connectivity with trailblazers in the running community.

Our mobile financial centers and ATMs were there to support clients and communities as Hurricane Ian rolled through Florida



After a damaging storm, helping our clients and our communities access cash becomes an essential part of the community's recovery.

We deliver on our purpose every day to help make financial lives better through the power of every connection. It's even more critical that we meet our clients' needs following natural disasters and other events to ensure our clients have access to their money.

Our Retail Banking Readiness & Response team, in partnership with our Mobile ATM deployment team, led on the ground by Tobey Kress and Leah Reed, sprang into action after Hurricane Ian devastated parts of south Florida and organized five mobile ATMs across the state, all in about a week.

At the same time, our 40-foot mobile financial center — outfitted with three client services representative (CSR) stations, an office, an outdoor workstation and an ATM — rolled into Punta Gorda to stand in for the local financial center that was damaged during the storm.

And that was just the beginning. The team spent several days setting up generator power and cellular communications, programming computers and updating systems. They even set up a tent to keep clients out of the sun!

After opening the mobile unit, the Readiness & Response team greeted the line of clients who were thankful for the support and services offered.

We've been named America's Most JUST Company



In January, JUST Capital and CNBC announced that Bank of America is No. 1 on the 2023 Rankings of America's Most JUST Companies. This is the seventh annual ranking and the first year a finance company has led the list. We were also named No. 1 in three subcategories: Banks, For Workers In Banks and For Environment In Banks.

The JUST 100 list is a comprehensive evaluation of how more than 950 of the nation's largest public companies are performing on the issues that matter most to Americans, as defined by JUST Capital's research and polling, including creating jobs in the U.S., paying a living wage, acting with integrity at the leadership level, supporting workforce retention and training, providing employee benefits and more.

In announcing the No. 1 ranking, JUST Capital highlighted Bank of America's leadership in being a great place to work, particularly our commitment on minimum wage. The organization also noted our work to offer sustainable financing products, eliminate barriers for hiring and prioritize board diversity and independence. Our company has risen steadily over the past five years, from No. 104 in 2018 to

No. 71 in 2020 to No. 5 in 2022, and No. 1 this year.

Commenting on the award, CEO Brian Moynihan said: "This recognition reflects our commitment to Responsible Growth. That includes all we do to be a great place to work: Investing in our teammates and creating opportunities to help them grow and develop their careers. At the same time, by delivering Responsible Growth we help create jobs, develop communities, foster economic mobility, and address some of society's biggest challenges."

JUST Capital is an independent nonprofit dedicated to measuring and improving corporate stakeholder performance — from fair wages to workforce diversity to climate commitments — at America's largest public companies.

We've been recognized as Corporation of the Year by the National LGBT Chamber of Commerce

In November, the National LGBT Chamber of Commerce (NGLCC) named Bank of America Corporation of the Year for our long-standing commitment to supplier diversity and LGBT inclusion in the workplace, community and supply chain. This award recognizes a company for outstanding support and dedication to ensuring fairness and equal opportunity for LGBTQ and allied suppliers, customers and employees.

The NGLCC is the business voice of the LGBT community, the largest advocacy organization dedicated to expanding economic opportunities and advancements for LGBT people, and the exclusive certifying body for LGBT-owned businesses. Bank of America has had a relationship with NGLCC for more than 15 years, which includes support for 14 of their regional affiliates.



The Notable Women on Wall Street list is out — see our three leaders who were recognized



Karen Fang



Rash Reid



Sonali Theisen

Crain's New York Business published its Notable Women on Wall Street list in November to highlight women leaders in the financial services industry. The recognition focuses on the impacts women have had in investment banking, private equity, and asset and wealth management, specifically in the New York financial district and beyond through their organizational reach.

Three Bank of America women leaders were recognized:

Karen Fang, global head of sustainable finance; Rash Reid, head of global senior relationship management; and Sonali Theisen, global head of FICC e-trading/markets strategic investments.

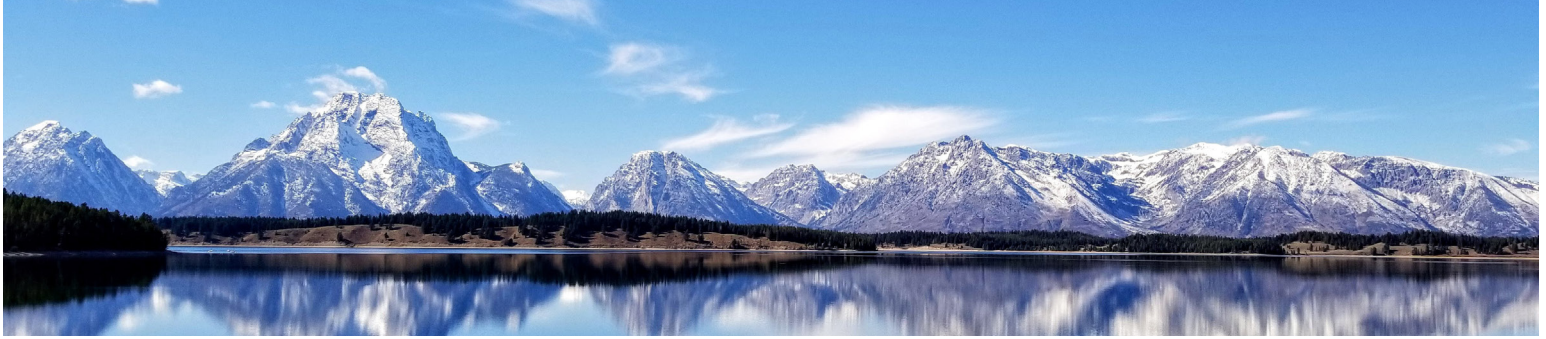


Holly O'Neill named to Forbes' 50 Over 50 list

Forbes celebrated women over age 50 who are in their most powerful roles on its 50 Over 50 list, recognizing Holly O'Neill, Retail Banking president, for always putting the needs of clients first.

The awards feature influential changemakers, entrepreneurs and lifestyle and financial leaders — including Hoda Kotb, Tory Burch, Ketanji Brown Jackson and more. Through a rigorous review and selection process, Forbes spotlights Holly for her leadership of Retail Banking and for leading awareness and inclusion efforts for the LGBTQ+ community, individuals with disabilities and women. [Read Holly's profile on Forbes.](#)

Featured news for retirees and alumni



Learn how cybercriminals try to trick you into revealing information and how the Security Center can help keep you protected



Smishing is a way that cybercriminals will try to trick you into revealing confidential or sensitive company information. Smishing occurs when text messages or other messaging platforms are used to send a fraudulent or deceptive message to gain access to sensitive information. When cybercriminals reach out it will often create a sense of urgency to trick you into clicking a link or opening an attachment which will infiltrate your devices to steal passwords and bank account information.

Cybercriminals may:

- **Claim that suspicious activity** has been detected on an account or suspicious log-in, including posing as your bank or company's help desk.
- **Tell you there is a problem** with your account or your payment information.
- **Ask you to click** on a link to make a payment.

How to protect yourself:

- **Be careful** when posting personally identifiable information on social media.
- **Don't reply, click or answer unknown sources** or click on their links or attachments.
- **Invest in antivirus software** and other cybersecurity software that can flag suspicious sites.
- **Don't fall for the bait.** If an offer sounds too good to be true, it probably is. Or if a text looks strange, look up the sender and call them (don't use the number they provide).
- **Never trust** unknown individuals. Verify everything they claim and do not send sensitive information to anyone whose identity you can't verify.

The [Security Center](#) is your source for security features and tools, including a security meter that provides a visual representation of your account's security. It helps keep you protected by showing your current security meter level, recommending ways to boost your security level by enabling additional features and tracking your progress — watch the meter level rise as you take action to help protect against fraud.

Standard security already helps protect your account, but you can take additional steps to feel even more confident about the safety of your accounts. Manage your security preferences by reviewing red flags that may signal a scam, activating your two-factor authentication and enabling alerts and push notifications.



Get help with your life plan through available products and services

As you move through your life, your priorities may change. Employee Financial Services wants you to learn firsthand about the award-winning banking and lending products and services, as well as financial wellness benefits available through Bank of America and the investment products and services available through Merrill. [Review products and services](#) available to you as a retiree, and connect with a specialist at 800.695.6262.

You can also review our Bank of America [Life Plan®](#) at your own pace to help you set and track your short- and long-term financial goals based on your life priorities.

Recognition highlights Q4 2022

Delivering for our employees

- Bank of America was recognized on *Forbes'* World's Best Employers and World's Top Female-Friendly Companies lists.
- Bank of America was ranked No. 14 on *Dave Thomas Foundation for Adoption's* 100 Best Adoption-Friendly Workplaces list.
- *The Military Times* ranked Bank of America No. 5 on its Best for Vets: Employers list.

Delivering for our clients

- *Euromoney* recognized Bank of America as a market leader in Greece and South Africa.
- *Private Wealth Management* recognized Bank of America Private Bank as Best Private Bank for Customer Service and for Succession Planning.
- *Keynova* ranked Bank of America No. 1 overall on its Online Banker Scorecard.

Delivering for our communities

- *The National LGBT Chamber of Commerce* named Bank of America Corporation of the Year.
- *JUST Capital* ranked BofA No. 1 on its America's Most JUST Companies list and No. 1 in three subcategories: Banks, For Workers In Banks and For Environment In Banks.

Endnotes

- A Operating leverage is calculated as the year-over-year percentage change in revenue, net of interest expense, less the percentage change in noninterest expense.
- B We present certain key financial and nonfinancial performance indicators (KPIs) that management uses when assessing consolidated and/or segment results. We believe this information is useful because it provides management and investors with information about underlying operational performance and trends. KPIs are presented in Balance Sheet, Liquidity and Capital Highlights and on the Segment pages for each segment.
- C Reserve Build (or Release) is calculated by subtracting net charge-offs for the period from the provision for credit losses recognized in that period. The period-end allowance, or reserve, for credit losses reflects the beginning of the period allowance adjusted for net charge-offs recorded in that period plus the provision for credit losses recognized in that period.
- D Pretax, pre-provision income (PTPI) at the consolidated level, as well as at the segment level, is a non-GAAP financial measure calculated by adjusting the respective entity's pretax income to add back provision for credit losses. Management believes that PTPI (both at the consolidated and segment level) is a useful financial measure as it enables an assessment of the Company's ability to generate earnings to cover credit losses through a credit cycle and provides an additional basis for comparing the Company's results of operations between periods by isolating the impact of provision for credit losses, which can vary significantly between periods. For Reconciliations to GAAP financial measures, see page 12 for Total company.
- E We also measure NII on an FTE basis, which is a non-GAAP financial measure. FTE basis is a performance measure used in operating the business that management believes provides investors with meaningful information on the interest margin for comparative purposes. We believe that this presentation allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practice. NII on an FTE basis was \$14.8 billion, \$13.9 billion, \$12.5 billion, \$11.7 billion and \$11.5 billion for the three months ended December 31, 2022, September 30, 2022, June 30, 2022, March 31, 2022 and December 31, 2021, respectively. The FTE adjustment was \$123 million, \$106 million, \$103 million, \$106 million and \$105 million for the three months ended December 31, 2022, September 30, 2022, June 30, 2022, March 31, 2022 and December 31, 2021, respectively.
- F Global Liquidity Sources (GLS) include cash and high-quality, liquid, unencumbered securities, inclusive of U.S. government securities, U.S. agency securities, U.S. agency mortgage-backed securities, and a select group of non-U.S. government and supranational securities, and other investment-grade securities, and are readily available to meet funding requirements as they arise. It does not include Federal Reserve Discount Window or Federal Home Loan Bank borrowing capacity. Transfers of liquidity among legal entities may be subject to certain regulatory and other restrictions.
- G The Corporation reports regulatory capital ratios under both the Standardized and Advanced approaches. Capital adequacy is evaluated against the lower of the Standardized or Advanced approaches compared to their respective regulatory capital ratio requirements. The Corporation's binding ratio was the Common equity tier 1 ratio under the Standardized approach as of December 31, 2022 and September 30, 2022, and supplementary leverage ratio as of December 31, 2021.
- H The below table includes Global Markets sales and trading revenue, excluding net DVA, which is a non-GAAP financial measure. We believe that the presentation of measures that exclude this item is useful because such measures provide additional information to assess the underlying operational performance and trends of our businesses and to allow better comparison of period-to-period operating performance.

(Dollars in millions)	Three months ended		
	12/31/2022	9/30/2022	12/31/2021
Sales and trading revenue:			
Fixed-income, currencies and commodities	\$2,157	\$2,552	\$1,573
Equities	1,368	1,540	1,363
Total sales and trading revenue	\$3,525	\$4,092	\$2,936
Sales and trading revenue, excluding net debit valuation adjustment:			
Fixed-income, currencies and commodities	\$2,343	\$2,567	\$1,569
Equities	1,375	1,539	1,365
Total sales and trading revenue, excluding net debit valuation adjustment	\$3,718	\$4,106	\$2,934

¹ For the three months ended December 31, 2022, September 30, 2022 and December 31, 2021, net DVA gains (losses) were \$(193) million, \$(14) million and \$2 million, FICC net DVA gains (losses) were \$(186) million, \$(15) million and \$4 million, and Equities net DVA gains (losses) were \$(7) million, \$1 million and \$(2) million, respectively.

Appendix A: Reconciliations to GAAP Financial Measures

The Corporation evaluates its business based on the following ratios that utilize tangible equity, a non-GAAP financial measure. Tangible equity represents shareholders' equity or common shareholders' equity reduced by goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities ("adjusted" shareholders' equity or common shareholders' equity). Return on average tangible common shareholders' equity measures the Corporation's net income applicable to common shareholders as a percentage of adjusted average common shareholders' equity. The tangible common equity ratio represents adjusted ending common shareholders' equity divided by total tangible assets (total assets less goodwill and intangible assets (excluding mortgage servicing rights), net of related deferred tax liabilities). Return on average tangible shareholders' equity measures the Corporation's net income as a percentage of adjusted average total shareholders' equity. The tangible equity ratio represents adjusted ending shareholders' equity divided by total tangible assets. Tangible book value per common share represents adjusted ending common shareholders' equity divided by ending common shares outstanding. These measures are used to evaluate the Corporation's use of equity. In addition, profitability, relationship and investment models all use return on average tangible shareholders' equity as key measures to support our overall growth goals.

See the tables below for reconciliations of these non-GAAP financial measures to the most closely related financial measures defined by GAAP for the three months ended December 31, 2022, September 30, 2022 and December 31, 2021. The Corporation believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. Other companies may define or calculate supplemental financial data differently.

(Dollars in millions, except per share information)	4Q 2022	3Q 2022	4Q 2021
Reconciliation of income before income taxes to pretax, pre-provision income			
Income before income taxes	\$7,897	\$8,301	\$7,818
Provision for credit losses	1,092	898	(489)
Pretax, pre-provision income	\$8,989	\$9,199	\$7,329
Reconciliation of average shareholders' equity to average tangible shareholders' equity and average tangible common shareholders' equity			
Shareholders' equity	\$272,629	\$271,017	\$270,883
Goodwill	(69,022)	(69,022)	(69,022)
Intangible assets (excluding mortgage servicing rights)	(2,088)	(2,107)	(2,166)
Related deferred tax liabilities	914	920	913
Tangible shareholders' equity	\$202,433	\$200,808	\$200,608
Preferred stock	(28,982)	(29,134)	(24,364)
Tangible common shareholders' equity	\$173,451	\$171,674	\$176,244
Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity and period-end tangible common shareholders' equity			
Shareholders' equity	\$273,197	\$269,524	\$270,066
Goodwill	(69,022)	(69,022)	(69,022)
Intangible assets (excluding mortgage servicing rights)	(2,075)	(2,094)	(2,153)
Related deferred tax liabilities	899	915	929
Tangible shareholders' equity	\$202,999	\$199,323	\$199,820
Preferred stock	(28,397)	(29,134)	(24,708)
Tangible common shareholders' equity	\$174,602	\$170,189	\$175,112
Net income	\$7,132	\$7,082	\$7,013
Preferred stock dividends and other	228	503	240
Net income applicable to common shareholders	\$6,904	\$6,579	\$6,773
Book value per share of common stock			
Common shareholders' equity	\$244,800	\$240,390	\$245,358
Ending common shares issued and outstanding	7,996.8	8,024.5	8,077.8
Book value per share of common stock	\$30.61	\$29.96	\$30.37
Tangible book value per share of common stock			
Tangible common shareholders' equity	\$174,602	\$170,189	\$175,112
Ending common shares issued and outstanding	7,996.8	8,024.5	8,077.8
Tangible book value per share of common stock	\$21.83	\$21.21	\$21.68



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