Bank of America

BAML Financials CEO Conference

Brian Moynihan, Chief Executive Officer

September 27, 2017

Bank of America

Bank of America Merrill Lynch U.S. Trust Bank of America Merrill Lynch

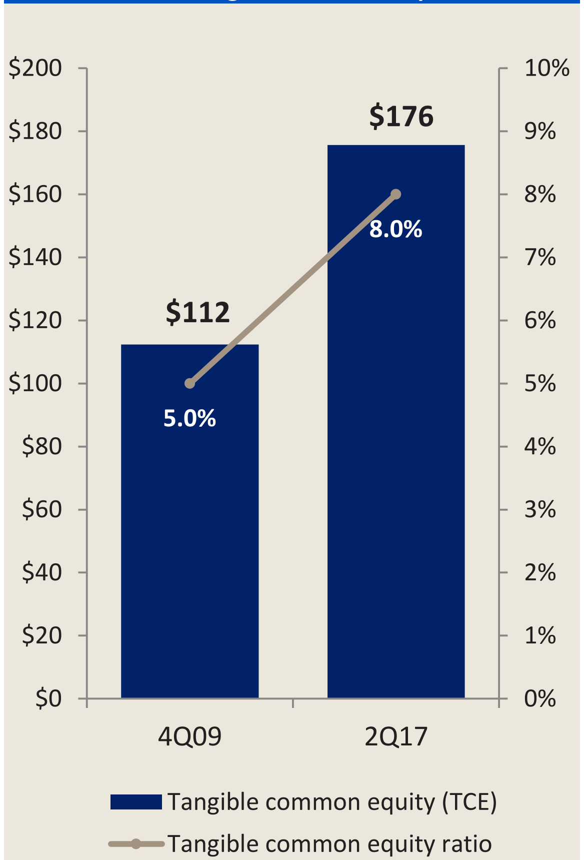
Lessons Learned from the Financial Crisis

1. A strong balance sheet means not depending on others
2. The focus must be on the customers' needs
3. Diversity drives sustainability
4. Be prepared for the good times and bad (robust stress testing)
5. Independence of Risk and Audit is critical
6. Continual optimization and investment for growth

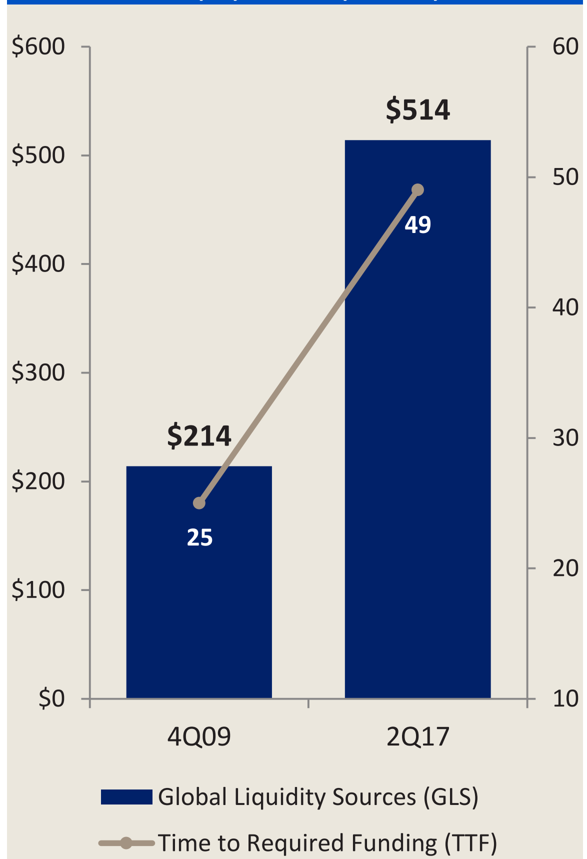
Responsible Growth Is Our Approach

Strengthened Balance Sheet

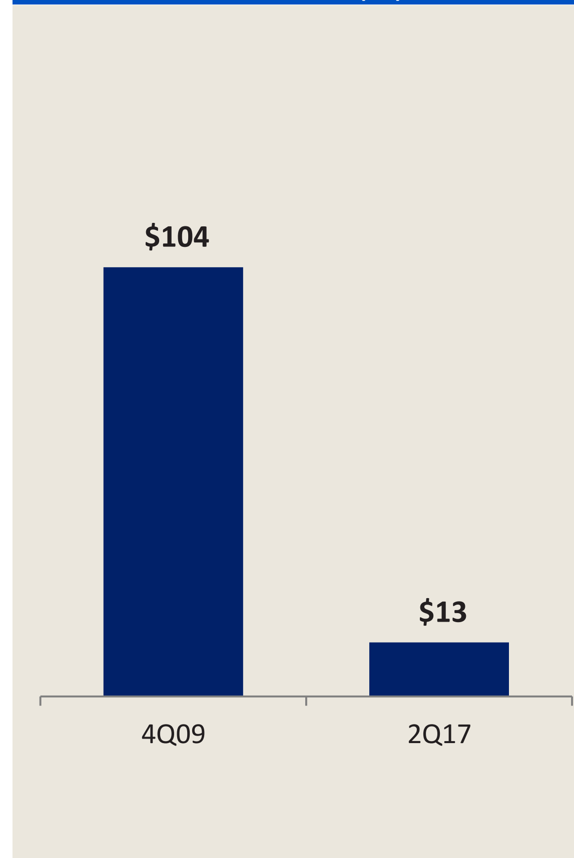
Strengthened Capital
TCE Ratio and Tangible Book Value per Share [1, 2]



Built Strong Liquidity
GLS ($B) and TTF (months)



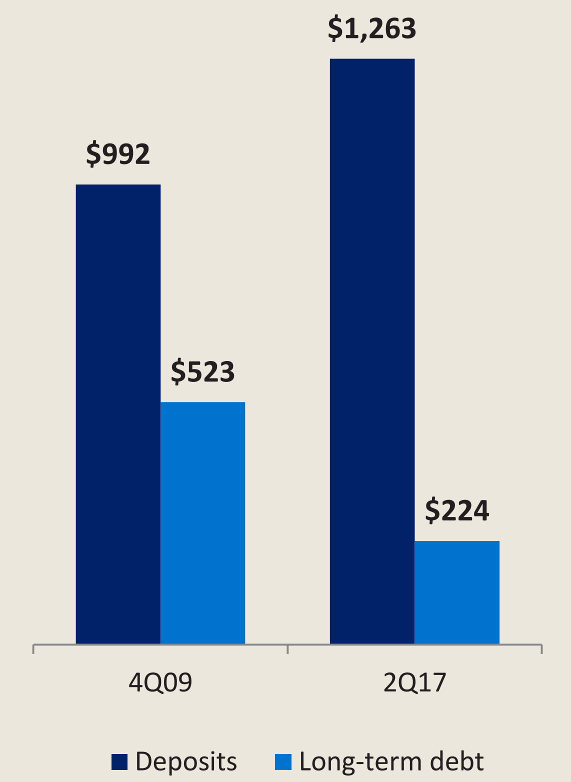
Reduced Illiquid Assets
Level 3 Assets ($B)



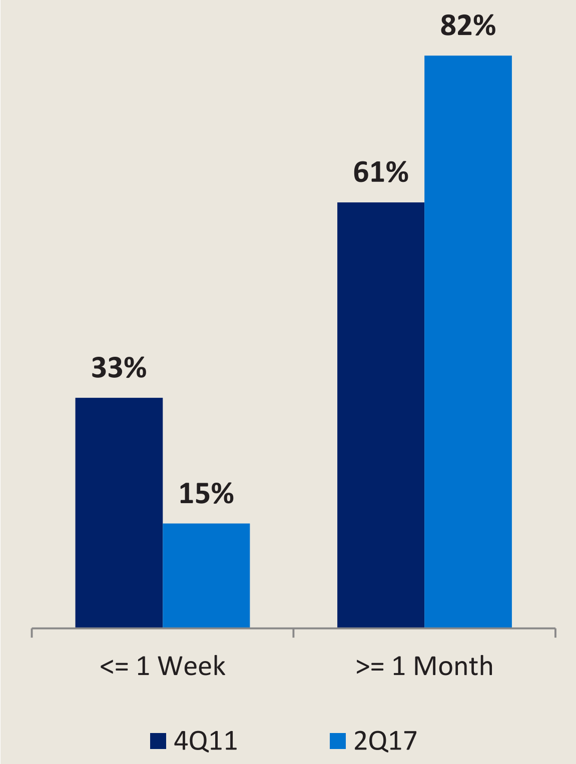
[1] 4Q09 reflects 12/31/09 information adjusted to include the 1/1/10 adoption of FAS 166/167 as reported in the company's SEC filings, which represents a non-GAAP financial measure.
[2] Represents a non-GAAP financial measure. Common shareholders equity was $194.2B and $245.8B at 4Q09 and 2Q17. Common equity ratio was 8.7% and 10.9% at 4Q09 and 2Q17.

Enhanced Funding Structure

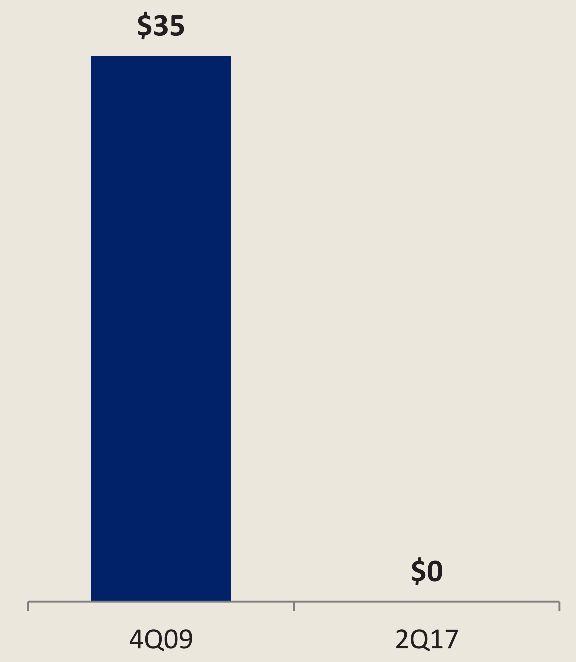
Grew Deposits and Reduced Long-Term Debt ($B) [1]



Extended Maturity of Repo Securities



Eliminated Short-Term Parent Funding
Commercial Paper Borrowings ($B) [1]



[1] 4Q09 reflects 12/31/09 information adjusted to include the 1/1/10 adoption of FAS 166/167 as reported in the company's SEC filings, which represents a non-GAAP financial measure.

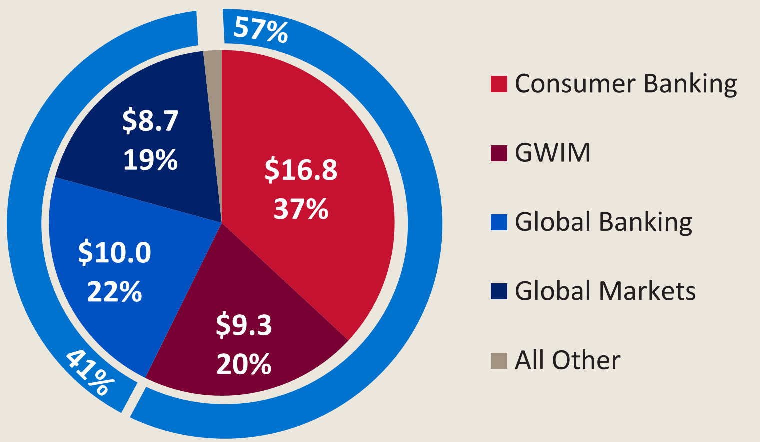
Organized Around Customers' Needs

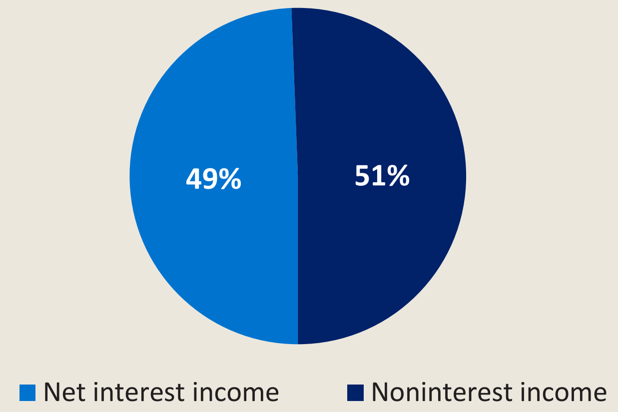
Consumer Banking		Global Wealth & Investment Management (GWIM)		Global Banking			Global Markets
Retail	Preferred & Small Business	Merrill Lynch	U.S. Trust	Business Banking	Commercial Banking	Global Corporate & Investment Banking	Global Markets
• **47MM Consumer and Small Business relationships** [1] • **31MM Retail** customers – <$50K household income • **12MM Preferred** customers – >$75K HHI / >$100K in assets • **3MM Small Business** customers • **34MM digital users** • **23MM mobile banking users**		• **Nearly 1MM high net worth households** – >$250K in assets (ML) – >$3MM in assets (UST) • **$2.6T client assets** • **$156B loans and leases** • **$237B deposits** • **~20K primary sales professionals,** including 17K financial advisors [2]		• **~37K clients** • $5MM–$50MM in revenue • Primary focus on small and mid-sized U.S. domiciled clients	• **~15K clients** • $50MM–$2B in revenue • Primary focus on U.S. domiciled middle market clients and int'l subs.	• **~5K clients** • >$2B in revenue • Operations in more than 35 countries • Largest global corporates, FI's, gov't.	• **~8K clients** • 35 trading locations • ~650 research analysts

[1] Includes Merrill Lynch households.
[2] Includes financial advisors in the Consumer Banking segment of 2,206.

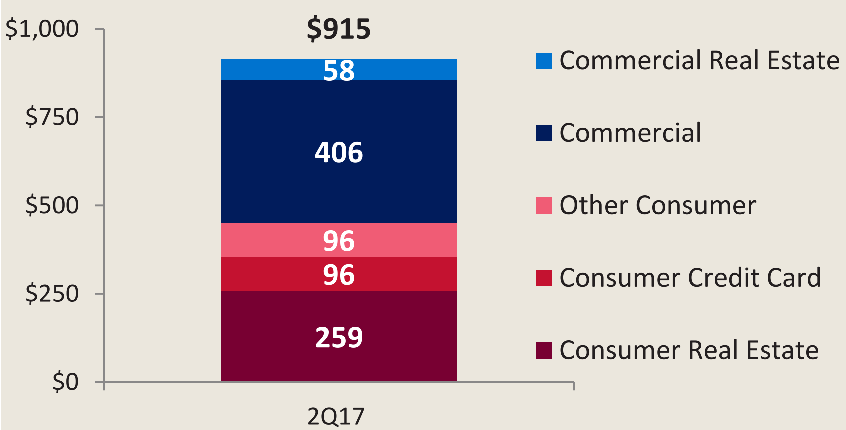
Diversity Drives Sustainability

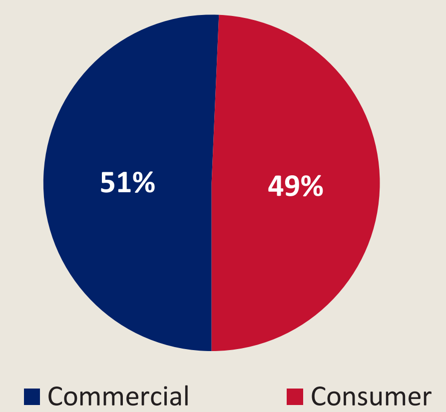
1H17 Net Revenues ($B) [1]





2Q17 Average Loans and Leases ($B)





Note: Amounts may not total due to rounding.
[1] Presented on a fully taxable-equivalent basis.

Risk Management is Foundational

At Bank of America,

we live our values, deliver our purpose and
drive responsible growth through our eight lines of business

Responsible growth

- We must grow and win in the market – no excuses
- We must grow with our customer-focused strategy
- **We must grow within our risk framework**
- We must grow in a sustainable manner

Key elements of our Board-approved Risk Appetite Statement:

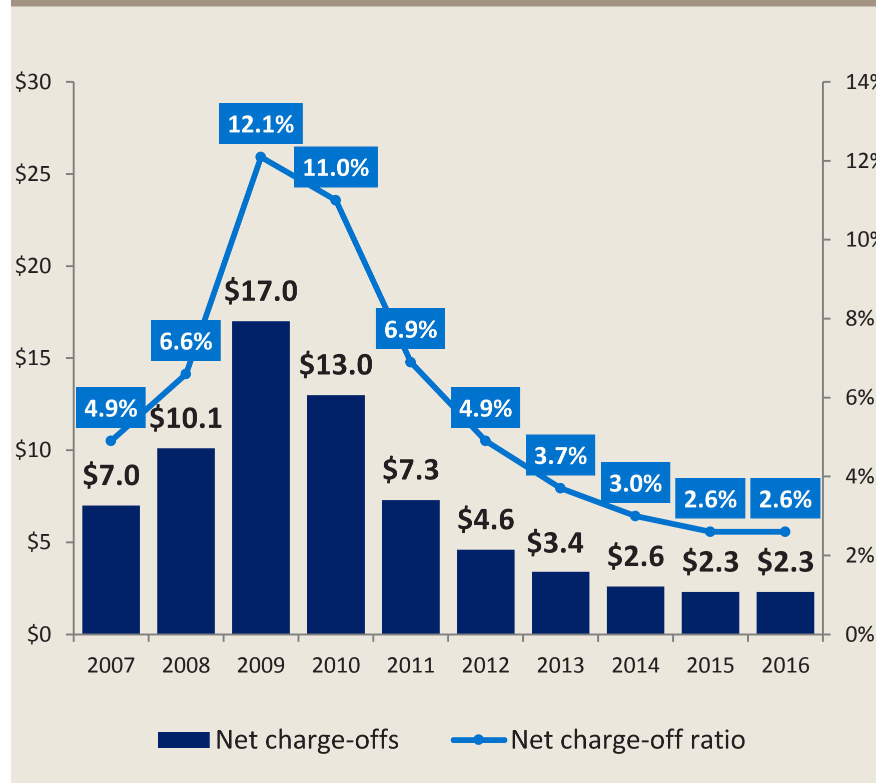
- We are committed to the highest standards of ethical and professional conduct
- We have no appetite for accepting compliance risk
- We are focused on serving the core financial needs of our customers
- Avoid the need to raise additional capital
- Continue to pay dividend at planned levels

Concentration and Outsized Growth Puts Capital at Risk

Consumer Credit Card: Pre-2009 focus on growth in accounts led to $50B+ in net charge-offs;
Post-2009 focus on lower risk customers has led to lower losses

U.S. Consumer Credit Card Loans Outstanding ($B)

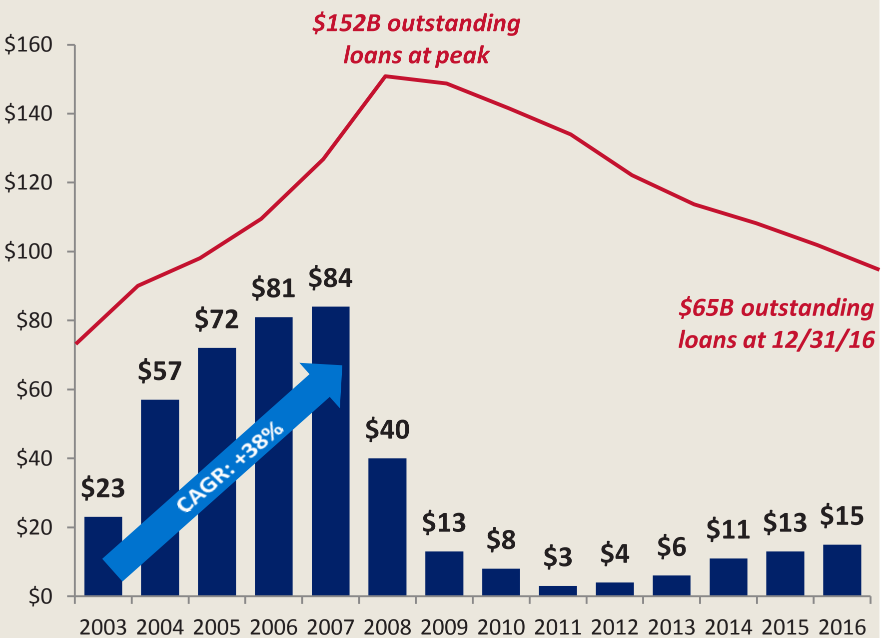
U.S. Consumer Credit Card Net Charge-Offs ($B)



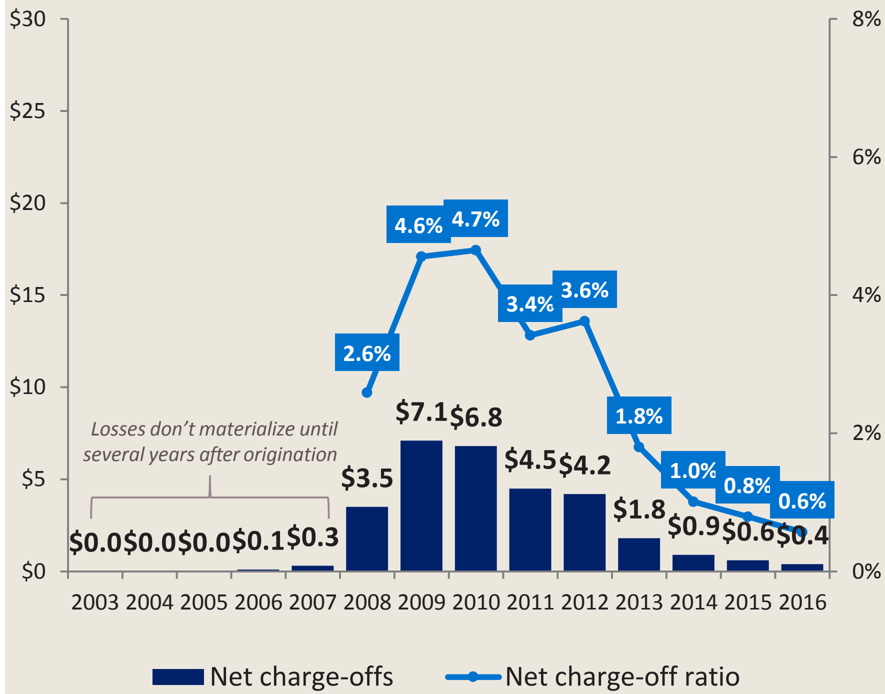
Concentration and Outsized Growth Puts Capital at Risk

Home Equity: Lower growth and improved underwriting standards post the mid-2000s ultimately resulted in reduced losses; back book still running off

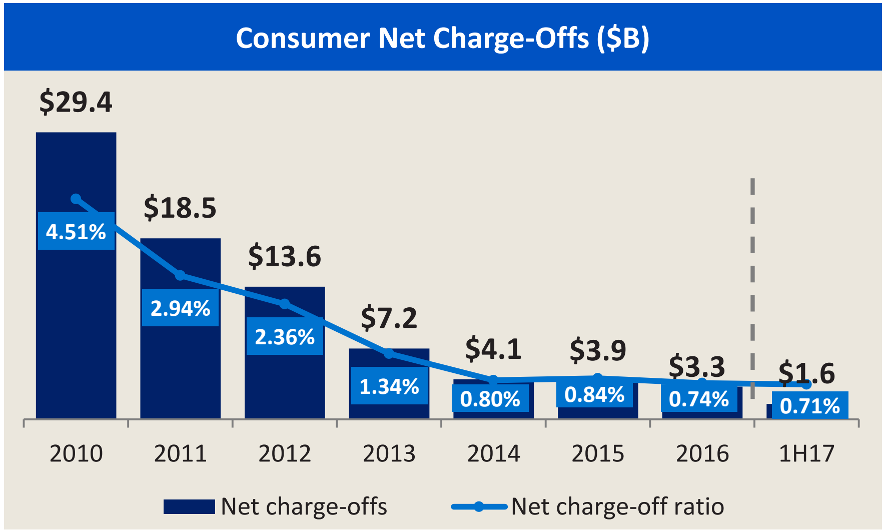
Home Equity New Originations ($B)

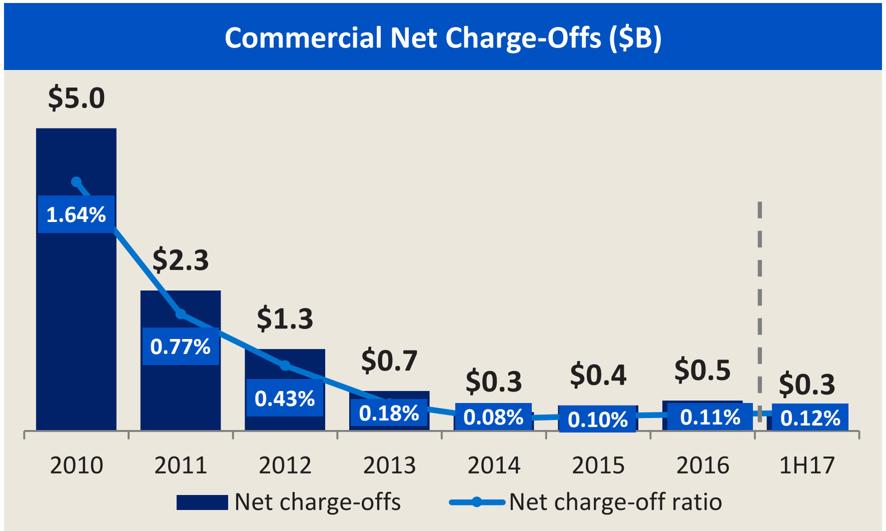


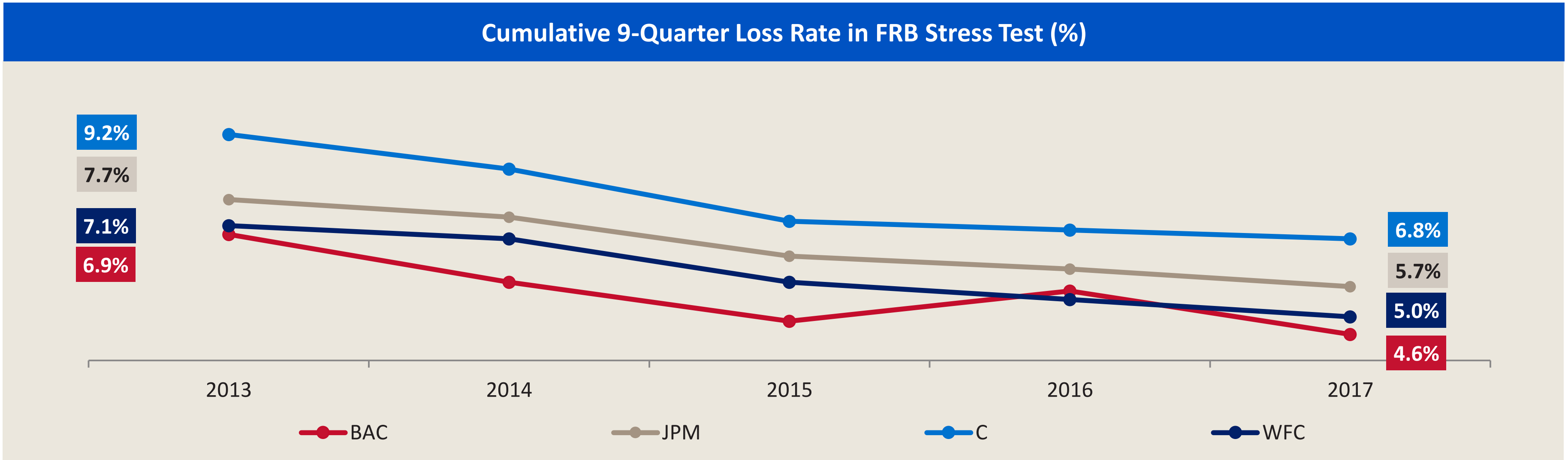
Home Equity Net Charge-Offs ($B)



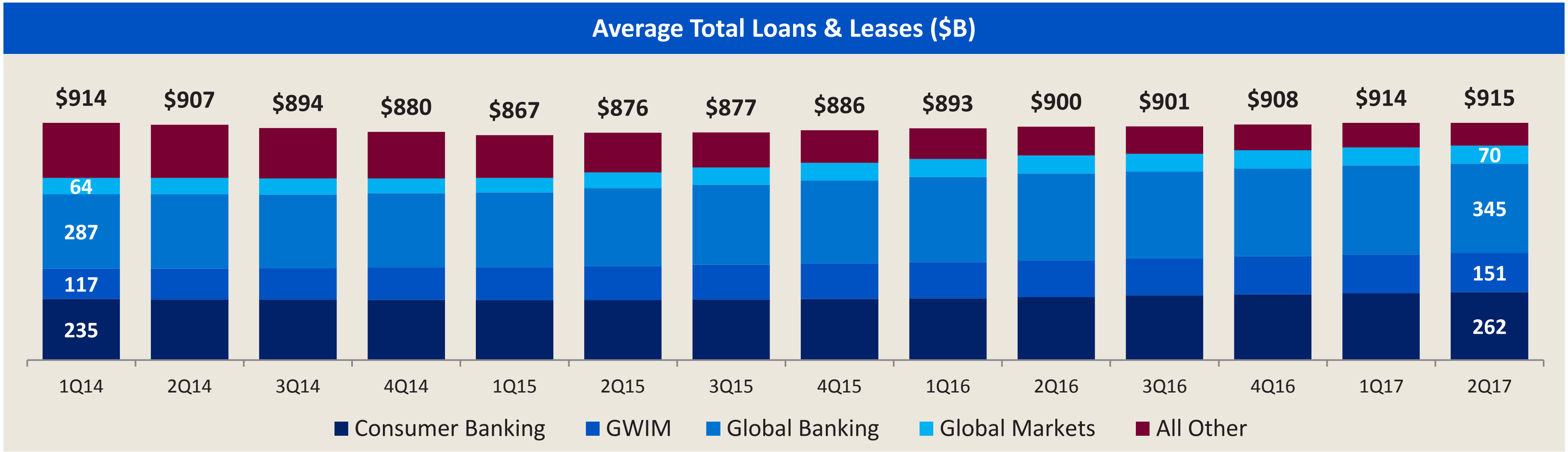
Credit Loss Improvement Reflects Responsible Growth

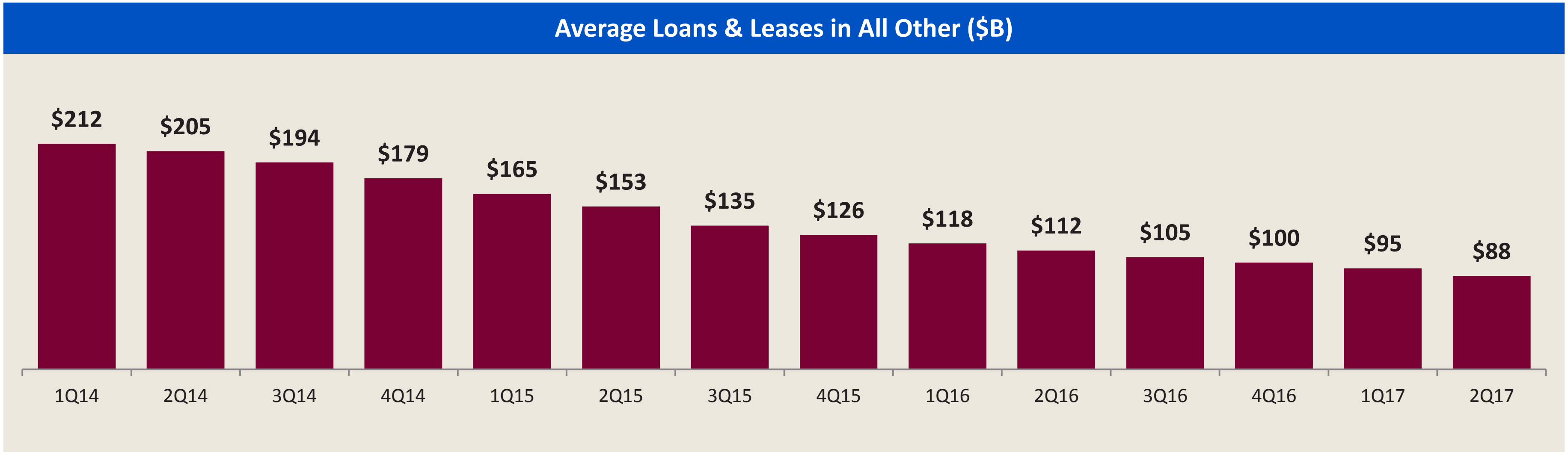






Responsibly Growing Loans While Reducing Legacy Assets

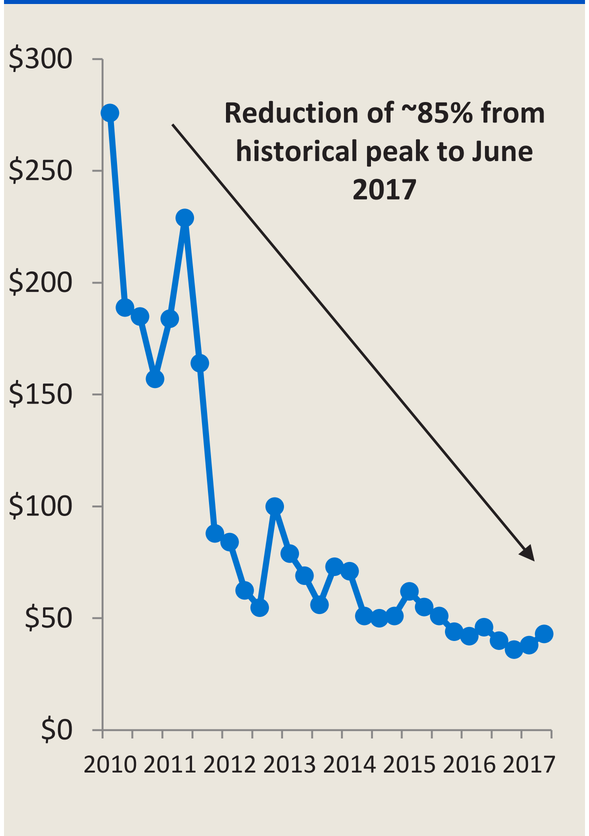




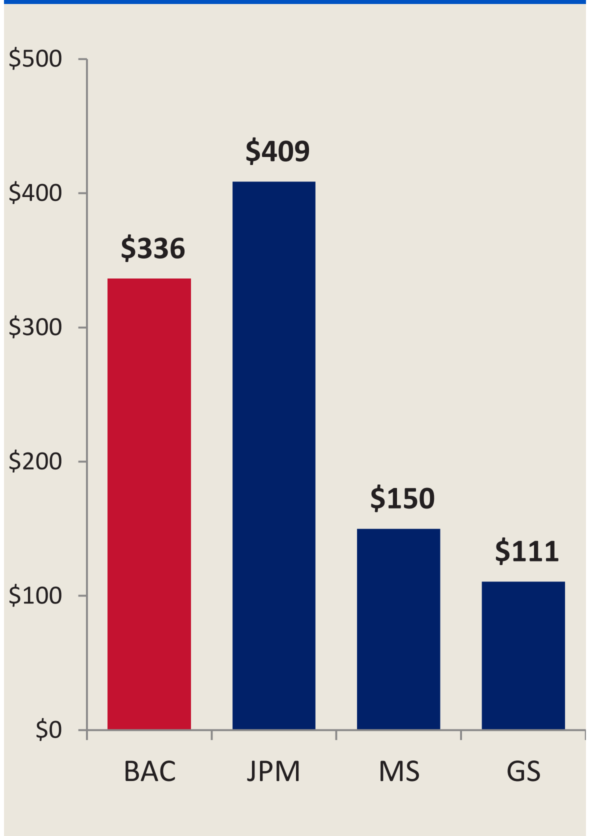
Note: Amounts may not total due to rounding.

Market Risk Optimization Across U.S. Peers

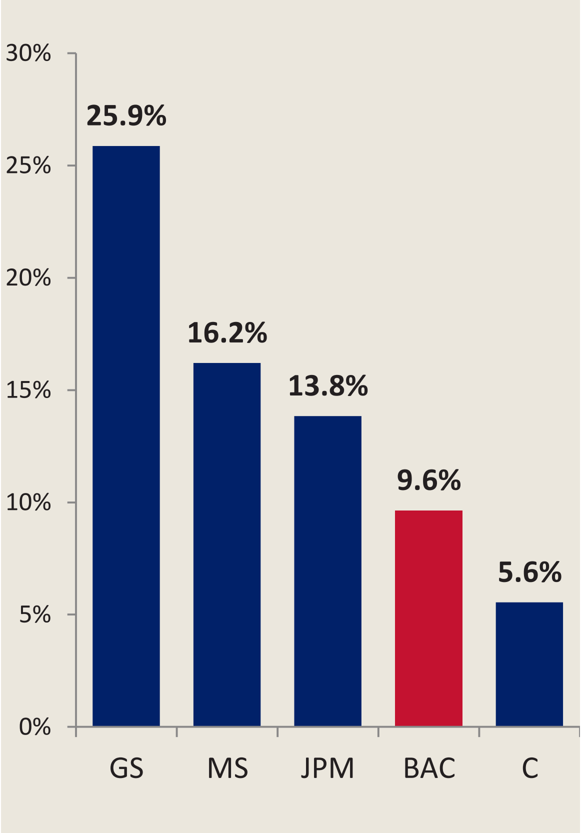
BAC Trading Portfolio VaR ($MM) [1]



1H17 Sales & Trading Revenue per $ of Average VaR ($MM) [2]



2017 DFAST Trading and Counterparty Losses as a % of CET1 [3]



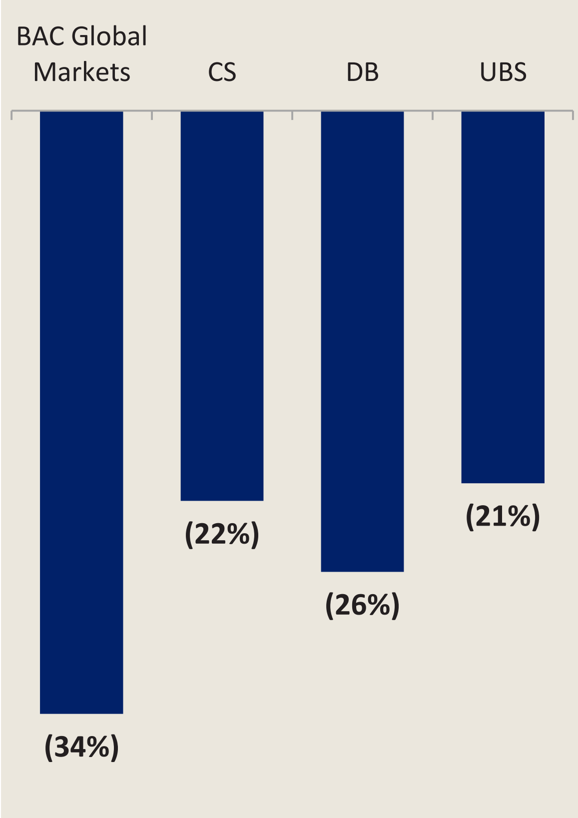
[1] VaR model uses historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level.

[2] Represents 1H17 reported sales and trading revenue divided by average VaR of the trading portfolio using a 95% confidence level. Citi not shown as only discloses average VaR using a 99% confidence level. Using a 99% confidence level BAC's 1H17 sales & trading revenue per dollar of average VaR was $168MM compared to Citi's $96MM.

[3] CET1 defined as Common Equity Tier 1 capital. Represents the trading and counterparty losses from the severely adverse scenario of the 2017 Dodd-Frank Act Stress Test results, published on 6/26/17, divided by CET1 on a fully phased-in basis as of 12/31/16 as disclosed in SEC filings.

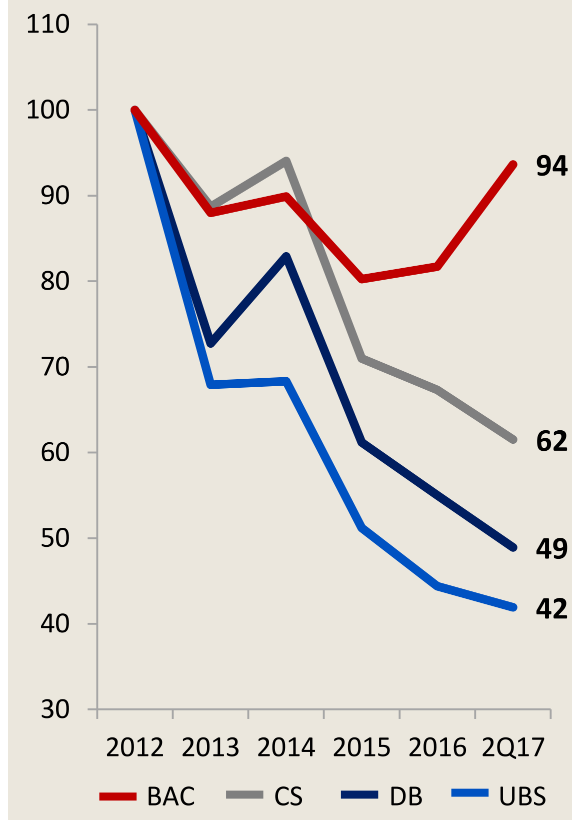
Market Risk Asset Optimization Compared to European Peers

Decline in Risk-weighted Assets from 4Q12 to 2Q17 [1]



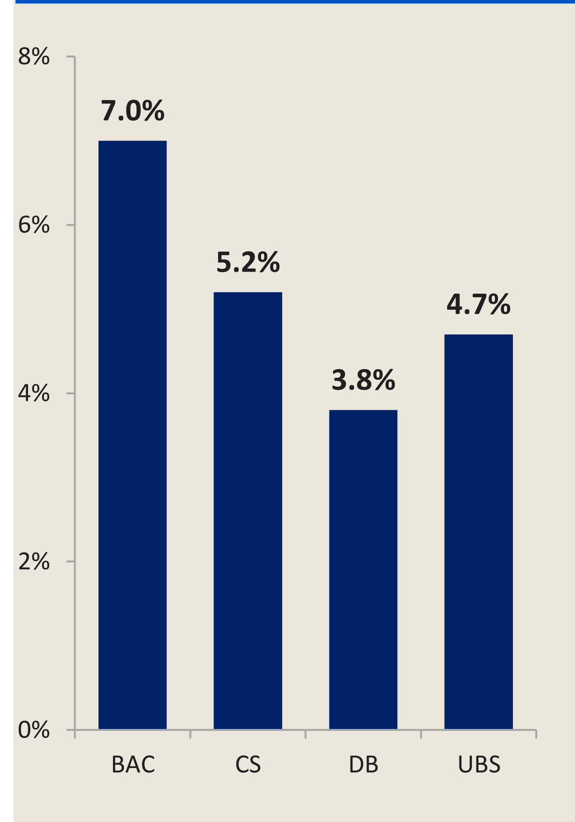
Banks have been optimizing RWA for capital and returns

Trading and Financing Assets Indexed to 2012 Levels [2]



Despite RWA optimization, BAC trading and financing levels have grown since 2016

Supplementary Leverage Ratio

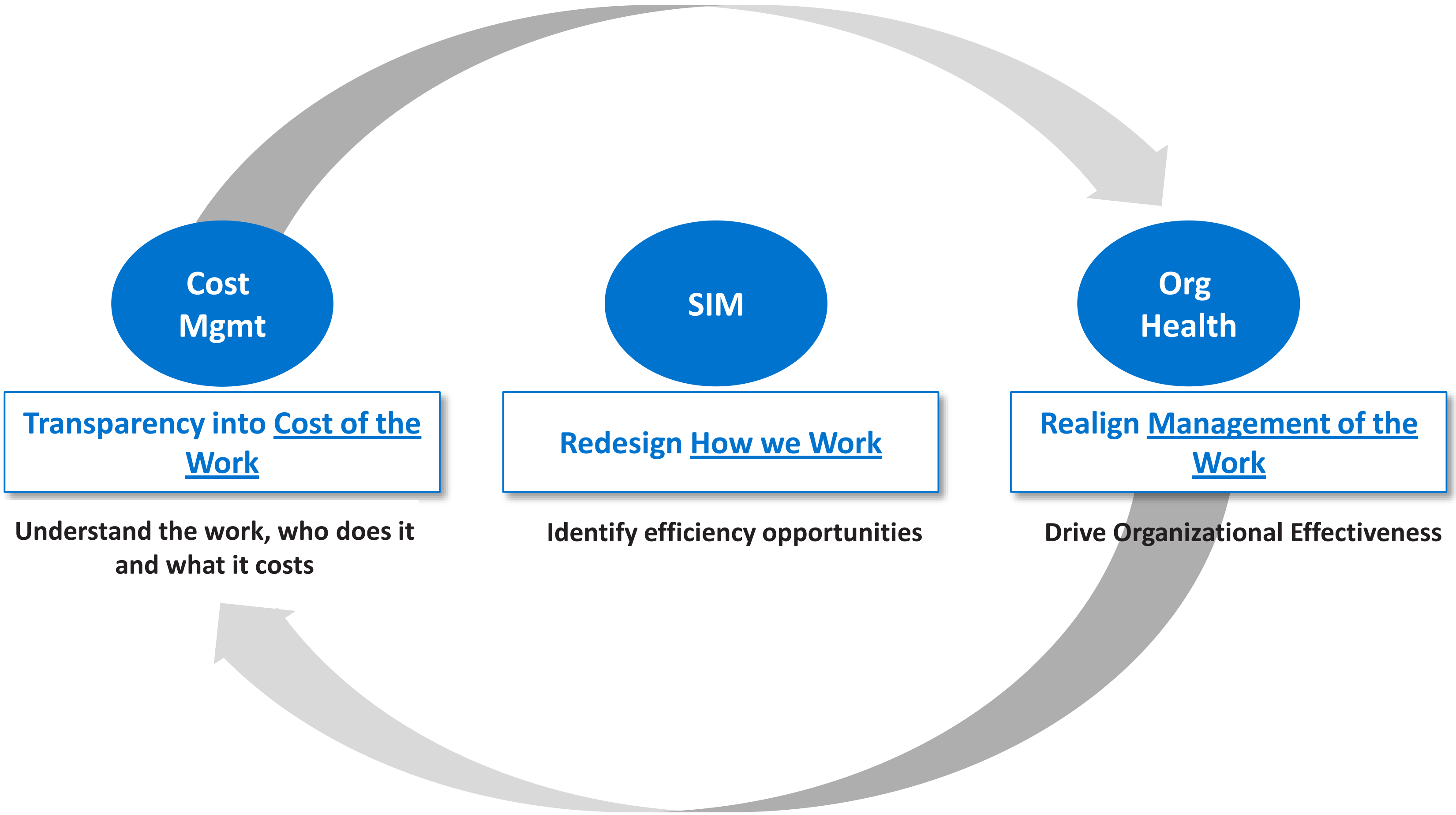


BAC in a position of strength to continue to support client activity

[1] RWA under Advanced Approaches.
[2] Trading and financing assets include trading account securities, derivative assets, reverse repo and collateral RWA under Advanced Approaches.

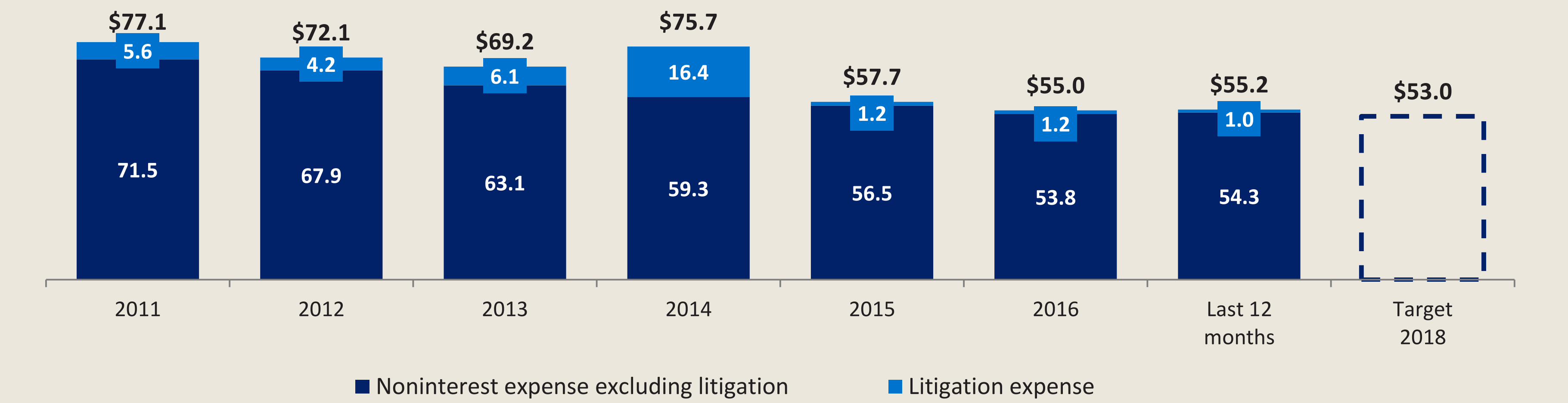
Driving a Culture of Efficiency

- ✓ Simplify the work across the company to increase client and employee satisfaction
- ✓ Increase productivity and efficiency
- ✓ Promote sustainable cultural change

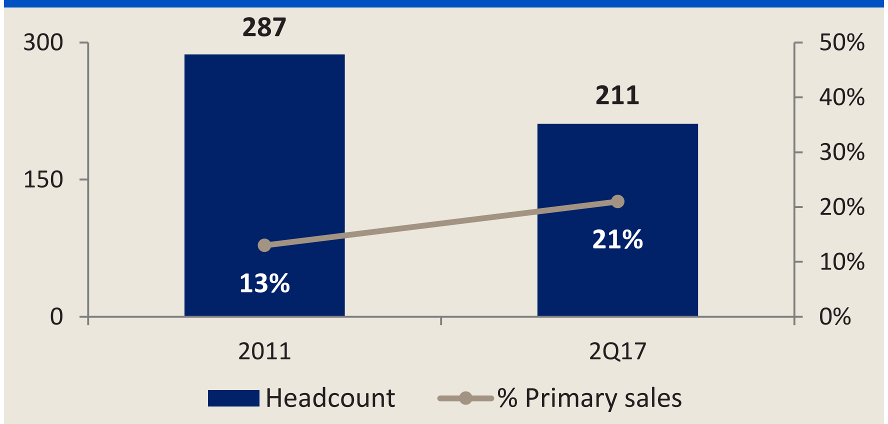


Reducing Costs…

Significantly Improved Expense Base ($B) [1]



Reduced Headcount (000's), While Increasing Primary Sales



Broad-based Expense Reductions ($MM)

Noninterest Expense [1]	Last 12 months	LTM vs. FY 2011 $	LTM vs. FY 2011 %
Personnel	$31,912	($5,053)	(14%)
Occupancy	3,975	(773)	(16%)
Equipment	1,755	(585)	(25%)
Marketing	1,644	(559)	(25%)
Professional fees	2,015	(1,366)	(40%)
Amortization of intangibles	679	(830)	(55%)
Data processing	3,019	367	14%
Telecommunications	752	(801)	(52%)
Litigation	962	(4,655)	(83%)
Other general operating	8,503	(7,619)	(47%)
Non-personnel	23,304	(16,821)	(42%)
Total noninterest expense	**$55,216**	**($21,874)**	(28%)

Note: Amounts may not total due to rounding.

[1] Noninterest expense excludes goodwill impairment of $3.2B in 2011, which represents a non-GAAP financial measure. Reported noninterest expense was $80.3B for 2011.

While Consistently Investing in the Franchise

Consumer

- Investing in new digital capabilities
  - Real-time P2P payments (Zelle)
  - Free FICO scores
  - New Spanish mobile app
  - Launched digital car shopping experience
  - Introduced digital AI assistant (Erica)
- 9,500 cardless-enabled ATMs (launched in 1Q16)
- Deployed 3,500+ digital ambassadors in financial centers
- Enhanced IVR capabilities to improve client experience
- Targeted banking center entry (e.g. Denver, Minneapolis, Indianapolis)

Wealth Management

- Multi-year investment in Merrill Lynch One (fee-based advisory platform)
- Launched Merrill Edge Guided Investing (MEGI) – online investing + professional portfolio management
- Investment in Practice Management & Development (PMD) program (new advisor training)
- Increased wealth advisors by nearly 700 since 2014

Banking and Markets

- Invested $1.1B in GTS over last 4 years to enhance functionality and strengthen core treasury business
  - Expanded CashPro digital capabilities; launched mobile apps
- Improved local coverage in Global Commercial Banking and Business Banking from 59% to 90%
- Established a centralized Wholesale Credit function to drive efficiencies
- Migrating to new trading platform with enhanced functionality
- Electronic trading enhancements

- ➢ Continued franchise investment included in firm-wide 2018 expense target of $53B
- ➢ Have invested ~$3B annually on technology initiatives
- ➢ Made significant investments in cybersecurity, compliance and regulatory functions while replacing many enterprise platforms
- ➢ Increasing usage of cloud technology allows company to reduce data centers and improve capacity, reliability and time to market
- ➢ Added ~1,200 primary sales associates across Consumer Banking, GWIM, and Global Banking over the last year

ESG Fully Integrated Into the Business to Drive Sustainability

Environmental – Investing in the transition to a low carbon economy. Focus on providing financing for sustainable projects, energy efficiency, greenhouse gas emissions while lessening our own operational impact

- $125B goal to accelerate the transition to a low-carbon economy
- No. 1 underwriter of green bonds
- Commitment for our own operations to be Carbon Neutral by 2020 and use 100% renewable electricity

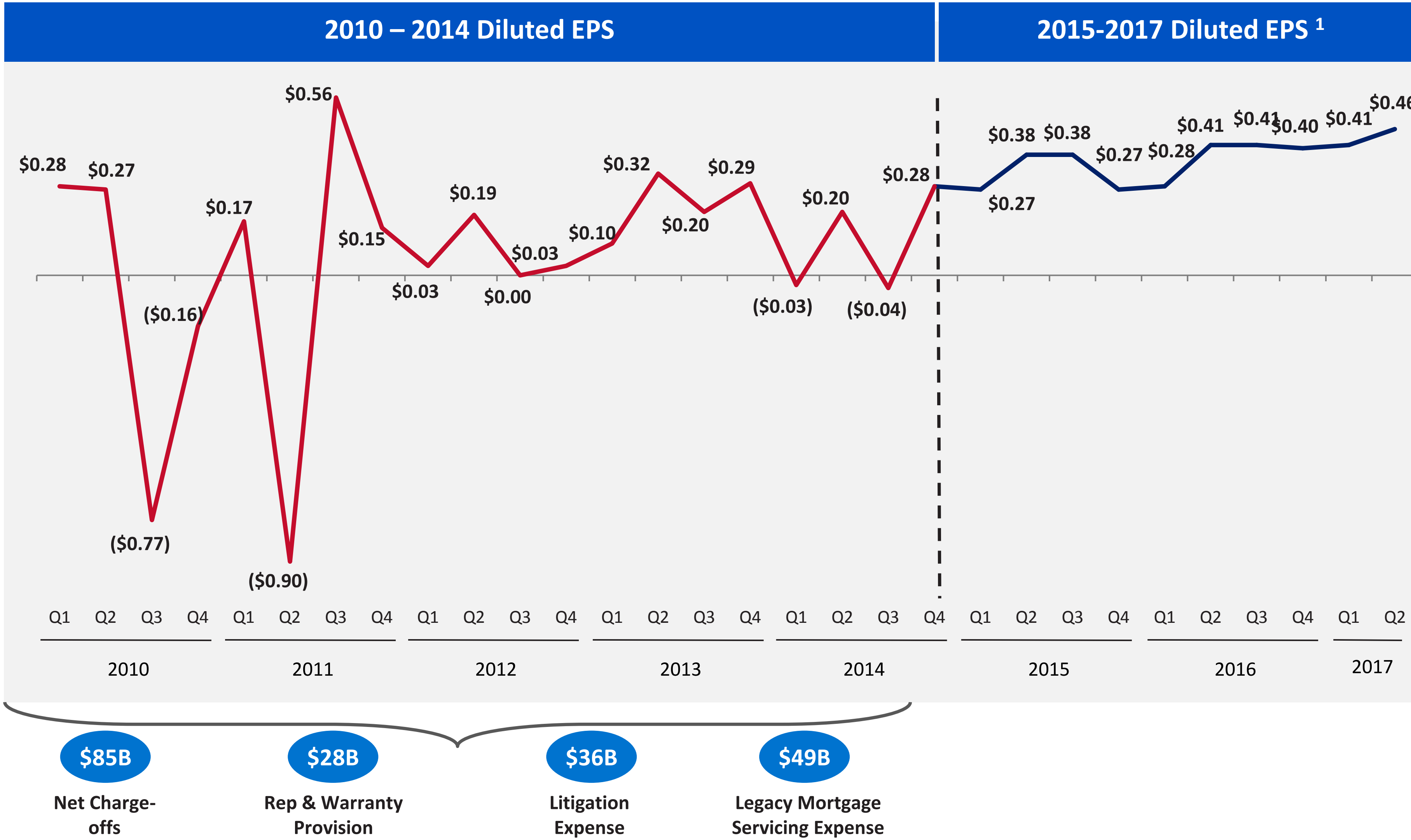
Social – Help communities and individuals thrive by **advancing economic and social progress and being a great place to work**

- Named by Euromoney magazine as "World's Best Bank for Diversity"
- Driving competitive pay practices across all levels of associates
- Expanded parental leave to 16 weeks
- Offer transparent, responsible products and services
- $2B philanthropic commitment to address issues around economic mobility, community development and basic needs

Governance – Hold ourselves accountable. Enhance transparency on our business practices to our key stakeholders and provide regular updates on progress to our Board

- Strengthened ESG Committee
- Introduced an Environmental and Social Risk Policy Framework that outlines our business practices in key areas of ESG interest

Responsible Growth: Stronger and More Consistent Results



[1] Periods shown after 4Q14 reflect the change in accounting method for the amortization of premium and accretion of discount related to certain debt securities carried at fair value and held-to-maturity. For additional information regarding this change in accounting, please see the 8-K filed on 10/4/16.

Responsible Growth Model Makes Us Better Prepared

December 31, 2009 → **June 30, 2017**

Stronger	**Safer**	**Better Prepared**
Increased tangible common equity by **56%** to **$176** billion [1]	Strengthened risk and governance controls	Improved our cost structure by reducing noninterest expense by **28%** to **$55** billion [3]
Increased liquidity by **140%** to **$514** billion	Reduced annual net charge-offs by **92%** to less than **$4** billion	Shifted our loan portfolio mix (consumer/commercial from 67/33% to **49/51%**) [1]
Enhanced our funding structure by growing average deposits by **27%** to nearly **$1.3** trillion while reducing long-term debt by **57%** to **$224** billion [1]	Reduced average VaR by **83%** to **$43** million [2]	Refocused our businesses by shedding more than **$85** billion in non-core assets

[1] 4Q09 reflects 12/31/09 information adjusted to include the 1/1/10 adoption of FAS 166/167 as reported in the company's SEC filings, which represents a non-GAAP financial measure. Common shareholders equity was up 27% from $194.2B at 12/31/09 to $245.8B at 6/30/17.

[2] 99% confidence interval.

[3] Comparison of full year 2011 expense versus last twelve month expense.

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, expenses, efficiency ratio, capital measures, 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 our 2016 Annual Report on Form 10-K and in any of the Corporation’s subsequent Securities and Exchange Commission filings: potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings, or enforcement actions, including inquiries into our retail sales practices, and the possibility that amounts may be in excess of the Corporation’s recorded liability and estimated range of possible loss for litigation exposures; the possibility that the Corporation could face increased servicing, securities, fraud, indemnity, contribution or other claims from one or more counterparties, including trustees, purchasers of loans, underwriters, issuers, other parties involved in securitizations, monolines or private-label and other investors; the possibility that future representations and warranties losses may occur in excess of the Corporation’s recorded liability and estimated range of possible loss for its representations and warranties exposures; the Corporation’s ability to resolve representations and warranties repurchase and related claims, including claims brought by investors or trustees seeking to avoid the statute of limitations for repurchase claims; 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, currency exchange rates and economic conditions; the impact on the Corporation's business, financial condition and results of operations of a potential higher interest rate environment; 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 impact on the Corporation’s business, financial condition and results of operations from a protracted period of lower oil prices or ongoing volatility with respect to oil prices; the Corporation's ability to achieve its expense targets or net interest income expectations or other projections or expectations; adverse changes to the Corporation’s credit ratings from the major credit rating agencies; estimates of the fair value of certain of the Corporation’s assets and liabilities; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements, including the approval of our internal models methodology for calculating counterparty credit risk for derivatives; the potential impact of total loss-absorbing capacity requirements; potential adverse changes to our global systemically important bank (G-SIB) surcharge; the potential impact of Federal Reserve actions on the Corporation’s capital plans; the possible impact of the Corporation's failure to remediate shortcomings identified by banking regulators in the Corporation's Resolution Plan; 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 (FDIC) assessments, the Volcker Rule, fiduciary standards and derivatives regulations; a failure in or breach of the Corporation’s operational or security systems or infrastructure, or those of third parties, including as a result of cyberattacks; the impact on the Corporation's business, financial condition and results of operations from the planned exit of the United Kingdom (U.K.) from the European Union (EU); and other similar 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.

Important Presentation Information

- The information contained herein speaks only as of the particular date or dates included in the accompanying slides. Bank of America does not undertake an obligation to, and disclaims any duty to, update any of the information provided.
- The Corporation may present certain key performance indicators and ratios excluding certain items which result in non-GAAP financial measures. The Corporation believes the use of these non-GAAP financial measures provides additional clarity in understanding its results of operations and trends. The Company views net interest income and related ratios and analyses on a fully taxable-equivalent (FTE) basis, which when presented on a consolidated basis, are non-GAAP financial measures. The Company believes managing the business with net interest income on an FTE basis provides investors with a more accurate picture of the interest margin for comparative purposes. For more information about the non-GAAP financial measures contained herein, please see the presentation of the most directly comparable financial measures calculated in accordance with GAAP and accompanying reconciliations in the earnings press release for the relevant period and other earnings-related information available through the Bank of America Investor Relations web site at: http://investor.bankofamerica.com.
- The Company's fully phased-in Basel 3 estimates and the supplementary leverage ratio are based on the Standardized and Advanced approaches under Basel 3 and supplementary leverage ratio final rules. Under the Basel 3 Advanced approaches, risk-weighted assets are determined primarily for market risk and credit risk, similar to the Standardized approach, but also incorporate operational risk and a credit valuation adjustment component. Market risk capital measurements are consistent with the Standardized approach, except for securitization exposures, where the Supervisory Formula Approach is also permitted. Credit risk exposures are measured using internal ratings-based models to determine the applicable risk weight by estimating the probability of default, loss given default and, in certain instances, exposure at default. The internal analytical models primarily rely on internal historical default and loss experience. The calculations under Basel 3 require management to make estimates, assumptions and interpretations, including the probability of future events based on historical experience. Actual results could differ from those estimates and assumptions. These Basel 3 fully phased-in Advanced approaches estimates assume approval by U.S. banking regulators of our internal models methodology (IMM) for calculating counterparty credit risk regulatory capital for derivatives. As of June 30, 2017, we did not have regulatory approval of the IMM model.
- The Company allocates capital to its business segments using a methodology that considers the effect of regulatory capital requirements in addition to internal risk-based capital models. The Company's internal risk-based capital models use a risk-adjusted methodology incorporating each segment's credit, market, interest rate, business and operational risk components. Allocated capital is reviewed periodically and refinements are made based on multiple considerations that include, but are not limited to, risk-weighted assets measured under Basel 3 Standardized and Advanced approaches, business segment exposures and risk profile and strategic plans. As a result of this process, in the first quarter of 2017, the Company adjusted the amount of capital being allocated to its business segments.

Bank of America

Bank of America

Merrill Lynch

U.S. Trust

Bank of America Merrill Lynch