

Modern Slavery Act Statement for FY2019

Introduction

Bank of America believes that human trafficking, slavery, and related exploitative practices such as servitude, forced labor, and child labor (together 'Modern Slavery') are egregious human rights abuses. We are committed to respecting human rights and we have pledged resources and capabilities to combat the global crime of Modern Slavery. This statement outlines the measures taken during fiscal year 2019 by Bank of America and its subsidiaries to address the risk of Modern Slavery in Bank of America's business and supply chain.

To comply with the requirements of section 54 of the United Kingdom Modern Slavery Act 2015 ('the Act') this statement is given by Bank of America for the year ending 31st December 2019 on its own behalf and on behalf of its wholly owned subsidiaries and branches of subsidiaries operating in the UK, including, but not limited to Bank of America, National Association - London Branch, Bank of America Merrill Lynch International Designated Activity Company ('DAC') - London Branch, and Merrill Lynch International. Bank of America Corporation is headquartered in the United States (Charlotte, North Carolina) and our stock (NYSE: BAC) is listed on the New York Stock Exchange.

Who We Are

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company serves approximately 66 million consumer and small business clients with approximately 4,300 retail financial centers. Bank of America is one of the global leaders in wealth management, corporate and investment banking and trading across a broad range of asset

classes, serving corporations, governments, institutions and individuals around the world. The company serves clients through operations across the United States, its territories and approximately 35 countries. As of December 31, 2019, Bank of America had approximately \$2.4 trillion in assets and approximately 208,000 full-time equivalent employees.

Our supply chain is comprised of approximately 5,000 active third parties globally. A significant majority are providers of professional services, such as contract labor, legal services, creative marketing and communication services, information technology services and real estate services. While we source from many countries, including the 35 countries where we have operations, most of our third parties are headquartered in and provide services to us in the United States.

More information on Bank of America can be found in our 2019 [Annual Report](#) and on our [corporate website](#).

Our Policies and Approach

Bank of America is committed to respecting human rights and demonstrates leadership in responsible workplace practices across our enterprise and in all regions where we conduct business. We aim to align our company policies and practices with international standards, including the principles laid out in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the International Labor Organization's Fundamental Conventions. Additionally, we support a number of international charters, principles and initiatives that inform our approach, including the United Nations Principles for Responsible Investment, the Equator Principles and the United Nations Global Compact. Our commitment to fair, ethical and responsible business practices, as we engage with our employees, clients, third parties and communities around the world, is embodied in our [values](#), our [Code of Conduct](#) and our [Vendor Code of Conduct](#). To learn more about our commitment to human rights, please refer to our [Human Rights Statement](#).

As a financial institution, risk is inherent in all of our business activities. Establishing a culture of managing risk well is fundamental to our values and our purpose, and how we drive responsible growth. It requires all employees to focus on risk in all activities and encourages the necessary mindset and behavior to enable effective risk management and promote sound risk taking within our risk appetite. The Code of Conduct, Risk Framework, Risk Appetite Statement and strategic plans are overarching documents that firmly embed the Company's culture of managing risk well in everything we do.

Our Risk Framework serves as the foundation for consistent and effective management of risks facing Bank of America and its subsidiaries. It sets forth roles and responsibilities for the management of risk, provides a blueprint for how the boards of directors, through delegation of authority to committees and executive officers, establish risk appetite and associated limits for our activities, and describes the components

of our risk management approach and the seven key types of risk we face. Our Chief Risk Officer has primary responsibility for our Risk Framework and is held accountable to the Chief Executive Officer and the Enterprise Risk Committees of the Board of Directors of Bank of America Corporation.

Individual accountability is the cornerstone of our culture, and requires that risks are promptly identified, escalated and debated, thereby benefiting the overall performance of the Company. Managers have additional obligations to lead by example, to create an environment in which teammates know they are encouraged to ask questions and raise concerns and to hold others accountable for acting in accordance with our values, our Code of Conduct and our Risk Framework. All employees are required to complete annual training on these subjects, as well as acknowledge our Code of Conduct. Employees are encouraged to submit complaints or possible violations of the Code of Conduct or other unethical activities, without fear of retaliation, to our Ethics & Compliance Hotline. All complaints are thoroughly and confidentially investigated and tracked to closure in a timely manner. Adverse human rights impacts are addressed as they are identified.

We have established an [Environmental and Social Risk Policy Framework](#) (ESRPF) to provide additional clarity and transparency around how we address environmental and social risks, which touch almost every aspect of our business. We recognize the impact they can have on our communities, clients, third parties, employees and company and take our role in managing those risks very seriously. This commitment is underscored by Bank of America's governance of environmental and social issues. Our management has established the Global ESG Committee which includes leaders from across our company who help identify, raise and oversee our company's response to emerging environmental, social and governance risks and opportunities, including Modern Slavery. The committee is accountable to the Chief Executive Officer and reports to the Corporate Governance, ESG, and Sustainability Committee of the Board of Directors of Bank of America Corporation, as explicitly stated in the [committee charter](#). The ESRPF is reviewed and approved by this Global ESG Committee at least every two years, or more frequently as material issues develop.

In 2018, Bank of America formed an internal Human Trafficking Task Force to promote awareness, increase collaboration and improve detection of Modern Slavery. This Task Force is led by a member of the executive leadership team and includes members from across the enterprise who provide valuable insight and expertise based on their diverse experiences and responsibilities. The Task Force remained active in 2019 and provides periodic updates to the Global ESG Committee regarding progress made in addressing the risks, root causes and impacts of Modern Slavery in our role as an employer, a procurer of goods and services, a financial institution serving clients and as part of our commitment to addressing society's greatest challenges.

Where We Have Risk of Modern Slavery

We conduct regular reviews of our internal business operations and extended supply chain to identify Modern Slavery risks and in 2019, partnered with Verité, a globally recognized non-profit organization specializing in fair labor practices. Through our internal reviews and

partnership with Verité, we have identified a number of priority risk areas. These include: financial transactions that have the potential to be directly tied to Modern Slavery; and business being conducted with or on behalf of Bank of America by third parties in industry sectors that feature low or unskilled labor, or foreign migrant workers. These include third parties responsible for facilities and travel services and third parties that manufacture hardware and some hard goods. Risks related to our own employees and recruiting practices is very limited because the vast majority of our global workforce is made up of skilled professional workers who are recruited directly.

How We Address These Risks in Our Business

Our success as a company is driven by the people supporting our clients each day. Bank of America is committed to treating every employee with respect and dignity and protecting their human rights. We offer equal employment opportunity to all, do not tolerate discrimination or harassment and are proud to be a leader in supporting diversity and inclusion. We abide by labor laws and regulations in the regions where we conduct business including those that address child labor, forced labor, equal pay and nondiscrimination in our workforce. We strive to be a great place to work, and we provide a safe and healthy work environment for all employees. We have effective policies and processes to ensure all employees, including contractors and temporary workers, are recruited ethically, at no cost to the employee, and are subject to appropriate background and other reviews prior to beginning employment. This includes verifying an individual's identity, age and right to work. All employees receive offer letters prior to commencing work, which – together with our policies – make clear each employee's right to leave their employment with Bank of America, with reasonable notice, at any time. Through our Life Event Services team, we offer support to employees in the moments that matter, including being personally impacted in any way by human trafficking or Modern Slavery. We acknowledge and support the rights of each employee and value an open dialogue with our employees so we can continue to improve our work environment.

We also recognize the critical role we play in combatting human trafficking and Modern Slavery as a financial crime. In order to mitigate this risk, we have instituted policies and controls to prevent the illegal use of our products and services, including abuse that may result in human rights violations. These include a rigorous Customer Due Diligence process and anti-money laundering controls. One such control is our Material Negative News process, which involves monitoring negative news that connects our clients to possible financial crimes, including human trafficking. In 2018 and 2019, with the help of Thomson Reuters Foundation's US Banks Alliance Against Trafficking, we identified typologies and red flag indicators specific to sex trafficking and developed advanced detection methods to identify suspicious activity, augmenting our existing transactions monitoring processes. We are in regular contact with other financial institutions, civil society organizations and law enforcement to share best practices and further refine our detection methods.

Training our teammates to recognize potential financial crimes, including human trafficking, is essential to ensuring that we are delivering on our company's purpose and managing risk effectively. As such, all Bank of America employees are required to complete Global Financial

Crimes training annually, which includes information on Modern Slavery and how to report suspicious activity. Beginning in 2019, front line teams in our Consumer line of business, which operates in the United States, must also complete a training module specific to human trafficking, which details how to identify and report suspicious activity. All reports of suspicious activity are systematically investigated by a team that has received specialized training on the topic and cases are referred to law enforcement if appropriate. Beyond educating our teammates through formal mandatory training, Bank of America recognizes that our footprint and sizeable workforce enables us to raise awareness of Modern Slavery more broadly. To this end, in January 2019, we published an informational article prominently on our all-employee intranet site, in honor of Human Trafficking Awareness Month. Additionally, the Human Trafficking Task Force spread awareness by way of newsletters and presentations to numerous Employee Networks and local market teams. We will continue to grow and refine our training and awareness efforts, including efforts to share thought leadership with external audiences in 2020.

How We Address These Risks in Our Supply Chain

Bank of America has a Third Party Program in place to control the risks of using third parties to support our business units, processes, products and services. The Third Party Program is delivered by our Global Procurement team, which is responsible for sourcing, global purchasing, procurement strategies and the establishment of a third party oversight and governance framework. A senior executive responsible for Global Procurement is a member of the Global ESG Committee and helps ensure that the Third Party Program is informed by the ESRPF.

Our [Vendor Code of Conduct](#) sets out our requirements and expectations of all our third parties, with regard to ethics, human rights, diversity and inclusion and the environment. The Vendor Code of Conduct is reviewed by the Global ESG Committee at least every two years, or more frequently as material issues develop. It is made available to prospective and existing third parties; Bank of America expects its third parties to conduct their operations in accordance with this code.

In 2019, the Vendor Code of Conduct was updated to clarify our expectation that third parties should develop policies and procedures to respect human rights consistent with internationally recognized standards, including the United Nations Guiding Principles on Business and Human Rights. Third parties are expected to maintain appropriate due diligence and testing measures, train staff and track indicators of effectiveness. We also added specificity to the code by including examples of practices that could reasonably be considered as employing or encouraging Modern Slavery, such as withholding wages or security payments, confiscating identity documents, the payment of recruitment fees by workers and restricting movement of workers. The updated Vendor Code of Conduct now defines a minimum age for work and clearly states that all third parties are expected to provide workers with access to transparent and confidential processes to raise workplace concerns, resulting in swift and fair investigation, with a clear resolution and protection from retaliation.

As part of Bank of America's efforts to prevent unethical practices, including Modern Slavery, from taking place within its supply chain, we maintain an approved third party list and conduct extensive due diligence on all prospective third parties to ensure an effective control environment is in place. This due diligence includes, but is not limited to, the review of documented recruitment and/or hiring policies and background screening procedures. In 2019, we performed a risk assessment to identify industry sectors at high risk of Modern Slavery. Additional due diligence is now performed on third parties providing products or services linked to these industry sectors. This includes a review of policies and procedures specific to forced and child labor, as well as an exercise to understand if, where, when and how migrant workers are employed while conducting business with or on behalf of Bank of America. If a third party supplies a non-compliant response, Global Procurement is responsible for ensuring the findings are investigated and resolved prior to contracting.

Bank of America also performs ongoing monitoring of third parties to guard against Modern Slavery. We perform daily negative news monitoring to help ensure that issues reported by the media are identified and addressed quickly. The negative news monitoring includes specific lexicon searches on terms related to human trafficking, forced labor, child labor, human rights and civil liberties. We also work to mitigate the risk of Modern Slavery with third parties by conducting periodic assessments of our third parties throughout the engagement. The assessment includes a review of third parties' background check processes to ensure eligibility of its workforce to work in the country in which the services are being performed. This assessment process also covers other potential risk areas in our supply chain such as financial crimes control monitoring, incident/event monitoring, financial viability and whistle-blower protections. In 2019, as part of our ongoing monitoring, we initiated conversations with third parties that are aligned to several high risk industry sectors to better understand existing policies and controls specific to forced and child labor. We will continue to expand and deepen our engagement with third parties in high risk industry sectors in 2020.

Bank of America has a disciplined process to ensure effective contracts are in place with third parties, including language that requires third parties and their subcontractors to comply with Bank of America policies, procedures and other instructions. Our global contract template specifically requires third parties and their subcontractors to abide by labor laws and regulations in the regions where they conduct business, including those that address child labor, forced labor, slavery, human trafficking, equal pay and non-discrimination in the workforce. The contract template also specifically prohibits third parties from engaging in any practice that could reasonably be considered as employing or encouraging child labor, forced labor, slavery or human trafficking. Bank of America maintains the right to terminate immediately any third party contract in the event of material violations of applicable laws.

In 2019, we developed a mandatory training course specific to Modern Slavery and deployed it to all Bank of America Global Procurement and Vendor Management employees globally. The training, which will be provided annually, increases visibility and awareness of Modern Slavery and includes information on how to identify and report any concerns. This training will continue to be enhanced in 2020.

Measuring Progress

We track and measure our effectiveness in ensuring that Modern Slavery is not occurring in our business and supply chain in a number of ways. We will continue to review these metrics in 2020 and will revise them if better measures are identified.

Metric	2019
Annual Awareness Training Delivered	More than 33,000 front line employees and 1,000 employees in Procurement or Vendor Management roles completed annual awareness training specific to Modern Slavery in 2019.
Deals Escalated to Reputational Risk Committee	Nine items, relationships or transactions which included human rights risks were escalated to the Reputational Risk Committee in 2019. Of these, none was specific to Modern Slavery.
Vendor-Related Issues Logged	Twelve third party issues related to Modern Slavery were logged in 2019. After investigation, all issues were found to be unrelated to Bank of America's supply chain.

Partnering for Progress

Bank of America works with other financial institutions, civil society organizations, law enforcement agencies and trusted advisors to promote collaboration and shared action to address Modern Slavery. These include:

- Our partnership with [Polaris](#), [The Arise Foundation](#), [Covenant House](#), and local nonprofits across the globe combatting human trafficking. These partnerships support frontline organizations as they work to eradicate this global crime and support survivors. They also enable us to gather critical feedback directly from victims and survivors.
- Our participation with the United Nations Financial Sector Commission's [Survivor Inclusion Initiative](#) to promote the financial inclusion of those vulnerable to Modern Slavery and human trafficking. We are extending access to checking and savings accounts, debit cards and, if appropriate, credit cards, to survivors and will work with designated agencies to connect referred survivors to convenient financial services, advice and education.
- Our contribution to financial sector initiatives to develop best practices such as the Liechtenstein Initiative, the Mekong Club and the Thomson Reuters Foundation's US Banks Alliance Against Trafficking. These initiatives offer an opportunity to share experiences with other financial institutions and develop guidance, improving the industry as a whole.
- Our consultation with Omnia Strategy LLP, a law firm specializing in human rights, corporate responsibility, stakeholder engagement, and the prevention and resolution of disputes; and Verité, a globally recognized non-profit organization specializing in fair labor practices. These engagements strengthen our understanding of the issue, recognized standards and best practice.

We will continue to evolve and improve our approach to Modern Slavery in 2020 and welcome feedback. Please contact us at ESG_information@bofa.com.

This statement was reviewed with the Merrill Lynch International Board of Directors and executive leadership at Bank of America, National Association - London Branch Office and Bank of America Merrill Lynch International DAC - London Branch Office. It was reviewed and approved by the Bank of America Corporation Board of Directors on June 23, 2020 and has been signed by a Director of Bank of America Corporation and published on Bank of America's website at about.bankofamerica.com.

A handwritten signature in black ink, appearing to read 'B Moynihan', written in a cursive style.

Brian Moynihan
Chairman and CEO, Bank of America Corporation