WRITTEN STATEMENT
OF
BRIAN MOYNIHAN
CHAIRMAN AND CEO
BANK OF AMERICA

BEFORE
THE
COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS
UNITED STATES SENATE

DECEMBER 6, 2023

Chairman Brown, Ranking Member Scott, and members of the Committee, I appreciate the opportunity to testify before you today.

At Bank of America, we have a common purpose: to make financial lives better. To best achieve that outcome, in 2014 our company adopted the four tenets of what we call Responsible Growth:

- We must grow and win in the market.
- We must grow with a customer focus.
- We must grow within our risk framework.
- We must grow in a sustainable manner.

This longstanding common focus on driving Responsible Growth has helped us be well-positioned to be a source of strength and stability when our customers, employees, communities, and shareholders need us most.

Over the past decade, we have seen Responsible Growth work in the relative calm of 2015 to 2019, the pandemic tumult of 2020 and 2021, the inflationary period that began in 2022, and the challenging economic and geopolitical environment that continues in 2023.

In each of these periods, our company benefited from the long-term consistency provided by our adherence to Responsible Growth. This has helped make Bank of America one of only four U.S. companies that have earned more than $15 billion in GAAP after-tax income in each of the past eight years.

Here's a closer look at how Bank of America has delivered strength, stability, and progress by driving Responsible Growth.

Grow and win in the market

Bank of America serves three groups of customers—people, companies of all sizes, and institutional investors—through eight lines of business that work together to drive Responsible Growth:

- Consumer Banking: Retail Banking and Preferred Banking
- Global Wealth & Investment Management: Merrill and The Private Bank
- Global Banking: Business Banking, Global Commercial Banking, and Global Corporate & Investment Banking
- Global Markets

Our client teams deliver the unique capabilities and offerings of each business to each client. We also focus in each market on bringing the entire company to every client. We track how well we deliver these integrated capabilities by the number of client referrals between our lines of business in our local markets. In 2022, we saw more than 7.5 million total referrals among our operating units. In addition, we helped consumer clients open a record one million net new checking accounts.

Small business owners benefited from Bank of America's products, scale, and expertise at our retail financial centers across the U.S.—including Business Advantage specialists in more than 2,600 financial centers, as well as our expansive ATM network and access to local client professionals available to discuss their business priorities. We also are available to serve our Small Business clients digitally with the latest videoconferencing, chat, and phone technology.

Thanks to all of this and more, we continue to maintain our position among the nation's largest small business lenders, ending 2022 with $36 billion in total outstanding loans under $1 million and a 5% increase in Small Business checking accounts. And these Small Business clients have entrusted us with managing approximately $175 billion of deposits to pay their employees and build their businesses.

Preferred Banking provides personalized solutions, valuable rewards, and advice and guidance for clients with more complex banking, borrowing, and investing needs, as well as for entrepreneurs and small businesses with revenues of up to $5 million.

In our wealth management businesses, Merrill serves high net worth and ultra-high net worth clients. Our personal advisor relationships help to ensure that we're assisting each individual investor to plan for and achieve their unique financial goals. The Private Bank provides comprehensive investment, wealth management, and philanthropic solutions to ultra-high net worth clients with investable assets of more than $3 million.

For commercial and corporate clients, Business Banking client relationship teams deliver integrated financial advice and solutions—including credit, treasury, trade, foreign exchange, equipment finance, and merchant services—to small and mid-sized U.S. companies with annual revenues of $5 million to $50 million. For larger clients, Global Commercial Banking offers treasury, lending, leasing, advisory, and debt and equity underwriting services to middle market companies with revenues of $50 million to $2 billion across all major industries. It brings clients the full capabilities of the company paired with local service. Our largest corporate clients are served by Global Corporate & Investment Banking, which provides clients around the world and across all major industries with solutions for treasury services, lending, leasing, advisory, and debt and equity underwriting. This business serves corporate clients with more than $2 billion in revenues, financial institutions, and government agencies.

And finally, our Global Markets business provides services across the world's debt, equity, commodity, and foreign exchange markets. This includes liquidity, hedging strategies, industry-leading insights, analytics, and competitive pricing to clients consisting of hedge funds, asset managers, pensions, and other financial institutions.

Grow with a customer focus

Responsible Growth means growing with a focus on our customers and clients—and that means that our products and services must evolve in line with our clients' unique financial needs.

Consumer customers across all of the communities we serve continue to tell us they value our digital capabilities, as we added three million active digital banking users in 2022, improving upon a record performance in 2021. Our wealth clients also expect digital innovation, and we are providing it. In 2022, Merrill clients were 82% digitally active while our Private Bank clients were 86% digitally active—new highs for both.

Erica®, our artificial intelligence (AI)-based virtual financial assistant, also continues to attract increased client engagement as it has proven to be a critical channel to help us deliver important information to clients and address their questions and concerns in real-time. Erica handled roughly 145 million interactions in the fourth quarter and recently passed a billion interactions since its introduction.

Among the most significant digital-driven changes in banking is how our clients want to send and receive money. In the fourth quarter, the number of consumer clients who are active Zelle® users increased 15% to 18.2 million. These active users sent and received 273 million transfers worth $81 billion, up 25% and 24% year-over-year, respectively. Zelle-sent transactions exceed checks written by our consumers. This shows our customers' preference for digital convenience.

Our clients also continue to adopt our easy-to-use CashPro App, and, along with that use, we're seeing an increasing percentage of credit documents uploaded digitally, saving clients time. As of late 2022, 75% of clients were digitally active on our platforms across commercial, corporate, and business and small banking, CashPro and our Small Business Online Banking platform, Business Advantage 360.

The fourth quarter of 2022 saw record quarterly CashPro App engagement, with active users increasing 25% and sign-ins increasing 50%, in turn driving a record 40% increase in quarterly

CashPro App payment approvals with a value of $186 billion. We know we can increase these award-wining capabilities even more, driven by client demand.

The case for continued development of our digital platforms is simple: clients tell us they clearly appreciate the value and convenience they provide—so we will continue to provide and expand them.

We continue to take the steps necessary to fully digitally enable all products to drive growth and maximize the client experience. That's why we invested $3.6 billion in 2022 for new technology initiatives, to build a powerful, more secure, and scalable technology platform with market-leading capabilities. That sum is up several hundred million dollars from 2021, and we plan to increase it by 10% in 2023. And through continuous investment we have spent more than $30 billion over the past decade on new technology initiatives. *Page 9 in the Appendix provides additional detail regarding our consumer data privacy practices.*

At the same time, we also continued to focus on delivering expert support and guidance across our high-touch physical network, opening 58 new financial centers and renovating 784 more in 2022. We ended the year with 3,900 financial centers and 15,500 ATMs. This network also includes our phone, offices, and chat capabilities. We are pleased by the results in our new markets, where in just a few years we are growing from no financial centers to become top 10 or above in deposit market share in nearly all markets.

Over the next four years, we'll also expand into Omaha, Louisville, Boise, Birmingham, Madison, New Orleans, Milwaukee, Dayton, and Huntsville. By expanding our capabilities in these markets, we are able to better serve our clients and help drive local community growth and development.

Together, our combined high-tech and high-touch approach to serving clients has led to record-high levels of customer satisfaction for Bank of America in 2022 and, in turn, contributed to our growth.

Another recent example of our customer focus is the continued evolution of our overdraft services and solutions—work that had been underway for more than a dozen years to reduce clients' reliance on overdrafts and provide alternatives to help clients manage their deposit accounts and avoid fees. To strengthen sound financial habits, in 2022 we eliminated non-sufficient funds (NSF) fees, reduced overdraft fees from $35 to $10, and eliminated the transfer fee associated with our overdraft protection service, Balance Connect™. Collectively these efforts have resulted in a decrease of more than 90% in overdraft fees since 2009. *Page 9 in the Appendix provides additional detail regarding how Bank of America NSF fees and overdrafts data compares to the top 15 banks.*

In addition, with SafeBalance there are no overdraft fees, and the monthly maintenance fee is waived for eligible students under the age of 25 as well as for clients enrolled in our Preferred Rewards program with qualifying balances.

By eliminating these fees, we are able to increase satisfaction and deepen relationships to create a more stable source of revenues, while reducing our costs.

We also deployed our strength to low- to moderate-income (LMI) customers. For example, we extended approximately $9 billion in LMI loans to small businesses in 2022. In addition, Bank of America Community Development Banking provides financing for affordable housing and economic development across the U.S. In 2022, we provided nearly $8 billion in debt and equity financing, creating more than 10,000 units of affordable housing.

We've also committed $15 billion to our affordable homeownership program to help 60,000 individuals and families purchase a home. Since our Community Homeownership Commitment® launched in 2019, we have helped more than 39,000 individuals and families with more than $10 billion in affordable lending purchase a home and provided nearly $383 million in down payment and closing cost grants. *Page 11 in the Appendix provides additional detail regarding our consumer mortgage products.*

Over the last few years, we have also invested in 23 minority depository institutions (MDIs). We also have helped seed more than 130 private equity funds run by women and diverse private equity entrepreneurs. These funds have funded more than 1,000 operating companies owned by like cohorts. We also recognize the value to our business—and to society—of supply chain diversity. In 2022, approximately $2 billion of our nearly $19 billion in annual spend was with diverse suppliers. *Page 12 in the Appendix provides additional detail regarding our investment in MDIs and CDFIs.*

Much of this work benefitted from the important insights and guidance from our National Community Advisory Council (NCAC), a group of external advisors, analysts, and consumer advocates that we established 17 years ago. The NCAC provides important external perspective to help us understand, design, and deliver products to help meet the needs of our communities—particularly those in the low- to moderate-income sphere.

Grow within our risk framework

The third tenet of Responsible Growth is to grow within our well-managed risk framework—a framework that allowed us to be a source of strength to clients during the pandemic and that has continued to allow us to grow during the current volatile market environment.

Recognizing and managing risk is integral to how we drive Responsible Growth every day. That applies to the 8,000-plus teammates in our Risk, Compliance, and Audit functions, as well as all of my teammates worldwide. It is core to who we are.

We continue to promote a culture of risk management at every level of the company and mitigate operational risk through our focus on operational excellence. *Page 12 in the Appendix*

provides additional detail regarding our compliance with all applicable laws, including fair lending and other anti-discrimination laws, and current public enforcement actions.

Our discipline around risk has us well-prepared for a severe economic stress scenario, as illustrated by Bank of America having the lowest stressed credit loss rates among peers on 11 out of the past 12 Federal Reserve Board stress tests. At the end of 2022, credit quality continued to be better than 2019, which was the last year before the pandemic and represented a very strong year for credit at banks.

In addition to being effective, our risk management is also agile. When regulatory capital ratio requirements for banks changed in 2022, we moved quickly so that we had a buffer for those requirements. Importantly, we did that as we continued to support clients, return capital to shareholders, *and* strengthen our strong balance sheet.

Overall, our balance sheet continues to be supported by high levels of capital and liquidity, enabling us to continue to grow our business with customers, while meeting additional regulatory requirements and repurchasing shares. *Page 13 in the Appendix provides additional detail regarding 2022 year-end and 2023 third-quarter capital and leverage ratios, profits, and annual dollar value of dividends, stock buybacks, and other capital distributions.*

Grow in a sustainable manner

Responsible Growth requires us to grow in a sustainable manner. This has three components.

Driving Operational Excellence (OpEx)

OpEx is how we create the means to reduce costs by striving to eliminate inefficiencies in our processes across our platform and reinvest savings into the things that are important to us: our team; our capabilities; our client experience; our communities; and our shareholders.

By pursuing OpEx, we drive continuous improvement, reduce risk, and identify faster, simpler, and more efficient ways of working and serving our clients.

Making our company a Great Place to Work

Central to driving Responsible Growth is being a Great Place to Work for our more than 210,000 teammates. We continue this long-standing commitment, including by delivering a range of some of the best benefits in corporate America, supporting the development of our employees, and maintaining a workplace where every individual can thrive.

Highlights include:

- This year we increased our U.S. minimum hourly wage to $23 in our next step toward a $25 minimum hourly wage by 2025. This means that any employee who works full-time makes at least ~$48,000 per year and receives some of the most comprehensive benefits available.

- In addition to normal merit increases, in 2022 we increased annual salaries for all U.S. employees who received annual total compensation below $100,000 and had been employed with the company since 2021 or earlier. The percentage increase for eligible employees ranged from 3% to 7%, based on years of service.

- We also launched a new sabbatical program for employees celebrating milestones of 15 years or more beginning in 2023 and doubled the number of confidential, face-to-face counseling sessions available through our Employee Assistance Program.

- We increased our childcare benefit, which provides eligible employees making less than $100,000 per year a reimbursement of up to $275 a month per child for the cost of childcare.

- In 2022, we also continued to have no, or below our cost, increases in health benefits for most of our teammates to help them care for their families.

We continue to recruit, develop, and retain a diverse and inclusive workplace. We know that when our workforce reflects the communities we serve, we can better serve our clients while also creating an environment where people want to perform their best.

Our diversity and inclusion (D&I) policies drive transparency, accountability, and continued progress while encouraging all teammates to bring their full and authentic selves to work each day. Third parties validate our equal-pay-for-equal-work efforts, and we continue to survey our teammates annually on how we are doing in the D&I space. As in recent years, the 2022 employee survey D&I index scores remained high.

You can learn more about how we are making Bank of America a Great Place to Work in the Human Capital Management Update provided in our 2022 Annual Report. This includes our latest measures in how we are improving diversity of our leadership, management, and global workforce.

Sharing our success

At Bank of America, sharing our success includes giving and volunteering, as well as helping to address issues affecting clients and communities. When our communities fare well, we fare well, and our brand reflects it.

In 2022, we made nearly $360 million in philanthropic investments to strengthen our communities. Our teammates also donated their money and time to share success. Charitable giving by our teammates in 2022, combined with matching gifts from Bank of America, totaled more than $65 million. Our teammates also reported nearly two million volunteer hours for the year. I am proud to share this proof of their commitment to our communities with you.

We also create opportunity in our communities through employment. We are in our second commitment to hire 10,000 teammates from low- and moderate-income communities, having completed the first commitment in only three years, two years earlier than the five years pledged. Similarly, to recognize our service men and women, we hired over 15,000 veterans in the eight years leading up to 2022. We work with other companies to expand the principles of skills-based hiring to large companies. This gives an employee a great start with great benefits. *Page 14 in the Appendix provides additional detail regarding our compliance with the Servicemembers Civil Relief Act.*

Bank of America continues to help drive sustainability through our work with clients to help them transition to a secure, low-carbon economy. We are committed to helping facilitate that energy transition, with clean energy that is affordable, sustainable, and secure.

Helping our clients make the transition they seek is great business *and* great for society. That's why in 2020 we set a goal to mobilize and deploy $1.5 trillion by 2030 to advance the sustainable development goals to which 193 countries agreed in 2015, with $1 trillion of that focused on helping our clients transition to a low-carbon future. In 2021 and 2022, we mobilized and deployed a cumulative total of $410 billion in sustainable finance, with more than $235 billion focused on helping drive affordable clean energy. At the same time, we are helping catalyze efforts globally by playing a lead role in multiple global organizations to give private companies from all sectors the opportunity to exchange ideas and consider transactions and investments that can help accelerate the transition.

A successful company must be able to operate in any environment, for the betterment of clients, teammates, communities, and shareholders. And I am proud to say Bank of America has done that.

Our continued focus on Responsible Growth has allowed us to serve as a source of strength and stability, despite the volatility and uncertainty in the economy.

APPENDIX

Consumer data privacy practices

We use information security and cybersecurity technology and tools in combination with comprehensive training and education programs to ensure consumer personal information is secure, accurate, and available to customers when needed. Our U.S. Consumer Privacy Notice explains how we collect, use, and share customer information, and available options to limit such sharing. Under the Gramm-Leach-Bliley Act and other federal regulations, we can share customer information with third parties when required.

Bank of America does not sell personally identifiable customer data to third parties, nor do we allow third parties to conduct research for their own purposes using personally identifiable customer data that we have collected in the normal course of business. If any of our vendors receive personally identifiable customer data in performing a function for us, we require that the vendor meet our privacy and data protection standards and that the data be protected by our strict information security controls. No further use of that data can be made without Bank of America's express approval.

Bank of America non-sufficient fund / overdraft (NSFOD) fee data

Bank of America has consistently had a lower mix of NSFOD fees as a percentage of total Consumer service charges.

Below are the NSFOD fee volumes for the top 15 banks.

	2Q'23		1Q'23		4Q'22		3Q'22		2Q'22		1Q'22		FY21		FY20		FY19	
Bank Name[1]	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD	NSFOD Fees	% NSFOD
JP Morgan	274,000	50%	297,000	52%	307,000	52%	296,000	51%	335,000	56%	314,000	55%	1,211,000	56%	1,463,000	63%	2,061,000	69%
Wells	226,000	52%	224,000	51%	251,000	53%	317,000	58%	331,000	62%	384,000	63%	1,414,000	67%	1,281,000	64%	1,696,000	66%
Truist Bank	79,000	61%	81,000	62%	92,000	68%	93,000	66%	85,000	63%	96,000	70%	415,000	72%	422,000	74%	322,000	72%
PNC Bank	61,118	49%	61,161	49%	59,918	49%	62,220	52%	57,489	49%	56,838	48%	268,820	58%	272,633	64%	411,891	70%
Regions Bank	59,000	69%	58,000	69%	62,000	70%	65,000	71%	79,000	75%	77,000	72%	300,000	70%	306,000	76%	373,000	78%
TD Bank	57,982	40%	53,941	39%	53,186	38%	111,504	56%	102,975	55%	121,579	61%	476,559	62%	418,966	61%	565,237	65%
USB	57,188	55%	45,316	50%	50,711	53%	54,935	51%	67,572	56%	83,346	61%	338,364	60%	339,961	65%	476,426	69%
Bank of America	**33,000**	**9%**	**33,000**	**9%**	**35,000**	**9%**	**35,000**	**9%**	**87,000**	**21%**	**235,000**	**41%**	**1,135,000**	**46%**	**1,113,000**	**46%**	**1,563,000**	**52%**
Woodforest	30,757	65%	29,666	64%	31,322	65%	32,370	65%	37,510	67%	34,794	66%	144,572	65%	142,362	67%	155,399	68%
Fifth Third Bank	27,000	68%	25,000	69%	25,684	69%	25,519	68%	28,477	71%	25,725	69%	107,473	68%	98,003	65%	126,612	66%
Huntington	22,356	57%	18,805	54%	22,604	57%	24,465	58%	38,700	71%	30,064	67%	124,031	71%	97,640	74%	146,182	78%
Citizens Bank	21,571	52%	24,676	57%	27,193	57%	31,073	59%	30,121	59%	28,092	60%	145,106	66%	150,416	68%	214,337	71%
KeyBank	16,503	60%	14,933	58%	15,649	59%	34,361	74%	37,274	76%	34,797	76%	116,323	72%	101,695	70%	148,600	77%
USAA	1,000	100%	(1,000)	100%	47,000	98%	66,000	99%	58,000	98%	56,000	98%	197,213	98%	167,157	98%	215,338	98%
Citi Bank	-	0%	1,000	3%	-	0%	1,000	3%	25,000	42%	29,000	43%	101,000	42%	92,000	38%	154,130	39%

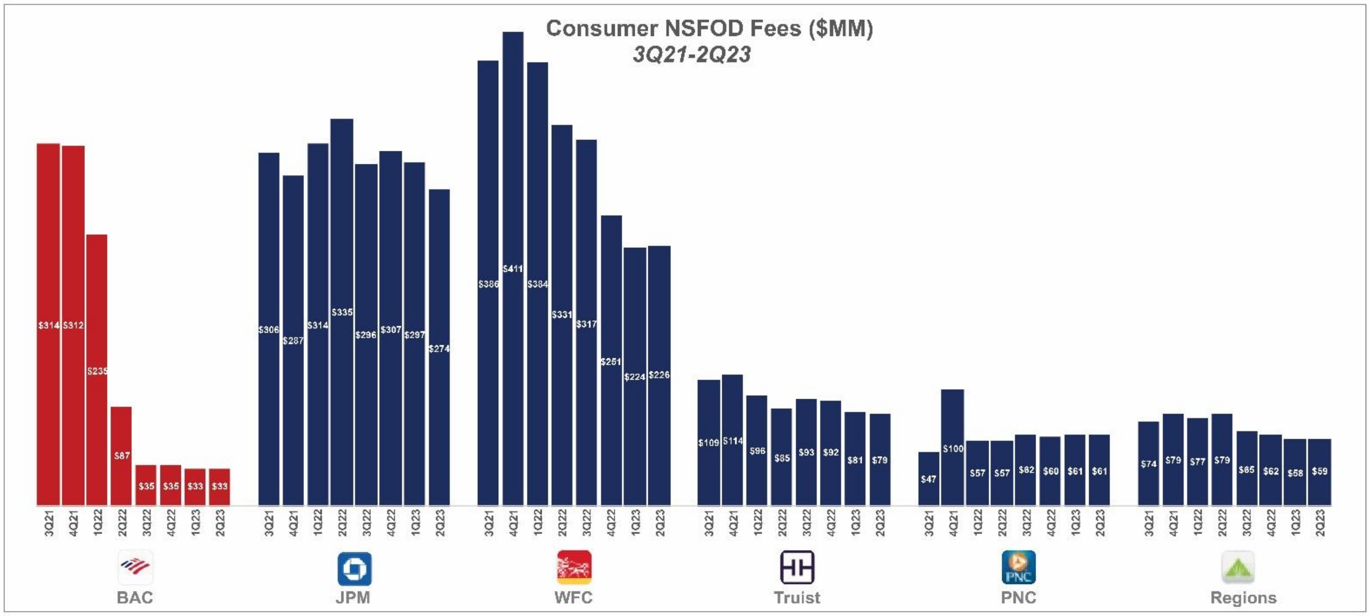
[1] *Order Based on 2Q23 NSFOD Fees*

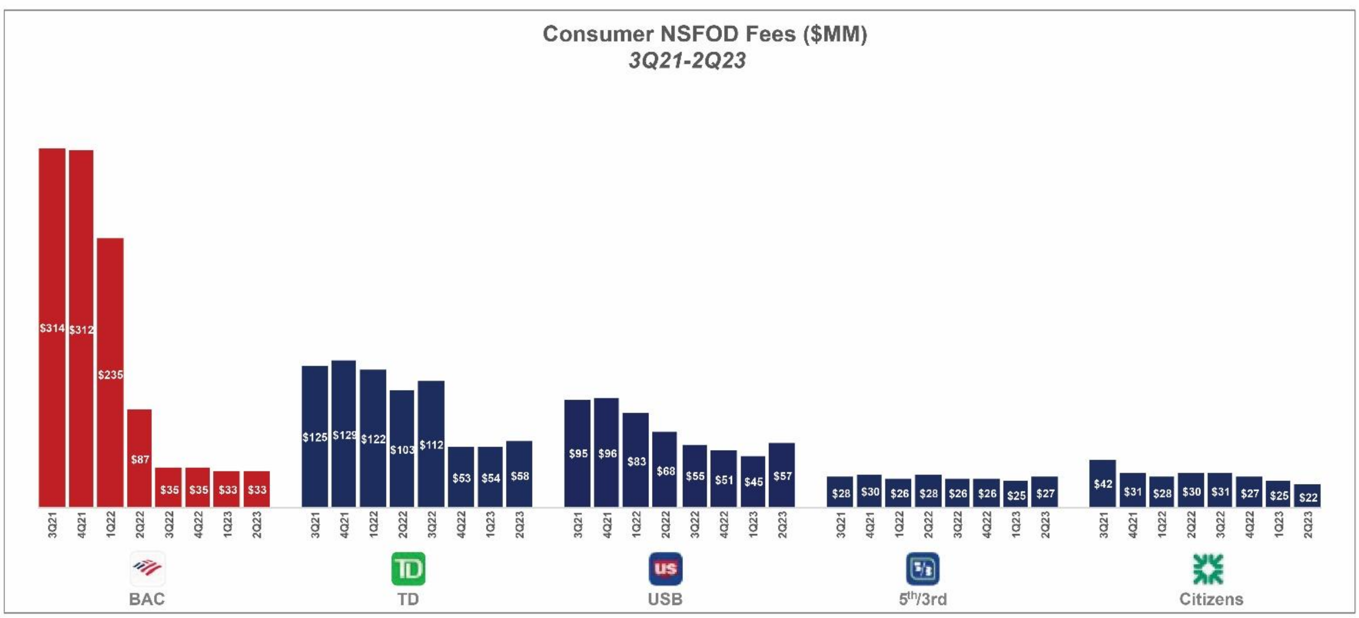
Bank of America	**33,000**	**9%**	**33,000**	**9%**	**35,000**	**9%**	**35,000**	**9%**	**87,000**	**21%**	**235,000**	**41%**	**1,135,000**	**46%**	**1,113,000**	**46%**	**1,563,000**	**52%**

Source: Federal Financial Institutions Examination Council (FFIEC) Call Reports.

Consumer overdraft transformation

Bank of America overdraft (OD) program and policy changes have led to a 2Q23 NSFOD fee decrease of 90%. Over the past four quarters, our OD fees were $90 million - $1 billion lower than large peer banks.





Source: Federal Financial Institutions Examination Council (FFIEC) Call Reports.

Even with a significantly larger deposit client base, our overdraft transformation has led to lower consumer OD fee levels than most Regionals.

Consumer mortgage products

Bank of America provides consumer mortgages through our Retail Banking channel. As of October 2023, we serviced approximately 1.7 million first mortgage and HELOC accounts, representing $300 billion in outstanding balances.

We offer five mortgage categories:

1. Conforming, which includes our proprietary affordable product line
2. Non-conforming
3. Government loans
4. Neighborhood Assistance Corporation of America (NACA)
5. Home equity lines of credit

We offer several mortgage product offerings to assist low-income and historically marginalized consumers to overcome barriers and achieve homeownership. We developed affordable products and programs that provide down payment and closing cost assistance to expand access to homeownership. We also accept alternative credit documentations, such as evidence of on-time rent and utilities payments, to help people achieve homeownership. We have developed many programs over the years to ensure underserved communities have financial education, credit counseling, and a path to homeownership.

We also established a $5 billion Community Homeownership Commitment (CHC) in 2019, and we tripled our CHC commitment to $15 billion in 2021. Key features include up to $10,000 in down payment grants and up to $7,500 in closing costs credits. Through October 2023, we have achieved 77% toward our commitment, which we are on track to fulfill on schedule at the end of 2025. The program has resulted in $444 million in down payments and grants, with 86% going to first-time homebuyers. The average grant amount is nearly $14,700 for those accessing both grants. The CHC has resulted in $11.5 billion in loans to 44,000 homebuyers.

We have created other valuable resources to assist future homebuyers, including Down Payment Center, Real Estate Center, First-Time Homebuyer Online Edu-Series, Connect to Own counseling, Better Money Habits, and Home Resource Center.

Investment in minority depository institutions (MDIs) and community development financial institutions (CDFIs)

Bank of America continues to be the largest private sector investor in CDFIs, which provide affordable, responsible lending and support to low-income and other disadvantaged clients and communities. By funding CDFIs, we help make it possible for credit to flow to needs we might otherwise not reach through direct lending.

Our portfolio exceeds $2 billion in loans, deposits, capital grants, and equity investments in more than 250 CDFI partners in the U.S. Of our CDFI financing, 40% is for affordable housing activities, 30% funds community facilities (e.g., health clinics, charter schools, child-care facilities), 25% funds small business loans, and 5% is for other miscellaneous uses.

We often partner with peer banks, and 90% of our portfolio is loans to CDFIs that are nonprofit loan funds; 10% of our portfolio is deposits in CDFI-certified banks, including MDIs.

In 2022, we doubled our low-cost deposit program in MDIs to $203 million to expand their capacity and facilitate lending, housing, neighborhood revitalization, and other banking services in minority and low- to moderate-income communities. We also have completed $44 million in equity investments to 24 MDIs and CDFIs.

We invest equity in minority- and women-led funds that, in turn, invest in diverse entrepreneurs to grow their businesses and drive economic opportunity in their communities. As of June 2023, we committed more than $500 million in equity investments to more than 150 minority- and women-led funds, more than doubling our initial $200 million commitment.

Compliance with fair lending and other anti-discrimination laws

Bank of America is committed to fairly and responsibly meeting the credit needs of our customers and to complying fully with the letter and spirit of fair lending laws, regulations, and principles. We have many policies, procedures, controls, and feedback channels to prevent discrimination in the provision of its products, services, and employment.

Bank of America serves more than 11 million small business owners, of which more than 40% are women-owned. We are the market share leader for both Hispanic and African American small business owners, ranking No. 1 in small business lending with aggregate ending balances of $24.4 billion (excluding PPP) as of second-quarter 2023, up 14% from 2022.

We support underserved small business owners, including low- to moderate-income and racial and ethnic minorities by offering financial education, access to capital via community engagement events, networking, and conferences, including through strategic partnerships with third-party organizations.

Our Small Business Community Officers are specialized to support business in underserved communities with access to capital, education, and resources. Our Supplier Diversity program, which celebrated its 30-year anniversary in 2020, supports growth of minority, women, veteran, disabled, LGBTQ+, and other diverse-owned suppliers.

As referenced in our 2022 Annual Report, since June 2020 we have committed $760 million against our incremental $1.25 billion commitment to advance racial equality and economic opportunity in the focus areas of jobs, affordable housing, small business success, and health. Additionally, we have issued three $2 billion Equality Progress Sustainability Bonds, the proceeds of which are designed to advance racial and gender equality, and economic opportunity along with environmental sustainability.

Public enforcement actions

Since the hearing in September 2022, Bank of America entities entered into nine settlements with federal government regulators involving penalties greater than $1 million. In some cases, the same fact allegations were resolved with two regulators. In September 2022, Bank of America entered into settlements with the US Securities and Exchange Commission (SEC) and the Commodities Futures Trading Commission (CFTC) to resolve allegations related to recordkeeping and related supervision obligations for ensuring completeness of books and records. In April 2023, MLPFS agreed to pay the SEC a $4.8 million penalty to resolve allegations related to disclosures to clients regarding foreign exchange conversion and wire fees. In July 2023, Bank of America entered into consent orders with the Consumer Financial Protection Bureau (CFPB) and Office of the Controller of the Currency (OCC) to resolve allegations related to nonsufficient funds (NSF) fees, a consent order with the CFPB to resolve allegations concerning credit card practices, and a settlement with the SEC to resolve allegations that the Bank applied an incorrect monetary threshold to determine whether to file certain Suspicious Activity Reports with the Financial Crimes Enforcement Network. In September 2023, the Bank settled with the CFTC concerning its requirements regarding swap reporting and supervision. In November 2023, Bank of America entered into a settlement with the CFPB to resolve allegations that it had inaccurately reported data required by the federal Home Mortgage Disclosure Act.

2022 year-end and 2023 third-quarter capital and leverage ratios, profits, and annual dollar value of dividends, stock buybacks, and other capital distributions

Capital and Leverage Ratios

End-of-Year (2022)	**Third Quarter (09/30/23)**
Common equity tier 1 capital: 11.2%	Common equity tier 1 capital: 11.9%
Tier 1 capital: 13.0%	Tier 1 capital: 13.6%
Total capital: 14.9%	Total capital: 15.4%

Tier 1 leverage: 7.0%	Tier 1 leverage: 7.3%
Supplementary leverage ratio: 5.9%	Supplementary leverage ratio: 6.2%
Tangible equity: 6.8%	Tangible equity: 7.0%
Tangible common equity: 5.9%	Tangible common equity: 6.1%

Profits

Full-year 2022 net income	$27.5B
YTD net income as of 9/30/23	$23.4B

Amount of Share Buybacks and Common Dividend Payments

Q3 (09/30/23)	Dividends: $5.5B	Repurchases: $3.8B	Gross Capital Returns: $9.3B
2022	Dividends: $7.0B	Repurchases: $5.0B	Gross Capital Returns: $12.0B

Compliance with the Servicemembers Civil Relief Act (SCRA)

While less than 1% of our entire portfolio qualifies for benefits under the Servicemembers Civil Relief Act (SCRA), we consider it an important segment that we are proud to service, consisting of roughly 100,000 relationships each year (2023 YTD: 97,799; 2022: 103,535; 2021: 123,496). We also go beyond SCRA to support our employees, clients, and communities affiliated with the military in a variety of ways.

In 2012, we created our Military Affairs Team to coordinate efforts across the enterprise—including hiring; offering financial products, philanthropic, and public policy involvement; and helping veterans reintegrate into the civilian workforce. Since 2014, we have hired over 17,000 servicemembers.

Our Military Support & Assistance Group (MSAG) employee network provides development opportunities for military employees through networking, mentoring, and volunteering. It has more than 19,000 members across 44 chapters. Our Military Talent Acquisition Team partners with strategic organizations and conferences to identify and recruit veterans.

We provide all military employees with paid time-off for military reserve or National Guard annual training and continued coverage of their health and insurance benefits. Our Job Transition Assistance Program helps military spouses access a personalized program should they need help connecting in a new state or city. Our Life Event Services (LES) supports employees facing deployment or a permanent Change of Station move and helps employees connect to community resources, confidential counseling, childcare, and other programs. Since 2012, we have donated more than 2,600 residential properties to military and veteran support organizations.

We support veteran-owned businesses through our CDFIs, and we have donated a total of $10.7 million through our military philanthropic giving, including $3.26 million in 2023.

In November, we announced that we will double our two-year Veteran Loan Fund (VLF) commitment with an additional $10 million toward our $25 million goal for funding the VLF, a CDFI collaborative to support our nation's veterans by narrowing the financial and training gap underserved veterans face when building small businesses.