

BofA Securities Europe SA

Pillar 3 Disclosure

For the Quarter Ended 31 March 2024

1. Overview and Purpose of Document

This document contains certain Pillar 3 disclosures for the quarter ended 31 March 2024 of BofA Securities Europe SA (“BofASE” or “the Company”).

In accordance with Article 433a(3) of the EU’s Capital Requirements Regulation (“CRR”) as amended by the Capital Requirements Regulation 2 (“CRR2”), BofASE is required to disclose the key metrics referred to in point (h) of Article 447 on a quarterly basis. This document contains these disclosures.

For further information on BofASE’s risk management objectives and policies, please refer to BofASE SA’s annual Pillar 3 disclosure for the year ended 31 December 2023 on Bank of America’s corporate website:

<http://investor.bankofamerica.com>

1.1 BofASE SA

BofASE is owned by NB Holdings Corporation (which holds 99.9% of BofASE) and Merrill Lynch Group Holdings I, L.L.C. (which holds 0.1% of BofASE), and its ultimate parent is Bank of America Corporation (“BAC” or “the Enterprise”). BofASE’s activities form part of BAC’s Global Banking and Markets operations in Europe, Middle East and Africa (“EMEA”), and serves as Bank of America’s primary broker-dealer for clients in the European Economic Area (“EEA”).

BofASE is a credit and investment institution domiciled in France and headquartered in Paris. BofASE is authorised and supervised by the ECB and the Autorité de Contrôle Prudentiel et de Résolution (“ACPR”) and is regulated by the ACPR and the Autorité des Marchés Financiers (“AMF”). BofASE has the ability to trade throughout the EEA. BofASE’s Legal Entity Identifier (“LEI”) is 549300FH0WJAPEHTIQ77.

As at 31 March 2024, BofASE was rated by Fitch Ratings, Inc (“Fitch”) (AA / F1+) and Standard & Poor’s (“S&P”) (A+ / A-1).

2. Basis of Preparation

The Basel Capital Accords provide a series of international standards for bank regulation commonly known as Basel I, Basel II, and, most recently, Basel III. Basel III was implemented in the EU through the Capital Requirements Directive (“CRD”) and the Capital Requirements Regulation (“CRR”), as amended by the Capital Requirements Regulation 2 (“CRR 2”), (collectively known as the Capital Requirements Directive IV (“CRD IV”) as amended by Capital Requirements Directive V (“CRD V”). The CRD IV requirements took effect from 1 January 2014. The CRR 2 entered into force in June 2019 (with most provisions effective from 28 June 2021), while CRD V was transposed into French law in line with the EU transposition deadline of 29 December 2020. As an amending regulation, the existing provisions of CRR apply unless they are amended by CRR 2.

This legislation consists of three pillars. Pillar 1 is defined as “Minimum Capital Requirement,” Pillar 2 “Supervisory Review Process,” and Pillar 3 “Market Discipline.” The aim of Pillar 3 is to encourage market discipline by allowing market participants to access key pieces of information regarding the capital adequacy of institutions through a prescribed set of disclosure requirements.

The information contained in this Pillar 3 disclosure has been prepared in accordance with the requirements of Part Eight of the CRR, on an individual basis, for the purpose of explaining the basis on which BofASE has prepared and disclosed certain information about the application of regulatory capital adequacy rules and concepts. It therefore does not constitute any form of financial statement on BofASE, or of the wider Enterprise, and as such, is not prepared in accordance with International Financial Reporting Standards (“IFRS”) or French Generally Accepted Accounting Principles (“French GAAP”). Therefore the information is not directly comparable with the annual financial statements and the disclosure is not required to be audited by external auditors.

In addition, the report does not constitute any form of contemporary or forward looking record or opinion on the Company or the Enterprise. Although the Pillar 3 disclosure is intended to provide transparent information on a common basis, the information contained in this document may not be directly comparable with the information provided by other investment firms. Any financial information included herein is unaudited.

This Pillar 3 disclosure is published on BAC’s corporate website: <http://investor.bankofamerica.com>.

3. Disclosure Policy

In accordance with Article 431(3) of the CRR, as amended by CRR 2, BofASE has adopted a formal policy to comply with the disclosure requirements included in Part Eight of the CRR. The BofA Securities Europe SA Pillar 3 Disclosure Policy sets out the internal processes, systems and controls used to verify that the disclosures are appropriate and in compliance with regulatory requirements, and that the disclosures convey BofASE's risk profile comprehensively to market participants.

Senior Management Attestation

"I attest that the disclosures provided in the BofASE SA Pillar 3 Disclosure for the Quarter Ended 31 March 2024 have been prepared in accordance with the internal control processes detailed in the BofASE SA Pillar 3 Disclosure Policy, which has been approved by the BofASE Board."

The BofASE Pillar 3 Disclosures have been attested by:

BofASE Chief Financial Officer

Geoffrey Huson

4. Minimum Requirements for Own Funds and Eligible Liabilities

As part of amendments to the CRR which were published in the Official Journal of the EU as Regulation (EU) 2019/876, the international standard to meet a minimum amount of Total Loss Absorbing Capacity ("TLAC") became effective for certain types of Investment Firms and Credit Institutions in June 2019. In the CRR this is referred to as Minimum Requirements for Own Funds & Eligible Liabilities ("MREL").

Firms that are material subsidiaries of a non-EU G-SII per the CRR definition are required to hold a minimum amount of MREL. BAC is a non-EU G-SII and BofASE meets the definition of material subsidiary, and is therefore subject to this requirement.

MREL resources are comprised of qualifying capital resources and eligible liabilities. In order for liabilities that are not capital resources to qualify as eligible, they must meet certain criteria such as having a minimum residual maturity of at least one year, and being subordinated to other operating liabilities.

The following table discloses the own funds and eligible liabilities, the total risk exposure amount and the total exposure amount, the ratio of own funds and eligible liabilities and the requirements for BofASE as at 31 March 2024.

Table 1. – EU ILAC Internal Loss Absorbing Capacity: Internal MREL and, where applicable, Requirement for Own Funds and Eligible Liabilities for Non-EU G-SIIs (€ millions)

		a	b	c
	Q1 2024	Minimum requirement for own funds and eligible liabilities (internal MREL)	Non-EU G-SII requirement for own funds and eligible liabilities (internal TLAC)	Qualitative information
Applicable requirement and level of application				
EU-1	Is the entity subject to a non-EU G-SII requirement for own funds and eligible liabilities? (Y/N)			Y
EU-2	If EU-1 is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			I
EU-2a	Is the entity subject to an internal MREL? (Y/N)			N
EU-2b	If EU-2a is answered by 'Yes', is the requirement applicable on a consolidated or individual basis? (C/I)			n/a
Own funds and eligible liabilities				
EU-3	Common Equity Tier 1 capital (CET1)		7,853	
EU-4	Eligible Additional Tier 1 capital			
EU-5	Eligible Tier 2 capital		1,340	
EU-6	Eligible own funds		9,193	
EU-7	Eligible liabilities		2,377	
EU-8	of which permitted guarantees			
EU-9a	(Adjustments)			
EU-9b	Own funds and eligible liabilities items after adjustments		11,570	
Total risk exposure amount and total exposure measure				
EU-10	Total risk exposure amount (TREA)		43,769	
EU-11	Total exposure measure (TEM)		125,014	
Ratio of own funds and eligible liabilities				
EU-12	Own funds and eligible liabilities as a percentage of the TREA		26.43%	
EU-13	of which permitted guarantees			
EU-14	Own funds and eligible liabilities as a percentage of the TEM		9.25%	
EU-15	of which permitted guarantees			
EU-16	CET1 (as a percentage of the TREA) available after meeting the entity's requirements		9.08%	
EU-17	Institution-specific combined buffer requirement		3.33%	

Requirements				
EU-18	Requirement expressed as a percentage of the TREA	n/a	16.20%	
EU-19	of which part of the requirement that may be met with a guarantee	n/a		
EU-20	Requirement expressed as percentage of the TEM	n/a	6.08%	
EU-21	of which part of the requirement that may be met with a guarantee	n/a		
Memorandum items				
EU-22	Total amount of excluded liabilities referred to in Article 72a(2) of Regulation (EU) No 575/2013		113,777	