

BofA Securities Europe SA

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

SOCIÉTÉ ANONYME WITH SHARE CAPITAL OF EUR 7,976,300,000

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BofA Securities Europe SA

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**STATEMENT OF ASSETS
AS AT 31 DECEMBER 2023**

		31 December 2023 €M	31 December 2022 €M
Cash and deposits with the central banks and central clearing houses	1	5,104	4,752
Government securities and sovereign debt	2	5,142	7,133
Debtors - Receivables from banks	3	7,263	7,156
Debtors - Receivables from other customers	4	24,562	18,085
Bonds and fixed income securities	2	1,038	852
Equity investments and other long-term securities	2	8,331	4,881
Investments in related companies		-	-
Shares in related companies		-	-
Participation and portfolio activity		1	-
Leasing and rent with purchase option		-	-
Rentals		-	-
Intangible assets		-	-
Tangible assets		-	-
Subscribed but unpaid share capital		-	-
Other assets	5	19,032	23,098
Regularisation accounts - receivables	6	32,509	38,566
		<hr/> 102,982	<hr/> 104,523

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**STATEMENT OF LIABILITIES
AS AT 31 DECEMBER 2023**

	Note	31 December 2023 €M	31 December 2022 €M
Cash on account and deposits from central banks and central clearing houses		-	-
Creditors - Payables to banks	7	4,703	1,892
Creditors - Payables to other customers	8	20,724	16,173
Debts represented by a security		-	-
Other liabilities	9	33,392	34,449
Regularisation accounts - payables	10	35,036	43,003
Provisions	11	129	120
Subordinated debts	12	932	924
Fund for general banking risks (FRBG)		-	-
Equity excluding FRBG	13	8,066	7,962
Capital	13	7,976	7,976
<i>Share premium</i>		-	-
<i>Reserves</i>		-	-
<i>Revaluation reserve</i>		-	-
<i>Regulated provisions and investment subventions</i>		-	-
<i>Other reserves</i>	13	(14)	(265)
<i>Profit/(Loss) for the financial period</i>	13	104	251
		102,982	104,523

**STATEMENT OF OFF BALANCE SHEET EXPOSURES
AS AT 31 DECEMBER 2023**

	31 December 2023 €M	31 December 2022 €M
Note		
Financing commitments	1,655	1,688
Received	1,655	1,688
Given	-	-
Warranty commitments	1	-
Received	-	-
Given	-	-
Underwriting commitments	-	-
Received	-	-
Given	-	-
Total	1,656	1,688

As At 31 December 2023 four committed financing facilities have been granted to BofA Securities Europe SA (hereinafter 'the Company') by an affiliate (2022: four committed facilities). The committed facilities represent EUR 2,575 million of financing commitments received (2022: EUR 2,608 million) of which EUR 920 million is drawn (2022: EUR 920 million). Committed facilities include three subordinated debt facilities (2022: three subordinated debt facilities) with a credit limit of EUR 1,670 million (2022: EUR 1,670 million) of which EUR 920 million is drawn (2022: 920 million).

The Company has four non-binding loan agreements with affiliates; three as borrower and one as lender (2022: three facilities, two as borrower, one as lender). The total amounts that can be requested under these uncommitted facilities is EUR 14,368 million in borrowing (2022: EUR 12,423 million) of which EUR 6,229 million is undrawn (2022: EUR 7,266 million). EUR 72 million in lending (2022: EUR 75 million) which is fully undrawn (2022: fully undrawn).

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**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	31 December 2023 €M	31 December 2022 €M
+ Interest and similar income	17	5,262	384
- Interest and similar expenses	18	5,186	458
+ Revenues from leasing and related trades		-	-
- Expenses from leasing and related trades		-	-
+ Revenues from rentals		-	-
- Expenses from rentals		-	-
+ Commissions - income	19	296	310
- Commissions - expenses	19	207	190
+/- Trading gains / (losses)	20	716	788
+/- Investment gains / (losses)	21	2	-
+ Other banking income	22	376	365
- Other banking expenses	22	342	325
Net banking income		917	874
- General operating expenses	23	750	580
- Allowances for depreciation and amortisation		-	-
Net operating result		167	294
+/- Cost of risk	24	(1)	-
Total operating result		166	294
+/- Gains / (losses) on fixed assets		-	-
Result before tax		166	294
+/- Exceptional gain / (loss)		-	-
- Corporate Income Tax	25	62	43
+/- contributions to / receipts from the General Banking Risk Fund (FRBG)		-	-
Net result	13	104	251

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The following notes form part of these financial statements.

Duration of the accounting year

The financial statements have been prepared for the year ended 31 December 2023. Comparative information has been presented for the year ended 31 December 2022.

Change in accounting method

Since the Company was incorporated, retirement indemnities commitments and similar benefits were not accounted for in accordance with the option provided by the article L123-13 of the Code de Commerce (Trade Code). Relevant information was disclosed in the appendix related to the estimation of these commitment. As of 2023-year end, the Company decided to record a provision for retirement indemnities for the first time, in accordance with the reference method as provided by the article 121-5 of the Plan Comptable Générale (General Chart of Account) for the full amount of the commitment. The estimation details are outlined in the note on the section "Social Commitments".

The provision was fully accounted for in profit and loss.

Accounting policies and principles

The financial statements have been prepared in accordance with the ANC n° 2014-07 guidelines (26th November 2014) amended by the ANC n°2020-10 guidelines and French accounting principles that apply to Credit Institutions.

The principal accounting policies have been applied consistently throughout the current and prior years.

Trade date and settlement dated transactions:

Sales and purchases of inventory are accounted for following the article 2371-4 of the Regulation ANC 2014-07.

- Funding financial instruments (e.g. securities financing transactions) are recognised and derecognised on the statement of financial position on a settlement date basis.
- Trading Financial Instruments are recognised and derecognised on the statement of financial position on a trade date basis. The Company records securities sales by derecognising the corresponding security from inventory.

Bonds and fixed income securities & Equities other variable income securities

The inventory portfolio is made up of two different securities types:

- Transaction securities:

The securities are recognised / derecognised at their fair value including interest (if any). Acquisition costs are recorded in the Income Statement under "commissions".

The fair values of long and short inventory positions are primarily determined based on actively traded markets where prices are based on either direct market quotes or observed transactions. The securities are valued daily and the changes in fair value are recorded in "trading gains / (losses)".

- Placement securities:

The placement securities portfolio was comprised entirely of government securities and sovereign debt for the duration of the period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

The securities are recorded in the "placement" securities portfolio on the trade date at their acquisition price, which includes acquisition costs.

When the purchase price of fixed income securities exceeds the amount to be received at final repayment, the difference is amortised over the residual life of the securities. In the event that the acquisition price of fixed income security is less than the redemption amount, the difference will be crystallised through the income statement over the residual life of the security.

At each reporting date the Company reviews its placement securities portfolio; unrealised losses resulting from differences between the book value and the fair value of each security are taken to "Investment gains / (losses)" and the book value of the affected security is permanently written down. Unrealised gains on similar securities cannot be recognised or used to offset or defer losses from being taken to the income statement.

Repurchase and reverse repurchase transactions:

The Company enters into resale and repurchase agreements and securities borrow and loan transactions to accommodate customers and earn interest rate spreads (also referred to as "matched-book transactions"), to obtain securities for settlement and to finance inventory positions. Resale and repurchase agreements are accounted for at amortised cost as "reverse repurchase agreements with banks" and "reverse repurchase agreements with other customers". All the repurchase transactions are accounted for in accordance with the Regulation ANC 2014-07.

Securities received under reverse repurchase agreements (and securities delivered under repurchase agreements respectively) are not recognised (and derecognised respectively) on the balance sheet because there is a commitment from the lender to repurchase the underlying securities at a fixed price.

The remuneration for these transactions is recorded as "Interest on transactions with credit institutions and customers".

Income on these transactions is accounted for as "interest receivable or payables on securities delivered or received under a reverse repurchase or repurchase agreement" and presented as separate section under note 3, note 4, note 7 & note 8.

Securities Lending and Borrowing

Securities lent are derecognised and replaced by a receivable which is initially recorded at (and subsequently revalued to) the same book value as the underlying security.

The securities borrowed are recognised in the securities portfolio only when the agreements provide the borrower the right of re-hypothecation over the securities (as per the French Code *monétaire et financier*, art. L 211-38.III). A payable is also recognised (recorded at the same book value as the securities and accounted for in "other liabilities"). The asset in the securities portfolio and payables in liability in other liabilities in respect of non-cash settled securities borrowed transactions are offset to the extent permitted in accordance with ANC n°2020-10 guidelines.

The income is recognised in Income Statement as an "interest income" on a *pro rata* basis.

The treatment described above applies equally to securities lent or borrowed as collateral and reused.

Derivatives:

During the period all derivatives traded by the Company were on the "Organised Market" or over-the-counter ("OTC" as defined by the article 2515-1&2 of the Regulation ANC-2014-07). The Company does not adopt hedge accounting for any derivatives transaction.

**NOTES TO THE FINANCIAL STATEMENTS
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For listed derivatives (Organised Markets), valuations are primarily based on direct market quotes or observed transactions. The fair values of derivative assets and liabilities traded in the OTC market are determined using quantitative models that require the use of multiple market inputs, including interest rates, prices, and indices, to generate continuous yield or pricing curves and volatility factors, which are used to value the position. The majority of market inputs are actively quoted and can be validated through external sources, including brokers, market transactions and third party pricing services. When third party pricing services are used, the methods and assumptions are reviewed by the Company. The fair value of derivative assets and liabilities include adjustments for market liquidity, counterparty credit quality and other deal specific factors, where appropriate.

In addition, the Company incorporates within its fair value measurements of OTC derivatives a valuation adjustment to the net position.

- For the purposes of assessing the credit risk valuation adjustment ("CVA"), positions are netted by counterparty, and the fair value for net long exposures is adjusted for counterparty credit risk whilst the fair value for net short exposures is adjusted for the Company's own credit risk.
- The Company also incorporates a Funding Valuation Adjustment ("FVA") within its fair value measurements to include funding costs on uncollateralised derivatives and derivatives where the Company is not permitted to use the collateral it receives. An estimate of severity of loss is also used in the determination of fair value, primarily based on market data.
- The Company also incorporates a valuation adjustment to provide for future management costs.

At initial recognition, the notional amounts underlying a derivative are recorded "off-balance sheet".

The Company enters into ISDA master agreements or their equivalent ("master netting agreements") with its derivative counterparties. These agreements are commonly used to provide protection against loss in the event of bankruptcy or other circumstances that result in a counterparty being unable to meet its obligations. In addition, to reduce the risk of loss, the Company usually requires collateral that is permitted by documentation such a Credit Support Annex to an ISDA.

The premiums paid or received when purchasing or selling options are accounted for on the face of the financial statements in "Other Assets / Other Liabilities". Differences resulting from changes in the fair value of premiums for options contracts, determined by reference to market pricing, are reflected in income statement ("Trading gains / (losses)"). The corresponding revaluation of the premium is presented on the balance sheet by a reduction to or increase to the "Other Assets / Other Liabilities".

Derivatives are recorded at fair value, with those that are receivable booked to regularisation receivables accounts and those that are payable booked in regularisation payable accounts. The fair value movements on linear derivatives (derivatives term instruments) contracts (mainly swaps and futures) are reflected in the income statement ("Trading gains / (losses)"). The corresponding adjustment to the balance sheet is recorded in the relevant Regularisation accounts ("Comptes de régularisation").

Transactions in foreign currency:

The financial statements have been presented in EUR, which is also the functional currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are subsequently re-translated into the functional currency using the exchange rates prevailing at the reporting date. Exchange gains and losses on monetary assets and liabilities are recognised in "Gains / (losses) from foreign exchange transactions".

**NOTES TO THE FINANCIAL STATEMENTS
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Awards of BAC shares to employees

The Company awards Bank of America Corporation ("BAC") stock-based awards, including restricted stock and restricted stock units ("RSUs") to its employees as part of the incentive compensation plans. A liability for the cost of compensating BAC for the share issuance and for the corresponding employer taxes is provided for on the balance sheet in "Provisions for Liabilities and Charges" and expensed through "General operating expenses".

For most awards, the expense is generally recognised proportionately over the vesting period, net of estimated forfeitures. The expense for the share award is adjusted monthly during the vesting period by reference to the market value of the underlying shares and reflects the actual expense when the shares vest.

For awards to employees that meet retirement eligibility criteria, BAC accrues the expense in the period prior to grant. For employees that become retirement eligible during the vesting period, the Company recognises expense from the grant date to the date on which the employee becomes retirement eligible, net of estimated forfeitures.

Tangible and intangible assets

The Company does not have any tangible or intangible assets. The Company is charged rental and occupancy costs for the use of the building under a sub-lease agreement and charged for the use of equipment and other services via service agreements with an affiliate. The resulting expenses are reflected in the line "General operating expenses" in the Income statement

Subordinated debt

Subordinated debt is shown on the face of the Statement of liabilities and comprises drawings on an unsecured subordinated loan note. Subordinated debt falls behind senior debt in priority but ahead of equity in the end of bankruptcy or default.

Accrued but unpaid interest on subordinated debts is recorded in an account of related debts within note 12 Subordinated Debt and subordinated debt expense within note 18 Interest and similar expenses.

Accounting for revenues and expenses

Interest and similar income and expense

Interest and similar income and interest expense comprises interest calculated using the effective interest rate method.

Trading gains / (losses)

Trading gains / (losses) comprises realised and unrealised gains and losses on trading, including dividend income on cash equities. Unrealised gains, which represents changes in fair value of inventories, are recognised within trading revenue as they arise.

Other banking income and Other banking expenses

Included within Other banking income and Other banking expenses are charges made to and from affiliates, to remunerate the Company for services provided or to reimburse the Company for expenditure incurred, are recognised on an accruals basis. This income is generated through the Company's services to the broader BAC group. Service fee income is computed under arm's length principles in accordance with BAC's Global Transfer Pricing Policy.

**NOTES TO THE FINANCIAL STATEMENTS
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Commissions

Investment and brokerage services

Commissions earned on fulfilling customer orders is recognised on an accrual basis. Commission revenue earned from certain customer equity transactions is recorded gross of related brokerage, clearing and exchange fees.

Investment banking income

Investment banking income includes Equity & Debt Capital Market activities. The revenues from these services are recognised when the performance obligations related to the underlying transactions are completed.

General operating expense

Social Commitments

At year-end, the Company determines its social commitments. Social commitments include commitments in the event of retirement, sabbatical and long service award. Commitments are determined using the preferential method (projected unit credit methods) for the valuation of defined benefit plans.

Sabbatical & Long Service Awards

Sabbatical & Long Service Awards are provided for and disclosed in note 11 of financial statements. These are assessed by an independent actuary, using different assumptions arising from the requirements of IAS 19 whereby the defined benefit obligation (DBO) cost is calculated based on assumptions at the start of the period, and the value of the DBO is calculated based on assumptions at the measurement date and the following major assumptions concerning future developments:

- Discount rate: 3.25%
- Salary increase (excluding inflation): 3.25%
- Inflation rate: 2.25%
- Mortality decrement: French INSEE 2016/2018 (Male / Female)
- Withdrawal decrement:
 - Before age 45 15%
 - From age 45 to 49 10%
 - From age 50 to 54 5%
 - From age 55 to 59 3%
 - From age 60 0%

**NOTES TO THE FINANCIAL STATEMENTS
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Retirement Indemnities

Retirement Indemnities have been assessed by an independent actuary, taking into account the rules defined by the applicable collective agreement (Financial Markets, IDCC 2931) and the following major assumptions concerning future developments:

- Discount rate: 3.15%
- Salary increase (excluding inflation): 3.25%
- Inflation rate: 2.25%
- Mortality decrement: French INSEE 2016/2018 (Male / Female)
- Withdrawal decrement:
 - Before age 45 15%
 - From age 45 to 49 10%
 - From age 50 to 54 5%
 - From age 55 to 59 3%
 - From age 60 0%

The current estimate of the commitment is disclosed in note 11 Provisions.

Securities and deposit guarantee scheme

The terms for the establishment of the deposit guarantee and resolution scheme were modified by a decree dated October 27, 2015.

For the deposit guarantee scheme, the total cumulated amount paid by the Company made available for deposit mechanisms, guarantees, and securities represents EUR 1.5 million. Contributions for 2023 fiscal year (non-refundable contributions in the event of voluntary withdrawal of approval) represented EUR 0.3 million. Contributions made in the form of partner certificates ("certificat d'associé") or association certificates ("certificat d'association") and cash guarantee deposits ("dépôts de garantie"), which are accounted for as an asset for a total of EUR 1.2 million.

As of the closing date, EUR 0.5 million euros are accounted for off-balance sheet for the deposit covering the payment commitment undertaken in the irrevocable payment and financial guarantee master agreement related to the securities scheme. The contribution paid for the deposit is accounted for into the "other assets" category for the same amount.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

1 Cash and deposits with the central banks and central clearing houses

	31 December 2023 €M	31 December 2022 €M
Due from central banks	5,104	4,752
Total	5,104	4,752

Cash and deposits due from central banks represents the balance on account with the Banque de France EUR 5,104 million (2022: EUR 4,752 million).

2 Bonds and fixed income securities & Equity investments and other long-term securities

The securities included in this balance are wholly comprised of listed equity and debt that belong to the “Transaction Portfolio” (Portefeuille de transaction).

The securities held in the “placement” portfolio is comprised of government bonds held for treasury management purposes.

Refer to the accounting policies and principles section “Bonds and fixed income securities & Equities other variable income securities” for accounting treatments for transaction and placement portfolios.

Securities portfolio by type of issuer

31 December 2023

	Issued by public bodies €M	Issued by other issuers €M	Total €M
Transaction Portfolio	4,450	9,369	13,819
<i>Government securities and sovereign debt</i>	4,450	-	4,450
<i>Bonds and other fixed income securities</i>	-	1,038	1,038
<i>Equity investments and other long-term securities</i>	-	8,331	8,331
Placement Portfolio	692	-	692
<i>Government securities and sovereign debt</i>	692	-	692
Total	5,142	9,369	14,511

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**NOTES TO THE FINANCIAL STATEMENTS
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**2 Bonds and fixed income securities & Equity investments and other long-term securities
(continued)**

31 December 2022

	Issued by public bodies €M	Issued by other issuers €M	Total €M
Transaction Portfolio	6,874	5,733	12,607
<i>Government securities and sovereign debt</i>	6,874	-	6,874
<i>Bonds and other fixed income securities</i>	-	852	852
<i>Equity investments and other long-term securities</i>	-	4,881	4,881
Placement Portfolio	259	-	259
<i>Government securities and sovereign debt</i>	259	-	259
Total	7,133	5,733	12,866

Included in the securities portfolio is EUR 2,192 million of loaned securities (2022: EUR 2,767 million).
Comprised of:

- Government securities and sovereign debt of EUR 1,364 million (2022: EUR 1,892 million);
- Equity investments and other long-term securities of EUR 691 million (2022: EUR 672 million).
- Bonds and fixed income securities of EUR 137 million (2022: EUR 203 million).

The value of the securities portfolio is after the effect of offsetting EUR 10,147 million (2022: EUR 12,209 million) in non-cash-settled securities borrowed transactions to the extent permitted in accordance with ANC n°2020-10 guidelines.

Interest receivables on the securities portfolio is EUR 63 million (2022: EUR 67 million).

Bonds and other fixed income securities – maturity table

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Bonds and other fixed income securities	191	59	498	290	1,038
Total	191	59	498	290	1,038

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2 Bonds and fixed income securities & Equity investments and other long-term securities
(continued)**

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Bonds and other fixed income securities	501	182	169	-	852
Total	501	182	169	-	852

3 Debtors - Receivables from banks

	31 December 2023 €M	31 December 2022 €M
Ordinary accounts receivable	574	1,552
Reverse repurchase agreements with banks	6,689	5,603
Receivables from reverse repurchase agreements with banks	-	1
Total	7,263	7,156

Receivables from banks is comprised of EUR 6,689 million of securities received in relation to reverse repurchase agreements (2022: EUR 5,603 million) and EUR 574 million of cash at bank (2022: EUR 1,552 million).

Reverse repurchase agreement receivables from banks - Maturity table

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Reverse repurchase agreements with banks	6,689	-	-	-	6,689
Total	6,689	-	-	-	6,689

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3 Debtors - Receivables from banks (continued)

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Reverse repurchase agreements with banks	5,403	200	-	-	5,603
Total	5,403	200	-	-	5,603

4 Debtors - Receivables from other customers

	31 December 2023 €M	31 December 2022 €M
Reverse repurchase agreements with other customers	24,539	18,065
Receivables from reverse repurchase agreements with other customers	21	18
Ordinary accounts	2	2
Total	24,562	18,085

Receivables from other customers is comprised of EUR 24,539 million of securities received in relation to reverse purchase agreements with clients (2022: EUR 18,065 million) and EUR 21 million of interest receivable (2022: EUR 18 million).

Reverse repurchase agreement receivables from other customers - Maturity table

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Reverse repurchase agreements with other customers	19,285	3,694	-	1,560	24,539
Total	19,285	3,694	-	1,560	24,539

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4 Debtors - Receivables from other customers (continued)

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Reverse repurchase agreements with other customers	13,915	893	180	3,077	18,065
Total	13,915	893	180	3,077	18,065

5 Other assets

	31 December 2023 €M	31 December 2022 €M
Non-linear / Conditional derivatives purchased	4,457	4,879
<i>Interest rate option contracts</i>	2,143	2,360
<i>Foreign exchange option contracts</i>	699	878
<i>Other contracts</i>	1,615	1,641
Margin call cash accounts	13,124	15,913
Other various debtors	1,451	2,306
Total	19,032	23,098

Other conditional contracts includes equities options and index options totalling EUR 1,381 million (2022: EUR 1,321 million).

Margin call cash accounts includes cash collateral posted for trading purposes.

Other various debtors is largely comprised of balances receivable from affiliates for margin placed with affiliates or intercompany receivables in respect of recharges for intragroup services.

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6 Regularisation accounts - receivables

	31 December 2023 €M	31 December 2022 €M
Linear derivatives	30,238	35,888
<i>Foreign exchange contracts</i>	6,691	10,680
<i>Other underlying instruments</i>	23,547	25,208
Other regularisation accounts	40	71
Settlement account - receivables - trades not yet settled	1,706	1,929
Fail to deliver trades	525	678
Total	32,509	38,566

Linear derivatives includes swaps, forwards and futures held at fair value.

Other underlying instruments is primarily comprised of interest rate swaps.

Settlement account – receivables – trades not yet settled represents unsettled amounts due from other brokers and dealers arising from regular-way security sale transactions.

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7 Creditors - Payables to banks

	31 December 2023 €M	31 December 2022 €M
Repurchase agreements with banks	4,699	1,887
Payables from repurchase agreements with banks	4	5
Total	4,703	1,892

Repurchase agreements with banks - Maturity table

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Repurchase agreements with banks	4,699	-	-	-	4,699
Total	4,699	-	-	-	4,699

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Repurchase agreements with banks	1,687	200	-	-	1,887
Total	1,687	200	-	-	1,887

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8 Creditors - Payables to other customers

	31 December 2023 €M	31 December 2022 €M
Repurchase agreements with other customers	20,704	16,163
Payables from repurchase agreements with other customers	20	10
Total	20,724	16,173

Repurchase agreements with other customers - Maturity table

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Repurchase agreements with other customers	16,268	3,295	-	1,141	20,704
Total	16,268	3,295	-	1,141	20,704

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Repurchase agreements with other customers	15,305	-	180	678	16,163
Total	15,305	-	180	678	16,163

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9 Other liabilities

	31 December 2023 €M	31 December 2022 €M
Non-linear / Conditional derivatives sold	4,727	4,973
<i>Interest rate option contracts</i>	2,261	2,396
<i>Foreign exchange option contracts</i>	705	894
<i>Other contracts</i>	1,761	1,683
Short Sales	9,841	9,615
Financing of securities borrowed	301	453
Cash collateral received on deposit	10,038	14,060
Other various creditors	8,485	5,348
Other liabilities	-	-
Total	33,392	34,449

Short Sales comprises short inventory, comprising:

- short government securities and sovereign debt EUR 8,012 million (2022: EUR 7,584 million),
- short bonds and fixed income securities EUR 1,004 million (2022: EUR 685 million),
- short equity investments and other long-term securities EUR 825 million (2022: EUR 1,346 million),

Other conditional contracts includes derivatives on equities options and index options totalling EUR 1,545 million (2022: EUR 1,368 million).

Financing of securities borrowed EUR 301 million (2022: EUR 453 million) represents amounts due to lenders for securities borrowed, the 31 December 2023 balance is after offsetting EUR 11,260 million (2022: EUR 13,151 million) against the corresponding assets in the securities portfolio Note 2 Bonds and fixed income securities & Equity investments and other long-term securities in accordance with ANC n°2020-10.

Other various creditors includes EUR 5,763 million drawn down on the uncommitted financing facility from affiliates wholly owned by BAC (2022: EUR 5,154 million). The remaining EUR 2,722 million represents other amounts payable to affiliates (2022: EUR 194 million).

The company subscribed to a EUR 2,377 million eligible liabilities facility to a parent Company in December 2023 to meet the Minimum Requirements for own funds and Eligible Liabilities ("MREL") requirements. The eligible liabilities are in the form of Senior Non-Preferred debt ("SNP") under French law (in accordance with the article L.613-30-3-I-4 of the French Monetary and Financial Code).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10 Regularisation accounts - payables

	31 December 2023 €M	31 December 2022 €M
Linear derivatives	32,824	37,944
<i>Foreign exchange contracts</i>	6,578	11,569
<i>Other underlying instruments</i>	26,246	26,375
Other regularisation accounts	11	663
Settlement account - payables - trades not yet settled	1,625	3,805
Fail to receive trades	576	591
Total	35,036	43,003

Linear derivatives – other underlying instruments is primarily comprised of interest rate swaps.

Settlement account – payables – trades not yet settled represents unsettled amounts due to other brokers and dealers arising from regular-way security purchase transactions.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11 Provisions

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Balance at the beginning of the period	120	136
Provisioning in the year	108	56
Reversals in the year	(45)	(36)
Exchange Differences	(54)	(36)
Balance at the end of the period	129	120

Provisions for liabilities and charges primarily comprise employee incentive share scheme liabilities and also includes a provision for time saving accounts, sabbatical & long service awards (Jubilee Plan) and retirement indemnity for:

- Employee incentive share scheme provision for EUR 114 million (2022: EUR 102 million)
- Time Saving Accounts Programme for EUR 4.2 million (2022: EUR 3.4 million)
- Sabbatical Programme EUR 2.4 million (2022: EUR 2.1 million)
- Jubilee Plan for EUR 2.4 million (2022: EUR 2.1 million)
- Retirement Indemnity for EUR 4.5 million (2022: NIL)

12 Subordinated debts

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Subordinated debt	920	920
Accrued Interest	12	4
Total	932	924

At 31 December 2023 subordinated loans payable EUR 920 million (2022: EUR 920 million) is comprised of borrowing from an affiliate on a long-term subordinated loan facility. The loan is unsecured, with a fixed term, has a credit limit of EUR 920 million and carries interest at a fixed margin over the ECB's published Euro Short Term Rate ("ESTR").

The loan was drawn down in full on 15 October 2021 and falls for repayment on 31 March 2032. The loan may only be repaid before this date in the event of a winding up or at the Company's request and then, only after at least five years have passed from the date it was drawn down and with the consent of the regulator. This loan falls behind senior debt in priority but ahead of equity in the event of the winding up of the Company.

**NOTES TO THE FINANCIAL STATEMENTS
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13 Equity excluding FRBG

Schedule of changes in equity

	Called up Share Capital	Share Premium	Other Reserves	Profit and Loss Account	Total
	€M	€M	€M	€M	€M
At 31 December 2021	6,376	-	(191)	(74)	6,111
New shares issued	1,600	-	-	-	1,600
2021 loss allocated to other reserves	-	-	(74)	74	-
Profit/(Loss) for the period	-	-	-	251	251
At 31 December 2022	7,976	-	(265)	251	7,962
New shares issued	-	-	-	-	-
2022 loss allocated to other reserves	-	-	251	(251)	-
Profit/(Loss) for the period	-	-	-	104	104
At 31 December 2023	7,976	-	(14)	104	8,066

The prior year profit of EUR 251 million was fully allocated to other reserves by resolution of the shareholders following the approval of the 2022 financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14 Balance sheet by currency

31 December 2023

	EUR	Other currencies	Total
	€M	€M	€M
Total Balance Sheet	53,112	49,870	102,982

31 December 2022

	EUR	Other currencies	Total
	€M	€M	€M
Total Balance Sheet	47,674	56,849	104,523

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15 Derivatives notionals by type of market and underlying instruments

Below is a summary of the derivative notionals by type of market, instrument and maturity at the balance sheet date.

31 December 2023

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Linear derivatives	607,279	561,941	981,156	639,894	2,790,270
<u>Organised market</u>	-	-	-	-	-
Interest rate contracts	-	-	-	-	-
<u>OTC market</u>	607,279	561,941	981,156	639,894	2,790,270
Interest rate contracts	237,256	447,972	846,586	627,633	2,159,447
Foreign exchange contracts	325,453	52,429	16,017	273	394,172
Other underlying instruments	44,570	61,540	118,553	11,988	236,651
Non linear derivatives	113,063	124,973	252,846	68,226	559,108
<u>Organised market</u>	44,321	47,167	22,957	1,032	115,477
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Other underlying instruments	44,321	47,167	22,957	1,032	115,477
<u>OTC market</u>	68,742	77,806	229,889	67,194	443,631
Interest rate contracts	16,812	31,704	196,255	60,315	305,086
Foreign exchange contracts	35,897	28,579	2,846	958	68,280
Other underlying instruments	16,033	17,523	30,788	5,921	70,265
Total	720,342	686,914	1,234,002	708,120	3,349,378

Total derivatives exposure has decreased from EUR 3,385 billion to EUR 3,349 billion in the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15 Derivatives notionals by type of market and underlying instruments (continued)

31 December 2022

	Due in less than 3 months €M	Due between 3 months and 12 months €M	Due between 1 year and 5 years €M	Due after more than 5 years €M	Total €M
Linear derivatives	845,354	617,092	921,540	549,017	2,933,003
<u>Organised market</u>	-	-	-	-	-
Interest rate contracts	-	-	-	-	-
<u>OTC market</u>	845,354	617,092	921,540	549,017	2,933,003
Interest rate contracts	385,707	508,873	792,297	539,076	2,225,953
Foreign exchange contracts	423,382	59,986	21,872	156	505,396
Other underlying instruments	36,265	48,233	107,371	9,785	201,654
Non linear derivatives	98,219	123,585	169,422	60,643	451,869
<u>Organised market</u>	25,264	38,374	22,322	315	86,275
Interest rate contracts	-	-	-	-	-
Foreign exchange contracts	-	-	-	-	-
Other underlying instruments	25,264	38,374	22,322	315	86,275
<u>OTC market</u>	72,955	85,211	147,100	60,328	365,594
Interest rate contracts	20,337	54,364	122,597	55,820	253,118
Foreign exchange contracts	44,699	16,000	6,265	949	67,913
Other underlying instruments	7,919	14,847	18,238	3,559	44,563
Total	943,573	740,677	1,090,962	609,660	3,384,872

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

16 Derivatives Trading

The Company enters into International Swaps and Derivatives Association, Inc. ("ISDA") master agreements or their equivalent ("master netting agreements") with its derivative counterparties. Master netting agreements provide protection in bankruptcy in certain circumstances and, in some cases, enable receivables and payables with the same counterparty to be offset for risk management purposes. Agreements are negotiated bilaterally and can require complex terms. The enforceability of master netting agreements under bankruptcy laws in certain countries is not free from doubt, and receivables and payables with counterparties in these countries are accordingly recorded on a gross basis for risk assessment purposes. In addition, to reduce the risk of loss, the Company usually requires collateral that is permitted by documentation such as repurchase agreements or a Credit Support Annex to an ISDA. From an economic standpoint, the Company evaluates risk exposures net of related collateral that meets specified standards.

Breakdown of derivatives notionals and market value by instrument type and underlying:

31 December 2023

	Notional €M	Derivatives Assets €M	Derivatives Liabilities €M
Linear derivatives	2,790,270	30,238	32,824
Foreign exchange contracts	394,172	6,691	6,578
Other underlying instruments	2,396,098	23,547	26,246
Non linear derivatives	559,108	4,457	4,727
Interest rate contracts	305,086	2,143	2,261
Foreign exchange contracts	68,280	699	705
Other underlying instruments	185,742	1,615	1,761
Total	3,349,378	34,695	37,551

31 December 2022

	Notional €M	Derivatives Assets €M	Derivatives Liabilities €M
Linear derivatives	2,933,003	35,888	37,944
Foreign exchange contracts	505,396	10,680	11,569
Other underlying instruments	2,427,607	25,208	26,375
Non linear derivatives	451,869	4,879	4,973
Interest rate contracts	253,118	2,360	2,396
Foreign exchange contracts	67,913	878	894
Other underlying instruments	130,838	1,641	1,683
Total	3,384,872	40,767	42,917

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

17 Interest and similar income

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Interest income from banks	2	-
Interest income from customers	4,725	250
Interest income from fixed income securities	373	134
Other interest income	162	-
	<hr/> 5,262	<hr/> 384

18 Interest and similar expenses

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Interest expense from banks	4,416	191
Interest expense from customers	483	191
Interest expense from fixed income securities	241	69
Other interest expenses	-	-
Interest expense on subordinated debt	46	7
	<hr/> 5,186	<hr/> 458

**NOTES TO THE FINANCIAL STATEMENTS
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19 Commissions income and expenses

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Income from securities financing transactions	47	50
Underwriting fees	38	63
Income from the provision of financial services	211	197
Commissions - income	296	310
Operating expenses	96	95
Clearing and exchange expenses	111	95
Commissions - expenses	207	190

Commissions income and expense primarily relates to brokerage fees arising from the Company's activities in fulfilling client orders for purchases and sales of global equities and traded bonds on global exchanges.

Income from the provision of financial services includes EUR 129 million (2022: EUR 99 million) in respect of debt underwriting and investment banking advisory fees.

Brokerage fees income totals EUR 75 million (2022: EUR 77 million).

Underwriting fees comprises banking fees of EUR 38 million (2022: EUR 63 million).

20 Trading gains / (losses)

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Gains / (losses) from securities transactions	1,541	701
Gains / (losses) from derivatives transactions	(770)	87
Gains / (losses) from foreign exchange transactions	(55)	-
	716	788

This income reflects the performance of the Company's trading businesses. These businesses largely operate through derivative contracts with corporate or institutional investors.

**NOTES TO THE FINANCIAL STATEMENTS
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21 Investment gains / (losses)

There are no realised gains or losses on the placement portfolio or any other investments (2022: EUR 0 million).

The placement portfolio has been reviewed for impairment and unrealised losses of EUR 1.8 million (2022: EUR 0.1 million) has been taken to the income statement and the asset impaired.

22 Other banking income & other banking expenses

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Other banking operating revenues	376	365
Other banking income	376	365
Other banking operating expenses	342	325
Other banking expenses	342	325

Other banking income comprises banking fees of EUR 6 million (2022: EUR 3 million) and intercompany service fee income of EUR 370 million (2022: EUR 362 million)

Other banking expenses comprises intercompany service fee expenses of EUR 342 million (2022: EUR 325 million).

Intercompany service fee income and expenses include:

- Remote trading service fee income of EUR 168 million (2022: EUR 187 million) and expenses of EUR 151 million (2022: EUR 179 million),
- Sales service fee income of EUR 86 million (2022: EUR 79 million) and expenses of EUR 32 million (2022: EUR 32 million),
- Brokerage service fee income of EUR 113 million (2022: EUR 92 million) and expenses of EUR 48 million (2022: EUR 30 million),
- Banking service fee income of EUR 3 million (2022: EUR 4 million) and expenses of EUR 104 million (2022: EUR 84 million),
- Research service fee income of EUR 0 million (2022: EUR 0 million) and expenses of EUR 7 million (2022: EUR 0 million),

This intercompany service fee income / expense is generated through services that the Company provides to and receives from the broader BAC group. Service fee income / expense is computed under arm's length principles in accordance with BAC's Global Transfer Pricing Policy.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

23 General operating expenses

Staff Costs

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Personnel costs	155	135
Defined contribution pension expenses	18	16
Other social charges	49	44
Taxes on remuneration	-	-
Rights to shares	42	23
Staff costs	264	218

Average head count for the period was 445 employees (2022: 392) and there were a total of 433 employees at 31 December 2023 (2022: 415).

Other social charges mainly include social security contributions for employees (mainly URSSAF: Organisations for the Collection of Social Security and Family Benefit Contributions).

Other administrative charges

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Tax	49	18
External services	89	45
Other operating expenses	348	299
Other administrative charges	486	362

Tax includes irrecoverable VAT, levies for CVAE and C3S and Financial Transactions Taxes.

Other operating expenses includes legal entity shared expenses of EUR 336 million (2022: EUR 288 million). Legal entity shared service expenses relate to the purchase of services from other affiliates in the BAC group. The charges are computed under arm's length principles reflecting the economic contribution of the affiliate in accordance with BAC's Global Transfer Pricing Policy.

**NOTES TO THE FINANCIAL STATEMENTS
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24 Cost of risk

	31 December 2023	31 December 2022
	<i>€M</i>	<i>€M</i>
Balance at the beginning of the period	-	-
Expense during the year	1	-
Reversals in the year		
Balance at the end of the period	<hr/> 1	<hr/> -

Cost of risk was recorded to reflect the securities payment default over a securities position

25 Corporate Income Tax

After adjustments comprising add backs for certain non-deductible expenses including timing adjustments in relation to employee remuneration and restrictions in relation to the deductibility of interest payments, the Company has tax profits for corporate income tax purposes.

The resulting Corporate Income Tax expense for the year is EUR 62 million (2022: EUR 43 million).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

26 Auditor remuneration

The Company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Company:

31 December 2023

	BDO	PwC	Total
	<i>€000</i>	<i>€000</i>	<i>€000</i>
Audit of the financial statements for the period ended 31 December 2023	350	676	1,026
Audit of the financial statements for the period ended 31 December 2022	-	73	73
Other Services for the period ended 31 December 2023	104	348	452
Other Services for the period ended 31 December 2022	80	116	196
Total	534	1,213	1,747

- Included within fees payable to the Company's auditors for other services for 2023 was EUR 452 thousand in relation to IFRS Audit and Other services (2022: EUR 58 thousand).
- Included within fees payable to the Company's auditors for other services for 2022 was EUR 196 thousand in relation to 2022 IFRS Financial Statement limited review (2022: EUR 0 thousand).

31 December 2022

	BDO	PwC	Total
	<i>€000</i>	<i>€000</i>	<i>€000</i>
Audit of the financial statements for the period ended 31 December 2022	340	663	1,003
Audit of the financial statements for the period ended 31 December 2021	3	26	29
Other services	15	43	58
Total	358	732	1,090

**NOTES TO THE FINANCIAL STATEMENTS
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27 Segmental breakdown

The Company's results are wholly derived from the Global Banking and Markets business which represents a single class of business. Within Global Banking and Markets, three principal business divisions operate within the Company. The company's business lines include Equity Sales and Trading, Fixed Income, Currencies and Commodities ("FICC") Sales and Trading, and Global Banking.

The Company operates in three geographic regions, being Europe, Middle East and Africa ("EMEA"), the Americas and Asia Pacific ("APAC"). Due to the highly integrated nature of international financial markets, the Company identifies its geographic performance based on the business unit structure used to manage the capital or expense deployed in the region as applicable.

The table below presents the total revenues of the Company by geographic region:

31 December 2023

	EMEA €M	Americas €M	APAC €M	Total €M
+ Interest and similar income	4,743	502	17	5,262
+ Commissions - income	258	16	22	296
+/- Trading gains / (losses)	378	36	302	716
+ Other banking income	320	55	1	376
Total	5,699	609	342	6,650

31 December 2022

	EMEA €M	Americas €M	APAC €M	Total €M
+ Interest and similar income	272	103	9	384
+ Commissions - income	276	20	14	310
+/- Trading gains / (losses)	634	40	114	788
+ Other banking income	319	46	-	365
Total	1,501	209	137	1,847

**NOTES TO THE FINANCIAL STATEMENTS
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28 Counterparty risk

Credit risk

Credit risk is the risk of loss arising from the inability or failure of a borrower or counterparty to meet its obligations. Credit risk is created when the Company commits to, or enters into, an agreement with a borrower or counterparty. The Company defines credit exposure to a borrower or counterparty as the loss potential arising from loans, leases, derivatives, and other extensions of credit

Credit risk management includes the following processes:

- Credit origination
- Portfolio management
- Loss mitigation activities

As one of Bank of America Corporation's ("BAC") investment firms in the European Union ("EU"), Company offers a full suite of products across Equity Sales & Trading, Fixed Income Currencies and Commodities ("FICC") Sales & Trading, and Capital Markets, as well as investment research. Traded products account for the majority of Company's credit risk exposure.

29 Consolidating entity

The Company is a wholly owned subsidiary of Bank of America Corporation (headquarters: Bank of America Corporate Center, 100 North Tryon Street, Charlotte, NC 28255), which prepares consolidated financial statements that include the Company. These financial statements present information about the Company as an individual undertaking.

30 Directors' remuneration

The executive directors are not specifically remunerated for their social corporate mandate. The allowance paid to non-executive directors amounts to EUR 626,429 (2022: EUR 693,933).

31 Cash advance granted to directors

In compliance with French trade code (article L.227-10), no cash advance or loan has been granted to any of the directors (2022: no cash advance or loan has been granted to any of the directors).

32 Non adjusting subsequent events

There has been no significant events affecting the Company since the year end which would have impacted the financial position of the Company if retrospectively applied since the year end.