

BANK OF AMERICA CORP /DE/  
Form DEF 14A  
March 12, 2018  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

**(Rule 14a-101)**

**INFORMATION REQUIRED IN PROXY STATEMENT**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities**

**Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to § 240.14a-12

**Bank of America Corporation**

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

PAYMENT OF FILING FEE (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
  
  
  
  
  
  
  
  
  
  
- 2) Aggregate number of securities to which transaction applies:
  
  
  
  
  
  
  
  
  
  
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  
  
  
  
  
  
  
  
  
  
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Fee paid previously with preliminary materials.

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**Letter from our Chairman and Chief Executive Officer**

March 12, 2018

Dear Fellow Stockholders:

We are pleased to invite you to the 2018 annual meeting of stockholders, to be held April 25, 2018 at 10:00 a.m., Eastern time, at the Hilton Charlotte Center City on 222 East Third Street in Charlotte, North Carolina.

During the meeting, we will provide an update on the company and how Responsible Growth delivered for stockholders in 2017. It's also a good opportunity for us to hear directly from you.

Your voice and your vote are important. For the 2018 annual meeting of stockholders, Bank of America again will make a \$1 charitable donation for every stockholder account that votes.

This year, we will make contributions to Habitat for Humanity, an organization we have partnered with for more than 30 years. Your voting participation in the 2017 annual meeting of stockholders resulted in our contributing \$655,000 to Special Olympics.

Please read the proxy materials and follow the voting instructions to ensure your shares are represented at the meeting.

Sincerely,

Brian Moynihan

Chairman and Chief Executive Officer

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**Letter from our Lead Independent Director**

March 12, 2018

Dear Fellow Stockholders:

The independent directors and I join Brian in inviting you to attend our company's 2018 annual meeting of stockholders.

The Board values input from our stockholders as the company executes and makes significant progress on our long-term strategy. In my role as the Board's Lead Independent Director, I meet regularly with investors. I share investors' viewpoints with the Board, which takes action in response where appropriate.

During 2017, our dialogue again covered broad-ranging topics, including the Board's governance practices and composition; the Board's role in strategic planning, risk management, and in overseeing the company's Responsible Growth execution; the company's environmental and social initiatives; and my role as Lead Independent Director.

So that all stockholders have the opportunity to hear directly from our Board members, video interviews of each director discussing our company's governance practices and what Responsible Growth means to us are available at [www.bankofamerica.com/annualmeeting](http://www.bankofamerica.com/annualmeeting).

In addition, I encourage you to carefully review our 2018 proxy statement, our Annual Report and the other proxy materials.



Our Board remains committed to building long-term value in the company and returning capital to our stockholders. On behalf of the directors, I join Brian and the management team in thanking you for choosing to invest in Bank of America.

Sincerely,

Jack O. Bovender, Jr.

Lead Independent Director

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Notice of 2018 Annual Meeting of Stockholders

**Date and Time:**

April 25, 2018

10:00 a.m., Eastern time

**Place:**

Hilton Charlotte Center City

222 East Third Street

Charlotte, North Carolina 28202

**Matters to be Voted on:**

&#127761: Electing the 15 directors named in the proxy statement

&#127761: A proposal approving our executive compensation (an advisory, non-binding Say on Pay resolution)

&#127761: A proposal ratifying the appointment of our independent registered public accounting firm for 2018

&#127761: A stockholder proposal, if it is properly presented at our annual meeting

&#127761: Any other business that may properly come before our annual meeting

**Record date.** Bank of America stockholders as of the close of business on March 2, 2018 will be entitled to vote at our annual meeting and any adjournments or postponements of the meeting.

**Your vote is very important.** Please submit your proxy as soon as possible by the Internet, telephone, or mail. Submitting your proxy by one of these methods will ensure your representation at the annual meeting regardless of whether you attend the meeting.

To express our appreciation for your participation, Bank of America will make a \$1 charitable donation to Habitat for Humanity on behalf of every stockholder account that votes.

Please refer to page 69 of this proxy statement for additional information on how to vote your shares and attend our annual meeting.

By order of the Board of Directors,

Ross E. Jeffries, Jr.

Deputy General Counsel and Corporate Secretary

March 12, 2018

**Important notice regarding the availability of proxy materials for the annual meeting of stockholders to be held on April 25, 2018:** Our Proxy Statement and 2017 Annual Report to stockholders are available at [www.bankofamerica.com/annualmeeting](http://www.bankofamerica.com/annualmeeting)

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Proxy Statement Summary

**How to Vote Your Shares**

You may vote if you were a stockholder as of the close of business on March 2, 2018.

**Online**

*[www.proxyvote.com](http://www.proxyvote.com)*

**By Phone**

Call the phone number located on the top of your proxy card

**By Mail**

Complete, sign, date, and return your proxy card in the envelope provided

**In Person**

Attend our annual meeting and vote by ballot

**Your Vote is Important**

**Bank of America will make a \$1 charitable donation to Habitat for Humanity on behalf of every stockholder account that votes.**

Habitat for Humanity is one of the world's largest housing-focused nonprofits, with nearly 1,400 local affiliates in 70 countries around the world. Bank of America has partnered with Habitat for more than 30 years, helping to provide affordable housing by investing more than \$85 million in funding and thousands of volunteer hours in communities around the world. In 2017, our employees logged more than 45,000 hours in volunteer time to Habitat in more than 100 communities across eleven countries. They support Habitat affiliates through board service, leading home build initiatives, and

providing financial literacy training for future homeowners. This is in addition to the over 650 homes Bank of America has donated to Habitat between 2012 and 2015.

By voting, you can join our efforts in support of Habitat for Humanity.

<b>Proposals for Your Vote</b>	<b>Board Voting Recommendation</b>	<b>Page</b>
<b><u>1. Electing Directors</u></b>	<b>FOR each nominee</b>	<b>2</b>
<b><u>2. Approving Our Executive Compensation (an Advisory, Non-binding Say on Pay Resolution)</u></b>	<b>FOR</b>	<b>37</b>
<b><u>3. Ratifying the Appointment of Our Independent Registered Public Accounting Firm for 2018</u></b>	<b>FOR</b>	<b>64</b>
<b><u>4. Stockholder Proposal</u></b>	<b>AGAINST</b>	<b>66</b>

See **Voting and Other Information** on page 69 for more information on voting your shares.

To review our 2018 Proxy Statement and 2017 Annual Report online, go to [www.bankofamerica.com/annualmeeting](http://www.bankofamerica.com/annualmeeting).

### **Annual Meeting Admission**

Annual meeting admission is limited to our registered holders and beneficial owners as of the record date and persons holding valid proxies from these stockholders. Admission to our annual meeting requires proof of your stock ownership as of the record date and valid, government-issued photo identification. Security measures may include bag, metal detector, and hand-wand searches. The use of cameras, recording devices, phones, and other electronic devices is strictly prohibited. See **Attending our Annual Meeting** on page 72.

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## 2017 Company Performance / Responsible Growth

(\$ in billions, unless otherwise indicated)

Grow and win in the market – no excuses	2017	2016
Net Income <sup>(1)</sup>	\$18.2	\$17.8
Net income, excluding impact of Tax Cuts and Jobs Act <sup>(2)</sup>	\$21.1	
Net income in segments representing eight lines of business:		
Consumer Banking	\$8.2	\$7.2
Global Wealth & Investment Management (GWIM)	\$3.1	\$2.8
Global Banking	\$7.0	\$5.7
Global Markets	\$3.3	\$3.8
Grow with our customer-focused strategy	2017	2016
Average total loans and leases <sup>(3)</sup>	\$918.7	\$900.4
Average deposits	\$1,269.8	\$1,222.6
Total client balances	\$2,751.9	\$2,508.6
Business referrals	6.4 million	5.5 million
Grow within our Risk Framework	2017	2016

Net charge-off ratio	0.44%	0.43%
Net charge-offs	\$4.0	\$3.8
Risk-weighted assets	\$1,449	\$1,530
Average market risk VaR for trading <sup>(4)</sup>	\$45 million	\$48 million

Grow in a sustainable manner	2017	2016
Fully phased-in G-SIB capital buffer	2.5%	2.5%
Total net share repurchases and common dividends <sup>(5)</sup>	\$15.9	\$6.6
Common equity tier 1 regulatory capital	\$171.1	\$168.9
Resolution plan enhancements to resolvability		

- (1) Net income includes net income for the segments listed, plus a net loss for All Other, which was \$(3.3) billion in 2017 and \$(1.7) billion in 2016. Net income for 2016 has been restated to reflect the change in the company's accounting method for certain stock-based compensation awards.
- (2) Excludes the \$2.9 billion charge related to the Tax Cuts and Jobs Act incurred in the fourth quarter of 2017, and represents a non-GAAP financial measure. See Appendix A for a reconciliation of GAAP and non-GAAP financial measures. The initial impact of the Tax Cuts and Jobs Act was recorded in All Other.
- (3) Includes assets of the company's non-U.S. consumer credit card business, which are included in assets of business held for sale on the company's Consolidated Balance Sheet at December 31, 2016. The sale was completed on June 1, 2017.
- (4) VaR model uses historical simulation approach based on three years of historical data and an expected shortfall methodology equivalent to a 99% confidence level.
- (5) Represents common stock dividends and common stock repurchases totaling \$16.8 billion and \$7.7 billion in 2017 and 2016, less common stock issued under employee plans of \$932 million and \$1.1 billion in the same periods.
- (6) As of December 31, 2017. See page 49 for a list of the companies in our primary competitor group. G-SIBs are global systemically important banks designated by the Financial Stability Board as of November 21, 2017.

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**Governance Objectives**

Our Board of Directors oversees the development and execution of our strategy. The Board has adopted robust governance practices and procedures focused on our Responsible Growth. To maintain and enhance independent oversight, our Board has implemented a number of measures to further enrich Board composition, oversight, and effectiveness. These measures align our corporate governance structure with achieving our strategic objectives, and enable our Board to effectively communicate and oversee our culture of compliance and rigorous risk management.

**Key Statistics about Our Director Nominees**

6.1	14 of 15	33%	47%	60%	33%
years average tenure, below the 8.7-year S&P 500 average <sup>(1)</sup>	are independent	are women	are diverse	have CEO experience	have senior executive experience at financial institutions

(1) Our director nominees' average tenure is calculated by full years of completed service based on date of initial election as of our annual meeting date; source for S&P 500 average: *2017 Spencer Stuart Board Index*.





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**[Our Stockholders Inform and Guide Achievement of Governance Objectives](#)**

Our Board and management are committed to engaging with and listening to our stockholders. Throughout 2017 and into 2018, we provided updates about our Board and our company to our major stockholders and key stakeholders representing approximately 38% of shares outstanding. In addition, our Board and management met with many of these stockholders and stakeholders to solicit their input on important performance, governance, executive compensation, human capital management, regulatory, environmental, social, and other matters. This continued dialogue has informed our Board's meeting agendas, and led to governance enhancements that help us address the issues that matter most to our major stockholders and key stakeholders. This engagement process complements our Responsible Growth and will assist us in achieving our strategic objectives, creating long-term value, maintaining our culture of compliance, and contributing to our environmental, social, and governance activities.

See [Stockholder Engagement](#) on page 21 for more information on our stockholder engagement philosophy and activities.

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**Compensation Highlights**

**Pay-for-Performance Compensation Philosophy**

Our compensation philosophy is to pay for performance over the long-term, as well as on an annual basis. Our performance considerations include both financial and non-financial measures including the manner in which results are achieved for the company, line of business, and the individual. These considerations reinforce and promote Responsible Growth and maintain alignment with our risk framework. Our executive compensation program provides a mix of salary, incentives, and benefits paid over time to align executive officer and stockholder interests. A majority of total variable compensation granted to named executive officers is in the form of deferred equity-based awards, further encouraging long-term focus on generating sustainable growth for our stockholders.

**2017 Compensation Decisions for the CEO**

In 2017, the company's focus on Responsible Growth produced earnings of \$18.2 billion, including a charge of \$2.9 billion related to the Tax Cuts and Jobs Act (Tax Act). Excluding the Tax Act impact, Responsible Growth delivered earnings of \$21.1 billion, which is up 18% over 2016 earnings of \$17.8 billion. In recognition of our Responsible Growth results, overall company performance, and the CEO's individual performance, the Compensation and Benefits Committee and the Board's independent directors determined the following compensation for our CEO:

&#127761; Total compensation, inclusive of base salary and equity-based incentives, of \$23.0 million

&#127761; 93.5% of Mr. Moynihan's total compensation is variable and directly linked to company performance. All CEO variable compensation was awarded in equity (as it has been since 2010)

&#127761; 46.7% of Mr. Moynihan's total compensation was awarded in the form of performance restricted stock units (PRSUs) that must be re-earned based on sustained three-year average performance of key metrics (return on assets and growth in adjusted tangible book value)

&#127761; The remainder of the CEO’s variable pay was awarded as cash-settled restricted stock units (CRSUs) and time-based restricted stock units (TRSUs)

&#127761; Based on stockholder input and our Board’s assessment, this overall pay structure is consistent with prior years

**Compensation Risk Management Features**

**Historical Say on Pay Votes**

&#127761; Mix of fixed and variable pay

&#127761; Balanced, risk-adjusted performance measures

&#127761; Pay-for-performance process that bases individual awards on actual results and how those results were achieved

&#127761; Review of independent control function feedback in performance evaluations and compensation decisions

&#127761; Deferral of a majority of variable pay through equity-based awards

&#127761; Robust stock ownership and retention requirements for executive officers

&#127761; Use of multiple cancellation and clawback features for equity-based awards

Our Compensation and Benefits Committee believes the results of last year’s Say on Pay vote and input from our stockholder engagement affirmed our stockholders’ support of our company’s executive compensation program. This informed our decision to maintain a consistent overall approach in setting executive compensation for 2017.

See Compensation Discussion and Analysis on page 37 and Executive Compensation on page 51.

(1) Total compensation pay components does not equal 100% due to rounding.



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### Proxy Statement Summary

### Sustainable Responsible Growth

Our focus on ESG has been recognized across

the world, including:

&#127761; *Fortune Magazine*'s **100 Best Workplaces for Diversity List, Best Workplaces for Parents List, and Best Workplaces for Giving Back List**

&#127761; *Euromoney*'s **World's Best Bank for Corporate Social Responsibility** and for **Advisory services**

&#127761; Third year in a row in the **Bloomberg Financial Services Gender-Equality Index**

&#127761; **Industry leader in the Banks industry category** among *JUST Capital*'s *America's Most JUST Companies*

&#127761; *American Banker*'s **Top Teams of women leaders**, with five of our female executives among the **Most Powerful Women in Banking and Finance**

&#127761; Among the top 10 companies in *Diversity MBA Magazine*'s ranking of **50 Out Front Companies for Diversity Leadership: Best Places for Women & Diverse Managers to Work**

&#127761; *Black Enterprise Magazine*'s **50 Best Companies for Diversity**, with four of our African-American executives among the **Most Powerful Executives in Corporate America**

&#127761; Out & Equal's Workplace Excellence **Outie Award** for our programs, policies, and actions to **support our LGBT teammates and equality**

&#127761; Fatherly.com's **50 Best Places to Work for New Dads**, top 10 company in *Working Mother Magazine*'s **100 Best Companies** list of 2017, and one of the **100 Best Adoption-Friendly Workplaces** by the Dave Thomas Foundation for Adoption

&#127761: One of the **Best Places to Work for Disability Inclusion** by the U.S. Business Leadership Network and the American Association of People with Disabilities

&#127761: *U.S. Veterans Magazine*'s 2017 **Best Top Veteran-Friendly Companies** and **Top Supplier Diversity Programs** lists

&#127761: For the 18<sup>th</sup> time, named among *LATINA Style Magazine*'s **Top 50 best companies for Latinas to work**. We deliver on our purpose to help make financial lives better through the power of every connection by driving Responsible Growth. A tenet of Responsible Growth is that it be sustainable, and one of the ways we do that is by sharing success, including through our environmental, social, and governance (ESG) leadership. Our ESG-focused business practices enable us to address some of the key challenges facing the world today while also creating business opportunities, allowing us to create shared success with our employees, clients, and communities around the world.

As a result of these efforts, we are helping to advance the global economy in sustainable ways, creating jobs, developing infrastructure, and addressing societal challenges, while managing risk, developing talent, and providing a return to our investors, clients, and for our business. To learn more, visit <http://bankofamerica.com/responsiblegrowth>.

Our ESG approach is fully-integrated into each of our eight lines of business. Our management-level ESG Committee is made up of senior executives across every line of business and support function who help to guide the company's efforts and enable ESG progress. The Committee identifies and discusses

issues central to our ESG focus across the company including our human capital management practices, products and service offerings, client selection, and investments in creating a sustainable global economy. It helps set company goals and monitor our progress against these ESG goals, reports regularly to the Board through the Corporate Governance Committee, and oversees disclosure to our investors, stakeholders, and clients through our annual ESG reporting on our company's website.

Another way we facilitate sustainable Responsible Growth is being a great place to work. We do this by listening to our employees so that our programs and resources enhance their experience, help deepen their skill sets, and further their careers with us. We focus our human capital management efforts on key areas including growing our diverse and inclusive workforce, rewarding performance that balances risk and reward, empowering professional growth and development, and investing in health, emotional and financial wellness. We provide compensation, benefits, and resources to employees that reflect our commitment to being a great place to work. This is not only the right thing to do, it is core to achieving Responsible Growth in a sustainable manner.

We benchmark our ESG performance across a number of industry measures. In each of these ratings, our company outperforms or is in line with industry peers.

## ESG Ratings and Indices

<p>One of 120 companies on environmental A List</p> <p>CDP Climate rating of 2,418 companies</p>	<p>World Index (top 10% of banks) &amp; North America Index (top 20% of banks)</p> <p>Dow Jones Sustainability Index ESG rating of 3,500 companies</p>	<p>81<sup>st</sup> percentile</p> <p>Sustainalytics</p> <p>ESG rating of 332 banks</p>	<p>Ranked #5 of top 100 largest green power purchasers</p> <p>U.S. Environmental Protection Agency Green Power ranking</p>	<p>BB</p> <p>MSCI ESG rating</p>
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See Sustainable Responsible Growth on page 23 and Appendix A.



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### **Internet Availability of Proxy Materials**

We mailed or emailed to most of our stockholders a Notice of Internet Availability of our proxy materials with instructions on how to access our proxy materials online and how to vote. If you are a registered holder and would like to change the method of delivery of your proxy materials, please contact our transfer agent, Computershare, P.O. Box 505005, Louisville, KY 40233; Toll free: 800-642-9855; or at [www.computershare.com/bac](http://www.computershare.com/bac). You may do the same as a beneficial owner by contacting the bank, broker, or other nominee where your shares are held.

### **Proxy Statement Availability**

We are providing or making available this proxy statement to solicit your proxy to vote on the matters presented at our annual meeting. We commenced providing and making available this proxy statement on March 12, 2018. Our Board requests that you submit your proxy by the Internet, telephone, or mail so that your shares will be represented and voted at our annual meeting.

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## Proposal 1: Electing Directors

## Proposal 1: Electing Directors

Our Board is presenting 15 nominees for election as directors at our annual meeting. All nominees currently serve as directors on our Board. Other than Dr. Zuber, who was appointed to our Board in December 2017, all nominees were elected by you at our 2017 annual meeting of stockholders. Each director elected at the meeting will serve until our 2019 annual meeting or until a successor is duly elected and qualified. Each director nominee has consented to being named in this proxy statement and to serving as a director if elected. If any nominee is unable to stand for election for any reason, the shares represented at our annual meeting may be voted for another candidate proposed by our Board, or our Board may choose to reduce its size.

Nominee/Age <sup>(1)</sup>	Principal Occupation	Director Since	Independent	Other	
				U.S.-Listed Public Company Boards	Committee Membership (C = Chair)
<b>Sharon L. Allen</b> , 66	Former Chairman, Deloitte LLP	2012	Yes	1	Audit (C)
	Former Member, Board of Governors of the Federal Reserve System				Corporate Governance
<b>Susan S. Bies</b> , 70	Board of Governors of the Federal Reserve System	2009	Yes	None	Corporate Governance
	Lead Independent Director, Bank of America Corporation;				Enterprise Risk
<b>Jack O. Bovender, Jr.</b> , 72	Former Chairman and CEO, HCA Inc.	2012	Yes	None	None
					2006

<b>Frank P. Bramble, Sr.</b> , 69	Former Executive Vice Chairman, MBNA Corporation					Enterprise Risk (C)
<b>Pierre J. P. de Weck</b> , 67	Former Chairman and Global Head of Private Wealth Management, Deutsche Bank AG	2013	Yes	None		Audit Compensation and Benefits
<b>Arnold W. Donald</b> , 63	President and CEO, Carnival Corporation and Carnival plc	2013	Yes	2		Audit Compensation and Benefits
<b>Linda P. Hudson</b> , 67	Chairman and CEO, The Cardea Group, LLC; Former President and CEO, BAE Systems, Inc.	2012	Yes	2		Compensation and Benefits Enterprise Risk
<b>Monica C. Lozano</b> , 61	CEO, College Futures Foundation; Former Chairman, US Hispanic Media Inc.	2006	Yes	1		Compensation and Benefits (C) Enterprise Risk
<b>Thomas J. May</b> , 71	Former Chairman and CEO, Eversource Energy; Chairman, Viacom Inc.	2004	Yes	1		Corporate Governance (C) Enterprise Risk
<b>Brian T. Moynihan</b> , 58	Chairman and CEO, Bank of America Corporation	2010	No	None	None	
<b>Lionel L. Nowell, III</b> , 63	Former SVP and Treasurer, PepsiCo, Inc.	2013	Yes	2		Audit Corporate Governance

<b>Michael D. White, 66</b>	Former Chairman, President and CEO, DIRECTV	2016	Yes	2	Audit Compensation and Benefits
<b>Thomas D. Woods, 65</b>	Former Vice Chairman and SEVP, Canadian Imperial Bank of Commerce	2016	Yes	None	Corporate Governance Enterprise Risk
<b>R. David Yost, 70</b>	Former CEO, AmerisourceBergen Corporation	2012	Yes	2	Audit Compensation and Benefits
<b>Maria T. Zuber, 59</b>	Vice President for Research and E. A. Griswold Professor of Geophysics, Massachusetts Institute of Technology	2017	Yes	1	Corporate Governance Enterprise Risk

#### Number of Board and Committee Meetings Held in 2017<sup>(2)</sup>

<b>22<sup>(3)</sup></b>	<b>15</b>	<b>10</b>	<b>7</b>	<b>13</b>
<b>Board</b>	<b>Audit</b>	<b>Compensation and Benefits</b>	<b>Corporate Governance</b>	<b>Enterprise Risk</b>

(1) Age as of annual meeting date.

(2) In addition to the number of formal meetings reflected above, from time to time the Board and/or its committees also held educational and/or informational sessions.

(3) Includes the Board's stand-alone risk oversight meetings.

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Proposal 1: Electing Directors

**Identifying and Evaluating Director Candidates**

**Board Composition**

The business and affairs of the company are managed under the direction of the Board. Our Board provides active and independent oversight of management. To carry out its responsibilities and set the appropriate tone at the top, our Board is keenly focused on the character, integrity, and qualifications of its members, and its leadership structure and composition.

Our Board believes our directors best serve our company and stockholders by possessing high personal integrity and character, demonstrated management and leadership ability, extensive experience within our industry and across sectors, and the ability to exercise their sound and independent judgment in a collegial manner.

Our Board seeks directors whose complementary knowledge, experience, and skills provide a broad range of perspectives

**Core Director Attributes**

High Personal Integrity

Strong Business Judgment

Demonstrated Achievement in Public or Private Sectors

Proven Leadership and Management Ability

Dedicated Able to Devote Necessary Time to Oversight Duties and Represent Stockholders Interests

Free of Potential Conflicts of Interests

Collegial Manner



and leadership expertise in financial services and other highly complex and regulated industries, strategic planning and business development, business operations, marketing and distribution, technology, risk management and financial controls, corporate governance and public policy, and other areas important to our company's strategy and oversight. Our Board also assesses director age, tenure, and Board continuity, and strives to achieve a balance between the perspectives of new directors and those of longer-serving directors with industry and institutional insights.

Our Board views diversity as a priority and seeks representation across a range of attributes, including race, gender, ethnicity, and professional experience, and regularly assesses our Board's diversity when identifying and evaluating director candidates. In addition, our Corporate Governance Committee follows applicable regulations in confirming that our Board includes members who are independent, possess financial literacy and expertise, and an understanding of risk management principles, policies, and practices, and have experience in identifying, assessing, and managing risk exposures.

Our current Board, comprised of the 15 director nominees, reflects the Board's commitment to identify, evaluate, and nominate candidates who possess personal qualities, qualifications, skills, and diversity of backgrounds, and provide a mix of tenures that, when taken together, best serve our company and our stockholders. See Our Director Nominees on page 5.

### **Succession Planning and the Director Recruitment Process**

Our Board regularly reviews and renews its composition. Our Corporate Governance Committee is responsible for identifying and recommending director candidates to our Board for nomination using a director selection process that has been reviewed and acknowledged by our primary bank regulators.

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**Table of Contents****Proposal 1: Electing Directors**

**Assess.** The Committee regularly reviews our mix of directors on the Board to assess the overall Board composition. Among other factors, the Committee considers our company's strategy and needs; our directors' experiences, gender, race, ethnicity, tenure, and age; the attributes and qualifications our Board identifies in its self-evaluations to develop criteria for potential candidates; and whether these attributes and qualifications are additive to our overall Board composition.

To maintain a vibrant mixture of fresh perspectives brought by new directors and the institutional knowledge and industry insights of directors having longer experience on our Board, the Committee reviews practices that enhance the Board's refreshment process, including the appropriate retirement age and related tenure limitations, and ability to commit the time necessary to our company. To further expand the pool of available director talent for potential Board refreshment, which includes many retired CEOs and other senior executives, in 2017, the Committee reviewed the advisability of increasing the director retirement age, which had been set at 72, based on peer analysis and demographic trends. As part of its review, the Committee also sought investors' perspectives on this topic during engagement discussions in 2017. Based on the Committee's review and at its recommendation, the Board amended our Corporate Governance Guidelines to provide that a director who has reached the age of 75 shall not be nominated for election to our Board. For additional information the average tenure of directors serving on our Board and each director's tenure, see "Our Director Nominees" on page 5.

**Identify.** To drive effective Board renewal, refreshment, and Board leadership succession planning, the Committee has a routine agenda item to develop and review a diverse group of potential director candidates. Based on the factors and criteria developed in the assessment phase, the Committee requests the third-party search firms the Committee engages to identify potential candidates for review. The Committee considers and provides feedback on the then-current pool of director talent identified by search firms; and the search firms periodically update the lists of potential director candidates as shaped by Committee and Board review.

In 2017, the Committee continued to develop the pool of potential director candidates using two external search firms. In its work with the external search firms, the Committee emphasizes the importance of diversity in its consideration of director candidates. The potential director candidates possess professional experiences and the gender, racial, and ethnic diversity aligned with the Committee-specified criteria and with the qualities identified by our Board in 2016 and 2017 self-evaluations. See "Board Evaluation" on page 17 for additional information on our Board's self-evaluation process. Dr. Zuber was identified by the Lead Independent Director, and reviewed by an external search firm for inclusion in the pool of potential director candidates and appointed to the Board following Committee evaluation and nomination. The Committee also considers candidates proposed by management and our stockholders.

**Evaluate.** The Committee has an established process for evaluating director candidates that it follows regardless of who recommends the candidate for consideration. Through this process, the Committee reviews available information regarding each candidate, including qualifications, experience, skills, and integrity, as well as race, gender, and ethnicity. The Committee also reviews the candidate's independence, absence of conflicts, and any reputational risks.

Our Board understands the significant time commitment involved in serving on the Board and its committees. The Committee evaluates whether candidates and serving directors are able to devote the time necessary to discharge their duties as directors, taking into account primary occupations, memberships on other boards, and other responsibilities.

Prior to the annual renomination of currently serving directors, the Committee also assesses these factors. Once elected, directors are expected to seek Committee approval prior to joining the board of another public company. Directors who change principal occupations must offer to resign from the Board, subject to further evaluation by the Committee and the Lead Independent Director. See [Director Commitment](#) on page 19.

Any stockholder who wishes to recommend a director candidate for consideration by our Corporate Governance Committee must submit a written recommendation to our Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255. For our 2019 annual meeting of stockholders, the Committee will consider recommendations received by October 15, 2018. The recommendation must include the information set forth in our Corporate Governance Guidelines, which are published on our website at <http://investor.bankofamerica.com>.

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**Proposal 1: Electing Directors**

**Our Director Nominees**

**Recommend.** The Board selected our 15 director nominees based on their satisfaction of the core attributes described on page 3, and the belief that each can make substantial contributions to our Board and company. Our Board believes our nominees' breadth of experience and their mix of attributes strengthen our Board's independent leadership and effective oversight of management, in the context of our company's businesses, our industry's operating environment, and our company's long-term strategy.

**Our 15 nominees:**

are seasoned leaders who have held a diverse array of leadership positions in complex, highly regulated businesses (including banks and other financial services organizations), and with one of our primary regulators

have served as chief executives and in senior positions in the areas of risk, operations, finance, technology, and human resources

bring deep and diverse experience in public and private companies, financial services, academia, the public sector, nonprofit organizations, and other domestic and international businesses

are experienced in regulated, non-financial services industries and organizations, adding to our Board's understanding of overseeing a business subject to governmental oversight, and enhancing the diversity of our Board with valuable insights and fresh perspectives that complement those of our directors with specific experience in banking or financial services

represent diverse backgrounds and viewpoints

strengthen our Board's oversight capabilities by having varied lengths of tenure that provide historical and new perspectives about our company

**Represent a diverse range of qualifications and skills:**

Strategic Planning

Financial Services Experience

Consumer, Corporate, and Investment Banking

Marketing and Retail Distribution

Environmental, Social, and Governance (ESG)

Human Capital Management and Succession Planning

Corporate Governance

Leadership of Complex, Highly Regulated Businesses

Risk Management, including Credit, Operational, and Reputational Risk

Audit/Financial Reporting

Government, Public Policy, and Regulatory Affairs

Cybersecurity Technology, and Information Security

Public Company Board Service

Business Development

**Represent a range of tenures, with an average tenure of 6.1 years<sup>(1)</sup>:**

(1) Calculated by full years of completed service based on date of initial election as of our annual meeting date.

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[Proposal 1: Electing Directors](#)

Our Board recommends a vote FOR each of the 15 nominees listed below for election as a director (Proposal 1).

Set forth below are each nominee’s name, age as of our annual meeting date, principal occupation, business experience, and U.S.-listed public company directorships held during the past five years. We also discuss the qualifications, attributes, and skills that led our Board to nominate each for election as a Bank of America director.

Sharon L. Allen

Age: 66

Director since: August 2012

Former Chairman, Deloitte

[Other U.S.-Listed Public Company Directorships](#)

First Solar, Inc.

Ms. Allen’s responsibility for audit and consulting services in various positions with Deloitte LLP (Deloitte) enables her to bring extensive audit, financial reporting, and corporate governance experience to our Board. Her leadership positions with Deloitte give her broad management experience with large, complex businesses and an international perspective on risk management and strategic planning.

**Professional Highlights:**

&#127761; Served as Chairman of Deloitte, a firm that provides audit, consulting, financial advisory, risk management, and tax services, as the U.S. member firm of Deloitte Touche Tohmatsu Limited from 2003 to 2011

&#127761; Employed at Deloitte for nearly 40 years in various leadership roles, including Partner and Regional Managing Partner, responsible for audit and consulting services for a number of Fortune 500 and large private companies

- &#127761: Member of the Global Board of Directors, Chair of the Global Risk Committee, and U.S. Representative on the Global Governance Committee of Deloitte Touche Tohmatsu Limited from 2003 to 2011
- &#127761: Member of the Board of Directors of a food and drug retailer seeking to become a public company under the name Albertsons Companies, Inc.
- &#127761: Director of First Solar, Inc., Chair of its Audit Committee, and member of its Technology Committee
- Other Leadership Experience and Service:**
- &#127761: Former Director and Chair of the National Board of Directors of the YMCA of the USA, a leading nonprofit organization for youth development, healthy living, and social responsibility
- &#127761: Former Vice Chair of the Board of Trustees of the Autry National Center, the governing body of the Autry Museum of the American West
- &#127761: Appointed by President George W. Bush to the President's Export Council, which advised the President on export enhancement

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## Proposal 1: Electing Directors

Susan S. Bies

Age: 70

Director since: June 2009

Former Member,  
Federal Reserve  
Board of Governors

Ms. Bies's role as a member of the Board of Governors of the Federal Reserve System (Federal Reserve Board) and her tenure with First Tennessee National Corporation (First Tennessee) enables her to bring deep experience in risk management, consumer banking, and insights regarding financial regulation to our Board. In particular, Ms. Bies focused on enterprise financial and risk management during her career with First Tennessee and further developed her regulatory expertise by serving on the Financial Accounting Standards Board (FASB) Emerging Issues Task Force. Her experience working at a primary regulator of our industry, along with her other regulatory and public policy experience, gives her unique and valuable perspective relevant to our company's business, financial performance, and risk oversight. She brings an international perspective through her service on the Boards of Directors of Zurich Insurance Group Ltd. (Zurich Insurance) and Merrill Lynch International (MLI).

**Professional Highlights:**

&#127761: Senior Advisory Board Member to Oliver Wyman Group, a management consulting subsidiary of Marsh & McLennan Companies, Inc., February 2009 to December 2016

&#127761: Member of the Board of Governors of the Federal Reserve System from 2001 to 2007, including a role as Chair of the Committee on Supervisory and Regulatory Affairs

&#127761: Represented the Federal Reserve Board on the Financial Stability Board and led the Federal Reserve Board's efforts to modernize the Basel capital accord

&#127761: Served as a member of the FASB's Emerging Issues Task Force from 1996 to 2001

&#127761: Served as Executive Vice President of Risk Management; Auditor; Chief Financial Officer; and Chair of the Asset Liability Management and the Executive Risk Management Committees at First Tennessee, a regional bank holding company, between 1979 and 2001

&#127761: Employed at the Federal Reserve Bank of St. Louis as a regional and banking structure economist at the start of her career

&#127761: Director of and Chair, Risk Committee for Zurich Insurance

&#127761: Chair, Board of Directors of MLI

**Other Leadership Experience and Service:**

&#127761: Served in leadership roles in various organizations, including the Committee on Corporate Reporting of the Financial Executives Institute; the End Users of Derivatives Association; the American Bankers Association; and the Bank Administration Institute

&#127761: Served in numerous roles with many professional, academic, civic, and charitable organizations, such as the American Economic Association; Institute of Management Accountants; International Women’s Forum; University of Memphis; Memphis Area Chamber of Commerce; Memphis Youth Initiative; and Memphis Partners

Jack O. Bovender, Jr.	Age: 72	Director since: August 2012
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Lead Independent Director, Bank of America Corporation

Former Chairman and Chief Executive Officer, HCA

Mr. Bovender’s roles as former Chairman, Chief Executive Officer, President, and Chief Operating Officer of HCA Inc. (HCA) enable him to bring his extensive experience leading a large, regulated, complex business to our Board. Mr. Bovender’s experience with HCA and service on the Board of Trustees of Duke University, including as Chair and as former Chair of its Presidential Search Committee and its Audit Committee, provide him with insight into board leadership, risk management, operational risk, and strategic planning, and valuable perspective on corporate governance issues.

**Professional Highlights:**

&#127761: Chairman and Chief Executive Officer of HCA, the largest investor-owned hospital operator in the U.S. and a Fortune 100 company owning and operating hospitals and surgery centers, from January 2002 to

December 2009, and Chief Executive Officer from January 2001 to January 2009

&#127761; During a 32-year tenure at HCA, held several senior-level positions including President and Chief Operating Officer

&#127761; 40-year veteran of the healthcare industry starting with hospital administration for the U.S. Navy

**Other Leadership Experience and Service:**

&#127761; Chair of the Duke University Board of Trustees and chair of the Executive Committee; serves on the Duke University Health System Board; and on the Board of Visitors at the Duke University Fuqua School of Business

&#127761; Recipient of Duke University's Distinguished Alumni Award in 2012

&#127761; Served on the Board of Governors of the American College of Healthcare Executives (ACHE); recipient of ACHE's Gold Medal Award recognizing significant career-long contributions to the healthcare profession

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Proposal 1: Electing Directors

Frank P. Bramble, Sr.

Age: 69

Director since: January 2006

Former Executive  
Vice Chairman,  
MBNA Corporation

Mr. Bramble brings broad-ranging financial services experience, international experience, and historical insight to our Board, having held leadership positions at two financial services companies acquired by our company (MBNA Corporation, acquired in 2006, and MNC Financial Inc., acquired in 1993). As a former executive officer of one of the largest credit card issuers in the U.S. and a major regional bank, Mr. Bramble has dealt with a wide range of issues important to our company, including risk management, credit cycles, sales and marketing to consumers, and audit and financial reporting.

**Professional Highlights:**

&#127761: Served as Chairman of the Board of Trustees from July 2014 to June 2016 and Interim President from July 2013 to June 2014 of Calvert Hall College High School in Baltimore, Maryland

&#127761: Served as Executive Vice Chairman from July 2002 to April 2005 and Advisor to the Executive Committee from April 2005 to December 2005 of MBNA Corporation, a financial services company acquired by Bank of America in January 2006

&#127761: Previously served as the Chairman, President, and Chief Executive Officer at Allfirst Financial, Inc.; MNC Financial Inc.; Maryland National Bank; American Security Bank; and Virginia Federal Savings Bank

&#127761: Served as a director, from April 1994 to May 2002, and Chairman, from December 1999 to May 2002, of Allfirst Financial, Inc. and Allfirst Bank, U.S. subsidiaries of Allied Irish Banks, p.l.c.

&#127761: Began his career as an audit clerk at the First National Bank of Maryland

**Other Leadership Experience and Service:**

&#127761; Emeritus member of the Board of Visitors of Towson University and guest lecturer in business strategy and accounting from 2006 to 2008

Pierre J. P. de Weck

Age: 67

Director since: July 2013

Former Chairman and Global Head of Private Wealth Management, Deutsche Bank

Mr. de Weck's experience as an executive with UBS AG (UBS) and Deutsche Bank AG (Deutsche Bank) enables him to bring extensive knowledge of the global financial services industry to our Board. As a former Chairman and Global Head of Private Wealth Management and member of the Group Executive Committee of Deutsche Bank, Mr. de Weck has broad experience in risk management and strategic planning and brings a valuable international perspective to our company's business activities, including through his service on the Board of Directors of Bank of America Merrill Lynch International (BAMLI). Mr. de Weck's service as Chief Credit Officer of UBS provides him with further credit risk management experience.

### Professional Highlights:

&#127761; Served as the Chairman and Global Head of Private Wealth Management and as a member of the Group Executive Committee of Deutsche Bank from 2002 to May 2012

&#127761; Served on the Management Board of UBS from 1994 to 2001; as Head of Institutional Banking from 1994 to 1997; as Chief Credit Officer and Head of Private Equity from 1998 to 1999; and as Head of Private Equity from 2000 to 2001

&#127761; Held various senior management positions at Union Bank of Switzerland, a predecessor firm of UBS, from 1985 to 1994

&#127761; Currently serves on the Board of Directors of our U.K. banking entity, BAMLI

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## Proposal 1: Electing Directors

Arnold W. Donald

Age: 63

Director since: January 2013

President and Chief  
Executive Officer,  
Carnival

Other U.S.-Listed  
Public Company  
Directorships

Carnival; Crown  
Holdings, Inc.

*Past Five Years:* The  
Laclede Group, Inc.

Mr. Donald's roles as President and Chief Executive Officer of Carnival Corporation and Carnival plc (Carnival), as a former senior executive at Monsanto Company (Monsanto), and as the former Chairman and Chief Executive Officer of Merisant Company (Merisant), enable him to bring his extensive experience in strategic planning and operations in regulated, consumer, retail, and distribution businesses to our Board. His board service with public companies gives him experience with risk management, global operations, and regulated businesses. His experience heading The Executive Leadership Council and the Juvenile Diabetes Research Foundation International gives him a distinct perspective on governance matters, social responsibility, and diversity.

**Professional Highlights:**

&#127761: President and Chief Executive Officer of Carnival, a cruise and vacation company, since July 2013

&#127761: Served as President and Chief Executive Officer from November 2010 to June 2012 of The Executive Leadership Council, a nonprofit organization providing a professional network and business forum to African-American executives at major U.S. companies

&#127761: President and Chief Executive Officer of the Juvenile Diabetes Research Foundation International from January 2006 to February 2008

&#127761: Served as Chairman and Chief Executive Officer of Merisant from 2000 to 2003, a privately-held global manufacturer of tabletop sweeteners, and remained as Chairman until 2005

&#127761; Joined Monsanto in 1977 and held several senior leadership positions with global responsibilities, including President of its Agricultural Group and President of its Nutrition and Consumer Sector, over a more than 20-year tenure

&#127761; Director of Crown Holdings, Inc. and member of its Compensation Committee

**Other Leadership Experience and Service:**

&#127761; Appointed by President Clinton and re-appointed by President George W. Bush to the President's Export Council

Linda P. Hudson	Age: 67	Director since: August 2012
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Executive Officer,  
The Cardea Group,  
LLC

Former President  
and

Chief Executive  
Officer, BAE

Other U.S.-Listed  
Public Company  
Directorships

Ingersoll-Rand plc;

The Southern  
Company

Ms. Hudson's role as a former President and Chief Executive Officer of BAE Systems, Inc. (BAE) enables her to bring her broad experience in strategic planning and risk management to our Board. Further, with her service as an executive director of BAE Systems plc (BAE Systems), Ms. Hudson's background provides her with international perspective, geopolitical insights, and experience as a leader of a large, international, highly regulated, complex business. Ms. Hudson's career in the defense and aerospace industry gives her knowledge of technology risks such as cybersecurity risk.

**Professional Highlights:**

- &#127761: Chairman and Chief Executive Officer of The Cardea Group, LLC, a management consulting business, May 2014 to present
- &#127761: Served as CEO Emeritus of BAE, a U.S.-based subsidiary of BAE Systems, a global defense, aerospace, and security company headquartered in London, from February 2014 to May 2014, and as President and Chief Executive Officer of BAE from October 2009 until January 2014
- &#127761: Served as President of BAE Systems Land and Armaments operating group, the world's largest military vehicle and equipment business, from October 2006 to October 2009
- &#127761: Prior to joining BAE, served as Vice President of General Dynamics Corporation and President of its Armament and Technical Products business; held various positions in engineering, production operations, program management, and business development for defense and aerospace companies
- &#127761: Served as a member of the Executive Committee and as an executive director of BAE Systems from 2009 until January 2014 and as a member of the Board of Directors of BAE from 2009 to April 2015
- &#127761: Director of The Southern Company and member of its Nominating, Governance and Corporate Responsibility Committee and its Operations, Environmental and Safety Committee; director of Ingersoll-Rand plc and member of its Audit, Finance, and Technology and Innovation Committees

**Other Leadership Experience and Service:**

- &#127761: Member of the Board of Directors of the University of Florida Foundation, Inc. and the University of Florida Engineering Leadership Institute, and a former member of the Charlotte Center Executive Board for the Wake Forest University School of Business
- &#127761: Member of Board of Trustees of Discovery Place, a nonprofit education organization dedicated to inspiring exploration of the natural and social world
- &#127761: Member of Board of Trustees of Central Piedmont Community College Foundation



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Proposal 1: Electing Directors

Monica C. Lozano	Age: 61	Director since: April 2006
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<p>Chief Executive Officer, College Futures Foundation</p> <p>Former Chairman, US Hispanic Media Inc.</p> <p><a href="#">Other U.S.-Listed Public Company Directorships</a></p> <p>Target Corporation</p> <p><i>Past Five Years:</i> The Walt Disney Company</p>	<p>Ms. Lozano's roles as the Chief Executive Officer of College Futures Foundation, a nonprofit working to increase the rate of college graduation for low-income California students, and as the former Chairman and Chief Executive Officer of ImpreMedia LLC (ImpreMedia), a leading Hispanic news and information company, enable her to bring her experience in broad leadership management over areas such as operations, marketing, and strategic planning to our Board. Ms. Lozano has a deep understanding of issues that are important to the Hispanic community, a growing U.S. demographic. Her public company board service for Target Corporation, her past public company board service for The Walt Disney Corporation, and her past roles with the University of California and the University of Southern California give her board-level experience overseeing large organizations with diversified operations on matters such as governance, executive compensation, risk management, and financial reporting. Ms. Lozano's experience as a member of President Obama's Council on Jobs and Competitiveness also provided her with valuable perspective on important public policy, societal, and economic issues relevant to our company.</p>
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**Professional Highlights:**

&#127761: Chief Executive Officer of College Futures Foundations since December 2017. College Futures Foundation is a nonprofit focused on increasing the rate of bachelor's degree completion among California student populations who are low-income and have had a historically low college success rate

&#127761: Served as Chair of the Board of Directors of U.S. Hispanic Media Inc., the parent company of ImpreMedia, a leading Hispanic news and information company, from June 2014 to January 2016

&#127761: Served as Chairman of ImpreMedia from July 2012 to January 2016, Chief Executive Officer from May 2010 to May 2014, and Senior Vice President from January 2004 to May 2010

&#127761: Served as Publisher of La Opinion, a subsidiary of ImpreMedia and the leading Spanish-language daily print and online newspaper in the country, from 2004 to May 2014, and Chief Executive Officer from 2004 to July 2012

&#127761: Director of Target Corporation and member of its Audit and Finance Committee, and Nominating and Governance Committee

**Other Leadership Experience and Service:**

&#127761: Served as a member of President Obama’s Council on Jobs and Competitiveness from 2011 to 2012 and served on President Obama’s Economic Recovery Advisory Board from 2009 to 2011

&#127761: Currently serves as Chair of the Board of Directors the Weingart Foundation; served as the Chair of the Board of Regents of the University of California, as a member of the Board of Trustees of The Rockefeller Foundation, as a member of the Board of Trustees of the University of Southern California, and as a member of the State of California Commission on the 21st Century Economy

Thomas J. May	Age: 71	Director since: April 2004
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Chairman, Viacom Inc.  Former Chairman,  President, and Chief Executive Officer, Eversource Energy	Mr. May’s roles as former Chairman, President, and Chief Executive Officer of Eversource Energy enable him to bring his extensive experience with regulated businesses, operations, risk management, business development, strategic planning, board leadership, and corporate governance matters to our Board and gives him insight into the issues facing our company’s businesses. Having experience as a Certified Public Accountant, Mr. May brings extensive accounting and financial skills, and a professional perspective on financial reporting and enterprise and operational risk management.
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Other U.S.-Listed  
Public Company  
Directorships

Viacom Inc.

*Past Five Years:*  
Eversource Energy

**Professional Highlights:**

- &#127761; Served as Chairman of the Board of Trustees of Eversource Energy, one of the nation's largest utilities, from October 2013 to May 2017
  
- &#127761; Served as President and Chief Executive Officer of Eversource Energy from April 2012 until retirement in May 2016
  
- &#127761; Served as Chairman and Chief Executive Officer of NSTAR, which merged with Northeast Utilities (now Eversource Energy), from 1999 to April 2012, and was President from 2002 to April 2012; also served as Chief Financial Officer and Chief Operating Officer at NSTAR
  
- &#127761; Currently serves on the Board of Directors of Liberty Mutual Holding Company, Inc. and as the non-executive Chairman of the Board of Directors of Viacom Inc.

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Proposal 1: Electing Directors

Brian T. Moynihan

Age: 58

Director since: January 2010

Chairman of the Board  
and Chief Executive Officer,

Bank of America Corporation

[Other U.S.-Listed Public  
Company Directorships](#)

*Past Five Years:* Merrill  
Lynch & Co., Inc. (former  
subsidiary; merged into Bank  
of America Corporation in  
2013)

As our Chief Executive Officer, Mr. Moynihan has led the transformation of our company by rebuilding capital and liquidity, streamlining and simplifying our business model to focus on three core customer and client groups, divesting non-core businesses and products, resolving mortgage-related issues from the financial crisis, and reducing core expenses. Mr. Moynihan also conceived and leads our drive for Responsible Growth. Mr. Moynihan has demonstrated leadership qualities, management capability, knowledge of our business and industry, and a long-term strategic perspective. In addition, he has many years of broad international and domestic financial services experience, including wholesale and retail businesses.

**Professional Highlights:**

&#127761: Appointed Chairman of the Board of Directors of Bank of America Corporation in October 2014 and President and Chief Executive Officer in January 2010. Prior to becoming Chief Executive Officer, Mr. Moynihan ran each of the company's operating units

&#127761: Chairman of the Board of Directors of Financial Services Roundtable; Chairman of Financial Services Forum; Chairman of the Business Roundtable Health & Retirement Committee; member of the Supervisory Board of The Clearing House Association L.L.C.; member of the Executive Committee of the International Business Council

&#127761;

Member of Board of Fellows of Brown University; member of Advisory Council of Smithsonian's National Museum of African American History and Culture; member of Charlotte Executive Leadership Council

Lionel L. Nowell, III

Age: 63

Director since: January 2013

Former Senior Vice President and Treasurer, PepsiCo, Inc.

Mr. Nowell's role as former Treasurer of PepsiCo, Inc. (Pepsi) enables him to bring his strong financial expertise and extensive global perspective in risk management and strategic planning to our Board. Through his public company board service, he has experience in governance, financial reporting, accounting of large international and regulated businesses, and board leadership. Mr. Nowell's membership on the advisory council at a large, public university provides him with further experience with the oversight of large, complex organizations

**Other U.S.-Listed Public Company Directorships**

American Electric Power Company, Inc.; British American Tobacco p.l.c.

*Past Five Years:* HD Supply Holdings, Inc.; Reynolds American, Inc.; Darden Restaurants, Inc.

**Professional Highlights:**

&#127761: Served as Senior Vice President and Treasurer of Pepsi, a leading global food, snack, and beverage company, from 2001 to May 2009; and as Chief Financial Officer of The Pepsi Bottling Group and Controller of Pepsi

&#127761: Served as Senior Vice President, Strategy and Business Development at RJR Nabisco, Inc. from 1998 to 1999

&#127761: Held various senior financial roles at the Pillsbury division of Diageo plc, including Chief Financial Officer of its Pillsbury North America, Pillsbury Foodservice, and Häagen-Dazs divisions, and also served as

Controller and Vice President of Internal Audit of the Pillsbury Company

&#127761: Director of American Electric Power Company, Inc., Chair of its Audit Committee and member of its Committee on Directors & Corporate Governance, Executive Committee, Finance Committee, and Policy Committee; director of British American Tobacco p.l.c. and member of its Audit Committee and Nominations Committee

**Other Leadership Experience and Service:**

&#127761: Serves on the Dean's Advisory Council at The Ohio State University Fisher College of Business

&#127761: Served as Lead Director of the Board of Directors of Reynolds American, Inc. from January 2017 to July 2017 and as a Board member from September 2007 to July 2017

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Proposal 1: Electing Directors

Michael D. White	Age: 66	Director since: June 2016
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Former Chairman, President, and Chief Executive Officer of DIRECTV

**Other U.S.-Listed Public Company Directorships**

Kimberly-Clark Corporation; Whirlpool Corporation

*Past Five Years:* DIRECTV

Mr. White's roles as the former Chief Executive Officer and Chairman of the Board of Directors of DIRECTV enable him to bring his experience in technology, consumer businesses, and financial expertise to our Board. Mr. White has experience leading a large and highly regulated business. Through his position as Chief Executive Officer of PepsiCo International, Mr. White has international experience as well as broad knowledge of retail and distribution issues. Through his service on public company boards, he has board-level experience overseeing large, complex public companies in various industries, which provides him with valuable insights on the compensation practices and accounting of large, international businesses.

**Professional Highlights:**

&#127761; Served as Chairman, President and Chief Executive Officer of DIRECTV, a leading provider of digital television entertainment services, from January 2010 to August 2015, and as a Director of the company from November 2009 until August 2015

&#127761; Chief Executive Officer of PepsiCo International from February 2003 until November 2009; and served as Vice Chairman and director of PepsiCo from March 2006 to November 2009, after holding positions of increasing importance with PepsiCo since 1990

&#127761; Served as Senior Vice President at Avon Products, Inc.

&#127761; Served as a Management Consultant at Bain & Company and Arthur Andersen & Co.

&#127761: Director of Kimberly-Clark Corporation, Chair of its Audit Committee and member of its Executive Committee; director of Whirlpool Corporation, Chair of its Audit Committee, and member of its Corporate Governance and Nominating Committee

**Other Leadership Experience and Service:**

&#127761: Member of the Boston College Board of Trustees

&#127761: Chairman of the Partnership for Drug-Free Kids and Vice-Chairman of the Mariinsky Foundation of America, which supports the Mariinsky Opera, Ballet, and Orchestra and the Academy for young singers and the young musicians orchestra

Thomas D. Woods

Age: 65

Director since: April 2016

Former Vice Chairman and Senior Executive Vice President of CIBC

Mr. Woods's career at Canadian Imperial Bank of Commerce (CIBC) enables him to bring his deep experience in risk management, corporate strategy, finance, and the corporate and investment banking businesses to our Board. As Senior Executive Vice President and Chief Risk Officer of CIBC during the financial crisis, Mr. Woods focused on risk management and CIBC's risk culture. Mr. Woods chaired CIBC's Asset Liability Committee, served as CIBC's lead liaison with regulators, and was an active member of CIBC's business strategy group.

**Professional Highlights:**

&#127761: Served as Vice Chairman and Senior Executive Vice President of CIBC, a leading Canada-based global financial institution, from July 2013 until his retirement in December 2014

&#127761: Served as Senior Executive Vice President and Chief Risk Officer of CIBC from 2008 to July 2013, and Senior Executive Vice President and Chief Financial Officer of CIBC from 2000 to 2008

&#127761: Employed at Wood Gundy, a CIBC predecessor firm, starting in 1977; served in various senior leadership positions, including as Controller of CIBC, as Chief Financial Officer of CIBC World Markets (CIBC's investment banking division), and as the Head of CIBC's Canadian Corporate Banking division

**Other Leadership Experience and Service:**



- &#127761; Serves as a member of the Board of Directors of Jarislowsky Fraser Limited, a global investment management firm
  
- &#127761; Serves as a member of the Board of Directors of Alberta Investment Management Corporation, a Canadian institutional investment fund manager, and on the investment committee of Cordiant Capital Inc., a fund manager specializing in emerging markets
  
- &#127761; Former member of the Boards of Directors of DBRS Limited and DBRS, Inc., an international credit rating agency, from 2015 to 2016, and former member of the Board of Directors of TMX Group Inc., a Canada-based financial services company, from 2012 to 2014
  
- &#127761; Serves on the board of advisors of the University of Toronto s Department of Mechanical and Industrial Engineering

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Proposal 1: Electing Directors

R. David Yost

Age: 70

Director since: August 2012

Former Chief Executive Officer, AmerisourceBergen

[Other U.S.-Listed Public Company Directorships](#)

Johnson Controls International plc (formerly, Tyco International plc); Marsh & McLennan Companies, Inc.

*Past Five Years:*  
AmerisourceBergen;  
Exelis Inc.

Mr. Yost's roles as the former Chief Executive Officer of AmerisourceBergen Corporation (AmerisourceBergen) and its predecessor company enable him to bring his broad experience in strategic planning, risk management, and operational risk to our Board. In addition, Mr. Yost has experience leading a large, complex business. Through his service on public company boards, he has board-level experience overseeing large, complex public companies in various industries, which provides him with valuable insights on corporate governance and risk management.

**Professional Highlights:**

&#127761: Served as Chief Executive Officer of AmerisourceBergen, a pharmaceutical services company providing drug distribution and related services to healthcare providers and pharmaceutical manufacturers, from 2001 until his retirement in July 2011, and as President from 2001 to 2002 and again from September 2007 to November 2010

&#127761;

Held various positions at AmerisourceBergen and its predecessor companies during a nearly 40-year career, including Chief Executive Officer from 1997 to 2001 and Chairman from 2000 to 2001 of Amerisource Health Corporation

&#127761; Director of Johnson Controls International plc and member of its Compensation Committee; director of Marsh & McLennan Companies, Inc., Chair of its Corporate Responsibility Committee, and member of its Compensation Committee

Maria T. Zuber

Age: 59

Director since: December 2017

Vice President for Research and E. A. Griswold Professor of Geophysics, MIT

In her role as Vice President for Research at Massachusetts Institute of Technology (MIT), Dr. Zuber oversees multiple laboratories and research centers and is also responsible for intellectual property and research integrity and compliance, as well as research relationships with the federal government. Dr. Zuber's role as Senior Research Scientist and experiences in leadership roles on nine space exploratory missions with the National Aeronautics and Space Administration (NASA) enable her to bring a breadth of risk management, geopolitical insights, and strategic planning proficiencies to our Board.

Other U.S.-Listed Public Company Directorships

Textron Inc.

**Professional Highlights:**

&#127761; Vice President for Research at MIT, a leading research institution, since 2010

&#127761; Senior Research Scientist at NASA since 2010, serving in 2012 as Principal Investigator of the Gravity Recovery and Interior Laboratory, or GRAIL, mission, which was designed to create the most accurate gravitational map of the moon to date and give scientists insight into the moon's internal structure, composition, and evolution

&#127761; Served as a Professor at MIT since 1995, and was Head of the Earth, Atmospheric, and Planetary Sciences Department from 2003 to 2011

&#127761; Served as Scientist at NASA from 1993 to 2010, and as a Geophysicist from 1986 to 1992

&#127761; Director of Textron Inc., a diversified manufacturer, and member of its Nominating and Corporate Governance, and Organization and Compensation Committees

**Other Leadership Experience and Service:**

&#127761: Appointed in 2013 by President Obama and currently serves as Chair of the National Science Board, a 25-member panel that serves as the governing board of the National Science Foundation and as advisors to the President and Congress on policy matters relating to science and engineering

&#127761: Serves as a member of the Board of Directors of The Massachusetts Green High Performance Computing Center, a joint venture by Massachusetts universities, which provides infrastructure for computationally intensive research

&#127761: Serves on the Board of Fellows of Brown University

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### Corporate Governance

#### Corporate Governance

### **Our Board of Directors**

#### **Our Board and its committees oversee:**

&#127761; management's development and implementation of a multi-year strategic business plan and an annual financial operating plan, and our progress meeting these financial and strategic plans

&#127761; management's identification, measurement, monitoring, and control of our company's material risks, including operational (including conduct, model, and cyber risks), credit, market, liquidity, compliance, strategic, and reputational risks

&#127761; our company's maintenance of high ethical standards and effective policies and practices to protect our reputation, assets, and business

&#127761; our corporate audit function, our independent registered public accounting firm, and the integrity of our consolidated financial statements

&#127761; our company's establishment, maintenance, and administration of appropriately designed compensation programs and plans

#### **Our Board and its committees are also responsible for:**

&#127761; reviewing, monitoring, and approving succession plans for our Board's Chairman and Lead Independent Director, and for our CEO and other key executives to promote senior management continuity

&#127761; conducting an annual formal self-evaluation of our Board and its committees

&#127761; identifying and evaluating director candidates and nominating qualified individuals for election to serve on our Board

&#127761; reviewing our CEO's performance and approving the total annual compensation for our CEO and other executive officers

&#127761; reviewing our ESG initiatives, including our human capital management practices

&#127761; overseeing and participating in our stockholder engagement activities to ascertain perspectives and topics of interest from our stockholders

## Director Independence

The New York Stock Exchange (NYSE) listing standards require a majority of our directors and each member of our Audit, Compensation and Benefits, and Corporate Governance Committees to be independent. The Federal Reserve Board's Enhanced Prudential Standards require the chair of our Enterprise Risk Committee to be independent. In addition, our Corporate Governance Guidelines require a substantial majority of our directors to be independent. Our Board has adopted Director Independence Categorical Standards (Categorical Standards), published on our website at <http://investor.bankofamerica.com>, to assist it in determining each director's independence. Our Board considers a director or director nominee independent if he or she meets the criteria for independence in both the NYSE listing standards and our Categorical Standards.

In early 2018, our Board, in coordination with our Corporate Governance Committee, evaluated the relevant relationships between each director/director nominee (and his or her immediate family members and affiliates) and Bank of America Corporation and its subsidiaries and affirmatively determined that all of our directors/director nominees are independent, except for Mr. Moynihan due to his employment by our company. Specifically, the following 14 of our 15 directors/director nominees are independent under the NYSE listing standards and our Categorical Standards: Ms. Allen, Ms. Bies, Mr. Bovender, Mr. Bramble, Mr. de Weck, Mr. Donald, Ms. Hudson, Ms. Lozano, Mr. May, Mr. Nowell, Mr. White, Mr. Woods, Mr. Yost, and Dr. Zuber.

In making its independence determinations, our Board considered the following ordinary course, non-preferential relationships that existed during the preceding three years and determined that none of the relationships constituted a material relationship between the director/director nominee and our company:

&#127761; Our company or its subsidiaries provided ordinary course financial products and services to all of our directors/director nominees. Our company or its subsidiaries also provided ordinary course financial products and services to some of these directors /director nominees' immediate family members and entities affiliated with some of our directors/director nominees or their immediate family members (Mr. Donald and Mr. May). In each case, the fees we received for these products and services were below the thresholds of the NYSE listing standards and our Categorical Standards, and, where applicable, were less than 2% of the consolidated gross annual revenues of our company and of the other entity.

&#127761; Our company or its subsidiaries purchased products or services in the ordinary course from entities where some of our directors/director nominees are executive officers or employees or their immediate family members serve or served in the past three years as executive officers (Mr. Donald, Mr. May, and Mr. Woods). In each case, the fees paid to each of these entities were below the thresholds of the NYSE listing standards and our Categorical Standards.

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**Table of Contents****Corporate Governance****Independent Board Leadership**

Our Board is committed to objective, independent leadership for our Board and each of its committees. Our Board views the active, objective, independent oversight of management as central to effective Board governance, to serving the best interests of our company and our stockholders, and to executing our strategic objectives and creating long-term value. This commitment is reflected in our company's governing documents, our Bylaws, our Corporate Governance Guidelines, and the governing documents of each of the Board's committees.

Our Board believes that its optimal leadership structure may change over time to reflect our company's evolving needs, strategy, and operating environment; changes in our Board's composition and leadership needs; and other factors, including the perspectives of stockholders and other stakeholders. In accordance with a 2014 amendment to our Bylaws, which our stockholders ratified at a special meeting in 2015, our Board has the flexibility to determine the Board leadership structure best suited to the needs and circumstances of our company and our Board. At our 2017 annual meeting of stockholders, our stockholders once again expressed support for allowing this flexibility by voting over two-thirds of votes cast against a stockholder proposal seeking a Bylaws amendment requiring an independent Chairman.

Under our Board's current leadership structure, we have a Chairman and a Lead Independent Director. Our Lead Independent Director is empowered with, and exercises, robust, well-defined duties. Our Board is composed of experienced and committed independent directors (with all non-management nominees being independent), and our Board committees have objective, experienced chairs and members. Our Board is committed to engaging with stockholders and other stakeholders. All directors are required to stand for election annually.

Our Board believes that these factors, taken together, provide for objective, independent Board leadership, effective engagement with and oversight of management, and a voice independent from management and accountable to stockholders and other stakeholders.

**Periodic Review of Board Leadership Structure**

At least annually, our Board, in coordination with our Corporate Governance Committee, deliberates on and discusses the appropriate Board leadership structure, including the considerations described above. Based on that assessment and on input from stockholders, our Board believes that the existing structure, with Mr. Moynihan as Chairman and Mr. Bovender as Lead Independent Director, continues to be the optimal leadership framework at this time. As a highly regulated global financial services company, we and our stockholders benefit from an executive Chairman with deep experience and leadership in and knowledge of the financial services industry, our company, its businesses, and our drive for Responsible Growth, and a strong, active Lead Independent Director who exercises robust, well-defined duties. Our Lead Independent Director, together with the other independent directors, exemplifies objective independent Board leadership, and effectively engages and oversees management.

The Board believes in having a Lead Independent Director who is empowered with robust, well-defined duties. The Lead Independent Director is joined by experienced, independent Board members and a Chairman who, as CEO, serves as the primary voice to articulate our long-term strategy and our Responsible Growth. The independent directors provide objective oversight of management, review the CEO's performance and approve CEO compensation, help to establish the long-term strategy and regularly assess its effectiveness, and serve the best interests of our company and our stockholders by overseeing management's work to create long-term value.

In 2017, our Board updated our Corporate Governance Guidelines to include an emergency succession plan for our Lead Independent Director and Board Chairman that provides for an orderly, interim succession process in the event of extraordinary circumstances.

### **Robust and Well-defined Lead Independent Director Duties**

Our Corporate Governance Guidelines establish robust and well-defined duties for the independent leader of our Board. Our Board's support of the current leadership structure is premised on these duties being transparently disclosed, comprehensive in nature, and actively exercised.



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Corporate Governance

<b>Board Leadership</b>	<p>&amp;#127761; In the case of the Chairman, presiding at all meetings of our Board and, in the case of the Lead Independent Director, presiding at all meetings of our Board at which the Chairman is not present, including at executive sessions of the independent directors</p> <p>&amp;#127761; Calling meetings of the independent directors, as appropriate</p> <p>&amp;#127761; In the case of the Lead Independent Director, if our CEO is also Chairman, providing Board leadership if the CEO/Chairman's role may be (or may be perceived to be) in conflict</p>
<b>Board Culture</b>	<p>&amp;#127761; Serving as a liaison between the CEO and the independent directors</p> <p>&amp;#127761; Establishing a close relationship and trust with the CEO, providing support, advice, and feedback from our Board while respecting executive responsibility</p>
<b>Board Focus</b>	<p>&amp;#127761; Acting as a sounding board and advisor to the CEO</p> <p>&amp;#127761; <i>Board Focus:</i> In consultation with our Board and executive management, providing that our Board focuses on key issues and tasks facing our company, and on topics of interest to our Board</p> <p>&amp;#127761; <i>Corporate Governance:</i> Assisting our Board, our Corporate Governance Committee, and management in complying with our Corporate Governance Guidelines and promoting corporate governance best practices</p>

&#127761; *CEO Performance Review and Succession Planning:* Working with our Corporate Governance Committee, our Compensation and Benefits Committee, and members of our Board, contributing to the annual performance review of the CEO and participating in CEO succession planning

**Board Meetings** &#127761; In coordination with the CEO and the other members of our Board, planning, reviewing, and approving meeting agendas for our Board

&#127761; In coordination with the CEO and the other members of our Board, approving meeting schedules to provide for sufficient time for discussion of all agenda items

&#127761; Advising the CEO of the information needs of our Board and approving information sent to our Board

&#127761; Developing topics of discussion for executive sessions of our Board

**Board Performance** &#127761; *Board Performance:* Together with the CEO and the other members of our Board, promoting the efficient and effective performance and functioning of our Board

**and Development** &#127761; *Board Evaluation:* Consulting with our Corporate Governance Committee on our Board's annual self-evaluation

&#127761; *Director Development:* Providing guidance on the ongoing development of directors

&#127761; *Director Assessment/Nomination:* With our Corporate Governance Committee and the CEO, consulting in the identification and evaluation of director candidates' qualifications (including candidates recommended by directors, management, third-party search firms, and stockholders) and consulting on committee membership and committee chairs

**Stockholders and Other Stakeholders** &#127761; Being available for consultation and direct communication, to the extent requested by major stockholders

&#127761; Having regular communication with primary bank regulators (with or without management present) to discuss the appropriateness of our Board's oversight of management and our company

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Corporate Governance

**Highly Engaged Lead Independent Director**

The formalized list of duties of the Lead Independent Director does not fully capture Mr. Bovender's active role in serving as our Board's independent leader. Among other things, Mr. Bovender:

- &#127761; holds monthly calls with our primary bank regulators to discuss any issues of concern
- &#127761; regularly speaks with our CEO and holds bi-weekly calls to discuss Board meeting agendas and discussion topics, schedules, and other Board governance matters
- &#127761; attends meetings of all of the Board committees
- &#127761; speaks with each Board member at least quarterly to receive input on Board agendas, Board effectiveness, Board planning matters, and other related topics of management oversight
- &#127761; meets at least quarterly with management members, including the Chief Administrative Officer; Chief Financial Officer; Chief Risk Officer; Global Compliance, Operational Risk, Reputational Risk and Control Function Risk Executive; and Global Human Resources Executive
- &#127761; plays a leading role in our stockholder engagement process, representing our Board and independent directors in investor meetings. In 2017 and in early 2018, he met with many of our largest stockholders, often in person, and in aggregate, personally met with investors who own more than 36% of our outstanding shares

**Board Evaluation**

Our Board and our Board's Audit, Compensation and Benefits, Corporate Governance, and Enterprise Risk Committees thoroughly evaluate their own effectiveness throughout the year. The evaluation is a multi-faceted process that includes quarterly one-on-one discussions with our Lead Independent Director, individual director input on Board and Committee meeting topical agenda subjects, executive sessions without management present, periodic input to our CEO and senior management on topical agendas and enhancements to Board and committee effectiveness, and an annual formal self-evaluation developed and administered by the Corporate Governance

Committee.

### **One-on-One Discussions with the Lead Independent Director**

In addition to the formal annual Board and committee evaluation process, our Lead Independent Director speaks with each Board member at least quarterly, and receives input regarding Board and committee practices and management oversight. Throughout the year, committee members also have the opportunity to provide input directly to committee chairs or to management.

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## Corporate Governance

**Formal Self-Evaluation**

Information from research commissioned by the Board on the characteristics of highly effective and efficient boards identified five key areas where the research suggested high functioning boards and committees excelled. Our Corporate Governance Committee developed the formal 2017 self-evaluation to solicit director feedback on the five key areas identified to the right. For the 2017 formal self-evaluation, our Corporate Governance Committee also solicited director views on actions taken in response to the prior year's evaluation results, and sought additional input on the Board's director succession planning process. In addition, our Corporate Governance Committee considered industry trends, practices of our peers, feedback from stockholders, and regulatory developments.

**Characteristics of Highly Effective Boards**

Board and Committee Composition

Board Culture

Board and Committee Focus

Board Process

Information and Resources

**Enhancements Made in Response to Formal Board Self-Evaluations**

***Board and Committee Composition; Board Culture.*** Our Board identifies through its self-evaluation process attributes of potential director candidates and how such attributes and qualifications would be additive to our overall Board and committee composition and Board culture in light of our company's current strategy.

***Board and Committee Focus; Board Process.*** All directors participate in the agenda setting and the strategic planning process through active and regular feedback in executive sessions and to the Lead Independent Director and management. Materials for each Board and committee meeting include the proposed agenda topics for the remainder of the year; these topics are updated over time to reflect director and stockholder input and care is taken to develop Board and committee agendas that are sufficiently flexible to promptly address time-sensitive matters as they arise.

***Information and Resources.*** Our Board requires clear and comprehensive information critical for its effective oversight. In response to director self-evaluations, management considers and implements enhancements to further improve the reporting and materials provided to directors. Significant effort has been devoted to clear, timely, and regular communication between directors and management:

&#127761;

**Lead Independent Director.** Our Lead Independent Director regularly speaks with other directors, our CEO and management members, and our primary regulators. See [Robust and Well-defined Lead Independent Director Duties](#) on page 15.

- &#127761; **Chairman and CEO Memos.** Our Board receives a memo from our Chairman and CEO in advance of every Board meeting with updates on the upcoming meeting, background information on the discussion topics, and information on other relevant developments.
- &#127761; **Committee Chairs and Other Directors.** Our committee chairs regularly communicate with management to discuss the development of meeting agendas and presentations. The Chair of our Audit Committee communicates regularly with the Corporate General Auditor, Chief Financial Officer, and Chief Accounting Officer; the Chair of the Enterprise Risk Committee communicates regularly with our Chief Risk Officer, Chief Administrative Officer, and Chief Operations and Technology Officer; the Chair of our Corporate Governance Committee communicates regularly with our Chief Administrative Officer, Vice Chairman (chair of our management ESG committee), Global Human Resources Executive, and Corporate Secretary; and the Chair of the Compensation and Benefits Committee communicates regularly with our Global Human Resources Executive.
- &#127761; **Strategic Planning and Agenda Topic Development.** Each Board member regularly meets with our Global Strategy Executive, both in-person and by phone, to provide input regarding our company's strategic planning and review process, as well as related agenda topics of interest. Agenda items added in response to the directors' input are reflected in the [Topical Agendas](#) for the year and included in the Board's meeting materials for each meeting.
- &#127761; **Other Communications to the Board, Committees, Committee Chairs, and Other Directors.** In between Board and committee meetings, directors receive prompt updates from management on developing matters.
- &#127761; **Reference Materials.** Directors also regularly receive quarterly strategy updates, securities analysts' reports, investor communications, company publications, regulator publications, law firm memoranda, news articles and video clips, and other reference materials.

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## Corporate Governance

**Director Education**

Our Board believes that director education is vital to the ability of directors to fulfill their roles and supports Board members in their continuous learning. The Board encourages directors to participate annually in external continuing director education programs, and our company reimburses directors for their expenses associated with this participation. Continuing director education is also provided during Board meetings and other Board discussions as part of the formal meetings, and as stand-alone information sessions outside of meetings. Among other topics, during 2017, our Board heard from our primary banking regulators; third-party and legal advisors on topics ranging from governance trends to the current bank regulatory environment; and from management on numerous subjects, including investor sentiments, stockholder activism, regulatory developments, lending technologies, payment systems, and cybersecurity.

All new directors also participate in our director orientation program during their first six months on our Board. New directors have a series of meetings over time with management representatives from all of our business and staff areas to review and discuss, with increasing detail, information about our company, industry, and regulatory framework. Based on input from our directors, we believe this graduated on-boarding approach over the first six months of Board service, coupled with participation in regular Board and committee meetings, provides new directors with a strong foundation in our company's businesses, connects directors with members of management with whom they will interact, and accelerates their effectiveness to engage fully in Board deliberations. Directors have access to additional orientation and educational opportunities upon acceptance of new or additional responsibilities on the Board and in committees.

**Director Commitment**

Our Board understands the significant time commitment involved with serving on the Board and its committees, and takes steps to determine that all directors and director nominees have the time necessary to discharge their duties. Our Corporate Governance Committee and Board nominate only candidates who they believe are capable of devoting the necessary time to discharge their duties, taking into account principal occupations, memberships on other boards, attendance at Board and committee meetings, and other responsibilities. Our Corporate Governance Committee assesses directors' time commitment to the Board throughout the year, including through the annual formal self-evaluation process. In addition, directors seek approval from the Committee prior to joining the board of another public company, and offer to resign from the Board as a result of changes to their principal occupation for further consideration by the Committee and the Lead Independent Director.

Through our Corporate Governance Committee, the Board regularly reviews and closely monitors stockholders' views on the appropriate number of public company boards on which directors may serve. The Committee considers: the proxy voting guidelines of our major stockholders; input from our stockholders during our engagement discussion; voting policies of the major proxy advisory firms; corporate governance guidelines adopted by other public companies; board trends at peer and other significant public companies; and advice from outside advisors. In 2016, at the Committee's recommendation, our Board amended the Corporate Governance Guidelines to reduce the maximum number of public company boards on which a director on our Board may serve from six to four public companies (including our Board), and to specify that any public company chief executive officer who serves as a director on our

Board may not serve on the boards of more than three public companies (including our Board). All of our directors and director nominees comply with this policy.

### **Board Meetings, Committee Membership, and Attendance**

Directors are expected to attend our annual meetings of stockholders and our Board and committee meetings. Each of our incumbent directors attended at least 75% of the aggregate meetings of our Board and the committees on which they served during 2017. In addition, all of the directors serving on our Board at the time of our 2017 annual meeting attended the meeting.

Our independent directors meet privately in executive session without management present at each regularly scheduled Board meeting and held 16 such executive sessions in 2017. Our Lead Independent Director leads these Board executive sessions.

Our Board has five committees. Charters describing the responsibilities of each of the Audit, Compensation and Benefits, Corporate Governance, and Enterprise Risk Committees can be found at <http://investor.bankofamerica.com>, and their membership is set forth on page 2. Our Board's fifth committee, the Corporate Development Committee, was formed by our Board in 2013 as the result of a litigation settlement to oversee certain transactions.<sup>(1)</sup>

- (1) Our Corporate Development Committee assists our Board in overseeing our company's consideration of potential mergers and acquisitions valued at greater than \$2 billion. Mr. Bovender chairs the Committee and Mr. Nowell and Mr. Yost are members; they are independent under the NYSE listing standards and our Categorical Standards. This Committee did not meet in 2017.



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Corporate Governance

Our Board committees regularly make recommendations and report on their activities to the entire Board. Each committee may obtain advice from internal or external financial, legal, accounting, or other advisors at their discretion. Our Board, considering the recommendations of our Corporate Governance Committee, reviews our committee charters and committee membership at least annually. The duties of our committees are summarized below:

**Audit**

**Enterprise Risk**

Key Responsibilities

Key Responsibilities

&#127761; Oversees qualifications, performance, and independence of our company’s independent registered public accounting firm

&#127761; Oversees our company’s overall risk framework, risk appetite, and management of key risks

&#127761; Oversees performance of our company’s corporate audit function

&#127761; Approves the Risk Framework and Risk Appetite Statement and further recommends to the Board for approval

&#127761; Oversees integrity of our company’s consolidated financial statements preparation

&#127761; Oversees management’s alignment of our company’s risk profile to our strategic and financial plans

&#127761; Oversees our compliance with legal and regulatory requirements

&#127761; Oversees management’s progress in developing our company’s Comprehensive Capital Analysis and Review submission to the Federal Reserve Board and reviews and recommends our company’s Capital Plan to the Board for approval

&#127761; Makes inquiries of management or of the Corporate General Auditor to assess the scope and resources necessary for the corporate audit

function to execute its responsibilities

### Independence / Qualifications

&#127761; All Committee members are independent under the NYSE listing standards and our Categorical Standards and the Heightened independence requirements applicable to audit committee members under Securities and Exchange Commission (SEC) rules

&#127761; All Committee members are financially literate in accordance with NYSE listing standards

&#127761; All Committee members qualify as audit committee financial experts under SEC rules

### Compensation and Benefits

#### Key Responsibilities

&#127761; Oversees establishing, maintaining, and administering our compensation programs and employee benefit plans

&#127761; Approves and recommends our CEO's compensation to the Board for further approval by all independent directors, and reviews and approves all of our other executive officers compensation

&#127761; Reviews and recommends our company's Resolution and Recovery Plans to the Board for approval

### Independence / Qualifications

&#127761; All Committee members are independent under the NYSE listing standards and our Categorical Standards

&#127761; All Committee members satisfy the risk expertise requirements for directors of a risk committee under the Federal Reserve Board's Enhanced Prudential Standards

### Corporate Governance

#### Key Responsibilities

&#127761; Oversees the Board's governance processes

&#127761; Identifies and reviews the qualifications of potential Board members; recommends nominees for election to the Board

&#127761; Leads the Board and its committees in their formal annual self-evaluations

&#127761; Recommends director compensation for Board approval

&#127761; Reviews and reports to the Board on our ESG activities

&#127761; Reviews human capital management practices

&#127761; Reviews and assesses stockholder input and our stockholder engagement process

### Independence / Qualifications

### Independence / Qualifications

&#127761; All Committee members are independent under the NYSE listing standards and our Categorical Standards and the independence requirements applicable to compensation committee members under NYSE rules

&#127761; All Committee members are independent under the NYSE listing standards and our Categorical Standards

&#127761; Heightened independence requirements (same as those applicable to Audit Committee members under SEC rules)

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## Corporate Governance

**Stockholder Engagement**

Our Board and management are committed to regular engagement with our stockholders and soliciting their views and input on important performance; corporate governance; environmental, social, and governance, including human capital management; and executive compensation matters; and other topics.

- &#127761; **Board-Driven Engagement.** Our Corporate Governance Committee is responsible for overseeing the stockholder engagement process and the periodic review and assessment of stockholder input. Both our Chairman and our Lead Independent Director play a central role in our Board's stockholder engagement efforts, and our directors regularly participate in meetings with stockholders and consider input received from investors.
- &#127761; **Commitment Codified in Governing Documents.** Reflecting our Board's understanding of the critical role stockholder engagement plays in our governance, this commitment and our Board's oversight of stockholder engagement were codified in 2016 in our Corporate Governance Guidelines and our Corporate Governance Committee's charter.
- &#127761; **Year-Round Engagement and Board Reporting.** Our Corporate Secretary, Investor Relations, ESG, and Human Resources teams, together with executive management members and directors, conduct outreach to stockholders throughout the year to obtain their input on key matters and to inform our management and our Board about the issues that our stockholders tell us matter most to them.
- &#127761; **Transparency and Informed Governance Enhancements.** Our Board routinely reviews our governance practices and policies, including our stockholder engagement practices, with an eye towards continual improvement and enhancements. Stockholder input is regularly shared with our Board, its committees, and management, facilitating a dialogue that provides stockholders with transparency into our governance practices and considerations, and informs our company's enhancement of those practices. In addition to stockholder sentiments, our Board considers trends in governance practices and regularly reviews the voting results of our meetings of stockholders, the governance practices of our peers and other large companies, and current trends in governance. See the next page for additional detail on recent governance enhancements our Board implemented.

Our directors and management continued to meet with our major stockholders and key stakeholders throughout 2017 to obtain their input and to discuss their views on, among other things, our Board's independent oversight of management, our Board's composition, director succession planning and recruitment, and self-evaluations, and our Board's oversight of strategic planning, risk management, human capital management, environmental initiatives, and other issues important to our stockholders. These views were shared with our Board and its committees, where applicable, for their consideration.

In addition to engaging with our institutional stockholders, in March 2018 we published video interviews with our directors to provide all stakeholders, including our retail stockholders, with the opportunity to hear directly from our Board. The videos address the Board's governance practices, oversight of management, and our company's Responsible Growth; they are available at [www.bankofamerica.com/annualmeeting](http://www.bankofamerica.com/annualmeeting).

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### Corporate Governance

&#127761; Stockholders were supportive of our approach to Board composition and refreshment and our deliberate process for director succession planning

&#127761; Stockholders understand our approach to Responsible Growth and the role that our ESG practices play in that. They appreciated the breadth and depth of our disclosures in these areas

&#127761; A strong majority of the institutional stockholders we spoke with believe that our Board should retain the flexibility to determine its leadership structure and that our current Board leadership structure and practices provide appropriate independent oversight of management

&#127761; Stockholders appreciated meeting with our Lead Independent Director and hearing directly from him regarding our Board's oversight of the company's strategy, risk management practices, our ESG initiatives, and our drive for Responsible Growth

&#127761; Stockholders were interested in the culture of our Board and how directors influence management's execution of our company's values and risk management practices

Our Board evaluates and reviews input from our stockholders in considering their independent oversight of management and our long-term strategy. As part of our commitment to constructive engagement with investors, we

evaluate and respond to the views voiced by our stockholders. Our dialogue has led to enhancements in our corporate governance, ESG, and executive compensation activities, which our Board believes are in the best interest of our company and our stockholders. For example, after considering input from stockholders and other stakeholders, our company:

&#127761; **Continued to refine our stockholder engagement process** to connect stockholders with our Lead Independent Director, Chairman, other directors, and executive management

&#127761; **Enhanced our ESG disclosure** in 2017 by publishing our 2016 Environmental, Social & Governance Highlights and including additional ESG information in our other disclosure documents

&#127761; **Continued our active participation** in the Sustainability Accounting Standards Board (SASB) and our work with the Task Force on Climate-related Financial Disclosure, including through the service of our Chief Accounting Officer on the SASB Foundation Board of Directors

&#127761; **Provided additional disclosure** regarding our commitment to equal pay for equal work, including ratios of female-to-male employee compensation and minority-to-non-minority employee compensation (see page 26), and our other human capital management practices

&#127761; **Incorporated an emergency succession plan for our Lead Independent Director** and Chairman in our Corporate Governance Guidelines to provide for an orderly, interim succession process in the event of extraordinary circumstances

&#127761; **Increased the retirement age of directors** to 75 from 72 to expand the available pool of potential director candidates and maintain a balanced mix in the length of director tenures

&#127761; **Added to our corporate governance disclosure** regarding our Board's practices, including regarding our directors' skills, their self-evaluation process, and oversight of risk

&#127761; **Further expanded our political activities and lobbying disclosures** in 2017 to include a more detailed discussion of our participation in the political process. See the Political Activities page of our website at <http://investor.bankofamerica.com>

Also see [Stockholder Engagement & Say on Pay Results](#) on page 38 for a discussion of our compensation-related stockholder engagement and our historical Say on Pay vote results.

### **Communicating with our Board**

Stockholders and other parties may communicate with our Board, any director (including our Chairman of the Board or Lead Independent Director), independent members of our Board as a group, or any committee. Communications should be addressed to our Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255. Depending on the nature of the communication, the correspondence either will be forwarded to the director(s) named or the matters will be presented periodically to our Board. The Corporate Secretary or the secretary of the designated committee may sort or summarize the communications as appropriate. Communications that are personal grievances, commercial solicitations, customer complaints, incoherent, or obscene will not be communicated to our Board or any director or committee of our Board. For further information, refer to the [Contact the Board of Directors](#) section on our website at <http://investor.bankofamerica.com>.

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### Sustainable Responsible Growth

Responsible Growth means we must grow, no excuses. We have to do it by focusing on delivering for clients within our risk parameters. And it must be sustainable. To be sustainable, we want to be the best place to work for our team, we focus on sharing success, and we drive operational excellence.

*Brian Moynihan  
Chairman and CEO*

Among the ways we share our success is through our Environmental, Social, and Governance (ESG) priorities. ESG is integrated across our eight lines of business. It informs how we manage our company, the responsible products and services we offer our customers, and the impact we make around the world in helping local economies thrive. ESG is firmly rooted in how we deliver sustainable growth and reflects our values, presents tremendous business opportunity, and allows us to create shared success with our clients and communities.

ESG facilitates business growth by capitalizing on customer and client interest in impact investing and capital markets opportunities that help address today's challenges while also presenting a good business opportunity. This can be seen in the more than \$15 billion in assets under management with a clearly defined ESG approach.

ESG informs our customer-focused strategy, so we have the right set of responsible products and services to serve the full range of client needs with a particular focus on low- and moderate-income communities.

ESG underscores how we grow within our risk framework, engaging external stakeholders and providing strong oversight of environmental and social risks that present themselves through our business activities.

### Environmental Sustainability

We are in a unique position to help communities transition to a low-carbon, sustainable economy. We do this by providing financing for projects that reduce energy consumption, greenhouse gas emissions, and demands on natural resources like water and land, while lessening the impact of our own operations.

&#127761; Since 2013, we have delivered nearly **\$66 billion** towards our goal of providing **\$125 billion by 2025** for low-carbon and sustainable business through lending, investing, capital raising, advisory services, and developing financing solutions for clients around the world

&#127761; We have **quantified the economic impact of our U.S. environmental finance** efforts between 2013-2016 in partnership with an independent consulting firm and estimate that during this period, our current environmental business initiative supported an approximate annual average of 40,000 jobs, realized an approximate cumulative \$30 billion in economic output, and contributed a cumulative \$14.8 billion to the GDP of the United States

&#127761; We have been **the leading global underwriter of green bonds** in the industry since 2007 and the **leading provider of tax-equity investment** in solar and wind power since 2015

### Advancing Economic and Social Progress

We help advance economic and social progress by responsibly extending capital to individuals and companies to create more opportunity and address important social issues. For example, in 2017 we:

&#127761; Provided over **\$4 billion in loans, tax credit equity investments, and other real estate development solutions** to create housing for individuals, families, veterans, seniors, and previously homeless individuals across the United States

&#127761; Invested more than **\$1.5 billion in over 260 community development financial institutions** to finance affordable housing, small businesses, and economic development

&#127761; Announced an **additional \$20 million in funding** available through the Tory Burch Foundation Capital Program to connect women entrepreneurs to affordable loans. Since launching in January 2014, more than 1,700 women entrepreneurs have received capital to grow their businesses

&#127761; Continued to be one of the nation's top small business lenders, with **\$34 billion in small business loan balances** (commercial loans under \$1 million), according to the Federal Deposit Insurance Corporation

&#127761; Delivered **nearly \$200 million in philanthropic investments**, including \$44 million to connect individuals to jobs and skills that will build long-term financial security

&#127761; Continued investment in our Better Money Habits® financial education resource, including beginning to roll-out **Better Money Habits content in Spanish** to better serve Hispanic and Latino communities

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### Corporate Governance

We also advance the economic health and cultural vitality of local communities through a range of activities including:

- &#127761: We and our employees **committed nearly \$5 million to support communities impacted by disaster** in 2017, including Hurricanes Harvey, Irma, and Maria, the wildfires in California and the earthquakes and hurricane in Mexico
- &#127761: Celebrated the **20<sup>th</sup> year of Museums on Us** with the largest roster of participating institutions since program inception 175 museums across 109 cities in 33 states
- &#127761: Connected employees to meaningful volunteer opportunities through initiatives like **our 4<sup>th</sup> annual Habitat for Humanity Global Build**, which engaged more than 2,500 employee volunteers in 90 communities across six countries to build affordable housing and revitalize communities

### Holding Ourselves Accountable

Our dedication to building and maintaining trust for our clients, employees, and stockholders is seen in our commitment to maintaining clear and effective governance practices. For example, we:

- &#127761: Held **quarterly management ESG Committee meetings** to identify and discuss issues central to our company's ESG approach and in support of our focus on Responsible Growth, and provided regular updates on progress to our Board
- &#127761: Provided **regional ESG oversight** through ESG committees in Asia Pacific, Europe, Middle East and Asia, and Latin America that are chaired by in-region leaders and focus on region-specific issues
- &#127761: Conducted an extensive external stakeholder review of our **Environmental and Social Risk Policy Framework (ESRPF)**, which provides a comprehensive view of how our company manages the environmental and social risks that are most relevant to our business. The framework outlines our approach to topics spanning from arctic drilling to human rights to payday lending, including how we identify, measure, monitor, and control these risks. Stakeholder feedback will be incorporated into an updated version

of the ESRPF

&#127761; ESG leadership worked with line of business leadership to **provide guidance on issues related to environmental and social risk** by participating in line of business risk routines in the Global Banking, Global Markets, and Consumer lines of business

&#127761; Convened the **National Community Advisory Council**, a group of 30 representatives of leading civil rights, environmental policy, consumer advocacy, and community development organizations in the U.S., twice in 2017 to allow senior leaders from across the company to engage in meaningful conversations and receive input regarding business practices, products, and environmental and social risk issues

See also Appendix A.

## Being a Great Place to Work

Central to sustainable Responsible Growth are the actions we take to be the best place to work for our team. Our culture reflects how we run our company every day. We put the customer first, emphasize integrity and responsibility, and actively encourage all employees to bring their whole selves to work. When we create a workplace where our colleagues are engaged, empowered, and committed for the long term, we are better positioned to help our clients improve their financial lives.

## Growing our Diverse & Inclusive Workforce

&#127761; Our **Global Diversity & Inclusion Council**, chaired by our CEO, is responsible for setting and upholding diversity and inclusion goals and practices

&#127761; We are a **diverse and inclusive company**. Currently, our global workforce is more than **50% female**; and **more than 40% of the U.S.-based workforce is racially or ethnically diverse**. Our **senior leadership is also diverse**; six of our CEO's 12 direct reports and seven of our 15 Board members are women and/or persons of color

&#127761; Our most recent campus recruiting class in the U.S. was **more than 50% diverse**, as we focus on building the next generation of leaders

&#127761; Our **Courageous Conversations program** provides space for difficult but vital dialogues. These group discussions, which encourage employees to have open dialogue on topics that are important to them, promote inclusion, understanding, and positive action by creating awareness of employees' experiences and perspectives related to differences in background, experience or viewpoints (e.g. class, age, gender, gender identification and expression, sexual orientation, ethnicity, and disabilities)

&#127761; Our company is recognized by *Fortune Magazine* on its **100 Best Workplaces for Diversity List**

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Corporate Governance

**Empowering Professional Growth & Development**

&#127761; We have launched multiple **internal job search/career planning tools** to better facilitate career growth at our company. For example, in our Consumer Banking organization, we created the Consumer Academy to increase focus on skill development and career pathing, and we launched a new Career Path Tool to facilitate internal movement. We have had high employee adoption using the tool and participating in the academy, which together have helped support more than 7,600 employees moving to new roles within our Consumer Banking team in 2017

&#127761; We support the **professional growth and development of our managers** through programs like Manager Excellence, which helps managers develop their skills with practical tips on professional topics. Last year, **more than 86% of eligible managers** participated in some form of manager development program

&#127761; We have a range of programs to connect employees, executives, and thought leaders across our company, including **11 Employee Networks with more than 240 chapters made up of over 100,000 memberships worldwide**

&#127761; Our tuition reimbursement program **provides thousands of employees up to \$5,250 per year for courses** related to current or future roles at our company

**Rewarding Performance That Balances Risk & Reward**

&#127761; All of our compensation plans are **reviewed and certified annually** by our risk management function

- &#127761; We have an **enhanced performance review process** for senior leaders and employees who have the ability to expose our company to material risk. Since 2010, the number of senior leaders and employees who have been identified as covered employees has doubled
- &#127761; We have paid our hourly, non-commissioned U.S. employees **at or above the federal and state minimum wage requirements** for several years. We have made regular increases during that period, with efforts in progress to continue to increase our minimum wage, which reached \$15 per hour at the start of 2017
- &#127761; Since 2010, average **annual compensation increases for our U.S. employees have out-paced** average U.S. national wage growth. Compensation for all but the highest-paid 10% has grown at least twice the rate of the U.S. national average
- &#127761; To **share our success**, at the end of 2017, U.S. employees making \$150,000 or less per year in total compensation about **145,000 employees received a one-time bonus of \$1,000**. In early 2018, we also extended a cash bonus to non-U.S. employees and a special, long-term restricted stock award to employees with total compensation greater than \$150,000 to \$250,000. Together, **over 90% of employees received special awards**
- &#127761; Our company is committed to **fairly and equitably compensating all of our employees** and maintains robust policies and practices to reinforce our commitment. We recently announced the results of our most recent review on gender and minority pay equity (see next page)
- &#127761; We announced a **new U.S. practice restricting how we solicit compensation information when hiring**, so we determine compensation levels for new hires based on individual qualifications, roles and performance, rather than how they may have been compensated in the past

## Investing in Health, Emotional & Financial Wellness

- &#127761; We are focused on offering innovative and affordable benefits and programs that meet the diverse needs of our employees and their families, including **up to 16 weeks of paid parental leave, flexible work arrangements, competitive 401(k) benefits, and backup child and adult care**
- &#127761; We are focused on supporting our employees physical, financial, and emotional well-being. We continue to **offer health insurance benefits to U.S.-based employees who regularly work 20 or more hours per week** with multiple medical coverage options
- &#127761; We **aligned the cost of health coverage with compensation** through progressive premiums to provide affordable coverage. We reduced premiums by 50% for employees making less than \$50,000 in 2011

and have kept their premiums flat for the past six years

&#127761: Our approach is built on the **things we can do together with our employees to address health risks and manage health care costs**, including focusing on wellness, providing education and support, and partnering with efficient and accountable health care providers; **68,000 employees** participated in the Get Active! health improvement challenge in 2017, walking **26 billion steps**

&#127761: In October 2017, we adopted an **extended bereavement policy** to provide up to 20 days paid time for the loss of a spouse/partner or child

&#127761: Our **U.S. Life Event Services (LES)** team, which assisted almost 25,000 employees in 2017, is dedicated to supporting employees during major life events, such as retirement, leaves of absence, facing a terminal illness, having a family member pass away, being impacted by a natural disaster or house fire, undergoing a gender transition, or being impacted by domestic violence. LES also supports our employees affected by man-made and natural disasters by contacting employees to confirm their safety and connecting them to available resources, including confidential counseling through our Employee Assistance Program



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**Corporate Governance**

**Valuing our People Focus on Equal Pay for Equal Work**

We strive to be the best place to work for our employees. This includes being a diverse and inclusive company, providing competitive compensation and benefits with particular focus on our lower paid employees, and pay practices designed to deliver equal pay for equal work.

To be a great place to work, we focus on providing an inclusive and rewarding experience for all, with fair and equitable pay. Our pay-for-performance philosophy and approach to compensation begins with setting clear expectations with managers at all levels of the company. The compensation process includes thorough analyses and reviews, with oversight from the most senior leaders in our company including me, the management team, CEO Brian Moynihan, and the Directors who serve on our Compensation and Benefits Committee. Additionally, as part of our regular work to support our gender and race neutral pay-for-performance philosophy, we have retained outside experts that use rigorous process and analysis to examine how we pay employees before year-end compensation decisions are finalized. Through this detailed work, we also identify individual differences in employee compensation and consider factors such as role in organization, experience, work location, and the most recent year's performance. When appropriate, we take action to bring individual employee pay in line with comparable peer positions. This process, which has been in place for over a decade, reinforces our culture and commitment to paying our employees equitably.

As we shared with all employees earlier this year, in our most recent review of total compensation for U.S. and U.K. employees (approximately 80% of our global workforce), results showed that across the company, compensation received by women is equal to on average 99% of that received by men. Results also showed that compensation received by minority teammates is equal to on average 99% of non-minority teammates.

These results will continue to inform both our pay-for-performance practices, including how we continue to bridge gaps that exist or may exist in the future, as well as our overall efforts to continue to attract, develop, and advance women and racially or ethnically diverse employees. In March 2018, we will take another step, with a new practice that restricts how we solicit compensation information from candidates during the hiring process. While this is already in place in certain markets with local requirements, we will implement it across the U.S. so that we determine compensation decisions for new hires based on individual qualifications, roles, and performance, rather than how they may have been compensated in the past.

Efforts like this one will help us continue to attract diverse talent, building on the progress and momentum we have achieved thus far. Today, more than 50% of our global workforce is female, more than 40% of our U.S.-based workforce is racially or ethnically diverse, and more than 45% of our Board of Directors is female or racially or ethnically diverse. We are one of five companies in the S&P 100 that have five women directors. This diversity makes us stronger and better able to deliver for our customers, clients, and the communities we serve.

Our commitment to fairly and equitably compensate all of our employees continues to build on our culture of inclusion, transparency, respect and fairness, and delivery of a great place to work for us all.

*Sheri Bronstein*

*Global Human Resources Executive*

See also Appendix A. More information on our commitment to ESG, including our human capital management practices, is available on our website at <http://bankofamerica.com/responsiblegrowth>.

### **CEO and Senior Management Succession Planning**

Our Board oversees CEO and senior management succession planning, which is formally reviewed at least annually; two such planning sessions were held in 2017. Our CEO and our Global Human Resources Executive provide our Board with recommendations and evaluations of potential CEO successors, and review their development plans. Our Board reviews potential internal senior management candidates with our CEO and our Global Human Resources Executive, including the qualifications, experience, and development priorities for these individuals. Directors engage with potential CEO and senior management successors at Board and committee meetings and in less formal settings to allow directors to personally assess candidates. Further, our Board periodically reviews the overall composition of our senior management's qualifications, tenure, and experience.

Our Board also establishes steps to address emergency CEO and senior management succession planning in extraordinary circumstances. Our emergency CEO succession planning is intended to enable our company to respond to unexpected position vacancies, including those resulting from a major catastrophe, by continuing our company's safe and sound operation and minimizing potential disruption or loss of continuity to our company's business and operations.

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**Board Oversight of Risk**

Risk is inherent in all of our business activities. One of the tenets of Responsible Growth is we must grow within our risk framework. We execute on that strategy through our commitment to responsible and rigorous risk management and through a comprehensive approach with a defined Risk Framework and a well articulated Risk Appetite Statement. The Risk Framework and Risk Appetite Statement are regularly reviewed with an eye towards enhancements and improvements. The Risk Framework sets forth clear roles, responsibilities, and accountability for the management of risk and describes how our Board oversees the establishment of our risk appetite and of both quantitative limits and qualitative statements and objectives for our activities. This framework of objective, independent Board oversight and management's robust risk management better enables us to serve our customers, deliver long-term value for our stockholders, and achieve our strategic objectives.

**Our Risk Governance Documents**

Our **Risk Framework** serves as the foundation for consistent and effective risk management. It outlines the seven types of risk that our company faces: strategic risk; credit risk; market risk; liquidity risk; operational risk (including model, conduct, and cyber risk); compliance risk; and reputational risk. It describes components of our risk management approach, including our culture of managing risk well, risk appetite, and risk management processes, with a focus on the role of all employees in managing risk. It also outlines our risk management governance structure, including the roles of our Board, management, lines of business, independent risk management, and corporate audit within the governance structure.

Our **Risk Appetite Statement** defines the aggregate levels and types of risk our Board and management believe appropriate to achieve our company's strategic objectives and business plans.

**Our Risk Governance Structure**

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### **Corporate Governance**

Our directors bring relevant risk management oversight experience; see [Our Director Nominees](#) on page 5. Our Chief Risk Officer, the company's senior-most risk manager, reports jointly to the CEO and Enterprise Risk Committee, and participates in Board and Enterprise Risk Committee meetings. This governance structure is designed to complement our Board's commitment to maintaining an objective, independent Board and committee leadership structure, and to fostering integrity over risk management throughout our company and further demonstrates our commitment to a strong culture of compliance, governance, and ethical conduct.

We believe our holistic, ongoing Board and committee risk oversight process provides the foundation for consistent and effective management of risks facing our company and demonstrates our commitment to a culture of rigorous risk management and compliance. Details of our company's risk management policies and practices are described in [Management's Discussion and Analysis of Financial Condition and Results of Operations](#) in our 2017 Annual Report.

### **Cybersecurity and Information Security Risk Oversight**

Our Board recognizes the importance of maintaining the trust and confidence of our customers, clients, and employees, and devotes significant time and attention to oversight of cybersecurity and information security risk. In particular, our Board and Enterprise Risk Committee each receives regular reporting on cybersecurity and information security risk. The Board and Enterprise Risk Committee receive presentations throughout the year on cybersecurity and information security topics. Our Enterprise Risk Committee also annually reviews and approves our Global Information Security Program and our Information Security Policy. In 2016, we updated our Enterprise Risk Committee's charter to make explicit the Committee's responsibility for reviewing cybersecurity and information security as well as steps taken by management to understand and mitigate such risks. At least twice each year, the Board discusses cybersecurity and information security risks with the Chief Operations and Technology Officer and the Chief Information Security Officer. Our Board received quarterly updates on cybersecurity and information security risk in 2017.

### **Compensation Governance and Risk Management**

#### **Key Practices in Compensation Governance and Risk Management**

[#127761](#): The independent members of the Board approve CEO compensation, and the Compensation and Benefits Committee approves compensation for all other executive officers

[#127761](#): The Board's Enterprise Risk Committee and Audit Committee further review and approve compensation for the Chief Risk Officer and Corporate General Auditor, respectively

&#127761; Independent control functions including audit, compliance, finance, human resources, legal, and risk provide direct feedback to the Compensation and Benefits Committee on executive officer performance and the pay-for-performance process

&#127761; Our incentive plan design and governance processes appropriately balance risks with compensation outcomes

&#127761; Senior management and independent control functions, including risk, annually review and certify our incentive plans

## Compensation Governance

Our Compensation and Benefits Committee follows procedures intended to promote strong governance of our pay-for-performance philosophy. The Committee regularly reviews: (i) company performance; (ii) our executive compensation strategy, approach, trends, and regulatory developments; and (iii) other related topics, as appropriate. Each year, the Committee reviews, and makes available to our Board, an executive compensation statement, or tally sheet, for each executive officer. The tally sheets reflect each executive officer's total compensation, including base salary, cash and equity-based incentive awards, the value of prior restricted stock awards (including the status of achieving any performance goals), qualified and nonqualified retirement and deferred compensation benefit accruals, and the incremental cost to our company of the executive's perquisites. The Committee uses this information to evaluate all elements of an executive officer's compensation and benefits. Annually, the Committee reviews with our Board its compensation decisions (including cash and equity-based incentive awards, if applicable) for executive officers and other senior executives who report directly to our CEO. With respect to the CEO's compensation, the Committee makes a recommendation that is further reviewed and approved by the independent members of the Board. The CEO does not participate in Committee or Board deliberations about his compensation. Additionally, for our Chief Risk Officer and Corporate General Auditor, the Committee's pay recommendations are further reviewed and approved by our Board's Enterprise Risk Committee and Audit Committee, respectively.

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## Corporate Governance

Generally, our executive officers do not engage directly with the Committee in setting the amount or form of executive officer or director compensation. As part of the annual performance reviews for our named executive officers other than our CEO, the Committee approves the compensation for our named executive officers after considering our CEO's perspective and recommendations for each individual's incentive awards. In addition, the Committee considers the performance of our various lines of business, business segments and functions, as well as performance feedback from our Global Human Resources Executive and our independent control functions (audit, compliance, finance, human resources, legal, and risk).

The Committee has the sole authority and responsibility under its charter to approve engaging any compensation consultant it uses and the fees for those services. The Committee retained Farient Advisors LLC (Farient) as its 2017 independent compensation consultant. Farient's business with us is limited to providing independent executive and director compensation consulting services. Farient does not provide any other services to our company. For 2017, Farient provided the Committee external market and performance comparisons, assessed our competitor groups, advised the Committee on senior executive, CEO, and director compensation, and assisted with other executive and director compensation-related matters. In performing these services, Farient met regularly with the Committee without management and privately with the Chair of the Committee.

The Committee may delegate to management certain duties and responsibilities regarding our benefit plans. Significant Committee delegations to management include authority to (i) the Management Compensation Committee to direct the compensation for all of our employees except for our CEO and his direct reports, and (ii) the Corporate Benefits Committee to oversee substantially all of our employee benefit plans. See Compensation Governance Structure on the next page.

**Compensation Risk Management Policies and Practices**

We believe that our company applies prudent risk management practices to its incentive compensation programs across the enterprise. Our Compensation and Benefits Committee is committed to a compensation governance structure that effectively contributes to our company's overall risk management policies.

**Compensation Governance Policy.** The Committee has adopted and annually reviews our Compensation Governance Policy, which governs our incentive compensation decisions and defines the framework for oversight of enterprise-wide incentive compensation program design. Consistent with global regulatory initiatives, our Compensation Governance Policy requires that our incentive compensation plans do not encourage excessive risk-taking, and addresses our:

&#127761; Definition and process for identifying risk-taking employees

&#127761; Key goals and process for incentive compensation plan design and governance to appropriately balance risks with compensation outcomes, including:

- &#127761; funding incentive compensation pools
- &#127761; determining individual incentive compensation awards
- &#127761; use of discretion as part of those processes

&#127761; Policies on incentive compensation plan effectiveness through testing and monitoring to confirm the plans appropriately balance risks with compensation outcomes, including developing processes to administer cancellations and clawbacks

&#127761; Policies that provide for the independence of our company s independent control functions and their appropriate input to the Committee

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Corporate Governance

***Compensation Governance Structure.*** Our compensation governance structure allocates responsibility so that our Board, Compensation and Benefits Committee, or the appropriate management-level governing body makes compensation decisions with documented input from the independent control functions. This approach promotes effective oversight and review, and facilitates the appropriate governance to balance risk and reward. Below is an illustration of our compensation governance structure, which is influenced by internal considerations and external factors:

***Incentive Plan Certification Process.*** Pursuant to our Compensation Governance Policy, our annual incentive plan certification and review process provides for a comprehensive review, analysis, and discussion of incentive design and operation. As part of the governance for incentive plans, each of the CEO's direct reports, along with their management teams and independent control functions (including their respective risk officers), meet periodically to discuss how business strategy, performance, and risk align to compensation. The relevant participants certify that the incentive programs they review (i) are aligned with the applicable lines of business and our company's business strategy and performance objectives, (ii) do not encourage excessive or imprudent risk-taking beyond our company's ability to effectively identify and manage risk, (iii) are compatible with effective controls and risk management, and (iv) do not incentivize impermissible proprietary trading. Our Chief Risk Officer also certifies all incentive plans across our company as part of the Management Compensation Committee's governance process. Farient and the Compensation and Benefits Committee review these management certifications.

***Incentive Plan Audit Reviews.*** Corporate Audit reviews all incentive plans at least every three years, using a risk-based approach that includes reviewing governance, payment, and processing against each incentive plan's design, and validating incentive plan design and operation against regulatory requirements.

***Conduct Reviews.*** As part of our compensation governance practices, management reviews conduct incidents so they are consistently and appropriately considered in performance assessments and pay decisions across the company. These performance and pay outcomes are reviewed at least annually by the Committee.

***Independent Control Function Feedback.*** In addition to reviewing the individual incentive compensation awards for executive officers and other senior executives who report directly to the CEO, the Committee also reviews the outcomes of our robust control function feedback process and individual incentive compensation awards for certain highly compensated employees. As part of its governance process, the Committee meets with the heads of our independent control functions and business lines during a half-day meeting to discuss their feedback on the pay-for-performance process, including how risk management and conduct matters were factored into compensation decisions.

As a result of these processes and reviews, and in combination with the risk management and clawback features of our compensation programs, we believe that our compensation policies and practices appropriately balance risks and rewards in a way that does not encourage excessive or imprudent risk-taking or create risks that are reasonably likely to have a material adverse effect on our company.



## **Additional Information**

More information about our corporate governance can be found on our website at <http://investor.bankofamerica.com> under the heading Corporate Governance, including our: (i) Certificate of Incorporation; (ii) Bylaws; (iii) Corporate Governance Guidelines (including our related person transactions policy and our Director Independence Categorical Standards); (iv) Code of Conduct and related materials; and (v) composition and charters of each of our Audit, Compensation and Benefits, Corporate Governance, and Enterprise Risk Committees. This information is also available in print, free of charge, upon written request addressed to our Corporate Secretary at Bank of America Corporation, Hearst Tower, 214 North Tryon Street, NC1-027-18-05, Charlotte, North Carolina 28255.

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[Related Person and Certain Other Transactions](#)

Related Person and Certain Other Transactions

Our related person transactions policy in our Corporate Governance Guidelines sets forth our policies and procedures for reviewing and approving or ratifying any transaction with related persons (directors, director nominees, executive officers, stockholders holding 5% or more of our voting securities, or any of their immediate family members or affiliated entities). Our policy covers any transactions where the aggregate amount involved will or may be expected to exceed \$120,000 in any fiscal year, our company is a participant, and a related person has or will have a direct or indirect material interest.

Under our related person transactions policy, our Corporate Governance Committee must approve or ratify any related person transactions, and when doing so, consider: the related person's interest in the transaction; whether the transaction involves arm's-length bids or market prices and terms; the transaction's materiality to each party; the availability of the product or services through other sources; the implications of our Code of Conduct or reputational risk; whether the transaction would impair a director's or executive officer's judgment to act in our company's best interest; the transaction's acceptability to our regulators; and in the case of an independent director, whether the transaction would impair his or her independence or status as an outside or non-employee director.

Our Board has determined that certain types of transactions do not create or involve a direct or indirect material interest on the part of the related person and therefore do not require review or approval under the policy. These include transactions involving financial services, including loans and brokerage, banking, insurance, investment advisory or asset management services, and other financial services we provide to any related person, if the services are provided in the ordinary course of business, on substantially the same terms as those prevailing at the time for comparable services provided to non-affiliates and comply with applicable law, including the Sarbanes-Oxley Act of 2002 and Federal Reserve Board Regulation O.

A number of our directors, director nominees, and executive officers, their family members, and certain business organizations associated with them are or have been customers of our banking subsidiaries. All extensions of credit to these persons have been made in the ordinary course of business on substantially the same terms, including interest rates and collateral, as those prevailing at the time in comparable transactions with persons not related to our company and did not involve more than the normal risk of collectability.

Occasionally, we may have employees who are related to our executive officers, directors, or director nominees. We compensate these individuals in a manner consistent with our practices that apply to all employees. The sister of Mr. Thong M. Nguyen, an executive officer, is employed by the company in a non-executive position, and received compensation in 2017 of approximately \$160,000. The compensation and other terms of employment of Mr. Nguyen's sister are determined on a basis consistent with the company's human resources policies.

Our company and Mr. Moynihan are parties to an aircraft time-sharing agreement, as disclosed in prior proxy statements and approved by our Corporate Governance Committee in December 2010.

Based on information contained in separate Schedule 13G filings with the SEC, each of Warren E. Buffett/Berkshire Hathaway Inc. (Berkshire Hathaway), BlackRock, Inc. (BlackRock) and The Vanguard Group (Vanguard) reported

that it beneficially owned more than 5% of the outstanding shares of our common stock as of December 31, 2017 (see Stock Ownership of Directors, Executive Officers, and Certain Beneficial Owners on the next page).

In the ordinary course of our business during 2017, our subsidiaries provided and are expected to continue to provide financial advisory, sales and trading, treasury, and other financial or administrative services to Berkshire Hathaway and its affiliates, BlackRock and its affiliates and clients, and Vanguard and its affiliates. These transactions were entered into on an arm's-length basis and contain customary terms and conditions. Our company and its subsidiaries may also, in the ordinary course, invest in BlackRock or Vanguard funds or other products or buy or sell assets to or from BlackRock or Vanguard funds and separate accounts.

**Table of Contents****Stock Ownership of Directors, Executive Officers, and Certain Beneficial Owners****Stock Ownership of Directors, Executive Officers, and Certain Beneficial Owners**

Our voting securities are our common stock, Series B Preferred Stock, and Series 1-5 Preferred Stock. The following table shows the number of shares of our common stock beneficially owned as of March 2, 2018 by (i) each director, (ii) each named executive officer, (iii) all directors and executive officers as a group, and (iv) beneficial owners of more than 5% of any class of our voting securities (as determined under SEC rules). As of that date, none of our directors and executive officers owned any shares of any class of our voting securities, other than as reported in the table below. Each director, each named executive officer, and all directors and executive officers as a group beneficially owned less than 1% of our outstanding common stock. Unless otherwise noted, all shares of our common stock are subject to the sole voting and investment power of the directors and executive officers.

Name	Beneficial Ownership				Total
	Shares	Options/ Warrants and Restricted Shares	Exercisable within 60 days of 3/2/2018	Total Beneficial Ownership	
<b>Directors and Executive Officers</b>					
Sharon L. Allen <sup>(3)</sup>	71,839			71,839	71,839
Susan S. Bies	152,537			152,537	152,537
Jack O. Bovender, Jr.	100,145			100,145	100,145
Frank P. Bramble, Sr. <sup>(4)</sup>	99,917			99,917	136,902 236,819
Pierre J. P. de Weck	46,143			46,143	46,143

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Arnold W. Donald	60,616		60,616	6,190	66,806
Paul M. Donofrio	454,200		454,200	741,708	1,195,908
Geoffrey S. Greener	583,049		583,049	678,931	1,261,980
Linda P. Hudson	19,507		19,507	45,889	65,396
Terrence P. Laughlin <sup>(5)</sup>	805,602		805,602	676,681	1,482,283
Monica C. Lozano	3,000		3,000	137,488	140,488
Thomas J. May <sup>(6)</sup>	2,142		2,142	269,458	271,600
Thomas K. Montag <sup>(7)</sup>	2,636,963	2,102,216	4,739,179	1,150,854	5,890,033
Brian T. Moynihan <sup>(8)</sup>	1,175,308		1,175,308	1,853,170	3,028,478
Lionel L. Nowell, III	3,930		3,930	76,099	80,029
Michael D. White <sup>(9)</sup>	85,650		85,650	20,735	106,385
Thomas D. Woods	62,063		62,063		62,063
R. David Yost	64,153		64,153	88,250	152,403
Maria T. Zuber	2,517		2,517		2,517
All directors and executive officers as a group (24 persons) <sup>(10)</sup>	7,651,095	2,102,216	9,753,311	7,999,979	17,753,290

Name	Beneficial Ownership		Total	Stock	Total
	Shares and Restricted	Options/Warrants			

	Shares	Exercisable within 60 days of 3/2/2018	Ownership
<b>Certain Beneficial Owners</b>			
Warren E. Buffett/Berkshire Hathaway Inc. <sup>(11)</sup>	700,000,000	700,000,000	700,000,000 6.8%
The Vanguard Group <sup>(12)</sup>	669,955,539	669,955,539	669,955,539 6.6%
BlackRock, Inc. <sup>(13)</sup>	667,337,894	667,337,894	667,337,894 6.5%

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## Section 16(a) Beneficial Ownership Reporting Compliance

- (1) For non-management directors, includes stock units credited to their accounts pursuant to deferrals made under the terms of the Director Deferral Plan. These stock units do not have voting rights and are not considered beneficially owned under SEC rules. Each unit has a value equal to the fair market value of a share of our common stock. These units, which are held in individual accounts in each director's name, will be paid in cash upon the director's retirement if vested at that time.
- (2) Includes the following stock units, which are not treated as beneficially owned under SEC rules because the holder does not have the right to acquire the underlying stock within 60 days of March 2, 2018 and/or the stock units will be paid in cash and therefore do not represent the right to acquire stock:

Name	Time-Based RSUs (TRSUs)	Cash-Settled RSUs (CRSUs)	Performance RSUs (PRSUs)	Total Stock Units
Brian T. Moynihan	320,807	207,263	1,325,100	1,853,170
Paul M. Donofrio	271,940		469,768	741,708
Geoffrey S. Greener	250,758		428,173	678,931
Terrence P. Laughlin	248,185		428,496	676,681

Thomas K. Montag	423,591		727,263	1,150,854
All executive officers as a group	2,322,496	207,263	4,689,210	7,218,969

Each stock unit has a value equal to the fair market value of a share of our common stock, but does not confer voting rights. TRSUs include the right to receive dividend equivalents and will be paid in shares of our common stock or cash at vesting or, in certain circumstances, after termination of employment. CRSUs do not include the right to receive dividend equivalents and will be paid in cash. PRSUs include the right to receive dividend equivalents and vest subject to attaining pre-established performance goals. To the extent earned, (i) PRSUs granted in February 2016, February 2017, and February 2018 will be settled 100% in shares of our common stock, and (ii) PRSUs granted in February 2015 will be settled 100% in cash. For unearned PRSUs, the stock units shown include the number of PRSUs granted assuming 100% of the award will be earned; however, the actual number of stock units earned may vary depending upon achieving performance goals. Because they are economically comparable to owning shares of our common stock, certain of these stock units currently qualify for purposes of compliance with our stock ownership and retention requirements, except for PRSUs, which qualify only when earned.

- (3) Includes 1,000 shares of our common stock for which Ms. Allen shares voting and investment power with her spouse.
- (4) Includes 50,000 shares of our common stock for which Mr. Bramble shares voting and investment power with his spouse.
- (5) Includes 36 shares of our common stock for which Mr. Laughlin shares voting and investment power with his spouse.
- (6) Includes 23,537 stock units held by Mr. May under the FleetBoston Director Stock Unit Plan, 3,268 stock units held under the Bank Boston Director Retirement Benefits Exchange Program, and 5,741 stock units held under the Bank Boston Director Stock Award Plan.
- (7) Includes 470,724 shares of our common stock held by Mr. Montag in a family trust for which Mr. Montag shares voting and investment power with his spouse, who is trustee.
- (8) Includes 58,376 shares of our common stock for which Mr. Moynihan shares voting and investment power with his spouse.
- (9)



Includes 77,000 shares of our common stock for which Mr. White shares voting and investment power with his spouse.

- (10) Such persons have sole voting and investment power over 8,735,221 shares of our common stock and shared voting or investment power or both over 1,018,090 shares of our common stock.
- (11) Consists of common stock held indirectly by Warren E. Buffett, 3555 Farnam Street, Omaha, NE 68131 and Berkshire Hathaway Inc., 3555 Farnam Street, Omaha, NE 68131. According to a Schedule 13G/A filed with the SEC on September 8, 2017, Mr. Buffett and Berkshire Hathaway Inc. had shared voting and investment power with respect to all 700,000,000 shares. Information about other entities deemed to share beneficial ownership of the shares, including their voting and investment power, is disclosed in the Schedule 13G/A.
- (12) Consists of common stock held by The Vanguard Group, 100 Vanguard Blvd., Malvern, PA 19355. According to a Schedule 13G/A filed with the SEC on February 12, 2018, The Vanguard Group had sole voting power with respect to 13,712,838 shares, sole investment power with respect to 654,474,144 shares, shared voting power with respect to 2,144,452 shares, and shared investment power with respect to 15,481,395 shares.
- (13) Consists of common stock held by BlackRock, Inc., 55 East 52nd Street, New York, NY 10055. According to a Schedule 13G/A filed with the SEC on February 8, 2018, BlackRock, Inc. had sole voting power with respect to 582,917,754 shares, sole investment power with respect to 667,329,234 shares, and shared investment power with respect to 8,660 shares.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 (Exchange Act) requires our directors, executive officers, and anyone holding 10% or more of a registered class of our equity securities (reporting persons) to file reports with the SEC showing their holdings of, and transactions in, these securities. Based solely on a review of copies of such reports, and written representations from each reporting person that no other reports are required, we believe that for 2017 all reporting persons filed the required reports on a timely basis under Section 16(a).

**Table of Contents****Director Compensation****Director Compensation**

Our director compensation philosophy is to appropriately compensate our non-management directors for the time, expertise, and effort required to serve as a director of a large, complex, and highly regulated global company and to align the interests of directors and long-term stockholders.

Annual payments are made after the non-management directors are elected by stockholders. Non-management directors who begin their Board or committee chair service other than at the annual meeting of stockholders receive a prorated amount of annual compensation. Mr. Moynihan receives no compensation for his services as our sole management director.

**2017 Director Pay Components**

The primary elements of annual compensation and incremental awards for our non-management directors for 2017 are provided in the table below. Incremental awards recognize additional responsibilities and the time commitment of these critical board leadership roles.

Annual Award Components	Incremental Awards for Board Leadership			
	Non-	Lead	Audit &	Compensation and
	management	Independent	Enterprise Risk	Benefits &
	Directors	Director	Committee Chairs	Corporate Governance
	(\$)	(\$)	(\$)	(\$)
Cash Award	100,000	50,000	40,000	20,000
	200,000	100,000	N/A	N/A

## Restricted Stock Award

The annual restricted stock award is made pursuant to the Bank of America Corporation Directors' Stock Plan. The number of restricted shares awarded is equal to the dollar value of the award divided by the closing price of our common stock on the NYSE on the grant date, rounded down to the next whole share, with cash paid for any fractional share. Dividends are paid on the award when they are paid on shares of our common stock. The annual restricted stock award is subject to a one-year vesting requirement. If a director retires before the one-year vesting date, a prorated amount of the award vests based on the number of days the director served during the vesting period before retirement. Any unvested amount of the award is forfeited.

**2018 Director Pay Changes**

Our Compensation and Benefits Committee annually reviews and periodically recommends updates to the director compensation program to our Board for approval. The Committee's recommendation takes into account our director compensation philosophy, changes in market practices, and consultation with the Committee's independent compensation consultant, Fariant. In 2017, the Committee reviewed director compensation taking into account multiple factors including pay practices at publicly traded companies, continued expansion of director and independent committee chair responsibilities, growing time commitment, and active involvement in our enhanced stockholder engagement program.

Based on that review, our Board approved an increase to the annual restricted stock award to \$250,000 for all non-management directors, and an increase to the annual incremental cash awards to \$30,000 for our Compensation and Benefits Committee and Corporate Governance Committee Chairs. These changes will take effect as of our 2018 annual meeting of stockholders and will be payable to our director nominees who are successfully elected at the meeting. No changes were made to annual cash awards for non-management directors or to incremental awards for the Lead Independent Director, Audit Committee Chair, or Enterprise Risk Committee Chair.

**Director Deferral Plan**

Non-management directors may elect to defer all or a portion of their annual restricted stock or cash awards through the Bank of America Corporation Director Deferral Plan. When directors elect to defer their restricted stock award, their stock account is credited with a number of whole and fractional stock units that are equal in value to the restricted stock award and subject to the one-year vesting requirement applicable to restricted stock awards under the Directors' Stock Plan. Each stock unit is equal in value to a share of our common stock but because it is not an actual share of our common stock it does not have any voting rights. When directors elect to defer their cash award, they may choose to defer into either a stock account or a cash

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**Table of Contents****Director Compensation**

account. Deferrals into a stock account are credited with dividend equivalents in the form of additional stock units and deferrals into the cash account are credited with interest at a long-term bond rate. Following retirement from our Board and depending on the director's selection, a non-management director may receive the stock account balance (to the extent vested) and cash account balance in a single lump sum cash payment or in five or 10 annual cash installments.

**Stock Retention Requirements and Hedging Prohibition for Non-management Directors**

&#127761; Under our stock retention requirements, non-management directors are required to hold and cannot sell the restricted stock they receive as compensation (except as necessary to pay taxes on taxable events such as vesting) until termination of their service. All non-management directors are in compliance with these requirements

&#127761; Our Code of Conduct prohibits our directors from hedging and speculative trading of company securities

**2017 Director Compensation**

The following table shows the compensation paid to our non-management directors for their services in 2017:

Director	Fees Earned or Paid in Cash (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	All Other Compensation (\$) <sup>(3)</sup>	Total (\$)
Sharon L. Allen	140,000	200,000		340,000
Susan S. Bies	100,000	200,000	127,908	427,908
Jack O. Bovender, Jr.	150,000	300,000		450,000
	140,000	200,000		340,000

Frank P. Bramble, Sr.

Pierre J. P. de Weck	100,000	200,000	108,752	408,752
Arnold W. Donald	100,000	200,000		300,000
Linda P. Hudson	100,000	200,000		300,000
Monica C. Lozano	120,000	200,000		320,000
Thomas J. May	120,000	200,000		320,000
Lionel L. Nowell, III	100,000	200,000		300,000
Michael D. White	100,000	200,000		300,000
Thomas D. Woods	100,000	200,000		300,000
R. David Yost	100,000	200,000		300,000
Maria T. Zuber <sup>(4)</sup>	36,160	72,320		108,480

- (1) The amounts in this column represent the annual cash award plus any Lead Independent Director or committee chair cash retainers paid in 2017, including amounts deferred under the Director Deferral Plan. For 2017 cash awards deferred under the Director Deferral Plan, our directors were credited with the stock units shown in the table below based on the closing price of our common stock on the date of deferral:

Director	Stock Units (#)	Value of Deferred Stock Un (\$)
Thomas J. May	5,023.02	120,000
	4,185.85	100,000

Lionel L. Nowell, III

R. David Yost	4,185.85	100,000
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- (2) The amounts in this column represent the aggregate grant date fair value of restricted stock awards granted during 2017, whether or not those awards were deferred under the Director Deferral Plan. The grant date fair value is based on the closing price of our common stock on the NYSE on the grant date. As of December 31, 2017, our non-management directors held the number of unvested shares of restricted stock or, if deferred, unvested stock units shown in the table below:

Director	Unvested Shares of Restricted Stock or Stock Units (#)	
Sharon L. Allen		8,371
Susan S. Bies		8,371
Jack O. Bovender, Jr.		12,557
Frank P. Bramble, Sr.		8,372
Pierre J. P. de Weck		8,371
Arnold W. Donald		8,371
Linda P. Hudson		8,372

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## Director Compensation

Director	Unvested Shares of Restricted Stock or Stock Units (#)
Monica C. Lozano	8,372
Thomas J. May	8,372
Lionel L. Nowell, III	8,372
Michael D. White	8,372
Thomas D. Woods	4,604
R. David Yost	8,372
Maria T. Zuber	2,517

- (3) Our directors are eligible to participate in our matching gifts program, under which our charitable foundation matches up to \$5,000 in donations made by our employees and active directors to approved charitable organizations. This program is also available to all U.S.-based, benefits eligible employees. The values in this

column reflect that \$5,000 was donated to charities on behalf of Mr. de Weck under the matching gifts program.

This column excludes the amounts of any perquisites received by our directors with a value of less than \$10,000 in aggregate, as permitted under SEC rules.

Ms. Bies serves as chair of the board of directors of Merrill Lynch International (MLI), a United Kingdom broker-dealer subsidiary of Bank of America. For her services as a non-management director of MLI in 2017, Ms. Bies received an annual cash retainer totaling £100,000, which was paid monthly. The retainer paid in 2017 is reported in the table above based on a weighted average exchange rate of 0.78 pounds sterling to one dollar. The exchange rate used for each payment was based on the average exchange rate for the month prior to the month of payment.

Mr. de Weck serves as a member of the board of directors of Bank of America Merrill Lynch International (BAMLI), a United Kingdom banking subsidiary of Bank of America. For his services as a non-management director of BAMLI in 2017, Mr. de Weck received an annual cash retainer totaling £75,000, which was paid monthly. The retainer paid in 2017, which included payment in January 2017 for his service during December 2016, is reported in the table above based on a weighted average exchange rate of 0.78 pounds sterling to one dollar. The exchange rate used for each payment was based on the average exchange rate for the month prior to the month of payment.

- (4) Dr. Zuber became a director in December 2017. The amount for Dr. Zuber reflects a prorated award for her period of service.

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**[Proposal 2: Approving Our Executive Compensation \(an Advisory, Non-binding Say on Pay Resolution\)](#)**

**Proposal 2: Approving Our Executive Compensation (an Advisory, Non-binding Say on Pay Resolution)**

We are seeking an advisory vote to approve our executive compensation for 2017. At our 2017 annual meeting of stockholders, a majority of stockholders voted to have a Say on Pay vote each year. As a result, we will conduct an advisory vote on executive compensation annually at least until the next stockholder advisory vote on the frequency of such votes.

Although the Say on Pay vote is advisory and is not binding on our Board, our Compensation and Benefits Committee will take into consideration the outcome of the vote when making future executive compensation decisions. At the 2017 annual meeting of stockholders, more than 95% of the votes cast favored our Say on Pay proposal. The Committee considered this result and input from investors during our stockholder engagement process, and in light of the strong support, maintained a consistent overall approach for 2017.

Our Board believes that our current executive compensation program appropriately links compensation realized by our executive officers to our performance and properly aligns the interests of our executive officers with those of our stockholders. The details of this compensation for 2017, and the reasons we awarded it, are described in Compensation Discussion and Analysis, starting below.

*Our Board recommends a vote **FOR** approving our executive compensation (an advisory, non-binding Say on Pay resolution) (Proposal 2).*

Our Board recommends that our stockholders vote in favor of the following resolution:

**Resolved, that our stockholders approve, on an advisory basis, the compensation of our company’s named executive officers, as disclosed pursuant to the compensation disclosure rules of the U.S. Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables, and the accompanying narrative discussion disclosed in this proxy statement.**

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## Compensation Discussion and Analysis

**1. Executive Summary****a. Executive Compensation Philosophy**

Our compensation philosophy is to pay for performance over the long-term, as well as on an annual basis. Our performance considerations include both financial and non-financial measures including the manner in which results are achieved for the company, line of business, and the individual. These considerations reinforce and promote Responsible Growth and maintain alignment with our risk framework. Our executive compensation program provides a mix of salary, incentives, and benefits paid over time to align executive officer and stockholder interests. Our Compensation and Benefits Committee has the primary responsibility for approving our compensation strategy and philosophy and the compensation programs applicable to our named executive officers listed below. With respect to Mr. Moynihan's compensation, our Compensation and Benefits Committee makes a recommendation that is further reviewed and approved by the independent members of the Board.

**Named Executive Officers****Brian T. Moynihan**

Chairman and Chief Executive Officer

**Paul M. Donofrio**

Chief Financial Officer

**Geoffrey S. Greener**

Chief Risk Officer

**Terrence P. Laughlin**

Vice Chairman and Head of Global Wealth &amp; Investment Management

**Thomas K. Montag**

Chief Operating Officer

**b. 2017 Executive Compensation Highlights**

&#127761; Our design is aligned with our focus on Responsible Growth and has been consistent for more than five years, receiving over 93% stockholder support since 2013

&#127761; Mix of fixed and variable pay

&#127761; Cancellation and clawback features in all equity-based incentives

&#127761; Deferral of majority of variable pay through equity-based incentives

&#127761; Risk management practices that encourage sustainable performance over time

&#127761; Comprehensive Committee review of financial and non-financial performance

&#127761; Pay decisions consistent with pay-for-performance philosophy and 2017 company and individual performance

&#127761; Total compensation awarded to Mr. Moynihan of \$23.0 million for 2017, compared to \$20.0 million for 2016

&#127761; 93.5% of Mr. Moynihan's total compensation is variable and directly linked to company performance

&#127761; Half of Mr. Moynihan's variable pay was awarded as performance restricted stock units and must be re-earned based on three-year average performance of key metrics (return on assets and growth in adjusted tangible book value)

&#127761; Return on assets goal increased by 10 basis points from prior years

&#127761; 50% of net after-tax shares Mr. Moynihan receives as compensation must be retained until one year after retirement

**c. Stockholder Engagement & Say on Pay Results**

We conduct stockholder engagement throughout the year and provide stockholders with an annual opportunity to cast an advisory Say on Pay vote. At our 2017 annual meeting of stockholders, over 95% of the votes cast favored our Say on Pay proposal. Additionally in 2017 and early 2018, management and directors met with investors owning approximately 38% of outstanding shares and discussed our executive compensation program, human capital

management, and other compensation-related matters. These discussions, together with the 2017 Say on Pay results, indicated strong support for our 2016 compensation program and influenced our decision to maintain a consistent overall approach for 2017. Stockholder engagement and the outcome of Say on Pay vote results will continue to inform future compensation decisions.



**Historical Say on Pay Vote**

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**Table of Contents****Compensation Discussion and Analysis****2. 2017 Company & Segment Performance**

Our company's results improved in 2017 as we delivered on Responsible Growth. We increased net income 2% to \$18.2 billion including a charge of \$2.9 billion related to the Tax Act by focusing on what we control and drive: creating operating leverage by managing expenses, growing loans and deposits, and doing more business with our clients. Excluding the Tax Act charge, net income of \$21.1 billion was up 18% from the previous year. We grew average deposits by \$47.2 billion to \$1.3 trillion, increased average loans and leases in our business segments by \$44.5 billion to \$836 billion, increased diluted earnings per share (EPS) to \$1.56, and reduced noninterest expenses by \$340 million to \$54.7 billion. We continued to manage credit losses well, with net charge-off ratios remaining near historic lows. We returned \$15.9 billion in capital to our common stockholders through dividends and net share repurchases, more than twice what we returned in the prior year. We made progress toward our \$125 billion goal to support clients connected to clean energy and other environmentally supportive activities. With strong leadership positions in our businesses and industry-leading ESG practices, we believe we are well-positioned to continue to deliver Responsible Growth for our stockholders in 2018.

Following are additional financial highlights and key measures of company and line of business performance that our Compensation and Benefits Committee considered in evaluating the 2017 performance of our named executive officers.

**a. Company Performance**

**Earned \$21.1 billion, excluding the \$2.9 billion Tax Act impact in 2017, versus \$17.8 billion in 2016**, driven by higher net interest income and lower expenses; positive operating leverage for 12 consecutive quarters

**Diluted EPS of \$1.83, excluding the Tax Act impact in 2017**, versus \$1.49 in 2016

**Return on average assets (ROA) of 0.80%** and return on average tangible common shareholders' equity of 9.41% (excluding impact of Tax Act: ROA of 0.93% and return on average tangible common shareholders' equity of 11%)

**Continued focus on expenses while investing in new capabilities and growth**

Noninterest expense decreased for the fourth consecutive year; efficiency ratio improved to 62.7% in 2017 from 65.8% in 2016

**Steady performance in tangible book value per common share**

Book value per share decreased to \$23.80 in 2017; and tangible book

value per share increased to \$16.96 in 2017

**Strengthened capital levels** resulting in common equity tier 1 ratio of 11.8%, up from 11.0%, greater than the 2019 requirement of 9.5%

**Improved client and customer activity;** business referrals increased 16% to 6.4 million in 2017 from 5.5 million in 2016

**Total stockholder return above primary peer group** on 1-, 3-, and 5-year bases

## b. Segment Performance

Business (\$ in Millions)	Total Revenue <sup>(1)</sup>		Provision for Credit Losses		Noninterest Expense		Net Income (Loss)	
	2017	2016	2017	2016	2017	2016	2017	2016
	Consumer Banking	34,521	31,731	3,525	2,715	17,787	17,654	8,207
Global Wealth & Investment Management	18,590	17,650	56	68	13,564	13,175	3,088	2,775
Global Banking	19,999	18,445	212	883	8,596	8,486	6,953	5,729
Global Markets	15,951	16,090	164	31	10,731	10,169	3,293	3,818
All Other <sup>(2)</sup>	(784)	685	(561)	(100)	4,065	5,599	(3,309)	(1,672)
<b>Total Corporation</b>	<b>87,352</b>	<b>83,701</b>	<b>3,396</b>	<b>3,597</b>	<b>54,743</b>	<b>55,083</b>	<b>18,232</b>	<b>17,822</b>

**2017 Adjusted Total  
Corporation<sup>(3)</sup>:**

**Total Revenue =  
\$88,298 million**

**Net Income = \$21,117 million**

(1) Total revenue for each business segment and All Other reported on fully taxable-equivalent (FTE) basis. Total revenue for the corporation on an FTE basis was \$88,277 million for 2017 and \$84,601 million for 2016, which is not a generally accepted accounting principle financial measure.

- (2) All Other is not a business segment. It consists of asset and liability management activities, equity investments, non-core mortgage loans and servicing activities, the net impact of periodic revisions to the MSR (mortgage servicing right) valuation model for both core and non-core MSRs and the related economic hedge results and ineffectiveness, other liquidating businesses, residual expense allocations and other items. Total revenue and Net Income (Loss) in 2017 includes a downward valuation adjustment of \$946 million and an estimated charge of \$2.9 billion, respectively, due to enactment of the Tax Act.
- (3) 2017 Adjusted Total Corporation excludes the impact of the one-time charge recorded in All Other due to the Tax Act.



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Compensation Discussion and Analysis

***Segment Highlights***

**Consumer Banking** Consumer Banking offers a diversified range of credit, banking, and investment products and services to consumers and small businesses includes Retail Banking and Preferred and Small Business Banking.

&#127761; Net income up 14% to \$8.2 billion in 2017

&#127761; Average deposits increased 9% to \$653 billion; 90% of checking accounts now primary

&#127761; Average loans and leases increased 8% to \$266 billion

&#127761; 24.2 million active mobile banking customers, up 12% from 2016; mobile channel usage up 21% and 22% of deposit transactions completed through mobile devices

&#127761; Opened 30 new financial centers and renovated 289 locations in 2017 as customer preferences shifted to automated and self-service options and we continued to optimize our consumer banking network

&#127761; Client brokerage assets increased \$32.3 billion due to client flows and market performance

&#127761; Combined U.S. credit and debit card spending increased 6% to \$543 billion

**Global Wealth &**

## Investment Management

Global Wealth & Investment Management (GWIM) provides investment and wealth management solutions to our affluent and ultra-high net worth clients includes Merrill Lynch Wealth Management and U.S. Trust.

&#127761; Net income increased 11% to \$3.1 billion due to higher revenue partially offset by an increase in noninterest expense; revenue increased 5% to \$18.6 billion

&#127761; Average loans and leases increased 7% to \$153 billion; 31 consecutive quarters of loan balance growth

&#127761; Total client balances increased 10% to \$2.75 trillion driven by positive net client flows and higher valuations; experienced \$96 billion in assets under management flows in 2017

&#127761; Increased assets under management by 22% to \$1.1 trillion, reflecting solid client activity as well as a shift from brokerage to assets under management

&#127761; Noninterest expense increased \$389 million to \$13.6 billion primarily driven by higher revenue-related incentives

&#127761; Number of wealth advisors increased 3%; financial advisor productivity up 3% to \$1.0 million from \$974,000 in 2016

## Global Banking

Global Banking provides a wide range of lending-related products and services, integrated working capital management and treasury solutions to clients, and underwriting and advisory services includes Global Corporate Banking, Global Commercial Banking, Business Banking, and Global Investment Banking.

&#127761; Net income increased 21% to \$7.0 billion driven by higher revenue, which was up 8% to \$20.0 billion in 2017, and lower provision for credit losses

&#127761; Average deposits increased 3% to \$313 billion

&#127761; Average loans and leases increased 4% to \$346 billion

&#127761; Total corporation investment banking fees, excluding self-led deals, of \$6.0 billion, up 15% due to an increase in overall client activity, market fee pools, and relationship deepening

&#127761; Business Lending revenue increased 3% to \$9.1 billion driven by the impact of loan and lease-related growth and Global Transactions Services revenue increased 11% to \$7.2 billion

&#127761; #3 in global investment banking fees in 2017 by *Dealogic* (excluding self-led deals); World's Best Bank for Advisory by *Euromoney*; Most Innovative Investment Bank of the Year by *The Banker*

## Global Markets

Global Markets offers sales and trading services, including research, to institutional clients across fixed-income, credit, currency, commodity, and equity businesses.

&#127761; Net income decreased 14% to \$3.3 billion reflecting lower client activity, driven by market volatility and continued investments in technology platforms

&#127761; Equities sales and trading revenue increased by 2% due to higher revenue in client financing activities, partially offset by lower revenue in cash and derivative trading

&#127761; Average trading related assets increased 7% to \$442 billion as we continued to drive targeted growth in client financing activities in the global equities business

&#127761; Fixed-income, currency & commodities sales and trading revenue decreased by 8% due to lower revenue in rates products and emerging markets as lower volatility reduced client flow

&#127761; 2017 U.S. Fixed Income Quality Leader in Credit and Securitized Products and 2017 Quality Leader in Global Top-Tier Foreign Exchange Service and Sales by *Greenwich Associates*

The Compensation and Benefits Committee believes the company and segment performance highlights discussed above, as well as other company and business results, reflects management is delivering Responsible Growth, continuing to streamline and simplify our company, and driving operational excellence.

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## Compensation Discussion and Analysis

**3. Executive Compensation Program Features****a. Executive Pay Components & Variable Pay Mix**

For each performance year, our Compensation and Benefits Committee determines the pay for our named executive officers. A portion of the compensation is delivered as base salary and the remainder as annual cash incentive (except for the CEO) and restricted stock units. The restricted stock units are divided into two components: time-based and performance-based. Our time-based awards vest ratably over three years (except for the CEO's cash-settled restricted stock units that vest over one year). Our performance-based awards are re-earned only by the sustained three-year average achievement of performance metrics. Consequently, for our named executive officers to realize the full value of their performance-based awards, the future performance of our company must be at or above the goals set for this award. This pay-for-performance structure, which emphasizes variable pay, helps motivate our executives to deliver sustained stockholder value and Responsible Growth.

The following chart provides an overview of the 2017 pay components for our named executive officers:

**Performance Year 2017 Pay Components**

Description	How it Pays
<b>Base Salary</b>	
&#127761; Determined based on job scope, experience, and market comparable positions; provides fixed income to attract and retain executives and balance risk-taking	&#127761; Semi-monthly cash payment through 2017
<b>Annual Cash Incentive – except CEO</b>	
&#127761; Provides short-term variable pay for the performance year for non-CEO executives	&#127761; Single cash payment in February 2018
<b>Cash-Settled Restricted Stock Units (CRSUs) – CEO only</b>	
&#127761; Track stock price performance over 1-year vesting period	&#127761; Cash-settled upon vesting
&#127761; Vest in 12 equal installments from March 2018 February 2019	
<b>Performance Restricted Stock Units (PRSUs)</b>	
&#127761; Vest based on achievement of specific return on assets and growth in adjusted tangible book value goals over 3-year performance period	&#127761; If performance goals are achieved, the amount granted for 2017 will be re-earned at the end of the performance period (2020)

	&#127761; 100% is the maximum that can be re-earned
&#127761; Track company and stock price performance	
	&#127761; If both threshold goals are not achieved, the entire award is forfeited
&#127761; Encourage sustained earnings during the performance period	
	&#127761; Stock-settled to the extent re-earned
	&#127761; See Results for Performance Restricted Stock Units on page 49 for the vesting and value of prior awards
<b>Time-Based Restricted Stock Units (TRSUs)</b>	
&#127761; Track stock price performance over 3-year vesting period	&#127761; Vest in three equal annual installments beginning in February 2019
&#127761; Align with sustained longer-term stock price performance	&#127761; Stock-settled upon vesting

**Performance Year 2017 Variable Pay Mix**

&#127761; A majority of variable pay is delivered as equity-based awards that balance short-term and long-term results

&#127761; The charts below illustrate the variable pay mix for our CEO and other named executive officers

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**b. Compensation Risk Management Features**

Our Compensation and Benefits Committee believes that the design and governance of our executive compensation program encourage executive performance consistent with the highest standards of risk management.

***i. Pay Practices***

Highlighted below are the key features of our executive compensation program, including the pay practices we have implemented to drive Responsible Growth, encourage executive retention, and align executive and stockholder interests. We also identify certain pay practices we have not implemented because we believe they do not serve our risk management goals or stockholders' long-term interests.

<b>What We Do</b>	Pay for performance and allocate individual awards based on actual results and how results were achieved
	Use balanced, risk-adjusted performance measures
	Review feedback from independent control functions in performance evaluations and compensation decisions
	Provide appropriate mix of fixed and variable pay to reward company, line of business, and individual performance
	Defer a majority of variable pay as equity-based awards
	Apply clawback features to all executive officer variable pay
	Require stock ownership and retention of a significant portion of equity-based awards