

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As at June 30, 2023

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

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Table DF-2: Capital Adequacy

I. Qualitative disclosures

The Bank is required to comply with all applicable laws and regulations in India including guidelines issued by RBI and other relevant regulatory bodies.

The Internal Capital Adequacy Assessment Process ("ICAAP") document assesses the capital adequacy for the Bank and details the process by which this assessment is made based on a reference date and looking forward, over a three-year planning horizon ("ICAAP Planning Horizon").

ICAAP establishes a framework for banks to perform a comprehensive assessment of the risks they face and relate capital to those risks. The capital analysis performed by the Bank is expected to encompass all risks, not just the risks captured by the Basel III Pillar 1 minimum regulatory capital calculation. Successful risk identification and measurement requires having a comprehensive process to quantify measure and aggregate these various risks to ensure that the Bank's capital resources are sufficient to cushion volatility in earnings due to unexpected losses.

The authority to develop the ICAAP document is delegated to the Finance department. The Bank's Chief Financial Officer ("CFO") is responsible for the production of ICAAP with inputs from Front Line Units ("Businesses" or "Business"), Independent Risk Management and Control Functions. Enterprise-wide functions, including Global Markets and Financial Risk ("GMFR") and Enterprise Capital Management ("ECM") also review the ICAAP to ensure adequate challenge and consistency with Enterprise practices.

The Bank has established an Internal Capital Guideline ("IGL") and maintains capital levels in excess of this guideline. Bank has set up a "Tripwire" above the IGL to serve as an early warning signal to prompt action and avoid a capital breach.

The ICAAP document is presented to the Asset Liability Council ("ALCO") and the Local Management Team ("LMT") for final review and approval on an annual basis. The ICAAP is also validated by Corporate Audit periodically, as required under RBI guidelines.

ICAAP is an integral management tool for determining the adequacy of the Bank's capital resources throughout the ICAAP planning horizon. It is also utilized to assess the risks being faced by the Bank and assess the adequacy of BANA India's capital under Baseline as well as Stress Scenarios over the ICAAP Planning Horizon. The ALCO and the LMT are responsible for acting at an early stage to prevent capital from falling below the minimum levels required to support risk characteristics.

Capital Requirements for Pillar 1 risks (i.e. Credit Risk, Market Risk and Operational Risk)

The Bank has adopted Standardized Approach ("SA") for credit risk, Standardized Duration Approach ("SDA") for market risk and Basic Indicator Approach ("BIA") for operational risk for computing its capital requirement.

Under the SA for credit risk, the Bank relies upon the ratings issued by the external credit rating agencies specified by the RBI for assigning risk weights for capital adequacy purposes under the Basel III guidelines. The risk weights applicable for claims against banks, sovereign, corporate and other Assets are as per the Basel III guidelines. In compiling the credit exposures, the Bank has availed Credit Risk Mitigation techniques (CRM) to the extent of securities placed under section 11(2) (b) of Banking Regulation Act 1949 for offsetting gross exposure of BANA Head office and overseas branches as per RBI Circular on Large Exposures Framework – CRM for offsetting – non-centrally cleared derivative transactions of foreign bank branches in India with their Head office dated Sept 9, 2021

Under the SDA for computing the capital requirement for market risk, the Bank has adopted the "duration" method.

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The minimum capital requirement for market risk is computed in terms of:

- "Specific risk" charge for each security, to protect against an adverse movement in the price of an individual security owing to factors related to the individual issuer.
- "General market risk" charge towards interest rate risk in the portfolio, where long and short positions in different securities or instruments can be offset.

Under the BIA, the Bank holds capital for operational risk equal to 15% of average positive gross annual income for the previous three financial years.

II. Quantitative disclosures

Capital Structure as on

<i>INR Million</i>	30-Jun-23	31-Mar-23
Common Equity Tier 1	127,653	127,645
Additional Tier 1	-	-
Tier 2	9,726	9,906
Total Capital Funds	137,379	137,551

Capital requirement and CRAR

<i>INR Million</i>	30-Jun-23	31-Mar-23
Capital requirements for credit risk:		
- Portfolios subject to standardized approach	67,467	70,924
- Securitization exposures	-	-
Capital requirements for market risk:		
Interest rate risk		
- General market risk	23,199	15,409
- Specific risk	1,414	1,403
Equity risk		
- General market risk	-	-
- Specific risk	-	-
Foreign exchange risk (including gold)	1,754	1,754
Capital requirements for operational risk: (Basic indicator approach)	7,669	7,669
Total Capital Requirements	101,503	97,159
Common Equity Tier I capital ratio	17.61%	18.39%
Tier I capital ratio	17.61%	18.39%
Tier II capital ratio	1.34%	1.43%
Total capital ratio	18.95%	19.82%

Note: The capital reflected above excludes capital infused for CRM purposes.

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Risk Exposure and Assessment

Risk management is a disciplined approach to identify, analyse, assess, and control unacceptable risk to minimize the volatility of financial results, drive sustainable earnings and protect the Bank's brand and reputation. The Bank takes a comprehensive approach to risk management, integrating it with strategic, capital, and financial operating plans. Risk management and capital utilization are integral parts of the strategic planning process and are considered throughout the process to align the Business strategies with capital considerations and risk appetite of the bank.

The Risk Appetite is in alignment with the Bank's business strategy and is also integrated with the annual BANA India ICAAP which is a key document to review strategic plans.

This holistic approach promotes the risk versus reward analysis needed to make informed strategic and business decisions.

Bank of America's Risk Framework requires that strong risk management practices are integrated in key strategic, capital and financial planning processes and in day-to-day business processes, thereby ensuring risks are appropriately considered, evaluated and responded to in a timely manner. The front-line units have primary responsibility for managing risks inherent in their businesses. BAC employs an effective risk management process, referred to as Identify, Measure, Monitor and Control (IMMC), as part of its daily activities.

Some of the risks that the Bank is exposed to are described below:

- Credit risk is the risk of loss arising from the inability or failure of a borrower or counterparty to meet its obligations. BANA India manages credit risk to a borrower or counterparty based on its risk profile, which includes assessing repayment sources, underlying collateral, if any, and the expected effects of the current and forward-looking economic environment on the borrowers or counterparties. Underwriting, credit management and credit risk limits are proactively reassessed as a borrower's or counterparty's risk profile changes. Credit risk appetite metrics are included as part of the BANA India risk appetite metrics
- Market risk is the risk of loss due to changes in the market values of the Bank's assets and liabilities caused by changing interest rates, currency exchange rates, and security prices. Market risk is inherent in the Bank's operations and arises from both trading and non-trading positions. Trading exposures represent positions taken in a wide range of financial instruments and markets which expose the Bank to various risks, such as interest rate risk, foreign exchange risk, etc. The Bank manages these risks by using trading strategies and other hedging actions which encompass a variety of financial instruments in both the cash and derivatives markets. Key market risk exposures are assessed at both specific and aggregate levels. At the specific level, market risk sensitivities are assessed by evaluating the impact of individual risk factors such as interest rates and foreign exchange. At the aggregate level, market risk is assessed using two key measures, which are Value-at-Risk ("VaR") and 10 Day Stressed Value at Risk ("SVaR"). Both these measures are monitored as a part of the BANA India Risk Appetite Metrics.
- Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. BANA India manages the operational risks of its business activities using the enterprise-wide Operational Risk Framework. Enterprise Operational Risk policies, processes, tools, and standards are implemented by the Businesses/ECFs with Oversight from the Independent Business/ECF Risk Teams (Regional Function). Each have a quality assurance role and through direct action or Oversight, these

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stakeholders are collectively responsible for execution of the Operational Risk Program requirements, achievement of risk management objectives, and ensuring timely action is taken in response to concerns and issues. BANA India Operational Risk tolerance threshold is also included as part of BANA India Risk Appetite Metric.

- Strategic risk is the risk resulting from incorrect assumptions about external or internal factors, inappropriate business plans (e.g., too aggressive, wrong focus, ambiguous); ineffective business strategy execution; or failure to respond in a timely manner to changes in the regulatory, macroeconomic, or competitive environments in the geographic locations in which we operate (such as competitor actions, changing customer preferences, product obsolescence and technology developments).
- Liquidity risk is the inability to meet expected or unexpected cash flow and collateral needs while continuing to support our businesses and customers under a range of economic conditions. The primary objective of liquidity risk management is to ensure that BANA India can meet expected or unexpected cash flow and collateral needs while continuing to support our businesses and customers with the appropriate funding sources, under a range of economic conditions. The Branch uses Liquidity Risk Limits and Risk Indicators such as Liquidity Coverage Ratio, Leverage Ratio, Statutory Liquidity Ratio, Cash Reserve Ratio, Net Stable Funding Ratio, Loans to Deposit Ratio etc. to manage liquidity risk within risk appetite, identify a potential change in the Branch's risk profile, and ensure the amount of liquidity maintained at the Branch remains prudently sized under baseline and stressed conditions.
- Reputational risk is the risk that negative perceptions regarding BANA India's conduct or business practices may adversely impact its profitability or operations. Reputational risk may result from many of the bank's activities, including those related to the management of strategic, operational, compliance and credit risks. As a result, the potential impact to the bank's reputation of all our activities and all risks we face is evaluated. Reputational risk may arise from negative perception on the part of key stakeholders (e.g., customers, counterparties, investors, regulators, rating agencies), scrutiny from external parties (e.g., politicians, consumer groups, media organizations) and the ongoing threat of litigation. These reputational risk events could adversely impact the bank's financial standing through an inability to maintain or establish business relationships.
- Compliance risk is the risk of legal or regulatory sanctions, material financial loss or damage to the reputation of the Bank arising from the failure of the Bank to comply with the requirements of applicable laws, rules, regulations, related self-regulatory organizations' standards and codes of conduct. Bank of America is committed to complying with applicable laws, rules and regulations governing the processes and activities of our front-line units and control functions in the jurisdictions in which we operate. Bank of America has no appetite for accepting compliance risk.

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- Interest Rate Risk in Banking Book (IRRBB) refers to the potential adverse financial impact on the Bank's net interest income from changes in interest rates. Due to the fundamental nature of its business, the Bank carries various interest sensitive assets and liabilities in its balance sheet. This exposes the Bank to risk on from changes in interest rates. These assets and liabilities essentially reside in the banking book. In other words, IRRBB refers to the risk associated with interest rate sensitive instruments that are not held in the trading book of the Bank. Interest rate risk in the trading book is covered in the market risk section.
- Credit concentration risk arises due to imperfect diversification of credit exposures in two ways. One, by having very large exposures to a small set of obligors due to which, default by a big customer could result in a huge loss. This is known as name (single/group) concentration risk. Second type of concentration is due to excessive exposure to a particular industry sector. It is observed that defaults in a particular industry sector are generally correlated. Hence, if an industry is under a severe recession, it could result in multiple defaults leading to huge losses.
- Other Risks

Securitization Risk

- It is not one of the primary business activities of BANA India to enter transactions either to securitize and sell its loans or to buy securitized loans from any other bank. The Bank, as of June 30, 2023, does not have any such investments nor has it securitized any of its assets.
- **Settlement Risk** arises out of exposures on counterparties during the settlement of a deal when the Bank has performed its obligation in the contract and the counterparty is yet to perform its part (either delivery or payment). It is of transient nature; and may arise from counterparty default, operational problems, market liquidity constraints and other factors.
- **Pension obligation risk** is the risk of a shortfall of pension funds available in the future to meet pension obligations for its eligible employees. The Bank provides for its pension liability, which is a defined contribution scheme, for all its eligible employees.
- **Model Risk** is the potential for adverse consequences from decisions based on incorrect or misused model output and reports. The Enterprise Model Risk Policy ("EMRP") provides comprehensive guidance for understanding monitoring and managing model risk at Bank of America. The EMRP is consistent with applicable rules and regulations and establishes a framework of corporate responsibilities and standards for effectively managing model risk across the enterprise.
- **Risk of Under-estimation of Credit Risk under the Standardized Approach**
The use of standardized approach for calculating the Pillar 1 capital requirement in respect of credit risk is a conservative approach given the portfolio primarily consists of corporate customers with strong credit profiles and the credit risk in the portfolio is well managed by the credit risk management processes in place.

The Bank computes credit exposure for market related off balance sheet products using the Current Exposure Method (CEM) and it captures the risk contained in the transactions that give rise to Counterparty Credit Risk (CCR) appropriately and satisfactorily.

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- **People risk assessment:**

Considering the business profile and activities of the bank, the risk that business objectives will not be met due to human resource deficiencies is considered low. The bank has a strong focus on talent acquisition and succession planning as also on ensuring effective backups, which mitigates the impact on business due to changes in key positions. The annualized turnover rate and the capacity utilization (# Open positions/Total headcount) indicates a good level of stability and very limited bandwidth constraints. The number of conduct risk violations have been low and there has not been any history of internal frauds within the bank. There is a thrust on training and development which also ensures staff awareness and understanding on key policies, laws and regulations related to information privacy and protection, anti-money laundering, the risk framework, emergency preparedness, among others.

- **Technology risk assessment:**

The bank is reliant on global systems that are time tested and robust and the risk that arises from systems and/or tools that are deficient, unstable and/or overly complex is low. The client interface is automated and the processing capabilities with underneath reporting functionalities are well established. The bank's loss history is not material and there haven't been too many significant events over the last 3 years that are attributable to system failures.

Risk Governance

BANA India has the following senior management level local committees or groups for risk governance.

Local Management Team ("LMT")

The LMT is chaired by the Country Executive Officer of the Bank. It is the primary body which provides strategic direction to the Bank and ensures compliance with regulatory requirements and the internal policies of the Bank. It is responsible for branch governance and oversight of branch operations. It is also responsible for reviewing and approving new business and products. It reviews the country performance with respect to strategic objectives. The LMT holds meetings at least once in two months or more frequently if required. The LMT reviews and approves the ICAAP on an annual basis or upon any revision in the interim.

Asset Liability Council ("ALCO")

The ALCO is chaired by the Country Executive Officer of the Bank. It provides management oversight of the branch's balance sheet, capital, liquidity management and stress testing activities, consistent with the Bank's overall risk appetite for balance sheet, capital, liquidity management and stress testing. It also provides review and, as appropriate, approval of the branch-specific policies, processes, and contingency funding plans, as requested by the Council or required by regulation. The ALCO holds meetings four times in a financial year or more frequently if required. The ALCO reviews and approves the ICAAP on an annual basis or upon any revision in the interim.

Risk Management Committee ("RMC")

RMC is independently chaired by the Chief Risk Officer. RMC serves as an oversight body to provide strategic direction for a progressive risk management system and policies & strategy to be followed to mitigate the risks associated with the business. RMC comprises senior management of the Bank and representatives from front line units and relevant control & support functions. RMC meets at least on a quarterly basis.

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Customer Service Committee ("CSC")

Customer Service Committee ('CSC') is responsible for activities relating to customer service and client services issues. CSC meets four times in a year. The committee is chaired by Head - Banking Operations.

Audit Council

The Audit Council assists LMT in exercising oversight of the effectiveness of the Bank's system of internal controls and policies and procedures for managing and accessing risk, integrity of the financial statements of the Bank, and compliance by the Bank with legal and regulatory requirements. The Council also provides direct oversight over the audit function. The Audit Council meets at least four times in a year.

The Audit council is mainly responsible for:

- Providing direction and overseeing the operation of the audit function in the Bank,
- to determine scope of concurrent audit
- Following up on issues raised in LFAR and discussing the financial statements
- Follow up on all the issues/concerns raised in the inspection reports of RBI

Technology Steering Committee ("TSC")

The TSC is chaired by the Chief Information Officer ("CIO"). The Technology Steering Committee (TSC) oversees projects in partnership with the Regional / Global Technology and other Functional teams across the Bank including common infrastructure or other projects cutting across businesses or support groups. The TSC conducts meetings at least once every quarter or more frequently if required.

The TSC is mainly responsible for:

- To assist the Executive Management in implementing Information technology ("IT") Strategy that has been approved by the by global/regional and local management forums,
- Setting project priorities, assessing strategic fit for Information Technology ('IT') proposals and reviewing critical project status and milestones,
- Monitoring IT Governance, project risk, technology operational risks and control processes
- Providing regular updates to the India LMT on significant Technology matter

Returns Governance Group ("RGG")

Returns Governance Group (RGG) was formed based on guidance by RBI in 'Approach Paper on Automated Data Flow from Banks to Reserve Bank of India (Nov 2010) and guidance on Supervisory Program for Assessment of Risk and Capital (SPARC). RGG is the governance body responsible for providing oversight to all regulatory submissions, including Risk Based Supervision. RGG, as required by RBI comprise of representatives from Compliance, Business, Technology, etc. and perform the following roles.

- Act as Vigilante and Custodian and review the final submissions under RBS prior to submission to RBI
- Ensure timely and consistent submission of returns to RBI.
- Ensuring that the metadata is as per the Reserve Bank definitions and be an escalation point for any issues or errors relating to the regulatory reports / returns submitted to RBI.
- Prioritizing various returns and change request for any new/changed requirement/s by Reserve Bank and handling ad-hoc queries relating to RBS and CIMS

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Credit Approval Council ('CAC') –

CAC serves as a body for according credit sanction to high value proposals (defined as those requiring Level 2 approval as per the Wholesale Credit and Risk Approval Authority Grid) for the Bank. This is in accordance with RBI notification DBR.BP.BC.No.65/21.04.103/2016-17 on 'Risk Management Systems – Role of the Chief Risk Officer (CRO)'. The council will also review recommendations on identifying Willful Defaulters and Non-Cooperative Borrowers, annually review NPAs & exposure strategy and identify any other actions required in accordance with internal policies

Table DF-3: Credit Risk: General Disclosures

I. Qualitative disclosures

Robust risk management policies and procedures are laid out in the Global Corporate & Investment Banking Risk Policy. It is supplemented by the Credit Compliance Manual. Written policies, procedures, standards, and guidelines are updated on a regular basis to provide a clear direction to officers for meeting the requirements for which they are accountable. Approval authority is vested via an Approval Grid which takes into account the quantum, internal risk rating and nature of exposure and the position/experience of the approver.

BANA India manages credit risk to a borrower or counterparty based on its risk profile, which includes assessing repayment sources, underlying collateral, if any, and the expected effects of the current and forward-looking economic environment on the borrowers or counterparties. Underwriting, credit management and credit risk limits are proactively reassessed as a borrower's or counterparty's risk profile changes. As part of the overall credit risk assessment of a borrower or counterparty, credit exposures are assigned a risk rating and are subject to approval based on defined credit approval standards. High Value Proposals are subject to approvals by Credit Approval Council ("CAC"). Subsequent to loan origination, risk ratings are monitored on an ongoing basis. If necessary, risk ratings are adjusted to reflect changes in the financial condition and cash flow of a borrower or counterparty.

BANA India follows the policy of internal rating on a scale of Risk Rating ("RR") 1-11, and the RR is regularly monitored. Exposures with RR of 8 or worse (criticized assets) are subject to additional scrutiny and monitoring. Credit risk appetite metrics are monitored as part of the BANA India risk appetite metrics.

Unhedged Foreign Currency Exposure ("UFCE") of the borrower is an area of risk for the individual entity as well as for the entire financial system; as entities who do not hedge their exposure may incur significant losses due to exchange rate movements, which in turn can reduce their capability to service the loans taken from the banks. In line with the extant RBI guidelines on UFCE, BANA India has put in place a process to ascertain the amount of UFCE, estimate the extent of likely loss and riskiness due to UFCE, and provide for incremental capital & make incremental provision, as warranted.

In order to address concentration risk in banking industry the RBI has issued 'Guidelines of Enhancing Credit Supply' requiring banks to create additional provision and also apply additional risk weights on specified borrowers effective April 01, 2018. BANA India has put in place a process to ensure compliance with requirements of the said guidelines/directions.

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Impact of RBI Regulations on Bilateral Netting

RBI has issued a circular on March 30, 2021, allowing usage of bilateral netting of Qualified Financial Contracts (QFC) to mitigate risk subject to there being an effective bilateral netting agreement in place as specified in Annex 20 (Part B) of the Basel III Capital Regulations. This was issued on the back of the 'The Bilateral Netting of Qualified Financial Contracts Act, 2020 which provides a legal framework for enforceability of bilateral netting of such contracts. The bilateral netting has been applied for clients to the extent eligible under extant Basel III Capital Regulations.

Impact of RBI guidelines with respect to Large Exposures Framework – Credit Risk Mitigation (CRM) for offsetting – non-centrally cleared derivative transactions of foreign bank branches in India with their Head Office

Large Exposures Framework (LEF) – limits on non-centrally cleared derivatives exposures were made effective Oct 1, 2021, whereby foreign exchange/derivative exposures would be included in the LEF exposures for all counterparties.

Further RBI vide its circular dated Sept 9, 2021 has permitted Indian branches of foreign banks to offset cash/unencumbered approved securities placed under section 11(2)(b)(i) against such derivative exposures of BANA HO /overseas branches subject to conditions as prescribed in the circular being met .

The source of such cash/securities has to be either interest free funds from Head office or remittable surplus in the books. The benefit can be claimed only against FX/Derivative exposures and amount so held cannot be counted for other statutory / regulatory requirements. The same has been factored in calculation of LEF exposures against the limit as well as in the capital calculation.

Norms for determining when to classify various types of assets as non-performing

- Term loans are treated as non-performing if the interest and/or installments of principal remain overdue for a period of more than 90 days.
- Cash credits & overdrafts are treated as non-performing if the accounts remain out of order for a period of more than 90 days.
- An account will be treated "out of order" if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power for 90 days. In case where the outstanding balance is less than the sanctioned limit/drawing power, but there are no credits continuously for previous 90 days period or credits are not enough to cover the interest debited during the same period, these accounts will be treated as out of order.
- Bills purchased/discounted are treated as non-performing if the bill remains overdue and unpaid for a period of more than 90 days.
- Any overdue receivables representing positive mark-to-market value of a foreign exchange and interest rate derivative contracts will be treated as non- performing asset if these remain unpaid for 90 days or more, upon becoming due
- Any other facility will be treated as non-performing if any amount to be received remains overdue for a period of more than 90 days during the financial year

Note: Overdue: Any amount due to Bank under any credit facility is 'overdue' if it is not paid by the due date

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II. Quantitative disclosures

a. Total Gross credit exposures

<i>INR Million</i>	30-Jun-23	31-Mar-23
Fund Based	405,988	420,832
Non-Fund Based ¹	210,108	222,143

b. Geographic distribution

<i>INR Million</i>	30-Jun-23		31-Mar-23	
	Domestic	Overseas ²	Domestic	Overseas ²
Fund Based	405,988	-	420,832	-
Non-Fund Based ¹	210,108	-	222,143	-

¹Includes market as well as non-market related exposures.

²As per the clarification given in the guidelines for Pillar 3 disclosures, definition of Overseas and Domestic should be as adopted for segment reporting in compliance with Accounting Standard- 17 issued by ICAI. As the Bank does not have any overseas operations, all exposures are reported under domestic exposures.

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c. Distribution of Exposures by sector / industry

INR million

Sr.no	Particulars	30-Jun-23		31-Mar-23	
		Funded Exposure	Non Funded Exposure*	Funded Exposure	Non Funded Exposure*
I	Agriculture & Allied Activities				
	Agri - Direct	-	-	-	-
	Agri - Indirect	-	82	-	37
	I. Total	-	82	-	37
II	Industry (Micro & Small, Medium and Large)				
1	Construction	7,560	889	6,813	1,751
2	Gems & Jewellery	-	-	-	-
3	Cement & Cement products	-	-	-	-
4	Infrastructure	20,211	1,946	19,703	2,022
5	Textiles	-	493	-	493
6	Basic metal and metal products	2,706	1,141	1,564	1,275
7	Mining and Quarrying	-	-	-	-
8	All Engineering	20,669	10,829	20,662	10,824
9	Chemicals and chemical products	23,539	1,947	34,124	2,327
10	Petroleum, coal products and nuclear fuels	1,268	8,962	7,462	6,544
11	Vehicles, vehicle parts and transport equipments	22,235	3,121	22,504	3,243
12	Beverage & Tobacco	7,257	223	5,607	203
13	Food Processing	8,371	275	8,392	314
14	Other Industries	3,892	190	4,125	205
15	Paper & paper products	582	49	471	49
16	Rubber, plastic & their products	-	125	420	135
17	Leather & leather products	-	-	-	-
18	Wood and Wood products	-	-	-	-
19	Cement and Cement Products	559	-	-	-
	II. Total	118,849	30,190	131,848	29,384
III	Services				
1	Aviation	-	673	-	678
2	Shipping	-	-	-	-
3	Commercial Real Estate	-	-	-	-
4	Banks	15,066	126,712	15,868	135,912
5	Non-banking financial companies (NBFCs)	46,624	5,529	44,568	6,689
6	Computer Software	17,479	13,070	17,511	15,223
7	Trade	17,164	3,220	15,674	3,411
8	Other Services	188,159	27,423	187,973	27,642
9	Professional & Other Services	2,646	2,766	2,038	2,514
10	Transport Operators	1	390	5,352	595
11	Tourism & Hotels & Restaurants	-	53	-	58
	III. Total	287,139	179,836	288,984	192,722
	Grand Total	405,988	210,108	420,832	222,143

* Includes market as well as non-market related exposures

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d. Residual contractual maturity pattern for assets.

As of June 30, 2023

INR Million

Particulars	Cash	Advances	Balance with RBI	Balances with other Banks / FI	Fixed Assets	Investments	Other Assets
Next Day	42	1,364	298	2,928	-	236,624	13,113
2 - 7 days	-	12,426	19,120	43,060	-	34,817	7
8-14 days	-	9,703	-	-	-	-	101
15-30 days	-	27,341	8,771	-	-	31,185	-
31 days to 2 month	-	21,762	1,093	-	-	3,885	-
2-3 months	-	36,453	1,295	-	-	6,579	101,608
3-6 months	-	14,579	704	-	-	38,903	5,226
6 months to 1 year	-	27,984	961	-	-	3,419	-
1-3 years	-	32,802	11,510	-	-	57,152	-
3-5 years	-	13,071	0	-	-	1	-
5-7 years	-	-	1	-	-	5	-
7-10 years	-	-	-	-	-	-	-
10-15 years	-	-	0	-	-	0	-
Over 15 years	-	-	-	-	1,803	21,833	5,136
TOTAL	42	197,485	43,753	45,988	1,803	434,403	125,191

As of March 31, 2023

INR Million

Particulars	Cash	Advances	Balance with RBI	Balances with other Banks / FI	Fixed Assets	Investments	Other Assets
Next Day	40	4,597	6,070	116,856	-	189,409	15,838
2 - 7 days	-	7,459	-	-	-	-	-
8-14 days	-	10,511	-	-	-	4,103	104
15-30 days	-	23,223	9,022	-	-	52,578	-
31 days to 2 month	-	34,232	1,507	-	-	29,884	-
2-3 months	-	18,375	978	-	-	3,477	90,101
3-6 months	-	46,417	733	-	-	2,606	3,950
6 months to 1 year	-	20,682	754	-	-	2,679	-
1-3 years	-	28,952	10,023	-	-	54,540	-
3-5 years	-	12,713	1	-	-	3,915	-
5-7 years	-	-	1	-	-	5	-
7-10 years	-	-	-	-	-	-	-
10-15 years	-	-	0	-	-	0	-
Over 15 years	-	-	-	-	1,785	17,769	5,322
TOTAL	40	207,161	29,087	116,856	1,785	360,965	115,315

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

e. Amount of NPAs (Gross) – Nil (March 31, 2023 – Nil)

f. Net NPAs – Nil (March 31, 2023 – Nil)

g. NPA Ratios

- Gross NPA to Gross Advances – **Nil** (March 31, 2023 – Nil)
- Net NPA to Net Advances – **Nil** (March 31, 2023 – Nil)

h. Movement of NPAs (Gross)

<i>INR Million</i>	30-Jun -23	31-Mar-23
Opening balance	-	-
Additions during the year	-	5,346
Reductions during the period	-	5,346
Closing balance	-	-

i. Movement of provision for NPAs

<i>INR Million</i>	30-Jun-23	31-Mar-23
Opening balance	-	-
Provisions made during the year	-	1,337
Write-off	-	-
Write-back of excess provisions	-	1,337
Closing balance	-	-

k. Non-Performing Investments: Nil (March 31, 2023 – Nil)

l. Provisions for Non-Performing Investments – Nil (March 31, 2023 – Nil)

m. Movement of provision for Depreciation on Investments

<i>INR Million</i>	30-Jun-23	31-Mar-23
Opening balance	1,469	602
Provisions made during the year	1,231	867
Write-off	-	-
Write-back of excess provisions	-	-
Closing balance	2,700	1,469

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

Table DF-4 - Credit Risk: Disclosures for Portfolios Subject to the Standardised Approach

I. Qualitative disclosures

The Bank adopts the following basis for assignment of risk weights for different categories of counterparties:

a. Scheduled Banks including foreign bank branches in India:

The bank has applied risk weights on exposures to scheduled banks for the purpose of Pillar 1 calculation in line with Basel III regulations as prescribed by RBI.

b. Foreign Banks:

Ratings for foreign banks have been sourced from websites of Fitch, Moody's and Standard & Poor's. The bank has applied risk weights relevant to the ratings assigned by international credit rating agencies as prescribed by RBI. In case of unrated exposures, bank has applied risk weights as prescribed by RBI guidelines.

c. Corporates:

Where the obligors have obtained rating of the facility from any of the accredited credit rating agencies viz., Credit Analysis & Research Limited (CARE), CRISIL Ratings Limited, ICRA Limited (ICRA), India Ratings and Research Private Limited (Fitch), SME Rating Agency of India Ltd. (SMERA) as specified by the RBI, the Bank has applied the risk weights relevant to the ratings assigned by the credit rating agencies. Unrated corporate exposures have been risk weighted as per extant RBI guidelines.

RBI has prescribed following domestic rating agencies – Acuite , CARE, CRISIL, ICRA, India Ratings, INFOMERICS. International Rating agencies – FITCH , Moody , Standard & Poor

II. Quantitative disclosures

a. Total Gross credit exposures

<i>INR Million</i>	30-Jun-23	31-Mar-23
Fund Based		
Below 100% risk weight	278,822	289,169
100% risk weight	13,107	20,686
More than 100% risk weight	114,059	110,977
Deducted	-	-
Total	405,988	420,832

<i>INR Million</i>	30-Jun-23	31-Mar-23
Non-Fund Based ⁵		
Below 100% risk weight	131,569	141,959
100% risk weight	-	-
More than 100% risk weight	78,539	80,184
Deducted	-	-
Total	210,108	222,143

⁵Includes market as well as non-market related exposures.

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Basel III Pillar 3 Disclosures

Leverage Ratio

Quantitative disclosures

<i>INR Million</i>	30-Jun-23	31-Mar-23	31-Dec-22	30-Sep-22
Tier 1 Capital	127,653	127,645	116,739	116,781
Exposure Measure	1,088,236	1,106,546	1,063,826	1,028,408
Leverage Ratio (%)	11.53	11.54	10.97	11.36

Net Stable Funding Disclosure as at Jun 30, 2023

The Basel Committee on Banking Supervision (BCBS) had introduced the Net Stable Funding Ratio (NSFR) in order to ensure resilience over a longer- term time horizon by requiring banks to fund their activities with more stable sources of funding. NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available stable funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required stable funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off - balance sheet (OBS) exposures.

The bank monitors the ratio at daily frequency reports to RBI on a quarterly basis.

The following tables sets out the un-weighted and weighted value of NSFR components as of Jun 30,2023, Mar 31,2023, Dec 31, 2022, Sep 30,2022, and Jun 30, 2022

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As of Jun 30, 2023

(INR. Million)

NSFR Disclosure Template						
	Unweighted value by residual maturity				Weighted value	
	No maturity	< 6 months	6 months to <1yr	≥ 1yr		
ASF Item						
1	Capital: (2+3)	-	-	-	137,462	137,462
2	Regulatory capital	-	-	-	137,462	137,462
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	20	-	-	-	18
5	Stable deposits	2	-	-	-	2
6	Less stable deposits	18	-	-	-	16
7	Wholesale funding: (8+9)	189,940	175,828	20,610	82	193,271
8	Operational deposits	189,940	-	-	-	94,970
9	Other wholesale funding	-	175,828	20,610	82	98,301
10	Other liabilities: (11+12)	77,511	57,743	187	53,871	-
11	NSFR derivative liabilities	-	-	-	-	-
	All other liabilities and equity not included in the above categories	-	-	-	-	-
12		77,511	57,743	187	53,871	-
13	Total ASF (1+4+7+10)					330,751
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					20,444
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities: (17+18+19+21+23)	-	167,628	44,479	17,141	98,915
17	Performing loans to financial institutions secured by Level 1 HQLA	-	43,060	-	-	4,306
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	10,784	22,520	-	12,878
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	113,785	21,959	-	67,872
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	3,555	2,311
21	Performing residential mortgages, of which:	-	-	-	-	-
22	With a risk weight of greater than 35% under the Basel II Standardised Approach for credit risk	-	-	-	13,587	11,549
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
24	Other assets: (sum of rows 25 to 29)					68,503
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	11,444	-	-	10,638
27	NSFR derivative assets	-	9,666	-	-	9,666
28	NSFR derivative liabilities before deduction of variation margin posted	-	3,824	-	-	3,824
29	All other assets not included in the above categories	9,032	9,459	-	25,884	44,375
30	Off-balance sheet items	5,371	36,088	34,384	318,141	18,389
31	Total RSF					206,252
32	Net Stable Funding Ratio (%)					160.4%

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As of Mar 31,2023

(INR. Million)

NSFR Disclosure Template						
	No maturity	Unweighted value by residual maturity			Weighted value	
		< 6 months	6 months to <1yr	≥ 1yr		
ASF Item						
1	Capital: (2+3)	-	-	-	137,642	137,642
2	Regulatory capital	-	-	-	137,642	137,642
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	20	-	-	-	18
5	Stable deposits	2	-	-	-	2
6	Less stable deposits	18	-	-	-	16
7	Wholesale funding: (8+9)	178,438	215,377	17,260	82	205,619
8	Operational deposits	178,438	-	-	-	89,219
9	Other wholesale funding	-	215,377	17,260	82	116,400.41
10	Other liabilities: (11+12)	71,353	51,111	120	54,181	-
11	NSFR derivative liabilities	-	-	-	-	-
	All other liabilities and equity not included in the above categories	-	-	-	-	-
12	categories	71,353	51,111	120	54,181	-
13	Total ASF (1+4+7+10)					343,280
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					16,566
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities: (17+18+19+21+23)	-	261,959	37,486	14,913	108,697
17	Performing loans to financial institutions secured by Level 1 HQLA	-	113,599	-	-	11,360
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	21,551	15,990	-	11,228
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	126,810	21,496	-	74,153
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	3,596	2,337
21	Performing residential mortgages, of which:	-	-	-	-	-
22	With a risk weight of greater than 35% under the Basel II Standardised Approach for credit risk	-	-	-	11,317	9,620
23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	-	-	-	-	-
24	Other assets: (sum of rows 25 to 29)					62,903
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	9,998	-	-	9,380
27	NSFR derivative assets	-	7,393	-	-	7,393
28	NSFR derivative liabilities before deduction of variation margin posted	-	4,037	-	-	4,037
29	All other assets not included in the above categories	5,531	10,174	-	26,389	42,093
30	Off-balance sheet items	5,343	40,718	33,734	313,399	18,323
31	Total RSF					206,490
32	Net Stable Funding Ratio (%)					166.2%

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As of Dec 31, 2022

(INR. Million)

NSFR Disclosure Template					
	Unweighted value by residual maturity				Weighted value
	No maturity	< 6 months	6 months to <1yr	≥ 1yr	
ASF Item					
1 Capital: (2+3)	-	-	-	135,588	135,588
2 Regulatory capital	-	-	-	135,588	135,588
3 Other capital instruments	-	-	-	-	-
4 Retail deposits and deposits from small business customers: (5+6)	20	-	-	-	18
5 Stable deposits	2	-	-	-	2
6 Less stable deposits	18	-	-	-	16
7 Wholesale funding: (8+9)	190,713	168,285	12,684	-	185,841
8 Operational deposits	190,713	-	-	-	95,357
9 Other wholesale funding	-	168,285	12,684	-	90,484.39
10 Other liabilities: (11+12)	82,198	50,832	108	47,191	-
11 NSFR derivative liabilities	-	-	-	-	-
All other liabilities and equity not included in the above categories	82,198	50,832	108	47,191	-
13 Total ASF (1+4+7+10)					321,447
RSF Item					
14 Total NSFR high-quality liquid assets (HQLA)					11,414
15 Deposits held at other financial institutions for operational purposes					
16 Performing loans and securities: (17+18+19+21+23)	-	344,620	16,186	17,937	103,163
17 Performing loans to financial institutions secured by Level 1 HQLA	-	206,687	-	-	20,669
18 Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	19,979	2,700	-	4,347
19 Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	117,953	13,486	-	65,720
20 With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	14,090	9,159
21 Performing residential mortgages, of which:	-	-	-	-	-
22 With a risk weight of greater than 35% under the Basel II Standardised Approach for credit risk	-	-	-	3,847	3,270
23 Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
24 Other assets: (sum of rows 25 to 29)					65,751
25 Physical traded commodities, including gold	-	-	-	-	-
26 Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	14,736	-	-	13,777
27 NSFR derivative assets	-	7,781	-	-	7,781
28 NSFR derivative liabilities before deduction of variation margin posted	-	6,738	-	-	6,738
29 All other assets not included in the above categories	7,024	8,926	-	21,504	37,455
30 Off-balance sheet items	5,800	38,623	36,114	322,906	18,795
31 Total RSF					199,123
32 Net Stable Funding Ratio (%)					161.4%

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As of Sep 30, 2022

(INR. Million)

NSFR Disclosure Template						
	Unweighted value by residual maturity				Weighted value	
	No maturity	< 6 months	6 months to <1yr	≥ 1yr		
ASF Item						
1	Capital: (2+3)	-	-	-	135,591	135,591
2	Regulatory capital	-	-	-	135,591	135,591
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	20	-	-	-	18
5	Stable deposits	2	-	-	-	2
6	Less stable deposits	18	-	-	-	16
7	Wholesale funding: (8+9)	178,220	127,262	15,451	-	160,467
8	Operational deposits	178,220	-	-	-	89,110
9	Other wholesale funding	-	127,262	15,451	-	71,356.42
10	Other liabilities: (11+12)	49,667	48,270	113	42,555	-
11	NSFR derivative liabilities	-	-	-	-	-
	All other liabilities and equity not included in the above	-	-	-	-	-
12	categories	49,667	48,270	113	42,555	-
13	Total ASF (1+4+7+10)					296,075
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					11,336
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities: (17+18+19+21+23)	-	269,628	33,022	17,978	107,311
17	Performing loans to financial institutions secured by Level 1 HQLA	-	135,063	-	-	13,506
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	11,224	12,195	-	7,781
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	123,341	20,827	-	72,084
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	6,708	4,360
21	Performing residential mortgages, of which:	-	-	-	-	-
22	With a risk weight of greater than 35% under the Basel II Standardised Approach for credit risk	-	-	-	11,270	9,580
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
24	Other assets: (sum of rows 25 to 29)					62,579
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	11,149	-	-	10,058
27	NSFR derivative assets	-	7,653	-	-	7,653
28	NSFR derivative liabilities before deduction of variation margin posted	-	8,547	-	-	8,547
29	All other assets not included in the above categories	8,889	8,384	-	19,048	36,321
30	Off-balance sheet items	5,568	22,079	30,273	339,848	18,408
31	Total RSF					199,635
32	Net Stable Funding Ratio (%)					148.3%

Bank of America, N.A. (India Branches)

Basel III Pillar 3 Disclosures

As of Jun 30,2022

(INR. Million)

NSFR Disclosure Template						
	No maturity	Unweighted value by residual maturity			Weighted value	
		< 6 months	6 months to <1yr	≥ 1yr		
ASF Item						
1	Capital: (2+3)	-	-	-	123,602	123,602
2	Regulatory capital	-	-	-	123,602	123,602
3	Other capital instruments	-	-	-	-	-
4	Retail deposits and deposits from small business customers: (5+6)	20	-	-	-	18
5	Stable deposits	2	-	-	-	2
6	Less stable deposits	18	-	-	-	16
7	Wholesale funding: (8+9)	171,142	128,131	15,013	38,302	195,445
8	Operational deposits	171,142	-	-	-	85,571
9	Other wholesale funding	-	128,131	15,013	38,302	109,873.62
10	Other liabilities: (11+12)	43,652	40,979	120	38,991	-
11	NSFR derivative liabilities	-	-	-	-	-
12	All other liabilities and equity not included in the above categories	-	-	-	-	-
12	categories	43,652	40,979	120	38,991	-
13	Total ASF (1+4+7+10)					319,065
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					8,077
15	Deposits held at other financial institutions for operational purposes					
16	Performing loans and securities: (17+18+19+21+23)	-	326,218	27,063	13,574	108,249
17	Performing loans to financial institutions secured by Level 1 HQLA	-	186,539	-	-	18,654
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	11,348	16,900	-	10,152
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	128,331	10,163	-	69,247
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	6,708	4,360
21	Performing residential mortgages, of which:	-	-	-	-	-
22	With a risk weight of greater than 35% under the Basel II Standardised Approach for credit risk	-	-	-	6,866	5,836
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
24	Other assets: (sum of rows 25 to 29)					58,710
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	11,660	-	-	10,660
27	NSFR derivative assets	-	2,180	-	-	2,180
28	NSFR derivative liabilities before deduction of variation margin posted	-	6,134	-	-	6,134
29	All other assets not included in the above categories	7,977	10,651	-	21,107	39,736
30	Off-balance sheet items	5,019	15,087	52,936	314,560	18,153
31	Total RSF					193,190
32	Net Stable Funding Ratio (%)					165.2%