

# Business Continuity Management

## CORPORATE POLICY

The Business Continuity Management program at Bank of America is governed through an established corporate policy which is reviewed and approved annually by the Board of Directors. Bank of America and its affiliates recognize the importance of protecting employees, customers and clients through industry-leading management of business continuity, disaster recovery and operational resilience. Those practices enable critical business functions and supporting technology, infrastructure and architecture to be defined, tested and maintained; and, in the event of a business interruption, restored and rapidly recovered.

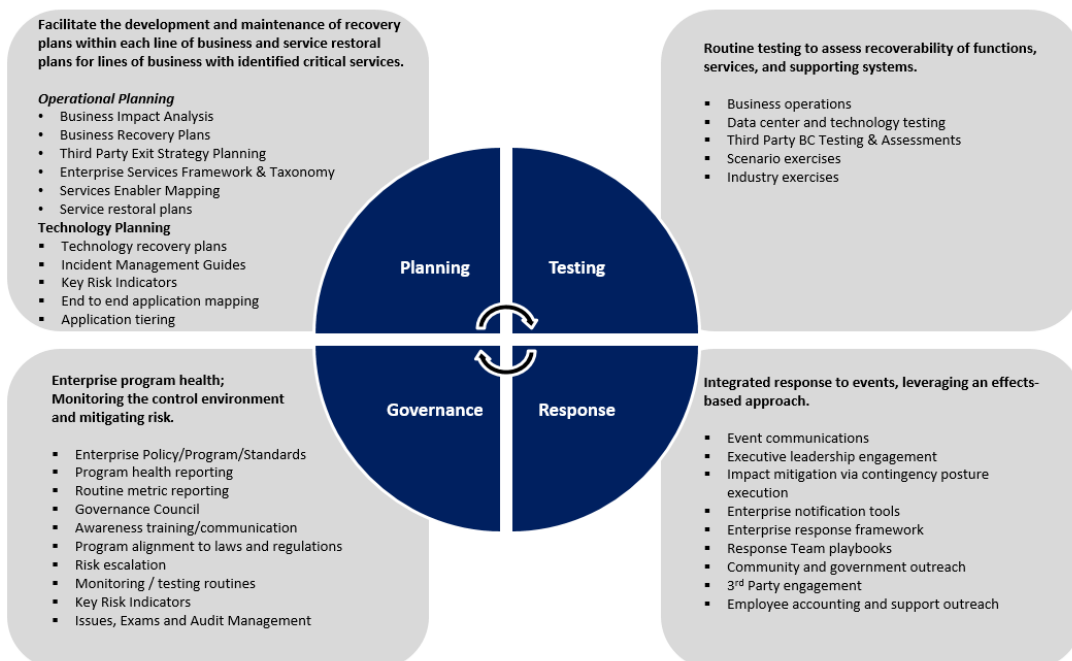
The Business Continuity Management Policy applies to all employees of Bank of America and those third-parties providing services to Bank of America’s employees, customers and clients. The policy establishes minimum requirements for maintaining the availability of business functions after a business interruption, and the Company’s ability to continue its critical services after a severe, yet plausible event. It outlines the framework for preparing for, responding to and recovering from a business disruption event enabling critical business functions, technology, infrastructure and supporting third parties to continue with minimal interruption or impact. The policy is owned and managed across the company by the Global Operational Continuity, Resiliency and Services (GOCRS) organization.

## PROGRAM OVERVIEW

The program focuses on assessing enterprise readiness for business interruption, accounting for employees and assembling leaders to execute their business continuity plans. The goal is to provide uninterrupted service to customers and clients by mitigating impacts, enabling the recovery and improving operational resiliency capabilities.

The program is examined periodically by internal auditors and bank examiners and is designed to meet or exceed regulatory requirements and financial industry standards in all countries where Bank of America conducts business.

## Business Continuity Lifecycle



## **GOVERNANCE**

The policy is managed centrally and provides oversight and direction for enterprise operational risks related to business continuity activities.

## **PLANNING**

All business functions and applications within Bank of America must be included in the enterprise recovery planning program that assesses business impacts, determines recovery objectives and requires business and/or technology recovery plans. Services provided to Bank of America by vendors or third parties are required to maintain a business continuity plan as well. Exit strategy plans are developed by front line units and control functions to ensure the continuity of Bank of America services supported by key third parties, in the event permanent exit of a third party relationship is necessary.

## **TESTING**

The Business Continuity Testing program assesses and validates controls, recovery capabilities, and response readiness for the company and its Third Parties, in order to ensure all functions and technologies are resilient.

The frequency and type of testing varies and is determined by the Recovery Time Objective (RTO) of business functions, technology and regulatory requirements. Bank of America's business continuity testing program is adhered to globally. Test results and compliance are monitored consistently by the GOCRS organization.

The Third Party Business Continuity Standard includes testing requirements that have been put in place to maintain the continuity of critical business and technical activities supported by critical third parties (as defined by Global Procurement). The test type and frequency is based on the type of service the third party provides. Compliance to the requirements are monitored by the Third Party Business Continuity team within the GOCRS organization.

## **RESPONSE**

Across the enterprise, Bank of America has dedicated response teams with defined communications processes to ensure rapid dissemination of important information to customers, clients, employees, Third Parties, and government authorities affected by a business disruption.

The response process includes:

- Executing urgent integrated response to significant business disruption events occurring with limited / no warning.
- Maximizing preparedness for advance-warning events with potential for significant business disruption.
- Driving employee and leadership communication effectiveness for all business continuity events.
- Engaging all business teams and functions across the company to enhance efficiency and effectiveness of response processes and technologies.
- Maintaining and expanding external Business Continuity Management engagements in the public and private sectors to enable world-class resiliency.
- Initiating the Third Party Failure process that requires invoking documented exit strategy plans to execute short-term solutions while simultaneously working toward a permanent, long-term solution.

## **RECOVERY AND RESILIENCE RESOURCES**

### *People*



In keeping with Bank of America's focus on resiliency in the face of a business disruption, all business continuity plans include procedures for addressing temporary unavailability of staff during such events to include natural disasters, pandemics, unplanned outages, etc.

### ***Facilities***

As part of its commitment to providing uninterrupted service to customers and clients, Bank of America's business continuity plans include geographically dispersed backup facilities and other recovery locations for critical business processes, including off-site command centers to direct recovery and resilience activities.

### ***Technology***

#### ***Mainframes***

Around the globe, Bank of America has major data centers, including company-owned and vendor-managed facilities. An extensive array of advanced recovery and resilience technologies is employed to help ensure that mitigation or recovery can be accomplished within agreed-upon time objectives. Critical customer data and application services are backed up electronically and to physical tapes, and intraday transactions are recorded to allow recovery to the point of a disaster. Tests of the recovery and resilience plans are conducted annually for mainframe systems.

#### ***Midrange/Client Servers***

Bank of America uses a variety of midrange/client server systems located throughout the enterprise. Recovery and resilience solutions are driven by business functions needs and requirements, and recovery and resilience plans are scaled to both the individual system and the entire data center in which hardware resides.

## **PROGRAM SUMMARY**

Business continuity planning at Bank of America is supported by an extensive program and incorporated into virtually every aspect of the company's business processes.

The business continuity management program balances reasonable assessments of risk, placing the highest priority on the physical safety and security of our customers and employees, while preparing for loss of facilities, technologies and third party services. Our long history of resilience during disruptive events — from small occurrences, such as single building power outages, to large disasters, such as pandemics, major hurricanes or tsunamis, to long-term third party disruption — demonstrates both our commitment to excellence and our ability to deliver on that commitment.

Bank of America cannot always guarantee mitigation or a specific recovery time following a disruption caused by large-scale events that may include government breakdown or widespread interruption of public services and utilities. In those circumstances, Bank of America will make every reasonable effort to resume normal business as quickly as possible.