FINANCIAL STATEMENTS

Bank of America Merrill Lynch Banco Múltiplo S.A.

December 31, 2023

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ADMINISTRATION REPORT

Dear Customers and Shareholders,

The Management of Bank of America Merrill Lynch Banco Múltiplo S.A. ("Bank") hereby submits the Financial Statements for the semester and fiscal year ending on December 31, 2023, for your review, which were prepared in accordance with current legal and statutory standards. The accounting practices adopted for the recording of operations and preparation of the Financial Statements herein are in line with the Corporation Law, associated with the rules of the Central Bank of Brazil ("BACEN"), substantiated by the Accounting Plan of Institutions of the National Financial System ("COSIF").

During the year ended on December 31, 2023, the Bank recorded Net Profit of BRL 904,900,000, corresponding to BRL 1.51 per share (amount in BRL) and profitability on mean Net Worth of 20.25%.

A capital increase for the Bank was approved at the Extraordinary General Meeting held on July 27, 2023, in the amount of BRL 1,162,445,000, through the allocation of part of the Statutory Profit Reserve, and no new shares were issued. This act was approved at the Central Bank of Brazil on October 26, 2023.

The Bank adopts the calculation of operational and Basel limits based on the consolidated data of the Bank of America Prudential Conglomerate ("Conglomerate"). As of December 31, 2023, the Conglomerate Basel index, calculated in accordance with current regulations, is 21.94%. The Conglomerate has specific risk areas, independent of business areas, to manage the various existing risks. As determined by the current rules of the Central Bank, structures governing risk and capital management activities of the Conglomerate are published in a public access directory, available at: http://www.bofabrasil.com.br/.

São Paulo, March 25, 2024

The Board of Directors

Bank of America Merrill Lynch Banco Múltiplo S.A.

Balance Sheet as of December 31, 2023 and 2022

(in thousands of Brazilian Reals)

Assets		**12/31/2023**	**12/31/2022**
Current Assets		**30,102,471**	**28,693,815**
Cash Equivalents	(Note 04)	180,034	359,647
Financial instruments		**29,752,889**	**28,128,751**
Reserves at Central Bank of Brazil		317,758	328,002
Interbank liquidity investment	(Note 05)	14,823,703	9,094,189
Held for trading	(Note 06)	6,721,819	8,689,983
Available for sale	(Note 07)	123,280	31,504
Held to maturity	(Note 08)	-	199,931
Derivatives	(Note 09)	3,387,272	3,785,211
Credit Operations	(Note 10)	860,340	553,627
Foreign Exchange Portfolio	(Note 11)	1,798,774	4,941,985
Other financial assets	(Note 12)	1,719,943	504,319
Provision for expected losses associated with credit risk	(Note 10)	(514)	(439)
Current tax assets	(Note 18)	125,691	120,697
Other Assets	(Note 13)	44,371	85,159
Non-current		**3,139,075**	**3,654,825**
Long-term assets		**3,050,372**	**3,595,743**
Financial instruments		**2,434,594**	**2,876,845**
Interbank liquidity investment	(Note 05)	144,667	128,780
Available for sale	(Note 07)	23,797	509,881
Derivatives	(Note 09)	1,667,054	1,787,438
Credit Operations	(Note 10)	599,076	450,746
Provision for expected losses associated with credit risk	(Note 10)	(11,807)	(2,102)
Deferred tax assets	(Note 18)	404,029	511,135
Other Assets	(Note 13)	223,556	209,865
Fixed Assets		**88,703**	**59,082**
Fixed Assets for Use	(Note 14)	207,561	163,677
(-) Accumulated depreciation	(Note 14)	(118,858)	(104,595)
Total Assets		**33,241,546**	**32,348,640**

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Balance Sheet as of December 31, 2023 and 2022

(in thousands of Brazilian Reals)

Liabilities		**12/31/2023**	**12/31/2022**
Current Assets		**11,755,647**	**17,319,234**
Deposits and other financial liabilities		**10,985,720**	**16,500,702**
Deposits	(Note 15)	2,574,669	3,805,792
Fundraising	(Note 16)	3,053,764	2,873,570
Derivatives	(Note 09)	3,395,435	3,986,916
Foreign Exchange Portfolio	(Note 11)	1,805,301	5,533,220
Other financial liabilities	(Note 12)	156,551	301,204
Current Tax Obligations	(Note 18)	471,813	506,710
Other Liabilities	(Note 19)	298,114	311,822
Non-current		**16,733,039**	**10,995,190**
Deposits and other financial liabilities		**16,094,160**	**10,300,430**
Deposits	(Note 15)	14,486,742	8,265,975
Derivatives	(Note 09)	1,607,418	2,034,455
Provisions	(Note 17)	214,073	189,617
Deferred Tax Obligations	(Note 18)	376,987	472,286
Other Liabilities	(Note 19)	47,819	32,857
Total liabilities		**28,488,686**	**28,314,424**
Share capital		3,200,000	2,037,555
Profit Reserves		1,553,219	1,994,625
Other comprehensive results		(359)	2,036
Total net worth	(Note 20)	**4,752,860**	**4,034,216**
Total liabilities and net worth		**33,241,546**	**32,348,640**

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Income Statement for the semester ended December 31, 2023 and for the fiscal years ended December 31, 2023 and 2022

(in thousands of Brazilian Reals)

		2nd Semester	12/31/2023	12/31/2022
Financial brokerage revenues		1,074,003	1,945,380	1,696,815
Financial brokerage expenses		(790,503)	(1,507,777)	(1,363,688)
Provisions for net recovery losses	(Note 10)	(41)	(9,013)	(1,685)
Net gains (losses) from financial instruments		475,633	1,056,147	758,939
Gains (losses) on foreign exchange contracts		154,248	271,876	536,186
Result of financial brokerage	(Note 21)	**913,340**	**1,756,613**	**1,626,567**
Revenue from fees and commissions	(Note 22)	444,987	832,262	971,987
Operating revenues		**1,358,327**	**2,588,875**	**2,598,554**
Personnel Expenses	(Note 23)	(361,429)	(689,993)	(645,656)
Board Compensation		(35,745)	(71,397)	(64,077)
Fees and commissions expenses	(Note 24)	(42,675)	(82,715)	(50,639)
Other Administrative Expenses	(Note 25)	(153,373)	(290,923)	(266,754)
Depreciation	(Note 14)	(12,856)	(21,367)	(15,466)
Other operating revenues (expenses)	(Note 26)	(93,480)	(191,889)	(133,619)
Net profit before taxation		**658,769**	**1,240,591**	**1,422,343**
Income tax	(Note 18)	(144,498)	(335,691)	(551,567)
Net profit for period/year		**514,271**	**904,900**	**870,776**
Earnings per share in Brazilian reals				
Basic and diluted earnings per share		**0.86**	**1.51**	**1.46**
Number of Shares		598,330,140	598,330,140	598,330,140

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Statement of Comprehensive Income for the semester ended December 31, 2023 and for the fiscal years ended December 31, 2023 and 2022

(in thousands of Brazilian reals)

		2nd Semester	2023	2022
Net profit for period/year		**514,271**	**904,900**	**870,776**
Financial assets available for sale		**2,807**	**1,869**	**2,248**
Fair value variation	(Note 07)	5,103	3,398	4,089
Tax Effect		(2,296)	(1,529)	(1,841)
Employee Benefits		**(4,264)**	**(4,264)**	**(635)**
Actuarial adjustment variation	(Note 19)	(7,754)	(7,754)	(1,156)
Tax Effect		3,490	3,490	521
Total other comprehensive results		**(1,457)**	**(2,395)**	**1,613**
Total comprehensive results		**512,814**	**902,505**	**872,389**

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Statement of Changes in Net Worth for the semester ended December 31, 2023 and fiscal years ended December 31, 2023 and 2022

(in thousands of Brazilian Reals)

		Share capital		Profit Reserve			Other comprehensive results		
		Capital	Capital Increase	Legal	Statutory	Accrued profits	Financial assets available for sale	Employee Benefits	Total
Balances as of December 31, 2021		**1,953,813**	**83,742**	**105,189**	**1,210,633**	**-**	**(674)**	**1,097**	**3,353,800**
Net profit for fiscal year		-	-	-	-	870,776	-	-	870,776
Legal reserve	(Note 20)	-	-	43,539	-	(43,539)	-	-	-
Capital increase and statutory reserve	(Note 20)	83,742	(83,742)	-	14,836	-	-	-	14,836
Interest on equity	(Note 20)	-	-	-	-	(175,756)	-	-	(175,756)
Dividends	(Note 20)	-	-	-	-	(31,053)	-	-	(31,053)
Statutory Reserve		-	-	-	620,428	(620,428)	-	-	-
Financial assets available for sale	(Note 07)	-	-	-	-	-	2,248	-	2,248
Employee Benefits	(Note 19)	-	-	-	-	-	-	(635)	(635)
Balances as of December 31, 2022		**2,037,555**	**-**	**148,728**	**1,845,897**	**-**	**1,574**	**462**	**4,034,216**
Net profit for fiscal year		-	-	-	-	904,900	-	-	904,900
Capital increase	(Note 20)	1,162,445	-	-	(1,162,445)	-	-	-	-
Increase in statutory reserve	(Note 20)	-	-	-	31,053	-	-	-	31,053
Legal reserve	(Note 20)	-	-	45,245	-	(45,245)	-	-	-
Interest on equity	(Note 20)	-	-	-	-	(205,458)	-	-	(205,458)
Dividends	(Note 20)	-	-	-	-	(9,456)	-	-	(9,456)
Statutory Reserve		-	-	-	644,741	(644,741)	-	-	-
Financial assets available for sale	(Note 07)	-	-	-	-	-	1,869	-	1,869
Employee Benefits	(Note 19)	-	-	-	-	-	-	(4,264)	(4,264)
Balances as of December 31, 2023		**3,200,000**	**-**	**193,973**	**1,359,246**	**-**	**3,443**	**(3,802)**	**4,752,860**

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Statement of Changes in Net Worth for the semester ended December 31, 2023 and fiscal years ended December 31, 2023 and 2022

(in thousands of Brazilian Reals)

		Share capital		Profit Reserve			Other comprehensive results		
		Capital	Capital Increase	Legal	Statutory	Accrued profits	Financial assets available for sale	Employee Benefits	Total
Balances as of June 30, 2023		**2,037,555**	**-**	**148,728**	**1,876,950**	**390,629**	**636**	**462**	**4,454,960**
Period net profit		-	-	-	-	514,271	-	-	514,271
Capital increase	(Note 20)	1,162,445	-	-	(1,162,445)	-	-	-	-
Legal reserve	(Note 20)	-	-	45,245	-	(45,245)	-	-	-
Interest on equity	(Note 20)	-	-	-	-	(205,458)	-	-	(205,458)
Dividends	(Note 20)	-	-	-	-	(9,456)	-	-	(9,456)
Statutory Reserve		-	-	-	644,741	(644,741)	-	-	-
Financial assets available for sale	(Note 07)	-	-	-	-	-	2,807	-	2,807
Employee Benefits	(Note 19)	-	-	-	-	-	-	(4,264)	(4,264)
Balances as of December 31, 2023		**3,200,000**	**-**	**193,973**	**1,359,246**	**-**	**3,443**	**(3,802)**	**4,752,860**

The explanatory notes of the Administration comprise an integral part of the financial statements.

Bank of America Merrill Lynch Banco Múltiplo S.A.

Statement of Cash Flows for the semester ended December 31, 2023 and fiscal years ended December 31, 2023 and 2022

(in thousands of Brazilian Reals)

	Notes	2nd Semester	12/31/2023	12/31/2022
Cash flows from (used in) operating activities		**3,265,206**	**5,722,434**	**(5,358,492)**
Adjusted net profit for period/year		**447,596**	**996,948**	**1,117,473**
Net profit for period/year		514,271	904,900	870,776
Net profit adjustments		**(66,675)**	**92,048**	**246,697**
Depreciation	(Note 14)	12,856	21,367	15.466
Fixed asset write-off	(Note 14)	404	462	337
Provision for credit risk losses	(Note 10)	88	9,120	1,817
Actuarial provisions	(Note 19)	3,545	7,208	6,728
Provision for tax and labor contingencies	(Note 17)	16,909	54,082	9,004
Revised legal deposits		(6,867)	(13,957)	(12,666)
Deferred tax assets	(Note 18)	88,339	107,105	(74,428)
Deferred Tax Obligations	(Note 18)	(181,949)	(93,339)	300,439
Variation of assets and liabilities		**2,817,610**	**4,725,486**	**(6,475,965)**
Reduction Reserves at Central Bank of Brazil		108,705	10,244	38,650
(Increase) Interbank liquidity investment		(98,577)	(100,261)	(281,420)
(Increase) Reduction Financial assets held for trading		668,169	1,968,164	(2,378,459)
(Increase)/Reduction Financial assets available for sale		406,325	397,706	(6,572)
Reduction Financial assets held to maturity		199,929	199,931	27
(Increase)/Reduction Derivative financial assets		3,702,752	518,323	(1,984,157)
(Increase) Credit Operations		(389,641)	(455,043)	(220,172)
(Increase)/Reduction Foreign Exchange Portfolio		14,541	(584,708)	587,357
(Increase)/Reduction Other financial assets		(712,729)	(1,215,624)	389,890
(Increase)/Reduction Other Assets		13,279	36,720	(1,447)
Payment of Income tax and social contributions		(77,651)	(326,386)	(312,961)
Increase/(Reduction) Deposits		1,584,420	4,989,644	(46,793)
Increase/(Reduction) Fundraising		854,435	180,194	(323,436)
(Reduction) Derivative financial liabilities		(2,946,071)	(1,018,518)	(1,274,565)
Increase/(Reduction) Other financial liabilities		(723,669)	(144,653)	(996,532)
Increase Other liabilities		213,393	269,753	334,625
Cash flows from (used in) investment activities		**(15,751)**	**(51,450)**	**(39,350)**
Additions in fixed assets in use		(15,751)	(51,450)	(39,350)
Cash flows from (used in) investment activities		**(205,458)**	**(205,458)**	**(175,756)**
Interest on equity		(205,458)	(205,458)	(175,756)
Increase (reduction) of cash and cash equivalents		**3,043,997**	**5,465,526**	**(5,573,598)**
At the beginning of the period/fiscal year		11,497,647	9,076,118	14,649,716
At the end of the fiscal year	(Note 04)	14,541,644	14,541,644	9,076,118
Increase (reduction) of cash and cash equivalents		**3,043,997**	**5,465,526**	**(5,573,598)**
Proposed Dividends		9,456	9,456	31,053

EXPLANATORY NOTES

1 General information

Bank of America Merrill Lynch Banco Múltiplo S.A. ("Bank") is constituted as a multiple bank and share company, with the corporate purpose of conducting asset, liability and accessory operations inherent to investment, foreign exchange, credit, derivatives and fixed income portfolios.

The Bank is incorporated in the form of a stock company and domiciled in Brazil, and is controlled directly by BofAML EMEA Holdings 2 Limited, a company incorporated in Jersey and indirectly by Bank of America Corporation (the Group's ultimate controller), with headquarters in the United States of America. The Bank is located at Avenida Brigadeiro Faria Lima, 3.400, in the city of São Paulo.

The financial statements for the semester and fiscal year ended December 31, 2023 were authorized for disclosure by the Board on March 25, 2024.

2 Preparation Basis

2.1 *Presentation of financial statements*

The Bank's financial statements were prepared in accordance with the accounting practices adopted in Brazil, applicable to institutions authorized to operate by the Central Bank of Brazil ("BACEN") and in accordance with the standards and instructions of the National Monetary Council ("CMN"), substantiated by the Accounting Plan of Institutions of the National Financial System ("COSIF") and accounting guidelines emanating from the Law of Share Corporations – Law No. 6,404/76 and amendments introduced by Law No. 11,638/07 and Law No. 11,941/09, and they provide proof of all relevant information on the financial statements, and these only, which are consistent with those employed by company management during administration thereof.

CMN Resolution No. 4,818/2020 and BCB Resolution No. 2/20 established general criteria and procedures for the preparation and disclosure of Financial Statements effective from January 2020, including the presentation of Comprehensive Income Statements. BCB Resolution No. 2/20 states that financial institutions must present recurring and non-recurring results incurred during the fiscal year, in their explanatory notes, in a segregated manner.

The financial statements were prepared using estimates and assumptions in determining the amounts of certain assets, liabilities, revenues and expenses in accordance with the accounting practices adopted in Brazil, applicable to institutions authorized to operate by the BACEN. These estimates and assumptions were primarily included when measuring the provisions for contingencies, determination of the market value of financial instruments and determination of the period for the receipt of tax credits. Actual results may differ from the estimates and assumptions adopted.

The Bank is also presenting asset and liability accounts on the Balance Sheet for liquidity and enforceability.

By way of Resolution No. 4.144 of September 27, 2012, the CMN approved CPC 00 (R1) – Basic Conceptual Pronouncement that provides for the conceptual structure for the preparation and presentation of financial statements.

CMN Resolution No. 4.966/21 provides for the concepts and accounting criteria applicable to financial instruments, as well as the designation and acknowledgement of protection relationships (hedge accounting) and reformulates the concepts and criteria for the provision for expected losses associated with credit risk by financial institutions authorized to operate by the BACEN, applicable as of January 1, 2025.

According to Art. 76 of CMN Resolution 4,966/21, the Conglomerate prepared an implementation plan that includes the following stages: (i) Diagnosis of the current situation and impacts of the new regulation; (ii) Analysis and design of new processes, policies and procedures; (iii) Analysis of the new technological architecture and systemic development and (iv) Approval of changes and study of the migration plan on January 1, 2025. The implementation plan was approved by the board on November 23, 2022. The Conglomerate has been taking the necessary measures to comply with its implementation,

2.2 *Functional currency and foreign currency conversion*

Financial statements are presented in Brazilian reals, the currency of the primary economic environment in which the entity operates and functional currency of the bank.

2.3 *Key accounting practices*

a) Cash and cash equivalents

Cash and cash equivalents are represented by cash and cash equivalents in domestic and foreign currency, as well as voluntary investments in the Central Bank of Brazil and repo transactions, and interbank deposits where the maturity of operations on the effective date of the investment is equal to or less than 90 days and present negligible risk of any change in fair value, which are used by the Bank to manage its short-term commitments.

b) Financial Assets

The Bank accounts for financial assets on its balance sheet when these become part of the contractual terms of the instrument.

Interbank liquidity investments are composed of voluntary investments at the Central Bank of Brazil, repo transactions and interbank deposits. These are shown at paid in values, including any income, charges incurred up to the balance sheet date, calculated on a "*pro rata*" daily basis.

According to BACEN Memorandum No. 3.068/01, and supplementary regulations, securities are classified on the date of acquisition thereof according to the intention of company management. The Bank classifies its financial assets as: held to maturity, available for sale or held for trading. Financial assets are classified as held to maturity only if it is the financial intention and capacity of the bank to hold these in a portfolio until maturity.

The Bank initially measures and accounts for financial assets at fair value. In the case of financial assets not classified as held to maturity, acquisition costs directly attributable to the financial asset are accrued and/or deducted. For financial assets classified as held for trading and available for sale, these costs are accounted for as expenses when these occur.

Following initial accounting, financial assets recorded as held for trading on balance sheet are measured at fair value in return for results for the period. Financial assets recorded as available for sale on the balance sheet are measured at fair value in return for the highlighted Net Worth account. Financial assets held to maturity are revised up to the maturity date at amortized cost.

The Bank does not have securities classified as securities held to maturity in the fiscal year ended December 31, 2023 (2022 – BRL 199,896).

Credit transactions are calculated on a "pro rata" daily basis according to index and interest rate changes. Credit acquisition transactions are recorded based on CMN Resolution No. 3,533, of January 31, 2008, in accordance with which it determines whether the purchase substantially retained risks or not.

Other financial assets are substantially comprised of receivables from the brokerage of securities with clients and stock exchange and recorded on the balance sheet at amortized cost.

According to BACEN Memorandum No. 3,082/02, derivative financial instruments are classified on the date of acquisition thereof according to the intention of Company Administration for protection purposes or otherwise ("hedge").

Transactions with derivative financial instruments carried out at the request of clients, on their own, or that do not meet the protection criteria (primarily derivatives used to manage global risk exposure) were accounted for at market value, with paid in and unpaid in gains and losses accounted for directly in the income statement.

The positions of these instruments have the reference values thereof recorded in clearing accounts and amounts receivable and payable are recorded in equity accounts.

c) Financial Liabilities

d) The Bank accounts for financial liabilities on its balance sheet when these become part of the contractual terms of the instrument. Financial liabilities are recorded on the balance sheet at amortized cost, except for derivative financial instruments that were recorded at market value, with paid in and unpaid in gains and losses accounted for directly in the income statement. Write-off of Financial Assets and Liabilities

The Bank writes off a financial asset if the contractual rights to receive the cash flows have expired or if all the risks and benefits of the cash flows have been transferred to a third party. If the Bank has not transferred all risks or benefits to a third party, then the financial asset is not written off.

The Bank writes off a financial liability when its contractual obligations cease to exist, expire or are cancelled.

e) Fixed Assets

Fixed assets include the value of vehicles, data processing systems, communication systems, facilities, furniture, and equipment used by the Bank and improvements to third-party properties, being presented at acquisition cost less the respective accumulated depreciation and any loss due to reduction in recoverable value.

Such assets are initially accounted for at the added acquisition cost of all incremental costs necessary to place the asset on site and in a condition of use, and costs incurred subsequently with these assets are immediately accounted for under results.

Depreciation is determined by the linear method based on the estimated service life of 5 years for vehicles and data processing systems, and 10 years for communication systems, facilities and furniture and user equipment.

On the base date of the financial statements, the Bank assesses whether there is any indication that an asset may be non-recoverable (i.e., its accounting value exceeds the recoverable value thereof). Should such a situation occur, the accounting value of the asset is reduced to the recoverable value thereof and any future depreciation expenses are adjusted proportionally to the revised accounting value and new remaining service life.

f) Cash flow statements

Cash flow statements are prepared according to the indirect method.

g) Current and Deferred Taxes

Calculation of the taxable calculation bases of income tax and social contributions on profit was made based on the tax legislation in force for the base period. The rates levied on the calculation bases calculated via actual profit are: income tax 15%, plus an additional 10% on profits exceeding BRL 240 for the fiscal year, and social contributions of 20%. The expectation of Bank tax credits being received, as demonstrated by Note 18, is based on projections of future earnings and based on a technical study. Taking into account the prospects for receipt of deferred tax assets, on December 31, 2023, the Bank kept records of: (i) Corporate Income Tax (IRPJ) credit at the nominal rate of 25% on temporary adjustments to be made; and (ii) tax credit relating to Social Contributions on Net Profit (CSLL) which were calculated at the rate of 20% on temporary adjustments.

Income Tax and Social Contribution expenses are accounted for in the income statement, except when these result from a transaction accounted for directly under net worth, in which case, the tax effect is also accounted for under net worth.

Deferred tax assets and liabilities accounted for are revalued on the date of each balance sheet to determine whether these still exist, making the appropriate adjustments based on the findings of the analyses performed.

h) Employee Benefits

These are benefits granted to employees by way of formal plans or agreements, as well as through legal or sectoral provisions, which require the Bank to contribute as benefits to its employees. Benefits include:

i. *Short-term benefits*: salaries, paid vacations, social security, private pensions, participation in results and bonuses and non-monetary benefits such as health plans and life insurance for current employees. The costs of current services and short-term benefits are accounted for in the income statement for the period.
ii. *Post-employment benefits*: retirement and other benefits such as post-employment health care.

The Bank evaluates its post-employment benefits as a defined benefit plan, and the value thereof is obtained by way of actuarial calculations that employ a series of assumptions. The assumptions used in determining net cost include the discount rate. Any changes to these assumptions affect the accounting value of the obligations.

The cost of the current service and interest on the defined benefit are accounted for under earnings for the period and re-measurements of the defined benefit, primarily resulting from actuarial estimates and discount rates, are accounted for under other comprehensive results, net of tax effects.

The current value of estimated future cash outflows, which must be necessary to settle future obligations, is calculated annually by independent actuaries, who determine the appropriate discount rate for the measurement of these obligations. In determining the appropriate discount rate, the Bank takes into account interest rates on National Treasury securities, which are denominated in Brazilian reals, the currency in which the benefits are paid, and which have maturity dates close to the terms of the respective obligations. Key assumptions for bonds are based in part on current market conditions. Additional information is disclosed in Note 19.

i) Transactions involving stock-based payments

Eligible employees (including senior executives) of the Group receive compensation in the form of a share-based payment, where employees provide services and are compensated based on amounts referenced to Bank of America Corporation shares traded on the New York Stock Exchange ("NYSE") under the BAC code, which may only be settled with cash ("cash settled transactions").

The cost of cash transactions is initially measured at fair value on the granting date employing the fair value of the shares disclosed by the NYSE and converted into Brazilian reals. This fair value is debited in the income statement over the period until settlement, accounting for the corresponding liability.

Liability is measured at fair value on each balance sheet date up to – and including – the settlement date, with the variation in fair value accounted for as personnel expenses and board compensation in the income statement.

j) Contingent Provisions, Assets and Liabilities

In preparing the financial statements, Company Management made the distinction between:

i. *Provisions*: credit balances representing present obligations (legal or presumed) on the balance sheet date arising from past events whose occurrence is regarded probable and of a certain nature, although of uncertain value and/or time.

ii. *Contingent liabilities*: obligations that originate from past events and whose existence is only confirmed by the occurrence or not of one or more future events that are not fully under the control of the Bank. These include current Bank obligations if it is not likely that an outflow of funds is to be required for settlement thereof.

iii. *Contingent assets*: assets that originate from past events and whose existence is only confirmed by the occurrence or not of future events that are not fully under the control of the Bank. Contingent assets are not accounted for on the balance sheet, but rather disclosed in the explanatory notes, except where these assets are likely to give rise to an increase in resources incorporating economic benefits.

Provisions are used to meet the specific obligations for which these were originally accounted for. These provisions are based on the best available information about the events that gave rise to them and reviewed and adjusted (when necessary) at the end of the period. Future events that may affect the amount required to settle an obligation are reflected in the value of the provisions in cases where there is objective evidence of the occurrence thereof. Provisions are fully or partially reversed when such obligations cease to exist or are reduced. Liability is measured at fair value on each balance sheet date up to – and including – the settlement date, with the variation in fair value accounted for in the income statement.

k) Revenue and Expense Accounting

The most significant criteria used by the Bank to account for its revenues and expenses are summarized below:

i. *Financial brokerage result*: Interest expense and similar income, commissions paid or received that are components of the expected earnings of the operation and all inherent costs associated with the origination of the asset or uptake of the liability are accounted for under results for the term of the resulting financial instruments (tax system) via use of the effective interest rate method.

ii. *Revenue and expenses from fees and commissions*: Revenue or expenses received or paid out as a result of the provision of services are accounted for linearly for the period during which the provision of these services endures.

iii. *Non-financial revenues and expenses*: They are accounted for when it is probable that economic benefits or costs are to flow to the entity, respecting the term and characteristics of the contractual relations that gave rise to these.

l) Other Assets and Liabilities

Assets are demonstrated by way of paid in values, including, where applicable, income and monetary and foreign exchange fluctuations (on a “pro rata” day basis) earned and provision for loss, when deemed necessary. Liabilities shown include known and calculated amounts, plus any charges and monetary and foreign exchange fluctuations (on a “pro rata” day basis) incurred.

m) Current and non-current assets and liabilities

These are shown at paid in and/or enforceability values, including any income, charges and monetary or foreign exchange fluctuations earned and/or incurred up to the balance sheet date, calculated “pro rata” day and, where applicable, the effect of adjustments to reduce the cost of assets to their fair value (fair value) or paying in thereof.

Balances that are attainable and enforceable within 12 months are classified under current assets and liabilities, respectively. Securities classified as securities for trading, regardless of their maturity date, are classified fully under current assets, as established by BACEN Memorandum No. 3.068/2001.

n) Profit per share

Profit per share is calculated by dividing Bank net profit by the weighted mean number of ordinary and preferential shares in each fiscal year, where applicable. The weighted mean number of shares is calculated based on the periods during which the shares were in circulation.

o) Recurring and non-recurring result

Non-recurring results are considered as earnings that: i) are not related or incidentally related to the typical activities of the institution; and ii) are not expected to occur frequently in future fiscal years.

During the fiscal years ended on December 31, 2023 and 2022, the Bank did not present a non-recurring result.

3 Accounting Estimates

Financial statements include accounting estimates and critical assumptions that have the greatest impact on assets and liabilities are as described below.

3.1 *Valuation of financial instruments*

The fair value of financial instruments is the value at which it may be purchased or sold in a current transaction between parties aware of and willing to trade, conducted on a strictly commercial basis. If a price quoted in an active market is available for an instrument, the fair value is calculated based on that price.

If there is no market price available for a financial instrument, its fair value is estimated based on the price established by recent operations involving the same instrument or similar instruments and, in the absence thereof, based on valuation techniques normally used by the financial market including, where applicable, data observable in the market, as follows:

- Current value discount method for valuation of financial instruments (method applicable mainly for debt instruments, “vanilla” swaps and forward transactions): expected future cash flows are discounted to present value using curves calculated based on observable market data (DIs, DDIs, Futures, etc.).

- Black-Scholes model for the assessment of financial instruments (primarily operations of options and exotic swaps): certain observable market information, such as the difference between the bid-offer spreads, exchange rates, volatility, correlation between indexes and market liquidity are used as “inputs” in the Black-Scholes model for the purpose of calculating the fair value of the financial instruments evaluated under this model.

3.2 *Deferred Taxes*

As shown by Note 18, deferred tax assets are accounted for solely in relation to temporary differences insofar as it is considered probable that the Bank has future taxable profit so that such deferred tax assets may be used. According to current regulations, the expected paying in of Bank tax credit is based on the projection of future revenues and technical studies.

These estimates are based on current expectations and estimates on projections of future events and trends, which may affect financial statements.

4 Cash and cash equivalents

The balance of cash and cash equivalents are comprised as follows:

		12/31/2023	12/31/2022
Foreign currency availability		179,983	359,595
Correspondents		51	52
Cash Equivalents		**180,034**	**359,647**
Investments in repo transactions	(Note 05)	2,800,611	8,716,471
Voluntary investments at the Central Bank		11,560,999	-
Total		**14,541,644**	**9,076,118**

	12/31/2023	12/31/2022
Currency		
Brazilian Real	14,361,661	8,716,523
Pounds Sterling	39,534	43,845
US Dollar	35,535	231,300
Mexican Peso	28,277	6,719
Euro	24,352	46,053
Canadian Dollar	14,368	10,238
Swiss Franc	10,304	9,245
Australian Dollar	8,846	1,355
Norwegian Krone	7,677	3,594
Yen	5,140	2,804
Yuan Renminbi	2,481	273
Singapore Dollar	2,221	713
Swedish Krona	528	2,913
Rand	430	207
New Zealand Dollar	244	268
Danish Krone	46	68
Total	**14,541,644**	**9,076,118**

5 Interbank liquidity investment

The balance of investments in repo transactions is comprised as follows:

	12/31/2023	12/31/2022
Investments in Repo Transactions	**2,800,611**	**8,716,471**
Bench Position		
National Treasury Notes – NTN	6,701	5,400,513
National Treasury Bills – LTN	-	500,084
Funded Position		
National Treasury Notes – NTN	2,793,910	2,815,874
Interbank deposit investments	**606,760**	**506,498**
Voluntary investments at the Central Bank	**11,560,999**	**-**
Total	**14,968,370**	**9,222,969**

Note 31 contains the details of the maturity profile of financial assets and liabilities.

6 Financial assets held for trading

Financial assets held for trading are comprised as follows:

	12/31/2023		12/31/2022	
	Cost	Market Value	Cost	Market Value
Free				
National Treasury Bills – LTN	1,205,800	1,209,030	2,213,700	2,215,140
National Treasury Notes – NTN	312,316	312,935	1,325,569	1,327,607
Treasury Financial Bonds – LFT	971	970	-	-
Foreign Bond Investments	2,408,162	2,408,056	1,920,945	1,920,133
Tied to repurchases				
National Treasury Bills – LTN	254,973	261,138	57,380	58,279
Given as guarantees				
National Treasury Bills – LTN	1,233,151	1,246,003	1,407,708	1,413,407
National Treasury Notes – NTN	1,239,923	1,258,000	1,750,088	1,755,417
Treasury Financial Bonds – LFT	25,759	25,687	-	-
Total	**6,681,055**	**6,721,819**	**8,675,390**	**8,689,983**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

7 Financial assets available for sale

Financial assets available for sale are comprised as follows:

	12/31/2023		12/31/2022	
	Cost	Market Value	Cost	Market Value
Private Securities				
Liquidity Investment Fund of the B3 Chamber – FILCB	17,715	23,797	16,915	20,303
Promissory Notes	123,100	123,280	118,479	118,694
Debentures	-	-	403,127	402,388
Total	**140,815**	**147,077**	**538,521**	**541,385**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

8 Financial assets held to maturity

Financial assets held to maturity are comprised as follows:

	12/31/2023			12/31/2022		
	Cost	Market Value	Book Value	Cost	Market Value	Book Value
Public Securities						
National Treasury Bills – LTN	-	-	-	199,931	199,896	199,931
Total	**-**	**-**	**-**	**199,931**	**199,896**	**199,931**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

9 Derivative financial instruments

Details, per type of inherent risk, of derivative financial instruments are listed below

	12/31/2023		12/31/2022	
	Debit Balance	Credit Balance	Debit Balance	Credit Balance
Foreign currency risk	3,561,187	(3,468,927)	2,738,954	(2,682,579)
Interest rate risk	1,533,585	(1,533,926)	2,879,096	(3,338,792)
CVA/LVA	(40,446)	-	(45,401)	-
Total	**5,054,326**	**(5,002,853)**	**5,572,649**	**(6,021,371)**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

Additionally, Note 30 contains details on Bank exposure to credit risk, including procedures used by Company Management for management thereof.

10 Credit transactions and other credits

The following are the details, per type of credit operation, economic sector of the debtor and type of interest rate of the operation, which reflect Bank exposure to credit risk in its predominant activity, gross of losses due to non-recovery:

		12/31/2023	12/31/2022
Credit Operations			
Loans		1,459,416	1,004,373
Other Credits			
Credit Acquisitions	(Note 12)	1,542,323	112,279
Total		**3,001,739**	**1,116,652**

i) Composition of the economic sector

Private sector	**12/31/2023**	**12/31/2022**
Industry	1,580,743	728,812
Other services	1,189,443	76,562
Commerce	231,553	304,238
Financial institutions	-	7,040
Total	**3,001,739**	**1,116,652**
Type of Interest Rate		
Fixed	1,723,201	112,291
Floating	1,278,538	1,004,361
Total	**3,001,739**	**1,116,652**

ii) Credit Concentration

	12/31/2023	**12/31/2022**
Primary Debtor	674,449	394,204
Percent to Total Credit Portfolio	23%	35%
Ten largest debtors	2,558,775	997,177
Percent to Total Credit Portfolio	84%	89%

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

Additionally, Note 30 contains details on Bank exposure to credit risk, including procedures used by Company Management for management thereof.

As of December 31, 2023 and 2022, there were no operations carried out with customers in arrears.

Credit operations are substantially classified according to the judgment of Company Management regarding the level of risk, taking into account the economic situation and specific risks in relation to the operation, debtors and guarantors, observing the parameters set forth by CMN Resolution

No. 2.682/99 and subsequent changes by the BACEN, which require periodic analysis of the portfolio and classification thereof into nine levels: from AA (minimum risk) to H (maximum risk).

Provisions for expected losses associated with credit risks are shown as per the table below:

	12/31/2023		12/31/2022	
	Credit Operations	**Provision for expected losses**	**Credit Operations**	**Provision for expected losses**
Risk Level				
AA	2,565,002	-	631,273	-
A	31,236	(156)	462,561	(2,313)
B	-	-	22,818	(228)
C	405,501	(12,165)	-	-
Total	**3,001,739**	**(12,321)**	**1,116,652**	**(2,541)**

The following are movements of provisions for expected losses associated with credit risks:

	12/31/2023	**12/31/2022**
Opening Balance	**(2,541)**	**(671)**
Incorporation	(30,870)	(2,749)
Reversal	21,090	879
Final balance	**(12,321)**	**(2,541)**
(Incorporation) of provision for loans during period	(30,870)	(2,749)
Reversal of provision for loans during period	21,090	879
(Incorporation) of provision for guarantees during period	(124)	(1,291)
Reversal of provision for guarantees during period	784	1,344
Recovery of other credits written off for losses	107	132
(Incorporation) of net provision for recoveries	**(9,013)**	**(1,685)**

During the fiscal years ended December 31, 2023 and 2022, there were no credits written off for losses,

11 Foreign Exchange Portfolio

	12/31/2023	12/31/2022
Foreign Exchange Portfolio – assets		
Foreign exchange sales rights	1,573,312	2,399,448
Foreign exchange purchased to be settled	225,462	2,542,537
Total foreign exchange portfolio – assets	**1,798,774**	**4,941,985**
Foreign Exchange Portfolio – liabilities		
Foreign exchange sold to settle	(1,570,802)	(2,389,607)
Obligations from Foreign exchange Purchases	(234,499)	(3,143,613)
Total Foreign exchange portfolio – liabilities	**(1,805,301)**	**(5,533,220)**

12 Other financial assets and liabilities

		12/31/2023	12/31/2022
Credit Acquisitions	(Note 10)	1,542,323	112,279
Securities brokerage and trading		111,878	326,102
Income receivable for service provision (a)		65,742	65,938
Total other financial assets		**1,719,943**	**504,319**
Foreign exchange currency payment orders		(95,422)	(117,121)
Securities brokerage and trading		(61,129)	(184,083)
Total other financial liabilities		**(156,551)**	**(301,204)**

(a) These are basically service agreements relating to the provision of technical and operational infrastructure necessary in securities trading with related companies.

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

13 Other Assets

The balance of other assets is comprised as follows:

	12/31/2023	12/31/2022
Court Deposits	223,556	209,865
Amounts receivable (a)	34,214	75,331
Salary advance payments	9,732	9,484
Advances to suppliers	425	344
Total other Assets	**267,927**	**295,024**

(a) Includes expense reimbursements receivable together to related parties.

14 Fixed Assets for Use

Balances and movements of fixed assets in use and depreciation are comprised as follows:

	12/31/2022	Additions/ Transfers	Write-offs	12/31/2023
Data processing systems	75,196	39,232	(4,427)	110,001
Facilities	46,760	22,459	-	69,219
Furniture and equipment used	14,202	-	(332)	13,870
Communication Systems	14,890	-	(2,807)	12,083
Vehicles	727	81	-	808
Works of Art	6	-	-	6
Fixed Assets in progress	11,896	(10,322)	-	1,574
Subtotal	**163,677**	**51,450**	**(7,566)**	**207,561**
Accumulated depreciation	(104,595)	(21,367)	7,104	(118,858)
Total	**59,082**	**30,083**	**(462)**	**88,703**

	12/31/2021	Additions/ Transfers	Write-offs	12/31/2022
Facilities	48,010	14,539	(15,789)	46,760
Furniture and equipment used	15,980	-	(1,778)	14,202
Communication Systems	22,259	12,218	(19,587)	14,890
Data processing systems	63,779	4,618	6,799	75,196
Vehicles	712	231	(216)	727
Works of Art	82	-	(76)	6
Fixed Assets in progress	4,152	7,744	-	11,896
Subtotal	**154,974**	**39,350**	**(30,647)**	**163,677**
Accumulated depreciation	(119,439)	(15,466)	30,310	(104,595)
Total	**35,535**	**23,884**	**(337)**	**59,082**

15 Deposits

Deposits recorded on the balance sheet are made at normal market rates and are detailed below:

	12/31/2023	12/31/2022
Spot Deposits	1,431,693	1,694,130
Time Deposits		
Floating rate CDB	14,653,832	9,547,394
Interbank deposits		
Fixed rate CDI	529,878	497,953
Floating rate CDI	446,008	332,290
Total	**17,061,411**	**12,071,767**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

16 Fundraising

Fundraising recorded on the balance sheet is carried out at normal market rates and are detailed below:

	12/31/2023	12/31/2022
Own portfolio		
National Treasury Bills – LTN	259,854	57,696
Third-Party Portfolio		
National Treasury Notes – NTN	2,793,910	2,815,874
Total	**3,053,764**	**2,873,570**

Note 31 contains the details of the maturity profile of Bank financial assets and liabilities.

17 Provisions

Below are the legal obligations and provisions for the contingencies established:

	12/31/2023	12/31/2022
Legal obligations and tax liabilities	175,173	132,793
Labor liabilities	38,893	56,759
Civil liabilities	7	65
Total	**214,073**	**189,617**

The change in the balance of provisions for the fiscal years ended on December 31, 2023 and 2022 is as follows:

	12/31/2023	12/31/2022
Opening Balance	**189,617**	**179,782**
Movements	24,456	9,835
Final balance	**214,073**	**189,617**

The Bank, during execution of its regular activities, is involved in contingencies as follows:

i. *Legal obligations – tax and social security*: the Bank is a party to judicial and administrative litigation of a tax nature, which is classified according to the nature thereof, such as contingencies or legal obligations. According to CPC 25, judicial or administrative proceedings arising from notices of infringement or court orders are classified as contingent liabilities where the requirements formulated by tax authorities are contested. The Bank has a provision for tax and social security contingencies of BRL 175,173 (BRL 132,793 in 2022). Provisions are comprised primarily of the discussion on the expansion of PIS/COFINS base pursuant to §1 of Article 3 of Law No. 9,718/98. With the advent of BCB Normative Instruction No. 319 of November 4, 2022 and, given the unfavorable outcome, through general repercussion, of Topic 372 by the STF, the legal debate regarding the unconstitutionality of the expansion of the PIS/COFINS base, pursuant to § 1 of Article 3 of Law No. 9,718/98, was reclassified by the legal consultants as probable loss and the amount in question is fully provisioned.

ii. *Contingent labor liabilities*: Based on the forecasts of legal consultants, the Bank has a provision of BRL 38,893 (BRL 56,759 in 2022) relating to contingent liabilities of a labor nature.

iii. *Civil contingent liabilities*: Based on the forecasts of legal consultants, the Bank has a provision of BRL 7 (BRL 65 in 2021) relating to contingent liabilities of a civil nature.

iv. *Possible contingent liabilities*: The Bank has disputes whose risks of loss are classified by Company Management based on the prognosis of its legal advisors, as possible. Potential contingent liabilities associated with such disputes are estimated to be BRL 615,675 (BRL 652,569 in 2022), which involve the following discussions:

	12/31/2023	**12/31/2022**
.Social Security Contributions on PLR	288,641	272,915
Deductibility in credit renegotiations	93,140	87,474
Bonus Deductibility	64,846	60,369
Social Integration Program (PIS) and Social Security Financing Contributions (COFINS) excluding gains in the demutualization of Bovespa and BMF	8,135	7,692
Other	2,265	2,774
Total possible tax suits	**457,027**	**431,224**
Labor liabilities	158,045	221,005
Total possible labor suits	**158,045**	**221,005**
Civil liabilities	603	340
Total possible tax suits	**603**	**340**
Total possible losses	**615,675**	**652,569**

18 Current and deferred tax liabilities and assets

18.1 *Current tax assets and obligations*

	12/31/2023	12/31/2022
Assets		
Taxes and contributions to offset/recover	125,691	120,697
Total	**125,691**	**120,697**
Liabilities		
Provision for income tax and social contributions	(321,925)	(325,556)
Taxes and contributions to be withheld	(149,888)	(181,154)
Total	**(471,813)**	**(506,710)**

18.2 *Deferred tax assets and obligations*

The nature and origin of deferred income tax and social contributions and tax credits are shown below:

	12/31/2023	12/31/2022
Temporary differences		
Marking to market – TVM and derivatives	156,046	305,001
Provision for profit sharing	131,269	124,169
Contingencies	82,987	58,650
Provision for doubtful accounts	12,208	8,152
Other	21,519	15,163
Total tax credits – assets	**404,029**	**511,135**
Deferred tax obligations – liabilities	**(376,987)**	**(472,286)**

18.3 *Income Tax and Social Contribution Results*

	12/31/2023		12/31/2022	
	Income Tax	Social Contribution	Income Tax	Social Contribution
Results prior to Corporate Income Tax (IRPJ) and Social Contributions on Net Profits (CSLL)	1,240,591	1,240,591	1,422,343	1,422,343
Interest on equity	(205,458)	(205,458)	(175,756)	(175,756)
Temporary adjustments (a)	(28,474)	(28,474)	(508,106)	(508,106)
Tax incentives	9,212	9,212	7,513	7,513
Other permanent adjustments	(262,669)	(301,569)	10,807	(39,421)
Actual profit	**753,202**	**714,302**	**756,801**	**706,573**
Rates	25%	20%	25%	20% and 21%
IRPJ and CSLL	**(188,276)**	**(142,860)**	**(189,176)**	**(143,894)**
Tax incentives	9,212	-	7,513	-
Deferred tax liability	51,855	41,484	(166,910)	(133,528)
Deferred tax assets	(59,927)	(47,179)	42,521	31,907
Income Tax and Social Contribution Expenses	**(187,136)**	**(148,555)**	**(306,052)**	**(245,515)**

(a) Substantially comprised of adjustments to the market value of financial instruments and provision for contingent liabilities.

18.4 *Movement of tax credit*

	Deferred Tax Credit Asset – IRPJ			
	Dec/22	**Paid in**	**Incorporation**	**Dec/23**
Tax Contingencies	33,446	(16)	13,537	46,967
PCLD	4,529	(5,236)	7,489	6,782
PLR provision	64,426	(86,320)	89,841	67,947
Other Provisions	8,424	(31,170)	34,702	11,956
MTM	169,445	(375,951)	293,196	86,690
Total	**280,270**	**(498,693)**	**438,765**	**220,342**

	Deferred Tax Credit Asset – IRPJ			
	Dec/21	**Paid in**	**Incorporation**	**Dec/22**
Tax Contingencies	31,409	(580)	2,617	33,446
PCLD	4,108	(563)	984	4,529
PLR provision	73,906	(93,682)	84,202	64,426
Other Provisions	6,742	(63,841)	65,523	8,424
MTM	121,584	(793,920)	841,781	169,445
Total	**237,749**	**(952,586)**	**995,107**	**280,270**

	Deferred Tax Credit Asset – CSLL			
	Dec/22	**Paid in**	**Incorporation**	**Dec/23**
Tax Contingencies	25,204	(13)	10,829	36,020
PCLD	3,623	(4,189)	5,992	5,426
PLR provision	59,743	(60,083)	63,663	63,323
Other Provisions	6,739	(24,936)	27,760	9,563
MTM	135,556	(300,760)	234,558	69,354
Total	**230,865**	**(389,981)**	**342,802**	**183,686**

	Deferred Tax Credit Asset – CSLL			
	Dec/21	**Paid in**	**Incorporation**	**Dec/22**
Tax Contingencies	23,575	(464)	2,093	25,204
PCLD	3,286	(451)	788	3,623
PLR provision	69,436	(66,637)	56,944	59,743
Other Provisions	5,394	(51,074)	52,419	6,739
MTM	97,267	(640,123)	678,412	135,556
Total	**198,958**	**(758,749)**	**790,656**	**230,865**

18.5 *Expected tax credit paid in*

Based on a technical study prepared by Company Management, the expectation of annual tax credits paid in, and current value calculated based on the CDI rate of December 31, 2023 are as follows:

Fiscal Year	Expected amount paid in per fiscal year	Current value of tax credits
2024	181,138	162,237
2025	4,250	3,409
2026	20,745	14,905
2027	39,435	25,377
2028	6,631	3,822
2029 onward	151,829	78,381
Total	**404,029**	**288,131**

Technical study on tax credits paid in was prepared by Company Management based on current and future scenarios of the projection of results, Deferred income tax and social contributions to be paid in as temporary differences are reversed or fall within the parameters of tax deductibility.

18.6 *Deferred Tax Obligations*

Deferred tax obligations were incorporated based on interest on court deposits and mark-to-market adjustments of financial instruments and the movement thereof is detailed below:

	Dec/22	Paid in	Incorporation	Dec/23
Interest on court deposits	43,950	-	6,280	50,230
MTM	427,958	(866,698)	768,607	329,867
Actuarial Provision	378	-	(3,489)	(3,111)
Total	**472,286**	**(866,698)**	**771,398**	**376,986**

	Dec/21	Paid in	Incorporation	Dec/22
Interest on court deposits	38,249	-	5,701	43,950
MTM	131,380	(1,081,429)	1,378,007	427,958
Actuarial Provision	898	(520)	-	378
Total	**170,527**	**(1,081,949)**	**1,383,708**	**472,286**

19 Other Liabilities

The balance of other liabilities is comprised as follows:

	12/31/2023	12/31/2022
Results Participation Program	138,488	162,125
Equity-Based Results Participation Program (a)	103,175	72,096
Actuarial liabilities (b)	47,819	32,857
Payroll Provisioning	36,961	34,314
Dividends payable	9,456	31,053
Other Miscellaneous	10,034	12,234
Total other Liabilities	**345,933**	**344,679**

(a) Stock-based compensation plans: The plan for employees eligible for the stock-based compensation program is granted through the receipt of stock-based amounts. The amount paid out to employees is equivalent to the market price of the shares on the settlement date. There are no alternatives to payment in shares.

Eligible employees receive stock appreciation rights, payable in cash only. These rights are settled annually, based on the amount of shares to be paid at the end of each vesting period. The benefit deferral period is three years from receipt of the award, with 33.33% of the benefit paid out each year. The fair value of the shares is calculated on the date of payment based on amounts disclosed by the NYSE.

On December 31, 2023 and 2022, no share appreciation rights became exercisable. There were no cancellations or changes to the plans during the period in question.

(b) Post-employment benefits: Amounts accounted for in the income statement for the year ending on December 31, 2023 were BRL 7,208 (BRL 6,728 in 2020) and in other comprehensive results of BRL 7,754 (BRL 1,156 in 2022).

The values followed the following assumptions for measurement thereof, since Bank post-employment benefits are assessed as Defined Benefits:

I – Key assumptions employed in the actuarial assessment on December 31, 2023

i. **Criteria for calculating Assets:** Health Care Plans do not have guarantor assets allocated to cover benefits offered by these, and are paid directly by the Bank as these occur.

ii. **Actuarial Bond discount rate:** 9.82% p.a, (5.75% p.a, effective)

iii. **Annual Long-Term Inflation Rate:** 3.85% p.a.

iv. **Medical Cost Growth:** 8.78% p.a. (4.75% p.a. effective)

v. **Growth in Medical Costs due to Aging:** Per age group, 0 to 24 years = 1.25% p.a.; 25 to 54 years = 2.25% p.a.; 55 to 79 years = 4.50% p.a.; and 80 years or older = 2.50% p.a.

vi. **Percent Plan Stay of future retirees and dismissals:** 100%

vii. **General Mortality Table:** AT-2000, softened by 10%, segregated by gender.

The overall mortality table adopted – AT-2000 softened by 10% adequately reflects the survival that has been observed in recent years in populations linked to benefits programs in the context of what the Bank maintains with its employees, and widely adopted in actuarial assessments of this nature in Brazil.

viii. **Turnover:** In-company experience.

The assumption of turnover is based on the effective experience of Bank employees eligible for post-employment benefits, which resulted in a mean of 13% p.a.

ix. **Age at retirement date:** 65 years old for men and 62 years old for women.

x. **Actuarial method:** Projected Unit Credit.

The purpose of this method is to dilute the cost of each employee benefit over the period during which it is anticipated that they are to work for the company. Determination of the cost for each year of service is achieved indirectly by allocating the benefits expected between the years of service.

The biometric/demographic assumptions adopted are adherent to the mass of benefit plan participants, according to studies prepared by external and independent actuarial consultancy.

II - Exposure to Risks

Existing obligations, linked to post-employment benefits, assessed herein as defined benefits, expose the Bank to a number of risks, the key ones shown below:

Inflation Risk: As demonstrated in the actuarial assumptions, the values of the plans are linked to the inflation index, and once inflation rises, this will take the obligations to a higher level, generating a more relevant actuarial liability;

Life expectancy: The defined benefits provided by the Bank have as a variable the age of the beneficiary, so the increase in life expectancy results in an increase in liabilities.

III – Evolution of the net amount accounted for in the Balance Sheet

	Actuarial liability
Balance as of December 31, 2022	**32,857**
Defined Benefit Obligation	14,962
Balance as of December 31, 2023	**47,819**

IV – Sensitivity of the defined benefit obligation

The impact, by changing the assumed discount rate by 0.5%, which would be accounted for under actuarial liability as well as in other comprehensive results of the Bank (before taxes) would be:

Change of Assumption	Effect on Actuarial liability and Other comprehensive results	
- 0.5% reduction	5,364	Increased liability
- 0.5% increase	(4,645)	Liability reversal

The impact, by changing the assumed rate of medical costs by 0.5%, which would be accounted for under actuarial liability as well as in other comprehensive results of the Bank (before taxes) would be:

Change of Assumption	Effect on Actuarial liability and Other comprehensive results	
- 0.5% reduction	(4,611)	Liability reversal
- 0.5% increase	5,264	Increased liability

20 Net worth

On December 31, 2023 and 2022, share capital is represented by 598,330,140 nominative ordinary shares, subscribed and paid-in, with no nominal value, which guarantee annual dividends of 25% of net profit, and the General Shareholders' Meeting may decide to distribute dividends lower than that which is mandatory or withhold all profits.

Company bylaws provide for the allocation of profits, on December 31 of each year, after legal deductions, to the legal reserve fund at 5%, allowing said allocation to be mandatory as soon as this reserve reaches 20% of the share capital paid in. The remaining balance of profits then designated are allocated to the Profit Reserve – Statutory account, in order to ensure the operational and regulatory adequacy of the Bank, and this bookkeeping account may be used to guarantee future capital increases or, if there is no need, for dividend distribution.

At the Extraordinary General Meeting held on December 17, 2021, the capital increase of the Bank was approved in the amount of BRL 83,742 through the capitalization of Interest on Equity for the year 2021, after the withholding of taxes withheld, declared to shareholders on that date. This act was approved at the Central Bank of Brazil on February 10, 2022.

At the Ordinary General Shareholders' Meeting held on April 28, 2022, Company Management decided on the allocation of BRL 14,836 relative to the mandatory minimum dividends of 2021 to the "profit reserves - statutory" account, designated to ensure operational and regulatory adequacy of the Bank and may be used to guarantee future capital increases or, if there is no need, for the distribution of dividends.

At the Extraordinary General Shareholders' Meeting of December 25, 2022, remuneration of equity to shareholders was approved, calculated on the result accumulated to October 15, 2022, pursuant to CMN Resolution No. 4.820/20 and in the amount of BRL 175,756. The tax impact accounted for on results due to deductibility of interest on equity was BRL 80,847.

After calculation of results for the fiscal year 2022, the establishment of the legal reserve and allocations of capital remuneration to shareholders, BRL 31,053 was provisioned in order to ensure annual dividends of 25% of net profit.

A capital increase for the Bank was approved at the Extraordinary General Meeting held on July 27, 2023, in the amount of BRL 1,162,445, through the allocation of part of the Statutory Profit Reserve, and no new shares were issued. This act was approved at the Central Bank of Brazil on October 26, 2023.

At the Extraordinary General Shareholders' Meeting of September 27, 2023, remuneration of equity to shareholders was approved, calculated on the period from January 1, 2023 and September 15, 2023, pursuant to CMN Resolution No. 4,820/20 and in the amount of BRL 205,458. The tax impact accounted for on results due to deductibility of interest on equity was BRL 92,456.

After calculation of results for the fiscal year 2023, the establishment of the legal reserve and allocations of capital remuneration to shareholders, BRL 9,456 was provisioned in order to ensure annual dividends of 25% of net profit.

21 Result of financial brokerage

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Financial brokerage revenues		
Revenue from voluntary investments at the Central Bank	922,717	12
Revenue from investments in repo transactions	748,510	1,528,071
Revenue from credit operations	213,621	145,057
Revenues from Interbank investments	60,532	23,675
Financial brokerage expenses		
Bank deposit certificate expenses	(963,632)	(763,542)
Borrowing expenses in repo transactions	(341,157)	(315,008)
Interbank deposit expenses	(112,690)	(81,678)
Overseas loan expenses	(73,298)	(188,830)
FGC expenses	(17,000)	(14,630)
Provisions for net recovery losses	(9,013)	(1,685)
Net gains (losses) from financial instruments		
Result from government bonds	522,350	631,289
Result with securities abroad	423,782	42,695
Results from derivatives	55,487	439,664
Private bond results	54,528	68,457
Results from variable income (a)	-	(423,166)
Gains (losses) on foreign exchange contracts		
Net results from foreign exchange transactions	271,876	536,186
Total	**1,756,613**	**1,626,567**

(a) Includes result of loan of shares of the primary and secondary Public Offering transactions.

22 Revenue from fees and commissions

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Provision of other services (a)	618,847	667,101
Technical advice and commission on securities placements on the market	147,163	253,767
Funds Management	45,499	32,762
Bank fee income	13,000	11,965
Other Revenues	7,753	6,392
Total	**832,262**	**971,987**

(a) These are basically service agreements relating to the provision of technical and operational infrastructure with related parties.

23 Personnel Expenses

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Direct compensation	(370,700)	(353,747)
Social Security Costs	(222,309)	(215,230)
Benefits	(94,082)	(74,067)
Other personnel expenses	(2,902)	(2,612)
Total	**(689,993)**	**(645,656)**

24 Fees and commissions expenses

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Brokerages and emoluments	(80,177)	(48,898)
Other	(2,538)	(1,741)
Total	**(82,715)**	**(50,639)**

25 Other administrative expenses

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Technical services provided by third parties	(148,325)	(117,120)
Relationship Programs	(58,600)	(63,788)
Rents	(27,556)	(23,111)
Travel	(12,544)	(15,343)
Philanthropic Contributions	(10,865)	(8,744)
Communications	(9,432)	(11,675)
Maintenance	(5,446)	(11,190)
Serving area and kitchen	(4,482)	(4,476)
Insurance premiums	(2,536)	(1,927)
Real Estate, Facilities and Materials	(2,437)	(1,981)
Water, power and gas	(1,720)	(1,336)
Professional associations	(1,559)	(1,602)
Events	(1,521)	(1,265)
Representations	(1,010)	(790)
Road travel and parking	(743)	(848)
Advertising and Publications	(472)	(469)
Other Miscellaneous	(1,675)	(1,089)
Total	**(290,923)**	**(266,754)**

26 Other operating revenues (expenses)

The breakdown of the balance of this item is as follows:

	12/31/2023	12/31/2022
Contribution to Social Security Funding – COFINS	(73,965)	(61,986)
Tax Contingency Expenses	(54,043)	(7,589)
Service Tax – ISS	(40,249)	(47,617)
Social Integration Programs – PIS	(12,019)	(10,073)
Other tax expenses	(13,875)	(12,078)
Other operating revenues/(expenses)	2,262	5,724
Total	**(191,889)**	**(133,619)**

27 Additional information on financial instruments

27.1 *Derivative financial instruments*

The composition of reference (notional) and/or contractual values and fair values of derivative financial instruments classified as Fair Value by way of Income is as follows:

	12/31/2023		12/31/2022	
	Reference Value	Fair Value	Reference Value	Fair Value
Interest rate and other risks				
Interest Rate Swap	22,428,282	(394,065)	21,542,428	(458,878)
Forward Contracts	1,534,227	(341)	2,147,691	(817)
Foreign currency risk				
Foreign exchange swaps	29,752,228	515,033	24,384,548	202,367
Options – long position	3,045,731	100,601	3,919,311	108,362
Options – short position	3,045,731	(100,597)	3,919,311	(108,362)
Forward Contracts	69,660,615	(28,712)	64,841,848	(145,993)
CVA/LVA		(40,446)		(45,401)
Total	**129,466,814**	**51,473**	**120,755,137**	**(448,722)**

Composition of futures contracts to be settled

The future contracts as of December 31, 2023 and 2022 are as follows:

	12/31/2023	12/31/2022
	Reference Value	**Reference Value**
Foreign exchange swaps	6,221,107	5,244,314
Foreign currency	5,309,812	2,891,891
Interbank deposit	9,927,707	9,251,822
DDI	19,462,862	19,969,364
Total	**40,921,488**	**37,357,391**

The composition of reference and/or contractual values of derivatives, according to the maturity of operations, is as follows:

				12/31/2023
	Up to 3 months	**3 to 12 months**	**Over 12 months**	**Total**
Swap	4,525,626	7,932,334	39,722,550	52,180,510
Options	1,846,143	2,544,319	1,701,000	6,091,462
Forward Contracts	37,761,828	26,684,903	6,748,110	71,194,841
Total	**44,133,597**	**37,161,556**	**48,171,660**	**129,466,814**

				12/31/2022
	Up to 3 months	**3 to 12 months**	**Over 12 months**	**Total**
Swap	2,004,391	8,584,029	35,338,556	45,926,976
Options	1,369,561	4,534,751	1,934,310	7,838,622
Forward Contracts	33,676,201	24,531,066	8,782,272	66,989,539
Total	**37,050,153**	**37,649,846**	**46,055,138**	**120,755,137**

The Bank does not have derivatives classified as "*hedge accounting*" on December 31, 2023 and 2022.

27.2 *Financial instruments segregated by level*

According to CMN Resolution No. 4,748/19, which approved CPC 46, the measurement of fair value using a fair value hierarchy that reflects the model used in the measurement process, must be in accordance with the following hierarchical levels:

- Level 1 – Determined based on public price quotes (unadjusted) in active markets for identical assets and liabilities;
- Level 2 – These are data derivatives other than price quotes included in Level 1 that are observable for the asset or liability, either directly (such as prices) or indirectly (derived from prices); and
- Level 3 – These are derived from valuation techniques that include data for assets or liabilities that are not based on observable market variables (non-observable data).

The following table shows a summary of the fair values of financial assets and liabilities as of December 31, 2023 and 2022, classified based on the various measurement methods adopted by the Bank to determine the fair value thereof:

				12/31/2023
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets held for trading	-	6,721,819	-	6,721,819
Financial assets available for sale	23,797	123,280	-	147,077
Derivative financial assets	-	4,987,527	66,799	5,054,326
Derivative financial liabilities	-	(4,937,632)	(65,221)	(5,002,853)

				12/31/2022
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets held for trading	-	8,689,983	-	8,689,983
Financial assets available for sale	20,303	521,082	-	541,385
Derivative financial assets	-	5,545,184	27,465	5,572,649
Derivative financial liabilities	-	(5,961,546)	(59,825)	(6,021,371)

The following demonstrate the techniques and key assumptions adopted in the measurement of financial instruments presented at fair value, classified as level 2 or 3, for which measurement employed internal models based substantially on observable market data on December 31, 2023 and 2022.

	Fair Value	Adopted Technique	12/31/2023 Key Assumptions
Asset Position			
Financial assets held for trading	6,721,819	Current value method	Market and liquidity observable data
Financial assets available for sale	123,280	Current value method	Market and liquidity observable data
Swap	1,813,168	Current value method	Market and liquidity observable data
Options	100,601	*Black & Scholes* Model	Market and liquidity observable data
Term	3,181,003	Current value method	Market and liquidity observable data
Subtotal	**11,939,871**		
CVA/LVA	(40,446)		
Total	**11,899,425**		
Liability Position			
Swap	(1,692,199)	Current value method	Market and liquidity observable data
Options	(100,597)	*Black & Scholes* Model	Market and liquidity observable data
Term	(3,210,057)	Current value method	Market and liquidity observable data
Total	**(5,002,853)**		

	Fair Value	Adopted Technique	12/31/2022 Key Assumptions
Asset Position			
Financial assets held for trading	8,689,983	Current value method	Market and liquidity observable data
Financial assets available for sale	521,082	Current value method	Market and liquidity observable data
Swap	2,087,197	Current value method	Market and liquidity observable data
Options	108,362	*Black & Scholes* Model	Market and liquidity observable data
Term	3,422,491	Current value method	Market and liquidity observable data
Subtotal	**14,829,115**		
CVA/LVA	(45,401)		
Total	**14,783,714**		
Liability Position			
Swap	(2,343,708)	Current value method	Market and liquidity observable data
Options	(108,362)	*Black & Scholes* Model	Market and liquidity observable data
Term	(3,569,301)	Current value method	Market and liquidity observable data
Total	**(6,021,371)**		

27.3 *Fair value of assets and liabilities measured at amortized cost*

The following is a comparison between the accounting values of the financial assets measured at amortized cost, recorded at the Bank and the respective fair values thereof:

	12/31/2023		12/31/2022	
	Book Value	**Fair Value**	**Book Value**	**Fair Value**
Reserves at Central Bank of Brazil	317,758	317,758	328,002	328,002
Interbank liquidity investment	14,968,370	14,968,370	9,222,969	9,222,969
Financial assets held to maturity	-	-	199,931	199,896
Credit Operations	1,459,416	1,459,416	1,004,373	1,004,373
Foreign Exchange Portfolio	1,798,774	1,798,774	4,941,985	4,941,985
Other financial assets	1,719,943	1,719,943	504,319	504,319
Total	**20,264,261**	**20,264,261**	**16,201,579**	**16,201,544**

The following is a comparison between the book values of the financial liabilities measured at amortized cost, recorded at the Bank and the respective fair values thereof:

	12/31/2023		12/31/2022	
	Book Value	**Fair Value**	**Book Value**	**Fair Value**
Deposits	17,061,411	17,061,411	12,071,767	12,071,767
Fundraising	3,053,764	3,053,764	2,873,570	2,873,570
Foreign Exchange Portfolio	1,805,301	1,805,301	5,533,220	5,533,220
Other financial liabilities	156,551	156,551	301,204	301,204
Total	**22,077,027**	**22,077,027**	**20,779,761**	**20,779,761**

The methods and assumptions used for estimating fair value are defined below:

i. Interbank liquidity investments are substantially comprised of voluntary deposits at the Central Bank and short-term repo transactions. The book value presented for these instruments is substantially close to the fair value thereof.

ii. Financial assets held to maturity are recorded at amortized cost and their fair value was measured based on the market values available on the base date.

iii. The credit transactions detailed in Note 10 are floating rate transactions and the book value thereof presented is substantially close to their fair value.

iv. The foreign exchange portfolio (asset/liability) is composed of financial and interbank exchanges. The book value presented for these instruments is substantially close to the fair value thereof.

v. The other financial assets are substantially comprised of trading and brokering of securities and other short-term receivables. The book value presented for these instruments is substantially close to the fair value thereof.

vi. The fair value of deposits was calculated by discounting the difference between the cash flows under contractual terms and rates currently employed on the market for instruments for which maturities are similar.

vii. The fair value of fundraising is comprised of short-term promissory operations that are settled within the usual market terms (overnight). The book value presented for these instruments is substantially close to the fair value thereof.

viii. The other financial liabilities are substantially comprised of trading and brokering of values and other short-term obligations. The book value presented for these instruments is substantially close to the fair value thereof.

28 Credit Commitments

The values of surety letters issued by the Bank are not recorded in the balance sheet, however, these are controlled in clearing accounts (*off balance*) and are shown below:

	12/31/2023	**12/31/2022**
Surety letters	387,616	437,170

29 Balances and related party transactions

Related parties to the Bank include, in addition to their parent companies, sister subsidiaries and affiliates, key personnel of the Bank Management, close family members of key personnel of Company Management, and entities over which such key personnel or their close family members may exercise significant influence or control.

Key Company Management persons are defined as those who have the authority and responsibility to plan, direct and control the activities of the Bank of America Group in Brazil, directly or indirectly.

29.1 *Management compensation*

For purposes of disclosure, key personnel of Company Administration are the statutory directors of the Bank of America group in Brazil, whose compensation paid is shown below:

	12/31/2023	**12/31/2022**
Long-term benefit plan	24,183	31,940
Profit sharing and bonuses	20,121	22,634
Wages and benefits	27,237	22,874
Private pension	2,589	2,076
Total	**74,130**	**79,524**

During the 2023 fiscal year, social charges were paid in the amount of BRL 23,645 (BRL 26,564 in 2022).

29.2 *Long-term benefit plan*

The long-term incentive award practice is intended to promote success and increase the value of the Bank by linking the personal interests of key contributors with the interests of shareholders. The primary objective is the reinforcement of motivation, attraction and retention of key employees.

29.3 *Contract Termination*

Contracts are for an indefinite term. Termination of employment relations, in the event of non-compliance with obligations, does not render entitlement to any financial compensation.

29.4 *Transactions with related parties*

The balances of related party transactions are shown below:

	Assets/(Liabilities)		Revenue/(Expenses)	
	12/31/2023	**12/31/2022**	**12/31/2023**	**12/31/2022**
Cash Equivalents	**179,983**	**359,595**	-	-
Bank of America, National Association - Canada Branch	14,368	10,238	-	-
Bank of America, National Association - Hong Kong Branch	2,481	273	-	-
Bank of America, National Association - London Branch	48,217	50,626	-	-
Bank of America, National Association - Tokyo Branch	5,140	2,804	-	-
Bank of America, National Association - Singapore Branch	2,221	713	-	-
Bank of America Mexico, S.A., Institucion de Banca Multiple	28,277	6,719	-	-
Bank of America, National Association – New York Branch	35,535	231,302	-	-
Bank of America, National Association - Australian Branch	9,089	1,623	-	-
Bank of America Europe Designated Activity Company, Dublin, Zurich Branch	10,304	9,245	-	-
Bank of America Europe Designated Activity Company, Frankfurt Branch	24,352	46,053	-	-
Interbank liquidity investment	**-**	**-**	**111**	**1,879**
Iceberg Multimarket Investment Fund	-	-	111	1,879
Derivative financial instruments	**(2,014)**	**389,532**	**(1,459,671)**	**(2,153,791)**
Ágata Multimarket Investment Fund	(2,014)	389,532	(1,459,671)	(2,153,791)
Other Financial Assets - Securities Trading and Brokerage	**-**	**326,102**	**-**	**-**
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	-	326,102	-	-
Other Financial Assets - Income receivable for service provision	**65,742**	**65,938**	**707,065**	**727,285**
BofA Securities, Inc.	3,893	14,766	104,081	174,134
Merrill Lynch Capital Services, Inc.	7,652	9,530	77,909	86,022
Ágata Multimarket Investment Fund	843	970	10,487	11,246
PCG-Brasil Multi-Portfolio Investment Fund in Non-Standard Credit Rights	266	257	4,021	3,310
BofA Securities Europe SA	850	981	8,840	9,087
Access 1 Investment Fund in Non-Standard Credit Rights Investment Funds	41	38	473	411
Merrill Lynch International	174	-	-	-
Merrill Lynch International, LLC	3,738	1,948	44,220	50,618
Merrill Lynch Corredores de Bolsa SpA	248	-	2,190	-
Merrill Lynch International	17,993	12,929	144,122	121,385
Iceberg Multimarket Investment Fund	193	122	2,291	1,220
Merrill Lynch Argentina S.A.	927	-	927	-
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	-	-	960	960
Bank of America, National Association	28,739	24,293	304,415	267,341
Boston Negócios e Participações Ltda.	185	103	2,130	1,553
Other Assets	**32,572**	**63,723**	**76,578**	**78,256**
Merrill Lynch, Pierce, Fenner & Smith Incorporated	26,207	55,833	-	-
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	6,365	7,890	76,578	78,256
Deposits	**(638,307)**	**(596,923)**	**(74,374)**	**(67,135)**
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	(530,169)	(498,169)	(61,678)	(55,902)
Merrill Lynch Participações, Finanças e Serviços Ltda	(108,138)	(98,754)	(12,696)	(11,233)
Fundraising	**(3,053,764)**	**(2,873,570)**	**(371,507)**	**(303,536)**
NB Holdings Corporation	-	-	(33,146)	(5,952)
Ágata Multimarket Investment Fund	(2,793,909)	(2,815,874)	(329,106)	(296,714)
Access 1 Investment Fund in Non-Standard Credit Rights Investment Funds	(856)	(1,412)	(138)	(231)
Iceberg Multimarket Investment Fund	(258,999)	(56,284)	(9,117)	(639)
Other Financial Liabilities - Securities Trading and Brokerage	**(61,129)**	**-**	**-**	-
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	(61,129)	-	-	-
Other obligations	**(11,503)**	**(32,706)**	**(19,421)**	**(14,416)**
BofAML EMEA Holdings 2 Limited	(9,441)	(31,006)	-	-

Merrill Lynch Group Holdings II, L,L,C,	(14)	(47)	-	-
Merrill Lynch International	(366)	(234)	-	-
Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários	(1,681)	(1,419)	(19,087)	(13,548)
Bank of America, National Association	-	-	(334)	(868)

Operations carried out with group companies were executed based on conditions usually employed by the market.

30 Risk and Capital Management

The Bank of America Corporation (BAC) risk framework defines the principles for consistent and efficient management of the various risks to which BAC and its subsidiaries are subject, including the Brazilian subsidiaries of the Bank of America Prudential Conglomerate ("Conglomerate") which is composed of Bank of America Merrill Lynch Banco Múltiplo S.A. and Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários.

The governance structure applies to all staff and employees and establishes roles and responsibilities for the purposes of risk management for the different areas of the organization, divided into three lines of defense: (i) business and respective control areas; (ii) independent risk areas and other control areas; and (iii) internal audits. This structure acts in setting the model, risk appetite and limits for Conglomerate activities, by way of authority delegated to committees, and executives, supervised by the Board and regional committees,

The Conglomerate manages these risks according to global standards, consisting of local policies, processes, systems, routines and procedures. Although responsibility for risk management is assigned to all employees, the risk area manages these risks through timely and independent analysis.

In compliance with CMN Resolution No. 4.557/17, management of the various types of risk is integrated within the Executive Risk Board, under the responsibility of the Chief Risk Officer ("CRO") and supervision of the Brazil Risk Management Committee (BMRC). The BMRC reports to the Board and, among other responsibilities, reviews and evaluates compliance with the levels of risk appetite, documented in the Risk Appetite Statement (RAS), as well as strategies for managing these risks, regarded individually and in an integrated manner.

Risk committee assignments are available at (https:// www.bofabrasil.com.br).

The integrated risk management framework identifies, measures, assesses, monitors, informs, controls and mitigates the following types of risk:

Credit Risk: Defined as the likelihood of loss events associated with the inability or default by the policyholder, or counterparty, of their respective financial obligations under the terms agreed, the devaluation of a credit contract resulting from deterioration in policyholder risk classification, the reduction of gains or remuneration, the advantages granted in the renegotiation and the cost of recovery. Credit risk exposure refers to the amount at risk or the maximum potential loss to which the Conglomerate is exposed as it grants a new credit.

Following a rigorous and disciplined client selection process, credit risk is managed based on the risk profile of each borrower or counterparty, including the assessment of sources of repayment, underlying guarantees, and the expected impacts relating to the current and projected economic environment. Credit analysis, monitoring and limits are proactively reassessed to capture any changes in the risk profile. The Conglomerate follows local and global Credit Risk Policies, which set high standards for credit risk management and monitoring.

Operating Risk: Defined as that arising from losses resulting from failure or inadequate processes, people, systems or external events. Includes legal risk resulting from failure to comply with laws, regulations, ethical standards and contractual obligations in any aspect of the Conglomerate's business, including legal fees, conflict resolution and regulatory fines. The Operational Risk Management Program, in accordance with the requirements of the Central Bank of Brazil, incorporates and documents processes for the identification, measurement, monitoring, control and reporting of operational and compliance risk information to the appropriate committees.

Compliance Risk (Compliance): Defined as that arising from legal or regulatory sanctions capable of causing material financial harm or damage to the reputation of the conglomerate due to non-compliance with the requirements of applicable laws, rules, regulations, as well as standards and codes of conduct. The Conglomerate is committed to high standards of compliance, with no appetite for risks of violation of laws or regulations, The Compliance Policy follows global guidelines as well as local requirements of CMN Resolution No. 4,595/17.

<u>*Market Risk:*</u> Defined as that resulting from changes in market conditions that could negatively affect the value of assets and liabilities or have any negative effect on results. Market risk is comprised of price risk and interest rate risk of the negotiation portfolio.

Sensitivity analysis, Value at Risk ("VaR") limits, stress limits and other types of limits on risk metrics are established for the management of Conglomerate market risk exposures.

i) Sensitivity analysis

Sensitivity analysis allows the impact on the value of a position or portfolio resulting from isolated changes in market factors to be measured, keeping other market risk factors constant. The Local Market Risk area analyzes and reports daily to other business areas the risk sensitivity measures in relation to interest rates, interest curves, volatility, foreign exchange exposure, stocks and commodities.

ii) Value-at-Risk (VaR)

The Conglomerate globally applies the VaR methodology to measure potential portfolio losses. The VaR is a standard methodology used to estimate the maximum expected loss of a portfolio given a significance level and within a given time horizon. The Local Market Risk area uses the VaR measure as an indicator of the level of market risk, and changes observed in this measure should be correlated with relative changes in risk.

The model consists of a historical simulation performed over a 3-year periodically updated observation period. The confidence level of the model is 99% and the 1-day horizon, taking into account the mean of the last 19 most relevant losses during this three-year period.

The Conglomerate's VaR on the end-of-period dates and maximum, minimum and mean values thereof, throughout the year are shown below:

VaR (*) 99% (1 day in thousands of Brazilian reals)		
VaR	**12/31/2023**	**12/31/2022**
End of period	13,235	13,192
Minimum *	7,496	5,152
Maximum *	21,537	16,389
Mean *	13,502	9,877

(*) Mean of the 19 most relevant losses of a 3-year observation window

The historical simulation VaR methodology does not require a prior hypothesis on the distribution of returns and it is not necessary to estimate volatilities or correlations between portfolio assets, regarded as an advantage over other VaR calculation methodologies. However, with regard to historical returns, it should be regarded that past events do not necessarily represent future events, that is, the time series may contain events that no longer occur or even omit events that occur in the future. In addition, by weighting all samples with the same weight, the VaR may be distorted by old information and if an extreme value leaves the observation window, the VaR may vary greatly.

Interest Rate Risk in the Banking Book (IRRBB): Defined as current or prospective risk of the impact of adverse interest rate movements on the financial institution's capital and results, for instruments classified in the bank portfolio, The IRRBB is regularly monitored through the metrics and methodology standardized by the Central Bank of Brazil Circular Letter 3876/18, known as ΔEVE and ΔNII, for which specific limits are assigned.

Liquidity Risk: Defined as the inability to meet expected or unexpected cash flow and collateral needs while continuing to support our business and customers under distinct economic conditions. Corporate Treasury, in conjunction with the business areas, monitors the liquidity position on a daily basis and, if necessary, takes corrective actions to maintain liquidity metrics in accordance with risk appetite and established limits. Additionally, the Conglomerate has a liquidity contingency plan for situations where the stress metric falls below the preset limits.

Reputational Risk: defined as that arising from the negative perception of the conduct and business practices adopted by the Conglomerate that may negatively affect profitability and operations. Reputational risk may arise from adverse advertising or negative information about the Conglomerate or sector, whether true or not. Negative perception may affect the trust of key stakeholders, including customers, counterparties, investors, regulators, risk agencies, scrutiny of external parties (politicians, consumers, media organizations), and the ongoing threat of legal proceedings. These factors may impact profitability and operations, hindering the ability to establish new relationships or maintain current relationships. Reputational risk is managed through policies and controls established in processes and businesses for timely mitigation of reputation risks and through proactive monitoring and identification of potential events. Employees must protect the reputation of the Conglomerate by acting ethically and in compliance with applicable law, as defined under the Code of Conduct.

Prevention of Money Laundering and Fighting Terrorism: Reputational and regulatory sanctions risk relating to financial crimes of money laundering, economic sanctions and fighting terrorism is managed by global policies and procedures, by addressing local regulatory and organization-wide commitment.

Strategic Risk: Defined as that resulting from incorrect assumptions about in-company or external factors; inappropriate business plans, such as aggressive assumptions, equivocal and/or ambiguous focus; deployment of inefficient business strategy or untimely response to changes in competitive, macroeconomic or regulatory environments, such as competitor actions, changing customer preferences, obsolescence of products and development of new technologies.

Interconnected Risks

In addition to the types of risk described above, risks can manifest themselves in several other types of risk, causing interdependence. These interconnected risks require comprehensive and collaborative efforts to be effectively identified, measured, monitored and controlled. The social, environmental and climate, concentration, information security, data risk and conduct risk risks are examples of interdependent risks that we develop and continue to enhance processes to incorporate into our Risk Framework and risk management programs.

Social, environmental and climate risks: The Conglomerate has a Social, Environmental and Climate Responsibility Policy (PRSAC), and establishes the guidelines for their identification, assessment, monitoring and mitigation of control, in compliance with CMN Resolutions Nos. 4,943/21 and 4,945/21.

Information Security and Cyber Security: Information and cyber security risk is the potential threat of loss or damage to information assets due to vulnerabilities or other cyber threats, including, but not limited to, cases of disruptive or destructive attacks on technology infrastructures, loss or irrecoverable breach of data by an external or internal actor, affecting the Conglomerate or its third parties, among others. This risk may result in impacts to customer and operations, financial losses, reputational damage, regulatory actions, and/or loss of intellectual property. Cyber-attacks are evolving rapidly and include, for example, malicious or destructive code (malware/ransomware), social engineering (including phishing, vishing and smishing), denial of service, among others. New cyber threat risks may arise from the adoption of new technologies, including but not limited to quantum computing, blockchain technology, Internet of Things ("IoT") devices, artificial intelligence, mobile technologies, social media, personal devices, third-party hosting, cloud computing, and multi-tenant environments, as well as the increasingly interconnected information chains of the global financial community.

The Conglomerate manages information and cyber security risk through global and local policies, standards and procedures, in accordance with CMN Resolution No. 4,893/21 and CVM Resolution 35 (Information Security Chapter), with preventive, detective and responsive measures to combat existing and emerging cybersecurity threats.

Capital Management: It consolidates in a structured manner actions implemented by the Conglomerate for the purposes of regulatory capital management in accordance with the decisions of the CMN Resolution 4,557/17. The capital structure provides a forecast of the sufficiency of available regulatory capital, under normal and stressed scenarios, in view of strategic objectives, risks inherent to the operation of the Conglomerate, future profits, profit distribution policy and corporate actions provided for by executive management.

Quantitative and qualitative, unaudited information relating to risk management for Basel 3 Pillar III is available on the website (https://www.bofabrasil.com.br/).

31 Additional Information

Maturity profile of financial assets and liabilities

The following table demonstrates the maturity profile of financial assets and liabilities

						December 31, 2023
	No expiration	**up to 3 months**	**3 to 12 months**	**1 to 3 years**	**Over 3 years**	**Total**
Assets						
Cash Equivalents	180,034	-	-	-	-	180,034
Financial assets						
Reserves at Central Bank of Brazil	317,758	-	-	-	-	317,758
Interbank liquidity investment	-	14,361,610	462,093	144,667	-	14,968,370

Held for trading	-	2,450,790	1,217,025	1,554,485	1,499,519	6,721,819
Available for sale	23,797	-	123,280	-	-	147,077
Derivatives	-	2,239,736	1,147,536	942,180	724,874	5,054,326
Credit Operations	-	363,736	496,604	205,499	393,577	1,459,416
Foreign Exchange Portfolio	-	1,680,689	118,085	-	-	1,798,774
Other financial assets	-	1,719,943	-	-	-	1,719,943
Total	**521,589**	**22,816,504**	**3,564,623**	**2,846,831**	**2,617,970**	**32,367,517**
Liabilities						
Deposits	(1,431,693)	(689,525)	(453,451)	(318,867)	(14,167,875)	(17,061,411)
Fundraising	-	(3,053,764)	-	-	-	(3,053,764)
Derivatives	-	(2,056,962)	(1,338,473)	(678,731)	(928,687)	(5,002,853)
Foreign Exchange Portfolio	-	(1,683,275)	(122,026)	-	-	(1,805,301)
Other financial liabilities	-	(156,551)	-	-	-	(156,551)
Total	**(1,431,693)**	**(7,640,077)**	**(1,913,950)**	**(997,598)**	**(15,096,562)**	**(27,079,880)**
Net position	**(910,104)**	**15,176,427**	**1,650,673**	**1,849,233**	**(12,478,592)**	**5,287,637**

						December 31, 2022
	No expiration	**up to 3 months**	**3 to 12 months**	**1 to 3 years**	**Over 3 years**	**Total**
Assets						
Cash Equivalents	359,647	-	-	-	-	359,647
Financial assets						
Reserves at Central Bank of Brazil	328,002	-	-	-	-	328,002
Interbank liquidity investment	-	8,716,471	377,718	-	128,780	9,222,969
Held for trading	-	2,905,654	1,311,291	3,175,086	1,297,952	8,689,983
Available for sale	20,303	-	11,201	509,881	-	541,385
Held to maturity	-	199,931	-	-	-	199,931
Derivatives	-	2,639,938	1,145,274	833,813	953,624	5,572,649
Credit Operations	-	292,992	260,635	56,541	394,205	1,004,373
Foreign Exchange Portfolio	-	4,881,336	60,649	-	-	4,941,985
Other financial assets	-	504,319	-	-	-	504,319
Total	**707,952**	**20,140,641**	**3,166,768**	**4,575,321**	**2,774,561**	**31,365,243**
Liabilities						
Deposits	(1,694,130)	(1,532,157)	(579,505)	(361,431)	(7,904,544)	(12,071,767)
Fundraising	-	(2,873,570)	-	-	-	(2,873,570)
Derivatives	-	(2,644,590)	(1,342,325)	(1,094,239)	(940,217)	(6,021,371)
Foreign Exchange Portfolio	-	(5,476,875)	(56,345)	-	-	(5,533,220)
Other financial liabilities	-	(301,204)	-	-	-	(301,204)
Total	**(1,694,130)**	**(12,828,396)**	**(1,978,175)**	**(1,455,670)**	**(8,844,761)**	**(26,801,132)**
Net position	**(986,178)**	**7,312,245**	**1,188,593**	**3,119,651**	**(6,070,200)**	**4,564,111**

Ombudsman

In compliance with Resolutions 4,860/20 and 4,859/20 of the National Monetary Council, the Bank of America Conglomerate provides the ombudsman channel and complaints' channel by way of telephone numbers 0800 886 2000 and 0800 721 8036, respectively.

* * *

Board of Directors
Afonso Augusto de Azevedo Soares
Ana Carolina Palmério Gennari

Bruno César de Castilhos Saraiva
Carlos Augusto Hawthorne
Cristiana Bruschini Alves Costa
Daniel Fazzolari
Daniel Yudi Sasahara Kondo
Eduardo Alcalay
Eduardo Bianchi Rolim
Flávio Pinheiro Corsini
Marcelo Anção Chiovatto
Nuno Filipe de Macedo Martins

Accountant
Ricardo Kenji Mukai
Chartered Accountant Reg, (CRC) No. 1SP233986/O-8

SUMMARY OF AUDIT COMMITTEE REPORT

In accordance with its duties, the Audit Committee of the Bank of America Prudential Conglomerate is responsible for ensuring the quality of the Financial Statements, compliance with legal and regulatory requirements, the independence and quality of the work of Independent Audit and Internal Audit and quality and effectiveness of in-company control systems and for risk management.

During the fiscal year, a work meeting was held which was attended, in addition to members of the Audit Committee, by the representatives of the Internal Audit, Independent Audit and other areas. We highlight the following issues:

- Review of the Financial Statements for the semester and fiscal year ended on December 31, 2023;
- Assessment of the performance and quality of the work of Independent and Internal Audits;
- Assessment of compliance with recommendations made by Independent and Internal Auditors;
- Assessment of the effectiveness of the Institution's In-Company Control systems.

The Audit Committee, as a result of the assessments carried out on the basis of information received from Management and Internal and Independent Audits, recommends the approval of the financial statements for the semester and fiscal year ended December 31, 2023 of Bank of America Merrill Lynch Banco Múltiplo S.A.

São Paulo, March 20, 2024
The Audit Committee