

RESOLVED that shareholders of Bank of America Corporation (“BofA”) urge the Board of Directors to oversee a racial equity audit analyzing BofA’s adverse impacts on nonwhite stakeholders and communities of color. Input from civil rights organizations, employees, and customers should be considered in determining the specific matters to be analyzed. A report on the audit, prepared at reasonable cost and omitting confidential or proprietary information, should be publicly disclosed on BofA’s website.

#### SUPPORTING STATEMENT

High-profile police killings of Black people—most recently George Floyd—have galvanized the movement for racial justice. That movement, together with the disproportionate impacts of the COVID-19 pandemic have focused the attention of the media, the public, and policy makers on systemic racism, racialized violence and inequities in employment, health care, and the criminal justice system. In June 2020, BofA CEO Brian Moynihan noted the urgency in addressing “racial injustices we have seen in the communities where we work and live....” BofA has committed \$1 billion over four years to address issues like healthcare, jobs, supporting minority owned small businesses, and housing.

BofA has a conflicted history when it comes to addressing racial injustice within the communities it serves. In 2018, the Treasury Department’s Office of the Comptroller found that the bank offered proportionately fewer home loans to minorities than to white applicants in Philadelphia. BofA has also closed numerous branches in majority-Black communities, reducing its number of branches to 29.1%, compared to 18.4% in non-majority Black areas. In 2018, the bank began to impose a minimum maintenance fee of \$12 per month for checking account customers or a minimum daily balance of \$1500. Such minimum fees and balances disproportionately impact people of color and can inhibit wealth creation among these communities. Lastly, we note that only 8% of executives within BofA’s C-Suite are Black.

The impact of BofA’s practices on communities of color is not limited to the lending and employment contexts. In 2009 and 2010, Los Angeles issued \$71.4 million in judgment obligation bonds, a portion of which was used to pay for police related settlements. By the time these bonds are paid off, BofA and other banks involved in this issuance will have received \$18 million. BofA’s charitable contributions are not fully aligned with its public statements: BofA has donated to police foundations in New York, Atlanta, and Los Angeles, which bypass normal procurement processes to buy equipment for police departments, including surveillance technology that has been used to target communities of color and nonviolent protestors.

A racial equity audit will help BofA identify, prioritize, remedy and avoid adverse impacts on nonwhite stakeholders and communities of color. We urge BofA to assess its behavior through a racial equity lens in order to obtain a complete picture of how it contributes to, and could help dismantle, systemic racism.