

Business Continuity Management

CORPORATE POLICY

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

The Business Continuity Management Policy applies to all employees of Bank of America and its third-party vendors and partners. It establishes minimum requirements for reasonably maintaining the availability of business functions after a business interruption. The policy includes defining, maintaining and testing recovery and resilience plans for critical business functions and technology applications within all of Bank of America’s lines of business, internal support organizations and third-parties, so that they can remain operational after a business interruption.

PROGRAM OVERVIEW

The program focuses on assessing enterprise readiness for business interruption, accounting for employees and assembling leaders to execute their business continuity plans. The goal is to provide uninterrupted service to customers and clients by mitigating impacts and recovering critical business functions and applications.

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

Business Continuity Lifecycle



GOVERNANCE

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

PLANNING

All divisions and subsidiaries must develop and maintain recovery and/or resilience plans commensurate with the criticality of the business function(s) as required under the established corporate policy. The criticality of a function is determined by a Business Impact Analysis (BIA), which helps determine the strategy, recovery time objective, recovery point objective and frequency of testing. Each recovery and resilience plan adheres to a standard development process and meets specific design requirements.

TESTING

Both functions and their supporting technologies within Bank of America are included in a comprehensive enterprise testing program that assesses and validates controls, recovery and resilience capabilities, and response readiness for the company and its third-parties to ensure they can operate as expected during a business interruption.

The frequency of testing is determined by the criticality of the business functions, supporting technology and regulation. Testing of the most critical functions is performed at least annually. Bank of America's business continuity testing program is adhered to globally. Test results and compliance are monitored consistently by the business continuity organization.

RESPONSE

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

The response process includes:

- Executing urgent integrated response to significant business disruption events occurring with limited/no warning.
- Maximizing preparedness for advance-warning events with potential for significant business disruption.
- Driving employee and leadership communication effectiveness for all business continuity events.
- Engaging all business teams and functions across the company to enhance efficiency and effectiveness of response processes and technologies.
- Maintaining and expanding external Business Continuity Management engagements in the public and private sectors to enable world-class resiliency.

RECOVERY AND RESILIENCE RESOURCES

People

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

Facilities

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

Technology

Mainframes

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

Midrange/Client Servers

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

PROGRAM SUMMARY

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

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

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