UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☑ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended June 30, 2026

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to

Commission file number:
1-6523

Exact name of registrant as specified in its charter:
Bank of America Corporation

State or other jurisdiction of incorporation or organization:
Delaware

IRS Employer Identification No.:
56-0906609

Address of principal executive offices:
Bank of America Corporate Center
100 N. Tryon Street
Charlotte, North Carolina 28255

Registrant's telephone number, including area code:
(704) 386-5681

Former name, former address and former fiscal year, if changed since last report:

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	BAC	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of Floating Rate Non-Cumulative Preferred Stock, Series E	BAC PrE	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 6.000% Non-Cumulative Preferred Stock, Series GG	BAC PrB	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 5.875% Non-Cumulative Preferred Stock, Series HH	BAC PrK	New York Stock Exchange
7.25% Non-Cumulative Perpetual Convertible Preferred Stock, Series L	BAC PrL	New York Stock Exchange
Depositary Shares, each representing a 1/1,200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock, Series 1	BML PrG	New York Stock Exchange

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Depositary Shares, each representing a 1/1,200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock, Series 2	BML PrH	New York Stock Exchange
Depositary Shares, each representing a 1/1,200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock, Series 4	BML PrJ	New York Stock Exchange
Depositary Shares, each representing a 1/1,200th interest in a share of Bank of America Corporation Floating Rate Non-Cumulative Preferred Stock, Series 5	BML PrL	New York Stock Exchange
Floating Rate Preferred Hybrid Income Term Securities of BAC Capital Trust XIII (and the guarantee related thereto)	BAC/PF	New York Stock Exchange
5.63% Fixed to Floating Rate Preferred Hybrid Income Term Securities of BAC Capital Trust XIV (and the guarantee related thereto)	BAC/PG	New York Stock Exchange
Income Capital Obligation Notes initially due December 15, 2066 of Bank of America Corporation	MER PrK	New York Stock Exchange
Senior Medium-Term Notes, Series A, Step Up Callable Notes, due November 28, 2031 of BofA Finance LLC (and the guarantee of the Registrant with respect thereto)	BAC/31B	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 5.375% Non-Cumulative Preferred Stock, Series KK	BAC PrM	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 5.000% Non-Cumulative Preferred Stock, Series LL	BAC PrN	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 4.375% Non-Cumulative Preferred Stock, Series NN	BAC PrO	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 4.125% Non-Cumulative Preferred Stock, Series PP	BAC PrP	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 4.250% Non-Cumulative Preferred Stock, Series QQ	BAC PrQ	New York Stock Exchange
Depositary Shares, each representing a 1/1,000th interest in a share of 4.750% Non-Cumulative Preferred Stock, Series SS	BAC PrS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2).

Yes ☐ No ☑

On July 30, 2026, there were 6,992,748,365 shares of Bank of America Corporation Common Stock outstanding.

Bank of America Corporation and Subsidiaries
June 30, 2026
Form 10-Q

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Part I. Financial Information

Part II. Other Information

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Bank of America Corporation (the Corporation) and its management may make certain statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as "anticipates," "targets," "expects," "hopes," "estimates," "intends," "plans," "goals," "outlook," "believes," "continue" and other similar expressions or future or conditional verbs such as "will," "may," "might," "should," "would" and "could." Forward-looking statements represent the Corporation's current expectations, plans or forecasts of its or its business segments' future results, which may include, among other measures, revenue, liquidity, net interest income, other income, provision for credit losses, expenses, operating leverage, effective tax rate, efficiency ratio, capital measures, deposits and assets, as well as strategy, future business and economic conditions more generally, and other future matters. These statements are not guarantees of future results or performance and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond the Corporation's control. Actual outcomes and results may differ materially from those expressed in, or implied by, any of these forward-looking statements.

You should not place undue reliance on any forward-looking statement and should consider the following uncertainties and risks, as well as the risks and uncertainties more fully discussed under Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K *and in any of the Corporation's subsequent U.S. Securities and Exchange Commission (SEC) filings: the Corporation's potential judgments, orders, settlements, penalties, fines and reputational damage, which are inherently difficult to predict, resulting from pending, threatened or future litigation and regulatory inquiries, demands, requests, investigations, proceedings and enforcement actions, which the Corporation is subject to in the ordinary course of business, including matters related to our processing of unemployment benefits for California and certain other states, the features of our automatic credit card payment service, the adequacy of the Corporation's anti-money laundering and economic sanctions programs and the processing of electronic payments, including through the Zelle network, and related fraud, which are in various stages; in connection with ongoing litigation, the impact of certain changes to Visa's and Mastercard's respective card payment network rules and reductions in interchange fees for U.S.-based merchants; the possibility that the Corporation's future liabilities may be in excess of its recorded liability and estimated range of possible loss for litigation, and regulatory and government actions; the impact of U.S. and global interest rates (including the potential for fluctuations in interest rates), inflation, currency exchange rates, economic conditions, trade policies and tensions, including changes in, or the imposition of, tariffs and/or trade barriers and the economic impacts, volatility and uncertainty resulting therefrom, which may have varying effects across industries and geographies, and geopolitical instability; uncertainties about the financial stability and growth rates of non-U.S. jurisdictions, the risk that those jurisdictions may face difficulties servicing their sovereign debt, and related stresses on financial markets, currencies and trade, and the Corporation's exposures to such risks, including direct, indirect and operational; the impact of the interest rate, inflationary, macroeconomic, banking and regulatory environment on the Corporation's assets, business, financial condition and results of operations; the impact of adverse developments affecting the U.S. or global banking industry, including a deterioration in private credit markets, bank failures and liquidity concerns, resulting in worsening economic and market volatility, and regulatory responses thereto; the possibility that future credit losses may be higher than currently expected, including due to changes in economic assumptions, which may include unemployment rates, real estate prices, gross domestic product levels and corporate bond spreads, customer behavior, adverse developments with respect to U.S. or global economic conditions and other uncertainties, such as the impact of trade policies, supply chain disruptions, commodity prices, inflationary pressures and labor shortages on economic conditions and our business; potential losses related to the Corporation's concentration of credit risk; the Corporation's ability to achieve its expense targets (including noninterest expense) and expectations regarding revenue, net interest income, operating leverage, other income, provision for credit losses, net charge-offs, effective tax rate, loan or deposit growth or other projections and targets; variances to the underlying assumptions and judgments used in estimating banking book net interest income sensitivity; adverse changes to the Corporation's credit ratings from the major credit rating agencies; an inability to access capital markets or maintain deposits or borrowing costs; estimates of the fair value and other accounting values, subject to impairment assessments, of certain of the Corporation's assets and liabilities; the estimated or actual impact of changes in accounting standards or assumptions in applying those standards; uncertainty regarding the content, timing and impact of regulatory capital and liquidity requirements; the impact of adverse changes to total loss-absorbing capacity requirements, stress capital buffer requirements and/or global systemically important bank surcharges; the potential impact of actions of the* Board of Governors of the Federal Reserve System *on the Corporation's capital plans; the effect of changes in or interpretations of income tax laws and regulations, including impacts from the 2025 Budget Reconciliation Act; the impact of implementation and compliance with U.S. and international laws, regulations and regulatory interpretations, including recovery and resolution planning requirements, Federal Deposit Insurance Corporation assessments, fiduciary standards, derivatives regulations and potential changes to loss allocations between financial institutions and customers, including for losses incurred from the use of our products and services, including electronic payments and payment of checks, that were authorized by the customer but induced by fraud; the impact of failures or disruptions in or breaches of the Corporation's operations or* *information systems, or those of various third parties, including regulators and federal and state governments, such as from cybersecurity incidents; the risks related to the development, implementation, use and management of emerging technologies, including artificial intelligence and the ability to achieve expected or potential benefits, such as increased productivity and cost savings; the risks related to the transition and physical impacts of climate change; our ability to achieve environmental goals or the impact of any changes in the Corporation's sustainability or human capital management strategy or goals; the impact of uncertain or changing political conditions, federal government shutdowns, including partial shutdowns, and uncertainty regarding the federal government's debt limit or changes in fiscal, monetary, trade or regulatory policy; the emergence of widespread health emergencies or pandemics; the impact of natural disasters, extreme weather events, military conflicts (including the Russia/Ukraine conflict, the conflicts in the Middle East, the possible expansion of such conflicts and potential geopolitical and economic consequences), civil unrest, terrorism or other geopolitical events; and other matters.*

Forward-looking statements speak only as of the date they are made, and the Corporation undertakes no obligation to update any forward-looking statement to reflect the impact of circumstances or events that arise after the date the forward-looking statement was made.

Notes to the Consolidated Financial Statements referred to in Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) are incorporated by reference into the MD&A. Throughout the MD&A, the Corporation uses certain acronyms and abbreviations that are defined in the Glossary.

Executive Summary

Business Overview

The Corporation is a Delaware corporation, a bank holding company (BHC) and a financial holding company. When used in this report, "Bank of America," "the Corporation," "we," "us" and "our" may refer to Bank of America Corporation individually, Bank of America Corporation and its subsidiaries, or certain of Bank of America Corporation's subsidiaries or affiliates. Our principal executive offices are located in Charlotte, North Carolina. Through our various bank and nonbank subsidiaries throughout the U.S. and in international markets, we provide a diversified range of banking and nonbank financial services and products through four business segments: *Consumer Banking*, *Global Wealth & Investment Management (GWIM)*, *Global Banking* and *Global Markets*, with the remaining operations recorded in *All Other*. We operate our banking activities primarily under the Bank of America, National Association (Bank of America, N.A. or BANA) charter. At June 30, 2026, the Corporation had $3.5 trillion in assets and a headcount of approximately 211,000 employees. As of June 30, 2026, we served clients through operations across the U.S., its territories and more than 35 countries and/or jurisdictions. Our retail banking footprint covers all major markets in the U.S., and we serve more than 69 million consumer and small business clients with approximately 3,500 retail financial centers, approximately 15,000 automated teller machines (ATMs), and leading digital banking platforms (www.bankofamerica.com) with approximately 50 million active users, including approximately 42 million active mobile users. We offer industry-leading support to approximately four million small business households. Our *GWIM* businesses, with client balances of approximately $4.9 trillion, provide tailored solutions to meet client needs through a full set of investment management, brokerage, banking, trust and retirement products. We are a global leader in corporate and investment banking and trading across a broad range of asset classes serving corporations, governments, institutions and individuals around the world.

The Corporation's website is www.bankofamerica.com, and the Investor Relations portion of our website is https://investor.bankofamerica.com. We use our website to distribute company information, including as a means of disclosing material, non-public information and for complying with our disclosure obligations under Regulation FD. We routinely post and make accessible financial and other information regarding the Corporation on our website. Investors should monitor our website, including the Investor Relations portion, in addition to our press releases, SEC filings, public conference calls and webcasts. Notwithstanding the foregoing, the information contained on our website as referenced in this paragraph is not incorporated by reference into this Quarterly Report on Form 10-Q.

Recent Developments

Capital Management

On July 23, 2026, the Corporation's Board of Directors (Board) declared a quarterly common stock dividend of $0.32 per share, an increase of 14 percent compared to the prior quarterly dividend, payable on September 25, 2026 to shareholders of record as of September 4, 2026.

For more information on our capital resources, see Capital Management beginning on page 19.

Financial Highlights

Table 1 Summary Income Statement and Selected Financial Data

(Dollars in millions, except per share information)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Income statement				
Net interest income	**$ 15,997**	$ 14,670	**$ 31,742**	$ 29,113
Noninterest income	**15,561**	12,773	**30,088**	26,577
Total revenue, net of interest expense	**31,558**	27,443	**61,830**	55,690
Provision for credit losses	**1,366**	1,592	**2,703**	3,072
Noninterest expense	**18,627**	17,183	**37,158**	34,953
Income before income taxes	**11,565**	8,668	**21,969**	17,665
Income tax expense	**2,491**	1,498	**4,311**	3,135
Net income	**9,074**	7,170	**17,658**	14,530
Preferred stock dividends and other	**326**	291	**755**	697
Net income applicable to common shareholders	**$ 8,748**	$ 6,879	**$ 16,903**	$ 13,833
Per common share information				
Earnings	**$ 1.22**	$ 0.91	**$ 2.35**	$ 1.81
Diluted earnings	**1.21**	0.90	**2.31**	1.79
Dividends paid	**0.28**	0.26	**0.56**	0.52
Performance ratios				
Return on average assets [1]	**1.03 %**	0.84 %	**1.01 %**	0.86 %
Return on average common shareholders' equity [1]	**12.71**	10.12	**12.33**	10.24
Return on average tangible common shareholders' equity [2]	**17.03**	13.61	**16.52**	13.79
Efficiency ratio [1]	**59.02**	62.61	**60.10**	62.76

	June 30 2026	December 31 2025
Balance sheet		
Total loans and leases	**$ 1,217,619**	$ 1,185,700
Total assets	**3,499,191**	3,411,738
Total deposits	**2,025,124**	2,018,729
Total liabilities	**3,198,097**	3,108,495
Total common shareholders' equity	**276,098**	277,251
Total shareholders' equity	**301,094**	303,243

(1) For definitions, see Key Metrics on page 101.
(2) Return on average tangible common shareholders' equity is a non-GAAP financial measure. For more information and a corresponding reconciliation to the most directly comparable financial measures defined by accounting principles generally accepted in the United States of America (GAAP), see Non-GAAP Reconciliations on page 46.

Net income was $9.1 billion and $17.7 billion, or $1.21 and $2.31 per diluted share, for the three and six months ended June 30, 2026 compared to $7.2 billion and $14.5 billion, or $0.90 and $1.79 per diluted share, for the same periods in 2025. The increase in net income was due to higher noninterest income and net interest income, as well as lower provision for credit losses, partially offset by higher noninterest expense.

Total assets increased $87.5 billion from December 31, 2025 to $3.5 trillion primarily driven by higher securities borrowed or purchased under agreements to resell and higher customer and other receivables to support *Global Markets* client activity, as well as higher loans and leases due to growth in commercial loans, partially offset by lower debt securities primarily due to maturities and paydowns.

Total liabilities increased $89.6 billion from December 31, 2025 to $3.2 trillion primarily driven by higher customer trade payables and trading account liabilities to support *Global Markets* client activity, as well as higher long-term debt issuances and short-term borrowings for liquidity positioning.

Shareholders' equity decreased $2.1 billion from December 31, 2025 primarily due to returns of capital to shareholders through common stock repurchases and common and preferred stock dividends, a decrease in accumulated other comprehensive income (OCI) and a preferred stock redemption, partially offset by net income.

Net Interest Income

Net interest income increased $1.3 billion to $16.0 billion, and $2.6 billion to $31.7 billion for the three and six months ended June 30, 2026 compared to the same periods in 2025. Net interest yield on a fully taxable-equivalent (FTE) basis increased 14 basis points (bps) and 12 bps to 2.08 percent for both the three and six months ended June 30, 2026 compared to the same periods in 2025. The increases were primarily driven by higher net interest income related to *Global Markets* activity, deposit and loan growth, and fixed-asset repricing, partially offset by the impact of lower interest rates. For more information on net interest yield and FTE basis, see Supplemental Financial Data on page 6, and for more information on interest rate risk management, see Interest Rate Risk Management for the Banking Book on page 43.

Noninterest Income

Table 2 Noninterest Income

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Fees and commissions:				
Card income	$ 1,583	$ 1,646	$ 3,076	$ 3,164
Service charges	1,706	1,615	3,380	3,176
Investment and brokerage services	5,653	4,780	11,194	9,593
Investment banking fees	2,138	1,428	3,979	2,951
Total fees and commissions	11,080	9,469	21,629	18,884
Market making and similar activities	4,177	3,153	7,814	6,737
Other income (loss)	304	151	645	956
Total noninterest income	$ 15,561	$ 12,773	$ 30,088	$ 26,577

Noninterest income increased $2.8 billion to $15.6 billion and increased $3.5 billion to $30.1 billion for the three and six months ended June 30, 2026 compared to the same periods in 2025. The following highlights the significant changes.

- Service charges increased $91 million and $204 million primarily due to higher treasury service charges.
- Investment and brokerage services increased $873 million and $1.6 billion primarily driven by higher asset management fees reflecting higher market valuations and the impact of positive assets under management (AUM) flows, as well as higher brokerage fees due to increased transactional volume.
- Investment banking fees increased $710 million for the three-month period due to higher debt issuance, advisory and equity issuance fees. The increase of $1.0 billion in the six-month period was driven by higher advisory, debt issuance and equity issuance fees.
- Market making and similar activities increased $1.0 billion and $1.1 billion primarily driven by higher trading revenue in Equities, partially offset by lower income from foreign currency risk management activities.
- Other income increased $153 million for the three-month period primarily due to relatively higher equity investment expenses recognized in the prior year related to certain tax-related equity investments placed in service during that period. The decrease of $311 million in the six-month period was primarily due to gains recorded on leveraged finance activities in the prior-year period, partially offset by relatively higher equity investment expenses recognized in the prior year related to certain tax-related equity investments placed in service during that period.

Provision for Credit Losses

The provision for credit losses decreased $226 million to $1.4 billion and $369 million to $2.7 billion for the three and six months ended June 30, 2026 compared to the same periods in 2025. For more information on the provision for credit losses, see *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* to the Consolidated Financial Statements.

Noninterest Expense

Table 3 Noninterest Expense

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Compensation and benefits	$ 10,987	$ 10,332	$ 22,321	$ 21,221
Information processing and communications	1,924	1,819	3,942	3,713
Occupancy and equipment	1,914	1,836	3,814	3,692
Product delivery and transaction related	1,327	974	2,453	1,888
Professional fees	573	640	1,156	1,292
Marketing	736	563	1,269	1,069
Other general operating	1,166	1,019	2,203	2,078
Total noninterest expense	$ 18,627	$ 17,183	$ 37,158	$ 34,953

Noninterest expense increased $1.4 billion to $18.6 billion and $2.2 billion to $37.2 billion for the three and six months ended June 30, 2026 compared to the same periods in 2025. The increases were primarily driven by higher revenue-related expenses during both periods, as well as continued investments in the business, including people, marketing and technology for the three-month period, and continued investments in people, technology and marketing for the six-month period.

Income Tax Expense

Table 4 Income Tax Expense

(Dollars in millions)	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	**2026**	2025
Income before income taxes	**$ 11,565**	$ 8,668	**$ 21,969**	$ 17,665
Income tax expense	**2,491**	1,498	**4,311**	3,135
Effective tax rate	**21.5 %**	17.3 %	**19.6 %**	17.7 %

The effective tax rate increased for the three and six months ended June 30, 2026 compared to the same periods in 2025 driven by lower tax preference items, primarily related to lower renewable energy tax credits on certain tax-related equity investment activity and lower discrete tax benefits relative to pretax earnings.

Supplemental Financial Data

Non-GAAP Financial Measures

In this Quarterly Report on Form 10-Q, we present certain non-GAAP financial measures. Non-GAAP financial measures exclude certain items or otherwise include components that differ from the most directly comparable measures calculated in accordance with GAAP. Non-GAAP financial measures are provided as additional useful information to assess our financial condition, results of operations (including period-to-period operating performance) or compliance with prospective regulatory requirements. These non-GAAP financial measures are not intended as a substitute for GAAP financial measures and may not be defined or calculated the same way as non-GAAP financial measures used by other companies.

When presented on a consolidated basis, we view net interest income on an FTE basis as a non-GAAP financial measure. To derive the FTE basis, net interest income is adjusted to reflect tax-exempt income on an equivalent before-tax basis with a corresponding increase in income tax expense. For purposes of this calculation, we use the federal statutory tax rate of 21 percent and a representative state tax rate. Net interest yield, which measures the basis points we earn over the cost of funds, utilizes net interest income on an FTE basis. We believe that presentation of these items on an FTE basis allows for comparison of amounts from both taxable and tax-exempt sources and is consistent with industry practices.

We may present certain key performance indicators and ratios excluding certain items (e.g., debit valuation adjustment (DVA) gains (losses)), which result in non-GAAP financial measures. We believe that the presentation of measures that exclude these items is useful because such measures provide additional information to assess the underlying operational performance and trends of our businesses and to allow better comparison of period-to-period operating performance.

We also evaluate our business based on certain ratios that utilize tangible equity, a non-GAAP financial measure. Tangible equity represents shareholders' equity or common shareholders' equity reduced by goodwill and intangible assets (excluding mortgage servicing rights (MSRs)), net of related deferred tax liabilities ("adjusted" shareholders' equity or common shareholders' equity). These measures are used to evaluate our use of equity. In addition, profitability, relationship and investment models use both return on average tangible common shareholders' equity and return on average tangible shareholders' equity as key measures to support our overall growth objectives. These ratios are:

- Return on average tangible common shareholders' equity measures our net income applicable to common shareholders as a percentage of adjusted average common shareholders' equity. The tangible common equity ratio represents adjusted ending common shareholders' equity divided by total tangible assets.
- Return on average tangible shareholders' equity measures our net income as a percentage of adjusted average total shareholders' equity. The tangible equity ratio represents adjusted ending shareholders' equity divided by total tangible assets.
- Tangible book value per common share represents adjusted ending common shareholders' equity divided by ending common shares outstanding.

We believe ratios utilizing tangible equity provide additional useful information because they present measures of those assets that can generate income. Tangible book value per common share provides additional useful information about the level of tangible assets in relation to outstanding shares of common stock.

The aforementioned supplemental data and performance measures are presented in Table 5 on page 7.

For more information on the reconciliation of these non-GAAP financial measures to the corresponding GAAP financial measures, see Non-GAAP Reconciliations on page 46.

Key Performance Indicators

We present certain key financial and nonfinancial performance indicators (key performance indicators) that management uses when assessing our consolidated and/or segment results. We believe they are useful to investors because they provide additional information about our underlying operational performance and trends. These key performance indicators (KPIs) may not be defined or calculated in the same way as similar KPIs used by other companies. For information on how these metrics are defined, see Key Metrics on page 101.

Our consolidated key performance indicators, which include various equity and credit metrics, are presented in Table 1 on page 4, and Table 5 on page 7.

For information on key segment performance metrics, see Business Segment Operations on page 10.

Table 5 Selected Financial Data

(In millions, except per share information)	2026 Quarters Second	2026 Quarters First	2025 Quarters Fourth	2025 Quarters Third	2025 Quarters Second	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Income statement							
Net interest income	**$ 15,997**	$ 15,745	$ 15,750	$ 15,233	$ 14,670	$ 31,742	$ 29,113
Noninterest income	**15,561**	14,527	12,617	13,807	12,773	30,088	26,577
Total revenue, net of interest expense	**31,558**	30,272	28,367	29,040	27,443	61,830	55,690
Provision for credit losses	**1,366**	1,337	1,308	1,295	1,592	2,703	3,072
Noninterest expense	**18,627**	18,531	17,437	17,337	17,183	37,158	34,953
Income before income taxes	**11,565**	10,404	9,622	10,408	8,668	21,969	17,665
Income tax expense	**2,491**	1,820	1,975	2,076	1,498	4,311	3,135
Net income	**9,074**	8,584	7,647	8,332	7,170	17,658	14,530
Net income applicable to common shareholders	**8,748**	8,155	7,319	7,903	6,879	16,903	13,833
Average common shares issued and outstanding	**7,151.2**	7,256.1	7,364.9	7,466.0	7,581.2	7,203.5	7,629.5
Average diluted common shares issued and outstanding	**7,294.2**	7,417.5	7,546.9	7,627.1	7,651.6	7,356.2	7,711.2
Performance ratios							
Return on average assets [(1)]	**1.03 %**	0.99 %	0.89 %	0.96 %	0.84 %	1.01 %	0.86 %
Four-quarter trailing return on average assets [(2)]	**0.97**	0.92	0.89	0.88	0.84	n/a	n/a
Return on average common shareholders' equity [(1)]	**12.71**	11.95	10.45	11.40	10.12	12.33	10.24
Return on average tangible common shareholders' equity [(3)]	**17.03**	16.00	13.97	15.29	13.61	16.52	13.79
Return on average shareholders' equity [(1)]	**12.09**	11.51	9.98	11.01	9.74	11.80	9.94
Return on average tangible shareholders' equity [(3)]	**15.76**	14.98	12.97	14.35	12.77	15.37	13.04
Total ending equity to total ending assets	**8.60**	8.60	8.89	8.89	8.66	8.60	8.66
Common equity ratio [(1)]	**7.89**	7.88	8.13	8.12	7.98	7.89	7.98
Total average equity to total average assets	**8.52**	8.61	8.86	8.75	8.61	8.57	8.70
Dividend payout [(1)]	**22.77**	24.82	28.02	26.31	28.48	23.76	28.57
Per common share data							
Earnings	**$ 1.22**	$ 1.12	$ 0.99	$ 1.06	$ 0.91	$ 2.35	$ 1.81
Diluted earnings	**1.21**	1.11	0.98	1.04	0.90	2.31	1.79
Dividends paid	**0.28**	0.28	0.28	0.28	0.26	0.56	0.52
Book value [(1)]	**39.34**	38.66	38.44	37.72	36.92	39.34	36.92
Tangible book value [(3)]	**29.37**	28.84	28.73	28.16	27.49	29.37	27.49
Market capitalization	**$ 399,884**	$ 347,583	$ 396,686	$ 378,125	$ 351,904	$ 399,884	$ 351,904
Average balance sheet							
Total loans and leases	**$ 1,216,519**	$ 1,189,528	$ 1,170,895	$ 1,153,035	$ 1,128,453		
Total assets	**3,531,568**	3,512,490	3,427,791	3,433,447	3,430,280		
Total deposits	**2,022,950**	2,016,929	2,012,523	1,991,434	1,973,761		
Long-term debt	**256,197**	253,997	245,470	247,425	249,104		
Common shareholders' equity	**275,988**	276,753	277,881	275,149	272,756		
Total shareholders' equity	**300,984**	302,501	303,873	300,381	295,329		
Asset quality							
Allowance for credit losses [(4)]	**$ 14,264**	$ 14,309	$ 14,380	$ 14,361	$ 14,434		
Nonperforming loans, leases and foreclosed properties [(5)]	**5,870**	5,933	5,905	5,470	6,104		
Allowance for loan and lease losses as a percentage of total loans and leases outstanding [(5)]	**1.08 %**	1.09 %	1.12 %	1.14 %	1.17 %		
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases [(5)]	**228**	225	228	248	222		
Net charge-offs	**$ 1,412**	$ 1,409	$ 1,287	$ 1,367	$ 1,525		
Annualized net charge-offs as a percentage of average loans and leases outstanding [(5)]	**0.47 %**	0.48 %	0.44 %	0.47 %	0.55 %		
Capital ratios at period end [(6)]							
Common equity tier 1 capital	**11.2 %**	11.2 %	11.4 %	11.6 %	11.5 %		
Tier 1 capital	**12.6**	12.6	12.8	13.1	12.9		
Total capital	**14.7**	14.5	14.7	15.0	14.8		
Tier 1 leverage	**6.6**	6.5	6.8	6.8	6.7		
Supplementary leverage ratio	**5.5**	5.5	5.7	5.8	5.7		
Tangible equity [(3)]	**6.7**	6.7	7.0	7.0	6.8		
Tangible common equity [(3)]	**6.0**	6.0	6.2	6.2	6.1		
Total loss-absorbing capacity and long-term debt metrics							
Total loss-absorbing capacity to risk-weighted assets	**26.3 %**	26.1 %	26.3 %	27.0 %	27.1 %		
Total loss-absorbing capacity to supplementary leverage exposure	**11.4**	11.3	11.7	11.9	12.0		
Eligible long-term debt to risk-weighted assets	**12.8**	12.6	12.7	13.1	13.5		
Eligible long-term debt to supplementary leverage exposure	**5.6**	5.5	**5.7**	**5.8**	6.0		

(1) For definitions, see Key Metrics on page 101.
(2) Calculated as total net income for four consecutive quarters divided by annualized average assets for four consecutive quarters.
(3) Tangible equity ratios and tangible book value per share of common stock are non-GAAP financial measures. For more information on these ratios and corresponding reconciliations to GAAP financial measures, see Supplemental Financial Data on page 6 and Non-GAAP Reconciliations on page 46.
(4) Includes the allowance for loan and lease losses and the reserve for unfunded lending commitments.
(5) Balances and ratios do not include loans accounted for under the fair value option. For additional exclusions from nonperforming loans, leases and foreclosed properties, see Consumer Portfolio Credit Risk Management – Nonperforming Consumer Loans, Leases and Foreclosed Properties Activity on page 32 and corresponding Table 25 and Commercial Portfolio Credit Risk Management – Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity on page 36 and corresponding Table 31.
(6) For more information, including which approach is used to assess capital adequacy, see Capital Management on page 19.
n/a = not applicable

Table 6 Quarterly Average Balances and Interest Rates - FTE Basis

(Dollars in millions)	Average Balance	Interest Income/ Expense [1]	Yield/ Rate	Average Balance	Interest Income/ Expense [1]	Yield/ Rate
	Second Quarter 2026			Second Quarter 2025		
Earning assets						
Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks	$ 254,700	$ 2,215	3.49 %	$ 274,839	$ 2,843	4.15 %
Time deposits placed and other short-term investments	11,839	93	3.15	10,405	89	3.43
Federal funds sold and securities borrowed or purchased under agreements to resell	373,297	4,185	4.50	353,331	4,094	4.65
Trading account assets	240,768	3,097	5.16	234,282	3,081	5.27
Debt securities	880,724	6,051	2.74	933,065	6,932	2.96
Loans and leases [2]						
Residential mortgage	236,187	2,106	3.57	235,130	2,031	3.46
Home equity	27,099	370	5.48	26,190	379	5.80
Credit card	103,640	2,794	10.81	100,013	2,846	11.41
Direct/Indirect and other consumer	116,455	1,484	5.11	108,955	1,484	5.47
Total consumer	483,381	6,754	5.60	470,288	6,740	5.74
U.S. commercial	482,510	6,034	5.01	427,194	5,709	5.36
Non-U.S. commercial	164,502	1,940	4.73	149,044	2,016	5.42
Commercial real estate [3]	70,280	985	5.62	65,847	1,023	6.23
Commercial lease financing	15,846	200	5.06	16,080	214	5.33
Total commercial	733,138	9,159	5.01	658,165	8,962	5.46
Total loans and leases	1,216,519	15,913	5.24	1,128,453	15,702	5.58
Other earning assets	128,879	2,441	7.60	115,831	2,277	7.89
Total earning assets	3,106,726	33,995	4.39	3,050,206	35,018	4.60
Cash and due from banks	26,656			24,781		
Other assets, less allowance for loan and lease losses	398,186			355,293		
Total assets	$ 3,531,568			$ 3,430,280		
Interest-bearing liabilities						
U.S. interest-bearing deposits						
Demand and money market deposits	$ 1,108,939	$ 5,042	1.82 %	$ 1,078,771	$ 5,739	2.13 %
Time and savings deposits	254,022	1,661	2.62	259,261	1,998	3.09
Total U.S. interest-bearing deposits	1,362,961	6,703	1.97	1,338,032	7,737	2.32
Non-U.S. interest-bearing deposits	126,738	669	2.11	121,921	944	3.11
Total interest-bearing deposits	1,489,699	7,372	1.98	1,459,953	8,681	2.38
Federal funds purchased and securities loaned or sold under agreements to repurchase	353,243	4,135	4.70	414,655	4,946	4.78
Short-term borrowings and other interest-bearing liabilities	228,651	2,472	4.34	183,008	2,489	5.45
Trading account liabilities	57,026	756	5.32	53,805	676	5.04
Long-term debt	256,197	3,100	4.85	249,104	3,411	5.49
Total interest-bearing liabilities	2,384,816	17,835	3.00	2,360,525	20,203	3.43
Noninterest-bearing sources						
Noninterest-bearing deposits	533,251			513,808		
Other liabilities [4]	312,517			260,618		
Shareholders' equity	300,984			295,329		
Total liabilities and shareholders' equity	$ 3,531,568			$ 3,430,280		
Net interest spread			1.39 %			1.17 %
Impact of noninterest-bearing sources			0.69			0.77
Net interest income/yield on earning assets [5]		$ 16,160	2.08 %		$ 14,815	1.94 %

[1] Includes the impact of interest rate risk management contracts. For more information, see Interest Rate Risk Management for the Banking Book on page 43.
[2] Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is generally recognized on a cost recovery basis.
[3] Includes U.S. commercial real estate loans of $65.0 billion and $59.9 billion, and non-U.S. commercial real estate loans of $5.3 billion and $5.9 billion for the second quarter of 2026 and 2025.
[4] Includes $84.6 billion and $58.8 billion of structured notes and liabilities for the second quarter of 2026 and 2025.
[5] Net interest income includes FTE adjustments of $163 million and $145 million for the second quarter of 2026 and 2025.

Table 7 Year-to-Date Average Balances and Interest Rates - FTE Basis

	Average Balance	Interest Income/ Expense [(1)]	Yield/ Rate	Average Balance	Interest Income/ Expense [(1)]	Yield/ Rate
	Six Months Ended June 30					
(Dollars in millions)	2026			2025		
Earning assets						
Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks	**$ 249,443**	**$ 4,302**	**3.48 %**	$ 273,433	$ 5,653	4.17 %
Time deposits placed and other short-term investments	**11,158**	**170**	**3.07**	9,806	181	3.72
Federal funds sold and securities borrowed or purchased under agreements to resell	**359,867**	**8,042**	**4.51**	337,758	7,868	4.70
Trading account assets	**249,355**	**6,329**	**5.12**	232,867	6,115	5.29
Debt securities	**897,762**	**12,358**	**2.76**	928,432	13,718	2.96
Loans and leases [(2)]						
Residential mortgage	**236,138**	**4,190**	**3.55**	231,902	3,947	3.41
Home equity	**26,992**	**722**	**5.39**	26,020	745	5.77
Credit card	**103,365**	**5,616**	**10.96**	100,092	5,684	11.45
Direct/Indirect and other consumer	**115,318**	**2,937**	**5.14**	107,907	2,916	5.45
Total consumer	**481,813**	**13,465**	**5.62**	465,921	13,292	5.74
U.S. commercial	**474,349**	**11,810**	**5.02**	419,530	11,136	5.35
Non-U.S. commercial	**161,309**	**3,791**	**4.74**	143,977	4,074	5.71
Commercial real estate [(3)]	**69,558**	**1,948**	**5.65**	65,800	2,043	6.26
Commercial lease financing	**16,069**	**433**	**5.41**	15,963	429	5.40
Total commercial	**721,285**	**17,982**	**5.03**	645,270	17,682	5.52
Total loans and leases	**1,203,098**	**31,447**	**5.27**	1,111,191	30,974	5.62
Other earning assets	**132,687**	**4,868**	**7.40**	115,268	4,720	8.26
Total earning assets	**3,103,370**	**67,516**	**4.38**	3,008,755	69,229	4.63
Cash and due from banks	**26,269**			24,244		
Other assets, less allowance for loan and lease losses	**392,443**			356,871		
Total assets	**$ 3,522,082**			$ 3,389,870		
Interest-bearing liabilities						
U.S. interest-bearing deposits						
Demand and money market deposits	**$ 1,109,271**	**$ 9,982**	**1.81 %**	$ 1,073,674	$ 11,266	2.12 %
Time and savings deposits	**252,985**	**3,350**	**2.67**	260,977	4,116	3.18
Total U.S. interest-bearing deposits	**1,362,256**	**13,332**	**1.97**	1,334,651	15,382	2.32
Non-U.S. interest-bearing deposits	**127,886**	**1,341**	**2.11**	119,341	1,931	3.26
Total interest-bearing deposits	**1,490,142**	**14,673**	**1.99**	1,453,992	17,313	2.40
Federal funds purchased and securities loaned or sold under agreements to repurchase	**368,642**	**8,422**	**4.61**	399,955	9,575	4.83
Short-term borrowings and other interest-bearing liabilities	**213,526**	**4,695**	**4.43**	171,681	4,823	5.66
Trading account liabilities	**54,988**	**1,501**	**5.51**	53,741	1,383	5.19
Long-term debt	**255,103**	**6,158**	**4.85**	245,092	6,732	5.52
Total interest-bearing liabilities	**2,382,401**	**35,449**	**3.00**	2,324,461	39,826	3.45
Noninterest-bearing sources						
Noninterest-bearing deposits	**529,813**			512,097		
Other liabilities [(4)]	**308,130**			258,551		
Shareholders' equity	**301,738**			294,761		
Total liabilities and shareholders' equity	**$ 3,522,082**			$ 3,389,870		
Net interest spread			**1.38 %**			1.18 %
Impact of noninterest-bearing sources			**0.70**			0.78
Net interest income/yield on earning assets [(5)]		**$ 32,067**	**2.08 %**		$ 29,403	1.96 %

(1) Includes the impact of interest rate risk management contracts. For more information, see Interest Rate Risk Management for the Banking Book on page 43.
(2) Nonperforming loans are included in the respective average loan balances. Income on these nonperforming loans is generally recognized on a cost recovery basis.
(3) Includes U.S. commercial real estate loans of $64.0 billion and $59.9 billion, and non-U.S. commercial real estate loans of $5.5 billion and $5.9 billion for the six months ended June 30, 2026 and 2025.
(4) Includes $81.0 billion and $56.3 billion of structured notes and liabilities for the six months ended June 30, 2026 and 2025.
(5) Net interest income includes FTE adjustments of $325 million and $290 million for the six months ended June 30, 2026 and 2025.

Business Segment Operations

Segment Description and Basis of Presentation

We report our results of operations through four business segments: *Consumer Banking*, *GWIM*, *Global Banking* and *Global Markets*, with the remaining operations recorded in *All Other*. We manage our segments and report their results on an FTE basis. For more information, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

We periodically review capital allocated to our businesses and allocate capital annually during the strategic and capital planning processes. We utilize a methodology that considers the effect of regulatory capital requirements in addition to internal risk-based capital models. The capital allocated to the business segments is referred to as allocated capital. Allocated equity in the reporting units is comprised of allocated capital plus capital for the portion of goodwill and intangibles specifically assigned to the reporting unit. For more information, including the definition of a reporting unit, see *Note 7 – Goodwill and Intangible Assets* to the Consolidated Financial Statements.

For more information on our presentation of financial information on an FTE basis, see Supplemental Financial Data on page 6, and for reconciliations to consolidated total revenue, net income and period--end total assets, see *Note 17 – Business Segment Information* to the Consolidated Financial Statements.

Key Performance Indicators

We present certain key financial and nonfinancial performance indicators that management uses when evaluating segment results. We believe they are useful to investors because they provide additional information about our segments' operational performance, client trends and business growth.

Consumer Banking

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	% Change	Six Months Ended June 30 2026	Six Months Ended June 30 2025	% Change
Net interest income	**$ 9,206**	$ 8,726	6 %	**$ 18,199**	$ 17,231	6 %
Noninterest income:						
Card income	**1,346**	1,415	(5)	**2,619**	2,712	(3)
Service charges	**639**	627	2	**1,277**	1,245	3
All other income	**145**	45	n/m	**290**	118	146
Total noninterest income	**2,130**	2,087	2	**4,186**	4,075	3
Total revenue, net of interest expense	**11,336**	10,813	5	**22,385**	21,306	5
Provision for credit losses	**1,160**	1,282	(10)	**2,292**	2,574	(11)
Noninterest expense	**5,801**	5,567	4	**11,638**	11,393	2
Income before income taxes	**4,375**	3,964	10	**8,455**	7,339	15
Income tax expense	**1,094**	991	10	**2,114**	1,835	15
Net income	**$ 3,281**	$ 2,973	10	**$ 6,341**	$ 5,504	15
Effective tax rate	**25.0 %**	25.0 %		**25.0 %**	25.0 %	
Net interest yield	**3.68**	3.51		**3.67**	3.49	
Efficiency ratio	**51.18**	51.48		**51.99**	53.48	
Return on average allocated capital	**29**	27		**28**	25	

Balance Sheet

Average	Three Months Ended June 30 2026	Three Months Ended June 30 2025	% Change	Six Months Ended June 30 2026	Six Months Ended June 30 2025	% Change
Total loans and leases	**$ 321,056**	$ 319,142	1 %	**$ 321,607**	$ 317,101	1 %
Total earning assets	**1,002,799**	996,193	1	**999,632**	994,233	1
Total assets	**1,041,292**	1,033,776	1	**1,038,000**	1,031,560	1
Total deposits	**956,957**	951,986	1	**953,900**	949,780	—
Allocated capital	**45,500**	44,000	3	**45,500**	44,000	3

Period end	June 30 2026	December 31 2025	% Change
Total loans and leases	**$ 322,271**	$ 325,871	(1)%
Total earning assets	**999,457**	998,969	—
Total assets	**1,039,051**	1,039,346	—
Total deposits	**953,195**	956,265	—

n/m = not meaningful

Consumer Banking offers a diversified range of lending, deposit and investment products and services to consumers and small businesses. For more information about *Consumer Banking*, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Consumer Banking Results

Three-Month Comparison

Net income for *Consumer Banking* increased $308 million to $3.3 billion due to higher revenue and lower provision for credit losses, partially offset by higher noninterest expense. Net interest income increased $480 million to $9.2 billion primarily driven by higher deposit spreads, as well as loan and deposit balances. Noninterest income was $2.1 billion, relatively unchanged from the same period a year ago.

The provision for credit losses decreased $122 million to $1.2 billion primarily due to improved asset quality in credit card. Noninterest expense increased $234 million to $5.8 billion primarily driven by continued investments in the business, including technology and marketing.

Average loans and leases increased $1.9 billion to $321.1 billion primarily due to growth in credit card balances.

Average deposits increased $5.0 billion to $957.0 billion primarily due to net inflows of $11.5 billion in checking and $3.8 billion in time deposits, partially offset by net outflows of $10.4 billion in money market and other savings.

Six-Month Comparison

Net income for *Consumer Banking* increased $837 million to $6.3 billion due to higher revenue and lower provision for credit losses, partially offset by higher noninterest expense. Net interest income increased $968 million to $18.2 billion due to the same factors as described in the three-month discussion. Noninterest income increased $111 million to $4.2 billion, primarily due to a higher amount of allocated asset and liability management (ALM) activities.

The provision for credit losses decreased $282 million to $2.3 billion primarily due to the same factor as described in the three-month discussion. Noninterest expense increased $245 million to $11.6 billion primarily due to the same factors as described in the three-month discussion.

Average loans and leases increased $4.5 billion to $321.6 billion due to the same factor as described in the three-month discussion.

Average deposits increased $4.1 billion to $953.9 billion primarily due to net inflows of $10.3 billion in checking and $5.9 billion in time deposits, partially offset by net outflows of $12.1 billion in money market and other savings.

Consumer investment assets increased $99.8 billion to $639.5 billion driven by higher market valuations and positive net client flows.

Key Statistics

The table below provides key performance indicators for deposit spreads, other period-end information, credit and debit card and loan production activities.

Key Statistics

	Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	2025	**2026**	2025
Deposit Spreads				
Total deposit spreads (excludes noninterest costs)	**3.08%**	2.91%	**3.05%**	2.88%
Period end				
Consumer investment assets (in millions) [1]			**$ 639,517**	$ 539,727
Active digital banking users (in thousands) [2]			**49,834**	48,998
Active mobile banking users (in thousands) [3]			**42,056**	40,840
Financial centers			**3,530**	3,664
ATMs			**14,939**	14,904
Credit and Debit Card				
Total credit card [4]				
Gross interest yield [5]	**11.36 %**	12.06 %	**11.49 %**	12.09 %
Risk-adjusted margin [6]	**6.47**	7.07	**6.58**	6.88
New accounts (in thousands)	**999**	834	**1,883**	1,747
Purchase volumes	**$ 101,877**	$ 94,814	**$ 194,849**	$ 183,022
Debit card purchase volumes	**164,189**	149,288	**316,123**	289,485
Loan Production [7]				
Consumer Banking:				
First mortgage	**$ 3,497**	$ 3,052	**$ 6,563**	$ 4,909
Home equity	**2,404**	2,241	**4,404**	4,075
Total [8]:				
First mortgage	**$ 8,259**	$ 6,604	**$ 14,691**	$ 11,112
Home equity	**2,899**	2,766	**5,361**	4,980

(1) Includes client brokerage assets, deposit sweep balances, brokered CDs and AUM in *Consumer Banking*.
(2) Represents mobile and/or online active users over the past 90 days.
(3) Represents mobile active users over the past 90 days.
(4) Includes consumer credit card portfolios in *Consumer Banking* and *GWIM*.
(5) Calculated as the effective annual percentage rate divided by average loans.
(6) Calculated as the difference between total revenue, net of interest expense, and net charge-offs divided by average loans.
(7) The loan production amounts represent the unpaid principal balance of loans and, in the case of home equity, the principal amount of the total line of credit.
(8) In addition to loan production in *Consumer Banking*, there is also first mortgage and home equity loan production in *GWIM*.

Since June 30, 2025, active mobile banking users increased by more than one million, reflecting client growth and continuing changes in our clients' banking preferences. We had a net decrease of 134 financial centers and an increase of 35 ATMs as we continued to optimize our consumer banking network.

During the three months ended June 30, 2026, the total risk-adjusted margin decreased 60 bps primarily driven by lower card-related fee income and lower net interest margin due to loan balance mix, partially offset by lower net charge-offs. During the six months ended June 30, 2026, the total risk-adjusted margin decreased 30 bps due to the same factors as described in the three-month discussion. During the three and six months ended June 30, 2026, total credit card purchase volumes increased $7.1 billion and $11.8 billion, and debit card purchase volumes increased $14.9 billion and $26.6 billion, reflecting higher levels of consumer spending.

During the three and six months ended June 30, 2026, first mortgage loan originations for *Consumer Banking* increased $445 million and $1.7 billion, and first mortgage loan originations for the total Corporation increased $1.7 billion and $3.6 billion for the same periods, primarily driven by higher demand.

During the three and six months ended June 30, 2026, home equity production in *Consumer Banking* increased $163 million and $329 million, and home equity production for the total Corporation increased $133 million and $381 million for the same periods, primarily driven by higher demand.

Global Wealth & Investment Management

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	% Change	Six Months Ended June 30 2026	Six Months Ended June 30 2025	% Change
Net interest income	**$ 1,888**	$ 1,762	7 %	**$ 3,750**	$ 3,527	6 %
Noninterest income:						
Investment and brokerage services	**4,793**	4,033	19	**9,464**	8,122	17
All other income	**190**	142	34	**369**	304	21
Total noninterest income	**4,983**	4,175	19	**9,833**	8,426	17
Total revenue, net of interest expense	**6,871**	5,937	16	**13,583**	11,953	14
Provision for credit losses	**11**	20	(45)	**13**	34	(62)
Noninterest expense	**4,976**	4,593	8	**9,914**	9,252	7
Income before income taxes	**1,884**	1,324	42	**3,656**	2,667	37
Income tax expense	**471**	331	42	**914**	667	37
Net income	**$ 1,413**	$ 993	42	**$ 2,742**	$ 2,000	37
Effective tax rate	**25.0 %**	25.0 %		**25.0 %**	25.0 %	
Net interest yield	**2.42**	2.31		**2.39**	2.28	
Efficiency ratio	**72.41**	77.36		**72.99**	77.40	
Return on average allocated capital	**26**	20		**25**	21	

Balance Sheet

Average	Three Months Ended June 30 2026	Three Months Ended June 30 2025	% Change	Six Months Ended June 30 2026	Six Months Ended June 30 2025	% Change
Total loans and leases	**$ 270,257**	$ 237,377	14 %	**$ 266,226**	$ 234,866	13 %
Total earning assets	**313,639**	306,490	2	**316,294**	311,660	1
Total assets	**328,688**	320,224	3	**331,035**	325,387	2
Total deposits	**281,593**	276,825	2	**284,072**	281,586	1
Allocated capital	**22,250**	19,750	13	**22,250**	19,750	13

Period end	June 30 2026	December 31 2025	% Change
Total loans and leases	**$ 276,980**	$ 261,303	6 %
Total earning assets	**311,564**	320,899	(3)
Total assets	**327,667**	335,495	(2)
Total deposits	**278,155**	289,854	(4)

GWIM consists of two primary businesses: Merrill Wealth Management and Bank of America Private Bank. For more information on *GWIM*, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Three-Month Comparison

Net income for *GWIM* increased $420 million to $1.4 billion primarily due to higher revenue, partially offset by higher noninterest expense. The operating margin was 27 percent compared to 22 percent a year ago.

Net interest income increased $126 million to $1.9 billion primarily driven by loan and deposit growth.

Noninterest income, which primarily includes investment and brokerage services income, increased $808 million to $5.0 billion. The increase was primarily driven by higher asset management fees, which increased 19 percent to $4.4 billion, reflecting higher market valuations and the impact of positive AUM flows, as well as higher brokerage fees due to increased transactional volume.

Noninterest expense increased $383 million to $5.0 billion primarily due to higher revenue-related incentives.

Average loans and leases increased $32.9 billion to $270.3 billion primarily driven by custom lending, securities-based lending and residential mortgage. Average deposits increased $4.8 billion to $281.6 billion, with growth in banking balances largely offset by a decline in brokerage deposits due to clients moving balances to higher yielding cash alternatives.

Merrill Wealth Management revenue of $5.7 billion increased 16 percent primarily driven by higher asset management fees reflecting higher market valuations and the impact of positive AUM flows, as well as higher brokerage fees due to increased transactional volume.

Bank of America Private Bank revenue of $1.2 billion increased 17 percent primarily driven by higher net interest income from loan and deposit growth, as well as higher asset management fees reflecting higher market valuations and the impact of positive AUM flows.

Six-Month Comparison

Net income for *GWIM* increased $742 million to $2.7 billion primarily due to higher revenue, partially offset by higher noninterest expense. The operating margin was 27 percent compared to 22 percent a year ago.

Net interest income increased $223 million to $3.8 billion due to the same factors as described in the three-month discussion.

Noninterest income, which primarily includes investment and brokerage services income, increased $1.4 billion to $9.8 billion due to the same factors as described in the three-month discussion.

Noninterest expense increased $662 million to $9.9 billion due to the same factor as described in the three-month discussion.

Average loans increased $31.4 billion to $266.2 billion due to the same factors as described in the three-month discussion. Average deposits increased $2.5 billion to $284.1 billion due to the same factors as described in the three-month discussion.

Merrill Wealth Management revenue of $11.3 billion increased 13 percent, and Bank of America Private Bank revenue of $2.3 billion increased 15 percent primarily driven by the same factors as described in the three-month discussion.

Key Indicators and Metrics

	Three Months Ended June 30				Six Months Ended June 30			
(Dollars in millions)		**2026**		2025		**2026**		2025
Revenue by Business								
Merrill Wealth Management	**$**	**5,711**	$	4,942	**$**	**11,290**	$	9,961
Bank of America Private Bank		**1,160**		995		**2,293**		1,992
Total revenue, net of interest expense	**$**	**6,871**	$	5,937	**$**	**13,583**	$	11,953
Client Balances by Business, at period end								
Merrill Wealth Management					**$**	**4,132,451**	$	3,695,213
Bank of America Private Bank						**801,945**		700,018
Total client balances					**$**	**4,934,396**	$	4,395,231
Client Balances by Type, at period end								
Assets under management					**$**	**2,327,766**	$	1,986,523
Brokerage and other assets						**2,094,157**		1,932,182
Deposits						**278,155**		275,778
Loans and leases [(1)]						**279,618**		243,409
Less: Managed deposits in assets under management						**(45,300)**		(42,661)
Total client balances					**$**	**4,934,396**	$	4,395,231
Assets Under Management Rollforward								
Assets under management, beginning of period	**$**	**2,115,782**	$	1,855,657	**$**	**2,177,708**	$	1,882,211
Net client flows		**13,673**		14,314		**34,045**		38,271
Market valuation/other		**198,311**		116,552		**116,013**		66,041
Total assets under management, end of period	**$**	**2,327,766**	$	1,986,523	**$**	**2,327,766**	$	1,986,523

(1) Includes margin receivables, which are classified in customer and other receivables on the Consolidated Balance Sheet.

Client Balances

Client balances increased $539.2 billion, or 12 percent, to $4.9 trillion at June 30, 2026 compared to June 30, 2025. The increase in client balances was primarily driven by higher market valuations, as well as positive net client flows since June 30, 2025.

Global Banking

(Dollars in millions)	Three Months Ended June 30 2026	2025	% Change	Six Months Ended June 30 2026	2025	% Change
Net interest income	**$ 3,198**	$ 3,081	4 %	**$ 6,428**	$ 6,232	3 %
Noninterest income:						
Service charges	**932**	864	8	**1,836**	1,690	9
Investment banking fees	**1,154**	767	50	**2,201**	1,614	36
All other income	**952**	977	(3)	**2,058**	2,145	(4)
Total noninterest income	**3,038**	2,608	16	**6,095**	5,449	12
Total revenue, net of interest expense	**6,236**	5,689	10	**12,523**	11,681	7
Provision for credit losses	**215**	277	(22)	**400**	431	(7)
Noninterest expense	**3,199**	3,070	4	**6,422**	6,254	3
Income before income taxes	**2,822**	2,342	20	**5,701**	4,996	14
Income tax expense	**776**	644	20	**1,568**	1,374	14
Net income	**$ 2,046**	$ 1,698	20	**$ 4,133**	$ 3,622	14
Effective tax rate	**27.5 %**	27.5 %		**27.5 %**	27.5 %	
Net interest yield	**1.86**	1.94		**1.88**	2.02	
Efficiency ratio	**51.30**	53.98		**51.29**	53.55	
Return on average allocated capital	**15**	13		**15**	14	

Balance Sheet

Average	Three Months Ended June 30 2026	2025	% Change	Six Months Ended June 30 2026	2025	% Change
Total loans and leases	**$ 413,364**	$ 387,864	7 %	**$ 405,222**	$ 383,324	6 %
Total earning assets	**689,980**	638,259	8	**687,699**	623,607	10
Total assets	**754,368**	703,326	7	**752,145**	688,686	9
Total deposits	**651,867**	603,410	8	**649,737**	589,375	10
Allocated capital	**54,250**	50,750	7	**54,250**	50,750	7

Period end	June 30 2026	December 31 2025	% Change
Total loans and leases	**$ 412,294**	$ 388,998	6 %
Total earning assets	**695,499**	671,354	4
Total assets	**761,395**	734,710	4
Total deposits	**662,867**	641,211	3

Global Banking, which includes Global Corporate Banking, Global Commercial Banking, Business Banking and Global Investment Banking, provides a wide range of lending-related products and services, integrated working capital management and treasury solutions, and underwriting and advisory services through our network of global offices and client relationship teams. For more information about *Global Banking*, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Three-Month Comparison

Net income for *Global Banking* increased $348 million to $2.0 billion due to higher revenue and lower provision for credit losses, partially offset by higher noninterest expense.

Net interest income increased $117 million to $3.2 billion primarily due to the benefit of higher average deposit and loan balances, partially offset by the impact of lower interest rates.

Noninterest income increased $430 million to $3.0 billion primarily due to higher investment banking fees and treasury service charges.

The provision for credit losses decreased $62 million to $215 million primarily driven by improved asset quality within the commercial real estate portfolio.

Noninterest expense increased $129 million to $3.2 billion primarily due to continued investments in the business, including people and technology.

Six-Month Comparison

Net income for *Global Banking* increased $511 million to $4.1 billion due to higher revenue and lower provision for credit losses, partially offset by higher noninterest expense.

Net interest income increased $196 million to $6.4 billion primarily due to the same factors as described in the three-month discussion.

Noninterest income increased $646 million to $6.1 billion primarily due to higher investment banking fees, revenue from tax-related equity investment activity and higher treasury service charges, partially offset by gains related to sales of certain leveraged finance positions in the prior-year period.

The provision for credit losses decreased $31 million to $400 million primarily driven by improved asset quality within the commercial real estate portfolio, partially offset by loan growth in the commercial and industrial portfolio and a qualitative reserve build related to uncertainties associated with the ongoing conflicts in the Middle East.

Noninterest expense increased $168 million to $6.4 billion, primarily due to the same factors as described in the three-month discussion.

Global Corporate, Global Commercial and Business Banking

The following table and discussion present a summary of results, which exclude certain investment banking and other activities in *Global Banking*.

Global Corporate, Global Commercial and Business Banking

	Global Corporate Banking		Global Commercial Banking		Business Banking		Total	
	Three Months Ended June 30							
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Revenue								
Business Lending	**$ 893**	$ 1,006	**$ 1,118**	$ 1,141	**$ 50**	$ 55	**$ 2,061**	$ 2,202
Global Transaction Services	**1,399**	1,270	**1,118**	1,018	**403**	361	**2,920**	2,649
Total revenue, net of interest expense	**$ 2,292**	$ 2,276	**$ 2,236**	$ 2,159	**$ 453**	$ 416	**$ 4,981**	$ 4,851
Balance Sheet								
Average								
Total loans and leases	**$ 190,088**	$ 177,238	**$ 210,506**	$ 198,717	**$ 12,735**	$ 11,861	**$ 413,329**	$ 387,816
Total deposits	**357,758**	344,529	**233,772**	206,546	**60,336**	52,334	**651,866**	603,409

	Global Corporate Banking		Global Commercial Banking		Business Banking		Total	
	Six Months Ended June 30							
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Revenue								
Business Lending	**$ 1,985**	$ 1,955	**$ 2,255**	$ 2,250	**$ 98**	$ 109	**$ 4,338**	$ 4,314
Global Transaction Services	**2,805**	2,558	**2,213**	2,050	**787**	721	**5,805**	5,329
Total revenue, net of interest expense	**$ 4,790**	$ 4,513	**$ 4,468**	$ 4,300	**$ 885**	$ 830	**$ 10,143**	$ 9,643
Balance Sheet								
Average								
Total loans and leases	**$ 186,336**	$ 174,179	**$ 206,272**	$ 197,254	**$ 12,545**	$ 11,820	**$ 405,153**	$ 383,253
Total deposits	**359,356**	331,149	**231,405**	205,947	**58,976**	52,280	**649,737**	589,376
Period end								
Total loans and leases	**$ 189,602**	$ 179,017	**$ 209,841**	$ 199,794	**$ 12,803**	$ 11,856	**$ 412,246**	$ 390,667
Total deposits	**358,213**	370,575	**243,834**	219,468	**60,816**	53,483	**662,863**	643,526

Business Lending revenue decreased $141 million for the three months ended June 30, 2026 compared to the same period a year ago primarily driven by the impact of lower interest rates, partially offset by the benefit of higher average loan balances. Business Lending revenue increased $24 million for the six months ended June 30, 2026 compared to the same period a year ago primarily driven by higher tax-related equity investment activity across the portfolios, as well as the benefit of higher average loan balances, largely offset by the impact of lower interest rates.

Global Transaction Services revenue increased $271 million for the three months ended June 30, 2026 primarily driven by the benefit of higher average deposit balances and treasury service charges, partially offset by the impact of lower interest rates. Global Transaction Services revenue increased $476 million for the six months ended June 30, 2026 primarily driven by the same factors as described in the three-month discussion.

Average loans and leases of $413.3 billion increased seven percent for the three months ended June 30, 2026, and average loans and leases of $405.2 billion increased six percent for the six months ended June 30, 2026 due to client demand.

Average deposits of $651.9 billion increased eight percent for the three months ended June 30, 2026, and average deposits of $649.7 billion increased 10 percent for the six months ended June 30, 2026 due to growth in deposit balances from existing clients and the addition of new clients.

Global Investment Banking

Client teams and product specialists underwrite and distribute debt, equity and loan products, and provide advisory services and tailored risk management solutions. The economics of certain investment banking and underwriting activities are shared primarily between *Global Banking* and *Global Markets* under an internal revenue-sharing arrangement. *Global Banking* originates certain deal-related transactions with our corporate and commercial clients that are executed and distributed by *Global Markets*. To provide a complete discussion of our consolidated investment banking fees, the table below presents total Corporation investment banking fees and the portion attributable to *Global Banking*.

Investment Banking Fees

(Dollars in millions)	Global Banking 2026	Global Banking 2025	Total Corporation 2026	Total Corporation 2025	Global Banking 2026	Global Banking 2025	Total Corporation 2026	Total Corporation 2025
	Three Months Ended June 30				Six Months Ended June 30			
Products								
Advisory	**$ 517**	$ 291	**$ 558**	$ 333	**$ 1,014**	$ 630	**$ 1,111**	$ 717
Debt issuance	**417**	346	**1,113**	837	**837**	755	**2,099**	1,779
Equity issuance	**220**	130	**535**	328	**350**	229	**888**	600
Gross investment banking fees	**1,154**	767	**2,206**	1,498	**2,201**	1,614	**4,098**	3,096
Self-led deals	**(18)**	(22)	**(68)**	(70)	**(32)**	(50)	**(119)**	(145)
Total investment banking fees	**$ 1,136**	$ 745	**$ 2,138**	$ 1,428	**$ 2,169**	$ 1,564	**$ 3,979**	$ 2,951

Total Corporation investment banking fees, which exclude self-led deals and are primarily included within *Global Banking* and *Global Markets*, were $2.1 billion and $4.0 billion for the three and six months ended June 30, 2026. The three-month period increased 50 percent compared to the same period in 2025 due to higher debt issuance, advisory and equity issuance fees. The six-month period increased 35 percent compared to the same period in 2025 due to higher advisory, debt issuance and equity issuance fees.

Global Markets

(Dollars in millions)	Three Months Ended June 30 2026	2025	% Change	Six Months Ended June 30 2026	2025	% Change
Net interest income	**$ 1,911**	$ 1,267	51 %	**$ 3,772**	$ 2,456	54 %
Noninterest income:						
Investment and brokerage services	**729**	642	14	**1,489**	1,269	17
Investment banking fees	**965**	666	45	**1,727**	1,347	28
Market making and similar activities	**4,422**	3,300	34	**8,143**	6,922	18
All other income	**(5)**	107	(105)	**—**	573	(100)
Total noninterest income	**6,111**	4,715	30	**11,359**	10,111	12
Total revenue, net of interest expense	**8,022**	5,982	34	**15,131**	12,567	20
Provision for credit losses	**(11)**	22	n/m	**16**	50	(68)
Noninterest expense	**4,484**	3,806	18	**8,854**	7,617	16
Income before income taxes	**3,549**	2,154	65	**6,261**	4,900	28
Income tax expense	**923**	625	48	**1,628**	1,421	15
Net income	**$ 2,626**	$ 1,529	72	**$ 4,633**	$ 3,479	33
Effective tax rate	**26.0 %**	29.0 %		**26.0 %**	29.0 %	
Efficiency ratio	**55.90**	63.61		**58.52**	60.61	
Return on average allocated capital	**20**	13		**17**	14	

Balance Sheet	Three Months Ended June 30			Six Months Ended June 30		
Average	**2026**	2025	% Change	**2026**	2025	% Change
Trading-related assets:						
Trading account securities	**$ 371,536**	$ 343,971	8 %	**$ 379,481**	$ 345,273	10 %
Reverse repurchases	**168,093**	169,064	(1)	**162,604**	156,405	4
Securities borrowed	**159,969**	146,889	9	**150,113**	141,872	6
Derivative assets	**47,340**	40,489	17	**46,305**	40,864	13
Total trading-related assets	**746,938**	700,413	7	**738,503**	684,414	8
Total loans and leases	**204,994**	176,368	16	**203,126**	168,043	21
Total earning assets	**885,914**	825,835	7	**880,124**	796,875	10
Total assets	**1,120,548**	1,022,955	10	**1,111,115**	996,267	12
Total deposits	**38,129**	38,040	—	**38,936**	38,423	1
Allocated capital	**53,500**	49,000	9	**53,500**	49,000	9

Period end	**June 30 2026**	December 31 2025	% Change
Total trading-related assets	**$ 733,711**	$ 670,949	9 %
Total loans and leases	**198,678**	202,733	(2)
Total earning assets	**873,890**	814,196	7
Total assets	**1,106,999**	1,032,858	7
Total deposits	**38,146**	40,614	(6)

n/m = not meaningful

Global Markets offers sales and trading services and research services to institutional clients across fixed-income, credit, currency, commodity and equity businesses. *Global Markets* product coverage includes securities and derivative products in both the primary and secondary markets. For more information about *Global Markets*, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

The following explanations for period-over-period changes in results for *Global Markets*, including those disclosed under Sales and Trading Revenue, are the same for amounts including and excluding net DVA. Amounts excluding net DVA are non-GAAP financial measures. For more information on net DVA, see Supplemental Financial Data on page 6.

Three-Month Comparison

Net income for *Global Markets* increased $1.1 billion to $2.6 billion for the three months ended June 30, 2026 compared to the same period in 2025. Net DVA losses totaled $57 million compared to $51 million in 2025. Excluding net DVA, net income increased $1.1 billion to $2.7 billion. These increases were primarily driven by higher revenue, partially offset by higher noninterest expense.

Revenue increased $2.0 billion to $8.0 billion primarily due to higher sales and trading revenue and investment banking fees. Sales and trading revenue, including and excluding net DVA, increased $1.8 billion. These increases were primarily driven by higher revenue in Equities and Fixed-income, Currencies and Commodities (FICC).

Noninterest expense increased $678 million to $4.5 billion primarily driven by higher revenue-related expenses and continued investments in the business, including people and technology.

Average total assets increased $97.6 billion to $1.1 trillion for the three months ended June 30, 2026 compared to the same period in 2025 driven by increased financing activity and loan growth.

Six-Month Comparison

Net income for *Global Markets* increased $1.2 billion to $4.6 billion for the six months ended June 30, 2026 compared to the same period in 2025. Net DVA gains were $6 million compared to losses of $32 million in 2025. Excluding net DVA, net income increased $1.1 billion to $4.6 billion. These increases were primarily driven by higher revenue, partially offset by higher noninterest expense.

Revenue increased $2.6 billion to $15.1 billion primarily due to higher sales and trading revenue and investment banking fees, partially offset by gains related to sales of certain leveraged finance positions in the prior-year period. Sales and trading revenue, including and excluding net DVA, increased $2.5 billion. These increases were driven by higher revenue in Equities and FICC. For more information, see Sales and Trading Revenue in this section.

Noninterest expense increased $1.2 billion to $8.9 billion primarily driven by the same factors as described in the three-month discussion.

Average total assets increased $114.8 billion to $1.1 trillion for the six months ended June 30, 2026 compared to the same period in 2025 driven by increased financing activity, loan growth and higher levels of inventory. Period-end total assets increased $74.1 billion from December 31, 2025 to $1.1 trillion driven by increased financing activity.

Sales and Trading Revenue

For a description of sales and trading revenue, see Business Segment Operations in the MD&A of the Corporation's 2025 Annual Report on Form 10-K. The following table and related discussion present sales and trading revenue, substantially all of which is in *Global Markets*, with the remainder in *Global Banking*. In addition, the following table and related discussion also present sales and trading revenue, excluding net DVA, which is a non-GAAP financial measure. For more information on net DVA, see Supplemental Financial Data on page 6.

Sales and Trading Revenue [1, 2, 3]

	Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	2025	**2026**	2025
Sales and trading revenue				
Fixed-income, currencies and commodities	**$ 3,476**	$ 3,195	**$ 7,021**	$ 6,674
Equities	**3,622**	2,133	**6,464**	4,319
Total sales and trading revenue	**$ 7,098**	$ 5,328	**$ 13,485**	$ 10,993
Sales and trading revenue, excluding net DVA [4]				
Fixed-income, currencies and commodities	**$ 3,536**	$ 3,249	**$ 7,032**	$ 6,713
Equities	**3,619**	2,130	**6,447**	4,312
Total sales and trading revenue, excluding net DVA	**$ 7,155**	$ 5,379	**$ 13,479**	$ 11,025

(1) For more information on sales and trading revenue, see *Note 3 – Derivatives* to the Consolidated Financial Statements.
(2) Includes FTE adjustments of $222 million and $396 million for the three and six months ended June 30, 2026 compared to $216 million and $294 million for the same periods in 2025.
(3) Includes *Global Banking* sales and trading revenue of $227 million and $469 million for the three and six months ended June 30, 2026 compared to $212 million and $175 million for the same periods in 2025.
(4) FICC and Equities sales and trading revenue, excluding net DVA, is a non-GAAP financial measure. FICC net DVA losses were $60 million and $11 million for the three and six months ended June 30, 2026 compared to $54 million and $39 million for the same periods in 2025. Equities net DVA gains were $3 million and $17 million for the three and six months ended June 30, 2026 compared to $3 million and $7 million for the same periods in 2025.

Three-Month Comparison

Including and excluding net DVA, FICC revenue increased $281 million and $287 million for the three months ended June 30, 2026 compared to the same period in 2025. These increases were driven by improved trading performance in credit products and commodities. Including and excluding net DVA, Equities revenue increased $1.5 billion driven by increased client financing activity and a strong trading performance in derivatives and cash.

Six-Month Comparison

Including and excluding net DVA, FICC revenue increased $347 million and $319 million for the six months ended June 30, 2026 compared to the same period in 2025 due to the same factors as described in the three-month discussion. Including and excluding net DVA, Equities revenue increased $2.1 billion due to the same factors as described in the three-month discussion.

All Other

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	% Change	Six Months Ended June 30 2026	Six Months Ended June 30 2025	% Change
Net interest income	**$ (43)**	$ (21)	105 %	**$ (82)**	$ (43)	91 %
Noninterest income (loss)	**(701)**	(812)	(14)	**(1,385)**	(1,484)	(7)
Total revenue, net of interest expense	**(744)**	(833)	(11)	**(1,467)**	(1,527)	(4)
Provision for credit losses	**(9)**	(9)	—	**(18)**	(17)	6
Noninterest expense	**167**	147	14	**330**	437	(24)
Loss before income taxes	**(902)**	(971)	(7)	**(1,779)**	(1,947)	(9)
Income tax benefit	**(610)**	(948)	(36)	**(1,588)**	(1,872)	(15)
Net loss	**$ (292)**	$ (23)	n/m	**$ (191)**	$ (75)	n/m

Balance Sheet

Average	**Three Months Ended June 30** 2026	2025	% Change	Six Months Ended June 30 2026	2025	% Change
Total loans and leases	**$ 6,848**	$ 7,702	(11)%	**$ 6,917**	$ 7,857	(12)%
Total assets [(1)]	**286,672**	349,999	(18)	**289,787**	347,970	(17)
Total deposits	**94,404**	103,500	(9)	**93,310**	106,925	(13)

Period end	**June 30 2026**	December 31 2025	% Change
Total loans and leases	**$ 7,396**	$ 6,795	9 %
Total assets [(1)]	**264,079**	269,329	(2)
Total deposits	**92,761**	90,785	2

(1) In segments where the total of liabilities and equity exceeds assets, which are generally deposit-taking segments, we allocate assets from *All Other* to those segments to match liabilities (i.e., deposits) and allocated shareholders' equity. Average allocated assets were $984.1 billion and $993.4 billion for the three and six months ended June 30, 2026 compared to $981.6 billion and $979.1 billion for the same periods in 2025, and period-end allocated assets were $982.1 billion and $1.0 trillion at June 30, 2026 and December 31, 2025.

n/m = not meaningful

All Other primarily consists of ALM activities, liquidating businesses and certain expenses not otherwise allocated to a business segment, and adjustments to allocate income tax benefits from tax-related equity investments to noninterest income to present *Global Banking* and *Global Markets* on an FTE basis. ALM activities encompass interest rate and foreign currency risk management activities for which substantially all of the results are allocated to our business segments. For more information on our ALM activities, see *Note 17 – Business Segment Information* to the Consolidated Financial Statements.

Three-Month Comparison

The net loss in *All Other* increased $269 million to $292 million primarily driven by lower discrete tax benefits and lower renewable energy tax credits on certain tax-related equity investment activity.

Six-Month Comparison

The net loss in *All Other* increased $116 million to $191 million primarily driven by lower renewable energy tax credits on certain tax-related equity investment activity.

Managing Risk

Risk is inherent in all our business activities. The seven key types of risk faced by the Corporation are strategic, credit, market, liquidity, compliance, operational and reputational. Sound risk management enables us to serve our customers and deliver for our shareholders. If not managed well, risk can result in financial loss, regulatory sanctions and penalties, litigation and damage to our reputation, each of which may adversely impact our ability to execute our business strategies. We take a comprehensive approach to risk management with a defined Risk Framework and an articulated Risk Appetite Statement, which are approved annually by the Board's Enterprise Risk Committee (ERC) and the Board.

Our Risk Framework serves as the foundation for the consistent and effective management of risks facing the Corporation. The Risk Framework sets forth roles and responsibilities for the management of risk and provides a blueprint for how the Board, through delegation of authority to committees and executive officers, establishes risk appetite and associated limits for our activities.

Our risk appetite provides a common framework that includes a set of measures to assist senior management and the Board in assessing the Corporation's risk profile across all risk types against our risk appetite and risk capacity. Our risk appetite is formally articulated in the Risk Appetite Statement, which includes both qualitative statements and quantitative limits.

For more information on the Corporation's risks, see Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K. These risks are being managed within our Risk Framework and supporting risk management programs. For more information on our Risk Framework, risk management activities and the key types of risk faced by the Corporation, see the Managing Risk section in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Capital Management

The Corporation manages its capital position so that its capital is more than adequate to support its business activities and aligns with risk, risk appetite and strategic planning. For more information, see Capital Management in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

CCAR and Capital Planning

The Federal Reserve requires BHCs with average total consolidated assets of $100 billion or more to submit a capital plan and planned capital actions on an annual basis, consistent with the rules governing the Comprehensive Capital Analysis and Review (CCAR) capital plan and associated stress capital buffer (SCB) requirements, which include supervisory stress testing by the Federal Reserve. The Corporation submitted its 2026 CCAR capital plan and related supervisory stress tests in April 2026. On June 24, 2026, the Federal Reserve released the results of the 2026 CCAR stress tests. As previously announced in February 2026, SCB requirements for large banks, including the Corporation, will not change until 2027. As a result, the Corporation's SCB will remain at 2.5 percent through September 30, 2027, with a Common equity tier 1 (CET1) minimum requirement of 10.0 percent through December 31, 2026. The Corporation's global systemically important bank (G-SIB) surcharge is expected to increase on January 1, 2027. For more information, see Regulatory Capital – Minimum Capital Requirements in this section.

The Board authorized a $40 billion common stock repurchase program, effective August 1, 2025. Pursuant to this Board authorization, during the three months ended June 30, 2026, the Corporation repurchased $6.0 billion of common stock. For more information, including the remaining buyback authority amount as of June 30, 2026, see Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds on page 103 and Capital Management – CCAR and Capital Planning in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

The timing and amount of common stock repurchases are subject to various factors, including the Corporation's capital position, liquidity, financial performance and alternative uses of capital, stock trading price, regulatory requirements and general market conditions, and may be suspended or discontinued at any time. Such repurchases may be effected through open market purchases or privately negotiated transactions, including repurchase plans that satisfy the conditions of Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (Exchange Act).

Further, as part of our planned capital actions, during the three months ended June 30, 2026, the Corporation paid common stock dividends of $2.0 billion.

Regulatory Capital

As a BHC, we are subject to regulatory capital rules, including Basel 3, issued by U.S. banking regulators. Basel 3 established minimum capital ratios and buffer requirements and outlined two methods of calculating risk-weighted assets (RWA), the Standardized approach and the Advanced approaches. The Standardized approach relies primarily on supervisory risk weights based on exposure type, and the Advanced approaches determine risk weights based on internal models.

The Corporation's depository institution subsidiaries are also subject to the Prompt Corrective Action (PCA) framework. The Corporation and its primary affiliated banking entity, BANA, are Advanced approaches institutions under Basel 3 and are required to report regulatory risk-based capital ratios and RWA under both the Standardized and Advanced approaches. The lower of the capital ratios under Standardized or Advanced approaches compared to their respective regulatory capital ratio requirements is used to assess capital adequacy, including under the PCA framework. As of June 30, 2026, the Corporation's binding ratio was the Tier 1 capital ratio under the Standardized approach.

Minimum Capital Requirements

In order to avoid restrictions on capital distributions and discretionary bonus payments to executive officers, the Corporation must meet risk-based capital ratio requirements that include a capital conservation buffer of 2.5 percent (under the Advanced approaches only), an SCB (under the Standardized approach only), plus any applicable countercyclical capital buffer and a G-SIB surcharge. The buffers and surcharge must be comprised solely of CET1 capital. At June 30, 2026 and December 31, 2025, the Corporation's minimum CET1 requirement was 10.0 percent under both the Standardized approach and the Advanced approaches. At June 30, 2026, the Corporation's CET1 capital ratio was 11.2 percent under the Standardized approach and 12.5 percent under the Advanced approaches.

The Corporation is required to calculate its G-SIB surcharge on an annual basis under two methods and is subject to the higher of the resulting two surcharges. Method 1 is consistent with the approach prescribed by the Basel Committee on Banking Supervision's assessment methodology and is calculated using specified indicators of systemic importance.

Method 2 modifies the Method 1 approach for various factors. The Corporation's Method 1 G-SIB surcharge is 1.5 percent, and its Method 2 G-SIB surcharge is 3.0 percent. Under the current regulatory framework, on January 1, 2027, the Corporation's G-SIB surcharge will increase by 50 bps to 2.0 percent under Method 1 and to 3.5 percent under Method 2, which will increase the Corporation's minimum capital ratio requirements.

The Corporation and its insured depository institution subsidiaries are also required to maintain a minimum supplementary leverage ratio (SLR) plus a leverage buffer to avoid certain restrictions on capital distributions and discretionary bonus payments to executive officers. Prior to January 1, 2026, the minimum SLR requirement was 5.0 percent for the Corporation and 6.0 percent for its insured depository institutions. Effective January 1, 2026, the Corporation and its insured depository institutions early adopted a final rule on modified enhanced SLR requirements, resulting in a minimum SLR requirement of 3.75 percent, which includes the leverage buffer, for both the Corporation and its insured depository institutions. At June 30, 2026, the Corporation's SLR was 5.5 percent and BANA's SLR was 5.9 percent, which both exceeded their minimum SLR requirement of 3.75 percent. For more information, see Capital Management – Regulatory Developments in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Capital Composition and Ratios

Table 8 presents Bank of America Corporation's capital ratios and related information in accordance with Basel 3 Standardized and Advanced approaches as measured at June 30, 2026 and December 31, 2025. For the periods presented herein, the Corporation met the definition of well capitalized under current regulatory requirements.

Table 8 Bank of America Corporation Regulatory Capital under Basel 3

(Dollars in millions, except as noted)	Standardized Approach	Advanced Approaches	Regulatory Minimum [(1)]
	June 30, 2026		
Risk-based capital metrics:			
Common equity tier 1 capital	**$ 201,581**	**$ 201,581**	
Tier 1 capital	**226,568**	**226,568**	
Total capital [(2)]	**262,752**	**252,284**	
Risk-weighted assets (in billions)	**1,792**	**1,613**	
Common equity tier 1 capital ratio	**11.2 %**	**12.5 %**	**10.0 %**
Tier 1 capital ratio	**12.6**	**14.0**	**11.5**
Total capital ratio	**14.7**	**15.6**	**13.5**
Leverage-based metrics:			
Adjusted quarterly average assets (in billions) [(3)]	**$ 3,452**	**$ 3,452**	
Tier 1 leverage ratio	**6.6 %**	**6.6 %**	**4.0**
Supplementary leverage exposure (in billions)		**$ 4,122**	
Supplementary leverage ratio		**5.5 %**	**3.75**
	December 31, 2025		
Risk-based capital metrics:			
Common equity tier 1 capital	$ 201,410	$ 201,410	
Tier 1 capital	227,382	227,382	
Total capital [(2)]	261,232	250,347	
Risk-weighted assets (in billions)	1,773	1,570	
Common equity tier 1 capital ratio	11.4 %	12.8 %	10.0 %
Tier 1 capital ratio	12.8	14.5	11.5
Total capital ratio	14.7	15.9	13.5
Leverage-based metrics:			
Adjusted quarterly average assets (in billions) [(3)]	$ 3,348	$ 3,348	
Tier 1 leverage ratio	6.8 %	6.8 %	4.0
Supplementary leverage exposure (in billions)		$ 3,986	
Supplementary leverage ratio		5.7 %	5.0

(1) The CET1 capital regulatory minimum is the sum of the CET1 capital ratio minimum of 4.5 percent, our G-SIB surcharge of 3.0 percent, and SCB (under the Standardized approach) of 2.5 percent at June 30, 2026 and December 31, 2025. The countercyclical capital buffer was zero for both periods. The SLR regulatory minimum at June 30, 2026 and December 31, 2025 includes a leverage buffer of 0.75 percent and 2.0 percent.
(2) Total capital under the Advanced approaches differs from the Standardized approach due to differences in the amount permitted in Tier 2 capital related to the qualifying allowance for credit losses.
(3) Reflects total average assets adjusted for certain Tier 1 capital deductions.

At June 30, 2026, CET1 capital was $201.6 billion, an increase of $171 million from December 31, 2025, primarily due to earnings, largely offset by capital distributions and accumulated OCI. Tier 1 capital decreased $814 million driven by the same factors as CET1 capital and a preferred stock redemption. Total capital under the Standardized approach increased $1.5 billion driven by the same factors as Tier 1 capital, a subordinated debt issuance and a decrease in the adjusted allowance for credit losses included in Tier 2 capital. RWA under the Standardized approach, which drove the lower CET1 capital ratio at June 30, 2026, increased $19.3 billion during the second quarter of 2026 to $1,792 billion primarily driven by growth in *Global Banking* and *Global Markets*, partially offset by *GWIM*. Supplementary leverage exposure at June 30, 2026 increased $135.8 billion primarily driven by increased activity in *Global Markets* and loan growth.

Table 9 shows the capital composition at June 30, 2026 and December 31, 2025.

Table 9 Capital Composition under Basel 3

(Dollars in millions)	June 30 2026	December 31 2025
Total common shareholders' equity	**$ 276,098**	$ 277,251
Goodwill, net of related deferred tax liabilities	**(68,651)**	(68,651)
Deferred tax assets arising from net operating loss and tax credit carryforwards	**(8,561)**	(8,761)
Intangibles, other than mortgage servicing rights, net of related deferred tax liabilities	**(1,357)**	(1,386)
Defined benefit pension plan net assets	**(886)**	(868)
Cumulative unrealized net (gain) loss related to changes in fair value of financial liabilities attributable to own creditworthiness, net-of-tax	**1,541**	1,825
Accumulated net (gain) loss on certain cash flow hedges [1]	**3,413**	2,020
Other	**(16)**	(20)
Common equity tier 1 capital	**201,581**	201,410
Qualifying preferred stock, net of issuance cost	**24,995**	25,991
Other	**(8)**	(19)
Tier 1 capital	**226,568**	227,382
Tier 2 capital instruments	**22,348**	19,627
Qualifying allowance for credit losses	**14,318**	14,431
Other	**(482)**	(208)
Total capital under the Standardized approach	**262,752**	261,232
Adjustment in qualifying allowance for credit losses under the Advanced approaches	**(10,468)**	(10,885)
Total capital under the Advanced approaches	**$ 252,284**	$ 250,347

[1] Includes amounts in accumulated OCI related to the hedging of items that are not recognized at fair value on the Consolidated Balance Sheet.

Table 10 shows the components of RWA as measured under Basel 3 at June 30, 2026 and December 31, 2025.

Table 10 Risk-weighted Assets under Basel 3

(Dollars in billions)	**Standardized Approach**	**Advanced Approaches**	Standardized Approach	Advanced Approaches
	June 30, 2026		December 31, 2025	
Credit risk	**$ 1,710**	**$ 1,120**	$ 1,694	$ 1,087
Market risk	**82**	**82**	79	79
Operational risk	**n/a**	**358**	n/a	357
Risks related to credit valuation adjustments	**n/a**	**53**	n/a	47
Total risk-weighted assets	**$ 1,792**	**$ 1,613**	$ 1,773	$ 1,570

n/a = not applicable

Bank of America, N.A. Regulatory Capital

Table 11 presents regulatory capital information for BANA in accordance with Basel 3 Standardized and Advanced approaches as measured at June 30, 2026 and December 31, 2025. BANA met the definition of well capitalized under the PCA framework for both periods.

Table 11 **Bank of America, N.A. Regulatory Capital under Basel 3**

(Dollars in millions, except as noted)	Standardized Approach	Advanced Approaches	Regulatory Minimum [1]
	June 30, 2026		
Risk-based capital metrics:			
Common equity tier 1 capital	**$ 186,728**	**$ 186,728**	
Tier 1 capital	**186,728**	**186,728**	
Total capital [2]	**202,413**	**192,214**	
Risk-weighted assets (in billions)	**1,544**	**1,259**	
Common equity tier 1 capital ratio	**12.1 %**	**14.8 %**	**7.0 %**
Tier 1 capital ratio	**12.1**	**14.8**	**8.5**
Total capital ratio	**13.1**	**15.3**	**10.5**
Leverage-based metrics:			
Adjusted quarterly average assets (in billions) [3]	**$ 2,625**	**$ 2,625**	
Tier 1 leverage ratio	**7.1 %**	**7.1 %**	**5.0**
Supplementary leverage exposure (in billions)		**$ 3,161**	
Supplementary leverage ratio		**5.9 %**	**3.75**
	December 31, 2025		
Risk-based capital metrics:			
Common equity tier 1 capital	$ 190,831	$ 190,831	
Tier 1 capital	190,831	190,831	
Total capital [2]	206,640	196,006	
Risk-weighted assets (in billions)	1,530	1,227	
Common equity tier 1 capital ratio	12.5 %	15.6 %	7.0 %
Tier 1 capital ratio	12.5	15.6	8.5
Total capital ratio	13.5	16.0	10.5
Leverage-based metrics:			
Adjusted quarterly average assets (in billions) [3]	$ 2,592	$ 2,592	
Tier 1 leverage ratio	7.4 %	7.4 %	5.0
Supplementary leverage exposure (in billions)		$ 3,101	
Supplementary leverage ratio		6.2 %	6.0

(1) Risk-based capital regulatory minimums at both June 30, 2026 and December 31, 2025 are the minimum ratios under Basel 3 including a capital conservation buffer of 2.5 percent. The regulatory minimums for the Tier 1 leverage ratios as of both period ends, and the SLR as of December 31, 2025, are the percent required to be considered well capitalized under the PCA framework.
(2) Total capital under the Advanced approaches differs from the Standardized approach due to differences in the amount permitted in Tier 2 capital related to the qualifying allowance for credit losses.
(3) Reflects total average assets adjusted for certain Tier 1 capital deductions.

Total Loss-Absorbing Capacity Requirements

Total loss-absorbing capacity (TLAC) consists of the Corporation's Tier 1 capital and eligible long-term debt issued directly by the Corporation. Eligible long-term debt for TLAC ratios is comprised of unsecured debt that has a remaining maturity of at least one year and satisfies additional requirements as prescribed in the TLAC final rule. As with the risk-based capital ratios and SLR, the Corporation is required to maintain TLAC ratios in excess of minimum requirements plus applicable buffers to avoid restrictions on capital distributions and discretionary bonus payments to executive officers. Table 12 presents the Corporation's TLAC and long-term debt ratios and related information as of June 30, 2026 and December 31, 2025.

Table 12 **Bank of America Corporation Total Loss-Absorbing Capacity and Long-Term Debt**

(Dollars in millions)	TLAC	Regulatory Minimum (1)	Long-term Debt	Regulatory Minimum (2)
	June 30, 2026			
Total eligible balance	**$ 471,209**		**$ 229,637**	
Percentage of risk-weighted assets (3)	**26.3 %**	**22.0 %**	**12.8 %**	**9.0 %**
Percentage of supplementary leverage exposure	**11.4**	**8.25**	**5.6**	**3.25**
	December 31, 2025			
Total eligible balance	$ 466,728		$ 225,518	
Percentage of risk-weighted assets (3)	26.3 %	22.0 %	12.7 %	9.0 %
Percentage of supplementary leverage exposure	11.7	9.5	5.7	4.5

(1) The TLAC RWA regulatory minimum consists of 18.0 percent plus a TLAC RWA buffer comprised of 2.5 percent plus the Method 1 G-SIB surcharge of 1.5 percent. The countercyclical buffer is zero for both periods. The TLAC supplementary leverage exposure regulatory minimum consists of 7.5 percent plus a 0.75 percent TLAC leverage buffer. The TLAC RWA and leverage buffers must be comprised solely of CET1 capital and Tier 1 capital, respectively.

(2) The long-term debt RWA regulatory minimum is comprised of 6.0 percent plus the Corporation's Method 2 G-SIB surcharge of 3.0 percent. The long-term debt leverage exposure regulatory minimum is 3.25 percent, consisting of 2.5 percent plus a 0.75 percent long-term debt leverage buffer.

(3) The approach that yields the higher RWA is used to calculate TLAC and long-term debt ratios, which was the Standardized approach as of June 30, 2026 and December 31, 2025.

Regulatory Developments

The following supplements the disclosure in Capital Management – Regulatory Developments in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

On March 19, 2026, the Federal Reserve, Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation issued a notice of proposed rulemaking (NPR) regarding risk-based capital requirements for large banking organizations. Separately, the Federal Reserve issued an NPR that would revise the calculation of the G-SIB surcharge. Any final rules issued are subject to change from the current proposals. The Corporation is evaluating the potential impact of the proposed rules on its regulatory capital requirements.

Regulatory Capital and Securities Regulation

The Corporation's principal U.S. broker-dealer subsidiaries are BofA Securities, Inc. (BofAS) and Merrill Lynch, Pierce, Fenner & Smith Incorporated (MLPF&S). The Corporation's principal European subsidiaries undertaking broker-dealer activities are Merrill Lynch International (MLI) and BofA Securities Europe SA (BofASE).

The U.S. broker-dealer subsidiaries are subject to the net capital requirements of Rule 15c3-1 under the Exchange Act. BofAS computes its capital requirements as an alternative net capital broker-dealer under Rule 15c3-1(a)(7) and Rule 15c3-1e, which permit the use of SEC-approved models, and MLPF&S computes its capital requirements in accordance with the alternative standard under Rule 15c3-1. BofAS is registered as a futures commission merchant and is subject to Commodity Futures Trading Commission (CFTC) Regulation 1.17. The U.S. broker-dealer subsidiaries are also registered with the Financial Industry Regulatory Authority, Inc. (FINRA). Pursuant to FINRA Rule 4110, FINRA may impose higher net capital requirements than Rule 15c3-1 under the Exchange Act with respect to each of the broker-dealers.

BofAS provides institutional services, and in accordance with the SEC alternative net capital requirements, is required to regularly maintain tentative net capital in excess of $5.0 billion and net capital in excess of the greater of $1.0 billion or a certain percentage of its reserve requirement in addition to a certain percentage of securities-based swap risk margin. BofAS must also notify the SEC in the event its tentative net capital is less than $6.0 billion. In accordance with CFTC net capital requirements, BofAS is required to hold a certain percentage of its customers' and affiliates' risk-based margin if greater than the SEC's minimum net capital requirement. At June 30, 2026, BofAS had tentative net capital of $25.8 billion. BofAS also had regulatory net capital of $21.1 billion, which exceeded the minimum requirement of $5.4 billion.

MLPF&S provides retail services and is required to maintain net capital that is the greater of $250,000 or two percent of a certain component of its reserve calculation. At June 30, 2026, MLPF&S' regulatory net capital was $11.4 billion, which exceeded the minimum requirement of $227 million.

Our European broker-dealers are subject to requirements from U.S. and non-U.S. regulators. MLI, a U.K. investment firm, is regulated by the Prudential Regulation Authority and the Financial Conduct Authority and is subject to certain regulatory capital requirements. At June 30, 2026, MLI's capital resources were $34.3 billion, which exceeded the minimum Pillar 1 requirement of $14.0 billion.

BofASE, an authorized credit institution with its head office located in France, is regulated by the Autorité de Contrôle Prudentiel et de Résolution and the Autorité des Marchés Financiers, and supervised under the Single Supervisory Mechanism by the European Central Bank. At June 30, 2026, BofASE's capital resources were $11.6 billion, which exceeded the minimum Pillar 1 requirement of $4.4 billion.

In addition, MLI and BofASE remained conditionally registered with the SEC as security-based swap dealers, and maintained net liquid assets at June 30, 2026 that exceeded the applicable minimum requirements under the Exchange Act. The entities are also registered as swap dealers with the CFTC and met applicable capital requirements at June 30, 2026.

Liquidity Risk

Funding and Liquidity Risk Management

Our primary liquidity risk management objective is to meet expected or unexpected cash flow and collateral requirements, including payments under long-term debt agreements, commitments to extend credit and customer deposit withdrawals, while continuing to support our businesses and customers under a range of economic conditions. To achieve that objective, we analyze and monitor our liquidity risk under expected and stressed conditions, maintain liquidity and access to diverse funding sources, including our stable deposit base, and seek to align liquidity-related incentives and risks. These liquidity risk management practices have helped enable us to effectively navigate market volatility arising from the interest rate environment, inflationary pressures and broader macroeconomic changes.

We define liquidity as readily available assets, limited to cash and high-quality, liquid, unencumbered securities that we can use to meet our contractual and contingent financial obligations as they arise. We manage our liquidity position through line of business and ALM activities, as well as through our legal entity funding strategy, on both a forward and current (including intraday) basis under both expected and stressed conditions. We believe that a centralized approach to funding and liquidity management enhances our ability to monitor liquidity requirements, maximizes access to funding sources, minimizes borrowing costs and facilitates timely responses to liquidity events.

We provide centralized funding and liquidity management through a variety of activities, including monitoring of established limits, assessing exposures under both normal and stressed conditions and reviewing liquidity risk management processes and controls. Global Risk Management (GRM) provides oversight of liquidity management across the Corporation, including front line units and legal entities. GRM oversees the liquidity risk management governance structure, establishes liquidity risk policies, and provides independent review and challenge of the Corporation's liquidity risk management processes.

For more information on the Corporation's liquidity risks, see the Liquidity section within Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K. For more information regarding global funding and liquidity risk management, as well as liquidity sources, liquidity arrangements, contingency planning and credit ratings discussed below, see Liquidity Risk in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

NB Holdings Corporation

Bank of America Corporation, as the parent company (the Parent), which is a separate and distinct legal entity from our bank and nonbank subsidiaries, has an intercompany arrangement with our wholly-owned holding company subsidiary, NB Holdings Corporation (NB Holdings). We have transferred, and agreed to transfer, additional Parent assets not required to satisfy anticipated near-term expenditures to NB Holdings. The Parent is expected to continue to have access to the same flow of dividends, interest and other amounts of cash necessary to service its debt, pay dividends and perform other obligations as it would have had it not entered into these arrangements and transferred any assets. These arrangements support our preferred single point of entry resolution strategy, under which only the Parent would be resolved under the U.S. Bankruptcy Code.

Global Liquidity Sources and Other Unencumbered Assets

We maintain liquidity available to the Corporation, including the Parent and selected subsidiaries, in the form of cash and high- quality, liquid, unencumbered securities. Our liquidity buffer, referred to as Global Liquidity Sources (GLS), is comprised of assets that are readily available to the Parent and selected subsidiaries, including holding company, bank and broker-dealer subsidiaries, even during stressed market conditions. Our cash is primarily on deposit with the Federal Reserve Bank and, to a lesser extent, central banks outside of the U.S. We limit the composition of high-quality, liquid, unencumbered securities to U.S. government securities, U.S. agency securities, U.S. agency mortgage-backed securities and other investment-grade securities, and a select group of non-U.S. government securities. We can obtain cash for these securities, even in stressed conditions, through repurchase agreements or outright sales. We hold our GLS in legal entities that allow us to meet the liquidity requirements of our global businesses, and we consider the impact of potential regulatory, tax, legal and other restrictions that could limit the transferability of funds among entities.

Table 13 presents average GLS for the three months ended June 30, 2026 and December 31, 2025.

Table 13 Average Global Liquidity Sources

	Three Months Ended			
(Dollars in billions)	**June 30 2026**		December 31 2025	
Bank entities	**$**	**759**	$	789
Nonbank and other entities [(1)]		**188**		186
Total Average Global Liquidity Sources	**$**	**947**	$	975

(1) Nonbank includes Parent, NB Holdings and other regulated entities.

Our bank subsidiaries' liquidity is primarily driven by deposit and lending activity, as well as securities valuation and net debt activity. Bank subsidiaries can also generate incremental liquidity by pledging a range of unencumbered loans and securities to certain Federal Home Loan Banks (FHLBs) and the Federal Reserve Discount Window. The cash we could have obtained by borrowing against this pool of specifically-identified eligible assets was $357 billion and $343 billion at June 30, 2026 and December 31, 2025. We have established operational procedures to enable us to borrow against these assets, including regularly monitoring our total pool of eligible loans and securities collateral. Eligibility is defined in guidelines from the FHLBs and the Federal Reserve and is subject to change at their discretion. Due to regulatory restrictions, liquidity generated by the bank subsidiaries can generally be used only to fund obligations within the bank subsidiaries, and transfers to the Parent or nonbank subsidiaries may be subject to prior regulatory approval.

Liquidity is also held in nonbank entities, including the Parent, NB Holdings and other regulated entities. The Parent and NB Holdings liquidity is typically in the form of cash deposited at BANA, which is excluded from the liquidity at bank subsidiaries, and high-quality, liquid, unencumbered securities. Liquidity held in other regulated entities, comprised primarily of broker-dealer subsidiaries, is primarily available to meet the obligations of that entity, and transfers to the Parent or to any other subsidiary may be subject to prior regulatory approval due to regulatory restrictions and minimum requirements. Our other regulated entities also hold unencumbered investment-grade securities and equities that we believe could be used to generate additional liquidity.

Table 14 presents the composition of average GLS for the three months ended June 30, 2026 and December 31, 2025.

Table 14 Average Global Liquidity Sources Composition

	Three Months Ended			
(Dollars in billions)	**June 30 2026**		December 31 2025	
Cash on deposit	**$**	**251**	$	227
U.S. Treasury securities		**298**		371
U.S. agency securities, mortgage-backed securities, and other investment-grade securities		**356**		336
Non-U.S. government securities		**42**		41
Total Average Global Liquidity Sources	**$**	**947**	$	975

Our GLS are substantially the same in composition as what qualifies as High Quality Liquid Assets (HQLA) under the final U.S. Liquidity Coverage Ratio (LCR) rules. However, HQLA for purposes of calculating LCR is not reported at market value, but at a lower value that incorporates regulatory deductions and the exclusion of excess liquidity held at certain subsidiaries. The LCR is calculated as the amount of a financial institution's unencumbered HQLA relative to the estimated net cash outflows the institution could encounter over a 30-day period of significant liquidity stress, expressed as a percentage. Our average consolidated HQLA, on a net basis, was $684 billion and $667 billion for the three months ended June 30, 2026 and December 31, 2025. For both periods, the average consolidated LCR was 112 percent. Our LCR may fluctuate due to normal business flows from customer activity.

Liquidity Stress Analysis

We utilize liquidity stress analysis to assist us in determining the appropriate amounts of liquidity to maintain at the Parent and our subsidiaries to meet contractual and contingent cash outflows under a range of scenarios. For more information on liquidity stress analysis, see Liquidity Risk – Liquidity Stress Analysis in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) is a liquidity requirement for large banks to maintain a minimum level of stable funding over a one-year period. The requirement is intended to support the ability of banks to lend to households and businesses in both normal and adverse economic conditions and is complementary to the LCR, which focuses on short-term liquidity risks. The U.S. NSFR applies to the Corporation on a consolidated basis and to our insured depository institutions. For the three months ended March 31, 2026 and June 30, 2026, the average consolidated NSFR was 119 percent and 117 percent.

Diversified Funding Sources

We fund our assets primarily with a mix of deposits, and secured and unsecured liabilities through a centralized, globally coordinated funding approach diversified across products, programs, markets, currencies and investor groups. We fund a substantial portion of our lending activities through our deposits, which were $2.03 trillion and $2.02 trillion at June 30, 2026 and December 31, 2025. Our trading activities in other regulated entities are primarily funded on a secured basis through securities lending and repurchase agreements, and these amounts will vary based on customer activity and market conditions.

Deposits

Our deposit base is well-diversified by clients, geography and product type across our business segments. At June 30, 2026, 47 percent of our deposits were in *Consumer Banking*, 14 percent in *GWIM* and 33 percent in *Global Banking*. We consider a substantial portion of our deposit base to be a stable, low-cost and consistent source of liquidity. At June 30, 2026, approximately 70 percent of consumer and small business deposits and approximately 83 percent of U.S. deposits in *Global Banking* were held by clients who have had accounts with us for 10 or more years. In addition, at June 30, 2026 and December 31, 2025, 27 percent and 26 percent of our deposits were noninterest bearing and were primarily operating accounts of our consumer and commercial clients. Deposits at June 30, 2026 increased $6.4 billion from December 31, 2025 primarily due to deposit growth in *Global Banking,* partially offset by lower deposits in *GWIM* due to an expected seasonal decline from customer tax payments.

During the three months ended June 30, 2026 and 2025, rates paid on deposits were 48 bps and 58 bps in *Consumer Banking*, 202 bps and 247 bps in *GWIM*, and 223 bps and 277 bps in *Global Banking*. For information on rates paid on consolidated deposit balances, see Table 6 on page 8.

Long-term Debt

During the six months ended June 30, 2026, we issued $73.8 billion of long-term debt consisting of $22.7 billion of notes issued by Bank of America Corporation, substantially all of which were TLAC compliant, $24.2 billion of notes issued by Bank of America, N.A. and $26.9 billion of other debt, which was primarily structured notes.

During the six months ended June 30, 2026, we had total long-term debt maturities and redemptions in the aggregate of $51.2 billion consisting of $20.0 billion for Bank of America Corporation, $13.5 billion for Bank of America, N.A. and $17.7 billion of other debt. Table 15 presents the carrying value of aggregate annual contractual maturities of long-term debt at June 30, 2026.

Table 15 Long-term Debt by Maturity

(Dollars in millions)	Remainder of 2026	2027	2028	2029	2030	Thereafter	Total
Bank of America Corporation							
Senior notes [1]	$ 411	$ 11,624	$ 30,085	$ 26,644	$ 12,070	$ 104,395	**$ 185,229**
Senior structured notes	838	1,953	553	1,457	1,051	16,192	**22,044**
Subordinated notes	2,906	2,006	869	—	—	20,420	**26,201**
Junior subordinated notes	—	178	—	—	—	557	**735**
Total Bank of America Corporation	**4,155**	15,761	31,507	28,101	13,121	141,564	**234,209**
Bank of America, N.A.							
Senior notes	8,464	15,451	687	—	—	—	**24,602**
Subordinated notes	—	—	—	—	—	1,398	**1,398**
Advances from Federal Home Loan Banks	1,402	5,806	7	2	5	27	**7,249**
Securitizations and other bank VIEs [2]	1,500	1,295	1,878	1,980	542	179	**7,374**
Other	34	207	113	174	—	3	**531**
Total Bank of America, N.A.	11,400	22,759	2,685	2,156	547	1,607	**41,154**
Other debt							
Structured liabilities	4,727	12,671	7,000	4,931	4,997	29,993	**64,319**
Nonbank VIEs [2]	—	—	—	—	2	179	**181**
Total other debt	4,727	12,671	7,000	4,931	4,999	30,172	**64,500**
Total	**$ 20,282**	**$ 51,191**	**$ 41,192**	**$ 35,188**	**$ 18,667**	**$ 173,343**	**$ 339,863**

(1) Total includes $176.9 billion of outstanding senior notes that are both TLAC eligible and callable one year before their stated maturities, including $11.7 billion during the remainder of 2026, and $27.1 billion, $27.8 billion, $12.0 billion and $21.4 billion during each year of 2027 through 2030, respectively, and $76.9 billion thereafter. For more information on our TLAC eligible and callable outstanding notes, see Liquidity Risk – Diversified Funding Sources in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.
(2) Represents liabilities of consolidated variable interest entities (VIEs) included in long-term debt on the Consolidated Balance Sheet.

Total long-term debt increased $22.0 billion to $339.9 billion during the six months ended June 30, 2026 primarily due to debt issuances, partially offset by maturities and valuation adjustments. We may, from time to time, repurchase outstanding debt instruments in various transactions, depending on market conditions, liquidity and other factors. Our other regulated entities may also make markets in our debt instruments to provide liquidity for investors.

During the six months ended June 30, 2026, we issued $31.4 billion of structured notes, which are debt obligations that pay investors returns linked to other debt or equity securities, indices, currencies or commodities. These structured notes are typically issued to meet client demand, and notes with certain attributes may also be TLAC eligible. We typically use derivatives and/or investments to economically hedge the variable returns due on the structured notes so that the net cost, which is recognized in market making and similar activities, is similar to unsecured long-term debt. We could be required to settle certain structured note obligations for cash or other securities prior to maturity under certain circumstances, which we consider for liquidity planning purposes. We believe, however, that a portion of such borrowings will remain outstanding beyond the earliest put or redemption date.

Substantially all of our senior and subordinated debt obligations contain no provisions that could trigger a requirement for an early repayment, require additional collateral support, result in changes to terms, accelerate maturity or create additional financial obligations upon an adverse change in our credit ratings, financial ratios, earnings, cash flows or stock price. For more information on long-term debt funding, including issuances and maturities and redemptions, see *Note 11 – Long-term Debt* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

We use derivative transactions to manage the duration, interest rate and currency risks of our borrowings, considering the characteristics of the assets they are funding. For more information on our ALM activities, see Interest Rate Risk Management for the Banking Book on page 43.

Credit Ratings

Credit ratings and outlooks are opinions expressed by rating agencies on our creditworthiness and that of our obligations or securities, including long-term debt, short-term borrowings, preferred stock and other securities, including asset securitizations. Table 16 presents the Corporation's current long-term/short-term senior debt ratings and outlooks expressed by the rating agencies.

The ratings and outlooks from Moody's Investors Service, Standard & Poor's Global Ratings and Fitch Ratings for the Corporation and its subsidiaries have not changed from those disclosed in the Corporation's 2025 Annual Report on Form 10-K.

For more information on additional collateral and termination payments that could be required in connection with certain over-the-counter derivative contracts and other trading agreements in the event of a credit rating downgrade, see *Note 3 – Derivatives* to the Consolidated Financial Statements herein and Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K.

Table 16 Senior Debt Ratings

	Moody's Investors Service			Standard & Poor's Global Ratings			Fitch Ratings		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Bank of America Corporation	A1	P-1	Stable	A-	A-2	Stable	AA-	F1+	Stable
Bank of America, N.A.	Aa2	P-1	Stable	A+	A-1	Stable	AA	F1+	Stable
Bank of America Europe Designated Activity Company	NR	NR	NR	A+	A-1	Stable	AA	F1+	Stable
Merrill Lynch, Pierce, Fenner & Smith Incorporated	NR	NR	NR	A+	A-1	Stable	AA	F1+	Stable
BofA Securities, Inc.	NR	NR	NR	A+	A-1	Stable	AA	F1+	Stable
Merrill Lynch International	NR	NR	NR	A+	A-1	Stable	AA	F1+	Stable
BofA Securities Europe SA	NR	NR	NR	A+	A-1	Stable	AA	F1+	Stable

NR = not rated

Finance Subsidiary Issuers and Parent Guarantor

BofA Finance LLC, a Delaware limited liability company (BofA Finance), is a consolidated finance subsidiary of the Corporation that has issued and sold, and is expected to continue to issue and sell, its senior unsecured debt securities (Guaranteed Notes) that are fully and unconditionally guaranteed by the Corporation. The Corporation guarantees the due and punctual payment, on demand, of amounts payable on the Guaranteed Notes if not paid by BofA Finance. In addition, each of BAC Capital Trust XIII, BAC Capital Trust XIV and BAC Capital Trust XV, Delaware statutory trusts (collectively, the Trusts) is a 100 percent owned finance subsidiary of the Corporation that has issued and sold trust preferred securities (the Trust Preferred Securities) or capital securities (the Capital Securities and, together with the Guaranteed Notes and the Trust Preferred Securities, the Guaranteed Securities), as applicable, that remained outstanding at June 30, 2026. The Corporation has fully and unconditionally guaranteed (or effectively provided for the full and unconditional guarantee of) all such securities issued by such finance subsidiaries. For more information regarding such guarantees by the Corporation, see Liquidity Risk – Finance Subsidiary Issuers and Parent Guarantor in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Representations and Warranties Obligations

For information on representations and warranties obligations in connection with the sale of mortgage loans, see *Note 12 – Commitments and Contingencies* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Credit Risk Management

For information on our credit risk management activities, see the following: Consumer Portfolio Credit Risk Management on page 27, Commercial Portfolio Credit Risk Management on page 32, Non-U.S. Portfolio on page 38, Allowance for Credit Losses on page 39, *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* to the Consolidated Financial Statements, and Credit Risk Management in the MD&A of the Corporation's 2025 Annual Report on Form 10-K. For more information on the Corporation's credit risks, see the Credit section within Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K. For more information on the Corporation's economic and geopolitical risks, see the Geopolitical section within Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K.

During the six months ended June 30, 2026, our net charge-off ratio decreased compared to the same period in 2025 primarily driven by lower commercial real estate office charge-offs. Commercial reservable criticized exposure decreased $2.7 billion compared to December 31, 2025 driven by commercial real estate as well as the commercial and industrial portfolio. Nonperforming loans remained relatively unchanged compared to December 31, 2025 at $5.8 billion. Uncertainties surrounding geopolitical tensions, particularly related to the ongoing conflicts in the Middle East, and persistent inflationary pressures continue to weigh on the broader economic outlook. These factors have been assessed for any impacts to the portfolio and may contribute to future deterioration in credit quality metrics as they evolve.

Consumer Portfolio Credit Risk Management

Credit risk management for the consumer portfolio begins with initial underwriting and continues throughout a borrower's credit cycle. Statistical techniques in conjunction with experiential judgment are used in all aspects of portfolio management including underwriting, product pricing, risk appetite, setting credit limits, and establishing operating processes and metrics to quantify and balance risks and returns. Statistical models are built using detailed behavioral information from external sources, such as credit bureaus, and/or internal historical experience and are a component of our consumer credit risk management process. These models are used in part to assist in making both new and ongoing credit decisions as well as portfolio management strategies, including authorizations and line management, collection practices and strategies, and determination of the allowance for loan and lease losses and allocated capital for credit risk.

Consumer Credit Portfolio

During the six months ended June 30, 2026, the U.S. unemployment rate and home prices remained relatively stable. During the three months ended June 30, 2026, net charge-offs remained relatively unchanged at $1.0 billion compared to the same period in 2025. During the six months ended June 30, 2026, net charge-offs decreased $79 million to $2.1 billion compared to the same period in 2025, primarily due to improvement in the credit card portfolio.

The consumer allowance for loan and lease losses decreased $134 million to $8.2 billion from December 31, 2025. For more information, see Allowance for Credit Losses on page 39.

For more information on our accounting policies regarding delinquencies, nonperforming status, charge-offs and loan modifications for the consumer portfolio, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K and *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* to the Consolidated Financial Statements.

Table 17 presents our outstanding consumer loans and leases, consumer nonperforming loans and accruing consumer loans past due 90 days or more.

Table 17 Consumer Credit Quality

	Outstandings		Nonperforming		Accruing Past Due 90 Days or More	
(Dollars in millions)	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025
Residential mortgage [1]	**$ 236,316**	$ 236,302	**$ 2,049**	$ 2,008	**$ 219**	$ 207
Home equity	**27,114**	26,823	**371**	392	**—**	—
Credit card	**105,659**	106,027	**n/a**	n/a	**1,241**	1,351
Direct/Indirect consumer [2]	**118,327**	114,130	**170**	176	**1**	5
Other consumer	**182**	144	**—**	—	**—**	—
Consumer loans excluding loans accounted for under the fair value option	**$ 487,598**	$ 483,426	**$ 2,590**	$ 2,576	**$ 1,461**	$ 1,563
Loans accounted for under the fair value option [3]	**159**	165				
Total consumer loans and leases	**$ 487,757**	$ 483,591				
Percentage of outstanding consumer loans and leases [4]	**n/a**	n/a	**0.53 %**	0.53 %	**0.30 %**	0.32 %
Percentage of outstanding consumer loans and leases, excluding fully-insured loan portfolios [4]	**n/a**	n/a	**0.54**	0.54	**0.26**	0.29

(1) Residential mortgage loans accruing past due 90 days or more are fully-insured loans. At June 30, 2026 and December 31, 2025, residential mortgage included $119 million and $104 million of loans on which interest had been curtailed by the Federal Housing Administration (FHA), and therefore were no longer accruing interest, although principal was still insured, and $100 million and $103 million of loans on which interest was still accruing.

(2) Outstandings primarily includes auto and specialty lending loans and leases of $52.4 billion and $55.3 billion, U.S. securities-based lending loans of $61.9 billion and $55.0 billion, and non-U.S. consumer loans of $3.2 billion and $3.0 billion at June 30, 2026 and December 31, 2025.

(3) For more information on the fair value option, see *Note 15 – Fair Value Option* to the Consolidated Financial Statements.

(4) Excludes consumer loans accounted for under the fair value option. At June 30, 2026 and December 31, 2025, loans accounted for under the fair value option that were past due 90 days or more and not accruing interest were insignificant.

n/a = not applicable

Table 18 presents net charge-offs and related ratios for consumer loans and leases.

Table 18 Consumer Net Charge-offs and Related Ratios

	Net Charge-offs [1]				Net Charge-off Ratios [1]			
	Three Months Ended June 30		Six Months Ended June 30		Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Residential mortgage	**$ 1**	$ 2	**$ 6**	$ 2	**— %**	— %	**— %**	— %
Home equity	**(6)**	(10)	**(13)**	(22)	**(0.09)**	(0.15)	**(0.09)**	(0.17)
Credit card	**919**	954	**1,843**	1,955	**3.55**	3.82	**3.59**	3.94
Direct/Indirect consumer	**56**	47	**130**	117	**0.19**	0.17	**0.23**	0.22
Other consumer	**70**	66	**133**	126	**n/m**	n/m	**n/m**	n/m
Total	**$ 1,040**	$ 1,059	**$ 2,099**	$ 2,178	**0.86**	0.90	**0.88**	0.94

(1) Negative numbers represent net recoveries. Net charge-off ratios are calculated as annualized net charge-offs divided by average outstanding loans and leases, excluding loans accounted for under the fair value option.

n/m = not meaningful

We believe that the presentation of information adjusted to exclude the impact of the fully-insured loan portfolio and loans accounted for under the fair value option is more representative of the ongoing operations and credit quality of the business. As a result, in the following tables and discussions of the residential mortgage and home equity portfolios, we exclude loans accounted for under the fair value option and provide information that excludes the impact of the fully-insured loan portfolio in certain credit quality statistics.

Residential Mortgage

The residential mortgage portfolio made up the largest percentage of our consumer loan portfolio at 48 percent of consumer loans and leases at June 30, 2026. Approximately 49 percent of the residential mortgage portfolio was in *Consumer Banking,* 48 percent was in *GWIM* and the remaining portion was in *Global Markets* and *All Other*.

Outstanding balances in the residential mortgage portfolio were relatively unchanged during the six months ended June 30, 2026.

At June 30, 2026 and December 31, 2025, the residential mortgage portfolio included $8.7 billion and $9.1 billion of outstanding fully-insured loans, of which $1.8 billion and $1.9 billion had FHA insurance, with the remainder protected by Fannie Mae long-term standby agreements.

Table 19 presents certain residential mortgage key credit statistics on both a reported basis and excluding the fully-insured loan portfolio. The following discussion presents the residential mortgage portfolio excluding the fully-insured loan portfolio.

Table 19 Residential Mortgage – Key Credit Statistics

(Dollars in millions)	Reported Basis [1] June 30 2026	Reported Basis [1] December 31 2025	Excluding Fully-insured Loans [1] June 30 2026	Excluding Fully-insured Loans [1] December 31 2025
Outstandings	**$ 236,316**	$ 236,302	**$ 227,665**	$ 227,227
Accruing past due 30 days or more	**1,691**	1,609	**1,271**	1,159
Accruing past due 90 days or more	**219**	207	**—**	—
Nonperforming loans [2]	**2,049**	2,008	**2,049**	2,008
Percent of portfolio				
Refreshed LTV greater than 90 but less than or equal to 100	**1%**	1 %	**1%**	1 %
Refreshed LTV greater than 100	**1**	1	**1**	1
Refreshed FICO below 620	**2**	2	**1**	1

(1) Outstandings, accruing past due, nonperforming loans and percentages of portfolio exclude loans accounted for under the fair value option.
(2) Includes loans that are contractually current that have not yet demonstrated a sustained period of payment performance following a modification.

Nonperforming outstanding balances in the residential mortgage portfolio increased $41 million to $2.0 billion during the six months ended June 30, 2026 driven by extended relief provided to borrowers for their residential rebuilding efforts after the 2025 California wildfires. Of the nonperforming residential mortgage loans at June 30, 2026, $1.2 billion, or 58 percent, were current on contractual payments. Excluding fully-insured loans, loans accruing past due 30 days or more increased $112 million to $1.3 billion during the six months ended June 30, 2026.

Of the $227.7 billion in total residential mortgage loans outstanding at June 30, 2026, $66.1 billion, or 29 percent, of loans were originated as interest-only. The outstanding balance of interest-only residential mortgage loans that had entered the amortization period was $3.7 billion, or six percent, at June 30, 2026. Residential mortgage loans that have entered the amortization period generally experience a higher rate of early stage delinquencies and nonperforming status compared to the residential mortgage portfolio as a whole. At June 30, 2026, $42 million, or one percent, of outstanding interest-only residential mortgages that had entered the amortization period were accruing past due 30 days or more compared to $1.3 billion, or less than one percent, for the entire residential mortgage portfolio. In addition, at June 30, 2026, $158 million, or four percent, of outstanding interest-only residential mortgage loans that had entered the amortization period were nonperforming, of which $46 million were contractually current. Loans that have yet to enter the amortization period in our interest-only residential mortgage portfolio are primarily well-collateralized loans to our wealth management clients and have an interest-only period of three years to 10 years. Substantially all of these loans that have yet to enter the amortization period will not be required to make a fully-amortizing payment until 2028 or later.

Table 20 presents outstandings, nonperforming loans and net charge-offs by certain state concentrations for the residential mortgage portfolio. In the New York area, the New York-Northern New Jersey-Long Island Metropolitan Statistical Area (MSA) made up 14 percent and 15 percent of outstandings at June 30, 2026 and December 31, 2025. The Los Angeles-Long Beach-Santa Ana MSA within California represented 14 percent of outstandings at both June 30, 2026 and December 31, 2025.

Table 20 Residential Mortgage State Concentrations

(Dollars in millions)	Outstandings [1] June 30 2026	Outstandings [1] December 31 2025	Nonperforming [1] June 30 2026	Nonperforming [1] December 31 2025	Net Charge-offs [2] Three Months Ended June 30 2026	Net Charge-offs [2] Three Months Ended June 30 2025	Net Charge-offs [2] Six Months Ended June 30 2026	Net Charge-offs [2] Six Months Ended June 30 2025
California	**$ 83,223**	$ 82,719	**$ 677**	$ 601	**$ 2**	$ 2	**$ 2**	$ 2
New York	**25,861**	25,927	**279**	277	**—**	—	**1**	—
Florida	**16,885**	16,696	**136**	139	**(1)**	—	**(1)**	—
Massachusetts	**9,577**	9,674	**42**	51	**—**	—	**—**	—
New Jersey	**9,360**	9,474	**78**	83	**(1)**	—	**—**	—
Other	**82,759**	82,737	**837**	857	**1**	—	**4**	—
Residential mortgage loans	**$ 227,665**	$ 227,227	**$ 2,049**	$ 2,008	**$ 1**	$ 2	**$ 6**	$ 2
Fully-insured loan portfolio	**8,651**	9,075						
Total residential mortgage loan portfolio	**$ 236,316**	$ 236,302						

(1) Outstandings and nonperforming loans exclude loans accounted for under the fair value option.
(2) Negative numbers represent net recoveries.

Home Equity

At June 30, 2026, the home equity portfolio made up six percent of the consumer portfolio and was comprised of home equity lines of credit (HELOCs), home equity loans and reverse mortgages. HELOCs generally have an initial draw period of 10 years, and after the initial draw period ends, the loans generally convert to 15- or 20-year amortizing loans. We no longer originate home equity loans or reverse mortgages.

At June 30, 2026, 85 percent of the home equity portfolio was in *Consumer Banking*, 11 percent was in *GWIM* and the remainder of the portfolio was in *All Other.* Outstanding balances in the home equity portfolio increased $291 million during the six months ended June 30, 2026 primarily due to draws on existing lines and new originations outpacing paydowns. Of the total home equity portfolio at June 30, 2026 and December 31, 2025, $8.8 billion and $8.9 billion, or 33 percent for both periods, were in first-lien positions.

At June 30, 2026, outstanding balances in the home equity portfolio that were in a second-lien or more junior-lien position and where we also held the first-lien loan totaled $4.8 billion, or 18 percent, of our total home equity portfolio.

Unused HELOCs totaled $42.3 billion and $43.1 billion at June 30, 2026 and December 31, 2025. The HELOC utilization rate was 39 percent and 38 percent at June 30, 2026 and December 31, 2025.

Table 21 presents certain home equity portfolio key credit statistics.

Table 21 Home Equity – Key Credit Statistics [1]

(Dollars in millions)	June 30 2026	December 31 2025
Outstandings	**$ 27,114**	$ 26,823
Accruing past due 30 days or more	**75**	87
Nonperforming loans [2]	**371**	392
Percent of portfolio		
Refreshed CLTV greater than 90 but less than or equal to 100	**—%**	— %
Refreshed CLTV greater than 100	**—**	—
Refreshed FICO below 620	**3**	3

(1) Outstandings, accruing past due, nonperforming loans and percentages of the portfolio exclude loans accounted for under the fair value option.
(2) Includes loans that are contractually current that have not yet demonstrated a sustained period of payment performance following a modification.

Nonperforming outstanding balances in the home equity portfolio decreased $21 million to $371 million during the six months ended June 30, 2026. Of the nonperforming home equity loans at June 30, 2026, $231 million, or 62 percent, were current on contractual payments. In addition, $71 million, or 19 percent, were 180 days or more past due and had been written down to the estimated fair value of the collateral, less costs to sell. Accruing loans that were 30 days or more past due remained relatively unchanged during the six months ended June 30, 2026.

Of the $27.1 billion in total home equity portfolio outstandings at June 30, 2026, as shown in Table 21, nine percent require interest-only payments. The outstanding balance of HELOCs that had reached the end of their draw period and entered the amortization period was $3.1 billion at June 30, 2026. The HELOCs that have entered the amortization period have experienced a higher percentage of early stage delinquencies and nonperforming status when compared to the HELOC portfolio as a whole. At June 30, 2026, $23 million, or one percent, of outstanding HELOCs that had entered the amortization period were accruing past due 30 days or more. In addition, at June 30, 2026, $193 million, or six percent, were nonperforming.

For our interest-only HELOC portfolio, we can determine how many of our home equity customers pay only the minimum amount due on their home equity loans and lines through a review of our HELOC portfolio that we service and is still in its revolving period. During the six months ended June 30, 2026, 21 percent of these customers with an outstanding balance did not pay any principal on their HELOCs.

Table 22 presents outstandings, nonperforming balances and net recoveries by certain state concentrations for the home equity portfolio. In the New York area, the New York-Northern New Jersey-Long Island MSA made up 10 percent of the outstanding home equity portfolio at both June 30, 2026 and December 31, 2025. The Los Angeles-Long Beach-Santa Ana MSA within California made up 10 percent of the outstanding home equity portfolio at both June 30, 2026 and December 31, 2025.

Table 22 Home Equity State Concentrations

	Outstandings [1]		Nonperforming [1]		Net Charge-offs [2]			
					Three Months Ended June 30		**Six Months Ended June 30**	
(Dollars in millions)	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**2026**	2025	**2026**	2025
California	**$ 7,283**	$ 7,219	**$ 106**	$ 108	**$ (1)**	$ (3)	**$ (3)**	$ (5)
Florida	**2,563**	2,588	**40**	43	**(1)**	(1)	**(2)**	(2)
New Jersey	**1,890**	1,871	**24**	27	**(1)**	(1)	**(2)**	(2)
Texas	**1,708**	1,674	**18**	17	**1**	—	**1**	—
New York	**1,396**	1,421	**50**	55	**(1)**	(1)	**(2)**	(3)
Other	**12,274**	12,050	**133**	142	**(3)**	(4)	**(5)**	(10)
Total home equity loan portfolio	**$ 27,114**	$ 26,823	**$ 371**	$ 392	**$ (6)**	$ (10)	**$ (13)**	$ (22)

(1) Outstandings and nonperforming loans exclude loans accounted for under the fair value option.
(2) Negative numbers represent net recoveries.

Credit Card

At June 30, 2026, 96 percent of the credit card portfolio was managed in *Consumer Banking* with the remainder in *GWIM*. Outstandings in the credit card portfolio remained relatively unchanged at $105.7 billion during the six months ended June 30, 2026.

Net charge-offs decreased $35 million to $919 million and decreased $112 million to $1.8 billion during the three and six months ended June 30, 2026 compared to the same periods in 2025, as asset quality continued to improve. Credit card loans 30 days or more past due decreased $252 million to $2.4 billion, and 90 days or more past due decreased $110 million to $1.2 billion during the six months ended June 30, 2026.

Unused lines of credit for credit card increased to $430.1 billion at June 30, 2026 from $417.6 billion at December 31, 2025.

Table 23 presents certain state concentrations for the credit card portfolio.

Table 23 Credit Card State Concentrations

	Outstandings		Past Due 90 Days or More		Net Charge-offs			
					Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**2026**	2025	**2026**	2025
California	**$ 17,567**	$ 17,664	**$ 228**	$ 241	**$ 166**	$ 186	**$ 334**	$ 379
Florida	**11,110**	11,169	**173**	192	**131**	126	**263**	267
Texas	**9,395**	9,403	**124**	142	**95**	94	**190**	193
Washington	**5,954**	5,853	**44**	47	**31**	32	**62**	63
New York	**5,774**	5,822	**76**	80	**55**	58	**109**	118
Other	**55,859**	56,116	**596**	649	**441**	458	**885**	935
Total credit card portfolio	**$ 105,659**	$ 106,027	**$ 1,241**	$ 1,351	**$ 919**	$ 954	**$ 1,843**	$ 1,955

Direct/Indirect Consumer

At June 30, 2026, 44 percent of the direct/indirect portfolio was included in *Consumer Banking* (consumer auto and recreational vehicle lending) and 56 percent was included in *GWIM* (principally securities-based lending loans). Outstandings in the direct/indirect portfolio increased $4.2 billion during the six months ended June 30, 2026 to $118.3 billion driven by an increase in securities-based lending.

Table 24 presents certain state concentrations for the direct/indirect consumer loan portfolio.

Table 24 Direct/Indirect State Concentrations

	Outstandings		Nonperforming		Net Charge-offs			
					Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**2026**	2025	**2026**	2025
California	**$ 17,862**	$ 17,247	**$ 42**	$ 44	**$ 22**	$ 12	**$ 47**	$ 29
Florida	**16,347**	15,127	**16**	20	**5**	7	**14**	15
Texas	**11,436**	11,051	**16**	17	**6**	6	**14**	14
New York	**8,565**	8,019	**25**	10	**2**	2	**4**	7
New Jersey	**5,032**	4,740	**6**	6	**1**	2	**3**	3
Other	**59,085**	57,946	**65**	79	**20**	18	**48**	49
Total direct/indirect loan portfolio	**$ 118,327**	$ 114,130	**$ 170**	$ 176	**$ 56**	$ 47	**$ 130**	$ 117

Other Consumer

Other consumer primarily consists of deposit overdraft balances. Net charge-offs increased $4 million to $70 million and $7 million to $133 million during the three and six months ended June 30, 2026 compared to the same periods in 2025 primarily driven by higher overdraft losses.

Nonperforming Consumer Loans, Leases and Foreclosed Properties Activity

Table 25 presents nonperforming consumer loans, leases and foreclosed properties activity for the three and six months ended June 30, 2026 and 2025. During the six months ended June 30, 2026, nonperforming consumer loans remained relatively unchanged at $2.6 billion.

At June 30, 2026, $480 million, or 19 percent, of nonperforming loans were 180 days or more past due and had been written down to their estimated property value less costs to sell. In addition, at June 30, 2026, $1.5 billion, or 57 percent, of nonperforming consumer loans were current and classified as nonperforming loans in accordance with applicable policies.

During the six months ended June 30, 2026, foreclosed properties increased $7 million to $97 million.

Table 25 Nonperforming Consumer Loans, Leases and Foreclosed Properties Activity

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Nonperforming loans and leases, beginning of period	**$ 2,680**	$ 2,613	**$ 2,576**	$ 2,647
Additions	**305**	264	**700**	506
Reductions:				
Paydowns and payoffs	**(135)**	(132)	**(253)**	(243)
Sales	**(87)**	(1)	**(87)**	(2)
Returns to performing status (1)	**(156)**	(157)	**(306)**	(311)
Charge-offs	**(12)**	(13)	**(27)**	(18)
Transfers to foreclosed properties	**(5)**	(10)	**(13)**	(15)
Total net additions (reductions) to nonperforming loans and leases	**(90)**	(49)	**14**	(83)
Total nonperforming loans and leases, June 30	**2,590**	2,564	**2,590**	2,564
Foreclosed properties, June 30	**97**	94	**97**	94
Nonperforming consumer loans, leases and foreclosed properties, June 30	**$ 2,687**	$ 2,658	**$ 2,687**	$ 2,658
Nonperforming consumer loans and leases as a percentage of outstanding consumer loans and leases (2)	**0.53 %**	0.54 %		
Nonperforming consumer loans, leases and foreclosed properties as a percentage of outstanding consumer loans, leases and foreclosed properties (2)	**0.55**	0.56		

(1) Consumer loans may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, or when the loan otherwise becomes well-secured and is in the process of collection.
(2) Outstanding consumer loans and leases exclude loans accounted for under the fair value option.

Commercial Portfolio Credit Risk Management

Commercial credit risk is evaluated and managed with the goal that concentrations of credit exposure continue to be aligned with our risk appetite. We review, measure and manage concentrations of credit exposure by industry, product, geography, customer relationship and loan size. We also review, measure and manage commercial real estate loans by geographic location and property type. In addition, within our non-U.S. portfolio, we evaluate exposures by region and by country. Tables 30, 32 and 35 summarize our concentrations. We also utilize syndications of exposure to third parties, loan sales, hedging and other risk mitigation techniques to manage the size and risk profile of the commercial credit portfolio. For more information on our industry concentrations, see Table 32 and Commercial Portfolio Credit Risk Management – Industry Concentrations on page 36.

For more information on our accounting policies regarding delinquencies, nonperforming status and net charge-offs, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K and *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* to the Consolidated Financial Statements.

Commercial Credit Portfolio

Outstanding commercial loans and leases increased $27.8 billion during the six months ended June 30, 2026 due to growth in U.S. and Non-U.S. commercial, primarily in *Global Banking* and *GWIM.* During the six months ended June 30, 2026, commercial credit quality improved, as the reservable criticized utilized exposure decreased $2.7 billion and reservable criticized utilized exposure rate improved to 2.89 percent from 3.37 percent as of December 31, 2025.

Nonperforming commercial loans decreased $67 million during the six months ended June 30, 2026, primarily due to commercial real estate. Commercial net charge-offs decreased $94 million and $77 million to $372 million and $722 million during the three and six months ended June 30, 2026 compared to the same periods in 2025 primarily due to continued asset quality improvement in the commercial real estate portfolio, partially offset by higher charge-offs in commercial and industrial.

We are closely monitoring emerging trends, including the ongoing conflicts in the Middle East and elevated energy prices, as well as borrower performance in the current environment.

The commercial allowance for loan and lease losses increased $45 million during the six months ended June 30, 2026 to $4.9 billion. For more information, see Allowance for Credit Losses on page 39.

Total commercial utilized credit exposure increased $38.7 billion during the six months ended June 30, 2026 to $847.0 billion primarily driven by higher loans and leases, as well as derivative assets. The utilization rate for loans and leases, standby letters of credit (SBLCs) and financial guarantees, and commercial letters of credit, in the aggregate, was 55 percent at both June 30, 2026 and December 31, 2025.

Table 26 presents commercial credit exposure by type for utilized, unfunded and total binding committed credit exposure. Commercial utilized credit exposure includes SBLCs and financial guarantees and commercial letters of credit that have been issued and for which we are legally bound to advance funds under prescribed conditions during a specified time period, and excludes exposure related to trading account assets. Although funds have not yet been advanced, these exposure types are considered utilized for credit risk management purposes.

Table 26 Commercial Credit Exposure by Type

(Dollars in millions)	Commercial Utilized (1) June 30 2026	Commercial Utilized (1) December 31 2025	Commercial Unfunded (2, 3, 4) June 30 2026	Commercial Unfunded (2, 3, 4) December 31 2025	Total Commercial Committed June 30 2026	Total Commercial Committed December 31 2025
Loans and leases	$ 729,862	$ 702,109	$ 616,239	$ 596,676	$ 1,346,101	$ 1,298,785
Derivative assets (5)	45,336	40,881	—	—	45,336	40,881
Standby letters of credit and financial guarantees	37,393	35,048	2,187	2,081	39,580	37,129
Debt securities and other investments	20,803	19,155	3,465	3,391	24,268	22,546
Loans held-for-sale	3,978	3,450	8,345	17,151	12,323	20,601
Operating leases	6,283	5,686	—	—	6,283	5,686
Commercial letters of credit	839	748	—	—	839	748
Other	2,552	1,312	—	—	2,552	1,312
Total	$ 847,046	$ 808,389	$ 630,236	$ 619,299	$ 1,477,282	$ 1,427,688

(1) Commercial utilized exposure includes loans of $3.2 billion and $3.3 billion accounted for under the fair value option at June 30, 2026 and December 31, 2025.
(2) Commercial unfunded exposure includes commitments accounted for under the fair value option with a notional amount of $3.2 billion and $2.3 billion at June 30, 2026 and December 31, 2025.
(3) Excludes unused business card lines, which are not legally binding.
(4) Includes the notional amount of unfunded legally binding lending commitments, net of amounts distributed (i.e., syndicated or participated) to other financial institutions. The distributed amounts were $10.5 billion and $10.6 billion at June 30, 2026 and December 31, 2025.
(5) Derivative assets are carried at fair value, reflect the effects of legally enforceable master netting agreements and have been reduced by cash collateral of $33.8 billion and $27.2 billion at June 30, 2026 and December 31, 2025. Not reflected in utilized and committed exposure is additional non-cash derivative collateral held of $84.7 billion and $71.4 billion at June 30, 2026 and December 31, 2025, which consists primarily of other marketable securities.

Nonperforming commercial loans decreased $67 million during the six months ended June 30, 2026, driven by commercial real estate. Table 27 presents our commercial loans and leases portfolio and related credit quality information at June 30, 2026 and December 31, 2025.

Table 27 Commercial Credit Quality

(Dollars in millions)	Outstandings June 30 2026	Outstandings December 31 2025	Nonperforming June 30 2026	Nonperforming December 31 2025	Accruing Past Due 90 Days or More June 30 2026	Accruing Past Due 90 Days or More December 31 2025
Commercial and industrial:						
U.S. commercial	$ 456,632	$ 436,242	$ 1,674	$ 1,404	$ 127	$ 302
Non-U.S. commercial	159,894	155,045	312	80	35	9
Total commercial and industrial	616,526	591,287	1,986	1,484	162	311
Commercial real estate	71,097	68,748	1,068	1,596	33	10
Commercial lease financing	15,402	16,241	62	97	25	33
	703,025	676,276	3,116	3,177	220	354
U.S. small business commercial (1)	23,637	22,500	45	51	181	204
Commercial loans excluding loans accounted for under the fair value option	$ 726,662	$ 698,776	$ 3,161	$ 3,228	$ 401	$ 558
Loans accounted for under the fair value option (2)	3,200	3,333				
Total commercial loans and leases	$ 729,862	$ 702,109				

(1) Includes card-related products.
(2) Commercial loans accounted for under the fair value option includes U.S. commercial of $2.2 billion and $2.1 billion and non-U.S. commercial of $1.0 billion and $1.2 billion at June 30, 2026 and December 31, 2025. For more information on the fair value option, see *Note 15 – Fair Value Option* to the Consolidated Financial Statements.

Table 28 presents net charge-offs and related ratios for the three and six months ended June 30, 2026 and 2025.

Table 28 Commercial Net Charge-offs and Related Ratios

(Dollars in millions)	Net Charge-offs Three Months Ended June 30 2026	Net Charge-offs Three Months Ended June 30 2025	Net Charge-offs Six Months Ended June 30 2026	Net Charge-offs Six Months Ended June 30 2025	Net Charge-off Ratios (1) Three Months Ended June 30 2026	Net Charge-off Ratios (1) Three Months Ended June 30 2025	Net Charge-off Ratios (1) Six Months Ended June 30 2026	Net Charge-off Ratios (1) Six Months Ended June 30 2025
Commercial and industrial:								
U.S. commercial	$ 180	$ 129	$ 312	$ 199	0.16 %	0.13%	0.14 %	0.10 %
Non-U.S. commercial	53	—	60	7	0.13	—	0.08	0.01
Total commercial and industrial	233	129	372	206	0.15	0.09	0.12	0.08
Commercial real estate	2	202	58	325	0.01	1.24	0.17	1.00
Commercial lease financing	—	1	12	1	—	0.02	0.14	0.01
	235	332	442	532	0.13	0.21	0.13	0.17
U.S. small business commercial	137	134	280	267	2.35	2.48	2.45	2.52
Total commercial	$ 372	$ 466	$ 722	$ 799	0.20	0.29	0.20	0.25

(1) Net charge-off ratios are calculated as annualized net charge-offs divided by average outstanding loans and leases, excluding loans accounted for under the fair value option.

Table 29 presents commercial reservable criticized utilized exposure by loan type. Criticized exposure corresponds to the Special Mention, Substandard and Doubtful asset categories as defined by regulatory authorities. Total commercial reservable criticized utilized exposure of $22.1 billion decreased $2.7 billion, or 11 percent, during the six months ended June 30, 2026 primarily driven by commercial real estate and U.S. commercial. At June 30, 2026 and December 31, 2025, 86 percent and 87 percent of commercial reservable criticized utilized exposure was secured.

Table 29 Commercial Reservable Criticized Utilized Exposure [1, 2]

(Dollars in millions)	June 30, 2026		December 31, 2025	
Commercial and industrial:				
U.S. commercial	**$ 11,625**	**2.38 %**	$ 12,239	2.63 %
Non-U.S. commercial	**2,594**	**1.57**	2,803	1.74
Total commercial and industrial	**14,219**	**2.18**	15,042	2.40
Commercial real estate	**6,420**	**8.87**	8,356	11.91
Commercial lease financing	**606**	**3.93**	471	2.9
	21,245	**2.87**	23,869	3.35
U.S. small business commercial	**829**	**3.51**	879	3.91
Total commercial reservable criticized utilized exposure	**$ 22,074**	**2.89**	$ 24,748	3.37

(1) Total commercial reservable criticized utilized exposure includes loans and leases of $21.2 billion and $23.9 billion and commercial letters of credit of $888 million and $869 million at June 30, 2026 and December 31, 2025.
(2) Percentages are calculated as commercial reservable criticized utilized exposure divided by total commercial reservable utilized exposure for each exposure category.

Commercial and Industrial

Commercial and industrial loans include U.S. commercial and non-U.S. commercial portfolios.

U.S. Commercial

At June 30, 2026, 56 percent of the U.S. commercial loan portfolio, excluding small business, was managed in *Global Banking,* 24 percent in *Global Markets*, 18 percent in *GWIM* (loans that provide financing for asset purchases, business investments and other liquidity needs for high net worth clients) and the remainder primarily in *Consumer Banking*. U.S. commercial loans increased $20.4 billion, or five percent, during the six months ended June 30, 2026 primarily driven by *Global Banking and GWIM*. Reservable criticized utilized exposure decreased $614 million, or five percent, driven by a broad range of industries.

Non-U.S. Commercial

At June 30, 2026, 53 percent of the non-U.S. commercial loan portfolio was managed in *Global Banking* and 46 percent in *Global Markets.* Non-U.S. commercial loans increased $4.8 billion, or three percent, during the six months ended June 30, 2026 primarily driven by *Global Banking*. Reservable criticized utilized exposure decreased $209 million, or seven percent. For more information on the non-U.S. commercial portfolio, see Non-U.S. Portfolio on page 38.

Commercial Real Estate

Commercial real estate primarily includes commercial loans secured by non-owner-occupied real estate and is dependent on the sale or lease of the real estate as the primary source of repayment. Outstanding loans increased $2.3 billion or three percent during the six months ended June 30, 2026 to $71.1 billion, driven by growth across multiple property types. The commercial real estate portfolio is primarily managed in *Global Banking* and consists of loans made primarily to public and private developers, and commercial real estate firms. The portfolio remains diversified across property types and geographic regions. California represented the largest state concentration at 20 percent of commercial real estate at both June 30, 2026 and December 31, 2025. Industrial/Warehouse loans represented the largest property type concentration at 18 percent and 19 percent of commercial real estate at June 30, 2026 and December 31, 2025. Office loans decreased $1.0 billion, or eight percent, from December 31, 2025 and represented less than one percent of total loans for the Corporation.

Reservable criticized utilized exposure for commercial real estate decreased $1.9 billion, or 23 percent, during the six months ended June 30, 2026. Reservable criticized exposure for the office property type was $2.8 billion at June 30, 2026, representing a decrease of $664 million, or 19 percent, from December 31, 2025. Approximately $3.2 billion of office loans are scheduled to mature by the end of 2026.

During the three and six months ended June 30, 2026, net charge-offs decreased $200 million and $267 million to $2 million and $58 million compared to the same periods in 2025 driven by office loans. We use a number of proactive risk mitigation initiatives designed to reduce adversely rated exposure in the commercial real estate portfolio, including transfers of deteriorating exposures for management by independent special asset officers and the pursuit of loan restructurings or asset sales to achieve the best results for our customers and the Corporation.

Table 30 presents outstanding commercial real estate loans by geographic region, based on the geographic location of the collateral, and by property type.

Table 30 Outstanding Commercial Real Estate Loans

(Dollars in millions)	June 30 2026	December 31 2025
By Geographic Region		
Northeast	**$ 16,536**	$ 17,044
California	**14,313**	13,916
Southwest	**10,404**	8,412
Southeast	**6,333**	6,958
Florida	**5,701**	5,167
Midsouth	**3,498**	2,962
Midwest	**2,989**	2,862
Illinois	**2,798**	2,513
Northwest	**1,653**	1,451
Non-U.S.	**5,175**	6,021
Other	**1,697**	1,442
Total outstanding commercial real estate loans	**$ 71,097**	$ 68,748
By Property Type		
Non-residential		
Industrial / Warehouse	**$ 12,738**	$ 13,031
Multi-family rental	**11,807**	10,986
Office	**11,404**	12,447
Shopping centers / Retail	**7,966**	6,947
Hotel / Motels	**4,760**	4,629
Multi-use	**2,377**	2,509
Other	**18,808**	17,295
Total non-residential	**69,860**	67,844
Residential	**1,237**	904
Total outstanding commercial real estate loans	**$ 71,097**	$ 68,748

U.S. Small Business Commercial

The U.S. small business commercial loan portfolio is comprised of small business card loans and small business loans primarily managed in *Consumer Banking*. Credit card-related products were 51 percent of the U.S. small business commercial portfolio at both June 30, 2026 and December 31, 2025, and represented 95 percent and 96 percent of net charge-offs for the three and six months ended June 30, 2026. Accruing loans that were past due 90 days or more decreased $23 million during the six months ended June 30, 2026.

Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity

Table 31 presents the nonperforming commercial loans, leases and foreclosed properties activity during the three and six months ended June 30, 2026 and 2025. Nonperforming loans do not include loans accounted for under the fair value option. During the six months ended June 30, 2026, nonperforming commercial loans and leases decreased $67 million to $3.2 billion. At June 30, 2026, 92 percent of commercial nonperforming loans, leases and foreclosed properties were secured, and 48 percent were contractually current. Commercial nonperforming loans were carried at 80 percent of their unpaid principal balance, as the carrying value of these loans has been reduced to the estimated collateral value less costs to sell.

Table 31 Nonperforming Commercial Loans, Leases and Foreclosed Properties Activity [1, 2]

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Nonperforming loans and leases, beginning of period	**$ 3,151**	$ 3,470	**$ 3,228**	$ 3,328
Additions	**680**	1,105	**1,345**	1,749
Reductions:				
Paydowns	**(205)**	(484)	**(483)**	(759)
Sales	**(126)**	(107)	**(351)**	(107)
Returns to performing status [3]	**(71)**	(219)	**(73)**	(228)
Charge-offs	**(254)**	(348)	**(491)**	(566)
Transfers to foreclosed properties	**(14)**	—	**(14)**	—
Total net (reductions) additions to nonperforming loans and leases	**10**	(53)	**(67)**	89
Total nonperforming loans and leases, June 30	**3,161**	3,417	**3,161**	3,417
Foreclosed properties, June 30	**22**	29	**22**	29
Nonperforming commercial loans, leases and foreclosed properties, June 30	**$ 3,183**	$ 3,446	**$ 3,183**	$ 3,446
Nonperforming commercial loans and leases as a percentage of outstanding commercial loans and leases [4]	**0.43 %**	0.51 %		
Nonperforming commercial loans, leases and foreclosed properties as a percentage of outstanding commercial loans, leases and foreclosed properties [4]	**0.44**	0.52		

(1) Balances do not include nonperforming loans held-for-sale of $358 million and $481 million at June 30, 2026 and 2025.
(2) Includes U.S. small business commercial activity. Small business card loans are excluded as they are not classified as nonperforming.
(3) Commercial loans and leases may be returned to performing status when all principal and interest is current and full repayment of the remaining contractual principal and interest is expected, when the loan otherwise becomes well-secured and is in the process of collection, or when a modified loan demonstrates a sustained period of payment performance.
(4) Outstanding commercial loans exclude loans accounted for under the fair value option.

Industry Concentrations

Table 32 presents commercial committed and utilized credit exposure by industry. For information on net notional credit protection purchased to hedge funded and unfunded exposures for which we elected the fair value option, as well as certain other credit exposures, see Commercial Portfolio Credit Risk Management – Risk Mitigation.

Commercial credit exposure is diversified across a broad range of industries. Total commercial committed exposure increased $49.6 billion during the six months ended June 30, 2026 to $1.5 trillion. The increase in commercial committed exposure was primarily concentrated in Capital goods, Asset managers and funds, Individuals and trusts, and Technology hardware and equipment.

For information on industry limits, see Commercial Portfolio Credit Risk Management – Risk Mitigation in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Asset managers and funds, our largest industry concentration with committed exposure of $244.9 billion, increased $10.6 billion, or four percent, during the six months ended June 30, 2026, which was primarily driven by investment-grade exposures.

Finance companies, our second largest industry concentration, had committed exposure of $129.9 billion at June 30, 2026, relatively unchanged compared to December 31, 2025.

Capital goods, our third largest industry concentration with committed exposure of $119.6 billion, increased $10.9 billion, or 10 percent, during the six months ended June 30, 2026. The increase in committed exposure was driven by increases in Trading companies and distributors, and Machinery and Electrical equipment, partially offset by a decrease in Industrial conglomerates.

Geopolitical tensions, particularly related to the ongoing conflicts in the Middle East, and higher costs associated with persistent inflationary pressures have led to increased uncertainty in the U.S. and global economies and have adversely impacted, and may continue to adversely impact, a number of industries. We continue to monitor these risks.

Table 32 Commercial Credit Exposure by Industry [1]

(Dollars in millions)	Commercial Utilized June 30 2026	Commercial Utilized December 31 2025	Total Commercial Committed [2] June 30 2026	Total Commercial Committed [2] December 31 2025
Asset managers and funds	**$ 158,972**	$ 149,178	**$ 244,880**	$ 234,323
Finance companies	**92,461**	94,444	**129,861**	129,652
Capital goods	**56,536**	54,293	**119,644**	108,722
Real estate [3]	**70,197**	69,939	**99,742**	99,454
Healthcare equipment and services	**39,552**	35,417	**74,237**	71,944
Individuals and trusts	**51,250**	43,556	**66,984**	59,713
Materials	**30,374**	29,094	**61,528**	61,872
Retailing	**26,404**	25,648	**56,795**	55,313
Consumer services	**29,019**	29,757	**56,212**	55,291
Food, beverage and tobacco	**24,802**	25,561	**53,498**	51,016
Government and public education	**34,112**	33,874	**50,651**	50,898
Commercial services and supplies	**27,640**	24,680	**49,700**	46,058
Utilities	**20,560**	18,670	**46,788**	43,554
Energy	**14,425**	13,199	**40,347**	39,122
Transportation	**25,826**	24,772	**38,852**	37,707
Media	**12,303**	11,324	**35,445**	43,691
Technology hardware and equipment	**14,155**	11,488	**35,373**	30,519
Software and services	**16,308**	15,317	**33,089**	32,070
Global commercial banks	**24,268**	22,377	**27,074**	25,327
Pharmaceuticals and biotechnology	**8,397**	7,166	**26,820**	23,325
Insurance	**12,432**	11,443	**25,075**	23,762
Vehicle dealers	**19,833**	19,222	**25,049**	24,669
Consumer durables and apparel	**9,838**	9,612	**21,888**	23,299
Telecommunication services	**6,784**	6,525	**17,141**	15,686
Automobiles and components	**7,348**	8,129	**16,291**	17,284
Food and staples retailing	**5,936**	5,313	**11,703**	10,836
Financial markets infrastructure (clearinghouses)	**5,013**	6,101	**8,368**	8,336
Religious and social organizations	**2,301**	2,290	**4,247**	4,245
Total commercial credit exposure by industry	**$ 847,046**	$ 808,389	**$ 1,477,282**	$ 1,427,688

(1) Includes U.S. small business commercial exposure.
(2) Includes the notional amount of unfunded legally binding lending commitments, net of amounts distributed (i.e., syndicated or participated) to other financial institutions. The distributed amounts were $10.5 billion and $10.6 billion at June 30, 2026 and December 31, 2025.
(3) Industries are viewed from a variety of perspectives to best isolate the perceived risks. For purposes of this table, the real estate industry is defined based on the primary business activity of the borrowers or counterparties using operating cash flows and primary source of repayment as key factors.

Risk Mitigation

We purchase credit protection to cover the funded portion as well as the unfunded portion of certain credit exposures. To lower the cost of obtaining our desired credit protection levels, we may add credit exposure within an industry, borrower or counterparty group by selling protection.

At June 30, 2026 and December 31, 2025, net notional credit default protection purchased in our credit derivatives portfolio to hedge our funded and unfunded exposures for which we elected the fair value option, as well as certain other credit exposures, was $12.0 billion and $14.5 billion. We recorded net losses of $46 million and $34 million for the three and six months ended June 30, 2026 compared to net losses of $59 million and $56 million for the three and six months ended June 30, 2025. The net losses on these instruments were largely offset by net gains on the related exposures. The Value-at-Risk (VaR) results for these exposures are included in the fair value option portfolio information in Table 38. For more information, see Trading Risk Management on page 41.

Tables 33 and 34 present the maturity profiles and the credit exposure debt ratings of the net credit default protection portfolio at June 30, 2026 and December 31, 2025.

Table 33 Net Credit Default Protection by Maturity

	June 30 2026	December 31 2025
Less than or equal to one year	**39 %**	37 %
Greater than one year and less than or equal to five years	**59**	61
Greater than five years	**2**	2
Total net credit default protection	**100 %**	100 %

Table 34 Net Credit Default Protection by Credit Exposure Debt Rating

(Dollars in millions)	Net Notional [1]	Percent of Total	Net Notional [1]	Percent of Total
	June 30, 2026		December 31, 2025	
Ratings [2, 3]				
AAA	**$ (125)**	**1.0 %**	$ (145)	1.0 %
AA	**(2,015)**	**16.7**	(1,968)	13.5
A	**(4,968)**	**41.3**	(6,348)	43.7
BBB	**(3,356)**	**27.9**	(4,639)	31.9
BB	**(677)**	**5.6**	(697)	4.8
B	**(280)**	**2.3**	(441)	3.0
CCC and below	**(28)**	**0.2**	(17)	0.1
NR [4]	**(591)**	**5.0**	(270)	2.0
Total net credit default protection	**$ (12,040)**	**100.0 %**	$ (14,525)	100.0 %

(1) Represents net credit default protection purchased.
(2) Ratings are refreshed on a quarterly basis.
(3) Ratings of BBB- or higher are considered to meet the definition of investment grade.
(4) NR is comprised of index positions held and any names that have not been rated.

For more information on credit derivatives and counterparty credit risk valuation adjustments, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Non-U.S. Portfolio

Our non-U.S. credit and trading portfolios are subject to country risk. We define country risk as the risk of loss from unfavorable economic and political conditions, currency fluctuations, social instability and changes in government policies. A risk management framework is in place to measure, monitor and manage non-U.S. risk and exposures. In addition to the direct risk of doing business in a country, we also are exposed to indirect country risks (e.g., related to the collateral received on secured financing transactions or related to client clearing activities). These indirect exposures are managed in the normal course of business through credit, market and operational risk governance rather than through country risk governance. For more information on our non-U.S. credit and trading portfolios, see Non-U.S. Portfolio in the MD&A of the Corporation's 2025 Annual Report on Form 10-K. For more information on risks related to our non-U.S. portfolio, see the Geopolitical section within Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K.

Table 35 presents our 20 largest non-U.S. country exposures at June 30, 2026. These exposures accounted for 87 percent of our total non-U.S. exposure at June 30, 2026 and 88 percent at December 31, 2025. Net country exposure for these 20 countries increased $10.2 billion from December 31, 2025 primarily driven by increases in India, Australia, Hong Kong and Italy.

Table 35 Top 20 Non-U.S. Countries Exposure

(Dollars in millions)	Funded Loans and Loan Equivalents	Unfunded Loan Commitments	Net Counterparty Exposure	Securities/ Other Investments	Country Exposure at June 30 2026	Hedges and Credit Default Protection	**Net Country Exposure at June 30 2026**	Increase (Decrease) from December 31 2025
United Kingdom	$ 35,304	$ 18,429	$ 5,706	$ 7,885	$ 67,324	$ (2,584)	**$ 64,740**	$ 125
Germany	22,730	14,627	2,035	2,778	42,170	(1,709)	**40,461**	1,353
Australia	26,550	6,917	749	2,487	36,703	(623)	**36,080**	3,208
Canada	13,838	11,234	2,428	4,306	31,806	(574)	**31,232**	(531)
France	14,573	10,725	1,582	3,941	30,821	(2,402)	**28,419**	857
Brazil	10,614	1,262	1,082	5,738	18,696	(115)	**18,581**	587
Japan	9,800	1,703	3,686	3,180	18,369	(738)	**17,631**	(1,348)
India	9,615	337	1,222	4,235	15,409	(36)	**15,373**	3,997
Switzerland	5,695	6,721	899	281	13,596	(475)	**13,121**	442
Singapore	4,872	670	885	5,190	11,617	(165)	**11,452**	79
Italy	5,823	3,442	345	1,703	11,313	(392)	**10,921**	2,063
China	4,104	480	1,223	4,869	10,676	(316)	**10,360**	(573)
South Korea	5,190	1,279	1,471	2,740	10,680	(551)	**10,129**	596
Ireland	7,944	1,407	492	319	10,162	(106)	**10,056**	(564)
Netherlands	4,225	3,632	689	1,131	9,677	(622)	**9,055**	(3,604)
Mexico	4,819	2,161	550	1,547	9,077	(286)	**8,791**	(968)
Hong Kong	4,842	570	1,089	1,382	7,883	(93)	**7,790**	2,110
Spain	2,908	2,546	369	1,124	6,947	(465)	**6,482**	(282)
Saudi Arabia	3,432	1,302	329	84	5,147	(1,055)	**4,092**	811
Indonesia	1,609	80	92	2,166	3,947	(46)	**3,901**	1,815
Total top 20 non-U.S. countries exposure	$ 198,487	$ 89,524	$ 26,923	$ 57,086	$ 372,020	$ (13,353)	**$ 358,667**	$ 10,173

Our largest non-U.S. country exposure at June 30, 2026 was the United Kingdom with net exposure of $64.7 billion, relatively unchanged from December 31, 2025. Our second largest non-U.S. country exposure was Germany with net exposure of $40.5 billion at June 30, 2026, which increased $1.4 billion from December 31, 2025 primarily due to increased corporate debt exposures. We continue to closely monitor the ongoing conflicts in the Middle East and potential impacts on our portfolio and borrowers, including through elevated energy prices, increased market volatility, supply chain disruptions and related macroeconomic effects.

Allowance for Credit Losses

The allowance for credit losses decreased $116 million from December 31, 2025 to $14.3 billion at June 30, 2026, which included a $126 million reserve decrease and $10 million reserve increase related to the consumer and commercial portfolios, respectively. Table 36 presents an allocation of the allowance for credit losses by product type at June 30, 2026 and December 31, 2025.

Table 36 Allocation of the Allowance for Credit Losses by Product Type

(Dollars in millions)	Amount	Percent of Total	Percent of Loans and Leases Outstanding [1]	Amount	Percent of Total	Percent of Loans and Leases Outstanding [1]
	June 30, 2026			December 31, 2025		
Allowance for loan and lease losses						
Residential mortgage	**$ 313**	**2.39 %**	**0.13 %**	$ 294	2.23 %	0.12 %
Home equity	**128**	**0.98**	**0.47**	122	0.92	0.46
Credit card	**7,060**	**53.84**	**6.68**	7,197	54.51	6.79
Direct/Indirect consumer	**681**	**5.19**	**0.58**	713	5.40	0.63
Other consumer	**64**	**0.49**	**n/m**	54	0.41	n/m
Total consumer	**8,246**	**62.89**	**1.69**	8,380	63.47	1.73
U.S. commercial [2]	**3,035**	**23.14**	**0.63**	2,967	22.47	0.65
Non-U.S. commercial	**868**	**6.62**	**0.54**	801	6.07	0.52
Commercial real estate	**908**	**6.92**	**1.28**	1,007	7.63	1.46
Commercial lease financing	**57**	**0.43**	**0.37**	48	0.36	0.29
Total commercial	**4,868**	**37.11**	**0.67**	4,823	36.53	0.69
Allowance for loan and lease losses	**13,114**	**100.00 %**	**1.08**	13,203	100.00 %	1.12
Reserve for unfunded lending commitments	**1,150**			1,177		
Allowance for credit losses	**$ 14,264**			$ 14,380		

[1] Ratios are calculated as allowance for loan and lease losses as a percentage of loans and leases outstanding excluding loans accounted for under the fair value option.
[2] Includes allowance for loan and lease losses for U.S. small business commercial loans of $1.4 billion at both June 30, 2026 and December 31, 2025.
n/m = not meaningful

Table 37 presents a rollforward of the allowance for credit losses, including certain loan and allowance ratios for the three and six months ended June 30, 2026 and 2025. For more information on the Corporation's credit loss accounting policies and activity related to the allowance for credit losses, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K and *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* to the Consolidated Financial Statements.

Table 37 Allowance for Credit Losses

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Allowance for loan and lease losses, beginning of period	**$ 13,148**	$ 13,256	**$ 13,203**	$ 13,240
Loans and leases charged off				
Residential mortgage	**(9)**	(9)	**(18)**	(12)
Home equity	**(7)**	(5)	**(14)**	(8)
Credit card	**(1,150)**	(1,148)	**(2,294)**	(2,326)
Direct/Indirect consumer	**(88)**	(81)	**(193)**	(186)
Other consumer	**(76)**	(70)	**(143)**	(136)
Total consumer charge-offs	**(1,330)**	(1,313)	**(2,662)**	(2,668)
U.S. commercial (1)	**(349)**	(298)	**(645)**	(542)
Non-U.S. commercial	**(54)**	—	**(61)**	(8)
Commercial real estate	**(5)**	(210)	**(94)**	(336)
Commercial lease financing	**(2)**	(3)	**(15)**	(3)
Total commercial charge-offs	**(410)**	(511)	**(815)**	(889)
Total loans and leases charged off	**(1,740)**	(1,824)	**(3,477)**	(3,557)
Recoveries of loans and leases previously charged off				
Residential mortgage	**8**	7	**12**	10
Home equity	**13**	15	**27**	30
Credit card	**231**	194	**451**	371
Direct/Indirect consumer	**32**	34	**63**	69
Other consumer	**6**	4	**10**	10
Total consumer recoveries	**290**	254	**563**	490
U.S. commercial (2)	**32**	35	**53**	76
Non-U.S. commercial	**1**	—	**1**	1
Commercial real estate	**3**	8	**36**	11
Commercial lease financing	**2**	2	**3**	2
Total commercial recoveries	**38**	45	**93**	90
Total recoveries of loans and leases previously charged off	**328**	299	**656**	580
Net charge-offs	**(1,412)**	(1,525)	**(2,821)**	(2,977)
Provision for loan and lease losses	**1,377**	1,560	**2,730**	3,026
Other	**1**	—	**2**	2
Allowance for loan and lease losses, June 30	**13,114**	13,291	**13,114**	13,291
Reserve for unfunded lending commitments, beginning of period	**1,161**	1,110	**1,177**	1,096
Provision for unfunded lending commitments	**(11)**	32	**(27)**	46
Other	**—**	1	**—**	1
Reserve for unfunded lending commitments, June 30	**1,150**	1,143	**1,150**	1,143
Allowance for credit losses, June 30	**$ 14,264**	$ 14,434	**$ 14,264**	$ 14,434
Loan and allowance ratios (3):				
Loans and leases outstanding at June 30	**$ 1,214,260**	$ 1,140,193	**$ 1,214,260**	$ 1,140,193
Allowance for loan and lease losses as a percentage of total loans and leases outstanding at June 30	**1.08 %**	1.17 %	**1.08 %**	1.17 %
Consumer allowance for loan and lease losses as a percentage of total consumer loans and leases outstanding at June 30	**1.69**	1.82	**1.69**	1.82
Commercial allowance for loan and lease losses as a percentage of total commercial loans and leases outstanding at June 30	**0.67**	0.71	**0.67**	0.71
Average loans and leases outstanding	**$ 1,212,888**	$ 1,120,764	**$ 1,199,481**	$ 1,105,318
Annualized net charge-offs as a percentage of average loans and leases outstanding	**0.47 %**	0.55 %	**0.47 %**	0.54 %
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases at June 30	**228**	222	**228**	222
Ratio of the allowance for loan and lease losses at June 30 to annualized net charge-offs	**2.32**	2.17	**2.31**	2.21
Amounts included in allowance for loan and lease losses for loans and leases that are excluded from nonperforming loans and leases at June 30 (4)	**$ 8,387**	$ 8,714	**$ 8,387**	$ 8,714
Allowance for loan and lease losses as a percentage of total nonperforming loans and leases, excluding the allowance for loan and lease losses for loans and leases that are excluded from nonperforming loans and leases at June 30 (4)	**82 %**	77 %	**82 %**	77 %

(1) Includes U.S. small business commercial charge-offs of $150 million and $306 million for the three and six months ended June 30, 2026 compared to $149 million and $296 million for the same periods in 2025.
(2) Includes U.S. small business commercial recoveries of $13 million and $26 million for the three and six months ended June 30, 2026 compared to $15 million and $29 million for the same periods in 2025.
(3) Ratios are calculated as allowance for loan and lease losses as a percentage of loans and leases outstanding excluding loans accounted for under the fair value option.
(4) Primarily includes amounts related to credit card and unsecured consumer lending portfolios in *Consumer Banking*.

Market Risk Management

For more information on our market risk management process, see Market Risk Management in the MD&A of the Corporation's 2025 Annual Report on Form 10-K. For more information on market risks, see the Market section within Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K.

Market risk is the risk that changes in market conditions may adversely impact the value of assets or liabilities, or otherwise negatively impact earnings. This risk is inherent in the financial instruments associated with our operations, primarily within our *Global Markets* segment. We are also exposed to these risks in other areas of the Corporation (e.g., our ALM activities). In the event of market stress, these risks could have a material impact on our results.

Trading Risk Management

To evaluate risks in our trading activities, we focus on the actual and potential volatility of revenues generated by individual positions as well as portfolios of positions. VaR is a common statistic used to measure market risk. Our primary VaR statistic is equivalent to a 99 percent confidence level, which means that for a VaR with a one-day holding period, there should not be losses in excess of VaR, on average, 99 out of 100 trading days.

Table 38 presents the total market-based portfolio VaR, which is the combination of the total trading positions portfolio and the fair value option portfolio. The VaR amounts for all periods presented in Table 38 and Table 39 include the financial instruments used in the Corporation's market risk management of its trading portfolios. For more information on the market risk VaR for trading activities, see Trading Risk Management in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

The total market-based portfolio VaR results in Table 38 include market risk to which we are exposed from all business segments' trading activities, which exclude credit valuation adjustment (CVA), DVA and the related hedges of these items. The majority of this portfolio is within the *Global Markets* segment.

Table 38 presents period-end, average, high and low daily trading VaR for the three months ended June 30, 2026, March 31, 2026 and June 30, 2025, as well as average daily trading VaR for the six months ended June 30, 2026 and 2025 using a 99 percent confidence level.

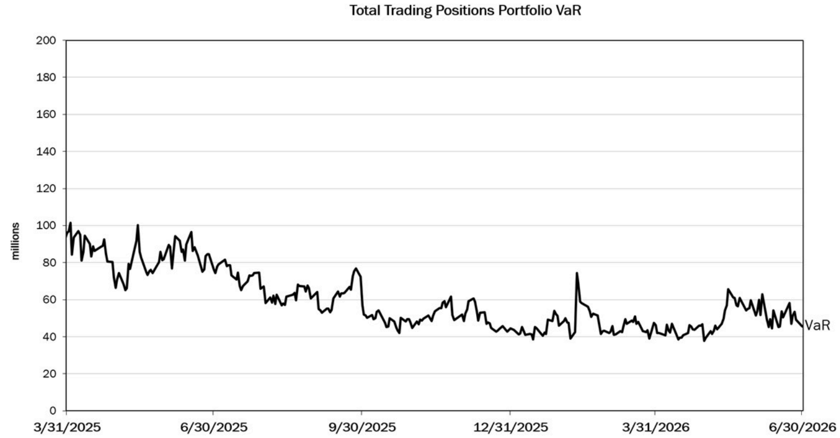
Table 38 Market Risk VaR for Trading Activities

	Three Months Ended												Six Months Ended June 30	
	June 30, 2026				March 31, 2026				June 30, 2025					
(Dollars in millions)	Period End	Average	High [(1)]	Low [(1)]	Period End	Average	High [(1)]	Low [(1)]	Period End	Average	High [(1)]	Low [(1)]	2026 Average	2025 Average
Foreign exchange	$ 13	$ 16	$ 32	$ 8	$ 8	$ 14	$ 22	$ 8	$ 25	$ 17	$ 25	$ 11	$ 15	$ 17
Interest rate	36	35	50	27	30	30	49	19	51	55	90	40	33	59
Credit	49	39	50	31	36	38	56	29	49	51	63	42	39	53
Mortgage	20	21	26	18	26	28	31	22	29	36	43	29	24	35
Equity	36	33	50	24	27	30	66	20	22	22	63	13	32	23
Commodities	13	13	17	8	11	15	22	9	8	9	12	7	14	10
Portfolio diversification	(122)	(108)	n/a	n/a	(92)	(108)	n/a	n/a	(108)	(106)	n/a	n/a	(109)	(110)
Total trading positions portfolio VaR	45	49	66	38	46	47	74	38	76	84	102	65	48	87
Fair value option loans	18	22	33	16	21	17	23	14	15	21	27	15	19	24
Fair value option hedges	14	14	24	10	11	9	13	6	12	15	18	12	11	17
Fair value option portfolio diversification	(22)	(25)	n/a	n/a	(19)	(13)	n/a	n/a	(18)	(24)	n/a	n/a	(18)	(27)
Total fair value option portfolio	10	11	13	9	13	13	14	12	9	12	16	8	12	14
Portfolio diversification	(7)	(8)	n/a	n/a	(10)	(8)	n/a	n/a	(6)	(7)	n/a	n/a	(8)	(7)
Total market-based portfolio	$ 48	$ 52	69	43	$ 49	$ 52	77	43	$ 79	$ 89	111	72	$ 52	$ 94

(1) The high and low for each portfolio may have occurred on different trading days than the high and low for the components. Therefore, the amount of portfolio diversification, which is the difference between the total portfolio and the sum of the individual components, is not relevant.

n/a = not applicable

The following graph presents the trading positions portfolio VaR for the previous five quarters, corresponding to the data in Table 38.



Additional VaR statistics produced within our single VaR model are provided in Table 39 at the same level of detail as in Table 38. Evaluating VaR with additional statistics allows for an increased understanding of the risks in the portfolio, as the historical market data used in the VaR calculation does not necessarily follow a predefined statistical distribution. Table 39 presents average trading VaR statistics at 99 percent and 95 percent confidence levels for the three months ended June 30, 2026, March 31, 2026 and June 30, 2025.

Table 39 Average Market Risk VaR for Trading Activities – 99 percent and 95 percent VaR Statistics

	Three Months Ended					
	June 30, 2026		March 31, 2026		June 30, 2025	
(Dollars in millions)	**99 percent**	**95 percent**	99 percent	95 percent	99 percent	95 percent
Foreign exchange	**$ 16**	**$ 8**	$ 14	$ 7	$ 17	$ 10
Interest rate	**35**	**18**	30	17	55	26
Credit	**39**	**16**	38	14	51	24
Mortgage	**21**	**12**	28	14	36	18
Equity	**33**	**15**	30	14	22	11
Commodities	**13**	**5**	15	8	9	6
Portfolio diversification	**(108)**	**(51)**	(108)	(51)	(106)	(60)
Total trading positions portfolio VaR	**49**	**23**	47	23	84	35
Fair value option loans	**22**	**13**	17	10	21	12
Fair value option hedges	**14**	**9**	9	5	15	8
Fair value option portfolio diversification	**(25)**	**(16)**	(13)	(8)	(24)	(14)
Total fair value option portfolio	**11**	**6**	13	7	12	6
Portfolio diversification	**(8)**	**(5)**	(8)	(5)	(7)	(3)
Total market-based portfolio	**$ 52**	**$ 24**	$ 52	$ 25	$ 89	$ 38

Backtesting

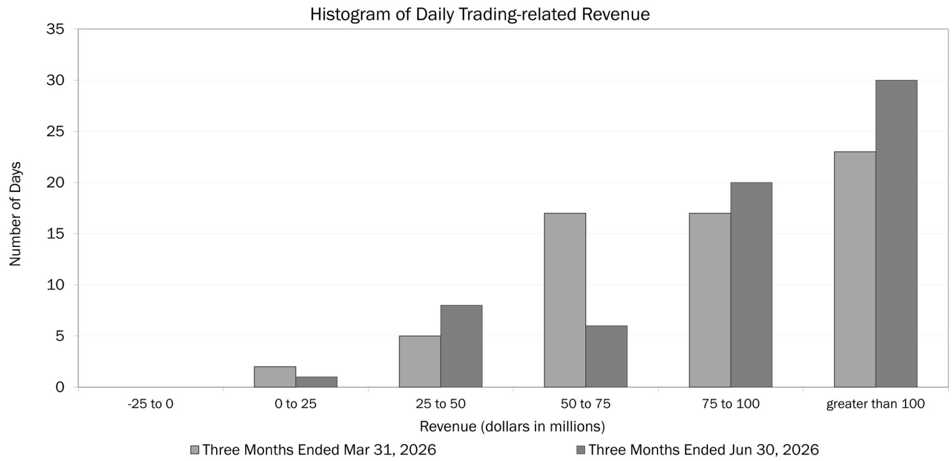
The accuracy of the VaR methodology is evaluated by backtesting, which compares the daily VaR results, utilizing a one-day holding period, against a comparable subset of trading revenue. For more information on our backtesting process, see Trading Risk Management – Backtesting in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

During the three months ended June 30, 2026, there was one day where this subset of trading revenue had losses that exceeded our total covered portfolio VaR, utilizing a one-day holding period. During the six months ended June 30, 2026, there were three days with losses that exceeded our total covered portfolio VaR.

Total Trading-related Revenue

Total trading-related revenue, excluding brokerage fees, and CVA, DVA and funding valuation adjustment gains (losses), represents the total amount earned from trading positions, including net interest income associated with *Global Markets* trading activities, which are taken in a diverse range of financial instruments and markets. For more information, see Trading Risk Management – Total Trading-related Revenue in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

The following histogram is a graphic depiction of trading volatility and illustrates the daily level of trading-related revenue for the three months ended June 30, 2026 compared to the three months ended March 31, 2026. During the three months ended June 30, 2026, positive trading-related revenue was recorded for 100 percent of the trading days, of which 98 percent were daily trading gains of over $25 million. This compares to the three months ended March 31, 2026 where positive trading-related revenue was recorded for 100 percent of the trading days, of which 97 percent were daily trading gains of over $25 million.



Trading Portfolio Stress Testing

Because the very nature of a VaR model suggests results can exceed our estimates and it is dependent on a limited historical window, we also stress test our portfolio using scenario analysis. This analysis estimates the change in the value of our trading portfolio that may result from abnormal market movements. For more information, see Trading Risk Management – Trading Portfolio Stress Testing in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Interest Rate Risk Management for the Banking Book

The following discussion presents net interest income for banking book activities. For more information, see Interest Rate Risk Management for the Banking Book in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Table 40 presents the spot and 12-month forward rates used in developing the forward curve used in our baseline forecasts at June 30, 2026 and December 31, 2025.

Table 40 Forward Rates

	Federal Funds	SOFR	10-Year SOFR
		June 30, 2026	
Spot rates	**3.75 %**	**3.68 %**	**4.05 %**
12-month forward rates	**4.25**	**4.06**	**4.03**
		December 31, 2025	
Spot rates	3.75 %	3.87 %	3.80 %
12-month forward rates	3.25	3.11	3.89

Table 41 shows the potential pretax impact to forecasted net interest income over the next 12 months from June 30, 2026 and December 31, 2025 resulting from instantaneous parallel and non-parallel shocks to the market-based forward curve. Periodically, we evaluate the scenarios presented so that they are meaningful in the context of the current rate environment. Amounts presented reflect dynamic deposit sensitivities, which incorporate behavioral customer deposit balance changes that could occur under various scenarios. For more information, see Interest Rate Risk Management for the Banking Book in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Table 41 Estimated Banking Book Net Interest Income Sensitivity to Curve Changes

(Dollars in billions)	Short Rate (bps)	Long Rate (bps)	June 30 2026	December 31 2025
Parallel Shifts				
+100 bps instantaneous shift	+100	+100	**$ 1.0**	$ 0.7
-100 bps instantaneous shift	-100	-100	**(2.2)**	(2.0)
+200 bps instantaneous shift	+200	+200	**1.9**	0.8
-200 bps instantaneous shift	-200	-200	**(5.5)**	(4.9)
Flatteners				
Short-end instantaneous change	+100	—	**0.8**	0.5
Long-end instantaneous change	—	-100	**(0.3)**	(0.3)
Steepeners				
Short-end instantaneous change	-100	—	**(1.8)**	(1.7)
Long-end instantaneous change	—	+100	**0.2**	0.3

We continue to be asset sensitive to a parallel move in interest rates, with the majority of that impact coming from the short end of the yield curve. Additionally, higher interest rates negatively impact the fair value of our debt securities classified as available for sale and adversely affect accumulated OCI, and thus capital levels under the Basel 3 capital rules. Under instantaneous upward parallel shifts, the near-term adverse impact to Basel 3 capital would be reduced over time by offsetting positive impacts to net interest income generated from banking book activities. For more information on Basel 3, see Capital Management – Regulatory Capital on page 19.

As part of our ALM activities, we use securities, certain residential mortgages, and interest rate and foreign exchange derivatives in managing interest rate sensitivity. The sensitivity analysis in Table 41 assumes that we take no action in response to these rate shocks and does not assume any change in other macroeconomic variables normally correlated with changes in interest rates. In higher rate scenarios, the analysis assumes that a portion of low-cost or noninterest-bearing deposits is replaced with higher yielding deposits or market-based funding. Conversely, in lower rate scenarios, the analysis assumes that a portion of higher yielding deposits or market-based funding is replaced with low-cost or noninterest-bearing deposits.

For larger interest rate shift scenarios, the interest rate sensitivity may behave in a non-linear manner as there are numerous estimates and assumptions, which require a high degree of judgment and are often interrelated, that could impact the outcome. Pertaining to the mortgage-backed securities and residential mortgage portfolio, if long-end interest rates were to significantly decrease over the next twelve months, for example over 200 bps, there would generally be an increase in customer prepayment behaviors with an incremental reduction to net interest income, noting that the extent of changes in customer prepayment activity can be impacted by multiple factors and is not necessarily limited to long-end interest rates. Conversely, if long-end interest rates were to significantly increase over the next twelve months, for example, over 200 bps, customer prepayments would likely modestly decrease and result in an incremental increase to net interest income. In addition, deposit pricing is rate sensitive in nature. This sensitivity is assumed to have non-linear impacts to larger short-end rate movements. In decreasing interest rate scenarios, and particularly where interest rates have decreased to small amounts, the ability to further reduce rates paid is reduced as customer rates near zero. In higher short-end rate scenarios, deposit pricing will likely increase at a faster rate, leading to incremental interest expense and reducing asset sensitivity. While the impact related to the above assumptions used in the asset sensitivity analysis can provide directional analysis on how net interest income will be impacted in changing environments, the ultimate impact is dependent upon the interrelationship of the assumptions and factors, which vary in different macroeconomic scenarios.

Economic Value of Equity

In addition to interest rate sensitivity described above, the Corporation's management of its interest rate exposures in the banking book also considers a long-term view of interest rate sensitivity through the measurement of Economic Value of Equity (EVE). EVE captures changes in the net present value of banking book assets and liabilities under various interest rate scenarios and its impact to Tier 1 capital. Similar to net interest income, the Corporation establishes limits for EVE. EVE is largely driven by the Corporation's longer duration fixed-rate products, such as investment securities, residential mortgages and deposits. For assets or liabilities that have no stated maturity, such as deposits, the Corporation estimates the duration for measurement purposes.

Interest Rate and Foreign Exchange Derivative Contracts

We use interest rate and foreign exchange derivative contracts in our ALM activities to manage our interest rate and foreign exchange risks. Specifically, we use those derivatives to manage both the variability in cash flows and changes in fair value of various assets and liabilities arising from those risks. Our interest rate derivative contracts are generally non-leveraged swaps tied to various benchmark interest rates and foreign exchange basis swaps, options, futures and forwards, and our foreign exchange contracts include cross-currency interest rate swaps, foreign currency futures contracts, foreign currency forward contracts and options.

The derivatives used in our ALM activities can be split into two broad categories: designated accounting hedges and other risk management derivatives. Designated accounting hedges are primarily used to manage our exposure to interest rates as described in the Interest Rate Risk Management for the Banking Book section and are included in the sensitivities presented in Table 41. The Corporation also uses foreign currency derivatives in accounting hedges to manage substantially all of the foreign exchange risk of our foreign operations. By hedging the foreign exchange risk of our foreign operations, the Corporation's market risk exposure in this area is not significant.

Risk management derivatives are predominantly used to hedge foreign exchange risks related to various foreign currency-denominated assets and liabilities and eliminate substantially all foreign currency exposures in the cash flows of the Corporation's non-trading foreign currency-denominated financial instruments. These foreign exchange derivatives are sensitive to other market risk exposures such as cross-currency basis spreads and interest rate risk. However, as these features are not a significant component of these foreign exchange derivatives, the market risk related to this exposure is not significant. For more information on the accounting for derivatives, see *Note 3 – Derivatives* to the Consolidated Financial Statements.

Mortgage Banking Risk Management

We originate, fund and service mortgage loans, which subject us to credit, liquidity and interest rate risks, among others. We determine whether loans will be held for investment or held for sale at the time of commitment and manage credit and liquidity risks by selling or securitizing a portion of the loans we originate.

Changes in interest rates impact the value of interest rate lock commitments (IRLCs) and the related residential first mortgage loans held-for-sale (LHFS), as well as the value of the MSRs. Because the interest rate risks of these hedged items offset, we combine them into one overall hedged item with one combined economic hedge portfolio consisting of derivative contracts and securities. For more information on IRLCs and the related residential mortgage LHFS, see Mortgage Banking Risk Management in the MD&A of the Corporation's 2025 Annual Report on Form 10-K.

Critical Accounting Estimates

Our significant accounting principles are essential in understanding the MD&A. Many of our significant accounting principles require complex judgments to estimate the values of assets and liabilities. We have procedures and processes in place to facilitate making these judgments. For more information, see Critical Accounting Estimates in the MD&A of the Corporation's 2025 Annual Report on Form 10-K and *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Goodwill and Intangible Assets

The nature of and accounting for goodwill and intangible assets are discussed in *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K and *Note 7 – Goodwill and Intangible Assets* to the Consolidated Financial Statements. As of June 30, 2026, goodwill recorded on our consolidated balance sheet was as follows.

Table 42 **Goodwill by Reporting Segment**

(Dollars in millions)	**June 30 2026**	December 31 2025
Consumer Banking	**$ 30,137**	$ 30,137
Global Wealth and Investment Management	**9,677**	9,677
Global Banking	**24,026**	24,026
Global Markets	**5,181**	5,181
Total	**$ 69,021**	$ 69,021

We completed our annual goodwill impairment test as of June 30, 2026 using a qualitative assessment. In performing the assessment, we considered various factors, including macroeconomic conditions and outlook, industry and market considerations, financial performance and other relevant reporting unit-specific factors. Based on this evaluation, we concluded that it was not more likely than not that the fair value of any reporting unit was less than its carrying value. Accordingly, no reporting unit was considered at risk of impairment, and no further testing was required.

Current Accounting Developments

Accounting Standard Issued but Not Yet Adopted

Accounting for Internal-Use Software Costs

The Financial Accounting Standards Board issued updated guidance on the accounting for internal-use software, providing targeted improvements to the capitalization of costs incurred in the internal development of software. The amendments update existing guidance by eliminating the consideration of software project development stages and enhancing the criteria for when capitalization begins, including establishing a "probable to complete" threshold. The Accounting Standards Update is effective for annual and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The Corporation is currently evaluating the impact of and its approach to adopting this guidance; however, adoption is not expected to have a material impact on its Consolidated Financial Statements.

Non-GAAP Reconciliations

Table 43 provides reconciliations of certain non-GAAP financial measures to the most directly comparable GAAP financial measures.

Table 43 Average and Period-end Supplemental Financial Data and Reconciliations to GAAP Financial Measures [(1)]

	2026 Quarters		2025 Quarters			Six Months Ended June 30	
(Dollars in millions)	**Second**	First	Fourth	Third	Second	**2026**	2025
Reconciliation of average shareholders' equity to average tangible shareholders' equity and average tangible common shareholders' equity							
Shareholders' equity	**$ 300,984**	$ 302,501	$ 303,873	$ 300,381	$ 295,329	**$ 301,738**	$ 294,761
Goodwill	**(69,021)**	(69,021)	(69,021)	(69,021)	(69,021)	**(69,021)**	(69,021)
Intangible assets (excluding MSRs)	**(1,815)**	(1,834)	(1,853)	(1,873)	(1,893)	**(1,824)**	(1,902)
Related deferred tax liabilities	**820**	825	827	839	846	**823**	848
Tangible shareholders' equity	**$ 230,968**	$ 232,471	$ 233,826	$ 230,326	$ 225,261	**$ 231,716**	$ 224,686
Preferred stock	**(24,996)**	(25,748)	(25,992)	(25,232)	(22,573)	**(25,370)**	(22,440)
Tangible common shareholders' equity	**$ 205,972**	$ 206,723	$ 207,834	$ 205,094	$ 202,688	**$ 206,346**	$ 202,246
Reconciliation of period-end shareholders' equity to period-end tangible shareholders' equity and period-end tangible common shareholders' equity							
Shareholders' equity	**$ 301,094**	$ 300,668	$ 303,243	$ 302,437	$ 298,021		
Goodwill	**(69,021)**	(69,021)	(69,021)	(69,021)	(69,021)		
Intangible assets (excluding MSRs)	**(1,803)**	(1,821)	(1,841)	(1,860)	(1,880)		
Related deferred tax liabilities	**816**	821	825	828	842		
Tangible shareholders' equity	**$ 231,086**	$ 230,647	$ 233,206	$ 232,384	$ 227,962		
Preferred stock	**(24,996)**	(24,996)	(25,992)	(25,992)	(23,495)		
Tangible common shareholders' equity	**$ 206,090**	$ 205,651	$ 207,214	$ 206,392	$ 204,467		
Reconciliation of period-end assets to period-end tangible assets							
Assets	**$ 3,499,191**	$ 3,496,186	$ 3,411,738	$ 3,403,149	$ 3,440,798		
Goodwill	**(69,021)**	(69,021)	(69,021)	(69,021)	(69,021)		
Intangible assets (excluding MSRs)	**(1,803)**	(1,821)	(1,841)	(1,860)	(1,880)		
Related deferred tax liabilities	**816**	821	825	828	842		
Tangible assets	**$ 3,429,183**	$ 3,426,165	$ 3,341,701	$ 3,333,096	$ 3,370,739		

(1) For more information on non-GAAP financial measures and ratios we use in assessing the results of the Corporation, see Supplemental Financial Data on page 6.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

See Market Risk Management on page 41 in the MD&A and the sections referenced therein for Quantitative and Qualitative Disclosures about Market Risk.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As of the end of the period covered by this report, the Corporation's management, including the Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness and design of the Corporation's disclosure controls and procedures (as that term is defined in Rule 13a-15(e) of the Exchange Act). Based upon that evaluation, the Corporation's Chief Executive Officer and Chief Financial Officer concluded that the Corporation's disclosure controls and procedures were effective, as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Corporation's internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the three months ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, the Corporation's internal control over financial reporting.

Consolidated Statement of Income

(In millions, except per share information)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Net interest income				
Interest income	**$ 33,832**	$ 34,873	**$ 67,191**	$ 68,939
Interest expense	**17,835**	20,203	**35,449**	39,826
Net interest income	**15,997**	14,670	**31,742**	29,113
Noninterest income				
Fees and commissions	**11,080**	9,469	**21,629**	18,884
Market making and similar activities	**4,177**	3,153	**7,814**	6,737
Other income (loss)	**304**	151	**645**	956
Total noninterest income	**15,561**	12,773	**30,088**	26,577
Total revenue, net of interest expense	**31,558**	27,443	**61,830**	55,690
Provision for credit losses	**1,366**	1,592	**2,703**	3,072
Noninterest expense				
Compensation and benefits	**10,987**	10,332	**22,321**	21,221
Information processing and communications	**1,924**	1,819	**3,942**	3,713
Occupancy and equipment	**1,914**	1,836	**3,814**	3,692
Product delivery and transaction related	**1,327**	974	**2,453**	1,888
Professional fees	**573**	640	**1,156**	1,292
Marketing	**736**	563	**1,269**	1,069
Other general operating	**1,166**	1,019	**2,203**	2,078
Total noninterest expense	**18,627**	17,183	**37,158**	34,953
Income before income taxes	**11,565**	8,668	**21,969**	17,665
Income tax expense	**2,491**	1,498	**4,311**	3,135
Net income	**$ 9,074**	$ 7,170	**$ 17,658**	$ 14,530
Preferred stock dividends and other	**326**	291	**755**	697
Net income applicable to common shareholders	**$ 8,748**	$ 6,879	**$ 16,903**	$ 13,833
Per common share information				
Earnings	**$ 1.22**	$ 0.91	**$ 2.35**	$ 1.81
Diluted earnings	**1.21**	0.90	**2.31**	1.79
Average common shares issued and outstanding	**7,151.2**	7,581.2	**7,203.5**	7,629.5
Average diluted common shares issued and outstanding	**7,294.2**	7,651.6	**7,356.2**	7,711.2

Consolidated Statement of Comprehensive Income

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Net income	**$ 9,074**	$ 7,170	**$ 17,658**	$ 14,530
Other comprehensive income (loss), net-of-tax:				
Net change in debt securities	**52**	(315)	**(477)**	51
Net change in debit valuation adjustments	**(401)**	(153)	**259**	144
Net change in derivatives	**(751)**	1,196	**(1,378)**	2,509
Employee benefit plan adjustments	**36**	26	**71**	53
Net change in foreign currency translation adjustments	**9**	13	**18**	24
Other comprehensive income (loss)	**(1,055)**	767	**(1,507)**	2,781
Comprehensive income	**$ 8,019**	$ 7,937	**$ 16,151**	$ 17,311

See accompanying Notes to Consolidated Financial Statements.

Consolidated Balance Sheet

(Dollars in millions)		June 30 2026		December 31 2025
Assets				
Cash and due from banks	**$**	**28,100**	$	28,595
Interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks		**201,645**		203,250
Cash and cash equivalents		**229,745**		231,845
Time deposits placed and other short-term investments		**9,447**		7,474
Federal funds sold and securities borrowed or purchased under agreements to resell (includes **$217,206** and $185,491 measured at fair value)		**412,415**		316,578
Trading account assets (includes **$178,949** and $185,869 pledged as collateral)		**358,748**		366,954
Derivative assets		**45,336**		40,881
Debt securities:				
Carried at fair value		**363,419**		402,975
Held-to-maturity, at amortized cost (fair value **$423,734** and $442,430)		**505,799**		522,660
Total debt securities		**869,218**		925,635
Loans and leases (includes **$3,359** and $3,498 measured at fair value)		**1,217,619**		1,185,700
Allowance for loan and lease losses		**(13,114)**		(13,203)
Loans and leases, net of allowance		**1,204,505**		1,172,497
Premises and equipment, net		**12,788**		12,516
Goodwill		**69,021**		69,021
Loans held-for-sale (includes **$3,842** and $2,271 measured at fair value)		**6,535**		5,165
Customer and other receivables		**106,269**		98,186
Other assets (includes **$7,311** and $9,058 measured at fair value)		**175,164**		164,986
Total assets	**$**	**3,499,191**	$	3,411,738
Liabilities				
Deposits in U.S. offices:				
Noninterest-bearing	**$**	**529,985**	$	517,834
Interest-bearing (includes **$1,828** and $1,223 measured at fair value)		**1,357,513**		1,361,177
Deposits in non-U.S. offices:				
Noninterest-bearing		**14,358**		14,216
Interest-bearing		**123,268**		125,502
Total deposits		**2,025,124**		2,018,729
Federal funds purchased and securities loaned or sold under agreements to repurchase (includes **$223,698** and $223,067 measured at fair value)		**332,218**		344,716
Trading account liabilities		**123,162**		105,996
Derivative liabilities		**42,577**		42,076
Short-term borrowings (includes **$11,431** and $8,051 measured at fair value)		**59,979**		48,088
Accrued expenses and other liabilities (includes $4,830 and $8,996 measured at fair value and **$1,150** and $1,177 of reserve for unfunded lending commitments)		**275,174**		231,074
Long-term debt (includes **$84,797** and $72,591 measured at fair value)		**339,863**		317,816
Total liabilities		**3,198,097**		3,108,495
Commitments and contingencies *(Note 6 – Securitizations and Other Variable Interest Entities* and *Note 10 – Commitments and Contingencies*)				
Shareholders' equity				
Preferred stock, $0.01 par value; authorized – **100,000,000** shares; issued and outstanding – **3,951,164** and 3,991,164 shares		**24,996**		25,992
Common stock and additional paid-in capital, $0.01 par value; authorized – **12,800,000,000** shares; issued and outstanding – **7,017,967,460** and 7,212,464,345 shares		**13,611**		26,084
Retained earnings		**274,520**		261,693
Accumulated other comprehensive income (loss)		**(12,033)**		(10,526)
Total shareholders' equity		**301,094**		303,243
Total liabilities and shareholders' equity	**$**	**3,499,191**	$	3,411,738

Assets of consolidated variable interest entities included in total assets above (isolated to settle the liabilities of the variable interest entities)				
Trading account assets	**$**	**7,703**	$	7,139
Loans and leases		**17,905**		17,875
Allowance for loan and lease losses		**(858)**		(871)
Loans and leases, net of allowance		**17,047**		17,004
All other assets		**889**		709
Total assets of consolidated variable interest entities	**$**	**25,639**	$	24,852
Liabilities of consolidated variable interest entities included in total liabilities above				
Short-term borrowings (includes $0 and $0 of non-recourse short-term borrowings)	**$**	**6,964**	$	5,779
Long-term debt (includes $7,555 and $6,847 of non-recourse debt)		**7,555**		6,847
All other liabilities (includes $20 and $18 of non-recourse liabilities)		**20**		18
Total liabilities of consolidated variable interest entities	**$**	**14,539**	$	12,644

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Changes in Shareholders' Equity

(In millions)	Preferred Stock	Common Stock and Additional Paid-in Capital Shares	Common Stock and Additional Paid-in Capital Amount	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance, March 31, 2026	$ 24,996	7,129.9	$ 18,885	$ 267,765	$ (10,978)	$ 300,668
Net income				9,074		9,074
Net change in debt securities					52	52
Net change in debit valuation adjustments					(401)	(401)
Net change in derivatives					(751)	(751)
Employee benefit plan adjustments					36	36
Net change in foreign currency translation adjustments					9	9
Dividends declared:						
Common				(1,993)		(1,993)
Preferred				(326)		(326)
Common stock issued under employee plans, net, and other		0.3	732			732
Common stock repurchased		(112.2)	(6,006)			(6,006)
Balance, June 30, 2026	$ 24,996	7,018.0	$ 13,611	$ 274,520	$ (12,033)	$ 301,094
Balance, December 31, 2025	$ 25,992	7,212.5	$ 26,084	$ 261,693	$ (10,526)	$ 303,243
Net income				17,658		17,658
Net change in debt securities					(477)	(477)
Net change in debit valuation adjustments					259	259
Net change in derivatives					(1,378)	(1,378)
Employee benefit plan adjustments					71	71
Net change in foreign currency translation adjustments					18	18
Dividends declared:						
Common				(4,016)		(4,016)
Preferred				(751)		(751)
Redemption of preferred stock	(996)			(4)		(1,000)
Common stock issued under employee plans, net, and other		57.4	773	(60)		713
Common stock repurchased		(251.9)	(13,246)			(13,246)
Balance, June 30, 2026	$ 24,996	7,018.0	$ 13,611	$ 274,520	$ (12,033)	$ 301,094
Balance, March 31, 2025	$ 20,499	7,560.1	$ 41,038	$ 245,683	$ (13,271)	$ 293,949
Net income				7,170		7,170
Net change in debt securities					(315)	(315)
Net change in debit valuation adjustments					(153)	(153)
Net change in derivatives					1,196	1,196
Employee benefit plan adjustments					26	26
Net change in foreign currency translation adjustments					13	13
Dividends declared:						
Common				(1,960)		(1,960)
Preferred				(291)		(291)
Issuance of preferred stock	2,996					2,996
Common stock issued under employee plans, net, and other		0.4	692			692
Common stock repurchased		(123.8)	(5,302)			(5,302)
Balance, June 30, 2025	$ 23,495	7,436.7	$ 36,428	$ 250,602	$ (12,504)	$ 298,021
Balance, December 31, 2024	$ 23,159	7,610.9	$ 45,336	$ 240,753	$ (15,285)	$ 293,963
Net income				14,530		14,530
Net change in debt securities					51	51
Net change in debit valuation adjustments					144	144
Net change in derivatives					2,509	2,509
Employee benefit plan adjustments					53	53
Net change in foreign currency translation adjustments					24	24
Dividends declared:						
Common				(3,952)		(3,952)
Preferred				(688)		(688)
Issuance of preferred stock	2,996					2,996
Redemption of preferred stock	(2,660)			(9)		(2,669)
Common stock issued under employee plans, net, and other		52.1	915	(32)		883
Common stock repurchased		(226.3)	(9,823)			(9,823)
Balance, June 30, 2025	$ 23,495	7,436.7	$ 36,428	$ 250,602	$ (12,504)	$ 298,021

See accompanying Notes to Consolidated Financial Statements.

Consolidated Statement of Cash Flows

(Dollars in millions)	Six Months Ended June 30 2026	2025
Operating activities		
Net income	**$ 17,658**	$ 14,530
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for credit losses	**2,703**	3,072
(Gains) losses on sales of debt securities	**(19)**	20
Depreciation and amortization	**1,217**	1,136
Net accretion of discount/premium on debt securities	**(305)**	(146)
Deferred income taxes	**612**	(49)
Amortization of stock-based compensation	**2,150**	2,014
Net change in:		
Trading and derivative assets/liabilities	**23,147**	(25,849)
Loans held-for-sale	**(1,530)**	4,080
Other assets	**(17,869)**	(19,307)
Accrued expenses and other liabilities	**41,671**	9,439
Other operating activities, net	**1,378**	(256)
Net cash provided by (used in) operating activities	**70,813**	(11,316)
Investing activities		
Net change in:		
Time deposits placed and other short-term investments	**(1,973)**	(3,005)
Federal funds sold and securities borrowed or purchased under agreements to resell	**(95,837)**	(81,670)
Debt securities carried at fair value:		
Proceeds from sales	**121,408**	61,564
Proceeds from paydowns and maturities	**54,880**	40,472
Purchases	**(140,172)**	(123,638)
Held-to-maturity debt securities:		
Proceeds from paydowns and maturities	**16,292**	16,782
Loans and leases:		
Proceeds from sales of loans originally classified as held for investment and instruments from related securitization activities	**7,320**	4,051
Purchases	**(4,148)**	(11,136)
Other changes in loans and leases, net	**(37,641)**	(47,086)
Other investing activities, net	**(3,337)**	(2,262)
Net cash used in investing activities	**(83,208)**	(145,928)
Financing activities		
Net change in:		
Deposits	**6,395**	46,146
Federal funds purchased and securities loaned or sold under agreements to repurchase	**(12,498)**	71,689
Short-term borrowings	**12,900**	4,500
Long-term debt:		
Proceeds from issuance	**77,366**	56,926
Retirement	**(52,000)**	(35,964)
Preferred stock:		
Proceeds from issuance	**—**	2,996
Redemption	**(1,000)**	(2,669)
Common stock repurchased	**(13,246)**	(9,823)
Cash dividends paid	**(4,956)**	(4,752)
Other financing activities, net	**(1,777)**	(1,158)
Net cash provided by financing activities	**11,184**	127,891
Effect of exchange rate changes on cash and cash equivalents	**(889)**	5,250
Net decrease in cash and cash equivalents	**(2,100)**	(24,103)
Cash and cash equivalents at January 1	**231,845**	290,114
Cash and cash equivalents at June 30	**$ 229,745**	$ 266,011

See accompanying Notes to Consolidated Financial Statements.

Bank of America Corporation and Subsidiaries
Notes to Consolidated Financial Statements

NOTE 1 Summary of Significant Accounting Principles

Bank of America Corporation, a bank holding company and a financial holding company, provides a diverse range of financial services and products throughout the U.S. and in certain international markets. The term “the Corporation” as used herein may refer to Bank of America Corporation, individually, Bank of America Corporation and its subsidiaries, or certain of Bank of America Corporation’s subsidiaries or affiliates.

Principles of Consolidation and Basis of Presentation

The Consolidated Financial Statements include the accounts of the Corporation and its majority-owned subsidiaries and those variable interest entities (VIEs) where the Corporation is the primary beneficiary. Intercompany accounts and transactions have been eliminated. Results of operations of acquired companies are included from the dates of acquisition, and for VIEs, from the dates that the Corporation became the primary beneficiary. Assets held in an agency or fiduciary capacity are not included in the Consolidated Financial Statements. The Corporation accounts for investments in companies for which it owns a voting interest and for which it has the ability to exercise significant influence over operating and financing decisions using the equity method of accounting. These investments, which include the Corporation’s interests in affordable housing and renewable energy partnerships, are recorded in other assets. Equity method investments are subject to impairment testing, and the Corporation’s proportionate share of income or loss is included in other income.

The preparation of the Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could materially differ from those estimates and assumptions.

These unaudited Consolidated Financial Statements should be read in conjunction with the audited Consolidated Financial Statements, and related notes thereto, of the Corporation’s 2025 Annual Report on Form 10-K.

The nature of the Corporation’s business is such that the results of any interim period are not necessarily indicative of results for a full year. In the opinion of management, all adjustments, which consist of normal recurring adjustments necessary for a fair statement of the interim period results, have been made. The Corporation evaluates subsequent events through the date of filing with the Securities and Exchange Commission (SEC).

NOTE 2 Net Interest Income and Noninterest Income

The table below presents the Corporation's net interest income and noninterest income disaggregated by revenue source for the three and six months ended June 30, 2026 and 2025. For more information, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K. For a disaggregation of noninterest income by business segment and *All Other*, see *Note 17 – Business Segment Information*.

	Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	2025	**2026**	2025
Net interest income				
Interest income				
Loans and leases	**$ 15,863**	$ 15,651	**$ 31,346**	$ 30,874
Debt securities	**6,032**	6,913	**12,323**	13,680
Federal funds sold and securities borrowed or purchased under agreements to resell	**4,185**	4,094	**8,042**	7,868
Trading account assets	**3,063**	3,057	**6,261**	6,065
Other interest income (1)	**4,689**	5,158	**9,219**	10,452
Total interest income	**33,832**	34,873	**67,191**	68,939
Interest expense				
Deposits	**7,372**	8,681	**14,673**	17,313
Short-term borrowings	**6,607**	7,435	**13,117**	14,398
Trading account liabilities	**756**	676	**1,501**	1,383
Long-term debt	**3,100**	3,411	**6,158**	6,732
Total interest expense	**17,835**	20,203	**35,449**	39,826
Net interest income	**$ 15,997**	$ 14,670	**$ 31,742**	$ 29,113
Noninterest income				
Fees and commissions				
Card income				
Interchange fees (2)	**$ 947**	$ 1,036	**$ 1,812**	$ 1,952
Other card income	**636**	610	**1,264**	1,212
Total card income	**1,583**	1,646	**3,076**	3,164
Service charges				
Deposit-related fees	**1,336**	1,265	**2,642**	2,493
Lending-related fees	**370**	350	**738**	683
Total service charges	**1,706**	1,615	**3,380**	3,176
Investment and brokerage services				
Asset management fees	**4,427**	3,698	**8,739**	7,436
Brokerage fees	**1,226**	1,082	**2,455**	2,157
Total investment and brokerage services	**5,653**	4,780	**11,194**	9,593
Investment banking fees				
Underwriting income	**1,220**	806	**2,171**	1,576
Syndication fees	**360**	289	**697**	658
Financial advisory services	**558**	333	**1,111**	717
Total investment banking fees	**2,138**	1,428	**3,979**	2,951
Total fees and commissions	**11,080**	9,469	**21,629**	18,884
Market making and similar activities	**4,177**	3,153	**7,814**	6,737
Other income (loss)	**304**	151	**645**	956
Total noninterest income	**$ 15,561**	$ 12,773	**$ 30,088**	$ 26,577

(1) Includes interest income on interest-bearing deposits with the Federal Reserve, non-U.S. central banks and other banks of $2.2 billion and $2.8 billion for the three months ended June 30, 2026 and 2025, and $4.3 billion and $5.7 billion for the six months ended June 30, 2026 and 2025.

(2) Gross interchange fees and merchant income were $3.7 billion and $3.5 billion for the three months ended June 30, 2026 and 2025, and are presented net of $2.7 billion and $2.4 billion of expenses for rewards and partner payments as well as certain other card costs for the same periods. Gross interchange fees and merchant income were $7.1 billion and $6.8 billion for the six months ended June 30, 2026 and 2025 and are presented net of $5.3 billion and $4.8 billion of expenses for rewards and partner payments as well as certain other card costs for the same periods.

NOTE 3 Derivatives

Derivative Balances

Derivatives are entered into on behalf of customers, for trading or to support risk management activities. Derivatives used in risk management activities include derivatives that may or may not be designated in qualifying hedge accounting relationships. Derivatives that are not designated in qualifying hedge accounting relationships are referred to as other risk management derivatives. For more information on the Corporation's derivatives and hedging activities, see *Note 1 – Summary of Significant Accounting Principles* and *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K. The following tables present derivative instruments included on the Consolidated Balance Sheet in derivative assets and liabilities at June 30, 2026 and December 31, 2025. Balances are presented on a gross basis, prior to the application of counterparty and cash collateral netting. Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of legally enforceable master netting agreements and have been reduced by cash collateral received or paid.

		June 30, 2026					
		Gross Derivative Assets			Gross Derivative Liabilities		
(Dollars in billions)	Contract/ Notional [1]	Trading and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total	Trading and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total
Interest rate contracts							
Swaps	$ 27,203.0	$ 73.6	$ 4.4	$ 78.0	$ 64.4	$ 7.5	$ 71.9
Futures and forwards	4,582.7	4.1	—	4.1	3.5	—	3.5
Written options [2]	2,695.7	—	—	—	28.5	—	28.5
Purchased options [3]	2,600.0	30.3	—	30.3	—	—	—
Foreign exchange contracts							
Swaps	3,186.3	50.4	0.3	50.7	42.8	—	42.8
Spot, futures and forwards	5,402.0	40.7	0.7	41.4	38.5	0.1	38.6
Written options [2]	781.3	—	—	—	9.4	—	9.4
Purchased options [3]	726.2	8.6	—	8.6	—	—	—
Equity contracts							
Swaps	809.5	30.0	—	30.0	43.3	—	43.3
Futures and forwards	184.1	4.4	—	4.4	2.3	—	2.3
Written options [2]	1,042.3	—	—	—	93.8	—	93.8
Purchased options [3]	983.8	84.6	—	84.6	—	—	—
Commodity contracts							
Swaps	76.7	4.2	—	4.2	5.7	—	5.7
Futures and forwards	162.9	3.4	0.2	3.6	2.6	0.1	2.7
Written options [2]	104.6	—	—	—	4.6	—	4.6
Purchased options [3]	100.0	4.6	—	4.6	—	—	—
Credit derivatives [4]							
Purchased credit derivatives:							
Credit default swaps	536.1	1.3	—	1.3	4.1	—	4.1
Total return swaps/options	127.2	0.4	—	0.4	0.9	—	0.9
Written credit derivatives:							
Credit default swaps	499.2	2.8	—	2.8	1.2	—	1.2
Total return swaps/options	141.9	1.0	—	1.0	2.9	—	2.9
Gross derivative assets/liabilities		$ 344.4	$ 5.6	$ 350.0	$ 348.5	$ 7.7	$ 356.2
Less: Legally enforceable master netting agreements				(270.9)			(270.9)
Less: Cash collateral received/paid				(33.8)			(42.7)
Total derivative assets/liabilities				$ 45.3			$ 42.6

[1] Represents the total contract/notional amount of derivative assets and liabilities outstanding.
[2] Includes certain out-of-the-money purchased options that have a liability amount primarily due to the deferral of option premiums to the end of the contract.
[3] Includes certain out-of-the-money written options that have an asset amount primarily due to the deferral of option premiums to the end of the contract.
[4] The net derivative asset (liability) and notional amount of written credit derivatives for which the Corporation held purchased credit derivatives with identical underlying referenced names were $1.5 billion and $476.1 billion, respectively, at June 30, 2026.

(Dollars in billions)	Contract/ Notional [1]	December 31, 2025					
		Gross Derivative Assets			Gross Derivative Liabilities		
		Trading and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total	Trading and Other Risk Management Derivatives	Qualifying Accounting Hedges	Total
Interest rate contracts							
Swaps	$ 21,163.5	$ 75.5	$ 5.1	$ 80.6	$ 70.5	$ 7.4	$ 77.9
Futures and forwards	4,279.5	3.9	—	3.9	3.2	—	3.2
Written options [2]	2,138.2	—	—	—	26.4	—	26.4
Purchased options [3]	2,008.5	28.3	—	28.3	—	—	—
Foreign exchange contracts							
Swaps	2,852.1	41.4	0.1	41.5	35.4	0.2	35.6
Spot, futures and forwards	4,643.0	33.1	0.2	33.3	33.5	0.2	33.7
Written options [2]	623.7	—	—	—	8.2	—	8.2
Purchased options [3]	576.3	8.0	—	8.0	—	—	—
Equity contracts							
Swaps	736.3	16.8	—	16.8	21.5	—	21.5
Futures and forwards	147.8	2.2	—	2.2	2.1	—	2.1
Written options [2]	903.2	—	—	—	67.1	—	67.1
Purchased options [3]	859.7	60.1	—	60.1	—	—	—
Commodity contracts							
Swaps	70.3	2.9	—	2.9	5.6	—	5.6
Futures and forwards	156.5	6.3	0.1	6.4	5.2	0.7	5.9
Written options [2]	71.2	—	—	—	3.2	—	3.2
Purchased options [3]	69.8	3.2	—	3.2	—	—	—
Credit derivatives [4]							
Purchased credit derivatives:							
Credit default swaps	475.9	1.5	—	1.5	3.8	—	3.8
Total return swaps/options	100.5	0.4	—	0.4	0.4	—	0.4
Written credit derivatives:							
Credit default swaps	442.9	2.6	—	2.6	1.5	—	1.5
Total return swaps/options	103.8	0.5	—	0.5	1.5	—	1.5
Gross derivative assets/liabilities		$ 286.7	$ 5.5	$ 292.2	$ 289.1	$ 8.5	$ 297.6
Less: Legally enforceable master netting agreements				(224.1)			(224.1)
Less: Cash collateral received/paid				(27.2)			(31.4)
Total derivative assets/liabilities				$ 40.9			$ 42.1

[1] Represents the total contract/notional amount of derivative assets and liabilities outstanding.
[2] Includes certain out-of-the-money purchased options that have a liability amount primarily due to the deferral of option premiums to the end of the contract.
[3] Includes certain out-of-the-money written options that have an asset amount primarily due to the deferral of option premiums to the end of the contract.
[4] The net derivative asset (liability) and notional amount of written credit derivatives for which the Corporation held purchased credit derivatives with identical underlying referenced names were $1.0 billion and $421.3 billion, respectively, at December 31, 2025.

Offsetting of Derivatives

The Corporation enters into International Swaps and Derivatives Association, Inc. (ISDA) master netting agreements or similar agreements with substantially all of the Corporation's derivative counterparties. For more information, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

The following table presents derivative instruments included in derivative assets and liabilities on the Consolidated Balance Sheet at June 30, 2026 and December 31, 2025 by primary risk (e.g., interest rate risk) and the platform, where applicable, on which these derivatives are transacted. Balances are presented on a gross basis, prior to the application of counterparty and cash collateral netting. Total gross derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of legally enforceable master netting agreements, which include reducing the balance for counterparty netting and cash collateral received or paid.

For more information on offsetting of securities financing agreements, see *Note 9 – Securities Financing Agreements, Collateral and Restricted Cash*.

Offsetting of Derivatives [(1)]

(Dollars in billions)	Derivative Assets	Derivative Liabilities	Derivative Assets	Derivative Liabilities
	June 30, 2026		December 31, 2025	
Interest rate contracts				
Over-the-counter	**$ 103.5**	**$ 94.2**	$ 106.2	$ 100.0
Exchange-traded	**0.2**	**0.1**	—	—
Over-the-counter cleared	**8.3**	**7.8**	6.3	5.9
Foreign exchange contracts				
Over-the-counter	**97.3**	**87.9**	80.4	75.3
Over-the-counter cleared	**1.9**	**2.0**	1.2	1.3
Equity contracts				
Over-the-counter	**47.7**	**71.1**	31.3	43.8
Exchange-traded	**67.1**	**65.9**	46.8	45.1
Commodity contracts				
Over-the-counter	**9.1**	**9.9**	9.9	11.8
Exchange-traded	**2.7**	**2.4**	1.6	1.7
Over-the-counter cleared	**0.2**	**0.2**	0.3	0.4
Credit derivatives				
Over-the-counter	**5.4**	**9.1**	4.9	7.1
Total gross derivative assets/liabilities, before netting				
Over-the-counter	**263.0**	**272.2**	232.7	238.0
Exchange-traded	**70.0**	**68.4**	48.4	46.8
Over-the-counter cleared	**10.4**	**10.0**	7.8	7.6
Less: Legally enforceable master netting agreements and cash collateral received/paid				
Over-the-counter	**(227.6)**	**(237.1)**	(199.2)	(203.9)
Exchange-traded	**(67.0)**	**(67.0)**	(44.5)	(44.5)
Over-the-counter cleared	**(10.1)**	**(9.5)**	(7.6)	(7.1)
Derivative assets/liabilities, after netting	**38.7**	**37.0**	37.6	36.9
Other gross derivative assets/liabilities [(2)]	**6.6**	**5.6**	3.3	5.2
Total derivative assets/liabilities	**45.3**	**42.6**	40.9	42.1
Less: Financial instruments collateral [(3)]	**(23.5)**	**(19.2)**	(20.5)	(16.7)
Total net derivative assets/liabilities	**$ 21.8**	**$ 23.4**	$ 20.4	$ 25.4

(1) Over-the-counter (OTC) derivatives include bilateral transactions between the Corporation and a particular counterparty. Over-the-counter cleared derivatives include bilateral transactions between the Corporation and a counterparty where the transaction is cleared through a clearinghouse. Exchange-traded derivatives include listed options transacted on an exchange.
(2) Consists of derivatives entered into under master netting agreements where the enforceability of these agreements is uncertain under bankruptcy laws in some countries or industries.
(3) Amounts are limited to the derivative asset/liability balance and, accordingly, do not include excess collateral received/pledged. Financial instruments collateral includes securities received or pledged and cash securities held and posted at third-party custodians that are not offset on the Consolidated Balance Sheet but shown as a reduction to derive net derivative assets and liabilities.

Derivatives Designated as Accounting Hedges

The Corporation uses various types of interest rate and foreign exchange derivative contracts to protect against changes in the fair value of its assets and liabilities due to fluctuations in interest rates and foreign exchange rates (fair value hedges). The Corporation also uses these types of contracts to protect against changes in the cash flows of its assets and liabilities, and other forecasted transactions (cash flow hedges). The Corporation hedges its net investment in consolidated non-U.S. operations determined to have functional currencies other than the U.S. dollar using forward exchange contracts and cross-currency basis swaps, and by issuing foreign currency- denominated debt (net investment hedges).

Fair Value Hedges

The table below summarizes information related to fair value hedges for the three and six months ended June 30, 2026 and 2025.

Gains and Losses on Derivatives and Hedged Items Designated in Fair Value Hedges

(Dollars in millions)	Derivative	Hedged Item	Derivative	Hedged Item
	Three Months Ended June 30, 2026		Three Months Ended June 30, 2025	
Interest rate risk on long-term debt [(1)]	**$ (1,216)**	**$ 1,214**	$ 1,368	$ (1,367)
Interest rate and foreign currency risk [(2)]	**69**	**(67)**	(165)	165
Interest rate risk on available-for-sale securities [(3)]	**1,769**	**(1,782)**	(1,966)	1,934
Price risk on commodity inventory [(4)]	**108**	**(108)**	(201)	201
Total	**$ 730**	**$ (743)**	$ (964)	$ 933
	Six Months Ended June 30, 2026		Six Months Ended June 30, 2025	
Interest rate risk on long-term debt [(1)]	**$ (2,210)**	**$ 2,222**	$ 3,844	$ (3,847)
Interest rate and foreign currency risk [(2)]	**148**	**(149)**	(367)	367
Interest rate risk on available-for-sale securities [(3)]	**3,150**	**(3,201)**	(5,193)	5,112
Price risk on commodity inventory [(4)]	**221**	**(221)**	(1,298)	1,298
Total	**$ 1,309**	**$ (1,349)**	$ (3,014)	$ 2,930

(1) Amounts are recorded in interest expense in the Consolidated Statement of Income.
(2) Represents cross-currency interest rate swaps related to available-for-sale debt securities and long-term debt. For the three and six months ended June 30, 2026, the derivative amount includes gains (losses) of $(11) million and $(9) million in interest income, $82 million and $163 million in market making and similar activities, and $(2) million and $(6) million in accumulated other comprehensive income (OCI). For the same periods in 2025, the derivative amount includes gains (losses) of $(16) million and $(7) million in interest income, $(148) million and $(358) million in market making and similar activities, and $(1) million and $(2) million in accumulated OCI. Line item totals are in the Consolidated Statement of Income and on the Consolidated Balance Sheet.
(3) Amounts are recorded in interest income in the Consolidated Statement of Income.
(4) Amounts are recorded in market making and similar activities in the Consolidated Statement of Income.

The table below summarizes the carrying value of hedged assets and liabilities that are designated in fair value hedging relationships, along with the cumulative amount of gains and losses on the hedged assets and liabilities that are included in their carrying value. There is no impact to earnings for the cumulative amount of these fair value hedging adjustments as long as the hedging relationships remain open through the hedged period. Instead, the open hedges have the effect of synthetically converting the hedged assets and liabilities into variable-rate instruments. If an open hedge is de-designated prior to the derivative's maturity, any cumulative fair value adjustments at the de-designation date are then amortized or accreted into earnings over the remaining life of the hedged assets or liabilities.

Designated Fair Value Hedged Assets and Liabilities

(Dollars in millions)	June 30, 2026 Carrying Value	June 30, 2026 Cumulative Fair Value Adjustments [1]	December 31, 2025 Carrying Value	December 31, 2025 Cumulative Fair Value Adjustments [1]
Long-term debt	$ 196,963	$ (3,027)	$ 175,694	$ (792)
Available-for-sale debt securities [2, 3]	204,338	(3,117)	236,303	146
Trading account assets [4]	6,327	15	12,170	294

(1) Increase (decrease) to carrying value.
(2) These amounts include the amortized cost of the financial assets in closed portfolios used to designate hedging relationships in which the hedged item is a stated layer that is expected to be remaining at the end of the hedging relationship (i.e. portfolio layer hedging relationship). At June 30, 2026 and December 31, 2025, the amortized cost of the closed portfolios used in these hedging relationships was $43.6 billion and $35.8 billion, of which $29.3 billion and $23.7 billion were designated in a portfolio layer hedging relationship. At June 30, 2026 and December 31, 2025, the cumulative adjustment associated with these hedging relationships was a decrease of $373 million and $46 million.
(3) Carrying value represents amortized cost.
(4) Represents hedging activities related to certain commodities inventory.

At June 30, 2026 and December 31, 2025, the fair value adjustments from de-designated long-term debt hedges decreased the long-term debt carrying value by $12.0 billion and $12.9 billion. The fair value adjustments from de-designated available-for-sale (AFS) debt securities hedges decreased the AFS debt securities carrying value by $1.4 billion and $2.7 billion. The fair value adjustments are being amortized or accreted into interest over the contractual lives of the assets or liabilities.

Cash Flow and Net Investment Hedges

The table below summarizes certain information related to cash flow hedges and net investment hedges for the three and six months ended June 30, 2026 and 2025. Of the $3.4 billion after-tax net loss ($4.4 billion pretax) on derivatives in accumulated OCI at June 30, 2026, losses of $2.0 billion after-tax ($2.7 billion pretax) related to both open and closed cash flow hedges are expected to be reclassified into earnings in the next 12 months. These net losses reclassified into earnings are expected to primarily decrease net interest income related to the respective hedged items. For open cash flow hedges, the maximum length of time over which forecasted transactions are hedged is approximately three years. For terminated cash flow hedges, the time period over which the forecasted transactions will be recognized in interest income is approximately five years, with the aggregated amount beyond this time period being insignificant.

Gains and Losses on Derivatives Designated as Cash Flow and Net Investment Hedges

(Dollars in millions, amounts pretax)	Gains (Losses) Recognized in Accumulated OCI on Derivatives	Gains (Losses) in Income Reclassified from Accumulated OCI	Gains (Losses) Recognized in Accumulated OCI on Derivatives	Gains (Losses) in Income Reclassified from Accumulated OCI
	Three Months Ended June 30, 2026		Six Months Ended June 30, 2026	
Cash flow hedges				
Interest rate risk on variable-rate portfolios [1]	$ (1,338)	$ (353)	$ (2,531)	$ (728)
Price risk on forecasted MBS purchases [1]	—	(2)	—	(4)
Price risk on certain compensation plans [2]	—	4	—	9
Total	$ (1,338)	$ (351)	$ (2,531)	$ (723)
Net investment hedges				
Foreign exchange risk [3]	$ 147	$ —	$ 824	$ 4
	Three Months Ended June 30, 2025		Six Months Ended June 30, 2025	
Cash flow hedges				
Interest rate risk on variable-rate portfolios [1]	$ 1,221	$ (377)	$ 2,582	$ (770)
Price risk on forecasted MBS purchases [1]	—	(2)	—	(4)
Price risk on certain compensation plans [2]	—	5	1	12
Total	$ 1,221	$ (374)	$ 2,583	$ (762)
Net investment hedges				
Foreign exchange risk [3]	$ (2,153)	$ —	$ (3,105)	$ —

(1) Amounts reclassified from accumulated OCI are recorded in interest income in the Consolidated Statement of Income.
(2) Amounts reclassified from accumulated OCI are recorded in compensation and benefits expense in the Consolidated Statement of Income.
(3) Amounts reclassified from accumulated OCI are recorded in other income in the Consolidated Statement of Income. For the three and six months ended June 30, 2026, amounts excluded from effectiveness testing and recognized in market making and similar activities were losses of $49 million and $11 million. For the same periods in 2025, amounts excluded from effectiveness testing and recognized in market making and similar activities were gains of $25 million and $27 million.

Other Risk Management Derivatives

Other risk management derivatives are used by the Corporation to reduce certain risk exposures by economically hedging various assets and liabilities. The table below presents gains (losses) on these derivatives for the three and six months ended June 30, 2026 and 2025. These gains (losses) are largely offset by the income or expense recorded on the hedged item.

Gains and Losses on Other Risk Management Derivatives

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Interest rate risk on mortgage activities [1, 2]	**$ 3**	$ 12	**$ 3**	$ 40
Credit risk on loans [2]	**(16)**	(23)	**(15)**	(22)
Interest rate and foreign currency risk on asset and liability management activities [3]	**(266)**	(1,704)	**(278)**	(2,486)
Price risk on certain compensation plans [4]	**538**	377	**364**	181

(1) Includes hedges of interest rate risk on mortgage servicing rights (MSRs) and interest rate lock commitments (IRLCs) to originate mortgage loans that will be held for sale.
(2) Gains (losses) on these derivatives are recorded in other income.
(3) Gains (losses) on these derivatives are recorded in market making and similar activities.
(4) Gains (losses) on these derivatives are recorded in compensation and benefits expense.

Transfers of Financial Assets with Risk Retained through Derivatives

The Corporation enters into certain transactions involving the transfer of financial assets that are accounted for as sales where substantially all of the economic exposure to the transferred financial assets is retained through derivatives (e.g., interest rate and/or credit), but the Corporation does not retain control over the assets transferred. At June 30, 2026 and December 31, 2025, the Corporation had transferred $4.1 billion and $3.9 billion of non-U.S. government-guaranteed mortgage-backed securities to a third-party trust and retained economic exposure to the transferred assets through derivative contracts. In connection with these transfers, the Corporation received gross cash proceeds of $4.1 billion and $3.9 billion at the transfer dates. At June 30, 2026 and December 31, 2025, the fair value of the transferred securities was $3.9 billion and $3.8 billion.

Sales and Trading Revenue

The Corporation enters into trading derivatives to facilitate client transactions and to manage risk exposures arising from trading account assets and liabilities. It is the Corporation's policy to include these derivative instruments in its trading activities, which include derivatives and non-derivative cash instruments. The resulting risk from these derivatives is managed on a portfolio basis as part of the Corporation's *Global Markets* business segment. For more information on sales and trading revenue, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

The table below, which includes both derivatives and non-derivative cash instruments, identifies the amounts in the respective income statement line items attributable to the Corporation's sales and trading revenue in *Global Markets*, categorized by primary risk, for the three and six months ended June 30, 2026 and 2025. This table includes debit valuation adjustment (DVA) and funding valuation adjustment (FVA) gains (losses). *Global Markets* results in *Note 17 – Business Segment Information* are presented on a fully taxable-equivalent (FTE) basis. The table below is not presented on an FTE basis.

Sales and Trading Revenue

(Dollars in millions)	Market making and similar activities	Net Interest Income	Other [1]	Total	Market making and similar activities	Net Interest Income	Other [1]	Total
	Three Months Ended June 30, 2026				**Six Months Ended June 30, 2026**			
Interest rate risk	**$ 172**	**$ 1,047**	**$ 99**	**$ 1,318**	**$ 415**	**$ 2,025**	**$ 250**	**$ 2,690**
Foreign exchange risk	**546**	**6**	**15**	**567**	**1,079**	**10**	**11**	**1,100**
Equity risk	**3,123**	**(134)**	**638**	**3,627**	**5,388**	**(217)**	**1,304**	**6,475**
Credit risk	**454**	**691**	**136**	**1,281**	**882**	**1,444**	**201**	**2,527**
Other risk [2]	**120**	**102**	**(139)**	**83**	**364**	**90**	**(157)**	**297**
Total sales and trading revenue	**$ 4,415**	**$ 1,712**	**$ 749**	**$ 6,876**	**$ 8,128**	**$ 3,352**	**$ 1,609**	**$ 13,089**
	Three Months Ended June 30, 2025				Six Months Ended June 30, 2025			
Interest rate risk	$ 478	$ 711	$ 132	$ 1,321	$ 978	$ 1,366	$ 252	$ 2,596
Foreign exchange risk	569	8	31	608	1,109	25	42	1,176
Equity risk	1,881	(297)	563	2,147	3,858	(639)	1,112	4,331
Credit risk	247	669	60	976	678	1,358	341	2,377
Other risk [2]	108	(25)	(23)	60	282	(48)	(15)	219
Total sales and trading revenue	$ 3,283	$ 1,066	$ 763	$ 5,112	$ 6,905	$ 2,062	$ 1,732	$ 10,699

(1) Represents amounts in investment and brokerage services and other income that are recorded in *Global Markets* and included in the definition of sales and trading revenue. Includes investment and brokerage services revenue of $728 million and $1.5 billion for the three and six months ended June 30, 2026 compared to $642 million and $1.3 billion for the same periods in 2025.
(2) Includes commodity risk.

Credit Derivatives

The Corporation enters into credit derivatives primarily to facilitate client transactions and to manage credit risk exposures. Credit derivatives are classified as investment and non-investment grade based on the credit quality of the underlying referenced obligation. The Corporation considers ratings of BBB- or higher as investment grade. Non-investment grade includes non-rated credit derivative instruments. The Corporation discloses internal categorizations of investment grade and non-investment grade consistent with how risk is managed for these instruments. For more information on credit derivatives, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Credit derivative instruments where the Corporation is the seller of credit protection and their expiration at June 30, 2026 and December 31, 2025 are summarized in the table below.

Credit Derivative Instruments

(Dollars in millions)	Less than One Year	One to Three Years	Three to Five Years	Over Five Years	Total
			June 30, 2026		
			Carrying Value		
Credit default swaps:					
Investment grade	$ —	$ —	$ 12	$ 25	$ 37
Non-investment grade	9	340	406	378	1,133
Total	9	340	418	403	1,170
Total return swaps/options:					
Investment grade	34	—	—	—	34
Non-investment grade	2,313	492	51	53	2,909
Total	2,347	492	51	53	2,943
Total credit derivatives	$ 2,356	$ 832	$ 469	$ 456	$ 4,113
Credit-related notes:					
Investment grade	$ —	$ —	$ 6	$ 808	$ 814
Non-investment grade	—	13	39	1,143	1,195
Total credit-related notes	$ —	$ 13	$ 45	$ 1,951	$ 2,009
			Maximum Payout/Notional		
Credit default swaps:					
Investment grade	$ 54,356	$ 118,738	$ 180,156	$ 23,682	$ 376,932
Non-investment grade	17,222	37,779	64,050	3,171	122,222
Total	71,578	156,517	244,206	26,853	499,154
Total return swaps/options:					
Investment grade	88,877	1,321	1,501	341	92,040
Non-investment grade	48,055	1,023	311	478	49,867
Total	136,932	2,344	1,812	819	141,907
Total credit derivatives	$ 208,510	$ 158,861	$ 246,018	$ 27,672	$ 641,061
			December 31, 2025		
			Carrying Value		
Credit default swaps:					
Investment grade	$ —	$ —	$ 7	$ 34	$ 41
Non-investment grade	60	532	418	403	1,413
Total	60	532	425	437	1,454
Total return swaps/options:					
Investment grade	88	2	—	—	90
Non-investment grade	1,258	89	74	1	1,422
Total	1,346	91	74	1	1,512
Total credit derivatives	$ 1,406	$ 623	$ 499	$ 438	$ 2,966
Credit-related notes:					
Investment grade	$ —	$ —	$ 3	$ 970	$ 973
Non-investment grade	—	4	26	1,136	1,166
Total credit-related notes	$ —	$ 4	$ 29	$ 2,106	$ 2,139
			Maximum Payout/Notional		
Credit default swaps:					
Investment grade	$ 48,636	$ 100,059	$ 168,131	$ 22,048	$ 338,874
Non-investment grade	15,434	35,286	49,913	3,372	104,005
Total	64,070	135,345	218,044	25,420	442,879
Total return swaps/options:					
Investment grade	61,269	1,507	1,419	352	64,547
Non-investment grade	35,318	2,877	516	520	39,231
Total	96,587	4,384	1,935	872	103,778
Total credit derivatives	$ 160,657	$ 139,729	$ 219,979	$ 26,292	$ 546,657

The notional amount represents the maximum amount payable by the Corporation for most credit derivatives. However, the Corporation does not monitor its exposure to credit derivatives based solely on the notional amount because this measure does not take into consideration the probability of occurrence. As such, the notional amount is not a reliable indicator of the Corporation's exposure to these contracts. Instead, a risk framework is used to define risk tolerances and establish limits so that certain credit risk-related losses occur within acceptable, predefined limits.

Credit-related notes in the table above include investments in securities issued by collateralized debt obligation (CDO), collateralized loan obligation (CLO) and credit-linked note vehicles. These instruments are primarily classified as trading securities. The carrying value of these instruments equals the Corporation's maximum exposure to loss. The Corporation is not obligated to make any payments to the entities under the terms of the securities owned.

Credit-related Contingent Features and Collateral

Certain of the Corporation's derivative contracts contain credit risk-related contingent features, primarily in the form of ISDA master netting agreements and credit support documentation that enhance the creditworthiness of these instruments compared to other obligations of the respective counterparty with whom the Corporation has transacted. These contingent features may be for the benefit of the Corporation as well as its counterparties with respect to changes in the Corporation's creditworthiness and the mark-to-market exposure under the derivative transactions. At June 30, 2026 and December 31, 2025, the Corporation held cash and securities collateral of $137.7 billion and $119.7 billion and posted cash and securities collateral of $103.6 billion and $97.8 billion in the normal course of business under derivative agreements, excluding cross-product margining agreements where clients are permitted to margin on a net basis for both derivative and secured financing arrangements.

In connection with certain OTC derivative contracts and other trading agreements, the Corporation can be required to provide additional collateral or to terminate transactions with certain counterparties in the event of a downgrade of the senior debt ratings of the Corporation or certain subsidiaries. The amount of additional collateral required depends on the contract and is usually a fixed incremental amount and/or the market value of the exposure. For more information on credit-related contingent features and collateral, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

At June 30, 2026, the amount of collateral, calculated based on the terms of the contracts, that the Corporation and certain subsidiaries could be required to post to counterparties but had not yet posted to counterparties was $5.6 billion, including $3.2 billion for Bank of America, National Association (BANA).

Some counterparties are currently able to unilaterally terminate certain contracts, or the Corporation or certain subsidiaries may be required to take other action such as find a suitable replacement or obtain a guarantee. At June 30, 2026 and December 31, 2025, the liability recorded for these derivative contracts was not significant.

The table below presents the amount of additional collateral that would have been contractually required by derivative contracts and other trading agreements at June 30, 2026 if the rating agencies had downgraded their long-term senior debt ratings for the Corporation or certain subsidiaries by one incremental notch and by an additional second incremental notch. The table also presents derivative liabilities that would be subject to unilateral termination by counterparties upon downgrade of the Corporation's or certain subsidiaries' long-term senior debt ratings.

Additional Collateral Required to be Posted and Derivative Liabilities Subject to Unilateral Termination Upon Downgrade at June 30, 2026

(Dollars in millions)	One Incremental Notch	Second Incremental Notch
Additional collateral required to be posted upon downgrade		
Bank of America Corporation	$ 116	$ 1,476
Bank of America, N.A. and subsidiaries [1]	45	1,360
Derivative liabilities subject to unilateral termination upon downgrade		
Derivative liabilities	$ 5	$ 219
Collateral posted	1	177

[1] Included in Bank of America Corporation collateral requirements in this table.

Valuation Adjustments on Derivatives

The table below presents credit valuation adjustment (CVA), DVA and FVA gains (losses) on derivatives (excluding the effect of any related hedge activities), which are recorded in market making and similar activities, for the three and six months ended June 30, 2026 and 2025. For more information on the valuation adjustments on derivatives, see *Note 3 – Derivatives* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Valuation Adjustments Gains (Losses) on Derivatives [1]

	Three Months Ended June 30	
(Dollars in millions)	**2026**	2025
Derivative assets (CVA)	**$ 61**	$ (39)
Derivative assets/liabilities (FVA)	**8**	(31)
Derivative liabilities (DVA)	**(62)**	(30)

	Six Months Ended June 30	
(Dollars in millions)	**2026**	2025
Derivative assets (CVA)	**$ (15)**	$ (64)
Derivative assets/liabilities (FVA)	**20**	(46)
Derivative liabilities (DVA)	**31**	(3)

[1] At June 30, 2026 and December 31, 2025, cumulative CVA reduced the derivative assets balance by $351 million and $336 million, cumulative FVA reduced the net derivative balance by $96 million and $116 million and cumulative DVA reduced the derivative liabilities balance by $301 million and $270 million.

NOTE 4 Securities

The table below presents the amortized cost, gross unrealized gains and losses, and fair value of AFS debt securities, other debt securities carried at fair value and held-to-maturity (HTM) debt securities at June 30, 2026 and December 31, 2025.

Debt Securities

(Dollars in millions)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	June 30, 2026				December 31, 2025			
Available-for-sale debt securities								
Mortgage-backed securities:								
Agency	$ 41,870	$ 125	$ (1,154)	$ 40,841	$ 34,240	$ 80	$ (1,179)	$ 33,141
Agency-collateralized mortgage obligations	17,204	85	(141)	17,148	19,304	27	(132)	19,199
Commercial	44,281	260	(484)	44,057	38,688	191	(385)	38,494
Non-agency residential [1]	75	1	(24)	52	273	55	(56)	272
Total mortgage-backed securities	103,430	471	(1,803)	102,098	92,505	353	(1,752)	91,106
U.S. Treasury and government agencies	195,191	128	(916)	194,403	250,065	390	(621)	249,834
Non-U.S. securities	37,718	12	(63)	37,667	31,765	20	(18)	31,767
Other taxable securities	7,399	2	(54)	7,347	6,328	12	(36)	6,304
Tax-exempt securities	7,176	8	(159)	7,025	7,948	15	(176)	7,787
Total available-for-sale debt securities	350,914	621	(2,995)	348,540	388,611	790	(2,603)	386,798
Other debt securities carried at fair value [2]	14,928	121	(170)	14,879	16,066	200	(89)	16,177
Total debt securities carried at fair value	365,842	742	(3,165)	363,419	404,677	990	(2,692)	402,975
Held-to-maturity debt securities								
Agency mortgage-backed securities	379,169	—	(68,332)	310,837	395,415	—	(67,309)	328,106
U.S. Treasury and government agencies	121,262	—	(13,011)	108,251	121,242	—	(12,225)	109,017
Other taxable securities	5,397	1	(752)	4,646	6,028	2	(723)	5,307
Total held-to-maturity debt securities	505,828	1	(82,095)	423,734	522,685	2	(80,257)	442,430
Total debt securities [3,4]	$ 871,670	$ 743	$ (85,260)	$ 787,153	$ 927,362	$ 992	$ (82,949)	$ 845,405

(1) At June 30, 2026 and December 31, 2025, the underlying collateral type included approximately 10 percent and 27 percent prime and 90 percent and 73 percent subprime.
(2) Primarily includes non-U.S. securities used to satisfy certain international regulatory requirements. Any changes in value are reported in market making and similar activities. For detail on the components, see *Note 14 – Fair Value Measurements*.
(3) Includes securities pledged as collateral of $101.9 billion and $153.8 billion at June 30, 2026 and December 31, 2025.
(4) The Corporation held debt securities from Fannie Mae (FNMA) and Freddie Mac (FHLMC) that each exceeded 10 percent of shareholders' equity, with an amortized cost of $240.5 billion and $156.6 billion, and a fair value of $200.9 billion and $131.5 billion at June 30, 2026, and an amortized cost of $246.9 billion and $158.5 billion, and a fair value of $208.0 billion and $133.6 billion at December 31, 2025.

At June 30, 2026 and December 31, 2025, the Corporation's expected credit losses on AFS and HTM debt securities with a total amortized cost of $856.7 billion and $911.3 billion were not significant. Of these amounts, $803.2 billion and $863.7 billion of AFS and HTM debt securities were predominantly U.S. agency and U.S. Treasury securities and had a zero credit loss assumption as of the end of the same periods. At June 30, 2026 and December 31, 2025, nonperforming AFS debt securities held by the Corporation were not significant. For more information on the zero credit loss assumption, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

At June 30, 2026 and December 31, 2025, the Corporation held equity securities at an aggregate fair value of $225 million and $253 million, respectively, and other equity securities, as valued under the measurement alternative, at a carrying value of $523 million and $479 million, respectively, both of which are included in other assets. At both June 30, 2026 and December 31, 2025, the Corporation also held money market investments at a fair value of $1.2 billion, which are included in time deposits placed and other short-term investments.

The gross realized gains and losses on sales of AFS debt securities for the three and six months ended June 30, 2026 and 2025 are presented in the table below.

Gains and Losses on Sales of AFS Debt Securities

(Dollars in millions)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Gross gains	$ 111	$ 5	$ 178	$ 16
Gross losses	(95)	(23)	(159)	(36)
Net gains (losses) on sales of AFS debt securities	$ 16	$ (18)	$ 19	$ (20)
Income tax expense (benefit) attributable to realized net gains (losses) on sales of AFS debt securities	$ 4	$ (5)	$ 5	$ (5)

The table below presents the fair value and the associated gross unrealized losses on AFS debt securities and whether these securities have had gross unrealized losses for less than 12 months or for 12 months or longer at June 30, 2026 and December 31, 2025. Substantially all of the unrealized losses relate to debt securities that have a zero credit loss assumption.

Total AFS Debt Securities in a Continuous Unrealized Loss Position

	Less than Twelve Months		Twelve Months or Longer		Total	
(Dollars in millions)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
			June 30, 2026			
Continuously unrealized loss-positioned AFS debt securities						
Mortgage-backed securities:						
Agency	**$ 11,723**	**$ (68)**	**$ 15,861**	**$ (1,086)**	**$ 27,584**	**$ (1,154)**
Agency-collateralized mortgage obligations	**138**	**(1)**	**1,324**	**(140)**	**1,462**	**(141)**
Commercial	**12,780**	**(152)**	**4,256**	**(332)**	**17,036**	**(484)**
Non-agency residential	**8**	**(1)**	**40**	**(23)**	**48**	**(24)**
Total mortgage-backed securities	**24,649**	**(222)**	**21,481**	**(1,581)**	**46,130**	**(1,803)**
U.S. Treasury and government agencies	**65,561**	**(385)**	**44,321**	**(531)**	**109,882**	**(916)**
Non-U.S. securities	**12,362**	**(58)**	**2,651**	**(5)**	**15,013**	**(63)**
Other taxable securities	**3,713**	**(24)**	**1,302**	**(30)**	**5,015**	**(54)**
Tax-exempt securities	**284**	**(1)**	**1,585**	**(158)**	**1,869**	**(159)**
Total AFS debt securities in a continuous unrealized loss position	**$ 106,569**	**$ (690)**	**$ 71,340**	**$ (2,305)**	**$ 177,909**	**$ (2,995)**
			December 31, 2025			
Continuously unrealized loss-positioned AFS debt securities						
Mortgage-backed securities:						
Agency	$ 1,645	$ —	$ 18,512	$ (1,179)	$ 20,157	$ (1,179)
Agency-collateralized mortgage obligations	2,503	(5)	2,351	(127)	4,854	(132)
Commercial	8,795	(27)	5,527	(358)	14,322	(385)
Non-agency residential	—	—	154	(56)	154	(56)
Total mortgage-backed securities	12,943	(32)	26,544	(1,720)	39,487	(1,752)
U.S. Treasury and government agencies	5,398	(7)	68,763	(614)	74,161	(621)
Non-U.S. securities	10,891	(10)	2,808	(8)	13,699	(18)
Other taxable securities	979	(5)	1,356	(31)	2,335	(36)
Tax-exempt securities	415	(1)	1,730	(175)	2,145	(176)
Total AFS debt securities in a continuous unrealized loss position	$ 30,626	$ (55)	$ 101,201	$ (2,548)	$ 131,827	$ (2,603)

The remaining contractual maturity distribution and yields of the Corporation's debt securities carried at fair value and HTM debt securities at June 30, 2026 are summarized in the table below. Actual duration and yields may differ as prepayments on the loans underlying the mortgage-backed securities (MBS) or other asset-backed securities (ABS) are passed through to the Corporation.

Maturities of Debt Securities Carried at Fair Value and Held-to-maturity Debt Securities

	Due in One Year or Less		Due after One Year through Five Years		Due after Five Years through Ten Years		Due after Ten Years		Total	
(Dollars in millions)	Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]	Amount	Yield [1]
Amortized cost of debt securities carried at fair value										
Mortgage-backed securities:										
Agency	$ —	— %	$ 3	3.24 %	$ 4	5.20 %	$ 41,868	4.68 %	$ 41,875	4.68 %
Agency-collateralized mortgage obligations	—	—	—	—	1	1.00	17,203	5.56	17,204	5.56
Commercial	178	2.83	23,485	4.11	18,749	4.44	1,882	3.85	44,294	4.23
Non-agency residential	—	—	—	—	1	0.27	319	13.11	320	13.07
Total mortgage-backed securities	178	2.83	23,488	4.11	18,755	4.44	61,272	4.94	103,693	4.66
U.S. Treasury and government agencies	12,238	3.91	170,697	3.63	15,939	3.55	43	3.12	198,917	3.64
Non-U.S. securities	25,189	2.69	6,147	3.35	7,789	4.45	9,532	4.06	48,657	3.32
Other taxable securities	2,098	4.88	4,421	4.39	187	2.99	693	4.38	7,399	4.49
Tax-exempt securities	233	2.50	2,624	3.35	847	3.13	3,472	3.51	7,176	3.37
Total amortized cost of debt securities carried at fair value	**$ 39,936**	**3.18**	**$ 207,377**	**3.69**	**$ 43,517**	**4.08**	**$ 75,012**	**4.76**	**$ 365,842**	**3.90**
Amortized cost of HTM debt securities										
Agency mortgage-backed securities	$ —	— %	$ —	— %	$ 45	2.93 %	$ 379,124	2.11 %	$ 379,169	2.11 %
U.S. Treasury and government agencies	4,100	1.70	110,670	1.39	6,492	1.32	—	—	121,262	1.40
Other taxable securities	209	1.75	244	2.89	246	2.56	4,698	2.53	5,397	2.52
Total amortized cost of HTM debt securities	**$ 4,309**	**1.70**	**$ 110,914**	**1.39**	**$ 6,783**	**1.37**	**$ 383,822**	**2.12**	**$ 505,828**	**1.94**
Debt securities carried at fair value										
Mortgage-backed securities:										
Agency	$ —		$ 3		$ 4		$ 40,839		$ 40,846	
Agency-collateralized mortgage obligations	—		—		1		17,147		17,148	
Commercial	178		23,367		18,799		1,725		44,069	
Non-agency residential	—		—		1		211		212	
Total mortgage-backed securities	178		23,370		18,805		59,922		102,275	
U.S. Treasury and government agencies	12,263		170,029		15,807		57		198,156	
Non-U.S. securities	25,166		6,138		7,788		9,521		48,613	
Other taxable securities	2,097		4,400		173		680		7,350	
Tax-exempt securities	232		2,615		836		3,342		7,025	
Total debt securities carried at fair value	**$ 39,936**		**$ 206,552**		**$ 43,409**		**$ 73,522**		**$ 363,419**	
Fair value of HTM debt securities										
Agency mortgage-backed securities	$ —		$ —		$ 42		$ 310,795		$ 310,837	
U.S. Treasury and government agencies	4,044		98,573		5,634		—		108,251	
Other taxable securities	208		236		200		4,002		4,646	
Total fair value of HTM debt securities	**$ 4,252**		**$ 98,809**		**$ 5,876**		**$ 314,797**		**$ 423,734**	

(1) The weighted-average yield is computed based on a constant effective yield over the contractual life of each security. The yield considers the contractual coupon and the amortization of premiums and accretion of discounts, excluding the effect of related open hedging derivatives.

NOTE 5 Outstanding Loans and Leases and Allowance for Credit Losses

The following tables present total outstanding loans and leases and an aging analysis for the Consumer Real Estate, Credit Card and Other Consumer, and Commercial portfolio segments, by class of financing receivables, at June 30, 2026 and December 31, 2025.

(Dollars in millions)	30-59 Days Past Due [(1)]	60-89 Days Past Due [(1)]	90 Days or More Past Due [(1)]	Total Past Due 30 Days or More	Total Current or Less Than 30 Days Past Due [(1)]	Loans Accounted for Under the Fair Value Option	Total Outstandings
				June 30, 2026			
Consumer real estate							
Residential mortgage	$ 1,442	$ 284	$ 822	$ 2,548	$ 233,768		$ 236,316
Home equity	78	31	105	214	26,900		27,114
Credit card and other consumer							
Credit card	655	456	1,241	2,352	103,307		105,659
Direct/Indirect consumer [(2)]	274	130	87	491	117,836		118,327
Other consumer	—	—	—	—	182		182
Total consumer	2,449	901	2,255	5,605	481,993		487,598
Consumer loans accounted for under the fair value option [(3)]						$ 159	159
Total consumer loans and leases	2,449	901	2,255	5,605	481,993	159	487,757
Commercial							
U.S. commercial	431	227	588	1,246	455,386		456,632
Non-U.S. commercial	49	27	153	229	159,665		159,894
Commercial real estate [(4)]	52	102	699	853	70,244		71,097
Commercial lease financing	43	22	62	127	15,275		15,402
U.S. small business commercial	212	73	188	473	23,164		23,637
Total commercial	787	451	1,690	2,928	723,734		726,662
Commercial loans accounted for under the fair value option [(3)]						3,200	3,200
Total commercial loans and leases	787	451	1,690	2,928	723,734	3,200	729,862
Total loans and leases [(5)]	$ 3,236	$ 1,352	$ 3,945	$ 8,533	$ 1,205,727	$ 3,359	$ 1,217,619
Percentage of outstandings	0.27 %	0.11 %	0.32 %	0.70 %	99.02 %	0.28 %	100.00 %

(1) Consumer real estate loans 30-59 days past due includes fully-insured loans of $148 million and nonperforming loans of $184 million. Consumer real estate loans 60-89 days past due includes fully-insured loans of $52 million and nonperforming loans of $105 million. Consumer real estate loans 90 days or more past due includes fully-insured loans of $219 million and nonperforming loans of $708 million. Consumer real estate loans current or less than 30 days past due includes $1.4 billion, and direct/indirect consumer includes $61 million of nonperforming loans.

(2) Total outstandings primarily includes auto and specialty lending loans and leases of $52.4 billion, U.S. securities-based lending loans of $61.9 billion and non-U.S. consumer loans of $3.2 billion.

(3) Consumer loans accounted for under the fair value option includes residential mortgage loans of $55 million and home equity loans of $104 million. Commercial loans accounted for under the fair value option includes U.S. commercial loans of $2.2 billion and non-U.S. commercial loans of $1.0 billion. For more information, see *Note 14 – Fair Value Measurements* and *Note 15 – Fair Value Option*.

(4) Total outstandings includes U.S. commercial real estate loans of $65.9 billion and non-U.S. commercial real estate loans of $5.2 billion.

(5) Total outstandings includes loans and leases of $47.2 billion pledged as collateral to the Federal Home Loan Bank (FHLB). The Corporation also pledged $322.6 billion of loans with no related outstanding borrowings to secure potential borrowing capacity with the Federal Reserve Bank (FRB) and FHLB.

(Dollars in millions)	30-59 Days Past Due [1]	60-89 Days Past Due [1]	90 Days or More Past Due [1]	Total Past Due 30 Days or More	Total Current or Less Than 30 Days Past Due [1]	Loans Accounted for Under the Fair Value Option	Total Outstandings
	December 31, 2025						
Consumer real estate							
Residential mortgage	$ 1,335	$ 304	$ 774	$ 2,413	$ 233,889		$ 236,302
Home equity	87	33	120	240	26,583		26,823
Credit card and other consumer							
Credit card	711	542	1,351	2,604	103,423		106,027
Direct/Indirect consumer [2]	324	114	109	547	113,583		114,130
Other consumer	—	—	—	—	144		144
Total consumer	2,457	993	2,354	5,804	477,622		483,426
Consumer loans accounted for under the fair value option [3]						$ 165	165
Total consumer loans and leases	2,457	993	2,354	5,804	477,622	165	483,591
Commercial							
U.S. commercial	743	228	702	1,673	434,569		436,242
Non-U.S. commercial	78	10	59	147	154,898		155,045
Commercial real estate [4]	190	41	909	1,140	67,608		68,748
Commercial lease financing	67	17	75	159	16,082		16,241
U.S. small business commercial	228	96	211	535	21,965		22,500
Total commercial	1,306	392	1,956	3,654	695,122		698,776
Commercial loans accounted for under the fair value option [3]						3,333	3,333
Total commercial loans and leases	1,306	392	1,956	3,654	695,122	3,333	702,109
Total loans and leases [5]	$ 3,763	$ 1,385	$ 4,310	$ 9,458	$ 1,172,744	$ 3,498	$ 1,185,700
Percentage of outstandings	0.32 %	0.12 %	0.36 %	0.80 %	98.91 %	0.29 %	100.00 %

(1) Consumer real estate loans 30-59 days past due includes fully-insured loans of $179 million and nonperforming loans of $164 million. Consumer real estate loans 60-89 days past due includes fully-insured loans of $63 million and nonperforming loans of $105 million. Consumer real estate loans 90 days or more past due includes fully-insured loans of $207 million and nonperforming loans of $687 million. Consumer real estate loans current or less than 30 days past due includes $1.4 billion, and direct/indirect consumer includes $45 million of nonperforming loans.
(2) Total outstandings primarily includes auto and specialty lending loans and leases of $55.3 billion, U.S. securities-based lending loans of $55.0 billion and non-U.S. consumer loans of $3.0 billion.
(3) Consumer loans accounted for under the fair value option includes residential mortgage loans of $58 million and home equity loans of $107 million. Commercial loans accounted for under the fair value option includes U.S. commercial loans of $2.1 billion and non-U.S. commercial loans of $1.2 billion. For more information, see *Note 14 – Fair Value Measurements* and *Note 15 – Fair Value Option*.
(4) Total outstandings includes U.S. commercial real estate loans of $62.7 billion and non-U.S. commercial real estate loans of $6.0 billion.
(5) Total outstandings includes loans and leases of $39.5 billion pledged as collateral to the FHLB. The Corporation also pledged $313.7 billion of loans with no related outstanding borrowings to secure potential borrowing capacity with the FRB and FHLB.

The Corporation has entered into long-term credit protection agreements with FNMA and FHLMC on loans totaling $6.9 billion and $7.2 billion at June 30, 2026 and December 31, 2025, providing full credit protection on residential mortgage loans that become severely delinquent. All of these loans are individually insured, and therefore the Corporation does not record an allowance for credit losses related to these loans.

Nonperforming Loans and Leases

Nonperforming loans were $5.8 billion at both June 30, 2026 and December 31, 2025. Commercial nonperforming loans were $3.2 billion at both June 30, 2026 and December 31, 2025, primarily comprised of U.S. commercial and commercial real estate. Consumer nonperforming loans of $2.6 billion at both June 30, 2026 and December 31, 2025 were primarily comprised of residential mortgages.

The following table presents the Corporation's nonperforming loans and leases and loans accruing past due 90 days or more at June 30, 2026 and December 31, 2025. Nonperforming loans held-for-sale (LHFS) are excluded from nonperforming loans and leases, as they are recorded at either fair value or the lower of cost or fair value. For more information on the criteria for classification as nonperforming, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Credit Quality

(Dollars in millions)	Nonperforming Loans and Leases June 30 2026	Nonperforming Loans and Leases December 31 2025	Accruing Past Due 90 Days or More June 30 2026	Accruing Past Due 90 Days or More December 31 2025
Residential mortgage [1]	**$ 2,049**	$ 2,008	**$ 219**	$ 207
With no related allowance [2]	**1,831**	1,774	**—**	—
Home equity [1]	**371**	392	**—**	—
With no related allowance [2]	**304**	310	**—**	—
Credit Card	**n/a**	n/a	**1,241**	1,351
Direct/indirect consumer	**170**	176	**1**	5
Total consumer	**2,590**	2,576	**1,461**	1,563
U.S. commercial	**1,674**	1,404	**127**	302
Non-U.S. commercial	**312**	80	**35**	9
Commercial real estate	**1,068**	1,596	**33**	10
Commercial lease financing	**62**	97	**25**	33
U.S. small business commercial	**45**	51	**181**	204
Total commercial	**3,161**	3,228	**401**	558
Total nonperforming loans	**$ 5,751**	$ 5,804	**$ 1,862**	$ 2,121
Percentage of outstanding loans and leases	**0.47 %**	0.49 %	**0.15 %**	0.18 %

(1) Residential mortgage loans accruing past due 90 days or more are fully-insured loans. At June 30, 2026 and December 31, 2025 residential mortgage included $119 million and $104 million of loans on which interest had been curtailed by the Federal Housing Administration (FHA), and therefore were no longer accruing interest, although principal was still insured, and $100 million and $103 million of loans on which interest was still accruing.
(2) Primarily relates to loans for which the estimated fair value of the underlying collateral less any costs to sell is greater than the amortized cost of the loans as of the reporting date.
n/a = not applicable

Credit Quality Indicators

The Corporation monitors credit quality within its Consumer Real Estate, Credit Card and Other Consumer, and Commercial portfolio segments based on primary credit quality indicators. For more information on the portfolio segments, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation’s 2025 Annual Report on Form 10-K. Within the Consumer Real Estate portfolio segment, the primary credit quality indicators are refreshed loan-to-value (LTV) and refreshed Fair Isaac Corporation (FICO) score. Refreshed LTV measures the carrying value of the loan as a percentage of the value of the property securing the loan, refreshed quarterly. Home equity loans are evaluated using combined loan-to-value (CLTV), which measures the carrying value of the Corporation’s loan and available line of credit combined with any outstanding senior liens against the property as a percentage of the value of the property securing the loan, refreshed quarterly. FICO score measures the creditworthiness of the borrower based on the financial obligations of the borrower and the borrower’s credit history. FICO scores are typically refreshed quarterly or more frequently. Certain borrowers (e.g., borrowers that have had debts discharged in a bankruptcy proceeding) may not have their FICO scores updated. FICO scores are also a primary credit quality indicator for the Credit Card and Other Consumer portfolio segment and the business card portfolio within U.S. small business commercial. Within the Commercial portfolio segment, loans are evaluated using the internal classifications of pass rated or reservable criticized as the primary credit quality indicators. The term reservable criticized refers to those commercial loans that are internally classified or listed by the Corporation as Special Mention, Substandard or Doubtful, which are asset quality categories defined by regulatory authorities. These assets have an elevated level of risk and may have a high probability of default or total loss. Pass rated refers to all loans not considered reservable criticized. In addition to these primary credit quality indicators, the Corporation uses other credit quality indicators for certain types of loans.

The following tables present certain credit quality indicators and gross charge-offs for the Corporation's Consumer Real Estate, Credit Card and Other Consumer, and Commercial portfolio segments by year of origination, except for revolving loans and revolving loans that were modified into term loans, which are shown on an aggregate basis at June 30, 2026.

Residential Mortgage – Credit Quality Indicators By Vintage

(Dollars in millions)	Total as of June 30, 2026	Term Loans by Origination Year 2026	2025	2024	2023	2022	Prior
Residential Mortgage							
Refreshed LTV							
Less than or equal to 90 percent	**$ 224,140**	$ 12,374	$ 19,225	$ 13,231	$ 12,368	$ 34,806	$ 132,136
Greater than 90 percent but less than or equal to 100 percent	**2,230**	208	674	561	314	345	128
Greater than 100 percent	**1,294**	227	462	289	115	112	89
Fully-insured loans	**8,652**	—	100	159	136	225	8,032
Total Residential Mortgage	**$ 236,316**	$ 12,809	$ 20,461	$ 14,240	$ 12,933	$ 35,488	$ 140,385
Residential Mortgage							
Refreshed FICO score							
Less than 620	**$ 3,055**	$ 62	$ 144	$ 167	$ 166	$ 366	$ 2,150
Greater than or equal to 620 and less than 660	**2,328**	61	181	147	135	372	1,432
Greater than or equal to 660 and less than 740	**24,755**	1,116	2,314	1,598	1,451	3,908	14,368
Greater than or equal to 740	**197,526**	11,570	17,722	12,169	11,045	30,617	114,403
Fully-insured loans	**8,652**	—	100	159	136	225	8,032
Total Residential Mortgage	**$ 236,316**	$ 12,809	$ 20,461	$ 14,240	$ 12,933	$ 35,488	$ 140,385
Gross charge-offs for the six months ended June 30, 2026	**$ 18**	$ —	$ 1	$ 5	$ 3	$ 3	$ 6

Home Equity - Credit Quality Indicators

(Dollars in millions)	Total	Home Equity Loans and Reverse Mortgages [1]	Revolving Loans	Revolving Loans Converted to Term Loans
	June 30, 2026			
Home Equity				
Refreshed LTV				
Less than or equal to 90 percent	**$ 26,955**	**$ 636**	**$ 23,237**	**$ 3,082**
Greater than 90 percent but less than or equal to 100 percent	**90**	**5**	**81**	**4**
Greater than 100 percent	**69**	**7**	**54**	**8**
Total Home Equity	**$ 27,114**	**$ 648**	**$ 23,372**	**$ 3,094**
Home Equity				
Refreshed FICO score				
Less than 620	**$ 693**	**$ 63**	**$ 418**	**$ 212**
Greater than or equal to 620 and less than 660	**573**	**41**	**372**	**160**
Greater than or equal to 660 and less than 740	**4,980**	**153**	**4,046**	**781**
Greater than or equal to 740	**20,868**	**391**	**18,536**	**1,941**
Total Home Equity	**$ 27,114**	**$ 648**	**$ 23,372**	**$ 3,094**
Gross charge-offs for the six months ended June 30, 2026	**$ 14**	**$ —**	**$ 10**	**$ 4**

[1] Includes reverse mortgages of $430 million and home equity loans of $218 million, which are no longer originated.

Credit Card and Direct/Indirect Consumer – Credit Quality Indicators By Vintage

	Direct/Indirect		Term Loans by Origination Year						Credit Card		
(Dollars in millions)	Total Direct/ Indirect as of June 30, 2026	Revolving Loans	2026	2025	2024	2023	2022	Prior	Total Credit Card as of June 30, 2026	Revolving Loans	Revolving Loans Converted to Term Loans [1]
Refreshed FICO score											
Less than 620	**$ 1,467**	$ 6	$ 92	$ 361	$ 350	$ 319	$ 232	$ 107	**$ 5,912**	$ 5,527	$ 385
Greater than or equal to 620 and less than 660	**1,199**	2	156	354	270	202	142	73	**5,842**	5,579	263
Greater than or equal to 660 and less than 740	**8,682**	28	1,749	2,980	1,747	1,070	705	403	**40,841**	40,302	539
Greater than or equal to 740	**41,123**	38	7,594	14,659	9,120	4,745	2,969	1,998	**53,064**	52,972	92
Other internal credit metrics [2,3]	**65,856**	65,036	131	211	52	34	75	317	**—**	—	—
Total credit card and other consumer	**$ 118,327**	$ 65,110	$ 9,722	$ 18,565	$ 11,539	$ 6,370	$ 4,123	$ 2,898	**$ 105,659**	$ 104,380	$ 1,279
Gross charge-offs for the six months ended June 30, 2026	**$ 193**	$ 3	$ 2	$ 78	$ 36	$ 32	$ 22	$ 20	**$ 2,294**	$ 2,210	$ 84

[1] Represents loans that were modified into term loans.
[2] Other internal credit metrics may include delinquency status, geography or other factors.
[3] Direct/indirect consumer includes $65.0 billion of securities-based lending, which is typically supported by highly liquid collateral with market value greater than or equal to the outstanding loan balance and therefore has minimal credit risk at June 30, 2026.

Commercial – Credit Quality Indicators By Vintage [1]

		Term Loans						
		Amortized Cost Basis by Origination Year						
(Dollars in millions)	Total as of June 30, 2026	2026	2025	2024	2023	2022	Prior	Revolving Loans
U.S. Commercial								
Risk ratings								
Pass rated	**$ 445,710**	$ 26,996	$ 50,745	$ 34,596	$ 20,239	$ 23,850	$ 49,445	$ 239,839
Reservable criticized	**10,922**	36	340	985	898	791	2,182	5,690
Total U.S. Commercial	**$ 456,632**	$ 27,032	$ 51,085	$ 35,581	$ 21,137	$ 24,641	$ 51,627	$ 245,529
Gross charge-offs for the six months ended June 30, 2026	$ 339	$ 2	$ 12	$ 12	$ 11	$ 26	$ 52	$ 224
Non-U.S. Commercial								
Risk ratings								
Pass rated	**$ 157,466**	$ 13,574	$ 20,461	$ 17,100	$ 8,475	$ 7,269	$ 12,409	$ 78,178
Reservable criticized	**2,428**	1	192	111	410	159	151	1,404
Total Non-U.S. Commercial	**$ 159,894**	$ 13,575	$ 20,653	$ 17,211	$ 8,885	$ 7,428	$ 12,560	$ 79,582
Gross charge-offs for the six months ended June 30, 2026	**$ 61**	$ —	$ 14	$ —	$ 7	$ 16	$ 3	$ 21
Commercial Real Estate								
Risk ratings								
Pass rated	**$ 64,713**	$ 6,739	$ 11,610	$ 5,344	$ 3,632	$ 6,954	$ 19,109	$ 11,325
Reservable criticized	**6,384**	14	105	151	180	1,413	3,901	620
Total Commercial Real Estate	**$ 71,097**	$ 6,753	$ 11,715	$ 5,495	$ 3,812	$ 8,367	$ 23,010	$ 11,945
Gross charge-offs for the six months ended June 30, 2026	**$ 94**	$ —	$ —	$ —	$ —	$ 2	$ 92	$ —
Commercial Lease Financing								
Risk ratings								
Pass rated	**$ 14,797**	$ 1,538	$ 3,769	$ 2,894	$ 2,376	$ 1,575	$ 2,645	$ —
Reservable criticized	**605**	1	30	99	161	113	201	—
Total Commercial Lease Financing	**$ 15,402**	$ 1,539	$ 3,799	$ 2,993	$ 2,537	$ 1,688	$ 2,846	$ —
Gross charge-offs for the six months ended June 30, 2026	**$ 15**	$ —	$ 1	$ 2	$ 6	$ 4	$ 2	$ —
U.S. Small Business Commercial [2]								
Risk ratings								
Pass rated	**$ 11,460**	$ 1,037	$ 2,411	$ 1,815	$ 1,571	$ 1,376	$ 2,414	$ 836
Reservable criticized	**604**	—	60	128	168	83	158	7
Total U.S. Small Business Commercial	**$ 12,064**	$ 1,037	$ 2,471	$ 1,943	$ 1,739	$ 1,459	$ 2,572	$ 843
Gross charge-offs for the six months ended June 30, 2026	**$ 21**	$ —	$ 1	$ —	$ 4	$ 4	$ 3	$ 9
Total	**$ 715,089**	$ 49,936	$ 89,723	$ 63,223	$ 38,110	$ 43,583	$ 92,615	$ 337,899
Gross charge-offs for the six months ended June 30, 2026	**$ 530**	$ 2	$ 28	$ 14	$ 28	$ 52	$ 152	$ 254

(1) Excludes $3.2 billion of loans accounted for under the fair value option at June 30, 2026.
(2) Excludes U.S. Small Business Card loans of $11.6 billion. Refreshed FICO scores for this portfolio are $796 million for less than 620; $665 million for greater than or equal to 620 and less than 660; $3.7 billion for greater than or equal to 660 and less than 740; and $6.4 billion for greater than or equal to 740. Excludes U.S. Small Business Card loans gross charge-offs of $285 million.

The following tables present certain credit quality indicators for the Corporation's Consumer Real Estate, Credit Card and Other Consumer, and Commercial portfolio segments by year of origination, except for revolving loans and revolving loans that were modified into term loans, which are shown on an aggregate basis at December 31, 2025.

Residential Mortgage – Credit Quality Indicators By Vintage

		Term Loans by Origination Year					
(Dollars in millions)	Total as of December 31, 2025	2025	2024	2023	2022	2021	Prior
Residential Mortgage							
Refreshed LTV							
Less than or equal to 90 percent	$ 223,761	$ 22,998	$ 14,267	$ 12,431	$ 37,042	$ 69,829	$ 67,194
Greater than 90 percent but less than or equal to 100 percent	2,318	737	644	375	405	94	63
Greater than 100 percent	1,147	453	341	126	137	50	40
Fully-insured loans	9,076	157	198	167	277	2,890	5,387
Total Residential Mortgage	$ 236,302	$ 24,345	$ 15,450	$ 13,099	$ 37,861	$ 72,863	$ 72,684
Residential Mortgage							
Refreshed FICO score							
Less than 620	$ 3,076	$ 197	$ 242	$ 193	$ 533	$ 724	$ 1,187
Greater than or equal to 620 and less than 660	2,277	192	150	143	408	540	844
Greater than or equal to 660 and less than 740	25,065	2,488	1,854	1,507	4,253	6,668	8,295
Greater than or equal to 740	196,808	21,311	13,006	11,089	32,390	62,041	56,971
Fully-insured loans	9,076	157	198	167	277	2,890	5,387
Total Residential Mortgage	$ 236,302	$ 24,345	$ 15,450	$ 13,099	$ 37,861	$ 72,863	$ 72,684
Gross charge-offs for the year ended December 31, 2025	$ 24	$ —	$ 4	$ 6	$ 6	$ 2	$ 6

Home Equity - Credit Quality Indicators

(Dollars in millions)	Total	Home Equity Loans and Reverse Mortgages [1]	Revolving Loans	Revolving Loans Converted to Term Loans
	December 31, 2025			
Home Equity				
Refreshed LTV				
Less than or equal to 90 percent	$ 26,686	$ 687	$ 22,909	$ 3,090
Greater than 90 percent but less than or equal to 100 percent	70	3	63	4
Greater than 100 percent	67	7	51	9
Total Home Equity	$ 26,823	$ 697	$ 23,023	$ 3,103
Home Equity				
Refreshed FICO score				
Less than 620	$ 701	$ 67	$ 399	$ 235
Greater than or equal to 620 and less than 660	595	44	375	176
Greater than or equal to 660 and less than 740	5,036	173	4,057	806
Greater than or equal to 740	20,491	413	18,192	1,886
Total Home Equity	$ 26,823	$ 697	$ 23,023	$ 3,103
Gross charge-offs for the year ended December 31, 2025	$ 16	$ —	$ 10	$ 6

(1) Includes reverse mortgages of $457 million and home equity loans of $240 million, which are no longer originated.

Credit Card and Direct/Indirect Consumer – Credit Quality Indicators By Vintage

(Dollars in millions)	Direct/Indirect: Total Direct/Indirect as of December 31, 2025	Direct/Indirect: Revolving Loans	Direct/Indirect: Term Loans by Origination Year: 2025	2024	2023	2022	2021	Prior	Credit Card: Total Credit Card as of December 31, 2025	Credit Card: Revolving Loans	Credit Card: Revolving Loans Converted to Term Loans [1]
Refreshed FICO score											
Less than 620	$ 1,560	$ 8	$ 274	$ 386	$ 404	$ 306	$ 141	$ 41	$ 6,255	$ 5,872	$ 383
Greater than or equal to 620 and less than 660	1,251	4	352	327	266	186	85	31	5,883	5,640	243
Greater than or equal to 660 and less than 740	9,117	37	3,739	2,236	1,491	986	439	189	41,176	40,679	497
Greater than or equal to 740	43,475	49	18,136	11,534	6,744	4,107	1,865	1,040	52,713	52,632	81
Other internal credit metrics [2, 3]	58,727	57,999	222	66	31	174	39	196	—	—	—
Total credit card and other consumer	$ 114,130	$ 58,097	$ 22,723	$ 14,549	$ 8,936	$ 5,759	$ 2,569	$ 1,497	$ 106,027	$ 104,823	$ 1,204
Gross charge-offs for the year ended December 31, 2025	$ 373	$ 6	$ 44	$ 110	$ 92	$ 64	$ 26	$ 31	$ 4,498	$ 4,338	$ 160

[1] Represents loans that were modified into term loans.
[2] Other internal credit metrics may include delinquency status, geography or other factors.
[3] Direct/indirect consumer includes $58.0 billion of securities-based lending, which is typically supported by highly liquid collateral with market value greater than or equal to the outstanding loan balance and therefore has minimal credit risk at December 31, 2025.

Commercial – Credit Quality Indicators By Vintage [1]

(Dollars in millions)	Total as of December 31, 2025	Term Loans: Amortized Cost Basis by Origination Year: 2025	2024	2023	2022	2021	Prior	Revolving Loans
U.S. Commercial								
Risk ratings								
Pass rated	$ 424,708	$ 61,845	$ 39,127	$ 23,611	$ 26,931	$ 16,001	$ 36,627	$ 220,566
Reservable criticized	11,534	164	772	965	946	611	2,091	5,985
Total U.S. Commercial	$ 436,242	$ 62,009	$ 39,899	$ 24,576	$ 27,877	$ 16,612	$ 38,718	$ 226,551
Gross charge-offs for the year ended December 31, 2025	$ 536	$ 3	$ 13	$ 35	$ 101	$ 12	$ 34	$ 338
Non-U.S. Commercial								
Risk ratings								
Pass rated	$ 152,364	$ 25,753	$ 21,446	$ 9,613	$ 8,612	$ 9,223	$ 6,066	$ 71,651
Reservable criticized	2,681	120	117	478	311	63	114	1,478
Total Non-U.S. Commercial	$ 155,045	$ 25,873	$ 21,563	$ 10,091	$ 8,923	$ 9,286	$ 6,180	$ 73,129
Gross charge-offs for the year ended December 31, 2025	$ 33	$ —	$ —	$ 7	$ —	$ 8	$ —	$ 18
Commercial Real Estate								
Risk ratings								
Pass rated	$ 60,435	$ 11,693	$ 5,607	$ 4,418	$ 8,136	$ 6,175	$ 13,796	$ 10,610
Reservable criticized	8,313	5	249	366	2,294	1,986	2,874	539
Total Commercial Real Estate	$ 68,748	$ 11,698	$ 5,856	$ 4,784	$ 10,430	$ 8,161	$ 16,670	$ 11,149
Gross charge-offs for the year ended December 31, 2025	$ 520	$ —	$ —	$ —	$ 56	$ 102	$ 360	$ 2
Commercial Lease Financing								
Risk ratings								
Pass rated	$ 15,770	$ 3,916	$ 3,142	$ 2,763	$ 1,847	$ 1,625	$ 2,477	$ —
Reservable criticized	471	13	91	131	119	36	81	—
Total Commercial Lease Financing	$ 16,241	$ 3,929	$ 3,233	$ 2,894	$ 1,966	$ 1,661	$ 2,558	$ —
Gross charge-offs for the year ended December 31, 2025	$ 8	$ —	$ 2	$ 3	$ 2	$ 1	$ —	$ —
U.S. Small Business Commercial [2]								
Risk ratings								
Pass rated	$ 11,001	$ 2,368	$ 1,908	$ 1,657	$ 1,471	$ 1,131	$ 1,670	$ 796
Reservable criticized	559	14	100	174	95	76	92	8
Total U.S. Small Business Commercial	$ 11,560	$ 2,382	$ 2,008	$ 1,831	$ 1,566	$ 1,207	$ 1,762	$ 804
Gross charge-offs for the year ended December 31, 2025	$ 32	$ —	$ 1	$ 2	$ 3	$ 2	$ 6	$ 18
Total	$ 687,836	$ 105,891	$ 72,559	$ 44,176	$ 50,762	$ 36,927	$ 65,888	$ 311,633
Gross charge-offs for the year ended December 31, 2025	$ 1,129	$ 3	$ 16	$ 47	$ 162	$ 125	$ 400	$ 376

[1] Excludes $3.3 billion of loans accounted for under the fair value option at December 31, 2025.
[2] Excludes U.S. Small Business Card loans of $10.9 billion. Refreshed FICO scores for this portfolio are $785 million for less than 620; $651 million for greater than or equal to 620 and less than 660; $3.6 billion for greater than or equal to 660 and less than 740; and $5.9 billion greater than or equal to 740. Excludes U.S. Small Business Card loans gross charge-offs of $555 million.

During the six months ended June 30, 2026, commercial reservable criticized utilized exposure decreased to $22.1 billion at June 30, 2026 from $24.7 billion (to 2.89 percent from 3.37 percent of total commercial reservable utilized exposure) at December 31, 2025, primarily driven by commercial real estate.

Loan Modifications to Borrowers in Financial Difficulty

As part of its credit risk management, the Corporation may modify a loan agreement with a borrower experiencing financial difficulties through a refinancing or restructuring of the borrower's loan agreement (modification programs).

Consumer Real Estate

The following modification programs are offered for consumer real estate loans to borrowers experiencing financial difficulties.

Forbearance and Other Payment Plans: Forbearance plans generally consist of the Corporation suspending the borrower's payments for a defined period, with those payments then due over a defined period of time or at the conclusion of the forbearance period. The aging status of a loan is generally frozen when it enters into a forbearance plan. If a borrower is unable to fulfill their obligations under the forbearance plans, they may be offered a trial offer or permanent modification.

Trial Offer and Permanent Modifications: Trial offer for modification plans generally consist of the Corporation offering a borrower modified loan terms that reduce their contractual payments temporarily over a three-to-four-month trial period. If the customer successfully makes the modified payments during the trial period and formally accepts the modified terms, the modified loan terms become permanent. Some borrowers may enter into permanent modifications without a trial period. In a permanent modification, the borrower's payment terms are typically modified in more than one manner, but generally include a term extension and an interest rate reduction. At times, the permanent modification may also include principal forgiveness and/or a deferral of past due principal and interest amounts to the end of the loan term. The combinations utilized are based on modifying the terms that give the borrower an improved ability to meet the contractual obligations. The term extensions granted for residential mortgage and home equity permanent modifications vary widely and can be up to 30 years, but most are in the range of 1 to 20 years. Principal forgiveness and payment deferrals were insignificant during the three and six months ended June 30, 2026 and 2025.

The table below provides the ending amortized cost of the Corporation's consumer real estate loans modified during the three and six months ended June 30, 2026 and 2025.

Consumer Real Estate - Modifications to Borrowers in Financial Difficulty

(Dollars in millions)	Forbearance and Other Payment Plans [1]	Permanent Modification	Total	As a % of Financing Receivables	Forbearance and Other Payment Plans [1]	Permanent Modification	Total	As a % of Financing Receivables
	Three Months Ended June 30, 2026				**Six Months Ended June 30, 2026**			
Residential Loans	**$ 115**	**$ 57**	**$ 172**	**0.07 %**	**$ 135**	**$ 94**	**$ 229**	**0.10 %**
Home Equity	**—**	**4**	**4**	**0.01**	**3**	**7**	**10**	**0.04**
Total	**$ 115**	**$ 61**	**$ 176**	**0.07**	**$ 138**	**$ 101**	**$ 239**	**0.09**
	Three Months Ended June 30, 2025				Six Months Ended June 30, 2025			
Residential Loans	$ 10	$ 58	$ 68	0.03 %	$ 17	$ 98	$ 115	0.05 %
Home Equity	—	5	5	0.02	—	12	12	0.05
Total	$ 10	$ 63	$ 73	0.03	$ 17	$ 110	$ 127	0.05

[1] Limited to those modifications that had an other-than-insignificant delay in payment, including extended residential mortgage relief provided to borrowers for their home rebuilding efforts following the 2025 California wildfires.

The table below presents the financial effect of modified consumer real estate loans.

Financial Effect of Modified Consumer Real Estate Loans

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	**2026**	2025
Forbearance and Other Payment Plans				
Weighted-average duration				
Residential Mortgage	**5 months**	6 months	**11 months**	6 months
Home Equity	**n/m**	n/m	**n/m**	n/m
Permanent Modifications				
Weighted-average Term Extension				
Residential Mortgage	**10.1 years**	9.2 years	**10.2 years**	9.4 years
Home Equity	**5.4 years**	14.7 years	**6.0 years**	16.6 years
Weighted-average Interest Rate Reduction				
Residential Mortgage	**1.45 %**	1.06 %	**1.52 %**	1.19 %
Home Equity	**2.29 %**	2.27 %	**2.93 %**	2.23 %

n/m = not meaningful

For consumer real estate borrowers in financial difficulty that received a forbearance, trial or permanent modification, commitments to lend additional funds were not significant at June 30, 2026 and 2025.

The Corporation tracks the performance of modified loans to assess effectiveness of modification programs. If a forbearance plan results in an other-than-insignificant payment delay, whether at inception or due to a subsequent extension, the loan's payment status is based on the original contractual terms. During the three and six months ended June 30, 2026 and 2025, defaults of residential and home equity loans that had been modified within 12 months were insignificant. The table below provides aging information as of June 30, 2026 and 2025 for consumer real estate loans that were modified over the last 12 months.

Consumer Real Estate - Payment Status of Modifications to Borrowers in Financial Difficulty

(Dollars in millions)	Current	30–89 Days Past Due	90+ Days Past Due	Total
		June 30, 2026		
Residential mortgage	**$ 152**	**$ 40**	**$ 125**	**$ 317**
Home equity	**14**	**2**	**3**	**19**
Total	**$ 166**	**$ 42**	**$ 128**	**$ 336**
		June 30, 2025		
Residential mortgage	$ 109	$ 44	$ 37	$ 190
Home equity	23	2	1	26
Total	$ 132	$ 46	$ 38	$ 216

Consumer real estate foreclosed properties totaled $62 million and $58 million at June 30, 2026 and December 31, 2025. The carrying value of consumer real estate loans, including fully-insured loans, for which formal foreclosure proceedings were in process at June 30, 2026 and December 31, 2025, was $388 million and $411 million. During the six months ended June 30, 2026 and 2025, the Corporation reclassified $21 million and $29 million of consumer real estate loans to foreclosed properties or, for properties acquired upon foreclosure of certain government-guaranteed loans (principally FHA-insured loans), to other assets. The reclassifications represent non-cash investing activities and, accordingly, are not reflected in the Consolidated Statement of Cash Flows.

Credit Card and Other Consumer

Credit card and other consumer loans are primarily modified by placing the customer on a fixed payment plan with a significantly reduced fixed interest rate, with terms ranging from 6 months to 72 months, most of which had a 60-month term at June 30, 2026. In certain circumstances, the Corporation will forgive a portion of the outstanding balance if the borrower makes payments up to a set amount. The Corporation makes modifications directly with borrowers for loans held by the Corporation (internal programs) as well as through third-party renegotiation agencies that provide solutions to customers' entire unsecured debt structures (external programs). The June 30, 2026 amortized cost of credit card and other consumer loans that were modified through these programs during the three and six months ended June 30, 2026 was $244 million and $447 million compared to $218 million and $405 million for same periods in 2025. These modifications represented 0.11 percent and 0.20 percent of outstanding credit card and other consumer loans for the three and six months ended June 30, 2026 compared to 0.10 percent and 0.19 percent for the same periods in 2025. During the three and six months ended June 30, 2026 and 2025, the financial effect of modifications resulted in a weighted-average interest rate reduction of 18 percentage points for all periods. During the three and six months ended June 30, 2026 the financial effect of modifications resulted in principal forgiveness of $29 million and $54 million compared to $26 million and $51 million for the same periods in 2025.

The Corporation tracks the performance of modified loans to assess effectiveness of modification programs. As of June 30, 2026 and 2025, defaults of credit card and other consumer loans that had been modified within 12 months were not significant. At June 30, 2026, modified credit card and other consumer loans to borrowers experiencing financial difficulty over the last 12 months totaled $727 million, of which $622 million were current, $57 million were 30-89 days past due, and $48 million were greater than 90 days past due. At June 30, 2025, modified credit card and other consumer loans to borrowers experiencing financial difficulty totaled $645 million, of which $547 million were current, $53 million were 30-89 days past due, and $45 million were greater than 90 days past due.

Commercial Loans

Modifications of loans to commercial borrowers experiencing financial difficulty are designed to reduce the Corporation's loss exposure while providing borrowers with an opportunity to work through financial difficulties, often to avoid foreclosure or bankruptcy. Each modification is unique, reflects the borrower's individual circumstances and is designed to benefit the borrower while mitigating the Corporation's risk exposure. Commercial modifications are primarily term extensions and payment forbearances. Payment forbearances involve the Corporation forbearing its contractual right to collect certain payments or payment in full (maturity forbearance) for a defined period of time. Reductions in interest rates and principal forgiveness occur infrequently for commercial borrowers. Principal forgiveness may occur in connection with foreclosure, short sales or other settlement agreements, leading to termination or sale of the loan. The following table provides the ending amortized cost of commercial loans modified during the three and six months ended June 30, 2026 and 2025.

Commercial Loans - Modifications to Borrowers in Financial Difficulty

(Dollars in millions)	Term Extension	Forbearances	Interest Rate Reduction	Total	As a % of Financing Receivables	Term Extension	Forbearances	Interest Rate Reduction	Total	As a % of Financing Receivables
	Three Months Ended June 30, 2026					**Six Months Ended June 30, 2026**				
U.S. commercial	**$ 586**	**$ 399**	**$ —**	**$ 985**	**0.22 %**	**$ 1,133**	**$ 412**	**$ —**	**$ 1,545**	**0.34 %**
Non-U.S. commercial	**71**	**10**	**—**	**81**	**0.05**	**78**	**10**	**—**	**88**	**0.06**
Commercial real estate	**307**	**—**	**—**	**307**	**0.43**	**363**	**288**	**—**	**651**	**0.92**
Total	**$ 964**	**$ 409**	**$ —**	**$ 1,373**	**0.20**	**$ 1,574**	**$ 710**	**$ —**	**$ 2,284**	**0.33**
	Three Months Ended June 30, 2025					Six Months Ended June 30, 2025				
U.S. commercial	$ 397	$ 104	$ —	$ 501	0.12 %	$ 610	$ 134	$ —	$ 744	0.18 %
Non-U.S. commercial	—	—	—	—	—	33	9	—	42	0.03
Commercial real estate	769	439	—	1,208	1.84	1,403	551	—	1,954	2.98
Total	$ 1,166	$ 543	$ —	$ 1,709	0.27	$ 2,046	$ 694	$ —	$ 2,740	0.44

Term extensions granted increased the weighted-average life of the impacted loans by 1.6 years and 1.8 years for the three and six months ended June 30, 2026 compared to 10 months and 1.3 years for the same periods in 2025. The weighted-average duration of loan payments deferred under the Corporation’s commercial loan forbearance program was 11 months and 1.0 year for the three and six months ended June 30, 2026 compared to 1.2 years and 1.3 years for the same periods in 2025. The deferral period for loan payments can vary, but are mostly in the range of 8 months to 2.0 years. Modifications of loans to troubled borrowers for Commercial Lease Financing and U.S. Small Business Commercial were not significant during the three and six months ended June 30, 2026 and 2025.

The Corporation tracks the performance of modified loans to assess effectiveness of modification programs. As of June 30, 2026, defaults of commercial loans that had been modified within 12 months were $154 million. As of June 30, 2025, defaults of commercial loans that had been modified within the last 12 months were $234 million. The table below provides aging information as of June 30, 2026 and 2025 for commercial loans that were modified over the last 12 months.

Commercial - Payment Status of Modified Loans to Borrowers in Financial Difficulty

(Dollars in millions)	Current	30–89 Days Past Due	90+ Days Past Due	Total
	June 30, 2026			
U.S. Commercial	**$ 2,156**	**$ 3**	**$ 134**	**$ 2,293**
Non-U.S. Commercial	**105**	**—**	**—**	**105**
Commercial Real Estate	**658**	**7**	**292**	**957**
Total	**$ 2,919**	**$ 10**	**$ 426**	**$ 3,355**
	June 30, 2025			
U.S. Commercial	$ 1,249	$ 7	$ 43	$ 1,299
Non-U.S. Commercial	69	—	—	69
Commercial Real Estate	2,756	5	645	3,406
Total	$ 4,074	$ 12	$ 688	$ 4,774

For the six months ended June 30, 2026 and 2025, the Corporation had commitments to lend $960 million and $434 million to commercial borrowers experiencing financial difficulty whose loans were modified during the period.

Loans Held-for-sale

The Corporation had LHFS of $6.5 billion and $5.2 billion at June 30, 2026 and December 31, 2025. Cash and non-cash proceeds from sales and paydowns of loans originally classified as LHFS were $20.1 billion and $20.4 billion for the six months ended June 30, 2026 and 2025. Cash used for originations and purchases of LHFS totaled $21.6 billion and $15.4 billion for the six months ended June 30, 2026 and 2025. For the six months ended June 30, 2026 and 2025, non-cash net transfers into LHFS were not significant.

Accrued Interest Receivable

Accrued interest receivable for loans and leases and LHFS was $4.2 billion at both June 30, 2026 and December 31, 2025 and is reported in customer and other receivables on the Consolidated Balance Sheet.

Outstanding credit card loan balances include unpaid principal, interest and fees. Credit card loans are not classified as nonperforming but are charged off no later than the end of the month in which the account becomes 180 days past due, within 60 days after receipt of notification of death or bankruptcy, or upon confirmation of fraud. During the three and six months ended June 30, 2026, the Corporation reversed $216 million and $438 million of interest and fee income against the income statement line item in which it was originally recorded upon charge-off of the principal balance of the loan compared to $218 million and $449 million for the same periods in 2025.

For the outstanding residential mortgage, home equity, direct/indirect consumer and commercial loan balances classified as nonperforming during the three and six months ended June 30, 2026 and 2025, interest and fee income reversed at the time the loans were classified as nonperforming was not significant. For more information on the Corporation's nonperforming loan policies, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation’s 2025 Annual Report on Form 10-K.

Allowance for Credit Losses

The allowance for credit losses is estimated using quantitative and qualitative methods that consider a variety of factors, such as historical loss experience, the current credit quality of the portfolio and an economic outlook over the life of the loan. Qualitative reserves cover losses that are expected but, in the Corporation's assessment, may not adequately be reflected in the quantitative methods or the economic assumptions. The economic outlook is a significant factor and incorporates forward-looking information through the use of several macroeconomic scenarios in determining the weighted economic outlook over the forecasted life of the assets. These scenarios include key macroeconomic variables such as gross domestic product, unemployment rate, real estate prices and corporate bond spreads. The scenarios that are chosen each quarter and the weighting given to each scenario depend on a variety of factors including recent economic events, leading economic indicators, internal and third-party economist views, and industry trends. For more information on the Corporation's credit loss accounting policies including the allowance for credit losses, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation’s 2025 Annual Report on Form 10-K.

The June 30, 2026 estimate for allowance for credit losses was based on various economic scenarios, including a baseline scenario derived from consensus estimates, an adverse scenario reflecting an extended moderate recession, a downside scenario reflecting continued inflation, a tail risk scenario similar to the severely adverse scenario used in stress testing and an upside scenario that considers the potential for improvement above the baseline scenario. When compared to the consensus baseline scenario noted above, the Corporation’s weighted economic outlook remains weighted to the downside and moderately weaker than the consensus baseline as of June 30, 2026, consistent with the Corporation’s weighted economic outlook estimated as of December 31, 2025. The weighted economic outlook assumes that the U.S. average unemployment rate will be approximately five percent in the fourth quarter of 2026 and will remain near this level through the fourth quarter of 2027. It also assumes U.S. real gross domestic product will grow at 1.4 percent and 1.8 percent year-over-year in the fourth quarters of 2026 and 2027.

The allowance for credit losses decreased $116 million from December 31, 2025 to $14.3 billion at June 30, 2026. The decrease in the allowance for credit losses was driven by continued improvement in credit card and commercial real estate, partially offset by loan growth and a qualitative reserve build related to uncertainties associated with the ongoing conflicts in the Middle East. The change in the allowance for credit losses was comprised of a net decrease of $89 million in the allowance for loan and lease losses and a decrease of $27 million in the reserve for unfunded lending commitments. The decrease in the allowance for credit losses was attributed to a decrease in the credit card and other consumer portfolios of $159 million, partially offset by an increase in the commercial portfolio of $10 million and the consumer real estate portfolio of $33 million.

The provision for credit losses decreased $226 million to $1.4 billion, and $369 million to $2.7 billion for the three and six months ended June 30, 2026 compared to the same periods in 2025. The decrease for the three-month period was attributed to a decrease in consumer of $75 million due to improved asset quality in credit card and a decrease in commercial of $151 million due to improved asset quality in commercial real estate. The decrease for the six-month period was attributed to a decrease in consumer of $211 million and a decrease in commercial of $158 million. The decrease in consumer was primarily driven by improved asset quality within the credit card portfolio. The decrease in commercial was primarily due to improved asset quality in the commercial real estate portfolio, partially offset by loan growth in the commercial and industrial portfolio and a qualitative reserve build related to uncertainties associated with the ongoing conflicts in the Middle East.

Net charge-offs for the three and six months ended June 30, 2026 were $1.4 billion and $2.8 billion compared to $1.5 billion and $3.0 billion for the same periods in 2025. The decreases of $113 million and $156 million for the three and six months ended June 30, 2026 as compared to the prior-year periods were driven by asset quality improvement in commercial real estate and credit card.

The changes in the allowance for credit losses, including net charge-offs and provision for loan and lease losses, are detailed in the following table.

(Dollars in millions)	Consumer Real Estate	Credit Card and Other Consumer	Commercial	Total
	Three Months Ended June 30, 2026			
Allowance for loan and lease losses, April 1	**$ 417**	**$ 7,854**	**$ 4,877**	**$ 13,148**
Loans and leases charged off	**(16)**	**(1,314)**	**(410)**	**(1,740)**
Recoveries of loans and leases previously charged off	**21**	**269**	**38**	**328**
Net charge-offs	**5**	**(1,045)**	**(372)**	**(1,412)**
Provision for loan and lease losses	**19**	**996**	**362**	**1,377**
Other	**—**	**—**	**1**	**1**
Allowance for loan and lease losses, June 30	**441**	**7,805**	**4,868**	**13,114**
Reserve for unfunded lending commitments, April 1	**75**	**—**	**1,086**	**1,161**
Provision for unfunded lending commitments	**(5)**	**—**	**(6)**	**(11)**
Reserve for unfunded lending commitments, June 30	**70**	**—**	**1,080**	**1,150**
Allowance for credit losses, June 30	**$ 511**	**$ 7,805**	**$ 5,948**	**$ 14,264**
	Three Months Ended June 30, 2025			
Allowance for loan and lease losses, April 1	$ 340	$ 8,212	$ 4,704	$ 13,256
Loans and leases charged off	(14)	(1,299)	(511)	(1,824)
Recoveries of loans and leases previously charged off	22	232	45	299
Net charge-offs	8	(1,067)	(466)	(1,525)
Provision for loan and lease losses	(3)	1,087	476	1,560
Other	1	—	(1)	—
Allowance for loan and lease losses, June 30	346	8,232	4,713	13,291
Reserve for unfunded lending commitments, April 1	57	—	1,053	1,110
Provision for unfunded lending commitments	1	—	31	32
Other	—	—	1	1
Reserve for unfunded lending commitments, June 30	58	—	1,085	1,143
Allowance for credit losses, June 30	$ 404	$ 8,232	$ 5,798	$ 14,434
(Dollars in millions)	**Six Months Ended June 30, 2026**			
Allowance for loan and lease losses, January 1	**$ 416**	**$ 7,964**	**$ 4,823**	**$ 13,203**
Loans and leases charged off	**(32)**	**(2,630)**	**(815)**	**(3,477)**
Recoveries of loans and leases previously charged off	**39**	**524**	**93**	**656**
Net charge-offs	**7**	**(2,106)**	**(722)**	**(2,821)**
Provision for loan and lease losses	**19**	**1,946**	**765**	**2,730**
Other	**(1)**	**1**	**2**	**2**
Allowance for loan and lease losses, June 30	**441**	**7,805**	**4,868**	**13,114**
Reserve for unfunded lending commitments, January 1	**62**	**—**	**1,115**	**1,177**
Provision for unfunded lending commitments	**8**	**—**	**(35)**	**(27)**
Reserve for unfunded lending commitments, June 30	**70**	**—**	**1,080**	**1,150**
Allowance for credit losses, June 30	**$ 511**	**$ 7,805**	**$ 5,948**	**$ 14,264**
	Six Months Ended June 30, 2025			
Allowance for loan and lease losses, January 1	$ 293	$ 8,277	$ 4,670	$ 13,240
Loans and leases charged off	(20)	(2,648)	(889)	(3,557)
Recoveries of loans and leases previously charged off	40	450	90	580
Net charge-offs	20	(2,198)	(799)	(2,977)
Provision for loan and lease losses	29	2,154	843	3,026
Other	4	(1)	(1)	2
Allowance for loan and lease losses, June 30	346	8,232	4,713	13,291
Reserve for unfunded lending commitments, January 1	57	—	1,039	1,096
Provision for unfunded lending commitments	1	—	45	46
Other	—	—	1	1
Reserve for unfunded lending commitments, June 30	58	—	1,085	1,143
Allowance for credit losses, June 30	$ 404	$ 8,232	$ 5,798	$ 14,434

NOTE 6 Securitizations and Other Variable Interest Entities

The Corporation utilizes VIEs in the ordinary course of business to support its own and its customers' financing and investing needs. The Corporation routinely securitizes loans and debt securities using VIEs as a source of funding for the Corporation and as a means of transferring the economic risk of the loans or debt securities to third parties. The assets are transferred into a trust or other securitization vehicle such that the assets are legally isolated from the creditors of the Corporation and are not available to satisfy its obligations. These assets can only be used to settle obligations of the trust or other securitization vehicle. The Corporation also administers, structures or invests in other VIEs including CDOs, investment vehicles and other entities. For more information on the Corporation's use of VIEs, see *Note 1 – Summary of Significant Accounting Principles* and *Note 6 – Securitizations and Other Variable Interest Entities* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

The tables in this Note present the assets and liabilities of consolidated and unconsolidated VIEs at June 30, 2026 and December 31, 2025 in situations where the Corporation has a loan or security interest and involvement with transferred assets or if the Corporation otherwise has an additional interest in the VIE. The tables also present the Corporation's maximum loss exposure at June 30, 2026 and December 31, 2025 resulting from its involvement with consolidated VIEs and unconsolidated

VIEs. The Corporation's maximum loss exposure is based on the unlikely event that all of the assets in the VIEs become worthless and incorporates not only potential losses associated with assets recorded on the Consolidated Balance Sheet but also potential losses associated with off-balance sheet commitments, such as unfunded liquidity commitments and other contractual arrangements. The Corporation's maximum loss exposure does not include losses previously recognized through write-downs of assets.

The Corporation invests in ABS, CLOs and other similar investments issued by third-party VIEs with which it has no other form of involvement other than a loan or debt security issued by the VIE. In addition, the Corporation also enters into certain commercial lending arrangements that may utilize VIEs for activities secondary to the lending arrangement, for example to hold collateral. The Corporation's maximum loss exposure to these VIEs is the investment balances. These securities and loans are included in *Note 4 – Securities* or *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses* and are not included in the following tables.

The Corporation did not provide financial support to consolidated or unconsolidated VIEs during the three and six months ended June 30, 2026 or the year ended December 31, 2025 that it was not previously contractually required to provide, nor does it intend to do so.

The Corporation had liquidity commitments, including written put options and collateral value guarantees, with certain unconsolidated VIEs of $1.2 billion and $1.1 billion at June 30, 2026 and December 31, 2025.

First-lien Mortgage Securitizations

As part of its mortgage banking activities, the Corporation securitizes a portion of the first-lien residential mortgage loans it originates or purchases from third parties, generally in the form of residential mortgage-backed securities guaranteed by government-sponsored enterprises, FNMA and FHLMC (collectively the GSEs), or the Government National Mortgage Association (GNMA) primarily in the case of FHA-insured and U.S. Department of Veterans Affairs (VA)-guaranteed mortgage loans. Securitization usually occurs in conjunction with or shortly after origination or purchase, and the Corporation may also securitize loans held in its residential mortgage portfolio. In addition, the Corporation may, from time to time, securitize commercial mortgages it originates or purchases from other entities. The Corporation typically services the loans it securitizes. Further, the Corporation may retain beneficial interests in the securitization trusts including senior and subordinate securities and equity tranches issued by the trusts. Except as described in *Note 10 – Commitments and Contingencies*, the Corporation does not provide guarantees or recourse to the securitization trusts other than standard representations and warranties.

The table below summarizes select information related to first-lien mortgage securitizations for the three and six months ended June 30, 2026 and 2025.

First-lien Mortgage Securitizations

	Residential Mortgage - Agency				Commercial Mortgage			
	Three Months Ended June 30		Six Months Ended June 30		Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Proceeds from loan sales [1]	**$ 1,900**	$ 1,439	$ 3,706	$ 2,534	$ 2,966	$ 1,069	**$ 5,643**	$ 6,559
Gains (losses) on securitizations [2]	**(2)**	(1)	(3)	(3)	9	7	**12**	53
Repurchases from securitization trusts [3]	**14**	8	33	29	**—**	—	**—**	—

(1) The Corporation transfers residential mortgage loans to securitizations sponsored primarily by the GSEs or GNMA in the normal course of business and primarily receives residential mortgage-backed securities in exchange. Substantially all of these securities are classified as Level 2 within the fair value hierarchy and are typically sold shortly after receipt.

(2) A majority of the first-lien residential mortgage loans securitized are initially classified as LHFS and accounted for under the fair value option. Gains recognized on these LHFS prior to securitization, which totaled $16 million and $29 million, net of hedges, during the three and six months ended June 30, 2026 compared to $8 million and $14 million for the same periods in 2025, are not included in the table above.

(3) The Corporation may have the option to repurchase delinquent loans out of securitization trusts, which reduces the amount of servicing advances it is required to make. The Corporation may also repurchase loans from securitization trusts to perform modifications. Repurchased loans include FHA-insured mortgages collateralizing GNMA securities.

The Corporation recognizes consumer MSRs from the sale or securitization of consumer real estate loans. The unpaid principal balance of loans serviced for investors, including residential mortgage and home equity loans, totaled $76.3 billion and $81.8 billion at June 30, 2026 and 2025. Servicing fee and ancillary fee income on serviced loans was $49 million and $99 million during the three and six months ended June 30, 2026 compared to $55 million and $110 million for the same periods in 2025. Servicing advances on serviced loans, including loans serviced for others and loans held for investment, were $811 million and $894 million at June 30, 2026 and December 31, 2025. For more information on MSRs, see *Note 14 – Fair Value Measurements*.

Home Equity Loans

The Corporation retains interests, primarily senior securities, in home equity securitization trusts to which it transferred home equity loans. In addition, the Corporation may be obligated to provide subordinate funding to the trusts during a rapid amortization event. This obligation is included in the maximum loss exposure in the preceding table. The charges that will ultimately be recorded as a result of the rapid amortization events depend on the undrawn portion of the home equity lines of credit, performance of the loans, the amount of subsequent draws and the timing of related cash flows.

Mortgage and Home Equity Securitizations

The table below summarizes select information related to mortgage and home equity securitization trusts in which the Corporation held a variable interest and had continuing involvement at June 30, 2026 and December 31, 2025.

Mortgage and Home Equity Securitizations

	Residential Mortgage									
			Non-agency							
	Agency		Prime and Alt-A		Subprime		Home Equity [1]		Commercial Mortgage	
(Dollars in millions)	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025	**June 30 2026**	December 31 2025
Unconsolidated VIEs										
Maximum loss exposure [2]	**$ 6,560**	$ 6,869	**$ 12**	$ 11	**$ 346**	$ 495	**$ —**	$ —	**$ 1,842**	$ 1,770
On-balance sheet assets										
Senior securities:										
Trading account assets	**$ 242**	$ 218	**$ 10**	$ 9	**$ 27**	$ 6	**$ —**	$ —	**$ 678**	$ 535
Debt securities carried at fair value	**1,913**	2,050	**—**	—	**198**	407	**—**	—	**—**	—
Held-to-maturity securities	**4,405**	4,601	**—**	—	**—**	—	**—**	—	**1,002**	1,075
All other assets	**—**	—	**2**	2	**28**	17	**—**	—	**21**	24
Total retained positions	**$ 6,560**	$ 6,869	**$ 12**	$ 11	**$ 253**	$ 430	**$ —**	$ —	**$ 1,701**	$ 1,634
Principal balance outstanding [3]	**$ 63,495**	$ 65,290	**$ 10,666**	$ 11,242	**$ 3,686**	$ 3,775	**$ 139**	$ 154	**$ 94,510**	$ 91,802
Consolidated VIEs										
Maximum loss exposure [2]	**$ 737**	$ 939	**$ —**	$ —	**$ —**	$ 30	**$ 8**	$ 8	**$ —**	$ —
On-balance sheet assets										
Trading account assets	**$ 737**	$ 939	**$ —**	$ —	$ **—**	$ 245	**$ —**	$ —	**$ —**	$ —
Loans and leases	**—**	—	**—**	—	**—**	—	**13**	15	**—**	—
Allowance for loan and lease losses	**—**	—	**—**	—	**—**	—	**5**	5	**—**	—
All other assets	**—**	—	**—**	—	**—**	—	**—**	1	**—**	—
Total assets	**$ 737**	$ 939	**$ —**	$ —	**$ —**	$ 245	**$ 18**	$ 21	**$ —**	$ —
Total liabilities	**$ —**	$ —	**$ —**	$ —	**$ —**	$ 215	**$ 10**	$ 13	**$ —**	$ —

(1) For unconsolidated home equity loan VIEs, the maximum loss exposure includes outstanding trust certificates issued by trusts in rapid amortization, net of recorded reserves. For both consolidated and unconsolidated home equity loan VIEs, the maximum loss exposure excludes the reserve for representations and warranties obligations and corporate guarantees. For more information, see *Note 10 – Commitments and Contingencies*.

(2) Maximum loss exposure includes obligations under loss-sharing reinsurance and other arrangements for non-agency residential mortgage and commercial mortgage securitizations, but excludes the reserve for representations and warranties obligations and corporate guarantees and also excludes servicing advances and other servicing rights and obligations. For more information, see *Note 10 – Commitments and Contingencies* and *Note 14 – Fair Value Measurements*.

(3) Principal balance outstanding includes loans where the Corporation was the transferor to securitization VIEs with which it has continuing involvement, which may include servicing the loans.

Other Asset-backed Securitizations

The following paragraphs summarize select information related to other asset-backed VIEs in which the Corporation had a variable interest at June 30, 2026 and December 31, 2025.

Credit Card and Automobile Loan Securitizations

The Corporation securitizes originated and purchased credit card and automobile loans as a source of financing. The loans are sold on a non-recourse basis to consolidated trusts. The securitizations are ongoing, whereas additional receivables will be funded into the trusts by either loan repayments or proceeds from securities issued to third parties, depending on the securitization structure. The Corporation's continuing involvement with the securitization trusts includes servicing the receivables and holding various subordinated interests, including an undivided seller's interest in the credit card receivables and owning certain retained interests.

At both June 30, 2026 and December 31, 2025, the carrying values of the receivables in the trusts totaled $17.1 billion, which are included in loans and leases, and the carrying values of senior debt securities that were issued to third-party investors from the trusts totaled $7.3 billion and $6.4 billion, which are included in long-term debt.

Resecuritization Trusts

The Corporation transfers securities, typically MBS, into resecuritization VIEs generally at the request of customers seeking securities with specific characteristics. Generally, there are no significant ongoing activities performed in a resecuritization trust, and no single investor has the unilateral ability to liquidate the trust.

The Corporation resecuritized $10.2 billion and $22.4 billion of securities during the three and six months ended June 30, 2026 compared to $7.2 billion and $18.5 billion for the same periods in 2025. Securities transferred into resecuritization VIEs were measured at fair value with changes in fair value recorded in market making and similar activities prior to the resecuritization and, accordingly, no gain or loss on sale was recorded. During the three and six months ended June 30, 2026, resecuritization proceeds included securities with an initial fair value of $325 million and $1.2 billion, compared to $771 million and $2.8 billion for the same periods in 2025, of which substantially all of the securities were classified as trading account assets for both periods. Substantially all of the trading account securities carried at fair value were categorized as Level 2 within the fair value hierarchy.

During the three and six months ended June 30, 2026, the Corporation's deconsolidated resecuritization trusts were not significant. During the three and six months ended June 30, 2025, the Corporation deconsolidated resecuritization trusts with total assets of $368 million and $495 million.

Customer VIEs

Customer VIEs include credit-linked, equity-linked and commodity-linked note VIEs, repackaging VIEs and asset acquisition VIEs, which are typically created on behalf of customers who wish to obtain market or credit exposure to a specific company, index, commodity or financial instrument.

The Corporation's involvement in the VIE is limited to its loss exposure. The Corporation's maximum loss exposure to consolidated and unconsolidated customer VIEs totaled $2.6 billion and $1.7 billion at June 30, 2026 and December 31, 2025, including the notional amount of derivatives to which the Corporation is a counterparty, net of losses previously recorded, and the Corporation's investment, if any, in securities issued by the VIEs.

Municipal Bond Trusts

The Corporation administers municipal bond trusts that hold highly-rated, long-term, fixed-rate municipal bonds. The trusts obtain financing by issuing floating-rate trust certificates that reprice on a weekly or other short-term basis to third-party investors.

The Corporation's liquidity commitments to unconsolidated municipal bond trusts, including those for which the Corporation was transferor, totaled $3.1 billion and $3.0 billion at June 30, 2026 and December 31, 2025. The weighted-average remaining life of bonds held in the trusts at June 30, 2026 was 9.1 years. There were no significant write-downs or downgrades of assets or issuers during the six months ended June 30, 2026 and 2025.

Collateralized Debt Obligation VIEs

The Corporation receives fees for structuring CDO VIEs, which hold diversified pools of fixed-income securities, typically corporate debt or ABS, which the CDO VIEs fund by issuing multiple tranches of debt and equity securities. CDOs are generally managed by third-party portfolio managers. The Corporation typically transfers assets to these CDOs, holds securities issued by the CDOs and may be a derivative counterparty to the CDOs. The Corporation's maximum loss exposure to consolidated and unconsolidated CDOs totaled $55 million and $60 million at June 30, 2026 and December 31, 2025.

Investment VIEs

The Corporation sponsors, invests in or provides financing, which may be in connection with the sale of assets, to a variety of investment VIEs that hold loans, real estate, debt securities or other financial instruments and are designed to provide the desired investment profile to investors or the Corporation. At June 30, 2026 and December 31, 2025, the Corporation's consolidated investment VIEs had total assets of $64 million and $58 million. The Corporation also held investments in unconsolidated VIEs with total assets of $33.8 billion and $30.0 billion at June 30, 2026 and December 31, 2025. The Corporation's maximum loss exposure associated with both consolidated and unconsolidated investment VIEs totaled $3.7 billion and $2.8 billion at June 30, 2026 and December 31, 2025 comprised primarily of on-balance sheet assets less non-recourse liabilities.

Leveraged Lease Trusts

The Corporation's net investment in consolidated leveraged lease trusts totaled $828 million and $850 million at June 30, 2026 and December 31, 2025. The trusts hold long-lived equipment such as rail cars, power generation and distribution equipment, and commercial aircraft. The Corporation structures the trusts and holds a significant residual interest. The net investment represents the Corporation's maximum loss exposure to the trusts in the unlikely event that the leveraged lease investments become worthless. Debt issued by the leveraged lease trusts is non-recourse to the Corporation.

The following table summarizes the maximum loss exposure and assets held by the Corporation that related to other asset-backed VIEs at June 30, 2026 and December 31, 2025.

Other Asset-backed VIEs

(Dollars in millions)	Credit Card and Automobile [1] June 30 2026	Credit Card and Automobile [1] December 31 2025	Resecuritization Trusts and Customer VIEs June 30 2026	Resecuritization Trusts and Customer VIEs December 31 2025	Municipal Bond Trusts and CDOs June 30 2026	Municipal Bond Trusts and CDOs December 31 2025	Investment VIEs and Leveraged Lease Trusts June 30 2026	Investment VIEs and Leveraged Lease Trusts December 31 2025
Unconsolidated VIEs								
Maximum loss exposure	**$ —**	$ —	**$ 6,158**	$ 5,183	**$ 3,138**	$ 3,107	**$ 4,773**	$ 3,955
On-balance sheet assets								
Securities [2]:								
Trading account assets	**$ —**	$ —	**$ 1,429**	$ 1,223	**$ 2**	$ 12	**$ 157**	$ 152
Debt securities carried at fair value	**—**	—	**690**	745	**—**	—	**819**	—
Held-to-maturity securities	**—**	—	**1,638**	1,747	**—**	—	**—**	—
Loans and leases	**—**	—	**—**	—	**—**	—	**1,214**	1,257
Allowance for loan and lease losses	**—**	—	**—**	—	**—**	—	**(1)**	(2)
All other assets	**—**	—	**2,401**	1,468	**6**	5	**2,033**	2,022
Total retained positions	**$ —**	$ —	**$ 6,158**	$ 5,183	**$ 8**	$ 17	**$ 4,222**	$ 3,429
Total on-balance sheet liabilities	**$ —**	$ —	**$ —**	$ —	**$ —**	$ —	**$ 392**	$ 409
Total assets of VIEs	**$ —**	$ —	**$ 31,268**	$ 31,798	**$ 7,794**	$ 8,065	**$ 33,771**	$ 30,016
Consolidated VIEs								
Maximum loss exposure	**$ 9,153**	$ 9,995	**$ 211**	$ 196	**$ 7,130**	$ 5,975	**$ 823**	$ 844
On-balance sheet assets								
Trading account assets	**$ —**	$ —	**$ 394**	$ 394	**$ 6,513**	$ 5,506	**$ 59**	$ 55
Debt securities carried at fair value	**—**	—	**—**	—	**617**	469	**—**	—
Loans and leases	**17,127**	17,066	**—**	—	**—**	—	**765**	794
Allowance for loan and lease losses	**(862)**	(875)	**—**	—	**—**	—	**(1)**	(1)
All other assets	**226**	197	**41**	40	**—**	—	**5**	2
Total assets	**$ 16,491**	$ 16,388	**$ 435**	$ 434	**$ 7,130**	$ 5,975	**$ 828**	$ 850
On-balance sheet liabilities								
Short-term borrowings	**$ —**	$ —	**$ —**	$ —	**$ 6,964**	$ 5,779	**$ —**	$ —
Long-term debt	**7,319**	6,375	**222**	238	**—**	—	**4**	6
All other liabilities	19	18	**—**	—	**—**	—	**1**	—
Total liabilities	**$ 7,338**	$ 6,393	**$ 222**	$ 238	**$ 6,964**	$ 5,779	**$ 5**	$ 6

(1) At June 30, 2026 and December 31, 2025 loans and leases in the consolidated credit card trust included $4.2 billion and $5.4 billion of seller's interest.
(2) The retained senior securities were valued using quoted market prices or observable market inputs (Level 2 of the fair value hierarchy).

Tax-related VIEs

The Corporation holds equity investments in unconsolidated limited partnerships and similar entities that construct, own and operate affordable housing, renewable energy and certain other projects. The total assets of these unconsolidated tax-related VIEs were $85.0 billion and $86.5 billion as of June 30, 2026 and December 31, 2025. An unrelated third party is typically the general partner or managing member and has control over the significant activities of the VIE. As an investor, tax credits associated with the investments in these entities are allocated to the Corporation, as provided by the U.S. Internal Revenue Code and related regulations, and are recognized as income tax benefits in the Corporation's Consolidated Statement of Income in the year they are earned, which varies based on the type of investments.

At June 30, 2026 and December 31, 2025, the Corporation had tax-related equity investments totaling $24.3 billion and $25.4 billion, which were comprised of $23.1 billion and $24.4 billion as of the same periods under programs for which the Corporation elected the proportional amortization method, as well as $1.1 billion and $1.0 billion accounted for under the equity method or fair value option. These investments are further described below.

The Corporation has investments in affordable housing, renewable energy and certain other projects that had a carrying value of $23.1 billion and $24.4 billion at June 30, 2026 and December 31, 2025, which included unfunded capital contributions of $7.4 billion and $8.1 billion that are probable to be paid.

For the investments that qualify, the Corporation has elected to account for its equity investments in affordable housing, renewable wind energy and certain other projects under the proportional amortization method. The investments that do not qualify are accounted for under the equity method. During the three and six months ended June 30, 2026, the Corporation recognized income tax credits and other tax benefits related to these investments of $1.1 billion and $2.1 billion compared to $1.2 billion and $2.3 billion for the same periods in 2025. For investments accounted for under the proportional amortization method, the Corporation recognized investment amortization of $764 million and $1.5 billion in income tax expense during the three and six months ended June 30, 2026 compared to $839 million and $1.7 billion for the same periods in 2025, and additional gains, losses and other returns totaling $39 million and $73 million in other income compared to $41 million and $61 million for the same periods in 2025. The Corporation also has equity investments in solar renewable energy projects that are accounted for under either the equity method or at fair value when the Corporation has elected to account for the investment at fair value. These investments totaled $1.1 billion and $1.0 billion at June 30, 2026 and December 31, 2025. The Corporation's unfunded commitments that are not included in the carrying value of its tax-related equity investment VIEs totaled $3.6 billion and $2.6 billion at June 30, 2026 and December 31, 2025, which are contingent on various conditions precedent to funding over the next 10 years. The Corporation's risk of loss is generally mitigated by policies requiring the project to qualify for the expected tax credits prior to making its investment. For investments accounted for under the proportional amortization method, there were no significant modifications or events that resulted in a change in the nature of those investments or in the relationship with the underlying project. The Corporation may also enter into power purchase agreements with renewable energy tax credit entities.

The table below summarizes select information related to unconsolidated tax-related VIEs in which the Corporation held a variable interest at June 30, 2026 and December 31, 2025.

Unconsolidated Tax-related VIEs

(Dollars in millions)	June 30 2026	December 31 2025
Maximum loss exposure	**$ 24,250**	$ 25,435
On-balance sheet assets		
All other assets	**24,250**	25,435
Total	**$ 24,250**	$ 25,435
On-balance sheet liabilities		
All other liabilities	**7,378**	7,008
Total	**$ 7,378**	$ 7,008
Total assets of VIEs	**$ 84,987**	$ 86,476

NOTE 7 Goodwill and Intangible Assets

Goodwill

The table below presents goodwill balances by business segment at June 30, 2026 and December 31, 2025. The reporting units utilized for goodwill impairment testing are the operating segments or one level below. The Corporation completed its annual goodwill impairment test as of June 30, 2026 using a qualitative assessment and determined that it was not more likely than not that the fair value of any reporting unit was less than its carrying value. Accordingly, no reporting unit was considered at risk of impairment, and no further testing was required. For more information regarding the nature of and accounting for the Corporation's annual goodwill impairment testing, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Goodwill

(Dollars in millions)	June 30 2026	December 31 2025
Consumer Banking	**$ 30,137**	$ 30,137
Global Wealth & Investment Management	**9,677**	9,677
Global Banking	**24,026**	24,026
Global Markets	**5,181**	5,181
Total goodwill	**$ 69,021**	$ 69,021

Intangible Assets

At both June 30, 2026 and December 31, 2025, the net carrying value of intangible assets was $1.8 billion. At both June 30, 2026 and December 31, 2025, intangible assets included $1.5 billion of intangible assets associated with trade names, substantially all of which had an indefinite life and, accordingly, are not being amortized. Amortization of intangibles expense was $18 million and $20 million for the three months ended June 30, 2026 and 2025 and $38 million and $39 million for the six months ended June 30, 2026 and 2025.

NOTE 8 Leases

The Corporation enters into both lessor and lessee arrangements. For more information on lease accounting, see *Note 1 – Summary of Significant Accounting Principles* and *Note 8 – Leases* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K. For more information on lease financing receivables, see *Note 5 – Outstanding Loans and Leases and Allowance for Credit Losses.*

Lessor Arrangements

The Corporation's lessor arrangements primarily consist of operating, sales-type and direct financing leases for equipment. Lease agreements may include options to renew and for the lessee to purchase the leased equipment at the end of the lease term.

The table below presents the net investment in sales-type and direct financing leases at June 30, 2026 and December 31, 2025.

Net Investment [1]

(Dollars in millions)	June 30 2026	December 31 2025
Lease receivables	**$ 18,545**	$ 19,198
Unguaranteed residuals	**3,422**	3,520
Total net investment in sales-type and direct financing leases	**$ 21,967**	$ 22,718

(1) In certain cases, the Corporation obtains third-party residual value insurance to reduce its residual asset risk. The carrying value of residual assets with third-party residual value insurance for at least a portion of the asset value was $9.4 billion at both June 30, 2026 and December 31, 2025.

The table below presents lease income for the three and six months ended June 30, 2026 and 2025.

Lease Income

	Three Months Ended June 30		Six Months Ended June 30	
(Dollars in millions)	**2026**	**2025**	**2026**	2025
Sales-type and direct financing leases	**$ 299**	$ 311	**$ 618**	$ 613
Operating leases	**256**	216	**532**	469
Total lease income	**$ 555**	$ 527	**$ 1,150**	$ 1,082

Lessee Arrangements

The Corporation's lessee arrangements predominantly consist of operating leases for premises and equipment; the Corporation's financing leases are not significant.

The table below provides information on the right-of-use assets and lease liabilities at June 30, 2026 and December 31, 2025.

Lessee Arrangements

(Dollars in millions)	June 30 2026	December 31 2025
Right-of-use assets	**$ 11,202**	$ 8,395
Lease liabilities	**11,926**	9,086

At June 30, 2026 and December 31, 2025, right-of-use assets included $3.1 billion and $393 million, and lease liabilities included $3.2 billion and $440 million for a lease to a related party, which was extended in the first quarter of 2026 to 2049, for the Corporation's principal office in New York, NY. The Corporation owns a 49.99 percent equity interest in the property, with the remaining 50.01 percent owned by a third party.

NOTE 9 Securities Financing Agreements, Collateral and Restricted Cash

The Corporation enters into securities financing agreements which include securities borrowed or purchased under agreements to resell and securities loaned or sold under agreements to repurchase. These financing agreements (also referred to as "matched-book transactions") are to accommodate customers, obtain securities to cover short positions and finance inventory positions. The Corporation elects to account for certain securities financing agreements under the fair value option. For more information on the fair value option, see *Note 15 – Fair Value Option*.

Offsetting of Securities Financing Agreements

The Securities Financing Agreements table presents securities financing agreements included on the Consolidated Balance Sheet in federal funds sold and securities borrowed or purchased under agreements to resell, and in federal funds purchased and securities loaned or sold under agreements to repurchase at June 30, 2026 and December 31, 2025. Balances are presented on a gross basis, prior to the application of counterparty netting. Gross assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of legally enforceable master netting agreements. For more information on the offsetting of derivatives, see *Note 3 – Derivatives*. For more information on the securities financing agreements and the offsetting of securities financing transactions, see *Note 10 – Securities Financing Agreements, Short-term Borrowings, Collateral and Restricted Cash* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Securities Financing Agreements

(Dollars in millions)	Gross Assets/Liabilities (1)	Amounts Offset	Net Balance Sheet Amount	Financial Instruments (2)	Net Assets/Liabilities
			June 30, 2026		
Securities borrowed or purchased under agreements to resell (3)	**$ 1,010,982**	**$ (598,567)**	**$ 412,415**	**$ (373,523)**	**$ 38,892**
Securities loaned or sold under agreements to repurchase	**$ 930,785**	**$ (598,567)**	**$ 332,218**	**$ (324,412)**	**$ 7,806**
Other (4)	**2,422**	**—**	**2,422**	**(2,422)**	**—**
Total	**$ 933,207**	**$ (598,567)**	**$ 334,640**	**$ (326,834)**	**$ 7,806**
			December 31, 2025		
Securities borrowed or purchased under agreements to resell (3)	$ 935,784	$ (619,206)	$ 316,578	$ (285,569)	$ 31,009
Securities loaned or sold under agreements to repurchase	$ 963,924	$ (619,208)	$ 344,716	$ (332,592)	$ 12,124
Other (4)	5,290	—	5,290	(5,290)	—
Total	$ 969,214	$ (619,208)	$ 350,006	$ (337,882)	$ 12,124

(1) Includes activity where uncertainty exists as to the enforceability of certain master netting agreements under bankruptcy laws in some countries or industries.
(2) Includes securities collateral received or pledged under repurchase or securities lending agreements where there is a legally enforceable master netting agreement. These amounts are not offset on the Consolidated Balance Sheet, but are shown as a reduction to derive a net asset or liability. Securities collateral received or pledged where the legal enforceability of the master netting agreements is uncertain is excluded from the table.
(3) Excludes repurchase activity of $19.9 billion and $19.6 billion reported in loans and leases on the Consolidated Balance Sheet for June 30, 2026 and December 31, 2025.
(4) Balance is reported in accrued expenses and other liabilities on the Consolidated Balance Sheet and relates to transactions where the Corporation acts as the lender in a securities lending agreement and receives securities that can be pledged as collateral or sold. In these transactions, the Corporation recognizes an asset at fair value, representing the securities received, and a liability, representing the obligation to return those securities.

Repurchase Agreements and Securities Loaned Transactions Accounted for as Secured Borrowings

The following tables present securities sold under agreements to repurchase and securities loaned by remaining contractual term to maturity and class of collateral pledged. Included in "Other" are transactions where the Corporation acts as the lender in a securities lending agreement and receives securities that can be pledged as collateral or sold. Certain agreements contain a right to substitute collateral and/or terminate the agreement prior to maturity at the option of the Corporation or the counterparty. Such agreements are included in the table below based on the remaining contractual term to maturity. For more information on collateral requirements, see *Note 10 – Securities Financing Agreements, Short-term Borrowings, Collateral and Restricted Cash* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Remaining Contractual Maturity

(Dollars in millions)	Overnight and Continuous	30 Days or Less	After 30 Days Through 90 Days	Greater than 90 Days (1)	Total
			June 30, 2026		
Securities sold under agreements to repurchase	**$ 357,511**	**$ 271,654**	**$ 81,556**	**$ 63,619**	**$ 774,340**
Securities loaned	**143,547**	**—**	**1,522**	**11,376**	**156,445**
Other	**2,422**	**—**	**—**	**—**	**2,422**
Total	**$ 503,480**	**$ 271,654**	**$ 83,078**	**$ 74,995**	**$ 933,207**
			December 31, 2025		
Securities sold under agreements to repurchase	$ 349,168	$ 314,290	$ 96,642	$ 74,081	$ 834,181
Securities loaned	118,550	5	1,019	10,169	129,743
Other	5,290	—	—	—	5,290
Total	$ 473,008	$ 314,295	$ 97,661	$ 84,250	$ 969,214

(1) No agreements have maturities greater than four years.

Class of Collateral Pledged

(Dollars in millions)	Securities Sold Under Agreements to Repurchase	Securities Loaned	Other	Total
	June 30, 2026			
U.S. government and agency securities	**$ 371,924**	**$ 485**	**$ 91**	**$ 372,500**
Corporate securities, trading loans and other	**39,326**	**765**	**5**	**40,096**
Equity securities	**30,302**	**155,188**	**2,326**	**187,816**
Non-U.S. sovereign debt	**320,845**	**7**	**—**	**320,852**
Mortgage trading loans and ABS	**11,943**	**—**	**—**	**11,943**
Total	**$ 774,340**	**$ 156,445**	**$ 2,422**	**$ 933,207**
	December 31, 2025			
U.S. government and agency securities	$ 453,619	$ 778	$ 188	$ 454,585
Corporate securities, trading loans and other	28,321	764	1	29,086
Equity securities	25,503	128,190	5,101	158,794
Non-U.S. sovereign debt	318,194	11	—	318,205
Mortgage trading loans and ABS	8,544	—	—	8,544
Total	$ 834,181	$ 129,743	$ 5,290	$ 969,214

Collateral

The Corporation accepts securities and loans as collateral that it is permitted by contract or practice to sell or repledge. At June 30, 2026 and December 31, 2025, the fair value of this collateral was $1.4 trillion and $1.1 trillion, of which $1.3 trillion and $1.0 trillion were sold or repledged as of the end of the periods. The primary source of this collateral is securities borrowed or purchased under agreements to resell. For more information on collateral, see *Note 10 – Securities Financing Agreements, Short-term Borrowings, Collateral and Restricted Cash* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Restricted Cash

At June 30, 2026 and December 31, 2025, the Corporation held restricted cash included within cash and cash equivalents on the Consolidated Balance Sheet of $7.4 billion and $6.5 billion, predominantly related to cash segregated in compliance with securities regulations and cash held on deposit with central banks to meet reserve requirements.

NOTE 10 Commitments and Contingencies

In the normal course of business, the Corporation enters into a number of off-balance sheet commitments. These commitments expose the Corporation to varying degrees of credit and market risk and are subject to the same credit and market risk limitation reviews as those instruments recorded on the Consolidated Balance Sheet. For more information on commitments and contingencies, see *Note 12 – Commitments and Contingencies* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Credit Extension Commitments

The Corporation enters into commitments to extend credit such as loan commitments, standby letters of credit (SBLCs) and commercial letters of credit to meet the financing needs of its customers. The following table includes the notional amount of unfunded legally binding lending commitments net of amounts distributed (i.e., syndicated or participated) to other financial institutions. The distributed amounts were $10.5 billion and $10.6 billion at June 30, 2026 and December 31, 2025. The carrying value of the Corporation's credit extension commitments at both June 30, 2026 and December 31, 2025, excluding commitments accounted for under the fair value option, was $1.2 billion, which predominantly related to the reserve for unfunded lending commitments. The carrying value of these commitments is classified in accrued expenses and other liabilities on the Consolidated Balance Sheet.

Legally binding commitments to extend credit generally have specified rates and maturities. Certain of these commitments have adverse change clauses that help to protect the Corporation against deterioration in the borrower's ability to pay.

The following table includes the notional amount of commitments of $3.3 billion and $2.4 billion at June 30, 2026 and December 31, 2025 that are accounted for under the fair value option. However, the table excludes the cumulative net fair value for these commitments of $108 million and $67 million at June 30, 2026 and December 31, 2025, which is classified in accrued expenses and other liabilities. For more information regarding the Corporation's loan commitments accounted for under the fair value option, see *Note 15 – Fair Value Option.*

Credit Extension Commitments

(Dollars in millions)	Expire in One Year or Less	Expire After One Year Through Three Years	Expire After Three Years Through Five Years	Expire After Five Years	Total
	June 30, 2026				
Notional amount of credit extension commitments					
Loan commitments (1)	**$ 150,605**	**$ 207,317**	**$ 263,825**	**$ 22,139**	**$ 643,886**
Home equity lines of credit	**4,427**	**8,561**	**5,956**	**23,356**	**42,300**
Standby letters of credit and financial guarantees (2)	**23,608**	**10,962**	**5,477**	**495**	**40,542**
Letters of credit	**730**	**66**	**15**	**28**	**839**
Other commitments (3)	**13**	**47**	**97**	**997**	**1,154**
Legally binding commitments	**179,383**	**226,953**	**275,370**	**47,015**	**728,721**
Credit card lines (4)	**489,427**	**—**	**—**	**—**	**489,427**
Total credit extension commitments	**$ 668,810**	**$ 226,953**	**$ 275,370**	**$ 47,015**	**$ 1,218,148**
	December 31, 2025				
Notional amount of credit extension commitments					
Loan commitments (1)	$ 139,725	$ 224,524	$ 244,340	$ 24,587	$ 633,176
Home equity lines of credit	4,247	9,808	7,240	21,787	43,082
Standby letters of credit and financial guarantees (2)	24,086	9,626	4,018	386	38,116
Letters of credit	639	46	19	44	748
Other commitments (3)	15	57	54	1,002	1,128
Legally binding commitments	168,712	244,061	255,671	47,806	716,250
Credit card lines (4)	476,926	—	—	—	476,926
Total credit extension commitments	$ 645,638	$ 244,061	$ 255,671	$ 47,806	$ 1,193,176

(1) At June 30, 2026 and December 31, 2025, $3.5 billion and $3.4 billion of these loan commitments were held in the form of a security.
(2) The notional amounts of SBLCs and financial guarantees classified as investment grade and non-investment grade based on the credit quality of the underlying reference name within the instrument were $29.5 billion and $10.1 billion at June 30, 2026, and $26.8 billion and $10.4 billion at December 31, 2025. Amounts in the table include consumer SBLCs of $962 million and $987 million at June 30, 2026 and December 31, 2025.
(3) Primarily includes second-loss positions on lease-end residual value guarantees.
(4) Includes business card unused lines of credit.

Other Commitments

At June 30, 2026 and December 31, 2025, the Corporation had commitments to purchase loans (e.g., residential mortgage and commercial real estate) of $859 million and $700 million, which upon settlement will be included in trading account assets, loans or LHFS, and commitments to purchase commercial loans, net of amounts sold, of $538 million and $558 million, which upon settlement will be included in trading account assets.

At June 30, 2026 and December 31, 2025, the Corporation had commitments to enter into resale and forward-dated resale and securities borrowing agreements of $220.3 billion and $149.0 billion, and commitments to enter into forward-dated repurchase and securities lending agreements of $151.9 billion and $108.9 billion. A significant portion of these commitments will expire within the next 12 months.

At June 30, 2026 and December 31, 2025, the Corporation had a commitment to originate or purchase up to $3.8 billion and $4.0 billion, on a rolling 12-month basis, of auto loans and leases from a strategic partner. This commitment extends through November 2030 and can be terminated with 12 months prior notice.

At June 30, 2026 and December 31, 2025, the Corporation had debt and equity security commitments totaling $1.8 billion and $884 million.

As a Federal Reserve member bank, the Corporation is required to subscribe to a certain amount of shares issued by its Federal Reserve district bank, which pays cumulative dividends at a prescribed rate. At both June 30, 2026 and December 31, 2025, the Corporation had paid $5.4 billion for half of its subscribed shares, with the remaining half subject to call by the Federal Reserve district bank board, which the Corporation believes is remote.

Other Guarantees

Bank-owned Life Insurance Book Value Protection

The Corporation sells products that offer book value protection to insurance carriers who offer group life insurance policies to corporations, primarily banks. At both June 30, 2026 and December 31, 2025, these guarantees, which are accounted for as derivatives, had a notional amount of $2.4 billion and an insignificant fair value. At June 30, 2026 and December 31, 2025, the Corporation's maximum exposure related to these guarantees totaled $376 million and $377 million, with an estimated maturity in 2034.

Merchant Services

The Corporation in its role as merchant acquirer or as a sponsor of other merchant acquirers may be held liable for any reversed charges that cannot be collected from the merchants due to, among other things, merchant fraud or insolvency. If charges are properly reversed after a purchase and cannot be collected from either the merchants or merchant acquirers, the Corporation may be held liable for these reversed charges. The ability to reverse a charge is primarily governed by the applicable payment network rules and regulations, which include, but are not limited to, the type of charge, type of payment used and time limits. The total amount of transactions subject to reversal under payment network rules and regulations processed for the preceding six-month period, which was approximately $184 billion, is an estimate of the Corporation's maximum potential exposure as of June 30, 2026. The Corporation's risk in this area primarily relates to circumstances where a cardholder has purchased goods or services for future delivery. The Corporation mitigates this risk by requiring cash deposits, guarantees, letters of credit or other types of collateral from certain merchants. The Corporation's reserves for contingent losses, and the losses incurred related to the merchant processing activity were not significant.

Representations and Warranties Obligations and Corporate Guarantees

For more information on representations and warranties obligations and corporate guarantees, see *Note 12 – Commitments and Contingencies* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

The reserve for representations and warranties obligations and corporate guarantees was $185 million and $184 million at June 30, 2026 and December 31, 2025 and is included in accrued expenses and other liabilities on the Consolidated Balance Sheet, and the related provision is included in other income in the Consolidated Statement of Income. The representations and warranties reserve represents the Corporation's best estimate of probable incurred losses, is based on its experience in previous negotiations, and is subject to judgment, a variety of assumptions and known or unknown uncertainties. At June 30, 2026, the estimated range of possible loss in excess of the accrued representations and warranties reserve was not significant. Future representations and warranties losses may occur in excess of the amounts recorded for these exposures; however, the Corporation does not expect such amounts to be material to the Corporation's financial condition and liquidity.

Fixed Income Clearing Corporation Sponsored Member Repo Program

The Corporation acts as a sponsoring member in a repo program whereby the Corporation clears certain eligible resale and repurchase agreements through the Government Securities Division of the Fixed Income Clearing Corporation on behalf of clients that are sponsored members in accordance with the Fixed Income Clearing Corporation's rules. As part of this program, the Corporation guarantees the payment and performance of its sponsored members to the Fixed Income Clearing Corporation. The Corporation's guarantee obligation is secured by a security interest in cash or high-quality securities collateral placed by clients with the clearinghouse and therefore, the potential for the Corporation to incur significant losses under this arrangement is remote. The Corporation's maximum potential exposure, without taking into consideration the related collateral, was $240.2 billion and $339.1 billion at June 30, 2026 and December 31, 2025.

Other Guarantees

In the normal course of business, the Corporation periodically guarantees the obligations of its affiliates in a variety of transactions including ISDA-related transactions and non-ISDA related transactions such as commodities trading, repurchase agreements, prime brokerage agreements and other transactions.

Guarantees of Certain Long-term Debt

The Corporation, as the parent company, fully and unconditionally guarantees the securities issued by BofA Finance LLC, a consolidated finance subsidiary of the Corporation, and effectively provides for the full and unconditional guarantee of trust securities and capital securities issued by certain statutory trust companies that are 100 percent owned finance subsidiaries of the Corporation.

Litigation and Regulatory Matters

The following disclosures supplement the disclosure in *Note 12 – Commitments and Contingencies* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K (the prior commitments and contingencies disclosure).

In the ordinary course of business, the Corporation and its subsidiaries are routinely defendants in or parties to many pending and threatened legal, regulatory and governmental actions and proceedings. In view of the inherent difficulty of predicting the outcome of such matters, particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, the Corporation generally cannot predict the eventual outcome of the pending matters, timing of the ultimate resolution of these matters, or eventual loss, fines or penalties related to each pending matter.

As a matter develops, the Corporation, in conjunction with any outside counsel handling the matter, evaluates whether such matter presents a loss contingency that is probable and estimable, and, for the matters disclosed below and in the prior commitments and contingencies disclosure, whether a loss in excess of any accrued liability is reasonably possible in future periods. Once the loss contingency is deemed to be both probable and estimable, the Corporation will establish an accrued liability and record a corresponding amount of litigation-related expense. The Corporation continues to monitor the matter for further developments that could affect the amount of the accrued liability that has been previously established. Excluding expenses of internal and external legal service providers, litigation and regulatory investigation-related expense of $180 million and $376 million was recognized during the three and six months ended June 30, 2026 compared to $82 million and $238 million for the same periods in 2025.

For any matter disclosed in this Note and in the prior commitments and contingencies disclosure for which a loss in future periods is reasonably possible and reasonably estimable (whether in excess of an accrued liability or where there is no accrued liability), the Corporation's estimated range of possible loss is $0 to $0.25 billion in excess of the accrued liability, if any, as of June 30, 2026.

The accrued liability and estimated range of possible loss are based upon currently available information and subject to significant judgment, a variety of assumptions and known and unknown uncertainties. The matters underlying the accrued liability and estimated range of possible loss are unpredictable and may change from time to time, and actual losses may vary significantly from the current estimate and accrual. The estimated range of possible loss does not represent the Corporation's maximum loss exposure.

Information is provided below and in the prior commitments and contingencies disclosure regarding the nature of the litigation or other contingency and, where specified, associated claimed damages. Based on current knowledge, and taking into account accrued liabilities, management does not believe that loss contingencies arising from pending matters, including the matters described below and in the prior commitments and contingencies disclosure, will have a material adverse effect on the consolidated financial condition or liquidity of the Corporation. However, in light of the significant judgment, variety of assumptions and uncertainties involved in those matters, some of which are beyond the Corporation's control, and the very large or indeterminate damages sought in some of those matters, an adverse outcome in one or more of those matters could be material to the Corporation's business or results of operations for any particular reporting period, or cause significant reputational harm.

Bank Secrecy Act/Anti-Money Laundering and Economic Sanctions Compliance

BANA agreed to a Consent Order announced by the Office of the Comptroller of the Currency (OCC) on December 23, 2024, and the Corporation continues to respond to requests for information from other regulators, relating to certain aspects of its BSA/AML and Economic Sanctions Compliance Programs (Programs). Since late 2023, the Corporation has been working with regulators to make changes to its Programs and has already completed significant steps to satisfy requirements of the Consent Order; however, resolution of the OCC Consent Order and/or other regulatory inquiries may include the payment of monetary penalties and other remedial actions.

Deposit Insurance Assessment

On March 31, 2026, the U.S. District Court for the District of Columbia ruled that BANA did not owe additional interest to the Federal Deposit Insurance Corporation (FDIC). Because no appeal was filed by June 15, 2026, the lawsuit was concluded as of that date. The remaining security pledged by BANA with respect to the disputed amount of interest has been released.

NOTE 11 Shareholders' Equity

Common Stock

Declared Quarterly Cash Dividends on Common Stock [(1)]

Declaration Date	Record Date	Payment Date	Dividend Per Share
July 23, 2026	September 4, 2026	September 25, 2026	$ 0.32
April 23, 2026	June 5, 2026	June 26, 2026	0.28
February 3, 2026	March 6, 2026	March 27, 2026	0.28

(1) In 2026, and through July 31, 2026.

During the three and six months ended June 30, 2026, the Corporation repurchased and retired approximately 112 million and 252 million shares of common stock, which reduced shareholders' equity by $6.0 billion and $13.2 billion, including excise taxes.

During the six months ended June 30, 2026, in connection with employee stock plans, the Corporation issued 93 million shares of its common stock and, to satisfy tax withholding obligations, repurchased 35 million shares of common stock. At June 30, 2026, the Corporation had reserved 532 million unissued shares of common stock for future issuances under employee stock plans, convertible notes and preferred stock.

On July 23, 2026, the Board of Directors declared a quarterly common stock dividend of $0.32 per share.

Preferred Stock

During the three months ended June 30, 2026 and March 31, 2026, the Corporation declared $326 million and $425 million of cash dividends on preferred stock, or a total of $751 million for the six months ended June 30, 2026. During the first quarter of 2026, the Corporation fully redeemed Series DD for $1.0 billion.

For more information on the Corporation's preferred stock, including liquidation preference, dividend requirements and redemption period, see *Note 13 – Shareholders' Equity* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

NOTE 12 Accumulated Other Comprehensive Income (Loss)

The table below presents the changes in accumulated OCI after-tax for the six months ended June 30, 2026 and 2025.

(Dollars in millions)	Debt Securities	Debit Valuation Adjustments	Derivatives	Employee Benefit Plans	Foreign Currency	Total
Balance, December 31, 2024	$ (2,252)	$ (1,694)	$ (5,588)	$ (4,617)	$ (1,134)	$ (15,285)
Net change	51	144	2,509	53	24	2,781
Balance, June 30, 2025	$ (2,201)	$ (1,550)	$ (3,079)	$ (4,564)	$ (1,110)	$ (12,504)
Balance, December 31, 2025	$ (1,096)	$ (2,023)	$ (1,998)	$ (4,298)	$ (1,111)	$ (10,526)
Net change	**(477)**	**259**	**(1,378)**	**71**	**18**	**(1,507)**
Balance, June 30, 2026	**$ (1,573)**	**$ (1,764)**	**$ (3,376)**	**$ (4,227)**	**$ (1,093)**	**$ (12,033)**

The table below presents the net change in fair value recorded in accumulated OCI, net realized gains and losses reclassified into earnings and other changes for each component of OCI pre- and after-tax for the six months ended June 30, 2026 and 2025.

	Pretax	Tax effect	After-tax	Pretax	Tax effect	After-tax
	Six Months Ended June 30					
(Dollars in millions)	2026			2025		
Debt securities:						
Net increase (decrease) in fair value	**$ (607)**	**$ 144**	**$ (463)**	$ 36	$ —	$ 36
Net realized (gains) losses reclassified into earnings [1]	**(19)**	**5**	**(14)**	20	(5)	15
Net change	**(626)**	**149**	**(477)**	56	(5)	51
Debit valuation adjustments:						
Net increase (decrease) in fair value	**343**	**(84)**	**259**	190	(47)	143
Net realized (gains) losses reclassified into earnings [1]	**—**	**—**	**—**	1	—	1
Net change	**343**	**(84)**	**259**	191	(47)	144
Derivatives:						
Net increase (decrease) in fair value	**(2,537)**	**608**	**(1,929)**	2,581	(645)	1,936
Reclassifications into earnings:						
Net interest income	**734**	**(176)**	**558**	777	(195)	582
Compensation and benefits expense	**(9)**	**2**	**(7)**	(12)	3	(9)
Net realized (gains) losses reclassified into earnings	**725**	**(174)**	**551**	765	(192)	573
Net change	**(1,812)**	**434**	**(1,378)**	3,346	(837)	2,509
Employee benefit plans:						
Net actuarial losses and other reclassified into earnings [2]	**95**	**(24)**	**71**	69	(16)	53
Net change	**95**	**(24)**	**71**	69	(16)	53
Foreign currency:						
Net increase (decrease) in fair value	**141**	**(120)**	**21**	(670)	694	24
Net realized (gains) losses reclassified into earnings [1]	**(2)**	**(1)**	**(3)**	—	—	—
Net change	**139**	**(121)**	**18**	(670)	694	24
Total other comprehensive income (loss)	**$ (1,861)**	**$ 354**	**$ (1,507)**	$ 2,992	$ (211)	$ 2,781

(1) Reclassifications of pretax debt securities, DVA and foreign currency (gains) losses are recorded in other income in the Consolidated Statement of Income.
(2) Reclassifications of pretax employee benefit plan costs are recorded in other general operating expense in the Consolidated Statement of Income.

NOTE 13 Earnings Per Common Share

The calculation of earnings per common share (EPS) and diluted EPS for the three and six months ended June 30, 2026 and 2025 is presented below. For more information on the calculation of EPS, see *Note 1 – Summary of Significant Accounting Principles* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

(In millions, except per share information)	Three Months Ended June 30 2026	Three Months Ended June 30 2025	Six Months Ended June 30 2026	Six Months Ended June 30 2025
Earnings per common share				
Net income	**$ 9,074**	$ 7,170	**$ 17,658**	$ 14,530
Preferred stock dividends and other	**(326)**	(291)	**(755)**	(697)
Net income applicable to common shareholders	**$ 8,748**	$ 6,879	**$ 16,903**	$ 13,833
Average common shares issued and outstanding	**7,151.2**	7,581.2	**7,203.5**	7,629.5
Earnings per common share	**$ 1.22**	$ 0.91	**$ 2.35**	$ 1.81
Diluted earnings per common share				
Net income applicable to common shareholders	**$ 8,748**	$ 6,879	**$ 16,903**	$ 13,833
Add preferred stock dividends due to assumed conversions	**56**	—	**112**	—
Net income allocated to common shareholders	$ 8,804	$ 6,879	**$ 17,015**	$ 13,833
Average common shares issued and outstanding	**7,151.2**	7,581.2	**7,203.5**	7,629.5
Dilutive potential common shares	**143.0**	70.4	**152.7**	81.7
Total average diluted common shares issued and outstanding	7,294.2	7,651.6	7,356.2	7,711.2
Diluted earnings per common share	**$ 1.21**	$ 0.90	**$ 2.31**	$ 1.79

Diluted EPS is calculated by adjusting net income applicable to common shareholders and average common shares issued and outstanding for the potential impact, if dilutive, of any instruments that are exercisable or convertible into common shares. As the Corporation's Series L convertible preferred stock (Series L) was dilutive to EPS for the three and six months ended June 30, 2026, total average dilutive common shares issued and outstanding included 62 million common shares, as the Series L was assumed to have been converted into common shares as of the beginning of the period. In addition, Series L preferred dividends of $56 million and $112 million for the three and six months ended June 30, 2026 were included in net income allocated to common shareholders, as they would not have been paid if the Series L was converted. For the three and six months ended June 30, 2025, the Corporation's Series L was antidilutive, and therefore, there was no assumed conversion of any shares.

NOTE 14 Fair Value Measurements

Under applicable accounting standards, fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Corporation determines the fair values of its financial instruments under applicable accounting standards and conducts a review of fair value hierarchy classifications on a quarterly basis. Transfers into or out of fair value hierarchy classifications are made if the significant inputs used in the financial models measuring the fair values of the assets and liabilities become unobservable or observable in the current marketplace. During the six months ended June 30, 2026, there were no changes to valuation approaches or techniques that had, or are expected to have, a material impact on the Corporation's consolidated financial position or results of operations.

For more information regarding the fair value hierarchy, how the Corporation measures fair value and valuation techniques, see *Note 1 – Summary of Significant Accounting Principles* and *Note 20 – Fair Value Measurements* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K. The Corporation accounts for certain financial instruments under the fair value option. For more information, see *Note 15 – Fair Value Option*.

Recurring Fair Value

Assets and liabilities carried at fair value on a recurring basis at June 30, 2026 and December 31, 2025, including financial instruments that the Corporation accounts for under the fair value option, are summarized in the following tables.

	June 30, 2026				
	Fair Value Measurements				
(Dollars in millions)	Level 1	Level 2	Level 3	Netting Adjustments [(1)]	Assets/Liabilities at Fair Value
Assets					
Time deposits placed and other short-term investments	$ 1,230	$ —	$ —	$ —	$ 1,230
Federal funds sold and securities borrowed or purchased under agreements to resell	—	651,425	—	(434,219)	217,206
Trading account assets:					
U.S. Treasury and government agencies	55,963	2,188	—	—	58,151
Corporate securities, trading loans and other	—	59,109	2,341	—	61,450
Equity securities	101,391	18,965	317	—	120,673
Non-U.S. sovereign debt	17,299	45,549	236	—	63,084
Mortgage trading loans, MBS and ABS:					
U.S. government-sponsored agency guaranteed	—	45,647	7	—	45,654
Mortgage trading loans, ABS and other MBS	—	8,528	1,208	—	9,736
Total trading account assets [(2)]	174,653	179,986	4,109	—	358,748
Derivative assets	22,226	323,161	4,631	(304,682)	45,336
AFS debt securities:					
U.S. Treasury and government agencies	193,653	750	—	—	194,403
Mortgage-backed securities:					
Agency	—	40,841	—	—	40,841
Agency-collateralized mortgage obligations	—	17,148	—	—	17,148
Non-agency residential	—	48	4	—	52
Commercial	—	44,018	39	—	44,057
Non-U.S. securities	3,767	33,885	15	—	37,667
Other taxable securities	—	7,347	—	—	7,347
Tax-exempt securities	—	7,025	—	—	7,025
Total AFS debt securities	197,420	151,062	58	—	348,540
Other debt securities carried at fair value:					
U.S. Treasury and government agencies	3,753	—	—	—	3,753
Agency MBS	—	5	—	—	5
Non-agency residential MBS	—	117	43	—	160
Non-U.S. and other securities	1,393	9,568	—	—	10,961
Total other debt securities carried at fair value	5,146	9,690	43	—	14,879
Loans and leases	—	3,293	66	—	3,359
Loans held-for-sale	—	3,805	37	—	3,842
Other assets [(3)]	1,640	3,604	2,067	—	7,311
Total assets [(4)]	$ 402,315	$ 1,326,026	$ 11,011	$ (738,901)	$ 1,000,451
Liabilities					
Interest-bearing deposits in U.S. offices	$ —	$ 1,828	$ —	$ —	$ 1,828
Federal funds purchased and securities loaned or sold under agreements to repurchase	—	657,917	—	(434,219)	223,698
Trading account liabilities:					
U.S. Treasury and government agencies	17,780	399	—	—	18,179
Equity securities	64,041	369	19	—	64,429
Non-U.S. sovereign debt	15,301	11,135	—	—	26,436
Corporate securities and other	—	14,006	106	—	14,112
Mortgage trading loans and ABS	—	6	—	—	6
Total trading account liabilities	97,122	25,915	125	—	123,162
Derivative liabilities	23,559	326,207	6,392	(313,581)	42,577
Short-term borrowings	—	11,428	3	—	11,431
Accrued expenses and other liabilities	1,781	2,974	75	—	4,830
Long-term debt	—	84,205	592	—	84,797
Total liabilities [(4)]	$ 122,462	$ 1,110,474	$ 7,187	$ (747,800)	$ 492,323

(1) Amounts represent the impact of legally enforceable master netting agreements and also cash collateral held or placed with the same counterparties.
(2) Includes securities with a fair value of $11.4 billion that were segregated in compliance with securities regulations or deposited with clearing organizations. This amount is included in the parenthetical disclosure on the Consolidated Balance Sheet. Trading account assets also includes certain commodities inventory of $1.1 billion that is accounted for at the lower of cost or net realizable value, which is the current selling price less any costs to sell.
(3) Includes MSRs, which are classified as Level 3 assets, of $970 million.
(4) Total recurring Level 3 assets were 0.31 percent of total consolidated assets, and total recurring Level 3 liabilities were 0.22 percent of total consolidated liabilities.

(Dollars in millions)	December 31, 2025				
	Fair Value Measurements				
	Level 1	Level 2	Level 3	Netting Adjustments [1]	Assets/Liabilities at Fair Value
Assets					
Time deposits placed and other short-term investments	$ 1,242	$ —	$ —	$ —	$ 1,242
Federal funds sold and securities borrowed or purchased under agreements to resell	—	672,313	—	(486,822)	185,491
Trading account assets:					
U.S. Treasury and government agencies	83,234	3,036	—	—	86,270
Corporate securities, trading loans and other	—	59,456	1,922	—	61,378
Equity securities	77,225	39,110	322	—	116,657
Non-U.S. sovereign debt	5,745	41,014	240	—	46,999
Mortgage trading loans, MBS and ABS:					
U.S. government-sponsored agency guaranteed	—	44,691	9	—	44,700
Mortgage trading loans, ABS and other MBS	—	10,024	926	—	10,950
Total trading account assets [2]	166,204	197,331	3,419	—	366,954
Derivative assets	18,469	269,936	3,802	(251,326)	40,881
AFS debt securities:					
U.S. Treasury and government agencies	249,025	809	—	—	249,834
Mortgage-backed securities:					
Agency	—	33,141	—	—	33,141
Agency-collateralized mortgage obligations	—	19,199	—	—	19,199
Non-agency residential	—	263	9	—	272
Commercial	—	38,472	22	—	38,494
Non-U.S. securities	235	31,488	44	—	31,767
Other taxable securities	—	6,026	278	—	6,304
Tax-exempt securities	—	7,787	—	—	7,787
Total AFS debt securities	249,260	137,185	353	—	386,798
Other debt securities carried at fair value:					
U.S. Treasury and government agencies	3,285	—	—	—	3,285
Non-agency residential MBS	—	123	125	—	248
Non-U.S. and other securities	664	11,980	—	—	12,644
Total other debt securities carried at fair value	3,949	12,103	125	—	16,177
Loans and leases	—	3,422	76	—	3,498
Loans held-for-sale	—	2,216	55	—	2,271
Other assets [3]	3,742	3,198	2,118	—	9,058
Total assets [4]	$ 442,866	$ 1,297,704	$ 9,948	$ (738,148)	$ 1,012,370
Liabilities					
Interest-bearing deposits in U.S. offices	$ —	$ 1,223	$ —	$ —	$ 1,223
Federal funds purchased and securities loaned or sold under agreements to repurchase	—	709,889	—	(486,822)	223,067
Trading account liabilities:					
U.S. Treasury and government agencies	8,174	5	—	—	8,179
Equity securities	58,980	6,063	14	—	65,057
Non-U.S. sovereign debt	4,771	15,644	—	—	20,415
Corporate securities and other	—	12,214	119	—	12,333
Mortgage trading loans and ABS	—	12	—	—	12
Total trading account liabilities	71,925	33,938	133	—	105,996
Derivative liabilities	18,470	274,002	5,115	(255,511)	42,076
Short-term borrowings	—	8,011	40	—	8,051
Accrued expenses and other liabilities	4,656	4,312	28	—	8,996
Long-term debt	—	72,110	481	—	72,591
Total liabilities [4]	$ 95,051	$ 1,103,485	$ 5,797	$ (742,333)	$ 462,000

(1) Amounts represent the impact of legally enforceable master netting agreements and also cash collateral held or placed with the same counterparties.
(2) Includes securities with a fair value of $13.2 billion that were segregated in compliance with securities regulations or deposited with clearing organizations. This amount is included in the parenthetical disclosure on the Consolidated Balance Sheet. Trading account assets also includes certain commodities inventory of $27 million that is accounted for at the lower of cost or net realizable value, which is the current selling price less any costs to sell.
(3) Includes MSRs, which are classified as Level 3 assets, of $946 million.
(4) Total recurring Level 3 assets were 0.29 percent of total consolidated assets, and total recurring Level 3 liabilities were 0.19 percent of total consolidated liabilities.

The following tables present a reconciliation of all assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the three and six months ended June 30, 2026 and 2025, including net realized and unrealized gains (losses) included in earnings and accumulated OCI. Transfers into Level 3 occur primarily due to decreased price observability, and transfers out of Level 3 occur primarily due to increased price observability. Transfers occur on a regular basis for long-term debt instruments due to changes in the impact of unobservable inputs on the value of the embedded derivative in relation to the instrument as a whole.

Level 3 – Fair Value Measurements [1]

(Dollars in millions)	Balance April 1	Total Realized/Unrealized Gains (Losses) in Net Income [2]	Gains (Losses) in OCI [3]	Gross Purchases	Gross Sales	Gross Issuances	Gross Settlements	Gross Transfers into Level 3	Gross Transfers out of Level 3	Balance June 30	Change in Unrealized Gains (Losses) in Net Income Related to Financial Instruments Still Held [2]
Three Months Ended June 30, 2026											
Trading account assets:											
Corporate securities, trading loans and other	$ 2,069	$ 38	$ —	$ 904	$ (475)	$ 4	$ (344)	$ 223	$ (78)	$ 2,341	$ 14
Equity securities	286	12	—	45	(6)	—	(17)	2	(5)	317	(5)
Non-U.S. sovereign debt	246	10	—	1	(4)	—	(17)	—	—	236	10
Mortgage trading loans, MBS and ABS	1,018	5	—	106	(84)	—	(9)	246	(67)	1,215	7
Total trading account assets	3,619	65	—	1,056	(569)	4	(387)	471	(150)	4,109	26
Net derivative assets (liabilities) [4]	(584)	(1,885)	—	691	(839)	—	433	118	305	(1,761)	(1,395)
AFS debt securities:											
Non-agency residential MBS	—	—	—	—	—	—	—	4	—	4	—
Commercial MBS	41	—	—	—	—	—	(2)	—	—	39	—
Non-U.S. and other taxable securities	46	1	—	6	—	—	(10)	—	(28)	15	—
Total AFS debt securities	87	1	—	6	—	—	(12)	4	(28)	58	—
Other debt securities carried at fair value – Non-agency residential MBS	—	1	—	—	—	—	—	42	—	43	(2)
Loans and leases [5]	70	1	—	—	—	—	(2)	—	(3)	66	1
Loans held-for-sale [5]	54	(2)	—	—	—	—	(15)	—	—	37	(3)
Other assets [6,7]	2,064	(3)	(4)	84	—	46	(120)	—	—	2,067	(18)
Trading account liabilities – Equity securities	(18)	(5)	—	4	—	—	—	—	—	(19)	(5)
Trading account liabilities – Corporate securities and other	(92)	2	—	(13)	3	(1)	3	(11)	3	(106)	2
Short-term borrowings [5]	(10)	7	—	—	—	—	—	—	—	(3)	1
Accrued expenses and other liabilities [5]	(52)	(60)	—	—	—	—	37	—	—	(75)	(60)
Long-term debt [5]	(571)	(21)	(8)	—	—	(13)	21	—	—	(592)	(21)
Three Months Ended June 30, 2025											
Trading account assets:											
Corporate securities, trading loans and other	$ 1,913	$ 67	$ 1	$ 503	$ (325)	$ 15	$ (232)	$ 273	$ (63)	$ 2,152	$ 29
Equity securities	335	39	—	29	(15)	—	—	62	(48)	402	39
Non-U.S. sovereign debt	242	17	8	9	—	—	(10)	—	(13)	253	16
Mortgage trading loans, MBS and ABS	987	(22)	—	50	(76)	—	(75)	112	(60)	916	(16)
Total trading account assets	3,477	101	9	591	(416)	15	(317)	447	(184)	3,723	68
Net derivative assets (liabilities) [4]	(1,530)	134	—	506	(547)	—	67	(18)	201	(1,187)	64
AFS debt securities:											
Non-agency residential MBS	7	1	—	—	—	—	—	—	(5)	3	1
Commercial MBS	464	—	1	12	—	—	(5)	—	—	472	—
Non-U.S. and other taxable securities	539	—	(2)	—	(1)	—	—	—	(142)	394	—
Total AFS debt securities	1,010	1	(1)	12	(1)	—	(5)	—	(147)	869	1
Other debt securities carried at fair value – Non-agency residential MBS	51	11	—	—	—	—	(1)	—	(18)	43	11
Loans and leases [5]	125	—	—	—	—	—	(25)	—	—	100	—
Loans held-for-sale [5]	123	14	1	—	—	—	(41)	—	—	97	8
Other assets [6,7]	1,959	(43)	21	59	—	36	(90)	—	—	1,942	32
Trading account liabilities – Equity securities	(5)	(2)	—	—	—	—	—	—	—	(7)	(2)
Trading account liabilities – Corporate securities and other	(148)	51	—	8	(11)	—	11	(1)	—	(90)	39
Accrued expenses and other liabilities [5]	(94)	(55)	—	144	—	—	(1)	—	—	(6)	(55)
Long-term debt [5]	(443)	(33)	2	—	—	—	3	—	—	(471)	(33)

(1) Assets (liabilities). For assets, increase (decrease) to Level 3 and for liabilities, (increase) decrease to Level 3.
(2) Includes gains (losses) reported in earnings in the following income statement line items: Trading account assets/liabilities - market making and similar activities and other income; Net derivative assets (liabilities) - market making and similar activities and other income; AFS debt securities - other income; Other debt securities carried at fair value - other income; Loans and leases - other income; Loans held-for-sale - other income; Other assets - market making and similar activities and other income; Short-term borrowings - market making and similar activities; Accrued expenses and other liabilities - other income; Long-term debt - market making and similar activities.
(3) Includes unrealized gains (losses) in OCI on AFS debt securities, foreign currency translation adjustments, derivatives designated in cash flow hedges and the impact of changes in the Corporation's credit spreads on long-term debt accounted for under the fair value option. Amounts include net unrealized gains (losses) of $(12) million and $33 million related to financial instruments still held at June 30, 2026 and 2025.
(4) Net derivative assets (liabilities) include derivative assets of $4.6 billion and $4.2 billion and derivative liabilities of $6.4 billion and $5.4 billion at June 30, 2026 and 2025.
(5) Amounts represent instruments that are accounted for under the fair value option.
(6) Issuances represent MSRs recognized following securitizations or whole-loan sales.
(7) Settlements primarily represent the net change in fair value of the MSR asset due to the recognition of modeled cash flows and the passage of time.

Level 3 – Fair Value Measurements [1]

(Dollars in millions)	Balance January 1	Total Realized/Unrealized Gains (Losses) in Net Income [2]	Gains (Losses) in OCI [3]	Gross Purchases	Gross Sales	Gross Issuances	Gross Settlements	Gross Transfers into Level 3	Gross Transfers out of Level 3	Balance June 30	Change in Unrealized Gains (Losses) in Net Income Related to Financial Instruments Still Held [2]
Six Months Ended June 30, 2026											
Trading account assets:											
Corporate securities, trading loans and other	$ 1,922	$ 153	$ 4	$ 1,513	$ (888)	$ 33	$ (586)	$ 490	$ (300)	$ 2,341	$ 97
Equity securities	322	—	—	77	(46)	—	(17)	14	(33)	317	(16)
Non-U.S. sovereign debt	240	7	7	8	(7)	—	(32)	13	—	236	6
Mortgage trading loans, ABS and other MBS	935	(18)	—	296	(191)	—	(66)	362	(103)	1,215	(30)
Total trading account assets	3,419	142	11	1,894	(1,132)	33	(701)	879	(436)	4,109	57
Net derivative assets (liabilities) [4]	(1,313)	(808)	—	1,039	(1,312)	—	569	(402)	466	(1,761)	(562)
AFS debt securities:											
Non-agency residential MBS	9	—	—	—	—	—	—	4	(9)	4	—
Commercial MBS	22	—	—	18	—	—	(3)	2	—	39	—
Non-U.S. and other taxable securities	322	1	—	11	—	—	(13)	—	(306)	15	—
Total AFS debt securities	353	1	—	29	—	—	(16)	6	(315)	58	—
Other debt securities carried at fair value – Non-agency residential MBS	125	1	—	—	—	—	—	42	(125)	43	(2)
Loans and leases [5]	76	1	—	—	—	—	(8)	—	(3)	66	—
Loans held-for-sale [5]	55	(1)	1	—	—	—	(20)	2	—	37	(4)
Other assets [6,7]	2,118	(33)	(4)	99	—	108	(221)	—	—	2,067	(49)
Trading account liabilities – Equity securities	(14)	(5)	—	8	(3)	—	—	(5)	—	(19)	(4)
Trading account liabilities – Corporate securities and other	(119)	(2)	—	(14)	3	(2)	33	(12)	7	(106)	(5)
Short-term borrowings [5]	(40)	40	—	—	—	(5)	2	—	—	(3)	(16)
Accrued expenses and other liabilities [5]	(28)	(113)	—	—	—	—	62	—	4	(75)	(113)
Long-term debt [5]	(481)	(87)	8	—	—	(58)	26	—	—	(592)	(87)
Six Months Ended June 30, 2025											
Trading account assets:											
Corporate securities, trading loans and other	$ 1,814	$ 189	$ 2	$ 1,017	$ (671)	$ 23	$ (536)	$ 476	$ (162)	$ 2,152	$ (98)
Equity securities	374	48	—	85	(28)	—	(105)	107	(79)	402	39
Non-U.S. sovereign debt	344	66	23	25	—	—	(181)	—	(24)	253	51
Mortgage trading loans, ABS and other MBS	978	(19)	—	137	(172)	—	(92)	205	(121)	916	2
Total trading account assets	3,510	284	25	1,264	(871)	23	(914)	788	(386)	3,723	(6)
Net derivative assets (liabilities) [4]	(1,961)	984	—	752	(924)	—	24	(272)	210	(1,187)	785
AFS debt securities:											
Non-agency residential MBS	247	1	—	—	—	—	—	—	(245)	3	1
Commercial MBS	328	(2)	4	237	—	—	(95)	—	—	472	(2)
Non-U.S. and other taxable securities	36	—	(3)	506	(1)	—	(2)	—	(142)	394	—
Total AFS debt securities	611	(1)	1	743	(1)	—	(97)	—	(387)	869	(1)
Other debt securities carried at fair value – Non-agency residential MBS	149	13	—	—	—	—	(2)	—	(117)	43	13
Loans and leases [5,6]	82	1	—	—	—	—	(27)	44	—	100	1
Loans held-for-sale [5,6]	132	27	3	—	(14)	—	(51)	—	—	97	(8)
Other assets [6,7]	1,969	(61)	29	91	—	73	(159)	—	—	1,942	(2)
Trading account liabilities – Equity securities	(10)	1	—	3	—	—	—	(3)	2	(7)	(1)
Trading account liabilities – Corporate securities and other	(110)	18	—	7	(15)	—	21	(12)	1	(90)	15
Accrued expenses and other liabilities [5]	(89)	(62)	—	146	—	—	(1)	—	—	(6)	(76)
Long-term debt [5]	(553)	(56)	12	—	—	—	126	—	—	(471)	(48)

(1) Assets (liabilities). For assets, increase (decrease) to Level 3 and for liabilities, (increase) decrease to Level 3.
(2) Includes gains (losses) reported in earnings in the following income statement line items: Trading account assets/liabilities - market making and similar activities and other income; Net derivative assets (liabilities) - market making and similar activities and other income; AFS debt securities - other income; Other debt securities carried at fair value - other income; Loans and leases - other income; Loans held-for-sale - other income; Other assets - market making and similar activities and other income; Short-term borrowings - market making and similar activities; Accrued expenses and other liabilities - other income; Long-term debt - market making and similar activities.
(3) Includes unrealized gains (losses) in OCI on AFS debt securities, foreign currency translation adjustments and the impact of changes in the Corporation's credit spreads on long-term debt accounted for under the fair value option. Amounts include net unrealized gains of $15 million and $62 million related to financial instruments still held at June 30, 2026 and 2025.
(4) Net derivative assets (liabilities) include derivative assets of $4.6 billion and $4.2 billion and derivative liabilities of $6.4 billion and $5.4 billion at June 30, 2026 and 2025.
(5) Amounts represent instruments that are accounted for under the fair value option.
(6) Issuances represent loan originations and MSRs recognized following securitizations or whole-loan sales.
(7) Settlements primarily represent the net change in fair value of the MSR asset due to the recognition of modeled cash flows and the passage of time.

The following tables present information about significant unobservable inputs related to the Corporation's material categories of Level 3 financial assets and liabilities at June 30, 2026 and December 31, 2025.

Quantitative Information about Level 3 Fair Value Measurements at June 30, 2026

(Dollars in millions)

Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Inputs	Ranges of Inputs	Weighted Average [1]
Loans and Securities [2]					
Instruments backed by residential real estate assets	**$ 229**	Discounted cash flow, Market comparables	Yield	0% to 15%	8%
Trading account assets – Mortgage trading loans, MBS and ABS	116		Prepayment speed	0% to 22% CPR	5% CPR
Loans and leases	66		Default rate	0% to 7% CDR	7% CDR
AFS debt securities – Non-agency residential	4		Price	$0 to $115	$75
Other debt securities carried at fair value – Non-agency residential	43		Loss severity	0% to 83%	29%
Instruments backed by commercial real estate assets	**$ 368**	Discounted cash flow, Asset-based approach	Yield	0% to 9%	6%
Trading account assets – Corporate securities, trading loans and other	285		Price	$0 to $101	$66
Trading account assets – Mortgage trading loans, MBS and ABS	44				
AFS debt securities – Commercial	39				
Commercial loans, debt securities and other	**$ 3,399**	Discounted cash flow, Market comparables	Yield	0% to 28%	9%
Trading account assets – Corporate securities, trading loans and other	2,056		Prepayment speed	20%	n/a
Trading account assets – Non-U.S. sovereign debt	236		Default rate	2%	n/a
Trading account assets – Mortgage trading loans, MBS and ABS	1,055		Loss severity	30%	n/a
AFS debt securities – Non-U.S. and other taxable securities	15		Price	$0 to $165	$65
Loans held-for-sale	37				
Other assets, primarily MSRs and tax-related equity investments	**$ 2,067**	Discounted cash flow, Market comparables	Price	$10 to $93	$82
			Yield	7% to 9%	8%
			Weighted-average life, fixed rate [5]	0 to 14 years	6 years
			Weighted-average life, variable rate [5]	0 to 10 years	4 years
			Option-adjusted spread, fixed rate	7% to 14%	9%
			Option-adjusted spread, variable rate	9% to 15%	11%
Structured liabilities					
Long-term debt	**$ (592)**	Discounted cash flow, Market comparables	Yield	14% to 28%	25%
			Price	$27 to $100	$91
			Natural gas forward price	$1/MMBtu to $6/MMBtu	$3 /MMBtu
Net derivative assets (liabilities)					
Credit derivatives	**$ 50**	Market comparables, Discounted cash flow, Stochastic recovery correlation model	Credit spreads	7 to 228 bps	35 bps
			Default rate	2% CDR	n/a
			Credit correlation	43% to 77%	71%
			Price	$0 to $111	$72
Equity derivatives	**$ (1,403)**	Industry standard derivative pricing [3]	Equity correlation	0% to 100%	66%
			Long-dated equity volatilities	0% to 118%	43%
Commodity derivatives	**$ (651)**	Discounted cash flow	Natural gas forward price	$1/MMBtu to $6/MMBtu	$3/MMBtu
			Commodities volatilities	60% to 63%	62%
			Power forward price	$28 to $125	$53
Interest rate derivatives	**$ 243**	Industry standard derivative pricing [4]	Correlation (IR/IR)	(35)% to 70%	46%
			Correlation (FX/IR)	(10)% to 35%	26%
			Long-dated inflation rates	0% to 17%	2%
			Interest rate volatilities	0% to 10%	0%
Total net derivative assets (liabilities)	**$ (1,761)**				

(1) For loans and securities, structured liabilities and net derivative assets (liabilities), the weighted average is calculated based upon the absolute fair value of the instruments.
(2) The categories are aggregated based upon product type, which differs from financial statement classification. The following is a reconciliation to the line items in the table on page 87: Trading account assets – Corporate securities, trading loans and other of $2.3 billion, Trading account assets – Non-U.S. sovereign debt of $236 million, Trading account assets – Mortgage trading loans, MBS and ABS of $1.2 billion, AFS debt securities of $58 million, Other debt securities carried at fair value - Non-agency residential of $43 million, Other assets of $2.1 billion, Loans and leases of $66 million and LHFS of $37 million.
(3) Includes models such as Monte Carlo simulation and Black-Scholes.
(4) Includes models such as Monte Carlo simulation, Black-Scholes and other methods that model the joint dynamics of interest, inflation and foreign exchange rates.
(5) The weighted-average life is a product of changes in market rates of interest, prepayment rates and other model and cash flow assumptions.
CPR = Constant Prepayment Rate
CDR = Constant Default Rate
MMBtu = Million British thermal units
IR = Interest Rate
FX = Foreign Exchange
n/a = not applicable

Quantitative Information about Level 3 Fair Value Measurements at December 31, 2025

(Dollars in millions)

Financial Instrument	Fair Value	Valuation Technique	Inputs: Significant Unobservable Inputs	Inputs: Ranges of Inputs	Inputs: Weighted Average [1]
Loans and Securities [2]					
Instruments backed by residential real estate assets	**$ 327**		Yield	0% to 15%	8%
Trading account assets – Mortgage trading loans, MBS and ABS	120	Discounted cash flow, Market comparables	Prepayment speed	0% to 40% CPR	7% CPR
Loans and leases	73		Default rate	0% to 7% CDR	7% CDR
AFS debt securities - Non-agency residential	9		Price	$0 to $115	$53
Other debt securities carried at fair value - Non-agency residential	125		Loss severity	0% to 81%	27%
Instruments backed by commercial real estate assets	**$ 373**		Yield	0% to 5%	2%
Trading account assets – Corporate securities, trading loans and other	304	Discounted cash flow, Asset based approach	Price	$0 to $100	$42
Trading account assets – Mortgage trading loans, MBS and ABS	47				
AFS debt securities – Commercial	22				
Commercial loans, debt securities and other	**$ 3,006**		Yield	4% to 24%	13%
Trading account assets – Corporate securities, trading loans and other	1,618		Prepayment speed	20%	n/a
Trading account assets – Non-U.S. sovereign debt	240		Default rate	2%	n/a
Trading account assets – Mortgage trading loans, MBS and ABS	768	Discounted cash flow, Market comparables	Loss severity	30%	n/a
AFS debt securities – Non-U.S. and other taxable securities	322		Price	$0 to $137	$67
Loans and leases	3				
Loans held-for-sale	55				
Other assets, primarily MSRs and tax-related equity investments	**$ 2,118**		Price	$10 to $95	$84
			Yield	8% to 11%	9 %
		Discounted cash flow, Market comparables	Weighted-average life, fixed rate [5]	0 to 14 years	6 years
			Weighted-average life, variable rate [5]	0 to 11 years	4 years
			Option-adjusted spread, fixed rate	7% to 14%	9%
			Option-adjusted spread, variable rate	9% to 15%	12%
Structured liabilities					
Long-term debt	**$ (481)**		Yield	15% to 22%	20%
		Discounted cash flow, Market comparables	Price	$29 to $101	$93
			Natural gas forward price	$2/MMBtu to $6/MMBtu	$3/MMBtu
Net derivative assets (liabilities)					
Credit derivatives	**$ (3)**	Market comparables, Discounted cash flow, Stochastic recovery correlation model	Credit spreads	5 to 245 bps	36 bps
			Default rate	2% CDR	n/a
			Credit correlation	40% to 74%	67%
			Price	$0 to $111	$106
Equity derivatives	**$ (1,018)**	Industry standard derivative pricing [3]	Equity correlation	0% to 100%	68%
			Long-dated equity volatilities	0% to 104%	37%
Commodity derivatives	**$ (664)**	Discounted cash flow	Natural gas forward price	$2/MMBtu to $6/MMBtu	$3/MMBtu
			Commodities volatilities	49% to 53%	**51%**
			Power forward price	$29 to $134	$56
Interest rate derivatives	**$ 372**		Correlation (IR/IR)	(35)% to 70%	45%
			Correlation (FX/IR)	(5)% to 58%	26%
		Industry standard derivative pricing [4]	Long-dated inflation rates	(1)% to 20%	2%
			Long-dated inflation volatilities	5%	n/a
			Interest rates volatilities	(1)% to 1%	0%
Total net derivative assets (liabilities)	**$ (1,313)**				

(1) For loans and securities, structured liabilities and net derivative assets (liabilities), the weighted average is calculated based upon the absolute fair value of the instruments.
(2) The categories are aggregated based upon product type, which differs from financial statement classification. The following is a reconciliation to the line items in the table on page 88: Trading account assets – Corporate securities, trading loans and other of $1.9 billion, Trading account assets – Non-U.S. sovereign debt of $240 million, Trading account assets – Mortgage trading loans, MBS and ABS of $935 million, AFS debt securities of $353 million, Other debt securities carried at fair value - Non-agency residential of $125 million, Other assets of $2.1 billion, Loans and leases of $76 million and LHFS of $55 million.
(3) Includes models such as Monte Carlo simulation and Black-Scholes.
(4) Includes models such as Monte Carlo simulation, Black-Scholes and other methods that model the joint dynamics of interest, inflation and foreign exchange rates.
(5) The weighted-average life is a product of changes in market rates of interest, prepayment rates and other model and cash flow assumptions.

CPR = Constant Prepayment Rate
CDR = Constant Default Rate
MMBtu = Million British thermal units
IR = Interest Rate
FX = Foreign Exchange
n/a = not applicable

Uncertainty of Fair Value Measurements from Unobservable Inputs

For information on the types of instruments, valuation approaches and the impact of changes in unobservable inputs used in Level 3 measurements, see *Note 20 – Fair Value Measurements* to the Consolidated Financial Statements of the Corporation’s 2025 Annual Report on Form 10-K.

Nonrecurring Fair Value

The Corporation holds certain assets that are measured at fair value only in certain situations (e.g., the impairment of an asset), and these measurements are referred to herein as nonrecurring. The amounts below represent assets still held as of the reporting date for which a nonrecurring fair value adjustment was recorded during the three and six months ended June 30, 2026 and 2025.

Assets Measured at Fair Value on a Nonrecurring Basis

	June 30, 2026		Three Months Ended June 30, 2026	Six Months Ended June 30, 2026
(Dollars in millions)	Level 2	Level 3	Gains (Losses)	
Assets				
Loans held-for-sale	$ 281	$ 204	$ (6)	$ (28)
Foreclosed properties [1]	—	56	2	2
	June 30, 2025		**Three Months Ended June 30, 2025**	**Six Months Ended June 30, 2025**
Assets				
Loans held-for-sale	$ 135	$ —	$ (6)	$ 50
Foreclosed properties [1]	—	67	—	—

(1) Amounts are included in other assets on the Consolidated Balance Sheet and represent the carrying value of foreclosed properties that were written down subsequent to their initial classification as foreclosed properties. Losses on foreclosed properties include losses recorded during the first 90 days after transfer of a loan to foreclosed properties.

The table below presents information about significant unobservable inputs utilized in the Corporation's nonrecurring Level 3 fair value measurements during the six months ended June 30, 2026.

Quantitative Information about Nonrecurring Level 3 Fair Value Measurements

			Inputs		
Financial Instrument	Fair Value	Valuation Technique	Significant Unobservable Inputs	Ranges of Inputs	Weighted Average [1]
(Dollars in millions)			Six Months Ended June 30, 2026		
Loans held-for-sale	$ 204	Pricing model	Implied yield	12% to 29%	19 %

(1) The weighted average is calculated based upon the fair value of the loans.

There were no significant Level 3 instruments held as of December 31, 2025 that had nonrecurring fair value measurements for the year ended December 31, 2025.

NOTE 15 Fair Value Option

The Corporation elects to account for certain financial instruments under the fair value option. For more information on the primary financial instruments for which the fair value option elections have been made, see *Note 21 – Fair Value Option* to the Consolidated Financial Statements of the Corporation’s 2025 Annual Report on Form 10-K. The following tables provide information about the fair value carrying amount and the contractual principal outstanding of assets and liabilities accounted for under the fair value option at June 30, 2026 and December 31, 2025, and information about where changes in the fair value of assets and liabilities accounted for under the fair value option are included in the Consolidated Statement of Income for the three and six months ended June 30, 2026 and 2025.

Fair Value Option Elections

(Dollars in millions)	June 30, 2026 Fair Value Carrying Amount	June 30, 2026 Contractual Principal Outstanding	June 30, 2026 Fair Value Carrying Amount Less Unpaid Principal	December 31, 2025 Fair Value Carrying Amount	December 31, 2025 Contractual Principal Outstanding	December 31, 2025 Fair Value Carrying Amount Less Unpaid Principal
Federal funds sold and securities borrowed or purchased under agreements to resell	**$ 217,206**	**$ 217,164**	**$ 42**	$ 185,491	$ 185,324	$ 167
Loans reported as trading account assets [1]	**8,536**	**22,581**	**(14,045)**	10,230	24,475	(14,245)
Trading inventory – other	**10,692**	**n/a**	**n/a**	16,791	n/a	n/a
Consumer and commercial loans	**3,359**	**3,454**	**(95)**	3,498	3,594	(96)
Loans held-for-sale [1]	**3,842**	**4,440**	**(598)**	2,271	2,868	(597)
Other assets	**4,294**	**n/a**	**n/a**	4,054	n/a	n/a
Long-term deposits	**1,828**	**1,849**	**(21)**	1,223	1,385	(162)
Federal funds purchased and securities loaned or sold under agreements to repurchase	**223,698**	**223,729**	**(31)**	223,067	223,087	(20)
Short-term borrowings	**11,431**	**11,433**	**(2)**	8,051	8,046	5
Unfunded loan commitments	**108**	**n/a**	**n/a**	67	n/a	n/a
Accrued expenses and other liabilities	**2,409**	**2,400**	**9**	3,767	3,628	139
Long-term debt	**84,797**	**86,837**	**(2,040)**	72,591	76,534	(3,943)

(1) A significant portion of the loans reported as trading account assets and LHFS are distressed loans that were purchased at a deep discount to par, and the remainder are loans with a fair value near contractual principal outstanding.
n/a = not applicable

Gains (Losses) Related to Assets and Liabilities Accounted for Under the Fair Value Option

(Dollars in millions)	2026 Market making and similar activities	2026 Other Income	2026 Total	2025 Market making and similar activities	2025 Other Income	2025 Total
Three Months Ended June 30						
Federal funds sold and securities borrowed or purchased under agreements to resell	**$ (71)**	**$ (2)**	**$ (73)**	$ 189	$ (1)	$ 188
Loans reported as trading account assets	**(21)**	**1**	**(20)**	60	3	63
Trading inventory – other [1]	**1,807**	**—**	**1,807**	127	—	127
Consumer and commercial loans	**142**	**6**	**148**	63	(3)	60
Loans held-for-sale [2]	**—**	**6**	**6**	—	17	17
Short-term borrowings	**(390)**	**—**	**(390)**	28	—	28
Unfunded loan commitments	**—**	**(39)**	**(39)**	—	(11)	(11)
Accrued expenses and other liabilities	**(16)**	**(95)**	**(111)**	1	(9)	(8)
Long-term debt [3]	**(709)**	**(6)**	**(715)**	(622)	(6)	(628)
Other [4]	**23**	**(12)**	**11**	(160)	(159)	(319)
Total	$ 765	$ (141)	$ 624	$ (314)	$ (169)	$ (483)
Six Months Ended June 30						
Federal funds sold and securities borrowed or purchased under agreements to resell	**$ (160)**	**$ (4)**	**$ (164)**	$ 323	$ (3)	$ 320
Loans reported as trading account assets	**246**	**2**	**248**	172	3	175
Trading inventory – other [1]	**(708)**	**—**	**(708)**	1,834	—	1,834
Consumer and commercial loans	**279**	**(10)**	**269**	81	(2)	79
Loans held-for-sale [2]	**—**	**(26)**	**(26)**	—	77	77
Short-term borrowings	**(235)**	**—**	**(235)**	69	—	69
Unfunded loan commitments	**—**	**(40)**	**(40)**	—	(20)	(20)
Accrued expenses and other liabilities	**3**	**(190)**	**(187)**	(6)	(9)	(15)
Long-term debt [3]	**(1,748)**	**(16)**	**(1,764)**	(877)	(18)	(895)
Other [4]	**61**	**(38)**	**23**	(275)	(169)	(444)
Total	$ (2,262)	$ (322)	$ (2,584)	$ 1,321	$ (141)	$ 1,180

(1) The gains (losses) in market making and similar activities are primarily offset by (losses) gains on trading liabilities that hedge these assets.
(2) Includes the value of IRLCs on funded loans, including those sold during the period.
(3) The net gains (losses) in market making and similar activities relate to the embedded derivatives in structured liabilities and are typically offset by (losses) gains on derivatives and securities that hedge these liabilities. For the cumulative impact of changes in the Corporation's own credit spreads and the amount recognized in accumulated OCI, see *Note 12 – Accumulated Other Comprehensive Income (Loss)*. For more information on how the Corporation's own credit spread is determined, see *Note 20 – Fair Value Measurements* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.
(4) Includes gains (losses) on other assets, long-term deposits and federal funds purchased and securities loaned or sold under agreements to repurchase.

Gains (Losses) Related to Borrower-specific Credit Risk for Assets and Liabilities Accounted for Under the Fair Value Option

(Dollars in millions)	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	**2026**	2025
Loans reported as trading account assets	**$ (21)**	$ (47)	**$ (107)**	$ 113
Consumer and commercial loans	**6**	(2)	**(10)**	(2)
Loans held-for-sale	**4**	6	**(13)**	7
Unfunded loan commitments	**(39)**	(11)	**(40)**	(20)

NOTE 16 Fair Value of Financial Instruments

The following disclosures include financial instruments that are not carried at fair value or only a portion of the ending balance is carried at fair value on the Consolidated Balance Sheet. Certain loans, deposits, long-term debt, unfunded lending commitments and other financial instruments are accounted for under the fair value option. For more information, see *Note 21 – Fair Value Option* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Fair Value of Financial Instruments

The carrying values and fair values by fair value hierarchy of certain financial instruments where only a portion of the ending balance was carried at fair value at June 30, 2026 and December 31, 2025 are presented in the table below.

Fair Value of Financial Instruments

(Dollars in millions)	Carrying Value	Fair Value		
		Level 2	Level 3	Total
	June 30, 2026			
Financial assets				
Loans	**$ 1,181,891**	**$ 46,421**	**$ 1,121,733**	**$ 1,168,154**
Loans held-for-sale	**6,535**	**6,001**	**534**	**6,535**
Financial liabilities				
Deposits [1]	**2,025,124**	**2,026,180**	**—**	**2,026,180**
Long-term debt	**339,863**	**344,468**	**985**	**345,453**
Commercial unfunded lending commitments [2]	**1,258**	**108**	**6,275**	**6,383**
	December 31, 2025			
Financial assets				
Loans	$ 1,149,093	$ 51,136	$ 1,085,303	$ 1,136,439
Loans held-for-sale	5,165	4,720	445	5,165
Financial liabilities				
Deposits [1]	2,018,729	2,020,072	—	2,020,072
Long-term debt	317,816	323,681	725	324,406
Commercial unfunded lending commitments [2]	1,244	67	6,673	6,740

(1) Includes demand deposits of $1.2 trillion and $1.1 trillion with no stated maturities at June 30, 2026 and December 31, 2025.
(2) The carrying value of commercial unfunded lending commitments is included in accrued expenses and other liabilities on the Consolidated Balance Sheet. The Corporation does not estimate the fair value of consumer unfunded lending commitments because, in many instances, the Corporation can reduce or cancel these commitments by providing notice to the borrower. For more information on commitments, see *Note 10 – Commitments and Contingencies.*

NOTE 17 Business Segment Information

The Corporation reports its results of operations through the following four business segments: *Consumer Banking*, *Global Wealth & Investment Management, Global Banking* and *Global Markets*, with the remaining operations recorded in *All Other*. For more information, see *Note 23 – Business Segment Information* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K. The following tables presents net income (loss) and the components thereto (with net interest income on an FTE basis for the business segments, *All Other* and the total Corporation) for the three and six months ended June 30, 2026 and 2025, and total assets at June 30, 2026 and 2025 for each business segment, as well as *All Other.*

Results of Business Segments and All Other [1]

At and for the three months ended June 30	Total Corporation [2]		Consumer Banking		Global Wealth & Investment Management	
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025
Net interest income	**$ 16,160**	$ 14,815	**$ 9,206**	$ 8,726	**$ 1,888**	$ 1,762
Noninterest income	**15,561**	12,773	**2,130**	2,087	**4,983**	4,175
Total revenue, net of interest expense	**31,721**	27,588	**11,336**	10,813	**6,871**	5,937
Provision for credit losses	**1,366**	1,592	**1,160**	1,282	**11**	20
Noninterest expense						
Compensation and benefits [3]	**10,987**	10,332	**1,553**	1,514	**3,269**	2,966
Other noninterest expense	**7,640**	6,851	**4,248**	4,053	**1,707**	1,627
Total noninterest expense	**18,627**	17,183	**5,801**	5,567	**4,976**	4,593
Income before income taxes	**11,728**	8,813	**4,375**	3,964	**1,884**	1,324
Income tax expense	**2,654**	1,643	**1,094**	991	**471**	331
Net income	**$ 9,074**	$ 7,170	**$ 3,281**	$ 2,973	**$ 1,413**	$ 993
Period-end total assets	**$ 3,499,191**	$ 3,440,798	**$ 1,039,051**	$ 1,037,407	**$ 327,667**	$ 320,820

	Global Banking		Global Markets		All Other	
	2026	2025	**2026**	2025	**2026**	2025
Net interest income	**$ 3,198**	$ 3,081	**$ 1,911**	$ 1,267	**$ (43)**	$ (21)
Noninterest income	**3,038**	2,608	**6,111**	4,715	**(701)**	(812)
Total revenue, net of interest expense	**6,236**	5,689	**8,022**	5,982	**(744)**	(833)
Provision for credit losses	**215**	277	**(11)**	22	**(9)**	(9)
Noninterest expense						
Compensation and benefits [3]	**1,174**	1,140	**1,062**	944	**—**	—
Other noninterest expense	**2,025**	1,930	**3,422**	2,862	**167**	147
Total noninterest expense	**3,199**	3,070	**4,484**	3,806	**167**	147
Income (loss) before income taxes	**2,822**	2,342	**3,549**	2,154	**(902)**	(971)
Income tax expense (benefit)	**776**	644	**923**	625	**(610)**	(948)
Net income (loss)	**$ 2,046**	$ 1,698	**$ 2,626**	$ 1,529	**$ (292)**	$ (23)
Period-end total assets	**$ 761,395**	$ 739,214	**$ 1,106,999**	$ 1,017,594	**$ 264,079**	$ 325,763

(1) Segment results are presented on an FTE basis and include additional net interest income and income tax expense, related to tax-exempt securities, of $163 million and $145 million for the three months ended June 30, 2026 and 2025, respectively, as compared to the Consolidated Statement of Income.
(2) There were no material intersegment revenues.
(3) Represents the compensation and benefits directly incurred by each segment.

Results of Business Segments and All Other [1]

At and for the six months ended June 30	Total Corporation [2]		Consumer Banking		Global Wealth & Investment Management	
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025
Net interest income	**$ 32,067**	$ 29,403	**$ 18,199**	$ 17,231	**$ 3,750**	$ 3,527
Noninterest income	**30,088**	26,577	**4,186**	4,075	**9,833**	8,426
Total revenue, net of interest expense	**62,155**	55,980	**22,385**	21,306	**13,583**	11,953
Provision for credit losses	**2,703**	3,072	**2,292**	2,574	**13**	34
Noninterest expense						
Compensation and benefits [3]	**22,321**	21,221	**3,141**	3,084	**6,530**	5,997
Other noninterest expense	**14,837**	13,732	**8,497**	8,309	**3,384**	3,255
Total noninterest expense	**37,158**	34,953	**11,638**	11,393	**9,914**	9,252
Income before income taxes	**22,294**	17,955	**8,455**	7,339	**3,656**	2,667
Income tax expense	**4,636**	3,425	**2,114**	1,835	**914**	667
Net income	**$ 17,658**	$ 14,530	**$ 6,341**	$ 5,504	**$ 2,742**	$ 2,000
Period-end total assets	**$ 3,499,191**	$ 3,440,798	**$ 1,039,051**	$ 1,037,407	**$ 327,667**	$ 320,820

	Global Banking		Global Markets		All Other	
	2026	2025	**2026**	2025	**2026**	2025
Net interest income	**$ 6,428**	$ 6,232	**$ 3,772**	$ 2,456	**$ (82)**	$ (43)
Noninterest income	**6,095**	5,449	**11,359**	10,111	**(1,385)**	(1,484)
Total revenue, net of interest expense	**12,523**	11,681	**15,131**	12,567	**(1,467)**	(1,527)
Provision for credit losses	**400**	431	**16**	50	**(18)**	(17)
Noninterest expense						
Compensation and benefits [3]	**2,385**	2,380	**2,220**	1,996	**—**	—
Other noninterest expense	**4,037**	3,874	**6,634**	5,621	**330**	437
Total noninterest expense	**6,422**	6,254	**8,854**	7,617	**330**	437
Income (loss) before income taxes	**5,701**	4,996	**6,261**	4,900	**(1,779)**	(1,947)
Income tax expense (benefit)	**1,568**	1,374	**1,628**	1,421	**(1,588)**	(1,872)
Net income (loss)	**$ 4,133**	$ 3,622	**$ 4,633**	$ 3,479	**$ (191)**	$ (75)
Period-end total assets	**$ 761,395**	$ 739,214	**$ 1,106,999**	$ 1,017,594	**$ 264,079**	$ 325,763

(1) Segment results are presented on an FTE basis and include additional net interest income and income tax expense, related to tax-exempt securities, of $325 million and $290 million for the six months ended June 30, 2026 and 2025, respectively, as compared to the Consolidated Statement of Income.
(2) There were no material intersegment revenues.
(3) Represents the compensation and benefits directly incurred by each segment.

The table below presents noninterest income and the associated components for the three and six months ended June 30, 2026 and 2025 for each business segment, *All Other* and the total Corporation. For more information, see *Note 2 – Net Interest Income and Noninterest Income*.

Noninterest Income by Business Segment and All Other

	Total Corporation		Consumer Banking		Global Wealth & Investment Management	
	Three Months Ended June 30					
(Dollars in millions)	**2026**	2025	**2026**	2025	**2026**	2025
Fees and commissions:						
Card income						
Interchange fees	**$ 947**	$ 1,036	**$ 733**	$ 821	**$ (14)**	$ (7)
Other card income	**636**	610	**613**	594	**19**	17
Total card income	**1,583**	1,646	**1,346**	1,415	**5**	10
Service charges						
Deposit-related fees	**1,336**	1,265	**639**	627	**13**	12
Lending-related fees	**370**	350	**—**	—	**17**	16
Total service charges	**1,706**	1,615	**639**	627	**30**	28
Investment and brokerage services						
Asset management fees	**4,427**	3,698	**78**	58	**4,353**	3,643
Brokerage fees	**1,226**	1,082	**28**	27	**440**	390
Total investment and brokerage services	**5,653**	4,780	**106**	85	**4,793**	4,033
Investment banking fees						
Underwriting income	**1,220**	806	**—**	—	**85**	65
Syndication fees	**360**	289	**—**	—	**—**	—
Financial advisory services	**558**	333	**—**	—	**3**	—
Total investment banking fees	**2,138**	1,428	**—**	—	**88**	65
Total fees and commissions	**11,080**	9,469	**2,091**	2,127	**4,916**	4,136
Market making and similar activities	**4,177**	3,153	**7**	6	**32**	28
Other income (loss)	**304**	151	**32**	(46)	**35**	11
Total noninterest income	**$ 15,561**	$ 12,773	**$ 2,130**	$ 2,087	**$ 4,983**	$ 4,175

	Global Banking		Global Markets		All Other	
	Three Months Ended June 30					
	2026	2025	**2026**	2025	**2026**	2025
Fees and commissions:						
Card income						
Interchange fees	**$ 212**	$ 203	**$ 16**	$ 19	**$ —**	$ —
Other card income	**4**	4	**—**	—	**—**	(5)
Total card income	**216**	207	**16**	19	**—**	(5)
Service charges						
Deposit-related fees	**666**	607	**15**	17	**3**	2
Lending-related fees	**266**	257	**87**	77	**—**	—
Total service charges	**932**	864	**102**	94	**3**	2
Investment and brokerage services						
Asset management fees	**—**	—	**—**	—	**(4)**	(3)
Brokerage fees	**29**	23	**729**	642	**—**	—
Total investment and brokerage services	**29**	23	**729**	642	**(4)**	(3)
Investment banking fees						
Underwriting income	**455**	322	**748**	489	**(68)**	(70)
Syndication fees	**182**	154	**178**	135	**—**	—
Financial advisory services	**517**	291	**39**	42	**(1)**	—
Total investment banking fees	**1,154**	767	**965**	666	**(69)**	(70)
Total fees and commissions	**2,331**	1,861	**1,812**	1,421	**(70)**	(76)
Market making and similar activities	**59**	68	**4,422**	3,300	**(343)**	(249)
Other income (loss)	**648**	679	**(123)**	(6)	**(288)**	(487)
Total noninterest income	**$ 3,038**	$ 2,608	**$ 6,111**	$ 4,715	**$ (701)**	$ (812)

Noninterest Income by Business Segment and All Other

(Dollars in millions)	Total Corporation		Consumer Banking		Global Wealth & Investment Management	
	Six Months Ended June 30					
	2026	2025	**2026**	2025	**2026**	2025
Fees and commissions:						
Card income						
Interchange fees	**$ 1,812**	$ 1,952	**$ 1,398**	$ 1,531	**$ (28)**	$ (13)
Other card income	**1,264**	1,212	**1,221**	1,181	**35**	33
Total card income	**3,076**	3,164	**2,619**	2,712	**7**	20
Service charges						
Deposit-related fees	**2,642**	2,493	**1,277**	1,245	**28**	25
Lending-related fees	**738**	683	**—**	—	**34**	30
Total service charges	**3,380**	3,176	**1,277**	1,245	**62**	55
Investment and brokerage services						
Asset management fees	**8,739**	7,436	**152**	113	**8,594**	7,330
Brokerage fees	**2,455**	2,157	**56**	55	**870**	792
Total investment and brokerage services	**11,194**	9,593	**208**	168	**9,464**	8,122
Investment banking fees						
Underwriting income	**2,171**	1,576	**—**	—	**167**	134
Syndication fees	**697**	658	**—**	—	**—**	—
Financial advisory services	**1,111**	717	**—**	—	**3**	—
Total investment banking fees	**3,979**	2,951	**—**	—	**170**	134
Total fees and commissions	**21,629**	18,884	**4,104**	4,125	**9,703**	8,331
Market making and similar activities	**7,814**	6,737	**14**	14	**63**	62
Other income (loss)	**645**	956	**68**	(64)	**67**	33
Total noninterest income	**$ 30,088**	$ 26,577	**$ 4,186**	$ 4,075	**$ 9,833**	$ 8,426

	Global Banking		Global Markets		All Other	
	Six Months Ended June 30					
	2026	2025	**2026**	2025	**2026**	2025
Fees and commissions:						
Card income						
Interchange fees	**$ 410**	$ 401	**$ 32**	$ 33	**$ —**	$ —
Other card income	**8**	8	**—**	—	**—**	(10)
Total card income	**418**	409	**32**	33	**—**	(10)
Service charges						
Deposit-related fees	**1,305**	1,189	**29**	31	**3**	3
Lending-related fees	**531**	501	**173**	152	**—**	—
Total service charges	**1,836**	1,690	**202**	183	**3**	3
Investment and brokerage services						
Asset management fees	**—**	—	**—**	—	**(7)**	(7)
Brokerage fees	**40**	41	**1,489**	1,269	**—**	—
Total investment and brokerage services	**40**	41	**1,489**	1,269	**(7)**	(7)
Investment banking fees						
Underwriting income	**828**	644	**1,295**	942	**(119)**	(144)
Syndication fees	**359**	340	**338**	318	**—**	—
Financial advisory services	**1,014**	630	**94**	87	**—**	—
Total investment banking fees	**2,201**	1,614	**1,727**	1,347	**(119)**	(144)
Total fees and commissions	**4,495**	3,754	**3,450**	2,832	**(123)**	(158)
Market making and similar activities	**140**	134	**8,143**	6,922	**(546)**	(395)
Other income (loss)	**1,460**	1,561	**(234)**	357	**(716)**	(931)
Total noninterest income	**$ 6,095**	$ 5,449	**$ 11,359**	$ 10,111	**$ (1,385)**	$ (1,484)

Glossary

Alt-A Mortgage – A type of U.S. mortgage that is considered riskier than A-paper, or "prime," and less risky than "subprime," the riskiest category. Typically, Alt-A mortgages are characterized by borrowers with less than full documentation, lower credit scores and higher LTVs.

Assets Under Management (AUM) – The total market value of assets under the investment advisory and/or discretion of *GWIM* which generate asset management fees based on a percentage of the assets' market values. AUM reflects assets that are generally managed for institutional, high net worth and retail clients, and are distributed through various investment products including mutual funds, other commingled vehicles and separate accounts.

Banking Book – All on- and off-balance sheet financial instruments of the Corporation except for those positions that are held for trading purposes.

Brokerage and Other Assets – Non-discretionary client assets which are held in brokerage accounts or held for safekeeping.

Committed Credit Exposure – Any funded portion of a facility plus the unfunded portion of a facility on which the lender is legally bound to advance funds during a specified period under prescribed conditions.

Credit Derivatives – Contractual agreements that provide protection against a specified credit event on one or more referenced obligations.

Credit Valuation Adjustment (CVA) – A portfolio adjustment required to properly reflect the counterparty credit risk exposure as part of the fair value of derivative instruments.

Debit Valuation Adjustment (DVA) – A portfolio adjustment required to properly reflect the Corporation's own credit risk exposure as part of the fair value of derivative instruments and/or structured liabilities.

Funding Valuation Adjustment (FVA) – A portfolio adjustment required to include funding costs on uncollateralized derivatives and derivatives where the Corporation is not permitted to use the collateral it receives.

Interest Rate Lock Commitment (IRLC) – Commitment with a loan applicant in which the loan terms are guaranteed for a designated period of time subject to credit approval.

Letter of Credit – A document issued on behalf of a customer to a third party promising to pay the third party upon presentation of specified documents. A letter of credit effectively substitutes the issuer's credit for that of the customer.

Loan-to-value (LTV) – A commonly used credit quality metric. LTV is calculated as the outstanding carrying value of the loan divided by the estimated value of the property securing the loan.

Macro Products – Include currencies, interest rates and commodities products.

Margin Receivable – An extension of credit secured by eligible securities in certain brokerage accounts.

Matched Book – Repurchase and resale agreements or securities borrowed and loaned transactions where the overall asset and liability position is similar in size and/or maturity. Generally, these are entered into to accommodate customers where the Corporation earns the interest rate spread.

Mortgage Servicing Right (MSR) – The right to service a mortgage loan when the underlying loan is sold or securitized. Servicing includes collections for principal, interest and escrow payments from borrowers and accounting for and remitting principal and interest payments to investors.

Nonperforming Loans and Leases – Includes loans and leases that have been placed on nonaccrual status, including nonaccruing loans whose contractual terms have been restructured in a manner that grants a concession to a borrower experiencing financial difficulties.

Prompt Corrective Action (PCA) – A framework established by the U.S. banking regulators requiring banks to maintain certain levels of regulatory capital ratios, comprised of five categories of capitalization: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized" and "critically undercapitalized." Insured depository institutions that fail to meet certain of these capital levels are subject to increasingly strict limits on their activities, including their ability to make capital distributions, pay management compensation, grow assets and take other actions.

Subprime Loans – Although a standard industry definition for subprime loans (including subprime mortgage loans) does not exist, the Corporation defines subprime loans as specific product offerings for higher risk borrowers.

Value-at-Risk (VaR) – VaR is a model that simulates the value of a portfolio under a range of hypothetical scenarios in order to generate a distribution of potential gains and losses. VaR represents the loss the portfolio is expected to experience with a given confidence level based on historical data. A VaR model is an effective tool in estimating ranges of potential gains and losses on our trading portfolios.

Key Metrics

Active Digital Banking Users – Mobile and/or online active users over the past 90 days.

Active Mobile Banking Users – Mobile active users over the past 90 days.

Book Value – Ending common shareholders' equity divided by ending common shares outstanding.

Common Equity Ratio – Ending common shareholders' equity divided by ending total assets.

Deposit Spread – Annualized net interest income divided by average deposits.

Dividend Payout Ratio – Common dividends declared divided by net income applicable to common shareholders.

Efficiency Ratio – Noninterest expense divided by total revenue, net of interest expense.

Gross Interest Yield – Effective annual percentage rate divided by average loans.

Net Interest Yield – Net interest income divided by average total interest-earning assets.

Operating Margin – Income before income taxes divided by total revenue, net of interest expense.

Return on Average Allocated Capital – Adjusted net income divided by allocated capital.

Return on Average Assets – Net income divided by total average assets.

Return on Average Common Shareholders' Equity – Net income applicable to common shareholders divided by average common shareholders' equity.

Return on Average Shareholders' Equity – Net income divided by average shareholders' equity.

Risk-adjusted Margin – Difference between total revenue, net of interest expense, and net charge-offs divided by average loans.

Acronyms

ABS	Asset-backed securities
AFS	Available-for-sale
ALM	Asset and liability management
AUM	Assets under management
BANA	Bank of America, National Association
BHC	Bank holding company
BofAS	BofA Securities, Inc.
BofASE	BofA Securities Europe SA
bps	Basis points
CCAR	Comprehensive Capital Analysis and Review
CDO	Collateralized debt obligation
CET1	Common equity tier 1
CFTC	Commodity Futures Trading Commission
CLO	Collateralized loan obligation
CLTV	Combined loan-to-value
CVA	Credit valuation adjustment
DVA	Debit valuation adjustment
EPS	Earnings per common share
FDIC	Federal Deposit Insurance Corporation
FHA	Federal Housing Administration
FHLB	Federal Home Loan Bank
FHLMC	Freddie Mac
FICC	Fixed income, currencies and commodities
FICO	Fair Isaac Corporation (credit score)
FINRA	Financial Industry Regulatory Authority, Inc.
FNMA	Fannie Mae
FTE	Fully taxable-equivalent
FVA	Funding valuation adjustment
GAAP	Accounting principles generally accepted in the United States of America
GLS	Global Liquidity Sources
GNMA	Government National Mortgage Association
G-SIB	Global systemically important bank
GWIM	Global Wealth & Investment Management
HELOC	Home equity line of credit
HQLA	High Quality Liquid Assets
HTM	Held-to-maturity
IRLC	Interest rate lock commitment
ISDA	International Swaps and Derivatives Association, Inc.
LCR	Liquidity Coverage Ratio
LHFS	Loans held-for-sale
LTV	Loan-to-value
MBS	Mortgage-backed securities
MD&A	Management's Discussion and Analysis of Financial Condition and Results of Operations
MLI	Merrill Lynch International
MLPF&S	Merrill Lynch, Pierce, Fenner & Smith Incorporated
MSA	Metropolitan Statistical Area
MSR	Mortgage servicing right
NPR	Notice of proposed rulemaking
NSFR	Net Stable Funding Ratio
OCI	Other comprehensive income
OREO	Other real estate owned
OTC	Over-the-counter
PCA	Prompt Corrective Action
RWA	Risk-weighted assets
SBLC	Standby letter of credit
SCB	Stress capital buffer
SEC	Securities and Exchange Commission
SLR	Supplementary leverage ratio
SOFR	Secured Overnight Financing Rate
TLAC	Total loss-absorbing capacity
VA	U.S. Department of Veterans Affairs
VaR	Value-at-Risk
VIE	Variable interest entity

Part II. Other Information

Bank of America Corporation and Subsidiaries

Item 1. Legal Proceedings

See Litigation and Regulatory Matters in *Note 10 – Commitments and Contingencies* to the Consolidated Financial Statements, which is incorporated by reference in this Item 1, for litigation and regulatory disclosure that supplements the disclosure in *Note 12 – Commitments and Contingencies* to the Consolidated Financial Statements of the Corporation's 2025 Annual Report on Form 10-K.

Item 1A. Risk Factors

There are no material changes from the risk factors set forth under Part 1, Item 1A. Risk Factors of the Corporation's 2025 Annual Report on Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The table below presents share repurchase activity for the three months ended June 30, 2026. The primary source of funds for cash distributions by the Corporation to its shareholders is dividends received from its banking subsidiaries. Each of the banking subsidiaries is subject to various regulatory policies and requirements relating to the payment of dividends, including requirements to maintain capital above regulatory minimums. All of the Corporation's preferred stock outstanding has preference over the Corporation's common stock with respect to payment of dividends.

(Dollars in millions, except per share information; shares in thousands)	Total Common Shares Repurchased (1,2)	Weighted-Average Per Share Price	Total Shares Purchased as Part of Publicly Announced Programs (2)	Remaining Buyback Authority Amounts (2)
April 1 - 30, 2026	35,345	$ 53.35	35,305	$ 21,047
May 1 - 31, 2026	41,406	52.03	41,349	18,917
June 1 - 30, 2026	35,581	55.51	35,507	16,965
Three months ended June 30, 2026	**112,332**	**53.55**	**112,161**	

(1) Includes 171 thousand shares of the Corporation's common stock acquired by the Corporation in connection with satisfaction of tax withholding obligations on vested restricted stock or restricted stock units and certain forfeitures and terminations of employment-related awards and for potential re-issuance to certain employees under equity incentive plans.

(2) On July 23, 2025, the Corporation's Board of Directors authorized and announced a $40 billion common stock repurchase program (2025 Repurchase Program), effective August 1, 2025, to replace the previously disclosed repurchase program, which expired on August 1, 2025. During the three months ended June 30, 2026, pursuant to the 2025 Repurchase Program, the Corporation repurchased approximately 112 million shares, or $6.0 billion, of its common stock. For more information, see Capital Management – CCAR and Capital Planning in the MD&A on page 19 and *Note 11 – Shareholders' Equity* to the Consolidated Financial Statements.

The Corporation did not have any unregistered sales of equity securities during the three months ended June 30, 2026.

Item 5. Other Information

Trading Arrangements

During the fiscal quarter ended June 30, 2026, none of the Corporation's directors or officers as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (Exchange Act) adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (in each case, as defined in Item 408 of Regulation S-K) for the purchase or sale of the Corporation's securities.

Item 6. Exhibits

Exhibit No.	Description	Notes	Incorporated by Reference Form	Exhibit	Filing Date	File No.
3.1	Restated Certificate of Incorporation, as amended and in effect on the date hereof		10-Q	3.1	7/31/25	1-6523
3.2	Amended and Restated Bylaws of the Corporation as in effect on the date hereof		10-Q	3.2	7/30/24	1-6523
22	Subsidiary Issuers of Guaranteed Securities		10-K	22	2/25/26	1-6523
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	1				
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	1				
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	2				
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	2				
101.INS	Inline XBRL Instance Document	3				
101.SCH	Inline XBRL Taxonomy Extension Schema Document	1				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	1				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	1				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	1				
101.DEF	Inline XBRL Taxonomy Extension Definitions Linkbase Document	1				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					

(1) Filed herewith.
(2) Furnished herewith. This exhibit shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that Section. Such exhibit shall not be deemed incorporated into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934.
(3) The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Bank of America Corporation
Registrant

Date: July 31, 2026

/s/ Johnbull E. Okpara
Johnbull E. Okpara
Chief Accounting Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002
FOR THE CHIEF EXECUTIVE OFFICER

I, Brian T. Moynihan, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bank of America Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 31, 2026

/s/ Brian T. Moynihan
Brian T. Moynihan
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002
FOR THE CHIEF FINANCIAL OFFICER

I, Alastair M. Borthwick, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bank of America Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 31, 2026

/s/ Alastair M. Borthwick
Alastair M. Borthwick
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian T. Moynihan, state and attest that:

1. I am the Chief Executive Officer of Bank of America Corporation (the registrant).
2. I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:
   - the Quarterly Report on Form 10-Q of the registrant for the quarter ended June 30, 2026 (the periodic report) containing financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
   - the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date: July 31, 2026

/s/ Brian T. Moynihan
Brian T. Moynihan
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

I, Alastair M. Borthwick, state and attest that:

1. I am the Chief Financial Officer of Bank of America Corporation (the registrant).
2. I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:
    - the Quarterly Report on Form 10-Q of the registrant for the quarter ended June 30, 2026 (the periodic report) containing financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
    - the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the registrant.

Date: July 31, 2026

/s/ Alastair M. Borthwick
Alastair M. Borthwick
Chief Financial Officer