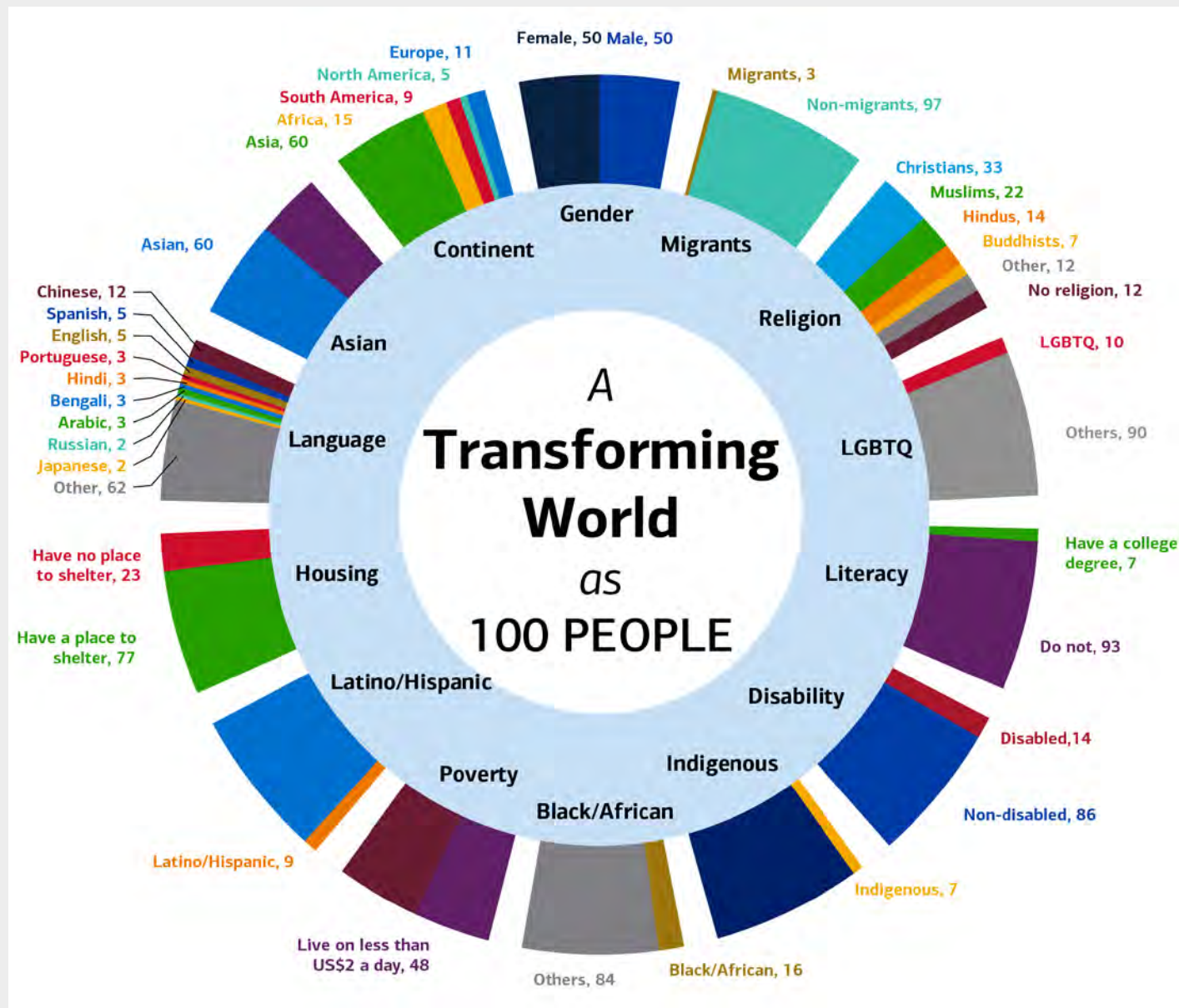


Everybody counts! Diversity & Inclusion Primer



A Transforming World as 100 People

What if our planet was a village of a hundred?



Source: BofA Global Research, Worldmeter, World Bank, The Insider, World Economic Forum, United Nations

BofA GLOBAL RESEARCH

D&ID You Know? The bad news....



- **At the current rate, it will take 257 years for the economic gender gap to close**
- **There are more men called 'Dave' in the UK financial industry than women managing funds...**
- **... and more CEOs in Australia called 'Andy' than female chief executives**
- **For the first time in six years in 2020 there were no black chairs, CEOs or CFOs in the FTSE 100**
- **Around 70 countries still criminalise homosexuality. Some with the death penalty**
- **90% of children with disabilities in EMs do not attend school**

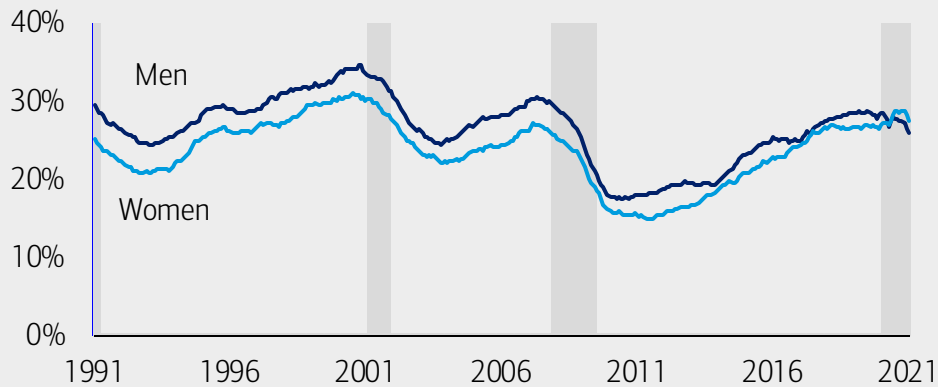
COVID's long-term economic impact will be diverse



- COVID's hit to women's jobs could cost the world US\$1tn by 2030

Job finding rate by gender (% , 12-month moving average)

Share of unemployed workers finding jobs

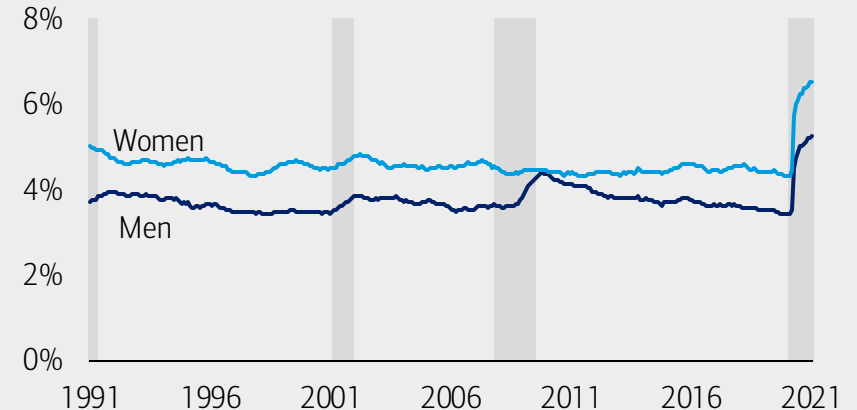


Source: Bureau of Labor Statistics

BofA GLOBAL RESEARCH

Job separation rate by gender (12-month moving average)

Share of employed workers losing their jobs

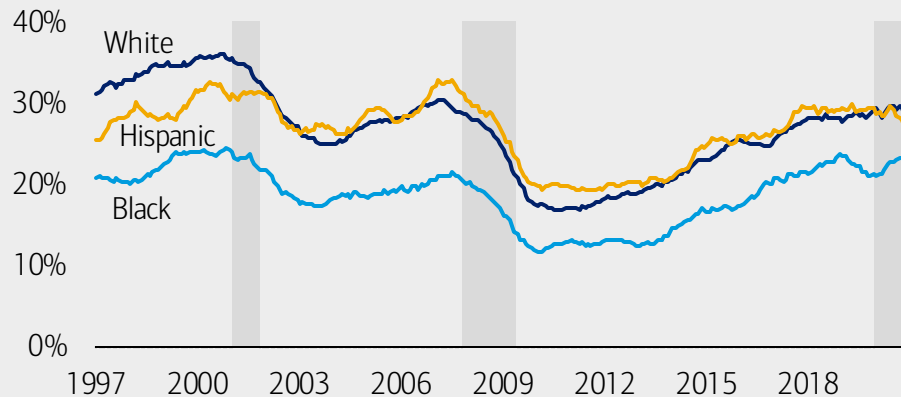


Source: Bureau of Labor Statistics

BofA GLOBAL RESEARCH

Job finding rate by race (% , 12-month moving average)

Share of unemployed workers finding jobs

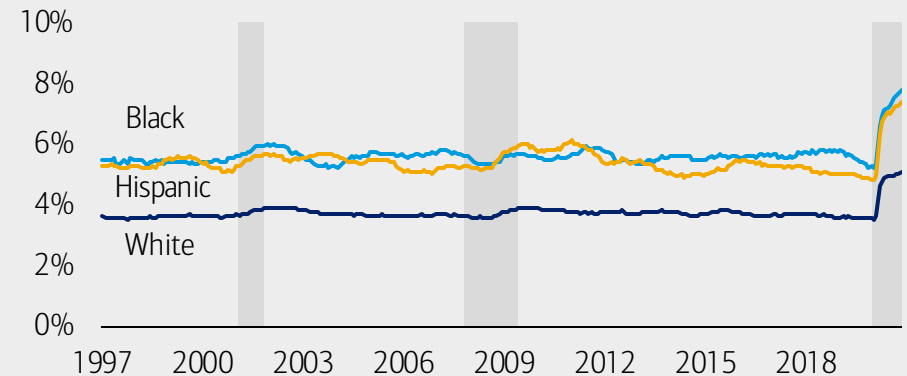


Source: Bureau of Labor Statistics

BofA GLOBAL RESEARCH

Job separation rate by race (% , 12-month moving average)

Share of employed workers losing their jobs



Source: Bureau of Labor Statistics

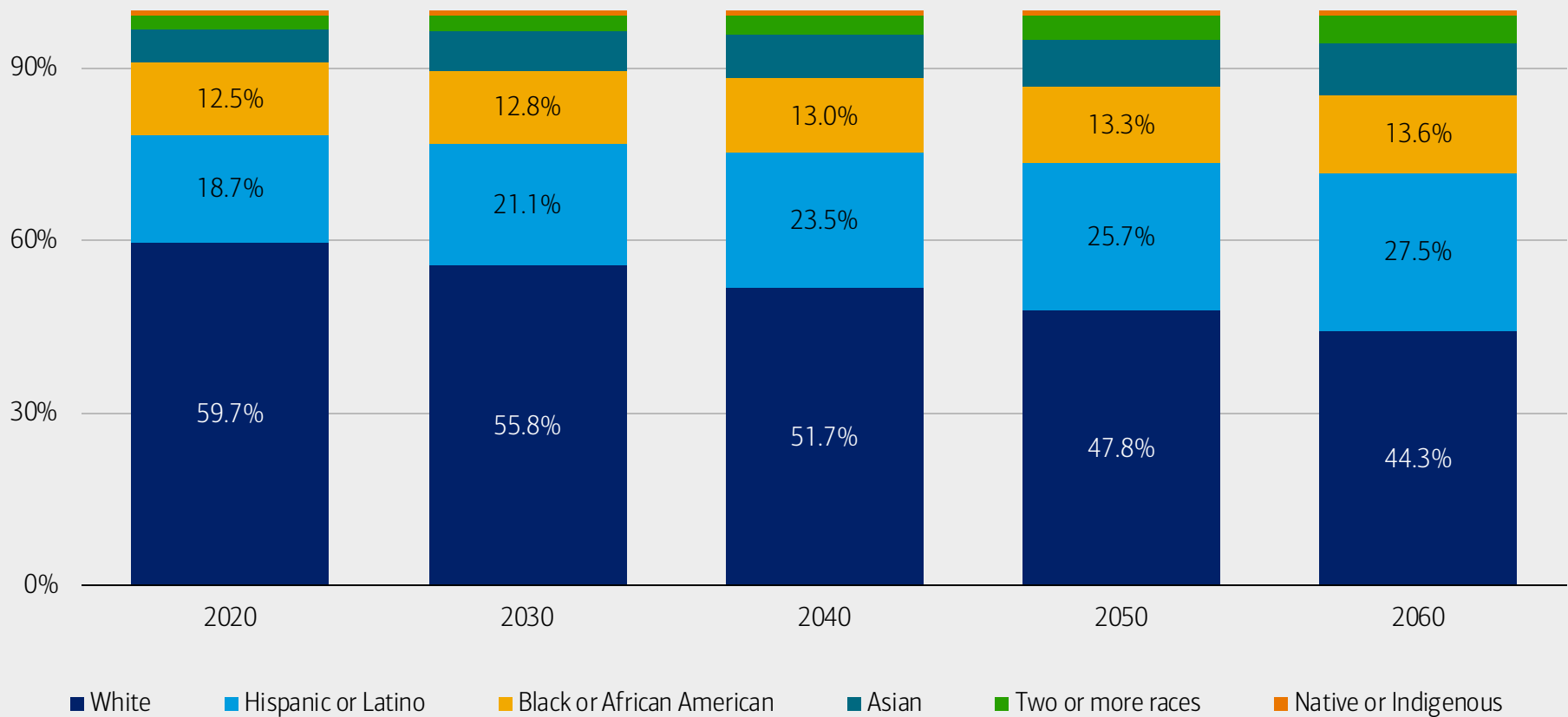
BofA GLOBAL RESEARCH

US population by race/ ethnicity



Diversity is set to increase in coming decades

By 2045, White-Caucasian Americans will be the minority group



Source: US Census Bureau

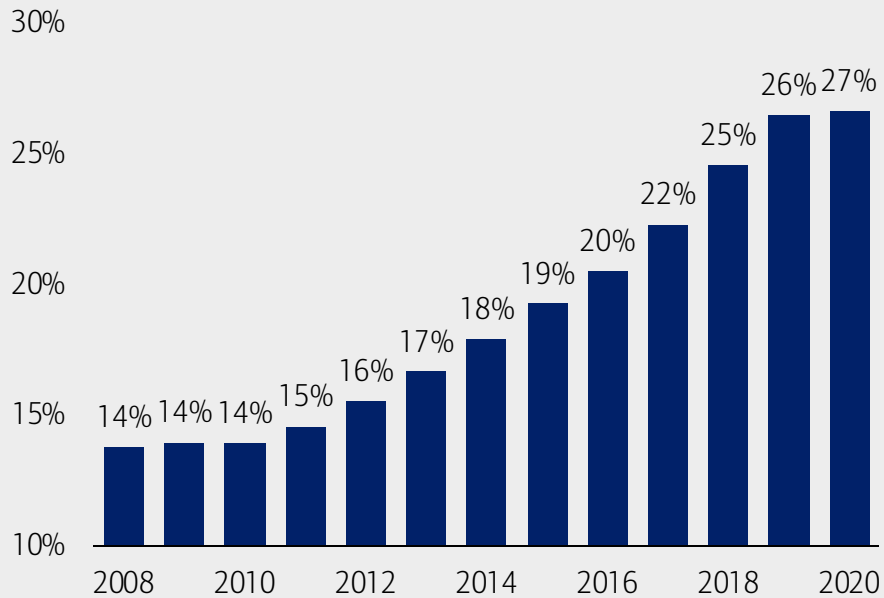
BofA GLOBAL RESEARCH

US large-cap diversity report card



- Slow progress, all S&P 500 boards have at least 1 woman for the first time in over 20 years

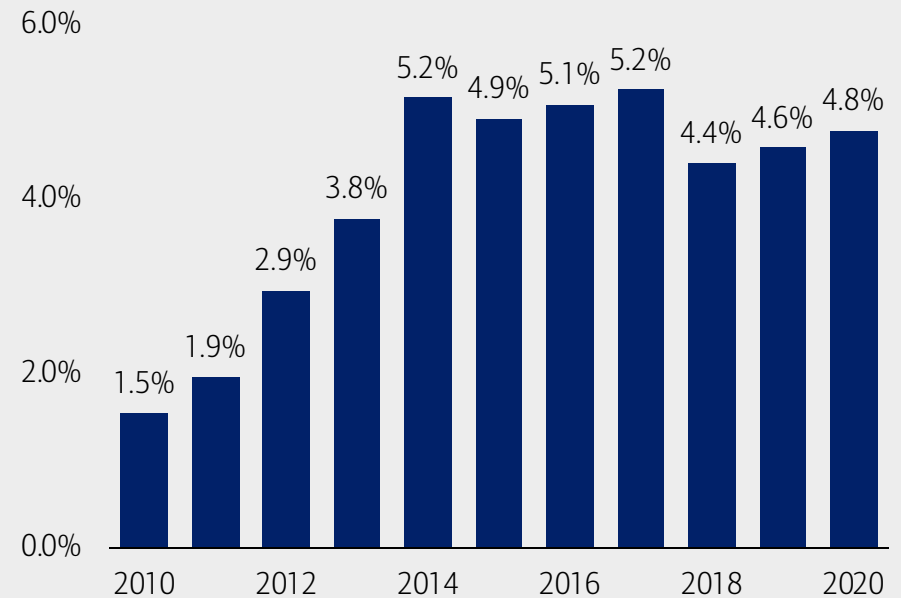
Average % of Women on board for S&P 500 companies
2020 or latest year



Source: Bloomberg, BofA US Equity & US Quant Strategy
Note: Based on current constituents of the S&P 500. 2020 is latest year if available or else prior year if not yet available

BofA GLOBAL RESEARCH

Only c5% of S&P 500 companies have a female CEO
2020 or latest year



Source: Bloomberg, BofA US Equity & US Quant Strategy
Note: Based on current constituents of the S&P 500. 2020 is latest year if available or else prior year if not yet available

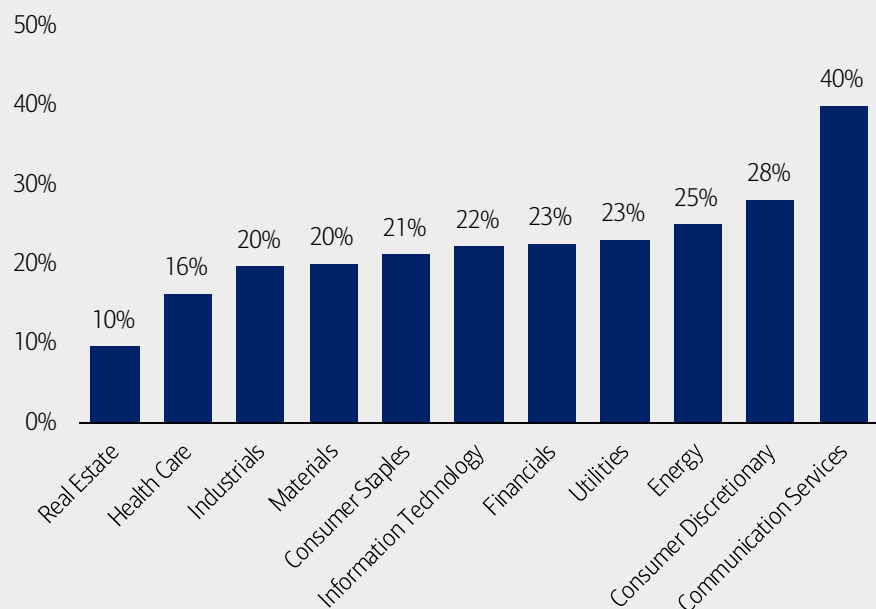
BofA GLOBAL RESEARCH

SMID caps lead in gender diversity at senior management level



- 5.3% of SMID caps in Europe have a female CEO or equivalent vs 3.3% of large caps

Roughly one in five S&P 500 board members is a PoC
% people of colour (PoC) on the board

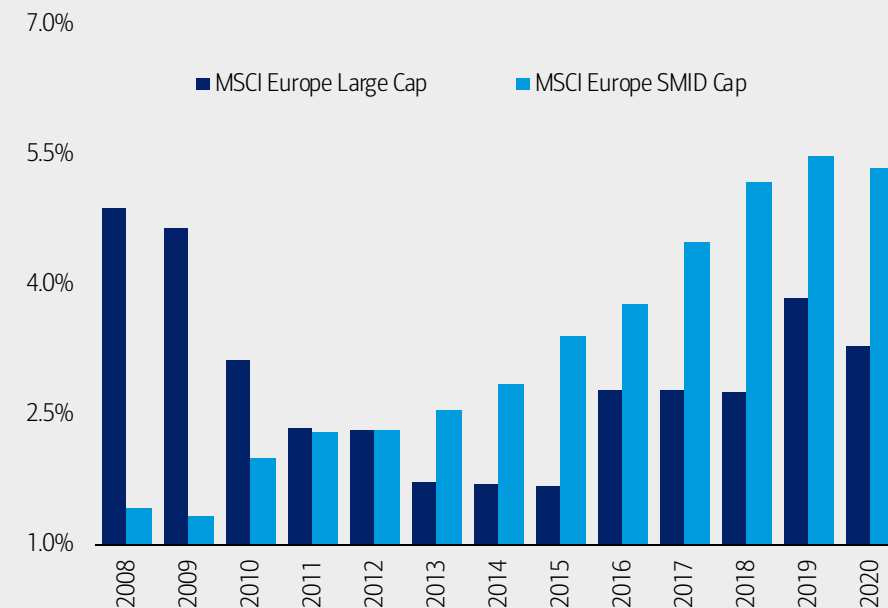


Source: ICE Data Services, BofA US Equity & Quant Strategy

Note: People of colour includes Black, Hispanic, Asian, Native American, and Pacific Islander. , 2020 or latest year of data where disclosed

BofA GLOBAL RESEARCH

Average % of companies with female CEO : SMID leading
MSCI Large vs SMID



Source: Bloomberg, BofA EMEA ESG Research

Note: Based on current constituents. 2020 is latest year available or else prior year if not yet available.

BofA GLOBAL RESEARCH

Disclosure of D&I data is a major issue beyond gender



- Less than half (45%) of S&P 500 companies disclose detailed workforce diversity metrics around ethnicity and race

Workforce diversity policies - disclosure by sector

% of S&P 500 companies that report having diversity and discrimination policies

| | Diversity and Discrimination Policy | Diversity and Discrimination Policy - Women | Diversity and Discrimination Policy - PoC | Diversity and Discrimination Policy - Veterans | Diversity and Discrimination Policy - LGBTQ |
|------------------------|-------------------------------------|---|---|--|---|
| Communication Services | 88% | 69% | 65% | 69% | 69% |
| Consumer Discretionary | 98% | 57% | 49% | 43% | 51% |
| Consumer Staples | 88% | 55% | 55% | 45% | 58% |
| Energy | 100% | 70% | 43% | 43% | 35% |
| Financials | 82% | 63% | 63% | 55% | 63% |
| Health Care | 98% | 66% | 55% | 55% | 58% |
| Industrials | 97% | 68% | 62% | 59% | 52% |
| Information Technology | 93% | 75% | 59% | 59% | 61% |
| Materials | 36% | 18% | 14% | 14% | 7% |
| Real Estate | 97% | 23% | 13% | 10% | 13% |
| Utilities | 100% | 68% | 68% | 64% | 71% |
| Total | 91% | 61% | 53% | 50% | 52% |

Source: ICE Data Services, BofA US Equity & Quant Strategy

BofA GLOBAL RESEARCH

Big Tech: excels in Innovation....average at best in Diversity & Inclusion...



Diversity in Tech

Employee breakdown in technology companies compared with the wider US population/economy



Source: Visual Capitalist, Information is Beautiful

Tech case study: low D&I leads to “discriminating” products?



AI algorithm bias news headlines

Robots are not free of discrimination

Overcoming Racial Bias In AI Systems And Startlingly Even In AI Self-Driving Cars

Racial bias in a medical algorithm favors white patients over sicker black patients

AI expert calls for end to UK use of ‘racially biased’ algorithms

AI Bias Could Put Women’s Lives At Risk - A Challenge For Regulators

Gender bias in AI: building fairer algorithms

Bias in AI: A problem recognized but still unresolved

Amazon, Apple, Google, IBM, and Microsoft worse at transcribing black people’s voices than white people’s with AI voice recognition, study finds

Millions of black people affected by racial bias in health-care algorithms

Study reveals rampant racism in decision-making software used by US hospitals – and highlights ways to correct it.

When It Comes to Gorillas, Google Photos Remains Blind

Google promised a fix after its photo-categorization software labeled black people as gorillas in 2015. More than two years later, it hasn’t found one.

The Week in Tech: Algorithmic Bias Is Bad. Uncovering It Is Good.

Google ‘fixed’ its racist algorithm by removing gorillas from its image-labeling tech

Artificial Intelligence has a gender bias problem – just ask Siri

The Best Algorithms Struggle to Recognize Black Faces Equally

US government tests find even top-performing facial recognition systems misidentify blacks at rates five to 10 times higher than they do whites.

Source: Towards Data Science

BofA GLOBAL RESEARCH

D&ID You Know? The potential is:

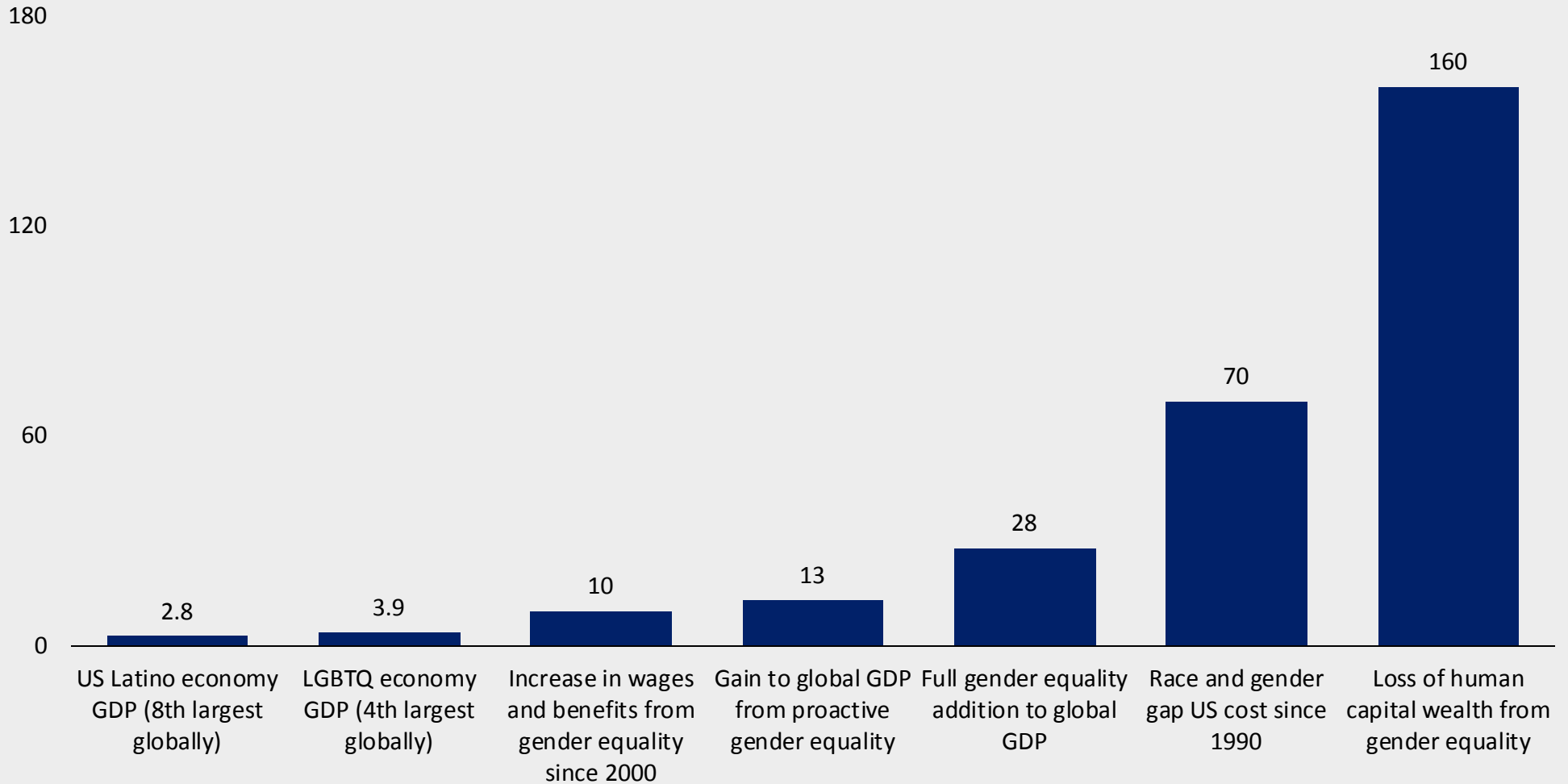


- **Around 45% of Fortune 500 companies have been founded by immigrants or the children of immigrants:** e.g. Steve Jobs (Syria), Jeff Bezos, (Cuba), Elon Musk (South Africa)
- **If we had fully harnessed D&I since 1990 we could have boosted US GDP by US\$70tn**
- **If the US Latino economy were a country, it would be the 8th largest economy in the world...**
- **... and If LGBTQ+ were a nation, it would be the 4th largest economy in the world at US\$3.9tn**
- **For the first time in 20 years, all S&P 500 boards have at least 1 woman**

Diversity and inclusion potential in numbers



US\$160tn of human capital wealth loss wealth loss on gender equality, US\$70tn of racial and gender gap cost since 1990....
Examples of how much was lost, and what is the potential of gains form D&I implementation (US\$tn)



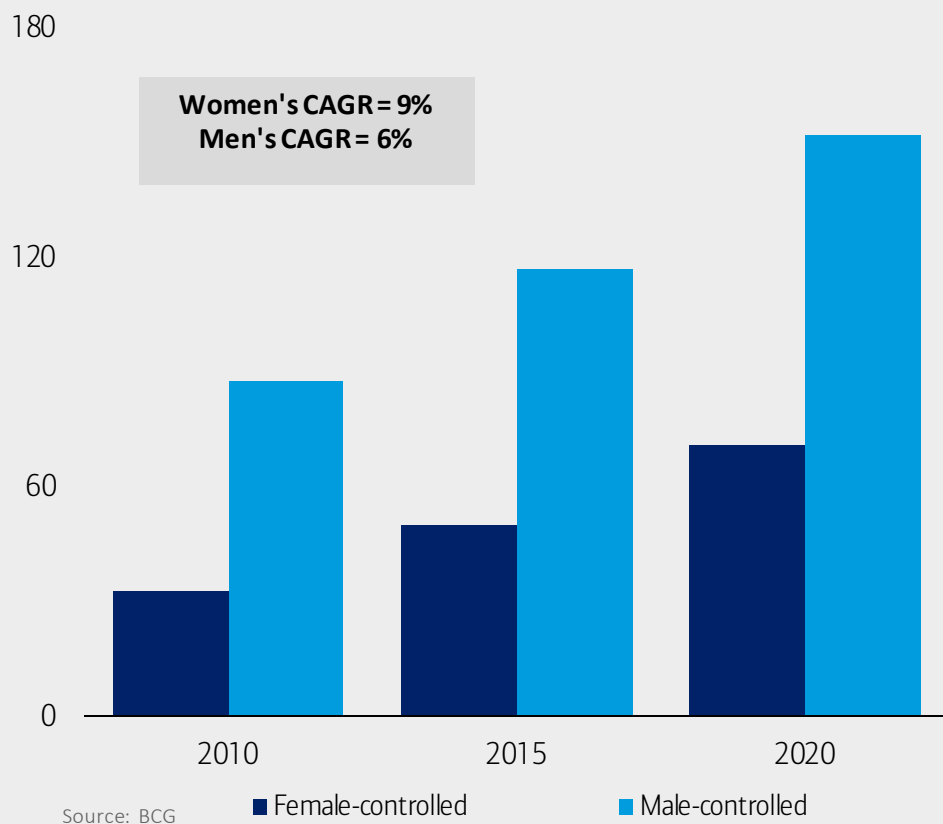
Source: Glassdoor.com, BofA Global Research, World Bank, OECD, UN

BofA GLOBAL RESEARCH

Wealth management: welcome to the US\$72tn opportunity

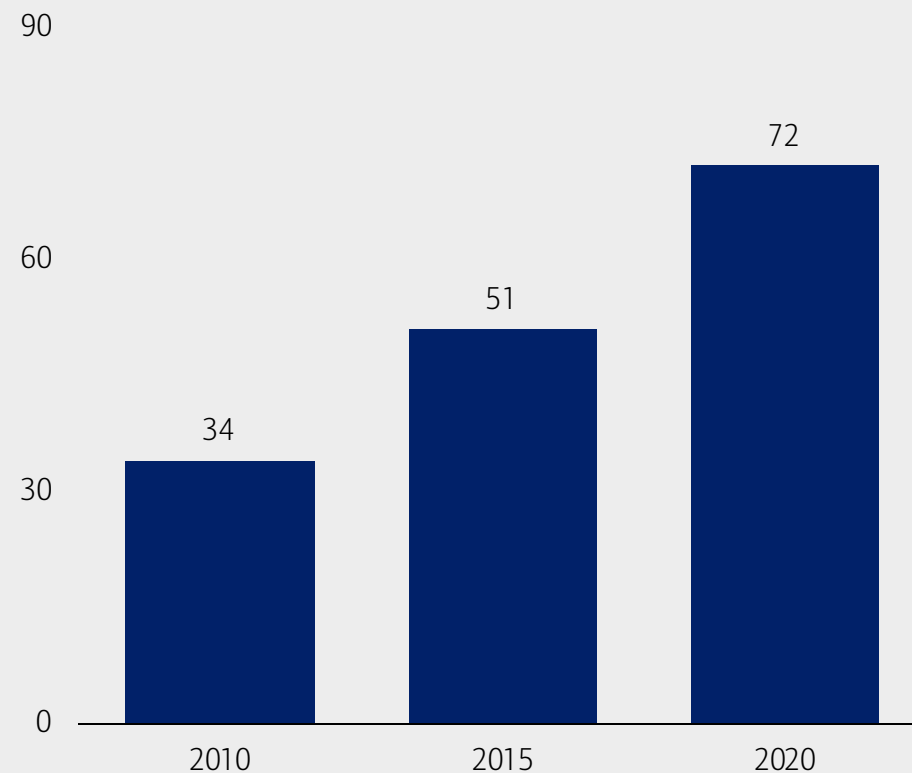


Women's wealth is growing at 1.5x the rate of men's
Total private wealth held by gender (US\$tn)



BofA GLOBAL RESEARCH

Women's wealth is already at c.US\$72tn
Total private wealth held by women (US\$tn)



BofA GLOBAL RESEARCH

Leadership: D&I improves performance indicators....



Inclusive Leadership and Team Performance

What is the top-down effect from inclusive leaders/management?



Source: Deloitte

BofA GLOBAL RESEARCH

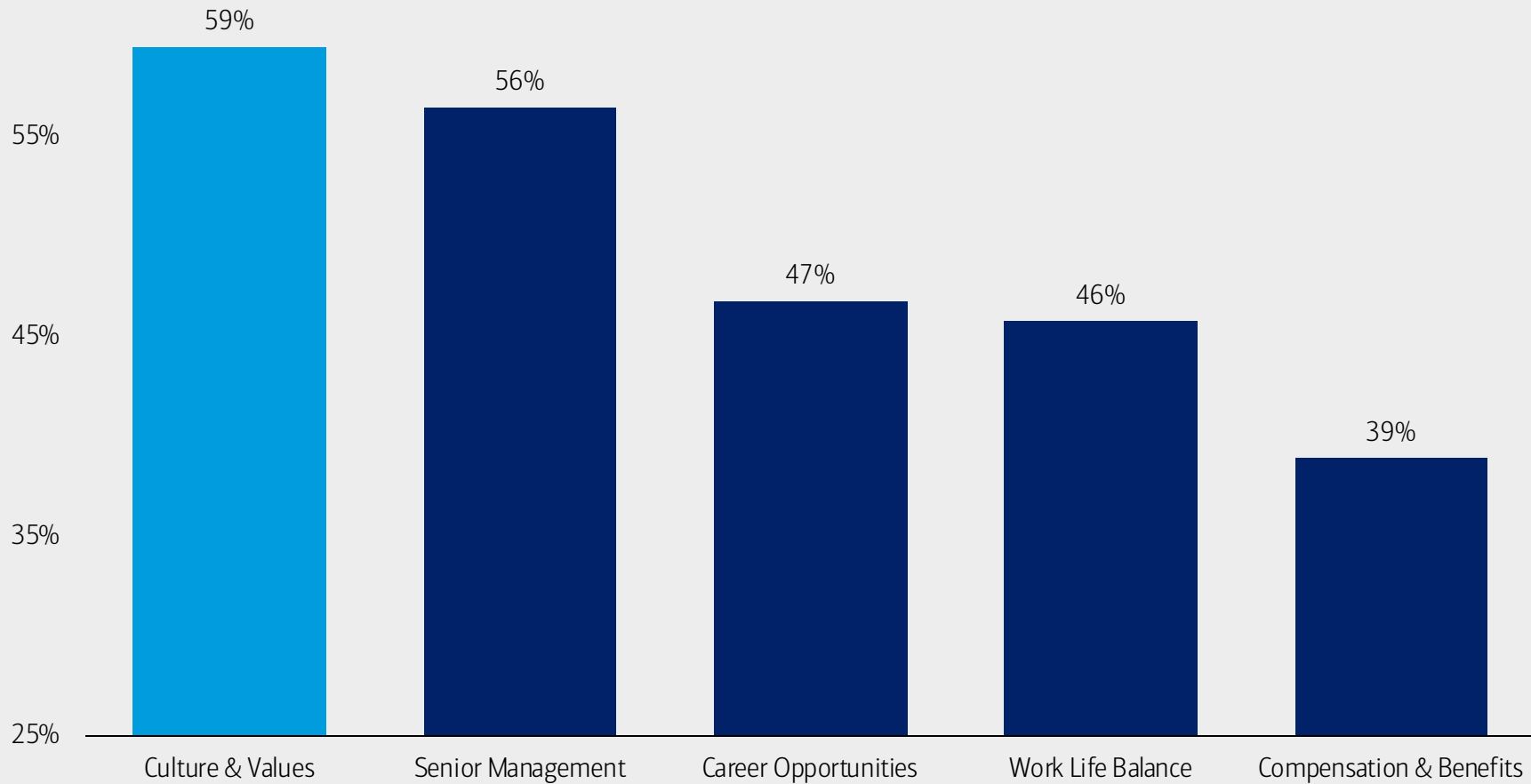
....leads to culture satisfaction....



Culture is critical, and hard to game

Culture & Values score is the biggest determinant of overall job satisfaction

65%



Source: Glassdoor.com, BofA Global ESG Research, US Equity & Quantitative Strategy

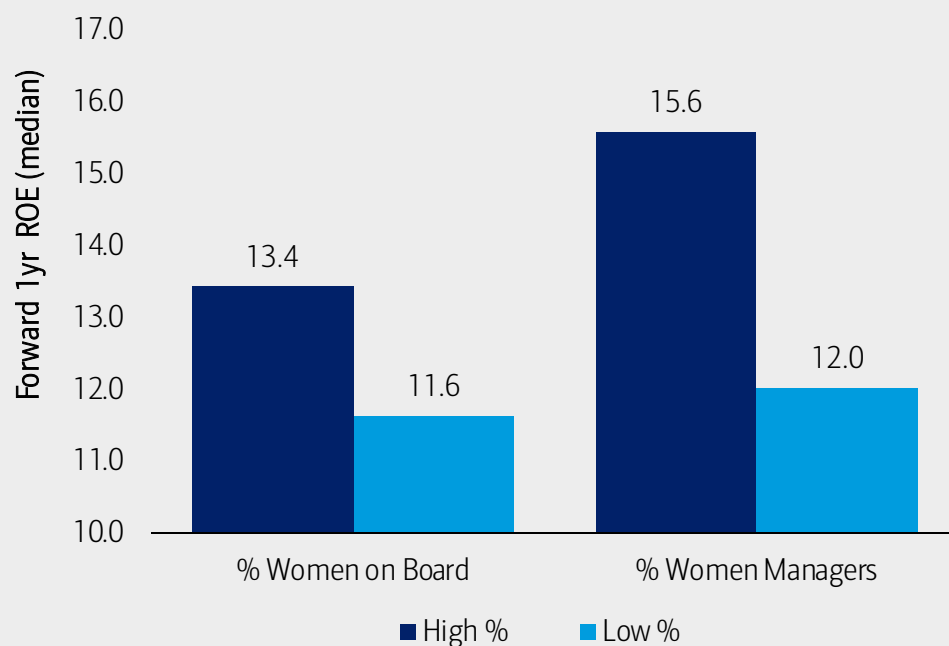
BofA GLOBAL RESEARCH

...Which = higher ROE, lower EPS risk



Gender diversity correlates with higher future ROE

Median forward 1yr ROE based on % of women on board and % of women managers (2005-20)



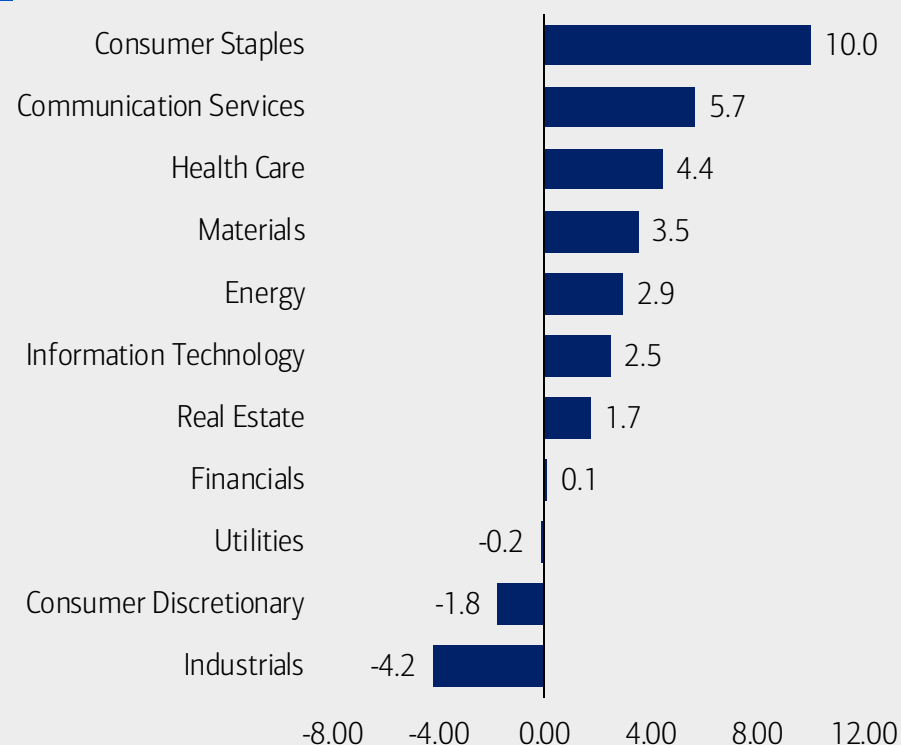
Source: Refinitiv, BofA US Equity & Quant Strategy

Note: High (Low) % of Women on Board defined as above (below) the universe median; High (Low) % of Women Managers defined as above (below) 30%

BofA GLOBAL RESEARCH

Workforce diversity was an effective signal of future ROE in almost all sectors

Median spread in 1-yr ROE between companies with above vs. below sector median workforce diversity



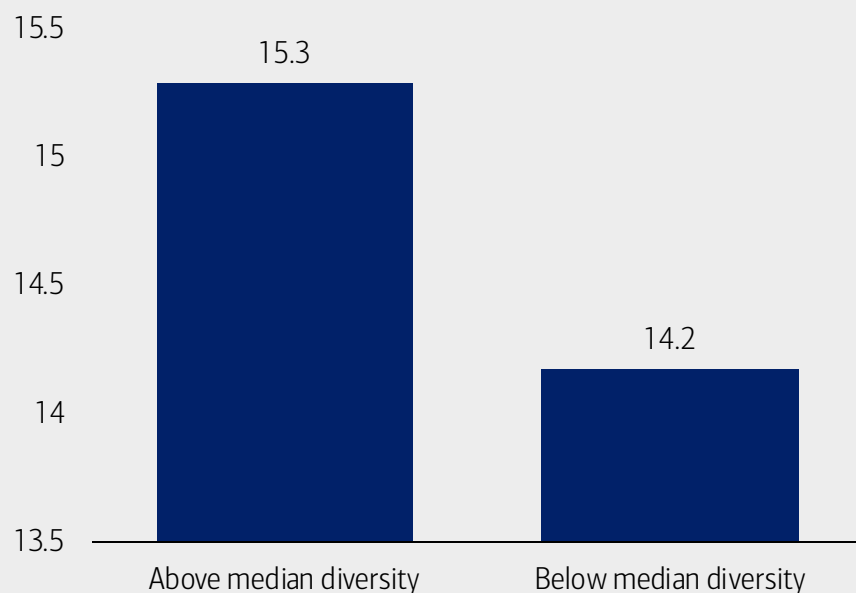
Source: Refinitiv, BofA US Equity & Quant Strategy; based on BofA-covered US companies

BofA GLOBAL RESEARCH

Ethnic & racial diversity also signals better results



More ethnic & racial workforce diversity = higher ROE...
Median forward 1-yr ROE based on the % of people of color in the workforce for S&P 500 companies (2008-20)

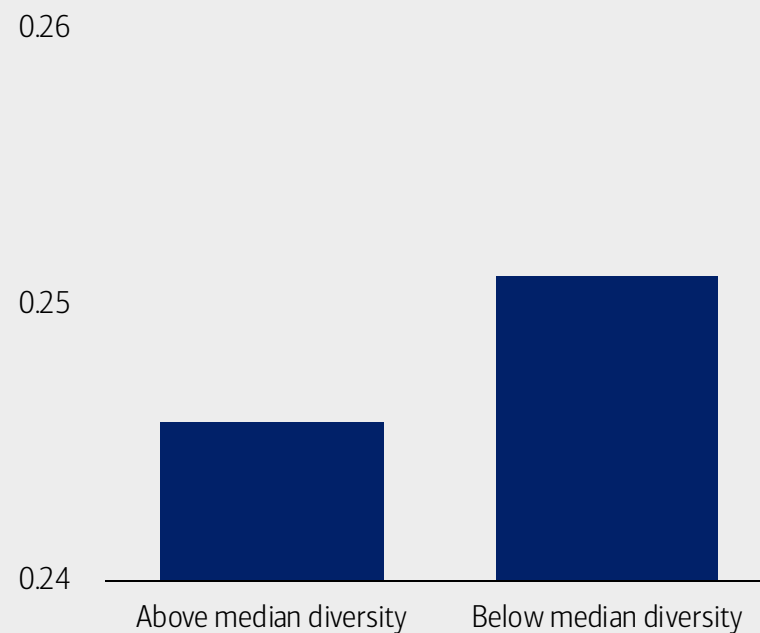


Source: Revelio Labs, BofA US Equity & Quant Strategy
Note: People of color is defined as Black, Hispanic, and Asian

BofA GLOBAL RESEARCH

...and lower EPS risk

Median forward 1-yr EPS volatility based on the % of people of color in the workforce for S&P 500 companies (2008-20)



Source: Revelio Labs, BofA US Equity & Quant Strategy
Note: People of color is defined as Black, Hispanic, and Asian

BofA GLOBAL RESEARCH

Ray of hope

New approach to D&I policies driven by COVID



Covid has led to the implementation of D&I policies

One-size-fits-all approach doesn't work for D&I: different groups value differentiated interventions

| All respondents | Women | BAME | LGBTQ |
|---|--|---|---|
| <ul style="list-style-type: none"> • Anti discrimination policies and processes • Visible role models • Regular measurement of employee perspectives | <ul style="list-style-type: none"> • Flexibility (for example, part-time and flexitime) programmes • Parental-leave policies • Childcare (on-site, backup care) | <ul style="list-style-type: none"> • Individual mentoring, coaching and sponsorship • Company participation in external events and rankings • Recruitment materials that reflect authentic diversity | <ul style="list-style-type: none"> • Visible signs of internal and external commitment • Company benefits (for example, healthcare coverage) that include partners • Networking and peer communities |
| Most effective no regrets interventions | Most effective differentiated interventions | | |

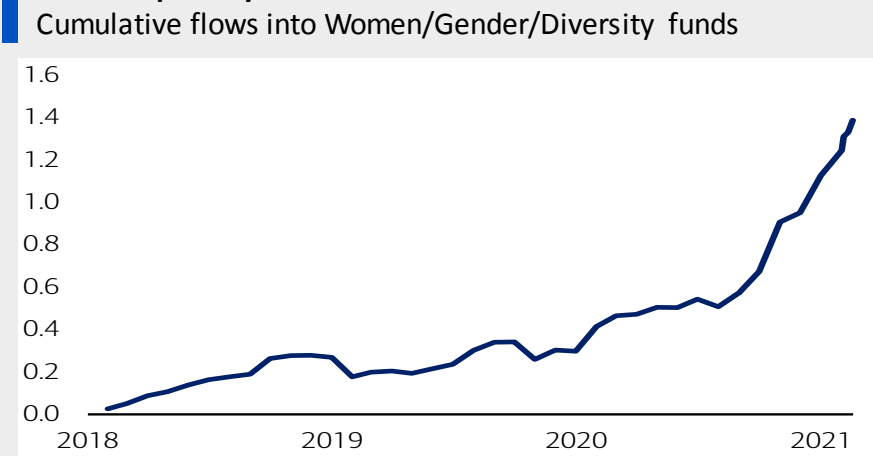
Source:BCG UK Diversity Study, Q4 2018 Note: BAME=Black, Asian, and Minority Ethnic

BofA GLOBAL RESEARCH

Diversity-focused AUM is surging and have generated above-market returns



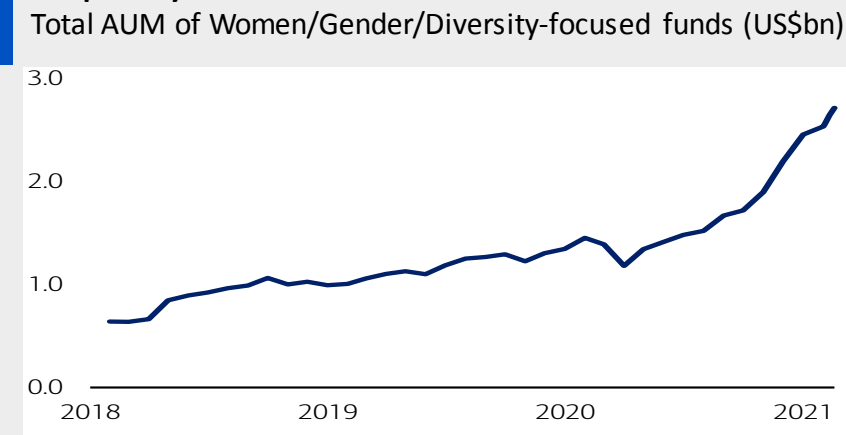
Women/Gender/Diversity-focused funds saw US\$1.3bn inflows over the past 3 years



Source: EPFR Global, BofA European Equity Quant Strategy

BoFA GLOBAL RESEARCH

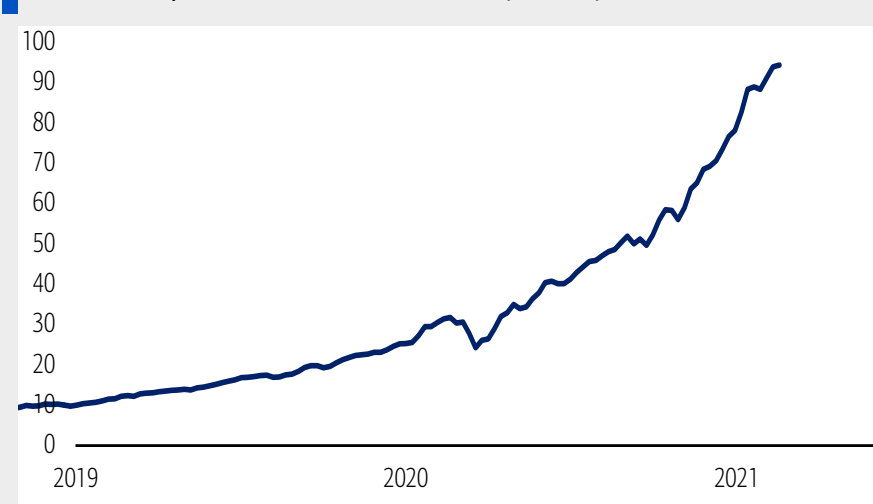
Women/Gender/Diversity-focused funds AUM rose over 3x over the past 3 years



Source: EPFR Global, BofA European Equity Quant Strategy

BoFA GLOBAL RESEARCH

Top 20 largest global equities ESG ETFs have over US\$90bn AUM

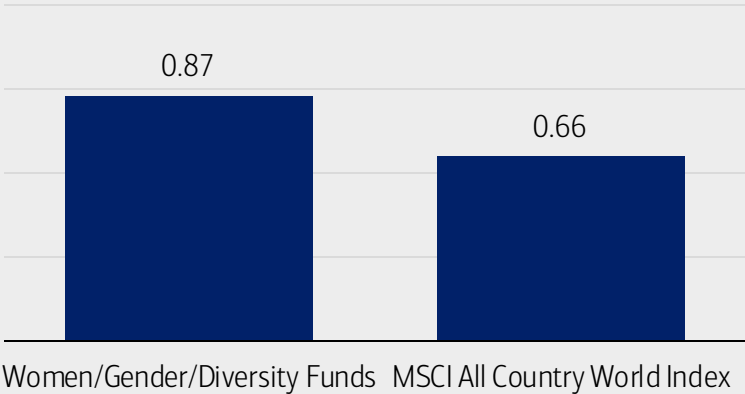


Source: BofA European Equity Quant Strategy; EPFR Global

BoFA GLOBAL RESEARCH

Women/Gender/Diversity-focused funds have shown higher risk-adjusted return over the past 5 years

Women/Gender/Diversity funds risk-adjusted return annualised over past 5 years



Source: BofA European Equity Quant Strategy, EPFR Global, Bloomberg, Refinitiv

BoFA GLOBAL RESEARCH

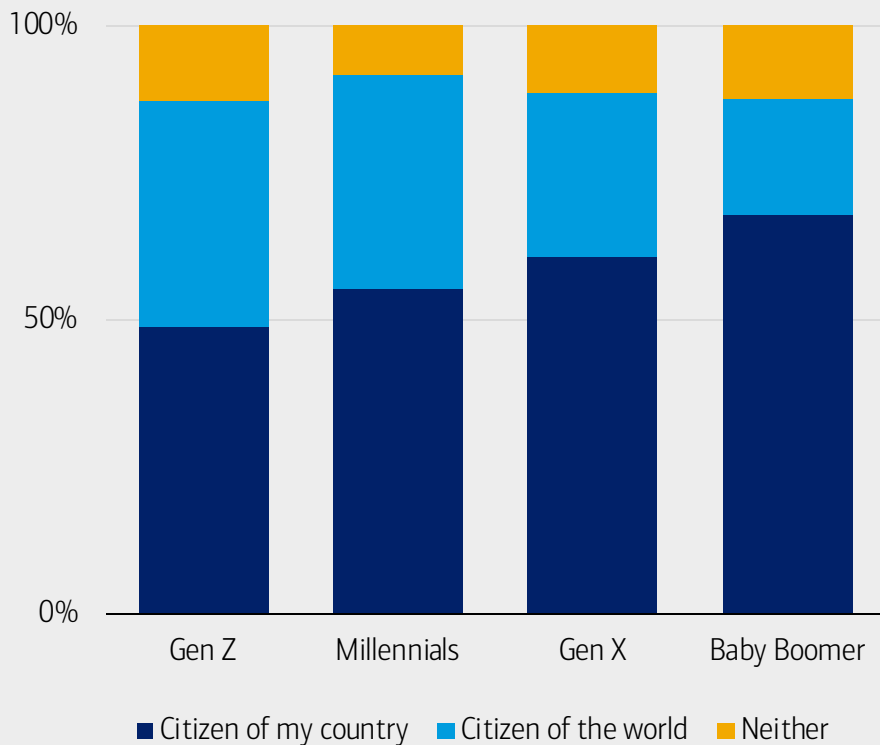
Gen Z: Social warrior, the “Clicktivists” generation



- 72% of Gen Z believe they can be part of a social movement

Gen Z are citizens of the world

“Do you consider yourself to be a citizen of the world or a citizen of your own country?”

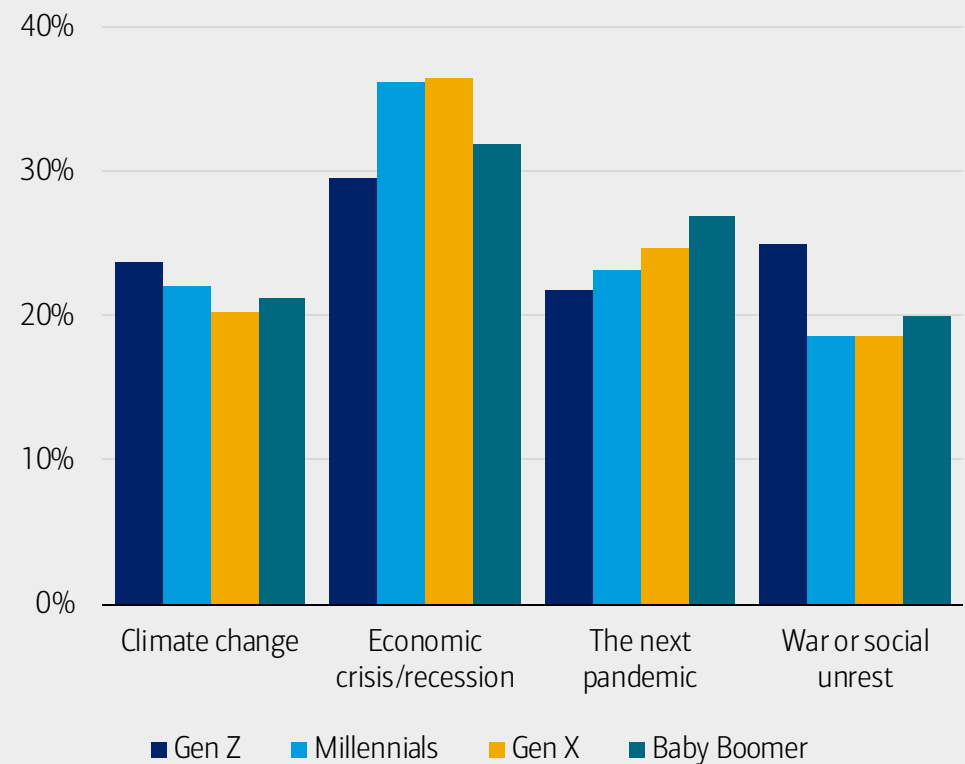


Source: BofA Thematic Proprietary Survey n=14,592, conducted Aug 2020

BofA GLOBAL RESEARCH

Gen Z expects social unrest

“Which of these are you most concerned about?”

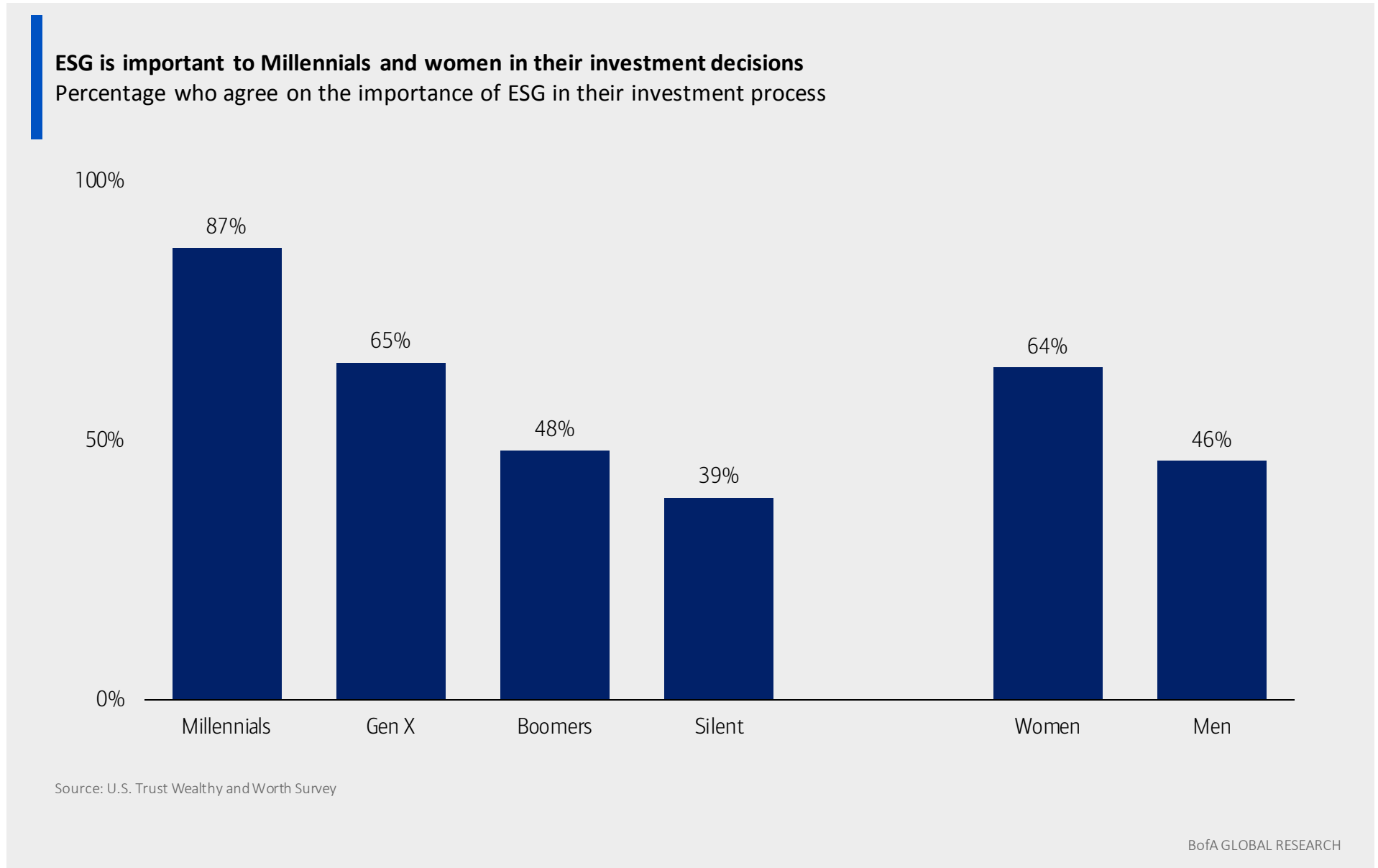


Source: BofA Thematic Proprietary Survey n=14,592, conducted Aug 2020 “Which of these are you most concerned about?”

BofA GLOBAL RESEARCH

AUM in gender- or diversity-focused funds has tripled in the past three years

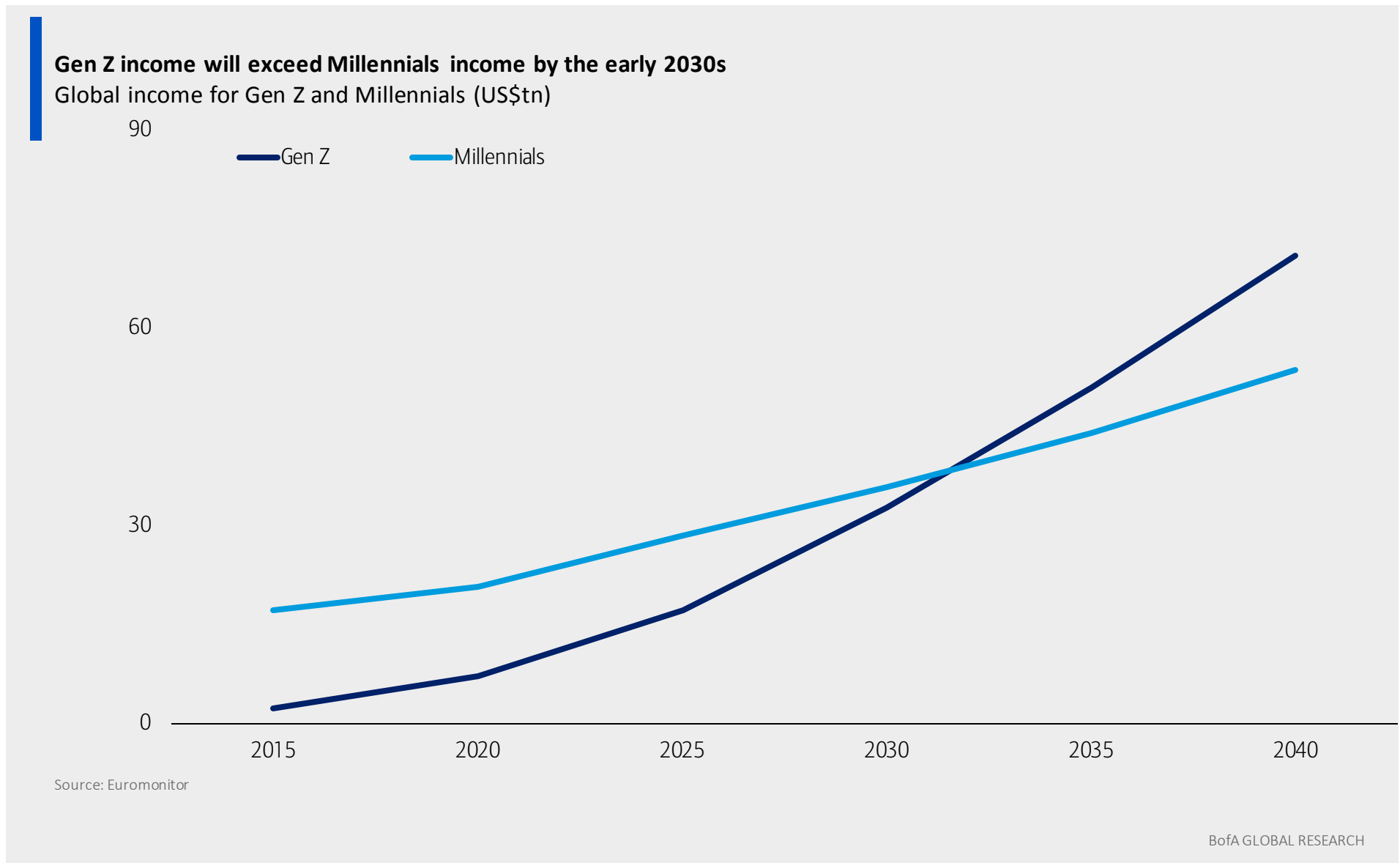
- US\$4 of every US\$10 invested is in ESG, YTD



Gen Z global income to grow nearly 5x in the 2020s



- Gen Z share of global income will grow from \$7tn (10%) in 2020 to \$33tn (27%) in 2030

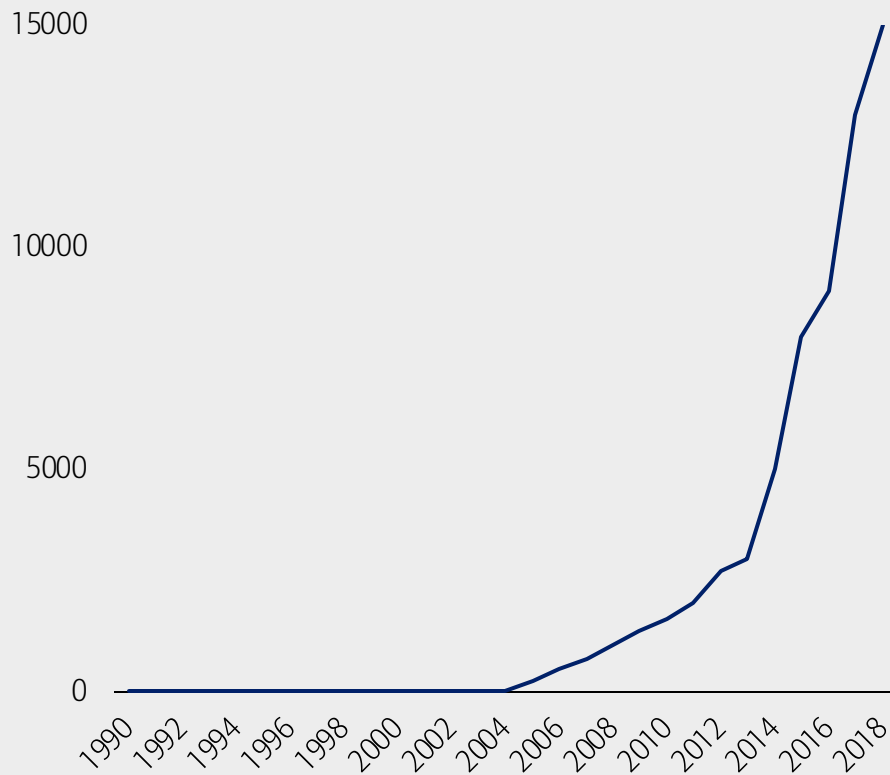


Public discourse around D&I is increasing



- The number of articles mentioning 'diversity & inclusion' is skyrocketing

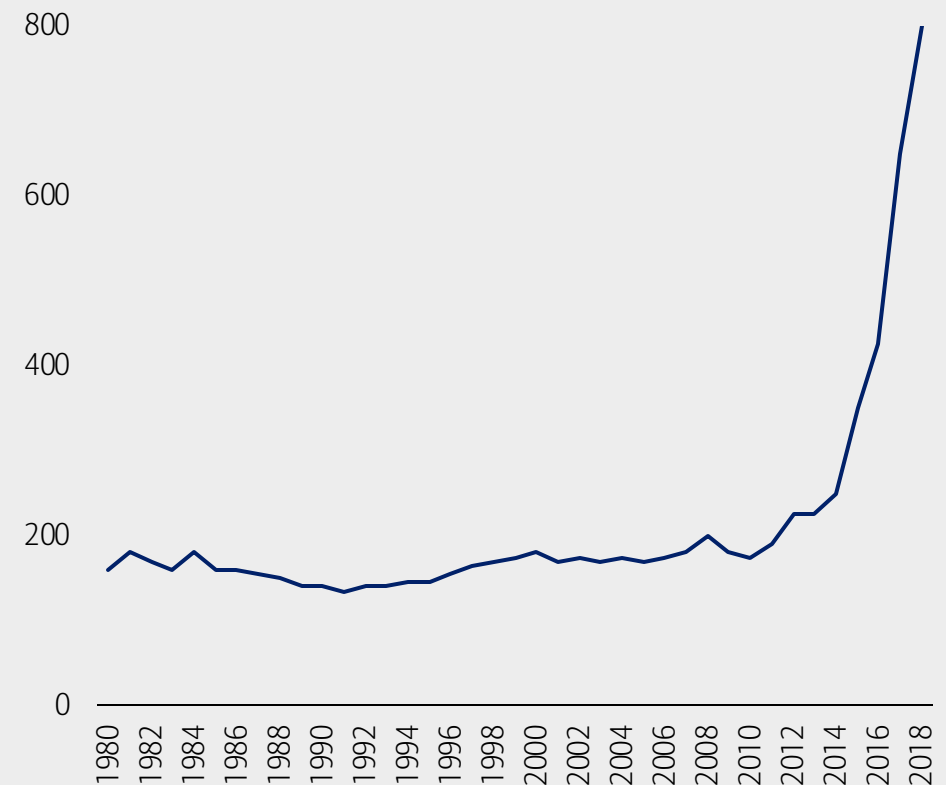
of news articles mentioning 'Diversity & Inclusion'
Number of articles has consistently increased since 2004



Source: LexisNexis, NYT

BofA GLOBAL RESEARCH

of news articles mentioning 'Social Justice'
Number of articles has drastically increased since 2014



Source: LexisNexis, NYT

BofA GLOBAL RESEARCH

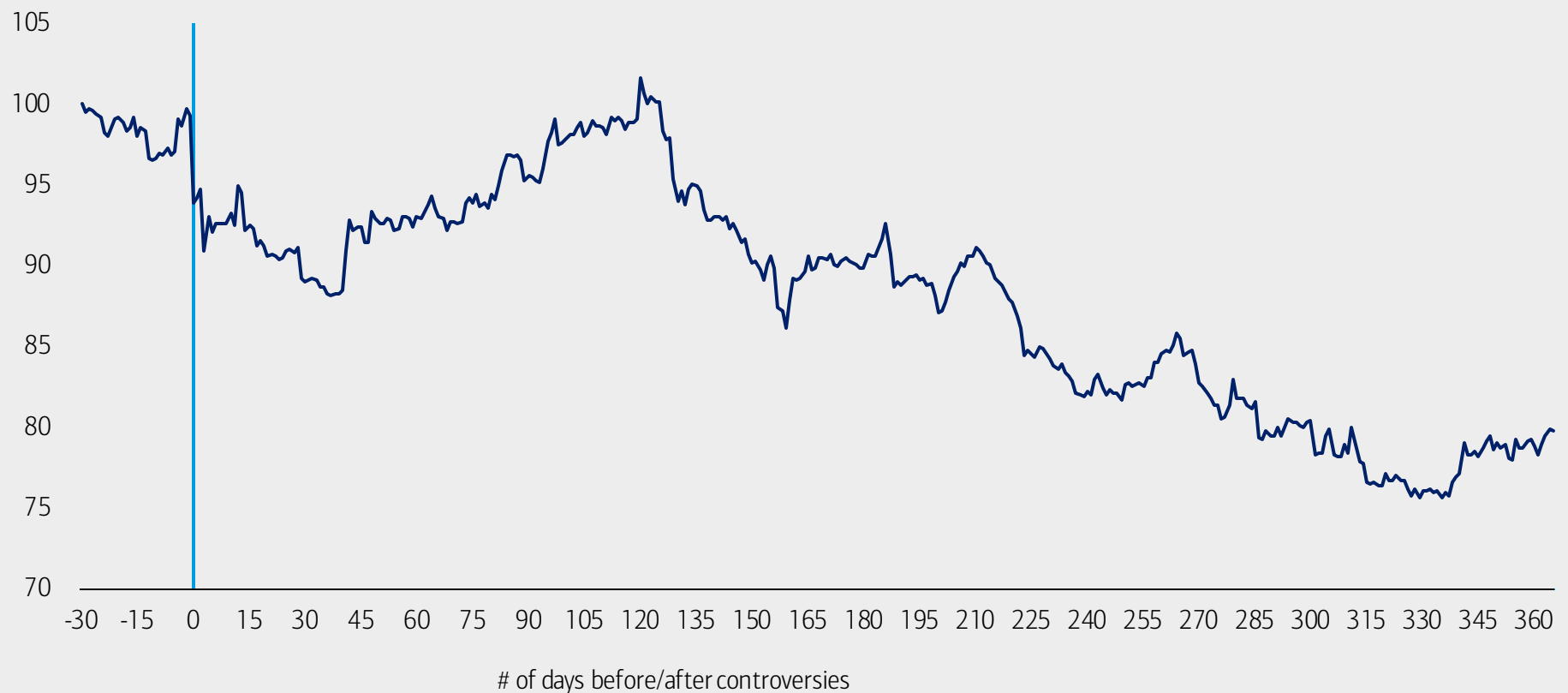
Awareness comes with a price tag



- #MeToo scandals wiped out c.US\$10bn of market capital in 3 companies

MeToo controversies can weigh on stock price performance

Average peak-to-trough performance of sexual harassment controversy stocks relative to the S&P 500



Source: LexisNexis, NYT

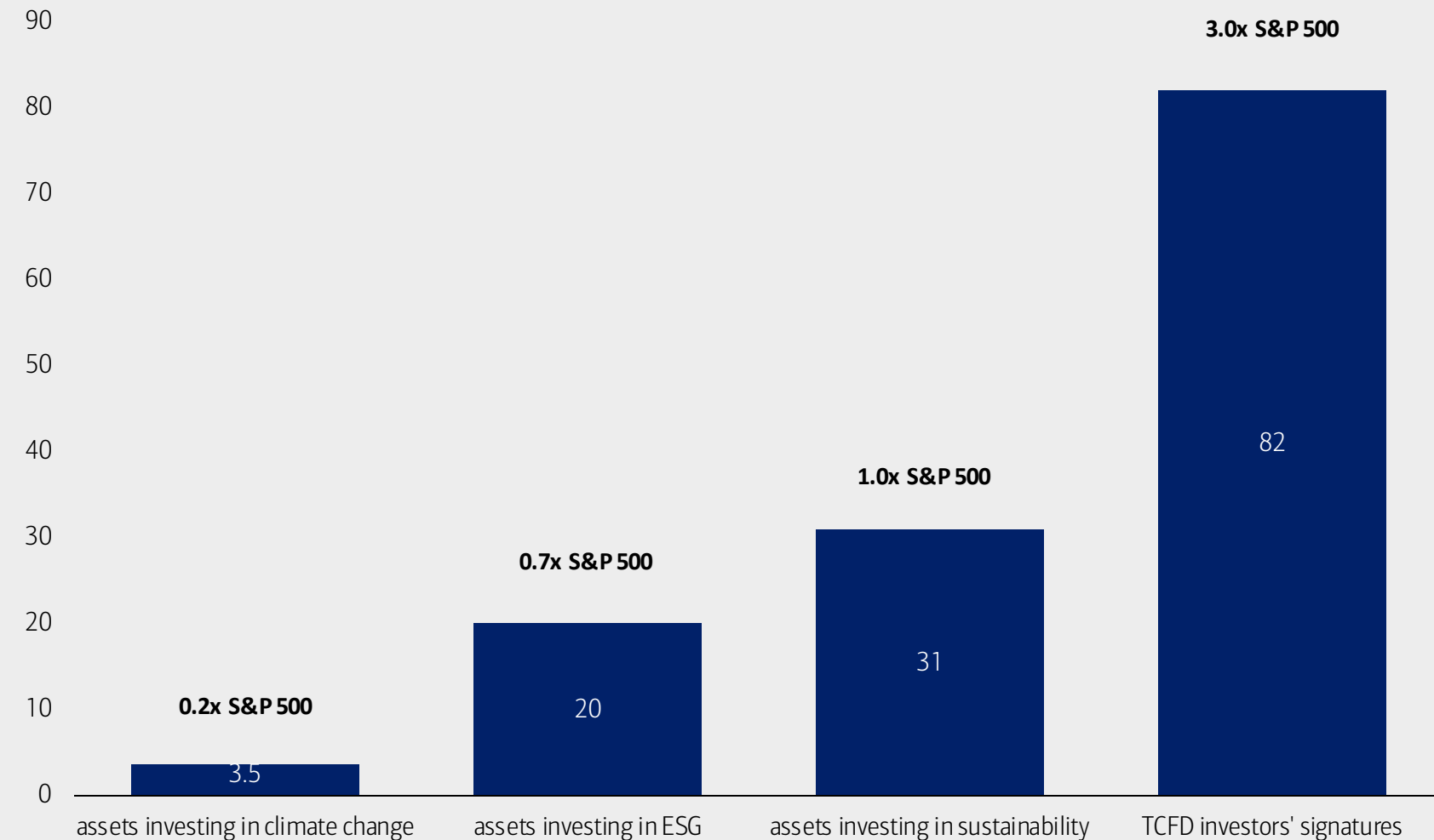
BofA GLOBAL RESEARCH

“S” is the new “E”

D&I will be for the 2020s what Climate action was for the 2010s



The solution will come from...Wall Street!
(Assets in US\$tn)



Source: BofA Securities global research , US SIF Foundation, visual capitalist, S&P value, as of December 20, 2020

BofA GLOBAL RESEARCH

**Cumulative miles driven by autonomous
cars = distance between Earth and Venus**



By 2021



The gender economic gap will be closed

By **2027**

Thank you

Transforming
World
Thematic Research



18 May 2021

BofA SECURITIES 

>> Employed by a non-US affiliate of MLPF&S and is not registered/qualified as a research analyst under the FINRA rules.

Refer to "Other Important Disclosures" for information on certain BofA Merrill Lynch entities that take responsibility for this report in particular jurisdictions.

BofA Merrill Lynch does and seeks to do business with issuers covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

Refer to important disclosures on page 32-37.

Analyst Certification



I, Haim Israel, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

Important Disclosures



FUNDAMENTAL EQUITY OPINION KEY: Opinions include a Volatility Risk Rating, an Investment Rating and an Income Rating. *VOLATILITY RISK RATINGS*, indicators of potential price fluctuation, are: A - Low, B - Medium and C - High. *INVESTMENT RATINGS* reflect the analyst's assessment of both a stock's: absolute total return potential as well as its attractiveness for investment relative to other stocks within its *Coverage Cluster* (defined below). There are three investment ratings: 1 - Buy stocks are expected to have a total return of at least 10% and are the most attractive stocks in the coverage cluster; 2 - Neutral stocks are expected to remain flat or increase in value and are less attractive than Buy rated stocks and 3 - Underperform stocks are the least attractive stocks in a coverage cluster. Analysts assign investment ratings considering, among other things, the 0-12 month total return expectation for a stock and the firm's guidelines for ratings dispersions (shown in the table below). The current price objective for a stock should be referenced to better understand the total return expectation at any given time. The price objective reflects the analyst's view of the potential price appreciation (depreciation).

| Investment rating | Total return expectation (within 12-month period of date of initial rating) | Ratings dispersion guidelines for coverage cluster* |
|-------------------|---|---|
| Buy | ≥ 10% | ≤ 70% |
| Neutral | ≥ 0% | ≤ 30% |
| Underperform | N/A | ≥ 20% |

* Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

INCOME RATINGS, indicators of potential cash dividends, are: 7 - same/higher (dividend considered to be secure), 8 - same/lower (dividend not considered to be secure) and 9 - pays no cash dividend. *Coverage Cluster* is comprised of stocks covered by a single analyst or two or more analysts sharing a common industry, sector, region or other classification(s). A stock's coverage cluster is included in the most recent BofA Global Research report referencing the stock.

Important Disclosures



Due to the nature of strategic analysis, the issuers or securities recommended or discussed in this report are not continuously followed. Accordingly, investors must regard this report as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or securities.

BofA Global Research personnel (including the analyst(s) responsible for this report) receive compensation based upon, among other factors, the overall profitability of Bank of America Corporation, including profits derived from investment banking. The analyst(s) responsible for this report may also receive compensation based upon, among other factors, the overall profitability of the Bank's sales and trading businesses relating to the class of securities or financial instruments for which such analyst is responsible.

Other Important Disclosures



Prices are indicative and for information purposes only. Except as otherwise stated in the report, for the purpose of any recommendation in relation to: 1) an equity security, the price referenced is the publicly traded price of the security as of close of business on the day prior to the date of the report or, if the report is published during intraday trading, the price referenced is indicative of the traded price as of the date and time of the report; or 2) a debt security (including equity preferred and CDS), prices are indicative as of the date and time of the report and are from various sources including BofA Securities trading desks.

Officers of BofA or one or more of its affiliates (other than research analysts) may have a financial interest in securities of the issuer(s) or in related investments.

Refer to BofA Global Research policies relating to conflicts of interest.

"BofA Securities" includes BofA Securities, Inc. ("BofA") and its affiliates. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor if they have questions concerning this report or concerning the appropriateness of any investment idea described herein for such investor. "BofA Securities" is a global brand for BofA Global Research.

Information relating to Non-US affiliates of BofA Securities and Distribution of Affiliate Research Reports:

BofA and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") may in the future distribute, information of the following non-US affiliates in the US (short name: legal name, regulator): Merrill Lynch (South Africa): Merrill Lynch South Africa (Pty) Ltd., regulated by The Financial Service Board; MLI (UK): Merrill Lynch International, regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA); BofASE (France): BofA Securities Europe SA is authorized by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers (AMF); BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSF); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the Investment Industry Regulatory Organization of Canada; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; Merrill Lynch (Argentina): Merrill Lynch Argentina SA, regulated by Comisión Nacional de Valores; BofA Japan: BofA Securities Japan Co., Ltd., regulated by the Financial Services Agency; Merrill Lynch (Seoul): Merrill Lynch International, LLC Seoul Branch, regulated by the Financial Supervisory Service; Merrill Lynch (Taiwan): Merrill Lynch Securities (Taiwan) Ltd., regulated by the Securities and Futures Bureau; BofA India: BofA Securities India Limited, regulated by the Securities and Exchange Board of India (SEBI); Merrill Lynch (Indonesia): PT Merrill Lynch Sekuritas Indonesia, regulated by Otoritas Jasa Keuangan (OJK); Merrill Lynch (Israel): Merrill Lynch Israel Limited, regulated by Israel Securities Authority; Merrill Lynch (Russia): OOO Merrill Lynch Securities, Moscow, regulated by the Central Bank of the Russian Federation; Merrill Lynch (DIFC): Merrill Lynch International (DIFC Branch), regulated by the Dubai Financial Services Authority (DFSA); Merrill Lynch (Spain): Merrill Lynch Capital Markets Espana, S.A.S.V., regulated by Comisión Nacional del Mercado De Valores; Merrill Lynch (Brazil): Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários, regulated by Comissão de Valores Mobiliários; Merrill Lynch KSA Company: Merrill Lynch Kingdom of Saudi Arabia Company, regulated by the Capital Market Authority.

This information: has been approved for publication and is distributed in the United Kingdom (UK) to professional clients and eligible counterparties (as each is defined in the rules of the FCA and the PRA) by MLI (UK), which is authorized by the PRA and regulated by the FCA and the PRA - details about the extent of our regulation by the FCA and PRA are available from us on request; has been approved for publication and is distributed in the European Economic Area (EEA) by BofASE (France), which is authorized by the ACPR and regulated by the ACPR and the AMF; has been considered and distributed in Japan by BofA Japan, a registered securities dealer under the Financial Instruments and Exchange Act in Japan, or its permitted affiliates; is issued and distributed in Hong Kong by Merrill Lynch (Hong Kong) which is regulated by HKSF; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofA India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the Electronic Communications Disclaimers for further information.

Other Important Disclosures



This information has been prepared and issued by BofA and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofA and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofA and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofA and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information.

General Investment Related Disclosures:

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities.

This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.

Securities and other financial instruments referred to herein, or recommended, offered or sold by BofA Securities, are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution (including, Bank of America, N.A.). Investments in general and, derivatives, in particular, involve numerous risks, including, among others, market risk, counterparty default risk and liquidity risk. No security, financial instrument or derivative is suitable for all investors. In some cases, securities and other financial instruments may be difficult to value or sell and reliable information about the value or risks related to the security or financial instrument may be difficult to obtain. Investors should note that income from such securities and other financial instruments, if any, may fluctuate and that price or value of such securities and instruments may rise or fall and, in some cases, investors may lose their entire principal investment. Past performance is not necessarily a guide to future performance. Levels and basis for taxation may change.

This report may contain a short-term trading idea or recommendation, which highlights a specific near-term catalyst or event impacting the issuer or the market that is anticipated to have a short-term price impact on the equity securities of the issuer. Short-term trading ideas and recommendations are different from and do not affect a stock's fundamental equity rating, which reflects both a longer term total return expectation and attractiveness for investment relative to other stocks within its Coverage Cluster. Short-term trading ideas and recommendations may be more or less positive than a stock's fundamental equity rating.

BofA Securities is aware that the implementation of the ideas expressed in this report may depend upon an investor's ability to "short" securities or other financial instruments and that such action may be limited by regulations prohibiting or restricting "shortselling" in many jurisdictions. Investors are urged to seek advice regarding the applicability of such regulations prior to executing any short idea contained in this report.

Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned herein. Investors in such securities and instruments, including ADRs, effectively assume currency risk.

Other Important Disclosures



UK Readers: The protections provided by the U.K. regulatory regime, including the Financial Services Scheme, do not apply in general to business coordinated by BofA Securities entities located outside of the United Kingdom.

BofAS or one of its affiliates is a regular issuer of traded financial instruments linked to securities that may have been recommended in this report. BofAS or one of its affiliates may, at any time, hold a trading position (long or short) in the securities and financial instruments discussed in this report.

BofA Securities, through business units other than BofA Global Research, may have issued and may in the future issue trading ideas or recommendations that are inconsistent with, and reach different conclusions from, the information presented herein. Such ideas or recommendations may reflect different time frames, assumptions, views and analytical methods of the persons who prepared them, and BofA Securities is under no obligation to ensure that such other trading ideas or recommendations are brought to the attention of any recipient of this information.

In the event that the recipient received this information pursuant to a contract between the recipient and BofAS for the provision of research services for a separate fee, and in connection therewith BofAS may be deemed to be acting as an investment adviser, such status relates, if at all, solely to the person with whom BofAS has contracted directly and does not extend beyond the delivery of this report (unless otherwise agreed specifically in writing by BofAS). If such recipient uses the services of BofAS in connection with the sale or purchase of a security referred to herein, BofAS may act as principal for its own account or as agent for another person. BofAS is and continues to act solely as a broker-dealer in connection with the execution of any transactions, including transactions in any securities referred to herein.

Copyright and General Information:

Copyright 2021 Bank of America Corporation. All rights reserved. iQprofileSM, iQmethodSM are service marks of Bank of America Corporation. iQdatabase[®] is a registered service mark of Bank of America Corporation. This information is prepared for the use of BofA Securities clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of BofA Securities. BofA Global Research information is distributed simultaneously to internal and client websites and other portals by BofA Securities and is not publicly-available material. Any unauthorized use or disclosure is prohibited. Receipt and review of this information constitutes your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained herein (including any investment recommendations, estimates or price targets) without first obtaining express permission from an authorized officer of BofA Securities.

Materials prepared by BofA Global Research personnel are based on public information. Facts and views presented in this material have not been reviewed by, and may not reflect information known to, professionals in other business areas of BofA Securities, including investment banking personnel. BofA Securities has established information barriers between BofA Global Research and certain business groups. As a result, BofA Securities does not disclose certain client relationships with, or compensation received from, such issuers. To the extent this material discusses any legal proceeding or issues, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Investors should consult their own legal advisers as to issues of law relating to the subject matter of this material. BofA Global Research personnel's knowledge of legal proceedings in which any BofA Securities entity and/or its directors, officers and employees may be plaintiffs, defendants, co-defendants or co-plaintiffs with or involving issuers mentioned in this material is based on public information. Facts and views presented in this material that relate to any such proceedings have not been reviewed by, discussed with, and may not reflect information known to, professionals in other business areas of BofA Securities in connection with the legal proceedings or matters relevant to such proceedings.

Other Important Disclosures



This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofA Securities or its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.

Any information relating to the tax status of financial instruments discussed herein is not intended to provide tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

The information herein (other than disclosure information relating to BofA Securities and its affiliates) was obtained from various sources and we do not guarantee its accuracy. This information may contain links to third-party websites. BofA Securities is not responsible for the content of any third-party website or any linked content contained in a third-party website. Content contained on such third-party websites is not part of this information and is not incorporated by reference. The inclusion of a link does not imply any endorsement by or any affiliation with BofA Securities.

Access to any third-party website is at your own risk, and you should always review the terms and privacy policies at third-party websites before submitting any personal information to them. BofA Securities is not responsible for such terms and privacy policies and expressly disclaims any liability for them.

All opinions, projections and estimates constitute the judgment of the author as of the date of publication and are subject to change without notice. Prices also are subject to change without notice. BofA Securities is under no obligation to update this information and BofA Securities ability to publish information on the subject issuer(s) in the future is subject to applicable quiet periods. You should therefore assume that BofA Securities will not update any fact, circumstance or opinion contained herein.

Certain outstanding reports or investment opinions relating to securities, financial instruments and/or issuers may no longer be current. Always refer to the most recent research report relating to an issuer prior to making an investment decision.

In some cases, an issuer may be classified as Restricted or may be Under Review or Extended Review. In each case, investors should consider any investment opinion relating to such issuer (or its security and/or financial instruments) to be suspended or withdrawn and should not rely on the analyses and investment opinion(s) pertaining to such issuer (or its securities and/or financial instruments) nor should the analyses or opinion(s) be considered a solicitation of any kind. Sales persons and financial advisors affiliated with BofA Securities or any of its affiliates may not solicit purchases of securities or financial instruments that are Restricted or Under Review and may only solicit securities under Extended Review in accordance with firm policies.

Neither BofA Securities nor any officer or employee of BofA Securities accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this information.