

WORKPLACE BENEFITS™

Plan sponsor case study

Broad-based equity program helps make Bank of America a Great Place to Work

Client profile

Bank of America is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. It is guided by its purpose to help make financial lives better through the power of every connection.

Goal

Bank of America is committed to delivering on Responsible Growth, which includes a focus on being a Great Place to Work and sharing its success with teammates. "Our teammates are at the heart of this purpose and are key to driving Responsible Growth," says Bank of America's Chris Fabro, global head of compensation and benefits. "We recognize that to meet our business goals and fulfill our commitments to our customers, we must attract, motivate and retain a talented, engaged and satisfied workforce. We do this by making Bank of America a Great Place to Work."

Core to its values, Bank of America fosters an inclusive environment where more than 200,000¹ employees worldwide have the opportunity to achieve their goals, at every stage of their lives and careers. In addition, the company prioritizes holistic wellness and provides comprehensive workplace benefits, resources and programs to help support the physical, emotional and financial health of its employees.

With Bank of America's inherent focus on financial wellness, the company continuously looks at ways to broaden how they support teammates in building long-term wealth, increasing engagement, and strengthening their connection to the company.

Solution

Bank of America's Sharing Success program launched under the direction of CEO Brian Moynihan, who wanted all teammates at all levels to share in the success of the company. Following the implementation of favorable corporate tax provisions in 2017 and Bank of America's desire to broadly share the benefits of the reduction with teammates, the concept of Sharing Success began as a one-time cash payment of \$1,000 to teammates in late 2017. As a result of the overwhelming positive feedback from employees, the company opted to continue the program and build in a stock-based component to a portion of the global employee population as well. The company then expanded stock-based financial opportunities to most teammates, evolving the program into the current broad based stock program, with the first extensive grant of stock awards across most of the enterprise in the first quarter of 2022.

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While restricted stock units (RSUs) have traditionally been reserved for executives and top management, the Sharing Success initiative is specifically designed to be a broad-based equity program that makes awards available to most employees across the global company. The opportunity to become a shareholder is offered on top of each individual's base compensation. While created as a special and distinctive benefit, it is also a natural offshoot of the overarching commitment to make Bank of America a Great Place to Work.

Through the Sharing Success program, Bank of America has invested more than **\$4.8 billion** in awards since 2017 in recognition of efforts in driving Responsible Growth.



Approximately **97% of employees** received an award in 2024.

Source: BofA website/2024 proxy statement.

Approach

The Sharing Success program took shape through strategic and purposeful actions over a multi-year period. The Bank of America team anchored the program on the following critical components, which they say can also serve to guide other employers who are considering implementing a broad-based equity program at their companies.

Strong support from leadership

With the financial commitment involved in expanding the offering of RSUs to nearly the entire workforce, the team believes ensuring company-wide support is key from day one.

"Our CEO is a firm believer in creating a culture of employee ownership and this was a powerful driver for launching Sharing Success," says Sheri Bronstein, chief human resources officer, Bank of America. "As a team, we're all invested in making our company a Great Place to Work. So, when it comes to a program that offers sustainable growth for our company as a whole and wealth-building opportunities for each individual teammate, you can be sure we're all rowing in the same direction."

Strategic roll-out

The program started by analyzing employees' salary and incentives to determine a phased roll-out according to a total compensation range. Then, the program gradually expanded to include more participants. The Bank of America team re-evaluates the program each year for continuation, as well as to adjust plan design, such as the number of shares per teammate, to help maximize the value of the benefit over time.

As participation in the program grew, the team had to consider the implications for their administrative processes and resources. By leaning into available technology and automation, they have been able to manage the program without having to add resources.

Robust employee communications and education

The company recognizes that equity plans can be complex and that participants may struggle to understand what equity means and what actions to take to get the most out of their awards. When participation expands from the top tiers of the company to deeper within the employee population, there could be less familiarity with equity compensation. And that is the case even at a company like Bank of America, where teammates generally have a deeper knowledge of financial concepts.

Therefore, Bank of America's goal is to meet teammates where they are—from new grantees to those with experience—with a multi-channel education program. The team also stresses the importance of ongoing communications and continuing to assess educational needs as the plan matures, shifting strategies as necessary.

Examples of Bank of America's educational outreach include:

- **Insights:** Because teammates can manage all their financial accounts in one place through the Bank of America app and online, it creates an opportunity to engage teammates with tips and tools they can use to help improve their overall financial wellness. And this makes digital experiences fertile ground for planting messages about their equity awards. As they log in to check on their frequently accessed accounts, messages displayed front and center on the home page prompt participants when and how to take action on their awards. From opening a brokerage account to accepting awards, messages help guide participants every step of the way—and just one click instantly takes them to where they can take action.

- **RSU Learning Center:** This easy-to-navigate and intuitive online hub puts on-demand educational resources at participants' fingertips and uses the power of video to engage learners. Resources available on the Learning Center are organized to guide teammates through the entire RSU life cycle with "how to" instructions, quick tips and video recommendations for first-time award recipients. Popular video topics range from dividend equivalents to where award payments are made, while other materials cover some of the basics, such as how to create a user ID and password and how to view awards. Teammates worldwide can conveniently access the Learning Center from any device, through the employee intranet site (HR Connect) or Benefits OnLine®.
- **Live-to-desktop webinars:** Specialists bring information and tips directly to teammates in an engaging live video format. Three sessions — granting of awards, opening brokerage accounts, preparing for stock payments — cover the entire awards life cycle and cater to different levels of investing experience.
- **Inclusive guidance:** Meeting teammates where they are includes Bank of America's support services team, an in-house marketing and fulfillment operation made up of approximately 300 teammates with intellectual disabilities who support every major line of business at Bank of America. Education specialists visit each location to assist these teammates in opening brokerage accounts and accepting awards in partnership with their caregivers, if applicable.

Results

Bank of America continues to assess the success of its broad-based equity program through metrics such as ownership in the company, shares held, engagement with educational resources and employee feedback tracked through its annual employee satisfaction surveys. The team has seen thousands of teammates take action in response to online insights messaging even before the first communications on the program went out, evidence that teammates are engaged and understanding of awards is gaining traction. This program is also helping attract talent to the organization as one component of being a Great Place to Work. As the program matures and traditional educational resources reach maximum leverage, the team continues to challenge themselves to identify new and creative ways to engage with participants and keep them squarely focused on the value of this critical benefit.

Highlights of a few success metrics

Teammate engagement with stock awards in 2024 continues to be high.²



Over 20% of Sharing Success awards accepted through Benefits OnLine® insights before enterprise communications were sent.



Over 90% have been accepted through August 2024.

Enhanced employee retention demonstrated by our turnover among teammates.³



8% turnover in 2023

The lowest on record other than the pandemic year of 2020.



Strong employee feedback through written comments in annual Employee Satisfaction survey and participation in company sponsored equity award learning sessions.



Positive feedback and recognition from investors in the value of employee alignment with shareholders at all levels of the company driven by our Sharing Success program.

“In the early years of Sharing Success, we were focused on the operational aspects of the program and increasing teammates’ understanding of how the plan works. But now that program has taken off, we want the program to help encourage teammates to increasingly feel like they have a long-term ownership stake in the company. For example, looking ahead, there is an opportunity to more fully educate teammates on how to exercise their voting rights in annual shareholder meetings and therefore to participate more fully in company governance,” says Bronstein.

Awards are encouraging share ownership deeper in the company and are a path to financial wellness through additional savings.

“There is also the impact we’ll be able to see on teammates’ broader financial lives,” Fabro adds. “Over time, teammates will see how the value of their shares integrates with their other workplace benefits to help get them closer to their goals.”

¹ Source: Bank of America 2023 Annual Report.

² Source: Bank of America Award Choice® reporting, as of 8/31/2024.

³ Source: 2024 Proxy statement, page 45.

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