



RETIREMENT RESEARCH & INSIGHTS

# Equity Programs

## 2023 Financial Life Benefits® Impact Report

*Insights to help employers make more informed decisions to support the financial wellness of their employees.*

For employers looking for ways to recruit and retain talent, equity compensation plans can serve as a powerful incentive and foster a sense of ownership among employees. Employees can also benefit from education and guidance about using their grants to build wealth.

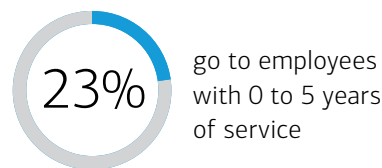
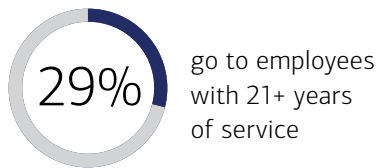
**More employees received equity awards in 2022, though the value of those awards was lower**

**23%**  
increase ↑  
in participants receiving awards in 2022

**16%**  
decline ↓  
in average shares outstanding per plan

**30%**  
decline ↓  
in value of outstanding shares at year-end

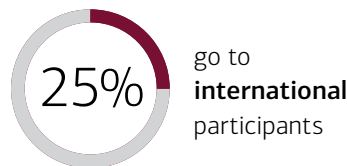
### Awards by employee tenure



### Awards by age

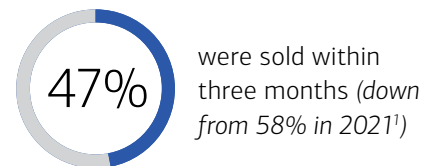


### Awards by location



**Although fewer than in previous years, many employees are still not holding on to their grants**

Of awards acquired in 2022:



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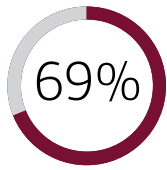
Investment products:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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See additional important information on next page.

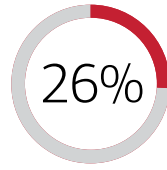
# Employee stock purchase plans

## Stock purchase plans also help create a sense of ownership



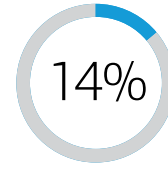
of employers offer a stock purchase plan with a 15% discount

When offered a 15% discount:



of employees participate

When offered less than a 15% discount, only



participate

## Although employee payroll deferral rates are down, participants have been able to purchase more shares

# 4.9%

Average payroll deferral applied to stock purchase plans (down from 5.4%<sup>1</sup>)

# 115 shares valued at \$6,300

Average purchase by participants (up from 100 shares valued at \$6,270 in 2021<sup>1</sup>)

### We can help you improve the financial lives of all your employees

Financial Life Benefits<sup>®</sup> goes beyond traditional benefits to provide more of what employees need to manage their day-to-day finances and prepare for the future.

Retirement plans\* | Equity compensation plans\* | Health and benefit accounts<sup>†</sup> | Employee banking<sup>†</sup> and investing\*

To learn more, visit [go.bofa.com/FinancialLifeBenefits](https://go.bofa.com/FinancialLifeBenefits)

#### Intended for plan sponsor and consultant audience.

<sup>1</sup> Comparisons to 2021 reference data derived from Bank of America Retirement and Benefit Plan Services equity data platform as of 12/31/2021.


\* Investment products are available from Merrill Lynch, Pierce, Fenner & Smith Incorporated.

† Bank products are available from Bank of America, N.A., and affiliated banks.

This report monitors plan participants' behavior and sponsors' adoption of new plan design features and services in our proprietary employee benefits programs, which serve more than 25,000 companies and more than \$6 million employees as of December 31, 2022. Reference data for 2022 derived from Bank of America Retirement and Benefit Plan Services equity data platform as of 12/31/2022.

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