

ESG Matters - Global

The Great Wealth Transfer: healthi-HER and wealthi-HER

Wealth is tilting female, and industries need to adapt

\$84 trillion in US wealth is expected to be transferred to younger generations over the next two decades – compare that to 2022 *global GDP* of \$101tn. Some \$30tn will be inherited by women in the next decade alone. But that isn't the whole story. Women now outnumber men in university enrollment globally. They are entering the workforce at higher levels, with greater career aspirations. Women are delaying childbearing and having fewer children. How should industry react to women with more spending power, fewer children, and greater confidence? In a word – quickly.

Women's wealth is rising globally; Asia overtakes Europe

About 33% of the world's wealth was held by women in 2022, and women's wealth was expected to reach \$93tn by end-2023. About half of this is in the US, although it is growing rapidly in Asia. Asian women have overtaken European women. Drivers globally include improving wage equality, entrepreneurship, rising political empowerment, and better access to leadership positions.

Sisters are doin' it for themselves: house, car, wealth mgr.

Younger, well-educated women with higher disposable income are increasingly taking charge of financial decisions traditionally made by men or spouses (think car, house, wealth manager). Bank of America data indicates a narrowing gap in 401(k) balances between men and women. Globally, more women are accessing banking services: 81% of countries with data saw increases in women's financial participation in 2018 vs. 2022.

You're fired: women and investment strategy

70% of women change their financial advisor within a year of being widowed. As women become more active in financial decision-making, understanding their goals and risk preferences is important. Women typically earn less, are more risk averse, and they live longer. They tend to prioritize capital protection. Personal connections matter. *Bottom line: Women's distinctive approach to investing spells opportunity.*

What women want – your attention, please

Marketing to women used to amount to 'shrink it and pink it.' But women over 50 now have \$15tn in spending power, and young women can delay diapers, bottles and car seats in favor of fine jewelry. We look at how industries could be affected. See bond screens for issuers with a higher proportion of women in management and above, plus those who offer access to female-owned businesses and financial education for women.

Unequal rights: wealth mainly transfers to the wealthy

The Great Wealth Transfer will not be a boon for all. Money will remain concentrated in wealthy countries, among wealthy families, even as it is spread more equally between men and women. Over 40 countries globally still lack gender-equal inheritance laws; almost two-thirds of these are lower-middle and lower-income countries.

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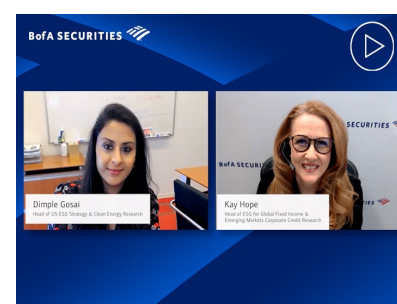
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The Great Wealth Transfer – to women

\$84 trillion... A staggering \$84tn in US wealth is expected to be transferred to younger generations through 2045 (Cerulli Associates). For context, this amount is almost as much as *global* GDP in 2022 (\$101tn). Almost two-thirds (\$53tn) will be transfers from the Baby Boomer generation, and 20% will be wealth handed down by those born before 1945.

How does \$30 trillion sound? That's the amount of wealth transfer expected to go to US women over the next decade. Much of this will move from Baby Boomer men to wives and children: married Baby Boomer men have wives who tend to be about two years younger than their husbands, and these women, on average, will live five years longer than their husbands (McKinsey).

Half of all US wealth is held by the Baby Boomer generation; this is the generation born roughly 1946-1964, so the cohort is 59-77 years old today. This wealth is already starting to be passed down, and that will soon mean that women control more money than ever before. How they use this money is expected to have a profound impact.

But that's not all... Inheritance is only part of the story. Women today are more educated than they have ever been. In 90 countries (out of 108 with data), women now outnumber men in university enrolment (The Global Economy). These women are entering the workforce at higher levels, with greater career aspirations, and are earning higher pay. This is changing their views on careers, but also on families and children.

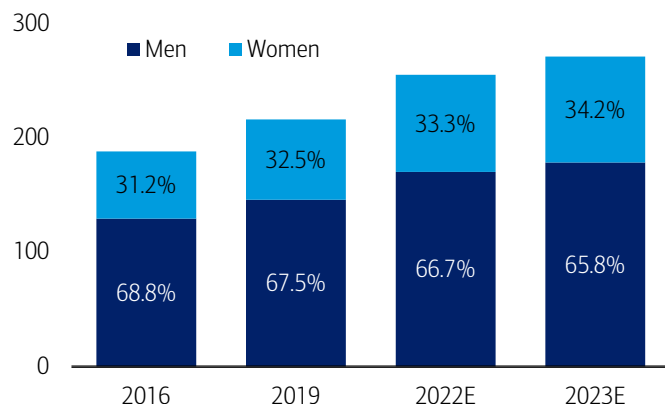
Younger, educated women are more financially literate than their mothers and grandmothers. Higher pay and delaying marriage and children put them in control of their finances and allows them to grow their wealth earlier (and longer). They are more likely than the older generations to buy a car or a home on their own, for instance. And increasingly, they have role models. Globally, women now occupy 29% of senior management roles, and one-third of business owners are female entrepreneurs.

Globally speaking... Wealth is still tilting female

About 33% of the world's wealth was held by women in 2022 (BCG). Global financial wealth was estimated at \$255tn in 2022, and that excludes the value of non-financial assets (real estate, art, jewelry, classic cars, wine, etc) of \$261tn (BCG Global Wealth Report). BCG noted in a 2020 report that women are adding \$5tn to their wealth every year; women's wealth was expected to reach \$93tn by end-2023. While about half of this is in the US, women globally are increasing their financial firepower.

Exhibit 1: Women's wealth is growing as a proportion of the total

Women were expected to hold 34% of \$271tn at end-2023 (\$93tn)

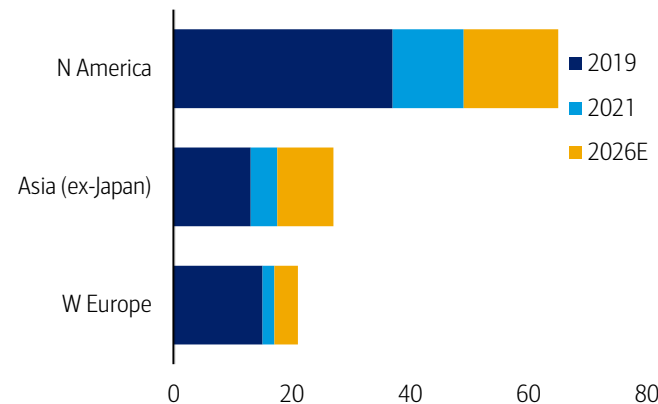


Source: "Women in Wealth: Managing the Next Decade of Women's Wealth," BCG; BofA Global Research estimates

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Exhibit 2: Women in Asia are expected to hold \$27tn by 2026

The chart shows cumulative women's wealth over time; Asia overtook Western Europe in 2021



*Asia figures are ex-Japan.

Source: Boston Consulting Group, Nikkei Asia
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Women are set to own 60% of the UK's wealth by 2025 (from 48% in 2005), and the proportion is expected to continue growing in the coming decade (The Guardian, Financial Times). This is despite lower pay for women, more career breaks, and longer average lives.

Women in Asia (ex-Japan) will hold an estimated \$27tn by 2026, according to analysis by BCG for Nikkei Asia. This will be \$6tn more than women in Western Europe. (Women in Asia ex-Japan overtook Western European women on wealth in 2021.) Women in Asia are growing their wealth at a rate of \$2tn annually. Asia is already home to some 40% of the world's billionaires (PWC), including about 92 female billionaires in 2022.

Japan is the exception to the developments in Asia above, so it is excluded. Japan's women lag other industrialized countries in terms of holding assets. They have an estimated wealth of \$2.7tn. Japanese women are more likely to leave the workforce for family reasons compared to women in other industrialized nations, and those who are in the workforce tend to have fewer opportunities to advance.

Exhibit 3: Top 3 drivers of women's wealth by region: wage equality, entrepreneurship, and leadership advancement are key

Women in Asia are benefitting from an increase in leadership roles, improving wage equality and rising female representation in political spheres

| North America | Europe | Asia Pacific (incl Japan) | Middle East & Africa | Latin America |
|----------------------|-----------------------|---------------------------|---------------------------|-----------------------|
| Wage equality | Wage equality | Leadership positions | Entrepreneurship | Leadership positions |
| Entrepreneurship | Entrepreneurship | Wage equality | Labor force participation | Entrepreneurship |
| Leadership positions | Political empowerment | Political empowerment | Leadership positions | Political empowerment |

Note: 'Political empowerment' reflects the number of women in parliament and in ministerial positions. 'Entrepreneurship' relates to the number of women who are self-employed. 'Leadership positions' indicates the share of women in managerial positions. 'Labor force participation' measures the proportion of a country's working-age population actively engaged in the labor market. 'Wage equality' gauges the degree of commensurate pay for commensurate work and is derived from participant answers in the Opinion Survey of the World Economic Forum in 2018-2019.

Source: BCG, "Managing the Next Decade of Women's Wealth," April 2020.

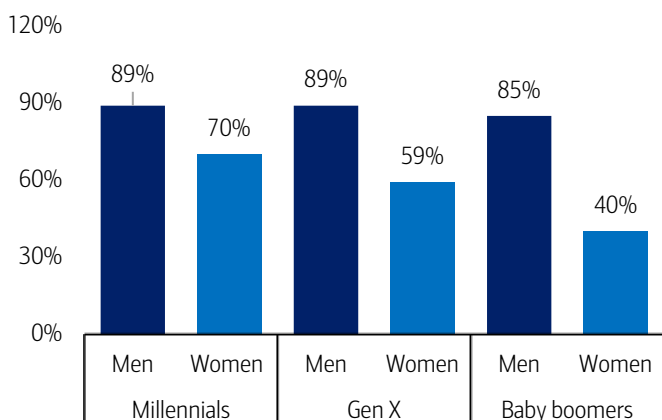
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From baby boomer to 'mature consumer?'

73% of inheritances come from parents, and Americans are most likely to inherit in their 40s and 50s. As older women earn and inherit greater wealth, we expect products and services to become better attuned to this demographic. Although women already control the majority of everyday household spending, fewer more mature women make major financial decisions in a marriage, from investing to buying a home. Even so, 80% of women will be solely responsible for their finances at some point in their lives, and women will inherit 70% of the wealth passed down over the next generation (Schroders).

Exhibit 4: Do you take the lead in major financial decisions? (% yes.)

Baby boom women are least likely to make major financial decisions

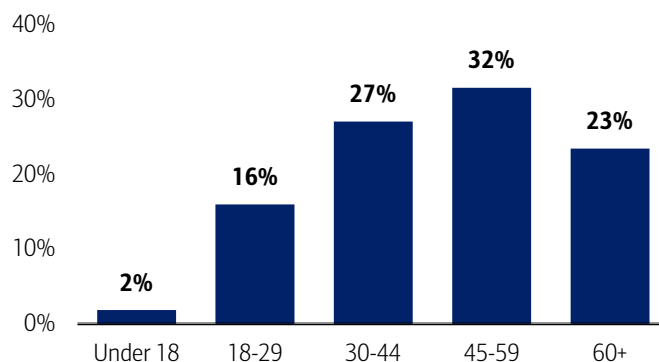


Source: BCG, "Managing the Next Decade of Women's Wealth," April 2020.

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Exhibit 5: Women (and men) are most likely to receive inheritance in their 40s-50s

Percent of inheritances, by age at time of inheritance



Source: BofA US ESG Research, Federal Reserve 2022 Survey of Consumer Finances. Note: Age of head of household.

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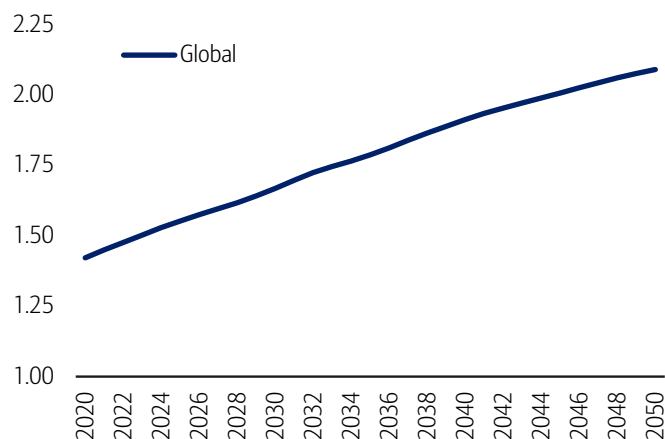
Hey, big spender! Appealing to mature (female) consumers

You'd think that \$15tn in over-50 female spending power would buy some attention in the US (Forbes). In fact, we estimate that there are 1.4bn women in the 50-70 year age cohort globally. The figure will rise.

Globally, the number of women aged 50-70 is expected to reach 2.1bn by 2050, a 47% increase from today (UN Population). Today's women aged 50-70 have more money, independence, and opportunity than previous generations – and women coming after them are likely to have even more. Much of the growth will come from emerging market countries, where women are expected to increase their labor force participation and their economic contribution.

Exhibit 6: Women 50-70 is a growing age group (2020-2050, in bn)

The number of women age 50-70 is expected to reach 2.1bn by 2050

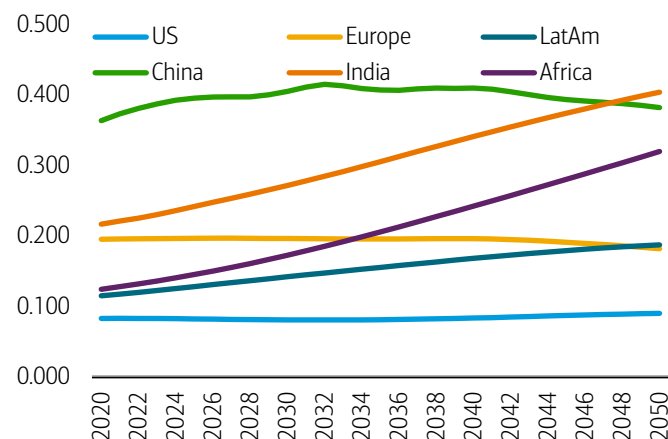


Source: United Nations World Population Prospects 2022

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Exhibit 7: India and Africa will grow their 50-70 age cohort most

Figures in billions – emerging markets will see rapid



Source: United Nations World Population Prospects 2022

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As women over 50 earn and inherit more, who wins and loses because of their spending decisions? AARP estimates that women already drive about 64% of consumer purchases. By 2028, this is expected to reach 75%. By 2030, women are expected to control 70% of America's wealth. In the UK, women will control 60% of household wealth by 2025.

Our view is that product marketing is likely to change

Only 15% of online images contain adults in the 50-70 age group. The Harvard Business Review estimates that only 5-10% of marketing budgets target this group. Yet people over 50 account for over half of US consumer spending, and women control most household spending in many countries. Over 50s (men and women) will be spending for several more decades – why not market to them?

Women over 50 are the largest female demographic with incomes over \$100k. What's more, these women control 95% of household purchases and make 80% of travel purchases – and the 50+ group is the most likely to pay for luxury travel (AARP, Forbes).

The 'wider senior population?!' Really?

Market research company Mintel recommends engaging with 'the wider senior population,' highlighting their increased use of social media and technology. Given that technology savvy and spending power, we expect marketers to start waking up to the fact that the 50+ age group is still active, often still working, and doesn't necessarily see itself as 'put out to pasture.' This isn't our great-grandmothers' 50+.

Over half (52%) of over 55s indicate that they are open to switching brands and trying new things (Age of Majority). Women indicate that they are interested in supporting brands that support their values, whether these are women-owned businesses or businesses that support a cause.

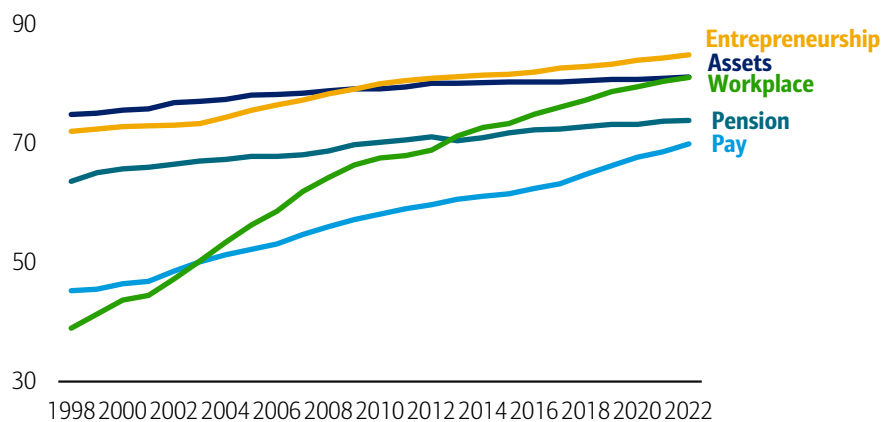
Sisters are doi' it for themselves

More disposable income, greater access to financial services, and more favorable regulations (such as gender-equal inheritance laws) mean that women are increasingly making independent financial choices that used to be made with/by spouses: purchasing a house, or a car, or hiring a wealth manager.

Data from the World Bank, which tracks the laws and regulations that affect women's economic opportunity, suggests that women are now better supported in building their wealth thanks to legal reforms (Exhibit 8). Moreover, data available from the International Monetary Fund's Financial Access Survey suggests that women's access to bank accounts is improving in many countries: 81% of the countries with available data saw improvements between 2018-2022. Cambodia, for example, saw the number of bank accounts per 1,000 women more than triple from 312 in 2018 to 984 in 2022.

Exhibit 8: Legal systems globally are increasingly supporting wealth transfer to women

Women, Business and the Law Indicator Scores for Entrepreneurship, Assets, Workplace, Pension, and Pay for the world (on a scale from 1-100), 1998-2022



Source: World Bank: Women, Business and the Law. The Assets indicator examines gender differences in property and inheritance law, including instances in which legal systems are supported by customary law and judicial precedent. The Pay indicator measures laws affecting occupational segregation and the gender wage gap. The Entrepreneurship indicator measures constraints on women starting and running a business. The Pension indicator assesses laws affecting the size of a woman's pension. The Workplace indicator analyzes laws affecting women's decisions to enter the labor market, including women's legal capacity and ability to work, as well as protections in the workplace against discrimination and sexual harassment.

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Younger women profiting from greater financial independence

Education gains are raising the women's average earnings, narrowing the gender pay gap at the younger end. Women are more likely to hold a bachelor's degree than men in the US: 48% of employed women vs. 41% of employed men held a bachelor's degree in 2022, up from 31% for both genders in 2002 (source: Pew Research). Similarly, in the EU, 48% of young¹ women vs. 37% of young men have tertiary education (source: European Commission). Among young adults² in the US, the share of women working full time increased from 55% in 1993 to 67% in 2023 (Pew Research). Young women are now 11% more likely to be financially independent from their parents than young men in the US (Pew Research; Exhibit 9).

As women get married later,³ they are also increasingly likely to enter marriage with experience managing their finances and investments independently. Consequently, women are taking a more active role in financial decisions. In fact, our analysis of US survey data from the Federal Reserve shows that more Gen Z women are involved in financial decision-making than their male peers (66% vs. 60%). This contrasts with

¹ Aged 25-34

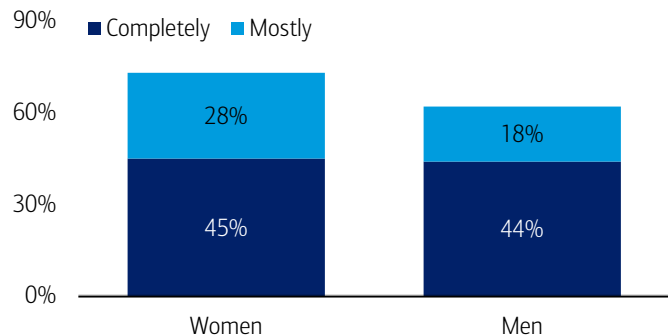
² Aged 25-34

³ American women's median age at first marriage was 28 in 2023, up from 21 in 1973 and 25 in 2003 (source: US Census)

women in the Gen X and Baby Boomer generations (aged 45+), who are around 5% less likely to share in their household's financial decisions than men (Exhibit 10).

Exhibit 9: Young women more likely to be financially independent from their parents

% of US young adults saying they consider themselves completely or mostly financially independent from their parents

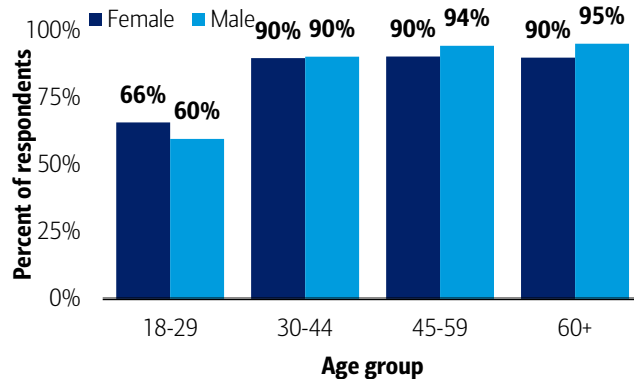


Source: Pew Research Center, "Parents, Young Adult Children and the Transition to Adulthood". Based on a survey of US young adults conducted in Oct-Nov 2023. Young adults include those ages 18-34 who have a living parent. Other response options included "Somewhat", "A little" and "Not at all"

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Exhibit 10: In younger generations, women are more involved in financial decision-making

Percent of US respondents that make most of the financial decisions or share in the financial decisions for their household, by gender and age group



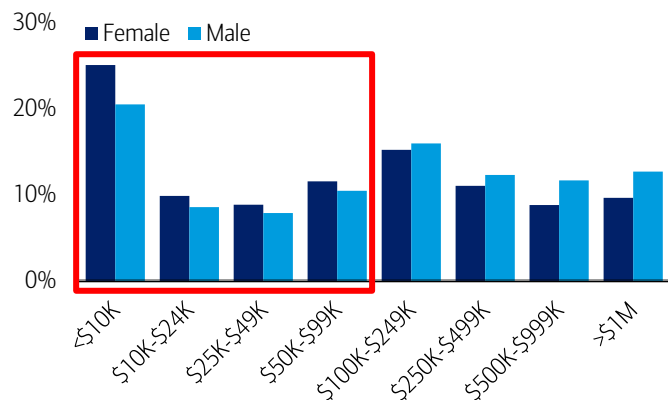
Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022"

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Wealth saved by young women today means more time for compounding – more savings today may mean more money later on as well. Although there is still a significant gap in retirement savings for women (55% of US women have less than \$100K in retirement savings vs. 47% of men; Exhibit 11), Bank of America data suggests that the gap in 401(k) balances between men and women has narrowed over the last three years (Exhibit 12).

Exhibit 11: Women tend to have lower retirement savings

Percent of US female/male respondents with each level of retirement savings

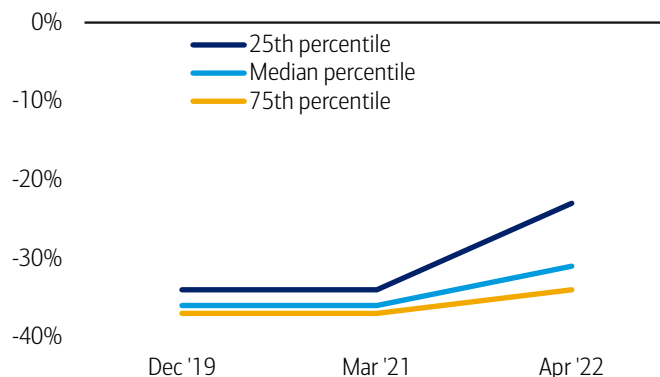


Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022"

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Exhibit 12: But the gap in 401(k) balances is getting smaller

Percentage difference in women 401(k) balances vs men 401(k) balances at the 25th, median, and 75th percentiles



Source: Bank of America, June 2022. Based on the records of 3.1 million 401(k) participants. Note: 401(k) plan balance amount contains the sum of fund-market-values for all funds within participant's account.

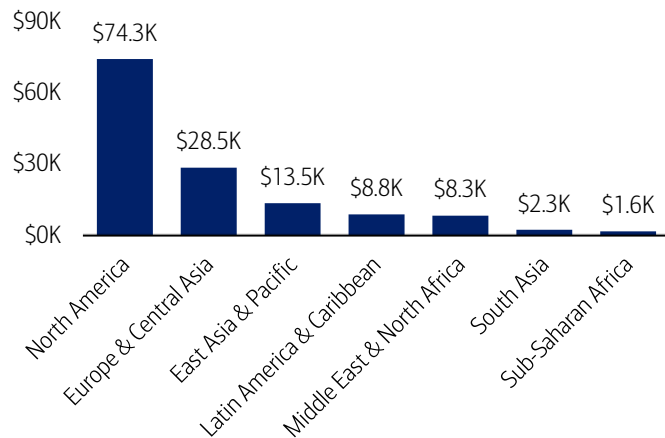
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The Great Wealth Transfer will be uneven

Progress on women's financial health has not been equal across all regions—and the Great Wealth Transfer won't be equal either. North America, for example, has the highest gross national income per capita, which allows women—and men—in the region to save and pass on significantly more wealth than other regions. In fact, the United States alone claims 28% of the world's billionaires, while Latin America, the Middle East, and Africa together account for just 6% (Exhibit 14).

Exhibit 13: Per capita wealth varies significantly across regions

Gross national income (GNI) per capita in current USD, 2022

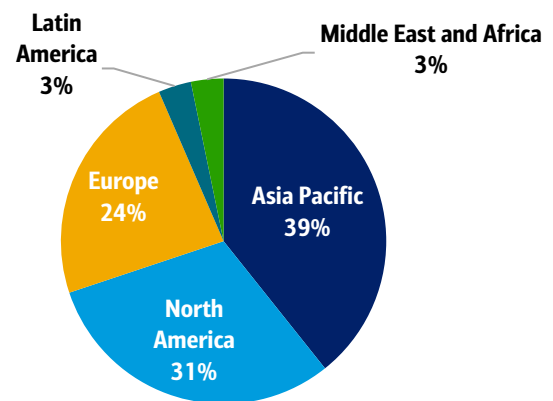


Source: World Bank

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Exhibit 14: Just 6% of the world's billionaires are located in Latin America, the Middle East, and Africa

Percent of world's billionaires by region



Source: BofA US ESG Research, Forbes (as of April 2023)

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Women in the Middle East, Africa, and South Asia still face the largest legal and structural headwinds to building their wealth, which has contributed to lower salaries, participation levels, and access to high-skilled employment for women in these regions (Exhibit 16-Exhibit 15). For example, these regions have the highest concentration of countries without gender-equal rights to inheritance from parents and deceased spouses. Fully 64% of countries lacking gender-equal inheritance rights are in the low- or lower-income socioeconomic group. However, even in regions with greater gender equality, differences in entrepreneurship, labor force participation, and investment rates between men and women are affecting women's wealth accumulation.

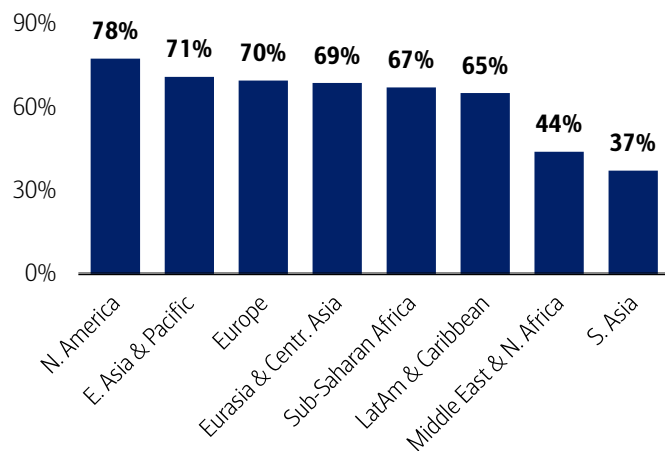
- North America:** Women in North America see the smallest economic gap relative to their male peers, as measured by outcomes on salaries, participation levels, and access to high-skilled employment (Exhibit 15). However, gaps in gender parity remain. For example, US startups with all-women founding teams received just 2% of venture capital (VC) funds that were invested in 2022 (source: PitchBook).
- Europe:** Women in Europe control 40-45% of the wealth in Europe yet remain far less likely than men to invest and to start their own businesses (source: European Commission). A 2022 survey by N26 found that European women invest 29% less of their monthly income on average than their male counterparts and consider themselves less knowledgeable about investing (48% of women vs 59% of men felt knowledgeable about investing). Only 22% of European startups created in 2022 had a woman founder (BCG/Sista).
- Latin America:** Women in Latin American countries are 17% more likely to have vulnerable jobs and 20% less likely to have a bank account than men (World Bank). However, economic gender parity in Latin America has improved 9.3ppt since 2006 and now stands at 65% (Exhibit 15). Changes in public policy are supporting continued improvements. For example, Ecuador passed one of the region's most ambitious gender laws in 2023 (the Violet Economy Law). This law set requirements

for equal pay, female representation on governing boards, childcare solutions, procedures to prevent sexual harassment, and public reporting on equality by companies with more than 50 employees. It also offers tax incentives for companies creating jobs for women in jobs.

- **Asia Pacific:** Financial gender parity varies considerably across the APAC region: East Asia and the Pacific score second highest on both economic parity and labor force participation, while South Asia has the lowest economic parity and second-lowest labor force participation of all regions (Exhibit 15). China is now home to nearly two-thirds of the world's self-made women's billionaires (Hurun Research Institute). Wealth transfer is also reducing the wealth gap between men and women in China. Even though men were traditionally favored in generational wealth transfer, due to the one-child policy, wealth is now passed down regardless of gender of the child. As a result, more women can afford to go to university and achieve higher social status. Women now represent 55% of first-time entrants to tertiary education (OECD).
- **Middle East:** Despite progress made on female education and literacy, the Middle East has the lowest female labor force participation in the world: 18.8% in 2022. This is driven both by structural barriers (e.g., childcare issues) and by gender-restrictive laws. For example, women's economic opportunities in the region are limited by laws that constrain women's freedom of movement, workplace laws that implicitly or explicitly exclude women, and restrictions on women-led entrepreneurship.
- **Africa:** Sub-Saharan Africa now has the highest female labor force participation rate in the world (61%). Countries in the region have also been making significant progress on the legal gender gap. More than half of all gender-related legal reforms in 2022 were implemented on the African continent (World Bank). However, lagging financial access in the region still presents a barrier to female wealth accumulation. Less than half of women (49%) in Sub-Saharan Africa own a financial account—compared to a global rate of 74% (World Bank's Findex Database). In parts of Africa, only 30% of women have the identification – compared to 45% for men – that would be needed to open an account (WEF).

Exhibit 15: Women in North America benefit from greater economic gender parity

Economic Participation and Opportunity Index (% gender parity), by region

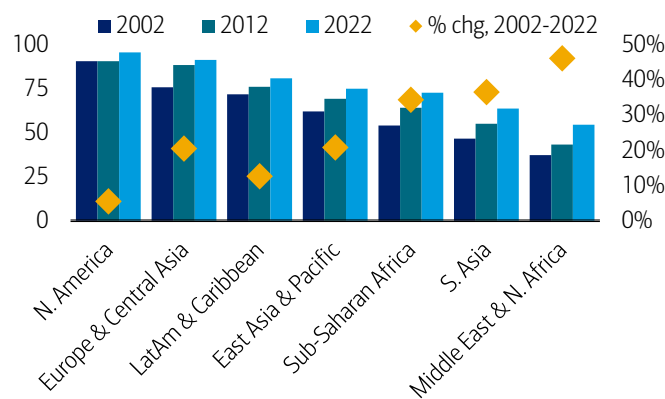


Source: World Economic Forum 2023 Global Gender Gap Report. Note: Population-weighted averages for the 146 economies featured in the Global Gender Gap Index 2023. The percentages are indicative of the gender gap that has been closed.

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Exhibit 16: Legal reforms in all regions are supporting women's economic opportunities

Women Business and the Law Index Score in 2002, 2012, and 2022 by region

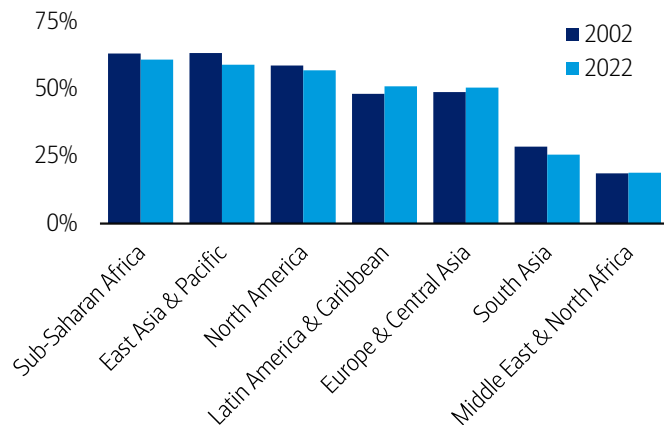


Source: World Bank: Women, Business, and the Law. The index measures how laws and regulations affect women's economic opportunity. Overall scores are calculated by taking the average score of each index (Mobility, Workplace, Pay, Marriage, Parenthood, Entrepreneurship, Assets and Pension), with 100 representing the highest possible score.

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Exhibit 17: Progress on labor force participation has largely stagnated across regions

Labor force participation rate, female (% of female population ages 15+)

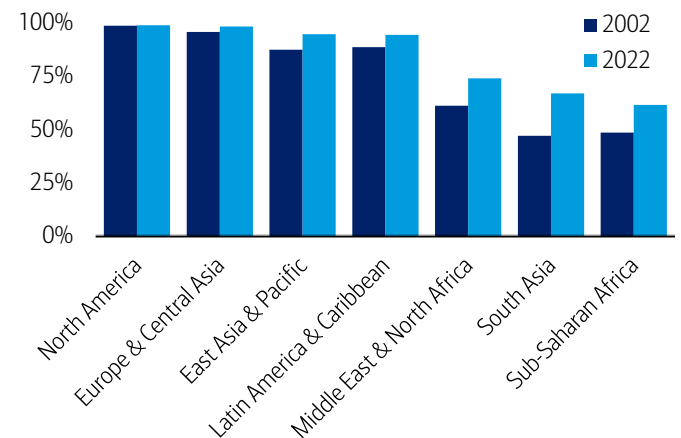


Source: World Bank. Labor force participation rate is the proportion of the population ages 15 and older that is economically active: all people who supply labor for the production of goods and services during a specified period.

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Exhibit 18: Africa, South Asia, and MENA have made significant progress on female literacy over the last two decades

Literacy rate, adult female (% of females ages 15 and above), 2002 and 2022 (or latest available)

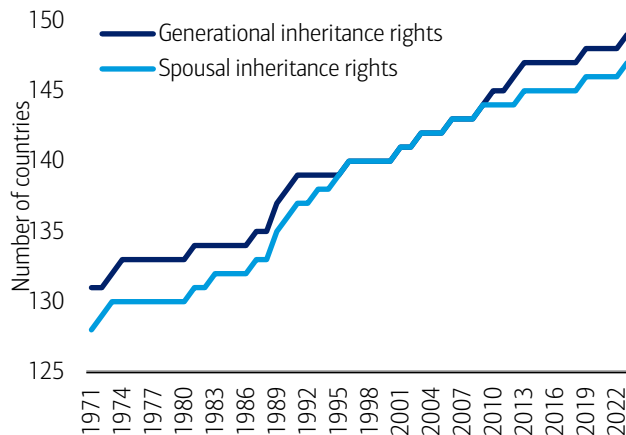


Source: World Bank

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Exhibit 19: Number of countries with gender-equal inheritance rights for inheriting from parents and/or a deceased spouse

Over 40 countries globally still lack gender-equal inheritance rights

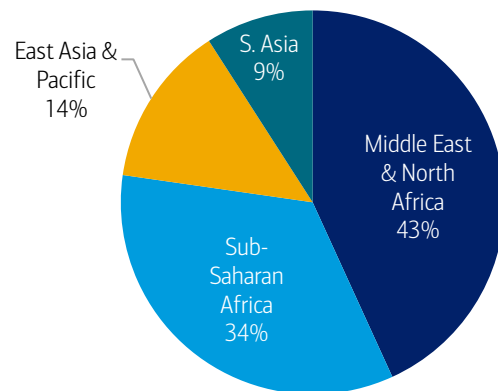


Source: World Bank. 2023. Women, Business and the Law 2023. Washington, DC: World Bank

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Exhibit 20: Region of countries lacking equal gender rights in inheritance from parents and deceased spouse in 2023

Two-thirds of the countries below are lower-middle- or low-income



Source: World Bank. 2023. Women, Business and the Law 2023. Washington, DC: World Bank

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Even within countries, the transfer of wealth will not be distributive

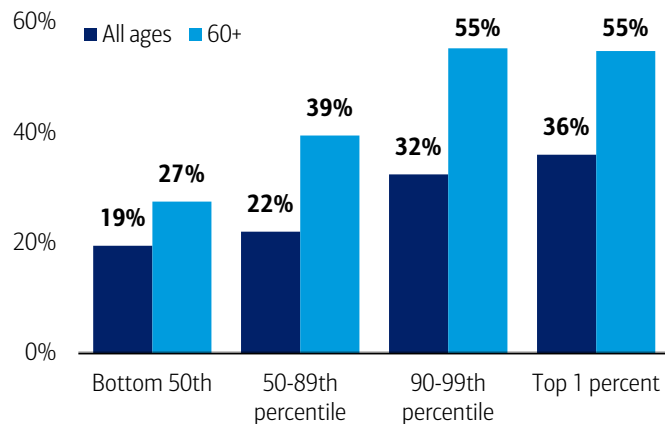
Even in wealthier countries, women who are already affluent are most likely to inherit more money, while those struggling are less likely to see net worth gains from the great wealth transfer. This is underscored by our analysis of the Federal Reserve's Survey of Consumer Finances, which includes granular data on the inheritances received by US households.

In the US, affluent households are more likely to believe it is important to leave their heirs an inheritance: 93% of households in the top 1 percent of earners believe it is at least somewhat important to leave an estate or inheritance to heirs, compared with 81% of households in the bottom 50th income percentile. The top 1 percent of earners receive inheritances at twice the rate of those in the bottom 50 percent of earners. Among those who inherited, the average inheritance of those in the top 1 percent is 11x higher

than the average inheritance of those in the bottom 50 percent. All told, close to half (41%) of reported inheritances (by value) went to the top 10 percent of earners.

Exhibit 21: Bottom 50 percent of earners are half as likely to inherit

Percent who have already inherited, by income percentile and age

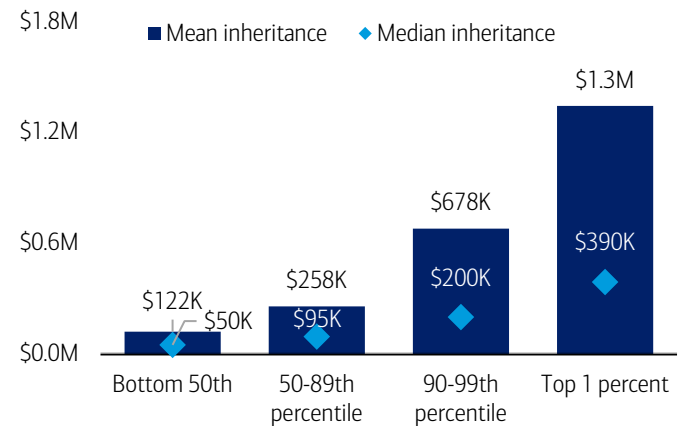


Source: BofA US ESG Research, Federal Reserve 2022 Survey of Consumer Finances. Note: Based on age of head of household.

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Exhibit 22: Inheritances follow the money

Mean and median of total inherited, by income percentile (among those who inherited)



Source: BofA US ESG Research, Federal Reserve 2022 Survey of Consumer Finances. Note: Based on inheritance at time of receipt.

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Women make money decisions differently

As women plan for retirement, they encounter many of the same worries as men: outliving assets, not saving enough, not investing well enough, needing long-term care, becoming disabled, or losing a spouse. However, women face lower lifetime earnings, longer life expectancy, and higher likelihood to take time off to be caregivers. On average, US women earn \$0.83 for every \$1 earned by men, which contributes to them having a 34% lower median retirement income than men (source: US Bureau of Labor Statistics, ASEC 2022 Current Population Survey). Similarly, in the EU, women earn €0.87 for every €1 earned by men (source: European Commission). Yet women must fund their retirement for longer, as women's life expectancy is six years longer than men in both the US and the EU (source: US CDC National Center for Health Statistics; Eurostat). This means that women tend to think longer term and prioritize capital protection when making financial decisions.

Not new financial products, but different delivery

You're fired. 70% of women change their financial adviser within a year of being widowed. So, do financial products need to change to accommodate women? We would argue that it isn't the products that need to change, but sales, marketing and customer service need to catch up with the emerging customer.

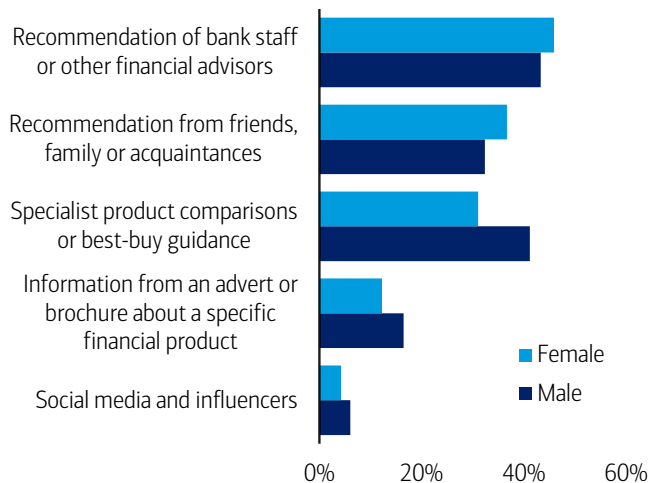
Would you leave money on the table? 90% of financial advisers don't have a differentiated strategy for selling and marketing to female investors. 84% don't have a differentiated strategy for younger investors (Schroders Annual Adviser Survey 2023). Yet these are two groups represent a massive opportunity.

When making financial decisions, women trust personal connections

Women are more likely to rely on recommendations when making financial decisions, while men are more likely to base their decisions on other sources like product comparisons in specialist magazines or social media (Exhibit 23). Women also tend to be more loyal to their financial providers across all types of products and services (Exhibit 24). Financial service providers can benefit from this loyalty by understanding what drives differences in how men and women make financial decisions and using this understanding to better serve their female clients.

Exhibit 23: Women more likely to rely on recommendations when making financial decisions

Sources of information used when making decisions about personal finances; percent of EU respondents by gender

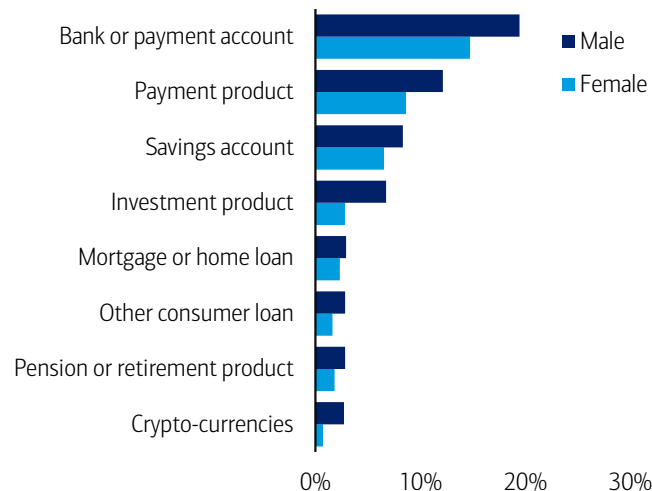


Source: BofA US ESG Research, European Union Flash Eurobarometer 509: Retail financial services and products (2022). Based on over 27K responses from EU citizens.

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Exhibit 24: Women are more loyal to their financial service providers

Percent of EU respondents that have changed provider of any of these products and services in the last 5 years, by gender



Source: BofA US ESG Research, European Union Flash Eurobarometer 509: Retail financial services and products (2022). Payment product includes debit and credit cards. Investment product includes funds, stocks, and bonds. Based on over 27K responses from EU citizens.

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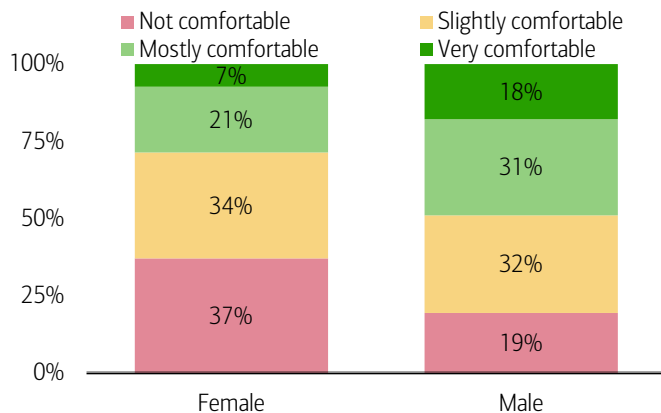
Financial advisors can help grow women's financial confidence

Our analysis of Federal Reserve data shows that only 28% of US women are very or mostly comfortable making investment decisions vs 39% of men. In the EU, 88% of men vs 84% of women feel confident in managing their personal finances (EU Flash Eurobarometer 509). However, research from Merrill shows that having a woman advisor can give women investors a boost of confidence (Exhibit 26-Exhibit 27). One contributing factor for this is different language patterns between men and women financial advisors: men financial advisors were more likely to use risk-oriented language, while women financial advisors were significantly more likely to use positive and communal language (Merrill Seeing the Unseen study).

Financial advisors of both genders can better serve women investors by understanding women's higher aversion to risk and desire to have a positive impact and tailoring their language accordingly.

Exhibit 25: A confidence gap exists between men and women

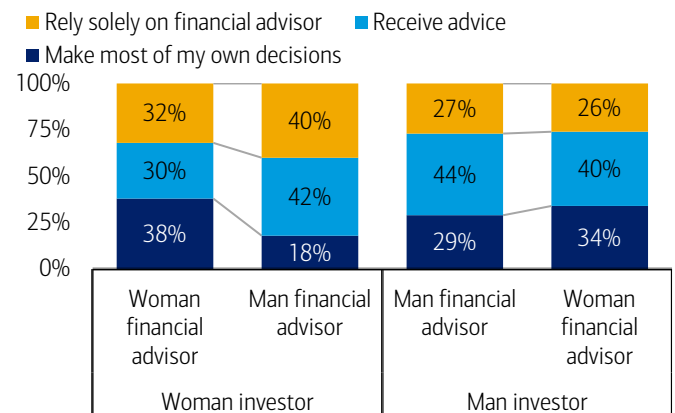
Comfort with making one's own investment decisions in retirement accounts, by gender (% of US respondents)



Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022". Based on a survey of more than 11K US adults.
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Exhibit 26: Women investors trust themselves more when they have a woman advisor

Percent of investors, by gender and financial advisor gender

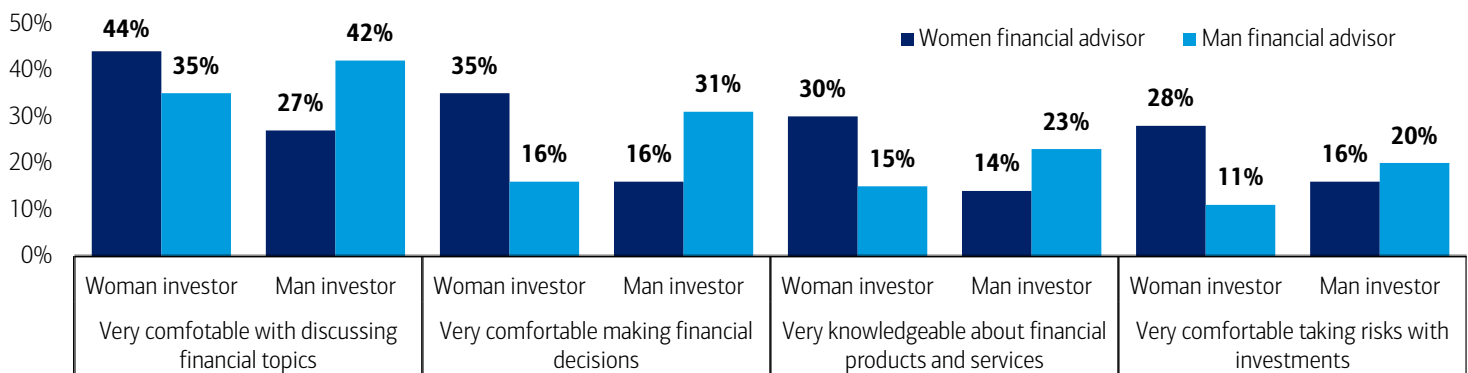


Source: Merrill's Seeing the Unseen study, published August 2023. Based on 4,000+ online surveys with investors who were actively advised.

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Exhibit 27: Women receive a significant confidence boost when their advisor is female

Percent of investors, by gender and financial advisor gender



Source: Merrill's Seeing the Unseen study, published August 2023. Based on 4,000+ online surveys with investors who were actively advised.

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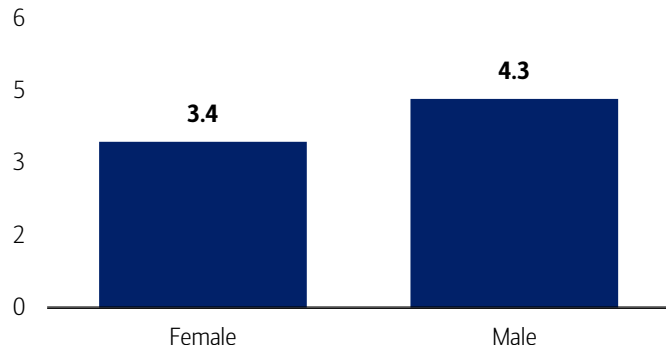
Women's lower risk tolerance shapes their investing decisions

Our analysis of survey data from the Federal Reserve shows a lower self-reported risk tolerance among US women versus men (Exhibit 28). This risk aversion has historically driven women tend to allocate a smaller percent of their investments to equities and riskier assets like cryptocurrency than men. In fact, our analysis of governmental survey data in both the US and the EU have shown that women are 2-3x less likely to invest in crypto-securities than men (Exhibit 29).

Women in the US are also more likely to use passive investing over active investing (72% of women prefer passive investing) and show a stronger preference for stock funds versus individual stocks (source: Gallup Investor Optimism Index, 2021). While risk tolerance has been lower historically, Bank of America data on 401(k) participants suggests that a shift in women's attitudes towards equity investing may be in motion: the gap in equity allocation has narrowed from 8ppt to 5ppt in the last three years as younger generations of women invest in equities at the same (or higher) rates as men in the US (Exhibit 30-Exhibit 31). This trend could help women realize larger gains over their lifetimes and reduce the wealth gap between men and women.

Exhibit 28: Women tend to be more risk-averse than men

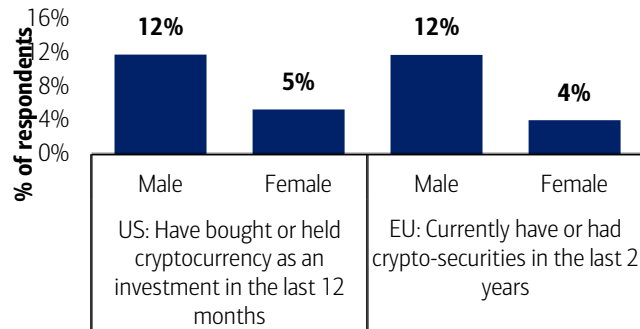
Average willingness to tolerate risk on a scale of 0-10 where 0 is not willing to take risks and 10 is very willing to take risks among US respondents by gender



Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022". Based on a survey of more than 11K US adults.
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Exhibit 29: Fewer women have invested in cryptocurrency

Percent of US respondents who have bought or held cryptocurrency as an investment in the last 12 months, by gender; percent of EU respondents who have held crypto-securities in the last 2 years, by gender

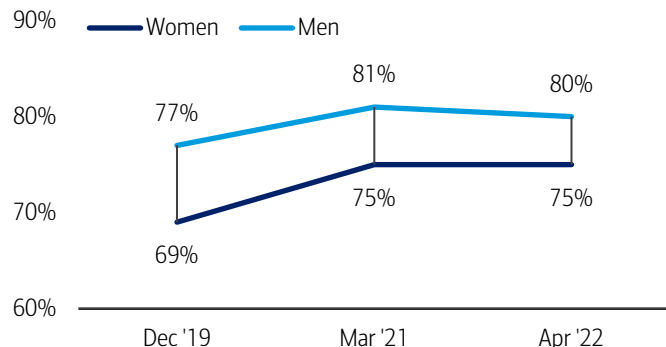


Source: BofA US ESG Research, Board of Governors of the Federal Reserve System "Survey of Household Economics and Decisionmaking, 2022", European Union Flash Eurobarometer 509: Retail financial services and products (2022)

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Exhibit 30: Gap in equity investments is narrowing

401(k) asset allocation in equities by gender over time

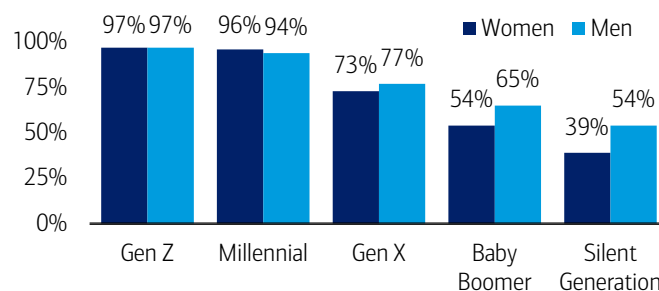


Source: Bank of America 2022: Gender Lens in Defined Contribution (DC) Plans study. Based on the records of 3.1 million 401(k) participants.

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Exhibit 31: Younger women are investing in equities at same or higher rates than their male peers

Equity allocation by gender and generation



Source: Bank of America 2022: Gender Lens in Defined Contribution (DC) Plans study. Based on the records of 3.1 million 401(k) participants.

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When women spend money and invest, impact matters

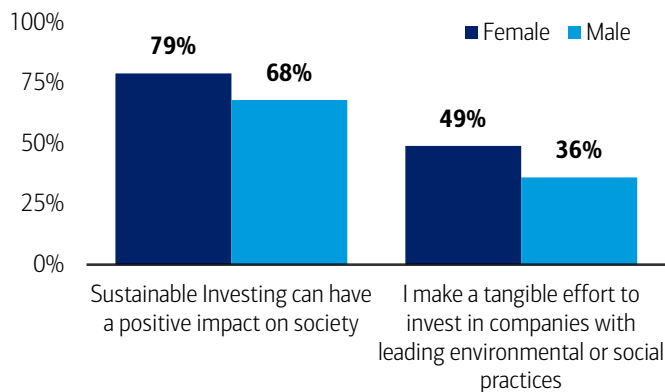
According to a study of more than 8,000 people across 16 markets (BNY Mellon), 55% of women and 45% of men said they would invest more if the impact of their investment was in line with their personal values. Fully two-thirds of women who already invest reported trying to identify and invest in companies that reflect their own values. In the EU, 26% of women (vs. 22% of men) strongly agree that it is important that their investments do not have a negative impact on the planet (Exhibit 33). Bank of America's Study of Wealthy Americans also finds that US women are more likely to believe sustainable investing can have a positive impact on society and to make an effort to invest with impact (Exhibit 32).

All told, in the US, 85% of affluent women consciously align their purchasing decisions with their values at least some of the time, 10% of affluent women participate in sustainable or impact investing, and women make or influence 85% of charitable giving decisions in affluent households (source: 2023 Bank of America Study of Philanthropy, 2022 Bank of America Study of Wealthy Americans). Affluent US women were also significantly more likely to select women's and girls' issues as one of their top three most important causes/issues compared to men (17% and 5%, respectively; source: 2023 Bank of America Study of Philanthropy).

Gender-lens funds can cater to this interest. Per our analysis of EPFR data, AUM is ESG equity funds globally with gender- or diversity-related terms in the fund name⁴ has doubled in the last 5 years from \$1.1B in January 2019 to \$2.4B in January 2024.

Exhibit 32: Women more interested in sustainable investments

Percent of affluent Americans who strongly or somewhat agree, by gender

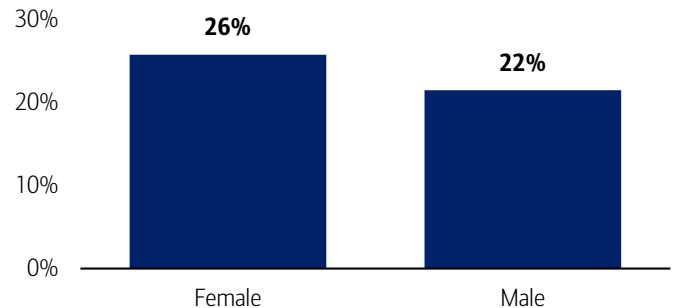


Source: 2022 Bank of America Private Bank Study of Wealthy Americans (published in July 2023). Based on a quantitative survey of 1,052 people with household investable assets of more than \$3 million and who were over the age of 21.

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Exhibit 33: ...and avoiding negative impact when investing

Percent of EU respondents that strongly agree that it is important that their savings and investments do not fund economic activities that have a negative impact on the planet, by gender



Source: BofA US ESG Research, European Union Flash Eurobarometer 509: Retail financial services and products (2022). Payment product includes debit and credit cards. Investment product includes funds, stocks, and bonds. Based on over 27K responses from a representative sample of EU citizens.

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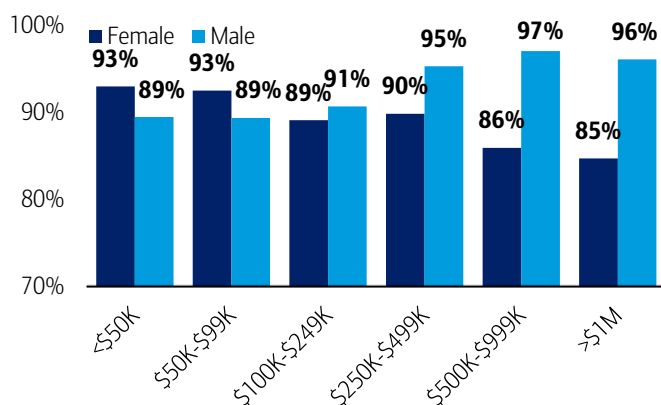
Affluent women tend to be more risk-tolerant, less involved in decision-making

Affluent women tend to be more risk-tolerant than women in less affluent households, and are more likely to own/inherit equities, mutual funds, and/or private businesses (Exhibit 36). Women in more affluent households may also need more guidance when inheriting from their spouse, as they tend to be less involved with financial decisions than their less affluent peers (Exhibit 34).

What about the kids? 75% of parents said they favor investments and/or companies that align with personal values. This compares to 59% of respondents without children (BNY Mellon).

Exhibit 34: Gender gap in financial decision-making is significantly larger in affluent households

Percent of US respondents that make most of the financial decisions or share in the financial decisions for their household, by gender and household savings and investments

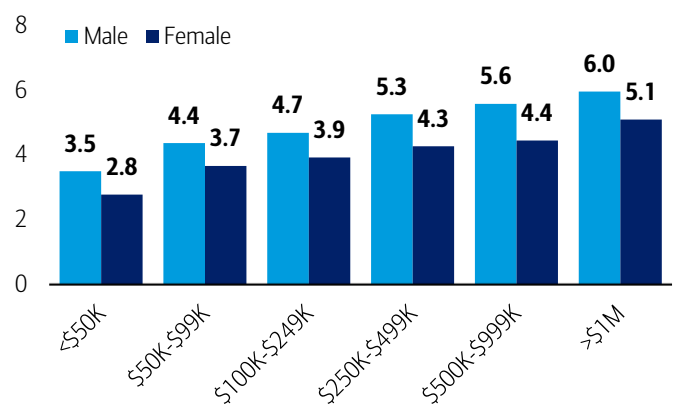


Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022"

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Exhibit 35: Women and men in more affluent households are less risk averse

Average willingness to tolerate risk on a scale of 0-10 where 0 is not willing to take risks and 10 is very willing to take risks among US respondents by gender and household savings and investments



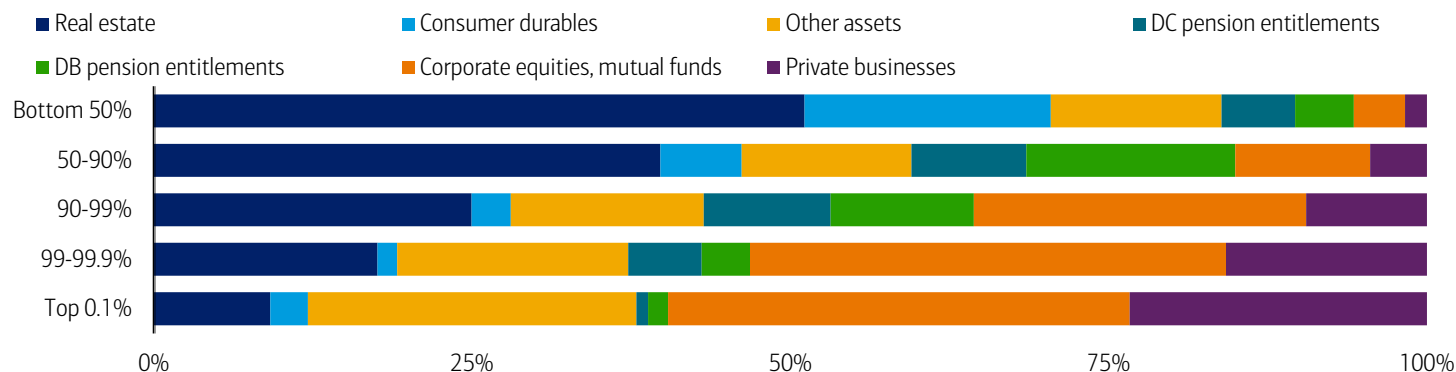
Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022". Based on a survey of more than 11K US adults.

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⁴ Keywords used: gender, diversity, women, woman, female

Exhibit 36: Most affluent households have a greater share of their wealth in equities, mutual funds, and private businesses

Share of assets (%) by wealth percentile group in Q3 2023



Source: Federal Reserve's Survey of Consumer Finances and Financial Accounts of the United States

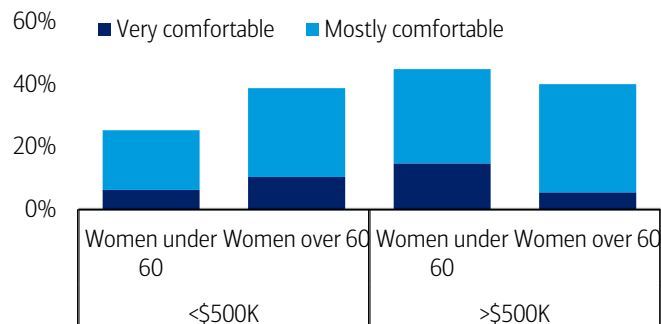
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Interestingly, although conventional wisdom dictates that financial confidence increases among women in less affluent households, older women are more likely to be comfortable making their own investment decisions (39%) than younger women (25%). However, we see the opposite in more affluent households: a smaller percentage of women over 60 (40%) than women under 60 (45%) report being comfortable making these decisions. Among women who are actively advised (and therefore more likely to be wealthy), younger women (aged under 55) are also more comfortable and knowledgeable when it comes to financial decision-making than older women (aged over 55), per data from Merrill (Exhibit 38).

Older affluent women are more likely to have a financial adviser (compared to men and compared to younger women). These women are often willing to pay more for advice than men. The reasons may stem from a combination of lower financial literacy among women in the age cohort as well as a greater tendency of men's overconfidence when it comes to investing. The older cohort of female investors not only wants advice, but they want their goals to be heard and understood. Women are more likely than men to believe that a good personality match is important in finding a financial adviser. This may mean less financial jargon, more two-way discussion, more questions from adviser to client, and a more personalized approach. It doesn't mean different products overall.

Exhibit 37: Financial confidence is highest among younger, affluent women

Percent of US women who are very or mostly comfortable with making one's own investment decisions in retirement accounts, by household savings and investments

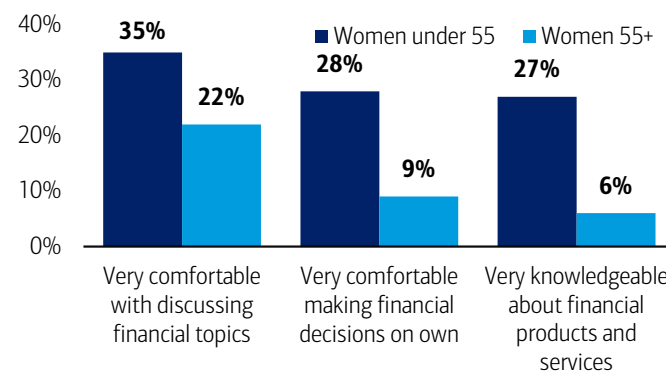


Source: BofA US ESG Research, Board of Governors of the Federal Reserve System, "Survey of Household Economics and Decisionmaking, 2022". Based on a survey of more than 11K US adults.

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Exhibit 38: Younger women investors are becoming more comfortable with finances

Percent of women investors, by age group



Source: Merrill's Seeing the Unseen study, published August 2023. Based on 4,000+ online surveys with investors who were actively advised.

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Industrial (re)action: winners & losers

The Great Wealth Transfer to women will not only make women richer, but it is also having other impacts – on fertility, on family size, on what people need and on how people spend. Old-school marketing to women via ‘shrink-it-and-pink-it’ will no longer apply; our view is that whole industries will need to re-think their approach. Some already are. We consider just a few sectors below.

Consumer products: fewer diapers, more services

Up to 1965, the average woman globally gave birth to more than five children. As women become wealthier, they have fewer children. Women today have an average of 2.3 children, but over 90 countries have dipped below the replacement rate of 2.1 (Our World in Data, Visual Capitalist). And the rate continues to fall.

Fewer children mean less spend on baby formula, bottles, diapers, toys, car seats, and other child-related spending. Developed market companies operating in these sectors may already be feeling the pinch – or they may seek a market niche or may have to resort to tactics that gain market share from competitors (not great for margins). This is also a theme in large markets like China, Brazil and the US. It may become true in India as early as 2024. (Our World in Data, Worldometer)

While child-related products may suffer, other areas could see benefits, including healthcare (aging populations), e-commerce and logistics (more online purchases), personal service providers (cleaning, home-based care, concierge services, etc), or artificial intelligence.

Women’s sports: You’ve come a long way, baby

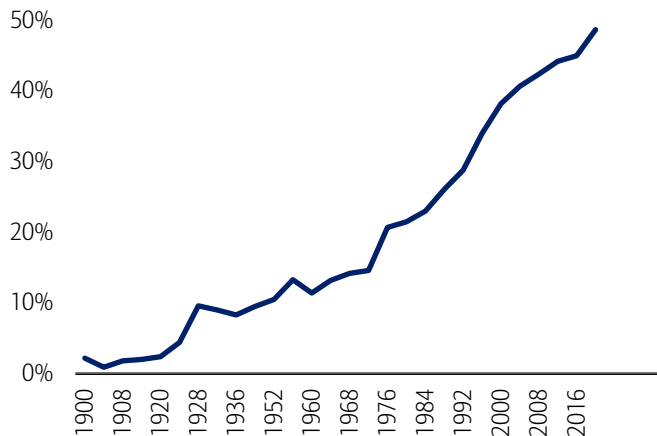
Sports are growing in part through women’s participation – and investment. The number of female athletes (professional and amateur) has skyrocketed over the last 50 years. In the Summer Olympics alone, women’s participation increased from 10.5% of the athletes in 1952 to 26.1% in 1988 to 48.7% in 2020. Women have participated in all categories of Olympic sports since 2012.

Revenue generated by women’s elite sports is expected to surpass \$1bn in 2024 for the first time: this includes commercial, broadcast and match day sales (Deloitte). The interest is global: Deloitte forecasts that 52% of 2024 revenues will come from the US, 14% comes from Europe, and 33% from the rest of the world. Soccer/football is the most popular sport by revenues, at over 40% of revenues, followed by basketball at 28%, and other sports splitting the remaining 29%. The 2023 Women’s World Cup generated almost \$600mn in revenues (SportsBusiness), and while many leagues are new or poorly funded, this is changing rapidly.

Sportswomen are now key role models. Serena Williams and Megan Rapinoe are inspiring a new generation of women to participate in sports, leading to a boom in the market for women’s sports. The WNBA (Women’s National Basketball Association) has seen viewership double in the past 3 years. Total spending on US women’s sports sponsorships rose by 47% from \$263mn in 2017 to \$386mn in 2020 (Nielsen Sports).

Exhibit 39: Percentage of female athletes in the summer Olympics

Women representation in the Olympics rose quickly over time

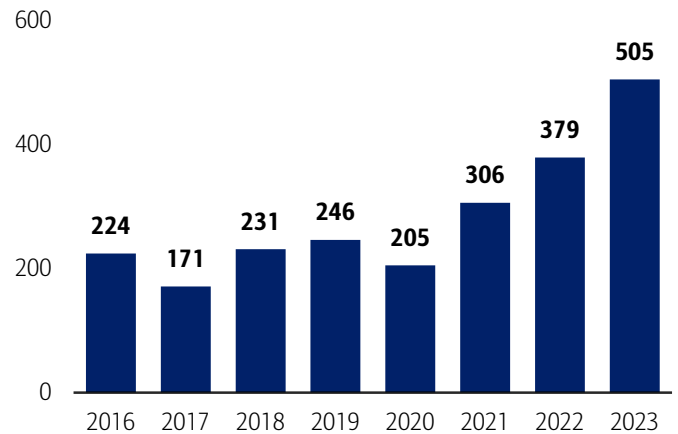


Source: Statista, "Share of female participants in the Olympic Summer Games from 1900 to 2020"

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Exhibit 40: WNBA viewership (in thousand)

WNBA viewership rose sharply in recent years to all-time high



Source: Statista: "Average viewership of the WNBA regular season from 2016 to 2023"

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Sponsorship pays dividends. Research from the Women's Sport Trust in the UK shows that the UK public – and women in particular – are more likely to buy from brands sponsoring women's sport (SportsPro Media). (This is already true for men's sports, but we return to who is doing most of the household spending...) According to SportsPro Media, "the research highlights how newcomers to women's sponsorship are driving brand affinity from women specifically. It also highlights the positive impact brand newcomers attracted by women's-only deals are receiving to their partnerships." Examples include Il Makiage's partnership with Women's Super League (WSL) club Arsenal and Gucci's partnership with England soccer star Leah Williamson.

On the flip side, golf may have its work cut out for it. Over two-thirds of members at UK golf clubs are men over 50 (half of those are over 60 – Golf Monthly). The industry is experimenting with formats to entice younger players, including high-tech golf experiences that include hitting bays, food and drinks, and music.

Luxury goods: I buy my own diamonds, I buy my own rings

Two decades after Destiny's Child sang 'Independent Women,' women really are buying the 'rocks they're rocking.' Women globally are buying more of their own luxury goods, starting with designer handbags and shoes, but now extended to fine jewelry.

Women today aren't waiting to receive fine jewelry as a gift from a partner; increasingly, they buy it themselves. The De Beers 2023 Insight Report notes that 31% of US women who bought diamond jewelry in 2020 bought it for themselves. The figure was 33% in China (vs 25% in 2019) and 24% in India (21% in 2019). Jewelry company Pandora reports that internet searches for 'gifts for myself' has increased by 400% since 2017, and that almost 90% of Gen Z respondents would treat themselves to gifts.

Among lower price points, women typically spend less on self-purchased jewelry than men spend on gifting jewelry, but women buy three times as much. As the price rises, however, women make their own purchases to celebrate a milestone or personal achievement (promotion, birth of a child, etc).

Retailers are responding to women's buying trends: De Beers launched Lightbox in 2018, an online retailer of lab-grown diamonds marketed to appeal to women buying for themselves. The price point is lower than natural diamonds, and pieces are targeted at women choosing for themselves. The Women's Jewelry Association in the US launched 'March is Me Month' in 2020 "to empower female consumers to celebrate themselves with a fine jewelry self-purchase." Tiffany & Co. launch the 'Lose Yourself in Love'

campaign in 2021, featuring singer Beyonce (just bringing that Destiny's Child reference up to date) in a 'celebration of love and self-acceptance.'

In China, survey results in July 2022 showed that 39% of gold, diamond, platinum, and other fine jewelry purchases were for 'self-wear' (China Gold News, World Gold Council). This was 2x the figure for wedding purchases and higher than any other category.

Women in China are shifting away from traditional family-oriented consumption toward personal luxury goods. Why? Women have inherited more wealth due to the single child policy (since 1980s), and women are becoming more financially independent as they become more highly educated. According to JD.com (top third ecommerce company in China), the top spending category on the site for women under 45 is facial care. Women under 25, who are more likely to buy luxury goods, have seen their spending shoot up by 268% from 2020 to 2022, representing 17% of total women's spending on the site.

Healthcare: more attention, more tech – and 'FemTech?'

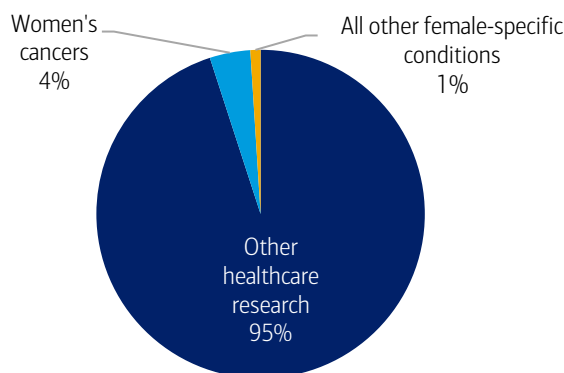
Only 1% of healthcare research funding is invested in female-specific conditions. This is despite one-third of women reporting female-specific health problems (Imperial College London). Women were rarely used in clinical research trials before it became law. Yet women utilize more healthcare services than men. According to the US Department of Labor, women 19-44 incur 80% more health expenses than men in the same group.

The healthcare industry is transitioning to focus more on women as demand for women's healthcare grows. Winners may include healthcare companies that can offer differentiated products and services for both women and men.

One example is that investment in 'FemTech' has increased. 'FemTech' is an emerging healthcare subsector that provides tech-enabled solutions across female-specific conditions and general health conditions that affect women disproportionately (autoimmune disease, migraines, osteoporosis). However, 'FemTech' represented only 1% of total health tech investment in 2022. We see further room to grow.

Exhibit 41: Biopharma: share of investment in female

Only 1% invested in female specific conditions, apart from cancer

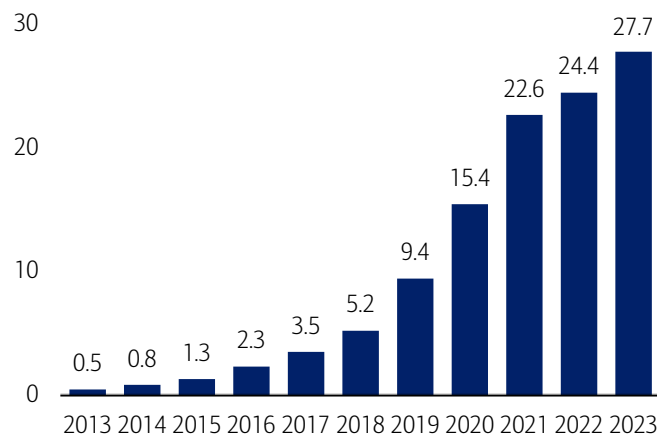


Source: McKinsey: "Unlocking opportunities in women's healthcare"

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Exhibit 42: 'FemTech' sector enterprise value over time (in \$bn)

'FemTech' companies have grown in the past decade



Source: Dealroom.co: guide on 'FemTech'

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Companies facilitating female wealth

We screened for bond issuers with at least 33% women on their board, 33% female executives AND 33% women in management to highlight those companies who may be making more progress in hiring and promoting women. These are listed below. We also looked for financials-oriented issuers who offer financial products for female-owned businesses and sponsor financial education for women.

These screens use tickers from the European Investment Grade Corporate Index (ER00) and the US Investment Grade Corporate Index (COAO). Data was taken from Bloomberg; issuers who do not report this data in Bloomberg are not included.

Exhibit 43: Bloomberg fields and field definitions used in bond screens below

The bond screens below draws from these Bloomberg codes, which have the definitions included

| Field | Code | Definition |
|--|-------|--|
| % Women on Board | ES096 | Percentage of board members who are women. |
| % Women Executives | ES291 | Percentage of executives of the company, or members of equivalent management/executive body, who are women. Executives are as defined by the company, or those individuals that form the company executive committee/board or management committee/board or equivalent. |
| % Women in Management | ES046 | Percentage of women employed in senior management positions at the company |
| Sponsors financial education programs for women | ES473 | Indicates whether the company conducts and/or sponsors any financial-education programs targeting women (non-employees and non-clients). Data is as reported as part of the Bloomberg Gender-Equality Index (BGEI) Survey. |
| Offers financial products for women-owned businesses | ES470 | Indicates whether the company offers/funds any lending, savings, or other financial products specifically for women-owned businesses - micro, small, or other, where applicable by industry or business model. Data is as reported as part of the Bloomberg Gender-Equality Index (BGEI) Survey. |

Source: Bloomberg

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The exhibits below are screens and not recommended lists either individually or as a group. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions. The screens are intended to be indicative only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This screen was not created to act as a benchmark.

There are 47 issuers in European IG who report at least 33% women in management, female executives, AND women on the board. These names represent €264bn in bonds outstanding, approximately 8.6% of the index. Only 38% of EUR IG issuers reported on all three metrics – fully 233 issuers did not have 33% women in each category.

Exhibit 44: Women in management and above, European IG corporate bond index (ER00); listed by amount of bonds in the index (Feb 2024)

European IG issuers with at least 33% women on the board, 33% female executives, AND 33% women in management

| Issuer Name | Bond Ticker | Amt. Out. (€mn) | Sector | Country | Women on Board (%) | Female Executives (%) | Women in Mgmt (%) |
|------------------------------|-------------|-----------------|--------------------|----------------|--------------------|-----------------------|-------------------|
| BNP PARIBAS | ARVASL | 50,328 | Financial Services | France | 53% | 33% | 35% |
| GROUPE BPCE | BPCEGP | 34,200 | Banking | France | 37% | 50% | 33% |
| ORANGE | ORAFP | 23,050 | Telecommunications | France | 40% | 50% | 33% |
| BP PLC | BPLN | 16,905 | Energy | United Kingdom | 45% | 55% | 33% |
| NATIONAL GRID PLC | NGGLN | 10,590 | Utility | United Kingdom | 42% | 40% | 40% |
| SWEDBANK AB - A SHARES | SWEDA | 10,250 | Banking | Sweden | 36% | 33% | 46% |
| HEINEKEN HOLDING NV | HEIANA | 9,900 | Consumer Goods | Netherlands | 40% | 50% | 73% |
| PERNOD RICARD SA | RIFP | 7,300 | Consumer Goods | France | 57% | 43% | 36% |
| WESTPAC BANKING CORP | WSTP | 6,850 | Banking | Australia | 40% | 50% | 49% |
| DIAGEO PLC | DGELN | 6,550 | Consumer Goods | United Kingdom | 73% | 46% | 44% |
| TELENOR ASA | DNAFH | 6,400 | Telecommunications | Finland | 50% | 50% | 33% |
| AIB GROUP PLC | AIB | 6,250 | Banking | Ireland | 40% | 42% | 37% |
| ANZ GROUP HOLDINGS LTD | ANZ | 6,000 | Banking | Australia | 44% | 33% | 37% |
| KLEPIERRE | LIFP | 5,050 | Real Estate | France | 44% | 33% | 38% |
| NN GROUP NV | NNGRNV | 5,050 | Insurance | Netherlands | 50% | 38% | 40% |
| INVESTOR AB-B SHS | INVA | 4,250 | Financial Services | Sweden | 36% | 57% | 33% |
| LONDON STOCK EXCHANGE GROUP | LSELN | 3,900 | Financial Services | United Kingdom | 46% | 33% | 40% |
| NATIONAL AUSTRALIA BANK LTD | NAB | 3,750 | Banking | Australia | 50% | 36% | 38% |
| WPP PLC | WPPLN | 3,350 | Media | United Kingdom | 38% | 40% | 54% |
| SODEXO SA | SWFP | 3,300 | Services | France | 50% | 50% | 41% |
| BANKINTER SA | BKTSM | 3,250 | Banking | Spain | 45% | 44% | 33% |
| ESSITY AKTIEBOLAG-A | ESSITY | 2,900 | Basic Industry | Sweden | 38% | 33% | 35% |
| FORTUM OYJ | FUMVFH | 2,650 | Utility | Finland | 40% | 45% | 41% |
| CELANESE CORP | CE | 2,500 | Basic Industry | United States | 50% | 40% | 44% |
| KERRY GROUP PLC-A | KYGID | 2,450 | Consumer Goods | Ireland | 36% | 33% | 36% |
| COMMONWEALTH BANK OF AUSTRAL | ASBBNK | 2,352 | Banking | New Zealand | 50% | 38% | 44% |
| HALEON PLC | HLNLN | 2,350 | Consumer Goods | United Kingdom | 45% | 46% | 44% |
| BHP GROUP LTD | BHP | 2,250 | Basic Industry | Australia | 40% | 50% | 39% |
| PUBLICIS GROUPE | PUBFP | 2,250 | Media | France | 46% | 37% | 43% |
| MERCK & CO. INC. | MRK | 2,000 | Healthcare | United States | 46% | 33% | 34% |
| ADECCO GROUP AG-REG | ADENVX | 1,800 | Services | Switzerland | 50% | 43% | 36% |
| COMPASS GROUP PLC | CPGLN | 1,750 | Services | United Kingdom | 38% | 40% | 34% |
| AVIVA PLC | AVLN | 1,364 | Insurance | United Kingdom | 42% | 42% | 37% |
| TELE2 AB-B SHS | TELBSS | 1,300 | Telecommunications | Sweden | 57% | 40% | 39% |
| HEMSO FASTIGHETS AB | HEMSOF | 1,263 | Real Estate | Sweden | 50% | 40% | 50% |
| YORKSHIRE BUILDING SOCIETY | YBS | 1,100 | Banking | United Kingdom | 44% | 40% | 50% |
| MCKESSON CORP | MCK | 1,100 | Healthcare | United States | 36% | 50% | 42% |
| REALTY INCOME CORP | O | 1,100 | Real Estate | United States | 36% | 50% | 38% |
| COFINIMMO | COFBBB | 1,000 | Real Estate | Belgium | 38% | 40% | 33% |
| PVH CORP | PVH | 600 | Retail | United States | 33% | 33% | 45% |
| WESFARMERS LTD | WESAU | 600 | Retail | Australia | 40% | 47% | 50% |
| WOOLWORTHS GROUP LTD | WOWAU | 550 | Retail | Australia | 56% | 42% | 41% |
| PHOENIX GROUP HOLDINGS PLC | PHNXLN | 500 | Insurance | United Kingdom | 54% | 45% | 39% |
| SMITH & NEPHEW PLC | SNLN | 500 | Healthcare | United Kingdom | 36% | 38% | 33% |
| VIRGIN MONEY UK PLC | VMUKLN | 500 | Banking | United Kingdom | 38% | 57% | 49% |
| PEARSON PLC | PSON | 300 | Media | United Kingdom | 50% | 50% | 41% |
| STOCKLAND | SGPAU | 300 | Real Estate | Australia | 33% | 63% | 44% |

Source: Bloomberg; ICE Data Indices, LLC

BofA GLOBAL RESEARCH

Among US IG issuers, only 19 companies report having at least 33% women in management, female executives, AND women on the board. These issuers represent \$184bn in bonds outstanding, or 2% of the index. Only 175 US IG issuers (14.6% by count) report on all three metrics – the vast majority of those have fewer than 33% women in one of the three categories. More than 80% of issuers do not report this data on Bloomberg.

Exhibit 45: Women in management and above, US IG corporate bond index (COA0); listed by amount of bonds in the index (Feb 2024)

US IG issuers with at least 33% women on the board, 33% female executives, AND 33% women in management

| Name | Bond Ticker | Amt. Out. (\$mn) | Sector | Country | Women on Board (%) | Female Executives (%) | Women in Mgmt (%) |
|------------------------------|-------------|------------------|--------------------|----------------|--------------------|-----------------------|-------------------|
| BP PLC | BPLN | 36,539 | Energy | United Kingdom | 53% | 55% | 33% |
| GROUPE BPCE | BPCEGP | 24,900 | Banking | France | 36% | 50% | 33% |
| NATIONAL AUSTRALIA BANK LTD | BZLNZ | 24,288 | Banking | New Zealand | 37% | 36% | 38% |
| ELEVANCE HEALTH INC | ELV | 22,085 | Healthcare | United States | 38% | 38% | 41% |
| COOPERATIEVE RABOBANK UA | RABOBK | 20,091 | Banking | Netherlands | 36% | 50% | 36% |
| DIAGEO PLC | DGELN | 9,700 | Consumer Goods | United Kingdom | 38% | 46% | 44% |
| CELANESE CORP | CE | 8,150 | Basic Industry | United States | 33% | 40% | 44% |
| JM SMUCKER CO/THE | SJM | 7,850 | Consumer Goods | United States | 33% | 50% | 39% |
| HALEON PLC | HLNLN | 7,715 | Consumer Goods | United Kingdom | 33% | 46% | 44% |
| ESSEX PROPERTY TRUST INC | ESS | 4,650 | Real Estate | United States | 56% | 60% | 56% |
| BANGKOK BANK PUBLIC CO LTD | BBLTB | 4,048 | Banking | Thailand | 36% | 40% | 42% |
| LONDON STOCK EXCHANGE GROUP | LSELN | 4,000 | Financial Services | United Kingdom | 44% | 33% | 40% |
| MCKESSON CORP | MCK | 3,098 | Healthcare | United States | 36% | 50% | 42% |
| THAI OIL PCL | TOPTB | 2,893 | Energy | Thailand | 33% | 33% | 33% |
| SODEXO SA | SWFP | 1,250 | Services | France | 33% | 50% | 41% |
| RALPH LAUREN CORP | RL | 1,150 | Retail | United States | 58% | 40% | 50% |
| OVERSEA-CHINESE BANKING CORP | OCBCSP | 1,000 | Banking | Singapore | 43% | 39% | 33% |
| STEWART INFORMATION SERVICES | STC | 450 | Insurance | United States | 33% | 43% | 35% |
| CENTRICA PLC | CNALN | 367 | Utility | United Kingdom | 33% | 50% | 33% |

Source: Bloomberg; ICE Data Indices, LLC

BofA GLOBAL RESEARCH

We found 48 issuers in EUR IG who report offering financial products to female-owned businesses and sponsoring financial education to women. These issuers are mainly in the banking and financial services sectors, although consumer goods, retail and telecommunications are also represented. The issuers below represent EUR 530bn in bonds outstanding in the EUR IG index (17.3% of the index by amount outstanding).

Exhibit 46: EUR IG issuers offering financial products to female-owned businesses AND sponsoring financial education for women (ER00) – sorted by €mn bonds outstanding

We found 48 issuers offering these services, mainly from the banking and financial services sectors

| Name | Bond Ticker | Amt. Out. (€mn) | Sector | Country |
|------------------------------|-------------|-----------------|--------------------|----------------|
| BNP PARIBAS | ARVASL | 50,328 | Financial Services | France |
| BANCO SANTANDER SA | SANSCF | 42,215 | Banking | Spain |
| UBS GROUP AG-REG | UBS | 35,829 | Financial Services | Switzerland |
| ORANGE | ORAFP | 23,050 | Telecommunications | France |
| CAIXABANK SA | CABKSM | 21,500 | Banking | Spain |
| VERIZON COMMUNICATIONS INC | VZ | 21,200 | Telecommunications | United States |
| INTESA SANPAOLO | ISPIM | 20,197 | Banking | Italy |
| MORGAN STANLEY | MS | 19,250 | Financial Services | United States |
| NESTLE SA-REG | NESNVX | 18,550 | Consumer Goods | Switzerland |
| BANK OF AMERICA CORP | BAC | 18,500 | Banking | United States |
| ANHEUSER-BUSCH INBEV SA/NV | ABIBB | 18,000 | Consumer Goods | Belgium |
| GOLDMAN SACHS GROUP INC | GS | 18,000 | Financial Services | United States |
| BANCO BILBAO VIZCAYA ARGENTA | BBVASM | 17,250 | Banking | Spain |
| HSBC HOLDINGS PLC | HSBC | 16,500 | Banking | France |
| TELEFONICA SA | ODGR | 16,471 | Telecommunications | Germany |
| ALLIANZ SE-REG | ALVGR | 15,370 | Insurance | Germany |
| UNICREDIT SPA | UCGIM | 15,050 | Banking | Italy |
| KBC GROUP NV | KBCBB | 13,450 | Banking | Belgium |
| WELLS FARGO & CO | WFC | 11,750 | Banking | United States |
| VODAFONE GROUP PLC | VOD | 11,532 | Telecommunications | United Kingdom |
| MIZUHO FINANCIAL GROUP INC | MIZUHO | 11,400 | Banking | Japan |
| CITIGROUP INC | C | 11,346 | Banking | United States |
| AXA SA | AXASA | 11,100 | Insurance | France |
| DANSKE BANK A/S | DANBNK | 8,250 | Banking | Denmark |
| CARREFOUR SA | CAFP | 6,850 | Retail | France |

Exhibit 46: EUR IG issuers offering financial products to female-owned businesses AND sponsoring financial education for women (ER00) – sorted by €mn bonds outstanding

We found 48 issuers offering these services, mainly from the banking and financial services sectors

| Name | Bond Ticker | Amt. Out. (€mn) | Sector | Country |
|------------------------------|-------------|-----------------|--------------------|----------------|
| TORONTO-DOMINION BANK | TD | 6,000 | Banking | Canada |
| FORD MOTOR CO | F | 5,450 | Automotive | United States |
| STANDARD CHARTERED PLC | STANLN | 5,250 | Banking | United Kingdom |
| NATIONAL AUSTRALIA BANK LTD | NAB | 3,750 | Banking | Australia |
| METLIFE INC | MET | 3,450 | Insurance | United States |
| ROYAL BANK OF CANADA | RY | 3,370 | Banking | Canada |
| SODEXO SA | SWFP | 3,300 | Services | France |
| VISA INC-CLASS A SHARES | V | 3,000 | Financial Services | United States |
| NASDAQ INC | NDAQ | 2,565 | Financial Services | United States |
| COMMONWEALTH BANK OF AUSTRAL | ASBBNK | 2,352 | Banking | New Zealand |
| MITSUBISHI UFJ FINANCIAL GRO | MUFG | 2,250 | Banking | Japan |
| SWISS RE AG | SRENVX | 2,089 | Insurance | Switzerland |
| BANCO BPM SPA | BAMIIM | 2,050 | Banking | Italy |
| BANK OF NOVA SCOTIA | BNS | 1,800 | Banking | Canada |
| FISERV INC | FI | 1,800 | Financial Services | United States |
| WALMART INC | WMT | 1,650 | Retail | United States |
| MASTERCARD INC - A | MA | 1,550 | Financial Services | United States |
| BANCO COMERCIAL PORTUGUES-R | BCPPL | 1,500 | Banking | Portugal |
| MOODY'S CORP | MCO | 1,250 | Financial Services | United States |
| BANK OF MONTREAL | BMO | 800 | Banking | Canada |
| AIA GROUP LTD | AIA | 750 | Insurance | Hong Kong |
| BLACKROCK INC | BLK | 700 | Financial Services | United States |
| NATIONAL BANK OF CANADA | NACN | 500 | Banking | Canada |

Source: Bloomberg; ICE Data Indices, LLC

BofA GLOBAL RESEARCH

In US IG, we found 61 issuers who report offering financial products to female-owned businesses and sponsoring financial education to women. These issuers are mainly in the banking, insurance and financial services sectors. Other sectors represented include consumer goods, telecoms, retail, and autos. The issuers below represent \$1.7tn in bonds outstanding, or almost 20% of the US IG index. Major global banks top the list.

Exhibit 47: US IG issuers offering financial products to female-owned businesses AND sponsoring financial education for women (ER00) – sorted by \$mn bonds outstanding

We found 61 issuers offering these services, mainly from the banking and financial services sectors

| Name | Bond Ticker | Amt. Out. (\$mn) | Sector | Country |
|------------------------------|-------------|------------------|--------------------|----------------|
| BANK OF AMERICA CORP | BAC | 182,498 | Banking | United States |
| MORGAN STANLEY | MS | 130,773 | Financial Services | United States |
| WELLS FARGO & CO | WFC | 122,256 | Banking | United States |
| CITIGROUP INC | C | 112,731 | Banking | United States |
| GOLDMAN SACHS GROUP INC | GS | 100,202 | Financial Services | United States |
| HSBC HOLDINGS PLC | HSBC | 84,655 | Banking | United Kingdom |
| VERIZON COMMUNICATIONS INC | VZ | 80,436 | Telecommunications | United States |
| UBS GROUP AG-REG | UBS | 75,004 | Financial Services | Switzerland |
| ANHEUSER-BUSCH INBEV SA/NV | ABIBB | 49,386 | Consumer Goods | Belgium |
| BANCO SANTANDER SA | BSANCI | 46,890 | Banking | Chile |
| BOEING CO/THE | BA | 46,000 | Capital Goods | United States |
| FORD MOTOR CO | F | 43,478 | Automotive | United States |
| MITSUBISHI UFJ FINANCIAL GRO | MUFG | 38,626 | Banking | Japan |
| BNP PARIBAS | BNP | 37,750 | Banking | France |
| WALMART INC | WMT | 31,175 | Retail | United States |
| METLIFE INC | MET | 30,800 | Insurance | United States |
| PNC FINANCIAL SERVICES GROUP | PNC | 29,200 | Banking | United States |
| ROYAL BANK OF CANADA | RY | 27,250 | Banking | Canada |
| MIZUHO FINANCIAL GROUP INC | MIZUHO | 26,400 | Banking | Japan |
| TORONTO-DOMINION BANK | TD | 26,250 | Banking | Canada |

Exhibit 47: US IG issuers offering financial products to female-owned businesses AND sponsoring financial education for women (ER00) – sorted by \$mn bonds outstanding

We found 61 issuers offering these services, mainly from the banking and financial services sectors

| Name | Bond Ticker | Amt. Out. (\$mn) | Sector | Country |
|------------------------------|-------------|------------------|--------------------|----------------|
| STANDARD CHARTERED PLC | STANLN | 25,389 | Banking | United Kingdom |
| NATIONAL AUSTRALIA BANK LTD | BZLNZ | 24,288 | Banking | New Zealand |
| COMMONWEALTH BANK OF AUSTRAL | ASBBNK | 22,654 | Banking | New Zealand |
| BANK OF NOVA SCOTIA | BNS | 22,275 | Banking | Canada |
| NESTLE SA-REG | NESNVX | 20,075 | Consumer Goods | Switzerland |
| VISA INC-CLASS A SHARES | V | 17,750 | Financial Services | United States |
| BANK OF MONTREAL | BMO | 15,750 | Banking | Canada |
| STATE STREET CORP | STT | 15,030 | Financial Services | United States |
| FISERV INC | FI | 14,700 | Financial Services | United States |
| VODAFONE GROUP PLC | VOD | 13,719 | Telecommunications | United Kingdom |
| MASTERCARD INC - A | MA | 12,650 | Financial Services | United States |
| CAN IMPERIAL BK OF COMMERCE | CM | 11,300 | Banking | Canada |
| TELEFONICA SA | TELEFO | 10,500 | Telecommunications | Spain |
| KEYCORP | KEY | 10,050 | Banking | United States |
| INTESA SANPAOLO | ISPIM | 9,751 | Banking | Italy |
| PRINCIPAL FINANCIAL GROUP | PFG | 9,606 | Insurance | United States |
| MICRON TECHNOLOGY INC | MU | 9,450 | Technology & Elec. | United States |
| PAYPAL HOLDINGS INC | PYPL | 8,750 | Financial Services | United States |
| AIA GROUP LTD | AIA | 7,700 | Insurance | Hong Kong |
| NASDAQ INC | NDAQ | 7,100 | Financial Services | United States |
| CITIZENS FINANCIAL GROUP | CFG | 6,207 | Banking | United States |
| BLACKROCK INC | BLK | 6,200 | Financial Services | United States |
| MOODY'S CORP | MCO | 5,900 | Financial Services | United States |
| DANSKE BANK A/S | DANBNK | 4,750 | Banking | Denmark |
| SHINHAN FINANCIAL GROUP LTD | SHINFN | 4,250 | Banking | Korea |
| ORANGE | ORAFP | 4,211 | Telecommunications | France |
| HARTFORD FINANCIAL SVCS GRP | HIG | 3,804 | Insurance | United States |
| BANCO BILBAO VIZCAYA ARGENTA | BBVASM | 3,800 | Banking | Spain |
| UNICREDIT SPA | UCGIM | 3,750 | Banking | Italy |
| CAIXABANK SA | CABKSM | 3,250 | Banking | Spain |
| KB FINANCIAL GROUP INC | CITNAT | 2,300 | Banking | Korea |
| KBC GROUP NV | KBCBB | 2,000 | Banking | Belgium |
| AXA SA | AXASA | 1,636 | Insurance | France |
| DBS GROUP HOLDINGS LTD | DBSSP | 1,550 | Banking | Singapore |
| VOYA FINANCIAL INC | VOYA | 1,487 | Insurance | United States |
| SWISS RE AG | SRENVX | 1,379 | Insurance | Switzerland |
| SODEXO SA | SWFP | 1,250 | Services | France |
| ALLIANZ SE-REG | ALVGR | 1,000 | Insurance | Germany |
| NATIONAL BANK OF CANADA | NACN | 1,000 | Banking | Canada |
| JONES LANG LASALLE INC | JLL | 400 | Real Estate | United States |
| GRUPO DE INV SURAMERICANA | SUAMSA | 350 | Financial Services | Colombia |

Source: Bloomberg; ICE Data Indices, LLC

BofA GLOBAL RESEARCH

Methodology

Bank of America 2022: Gender Lens in Defined Contribution (DC) Plans study

This Bank of America study is based on participant data for defined contribution plans. It provides an update (with data as of Apr-2022) of prior studies examined data as of Dec-2019 and Mar-2021. The study is based on the 4.6 million 401(k) participants in Bank of America's record-keeping systems. 3.1 million participants of these participants had a non-zero balance (as of Apr-2022).

2022 Bank of America Private Bank Study of Wealthy Americans

Bank of America Private Bank conducted this comprehensive survey of high-net-worth and ultra-high-net-worth individuals in the U.S. to better understand the evolving dynamics of wealth in a changing America. The quantitative survey included 1,052 people with household investable assets of more than \$3 million and who were over the age of 21. It was designed to be a statistically representative sample of the population in the U.S. that meets these two criteria.

2023 Bank of America Study of Philanthropy

This study, conducted in January 2023, reflects charitable giving and volunteering strategies in 2022. The target population was comprised of adults aged 18 and older residing in the United States whose annual income was at least \$200,000 or whose total assets were at least \$1 million (excluding primary residence) for the 2022 year. The median income and wealth levels of the participants exceeded the threshold, at \$350,000 and \$2 million, respectively (average income was \$523,472 and average wealth was \$31 million). This study included oversamples of affluent donors based on age, race and ethnicity, gender and sexual orientation. The final sample size for the study was 1,626 qualified interviews.

Merrill: Seeing the Unseen study

Merrill conducted a four-part study to give a 360-degree view of women's experience in wealth management:

1. **How financial advisors categorize investor types: Virtual one-on-one interviews:** Aiming for a "lab research" kind of design, Merrill conducted a very particular kind of virtual interview with 18 financial advisors: the Merrill research team asked them to react to 40 images of investors, a selection carefully curated to represent gender, race, age and affluence cohorts. The financial advisors then shared the assumptions they had about each person as an investor. By using images, the Merrill research team restricted the financial advisors' ability to individuate—to gather real input about the person's personality. Instead, they could only work off their internal bank of stereotypes. The Merrill research team conducted the interviews by video conference, recording advisor responses by audio and video while also tracking their eye movements. The research team analyzed their speech for lexical patterns, picking up subtle differences in word choices used when talking about different investors. The research team also used eye tracking to record advisors' fixation duration on focal points within each investor image and assess which visuals they leaned on most in forming their conclusions.
2. **Talking to investors: In-person interviews and focus groups:** In this study, the Merrill research team spoke to 30 women investors about their experiences through in-person solo interviews and focus groups. In addition to asking them about their preferences, perceptions and past experiences with financial advisors, the Merrill research team conducted implicit association tests with the investors to uncover their stereotypes about financial advisors.
3. **Quantitative investor baseline survey:** Merrill conducted 4,000+ online surveys with investors who were actively advised and had a minimum level of assets, using MaxDiff questions to elicit the investors' stereotypes, prior negative experiences

with financial advisors, and what their expectations were about being stereotyped themselves. (MaxDiff questions are designed to force the respondent to choose between two options, either two that are similar or two that are categorically different, to tease out their preferences and views.)

4. **Observing real meetings: Live ethnographic simulations:** Merrill facilitated 72 meetings between financial advisors and investors, using cameras in multiple locations to capture the meetings. In this footage, the Merrill research team analyzed lexical patterns, body language and eye tracking of the financial advisor to create a catalog of miscues.

Federal Reserve's Survey of Household Economics and Decisionmaking

Since 2013, the Federal Reserve Board has conducted the Survey of Household Economics and Decisionmaking (SHED), which measures the economic well-being of U.S. households and identifies potential risks to their finances. The survey includes modules on a range of topics of current relevance to financial well-being including credit access and behaviors, savings, retirement, economic fragility, and education and student loans. The most recent survey was conducted in October 2022 and is based on response from more than 11,000 US adults.

Federal Reserve's Survey of Consumer Finances

The Survey of Consumer Finances (SCF) is normally a triennial cross-sectional survey of U.S. families. The survey data include information on families' balance sheets, pensions, income, and demographic characteristics. Information is also included from related surveys of pension providers and the earlier such surveys conducted by the Federal Reserve Board. No other study for the country collects comparable information. Data from the SCF are widely used, from analysis at the Federal Reserve and other branches of government to scholarly work at the major economic research centers. The 2022 Survey of Consumer Finances (SCF) is the most recent survey conducted.

EU Flash Eurobarometer 509: Retail financial services and products

On behalf of the European Commission, for Directorate-General Financial Stability, Financial Services and Capital Markets Union, Ipsos European Public Affairs interviewed a representative sample of citizens, aged 15 and over, in each of the 27 Member States of the European Union. 27,862 interviews were conducted online (computer assisted web interviews) in May-June 2022. The survey data is weighted to known population proportions.

Special Disclosures

Some of the securities discussed herein should only be considered for inclusion in accounts qualified for high risk investment.



Disclosures

Important Disclosures

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BofA Global Research credit recommendations are assigned using a three-month time horizon:

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Neutral: No purchase or sale of CDS is recommended.

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