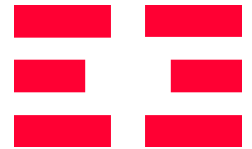




Bank of America

Subsidiaries: Merrill Lynch Pierce Fenner & Smith Incorporated
Locations: North Carolina (HQ)
Industries: Banks, Diversified Financials

RISK LEVEL:



High Risk

DESCRIPTION:

Bank of America is High Risk. The company yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. Bank of America embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR High Risk corporately boycotts, divests, or sanctions regions, people groups, or industries.

On May 3rd, 2023, Bank of America was placed on Oklahoma's Restricted Financial Companies List for its boycott of energy companies as defined in 74 O.S. §12002(A)(I). After being placed on this list, Bank of America had 90 days to "cease engaging in the energy company boycott to avoid qualifying for divestment by the state governmental entity". Bank of America has not ceased its boycott and therefore remains on the 2024 list (1)(2). Bank of America stopped lending to private prisons and immigrant detention facilities and stopped doing any business with certain firearm manufacturers (3)(4)(5). The bank also voluntarily turned over its clients' private financial information to the Federal Government after January 6, 2021 (6). Bank of America closed the bank account of a Tennessee-based nonprofit doing ministry in Uganda; the nonprofit accused Bank of America of canceling them for their religious views and is represented in its lawsuit by Alliance Defending Freedom (7)(8)(9). The office of Senator Ted Cruz investigated Intuit Quickbooks for its policy prohibiting gun manufacturers from using its services, and Intuit "clarified that Bank of America required it to prohibit gun manufacturers from using QuickBooks payroll services" (10). Bank of America established an explicit policy in 2021 not to finance coal production or energy companies operating in the Arctic Circle; however, the company changed this language in 2024 to subject these activities to "enhanced due diligence" but does not go as far as prohibiting all lending (11)(12). In September 2023, Bank of America notified former Trump attorney John Eastman that it would be closing his bank accounts. Eastman asked about the closures, however, the bank stated that it was their policy not to disclose any further information. The Daily Caller contacted Bank of America, but it declined to comment, saying "Just as a general policy, we don't comment on client matters" (13). In 2024, 15 State Attorneys General sent a letter to Bank of America CEO Brian T. Moynihan claiming it "appears to be conditioning access to its services on customers having the bank's preferred religious or political views". The AGs cited Bank of America's previous denial of services to various industries which "undermines free speech, religious freedom, and the right to privacy". The group of AGs asked Bank of America to provide them with "a written report about their account-cancellation policies and practices" and "update its terms of service to state that it does not discriminate against customers for their religious or political views or speech, and support shareholder proposals protecting religious and political diversity". Bank of America spokesman Bill Halldin denied the claims of de-banking stating, "Religious beliefs are not a factor in any account-closing decision" and that Bank of America is "proud to provide banking services to non-profit organizations affiliated with diverse faith communities throughout the United States" (14)(15)(16). In May 2024, Bank of America's risk department decided to close the account of journalist Christina Urso, who goes by Radix Verum on social media. Urso claims she asked about the closures but was not given any information. Urso believes her account was terminated because of her documentary on Michigan Gov. Gretchen Whitmer's alleged 2020 kidnapping attempt titled "Kidnap and Kill: An FBI Terror Plot". Urso cannot access her funds but was told she would receive a check in the mail (17)(18). Bank of America's HRC 2023-2024 CEI rating

indicates the company recruits employees based on sexual identity. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (19)(20).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

Bank of America's HRC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). Bank of America does not appear to discriminate against religious organizations based on views or beliefs. Its charitable giving focus areas are "health, jobs, and strengthening broader community vitality" (3).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. High Risk

Bank of America's HRC 2023-2024 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). The company's Chairman and CEO Brian Moynihan signed Catalyst's Champions for Change pledge, indicating its support of DEI in its leadership composition through the establishment of gender and racial targets (3)(4). Bank of America is a signatory of the Gender & Diversity KPI Alliance, appearing to prioritize diversity over merit in its business structure through the establishment of gender and racial targets for its leadership composition and its support of DEI in its hiring and promotions (5)(6). Bank of America has signed the OneTen pledge to emphasize race in its hiring practices (7). Bank of America signed Orlando Economic Partnership's DEI pledge, committing itself to fight systemic racism, prioritize the success of diverse people in its workplace, and ensure DEI "is a strategic imperative with demonstrated commitment and actions" (8). Bank of America implemented a 21-day race-training course for its employees that taught critical race theory content such as "become woke at work", instructing white employees, in particular, to "decolonize your mind" and "cede power to people of color" (9). Bank of America is an Affirmative Action employer. It "affirms in policy and practice to support and promote the concept of equal employment opportunity and affirmative action, in accordance with all applicable federal, state, provincial and municipal laws" (10). Bank of America does not provide viewpoint protections for its employees (11).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression. High Risk

Bank of America's HRC 2023-2024 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Bank of America signed an open letter in support of the Equality Act, a controversial bill (3). The bank's CEO Brian Moynihan also opposed the 2016 NC Bathroom Bill, HB2, which would force people to use the bathroom of their biological gender (4). Moynihan is the Chairman of the International Business Council of the World Economic Forum, which works to develop "Stakeholder Capitalism Metrics" for ESG goals (5)(6). Bank of America embraces ESG frameworks for investing and operating, including the Stakeholder Capitalism Metrics contrived by the International Business Council (7). Bank of America is a Ceres Network Member and a PCAF Member, committed to carbon neutrality by 2040 (8)(9)(10). Representing the company, Moynihan has also spoken out against election security bills in Georgia and Texas (11)(12). Bank of America CEO Brian Moynihan is a member of the Business Roundtable and signed its 2019 Statement on the Purpose of a Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders (13)(14). Bank of America is no longer a signatory to the Equator Principles, an industry benchmark for assessing environmental and social risks in project-related finance. A spokesperson for the company said

Bank of America would continue to be informed by the Equator Principles (15). Bank of America's CEO, Brian Moynihan, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace, strategize on DEI programs/initiatives with other signatories, and engage boards of directors when developing and evaluating DEI strategies (16)(17). Bank of America's CEO Brian Moynihan is the co-chair of the Steering Committee of the Council for Inclusive Capitalism, which promotes stakeholder capitalism over traditional shareholder obligations (18)(19). Bank of America was a part of the Net Zero Banking Alliance, committed to carbon neutrality by 2050. However, it withdrew its membership in December 2024 likely over growing concerns of potential antitrust violations (20).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

Bank of America provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children. The bank stated, "We have expanded the list of medical treatments that are eligible for travel expense reimbursement. This list will now include cancer treatment, organ transplants at centers of excellence, reproductive health care including abortion, and hospital admissions for mental health conditions" (1)(2)(3)(4)(5)(6). Bank of America's HRC 2023-2024 CEI rating indicates the company provides a benefits package for employees which covers transgender medical procedures for covered employees and dependents, including children. This includes paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (7)(8). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. Bank of America has pledged over a billion dollars to the Black Lives Matter movement and related causes (9)(10)(11)(12). Bank of America is a Silver sponsor of the HRC, a partner of the HRC's Foundation, a titanium sponsor of Out and Equal, and a corporate partner of the National LGBT Chamber of Commerce (13)(14)(15)(16). Bank of America is a Superhero partner of PFLAG, an LGBTQ+ activist group that promotes books for children with sexually explicit and gender fluid content and advocates against laws that inform parents of their child's gender dysphoria or prevent unapproved transgender medical treatments for minors (17)(18)(19). Bank of America is a Corporate Member of the Mid-America LGBT Chamber of Commerce (20)(21). Otherwise, there are no publicly known cases of Bank of America using corporate funds to advance ideological causes, organizations, or policies (22).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes. High Risk

Bank of America's HRC 2023-2024 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Bank of America has not used its PAC donations or lobbying for ideological purposes (3)(4)(5).

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