

# Responsible Growth

An Interview with Anne M. Finucane, Vice Chairman, Bank of America

**EDITORS' NOTE** Anne Finucane is Vice Chairman at Bank of America and also serves as Chairman of the board of Bank of America Europe. As a member of the executive management team, Finucane is responsible for the strategic positioning of Bank of America and leads the company's environmental, social and governance (ESG), sustainable finance, capital deployment and public policy efforts. As Chairman of the Board of Bank of America Europe, the firm's EU bank head-quartered in Dublin, Finucane oversees more than €60 billion in assets. She also serves on the board of BofA Securities Europe SA, the bank's EU broker-dealer in Paris, with both entities playing a critical role in the company's post Brexit European growth strategy. Bank of America has almost 3,000 employees across both entities. Finucane chairs the Global ESG Committee at Bank of America, which directs all of the company's ESG efforts. She also co-chairs the Sustainable Markets Committee with COO Tom Montag, which collaborates across business lines to deliver innovative financing solutions in support of the United Nations Sustainable Development Goals, including affordable housing, sustainable energy, clean water and sanitation, education and healthcare. She stewards Bank of America's \$300 billion environmental business initiative, oversees the company's \$1.6 billion Community Development Financial Institution portfolio and chairs the Bank of America Charitable Foundation.



Anne M. Finucane

Active in the community, Finucane serves on a variety of corporate and nonprofit boards of directors including Carnegie Hall, the National September 11 Memorial & Museum, the World Bank Group's Women Entrepreneurs Finance Initiative (We-Fi), CVS Health, Brigham and Women's Hospital, Mass General Brigham Healthcare, Special Olympics, the (RED) Advisory Board, the Carnegie Endowment for International Peace, and The Ireland Funds. She served on the U.S. State Department's Foreign Affairs Policy board and is a member of the Council on Foreign Relations.

Finucane has received numerous professional and public service accolades. She has regularly been named to Forbes' and Fortune's Most Powerful Women lists, along with American Banker's 25 Most Powerful Women in Banking.

In 2019, Finucane was inducted into the American Advertising Federation's Ad Hall of Fame as well as the CMO Hall of Fame, and received the Edward M. Kennedy Institute Award for Inspired Leadership. In March 2018, Finucane was honored with the Leadership Award by The Ireland Funds.

**COMPANY BRIEF** Bank of America (bankofamerica.com) is one of the world's leading financial institutions, serving individual consumers, small and middle-market businesses and large corporations with a full range of banking, investing, asset management and other financial and risk management products and services. The company serves approximately 66 million consumer and small business clients with approximately 4,300 retail financial centers, including approximately 3,000 lending centers, 2,600 financial centers with a Consumer Investment Financial Solutions Advisor and approximately 2,200 business centers; approximately 16,900 ATMs; and award-winning digital banking with approximately 39 million active users, including approximately

30 million mobile users. Bank of America is a global leader in wealth management, corporate and investment banking and trading across a broad range of asset classes, serving corporations, governments, institutions and individuals around the world. Bank of America offers industry-leading support to approximately 3 million small business households through a suite of innovative, easy-to-use online products and services. The company serves clients through operations across the United States, its territories and approximately 35 countries.

**Will you highlight Bank of America's culture and its commitment to supporting employees, customers and communities?**

The intention of Bank of America is to help people with their financial lives and our strategy is to do that with responsible growth. Clearly, our priority is to grow, but we made a conscious decision to do it with transparency and in a way for all constituencies to benefit – employees, clients and communities. When Brian (Moynihan, CEO of Bank of America) assumed his role, he created the strategy and commitment to responsible growth and it was my job to create the positioning around this mission.

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Brian had a unique approach and we looked at everything, not just our eight lines of business, but the impact for all of our stakeholders. For example, when it comes to employees, if you work for us for 20 hours a week, you have the full benefit package offered to you. Our minimum U.S. wage is \$20 an hour. If your total income is below a certain amount, we will provide a childcare stipend. We offer tuition reimbursement. It is really a bottom up approach. We divide the country into about 90 markets and we have a market president for each one of them. That person gathers the local leadership in that market and they look at a cross-functional approach to the business. The philosophy is that the leadership comes from the top, but the execution comes from the bottom up.

When it comes to supporting communities, we look at where we can make the most impact and have the most expertise. For instance, we are able to create more financing for affordable housing or provide more access to capital for women and people of color. We are focused on supporting and contributing to the cities and states in which we work and live.

**How critical is it for Bank of America to continue to provide personal service and the human touch during this time and how has Bank of America adapted its business to address the pandemic?**

The relationship side of the business is something that has been a priority to Brian and the company. There are many customers who want to do their banking electronically, and others who want to interact with a person. We have invested in making sure that we are doing both and meeting our customers where they want. We are an essential business so most of our banking centers are open. We have around 212,000 people and roughly 10 percent of them are customer-facing employees and, for the most part, they are located in our banking centers. We have put more investment in the call centers and in staffing the banking centers.

We provided the most amount of loans to small businesses through the Paycheck Protection Program (PPP) and we were also able to source Personal Protective Equipment (PPE) for the big hospitals in the early stages of the pandemic and then turned our focus to community hospitals, homeless shelters, etc., to make sure that they had the necessary protective equipment.

**What is your outlook for the impact the pandemic will have on the future of banking?**

It has clearly accelerated the use of technology, but we have found that a customer may make deposits or pay bills with online banking, but if that customer is looking for a mortgage or for retirement advice, they generally want to speak to someone. We can do that by telephone, but we prefer to meet and do that in person. It is important today as much as it has ever been to be high touch and as soon as it is possible we will begin advising and meeting with customers in person with the proper masks, protective equipment and distancing required.

**Will you discuss Bank of America's commitment to diversity and inclusion and how the company is addressing the issue of racial injustice?**

It is critically important for Bank of America to look like the constituency and the population that we serve. We have a diverse customer base and we are a diverse company. More than half of our people are women, our Board is 47 percent diverse, and about a third of our management team are women.

We have been reminded of the chronic problem of racial injustice with the recent killings of Breonna Taylor, George Floyd, Ahmaud Arbery and others. We need to work together to address this problem and one of the important areas we are focusing on is wealth creation for people of color. We made a \$1 billion commitment which we will complete in four years and we are looking at the following four categories: affordable housing, small business, job creation, and healthcare. The first three of these areas are ones that align with our business and are what we do each day. In regard to healthcare, while this is not an area that is part of our business, we know that people of color are disproportionately impacted by COVID-19 and we need to do something to address this issue.

In regard to job creation, we are working with community colleges to develop a program where we provide the community college with funding for a training program for people to secure jobs. We are joining with other companies so it is not just Bank of America creating jobs, but other companies as well. This is how you build wealth creation – you help get people jobs and into the system and then help them to grow into management. We are also developing

programs for career training and interview skills with Black and Hispanic institutions and then getting our company and others to recruit from these institutions. These are practical ways to make a difference in creating more opportunities for minorities. We also support minority-owned businesses.

Bank of America is a leader in affordable housing and we are focused on accelerating the pace of our support and joining with other banks to do more in this regard.

**How critical is resilience for banks and financial institutions?**

It is all important. Bank of America and others in the industry are a part of the economic backbone and we better be resilient. At the most basic level, this means that we have sufficient capital and liquidity. To be resilient, we must take care of our people which is why the steps we are taking such as providing food and transportation, childcare and tuition reimbursement during the crisis are so critical. We are also working with our people to provide physical and mental health support during this challenging and uncertain time.

**What have been the keys to Bank of America's success?**

Our culture is the key and it is something that we talk about regularly at every level, including the executive level as well as with the Board. It is critical at every level, so if you are a bank teller, for example, you need to understand and live the culture. Many times, the bank teller is the person who is on the front line interacting with our customers, representing the company and providing the human touch.

**What advice do you offer to young people today beginning their careers during this challenging and uncertain time?**

We conducted our internship program remotely this year and had around 2,000 interns with us over the summer. It is clear to those coming out of school that the job market is difficult. I tell them to make use of this time, learn a skill, or volunteer, so that when the market comes back, they will be able to say what they did to improve during this time. There are many organizations that are looking for people to help with logistics or in call centers and, even if this is not something that you are looking to do for a career, it will be seen as practical and productive and will show that you are innovative and imaginative and that you did something constructive during this time which is important. ●