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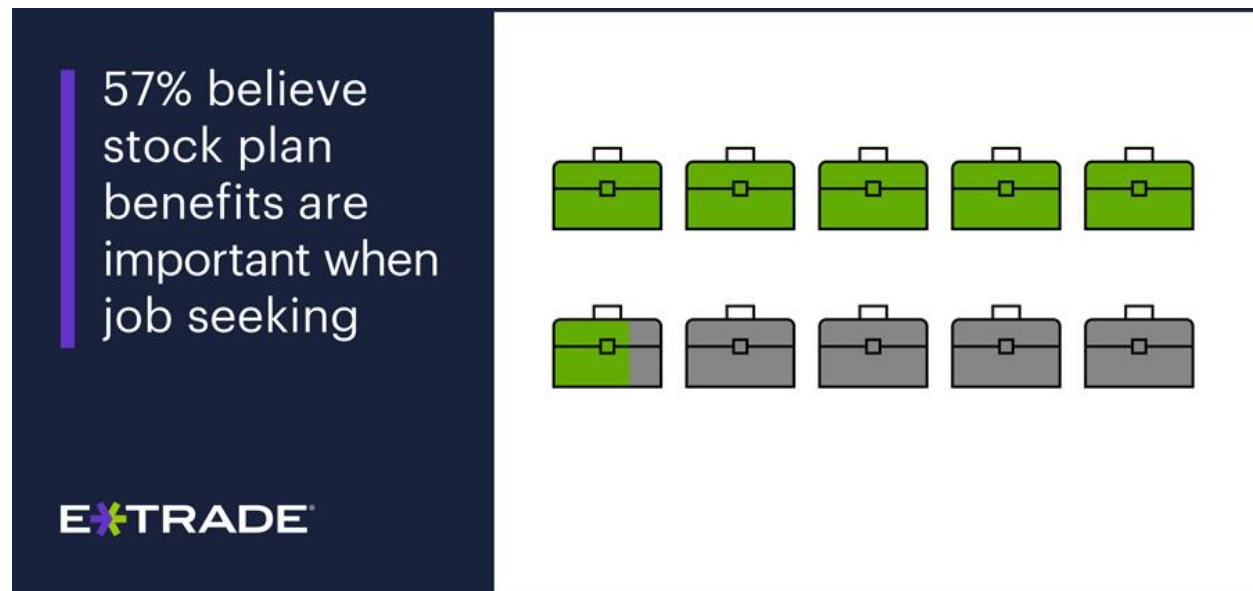
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E*TRADE STUDY REVEALS YOUNG EMPLOYEES PLACE PRONOUNCED IMPORTANCE ON EQUITY COMPENSATION



While Gen Z and Millennials have outsized interest in stock plan benefits, many continue to grapple with award mechanics

NEW YORK, JULY 9, 2019 – E*TRADE Financial Corporate Services, Inc. today announced results from its annual survey of equity compensation plan participants.¹ Results reveal that participants under age 35 view stock plan benefits in a markedly different way than older participant populations do:

- **The next generation is taking a closer look at stock plan benefits:** More than half of respondents under 35 (57%) agreed that stock plan benefits are an important consideration when changing jobs, compared with 46% of Baby Boomers.
- **They have strong conviction in their companies:** When asked why participants hold on to shares, 35% of young participants said it's because they believe in the company's future performance, compared with only a quarter of the 55+ crowd.
- **Money talks aren't taboo among young participants:** Of those who have sold shares, Millennial and Gen Z participants were the most likely to talk to family members, friends, or colleagues about the stock before selling (31%), compared with only 12% of Boomers.

- **Taxes confound them:** Only 25% of young participants understand how taxes may impact their benefits, compared with 38% of Boomers.
- **But they're willing to learn:** Millennial and Gen Z participants are interested in more educational information from their stock plan administrators, with 57% citing they would like more educational guides and FAQs compared with just 45% of Boomers.

“Now more than ever, the younger generations that make up today’s workforce want to feel connected to their company and participate in the growth potential,” said Scott Whatley, President of E*TRADE Financial Corporate Services. “There have been dramatic changes in employee perspectives compared to even a decade ago, when benefits like equity compensation were not nearly as top of mind and were reserved solely for executives. To remain competitive, today’s employers will need to adopt scalable and intuitive solutions to best cater to and reward these emerging leaders.”

To learn more about E*TRADE’s equity compensation offering, visit etrade.com/corporateservices.

For news and thought leadership on equity compensation, follow E*TRADE Corporate Services, on [LinkedIn](#).

1. E*TRADE Financial Corporate Services, Inc. annual survey fielded from April 3, 2019, to April 19, 2019, to current stock plan participants of E*TRADE’s corporate clients.

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Referenced Data

Please tell us how much you agree or disagree with the following statements.					
<i>(% = Agree/Strongly agree)</i>					
	Total	AGE			
		Under 35	35–44	45–54	55+
I have a good idea how much my stock plan benefits are worth	74%	70%	74%	76%	76%
I closely follow my company's stock price	67%	66%	67%	67%	65%
I could explain how my stock plan works to a colleague or friend	62%	63%	63%	63%	61%
My stock plan provides me with a sense of ownership in the company	59%	53%	58%	63%	61%
Stock plan benefits are an important consideration for me in changing jobs	54%	57%	58%	57%	46%
My contributions to my company's performance are acknowledged through the equity grants I receive	46%	44%	48%	49%	44%
I include the value of my stock plan when calculating my total compensation	45%	41%	25%	48%	44%

Why did you decide to hold your shares instead of selling them?					
<i>Among those who have not sold shares</i>					
	Total	AGE			
		Under 35	35–44	45–54	55+
I believe in the company's future performance	30%	35%	31%	28%	25%
Hold stock as a long-term investment	27%	16%	22%	30%	38%
I don't currently have plans for (or need) the cash	22%	24%	24%	20%	21%
Sell of exercise when need money for large expense	9%	11%	10%	9%	5%
The company's stock pays dividends	5%	5%	5%	5%	6%
Other	8%	8%	8%	8%	6%

Which of the following do you do before deciding to sell shares or exercise options from your stock plan account?

Among those who indicate they have sold shares from their stock plan account

	Total	AGE			
		Under 35	35-44	45-54	55+
Set a pre-determined sell price and/or exercise price	29%	26%	29%	30%	28%
Research information about my company and/or its financials	19%	28%	21%	14%	14%
Utilize tools to model the potential value and/or tax implications of selling or exercising	19%	22%	20%	19%	16%
Talk to family members, friends or colleagues about the stock	19%	31%	20%	14%	12%
Talk to a financial or tax advisor about the stock	14%	15%	14%	14%	16%
Other	2%	2%	2%	2%	2%
None of the above	28%	23%	27%	30%	31%

How well do you understand each of the following about your company's stock plan benefits?

(% = Quite well/Extremely)

	Total	AGE			
		Under 35	35-44	45-54	55+
How to access my stock plan benefits account	71%	70%	71%	72%	70%
How my vesting schedule works	59%	55%	58%	61%	59%
How my stock plan benefits work	53%	51%	52%	55%	55%
How to find information/education about my stock plan benefits	46%	42%	44%	48%	49%
How to get in touch with someone to address questions about my stock plan	45%	40%	43%	47%	50%
How to determine when to take action on my stock plan benefits	41%	36%	40%	43%	43%
How taxes may impact my specific type of stock plan benefits	31%	25%	29%	33%	38%
How to potentially maximize the financial benefits from my stock plan benefits	30%	26%	29%	32%	35%

Which of the following would you like to see more of on the stock plan benefit section of your company's intranet site?					
	Total	AGE			
		Under 35	35-44	45-54	55+
Details about the specific equity benefit(s) you receive or are eligible to participate in	55%	58%	55%	53%	53%
Educational guides and FAQs	51%	57%	53%	51%	45%
Educational videos	38%	44%	41%	37%	30%
My company does not provide stock plan benefit information on the company intranet	8%	6%	7%	8%	11%
Other	2%	1%	2%	2%	4%

“Young participants” defined as under age 35 // “Baby Boomer participants” defined as over age 55