MetLife and AXA in partnership

Are you driving results through financial wellness?

16 January 2017

MAXIS GLOBAL BENEFITS NETWORK

MetLife

Meet your host

Andrew Stocker

Head of Business Development, MAXIS GBN

Andrew Stocker currently holds a position as Head of Distribution for the MAXIS Global Benefits Network (MAXIS GBN), which provides global benefit solutions to over 750 multinational clients around the world. There, he is responsible for leading the distribution of the multinational solutions, including the account executive and account management teams globally. His focus is on expanding and deepening relationship with multinational employers and their intermediaries.

Prior to his current role, Andrew has held positions in MetLife’s Global Relationship Management, and as a Regional Sales Director for MetLife's Employee Benefits business in the United States. Andrew was inducted into the MetLife Employee Benefits Hall of Fame in 2011.

MAXIS GBN: a leading employee benefits provider

MetLife

Navigating life together

+

redefining / standards

MAXIS Global Benefits Network (MAXIS GBN)

Co-founded by MetLife and AXA in 1998, MAXIS GBN is one of the leading international employee benefits network providing global service capabilities and delivering world-class employee benefits perspectives and solutions.

EXPERIENCE

Puts multinational companies in control of their worldwide employee benefit programs.

SCALE

Aligns global and local priorities by offering innovative and streamlined solutions which can reduce costs and achieve economies of scale.

ADVANTAGE

Single point of contact and dynamic three-tier account management structure— global, regional and local.

1.5 million

MAXIS GBN covers 1.5 million employees worldwide through its member insurance companies

>140 members

Locally licensed 135 member insurance companies in over 110 markets around the world

750 programmes

More than 750 global programmes managed

Best in class

More than 50 members offer best in class local health and wellness capabilities

+180 pools

+30 captives

How to ask questions

A dynamic market study

Now in its 15th year in the U.S.

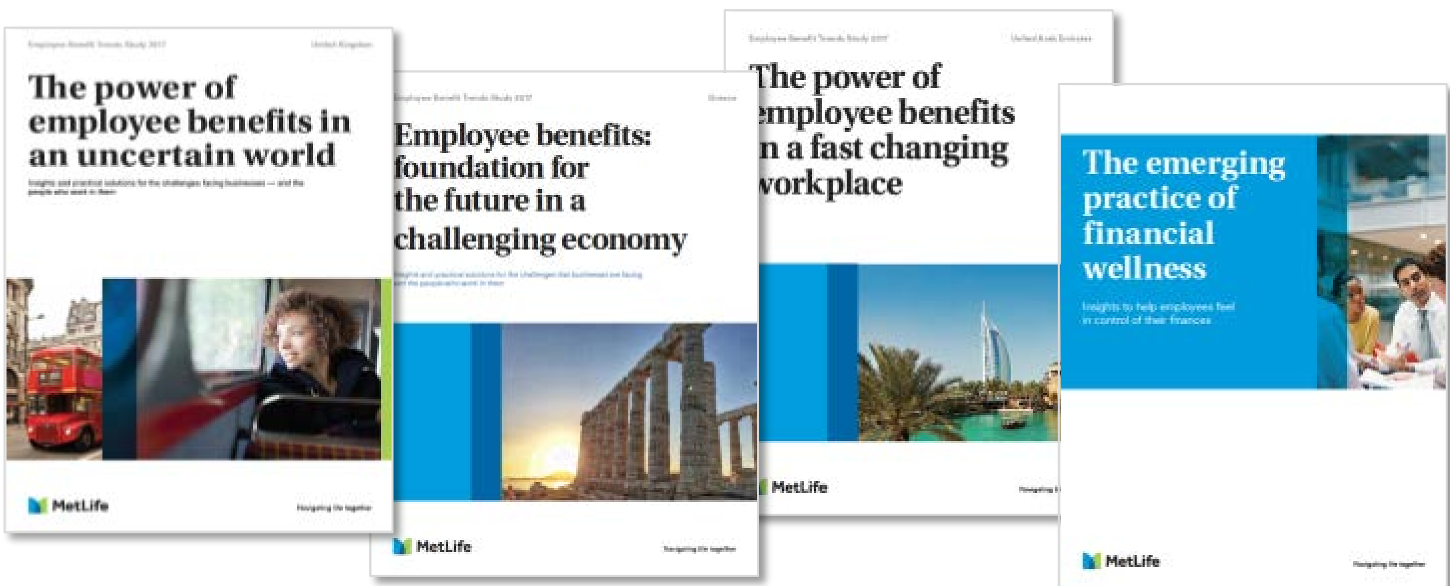
Methodology consistent across 11 countries surveyed in the last 5 years

3rd study completed in the UK, 2nd in the UAE

Recently focused on impacts of financial wellness across 7 markets

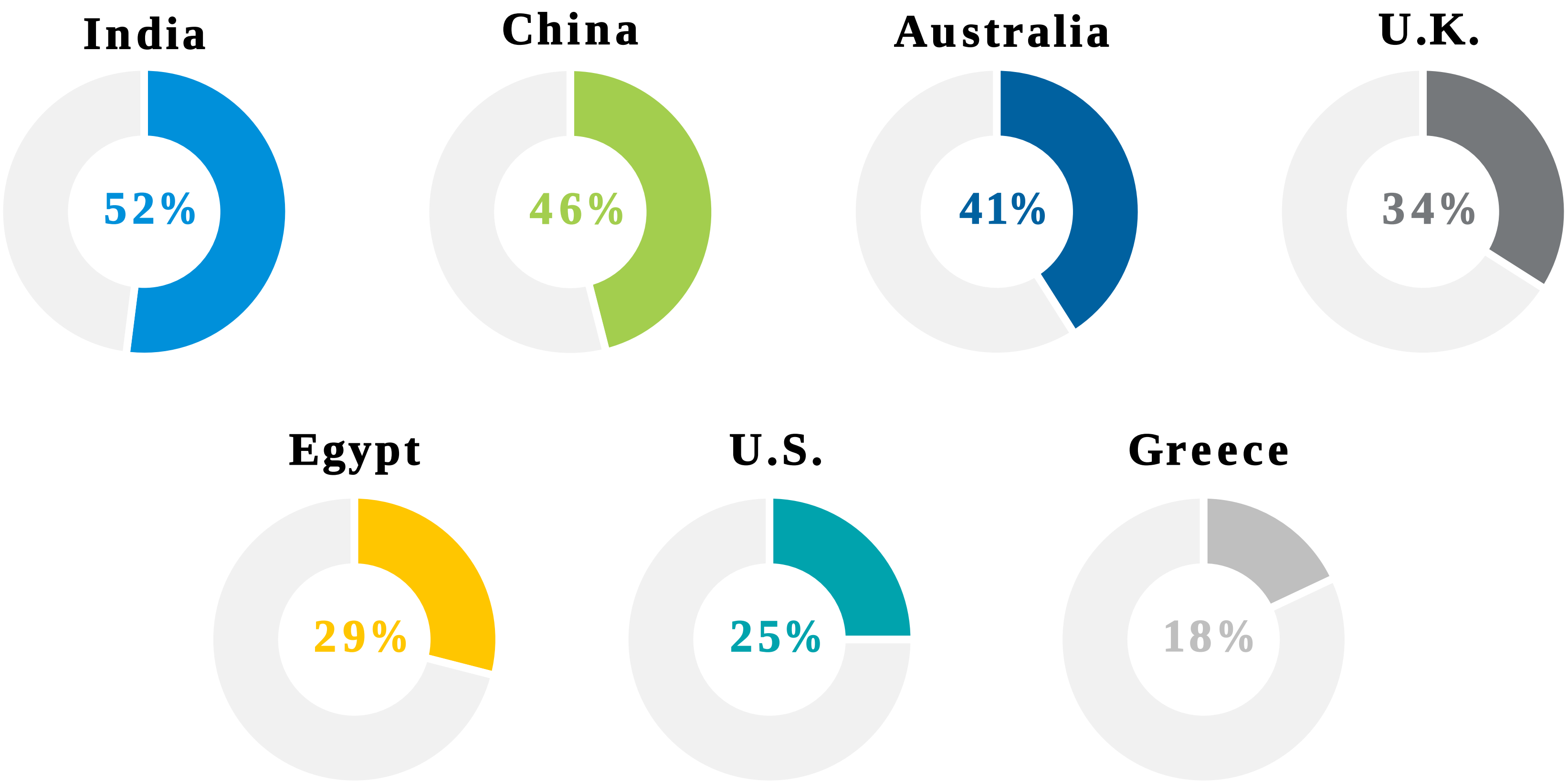
Balances employee and employer insights

Conducted by 3rd party research firm



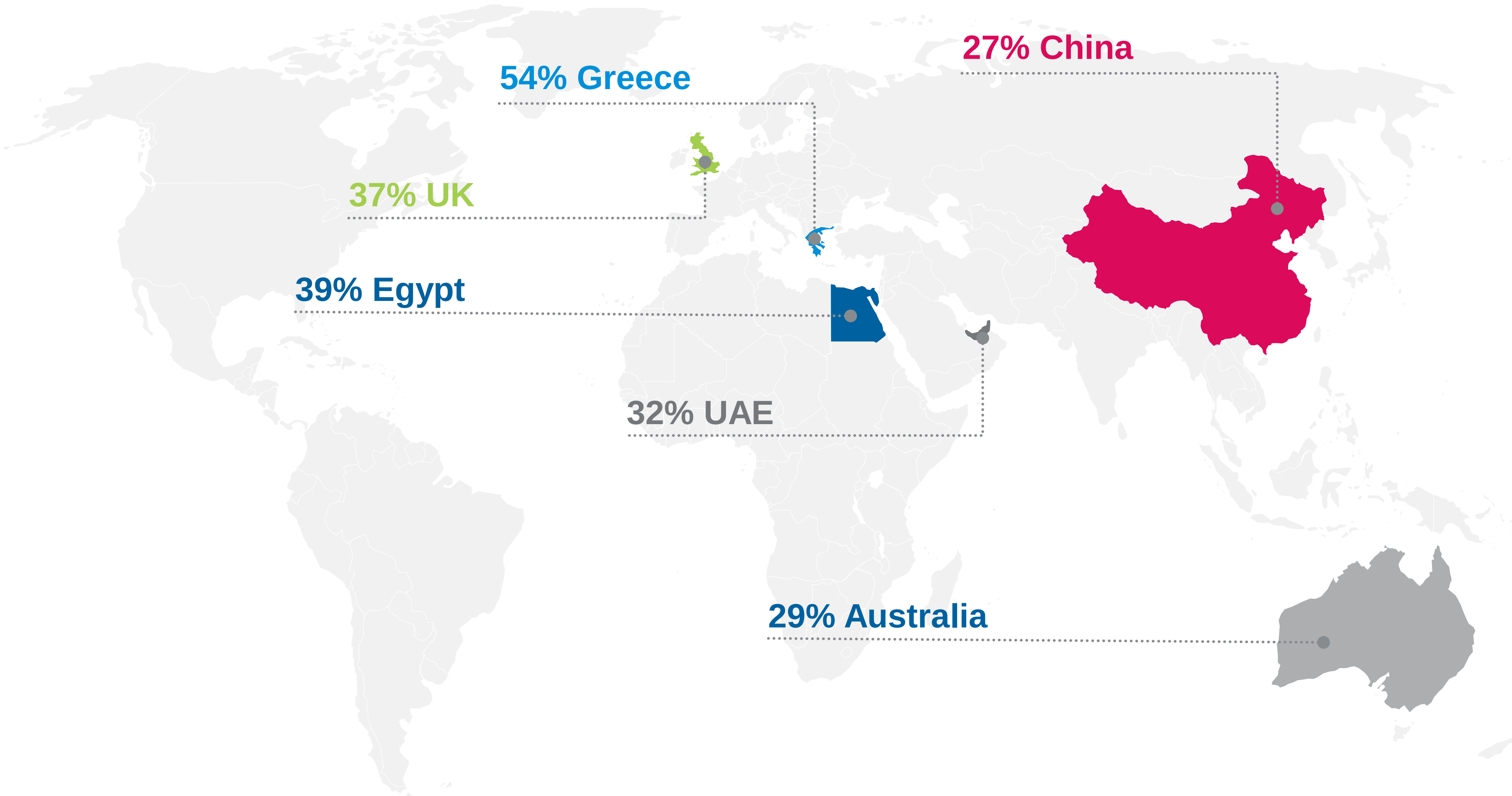
Financial concerns are also impacting productivity

Employees who admit to spending more time thinking about financial issues at work than they should



Source: Information obtained from MetLife's Employee Benefit Trends Study developed in Australia (2017), China (2015), Egypt (2015), Greece (2017), UAE (2017), UK (2017), and US (2017).

Financial concerns are also contributing to stress



Source: Information obtained from MetLife's Employee Benefit Trends Study developed in Australia (2017), China (2015), Egypt (2015), Greece (2017), UAE (2017), and UK (2017).

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Opportunities within reach

62% of employees are looking to their employer for more help in achieving financial security through benefits, compared to 49 % in 2011.

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Jeff Tulloch

Vice President, PlanSmart®
Distribution Development & Benefits Delivery,
Group Benefits, MetLife

Jeffrey P. Tulloch is a vice president at MetLife, overseeing the PlanSmart® organization. PlanSmart is MetLife's workplace financial education platform.

Until recently, Tulloch also oversaw the Business Advantage Initiative, a cross-channel distribution approach that leverages MetLife's broad solution set to meet the needs of small business owners and their employees. Prior to this, he had responsibility for the Individual Distribution Liaison group, which focused on leveraging the collective strengths of MetLife's Employee Benefit Sales and Individual Distribution divisions.

From 2003 to 2006, Tulloch served as a national sales director leading MetLife's strategic distribution business across the United States, focusing on association, affinity, general agent and third-party administrator distribution opportunities. Between 2001 and 2003, he held the position of sales director responsible for investigating, developing and managing employee benefits alternative distribution channels in the western half of the United States.

Shortly after joining MetLife in 1996 as an Institutional sales representative, Tulloch began managing MetLife's national relationship with United Healthcare. This role led to his niche expertise in managing alternate distribution channels.

Prior to joining MetLife, Tulloch spent eight years in progressively responsible positions at UNUM where he specialized in disability and voluntary products.

He earned his B.S. in finance from the University of Vermont.

Financial Wellness/Illness in US

Future of social security is uncertain

On its current trajectory, Social Security will begin to pay out diminished benefits in 2034.[1]

Employers doing less for employees

Only 20% of Fortune 500 companies offered some sort of pension to new hires in 2015, down from 59% in 1998.[2]

US Dynamics

People are living longer

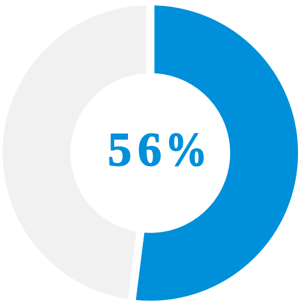
In 1940, the life expectancy of a 65-year-old was almost 14 years; today it is just over 20 years.[3]

"Keeping up with the Joneses"

47% of consumers are carrying at least $25,000 in debt.[4]

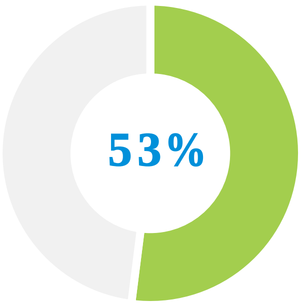
[1] *20 Unsettling Things You Need to Know About Social Security*, Go Banking, 2/21/17, GoBankingRates
[2] *A Continuing Shift in Retirement Offerings in the Fortune 500*, Willis Towers Watson, 2/18/2016
[3] SSCA Fact Sheet / [4] *The Future of Consumerist,* Consumer Reports, 5/9/2017

Employees look to employers for help…



Of employees are stressed when it comes to their financial situation

Employees look to their employer to facilitate getting access to education and contact with a financial professional. Employers are seen as a trusted source for help by employees.[1]



Of these employees report that the stress interferes with their ability to focus and be productive at work

Employers who embrace a culture of financial wellness can create a workplace that helps relieve employee stress and may make employees healthier and more productive in the long run.[1]

How can employers help?

MetLife PlanSmart® Program

- Face-to-face model
- Education
- Access to personal advisor
- Helps facilitate behavior change

Additional Options:

- On-line tools & calculators
- Single solution “apps”
- Financial assistance phone lines
- Wellness credits
- Employee mentoring

[1]2017 Workplace Benefits Report, Bank of America/Merrill Lynch

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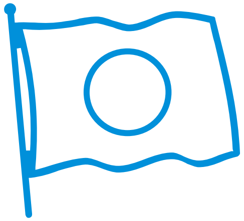
PlanSmart® in Japan



Macro Environment

- Rapidly aging nation
- Deficit-ridden Fiscal Budget
- Limited Financial Education/Advisors
- Employers willing to take good care of employees.

PlanSmart® in MetLife Japan

- Formal launch in 4/2016
- 4/2016–3/2017: 159 classes at 36 companies & 43 private groups
- 142 advisors throughout Japan after 8 auditions
- Increasing clients by advisors' self-sourcing & MLJ's B2B relationships
- Support by introducing subsidiaries of U.S. corporations

Paul Dixon

HR Pensions Leader, IBM UK

Paul Dixon has been the HR Pensions Leader for IBM UK Limited for the past 3 years. Prior to moving to HR, he spent 15 years working on behalf of the Trustee of the IBM Pension Plan.

Paul introduced a Financial Wellness Programme for IBM UK employees in early 2017, and has recently started to consider IBM's global Financial Wellness Strategy.

Financial Wellness – Part of IBM's Overall Wellness Strategy

Physical: Whether you are looking for healthy recipes, or new ways to get and stay active, IBM offers support for your Physical health

Mind: Using tools for reducing stress, improving cognition and relieving anxiety are a few ways you can invest in your mental health

Financial: A programme or set of programmes designed to improve employees' financial behaviour and outcomes, defined by health, not wealth

Social: Help to balance work and life with family and friends, building healthier relationships and making new connections

Purpose: Align your values with your life and work to support Purpose health.

Financial Wellness - IBM Design Thinking

INVEST FOR MARKET OUTCOMES

Hills focus your project on big problems and outcomes for users, not just a list of feature requests

ENVISION THE USER EXPERIENCE

Sponsor Users help you design experiences for real target users, rather than imagined needs

COLLABORATE, ALIGN, ENGAGE!

Playbacks align your team, stakeholders and clients around the user value you will deliver, rather than project line items

Financial Wellness – UK Design Thinking: UK Employee Personas

WHAT DOES HE THINK?

- This house is getting **too small** for me and the family – **we need a property** with another bedroom and a bigger garden.
- Francesca will be starting her higher education exams soon, and in two years she'll want to go to university – I wonder is she'll be **entitled to a grant to financially support her**, or will it be down to us to fund?
- I'm sure **the interest rates on our credit card** is higher than if I start to get this done?

WHAT DOES HE FELL?

- **Excited** – Moving to be a bigger home will be great – his family will all have more room and a garden that they can socialize in.
- **Ignorant** – He never went to university, so doesn´t know what financial support his daughter might receive, or how much he may be expected to pay
- **Frustrated** – He knows that he is overpaying interest on his credit cards, but doesn't know the best way to investigate a more financially efficient solution

BILLY

HR PARTNER

38 years old,
12 years service

WHAT DOES HE SAY?

- We **need to save money** to pay for the house move, although I'm not sure how much
- How do **other people** sort out their finances?

WHAT DOES HE DO?

- Speaks with friends whose children have recently gone to university – they seem to have **different viewpoints** as a result of their different income levels
- Uses his lunch-break to try to **get information off** of the Web

Financial Wellness – UK Design Thinking: Statements of Intent

HILLS (STATEMENTS OF INTENT)

- IBM UK employees to gain access to **personalised, free** and **un-biased financial education**.
- **Information pertaining** to IBM's benefit offering to be presented in an **intuitive manner.**
- **Innovative benefits**, relevant to employees' current financial needs, to be introduced.

IMPLEMENTATION – NUDGE – SIX MONTH MANAGEMENT INFORMATION REPORT

- **6,520 employees** elected to participate in Nudge (43% of eligible population)
- **46,728 'Nudges'** have been sent providing financial information to employees
- **10,449 log-ins** to supporting education portal from 4,983 employees
- **55,583** education portal **page views**

Financial Wellness – Global Strategy

Financial wellness solutions will vary from country-to-country due to disparities in culture, regulatory framework and existing benefits

The different needs and preferences of our diverse workforce will need to be identified and met by selecting a range of financial wellness strategies

Financial Wellness services can be broken down into three main categories:

1. Financial education via online tools, webinars and live events
2. Planning tools to help employees better manage their finances
3. Programs that give employees access to advisory services

Communications need to be personalised, digital in nature and cognitive – meeting people where they are at in their financial wellness journey

Financial Wellness programs need to be aligned with overall health and well being programmes

We should leverage existing vendor relationships to determine Financial Wellness opportunities

Tim Perkins

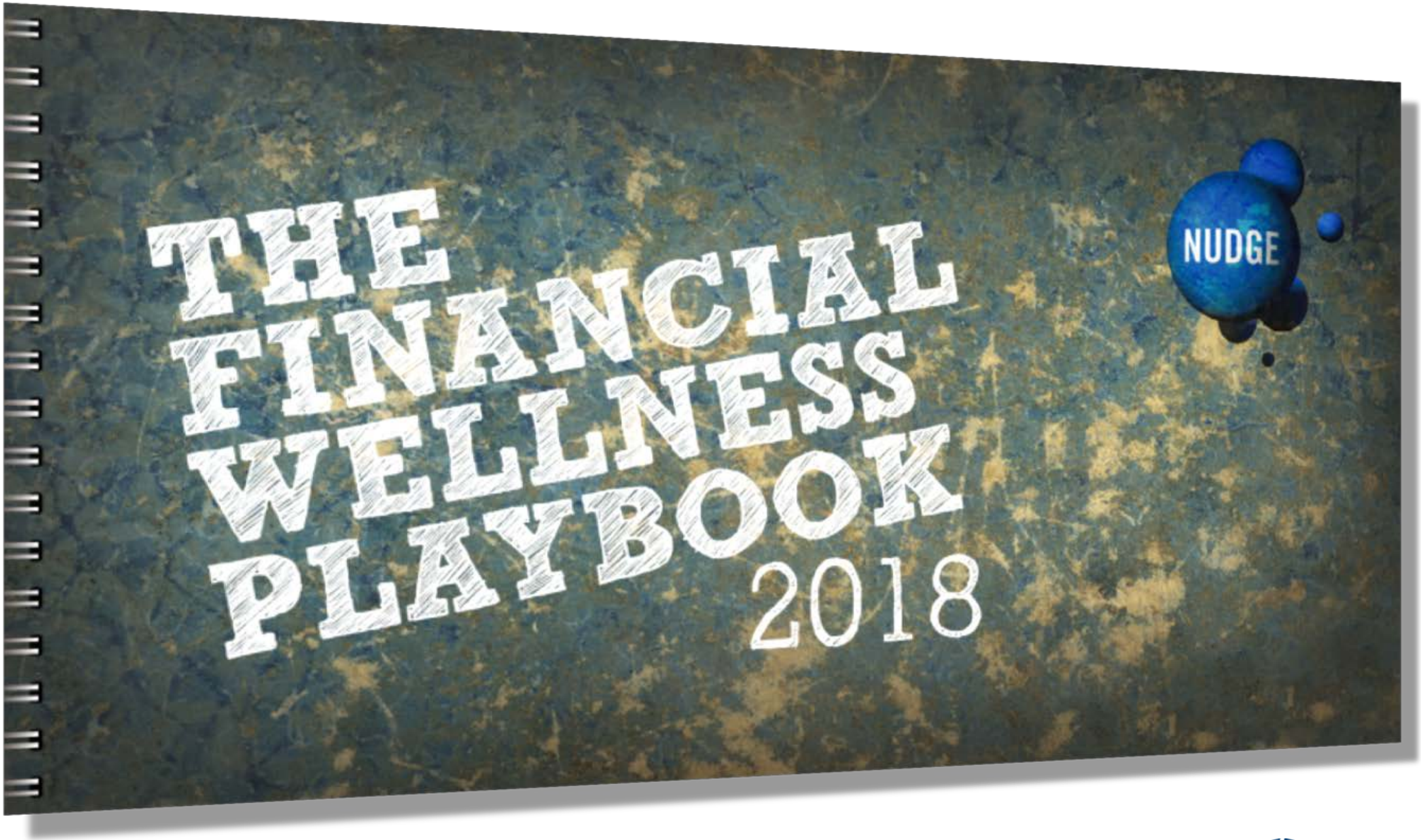
Co-founder, Nudge

Tim co-founded Nudge in 2013 and has lead the business since.

Nudge are a workplace Financial Education provider helping make money simpler for 120,000 employees from over 60 employers.

Nudge was established, and now thrives, on the belief that everyone regardless of age or wealth should have access to independent support to make smarter financial decisions.

Lessons from the UK & Ireland



WELCOME TO THE FINANCIAL WELLNESS PLAYBOOK 2018

IN 2017, THE FINANCIAL WELLNESS MARKET EXPLODED WITH PENSIONS, ENGAGEMENT AND WELLBEING THE MAJOR DRIVERS.

DESPITE THIS GROWTH, MANY ORGANISATIONS ARE STILL GRAPPLING WITH WHAT FINANCIAL WELLNESS MEANS AND HOW TO BEST DELIVER IT.

THIS PLAYBOOK BRINGS TOGETHER THE REWARD COMMUNITY'S TIPS & TRICKS FOR HOW TO DESIGN, BUILD AND MAXIMISE A SUCCESSFUL FINANCIAL WELLNESS STRATEGY.

Presented as a series of short and, simple "#Plays", we've combined tips from HR, Reward & Pension leaders, our own original research and data analysis from the Nudge community (our Client's employees), to provide a practical resource to create your own Financial Wellness game plan.

The 'research' referenced throughout this Playbook was conducted in October and November 2017 and more information can be found in Section 10.

Whether you're yet to start your Financial Wellness journey, are undecided on a particular aspect or just need to know what to do next, we hope this Playbook provides the inspiration you need.

TIM PERKINS
& JEREMY BEAMENT
Co-Founders
Nudge

30 #PLAYS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30 #PLAYS


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01. DEFINING FINANCIAL WELLNESS

PLAY #2 CAREFULLY CONSIDER WHAT'S RIGHT FOR YOUR PEOPLE

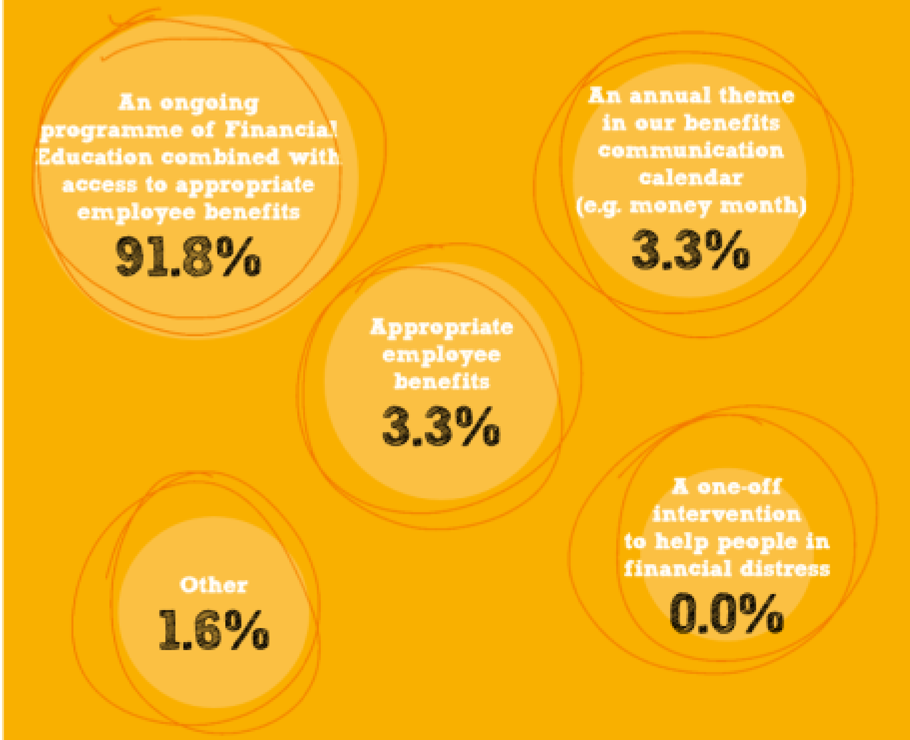
As always, when demand grows, so does supply, and the Financial Wellness industry has seen this in spades during 2017 with an enormous number of organisations now positioning themselves as providers.

To simplify the market, regardless of their service specifics, these providers can be broadly categorised as:

- Those selling a product - such as loans, mortgages, savings accounts, or retail vouchers
- Those selling a service – such as Financial Education or EAP
- Those selling a service in order to sell a product – such as asset managers

It's critical you're clear what you want to provide for your people and choose your provider accordingly. To potentially help with this, nine in ten respondents to our research believed a Financial Wellness strategy is best delivered as an ongoing programme of Financial Education rather than one off interventions.

"How do you feel a Financial Wellness strategy is best delivered?"



Source: Research conducted Oct to Nov 2017.

02. BUSINESS BUY-IN

PLAY #5
LINK TO YOUR LEADERS' PASSIONS

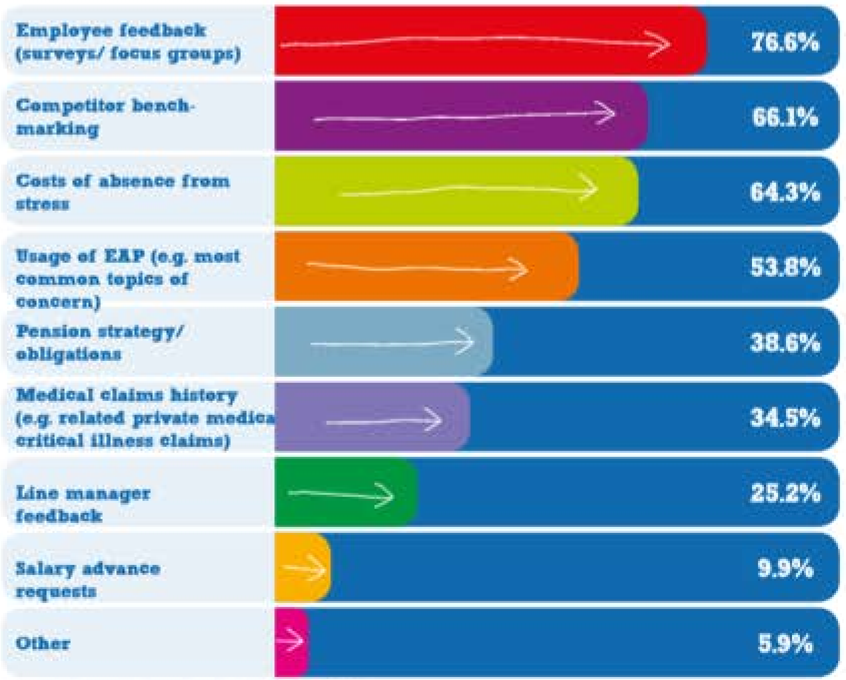
When building your business case, you won't be short of supporting statistics.

The need for, and impact of, Financial Wellness is well published. The key is making it relevant to your organisation and in particular, your leaders.

Your strategy's engagement and hence success will depend on how your leaders embrace and subsequently help communicate the programme.

To make this happen, you must link the business case to their objectives, interests and passions.

"Which of the following would support the business case for investing in a Financial Wellness strategy in your organisation? (Tick all that apply)"



Source: Research conducted Oct to Nov 2017.

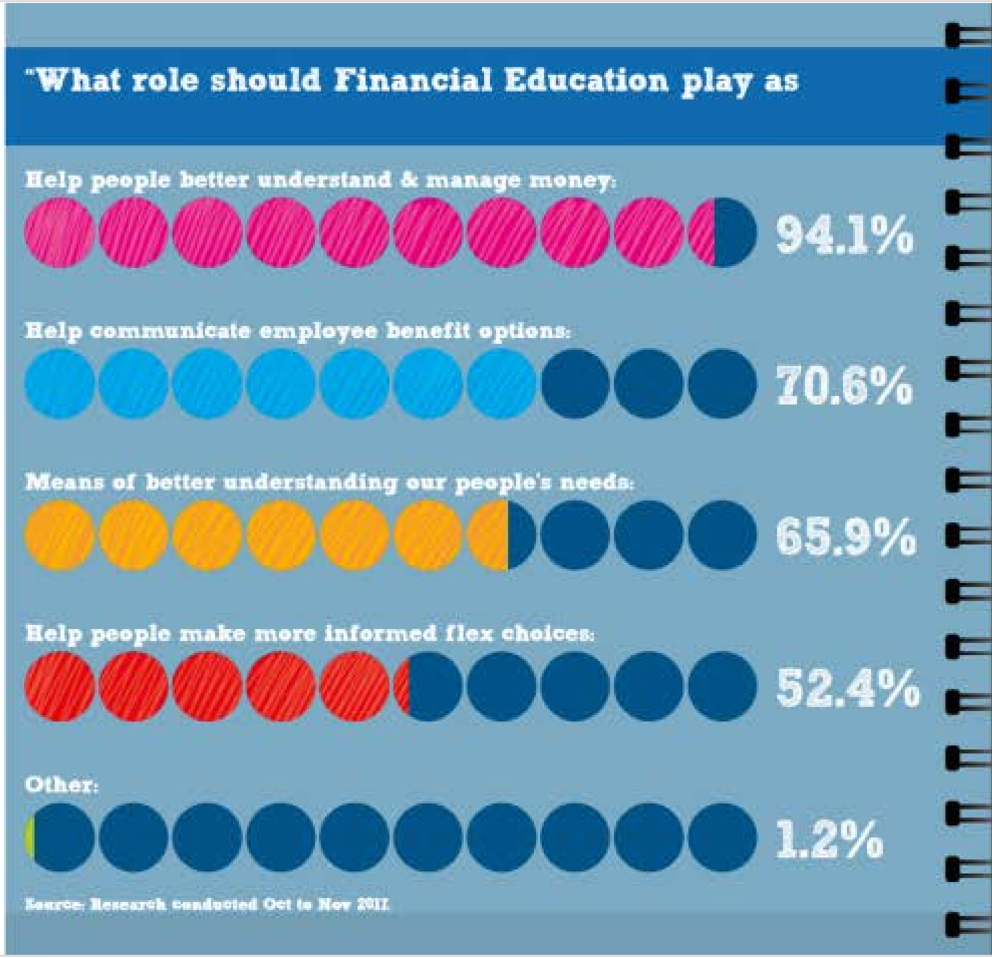
PLAY #11

STRATEGY: GREATER THAN THE SUM OF THE PARTS

The range of 'Financial Wellness' benefits has never been broader and as a result, the requirement for a joined-up strategy never greater!

A joined-up strategy will see individual employee benefits promoting one another, cohesively making the strategy greater than the sum of the parts.

Despite this, our research showed that surprising few organisations have created an integrated Financial Wellness strategy.



06.

MAKING THE LAUNCH A SUCCESS

PLAY #18

MAKE THE CONTENT AS DIVERSE AS YOUR PEOPLE

Depending on your provider, expect the majority of Financial Wellness solutions to cover budgeting, pensions, savings and debt. The key to building a more inclusive and therefore robust and future proofed solution is to make sure that you're providing support on the full spectrum of money management.

Here are the top areas of Interest from the Nudge Community between October and December 2017. Make sure your content matches your people's needs.

"Top 10 Interests"

Change from 2016

- Savings
- Holidays & travel
- Pensions
- Everyday finances
- Mortgages
- Investing
- Budgeting
- Children & family
- Tax
- Credit rating

Source: Nudgenomics.

08.

USE BEHAVIOURAL PSYCHOLOGY

PLAY #25
PROVIDE "PEOPLE LIKE YOU" BENCHMARKS

People hate being told what to do and studies show we actively rebel against that authority: "you must pay more into your pension!"

However, where the same people are shown a benchmark from their peer group on something positive like monthly pension contributions, they want to actively beat it.

Similarly, where they're shown something negative like total debt, they want to do better. It's called "Confidence Bias" and it's a key ingredient of how human's measure and perform against those we identify as like us.

Studies show this technique works with 85% of a typical population.

How to ask questions

Thank you.