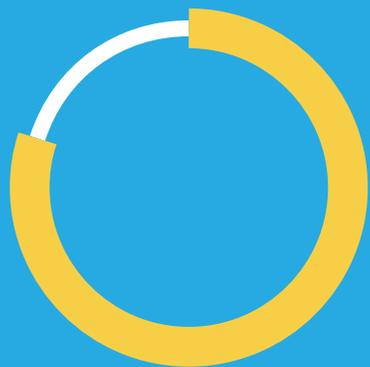


simplify

Helping employees
manage increasingly
complex financial lives





80%

of people aren't confident about their financial situation¹

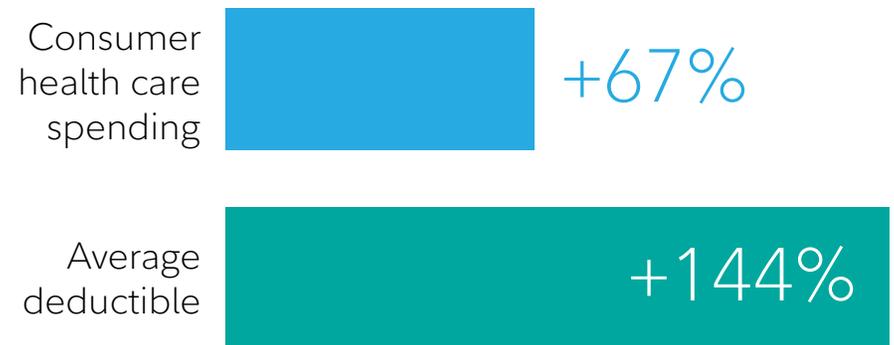
The financial lives of your employees are complicated

Over the last several decades American workers have experienced a lot of change, especially when it comes to their finances. Many employers have moved from a pension-based benefit to a defined contribution offering that requires a level of knowledge about appropriate saving and investing for retirement. And that's not the only impactful change workers have seen:

The burden of college tuition has taken an increasing toll over the past decade² ...



... and so has the cost of health care³





4 out of 5

people don't have a financial plan⁴

Employees likely need more help than you think

The average person makes many financial decisions every day. Some of these are simple decisions, like bringing or buying lunch; others, like prioritizing debt payments or investing retirement assets, require more planning and active engagement. Research shows that people who don't plan are more likely to spend their income,⁵ but many lack the knowledge and motivation to create a plan on their own.



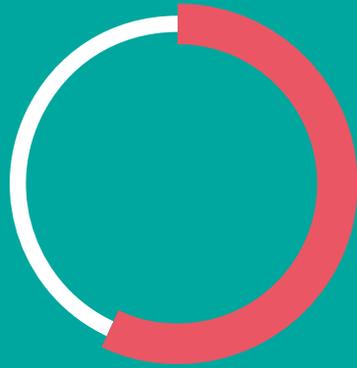
2 out of 3

people can't pass a standard financial literacy test⁶



30-40%

of wealth inequality in the U.S. can be attributed to differences in financial knowledge⁷



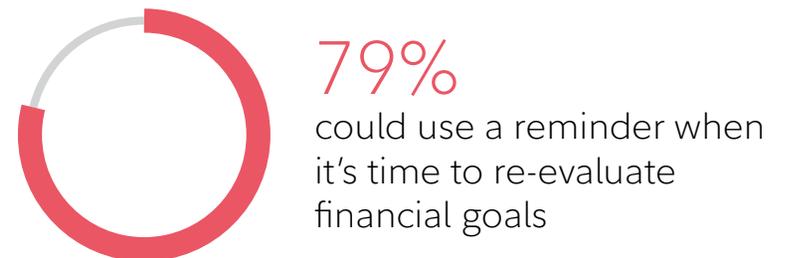
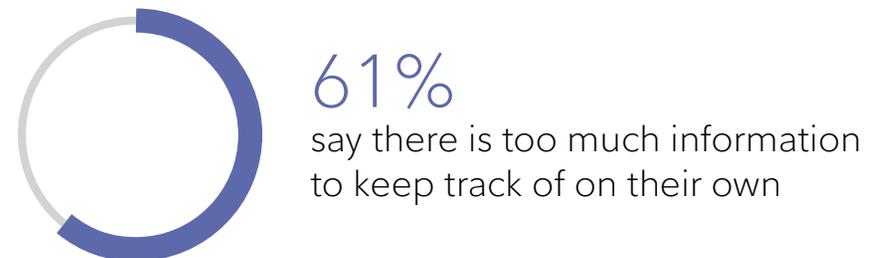
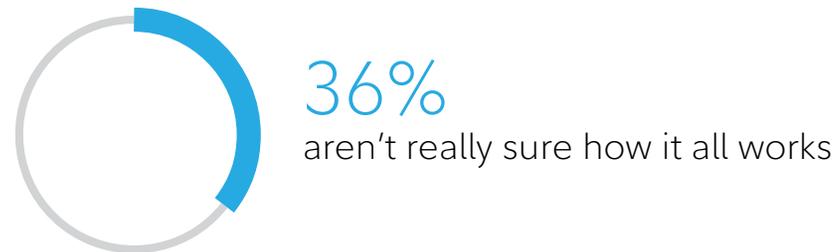
57%

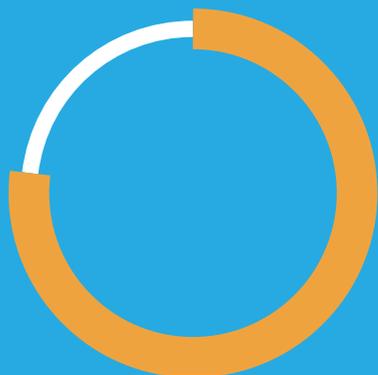
say, "I can't be happy unless I'm financially secure"⁸

For some, the need for advice goes beyond the basics

Our research suggests that about 25% of people have complex financial needs⁴ and could benefit from advice that includes ongoing support for their broad financial priorities. The rest have relatively straightforward needs or engage on their own from time to time to get the help they need.

Among those with complex financial needs⁴:





77%

want to verify their financial decisions
with an expert⁴

What employees find challenging

Many employers invest in programs to improve their employees' physical health, but improving their financial health should be no less important. In fact, in a recent study, the majority of employees told us they not only want advice when making a wide range of financial decisions but also implementing and tracking those decisions.⁴



We're providing more help

Our participants have spoken, and we've listened. To support them in all the financial decisions they face, our advice offering is expanding to address what your employees tell us they value most:



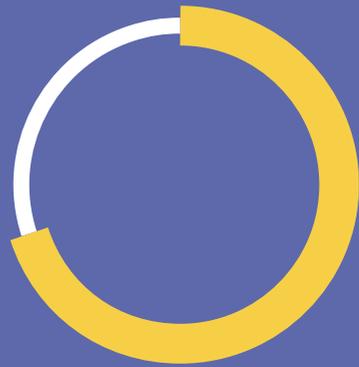
Help creating, implementing, and tracking a financial plan.



Professional discretionary investment management.



Ongoing engagement focused on individual financial priorities.



70%

of people who sought help from a financial professional and took action felt confident about their finances⁸

We believe employees can make better financial decisions with the help of an advice offering that includes ongoing support for broad financial needs. The support participants receive can be a key driver of improved financial wellness.

Speak with your Fidelity representative to review insights about your employees from our Financial Wellness Model, and discuss how we can help them simplify their financial lives.

¹ Results from Fidelity MyMoney Check-up, February 2018, 219,000 respondents.

² Cost of tuition based on U.S. Bureau of Labor Statistics Consumer Price Index, 2006–2016; average student loan balance at graduation, New York Federal Reserve, April, 2017.

³ Health care spending based on U.S. Bureau of Labor Statistics Consumer Expenditures Survey, 2006–2016. Average deductible based on Kaiser Family Foundation analysis; refers to those enrolled in a single-coverage plan with a deductible, 2007–2017.

⁴ Fidelity Investments Planning and Advice online survey. The survey was fielded in November 2017 using an external consumer panel of 2,250 DC participants employed full-time. Research was completed by ConsumerMetrics Inc. (CMI), an independent third-party research firm.

⁵ The Economic Importance of Financial Literacy: Theory and Evidence, Annamarie Lusardi and Olivia S. Mitchell, 2014.

⁶ National Capability Study by the FINRA Foundation, October 2016. Responses from 27,564 Americans.

⁷ Optimal Financial Knowledge and Wealth Inequality, Annamarie Lusardi, Pierre-Carl Michaud, and Olivia S. Mitchell, December 2012.

⁸ Fidelity Markers of Financial Wellness Survey of more than 6,000 active Defined Contribution plan participants recordkept by Fidelity, who have input into household financial decisions. Conducted by CMI Research, an independent third-party research firm. July 2016.

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