

HEALTH WEALTH CAREER

JUST RETIREMENT LEADERS' ANNUAL SUMMIT

TRANSFORMING THE WORKPLACE MODEL



MARKET CONTEXT

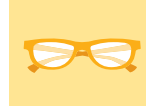


FUTURE TRENDS

A CHANGING WORLD TO TAKE ACCOUNT OF



**WORLD OF
WORK**



**SELF-
MANAGING
HEALTH**



**DIGITAL
COMMUNICATION**



**BIG DATA
DRIVING
BEHAVIOURS**



ROLE OF DEBT



**WORKPLACE
DIVERSITY**



**EMPLOYER,
EMPLOYEE
ROLES**



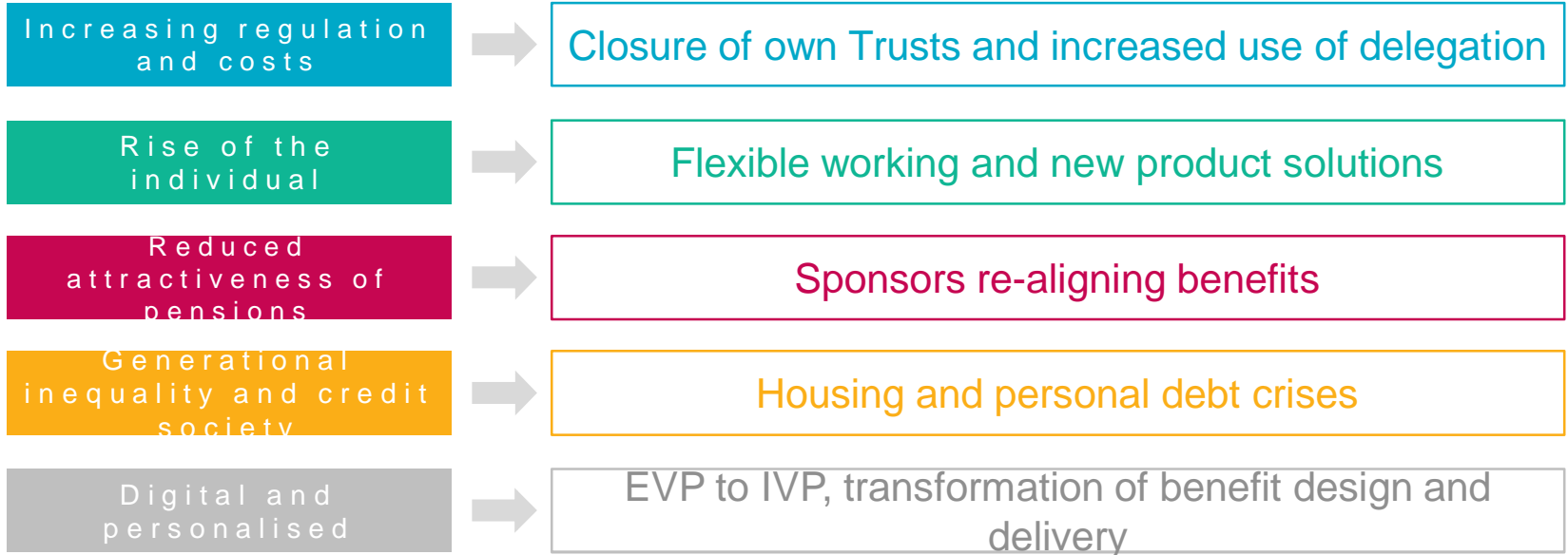
**PEOPLE
LIVING LONGER**



**PENSION
FREEDOMS**

DC TRENDS AND IMPACT

WHAT THIS MEANS



RESPONSE INTRODUCING FINANCIAL WELLNESS



FINANCIAL WELLNESS DEFINITION

FOCUS ON FINANCIAL HEALTH



Employer financial wellness is defined by:

- The positive business impact resulting from financial programmes and support designed to improve employees' financial behaviour.
- Importantly, it is measured both by the improved health of an employer ROI and employee wellbeing.
- ROI improvements include;
 - £ saving from more effective use of existing spend
 - Improvements in productivity, reduced costs associated with absence, distractions and turnover



Employee financial wellness is defined by:

- Financial health, not wealth.
- It's a highly personal state, not fully described by objective financial measures
- It's income agnostic and is more about how well an employee's money works for them

WHY DO EMPLOYERS CARE?

38%

OF EMPLOYEES

say they are worse off than in the last recession of 2008

SOCIETY FOR HUMAN RESOURCE
MANAGEMENT FINANCIAL WELLNESS
IN THE WORKPLACE

38%

OF EMPLOYERS

introduce FW to boost engagement. 22% to reduce absenteeism and improve productivity

REWARD & EMPLOYEE BENEFITS
ASSOCIATION

7 OUT OF **10**

HR PROFESSIONALS

say personal finance challenges have negative impact on employee performance

SOCIETY FOR HUMAN RESOURCE
MANAGEMENT FINANCIAL WELLNESS
IN THE WORKPLACE

22%

OF US EMPLOYEES

admit to missing at least one day of work in the past year to deal with a financial problem.

METLIFE, INC., 10TH ANNUAL STUDY
OF EMPLOYEE BENEFITS TRENDS:
SEEING OPPORTUNITY IN SHIFTING
TIDES (2012)

WHY SHOULD CLIENTS CARE?

70% of UK workers are affected by money worries

64% have borrowed to meet basic needs (80% for under 34's)

50% would value financial wellness offerings through their employer

2.5 – 9x multiple of salary for 1st time buyers

50% increase in personal debt levels since 2013

£30,000 average student debt 2015

67% are paying an APR over 20%

75% pay a premium for credit

17m workers in the UK have savings less than £100

Sources - Neyber – Financial Wellbeing survey of 10,000 employees
Money Advice Service, The Money Charity
Salary Finance, Nationwide Building Society, UK Graduation 2015

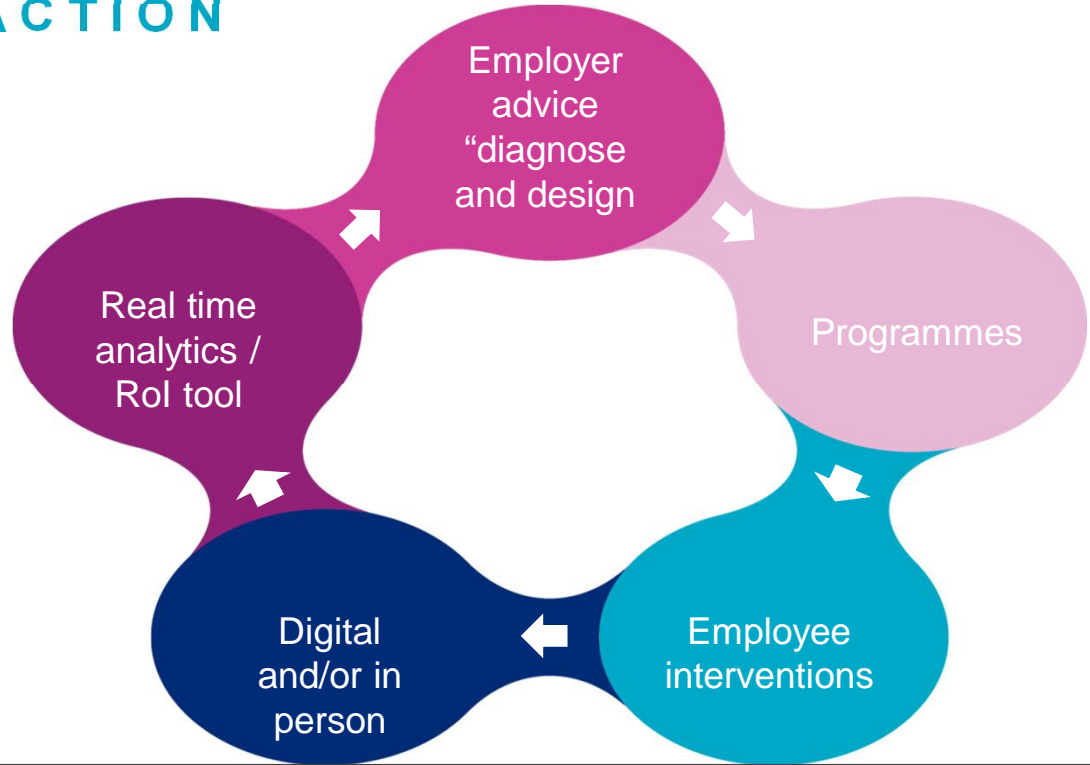
MERCER'S APPROACH



DATA, INSIGHT, ACTION

EMPLOYER

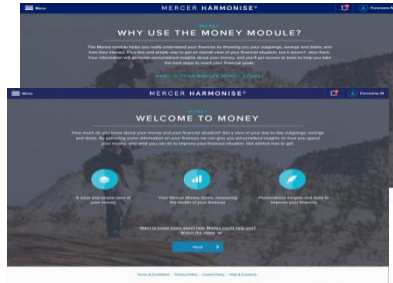
EMPLOYEE



IMPROVE YOUR ROI – BY IMPROVING PRODUCTIVITY AND RETURN ON EXISTING SPEND
DELIVERING FINANCIAL SUPPORT AND GUIDANCE TO EVERY EMPLOYEE
REAL TIME MI TO PROVE WHICH INTERVENTIONS DELIVER THE HIGHEST RETURN

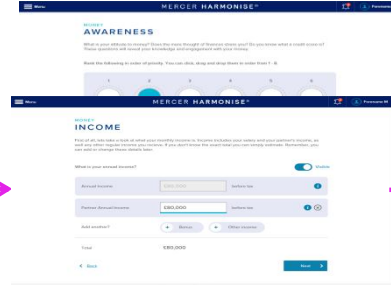
CREATING SUSTAINED BEHAVIOURAL CHANGE

DATA



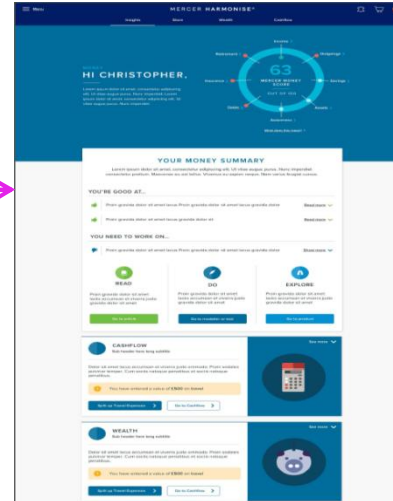
Introduce Money: Provide the *why* to completing this module and the steps they will take

INSIGHT

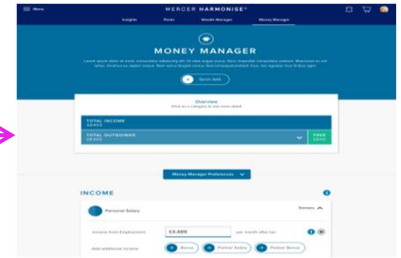


Gather data around: Financial Awareness, income, outgoings, savings, assets, debts, retirement, and insurance

ACTION

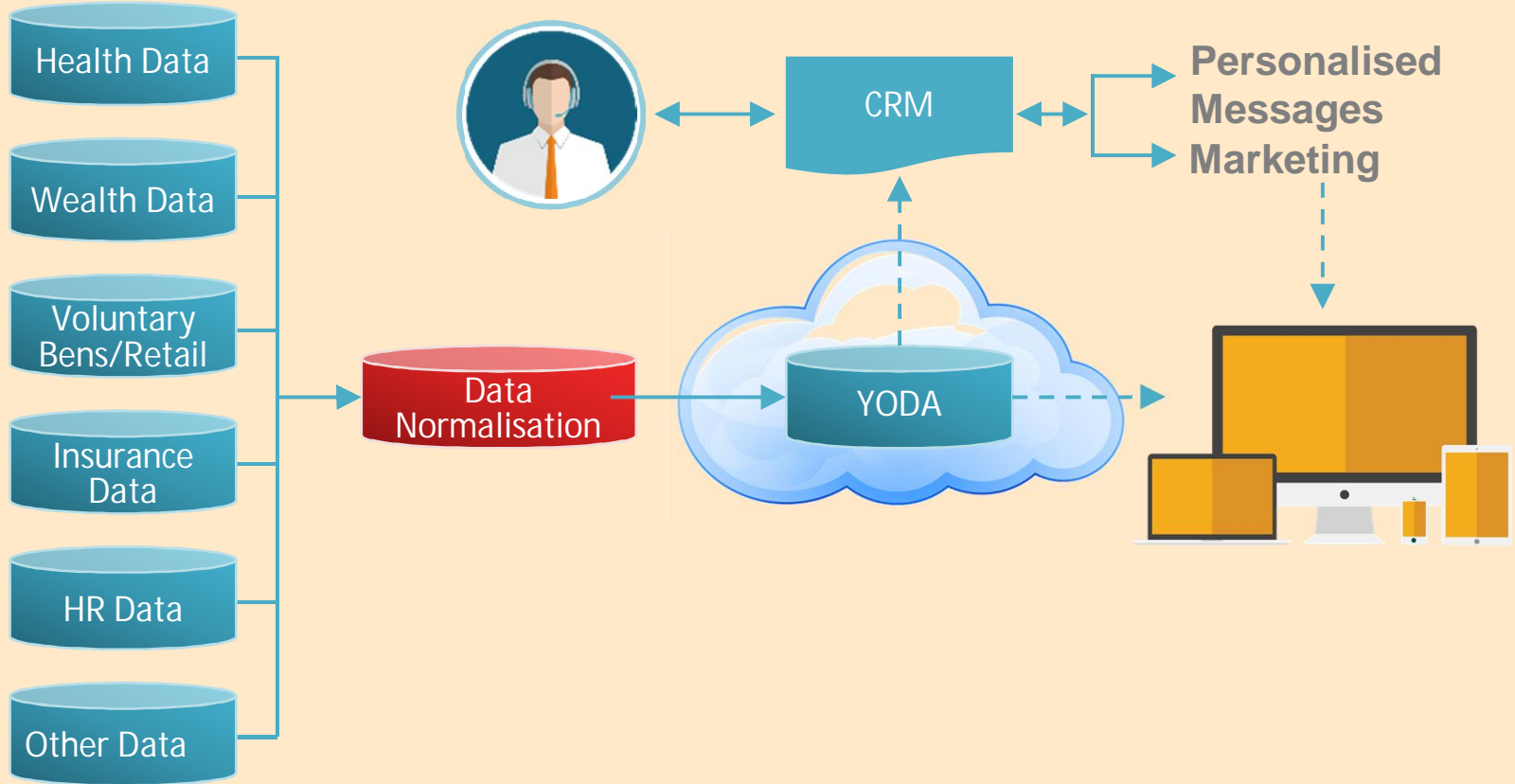


Provide score and insights: including drill down pages for each of the topics on which data was gathered, with clear call to actions to Learn, Do or Buy.



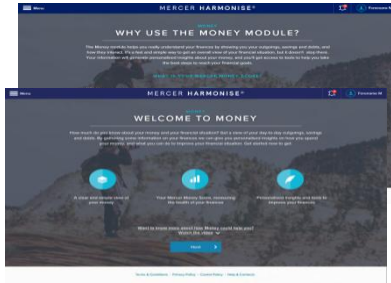
Deeper modelling tools: these help users with their Total Wealth or Day to Day Finances

DATA



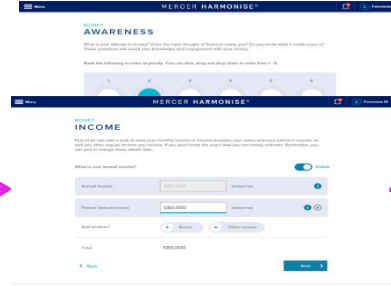
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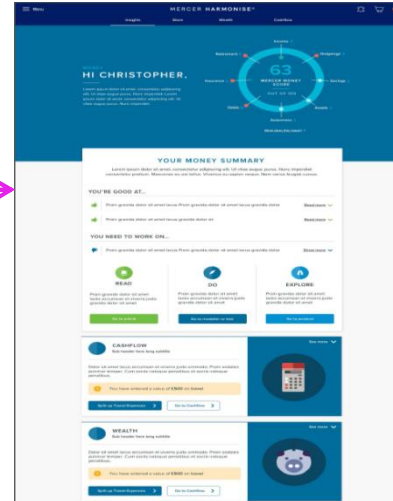
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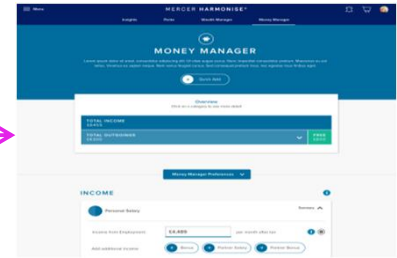


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Deeper modelling tools: these help users with their Total Wealth or Day to Day Finances

ARE WE PREPARING FOR A FUTURE WHERE?

- FINANCIAL ADVICE WILL BE AVAILABLE TO ALL AT AN AFFORDABLE PRICE (FREE) AND WILL BE ALWAYS ON?
- DISTRIBUTED LEDGER TECHNOLOGY WILL MEAN PENSIONS/SAVINGS IS A SMART CONTRACT BETWEEN YOU AND WHOEVER MANAGES YOUR MONEY WITH NO MIDDLEMEN AND NO GEOGRAPHICAL BOUNDARIES?

MAKE  **MERCER**
TOMORROW,
TODAY

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