



# Implementing Financial Wellness to increase how participants view their equity

UBS Equity Plan Advisory Services



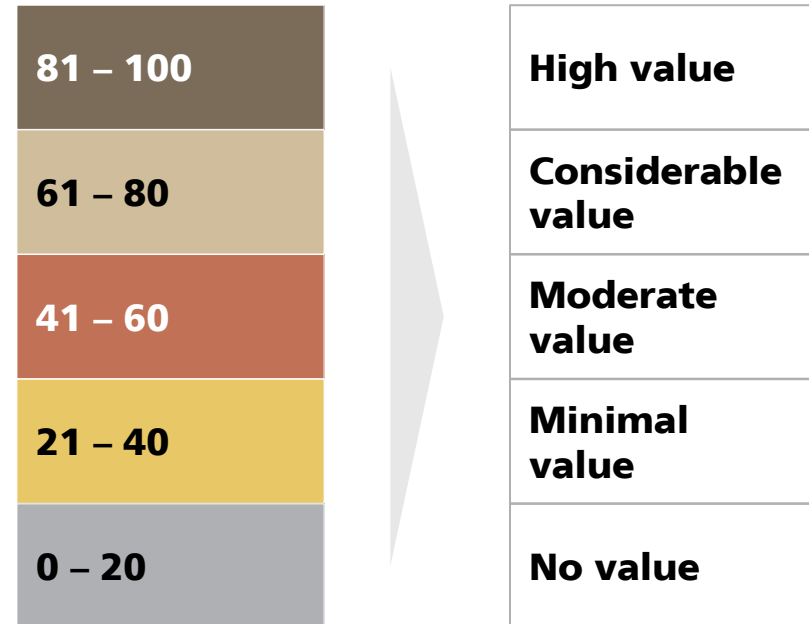
# How do equity plan participants value their awards?

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**Our Equity Award Value Index** measures participants perceived value of their equity awards based on

- **View** of equity compensation
- Importance in **taking** current job
- Importance in **staying** at current job
- Importance in accumulating **wealth**
- Incorporating equity awards into long-term **financial planning**

## UBS Equity Award Value Index<sup>1</sup>



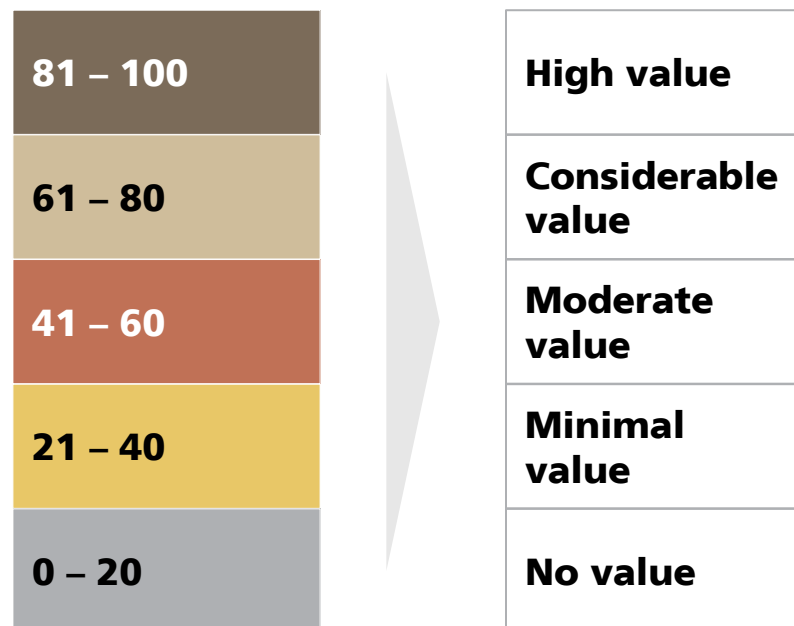
<sup>1</sup> UBS Participant Voice: The UBS Equity Award Value Index, Industry-wide online survey of over 1k equity plan participants.

# How do your equity plan participants value their awards?

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- **High value** on their awards
- **Considerable value** on their awards
- **Moderate value** on their awards
- **Low or no value** on their awards

## UBS Employee Award Value Index<sup>1</sup>



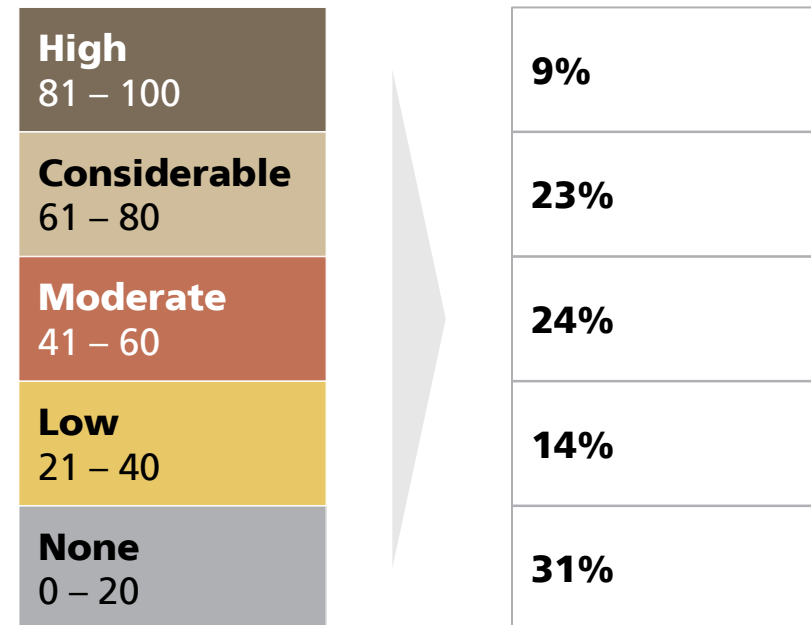
<sup>1</sup> UBS Participant Voice: The UBS Equity Award Value Index.

# How do employees view and value their awards?

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- **45%** of the participants surveyed across industries and service providers see their awards as having **little or no value**<sup>1</sup>
- **1 in 2** people find their equity plans complex<sup>2</sup>

## Employee perceived value<sup>1</sup>



<sup>1</sup> UBS Participant Voice: The UBS Equity Award Value Index.

<sup>2</sup> UBS Participant Voice: Show me the value.

# Reflection questions

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- How do you **effectively engage** your employees in taking advantage of equity awards?
- What are some of the tactics you use to **educate your employees** about their equity awards plan?

# Strategies to improve perceived equity award value

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- Equity plan **simplification** and **education**
- Effective employee **engagement tactics**
- Incorporating equity awards into overall **Financial Wellness**

# Plan simplification and education

## Effective equity compensation plan education increases valuable considerably<sup>1</sup>

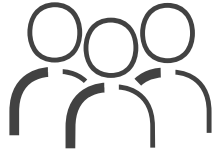


<sup>1</sup> UBS Participant Voice: Show me the value "How satisfied are you with education provided about equity compensation from the firm?".

# Incorporating equity awards in overall Financial Wellness



**Financial planning**



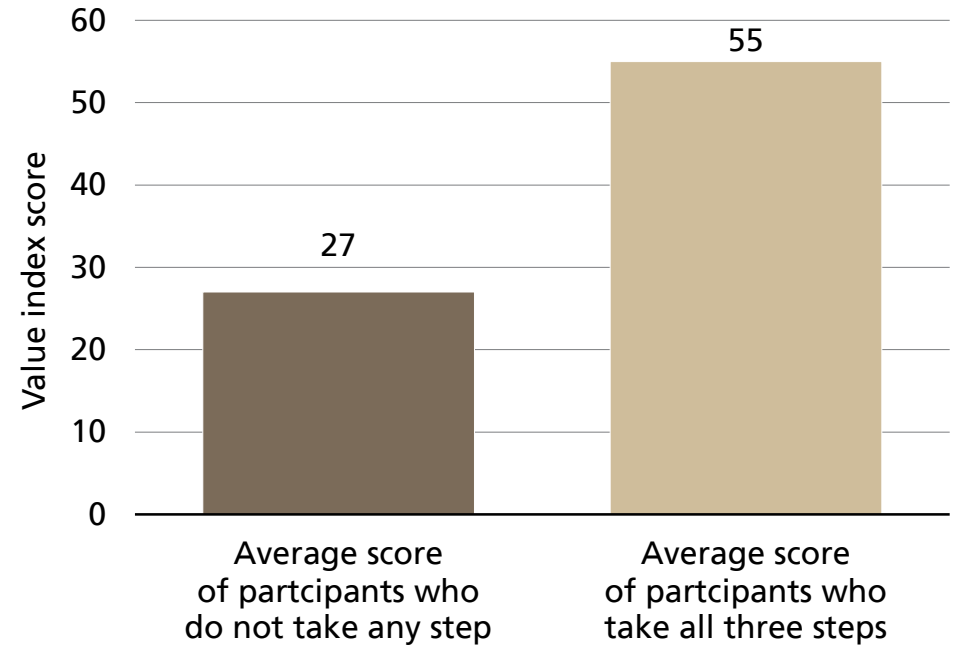
**Advice**



**Diversified holdings**

When employees engage in all three, Value Index Scores **double**<sup>1</sup>

## The Multiplier Effect

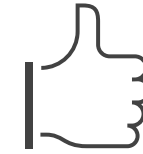
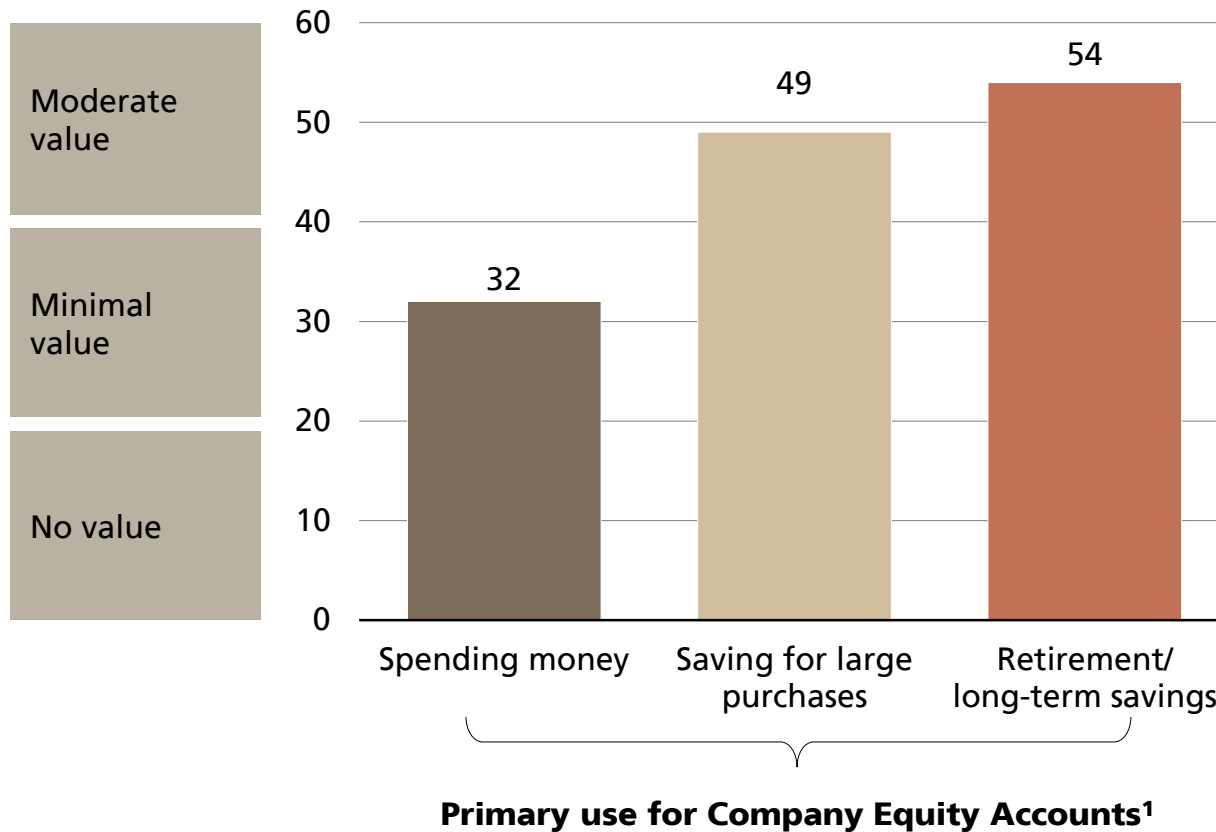


<sup>1</sup> UBS Participant Voice: The Multiplier Effect.



# Offering equity awards and Financial Wellness as benefit

Viewing equity as part of long-term plan improves value perception and overall satisfaction<sup>2</sup>.



**Financial Wellness + equity awards = greater employee satisfaction<sup>2</sup>**

**58%** increase in **satisfaction** with compensation

**63%** increase in likelihood to **recommend** the company

<sup>1</sup> UBS Participant Voice: Show me the value "What do you primarily use your company equity accounts for?"

<sup>2</sup> UBS Wellness Infographic: Less worry, more satisfaction.

# An approach to workplace Financial Wellness

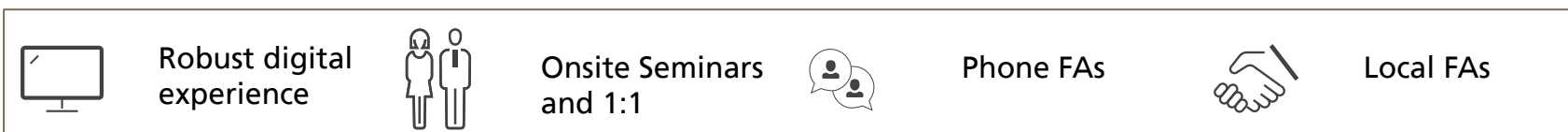
## Workplace employees

Living paycheck to paycheck

Recently promoted and juggling multiple needs

Near or in retirement age but not retiring

Executives



## Employee solutions

### Planning for now

- Budgeting and saving
- Debt management
- Mortgage help
- Emergency Checking

### Planning for emergencies

- Emergency checking
- Pre-paid checking
- Insurance

### Planning for future

- Financial planning
- Investment guidance
- Retirement planning
- Incorporate Equity Awards
- Estate planning

# Thank you

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# Appendix

# Impact of financial advice

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Advice is critical to confidence...<sup>1</sup>

"I feel excellent or very good about my **overall financial situation.**"



"I feel highly confident in **achieving my financial goals.**"



"I feel highly confident in **retiring how and when I'd like.**"



- Participants who receive advice on their awards
- Participants who have not discussed their awards with an advisor

<sup>1</sup> UBS Participant Voice: The Multiplier Effect.

# Effective engagement tactics: Gamification

The why...



**89%**

...of employees surveyed stated a point system would boost their engagement<sup>2</sup>



**62%**

...of employees stated that they would be motivated to learn if leaderboards were involved and they had the opportunity to compete<sup>2</sup>



**Constant connectivity**

- Americans spend an average of two hours each day on their mobile device<sup>3</sup>



**The rise of millennials**

- Desire for "instant gratification"<sup>6</sup>
- Average attention span down from 12 seconds (2000) to about 8 seconds today<sup>3</sup>



**Popularity of gaming**

- Globally, the online gamer community counts over 800 million people around the world<sup>3</sup>

<sup>1</sup> Fiserv 2014.

<sup>2</sup> eLearning Industry: The Top Gamification Statistics and Facts for 2015 You need to Know 2015.

<sup>3</sup> Gamification of Financial Services: Current Trends and Future Possibilities 2017.

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