eMoney

JULY 2022 TOWN HALL

Q&A SUMMARY

1. **What's the latest news on the CEO position?**
    - Fidelity is leading the search in partnership with an outside firm and are in the interview phase of the process. Interviews are set to be completed by end of Aug.
    - When we have more information, we'll be sure to share it with all of you.

2. **Economists are starting to talk about an imminent recession.**
    - **Are we analyzing the impacts to eMoney/industry?**
        i. During COVID, we started to see an uptick in usage with eMoney and as we start to think about us getting into a recession, we believe we'll see a lot more financial professionals shift their conversations from performance to the importance of financial planning – which is an area in which eMoney thrives and is well-positioned to support financial professionals during this shift.
        ii. We have regularly heard from advisors how important our platform is helping them weather these types of recessionary times.
    - **What is eMoney doing to prepare in the event of a recession?**
        i. We are always monitoring our cost structure for affordability – especially during recessionary times and those of inflation. We do this from both sides of the house – between our revue, pricing strategies, etc. and relentlessly looking at our overall costs. And 75% of our costs are driven by labor so, we must continue to monitor this area.
        ii. One way we look at this labor cost is through attrition and open reqs. When people choose to leave eMoney, we don't automatically backfill. We really want to be prudent and re-asses every role at that point in time by questioning things like…Is that role still needed? Does it align with our strategy? If it is needed, is it needed at that same level? Should it be a higher level, lower level, etc.
        iii. The other way we look at costs is through our real estate portfolio – which is a significant expense to the business.
        iv. Now that the Providence and Radnor offices have been open for six months now, we've been looking at how the spaces have been utilized and up until this point, utilization has been very low.
        v. Given the high cost-structure and low utilization of office spaces, we have decided to make the following changes to our site strategy.

3. **With inflation reaching 9.1% in June, are there plans to adjust our compensation, since this creates a 9.1% pay cut for employees?**
    - Inflation is top of mind for total rewards.

- We have just finished conducting our mid-year market refresh. We review all roles in the company twice a year against market data to determine if there is a shift in compensation ranges and review each employee in that range. If a role shifts up, we adjust employee's compensation accordingly in partnership with the manager.
- In addition to the market research we conduct, we also look at additional compensation and health care increases – both of which have increased by 10% and 20%, respectively.
- The recent Aetna transition allowed us to improve the employee experience and provide quality healthcare coverage to all employees – across more than 30 states. And we did so without increasing costs and keeping High Deductible Plan – providing a free health care plan to employees that receives employer HSA contributions each year.
- Additionally, other companies have started to require employees to return to the office, we have not required folks to come back in the pre-pandemic hybrid model – helping to minimize commuting expenses.
- Lastly, we introduced a $50 monthly flexible work allowance to help with the expenses of working from home.

4. **With low attendance numbers in the Providence office**, **is there a possibility that the office will eventually be closed down for good/downsized?**
    - We are currently re-evaluating all of our real estate options. Since reopening in January, the average number of people in the Providence office is 3 per day. While the Providence office will remain open for the next six months, we are actively exploring all real estate options available to us at this time.
    - An office update and site strategy communication was sent the week of Aug. 1 with more information about each of our current office locations. Click here to read more.

5. **What data are you using to inform your decision about restricting people who have not been vaccinated from coming to the office? What is your criteria for opening the office to anyone?**
    - We are monitoring the subvariants to understand the impact and will decide shortly if the vaccine requirement will remain in place. Over the last several weeks we have seen a spike of cases in office. We continue to follow CDC guidelines

6. **Why are we in a hiring freeze?**
    - We're not currently in a hiring freeze. Today, we're actively hiring and recruiting for more than 26 open positions.

7. **Even though we are in a hiring freeze, why can't we look for backfills? There are teams and groups which have needed backfills for a long time, these are not new positions.**

- We do still look at backfills; however, we also review all backfills to understand if the role is still needed an if so, is it needed at the current level or do we re-purpose for a different role that maybe needed.

8. What qualifications are a good fit to explore future roles in corporate, and who would we speak with to learn more?

- Always start with your manager as they know your skillset best.
- You should also feel comfortable discussing your areas of interest with them.
- We'd encourage you to attend the Business Unit information sessions.
  i. Financial Planning
  ii. Legal, Risk & Compliance
- Feel free to explore the open roles in Jobvite to identify roles that may be of interest and don't hesitate to reach out to PX to discuss further.

9. **Is our Summit still virtual for budgeting reasons? There are large in-person conferences happening throughout the year and most others in the industry have transitioned back to in-person conferences already.**

- Due to the size of our physical event, we would have needed to make a decision over a year ago to book a function space to accommodate and we just weren't ready to make that call.
- Once we went virtual, we had the opportunity to allow firms to send multiple people whereas before, the attendance was limited due to travel and accommodation expenses incurred. We've seen success in firm registrations over the last few years with this virtual format and the more people that can attend, the higher the adoption rate of our platform.
- We value in-person events and are attending in-person events; however, we're re-evaluating our events strategy i.e. What should our in-person events strategy be? Will we do smaller regional events or return to one large Summit event. This is an ongoing conversation and no decision has been made at this time.

10. Where do you nominate for the EEA program?

- Managers can access the EEA program overview and nomination form under the Manager Resources > Career Development on the life@eMoney Intranet.

11. Will there still be office space in Philadelphia area?

- We will continue to maximize use of the existing Radnor office space and simultaneously look for a new, smaller, and more collaborative space that will open in 2023/2024.
- Since we are still in the early stages of exploring new office spaces and the needs of our new space, the location is yet to be determined.

12. Are we still doing no-meeting Friday in August?

- We received mixed feedback last year from members across the organization about no-meeting Friday which is why we will not be re-introducing them this year.

13. **Will the San Diego office reopen until we sub-lease out the space?**
    - The San Diego office will remain closed permanently. We will not be reopening this site, as the majority of our California employees no longer live within a commutable distance to the San Diego office. Additionally, we do not currently have the staff/resources needed to maintain office functionality on a daily basis. Our San Diego location served us well over the years and we're grateful for our time there.

14. **Now that the market research was completed would we expect to hear from our supervisor about any merit increase, if applicable?**
    - The Total Rewards team is actively meeting with managers to discuss this research and if there was a merit increase needed, you'll be notified by your manager.

15. **The PIA process is new. People are not understanding how the process works and the value it brings to the organization. It seems like the legal team is slowing down progress on initiatives. Can you take some time to address the new Privacy Impact Assessments (PIA) process?**
    - Data privacy is at the heart of eMoney's business and an area that is rapidly evolving in the United States especially. There are dozens of state laws being enacted or proposed, each with its own nuances, imposing different compliance requirements and penalties for not following them. Unfortunately, these laws subject eMoney to regulations that were not present for the majority of its existence. We understand that some of the new processes we have introduced have been challenging and we will work with all of you to improve how we address privacy at eMoney.

    - We first introduced the PIAs only to new vendors and technology so that we could understand the flow of sensitive information at eMoney such as client, consumer and employee data, including who has access to it, how it's being used, and where it will be going – the full data lifecycle. We have commitments to clients, regulators and eMoney employees to understand these details as we cannot protect what we cannot measure and understand. We work hard to build trust among our clients, end users and employees, and data transparency is a key element to this endeavor.

    - The Privacy team is working with the CLT to refine a training and education program that will better enable each eMoney employee to understand privacy principles, what we look for when we assess vendors, processes and technology, and ultimately, how to be your own privacy ambassador. It is key that each person "own" privacy in their day-to-day projects. The education and awareness program will include tailored training for the business units so that each unit can apply the learnings in a way best suited to how they work. We also anticipate leveraging software platforms to make the PIA process more efficient and self-served. We anticipate beginning the training in September. We appreciate everyone's commitment to making this process a success.

16. **eMoney LinkedIn posted a partnership with Nationwide the week of 7/15. What does the partnership entail? Will nationwide have their own install for customer support?**

- The contract with Nationwide – for 10 licenses – was signed in March 2021. Due to a shift in Nationwide's strategy for implementation, the release of eMoney was put on hold until May 2022. The licenses have not yet been assigned; however, are planned to be provided to 10 wholesalers in the future. Nationwide has one admin who has been trained extensively and will act as their internal planner and support.

17. What are the broader results of the Pulse Survey that we took in 2022?

- The broader results were shared at the July Town Hall. All results were shared with each BU. If you have not had an opportunity to meet with your team, please contact your manager or PX. We as a company focused our efforts from 2021 on two areas that Pam Henry provided an update on during the July Town Hall.