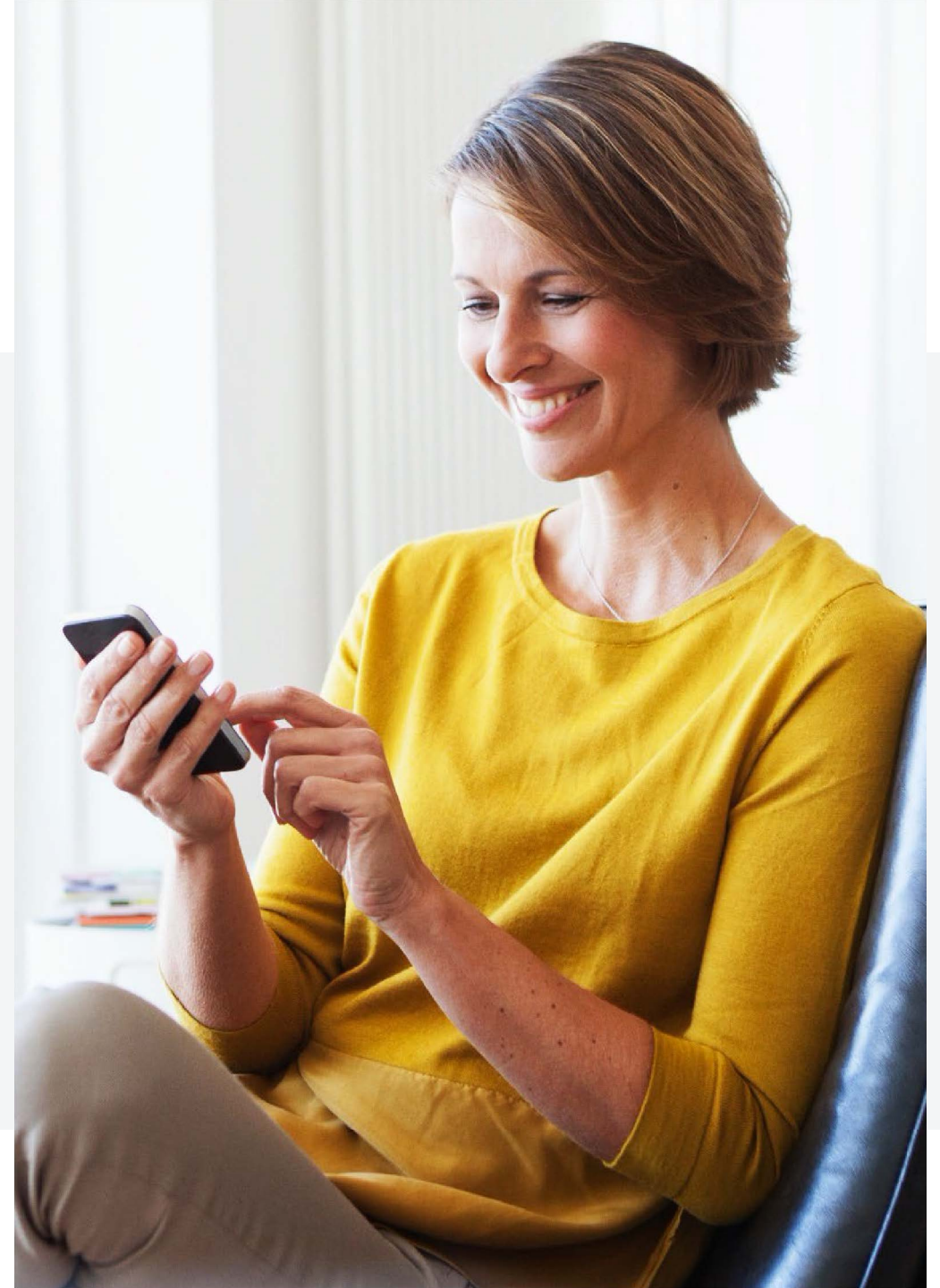




# Executing Advice with Participants



# People may be looking for financial direction in all the wrong places



56%

spend 3+ hours weekly dealing with personal finances<sup>1</sup>

73%

would be attracted to another employer that cares more about financial wellness<sup>1</sup>

4 in 10

don't know where to go for financial planning advice<sup>2</sup>

47%

earning \$100K+ salary are stressed about finances<sup>1</sup>

NEARLY

1/2

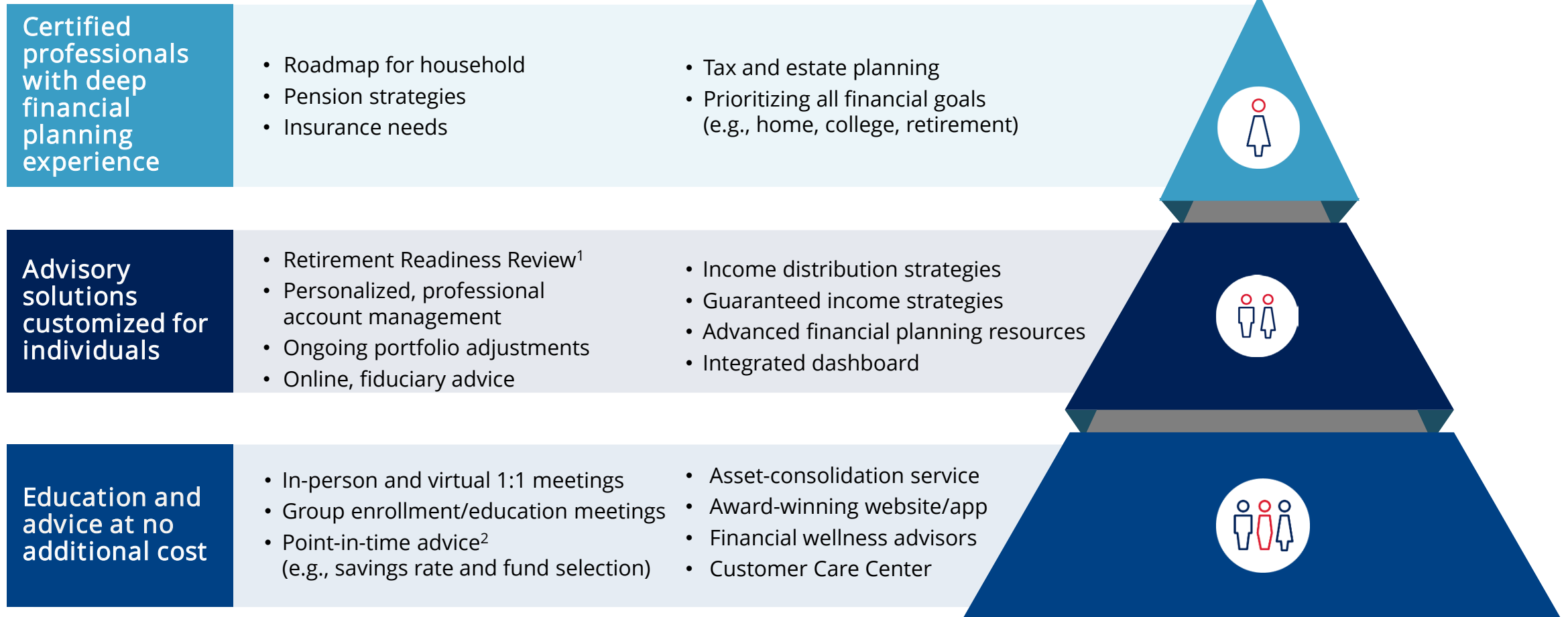
say debt is negatively impacting their ability to save for retirement<sup>2</sup>

Are you and your employees getting the MOST out of your plan?

1 2023 Employee Financial Wellness Survey PwC.

2 2023 Retirement Confidence Survey, EBRI.

# Education and advice for all employees



<sup>1</sup> The Retirement Readiness Review is provided by an Empower representative registered with Empower Advisory Group, LLC and may provide investment counseling and/or recommendations at no additional cost to participants. There is no guarantee provided by any party that use of the review will result in a profit.

<sup>2</sup> Point-in-time advice provided by an Empower representative may include savings, investment allocation, distribution, and rollover advice, including advice on consolidating outside retirement accounts.

# Proactive Engagement that drives measurable results

1

## Deep Understanding of Participant Population

Data driven approach aligned to client goals and high need participants

RPA's serve as experts on all aspects of the plan

2

## Proactive and Integrated Outreach for RPA

Targeted approach to meet with participants

Campaigns drive high need participants to RPAs for ongoing, white glove service

3

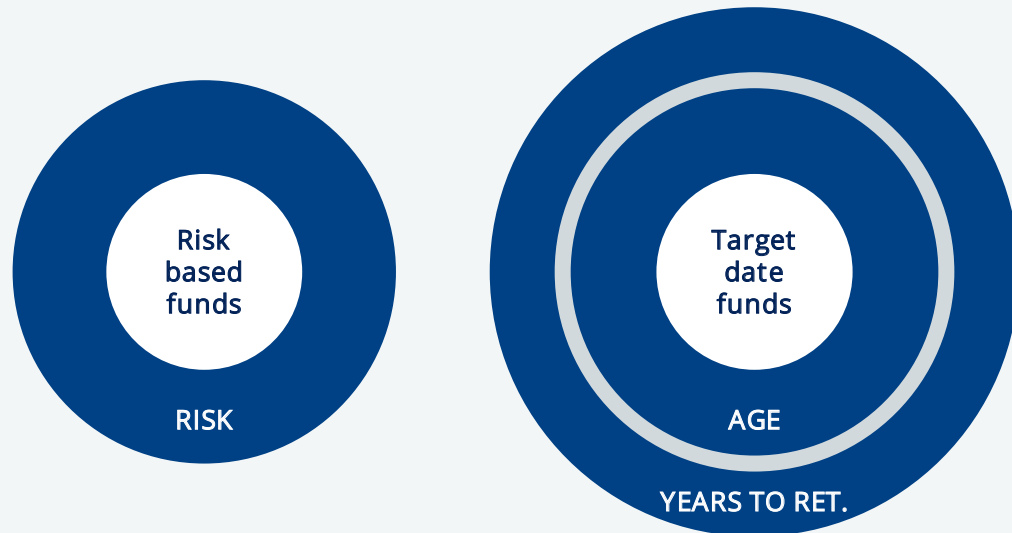
## Advice at the Center

Dual registered RPA's best use is the delivery of actionable advice

RPAs serve as one key element within the comprehensive advice offering

# How is this different than a RBF or TDF?

Retirement savings strategy customized to each employee

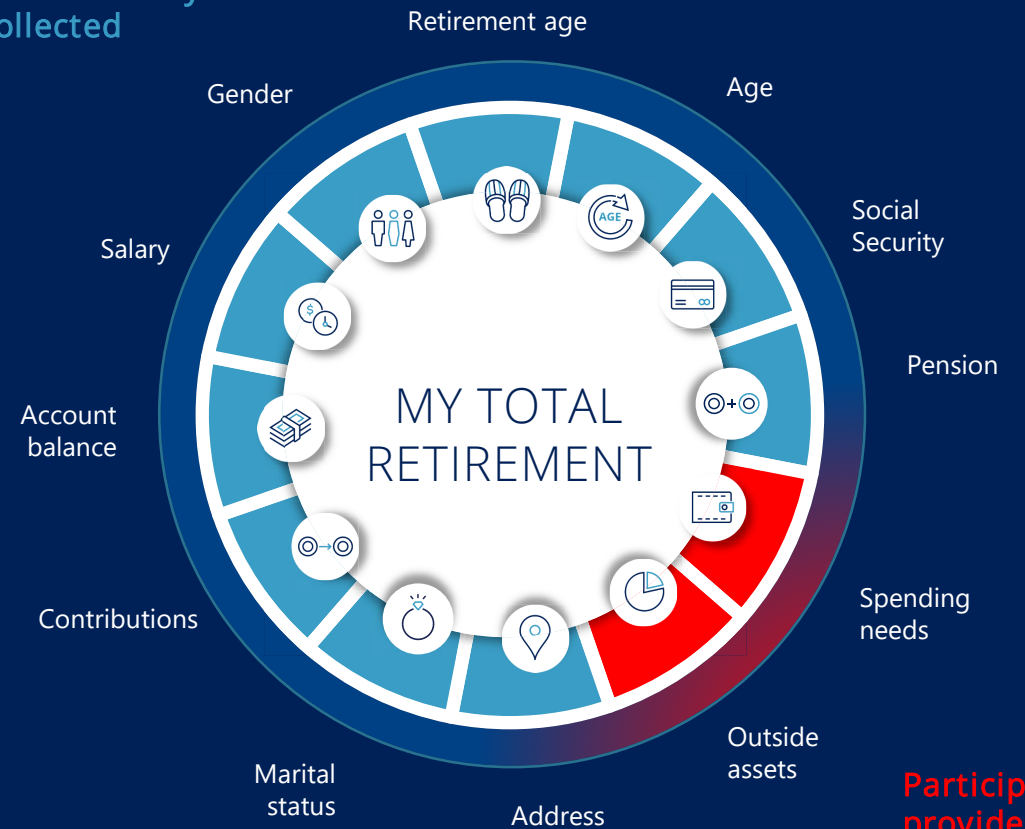


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Automatically collected



Participant provided

# Personalized advice from an Empower RPA



## Set the agenda for the meeting

Introduce Retirement Plan Advisor (RPA) and help employee understand the RPA role as an ongoing resource

*Listens with empathy, addresses questions, and follows a structured process to help drive action*



## Account review and goal setting

Build personal financial profile (e.g., Social Security, pension amount, outside accounts, and other income)

*Discusses desired retirement goals (e.g., age and lifestyle)*



## Retirement assessment

Perform diagnostic assessment to assess goal tracking to help answer the question of "Am I on track?"

*Uses our technology to run simulations*



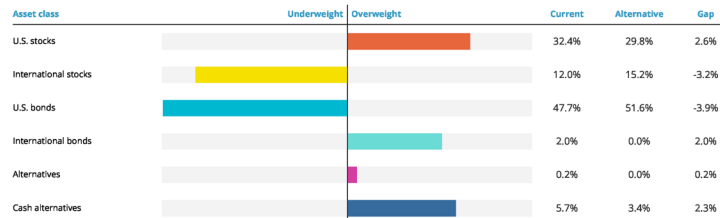
## Review analysis and next steps

Deliver advice to help with savings strategies, investment diversification, and spend down

*Provides a written plan and has the ability to implement changes*

AAG PCAP 401K TEST PLAN

### Current vs. alternative allocation



| Asset allocation | Risk profile          | Equity/bond allocation | Historical return | Historical risk |
|------------------|-----------------------|------------------------|-------------------|-----------------|
| Current          | Moderate Conservative | 45%/55%                | 6.6%              | 7.8%            |
| Alternative      | Moderate Conservative | 45%/55%                | 6.7%              | 7.9%            |

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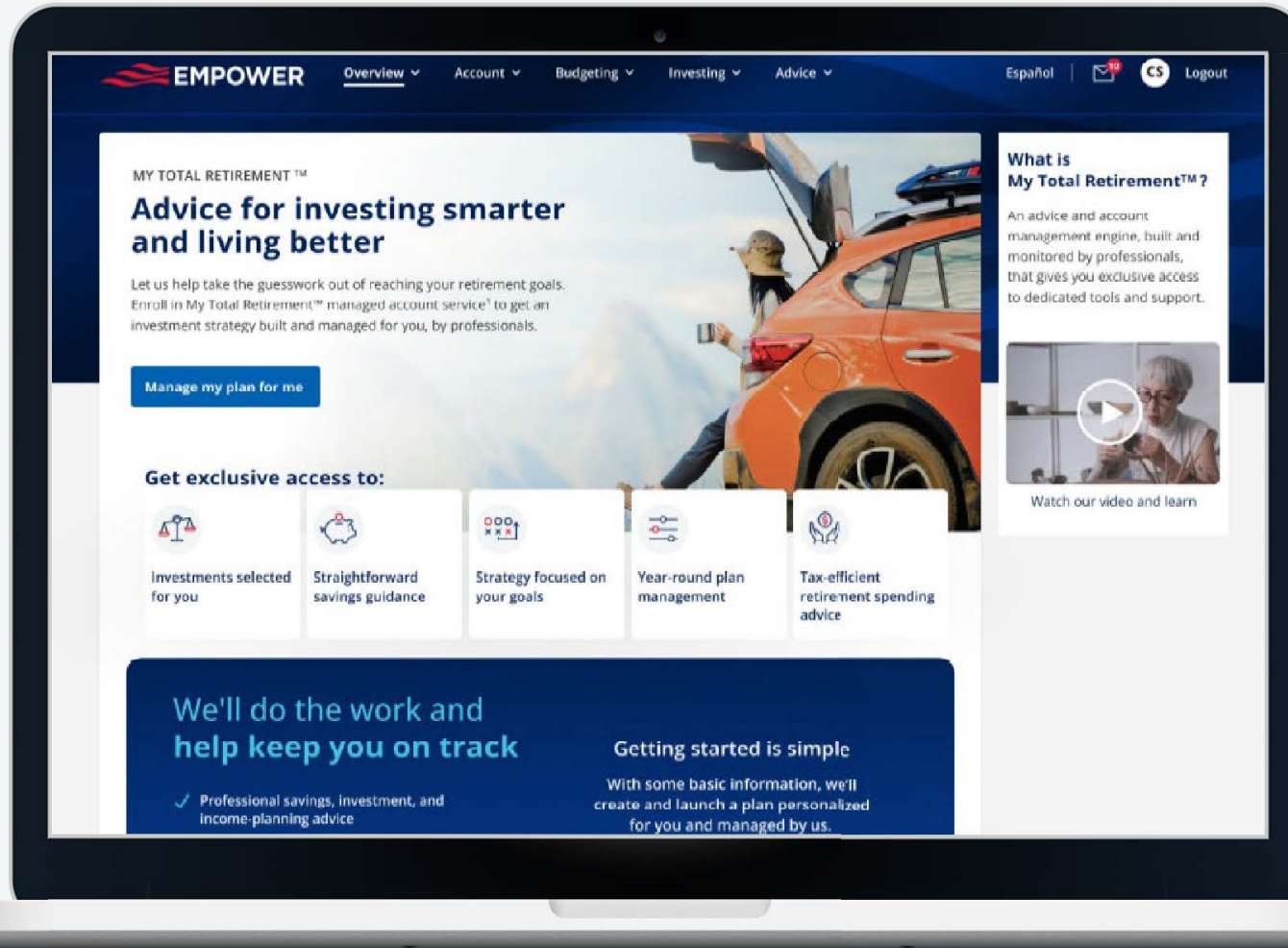
# Empower does Managed Accounts differently...

We **ONLY** want members to be a part of the service that:

- intend to enroll in the service (MA Enrollment Flow),
- understand the cost and intent of the service (Transparency),
- and receive ongoing value for the service (Ongoing Engagement).

# EMPOWER DOES MANAGED ACCOUNTS DIFFERENTLY

## Enrollment and transparency



### My Total Retirement

We need some information to calculate the chance that your portfolio will support your spending goals throughout retirement. First, let's establish the timeline for your plan.

First name: Taylor | Birth year: 1988 | Retirement age: 69

Marital status: Single | Tax filing status: Single

Age 49 | Retire @ 69

**Next**

Current savings: \$25,482

Yearly savings: \$6,733

In plan contributions: \$ 1,733 | Employer contributions: \$ 0

Outside contributions: \$ 5,000

Taylor base salary: \$ 54,500

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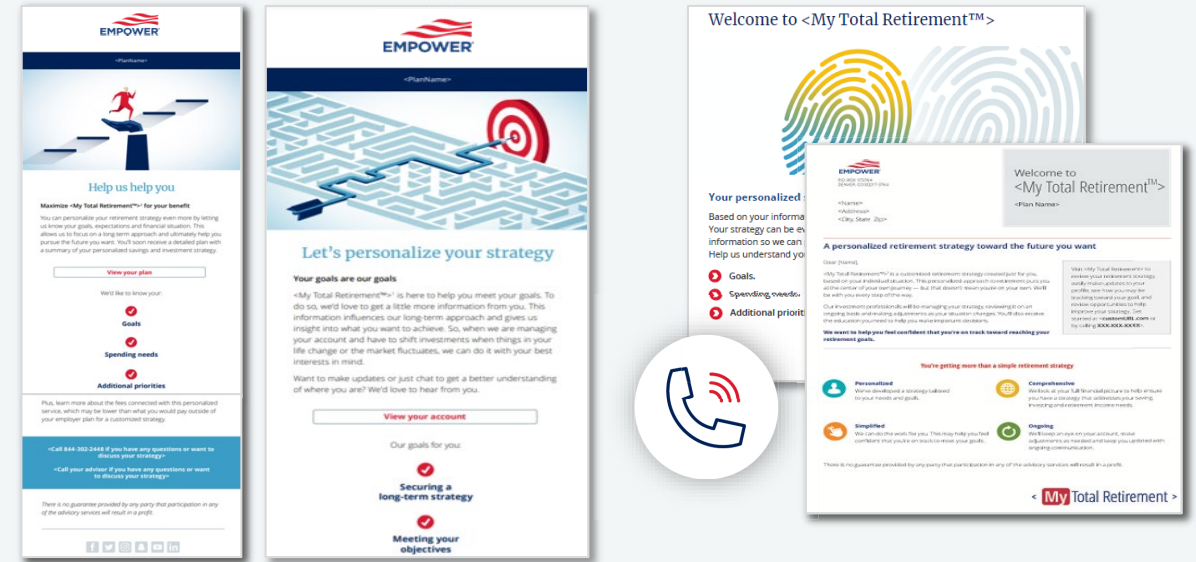
# Welcome messaging and ongoing engagement helps drive success

|                  |  |
|------------------|--|
| <b>Objective</b> | Welcome and encourages profile personalization (newly enrolled) and ongoing engagement   |
| <b>Channel</b>   | <ul style="list-style-type: none"> <li>• Multi-touch Emails</li> <li>• Outbound call (new members)</li> <li>• Post-login action (PLA)</li> <li>• Welcome kit/Annual kit</li> </ul> |
| <b>Audience</b>  | Members enrolled in My Total Retirement or Advisor Managed Account   |
| <b>Timing</b>    | <p>Triggered — 1 day after enrollment (newly enrolled)</p> <p>Ongoing — 4 emails sent once per year AND</p> <p>Triggered — 3 emails based on activity</p>                          |

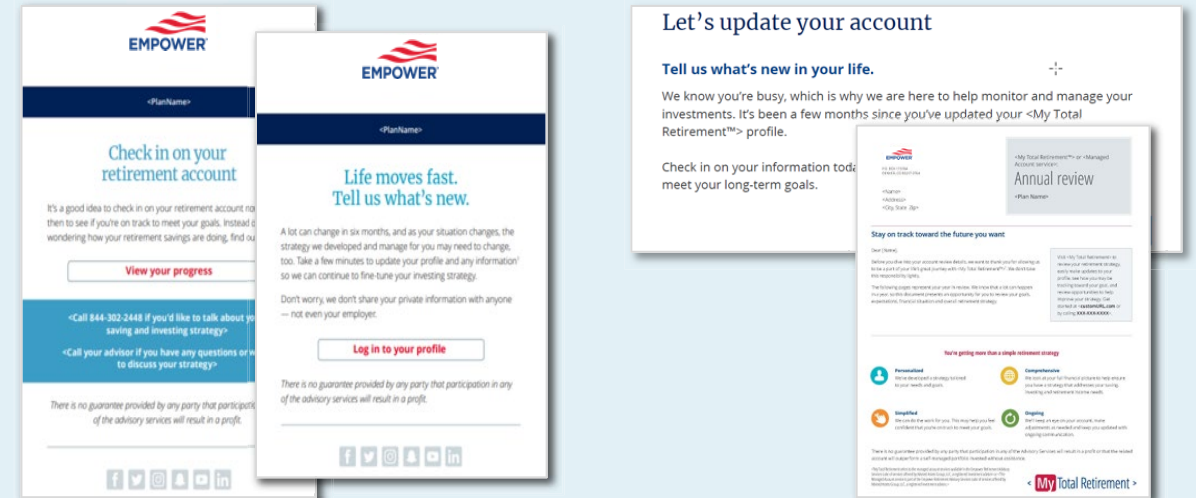
*There is no guarantee provided by any party that participation in any of the advisory services will result in a profit.*

*Online Advice and My Total Retirement™ are part of the Empower Advisory Services suite of services offered by Empower Advisory Group, LLC, a registered investment adviser.*

## Newly enrolled Welcome messaging



## Ongoing engagement



FOR ILLUSTRATIVE PURPOSES ONLY  
Some features may not be available and are subject to change without notice.

# Advice 2.0 – Enhancing our advice delivery

Deliver and execute  
point-in-time investment  
advice for participants



Integrated Best Interest  
Profile (BIP) tool into our  
RPA experience

More specific recommendations  
and how to best  
implement those strategies



Helping participants determine  
what is the best execution  
strategy to deploy

Memorialization of written  
recommendations within the  
participant experience



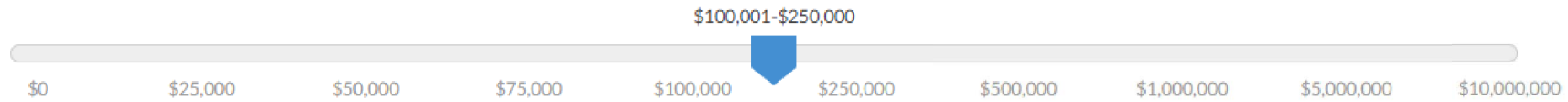
Ongoing, integrated  
documentation of written plan  
and recommendations

# Helping to determine suitability

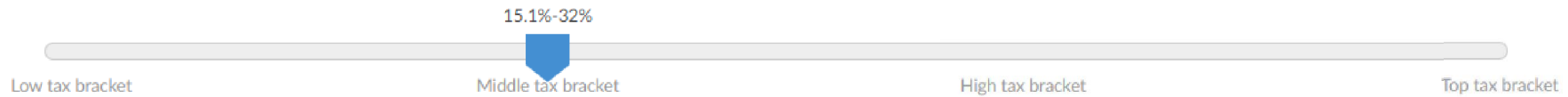
FOR ILLUSTRATIVE PURPOSES ONLY.

1m. If you answered "Yes" to the previous question, what is the name of FINRA employee?

2. Annual income



3. Current tax bracket i



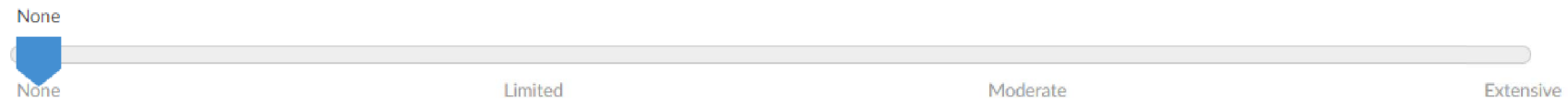
4. Liquid net worth i



5. Investment objective i



6. Investment experience



# INVESTMENT RECOMMENDATION

## Target date fund

**EMPOWER** RED EAGLE (331231-01 - Plan)  
Age: 44 Income: \$100,001-\$250,000

\*\* Disclosure email sent on 08/31/2022 17:38 EDT \*\*

Save as draft Submit for review Discard Back to dashboard

Investor Profile Financial wellness Roth vs. Pre-tax Contributions Roll-in Distribution IRA Comparison Investment advice

1. Rep to assess if client has any money in SecureFoundation.  
 Yes  No

2. Do you want to maintain your investment in SecureFoundation?  
 Yes  No

3. After disclaimer is read, does the participant still want to sell SecureFou  
 Yes  No

4. Does the plan offer Financial Engines?  
 Yes  No

5. Is managed accounts available?  
 Yes  No

6. Are target date funds available?  
 Yes  No

7. Are target risk funds available?  
 Yes  No

8. Rep to assess if fund lineup is available for the plan.  
 Yes  No

9. Do you want to manage and make your own investment decisions?  
 Yes  No

10. Would you like me to help you choose your investment options?  
 Yes  No

Recommendation:  
Invest in a target date fund.

11. Relative to your peers, do you think your financial situation is simpler, comparable, or more complicated?  
 Simpler  Comparable  More complicated

12. Would you be willing to pay a fee, generally less than 1% annually, for someone to professionally monitor and manage your account on an ongoing basis?  
 Yes  No


13. What is your age?  
43

Investment experience  
Limited

What kind of investor are you?  
Moderate

# INVESTMENT RECOMMENDATION

## Point-in-time advice



**RED EAGLE** (331231-01 - Plan)  
EMPOWER, Age: 44 Income: \$100,001-\$250,000

**\*\* Disclosure email sent on 08/31/2022 17:38 EDT \*\***

Save as draft   Submit for review   Discard   Back to dashboard

Investor Profile   **Financial wellness**   Roth vs. Pre-tax Contributions   Roll-in   Distribution   IRA Comparison   Investment advice

1. Rep to assess if client has any money in SecureFoundation.  
 Yes  No

2. Do you want to maintain your investment in SecureFoundation?  
 Yes  No

3. After disclaimer is read, does the participant still want to sell SecureFou  
 Yes  No

4. Does the plan offer Financial Engines?  
 Yes  No

5. Is managed accounts available?  
 Yes  No

6. Are target date funds available?  
 Yes  No

7. Are target risk funds available?  
 Yes  No

8. Rep to assess if fund lineup is available for the plan.  
 Yes  No

9. Do you want to manage and make your own investment decisions?  
 Yes  No

10. Would you like me to help you choose your investment options?  
 Yes  No

Recommendation:  
Invest in a lineup identified as best suited for you at this time.

11. Relative to your peers, do you think your financial situation is simpler, comparable, or more complicated?  
 Simpler    Comparable    More complicated

12. Would you be willing to pay a fee, generally less than 1% annually, for someone to professionally monitor and manage your account on an ongoing basis?  
 Yes    No

13. What is your age?  
44

Investment experience  
None

What kind of investor are you?  
Conservative

# Fund-specific advice – at no cost



- Point-in-time advice generates a one-time, customized, fund-specific investment allocation for participant.
- RPA can execute that allocation change right then and there.
- This is provided at no additional cost to plan or participant.

| HOLDING   | RECOMMENDED FUND ALLOCATION |
|---|-----------------------------|
| 07EAFW<br>BlackRock EAFE Equity Index F           | 14.0%                       |
| VWENX<br>Vanguard Wellington Admiral              | 23.0%                       |
| 04MDWS<br>BlackRock Mid Cap Equity Index - Coll F | 13.0%                       |
| WIFJBM<br>FDIC Bank Option                        | 4.0%                        |
| WIV500<br>Vanguard Institutional 500 Index Trust  | 6.0%                        |
| WISSVF<br>Stable Value Fund                       | 17.0%                       |
| BRUSDM<br>BlackRock US Debt Index M               | 23.0%                       |

# BIP tool outcomes

1

## Point-in-time advice

**Yes** to managing their own investments and  
**Yes** to help

2

## Target date fund

**No** to managing their own investments and  
**Yes** to help

Younger customers that have simpler financial situations

3

## Managed accounts

**No** to managing their own investments and  
**Yes** to help

Their age, the complexity of their financial situation, and their willingness to pay a fee to have their account managed

4

## Do-it-yourself

**Yes** to managing their own investments and  
**No** to help

# Advice 2.0 – Driving meaningful results with participants

Take-action rate is drastically improved with the combination of planning and best-interest advice



6 in 10 of those participants diversify to a no-cost solution (e.g., TDF or Point-in-time advice)



Every conversation is documented and memorialized for clarity and transparency

**Personalized retirement review**  
For the AAG TEST PPT household  
As of 04-19-2022

**Current vs. alternative allocation**

| Asset class          | Underweight | Overweight | Current | Alternative | Gap   |
|----------------------|-------------|------------|---------|-------------|-------|
| U.S. stocks          |             |            | 32.4%   | 29.8%       | 2.6%  |
| International stocks |             |            | 12.0%   | 11.2%       | 0.8%  |
| U.S. bonds           |             |            | 47.7%   | 51.4%       | -3.9% |
| International bonds  |             |            | 2.0%    | 0.0%        | 2.0%  |
| Alternatives         |             |            | 0.2%    | 0.0%        | 0.2%  |
| Cash alternatives    |             |            | 5.7%    | 3.4%        | 2.3%  |

**Asset allocation**

| Asset allocation | Risk profile          | Equity/bond allocation | Historical return | Historical risk |
|------------------|-----------------------|------------------------|-------------------|-----------------|
| Current          | Moderate Conservative | 45%/55%                | 6.0%              | 7.8%            |
| Alternative      | Moderate Conservative | 45%/55%                | 6.7%              | 7.5%            |

Retirement Solutions Group  
8515 E. Orchard Rd.  
Greenwood Village, CO 80111

August 31, 2022

Red Eagle  
112  
Englewood, CO 80134

Dear Red,

We value our relationship with you and want to thank you for your time. The enclosed information highlights the factors we've taken into consideration in order to provide you with a well-informed recommendation. Enclosures include:

- Your Personalized Recommendation Summary – This summarizes our discussion, information collected and recommendation(s) we provided. Please review the document and contact us if anything has changed.
- Your Disclosure Package – This includes the Regulation Best Interest disclosures in addition to a Customer Relationship Summary, which provides information on Empower and our broker-dealer.

We act as a fiduciary when determining your personalized recommendations. <sup>1</sup> As a fiduciary, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (duty of loyalty);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than what is reasonable for our services; and
- Provide information about conflicts of interest;

Depending on the action taken today, you may also receive additional confirmations and documentation regarding your account and/or investments. If any of your information has changed, please call an Empower representative at (877) 534-4569. We thank you for the opportunity to work with you. Please don't hesitate to contact us again.

Footnotes/Open Sans Reg, 18pt/ As of date.





Thank you