



Episode 2:

Financial Well-being Tools and Resources: A Deep Dive into Benefits

Wayne Hamilton:

I'm Wayne Hamilton, Vice President of Walmart Claims Services, and it's great to be here today. I'm joined this afternoon with three panelists on the Financial Well-being team. We've got Scott Pullin, Duncan Baird, who are directors of finance and well-being, excuse me, they've got long titles around here. And then Frederick Corey, who's a senior director of Financial Services. We're going to do three things today in the time allotted to us. We're going to talk about ONE@Work, and then we're going to talk about two programs that the company have, our 401k and our Associate Stock Purchase program. We're going to start with Frederick and tell us a little bit about this app.

Frederick Corey:

Yes. So ONE@Work is an app that is intended to help associate save educate themselves, and it used to be called before Even. And if you guys haven't done that yet, you should download it on your phone. You can find it on the App Store. There are four things today I'd like to tell you about it. The number one that creates the most choice with our associate is the ability to get paid up to 50% of your earned wages. So if you're between pay cycles and you want to get money, now you can get it. And that has had very positive impact on our associates. The second thing it'll help you with is budgeting. We have a bunch of tools that, a bit like Salkan was saying earlier, will enable you to budget, separate your needs for wants and have a clear display of where your money's going. The other thing it has too is a bunch of educational videos in line with the Khan Academy where you can learn how to spend how and why. And lastly, it's fully integrated with Walmart, so you can change your 401(k) plans, decide your benefits, your health benefits on the app. So I encourage everyone to use it, check it out. We think it'll make you happy.

Wayne Hamilton:

Great. Thank you, Frederick. That's pretty cool right there. So Duncan, you run, I think you're responsible for our 401k program. Can you tell us a little bit about that? And I know we've got pre-tax and post-tax. As you think about what you're sharing, can you talk a little bit about that as well?

Duncan Baird:

Yeah, absolutely. So when I think about the 401k plan, I think about two different things. First, I think about the associate's contributions to the plan, and then I think about the company's matching contribution. So from an associate standpoint, we've made it really easy to participate in the 401k. Everyone's eligible to participate. It doesn't matter if you're hourly or salary,

everybody's eligible to participate from the very first day with the company. You can begin participating at any time. So you can set a contribution rate right after you join the company. You can wait and do it later. You can change it throughout the year as needed. You don't have to wait for annual enrollment to do that. And you can contribute in amounts anywhere from 1% up to 50% of your pay for those 50 and older, you can do even more. So there's really an opportunity to find the right amount for you. When it comes to your contribution rate, you can do all this from the My Walmart app, the Me@ app, and one Walmart.

Duncan Baird:

It just takes a few clicks. So we've made it really easy to enroll in the plan from a company contribution standpoint. Once you've been with the company for one year and either earned a thousand hours in that year or a subsequent plan year, you become eligible for the company match. The company match is dollar for dollar up to 6% of your annual pay. You're a hundred percent vested in the match once you receive that in your account. So it's like when you think about 1%, that's a really big commitment from the company. And when you combine that with your own contributions, it makes for a really powerful way to save for retirement.

Wayne Hamilton:

Great, thank you. It's nice to know the company can match and we can make contributions to this plan. And as we think about one tool, there's also another one, the associate stock purchase plan. Can you tell us a little bit about that, Scott?

Scott Pullin:

Yeah, and just like the 401k, the associate stock purchase plan allows us to start to invest, but get help along the way. So this is an opportunity to be able to buy Walmart stock and to be able to really take advantage of the success that you're contributing to as an associate. And when you purchase that directly through a payroll deduction, it's easy. It's done for you. You can sign up right through any of those same apps that Duncan mentioned, the Mead app, my Walmart, the me at Sam's Club or the me at campus. And when you sign up for this, this is something as small as just \$2 per paycheck or as big as 26,000 you can do through the app and sign up and purchase Walmart stock. But Walmart's also trying to help you along as well. So as part of that associate stock purchase plan, we match every dollar 15% up to a total of \$1,800 that you've contributed. So that's up to \$270 of match that you can get each and every plan year, which runs from April 1st through March 31st.

Wayne Hamilton:

Great, thank you. A lot of opportunities for us then to leverage the tools that we have. We've got the match where the company's providing either through the 401(k) or the associate stock purchase program. And again, as an associate, where are the places that we can go to get this information

Duncan Baird:

For the 401k plan, if you go to one walmart.com/401k, you'll find a lot of information there. Of course, the associate benefits book, I know a lot of associates have seen that for many of the benefits, we have a 401k section in there that provides great detail.

Scott Pullin:

And there's also just a general page one walmart.com/wellbeing and all the programs be linked from that page as well.

Wayne Hamilton:

Okay, great. Scott, I have a question for you. And this is about an associate who invests in the associate stock purchase plan. They purchase and they sell a few days later or a few weeks later at a stock price. That's certainly gone up. Is this a good investment strategy for the long term?

Scott Pullin:

So of course, when we're talking about financial advice, I cannot give any, so each and every decision in terms of when you buy sell, that is all a personal decision, and you really need to think about your personal situation. But when you're thinking about selling your stock through the associate stock purchase plan, always just consider the fees that are involved. So there is a \$25 and 50 cent fee per transaction of when you sell it. And so if you're buying and selling all the time, and maybe it's just a share or two, that could be a very expensive thing for you and take a lot of the profit away. So you might want to consider thinking about holding it for a little bit and allow it to appreciate and then those fees over time, and by selling more shares, maybe down the road would be less in terms of the impact to the profit you can take.

Wayne Hamilton:

Frederick, I know when we were preparing last Friday, you had some thoughts on this. What would you like to share with the group?

Frederick Corey:

Yeah, two things I'd like to share with the group is wealth is built over time by taking a bunch of very small decision. That would be the big first takeaway for me that I've noticed. And the second one would be that being in the market is more important than timing it. So having really that long-term view and patience is key to success.

Wayne Hamilton:

Great, thank you. As you can tell, the company provides a number of tools for us, whether it's the 401k program or the associate stock purchase plan, and we appreciate that people are in different places in their lives and not every plan may work for them, but if you heard from Donna and Saul, it's about having some knowledge and being prepared so that you're making the best

decision. As we see, financial well-being ties to so many different aspects of our lives and which is why it's key to understand this. So as we wrap up, I want to just say if there's one thing you could share with this group or two things, what would you share with this group this afternoon? Starting with you, Frederick?

Frederick Corey:

Yeah, so the first thing I would share with this group is in light of Sal Khan has told us is, invest in yourself, educate yourself and be patient and things will work out.

Wayne Hamilton:

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Duncan Baird:

Yeah, and I would say two things. Like you mentioned, everybody's individual circumstances are different and everyone's goals are different. I think somebody mentioned earlier that everybody has questions. It doesn't matter how much. So I think it's important when you're thinking about finance and budget, and money to have the confidence to ask questions because I think everyone's having to do that in one way or another. I think the other thing, as you just mentioned, is taking small steps is important, and I think from a 401k standpoint, the plan is really built to enable that. Maybe you're not contributing now. Maybe you want to contribute 1%, maybe you want to increase that over time, look at what's right for you, but just realize that the tools are there if you want to even take small steps in the right direction. Thank you. Scott.

Scott Pullin:

What I would add is just think about your overall financial well-being. So as you're thinking about your financial situation, don't forget to think about the day-to-day. Think about how one at work can help you in terms of budgeting and emergency savings. Maybe think about ASPP in terms of building wealth and starting to invest. Maybe start thinking about life insurance. Are you properly insured? Can it take care of your family in that event? And then also with the retirement with 401k. So as you're thinking about that whole gamut, your whole life journey through your financial situation, then you can make decisions that has all of that go along and you can be successful.

Wayne Hamilton:

Great. Thank you. Please join me in appreciating our panelists.