

A photograph of a classroom with several students raising their hands. The image is slightly blurred, focusing on the hands in the foreground. The text 'BUILDING A PATH TO FINANCIAL SUCCESS' is overlaid in the center in a white, sans-serif font, with each word in a separate white rectangular box.

# **BUILDING A PATH TO FINANCIAL SUCCESS**

# Building a Path to Financial Success

Discover's mission is to help people achieve a brighter financial future. We are committed to providing financial education resources and tools that help our customers, our employees and students understand their personal finances.

## Financial Empowerment and Resources for Customers and Consumers

Discover is committed to providing our customers with the information and tools to help manage their finances and achieve a brighter financial future. Highlights include:

### Social Security Number Alerts

In the event a cardmember's Social Security number is found on one of the thousands of risky websites we monitor or if a new account shows up on their Experian® credit report—even if it's not a Discover account—the cardmember will receive an email alert or optional text alert after activating. The alerts are intended to help cardmembers determine whether their identities may have been compromised. See [Discover.com/FreeAlerts](https://discover.com/FreeAlerts) to learn more.

### Freeze it®

Discover Freeze it® allows cardholders to temporarily freeze their accounts at any time. The feature acts like an on/off switch and lets cardholders freeze their account in seconds with the Discover mobile app or online, preventing new purchases, cash advances and balance transfers in the event of a misplaced card. See [Discover.com/Security](https://discover.com/Security) to learn more.

1. See [discover.com/creditscorecard](https://discover.com/creditscorecard) to learn more. FICO® is a registered trademark of the Fair Isaac Corporation in the United States and other countries.

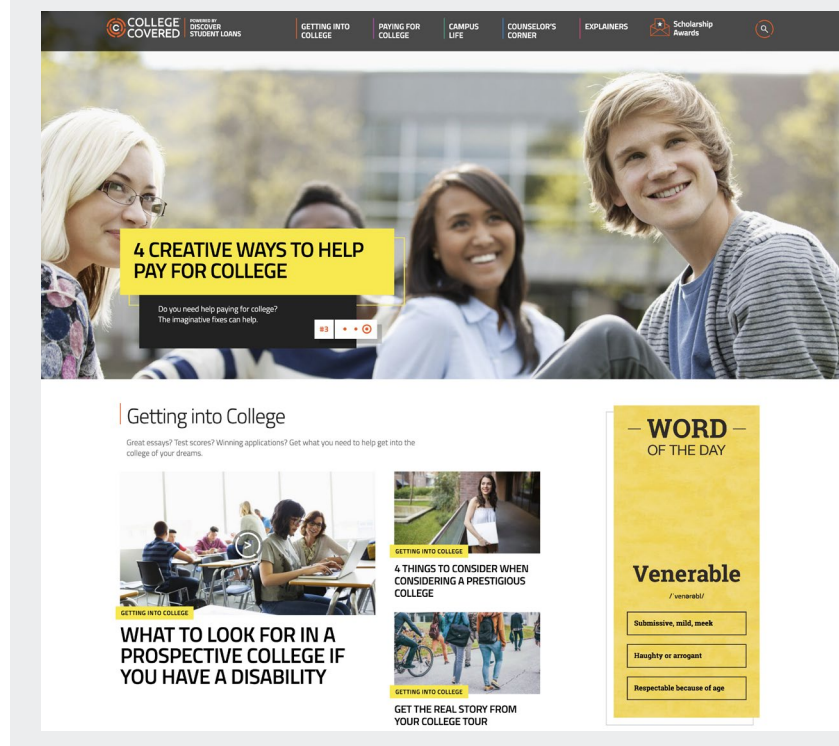
2. The reward redemption period is limited.

### Paydown Planner

Discover cardholders have access to the Paydown Planner, which uses cardholder account information to help create a payment plan that's customized to reach their goals. The Paydown Planner automatically pulls current account balance, APR, spending and payment history. From there, customers can create a payment plan by setting a target date for paying down their balance or by setting a specific recurring monthly payment.

### Credit Scorecard

Even those who are not Discover cardmembers can check their FICO® Credit Score for free with Discover. Both cardmembers and non-cardmembers can sign up to get their free personalized credit profile and FICO® Score based on data from Experian® at [www.CreditScorecard.com](https://www.CreditScorecard.com). Credit Scorecard includes a summary of data that determines a person's FICO® Score, such as the number of missed payments and accounts, revolving credit usage and length of history, along with factors that are helping and/or hurting one's FICO® Score.<sup>1</sup>



### Student Loan Calculators

Our easy-to-use calculators help students and families estimate how much to borrow in private loans. One calculator compares financial aid award letters, another estimates monthly loan payments and a third helps find ways to save on overall private loan costs.

### Rewards for Good Grades

Students enrolled in a Discover Undergraduate, Health Professions, Law, MBA or Graduate Loan, are eligible for a one-time, 1% cash reward on their Discover Student Loan for receiving at least a 3.0 GPA (or equivalent).<sup>2</sup>

### College Covered®

Discover Student Loans created CollegeCovered.com to provide students and parents with the know-how to plan and pay for college. The website offers a variety of resources and tips to help students and parents through each step of the process and provide them with the power to plan for the future.



## In the Workplace

Our commitment goes beyond customers and comes full circle to employees. We believe it is our responsibility to take care of our own. Discover offers several programs to help improve the financial capability of our employees. We offer:

### Comprehensive 401(k) Programs

- **Automatic enrollment** at 3% contribution rate with gradual auto escalation.
- **A fixed contribution of 3% from Discover,** even if employees don't contribute on their own.
- **A matching contribution of up to 4% of pay;** dollar for dollar on the first 2%, then 50 cents on the dollar for the next 4%.

### Investment Support

Investment tools are provided through Financial Engines to help employees invest their retirement savings.

- **Free online planning tools** and annual retirement evaluation to show progress towards savings goals.
- **Personalized investment advice** is an option through account management services for a fee.

## Learning Tools & Resources

In 2016 we launched “Financial Wellness for You,” an online learning program to help employees achieve their financial goals. The format is designed to make financial education enjoyable and engaging through the use of interactive games, online polls and simulations to teach key money-management concepts such as saving, investing, managing your credit score and tips for mobile banking. The program also provides direct links to help employees apply their learnings.



## Improving Financial Capability of Students

### Pathway to Financial Success

In 2012, we realized we needed to change the status quo because we owe it to our children to provide them with the best opportunity for a brighter financial future. Financial education is one key to this opportunity, yet according to the Council for Economic Education Survey of the States, only 17 states require students to take a class in personal finance before graduation. To help deliver on our mission we launched Pathway to Financial Success, [www.pathwaytofinancialsuccess.org](http://www.pathwaytofinancialsuccess.org), a five-year program that brought financial education into the curriculum at public high schools across the country.

Over a five-year period, more than 1,900 high schools and more than 1 million students benefited from \$13 million in financial education grants that Discover provided to the schools. Their students experienced up to a 24 percent improvement — the equivalent of two letter grades — on financial literacy test scores upon completion of the course.

While we have reached the end of our grant program, our commitment continues. The success of Pathway provided Discover an opportunity to evolve the program by offering financial education to schools through Discovery Education, the leading provider of digital content and professional development in K-12 education. Discovery Education's established network of schools, teachers and guidance counselors enables us to continue to deliver free financial education that will reach additional schools and more students through online personal finance curriculum and classroom activities. Since it incorporates parental involvement, it also helps teachers across the country give both students and families the tools they need to make informed financial decisions. The curriculum, called Pathway to Financial Success in Schools, launched in December 2017.

“We need all facets of business, society and government to join us in the movement to bring financial education into every classroom in America. We see Discover's Pathway program as an outlet to accomplish that.”

**David Nelms**, Discover Chairman and CEO

Pathway to Financial Success was launched as a five-year commitment to bring financial education to public high schools across the country and reach more than one million students.

Discover provided more than **\$13 million** in grants to schools

Reached more than **1,900** high schools

More than **1 million** students impacted

Participants' test scores improved by an average of **two letter grades**



## Junior Achievement Partnership

For nearly 20 years, we have partnered with Junior Achievement (JA) to inspire and prepare young people to succeed in a global economy. The program provides employees with the opportunity to volunteer on company time to teach students supplemental financial education and the principles of entrepreneurship in the classroom.

We've expanded our JA relationship to include "You're Hired," a program that provides opportunities for employees to share job skills and teach workplace readiness to high school students. Today we're proud to say we have 320 headquarters employees engaged in all of our JA volunteering opportunities, including CEO David Nelms, who is a JA alum and JA of Chicago Board member.

**Through grants and financial endowments, we have helped students in our Delaware community grow their financial skills and achievements.**

- **\$100,000** — Adult Financial Education through the Delaware Council on Economic Education
- **\$1.4 Million** — Classroom Grants for Teach Children to Save Day and Bank at School

2016-2017:

**326** classes

**7,386** students reached

**590** volunteers

Logged **1,788** volunteer hours to local JA communities

