

DCIP Business Results – Q2 2020

September 1, 2020



Scorecard – Q2 2020

Mission Statement:

Provide State of Delaware residents with a tax- advantaged voluntary savings program that promotes college readiness.

Scorecard	Q2 2020 Actual	Q2 2020 Goal	Variance from Goal	2020 YTD Actual	2020 YTD Goal
Participation Rate (New Accounts)	438	-	-	943	-
Participant Readiness (2K Rule of Thumb)	16%	-	-	16%	-

FINALIZED GOALS TO BE APPROVED BY PLANS BOARD

529 Industry Update

Direct Sold Program	Program Manager	Assets (\$M)	% Growth (Q1 20 to Q2 20)	Market Share
1. New York	Ascensus	\$28,941	13.9%	14.2%
2. Nevada	Ascensus	\$22,683	14.7%	11.1%
3. Utah	State of UT	\$15,348	14.3%	7.5%
4. New Hampshire	Fidelity	\$14,677	11.9%	7.2%
5. California	TIAA-CREF	\$9,991	12.7%	4.9%
6. Ohio	Ohio Tuition Trust Authority	\$7,247	14.3%	3.6%
7. Illinois	Union Bank & Trust	\$7,160	14.8%	3.5%
8. Massachusetts	Fidelity	\$6,929	11.6%	3.4%
9. Maryland	T Rowe Price	\$6,738	15.1%	3.3%
10. Michigan	TIAA-CREF	\$6,164	12.0%	3.0%
38. Delaware	Fidelity	\$683	9.6%	0.3%
529 Industry		\$203,942	13.4%	N/A

- The 529 Industry Direct Sold plan assets were up 13.4% from Q1 '20 to Q2 '20
- U.S. Equities increased by 22.2% for the quarter and 6.4% year-over-year.*
- Non-US Developed Equities increased by 15.4% for the quarter and declined -5.2% year-over-year.*
- Investment Grade Debt increased by 2.9% for the quarter and 8.7% year-over-year.*
- Assets in the Delaware plan increased 9.6% from Q1 '20 to Q2 '20 and decreased less than .5% year-over-year ending June '20

* You cannot invest directly in an index. Past performance is no guarantee of future results.

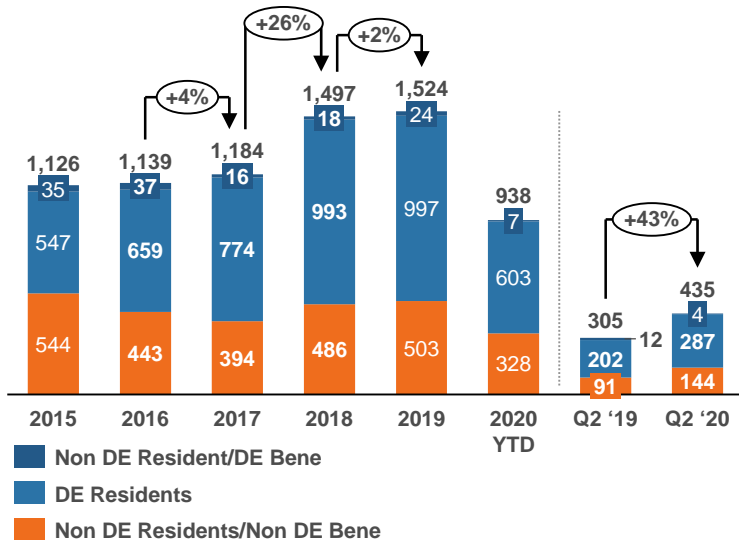
U.S. Equities - DJ U.S. Total Stock Market Index

Investment Grade Bonds - Bloomberg Barclays U.S. Aggregate Bond Index

Non US Developed - MSCI world xUS Index

Participation Rate

TOTAL NEW ACCOUNTS



COMMENTARY

- In Q2 '20, there was a 43% increase in new accounts over Q2 '19 while the industry was up 1.5%
- 70% of new accounts were opened by an existing Fidelity customer, versus 72% in Q1 '20
- 48% of new accounts opened in Q2 '20 were for children under age 5, up from 44% in Q1 '20

STRATEGIC LEVERS

Ongoing Marketing

- ✓ Execute digital marketing plan
- ✓ Drive engagement through Social Media

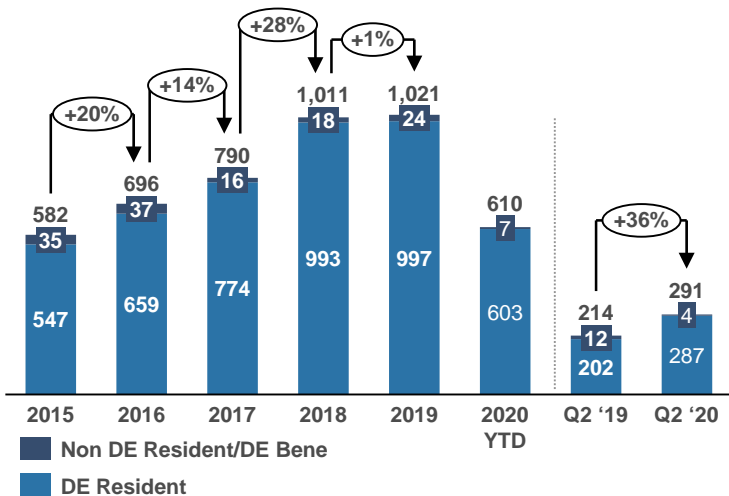
Completed Activities

- Relaunched 529 new account driver ad bricklets on Fidelity.com
- Completed test on Fidelity.com to present a 529 plan based on customer's state of residence

What's Next?

- ❑ Additional testing on 529 Overview page on Fidelity.com

DELAWARE NEW ACCOUNTS



COMMENTARY

- In Q2 '20, there was a 36% increase in new accounts for Delaware residents versus Q2 '19 while the industry was up 1.5%

STRATEGIC LEVERS

Ongoing Marketing

- ✓ Execute digital marketing plan with geo-targeting for Delaware residents
- ✓ Targeting new/expecting parents with Newborn Channel in local hospitals
- ✓ Continued engagement on local development plan

What's Next?

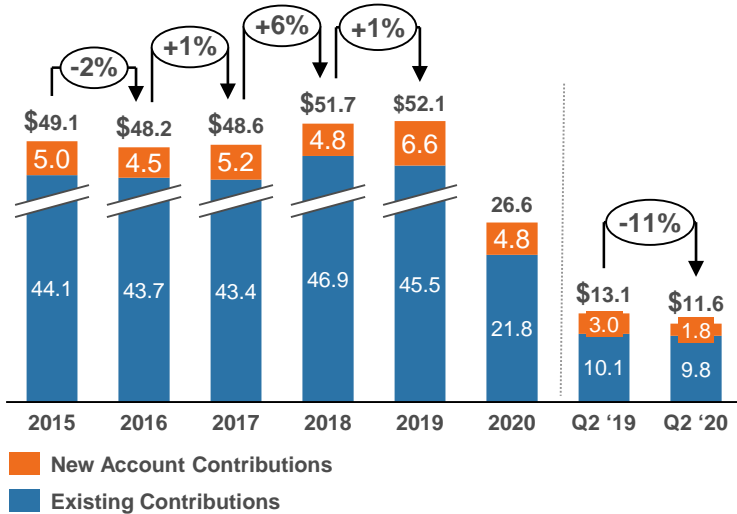
- ❑ Continue to work with local event coordinators on updates due to Covid-19

Readiness

2K RULE					COMMENTARY	STRATEGIC LEVERS
Age Bands	<1x	1-1.5x	1.5-2x	>2x	<ul style="list-style-type: none"> The 2K Rule of Thumb defines readiness as having \$2K x beneficiary age saved As of Q2 '20, 16% of accounts were meeting the 2K Rule of Thumb, in line with Q1 '20 18% beneficiaries under 5 years old were meeting the rule for Q2 '20, up from 16% in Q1 '20. 	<p>Ongoing Marketing</p> <ul style="list-style-type: none"> Use digital advertising to target existing DCIP customers and encourage them to contribute more <p>Completed Activities</p> <ul style="list-style-type: none"> Shared new article focused on college savings for 529 Day Fielded College Savings Indicator Survey with additional questions related to the pandemic and impact to college savings for families <p>What's Next?</p> <ul style="list-style-type: none"> Updates to post-login 529 digital experience on Fidelity.com including displaying daily change for account positions Continue work on social gifting experience to drive contributions through gifting
< 5	66%	10%	6%	18%		
5 -9	71%	10%	5%	15%		
10 -13	66%	11%	6%	18%		
14 -17	59%	10%	7%	23%		
18-22	69%	10%	6%	15%		
Total	69%	10%	6%	16%		

Readiness – Contributions

CONTRIBUTIONS(\$M)



COMMENTARY

- In Q2 '20, total contributions were down 11% vs. Q2 '19, while the overall industry decreased by 2%
- In Q2 '20, new account contributions were down 65% vs. Q1 '19 and existing account contributions were down 3% vs Q2 '19

STRATEGIC LEVERS

Ongoing Marketing

- ✓ Use digital advertising to target existing DCIP customers and encourage them to contribute more

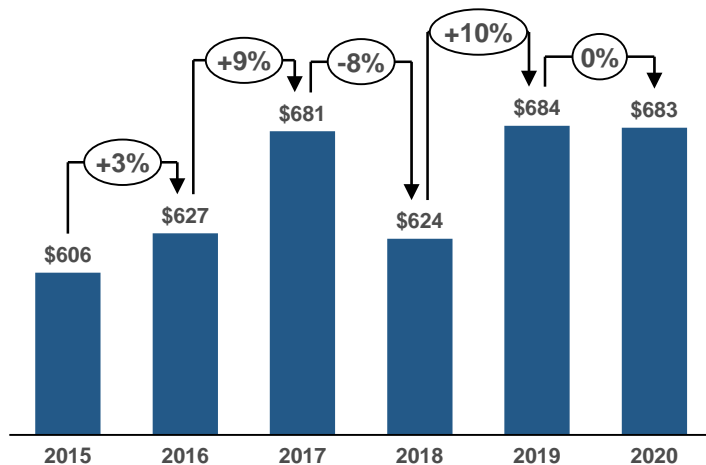
Completed Activities

- Shared new article focused on college savings for 529 Day
- Fielded College Savings Indicator Survey with additional questions related to the pandemic and impact to college savings for families

What's Next?

- ❑ Updates to post-login 529 digital experience on Fidelity.com including displaying daily change for account positions
- ❑ Continue work on social gifting experience to drive contributions through gifting

ASSETS UNDER MANAGEMENT (\$M)



COMMENTARY

- In Q2 '20, overall assets under management were up 10% from Q1'20 at \$683M, trailing the industry which was up 13%
- Distributions in the plan were down 11% in Q2 '20 vs. Q2 '19 resulting in net sales of \$3.9M
- Assets in the plan continue to be concentrated in beneficiaries older than 14 years

DCIP Marketing Update

Q2 Results

Digital Advertising

To date, our DCIP account completes increased 49% YOY*, with a 20% decline in the average cost per new account complete (CPAC) at \$816.

Savingforcollege.com continues to be the primary driver of new display account opens. Paid search account completes are up 36% YOY overall, at an increased, but still efficient average cost per account complete of \$296 (vs. \$252 in 2019).

*Data as of 5/17/20

Q2 Activities

PR

Fielded the College Savings Indicator Survey (6/5-7/2), with the addition of pandemic-related questions to gauge impact on families planning and saving for college.

529 Day

Shared new article titled “3 Reasons to Keep Savings for College” on Fidelity social channels (FB/Twitter) and Viewpoints e-newsletter.

Relaunched 529 new account driver ad bricklets on Fidelity.com that had been paused during market volatility.

Q3 Preview

Marketing Updates

Advertising that had been paused at the beginning of the Covid-19 outbreak and subsequent market volatility is back online (Pandora).

Local event programs are being adjusted as we have been maintaining support for local organizations.

New video advertising for Facebook and Instagram launching in August.

PR pitch and infographic in development that highlights college savings data from CSI survey, indicating families’ projected impacts of Covid-19.



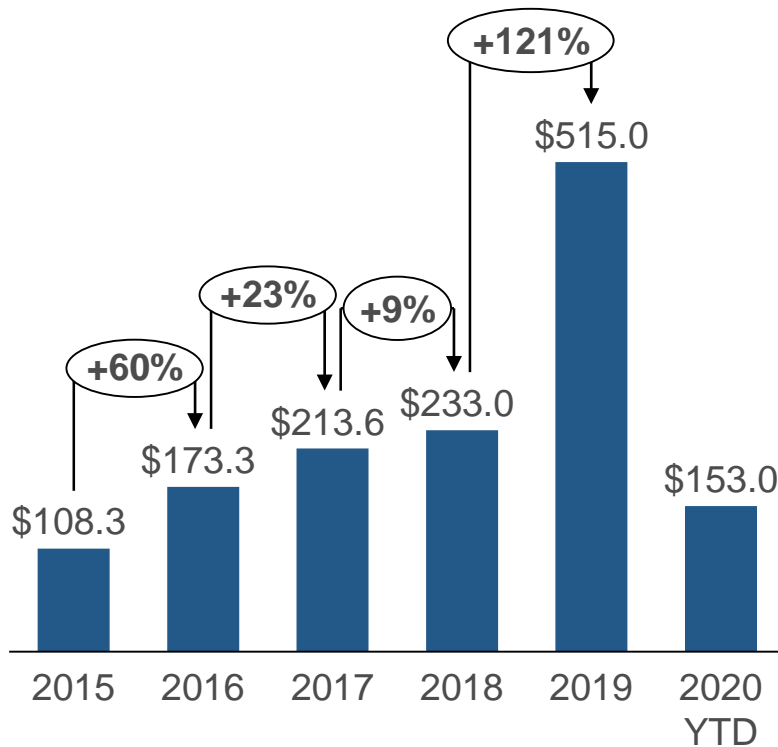
Appendix

DCIP Business Results YTD and Historical

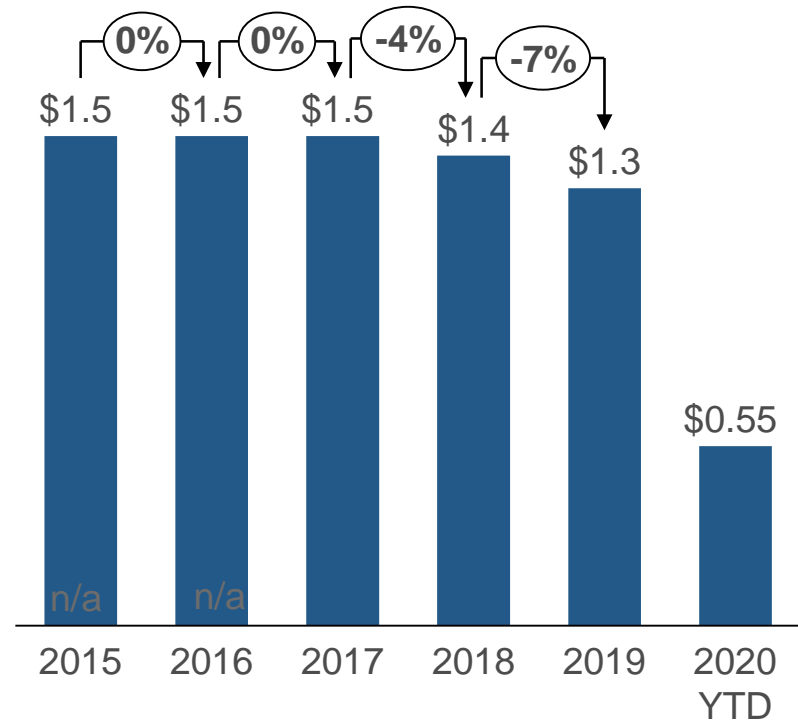
 Delaware college investment plan	Q2 2016	Q2 2017	Q2 2018	Q2 2019	Q2 2020	% Change (2020 vs. 2019)
Total Accounts (since inception)	32,563	33,655	35,060	36,507	38,314	+5%
Total Accounts with Balances	22,115	22,003	21,967	21,831	22,137	+1%
New Accounts	241	224	302	305	435	+43%
New Account Contributions	\$1.3M	\$.89M	\$1.3M	\$3.0M	\$1.8M	-65%
Existing Account Contributions	\$10.0M	\$9.6M	\$10.4M	\$10.1M	\$9.8M	-3%
Total Contributions	\$11.2M	\$10.5M	\$11.7M	\$13.1M	\$11.6M	-11%
Distributions	\$6.3M	\$7.3M	\$7.7M	\$9.4M	\$7.7M	-11%
Net Sales	\$4.9M	\$3.2M	\$4.0M	\$3.6M	\$3.9M	+8%
Assets	\$630M	\$670M	\$681M	\$686M	\$683M	-

Readiness: Contributions from Gifting and Rewards Card

CONTRIBUTIONS – FROM GIFTING (\$K)

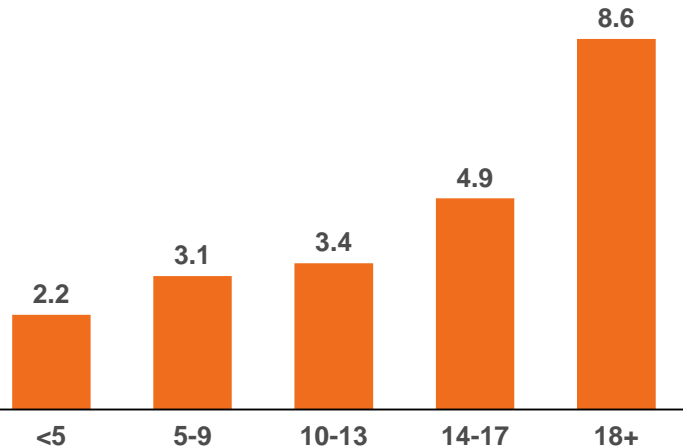


CONTRIBUTIONS – FROM REWARDS (\$M)



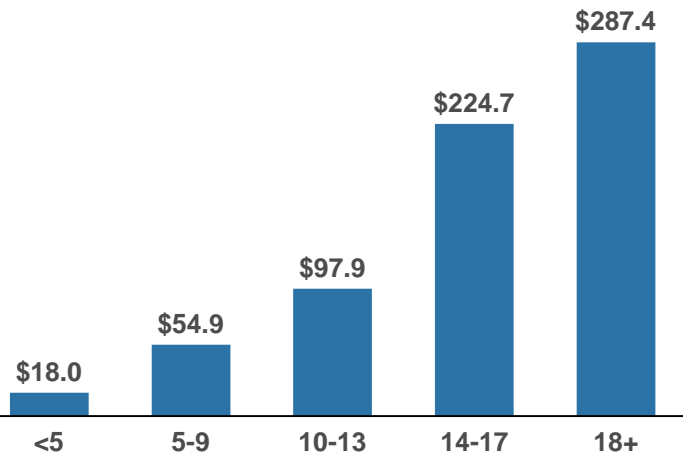
Readiness: The Age Wave

ACCOUNTS*(K)



*active accounts with balances

Assets Under Management (\$M)



COMMENTARY

- In Q2 '20, the average account size for accounts with balances was up 8% from Q1'20 at \$30,851
- 48% of new accounts opened in Q2 '20 were for children under age 5
- 75% of assets in the plan are for beneficiaries aged 14 and older which has resulted in increased distributions over time

STRATEGIC LEVERS

Ongoing Marketing

- ✓ Use digital advertising to target existing DCIP customers and encourage them to contribute more

Completed Activities

- Shared new article focused on college savings for 529 Day
- Fielded College Savings Indicator Survey with additional questions related to the pandemic and impact to college savings for families

What's Next?

- Updates to post-login 529 digital experience on Fidelity.com including displaying daily change for account positions
- Continue work on social gifting experience to drive contributions through gifting

2020 Marketing Details

2019 Media Flowchart - DE

MEDIUM (Mon Start)	January		February		March		April		May		June		July		August		September		October		November		December		Imps (000)	\$(000)																					
	31	7	14	21	28	4	11	18	25	1	8	15	22	29	6	13	20	27	3	10	17	24	1	8			15	22	29	6	13	20	27	3	10	17	24	31	7	14	21	28	4	11	18	25	2
PRINT																											180	\$22																			
Magazine																											180	\$22																			
Delaware Today																											48	\$7																			
MetroKids DE																											132	\$10																			
Budget Remainder																												\$4																			
DISPLAY																											10,835	\$169																			
STRATEGIC DISPLAY																											1,324	\$42																			
YouTube																											423	\$17																			
Pandora																											865	\$14																			
Saving for College																											33	\$6																			
Pinterest*																											3	\$5																			
DIRECT RESPONSE																											9,511	\$124																			
Amazon																											4,172	\$54																			
DBM Retargeting																											1,350	\$27																			
DBM 1st Party Data																											1,083	\$13																			
DBM Audience Targeting																											2,600	\$13																			
Saving for College																											306	\$17																			
DISPLAY AD SERVING																											N/A	\$3																			
SEARCH																											4	\$44																			
																											(clicks)																				
Google																												\$24																			
Bing																												\$12																			
Ad Marketplace																												\$8																			
SEARCH AD SERVING																												\$0																			
OUTDOOR																											305	\$30																			
Newborn Channel																											106	\$4																			
Wilmington Station																											199	\$26																			
Total																											11,324	\$265																			

2020 DCIP Local Market Development Plan

Delaware Museum of Natural History



NEW May 29, 2020 National 529 Day Facebook Presentations



5 presentations - 29 minutes after each hour on Facebook!

With story time, an animal presentation, experiments and more, this virtual event will provide entertainment for the whole family. Sponsored by the Delaware College Investment Plan. (9:29am, 11:29am, 1:29pm, 4:29pm, 5:29pm)

July 18, 2020 Family Fun Day

Family Fun Day brings families to the Museum's backyard to explore outdoor activities with local community partners. Family Fun Day also celebrates the extending of the Tropical Odyssey exhibit - *still planning for Family Fun Day to happen on July 18. This is a primarily outdoor event (weather permitting) and hopeful that people come to have some family fun outdoors.*



- Logo on Kennett Pike Road Sign (June-July)
- Mention in Summer *Discovery* magazine mailed to 2,000
- Mention in Paid Advertising
- Mention in @DeIMNH electronic newsletter
- Included in social media: nearly 19,000 followers combined on Facebook, Twitter and Instagram
- Onsite signage for display during event

NEW (October/November) Money Savings Sunday

Open to the public on Sunday mornings from 9-11 and at a discounted fee of \$3. Crafts and activities in exhibit hall, which is large and can allow for social distancing. Sponsored by the Delaware College Investment Plan

2020 DCIP Local Market Development Plan

Winterthur Museum, Garden and Library



NEW May 29, 2020 National 529 Day

Social post highlighting partner sponsor of upcoming Truck & Tractor Day

- *Happy National 529 Day! As a world-renowned teaching institution, education is a key part of Winterthur's mission, and we've been working hard to stay engaged with our students remotely during this challenging time. We look forward to when we can teach again in person and when we can welcome visitors of all ages back to Winterthur at some of our planned events later in the year, such as Truck & Tractor Day on Oct. 11, where we hope to see the future generation of college students! This year's event is sponsored by Delaware College Investment Plan managed by Fidelity.*

Blurb in Member What's Happening at Winterthur e-blast:

- *We are celebrating National 529 Day with our friends at the Delaware College Investment Plan managed by Fidelity. Education centered around the museum, garden, and library collections is a key part of Winterthur's mission. We look forward to welcoming visitors of all ages back to Winterthur for our fun and educational events like this year's Truck and Tractor Day, currently planned for October 11, sponsored by the Delaware College Investment Plan. [Learn more about the 529 Plan here.](#)*

October 11, 2020 9th Annual Truck and Tractor Day

- Largest family program of the year - celebrates Winterthur's agricultural past and the many machines used to maintain the estate today
- DCIP logo/name on select advertisements, on-site signage, and invitations, including: digital signage, tent card, day sheet for event, and e-blasts
- Onsite DCIP table to hand out materials, and connect with current and future clients
- The Delaware College Investment Plan will be listed in Winterthur Honor Roll of Donors and in the Annual Report
- DCIP Logo and active link to the Fidelity website will be included in our weekly membership e-blast when promoting Truck and Tractor Day.
- DCIP logo will be featured on the event webpage.
- DCIP will receive a social media "shout out" before the event to let Winterthur's followers know the Delaware College Investment Plan will join us onsite for Truck and Tractor Day.



Important Legal Information

Please carefully consider the plan's investment objectives, risks, charges and expenses before investing. For this and other information on any 529 College Savings Plan managed by Fidelity, contact Fidelity for a free Fact Kit, or view one online. Read it carefully before you invest or send money.

The Delaware College Investment Plan is offered by the state of Delaware and managed by Fidelity Investments. If you or the designated beneficiary is not a Delaware resident, you may want to consider, before investing, whether your state or the beneficiary's home state offers its residents a plan with alternate state tax advantages or other state benefits such as financial aid, scholarship funds and protection from creditors.

Units of the Portfolios are municipal securities and may be subject to market volatility and fluctuation.

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