




Retirement Insights

2025 Defined Contribution  
Plan Sponsor Survey Findings

# Scaling what works, shaping what's next

**J.P.Morgan**  
ASSET MANAGEMENT



Our latest *Defined Contribution (DC) Plan Sponsor Survey* captures a period of accelerated change, ongoing evolution and renewed focus for plan sponsors. The last survey was released in 2023, reflecting a nation still recovering from the longer-term impacts of the COVID-19 pandemic. Since then, plan sponsors have navigated labor market disruptions, persistent inflation, interest rate fluctuations and increasingly concentrated stock markets. They have also been presented with expanded opportunities with the rollout of the SECURE 2.0 Act.

Amid these shifts, a clear trend has emerged: a deepening commitment to continue strengthening retirement outcomes and equipping participants with the much-needed help to achieve the funding necessary for a comfortable retirement. From expanded financial wellness initiatives to emerging retirement income decumulation strategies, plan sponsors have continued to build on their successes, more engaged than ever in helping employees achieve long-term financial security.

## Table of contents

<b>Major themes in this year's research</b>	4
<b>Key takeaways summary</b>	5
Overview	
<b>Methodology and respondent profile</b>	6
<b>Signs of the times in four stats</b>	
<b>Generational influence on DC plans</b>	7
At-a-glance	
<b>Generational highlights</b>	8
PART ONE	
<b>Employee financial wellness</b>	9
PART TWO	
<b>Plan goals and design</b>	14
PART THREE	
<b>Plan investments</b>	22
PART FOUR	
<b>Retirement income</b>	27
<b>Conclusion</b>	32

## Major themes in this year's research

### **Employers continue to embrace employees' financial wellness, but untapped opportunities remain, especially with emergency savings programs**

More than 80% of plan sponsors recognize their role in supporting employee financial health, and many are expanding benefits accordingly. However, emergency savings programs, offerings with broad sponsor and participant appeal and clear value to the average American worker, have yet to gain significant traction.

### **Proactive plan design continues to boost effectiveness and satisfaction**

About half of respondents now favor a more proactive approach to plan design rather than a more participant self-directed philosophy, up over the past decade. Sponsors who take this approach report higher satisfaction across key measures, including participation and contribution rates, investment performance and participation education quality. Yet across the broader respondent group, contribution rates, participant asset allocations and communication and education engagement remain important areas for improvement.

### **Fiduciary awareness needs strengthening**

Many plan sponsors still lack awareness of their fiduciary role, with more than half not realizing they serve in this capacity and one-third lacking a clear understanding of their target date fund (TDF) offerings.

### **In-plan retirement income solutions appear to be moving from interest to action**

Sponsors are increasingly recognizing the need to support participants beyond the accumulation phase. Nearly 80% believe their plans should help generate income in retirement, and 61% of those without an in-plan income option are likely to consider adding one this year.

# Key takeaways summary

## PART ONE

### Employee financial wellness

**Wellness continues to gain ground, but gaps remain**

- 1 More than 80% of plan sponsors feel a sense of responsibility for employees' financial wellness.
- 2 While DC plans and health insurance continue to be the most common benefits, employers—led by larger companies—are broadening into other areas of wellness, though implementation of emergency savings, student loan debt assistance and debt management remain more limited.
- 3 More than 80% either offer or are considering offering a financial wellness program as part of their broader benefits strategies.

## PART TWO

### Plan goals and design

**Proactive plan design continues to drive stronger results**

- 1 Half (49%) of respondents say they take a more proactive philosophy in driving participant decisions to help strengthen retirement outcomes, up since 2015, and those that do tend to be more satisfied with their plans.
- 2 Many are taking proactive roles in enrollment, contributions, default investments and expanding plan choice, such as including Roth features.
- 3 Most are satisfied with their recordkeepers and advisors if they work with one, but with areas of opportunity.
- 4 Less than half (45%) are highly satisfied with their plans' participant education and communication efforts or are confident that their programs have meaningfully improved participant engagement.

## PART THREE

### Plan investments

**Fiduciary blind spots, the positive impact of qualified default investment alternatives (QDIAs) and the reign of TDFs**

- 1 More than half (53%) of plan sponsors do not realize they are a plan fiduciary.
- 2 Only 32% are extremely or very confident that a majority of their participants have an appropriate asset allocation. However, among those who express high confidence in their participants' allocations, most employ a QDIA, with 94% of these being TDFs.
- 3 Of those that offer a TDF, either as a QDIA or as part of the plan investment menu, only two-thirds feel they understand them at least reasonably well. But plan sponsors that work with an advisor are more likely to understand their TDFs.

## PART FOUR

### Retirement income

**Expanding from saving to spending, momentum continues to build for in-plan solutions**

- 1 Most respondents (79%) believe their plans should offer investments that help participants generate income in retirement.
- 2 Of plans without a current retirement income option, 61% are considering adding one this year.
- 3 The most appealing solution features include income growth, flexibility, fee transparency and guaranteed lifetime income.

# Overview

We released our first *DC Plan Sponsor Survey Findings* in 2013 and have published five reports since. Alongside our corresponding DC Participant Survey, this research provides a useful benchmarking snapshot of plan sponsors’ views and actions around their retirement platforms. We present this year’s findings in four key areas: *employee financial wellness, plan design, plan investments* and *retirement income*.

This report presents highlights of this research. If you are interested in exploring any specific finding or topic in greater depth, please reach out to your J.P. Morgan Asset Management representative. We also want to thank the plan sponsors who participated in this year’s survey, taking the time to share their views and insights.

## Methodology and respondent profile

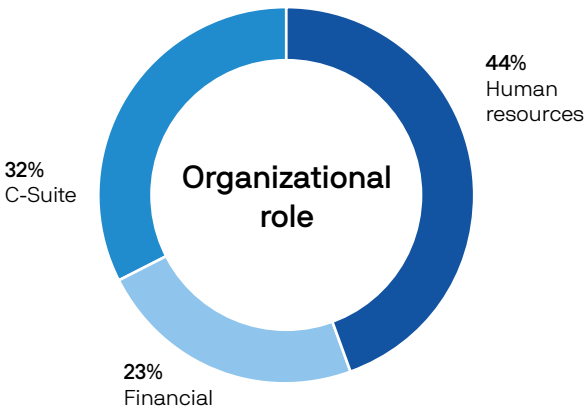
From January 7 through January 31, 2025, we partnered with Greenwald Research, a market research firm based in Washington, D.C., to conduct an online survey of 750 plan sponsors. All respondents are key decision makers for their organizations’ DC plan. All organizations represented have been in business for at least three years and offer a 401(k), 403(b) or 457 plan to their domestic U.S. employees.

The composition of this representative sample of plan sponsors is shown below, categorized by plan asset size and respondents’ organizational roles. Results aggregated across plan size categories were weighted to reflect the size distribution of plans in the U.S. DC universe.

### Respondent composition by plan assets

Plan size (AUM)	Number of respondents
Less than \$1 million	175
\$1 million to just under \$10 million	175
\$10 million to just under \$50 million	125
\$50 million to just under \$250 million	100
\$250 million to just under \$1 billion	100
\$1 billion or more	75
Total	750

### Respondent composition by organizational role (% of total)



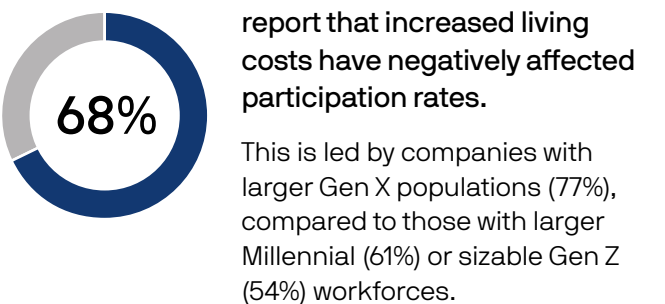
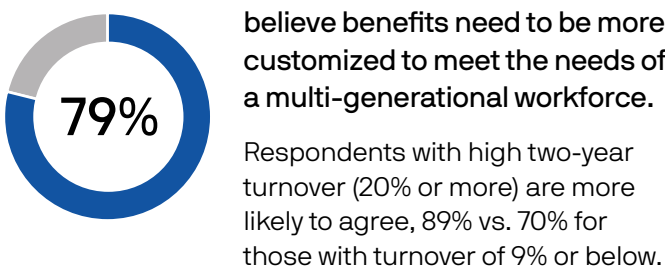
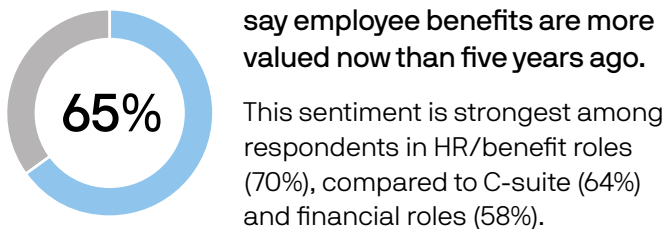
Source: J.P. Morgan Plan Sponsor Research 2025. Organizational role definitions: “C-Suite” is owner/partner, chairman, president, CEO, executive director or other general senior management position; “human resources” is human resources or employee benefits; “financial” is CFO, chief investment officer or other financial, investment or treasury position. Totals may not equal 100% due to rounding.

### Participant perspectives

Throughout these findings, we highlight how plan sponsors’ responses align with participants’ views about their retirement plans and what they want from employers, as reported on our [2024 DC Plan Participant Survey Findings](#) research, based on an online survey of 1,503 DC plan participants.

# Signs of the times in four stats

Of surveyed plan sponsors:



## Generational influence on DC plans

This year’s survey explored how generational differences within company workforces may influence benefit preferences and plan sponsor strategies. While individuals are unique, generational cohorts often view work, money and retirement planning through the lens of their life and career stages, as well as shared experiences given the social, economic and cultural forces of their times. These generational dynamics may help inform how plan sponsors view and design their benefit offerings.

We compared firms with workforces made up of more than 50% Gen X or more than 50% Millennials, since these are currently the largest employee segments in most organizations.

We also included companies where Gen Z represented more than 25% of the workforce, without a majority presence of any other generation. This was to account for its relatively smaller workforce size, while still representing a statistically significant employee population for some companies. Our survey did not capture enough firms with high concentrations of Baby Boomers to conduct the same analysis.

### Generation by year born

- Baby Boomers: 1946–1964
- Generation X (“Gen X”): 1965–1980
- Millennials: 1981–1996
- Generation Z (“Gen Z”): 1997–2012

### Note on findings related to advisors and consultants

Many DC plan sponsors work with financial advisors or consultants to help navigate plan design, investment selection and regulatory requirements, areas that can be complex and time consuming to manage alone. While both roles were referenced in the survey questions, we use “advisors” throughout this report for simplicity to refer to either or both.

## At-a-glance: Generational highlights

Generally speaking:	Statement:	% who strongly or somewhat agree		
		Notable Gen Z population	High Millennial population	High Gen X population
Plan sponsors with larger Gen X workforces are more likely to report that employees are experiencing increased financial pressures and more often believe their organizations should be doing more to help support the transition to retirement. Yet, they are also less likely to offer financial wellness programs.	Increased living costs are negatively affecting participation rates	54%	61%	77%
	Employee benefits are more valued than five years ago	47%	60%	75%
	Our company should do more to help employees transition to retirement when ready	40%	55%	67%
	Our employees are often distracted by their personal finances at work	34%	35%	48%
Plan sponsors with younger workforces tend to express greater confidence in participant savings behaviors (potentially reflecting broader use of automatic features and investment defaults), as well as stronger interest in offering enhanced financial wellness benefits, including student loan support and emergency savings programs.	We offer a financial wellness program	52%	52%	42%
	We are considering offering a financial wellness program	37%	35%	34%
	We have considered a plan re-enrollment	64%	41%	46%
	Extremely/very confident the majority of our participants are saving enough	45%	35%	22%
	Extremely/very confident the majority of our participants have an appropriate asset allocation	51%	41%	35%
	Find providing a matching contribution to the plan if the employee is making qualified student loan payments extremely/very appealing	68%	48%	32%
	Find offering an emergency savings account associated with the plan that allows after-tax contributions that can be withdrawn any time extremely/very appealing	56%	56%	43%
	We are considering raising the default contribution rate	72%	56%	54%
	We should encourage employees to save as much as they can	92%	76%	79%

---

## PART ONE

# Employee financial wellness

### Key takeaways

1. More than 80% of plan sponsors feel a sense of responsibility for employees' financial wellness.
2. While DC plans and health insurance continue to be the most common benefits, employers—led by larger companies—are broadening into other areas of wellness, though implementation of emergency savings, student loan debt assistance and debt management remain more limited.
3. More than 80% either offer or are considering offering a financial wellness program as part of their broader benefits strategies.

Companies are increasingly recognizing the connection between financial stress and reduced productivity, with a growing emphasis on supporting employees' financial well-being as a strategy to help boost morale and retention and foster a healthier, more focused workforce. This trend continues to be reflected in this year's research, which shows that only 24% of respondents believe their employees are not frequently distracted by personal financial concerns at work.

Similarly, plan sponsors increasingly are acknowledging the link between financial wellness and retirement plan engagement, as financial stress in one area can easily spill over into others, potentially lowering plan participation and contribution rates while increasing loans and early withdrawals. Conversely, employees who feel more financially secure and informed are more likely to participate, consistently contribute and make smarter investment decisions.

While financial wellness programs can be defined differently by sponsors and vary widely in actual benefits—from basic budgeting, debt management and other financial tools to workshops, personalized coaching and loan or emergency savings support—they typically center on helping to empower employees with stronger money skills. These types of programs also appear to resonate with employees, with 85% of respondents in our *2024 DC Plan Participant Survey Findings* indicating they are valuable.

With all of this in mind, this year's survey delved into how plans are approaching the topic.

#### PARTICIPANT PERSPECTIVE\*

## 85%

of surveyed participants say retirement benefits are an important factor for staying with an employer or considering a new opportunity.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

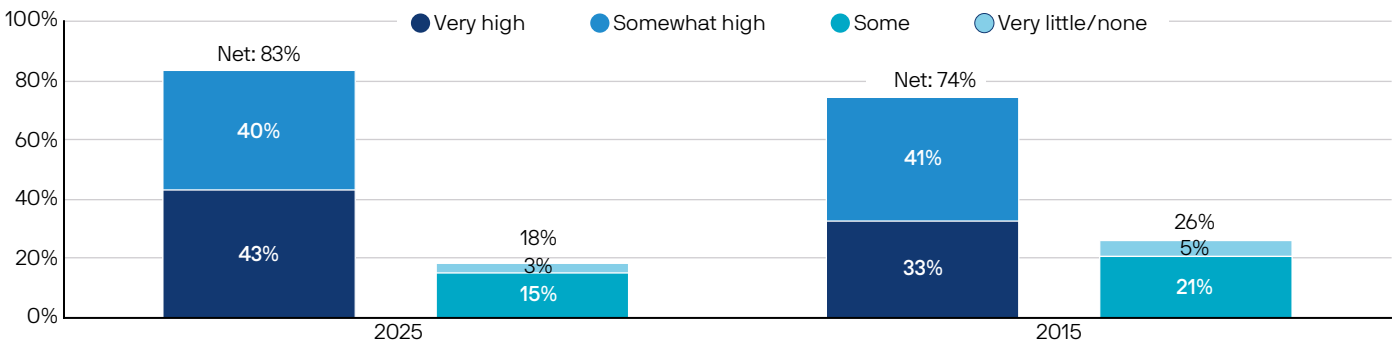
1. Most plan sponsors feel a sense of responsibility for employees’ financial wellness.

Plan sponsors continue to recognize the important role they play in supporting employees’ financial well-being. While this is, of course, grounded in the stability employment can provide through earned income, it is further supported by financial benefits that help promote

long-term security and peace of mind. In this year’s survey, eight in 10 (83%) respondents say they feel a “very high” or “somewhat high” level of responsibility for employees’ financial wellness. This represents a sizable increase from 74% ten years ago in 2015 (Exhibit 1).

More than 80% of plan sponsors express a high sense of duty regarding employees’ financial well-being, up from 10 years ago

Exhibit 1: As an employer, which of the following best describes the level of responsibility you feel for the overall financial wellness of your employees?



Note: 2015 total n=756; 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2015, 2025.

2. While DC plans and health insurance continue to be the most common benefits, employers—led by larger companies—are broadening into other areas of wellness, though implementation of emergency savings, student loan debt assistance and debt management remain more limited.

Participation in the survey required offering a DC plan. Nearly all respondents also provide employer-sponsored health coverage. Beyond these core offerings, many are expanding into broader wellness areas, with notable increases over the past few years in mental health resources, health savings accounts (HSAs), paid parental and caregiving leave and tuition reimbursements (see Exhibit 2). Among larger organizations with more than \$250 million in plan assets, these benefits are even more common: 93% offer mental health benefits, 75% paid parental or caregiving leave and 85% tuition reimbursement. Four in 10 also offer one-on-one financial coaching.

However, emergency savings, student loan debt assistance and debt management benefits are offered more sparingly across all asset levels. Plan sponsors may be surprised to learn how debt can directly

affect retirement plan engagement. For example, our joint research with the Employee Benefit Research Institute (EBRI), [Student loans take a toll on retirement readiness](#), found that participants with student loan payments had lower average DC contribution rates. Additionally, about one-quarter reduced contributions after beginning student loan payments, while one-third increased contributions when their payments ended.

Findings are similar for emergency savings. Our 2024 DC Plan Participant Survey Findings found that 39% lack basic emergency savings, up from 27% in 2021. Another study in partnership with EBRI, [Spending spikes can put retirement readiness at risk—but plan sponsors can help](#), showed that nine in 10 households faced at least one spending spike in any given year that could not be covered by current income, and more than one-third lacked the income and cash reserves

to manage the spikes. The impact on plans was clear: 17% of those with unfunded spending spikes took a plan loan, compared with just 7% of those without, a more than twofold increase.

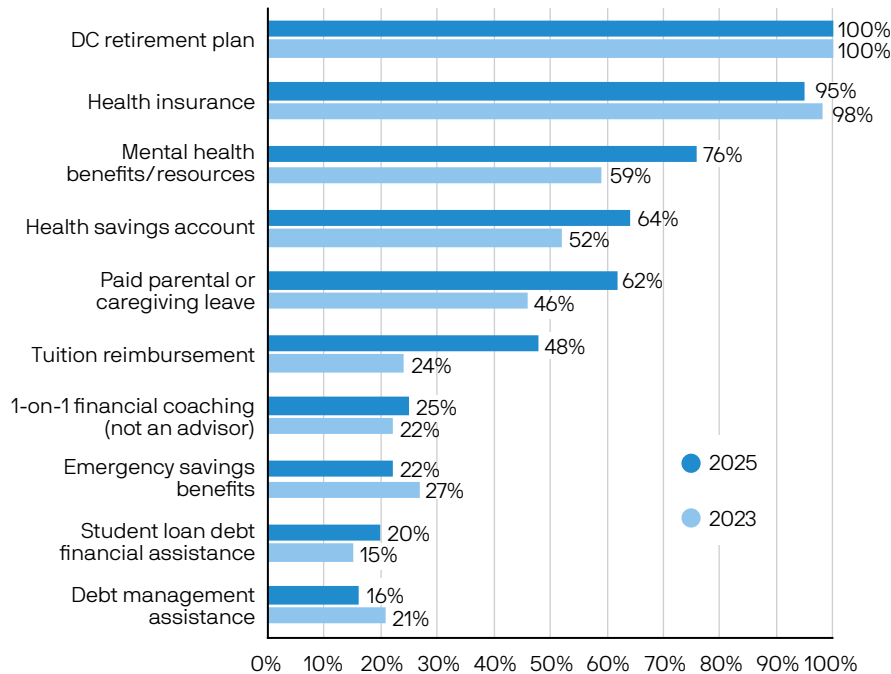
Given the strong interest respondents express in expanding student loan and emergency savings support under SECURE 2.0 (see **Exhibit 7** on page 17), it will be worth watching whether this enthusiasm translates into higher adoption rates in future surveys. In our view, emergency savings programs, in particular, represent a major opportunity. It is a benefit that nearly every average American worker could benefit from, potentially offsetting the use of loans, credit cards and/or 401(k) savings in periods of financial stress, which can have a positive outcome effect on retirement balances. These can also be offered as either in-plan or out-of-plan options.

An interesting point of comparison is how the benefits currently being offered align with those ranked as extremely/very important by participants in our *2024 DC Plan Participant Survey Findings*, which is presented to the right in Exhibit 2.<sup>1</sup> Participants' strong appetite for expanded wellness and lifestyle benefits underscores a meaningful shift, suggesting they are increasingly looking beyond traditional benefits alone, such as retirement plans, health insurance and vacation time, when it comes to what they expect from employers.

<sup>1</sup> Select responses shown for ease of comparison.

**There has been a notable expansion into broader financial and personal wellness benefits**

**Exhibit 2: Which of the following benefits do you offer to employees? (% yes)**



**Benefits ranked as extremely/very important for participants**

- Access to a retirement savings plan (92%)
- Health insurance (90%)
- Paid time off (90%)
- Ability to work from home or tele-work (63%)
- Emergency savings benefits (62%)
- Access to financial planning advice or tools (62%)
- Health savings account (58%)
- Mental health benefits/resources (57%)
- Paid parental leave (50%)
- Caregiver benefits/resources (42%)
- Debt management assistance (41%)
- Student loan debt assistance (33%)

Note: 2023 total n=788; 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2023, 2025.

Note: 2024 total n=1,503.  
Source: J.P. Morgan Plan Participant Research 2024.

3. Most offer or are considering offering a financial wellness program as part of their broader benefits strategies.

Nearly half (47%) of plan sponsors offer a financial wellness program, and another 36% do not but are considering it, both up from our last survey. On a net basis, that represents more than 80%, with the share of those not offering or considering a financial wellness program dropping from 30% in 2023 to 18%, a decline of over one-third.

**Types of benefits:** Plan sponsors with financial wellness programs are more likely to offer HSAs (71% to 59%), paid parental or caregiving leave (67% to 57%), tuition reimbursement (58% to 38%), one-on-one financial coaching (43% to 10%), emergency savings benefits (33% to 12%), student loan debt financial assistance (31% to 11%) and debt management assistance (26% to 7%).

**Goals:** Top cited goals for these programs include educating employees and improving financial literacy (40%), helping them save and create a better future (23%) and building confidence and providing support (17%). Interestingly, respondents with high two-year turnover rates of 20% or more are less likely to offer financial wellness programs, 40% to 53% among those with turnover of 9% or below, suggesting that companies can benefit from these programs, too.

**Impact on DC plans:** Sponsors that offer financial wellness programs are more likely to offer enhanced plan design features, such as automatic enrollment, employer matches, default investment options, automatic escalation and TDFs. They also express higher agreement that their companies should actively encourage participants to save as much as they can (86% to 75%), offer guidance on how much to contribute (76% to 61%) and notify participants if they are not saving enough (58% to 35%). Additionally, they are far more likely to feel responsible for helping participants generate income in retirement (81% to 54%), a topic we cover in more detail in part four of this report.

PARTICIPANT PERSPECTIVE\*

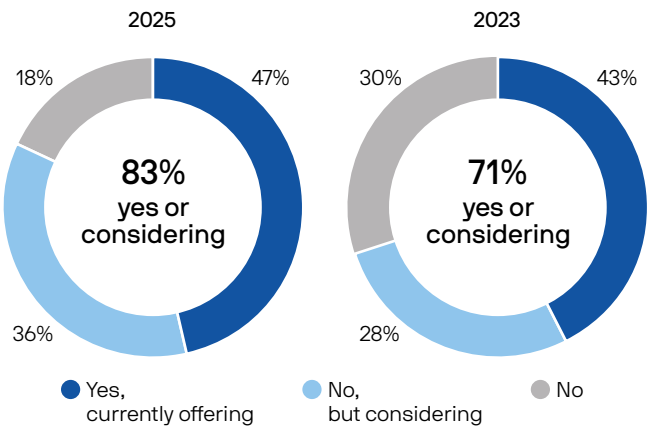
89%

of participants believe it is important for employers to offer financial wellness programs, but only 47% of plan sponsors currently do.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

Eight in 10 (83%) sponsors offer or are considering offering a financial wellness program, notably up from 2023

Exhibit 3: Do you currently have a financial wellness program within your organization, separate of your retirement and health benefit offerings?



Note: 2023 total n=788; 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2023, 2025.



## Action steps

While the appeal of traditional benefits such as retirement plans and health insurance remains foundational to a majority of companies, both plan sponsors and participants also continue to place greater emphasis on overall wellness benefits. Recent workplace trends have further highlighted the link between financial and personal wellness, productivity and employee engagement, recognizing the impact on both employee well-being and organizational performance. Research also reinforces the strong connection between participants' overall financial health and their long-term retirement outcomes.

### **Recognize the deep interconnection between your employees' financial, personal and workplace well-being.**

Workforces that are both financially and emotionally secure are typically more engaged, productive and less prone to turnover.

## Embrace flexibility

Financial wellness benefits can take many forms, allowing organizations to tailor their approaches to the unique needs of their workforces, including specific demographic segments, such as age or income.

### **Recognize the influence overall financial well-being can have on retirement plan engagement**

Research consistently shows a strong link between participants' financial wellness and their use of DC retirement plans. Financial stress can reduce participation, lower contribution rates and negatively affect long-term outcomes.

## Explore opportunities introduced by SECURE 2.0

New provisions make it easier for plan sponsors to incorporate emergency savings and debt management support within retirement plans. With these regulatory advancements, we expect continued innovation and broader adoption of these features, following a similar path of prior plan design enhancements.

### **Take advantage of the opportunities offered by emergency savings programs**

This year's findings highlight a striking disconnect: While 84% of respondents find the idea of emergency savings programs at least somewhat appealing, only 22% of plans currently offer them. Whether implemented within or outside of a DC plan, these programs provide a straightforward yet impactful way for employers to strengthen employees' financial resilience, especially given that our research shows that 39% of workers lack basic emergency savings. Additionally, these programs may help address troubling financial behaviors, such as the 48% of participants who turn to credit card debt for large, unexpected expenses and the nearly one in five who take out a 401(k) plan loan, as [presented in our \*Guide to Retirement\*](#).

---

## PART TWO

# Plan goals and design

### Key takeaways

1. Half (49%) of respondents say they take a more proactive philosophy in driving participant decisions to help strengthen retirement outcomes, up since 2015, and those that do tend to be more satisfied with their plans.
2. Many are taking proactive roles in enrollment, contributions, default investments and expanding plan choice, such as including Roth features.
3. Most are satisfied with their recordkeepers and advisors if they work with one, but with areas of opportunity.
4. Less than half (45%) are highly satisfied with their plans' participant education and communication efforts or are confident that their programs have meaningfully improved participant engagement.

As DC plans have evolved into the primary retirement savings vehicle for the average American, they have been a steady source of innovation. From the introduction of employer matching contributions to the widespread adoption of TDFs and the game-changing rise in auto features, a steadily growing number of plan sponsors are proactively positioning participants on more secure retirement investment paths.

By balancing participant autonomy with smart behavioral design defaults, the DC industry has been able to increasingly focus on gently steering people toward choices that help enhance their

long-term retirement security. Service providers, such as advisors, consultants, recordkeepers and asset managers, have also helped to drive innovations. Offerings have included enhanced plan design consulting, technology-enabled solutions and participant engagement strategies, including more targeted communications and education programs, aimed at delivering stronger retirement outcomes.

This year's survey insights highlight how plan sponsors are prioritizing these strategies and where new opportunities exist to further support participant success and stronger retirement outcomes.

---

### 1. Half (49%) of respondents say they take a more proactive philosophy in driving participant decisions to help strengthen retirement outcomes, up since 2015, and those that do tend to be more satisfied with their plans.

A key distinction in plan design lies in how plan sponsors approach participant decision-making. There are two main philosophies:

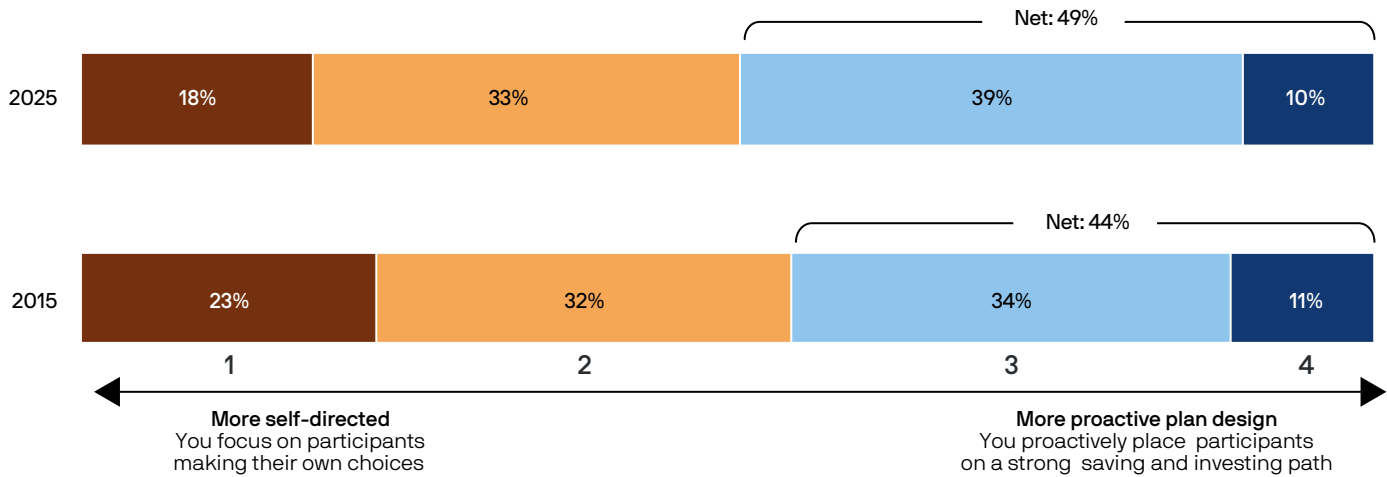
- **Proactive plan design:** These plan sponsors generally take a more hands-on approach in actively positioning participants for greater potential retirement success by incorporating features that simplify engagement, such as automatic features, targeted and personalized communications and investment defaults into TDFs and other professionally managed asset allocation strategies, while leaving it up to participants to opt out.

- **Self-directed plan design:** Sponsors following this approach generally believe that participants should take the lead in making their own plan decisions, such as whether to enroll, how much to contribute and how to invest.

Through the years, our surveys have found that the number of respondents in each camp has bounced around somewhat, likely influenced by industry trends and investment, economic and sociopolitical dynamics. For example, 61% of respondents described themselves as proactive in our 2023 survey, the highest level to do so, potentially reflecting the post-pandemic

Plan sponsors are roughly split 50/50 in describing their plan design approach as more proactive or more self-directed, with the 10-year trend slightly shifting toward proactive

Exhibit 4: Which one of the following comes closest to your organization’s philosophy on driving participant decisions?



Note: 2015 total n=756; proactive n=335; self-directed n=421. 2025 total n=750, proactive n=366; self-directed n=384.  
Source: J.P. Morgan Plan Sponsor Research 2015, 2025. Totals may not add due to rounding.

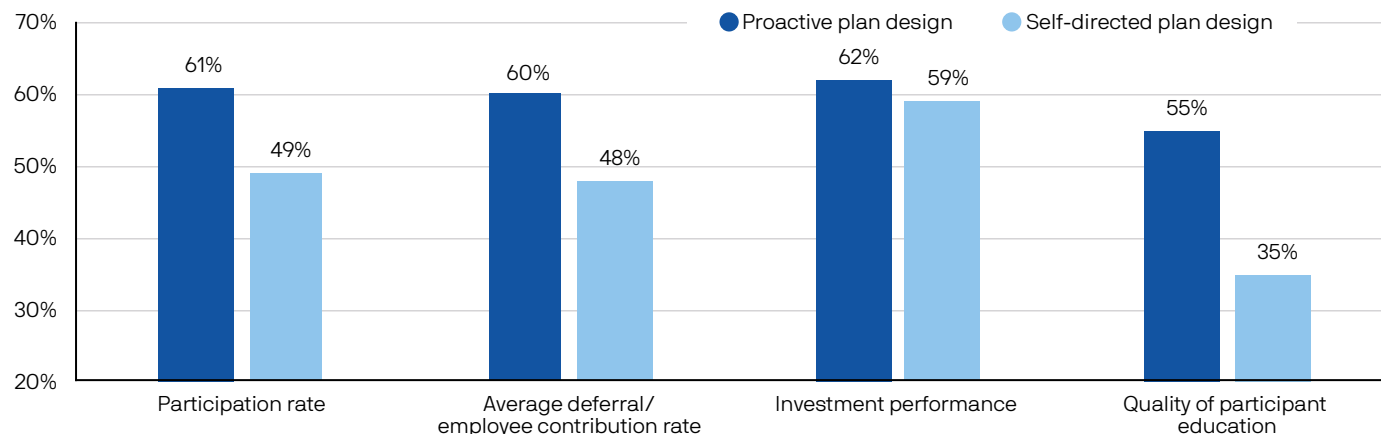
emphasis on broader employee engagement strategies. In our 2019 survey, this figure was 41%, its lowest level.

The longer 10-year trend, however, has seen a slight tilt toward increased proactiveness, rising from 44% in 2015 to 49% this year (**Exhibit 4**). Additionally, across all of our survey periods, larger plans have been consistently more likely to describe themselves as more proactive in their plan philosophies, this year at 54% for plans with more than \$250 million in assets versus (vs.) 48% for plans with less than \$250 million in assets. Those who work with an advisor are also more likely to say they are proactive compared to those who do not, 52% vs. 37%.

How plan sponsors perceive their philosophical roles naturally tends to shape how they manage their plans. In general, sponsors with proactive philosophies are more inclined to adopt industry best practices that encourage participation, boost savings rates and drive better outcomes for their participants. Interestingly, they also tend to be more satisfied with their plans across a wide range of aspects, from participation and contributions to education efforts, investment performance and fees (see **Exhibit 5**, next page).

## Taking a more proactive plan design approach tends to result in higher levels of plan satisfaction

Exhibit 5: How satisfied are you with the following aspects of your organization's retirement plan? (% extremely/very satisfied)



Note: 2025 total n=750; proactive n=366; self-directed n=384.

Source: J.P. Morgan Plan Sponsor Research 2025.

## 2. Many are taking proactive roles in enrollment, contributions, default investments and expanding plan choice, such as including Roth features.

**Plan design features:** Regardless of how respondents describe their plan design philosophies, many have embraced a variety of more proactive design innovations. By far the most popular is an employer contribution/match, reported by 86%, with 36% saying they have enhanced this feature within the past three years. The majority also offer Roth availability (73%), automatic enrollment (66%) and default investment options (54%).

Automatic contribution escalation has been less widely embraced but is still offered by 39%. This lower adoption stands in stark contrast to the broad levels of participant satisfaction with this type of feature, nearly 90% according to our *2024 DC Plan Participant Survey Findings*.

### PARTICIPANT PERSPECTIVE\*

## 60%

of surveyed participants wish they could just push an easy button and completely hand over retirement planning, indicating that plan sponsors' proactive efforts seem welcomed by many.

The sizable number of respondents that say they have added or enhanced their plans' automatic features (42%) in

the past three years is also encouraging, though there certainly remains room for improvement (see **Enrollment** and **Contributions** discussions below). Also of note is the one in four that changed their default investment options for retirees and/or added an option designed for retirement income (see Part Four for more findings about **Retirement Income**).

One area to consider is the widespread availability of loan-taking features (73%). It is understandable why this has become a standard industry practice, as many participants may hesitate to save if they feel they cannot access their money in times of need. This concern is especially relevant given the vast prevalence of spending spikes experienced by nine in 10 households that cannot be covered by current income.<sup>1</sup> However, it also underscores the valuable role that emergency savings and debt management programs can play in a comprehensive retirement plan offering, providing alternatives with less consequences that may improve long-term savings outcomes.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

<sup>1</sup> "Spending Spikes can put retirement readiness at risk, but plan sponsors can help", J.P. Morgan Asset Management.

Plan sponsors offer a wide range of design features, with a trend toward simplifying decision-making and better supporting participant success

Exhibit 6A: Which three plan design features does your retirement plan currently have?

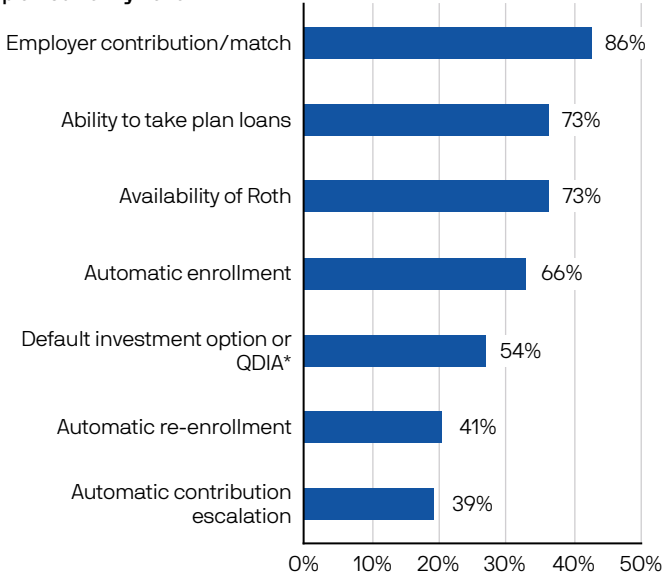
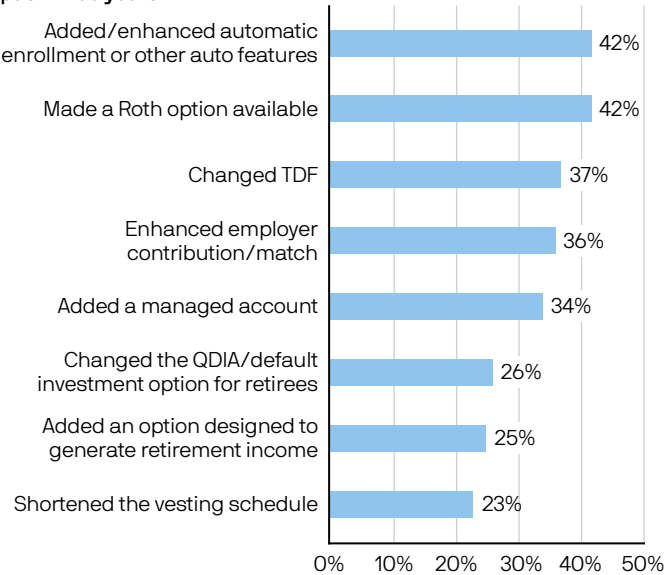


Exhibit 6B: What plan design changes have you made in the past three years?

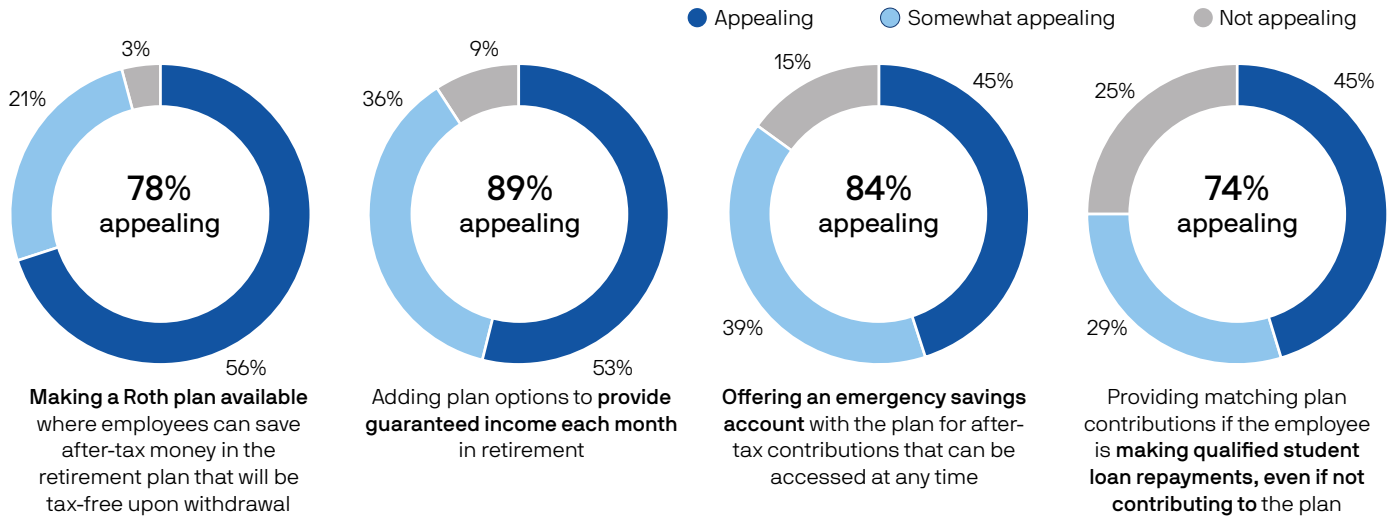


Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.  
\*Response text has been abridged

Looking ahead, respondents also express strong interest about potential plan design changes introduced or expanded by SECURE 2.0. This spans Roth features to emergency savings and student loan support to providing guaranteed retirement income, all of which are areas of innovation to watch (Exhibit 7).

SECURE 2.0 appears set to drive new innovations in design adoption

Exhibit 7: How appealing are the following features to help your employees save for the future?



Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

**Enrollment:** The starting point for all plan design decisions is employee enrollment. After all, how can a plan be effective if employees are not invested in it? This perspective is reflected in this year’s survey results: 91% of respondents strongly or somewhat agree that they should actively encourage employee contributions. To help support these efforts, an encouraging 66% say that they offer an automatic enrollment feature, up from 55% in 2023.

**Contributions:** While plan design decisions can help strengthen behaviors, the only way participants can truly be sure that they will retire with adequate retirement savings is to save enough. With that in mind, 80% of respondents strongly or somewhat believe they should encourage employees to save as much

as they can, with 68% indicating they strongly or somewhat believe they should provide a view on how much to contribute.

**PARTICIPANT PERSPECTIVE\***

**95%**

of surveyed participants that report they were automatically enrolled in their plans say they are satisfied with the experience.

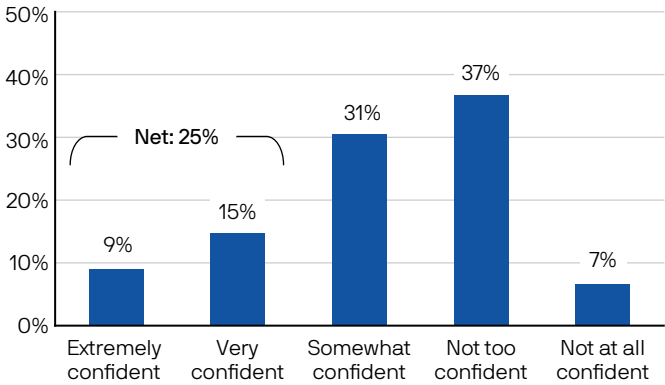
\*J.P. Morgan Plan Participant Survey Findings, 2024.

However, only 45% strongly or somewhat believe they should notify participants if they are not saving enough. Even more concerning, just one-quarter are highly confident that most of their participants are saving enough for retirement, with 31% only somewhat confident and 44% not that confident (**Exhibit 8**).

On a positive note, this level of high confidence rises for plans with proactive design philosophies compared to plans with self-directed design approaches, 35% to 15%, and with significantly fewer indicating they are not too or not at all confident, 32% to 56%, respectively. Similar higher confidence levels are also shown by plans working with an advisor, 28% to 14% for those that are not.

**Only one-quarter of respondents are highly confident that participants are saving enough**

**Exhibit 8: How confident are you that the majority of your employees are saving enough for retirement?**



Note: 2025 total n=750. Totals may not add due to rounding.  
Source: J.P. Morgan Plan Sponsor Research 2025.

In terms of auto features, just over half (52%) of respondents with automatic enrollment are planning on or considering increasing their default contribution rates, led by proactive plans (61% vs. 40%) and those working with a plan advisor (58% vs. 31%).

Four in 10 (39%) of those plan sponsors also offer an automatic contribution escalation feature, similar, if slightly lower to 2023’s 44% and up considerably from 2015’s 31%. This presents a major opportunity for plan sponsors interested in helping participants save more, based on how many plans are not leveraging this feature. Industry research consistently shows that gradually raising contribution rates each year until a set maximum is reached is both broadly accepted and welcomed by participants and highly effective in helping to strengthen retirement outcomes, simply by saving more.

**PARTICIPANT PERSPECTIVE\***

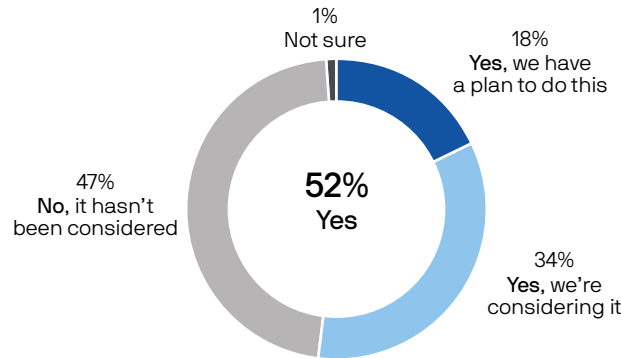
**56%**

of surveyed participants have not calculated how much they need to save to fund their retirements.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

More than half of respondents with automatic enrollment are planning or considering default contribution rate increases

Exhibit 9: Are you considering increasing the default percentage/contribution rate for your retirement plan? (Among those with auto-enrollment)



Note: 2025 total n=750; offer auto-enrollment n=577.  
Source: J.P. Morgan Plan Sponsor Research 2025.

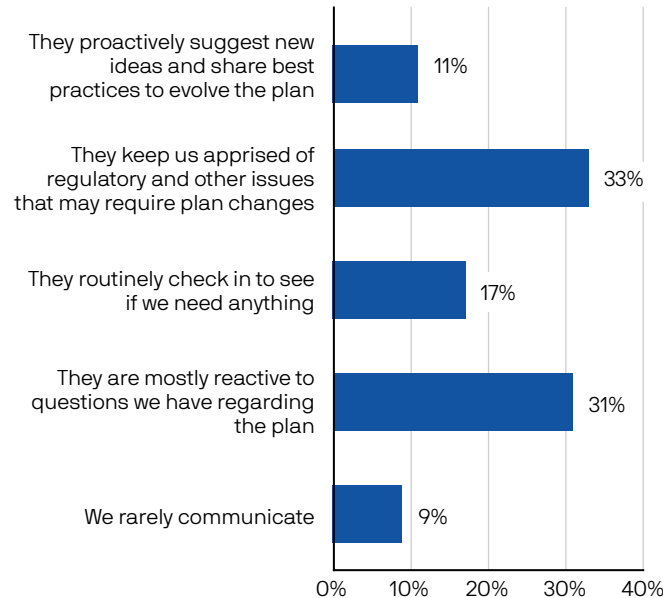
3. Most are satisfied with their recordkeepers and advisors if they work with one, but with areas of opportunity.

**Recordkeepers:** Two-thirds (65%) of respondents are extremely or very satisfied with their plan provider/recordkeeper services, led by larger plans with more than \$250 million in assets, 88% vs. 64% for smaller plans. Additionally, 61% of respondents indicate that their plan providers/recordkeepers take a hands-on role in the relationship, with a primary focus on keeping the plan up to date on regulatory and other issues (33%), routinely checking in to see if they need anything (17%) and proactively suggesting new ideas and best practices (11%) (Exhibit 10A). The remaining 39% say their plan/provider recordkeepers are only reactive to requests or rarely communicate. Unsurprisingly, this group also expresses lower levels of satisfaction.

**Advisors:** Nearly eight in 10 (77%) respondents work with a plan advisor, in line with 76% in 2023 and 78% in 2015. However, only 62% of those indicate that they are extremely or very satisfied with these services (Exhibit 10B). This is a notable drop from 83% in 2023.

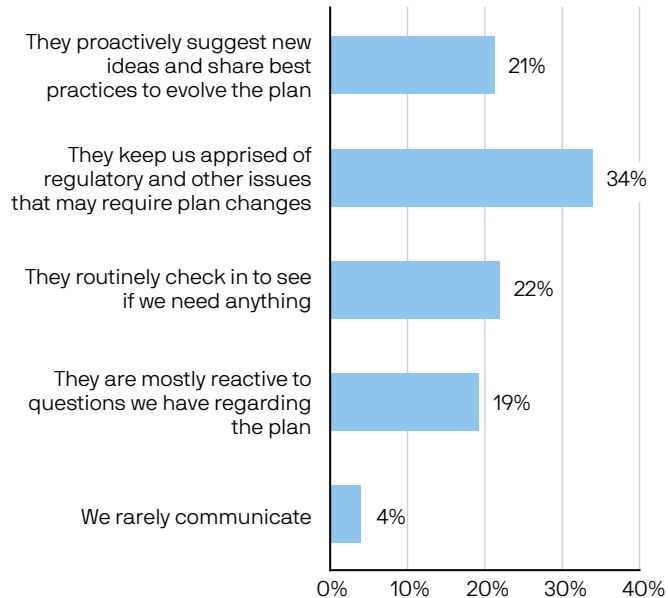
Many recordkeepers and advisors demonstrate active client engagement

Exhibit 10A: Which of the following best describes your current relationship with your plan provider/recordkeeper?



Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

Exhibit 10B: Which of the following best describes your organization's current relationship with the plan's financial advisor/consultant? (Among those who use an advisor)



Note: 2025 total n=750; use advisor n=600.  
Source: J.P. Morgan Plan Sponsor Research 2025.

Further, almost one in four (23%) say that their advisors are mostly reactive to questions or that they rarely communicate, an increase from 2023's 17%. While this figure has moved up, it is good to see that it remains relatively low. Yet, it also suggests that there are opportunities to provide additional value.

PARTICIPANT PERSPECTIVE\*

**89%**  
of surveyed participants who report that their contributions are automatically escalated each year are satisfied with the experience and are also more confident that their savings will last their lifetimes.

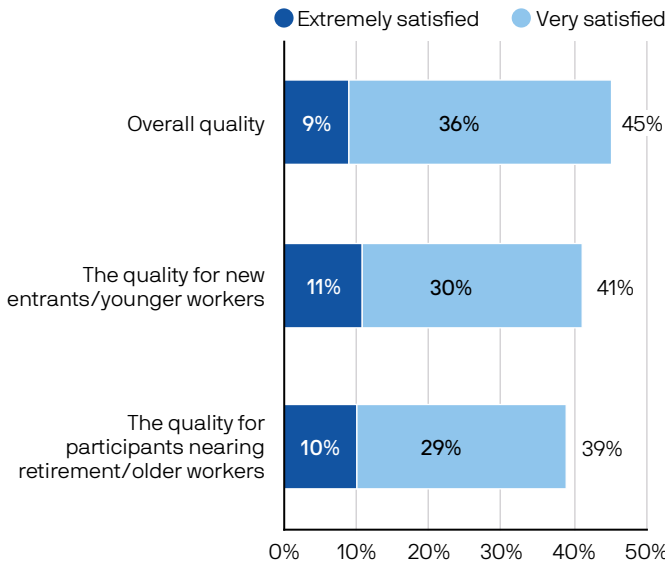
\*J.P. Morgan Plan Participant Survey Findings, 2024.

4. Less than half (45%) are highly satisfied with their plans’ participant education and communication efforts or are confident that their programs have meaningfully improved participant engagement.

Fewer than half (45%) of respondents are highly satisfied with their providers’ participant education or highly confident communications programs have improved (see Exhibit 11). This figure also slightly declines when it comes to education efforts targeting two critical decision points for participants: onboarding and in the period leading up to retirement.

Many are not extremely satisfied with plan education, especially targeting new entrants and participants preparing to retire

Exhibit 11: How satisfied are you with your retirement plan’s participant education?



Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

Many also do not express much confidence in the ability of their providers’ participant communications and resources to drive constructive behaviors. However, this vastly improves for the efforts of providers viewed as more proactive by respondents, where they do voice positive impact, as shown in the following percentages that illustrate how many are extremely or very confident their plan communications and resources help to do the following:

How many are extremely or very confident their plan communications and resources can help to ...	Total	Proactive providers	Self-directed plans
Improve understanding of what participants are on track to receive in retirement	44%	67%	41%
Increase percentage of participants contributing to the plan	43%	71%	40%
Increase percentage of participants making appropriate investment decisions	42%	67%	39%
Engage specific demographic groups of employees	41%	62%	38%
Increase contribution rates	38%	67%	35%
Improve understanding of TDF features (for plans with TDFs)	75%	79%	74%



## Action steps

Plan sponsors and participants share a unique and essential partnership in helping to foster more secure retirements for a majority of Americans. While participants must do their part by contributing to their plans and saving consistently, plan sponsors can play a crucial role in setting them up for success, especially given that many may be new to investing or lack financial confidence. Across the industry, experience shows that thoughtful plan design and well-placed defaults can effectively guide participants toward better long-term financial decisions. Many of these strategies are now well tested, with strong success rates and strong satisfaction levels for plan sponsors and participants alike.

### Leverage technology to drive smarter engagement

Today, digital tools allow plan sponsors to deliver personalized communications that can help prompt more constructive behaviors, especially at critical points that require participant action.

### Partner with financial professionals to assess plan design

Regular reviews can help identify areas of potential improvement that may be lagging behind evolving best practices. This includes exploring opportunities created by the SECURE Acts, which many plans have yet to utilize.

### For advisors, differentiate your services

Set your practice apart by supporting participants and plan sponsors with proactive outreach and value-added insights that can help strengthen both long-term success and satisfaction.

## Back to basics

Two of the most effective ways plan sponsors can boost retirement readiness are by: 1) getting as many employees as possible investing in the plan and 2) getting them to contribute as much as possible. Automatic enrollment for new hires and periodic re-enrollments makes it easier for employees to get started. Also, setting contribution rates high enough, without discouraging enrollment, can significantly improve long-term outcomes.

### Reconsider the power of automatic escalation

Too many plans are not taking advantage of this easy way to help participants increase contributions gradually over time. By tapping into behavioral tendencies like inertia and the convenience of sticking to defaults, automatic escalation makes it simple for employees to commit to saving more in the future, even if they are hesitant to do so today.

---

## PART THREE

# Plan investments

### Key takeaways

1. More than half (53%) of plan sponsors do not realize they are a plan fiduciary.
2. Only 32% are extremely or very confident that a majority of their participants have an appropriate asset allocation. However, among those who express high confidence in their participants' allocations, most employ a QDIA, with 94% of these being TDFs.
3. Of those that offer a TDF, either as a QDIA or as part of the plan investment menu, only two-thirds feel they understand them at least reasonably well. But plan sponsors that work with an advisor are more likely to understand their TDFs.

Alongside automatic features, investments have represented a major area of transformative innovation in DC plans, aiming to deliver greater risk/reward efficiencies and stronger retirement outcomes. Key advances include professionally managed multi-asset portfolios, such as TDFs and risk-based portfolios, as well as expanded diversification into more sophisticated and historically additive asset classes that go well beyond the traditional mix of U.S. equities and core bonds.

Other structural advancements include the growing availability and adoption of a broader range of investment solutions for participants, along with expanded use of collective investment trusts (CITs), which offer greater flexibility and cost efficiency. These solutions provide plans with effective ways to help make it easier for participants to maximize the potential of their retirement savings.

This year's survey explored three main areas in investments: how plan sponsors view their fiduciary duties in today's evolving landscape, their perspectives on plan asset allocation and TDF usage.

---

### 1. More than half (53%) of plan sponsors do not realize they are a plan fiduciary.

One of the most surprising findings this year is that only 47% of surveyed plan sponsors understand that they are plan fiduciaries, despite all of them holding fiduciary responsibilities (**Exhibit 12**). This marks a troubling decline from an already low 55% in 2023 and 57% in 2015.

In addition, awareness is low across all respondent roles: just 48% of C-suite executives, 53% of financial professionals and 41% of HR/benefits professionals recognize their fiduciary status. This highlights a critical need for broader education throughout the DC plan landscape when it comes to fiduciary responsibilities.

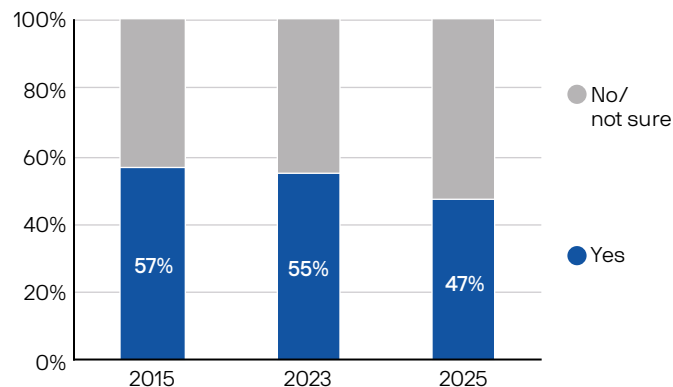
It is important for plan sponsors to understand their fiduciary duties and fulfill them with care and diligence, as lack of awareness does not protect them from liability. While working with service providers may help mitigate some of this risk, plan sponsors remain accountable and are, in fact, acting as fiduciaries when selecting those providers.

Among respondents that do know that they are fiduciaries, their main fiduciary concern is:

- Keeping up with rule changes (36%)
- Getting the best value for fees (25%)
- Making prudent decisions (14%)

## Plan sponsor fiduciary awareness continues to decline

Exhibit 12: Are you yourself a fiduciary to your organization's retirement plan(s)? (% yes)



Note: 2015 total n=756; 2023 total n=788; 2025 total n=750.

Source: J.P. Morgan Plan Sponsor Research 2015, 2023, 2025.

On a related note, when it comes to selecting and monitoring investment options only 16% of respondents say their organizations fully outsource fiduciary responsibilities, while 62% retain some and 16% retain all. Of those maintaining any level of fiduciary oversight, just 73% feel extremely or very confident their organizations are meeting these duties, down from 88% in 2023 and the lowest level since we introduced this question.

## 2. Only 32% are extremely or very confident that a majority of their participants have an appropriate asset allocation. However, among those who express high confidence in their participants' allocations, most employ a QDIA, with 94% of these being TDFs.

**Asset allocations and QDIA use:** After contribution levels, asset allocation is one of the most critical inputs into participant outcomes, both in terms of risk exposures and long-term return potential. This year, saw mixed levels when respondents were asked how confident they are that most of their participants have appropriate asset allocations:

- 32% say they are extremely or very confident
- 49% are somewhat confident
- 18% are not too or not at all confident

These responses suggest a clear opportunity for plan sponsors and their advisors to provide more guidance and tools to help participants make better-informed allocation decisions. This includes maximizing the

use of TDFs and QDIAs, which were both introduced specifically to help address concerns that many participants lack the investment knowledge, time and engagement to build and manage appropriate, goal-based asset allocations for retirement planning. Notably, of the 32% of respondents indicating high confidence in their participants' asset allocations, 70% offer a QDIA and 94% of this group use a TDF.

TDFs remain one of the most popular and impactful innovations in DC plans from the past several decades. Understandably, these easy-to-use, age-appropriate asset allocation strategies continue to resonate with both plan sponsors and participants, making them a natural selection for a plan's QDIA strategy.

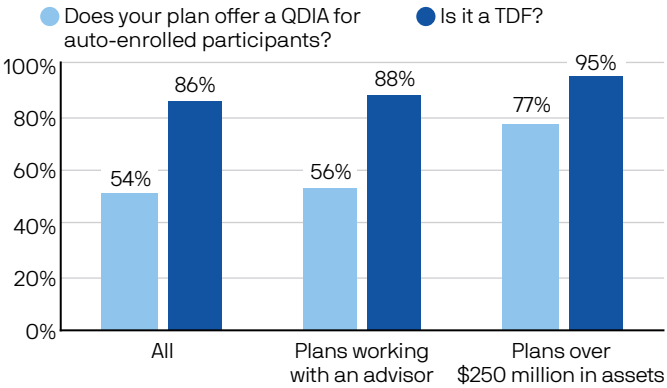
As noted earlier in Exhibit 6, 54% of respondents offer a QDIA for auto-enrolled participants, 86% of which are TDFs (Exhibit 13). While this level of QDIA adoption may seem somewhat low given the central role QDIAs have played in plan design since their introduction under the Pension Protection Act of 2006, usage rates rise significantly among larger plans and those working with advisors. Among plans with more than \$250 million in assets, 77% offer a QDIA, and of those, 95% use a TDF. Similarly, plans that work with an advisor are slightly more likely to offer a QDIA (56%) and significantly more likely to designate a TDF (88%).

**Plan re-enrollments:** On a related note, we also examined plan re-enrollments. This type of company-wide re-engagement can help improve participation and boost TDF adoption by automatically investing all employees into the plan, resetting all investment holdings into the plan’s QDIA and raising lower contribution rates to default options, unless they actively opt out.

Despite the effectiveness of this approach, only 10% of respondents have conducted a re-enrollment or plan to soon (Exhibit 14). Another 41% have considered it but opted not to, and about half (49%) have not

**Adoption of QDIAs and TDF defaults continue to reflect industry best practices among larger and advisor-supported plans**

Exhibit 13: Percentage answering yes

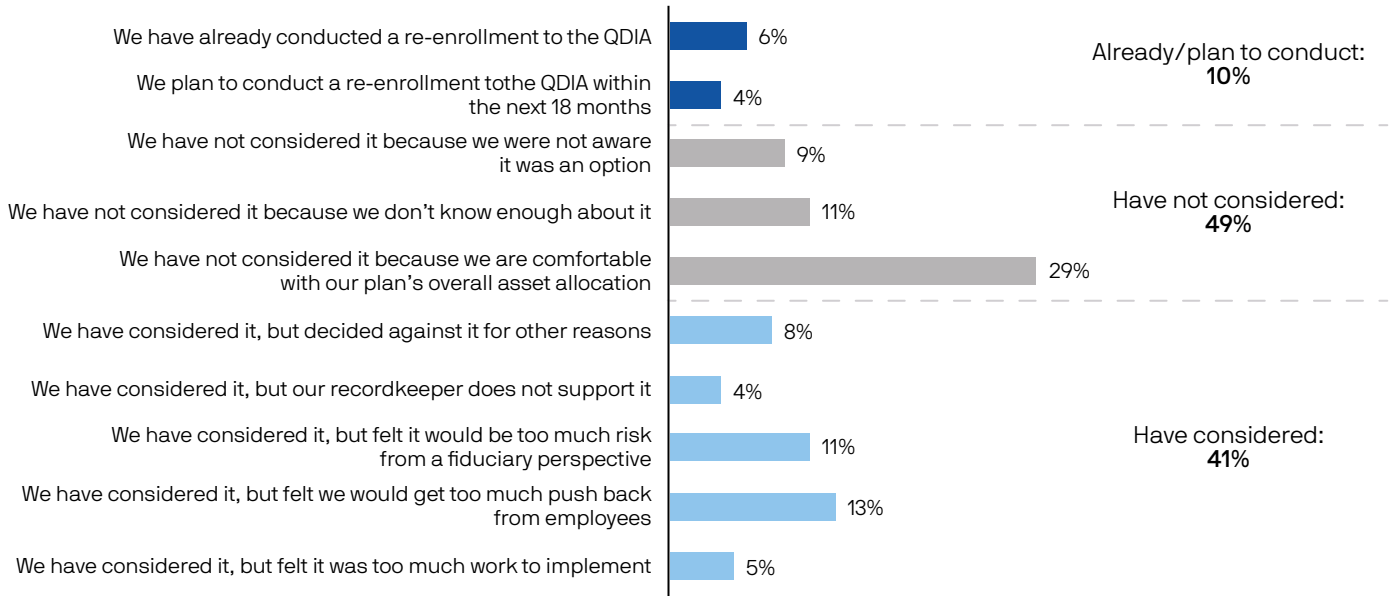


Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

considered re-enrollment at all. This may highlight a significant opportunity, especially for plan sponsors concerned that their participants may lack an appropriate asset allocation.

**Roughly half of respondents have not considered a plan re-enrollment, one in five simply from lack of awareness**

Exhibit 14: Which best describes your current view regarding a one-time re-enrollment of all participant accounts?



Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

3. Of those that offer a TDF, either as a QDIA or as part of the plan investment menu, only two-thirds feel they understand them at least reasonably well. But plan sponsors that work with an advisor are more likely to understand their TDFs.

**Broader TDF use:** Zooming out from QDIA usage specifically, 79% of this year’s respondents report offering a TDF series within their plans. This reflects both those that use TDFs as their plans’ QDIAs, as well as those that simply include them as part of the broader investment menu. Plan sponsors working with an advisor report higher usage (81%), as do plans with more than \$250 million in assets (92%).

**TDF understanding:** Given the broad use of TDF strategies, it is surprising that only two-thirds (67%) of respondents who offer one in their plans indicate that they understand them at least reasonably well, sharply down from 85% in 2023. That, of course, leaves one-third (33%) who do not (**Exhibit 15**). Although this

raises fiduciary concerns, it highlights the opportunity for advisors to continue to educate plan sponsors about TDFs.

Respondents in C-suite or financial roles are more likely to report understanding their TDFs (72% each) than those in HR/benefits roles (57%)—interestingly all higher than the share that understand that they are fiduciaries. Plan sponsors that work with an advisor are more likely to understand their TDFs, 70% vs. 55%. This is also true of respondents who are more confident their participants have an appropriate asset allocation, 80% vs. 60%.

PARTICIPANT PERSPECTIVE\*

89%

of surveyed participants like the idea of having access to a TDF.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

PARTICIPANT PERSPECTIVE\*

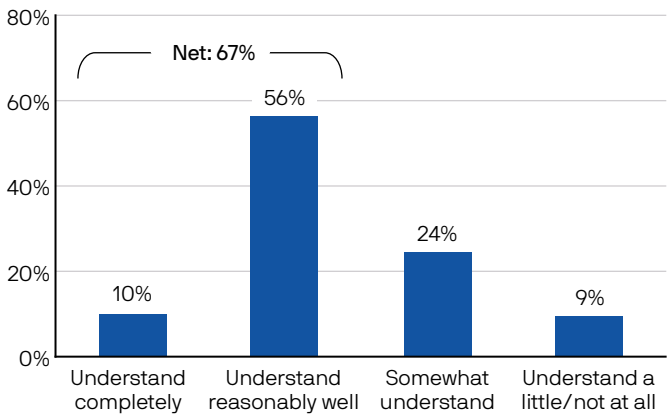
88%

of surveyed participants are favorable or neutral to the idea of a plan re-enrollment.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

Two-thirds of respondents who offer a TDF feel they understand them at least reasonably well

Exhibit 15: How well do you understand the methodology used to construct the TDFs in your plan? (Among those offering TDFs)



Note: 2025 total n=750; offering TDF total n=608. Total may not add due to rounding.

Source: J.P. Morgan Plan Sponsor Research 2025.



## Action steps

To help participants achieve long-term retirement security, choosing appropriate investment options is essential, particularly when it comes to default strategies that often shape the outcomes for the majority of plan participants. Encouragingly, the widespread adoption of TDFs represents a meaningful advancement, offering professionally managed, age-appropriate strategies that can help improve overall confidence in participant asset allocation. These diversified and dynamically adjusted solutions simplify decision-making, while promoting long-term discipline.

Still, the persistent lack of fiduciary awareness among many plan sponsors remains a serious concern. Without a clear understanding of their fiduciary responsibilities, plan sponsors may unknowingly expose themselves and their plans to risk, while missing key opportunities to enhance plan design and investment strategy. Bridging this knowledge gap is essential to ensuring that strong investment frameworks are backed by equally strong governance.

## Document and look deeper

Ensure the plan is following a prudent, well-documented process for selecting and monitoring investments. Performance and fees are critical inputs but also evaluate each investment's role within the plan, the value it may contribute and how it is expected to behave across varying market environments.

## Know your TDF

Ensure plan fiduciaries understand how the plan's TDF operates, are aware of key differences in glidepath design and confirm that the selected TDF aligns with the plan's goals and participant needs and demographics. (Our *Retirement Insights* paper, [Decoding target date fund design](#), can help offer a starting point.)

## Leverage professional expertise

Engaging with financial advisors, recordkeepers and asset managers can bring valuable insights and informed guidance. Their knowledge of investment best practices can help enhance the quality of plan offerings and help improve retirement readiness for participants. They also can help bridge the gaps around areas such as fiduciary education and oversight.

## Consider an annual plan re-enrollment

Re-enrolling participants into a TDF can be a powerful way to increase diversification and align participant investments with professionally managed asset allocation strategies and glide paths, helping more employees stay on track for retirement.

---

## PART FOUR

# Retirement income

### Key takeaways

1. Most respondents (79%) believe their plans should offer investments that help participants generate income in retirement.
2. Of plans without a current retirement income option, 61% are considering adding one this year.
3. The most appealing solution features include income growth, flexibility, fee transparency and guaranteed lifetime income.

The annual number of Americans reaching retirement age (65) each year is now surpassing 4 million, most without access to defined benefit (DB) post-career income support. Given this surge of retirees and their generally greater reliance on DC plans, a growing number of plan sponsors are considering ways to offer plan solutions that extend beyond accumulation, aiming to help participants manage income and spending throughout retirement.

This includes educating participants about available retirement income options and how to decumulate account balances effectively across their retirement years. New product innovations are also emphasizing strategies that incorporate annuities and other guaranteed income products within current plan structures to provide participants with secure, predictable payouts, while recognizing the importance of maintaining liquidity, fee transparency and cost efficiency.

It is a delicate balance. In-plan solutions need to account for the highly individualized nature of retirement, requiring flexible, customizable strategies

that can adapt to participants' unique income needs and goals in retirement. [\*Our Real-life data: An innovative approach to calculating income replacement rates research\*](#) illustrates one example of this, revealing wide variability in income replacement targets, from the mid-50% range up to 100% and, at times, even slightly higher, depending on household income. These differences are driven by distinctly different pre-retirement savings habits, spending behaviors and tax obligations. At the same time, the most successful innovations in the DC industry have kept it simple, easy and intuitive for participants to use, regardless of the complexities underlying solution delivery.

We began surveying plan sponsors about their views on retirement income in our 2019 report and expanded this topic in 2023. We also explored participants' opinions about the topic in our last two plan participant survey reports. This year's study builds on these insights, as a steadily increasing number of plans consider offering in-plan solutions and the need for these types of solutions continues to grow.

---

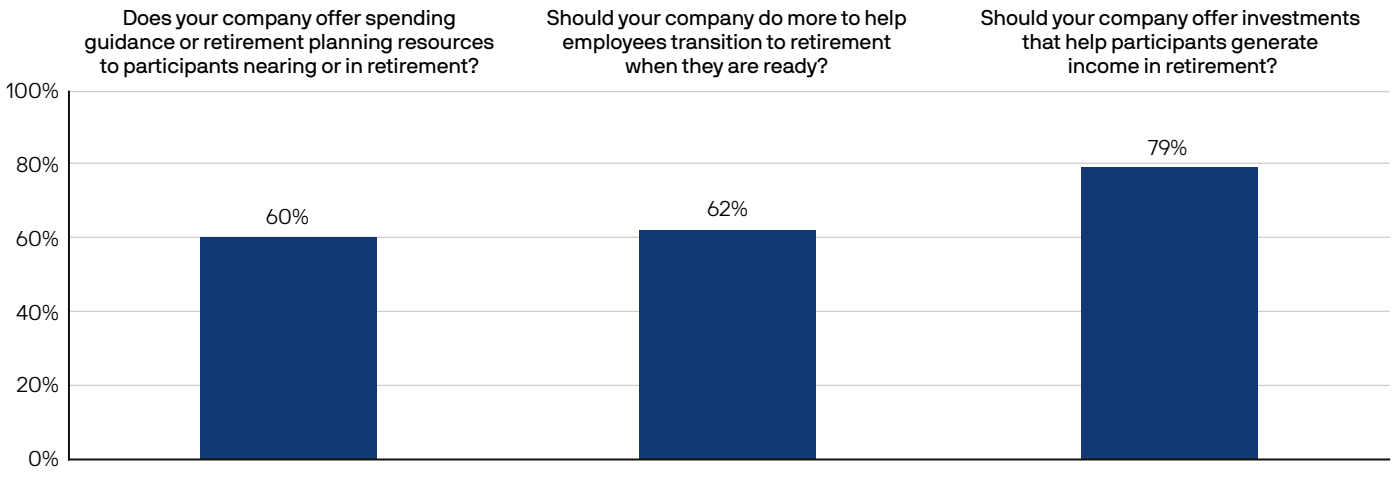
### 1. Most respondents (79%) believe their plans should offer investments that help participants generate income in retirement.

Two-thirds (67%) of respondents feel a very or somewhat high degree of responsibility to help participants generate income in retirement, led by larger plans with \$250+ million in assets, at 88%. Sponsors who work with an advisor are also more likely to feel this way, 71% to 54%.

This sense of responsibility is reflected in responses about plans' current retirement resources, as well as what respondents think their organizations should offer. For example, 60% say their companies currently provide spending guidance or retirement planning resources, 62% believe they should do more to help with the transition to retirement and 79% feel they should offer retirement income investments (**Exhibit 16**).

Most respondents believe their companies should do more for retiring employees, including offering retirement income investments

Exhibit 16: Percent answering yes or somewhat/strongly agree



Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

Unexpectedly, just over half (53%) of respondents say their plans already offer an ability to provide income to employees after retirement. However, when asked about specific options available to support retired participants' regular withdrawals and/or income generation, many refer to traditional accumulation-oriented investments from their core menus, such as fixed income strategies and stable value funds (Exhibit 17).

PARTICIPANT PERSPECTIVE\*

77%

of surveyed participants are concerned about creating a steady retirement income source that will last their lifetimes.

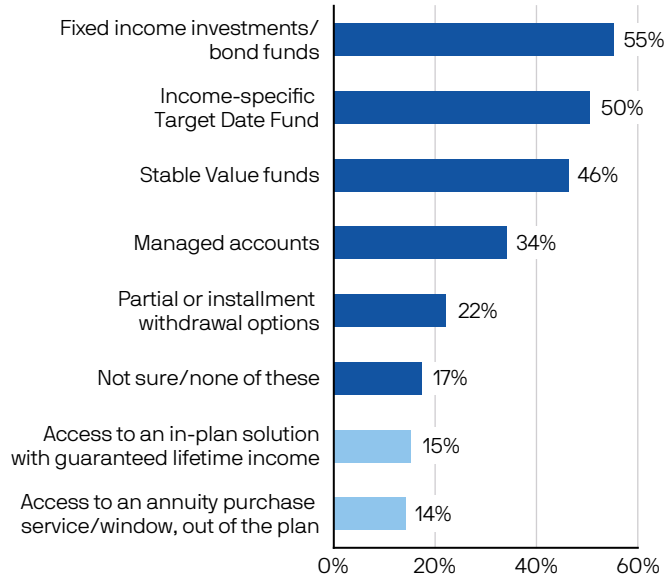
\*J.P. Morgan Plan Participant Survey Findings, 2024.

Yet, few specifically address the complexities of decumulation, such as demand for secure income and protection against longevity risk, in the way that guaranteed lifetime income solutions or annuities do. Currently, only a handful of respondents offer access to in-plan guaranteed lifetime income solutions (15%) and/or annuity purchase services/windows out of the plan (14%), highlighting a significant gap between potential perceived readiness and actual capability.

Some options, like income-specific TDFs or withdrawal features, are more broadly tailored to retirees.

While 53% of respondents say their plans offer income options for retirees, most of those cite traditional accumulation-focused options

Exhibit 17: What “retirement income options” do you offer for retired participants to help them withdraw/generate regular income from their retirement plan savings? (Select all that apply.)



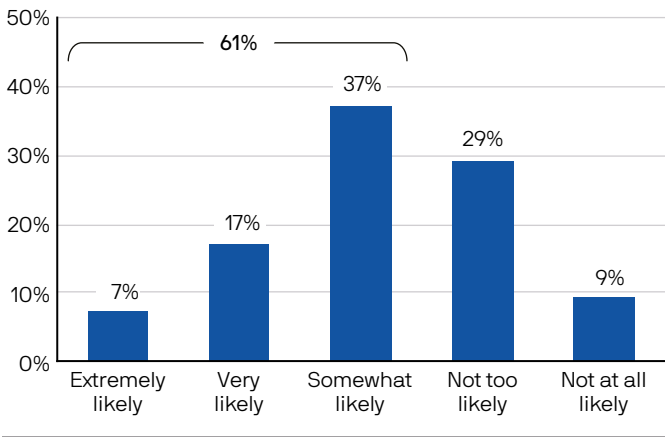
Note: 2025 total n=750.  
Source: J.P. Morgan Plan Sponsor Research 2025.

2. Of plans without a current retirement income option, 61% are considering adding one this year.

Many plans without a current retirement income option appear to be looking to take potential action soon. Among these, 61% believe it is at least somewhat likely that they will consider offering a retirement income option in the year ahead, with 24% highly likely to do so and 37% somewhat likely (**Exhibit 18**). This trend is even more pronounced for those with proactive plan design philosophies, with 74% considering action compared to 51% of those with more self-directed approaches. Notably, 34% of proactive sponsors say they are highly likely to take action, in contrast to just 16% of self-directed plans.

Many respondents expect to actively explore retirement income options this year

Exhibit 18: How likely are you to consider offering retirement income options in the coming year? (Among those without a current option)



Note: 2025 total n=750; no annuity income option n=566.  
Source: J.P. Morgan Plan Sponsor Research 2025.

For the 39% of respondents that report they are not too likely or not at all likely to consider an option in the coming year, top reasons include an emphasis on retirees making their own choices (45%) and concerns about fiduciary/litigation risk (33%). One in four (24%) simply feel unfamiliar with these types of investments.

It is important to note that including an in-plan strategy can actually expand participant choice, not limit it, and our research shows that nearly all participants express interest in these solutions (see Participant Perspective on this page). Additionally, safe harbor protections for fiduciaries have been enhanced for plans that choose to adopt these types of offerings. Some providers of newer solutions will assume areas of fiduciary responsibility for insurer selection, giving greater assurance to plan sponsor fiduciaries. The third concern reflects a broader need for greater awareness, as 44% of all respondents say they want more retirement income education to feel more comfortable on the subject.

PARTICIPANT PERSPECTIVE\*

90%

of surveyed participants say they would be interested in an option on their plan's menu that would provide guaranteed income in retirement.

\*J.P. Morgan Plan Participant Survey Findings, 2024.

3. The most appealing solution features include income growth, flexibility, fee transparency and guaranteed lifetime income.

Plan sponsors and participants show broad alignment on top retirement income priorities

Exhibit 19: Which of the following are the three most important features for your plan’s retirement income solution?

Plan sponsors (offering or considering offering retirement income solutions)	Participants
<ul style="list-style-type: none"><li>• Retirement income growth potential (38%)</li><li>• Future adjustment flexibility (36%)</li><li>• Fee transparency (35%)</li><li>• Income that is guaranteed for life (34%)</li><li>• Protection from loss in poor markets (26%)</li><li>• Customizable amount allocated to strategy at retirement (25%)</li><li>• Ability to access money/liquidity (25%)</li><li>• Protection from inflation (24%)</li><li>• Greater personalization (22%)</li><li>• Automatic allocation/adjustments (21%)</li><li>• Provider acts as fiduciary (13%)</li></ul>	<ul style="list-style-type: none"><li>• Protection from loss in poor markets (41%)</li><li>• Retirement income growth potential (40%)</li><li>• Minimizing fees (38%)</li><li>• Future adjustment flexibility (37%)</li><li>• Retain balance control (35%)</li><li>• Able to use a portion of savings to generate guaranteed income (34%)</li><li>• Having a fixed amount of income that is locked in at retirement (28%)</li><li>• Receive more annual income by delaying payout start (25%)</li><li>• Customizable amount allocated to strategy at retirement (21%)</li></ul>

Note: 2025 Plan Sponsor total n=750; offering or considering offering income solutions n=540. 2024 Plan Participant total n=1,503.

Source: J.P. Morgan Plan Sponsor Research 2025, J.P. Morgan Plan Participant Research 2024.

For respondents currently offering or considering retirement income solutions, top feature priorities center around income growth, flexibility, fee transparency and guaranteed lifetime income (**Exhibit 19**). We compared these responses to what participants in our *2024 DC Plan Participant Survey Findings* identified as their top priorities. While the lists of choices varied slightly between the two groups, several meaningful commonalities emerged. Both plan sponsors and participants rank income growth potential highly (38% to 40%, respectively). There is also close alignment on the importance of flexibility to adjust income if needs change (36% to 37%). Both groups also value protecting account balances from investment losses in poor markets, though this matters more to participants (26% to 41%). Fees are a shared concern as well, both in terms of transparency (35% for plan sponsors) and minimizing costs (38% for participants).

Other shared themes include a desire for guaranteed income, flexibility to customize how much is allocated to the retirement income strategy at retirement and liquidity/ maintaining control over the remaining balance. These findings reinforce the importance of offering solutions that not only provide income security but also accommodate individual preferences and evolving financial needs.

As both plan sponsors and participants increasingly prioritize a mix of stability and flexibility, retirement income strategies will need to reflect that balance.

When asked what would be most helpful to them based on where their organization stands in considering or adopting a retirement income solution, respondents most often highlight the following:

- More general education on the category (44%)
- More solutions available with lower fees (35%)
- A recommendation from their plan advisor (29%)
- More explanation as to why participants need or want these solutions (29%)
- The ability to add a solution without changing their default investment option (28%)
- Greater participant personalization (27%)
- Comparisons of available options on the market (27%)

These insights suggest that plan sponsors are seeking more resources, flexibility and support to effectively implement retirement income solutions that meet both their needs and those of their participants.



## Action steps

Retirement income solutions are increasingly a focal point for DC plans, as the industry shifts toward more thoughtfully designed products that help participants efficiently decumulate their savings and generate secure income sources throughout retirement. This growing emphasis reflects a broader recognition that retirement is a prolonged life phase, not just a single moment, and that plans can evolve to help better address the long-term financial needs of retired participants. American workers face challenges in converting their retirement savings into sustainable income streams, and while there is no one-size-fits-all solution, flexibility and choice are essential in addressing this issue. Looking ahead, there is a clear trend for advancing research and product innovation to meet the saving and spending needs of American workers, ensuring more effective retirement income solutions.

### Establish a view

What does the plan hope to achieve with an in-plan retirement income solution? A well-articulated objective can help guide decision-making and communicate the value to stakeholders.

### Understand the choices

The universe of retirement income solutions is expanding rapidly, with both established and innovative options now available. Each solution offers unique features, benefits and trade-offs. Gaining a thorough understanding of these choices is essential for informed decision-making.

### Assess and align the right solution for the plan

Evaluate potential solutions against your plan's goals, participant demographics and risk tolerance. This process can help identify which product types may best fit your plan's specific needs. It can also increase the likelihood of successful adoption and meaningful participant impact.

### Streamline the participant experience

Some of the most effective retirement income strategies can now be seamlessly integrated into existing investment options, minimizing complexity at the point of retirement. Pair this with strong communications and education programs that empower participants to make confident, informed decisions about their retirement income choices.

### For advisors, have the conversation

The retirement income challenge is not going away. With rising interest from both plan sponsors and participants, now is the time to help clients explore practical, fiduciary-friendly solutions that meet evolving retirement needs. Take the opportunity to formally review retirement income innovation for plans and participants.

### And position yourself as a trusted guide

With many plan sponsors looking for more education and clarity on the topic, advisors have a key opportunity to lead the conversation. Frame these strategies not as a problem to solve, but as a powerful way to enhance participants' financial well-being and reinforce the plan's value proposition. Show how these solutions help emulate the benefits of traditional pensions, seeking to deliver reliable income and long-term security for retirees.

## Conclusion

At J.P. Morgan Asset Management, we remain deeply committed to advancing the DC industry and supporting plan sponsors and their advisors and consultants as they navigate an increasingly complex and evolving landscape. Now more than ever, DC plans play a vital role in helping millions of Americans prepare for retirement, and more than a decade's worth of survey findings reflect the thoughtful actions plan sponsors continue to take to help strengthen their plans and better support participants.

From rising interest in retirement income solutions and broader financial wellness support to a growing focus on participant education and proactive design innovations, plan sponsors are continuing to push the industry forward with intention and care. At the same time, challenges remain, particularly around ensuring participants are saving enough and effectively managing their long-term financial and investment needs.

As we look ahead, we continue to greatly value our partnerships with plan sponsors, driving innovation and delivering meaningful strategies that align with the real-life goals of participants. Together, we can continue scaling what works and shaping what's next, helping more people achieve the retirement they've earned.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purposes. By receiving this communication, you agree with the intended purpose described above. Any examples used in this material are generic, hypothetical and for illustration purposes only. None of J.P. Morgan Asset Management, its affiliates or representatives is suggesting that the recipient or any other person take a specific course of action or any action at all. Communications such as this are not impartial and are provided in connection with the advertising and marketing of products and services. Prior to making any investment or financial decisions, you should seek individualized advice from your personal financial, legal, tax and other financial professionals that take into account all of the particular facts and circumstances of your own situation.

Opinions and estimates offered constitute our judgment and are subject to change without notice, as are statements of financial market trends, which are based on current market conditions. We believe the information provided here is reliable, but do not warrant its accuracy or completeness. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve.

**Target date funds.** Target date funds are funds with the target date being the approximate date when investors plan to retire. Generally, the asset allocation of each fund will change on an annual basis with the asset allocation becoming more conservative as the fund nears the target retirement date. The principal value of the fund(s) is not guaranteed at any time, including at the target date.

**Conflicts of interest:** Refer to the Conflicts of Interest section of the Fund's Prospectus. J.P. Morgan Asset Management is the marketing name for the investment management businesses of JPMorgan Chase & Co. and its affiliates worldwide. J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc.; member of FINRA.

Telephone calls and electronic communications may be monitored and/or recorded. Personal data will be collected, stored and processed by J.P. Morgan Asset Management in accordance with our privacy policies at <https://www.ipmorgan.com/privacy>.

If you are a person with a disability and need additional support in viewing the material, please call us at 1-800-343-1113 for assistance.

© 2025 JPMorgan Chase & Co. All rights reserved.

June 2025

PJCT-0525-AM-3997772-DC-PSR-WP | 09fz251806175747