

Evolution From a Supplemental Savings Plan to a Retirement Plan

| | Plan Feature | Adoption | | |
|-----------------------------------|--|------------------------|-------------------------------|--|
| | | 2005 | Today | 2025 |
| Saving 12%-15% per year | • Automatic enrollment | No | Yes, @ 3% | Yes, @ 6%+ |
| | • Automatic escalation | No | Less common | Yes – 15% cap |
| | • Employer match | Yes | Yes | Stretch match design |
| | • Roll-ins | No | Less common | Encouraged |
| | • Online retirement calculators | Yes | Yes | Enhanced |
| Investing It matters! | • Investment structure | | | |
| | – Streamline | 50+ options | ~ 10-15 options | 4-6 options |
| | – Brokerage window | Considering | ~ 40% of plans | None ? |
| | – Default | Capital Preservation | QDIA | QDIA – maximize utilization |
| | • Investment re-enrollment | No | Emerging trend | Every 3-5 years |
| | • Fees | | | |
| | – Recordkeeper | Low awareness | Minimize | Equalize |
| | – Investments | Some awareness | Benchmark | Monitor |
| | – Advisory services | Infrequent | Benchmark | Validate |
| | • Investment vehicles | Primarily mutual funds | Primarily mutual funds | Best fit |
| Spending 4% per year | • Participants staying in plan at retirement | No | Less common | Yes |
| | • Retirement income options | Not considered | Low uptake of in-plan options | Suite of in-plan retirement income options |

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.
For financial professionals, institutional consultants and third-party administrators