

Leveraging employer benefits to improve worker financial wellbeing

Two-thirds of Americans are not financially healthy, making it difficult to manage an unexpected expense or save for the future. That financial insecurity bleeds into the workplace, leading to increased absences, lower productivity, higher turnover, and negative physical and mental health consequences that ultimately cost the economy \$183 billion per year.¹ However, fewer than one-third of workers have access to workplace benefits that help address critical financial needs² and provide an important pathway to economic stability and mobility.

As part of our efforts to improve the financial health of our customers, employees, and communities, JPMorganChase is committed to providing timely insights and supporting a range of solutions to improve workplace financial wellness. With the passage of the Secure 2.0 Act in 2022, there are further opportunities for employers to evolve their financial wellness offerings to meet workers' diverse financial needs.

Workplace financial wellness by the numbers

Financial wellness is a priority

- Employees with inadequate emergency savings are **13X more likely to take a hardship withdrawal** from their retirement plan than those with adequate savings³
- **74% of workers** say that financial wellness benefits are important for an employer to offer⁴
- **85% of plan sponsors** feel a **strong sense of responsibility** for their employees' financial wellness, up from 74% in 2019⁵

Impact of workplace benefits

- Employees who are satisfied with their benefits are **1.2x more productive, 1.3x more engaged, and 1.3x more loyal** to their employers than employees who don't feel cared for⁶
- **42% of employers** that offered financial resources saw a **reduction in employee stress, and 92% saw an overall improvement** in employee satisfaction⁷

Supporting our employees and clients with financial wellness tools and services

JPMorganChase offers a wide range of benefits and programs to help employees build a financially secure future, including retirement plans, employee stock purchase opportunities, and affordable health and welfare benefit plans.

- Research has shown that leveraging proven design features like auto-enrollment and auto-escalation can dramatically increase employee participation in retirement plans.⁸ In the U.S., the firm's **401(k) Savings Plan** helps employees save towards retirement, automatically enrolling employees and increasing their contribution rates by 1% each year (up to 10%). In addition, we provide dollar-for-dollar matching contributions up to 5% of eligible compensation for most employees, as well as non-matching employer contributions, and in 2023, we provided a global \$850 special award to eligible employees making less than \$80,000.
- The company also offers employees access to **unlimited one-on-one financial coaching** with a Certified Financial Planner, who can help guide

Integrating financial health across the worker journey

Investing in employee financial health enables a more productive workforce and allows employees to build wealth as they progress in their career



Skilling & talent development

Workers access high-quality career pathways to cultivate in-demand skills through traditional and non-traditional institutions



Inclusive hiring

Employers create recruitment pipelines centered on skills for underrepresented individuals



Stability & retention

Employers offer financial wellness benefits and in turn have a more financially secure, prosperous workforce—reducing turnover, improving productivity, and increasing retention



Career progression

Upskilling and wealth-building opportunities support workers as they grow in their careers

them on a range of financial matters and create a personalized action plan to track progress toward goals over time. In 2023, over 25,000 employees received a Financial Wellness Score™ and action plan, and of those surveyed after speaking to a financial coach or attending a learning session, 97% said they were better prepared to make a financial decision as a result of the information provided.

- As part of our efforts to improve our employees' financial wellness, the firm is also committed to ensuring **access to affordable healthcare** for employees and their families. We set employee healthcare costs on a sliding scale based on income, with lower costs for lower earners. Additionally, we have invested heavily to enhance U.S. medical coverage over recent years, lowering deductibles, out-of-pocket maximums, prescription drug costs, and payroll contributions for most employees, with more predictable costs for routine care. Finally, our Wellness Program allows employees to earn up to \$700 for completing certain wellness activities that can be used to cover out-of-pocket medical and prescription drug expenses, further promoting affordability.

With the addition of equity plan management platform **Global Shares**, JPMorganChase is also strengthening its employee ownership and financial wellbeing offerings to public and private companies globally.

Driving innovative solutions that promote worker financial wellbeing

JPMorganChase takes a holistic approach to workplace financial wellness, leveraging our philanthropic capital, insights, and expertise to improve the financial health of workers.

- Leveraging the momentum of the Secure 2.0 Act, JPMorganChase is supporting **Commonwealth** to launch 'Benefits for the Future,' an initiative that helps employers and benefits providers pilot and scale workplace benefits to improve the financial health of workers earning low- to moderate-incomes. To do this, Commonwealth will partner with forward-thinking employers to design, test, and scale innovative debt reduction, workplace savings, and wealth-building strategies that optimize traditional employer benefits to meet employee needs and enhance employer competitiveness.
- The **Financial Solutions Lab (FSL)**, managed by the Financial Health Network with support from JPMorganChase, incubated mission-driven fintech companies testing solutions that improved both worker financial wellbeing and workplace outcomes like retention, productivity, and employee satisfaction according to research by the **Social Policy Institute at Washington University in St. Louis**.⁹ In the years since, the workplace financial health movement has steadily gained momentum, with FSL alumni companies such as **Even**, **Candidly** (formerly FutureFuel.io), **Manifest**, **Sunny Day Fund**, and nonprofit fintech **Neighborhood Trust** informing the development of employer benefits to build financial security in the workplace.
- JPMorganChase supports think tanks like the **Financial Health Network** to generate insights on the essential benefits workers need to be financially healthy, as well as **The Aspen Institute's Financial Security Program's** Benefits21 Initiative to help create an inclusive benefits system that works seamlessly across the public and private sectors. In the UK, we've also supported **Nest Insight**, a research and innovation center focused on workplace programs that help build financial resilience; Nest's research and findings on "sidecar" emergency savings accounts associated with workplace retirement plans contributed to a growing evidence base that paved the way for U.S. employers to offer sidecar savings under the Secure 2.0 Act.¹⁰



Learn more about our
commitment to financial health
and wealth creation

1 <https://www.brightplan.com/2023-wellness-barometer-survey>

2 <https://finhealthnetwork.org/workplace/>

3 <https://www.voya.com/sites/www/files/2021-01/Voya-Perspectives-Building-financial-resiliency-with-an-emergency-savings-fund.pdf>

4 <https://finhealthnetwork.org/research/better-for-employees-better-for-business-providing-the-tools-to-meet-the-financial-health-needs-of-employees/>

5 <https://am.jpmorgan.com/content/dam/jpm-am-aem/americas/us/en/insights/retirement-insights/plan-sponsor-survey-ri-psr.pdf>

6 https://www.metlife.com/content/dam/metlifecom/us/noindex/pdf/ebts-2024/MetLife_EBTS_2024.pdf

7 <https://newsroom.bankofamerica.com/content/newsroom/press-releases/2023/09/bofa-survey-finds-many-american-workers-optimistic-about-their-f.html>

8 <https://finhealthnetwork.org/research/using-data-and-design-to-increase-equity-in-employee-financial-health/>

9 https://s3.amazonaws.com/cfsi-innovation-files-2018/wp-content/uploads/2021/03/23024025/FSL_IE-Report-WashU-Final.pdf

10 <https://www.nestinsight.org.uk/wp-content/uploads/2023/04/workplace-sidecar-saving-in-action.pdf>