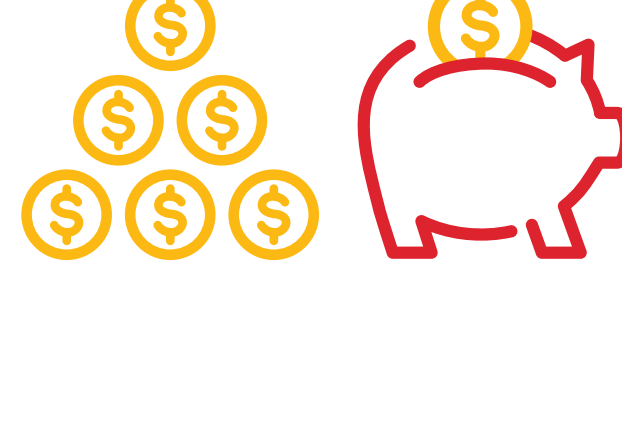


RETIREMENT: ARE YOU SAVING ENOUGH?



THE PENSION SHORTFALL¹



11x THEIR **AVERAGE FINAL SALARY IS NEEDED** BY EMPLOYEES TO MAINTAIN LIVING STANDARDS WHEN RETIRING AT AGE 65.



1/5 EMPLOYEES WILL HAVE **SAVINGS THAT EXCEED THIS AMOUNT** BY AGE 65 AND MAINTAIN THEIR STANDARD OF LIVING.

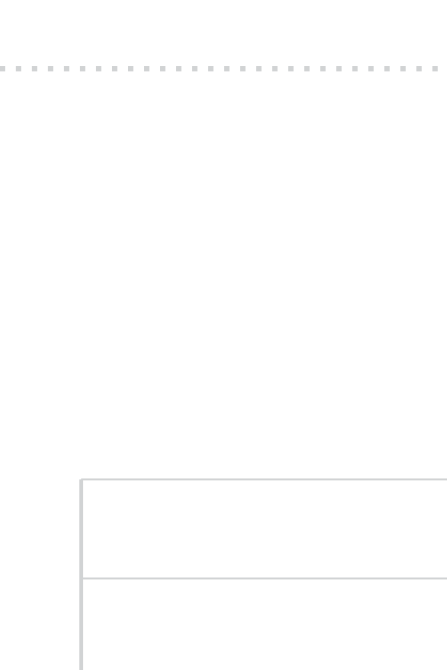


68 IS **THE MEDIAN AGE** THAT U.S. EMPLOYEES WILL BE **FINANCIALLY READY TO RETIRE** AND MAINTAIN THEIR STANDARD OF LIVING.



3/5 **FULL CAREER CONTRIBUTING EMPLOYEES** ARE NOT SAVING ENOUGH TO RETIRE AT AGE 65 WITHOUT BIG STANDARD OF LIVING CHANGES.

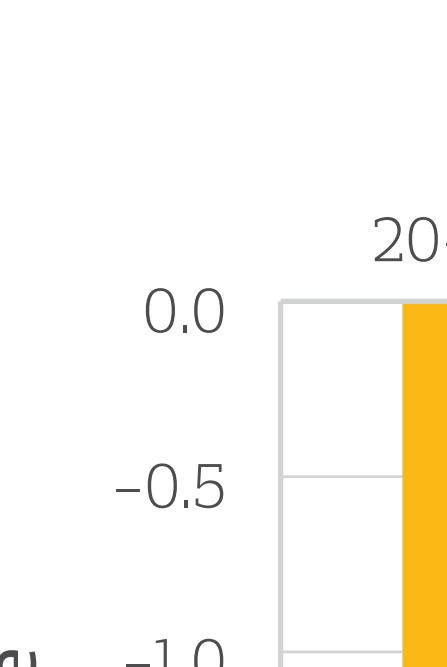
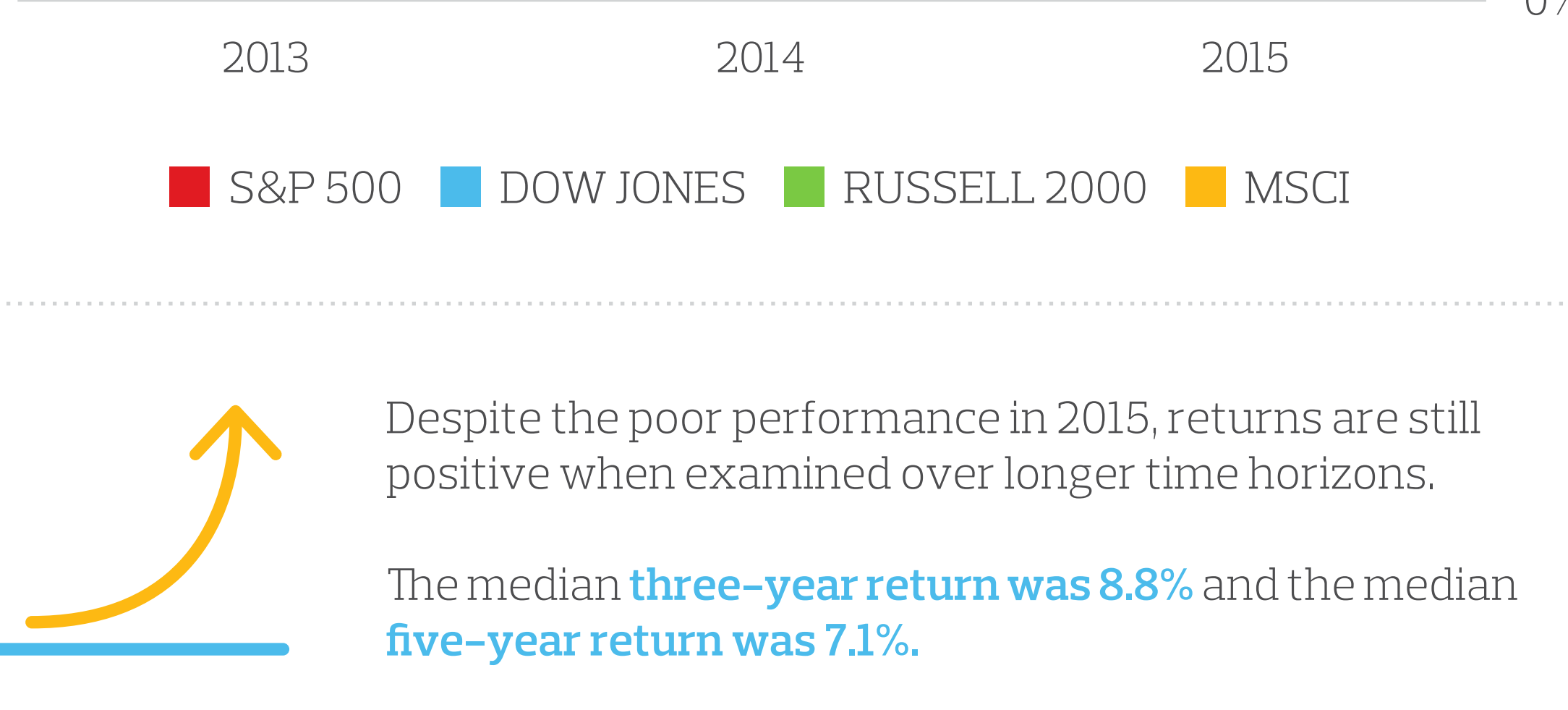
HOW ARE PENSION INVESTMENTS PERFORMING?²



Wall Street was weak in 2015, with only a few indices providing marginal returns. The Barclays Aggregate Index gained 0.6% and the S&P 500 Index gained 1.4%.

But the Russell 2000 Index returned -4.4% and the MSCI All Country World ex-U.S. Index posted a -5.7% return.

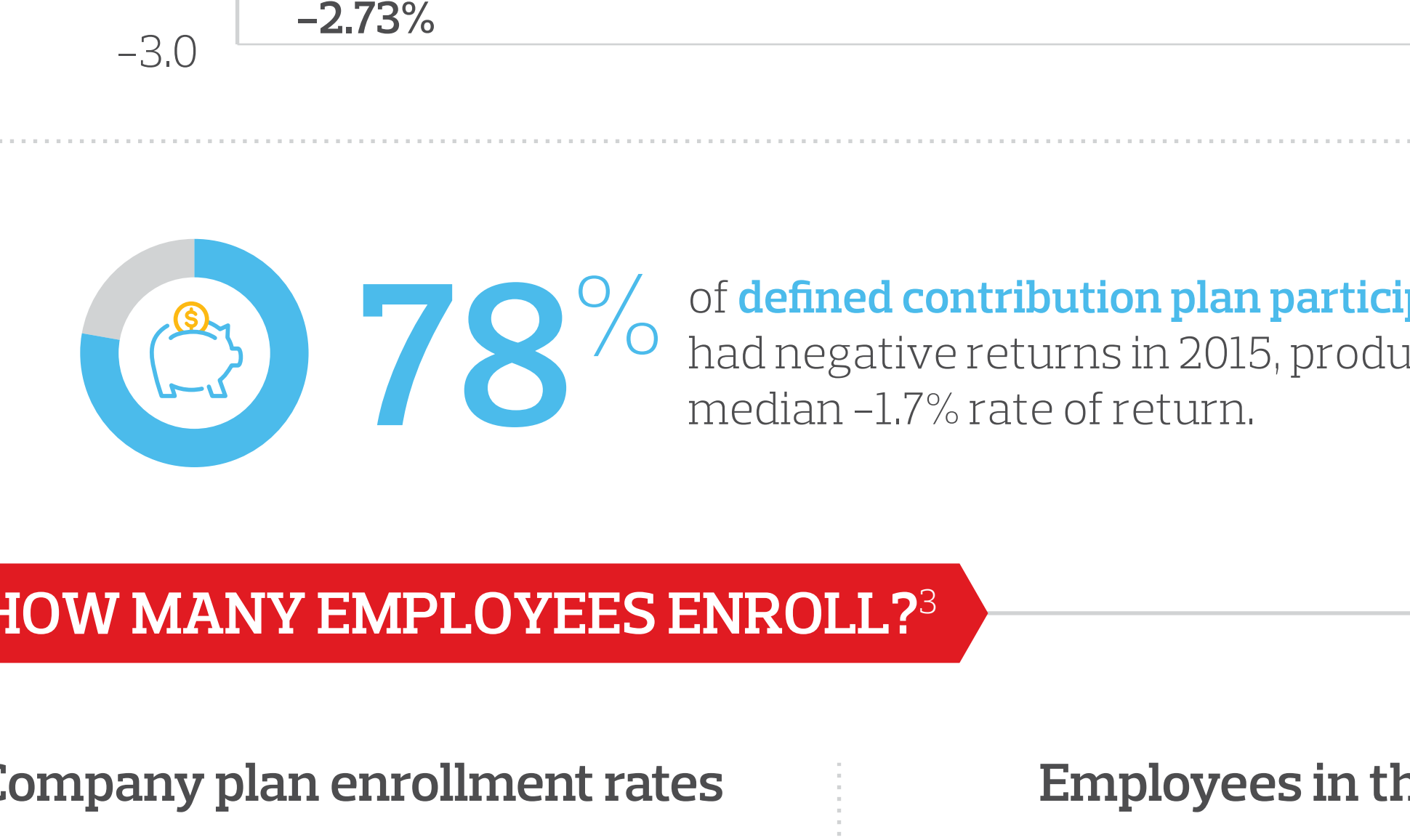
Stock index comparison (2013-2015)



Despite the poor performance in 2015, returns are still positive when examined over longer time horizons.

The median **three-year return was 8.8%** and the median **five-year return was 7.1%**.

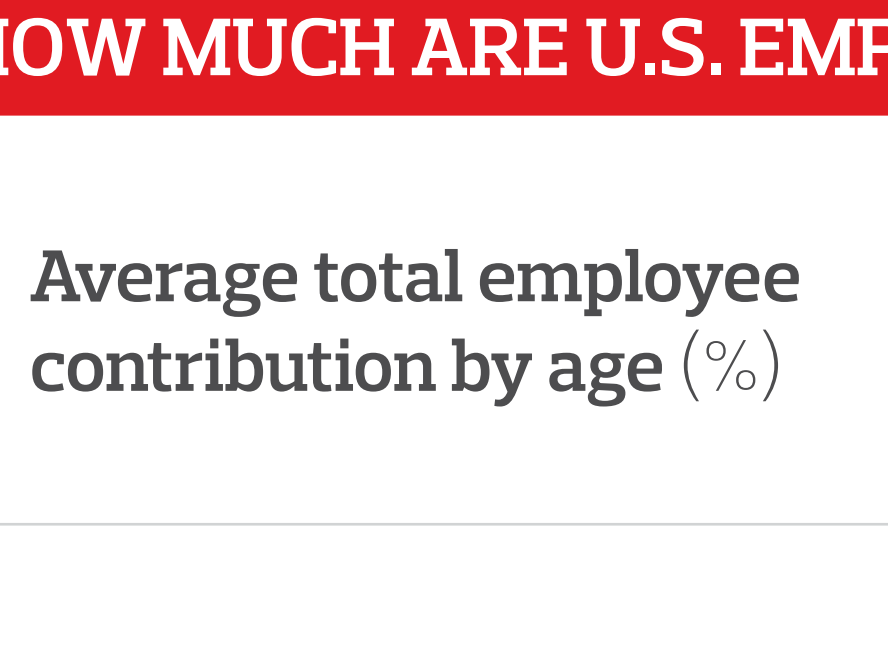
Defined Contribution Pension Returns (median 2015 rate of return by age)



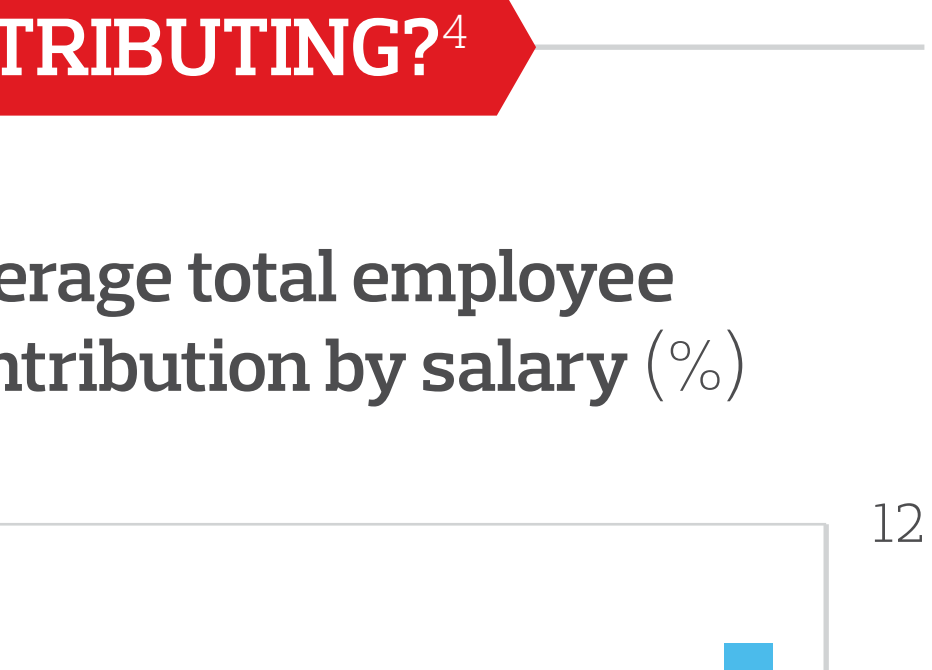
78% of **defined contribution plan participants** had negative returns in 2015, producing a median -1.7% rate of return.

HOW MANY EMPLOYEES ENROLL?³

Company plan enrollment rates



Employees in their 20s

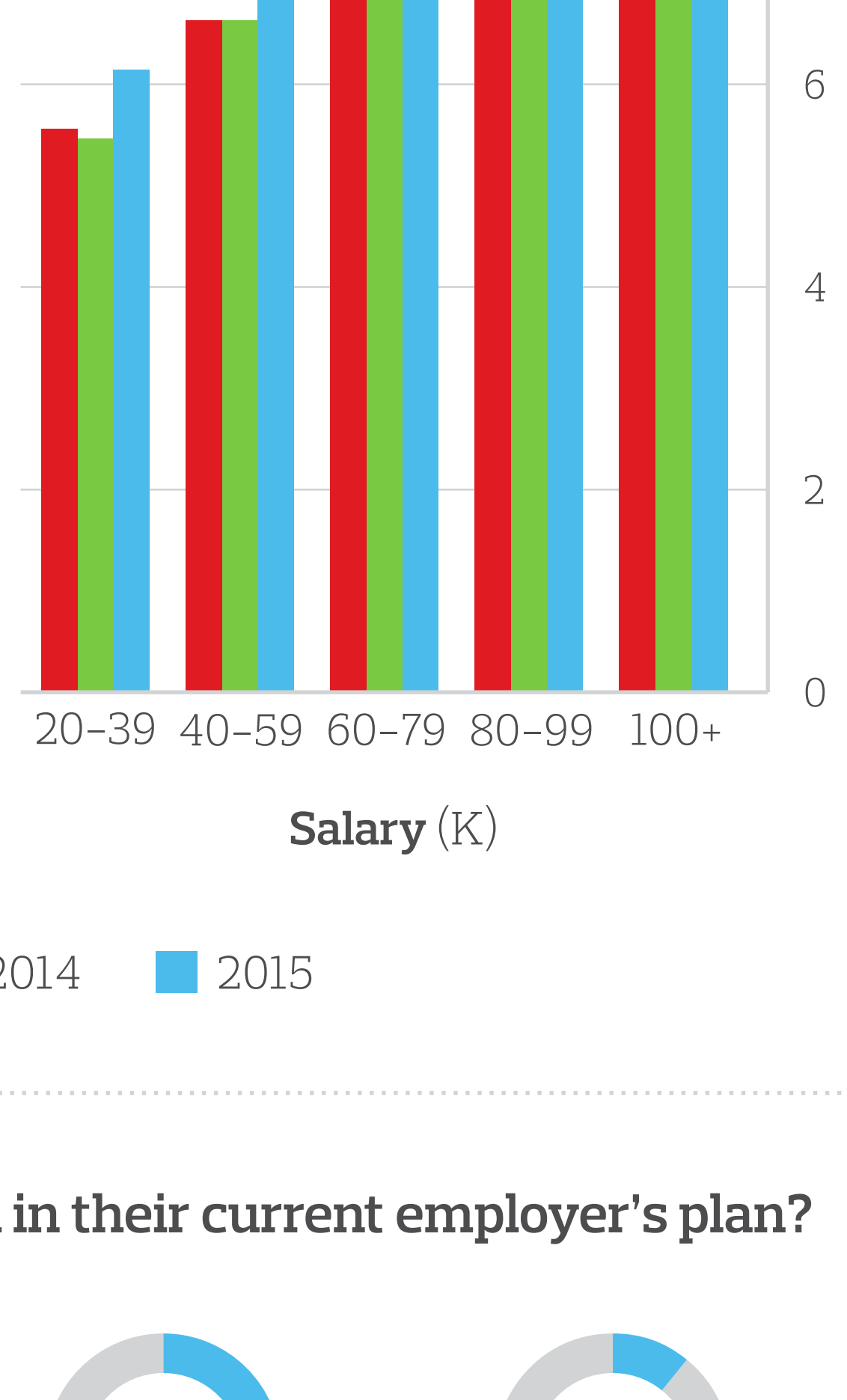


HOW MUCH ARE U.S. EMPLOYEES CONTRIBUTING?⁴

Average total employee contribution by age (%)



Average total employee contribution by salary (%)



How much have U.S. employees saved in their current employer's plan?



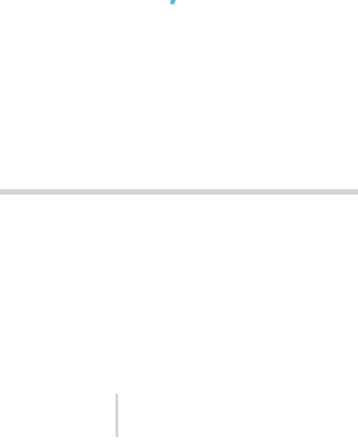
\$5,000+



\$50,000+

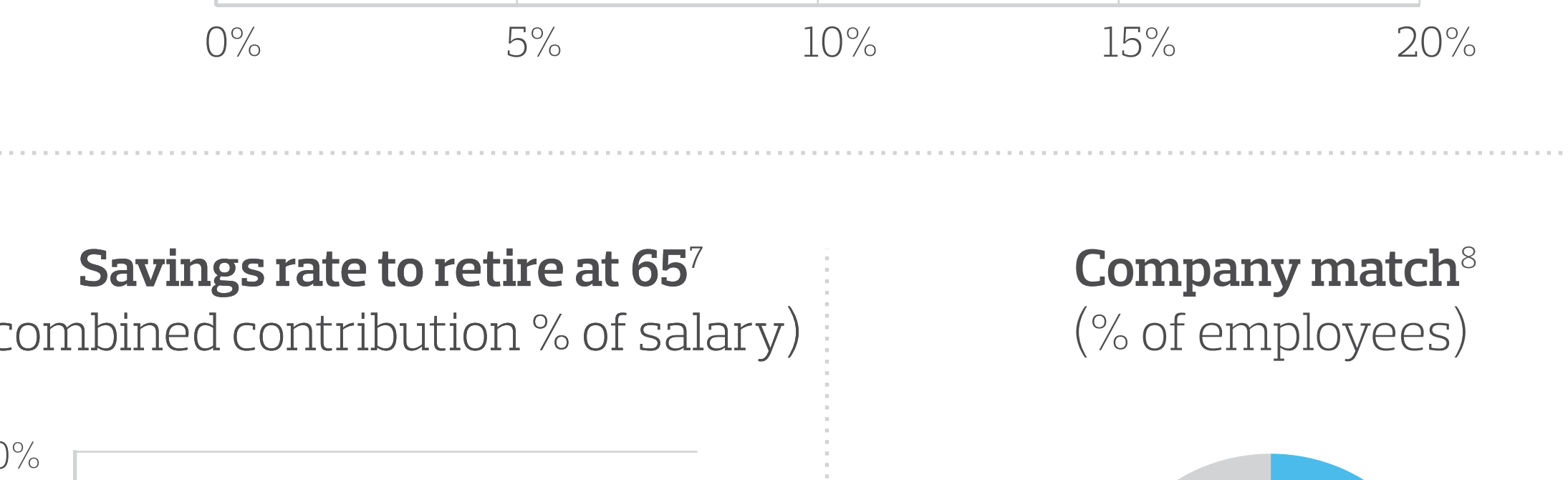


\$100,000+



\$250,000+

HOW MUCH SHOULD PEOPLE BE SAVING?



Savings rate to retire at 65⁷ (combined contribution % of salary)

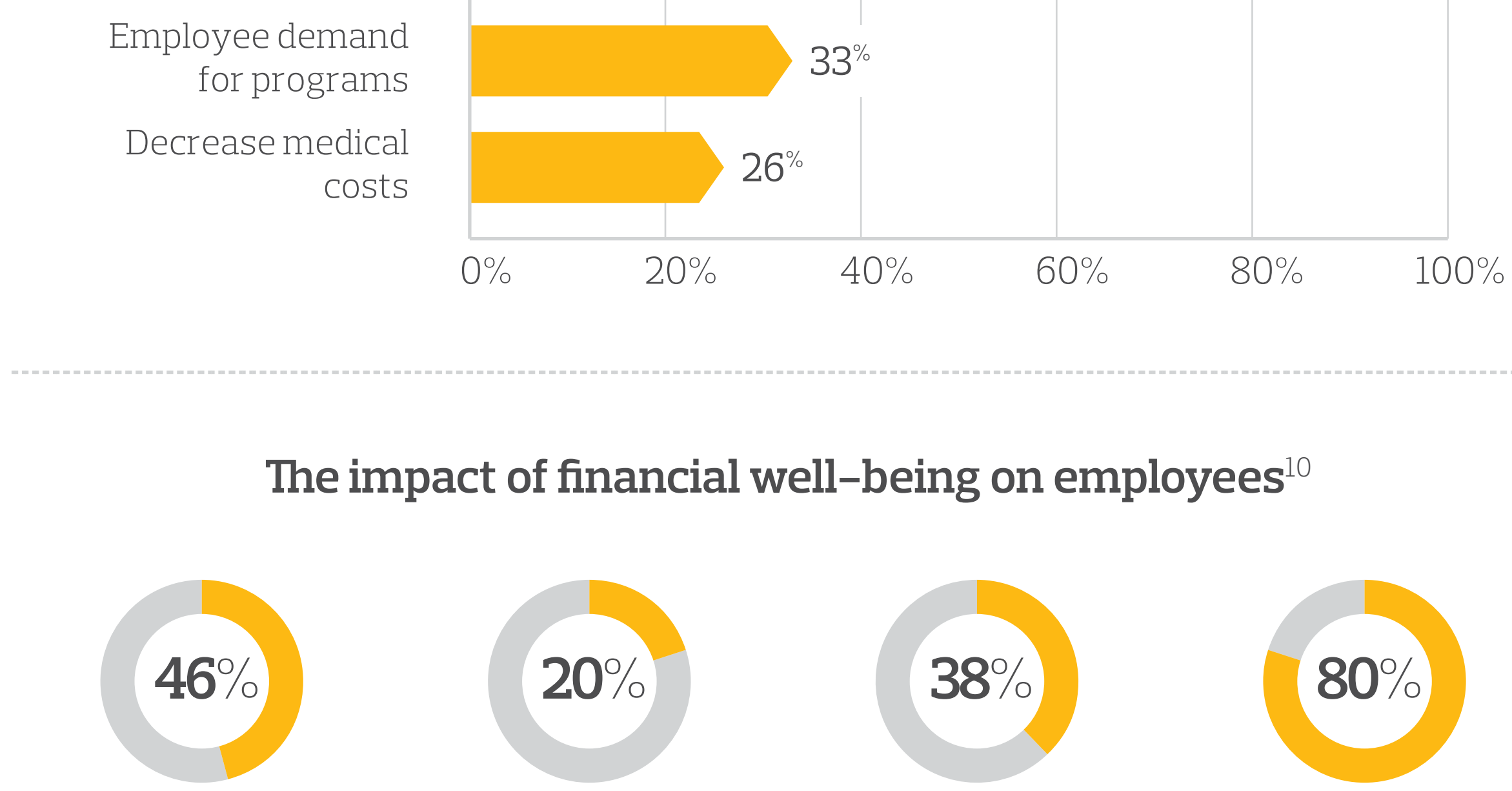


Company match⁸ (% of employees)

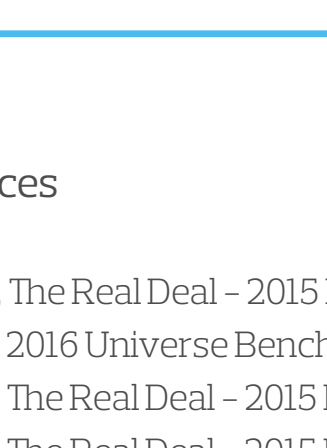


CONTRIBUTE ENOUGH TO RECEIVE FULL EMPLOYER MATCHING CONTRIBUTIONS.

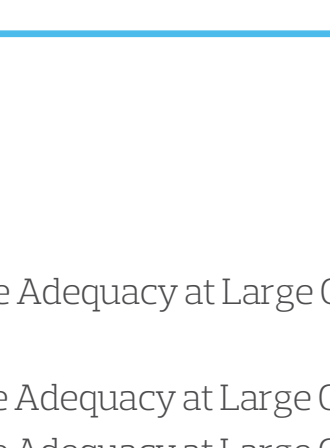
WHY ARE EMPLOYERS HELPING?⁹



The impact of financial well-being on employees¹⁰



Employees frequently worry about their finances.



Feel their financial situation negatively impacts on their work.



Would move to a company that prioritizes financial well-being.



Are not satisfied with employer's efforts to manage their finances.