



Life in Retirement: Pre-Retiree Expectations and Retiree Realities

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About the Authors

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In 2018, Catherine was named an [Influencer in Aging](#) by PBS' [Next Avenue](#). In 2016, she was honored with a [Hero Award](#) from the [Women's Institute for a Secure Retirement](#) (WISER) for her tireless efforts in helping improve retirement security among women. Catherine serves on the Advisory Board Leadership Council of the [Milken Institute's Center for the Future of Aging](#). She co-hosts the [ClearPath: Your Roadmap to Health & Wealth](#)SM radio show on Baltimore's WYPR, an NPR news station.

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About Transamerica Center for Retirement Studies

- Transamerica Center for Retirement Studies® (TCRS) is an operating division of Transamerica Institute® (The Institute), a nonprofit, private foundation. TCRS is dedicated to educating the public on trends, issues, and opportunities related to saving and planning for retirement and achieving financial security in retirement. It conducts one of the largest and longest-running annual retirement surveys of its kind. For more information about TCRS, please visit www.transamericainstitute.org/about
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About the Report

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Methodology: 23rd Annual Transamerica Retirement Survey

- The analysis contained in this report was prepared internally by the research team at Transamerica Institute and Transamerica Center for Retirement Studies (TCRS).
- A 28-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between November 8 and December 13, 2022 among a nationally representative sample of 2,546 age 50+ workers who are employed, self-employed, or unemployed but looking for work and a sample of 2,104 are retired and do not work.
- Data are weighted where necessary by age by gender, race/ethnicity, region, education, marital status, household size, household income and propensity to be online to bring them in line with their actual proportions in the population.
- Respondents for this survey were selected from among those who have agreed to participate in our surveys. The sampling precision of Harris online polls is measured by using a Bayesian credible interval. For this study, the sample data is accurate to within + 1.7 percentage points using a 95% confidence level. This credible interval will be wider among subsets of the surveyed population of interest.
- All sample surveys and polls, whether or not they use probability sampling, are subject to other multiple sources of error which are most often not possible to quantify or estimate, including, but not limited to coverage error, error associated with nonresponse, error associated with question wording and response options, and post-survey weighting and adjustments.
- Percentages are rounded to the nearest whole percent.

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Bryan Mayaen

Oliver Meyer

Greg Miller-Breetz

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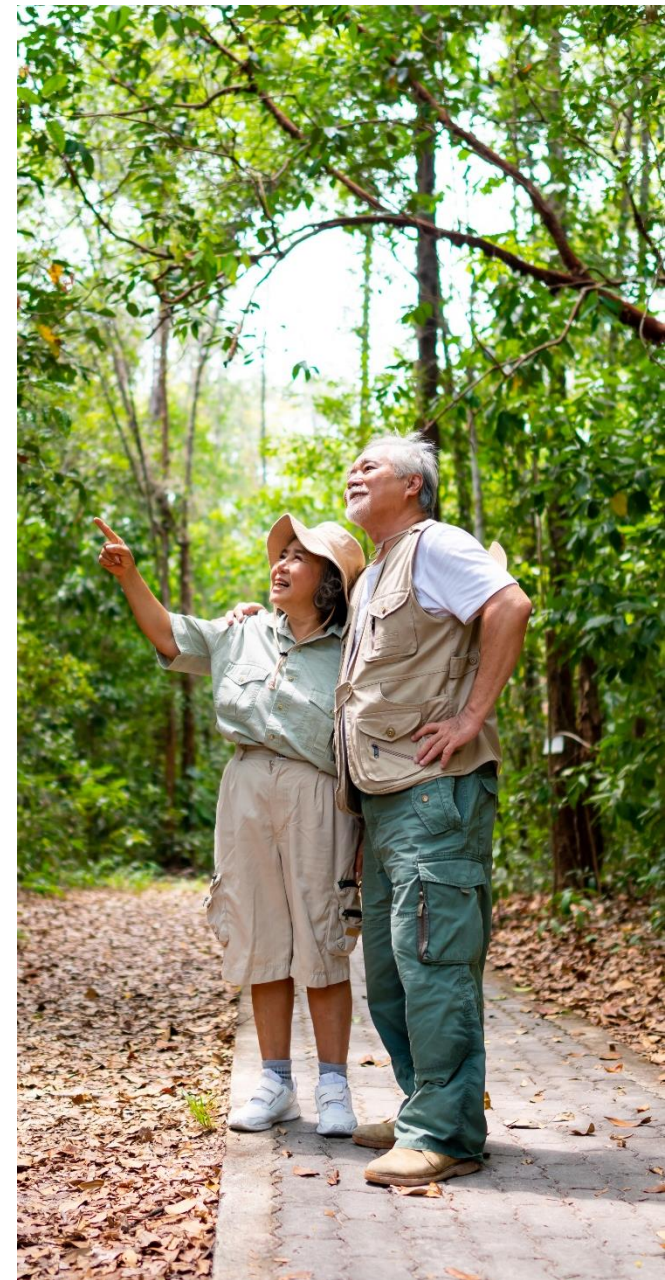
Key Highlights

Retirement brings new opportunities and free time for retirees to focus on their life priorities. While it holds great promise, it often involves living on limited financial means vis-à-vis Social Security, workplace retirement benefits, and personal savings and investments.

Today's retirees and pre-retirees have saved and prepared for older age amid an evolving retirement landscape in which the planning assumptions have changed in recent decades. Specifically, they encountered the shift away from employer-funded defined benefit plans toward employee-funded defined contribution plans such as 401(k)s, and they are contending with increasing societal expectation that workers self-fund a greater portion of their retirement income. Many pre-retirees and retirees are also concerned about the future of Social Security.

Retirees and pre-retirees are currently emerging from the pandemic and navigating a turbulent economy. They are susceptible to inflation and volatility in the financial markets. Unlike younger workers with a long time horizon until they retire, retirees and pre-retirees have little time to recover from financial shocks. Despite these challenges, they are living happy, purposeful albeit financially vulnerable lives.

Life in Retirement: Pre-Retiree Expectations and Retiree Realities, a collaboration between nonprofit Transamerica Center for Retirement Studies (TCRS) and Transamerica Institute, examines the retirement preparations and expectations of age 50+ workers with the experiences of retirees. It explores their visions of aging and retirement, when and how retirement happens, life in retirement, and their financial situation. The report is based on the 23rd Annual Transamerica Retirement Survey, one of the largest and longest running surveys of its kind.



Key Highlights

Visions of Aging & Retirement

Pre-retirees and retirees share a positive view of retirement as a time of freedom and enjoyment. They dream of travel, spending time with family and friends, and personal pursuits. Simultaneously, many are fearful of potential changes to their Social Security benefits, their financial situation, and the possible need for long-term care. When asked how long they plan to live, many are “not sure,” which is a reasonable answer but not useful for financial planning purposes and estimating their time in retirement.

- **“Retirement” Word Associations.** Age 50+ workers and retirees view retirement favorably — and retirees tend to feel even more that way. More than four in five retirees and age 50+ workers cite one or more positive word associations with “retirement” (86%, 84%, respectively), while fewer than two in five cite negative words (39% both). “Freedom” is the most common word association with retirees being more likely to cite it than age 50+ workers (66%, 59%). Retirees are also more likely than age 50+ workers to cite “enjoyment” (60%, 56%) and “stress-free” (42%, 38%). “Health decline” is retirees’ most common negative word association among retirees and they are more likely to cite it than age 50+ workers (23%, 17%). “Financial insecurity” is a negative word that is similarly shared by retirees and age 50+ workers (19%, 21%, respectively).
- **Retirement Dreams.** Traveling is the most often cited retirement dream by age 50+ workers and retirees (65%, 60%, respectively), followed by spending more time with family and friends (52%, 51%) and pursuing hobbies (45%, 41%). While age 50+ workers and retirees similarly share retirement dreams such as doing volunteer work as a retirement dream (25%, 26%) and taking care of grandchildren (16%, 15%), age 50+ workers are more likely than retirees to dream of doing some form of paid work in retirement (24%, 9%). Thirteen percent of retirees say they didn’t have any retirement dreams before they retired.
- **Retirement Fears.** Age 50+ workers are more afraid of retirement than retirees. Ninety percent of age 50+ workers cite one or more greatest retirement fears compared with 82% of retirees. Age 50+ workers are more likely than retirees to share fears of outliving their savings and investments (45%, 32%, respectively), declining health that requires long-term care (41%, 35%), possible long-term care costs (35%, 28%), losing their independence (32%, 28%), not being able to meet the basic financial needs of their family (30%, 20%). Forty-two percent of age 50+ workers and 39% of retirees fear that Social Security will be reduced or cease to exist in the future. Thirty-one percent of age 50+ workers and 28% of retirees fear cognitive decline, dementia, and Alzheimer’s Disease. Almost one in five retirees do not have any retirement fears (18%).

Key Highlights

Visions of Aging & Retirement (cont.)

- **Longevity: Age Planning to Live.** Age 50+ workers and retirees are planning to live long lives (age 89, age 90, respectively) (medians). Eleven percent of age 50+ workers and retirees are planning to live to age 100 or older. Many age 50+ workers and retirees are “not sure” (39%, 47%), which is a reasonable answer but not useful for financial planning. Among those who provided an age, the survey compared their planned life expectancy with their expected/actual retirement ages and found that age 50+ workers are expecting to spend less time in retirement than retirees (22 years, 28 years, respectively) (medians). Hint: Age 50+ workers are expecting to retire at an older age than retirees retired (see page 32).
- **An Upbeat Outlook and a Positive View of Aging.** More than eight in 10 retirees and age 50+ workers share an upbeat outlook on life including having close relationships with family and/or friends (88%, 87%, respectively), being generally happy (89%, 87%), and enjoying life (86%, 82%). Retirees and age 50+ workers similarly share a positive view of aging (80%, 77%) and a strong sense of purpose in life (79%, 82%). More than half of retirees and age 50+ workers have an active social life (54%, 59%). Of concern, some retirees and age 50+ workers are experiencing indicators of distress such as having trouble making ends meet (28%, 33%), often feeling unmotivated and overwhelmed (26%, 31%), and often feeling anxious and depressed (24%, 28%). Approximately one in five retirees and age 50+ workers are isolated and lonely (17%, 20%).
- **Concerns About Health in Older Age.** Age 50+ workers and retirees are concerned about their health in older age (73%, 74%, respectively). Twenty-two percent of both age 50+ workers and retirees are very concerned, while 51% of age 50+ workers and 52% of retirees are somewhat concerned.
- **Engagement in Healthy Activities.** When asked what health-related activities they do on a consistent basis, retirees are taking better care of themselves in many ways than age 50+ workers. While retirees and age 50+ workers are similarly likely to eat healthy (both 61%) and exercise regularly (56%, 58%, respectively), retirees are more likely than age 50+ workers to seek medical attention when needed (76%, 59%), get routine physicals and recommended health screenings (73%, 58%), get plenty of rest (65%, 55%), socialize with family and friends (67%, 54%), and maintain a positive outlook (62%, 53%). However, relatively few retirees and age 50+ workers are considering long-term health when making lifestyle decisions (20%, 18%).

Most pre-retirees and retirees are concerned about their health in older age. Retirees are more consistently engaging in healthy activities than pre-retirees, which might be the result of their having more discretionary time to do so or possibly reprioritizing health with age. In order to fully enjoy long and healthy lives, more pre-retirees and retirees should consider their long-term health when making lifestyle decisions.

Key Highlights

When & How Retirement Happens

Pre-retirees' expectations about when they will retire dramatically differ from retirees' experiences. As a sign of changing times, today's workers seek to extend their working lives beyond traditional retirement age and many plan a gradual transition. Some pre-retirees are already transitioning into retirement or have "unretired" by coming out of retirement and returning to the workforce. In contrast, however, the experience of retirees should serve as a cautionary tale. Many retired sooner than planned due to health, employment, or family-related issues.

- **Retirement Age: Expectations Versus Reality.** Retirees retired at age 62 (median). Fifty-eight percent retired before the age of 65. In stark contrast, today's workers are expecting to work longer and retire at an older age. Age 50+ workers expect to retire at age 67 (median), and two in three workers (66%) expect to retire after age 65 (47%) or do not plan to retire (19%).
- **Retirement Transitions: Expectations Versus Reality.** Today's workers vision of when and how they will retire is a radical departure from how retirees retired. More than four in 10 of age 50+ workers (44%) envision transitioning into retirement by reducing work hours with more leisure time to enjoy life (28%) or by working in a different capacity that is less demanding and/or brings greater personal satisfaction (16%). Fewer than one in four (23%) plan to immediately stop working when they reach a certain age (16%) or have saved a specific amount of money (7%). Twenty-three percent plan to continue working as long as possible in their current or similar position until they cannot work anymore. In stark contrast, 41% of retirees immediately stopped working when they retired, 26% worked as long as possible until they could not work anymore, and only 13% transitioned into retirement by reducing hours or working in a different capacity.
- **Age 50+ Workers: Some Are Transitioning to Retirement.** Some age 50+ workers are already transitioning into retirement. Nineteen percent consider themselves to be semi-retired. Among the 14% who are working part-time, more than one in four (27%) indicate they are transitioning into retirement as the reason for doing so. Eight percent of age 50+ workers have unretired by retiring then coming out of retirement and reentering the workforce.
- **Retirees: When and How Retirement Happened.** Fifty-six percent of retirees retired sooner than planned, while 37% retired when planned and seven percent retired later than they had planned.

Key Highlights

When & How Retirement Happens (cont.)

- **Retirees: Reasons for Retiring Sooner or Later Than Planned.** Among retirees who retired sooner than planned, only 17% retired due to their financial ability to do so. Forty-five percent retired sooner than planned for health reasons such as physical limitations or disability or ill health, and 42% did so for employment reasons such as unhappiness, organizational changes, job loss, and/or a buyout. Among retirees who retired later than planned, 75% did so for financial reasons or the need for benefits, and 56% did so for healthy aging-related reasons such as enjoying their work, staying active, and keeping their brain alert.
- **Retirees: Retiring Amid the Pandemic.** More than one in five of the retirees (22%) indicated they retired in the pandemic, including 16% who retired early, two percent who quit their job, and four percent who were laid off or fired from their job. Among those who retired during the pandemic, the most often cited reasons include transitioning into retirement (33%), being overworked and exhausted (23%), the risk of contracting COVID-19 (21%), and medical/health limitations (21%).

Among the retirees who retired during the pandemic, only time will tell how many will return to the workforce or remain retired—and ultimately, how their retirement experience unfolds.

Life in Retirement

Retirees are happy and enjoying life in retirement despite some of them experiencing declines in their financial situation or health. They are spending more time with family and friends, pursuing hobbies, traveling, and involving themselves with other activities. More than half still live in the same home where they lived before retiring—and most want to age in place.

- **Retirees: How Life Has Changed in Retirement.** More than four in 10 retirees say their enjoyment of life (43%) and happiness (42%) has improved since they retired. Two-thirds (66%) say their standard of living has stayed the same. However, approximately three in ten retirees note declines in their financial situation (31%) and general health (29%).
- **Retirees: How Expenses and Spending Habits Have Changed.** More than half of retirees (55%) indicate their expenses in retirement are as expected, while 31% indicate they are more than expected and 14% indicate they are less than expected. Forty-seven percent of retirees indicate their spending habits have decreased in retirement, while 40% indicate they have stayed the same and 13% indicate they have increased.

Key Highlights

Life in Retirement (cont.)

- **Retirees: How They Are Actually Spending Their Time.** Since retiring, retirees are spending more time with family and friends (57%), pursuing hobbies (40%), traveling (36%), taking care of grandchildren (18%), doing volunteer work (17%), and caregiving for a loved one (9%). Only three percent are doing paid work such as pursuing an encore career, working in their current field, or starting a business. Comparing how retirees are actually spending their time with their retirement dreams before they retired, the survey finds them meeting or exceeding their dreams with regards to spending more time with family and friends, pursuing hobbies, and taking care of grandchildren. While many retirees had dreamed of traveling in retirement, far fewer are doing so as the pandemic could have negatively impacted their travel plans in recent years.
- **Retirees: Choosing Where to Live in Retirement.** One of the most exciting aspects of retirement is choosing where to live. When asked about choosing where to live in retirement, retirees most often cite important criteria as nearby family and friends (64%), affordable cost of living (58%), access to excellent health care and hospitals (47%), good weather (43%), low crime rate (40%), and leisure and recreational activities (32%). Approximately one in five retirees cite a walkable community with easy access to retailers and amenities (22%) and convenient transportation (20%). Some retirees site cultural activities and events (16%) and community engagement or volunteer opportunities (15%).
- **Retirees: Most Stay in Their Current Home.** Sixty-three percent of retirees are living in the same home where they lived before retiring, while 37% have moved to a new home. Among those who have moved, the most often cited reasons include moving closer to family and friends (33%), starting a new chapter in life (28%), reducing expenses (27%), downsizing into a smaller home (27%) and moving to a better climate (22%). Sixteen percent indicate they moved due to a change in marital status such as becoming widowed (8%), getting divorced or separated (5%), or getting married or finding a new partner (4%).
- **Retirees: Household Members.** More than three in four retirees (77%) live with someone in their household including a spouse or partner (57%), their children (17%), their grandchildren (4%), friends or acquaintances (4%), parents (2%), or other (5%). Twenty-three percent of retirees live alone. Among all retirees, most live in a single-family home (78%), while 18% rent in a multi-unit apartment or condominium complex, and two percent live in a retirement community.
- **Retirees: Most Want to Age in Place.** Almost nine in 10 retirees (89%) feel that it is important to remain in their home as they get older, including 68% who feel that it is very important and 21% who feel it is somewhat important.

Key Highlights

Life in Retirement (cont.)

- **Retirees: Plans for Long-Term Care.** Almost half of retirees (46%) indicate if their health declines and they need help with daily activities and/or nursing care, they plan to receive such care from family and friends including their spouse (29%), family members (26%), and friends (4%). Twenty-seven percent would move to an assisted living community, 22% would use a professional paid in-home caregiver, and nine percent would move to a nursing home. Nine percent would seek reduced-fee services from a community organization. A concerning three in 10 retirees (31%) do not have plans including 18% who say they do not have any plans for long-term care and 13% who say they have not thought about it.
- **Retirees: Confidence in Affording Long-Term Care.** Only 14% of retirees are very confident they will be able to afford long-term care, if needed. Forty-one percent of retirees are somewhat confident, 26% are not too confident, and 19% are not at all confident.

An area of focus for retirees is planning for the possible need for long-term care. Although they cited it as one of their greatest retirement fears, many retirees lack well-developed plans. Few are very confident that they will be able to afford it.

Money & Finances

Pre-retirees and retirees are concerned whether they have saved enough money and if they will be able to maintain a comfortable lifestyle throughout their retirement. They have competing financial priorities ranging from continuing to save for retirement and building emergency savings to paying off debt. Many are living on relatively limited means and expecting Social Security to be their primary source of retirement income.

- **Retirement Confidence.** Age 50+ workers have less confidence in their ability to fully retire with a comfortable lifestyle than retirees' confidence in their ability to maintain a comfortable lifestyle throughout their retirement. Sixty-two percent of age 50+ workers are confident, including 17% who are very confident and 45% who are somewhat confident. More than seven in 10 retirees (72%) are confident, including 23% who are very confident and 49% who are somewhat confident.

Key Highlights

Money & Finances (cont.)

- **Retirement Nest Egg.** Retirees and age 50+ workers share similar beliefs about whether they have saved enough for retirement. More than half of retirees and age 50+ workers agree that they are building/have built a large enough retirement nest egg. (53%, 57%, respectively). However, few retirees and age 50+ workers strongly agree (21%, 22%).
- **Changes to Financial Situation Since Pandemic Began.** Approximately one-third of age 50+ workers and retirees indicate their financial situation has worsened since the pandemic began (32%, 33%, respectively). Age 50+ workers are more likely than retirees to say their financial situation improved (15%, 9%), and they are less likely to say that it stayed the same (53%, 58%).
- **Financial Priorities.** Age 50+ workers and retirees have competing financial priorities, but they differ somewhat. Sixty-eight percent of age 50+ workers cite saving for retirement as a current priority, compared with just 26% of retirees who cite continuing to save for retirement. Almost one-third of retirees (32%) are just getting by to cover basic living expenses, compared with 27% of age 50+ workers. Thirty-seven percent of age 50+ workers and 32% of retirees cite building emergency savings. Thirty-five percent of age 50+ workers and 30% of retirees cite paying off credit card debt as financial priorities. One in five retirees (20%) are creating an inheritance or financial legacy, compared with 13% of age 50+ workers.
- **Sources of Retirement Income.** Age 50+ workers and retirees most often cite Social Security as an expected/current source of retirement income (82%, 90%, respectively). As an indicator of the evolving retirement landscape, age 50+ workers are more likely than retirees to cite 401(k)s, 403(b)s, and IRAs as a source of retirement income (66%, 44%). In contrast, almost four in 10 retirees (39%) cite income from a company-funded pension plan(s), compared with just 26% of age 50+ workers. As further evidence of changing times, more than one-third of age 50+ workers (34%) are expecting income from working in retirement, compared with just five percent of retirees.
- **Primary Source of Retirement Income.** Retirees and age 50+ workers most often cite Social Security as their expected *primary* source of income in retirement (54%, 36%, respectively), albeit with a significant difference in their levels of response. Age 50+ workers are more likely than retirees to expect primarily rely on income from 401(k)s, 403(b)s, and IRAs in retirement (26%, 11%). In contrast, almost one in five retirees (19%) expect to primarily rely on a company-funded pension(s), compared with just 10% of age 50+ workers. A noteworthy 11% of age 50+ workers are expecting to primarily rely on income from continuing to work in retirement.

Key Highlights

Money & Finances (cont.)

- **Access to Employer-Sponsored Retirement Benefits.** Retirees are far more likely to have participated in a defined benefit plan during the majority of their careers, compared with age 50+ workers who are currently offered such a plan (45%, 24%, respectively). Forty-seven percent of retirees participated in a 401(k) or similar plan for the majority of their working careers. Among age 50+ workers, more than seven in 10 (71%) are offered a 401(k) or similar plan by their current employer, of whom 83% participate in the plan.
- **Retirees: Age Start Receiving Social Security Benefits.** Eighty-two percent of retirees are currently receiving Social Security benefits and they started receiving benefits at age 63 (median). Thirty-one percent started receiving benefits at age 62, the earliest age possible for Social Security retirement benefits — albeit at a 20% to 30% reduced benefit depending on their year of birth and the age they are eligible to receive full retirement benefits. Only four percent of retirees waited to receive benefits at age 70, the maximum age that brings higher benefit payments.
- **Annual Household Income.** Retirees have an annual household income (HHI) of \$58,000, which is significantly less than age 50+ workers' HHI of \$87,000 (estimated medians). Thirty-three percent of retirees have an HHI of less than \$50,000, compared with only 17% of age 50+ workers. More than half of retirees and age 50+ workers have an HHI of \$50k to less than \$200k (54%, 64%, respectively). Fifteen percent of age 50+ workers have an HHI of \$200k+, compared with just nine percent of retirees.
- **Emergency Savings.** Age 50+ workers and retirees generally lack adequate emergency savings to cover the cost of an unexpected major financial setback with the median amount saved being \$10,000 (median) for both cohorts. Seventeen percent of retirees and 14% of age 50+ workers have no emergency savings. A noteworthy 33% of retirees and 24% of age 50+ workers are “not sure” how much they have saved.
- **Age 50+ Workers: Household Savings in Retirement Accounts.** Age 50+ workers have saved \$133,000 (estimated median) in total household retirement accounts. Thirty-seven percent have saved less than \$100,000. Twenty-three percent have saved \$100,000 to less than \$500,000. Fourteen percent have saved \$500,000 to less than \$1,000,000. And 14% have saved \$1,000,000 or more.
- **Retirees: Total Household Savings.** Retirees have saved \$73,000 (estimated median) in total household savings excluding home equity. Forty-two percent have saved less than \$100,000. Seventeen percent have saved \$100,000 to less than \$500,000. Eleven percent have saved \$500,000 to less than \$1,000,000. And 14% have saved \$1,000,000 or more. The estimated median home equity among retirees is \$126,000. More than one in five retirees (22%) do not have any home equity.

Key Highlights

Money & Finances (cont.)

- **Retirees: Savings and Investments.** When asked about what types of savings and investments they own, retirees most often cite a bank account (76%), primary residence (51%), life insurance policy (38%), IRA (36%), brokerage account (34%), and 401(k), 403(b), or similar plan (28%). Twenty-one percent of retirees have an annuity, and 11% have real estate other than their primary residence. Only five percent have an HSA. Fifteen percent of retirees have no savings and investments.
- **Few Have a Written Retirement Strategy.** Few age 50+ workers and retirees have a financial strategy for retirement in the form of a written plan (23%, 19%, respectively). Forty-six percent of both cohorts have a plan, but it is not written down. Thirty percent of age 50+ workers and 36% of retirees do not have a plan.
- **Age 50+ Workers: Backup Plan if Retirement Comes Unexpectedly.** Only 31% of age 50+ workers have a backup plan for income if forced into retirement sooner than expected. More than half (57%) do not have a backup plan for retirement income and 12% are not sure.
- **Frequency of Family Discussions.** Few age 50+ workers and retirees frequently discuss saving, investing, and planning for retirement with family and close friends (14%, 6%, respectively). Fifty-nine percent of age 50+ workers and 50% of retirees occasionally discuss it. Twenty-seven percent of age 50+ workers and 44% of retirees say they never discuss it.
- **Financial Advisor Usage.** Fewer than four in 10 retirees and age 50+ workers currently use a professional financial advisor (35%, 37%, respectively).
- **Legal Documents.** Retirees are more likely than age 50+ workers to set forth legal documents codifying their wishes. However, given what is at stake, retirees and age 50+ workers have an opportunity to do more. Sixty-nine percent of retirees and 56% of age 50+ workers have established one or more legal documents with the most common being a last will and testament (51% retirees, 39% age 50+ workers). Only 40% of retirees and 25% of age 50+ workers have established a health care power of attorney, and only 38% of retirees and 25% of age 50+ workers have a general power of attorney. Even fewer have established an advance directive, HIPAA waiver, funeral or burial arrangements, or a trust.

Pre-retirees and retirees could potentially improve their financial situation by engaging in financial planning and, if needed, consulting with a professional financial advisor. Given their age, they should also engage in advanced planning and set forth their wishes about their health and finances in legal documents.

Key Highlights

Insights for Younger Generations

Many pre-retirees and retirees are concerned that future generations of retirees will be worse off than those currently in retirement. Retirees have wisdom and life experience to share with younger generations, including what they might have done differently.

Reflecting on their retirement preparations during their working years, many retirees:

- Wish that they would have saved more on a consistent basis (73%);
- Wish they had been more knowledgeable about retirement saving and investing (66%);
- Would have liked to have received more information and advice from their employers on how to achieve their retirement goals (49%);
- Waited too long to concern themselves with saving and investing for retirement (45%); and,
- Should have relied more on outside experts to monitor and manage their retirement savings (42%).

Almost seven in 10 retirees (69%) said they did as much as they could to prepare themselves for retirement.

Many retirees and pre-retirees are financially fragile due to the evolving retirement landscape and the increasing societal expectation that workers self-fund a greater portion of their retirement income. Many lacked the awareness, knowhow, and access to resources needed for them to be successful. Their experience is a call to action for policymakers to strengthen Social Security and Medicare to ensure their sustainability for current and future generations of retirees. Additionally, policymakers must be steadfast in their resolve to modernize our retirement system by paving the way for the successful implementation of SECURE 2.0 Act of 2022, and by addressing persistent structural barriers impeding retirement security, for example by ensuring that all workers have the opportunity to save for retirement in the workplace and requiring that financial literacy be taught in public schools.

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Recommendations for Pre-Retirees and Retirees

Pre-retirees and retirees are emerging from the pandemic and navigating a turbulent economy that could impact their retirement security. Transitioning into and living in retirement, pre-retirees and retirees could mitigate longevity risk by setting realistic retirement expectations, planning for longer lives, managing their money, safeguarding their health, and preparing for long-term care. Action steps include:

1. **Prepare a written financial plan to help ensure that your savings last your lifetime.** Factor in living expenses, debt repayment, savings and investments, sources of guaranteed retirement income, health care needs, insurance protections, investment returns, inflation, taxes, the possible need for long-term care, and a potential legacy. Seek professional advice, if needed.
2. **Save as much as you can.** Strive to live within your means and set aside additional savings. Learn about tax incentives to save including the Saver's Credit and Catch-up Contributions.
3. **Pay off debt and avoid taking on new debt,** especially high-interest rate credit card or consumer debt. For those with mortgage debt, determine the optimal approach for paying it off, considering your overall financial situation, the terms of the loan, and the amount owed.
4. **Consider an encore career, part-time work, or volunteer work** to bring additional income and/or opportunities to stay active and involved.
5. **Get savvy about Social Security and Medicare.** Learn about Social Security claiming strategies that can help maximize long-term benefits, and get informed about Medicare eligibility and coverage options to insure against medical expenses.
6. **Plan and budget for home modifications that will enable you to age in place.** If modifications are cost prohibitive or infeasible, consider other alternatives such as moving to a different home or a retirement community.
7. **Assess the possibility of needing long-term care.** Learn about types of available care, associated costs, and possible eligibility for support services. Research and obtain long-term care insurance, if appropriate for your situation.
8. **Identify and enlist a trusted loved one(s).** Have frank conversations about your wishes and concerns. Build a common understanding about the potential need for financial and/or caregiving support.
9. **Put your financial affairs in order and establish legal documents, as needed,** including a financial power of attorney, a power of attorney for health care or medical proxy, a HIPAA waiver, an advance directive or living will, a last will and testament, funeral and burial arrangements, and/or a trust.
10. **Take good care of your health** to promote well-being and enjoyment of life – and potentially reduce health care-related costs.
11. **Don't become a victim of elder fraud.** Be hypervigilant, learn about scams and how to avoid them, protect your identity, and safeguard your assets.

Recommendations for Employers

Employers can play a crucial role in retaining older workers until they are ready to retire and in assisting pre-retirees with their transitions into retirement. Working with their HR and benefits advisors and retirement plan providers, employers can help improve their employees' retirement outlook and outcome through these opportunities:

1. **Cultivate an age-friendly work environment and adopt diversity, equity and inclusion (DE&I) business practices** that include age among other demographic factors (e.g., gender, race, religion, sexual orientation). Encourage mentorships to support cross-training, professional development, and succession planning across all ages and demographic priorities.
2. **Consult with your benefits advisors and retirement plan provider to learn about the SECURE 2.0 Act of 2022** and new provisions that may be appropriate for your plan including matching contributions based on qualified student loan payments, emergency savings accounts, the new in-service withdrawals for disaster relief, victims of domestic abuse, and emergency personal expenses, and designating employer contributions as Roth. Also, learn the new law's plan administration-related rules including self-certification of hardship withdrawals and updated Required Minimum Distribution (RMD) rules.
3. **Extend benefits eligibility to part-time workers**, including health insurance and retirement plan offerings. For part-time workers not offered health insurance, provide information about the options available in the marketplace. For part-time workers who do not meet the requirements under the SECURE Act and SECURE 2.0 Act of 2022 to make salary deferrals, consider providing them with the ability to contribute to an IRA through payroll deduction.
4. **Promote tax-related incentives to save, including the Saver's Credit and Catch-Up Contributions.**
5. **Offer pre-retirees greater levels of assistance in planning their transition into retirement** – including access to financial counseling, education about distribution options, retirement income strategies, and the need for a backup plan if forced into retirement sooner than expected (e.g., health issues, job loss, family obligations).
6. **Provide education about Social Security and Medicare.** Offer guidance to help pre-retirees make informed decisions about when and how to apply so they can maximize the value of their benefits.
7. **Create opportunities for workers to phase into retirement** by allowing for flexible work arrangements, reduced hours, shifting from full-time to part-time and/or working in different capacities.
8. **Offer access to retirement-oriented lifestyle and transition planning resources** to help pre-retirees envision their life in retirement and find purposeful ways of spending their time.
9. **Provide information about encore career opportunities** for pre-retirees who are interested in starting a new chapter, continuing their careers, earning income, and giving back to their communities.
10. **Encourage pre-retirees to participate in succession planning, training, and mentoring** thereby increasing the likelihood of a smooth transition for all parties involved (i.e., the worker, the employer, colleagues, and customers) when they do retire.

Recommendations for Policymakers

Policymakers have an imperative to strengthen the U.S. retirement system for Americans already in retirement, those nearing retirement, and workers of all ages. Recommendations for policymakers that directly and indirectly improve retirement security include:

1. **Address Social Security and Medicare funding issues.** The sooner reforms are implemented to the programs, the more time people will have to adjust their financial plans for retirement.
2. **Ensure accessible and affordable quality health care options and prescription drugs** are available to all Americans, including retirees and full-time and part-time workers, the self-employed, and gig economy workers, as well as those who are unemployed.
3. **Engage leaders from across sectors and disciplines to collaborate, innovate and implement new financing and delivery models for long-term care** that are more accessible and affordable to individuals needing care and to family caregivers who are providing care.
4. **Support family caregivers** by providing Social Security credits to those who forego employment to provide care. Establish medical training programs for non-professional caregivers. Encourage employers to help workers who are balancing their jobs with caregiving.
5. **Bridge the digital divide.** Consider providing and/or expanding subsidies for additional broadband access, particularly in rural and underserved urban areas. Internet access is key to engaging with health-related and financial service providers.
6. **Increase access to affordable housing** to enhance financial security for Americans of all ages.
7. **Encourage employers to implement age-friendly business practices as part of their DE&I efforts.** Create incentives and remove disincentives for employers to hire and retain older workers, offer phased retirement, and create opportunities for encore careers.
8. **Support lifelong learning** ranging from financial literacy education in schools and in the workplace to ongoing professional development, including retraining and learning new job skills.
9. **Provide guidance on certain key provisions of SECURE 2.0 to ensure a successful implementation, including:**
 - a. **Opportunities for Expanding Retirement Plan Coverage**, including small business tax credits for establishing retirement plans or joining multiple employer plans (MEPs) or pooled employer plans (PEPs); the formation of 403(b) MEPs and PEPs; and increased inclusion of part-time workers in retirement plans by reducing the long-term employment requirements.
 - b. **Enhanced retirement plan features that further facilitate retirement savings among workers**, including increased catch-up contribution limits; increased age limits for required minimum distributions (RMDs); expansion of automatic enrollment, automatic re-enrollment, and automatic increases; ability for employers to make matching contributions in recognition of student loan repayments; the addition of emergency savings accounts; and de minimis financial incentives (e.g., gift cards) in connection with an employee's participation in the plan.
 - c. **The Saver's Match, a new government matching contribution** for low- to moderate-income retirement savers that will replace the current Saver's Credit.

Life in Retirement:
Pre-Retiree Expectations and Retiree Realities
Detailed Findings

Visions of Aging & Retirement

“Retirement” Word Associations

Age 50+ workers and retirees view retirement favorably – and retirees tend to feel even more that way. More than four in five retirees and age 50+ workers cite one or more positive word associations with “retirement” (86%, 84%, respectively), while fewer than two in five cite negative words (39% both). “Freedom” is the most common word association with retirees being more likely to cite it than age 50+ workers (66%, 59%).

Retirees are also more likely than age 50+ workers to cite “enjoyment” (60%, 56%) and “stress-free” (42%, 38%). “Health decline” is retirees’ most common negative word association among retirees and they are more likely to cite it than age 50+ workers (23%, 17%). “Financial insecurity” is a negative word that is similarly shared by retirees and age 50+ workers (19%, 21%, respectively).

Which of the following do you personally associate with the word “retirement”? (%)

■ Age 50+ Workers ■ Retirees

Positive Word Associations

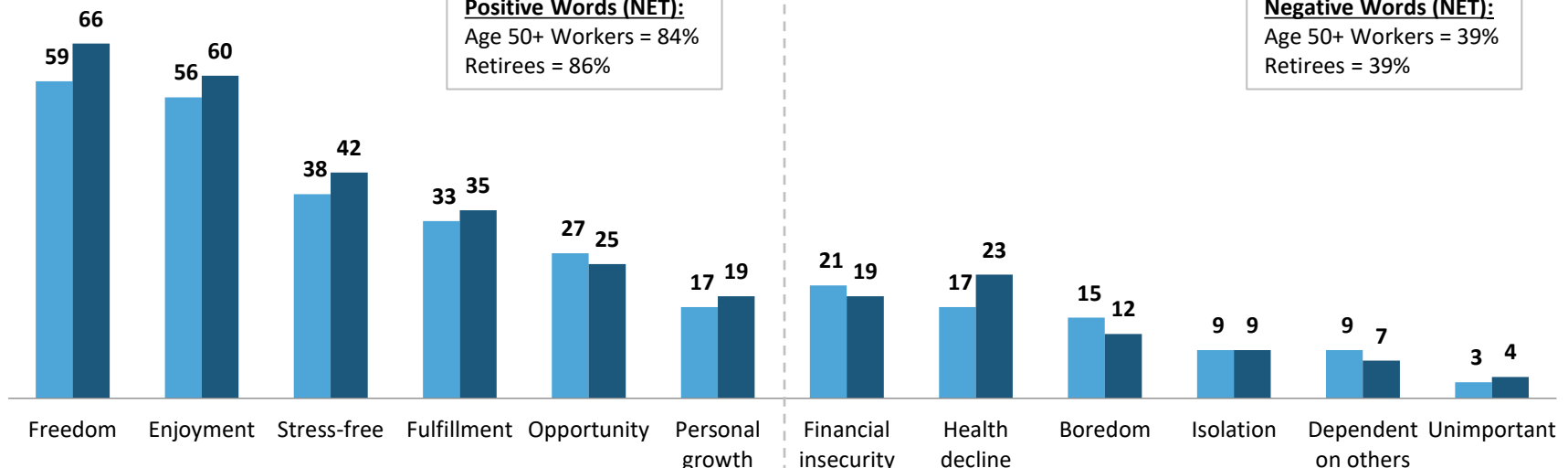
Positive Words (NET):

Age 50+ Workers = 84%
Retirees = 86%

Negative Word Associations

Negative Words (NET):

Age 50+ Workers = 39%
Retirees = 39%



Note: Responses not shown for “Other” (All Workers: 1%).

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

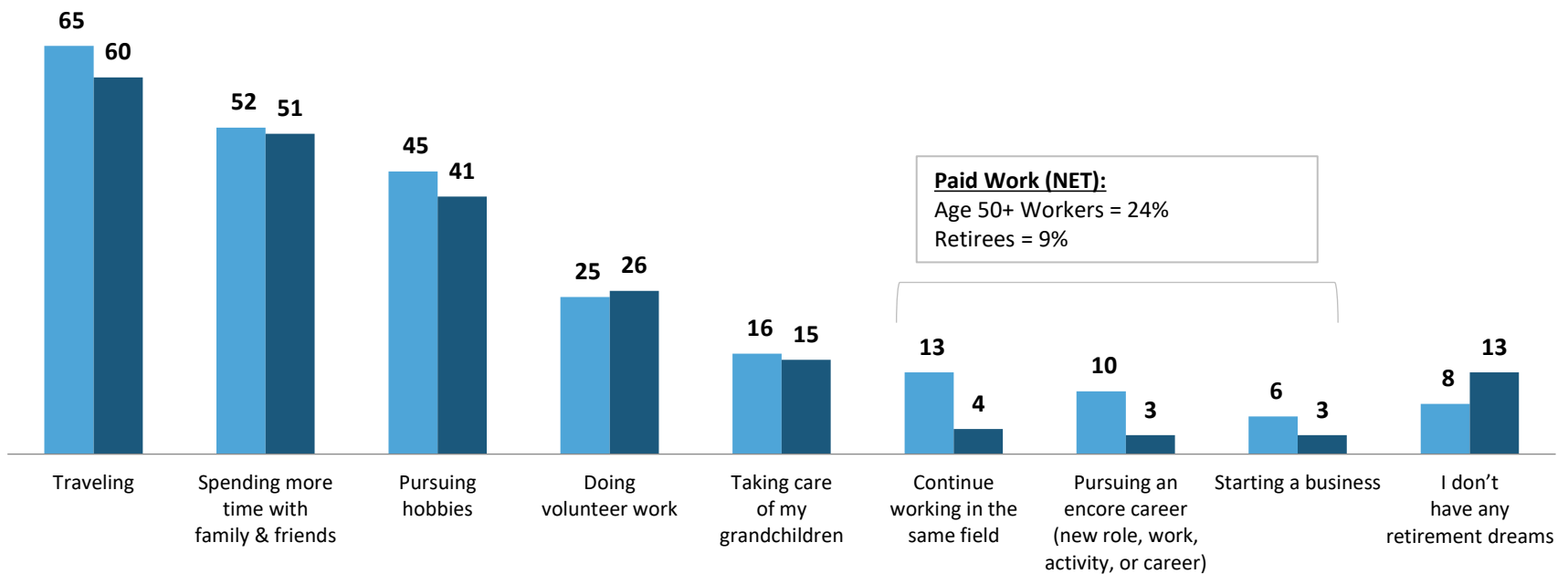
Q5000. Which of the following do you personally associate with the word “retirement”? Select all.

Retirement Dreams

Traveling is the most often cited retirement dream by age 50+ workers and retirees (65%, 60%, respectively), followed by spending more time with family and friends (52%, 51%) and pursuing hobbies (45%, 41%). While age 50+ workers and retirees similarly share retirement dreams such as doing volunteer work as a retirement dream (25%, 26%) and taking care of grandchildren (16%, 15%), age 50+ workers are more likely than retirees to dream of doing some form of paid work in retirement (24%, 9%). Thirteen percent of retirees say they didn't have any retirement dreams before they retired.

How do you / did you dream of spending your retirement? (%)

■ Age 50+ Workers ■ Retirees



Note: Responses not shown for "Other" (Age 50+ Workers: 2%, Retirees: 3%).

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

AGE 50+ WORKERS. Q1418. How do you dream of spending your retirement? Select all.

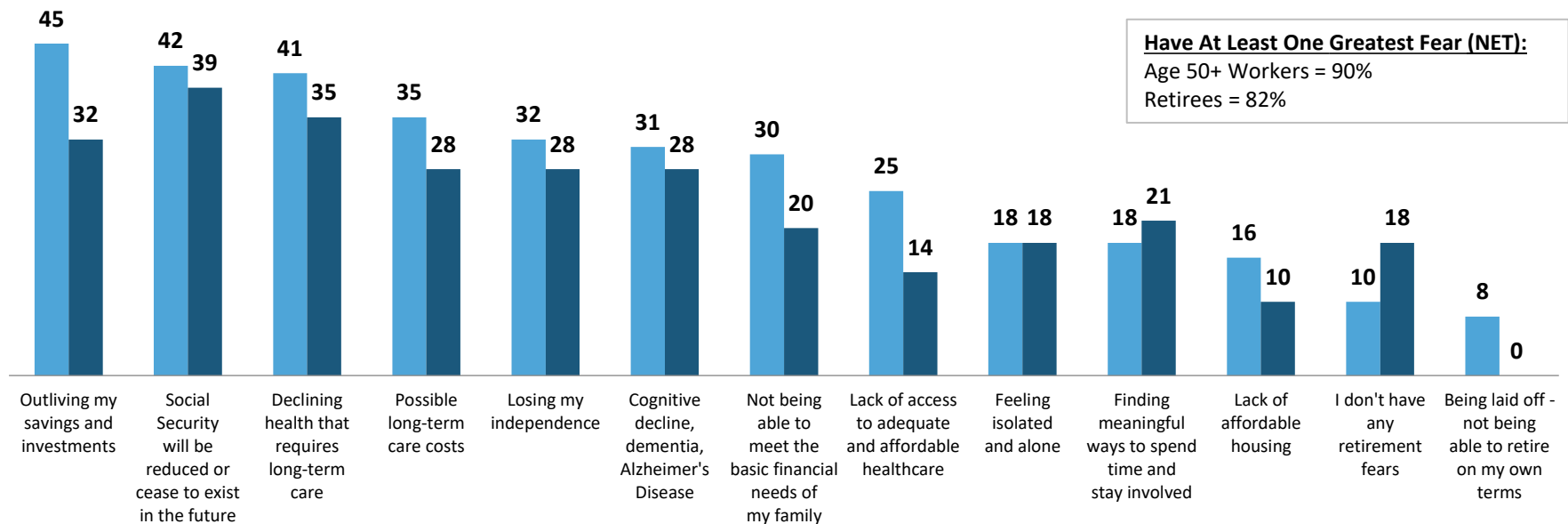
RETIRES. Q1418. Before you retired, how did you dream of spending your retirement? Select all.

Retirement Fears

Age 50+ workers are more afraid of retirement than retirees. Ninety percent of age 50+ workers cite one or more greatest retirement fears compared with 82% of retirees. Age 50+ workers are more likely than retirees to share fears of outliving their savings and investments (45%, 32%, respectively), declining health that requires long-term care (41%, 35%), possible long-term care costs (35%, 28%), losing their independence (32%, 28%), not being able to meet the basic financial needs of their family (30%, 20%). Forty-two percent of age 50+ workers and 39% of retirees fear that Social Security will be reduced or cease to exist in the future. Thirty-one percent of age 50+ workers and 28% of retirees fear cognitive decline, dementia, and Alzheimer's Disease. Almost one in five retirees do not have any retirement fears (18%).

What are your greatest fears about retirement? (%)

■ Age 50+ Workers ■ Retirees



Note: Responses not shown for "Other" (Age 50+ Workers: 1%, Retirees: 2%).

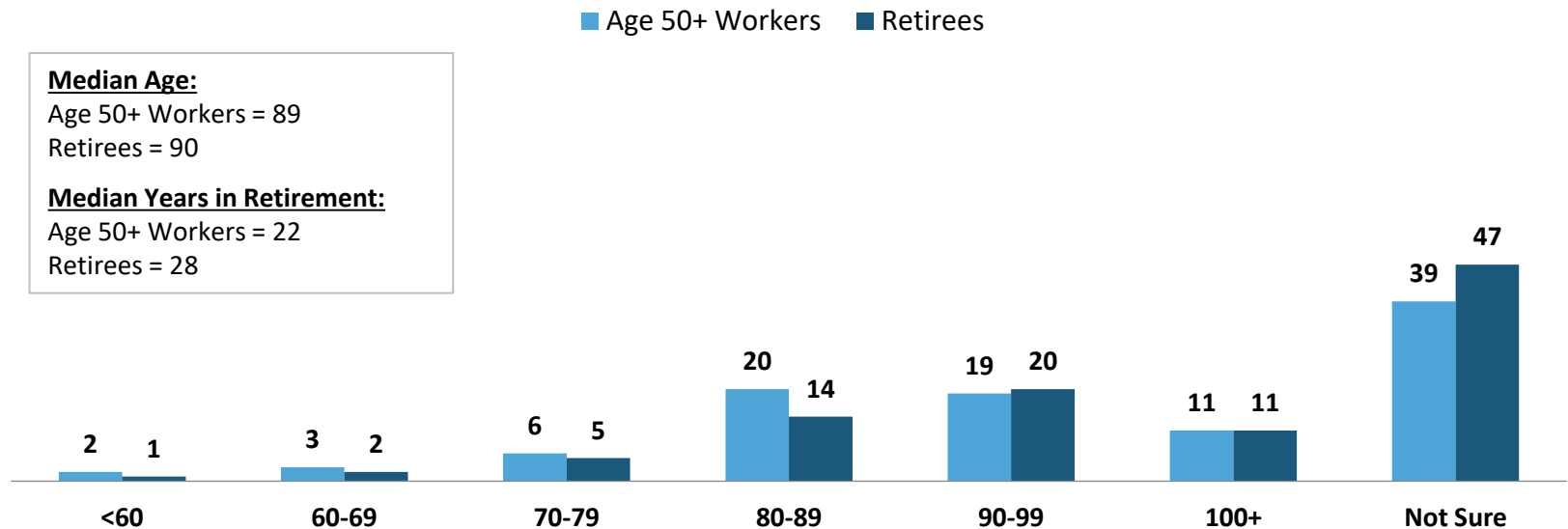
BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1422. What are your greatest fears about retirement? Select all.

Longevity: Age Planning to Live

Age 50+ workers and retirees are planning to live long lives (age 89, age 90, respectively) (medians). Eleven percent of age 50+ workers and retirees are planning to live to age 100 or older. Many age 50+ workers and retirees are “not sure” (39%, 47%), which is a reasonable answer but not useful for financial planning. Among those who provided an age, the survey compared their planned life expectancy with their expected/actual retirement ages and found that age 50+ workers are expecting to spend less time in retirement than retirees (22 years, 28 years, respectively) (medians). Hint: Age 50+ workers are expecting to retire at an older age than retirees retired (see page 32).

What age are you planning to live to? (%)



Note: Results may not total 100% due to rounding.

*Median years in retirement calculation excludes those who said, “don’t plan to retire.”

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

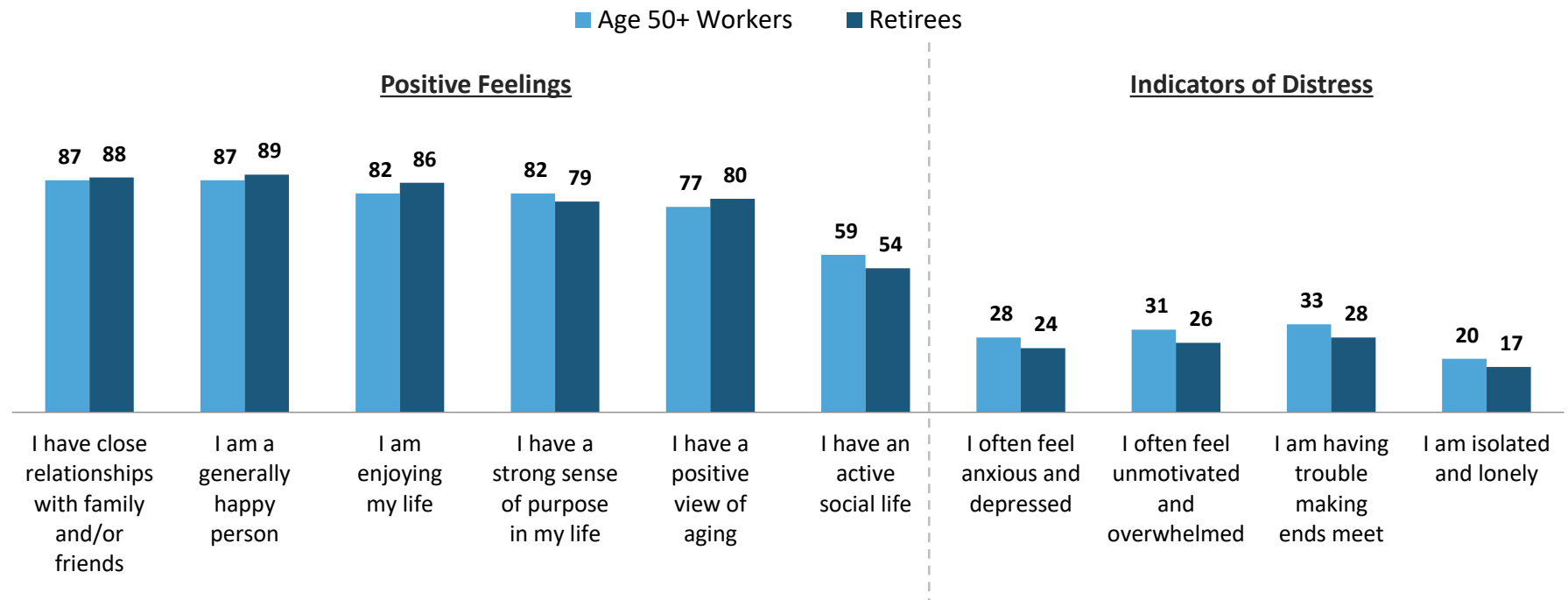
Q2850. What age are you planning to live to?

Q910. At what age do you expect to retire?

An Upbeat Outlook and a Positive View of Aging

More than eight in 10 retirees and age 50+ workers share an upbeat outlook on life including having close relationships with family and/or friends (88%, 87%, respectively), being generally happy (89%, 87%), and enjoying life (86%, 82%). Retirees and age 50+ workers similarly share a positive view of aging (80%, 77%) and a strong sense of purpose in life (82%, 79%). More than half of retirees and age 50+ workers have an active social life (54%, 59%). Of concern, some retirees and age 50+ workers are experiencing indicators of distress such as having trouble making ends meet (28%, 33%), often feeling unmotivated and overwhelmed (26%, 31%), and often feeling anxious and depressed (24%, 28%). Approximately one in five retirees and age 50+ workers are isolated and lonely (17%, 20%).

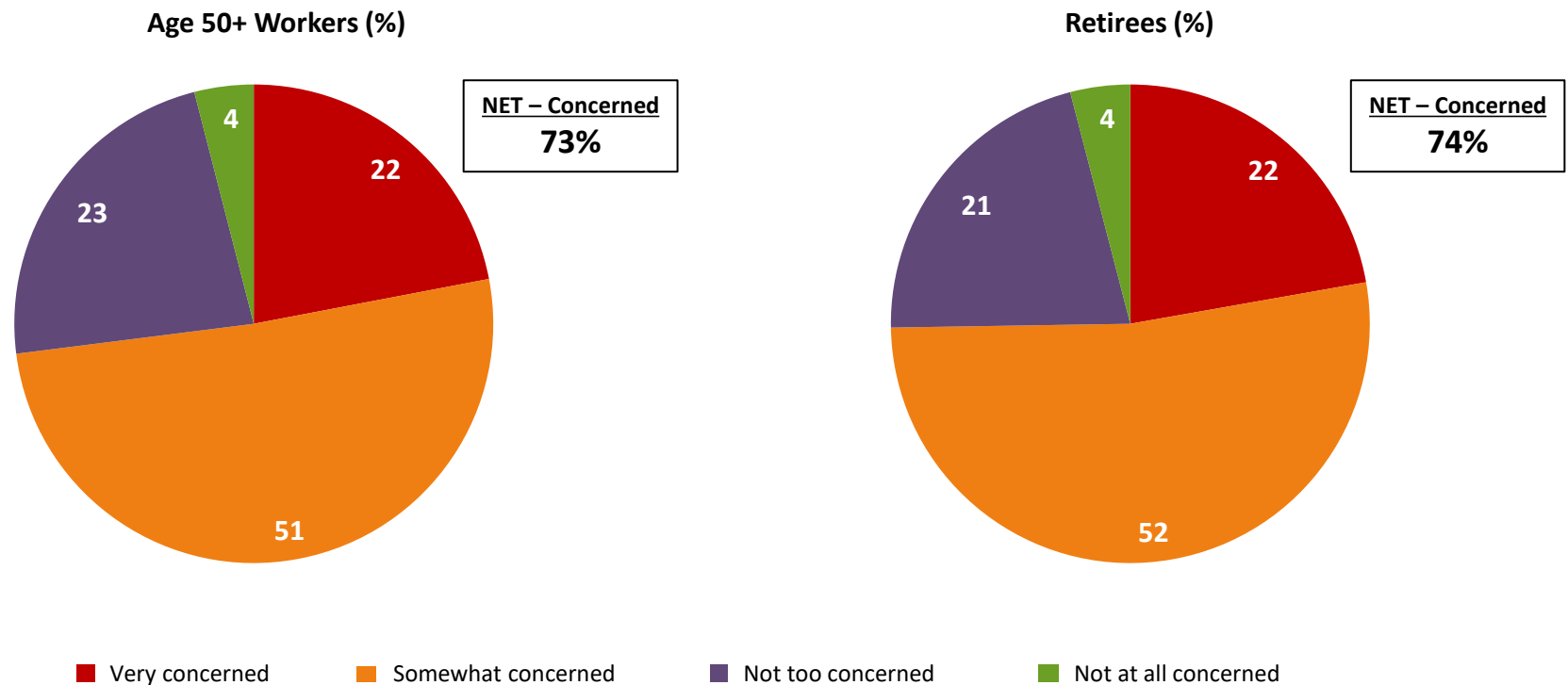
How much do you agree or disagree with the following statements? (NET – Strongly/Somewhat Agree) (%)



Concerns About Health in Older Age

Age 50+ workers and retirees are concerned about their health in older age (73%, 74%, respectively). Twenty-two percent of both age 50+ workers and retirees are very concerned, while 51% of age 50+ workers and 52% of retirees are somewhat concerned.

Concerned About Health in Older Age



Engagement in Healthy Activities

When asked what health-related activities they do on a consistent basis, retirees are taking better care of themselves in many ways than age 50+ workers. While retirees and age 50+ workers are similarly likely to eat healthy (both 61%) and exercise regularly (56%, 58%, respectively), retirees are more likely than age 50+ workers to seek medical attention when needed (76%, 59%), get routine physicals and recommended health screenings (73%, 58%), get plenty of rest (65%, 55%), socialize with family and friends (67%, 54%), and maintain a positive outlook (62%, 53%). However, relatively few retirees and age 50+ workers are considering long-term health when making lifestyle decisions (20%, 18%).

<u>Engaging in Health-Related Activities on a Consistent Basis (%)</u>	Age 50+ Workers	Retirees
Eating healthy	61	61
Seeking medical attention when needed	59	76
Exercising regularly	58	56
Getting routine physicals and recommended health screenings	58	73
Getting plenty of rest	55	65
Socializing with family and friends	54	67
Maintaining a positive outlook	53	62
Getting recommended COVID-19 vaccinations	50	63
Avoiding harmful substances (e.g., cigarettes, alcohol, illicit drugs, etc.)	49	58
Getting recommended vaccinations (e.g., flu, shingles, MMR)	48	63
Managing stress	42	37
Taking COVID-19 precautions (e.g., wearing a mask, physical distancing, testing, etc.)	37	44
Practicing mindfulness and meditation	20	17
Considering long-term health when making lifestyle decisions	18	20
Seeking mental health support when needed	15	13
Other	2	2
Nothing	2	3

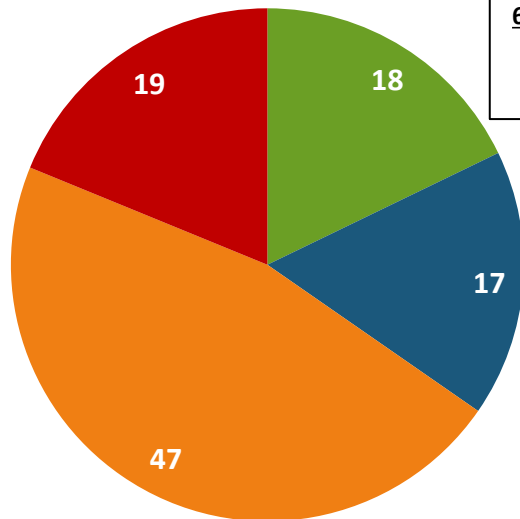
When & How Retirement Happens

Retirement Age: Expectations Versus Reality

Retirees retired at age 62 (median). Fifty-eight percent retired before the age of 65. In stark contrast, today's workers are expecting to work longer and retire at an older age. Age 50+ workers expect to retire at age 67 (median), and two in three workers (66%) expect to retire after age 65 (47%) or do not plan to retire (19%).

Workers' Expected Retirement Age vs. Retirees' Actual Retirement Age

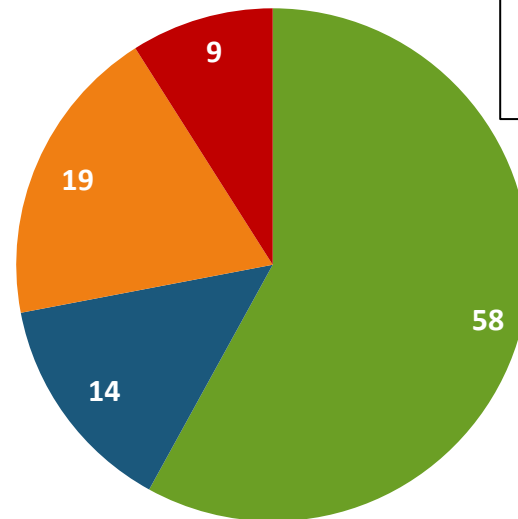
Expected Retirement Age
Age 50+ Workers (%)



Median Age: 67

NET – After Age 65 or Do Not Plan to Retire
66%

Actual Retirement Age
Retirees (%)



Median Age: 62

NET – After Age 65 or Do Not Plan to Stop Working
28%

■ Before Age 65 ■ At Age 65 ■ After Age 65 ■ Do Not Plan to Retire / Stop Working

Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

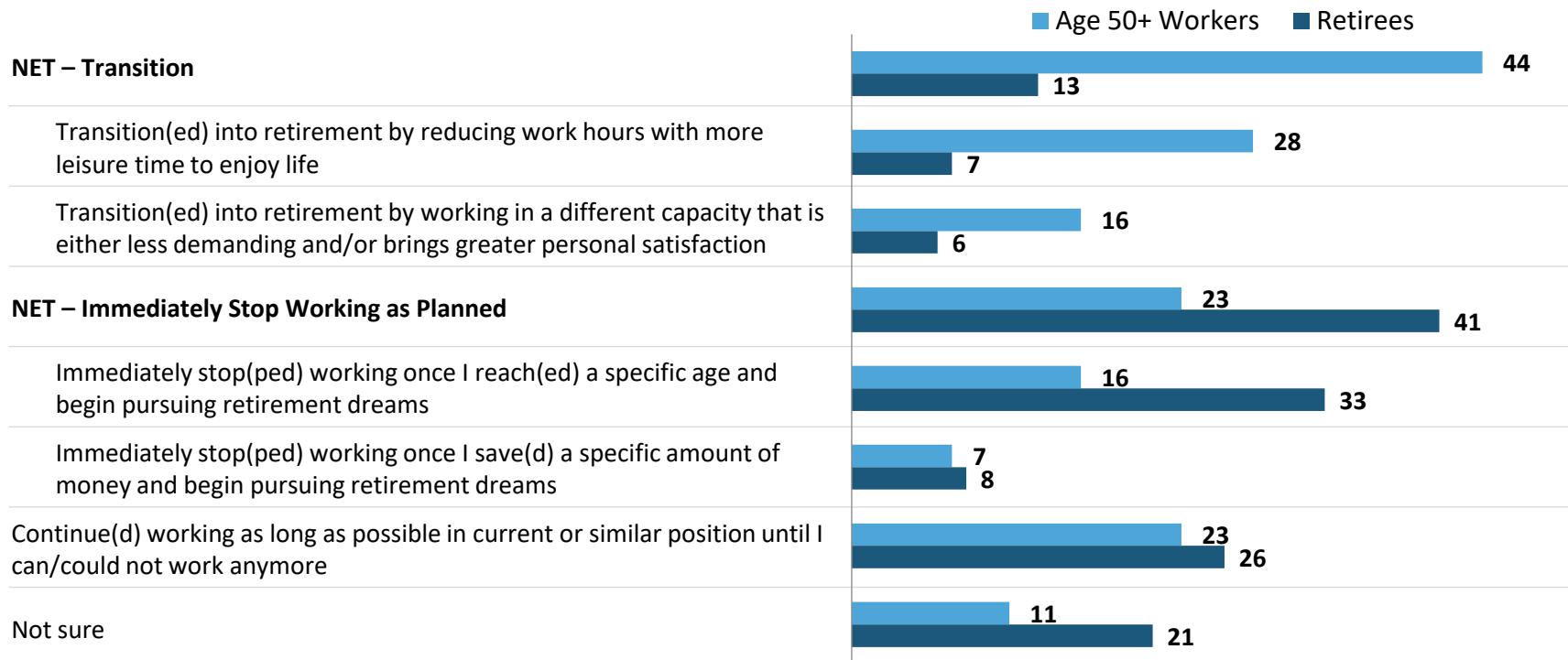
AGE 50+ WORKERS. Q910. At what age do you expect to retire? Please insert 999 if you do not plan to retire.

RETIREEES. Q915. At what age did you consider yourself to be fully retired or no longer working?

Retirement Transitions: Expectations Versus Reality

Today's workers vision of when and how they will retire is a radical departure from how retirees retired. More than four in 10 of age 50+ workers (44%) envision transitioning into retirement by reducing work hours with more leisure time to enjoy life (28%) or by working in a different capacity that is less demanding and/or brings greater personal satisfaction (16%). Fewer than one in four (23%) plan to immediately stop working when they reach a certain age (16%) or have saved a specific amount of money (7%). Twenty-three percent plan to continue working as long as possible in their current or similar position until they cannot work anymore. In stark contrast, 41% of retirees immediately stopped working when they retired, 26% worked as long as possible until they could not work anymore, and only 13% transitioned into retirement by reducing hours or working in a different capacity.

Age 50+ Workers' Visions vs. Retirees' Experience With Retirement Transitions (%)



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

AGE 50+ WORKERS. Q1545. How did you envision transitioning into retirement? Select all that apply.

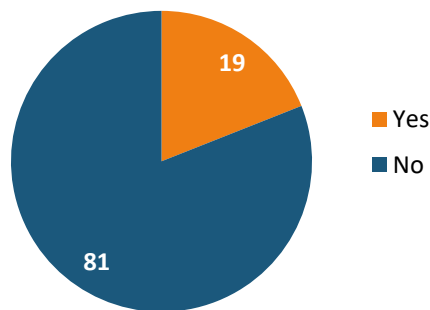
RETIREEES. Q1546. How did your transition to retirement take place?

Age 50+ Workers: Some Are Transitioning to Retirement

Some age 50+ workers are already transitioning into retirement. Nineteen percent consider themselves to be semi-retired. Among the 14% who are working part-time, more than one in four (27%) indicate they are transitioning into retirement as the reason for doing so. Eight percent of age 50+ workers have unretired by retiring then coming out of retirement and reentering the workforce.

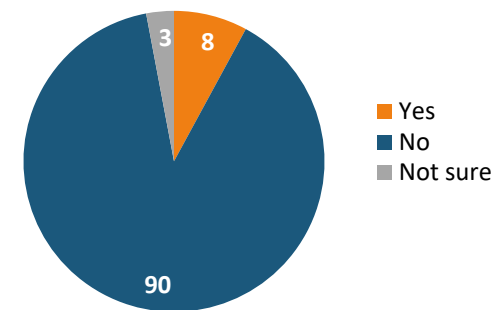
Are You Semi-Retired?

Age 50+ Workers (%)



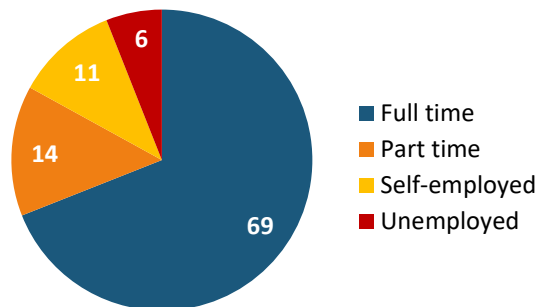
Have You Ever Unretired?

Age 50+ Workers (%)



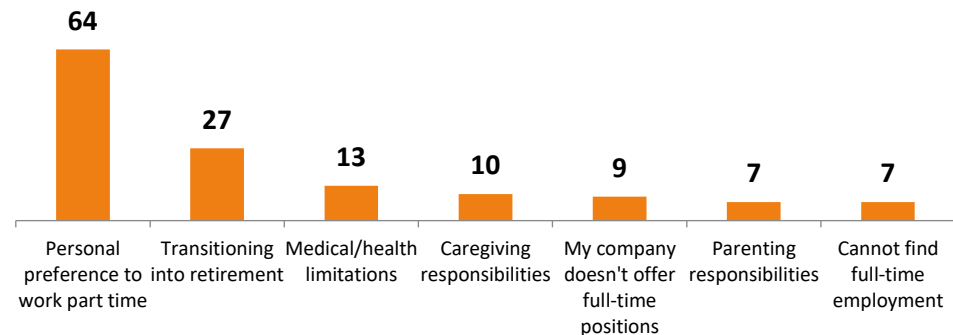
Employment Status

Age 50+ Workers (%)



Reasons for Working Part Time

Age 50+ Part-Time Workers (%)



Note: Reasons for working part time responses not shown for "other" (8%) and going back to college/school (1%).

BASE: 23RD ANNUAL SURVEY – AGE 50+ WORKERS

Q1600A. Which one of the following describes your employment status?

Q1610. Are you semi-retired?

Q5010. Have you ever retired and, at a later date, come out of retirement and reentered the workforce as an employee or self-employed?

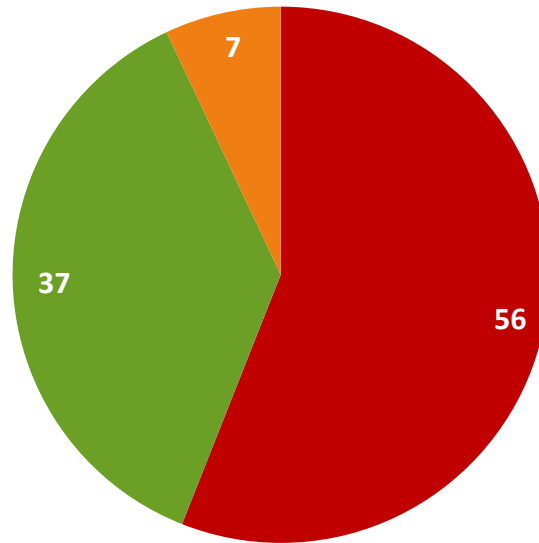
AGE 50+ WORKERS WHO WORK PART TIME. Q1603. What are your reason(s) for being employed part time versus full time?

Retirees: When and How Retirement Happened

Fifty-six percent of retirees retired sooner than planned, while 37% retired when planned and seven percent retired later than they had planned.

Did you retire when you planned?

Retirees (%)



■ I retired sooner than planned

■ I retired when planned

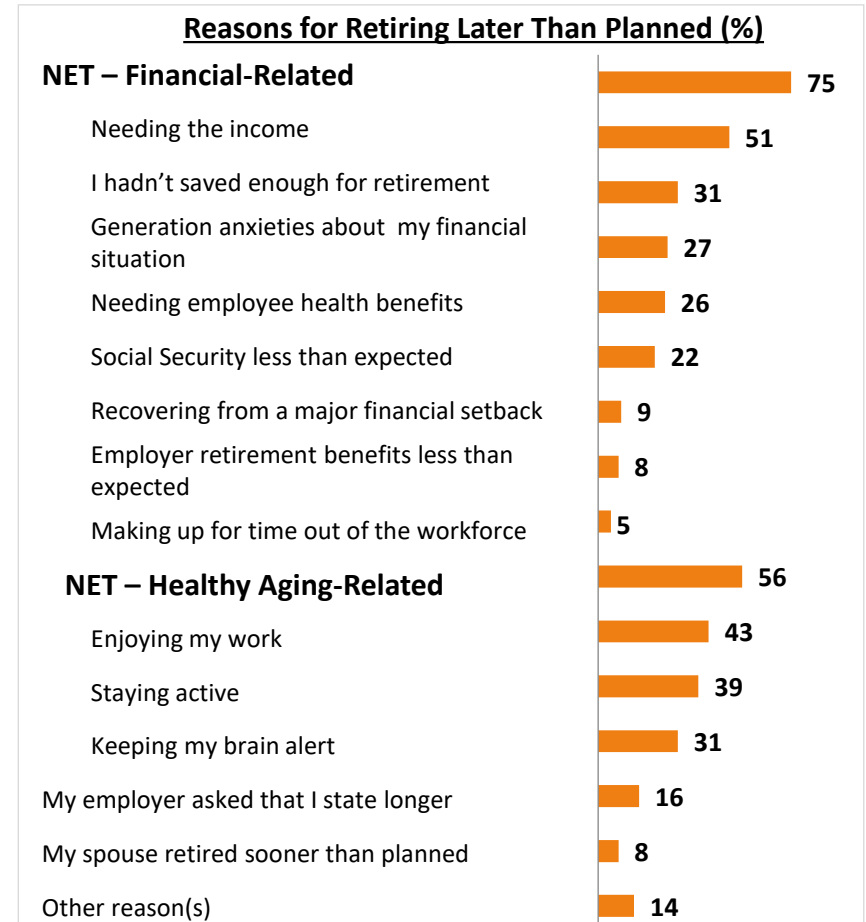
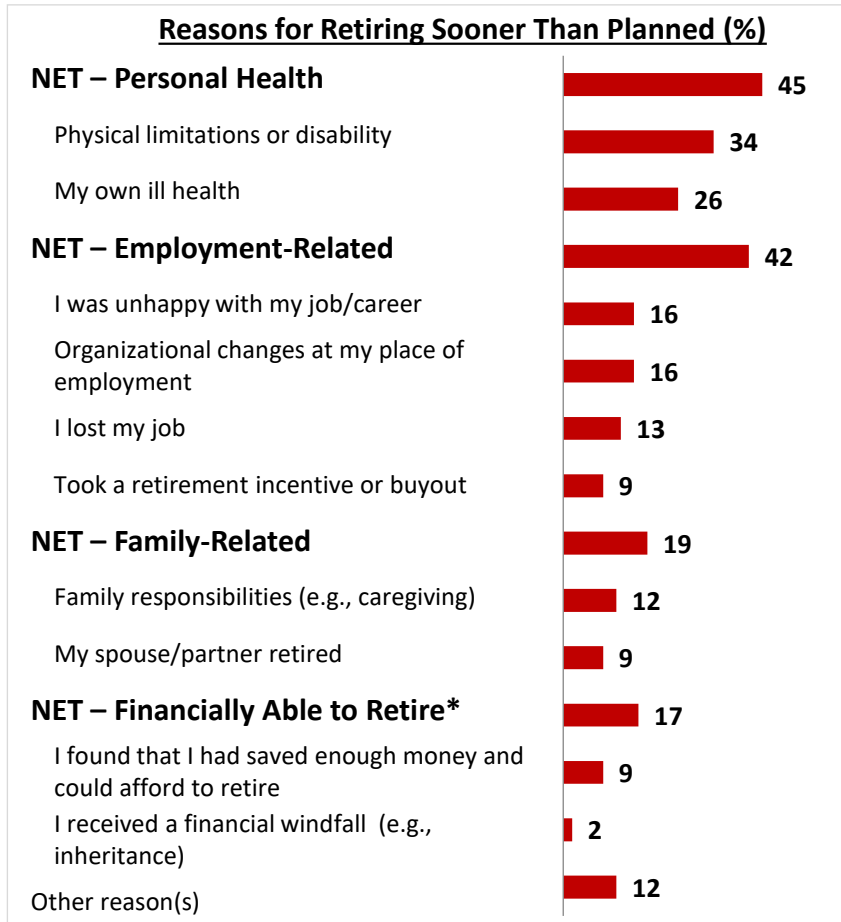
■ I retired later than planned

Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS - RETIREES
Q1547. Did you enter into retirement when you had planned?

Retirees: Reasons for Retiring Sooner or Later Than Planned

Among retirees who retired sooner than planned, only 17% retired due to their financial ability to do so. Forty-five percent retired sooner than planned for health reasons such as physical limitations or disability or ill health, and 42% did so for employment reasons such as unhappiness, organizational changes, job loss, and/or a buyout. Among retirees who retired later than planned, 75% did so for financial reasons or the need for benefits, and 56% did so for healthy aging-related reasons such as enjoying their work, staying active, and keeping their brain alert.



*Note: NET – Financially Able to Retire includes "Took a retirement incentive or buyout" (9%).

BASE: 23RD ANNUAL SURVEY - RETIREES

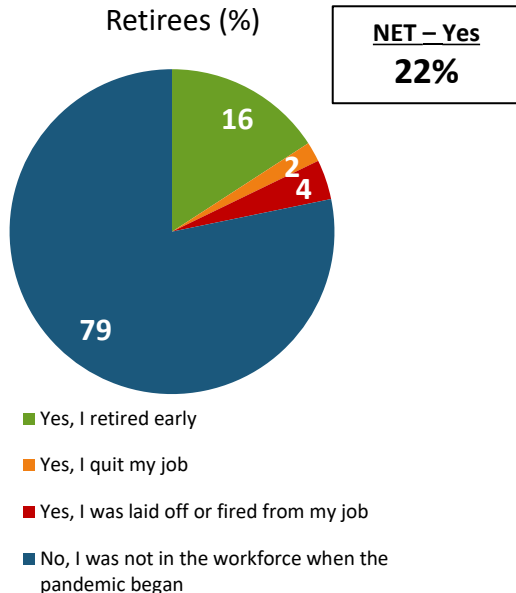
RETIREES WHO RETIRED SOONER THAN PLANNED. Q1548. What were your reasons for retiring sooner than planned? Select all that apply.

RETIREES WHO RETIRED LATER THAN PLANNED. Q1550. What were your reasons for retiring later than planned? Select all that apply.

Retirees: Retiring Amid the Pandemic

More than one in five of the retirees (22%) indicated they retired in the pandemic, including 16% who retired early, two percent who quit their job, and four percent who were laid off or fired from their job. Among those who retired during the pandemic, the most often cited reasons include transitioning into retirement (33%), being overworked and exhausted (23%), the risk of contracting COVID-19 (21%), and medical/health limitations (21%).

Did you leave the workforce during the pandemic?



Reasons for Leaving the Workforce During the Pandemic

Retirees Who Left the Workforce (%)

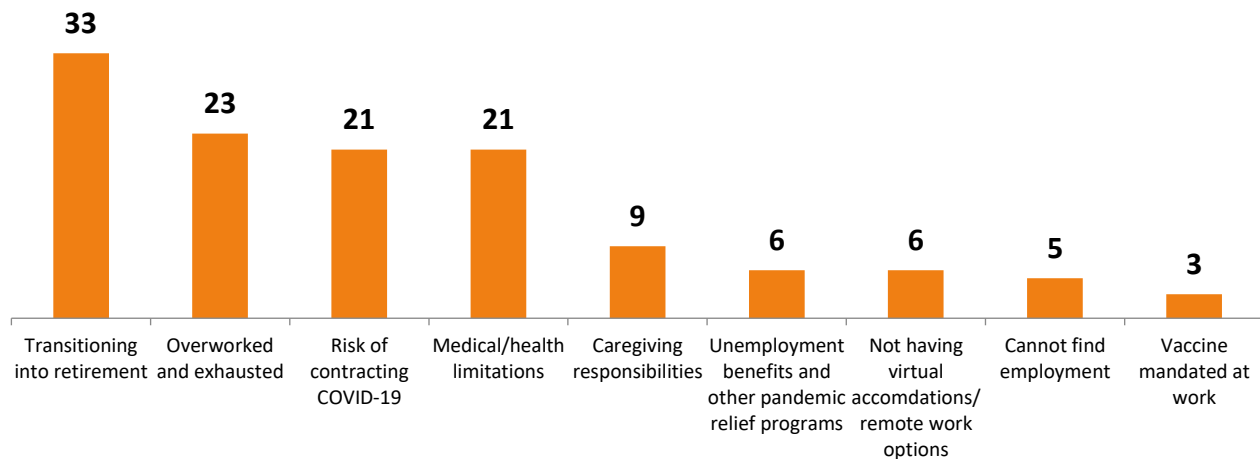


Chart excludes responses for "other" (25%), parenting responsibilities (1%), and going back to school/college (<1%).

Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - RETIREES

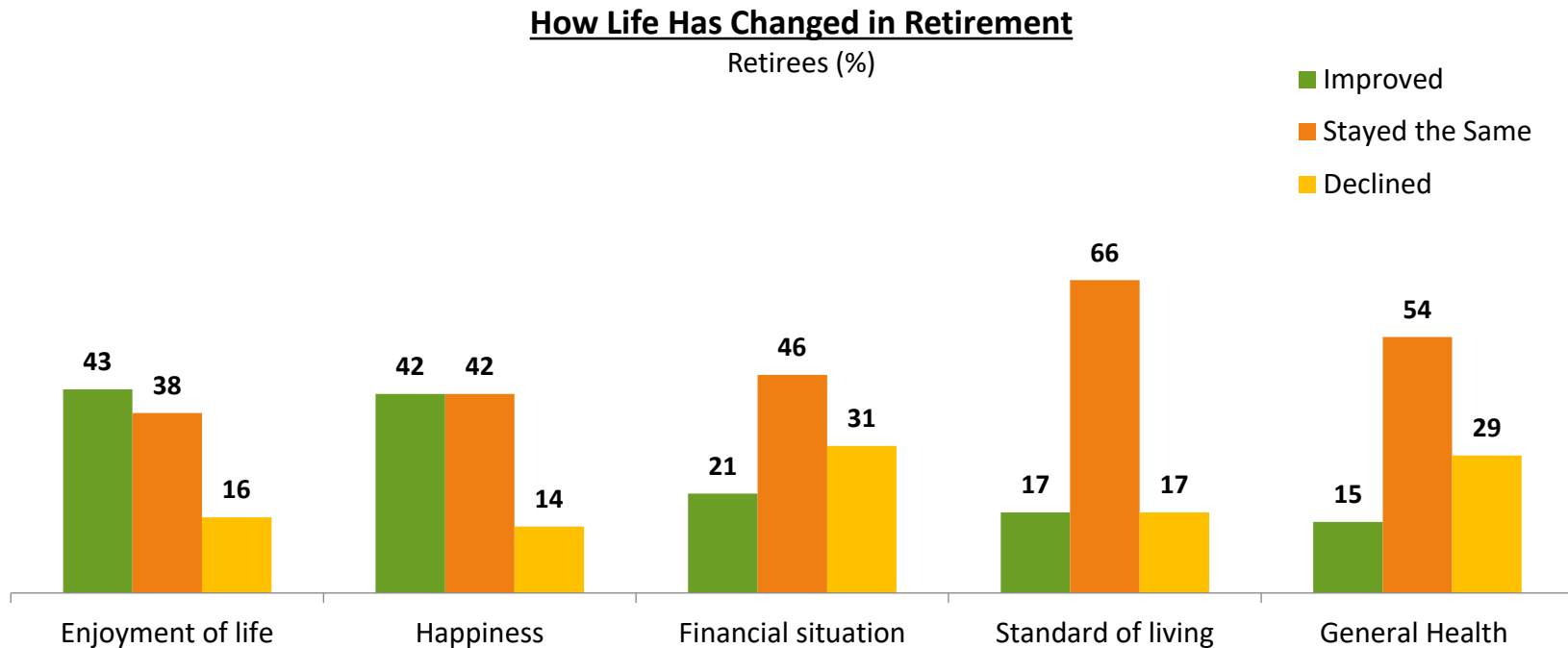
Q2506. Did you leave the workforce during the pandemic?

LEFT THE WORKFORCE DURING THE PANDEMIC. Q2507. What are your reason(s) for leaving the workforce during the pandemic? Select all that apply.

Life in Retirement

Retirees: How Life Has Changed in Retirement

More than four in 10 retirees say their enjoyment of life (43%) and happiness (42%) has improved since they retired. Two-thirds (66%) say their standard of living has stayed the same. However, approximately three in ten retirees note declines in their financial situation (31%) and general health (29%).



Note: Chart excludes "not sure" responses of 2% or less.

BASE: 23RD ANNUAL SURVEY - RETIREES

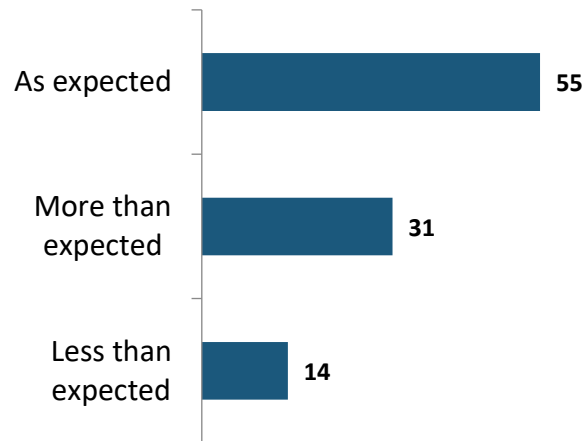
Q2774. Since retiring, have the following aspects of your life improved, declined, or stayed the same ?

Retirees: How Expenses and Spending Habits Have Changed

More than half of retirees (55%) indicate their expenses in retirement are as expected, while 31% indicate they are more than expected and 14% indicate they are less than expected. Forty-seven percent of retirees indicate their spending habits have decreased in retirement, while 40% indicate they have stayed the same and 13% indicate they have increased.

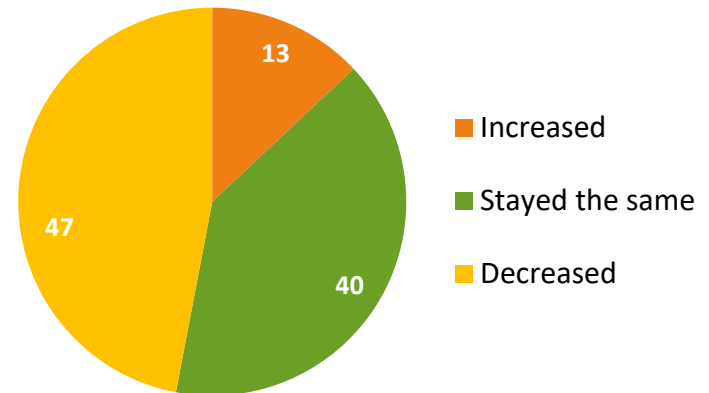
Current Expenses in Retirement

Retirees (%)



Changes in Spending Habits Since Retiring

Retirees (%)



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - RETIREES
Q2022G. Are your current expenses in retirement...?
Q2022H. Have your spending habits changed since you retired?

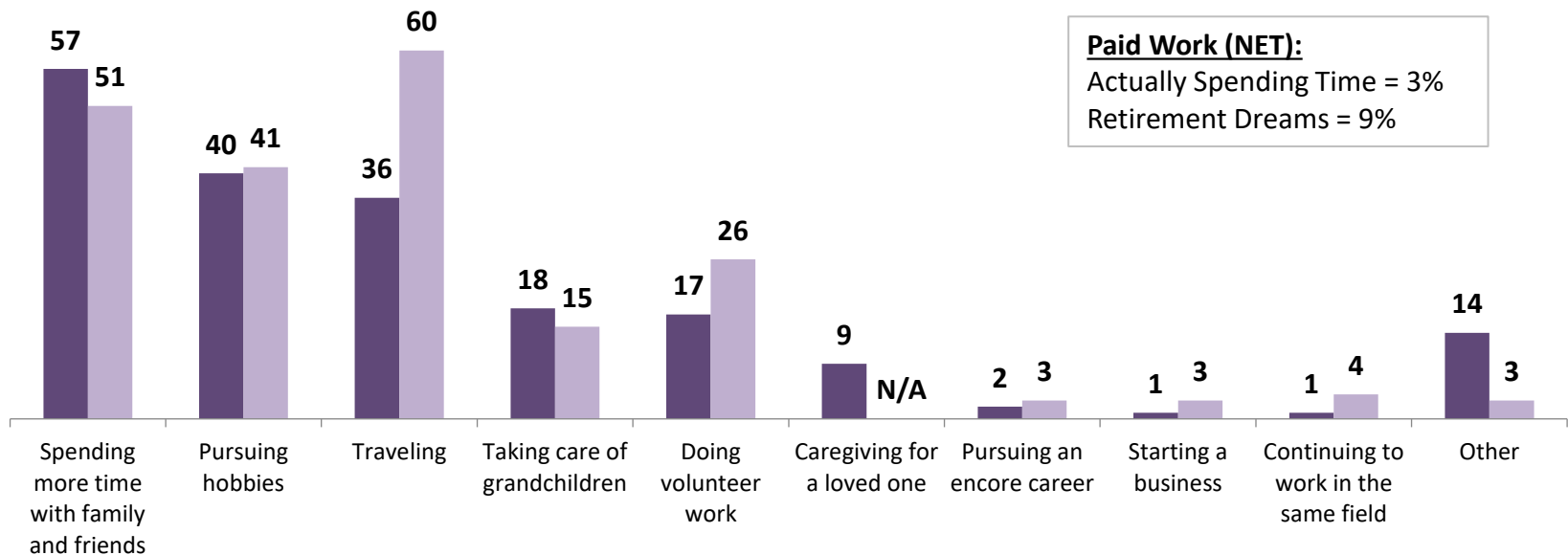
Retirees: How They Are Actually Spending Their Time

Since retiring, retirees are spending more time with family and friends (57%), pursuing hobbies (40%), traveling (36%), taking care of grandchildren (18%), doing volunteer work (17%), and caregiving for a loved one (9%). Only three percent are doing paid work such as pursuing an encore career, working in their current field, or starting a business. Comparing how retirees are actually spending their time with their retirement dreams before they retired, the survey finds them meeting or exceeding their dreams with regards to spending more time with family and friends, pursuing hobbies, and taking care of grandchildren. Far fewer retirees are spending time traveling than had cited it as a retirement dream, but the pandemic could have negatively impacted their travel in recent years.

How Retirees Are Spending Their Time in Retirement

Retirees (%)

■ Actually Spending Time ■ Retirement Dreams



Note: Retirees were not asked if "caregiving for a loved one" was a retirement dream.

BASE: 23RD ANNUAL SURVEY – RETIREES

Q1418. Before you retired, how did you dream of spending your retirement?

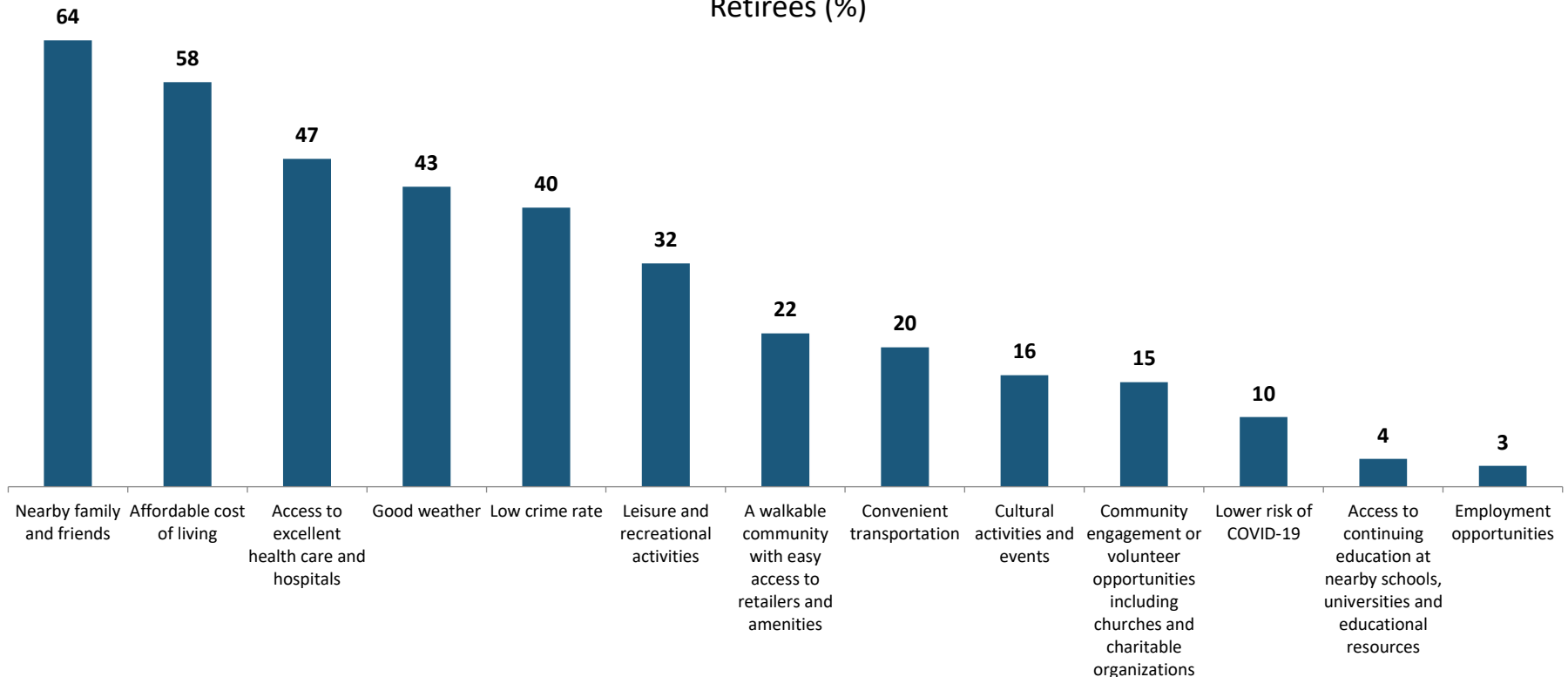
Q1419. Now that you are retired, how are you spending your time? Select all that apply.

Retirees: Choosing Where to Live in Retirement

One of the most exciting aspects of retirement is choosing where to live. When asked about choosing where to live in retirement, retirees most often cite important criteria as nearby family and friends (64%), affordable cost of living (58%), access to excellent health care and hospitals (47%), good weather (43%), low crime rate (40%), and leisure and recreational activities (32%). Approximately one in five retirees cite a walkable community with easy access to retailers and amenities (22%) and convenient transportation (20%). Some retirees site cultural activities and events (16%) and community engagement or volunteer opportunities (15%).

Important Criteria for Choosing Where to Live in Retirement

Retirees (%)



Note: Chart excludes "other" response of 7%.

BASE: 23RD ANNUAL SURVEY - RETIREES

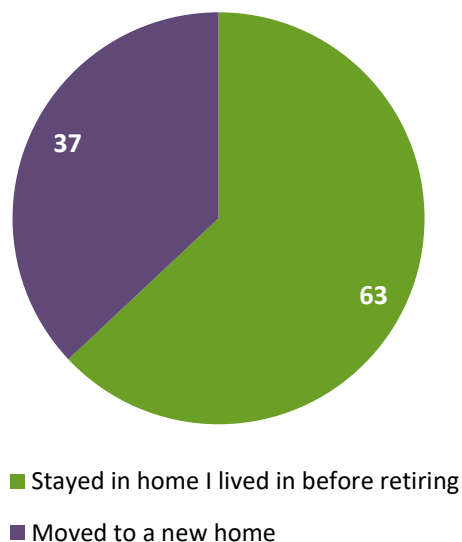
Q2725. Which of the following have been important criteria in choosing where to live in retirement? Select all that apply.

Retirees: Most Stay in Their Current Home

Sixty-three percent of retirees are living in the same home where they lived before retiring, while 37% have moved to a new home. Among those who have moved, the most often cited reasons include moving closer to family and friends (33%), starting a new chapter in life (28%), reducing expenses (27%), downsizing into a smaller home (27%) and moving to a better climate (22%). Sixteen percent indicate they moved due to a change in marital status such as becoming widowed (8%), getting divorced or separated (5%), or getting married or finding a new partner (4%).

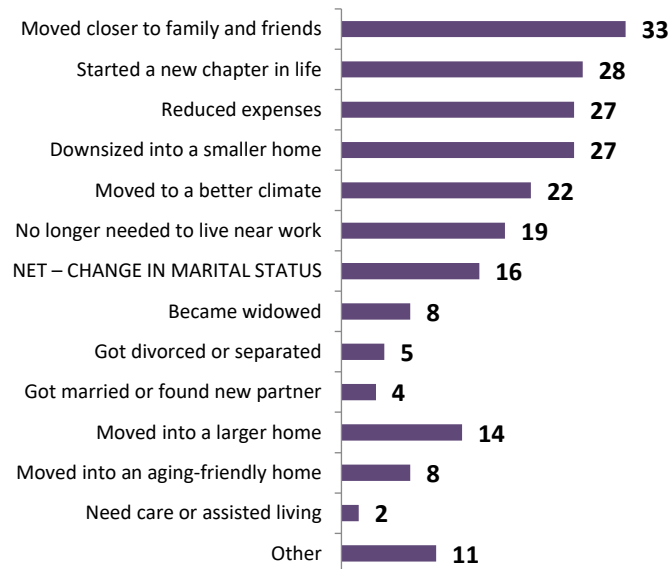
Living Arrangements in Retirement

Retirees (%)



Reasons for Moving

Retirees Who Moved (%)

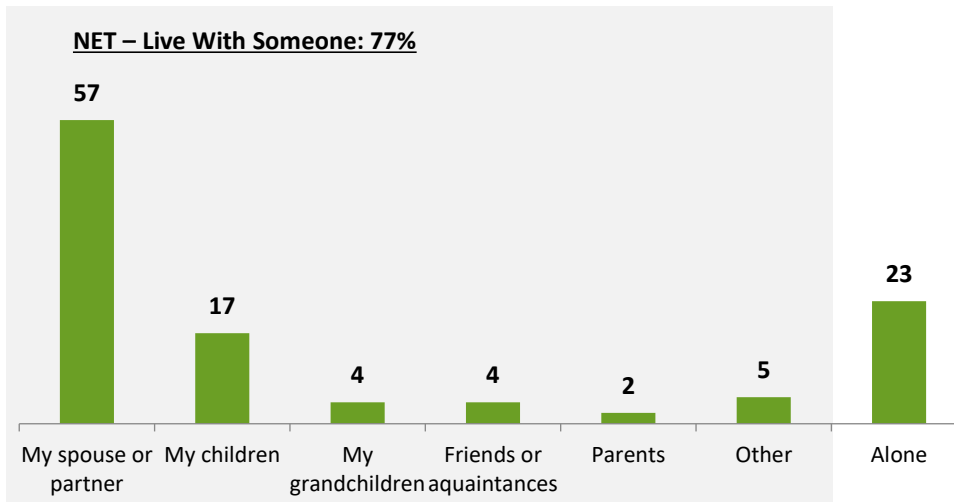


Retirees: Household Members

More than three in four retirees (77%) live with someone in their household including a spouse or partner (57%), their children (17%), their grandchildren (4%), friends or acquaintances (4%), parents (2%), or other (5%). Twenty-three percent of retirees live alone. Among all retirees, most live in a single-family home (78%), while 18% rent in a multi-unit apartment or condominium complex, and two percent live in a retirement community.

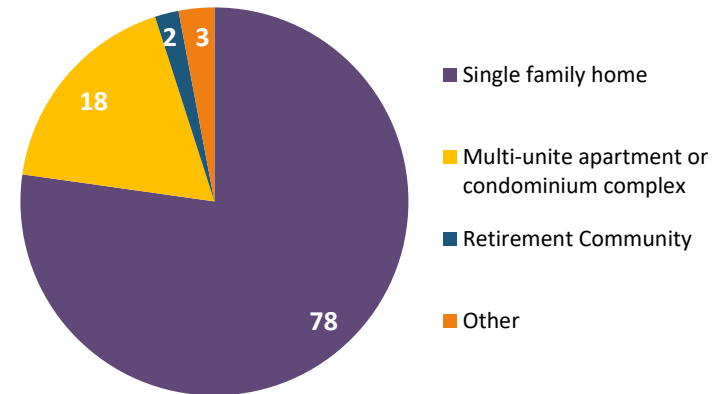
Who Retirees Live With in Their Household

Retirees (%)



Type of Residence Where Retirees Live

Retirees (%)



Note: Results may not total 100% due to rounding.

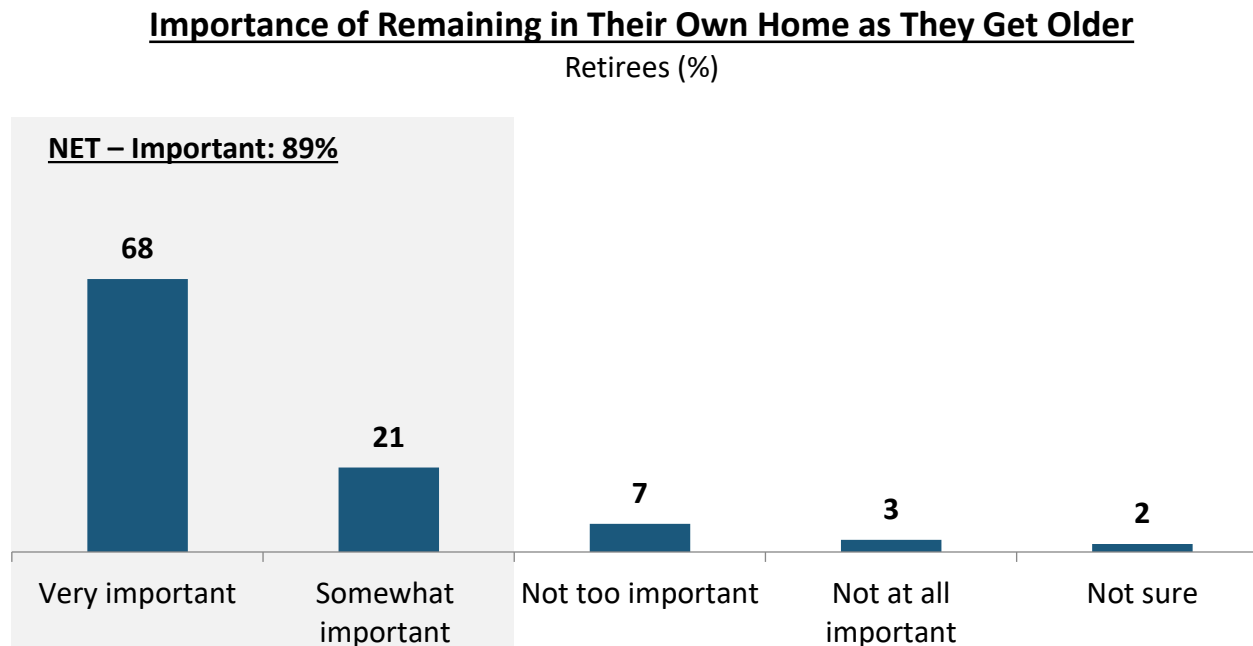
BASE: 23RD ANNUAL SURVEY - RETIREES

Q2715. Who do you currently live with in your household? Select all that apply

Q2710. What type of home do you currently live in?

Retirees: Most Want to Age in Place

Almost nine in 10 retirees (89%) feel that it is important to remain in their home as they get older, including 68% who feel that it is very important and 21% who feel it is somewhat important.



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - RETIREES

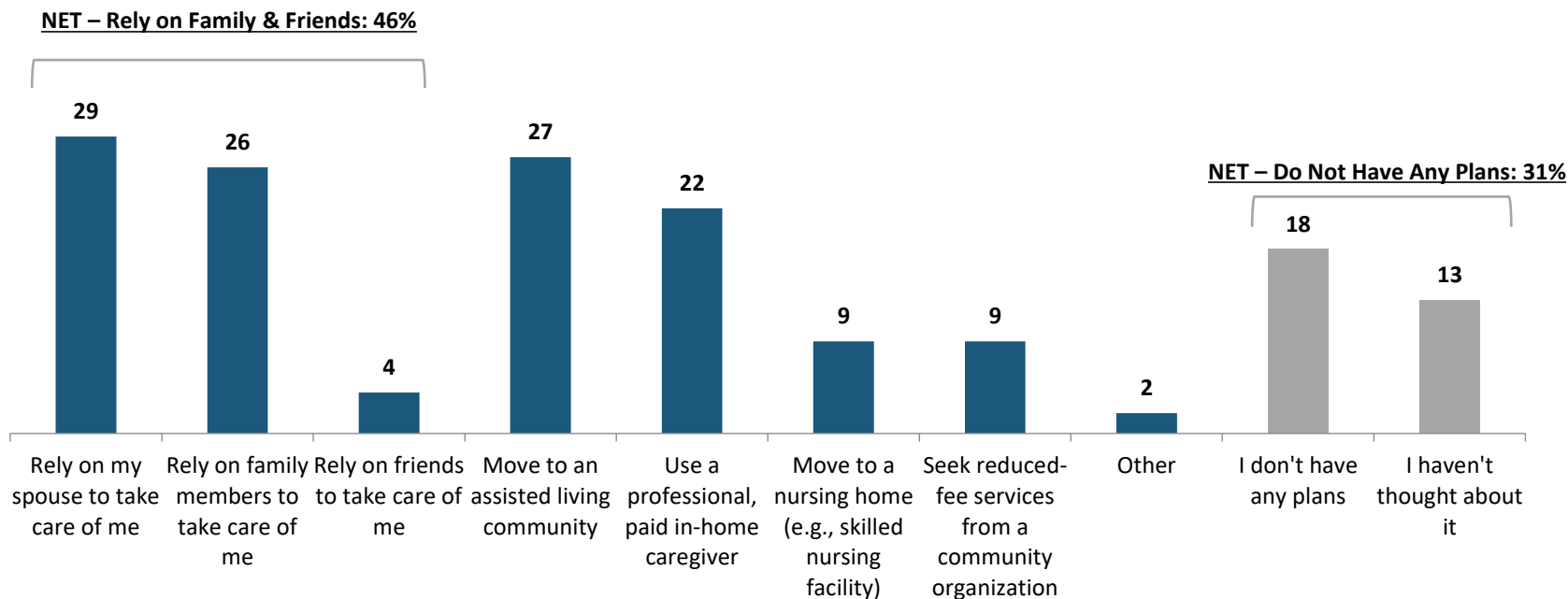
Q2709R. How important is it to you to remain in your own home as you get older?

Retirees: Plans for Long-Term Care

Almost half of retirees (46%) indicate if their health declines and they need help with daily activities and/or nursing care, they plan to receive such care from family and friends including their spouse (29%), family members (26%), and friends (4%). Twenty-seven percent would move to an assisted living community, 22% would use a professional paid in-home caregiver, and nine percent would move to a nursing home. Nine percent would seek reduced-fee services from a community organization. A concerning three in 10 retirees (31%) do not have plans including 18% who say they do not have any plans for long-term care and 13% who say they have not thought about it.

Plans for Receiving Assistance With Daily Activities and/or Nursing Care

Retirees (%)

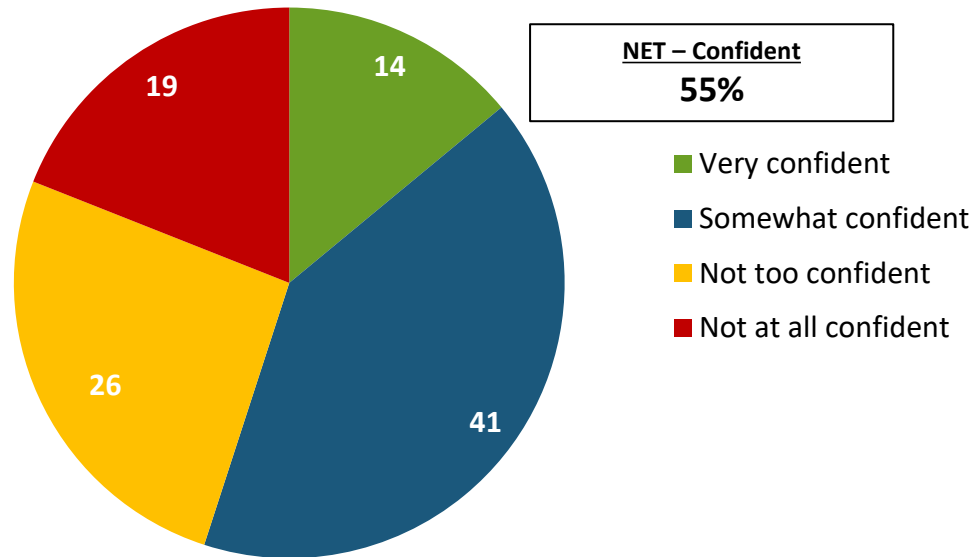


Retirees: Confidence in Affording Long-Term Care

Only 14% of retirees are very confident they will be able to afford long-term care, if needed. Forty-one percent of retirees are somewhat confident, 26% are not too confident, and 19% are not at all confident.

Confidence in Ability to Afford Long-Term Care

Retirees (%)



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - RETIREES

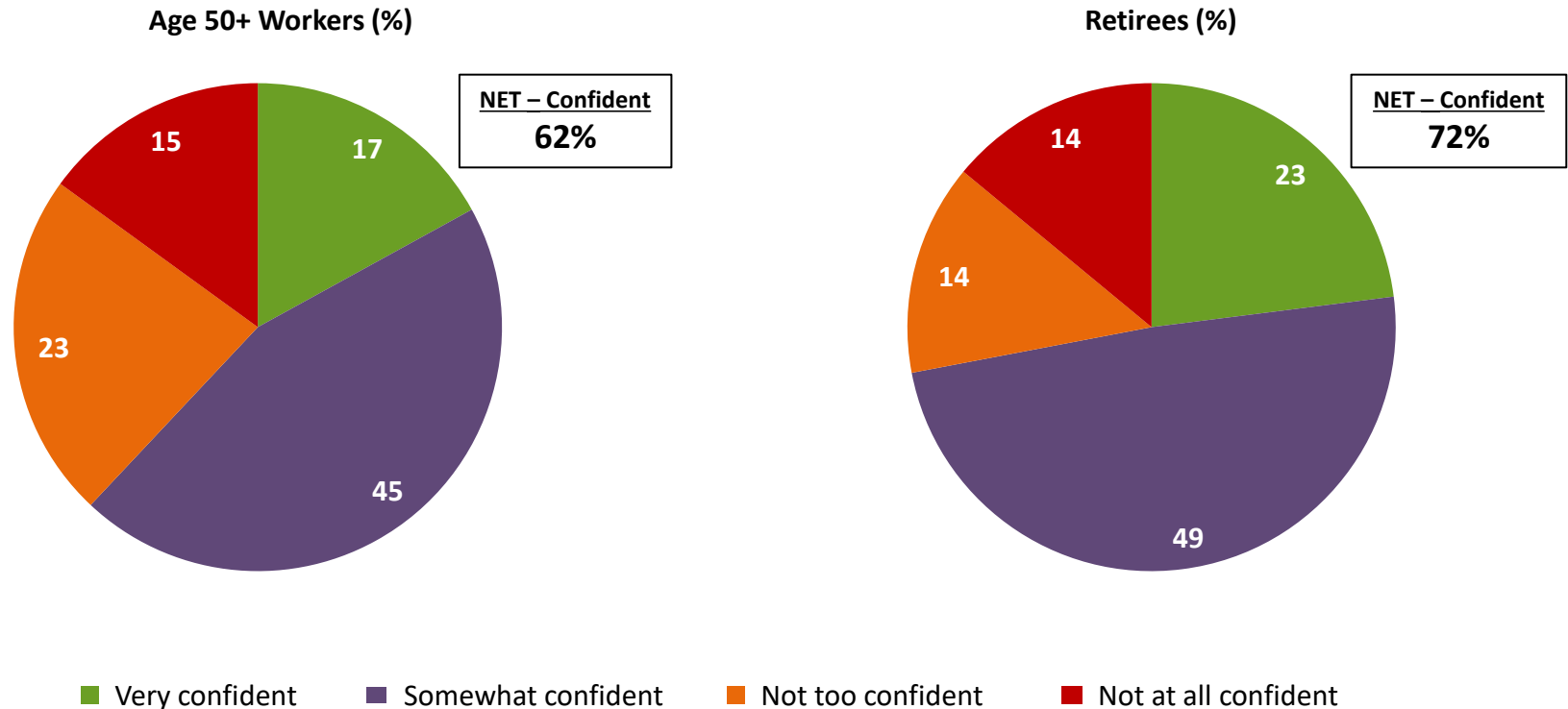
Q2780. How confident are you that you will be able to afford long-term care, if needed (e.g., an assisted living community, skilled nursing facility, professional paid in-home care)?

Money & Finances

Retirement Confidence

Age 50+ workers have less confidence in their ability to fully retire with a comfortable lifestyle than retirees' confidence in their ability to maintain a comfortable lifestyle throughout their retirement. Sixty-two percent of age 50+ workers are confident, including 17% who are very confident and 45% who are somewhat confident. More than seven in 10 retirees (72%) are confident, including 23% who are very confident and 49% who are somewhat confident.

Confidence About a Maintaining Comfortable Lifestyle in Retirement



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

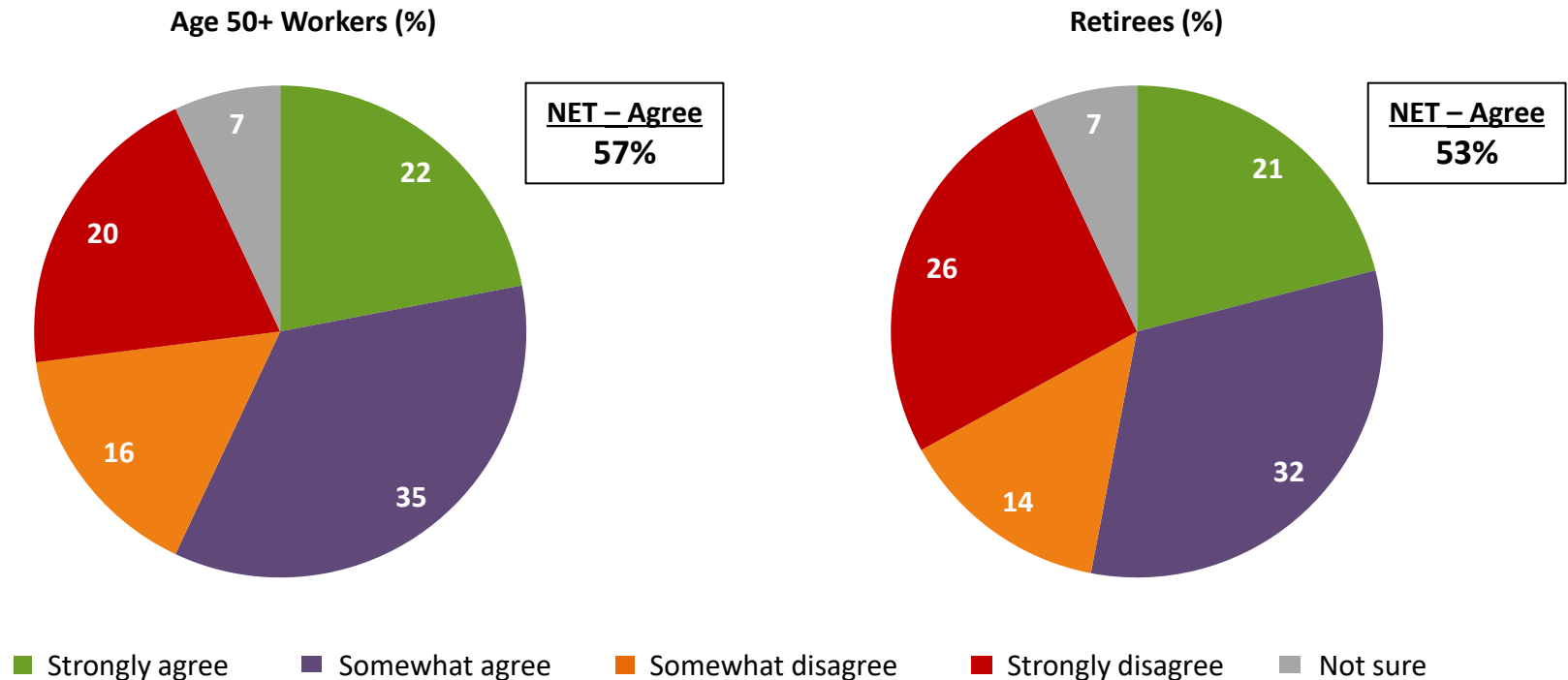
AGE 50+ WORKERS. Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

RETIREES. Q880r. How confident are you that you will be able to maintain a lifestyle you consider comfortable throughout your retirement?

Retirement Nest Egg

Retirees and age 50+ workers share similar beliefs about whether they have saved enough for retirement. More than half of retirees and age 50+ workers agree that they are building/have built a large enough retirement nest egg. (53%, 57%, respectively). However, few retirees and age 50+ workers strongly agree (21%, 22%).

"I am building/have built a large enough retirement nest egg"



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

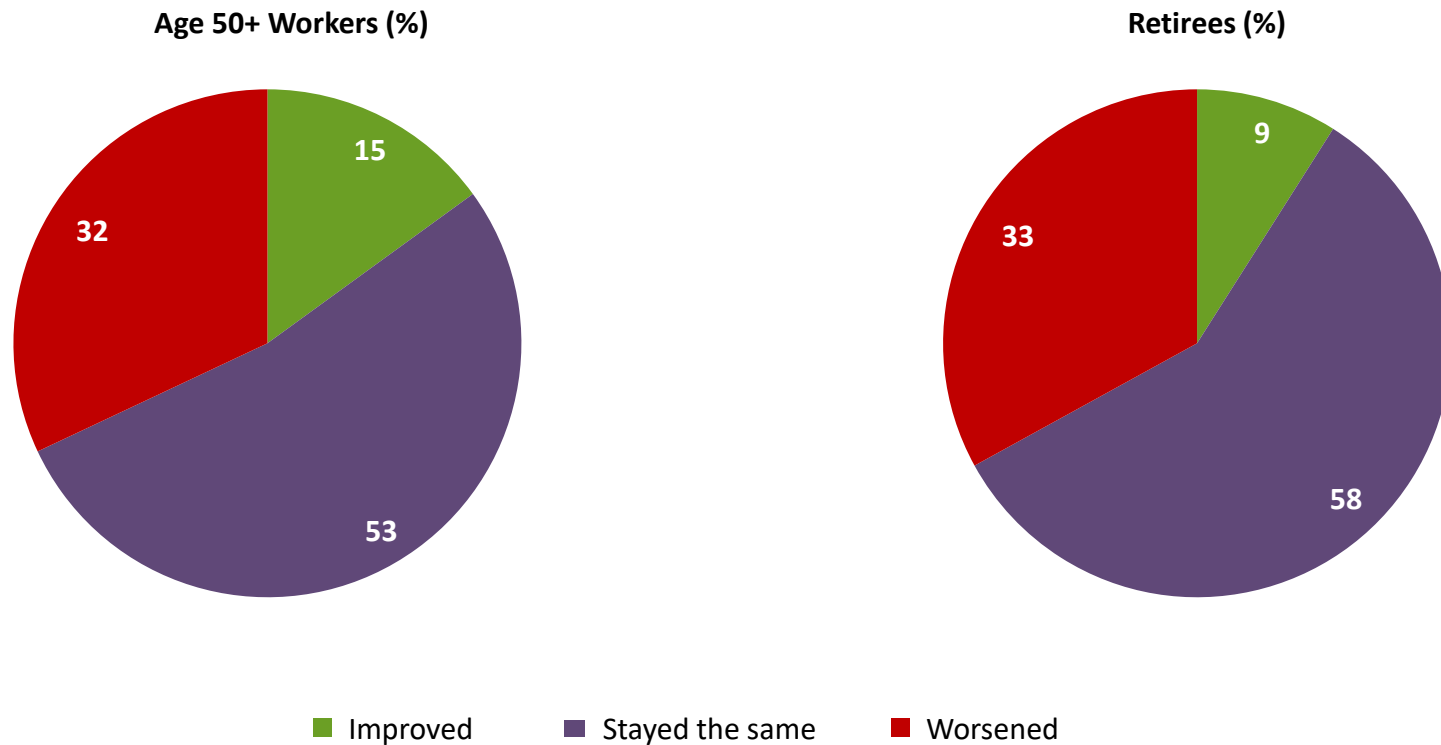
AGE 50+ WORKERS. Q800. How much do you agree or disagree that you are currently building a large enough retirement nest egg (i.e., total retirement savings)?

RETIRES. Q800. How much do you agree or disagree that you built a large enough retirement nest egg (i.e., total retirement savings)?

Changes to Financial Situation Since Pandemic Began

Approximately one-third of age 50+ workers and retirees indicate their financial situation has worsened since the pandemic began (32%, 33%, respectively). Age 50+ workers are more likely than retirees to say their financial situation improved (15%, 9%), and they are less likely to say that it stayed the same (53%, 58%).

How has your financial situation changed since the pandemic began?



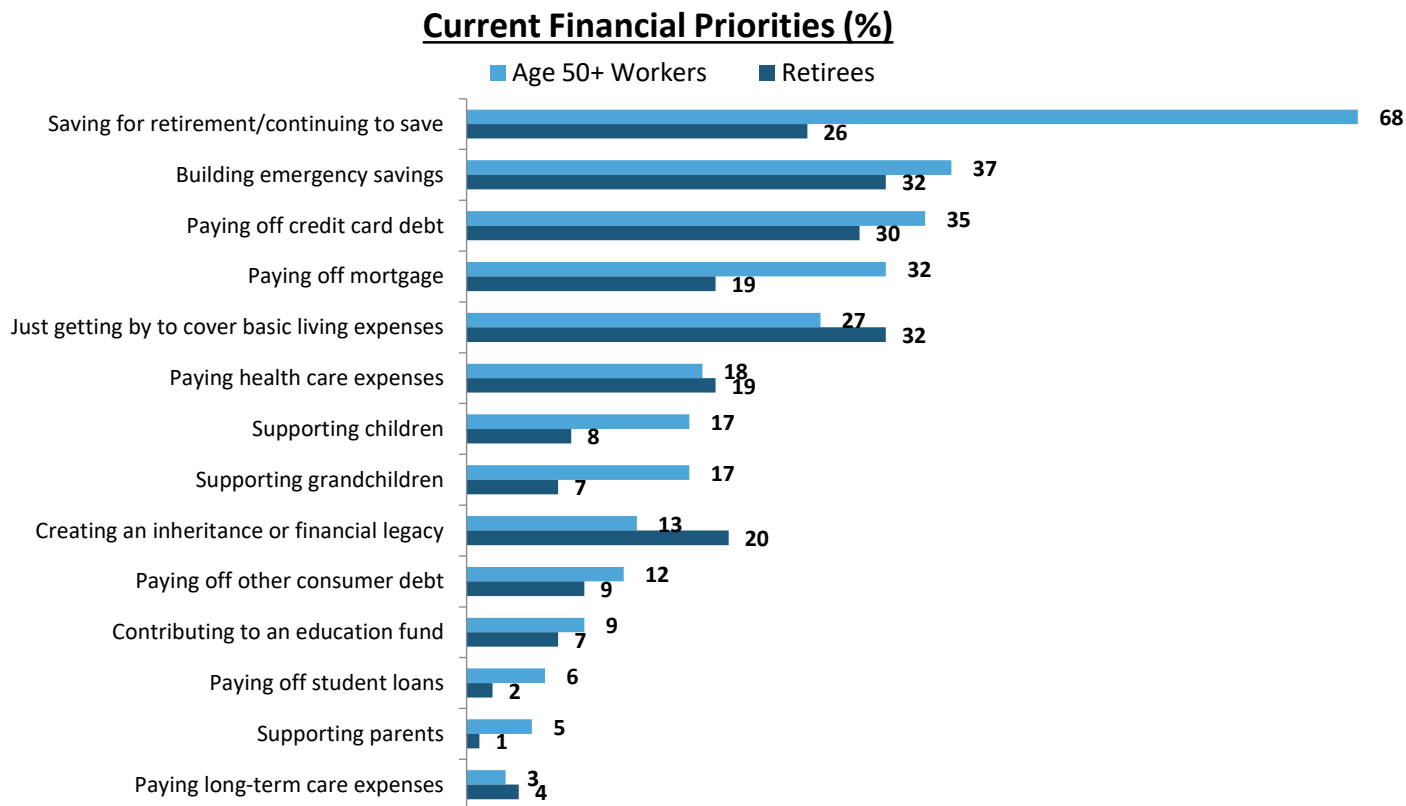
Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q9006. How has your financial situation changed since the pandemic began?

Financial Priorities

Age 50+ workers and retirees have competing financial priorities, but they differ somewhat. Sixty-eight percent of age 50+ workers cite saving for retirement as a current priority, compared with just 26% of retirees who cite continuing to save for retirement. Almost one-third of retirees (32%) are just getting by to cover basic living expenses, compared with 27% of age 50+ workers. Thirty-seven percent of age 50+ workers and 32% of retirees cite building emergency savings. Thirty-five percent of age 50+ workers and 30% of retirees cite paying off credit card debt as financial priorities. Thirty-seven percent of age 50+ workers and 32% of retirees cite paying off mortgage. Thirty-five percent of age 50+ workers and 30% of retirees cite paying off credit card debt as financial priorities. One in five retirees (20%) are creating an inheritance or financial legacy, compared with 13% of age 50+ workers.



Note: Chart excludes "other" responses of 4% for age 50+ workers and 9% for retirees.

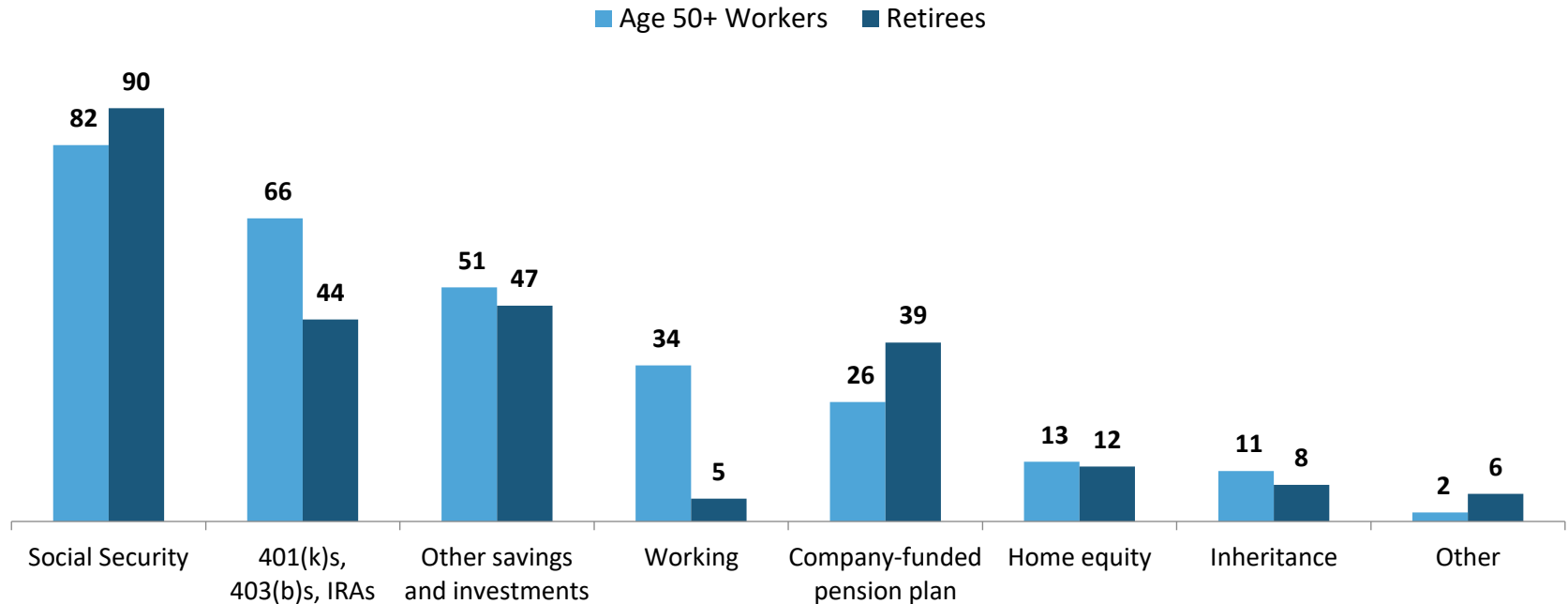
BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2639. Which of the following are your financial priorities right now? Select all.

Sources of Retirement Income

Age 50+ workers and retirees most often cite Social Security as an expected/current source of retirement income (82%, 90%, respectively). As an indicator of the evolving retirement landscape, age 50+ workers are more likely than retirees to cite 401(k)s, 403(b)s, and IRAs as a source of retirement income (66%, 44%). In contrast, almost four in 10 retirees (39%) cite income from a company-funded pension plan(s), compared with just 26% of age 50+ workers. As further evidence of changing times, more than one-third of age 50+ workers (34%) are expecting income from working in retirement, compared with just five percent of retirees.

Age 50+ Workers' Expected vs. Retirees' Current Sources of Retirement Income (%)



BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

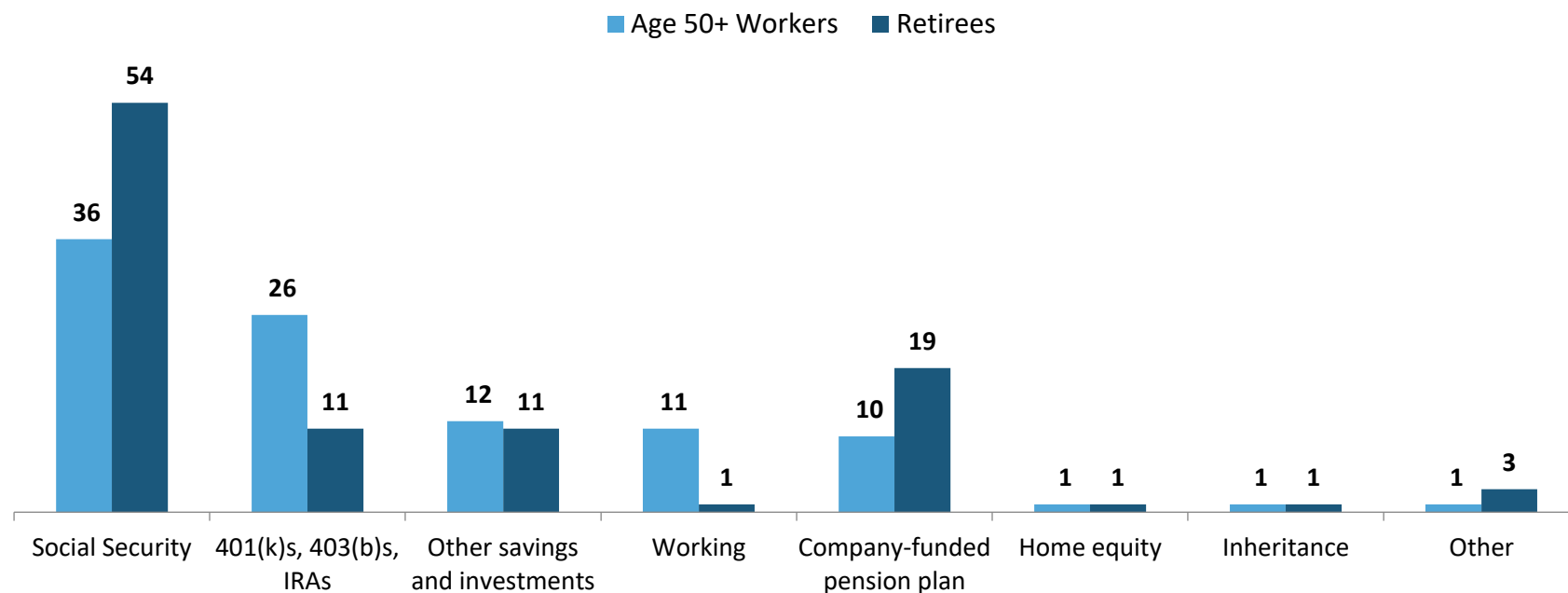
AGE 50+ WORKERS. Q1145. Which of the following do you expect to be sources of income to cover your living expenses after you retire? Select all that apply.

RETIREES. Q1145R. Over the course of your retirement, what will be all of your sources of income to cover your living expenses? Select all that apply.

Primary Source of Retirement Income

Retirees and age 50+ workers most often cite Social Security as their expected *primary* source of income in retirement (54%, 36%, respectively), albeit with a significant difference in their levels of response. Age 50+ workers are more likely than retirees to expect primarily rely on income from 401(k)s, 403(b)s, and IRAs in retirement (26%, 11%). In contrast, almost one in five retirees (19%) expect to primarily rely on a company-funded pension(s), compared with just 10% of age 50+ workers. A noteworthy 11% of age 50+ workers are expecting to primarily rely on income from continuing to work in retirement.

Expected PRIMARY Source of Retirement Income (%)



Notes: Results may not total 100% due to rounding. Chart excludes two options that were only asked of self-employed business owners (i.e., income from their business 17%, sale of their business 5%).

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

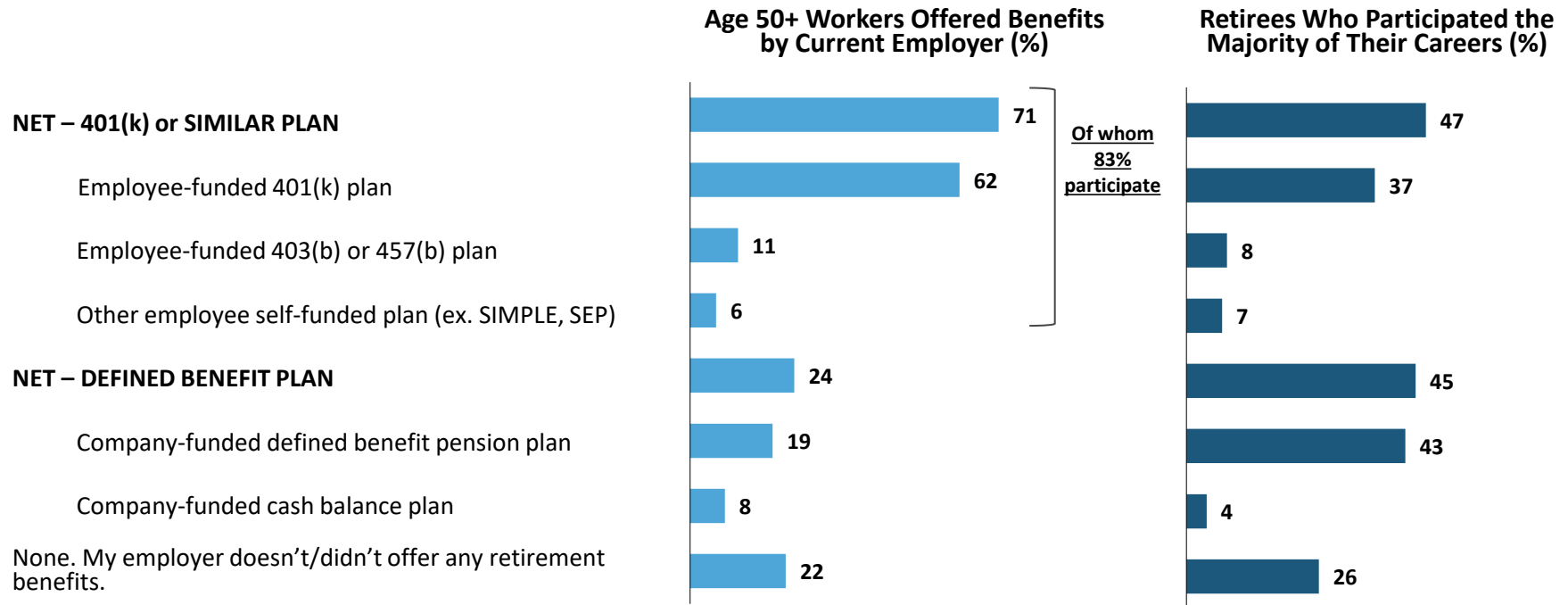
AGE 50+ WORKERS. Q1150_1. Which one of the following do you expect to be your primary source of income to cover your living expenses after you retire?

RETIREEES. Q1150R. Over the course of your retirement, what will be your primary source of income?

Access to Employer-Sponsored Retirement Benefits

Eighty-two percent of retirees are currently receiving Social Security benefits and they started receiving benefits at age 63 (median). Thirty-one percent started receiving benefits at age 62, the earliest age possible for Social Security retirement benefits — albeit at a 20% to 30% reduced benefit depending on their year of birth and the age they are eligible to receive full retirement benefits. Only four percent of retirees waited to receive benefits at age 70, the maximum age that brings higher benefit payments.

Employer-Sponsored Retirement Benefits Offered



Note: Chart excludes "other" responses of 1% for Age 50+ Workers and 7% for retirees.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

AGE 50+ WORKERS. Q1180. Which of the following retirement benefits does your company currently offer to you, personally? Select all that apply.

RETIRES. Q1180. Which of the following retirement benefits at your employer(s) did you participate in for the majority of your working career? Select all that apply.

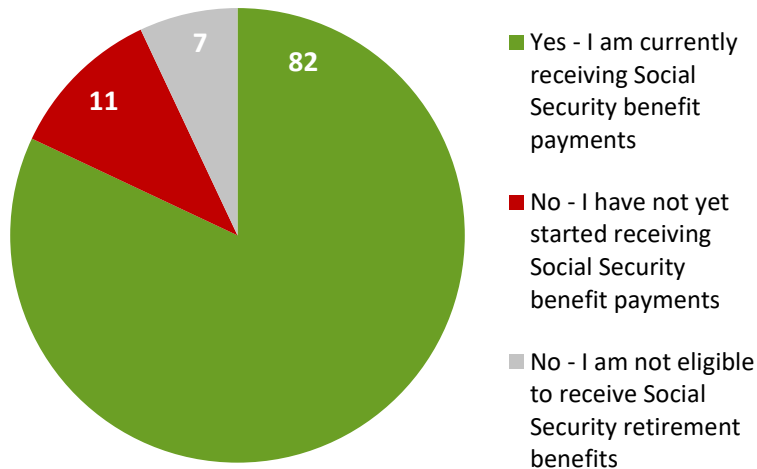
AGE 50+ WORKERS. Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?

Retirees: Age Start Receiving Social Security Benefits

Eighty-two percent of retirees are currently receiving Social Security benefits. The median age at which they started receiving benefits is 63. Thirty-one percent started receiving benefits at age 62, which is the earliest age possible for Social Security retirement benefits — albeit at a 20% to 30% reduced benefit depending on their year of birth and the age they are eligible to receive full retirement benefits. Only four percent of retirees waited to receive benefits at age 70 which is the maximum age and brings increased benefits.

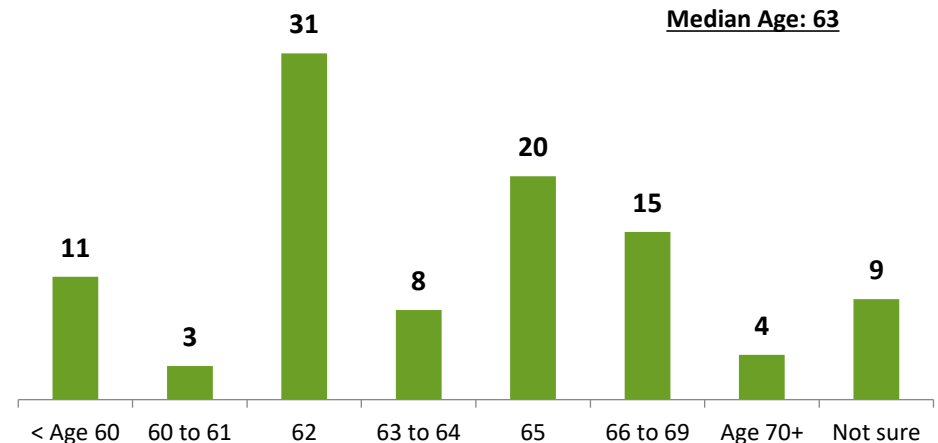
Receiving Income from Social Security

Retirees (%)



Age Started Receiving Income from Social Security

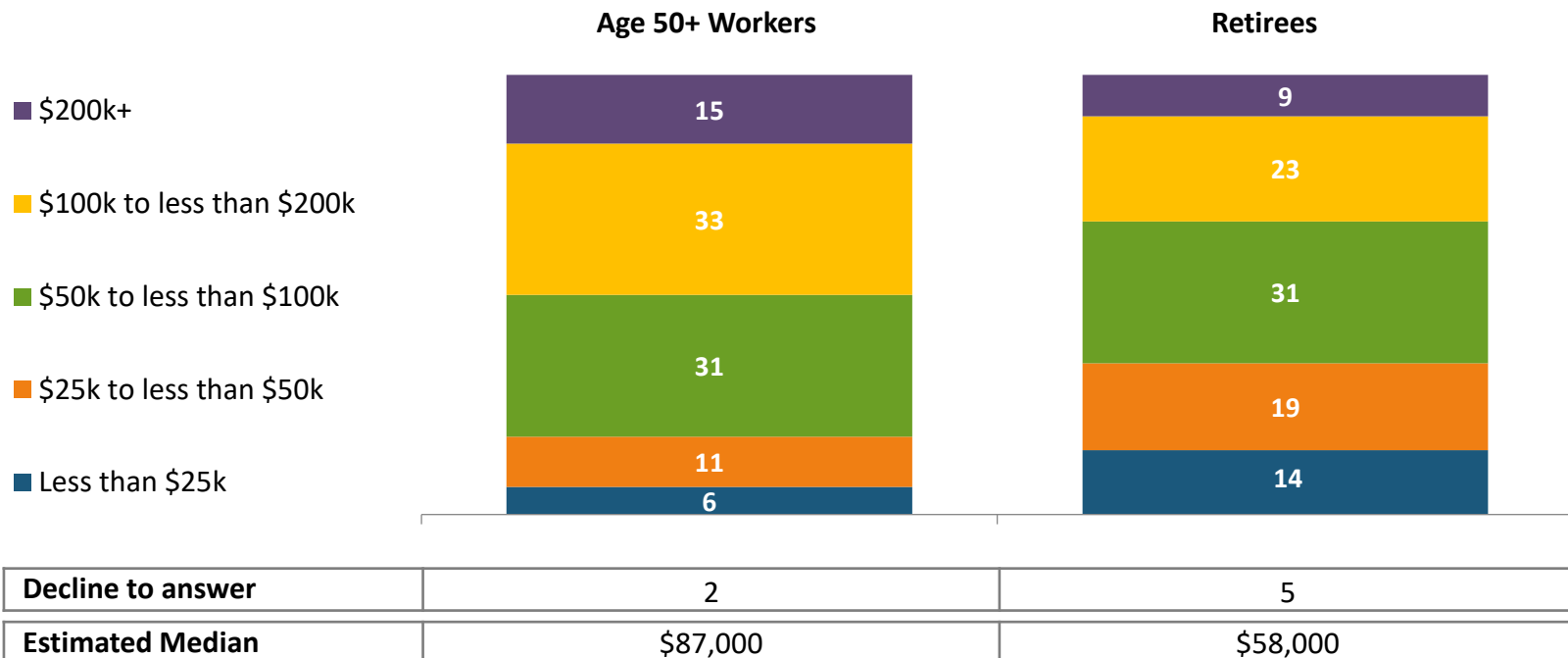
Retirees Receiving Social Security (%)



Annual Household Income

Retirees have an annual household income (HHI) of \$58,000, which is significantly less than age 50+ workers' HHI of \$87,000 (estimated medians). Thirty-three percent of retirees have an HHI of less than \$50,000, compared with only 17% of age 50+ workers. More than half of retirees and age 50+ workers have an HHI of \$50k to less than \$200k (54%, 64%, respectively). Fifteen percent of age 50+ workers have an HHI of \$200k+, compared with just nine percent of retirees.

Annual Household Income (%)

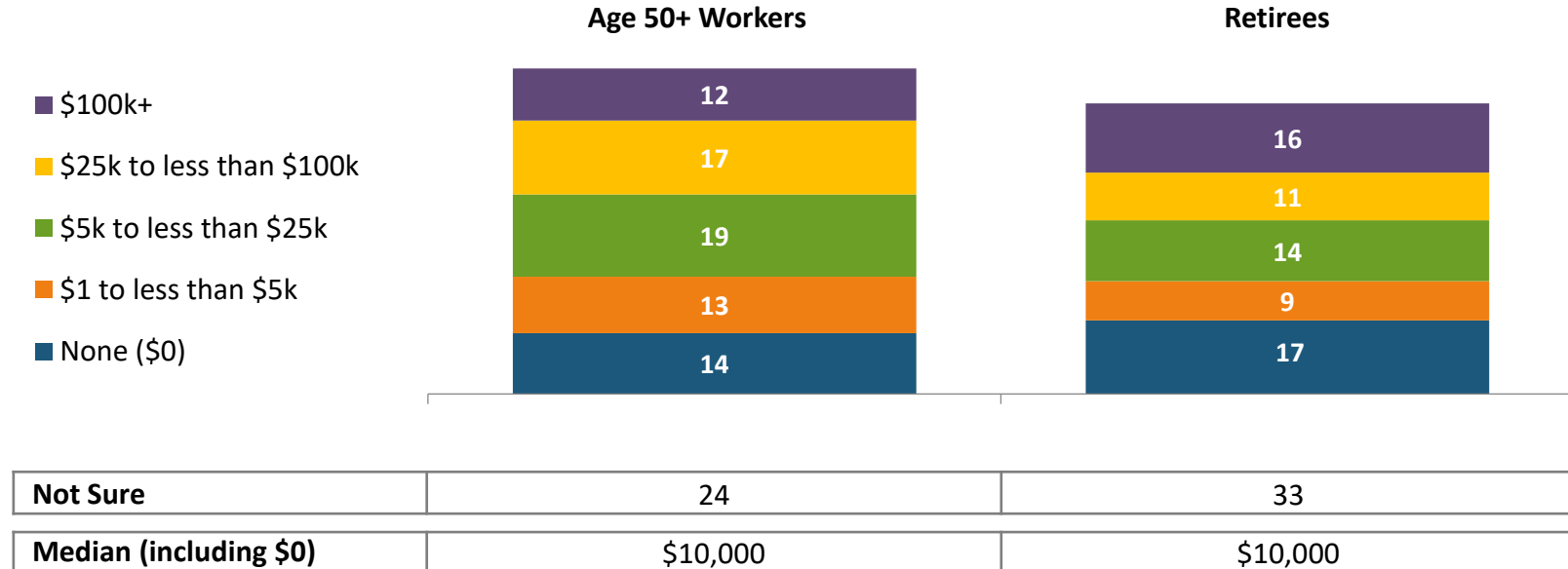


Notes: 1) The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate. 2) Results may not total 100% due to rounding.

Emergency Savings

Age 50+ workers and retirees generally lack adequate emergency savings to cover the cost of an unexpected major financial setback with the median amount saved being \$10,000 (median) for both cohorts. Seventeen percent of retirees and 14% of age 50+ workers have no emergency savings. A noteworthy 33% of retirees and 24% of age 50+ workers are “not sure” how much they have saved.

Emergency Savings (%)



Note: Results may not total 100% due to rounding.

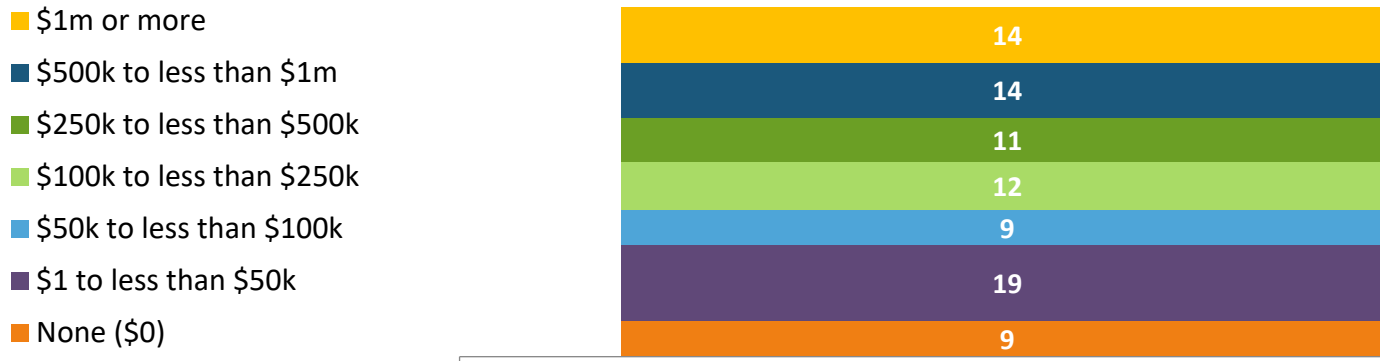
BASE: 23RD ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q2825. How much money do you have in emergency savings specifically to cover the cost of unexpected major financial setbacks (e.g., unemployment, medical bills, home repairs, auto repairs, other)? Your best estimate is fine

Age 50+ Workers: Household Savings in Retirement Accounts

Age 50+ workers have saved \$133,000 (estimated median) in total household retirement accounts. Thirty-seven percent have saved less than \$100,000. Twenty-three percent have saved \$100,000 to less than \$500,000. Fourteen percent have saved \$500,000 to less than \$1,000,000. And 14% have saved \$1,000,000 or more.

Household Savings in All Retirement Accounts
Age 50+ Workers (%)



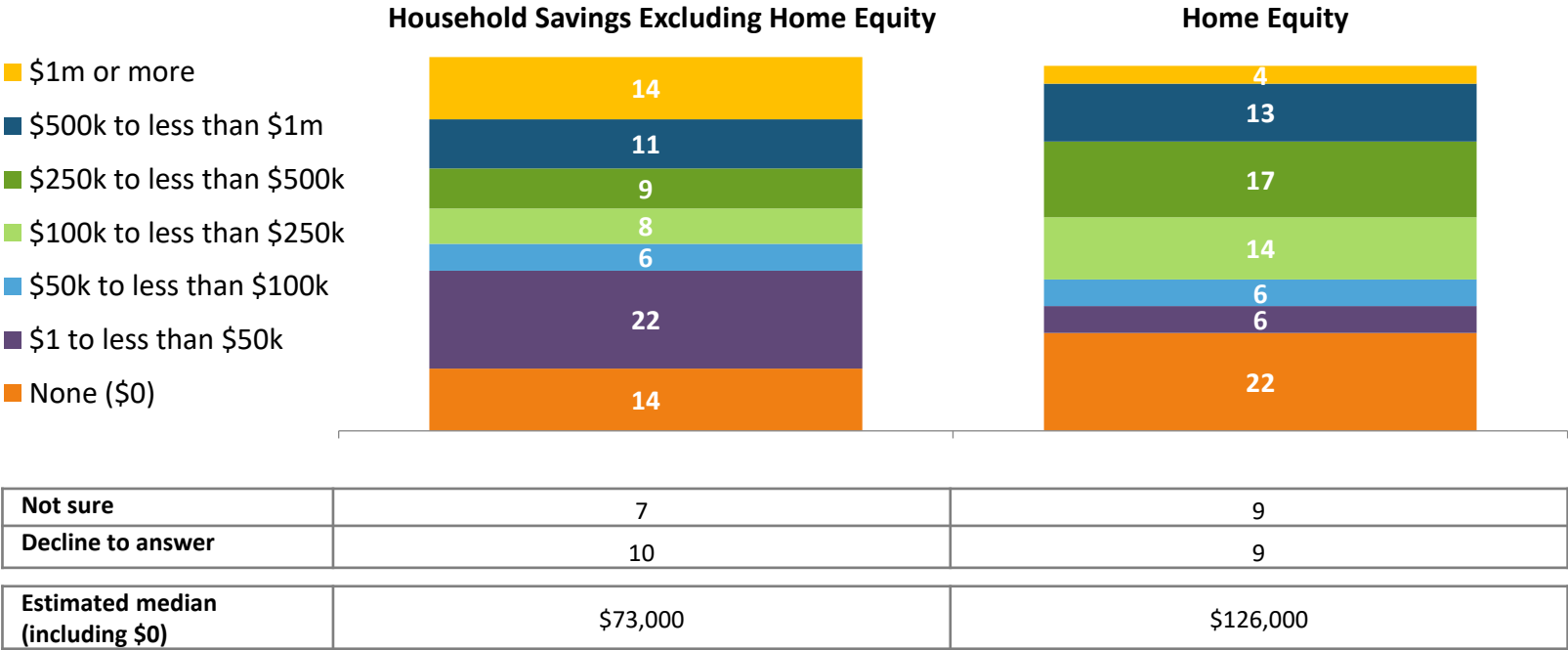
Not sure	6
Decline to answer	6
Estimated median (including \$0)	\$133,000

Note: The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate.

Retirees: Total Household Savings

Retirees have saved \$73,000 (estimated median) in total household savings excluding home equity. Forty-two percent have saved less than \$100,000. Seventeen percent have saved \$100,000 to less than \$500,000. Eleven percent have saved \$500,000 to less than \$1,000,000. And 14% have saved \$1,000,000 or more. The estimated median home equity among retirees is \$126,000. More than one in five retirees (22%) do not have any home equity.

Total Household Savings
Retirees (%)

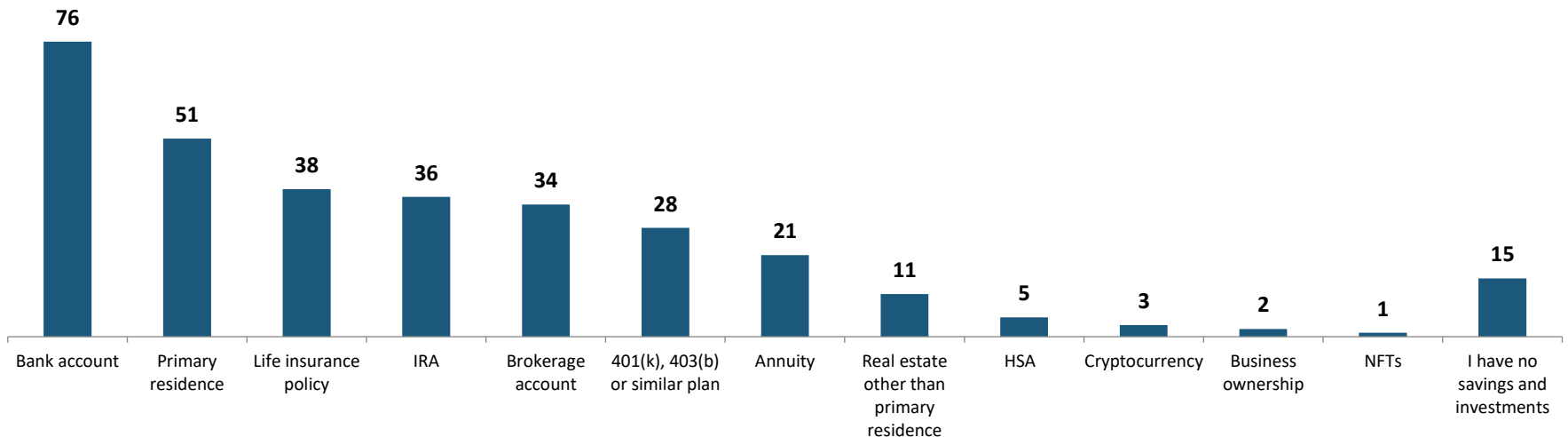


Retirees: Savings and Investments

When asked about what types of savings and investments they own, retirees most often cite a bank account (76%), primary residence (51%), life insurance policy (38%), IRA (36%), brokerage account (34%), and 401(k), 403(b), or similar plan (28%). Twenty-one percent of retirees have an annuity, and 11% have real estate other than their primary residence. Only five percent have an HSA. Fifteen percent of retirees have no savings and investments. Only three percent have cryptocurrency, two percent have business ownership, and one percent have NFTs.

Currently Held Retirement Savings and Investments

Retirees (%)

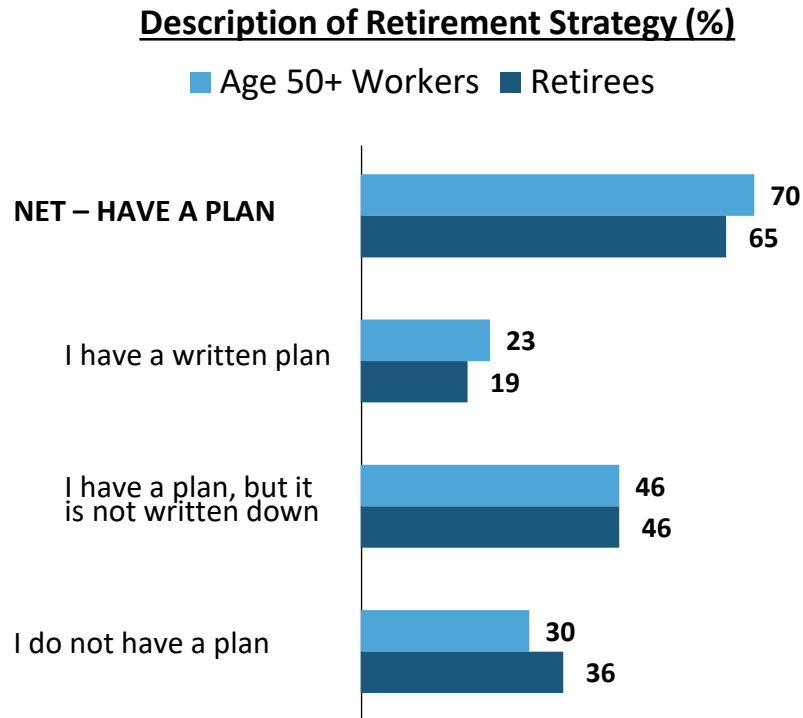


Note: The chart excludes "other investments" which was 2%.

BASE: 23RD ANNUAL SURVEY – RETIREES
Q750. Now that you are retired, what types of savings and investments do you currently have? Select all that apply.

Few Have a Written Retirement Strategy

Few age 50+ workers and retirees have a financial strategy for retirement in the form of a written plan (23%, 19%, respectively). Forty-six percent of both cohorts have a plan, but it is not written down. Thirty-percent of age 50+ workers and 36% of retirees do not have a plan.



Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

AGE 50+ WORKERS. Q1155. Which of the following best describes your financial strategy for retirement?

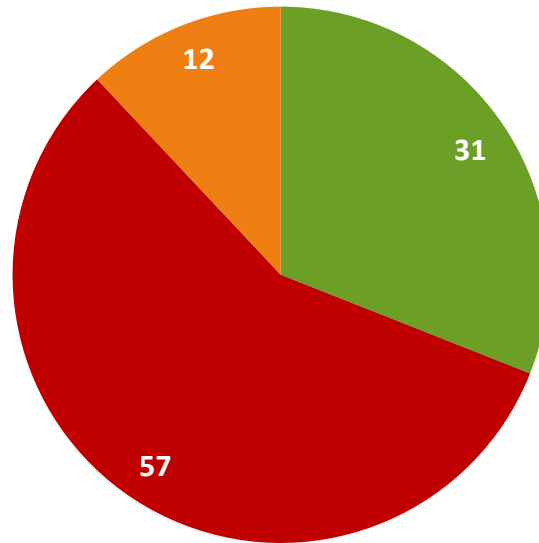
RETIREES. Q1165R. Since retiring, which of the following best describes your current financial retirement strategy?

Age 50+ Workers: Backup Plan if Retirement Comes Unexpectedly

Only 31% of age 50+ workers have a backup plan for income if forced into retirement sooner than expected. More than half (57%) do not have a backup plan for retirement income and 12% are not sure.

Do you have a backup plan for income if you are forced into retirement before you are ready to retire?

Age 50+ Workers (%)

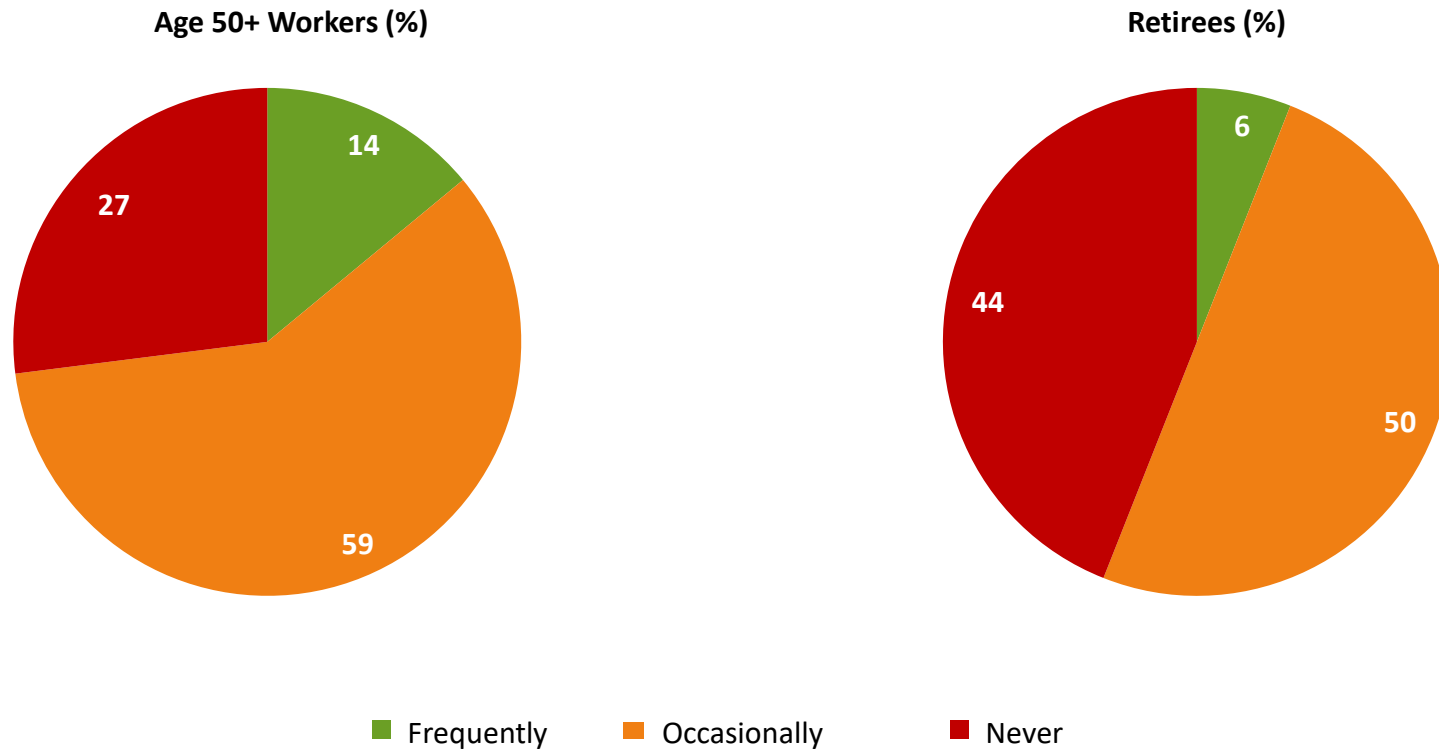


■ Yes ■ No ■ Not sure

Frequency of Family Discussions

Few age 50+ workers and retirees frequently discuss saving, investing, and planning for retirement with family and close friends (14%, 6%, respectively). Fifty-nine percent of age 50+ workers and 50% of retirees occasionally discuss it. Twenty-seven percent of age 50+ workers and 44% of retirees say they never discuss it.

How frequently do you discuss saving, investing, and planning for retirement with family and close friends?



Note: Results may not total 100% due to rounding.

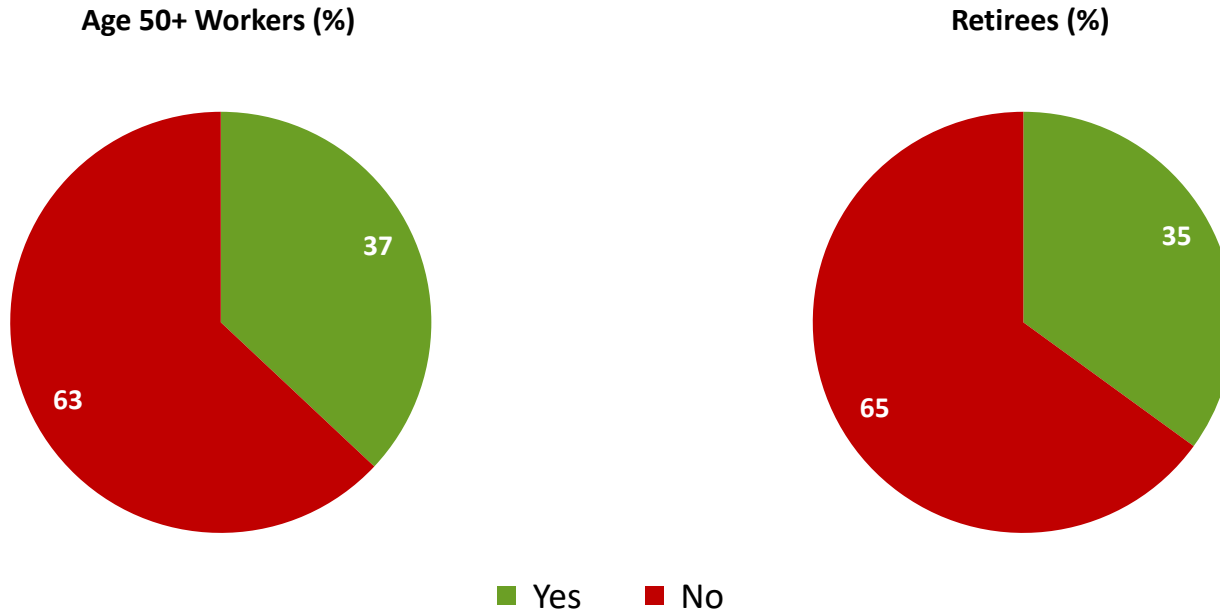
BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1515. How frequently do you discuss saving, investing, and planning for retirement with family and close friends?

Financial Advisor Usage

Fewer than four in 10 retirees and age 50+ workers currently use a professional financial advisor (35%, 37%, respectively).

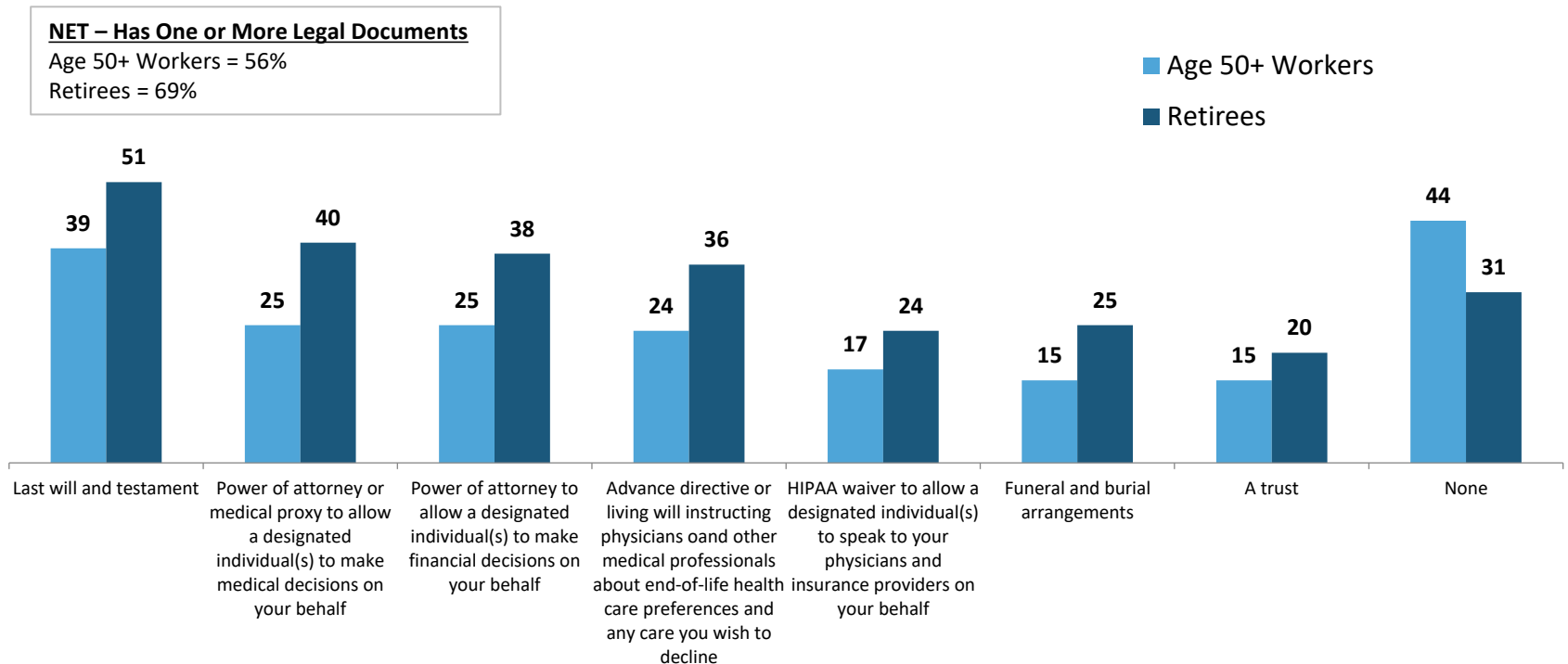
Use a Professional Financial Advisor



Legal Documents

Retirees are more likely than age 50+ workers to set forth legal documents codifying their wishes. However, given what is at stake, retirees and age 50+ workers have an opportunity to do more. Sixty-nine percent of retirees and 56% of age 50+ workers have established one or more legal documents with the most common being a last will and testament (51% retirees, 39% age 50+ workers). Only 40% of retirees and 25% of age 50+ workers have established a health care power of attorney, and only 38% of retirees and 25% of age 50+ workers have a general power of attorney. Even fewer have established an advance directive, HIPAA waiver, funeral or burial arrangements, or a trust.

Legal Documents That Have Been Established (%)



Note: Responses not shown for “Other” (Age 50+ Workers: 0%, Retirees: 1%).

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

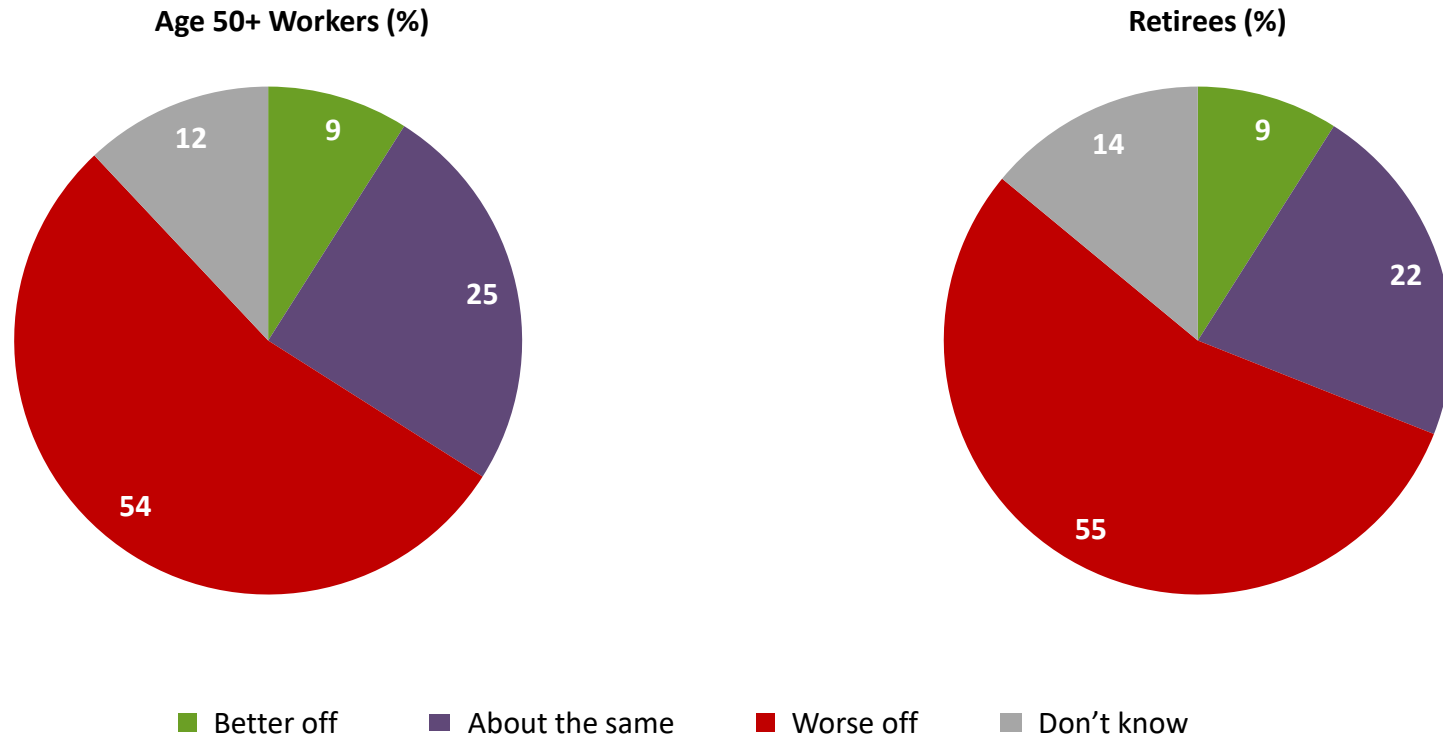
Q1517. Which of the following legal documents have you set forth in writing? Select all that apply.

Insights for Younger Generations

Outlook for Future Generations of Retirees

Age 50+ workers and retirees similarly believe that future generations of retirees will be worse off than those currently in retirement (54%, 55%, respectively). Twenty-five percent of age 50+ workers and 22% of retirees that future generations retirees will be about the same. Nine percent of cohorts believe that future generations of retirees will be better off in retirement. Nine percent of cohorts believe that future generations of retirees will be better off in retirement.

Will future generations of retirees be better off or worse off than those currently in retirement?



■ Better off

■ About the same

■ Worse off

■ Don't know

Note: Results may not total 100% due to rounding.

BASE: 23RD ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2022B. Do you think future generations of retirees will be better off or worse off than those currently in retirement?

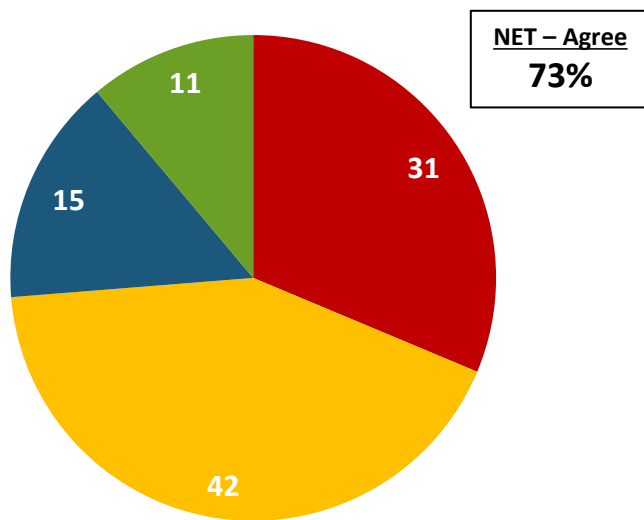
Retirees: Insights for Younger Generations

Seventy-three percent of retirees wish that they would have saved more on a consistent basis. Reflecting on their working years, retirees offer these insights: 66% wish they would have been more knowledgeable about retirement saving and investing; 49% would have liked to have received more information and advice from their employer on how to achieve their retirement goals; 48% said debt interfered with their ability to save for retirement; 45% waited too long to concern themselves with saving and investing for retirement; and 42% agree that they should have relied more on outside experts to monitor and manage their retirement savings. Almost seven in 10 (69%) said they did as much as they could to prepare for retirement.

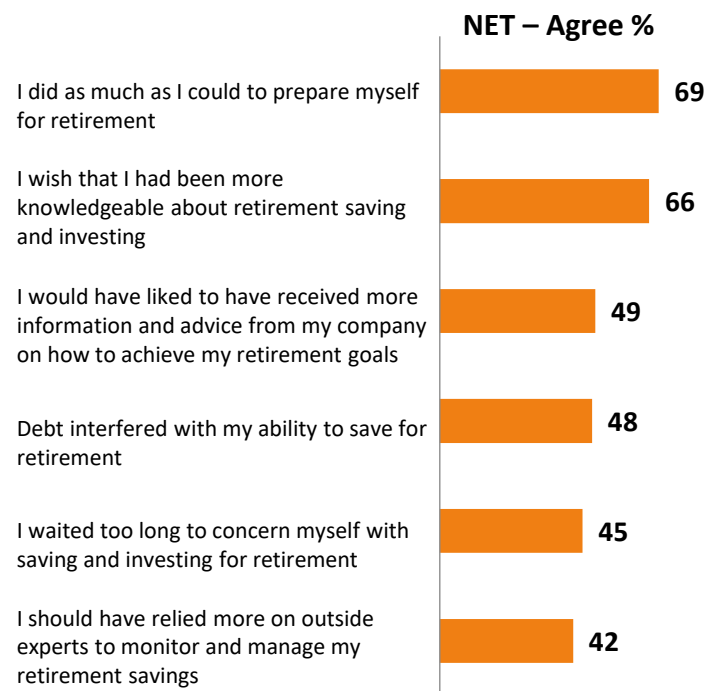
Reflecting on your working years, how much do you agree or disagree with the following statements...?

Retirees (%)

I wish that I would have saved more on a consistent basis



■ Strongly agree ■ Somewhat agree ■ Somewhat disagree ■ Strongly disagree



Appendix

A Portrait of Age 50+ Workers and Retirees

Characteristics	Age 50+ Workers (%) n=2,546	Retirees (%) n=2,104
Gender		
• Male	49%	45%
• Female	51%	54%
Age		
• < 50	0%	2%
• 50-59	56%	9%
• 60-69	36%	43%
• 70 - 79	8%	37%
• 80+	1%	10%
• Median age (years)	59	69
Marital Status		
• Married or Partnership	63%	57%
• Not married	37%	43%
Race / Ethnicity		
• White	77%	75%
• Black or African American	8%	9%
• Hispanic	7%	10%
• AAPI	5%	4%
• Other	3%	2%
Level of Education		
• Less Than College Degree	54%	64%
• College Degree or More	46%	36%
General Health (Self-Described)		
• Excellent	16%	10%
• Good	64%	59%
• Fair	19%	26%
• Poor	2%	5%
Urbanicity		
• Urban	22%	22%
• Suburban	55%	53%
• Small Town or Rural	23%	26%

BASE: ALL QUALIFIED RESPONDENTS

Q268, Q1665, Q1600, Q1230, Q1280, Q2770. Q280 Which of the following best describes/represents ...?

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