

Give your retirement savings a boost —

# Increase your contribution

**Your retirement savings may have to last for 30 years or longer. Don't fall behind—increase your contribution today!**

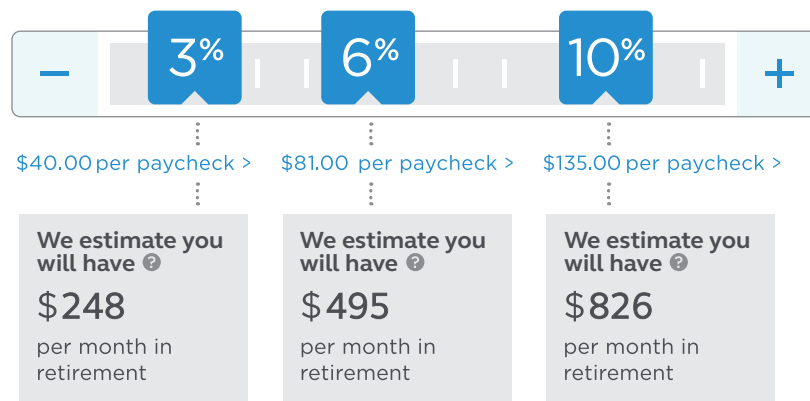
Whether retirement is a long way down the road or just around the corner, it's important to save enough today.

Analysis shows **you may need to save at least 10 percent of your pay plus employer contributions throughout your career** to have enough income in retirement.<sup>1</sup> This assumes you may need about 80 percent of your pre-retirement income to maintain your current lifestyle after you retire.<sup>2</sup>

Because each individual's situation is unique, and your savings and post-retirement needs may differ, **it's important to find out if you're on track.**

Principal.com is a good place to start. You can easily see the potential impact of a small increase in retirement plan contributions. For example:

## Pre-tax contribution amount



Simply visit [principal.com/boost](https://principal.com/boost)

Check your personalized Retirement Wellness Score and use interactive online features to see how a contribution increase may impact your take-home pay and estimated monthly retirement income.

This example is for illustrative purposes only. It assumes \$35,000 in annual income, bi-weekly pay periods, 3% annual wage growth, 30 years to retirement, 6% annual rate of return and 25% for state and federal taxes. Estimated monthly retirement income calculations assume a 4.5% annual withdrawal in retirement. Total employee contributions without earnings is \$49,954 at 3% rate, \$99,908 at 6% contribution rate, and \$166,514 at a 10% contribution rate. The assumed rate of return is hypothetical and does not guarantee any future returns nor represent the return of any particular investment option. Reduced take-home pay is accurate for the initial year and would change based on the participant's annual pay. Estimated savings amounts shown do not reflect the impact of taxes on pre-tax distributions. Individual taxpayer circumstances may vary.



For assistance increasing your retirement plan contribution, visit [principal.com/boost](https://principal.com/boost) or call **800-547-7754** to speak with a retirement specialist at the Principal Financial Group®.

<sup>1</sup>Based on analysis conducted by the Principal Financial Group®, November 2019. The estimate assumes a 40-year span of accumulating savings and the following facts: retirement at age 65; a combined individual and plan sponsor contribution of 12%; Social Security providing 40% replacement of income; 4.5% withdrawal of retirement savings; 6% annual market returns; 2% annual inflation; and 3% annual wage growth over 40 years in the workforce. This estimate is based on a goal of replacing about 80% of salary. The assumed rate of return for the analysis is hypothetical and does not guarantee any future returns nor represent the return of any particular investment. Contributions do not take into account the impact of taxes on pre-tax distributions. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.

<sup>2</sup>Based on our industry experience and GAO Retirement Security Report to Congressional requestors. The estimated average total spending for post-retirement households was about 77 percent of the spending levels for pre-retirement households. GAO, 2013 CE Data; 16-242, Retirement Replacement Rates.



[principal.com](https://principal.com)

**Investing involves risk, including possible loss of principal.**

This document is intended to be educational in nature and is not intended to be taken as a recommendation.

Increasing your contribution does not guarantee you put yourself in a better spot.

Online contribution changes are not allowed for all retirement plans. If you are not able to update your contribution at [principal.com](https://principal.com), see your human resources contact.

The Retirement Wellness Planner information and Retirement Wellness Score are limited only to the inputs and other financial assumptions and is not intended to be a financial plan or investment advice from any company of the Principal Financial Group® or plan sponsor. This calculator only provides education which may be helpful in making personal financial decisions. Responsibility for those decisions is assumed by the participant, not the plan sponsor and not Principal®. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.

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