



# 9<sup>th</sup> Annual Survey of Retirement Plan Participants

## Perspectives One Year After the Start of the Pandemic



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# Discussion

- Personal Expectations, Worries and Regrets
- Perceptions of Employers
- Pandemic Impacts



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# Defining Generations at Work



**Boomer**  
**1946-1964**



**Gen X**  
**1965-1979**



**Millennial**  
**1980-1994**

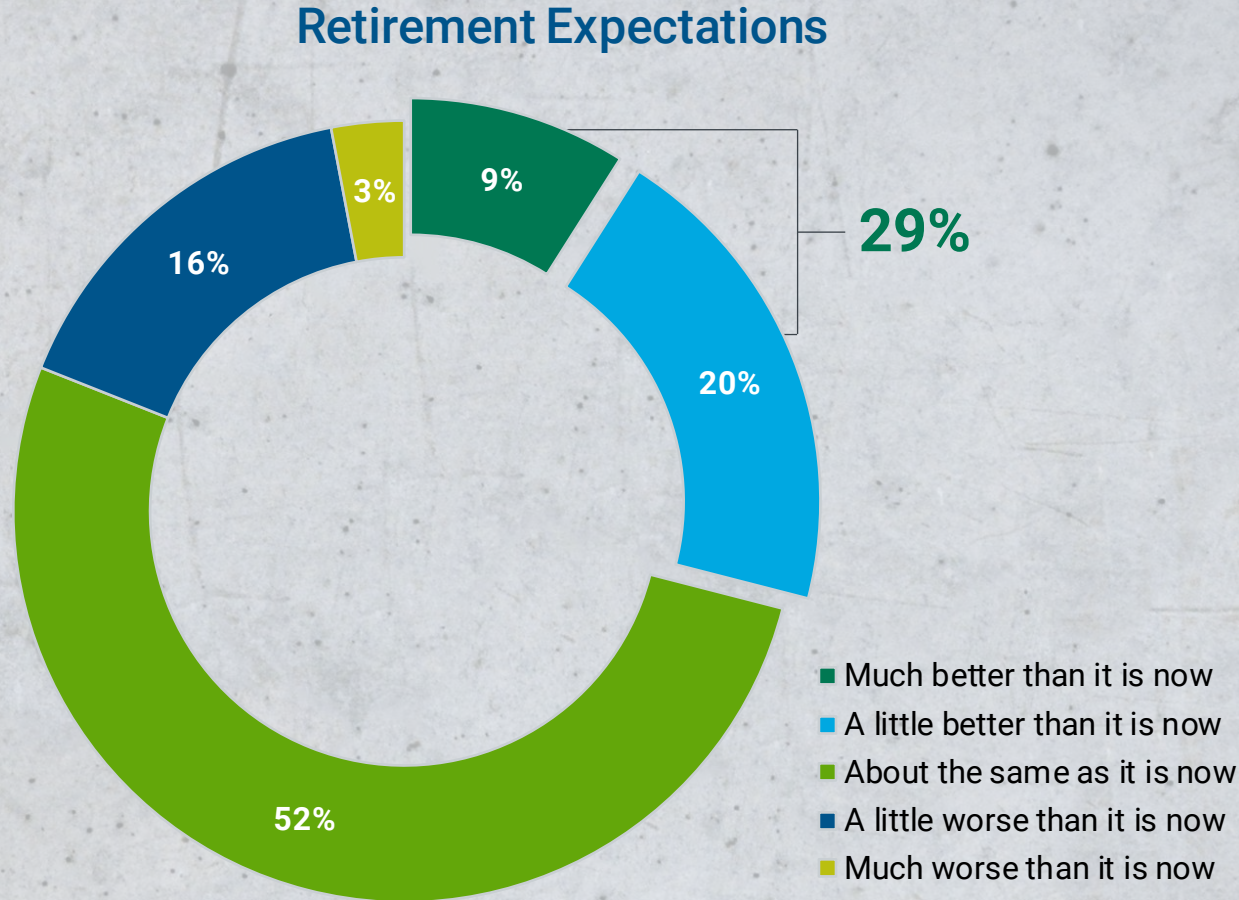


A woman with dark hair is sitting at a desk, looking down with a distressed expression. She is holding a blue credit card in her right hand. Her left hand is pressed against her forehead. On the desk in front of her are several crumpled and scattered papers, a calculator, and a small potted plant. The entire scene is overlaid with a semi-transparent blue filter.

# Expectations, Worries and Regrets



# Three in Ten Expect a Better Standard of Living



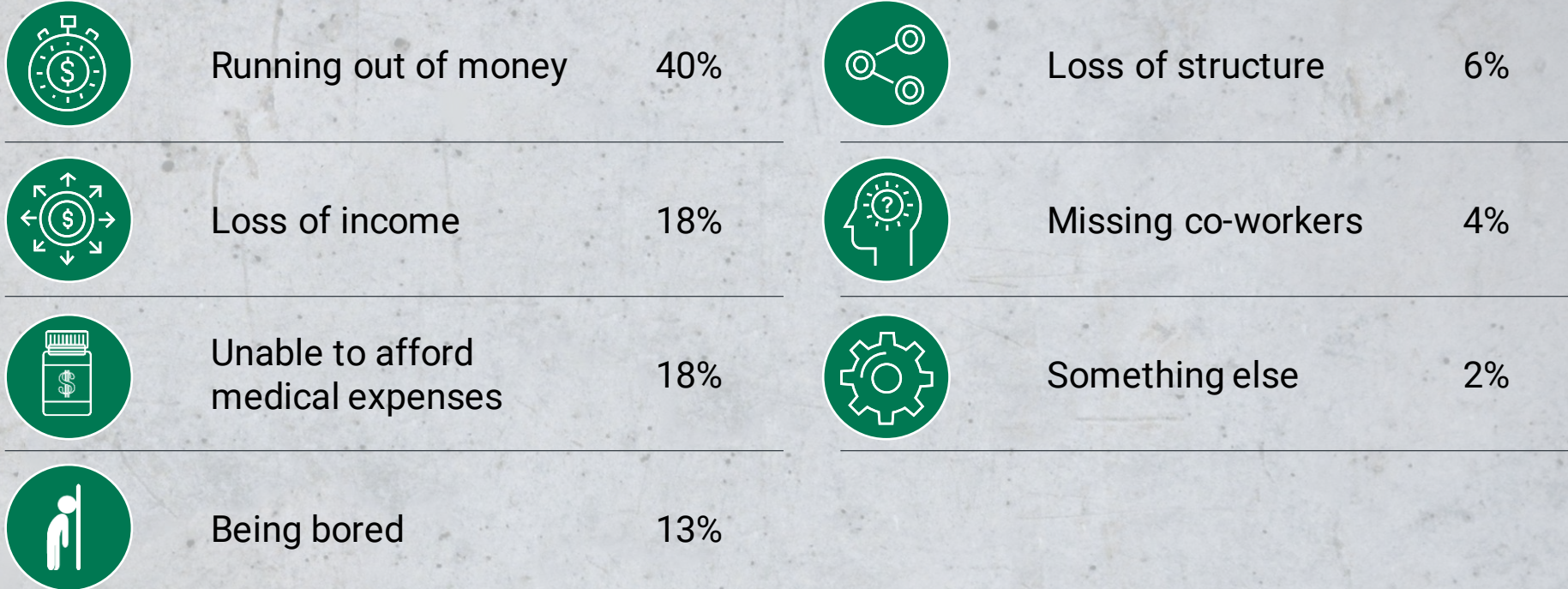
**Men** and those with **assets of >\$500K** are more likely to be optimistic about retirement.

Q1. Financially speaking, do you expect your standard of living in retirement will be...? 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# Four in Ten Worry About Running Out of Money

## Retirement Concerns



Q3. When thinking about retirement, what concerns you the most? 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# Many Admit to Saving Less, Especially in the First Five Years

6 in 10 Saved Less  
Than They Should Have



The first five years  
they worked

## And At Other Times?

When	Saved Less
Last Year	42%
In Your Teens	67%
In Your 20s	69%
In Your 30s	56%
In Your 40s	46%
In Your 50s	34%
In Your 60s	26%

Q9. In each of the following time periods, how would you evaluate your level of retirement savings at this time? 2021 (n=1,500)



# Not Saving More Is Still the Biggest Life Regret



Not saving more for retirement 35%



Not being a better person, overall 6%



Not doing better in your career 14%



Other 3%



Not doing better with personal relationships 14%



No regrets 14%



Not doing enough to enjoy life 14%

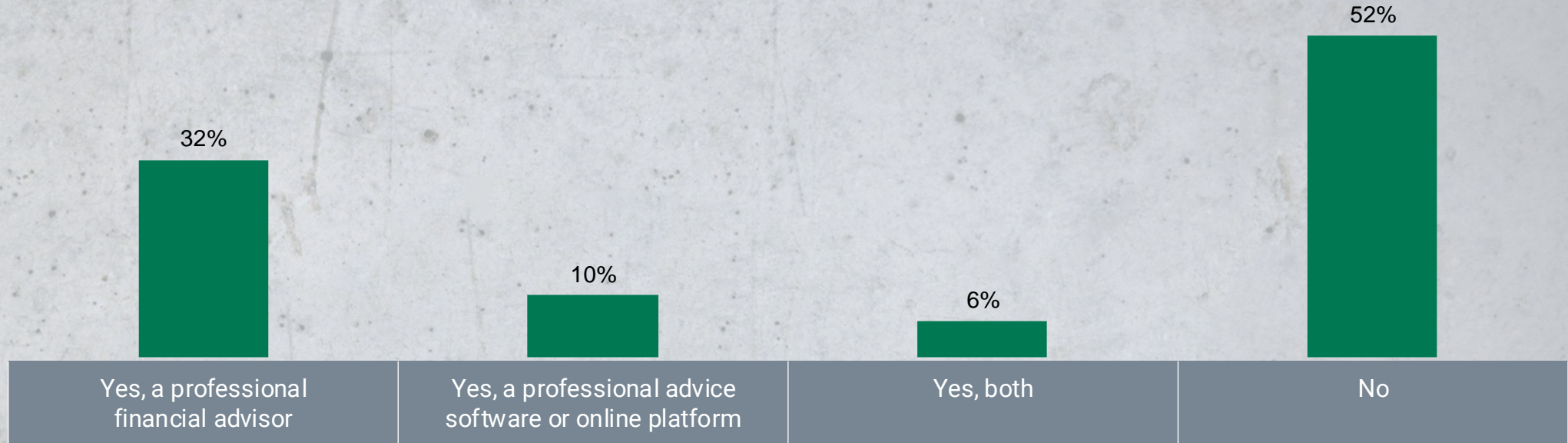


- Those with **>\$100k** have more savings regret
- Those with incomes **>\$100k** regret not enjoying life enough

Q12. Looking back, what is your biggest regret? 2021 Filter: 30+ (n=1,397); 2020 (n=1,372); 2019 (n=1,500)



# 4 in 10 Boomers and 3 in 10 Gen Xers/Millennials Have an Advisor



**Men** are more likely to work with an advisor, use advice software, or both.

Q19. Do you currently work with a professional financial advisor or do you use a professional financial advice software or online platform? 2021 (n=1,500); 2020 (n=1,508)





# Perceptions of Employers



# Retirement Plans Are Highly Valued Benefits

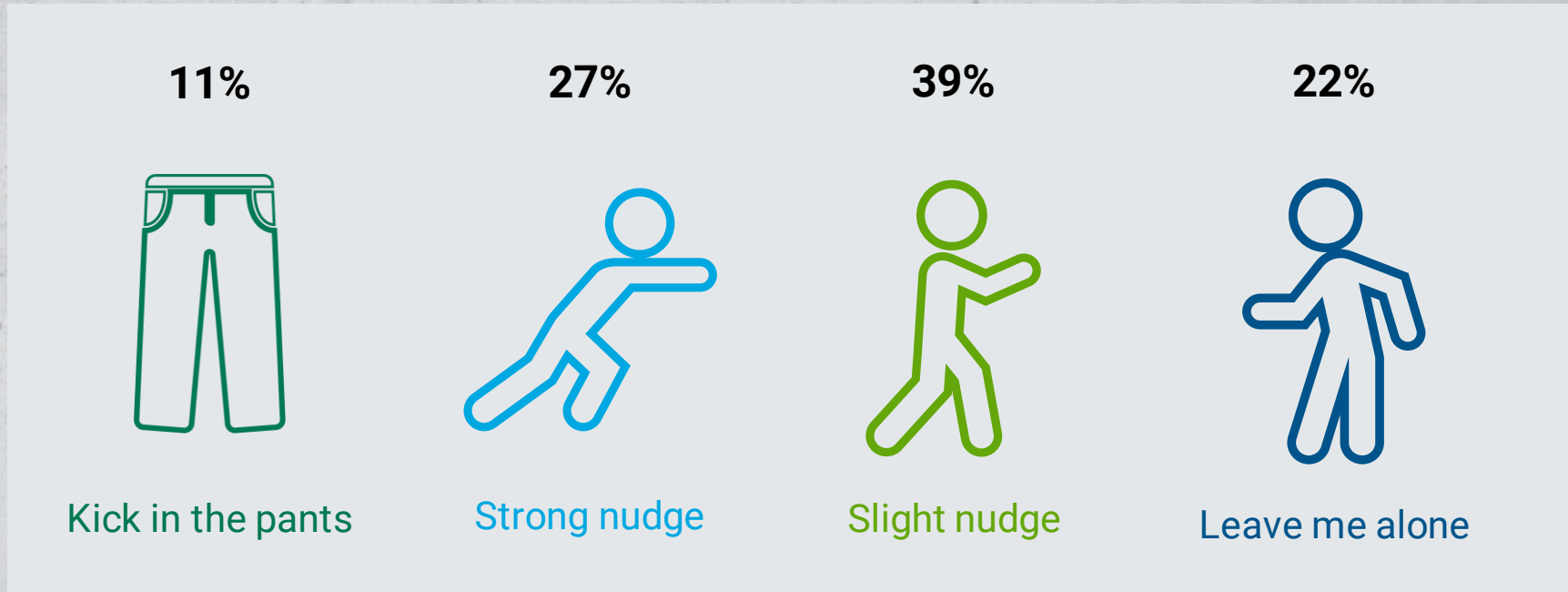


Participants most likely to strongly agree are **men**, those with household **incomes of \$100k or more**, and those with **assets of at least \$500k**.

Q17. To what extent do you agree or disagree with the following statement? 2021 (n=1,500); 2018 (n=1,508); 2019 (n=1,500)



# Four in Ten Want a “Kick in the Pants” or “Strong Nudge” to Save More



**Boomers** are more likely than Millennials and Gen Xers to want to be left alone.

Q15. Which best describes what you would like your employer to do for you when it comes to encouraging you to save for retirement. 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# Most Prefer a Match Over Salary Increase

**2/3** Prefer an employer match **over** a salary increase, regardless of percentage.



Boomers are more likely to prefer a match. **Men** prefer a **6%** **match** more than women.

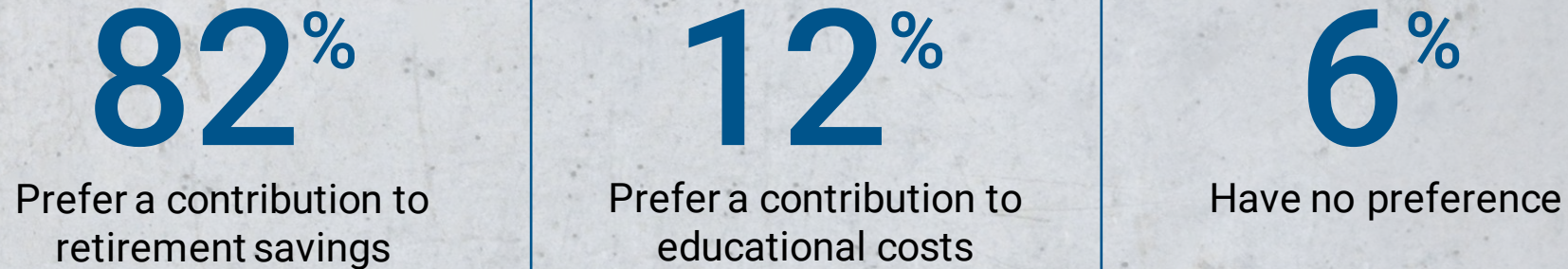
Q24. Suppose your employer offered the option...Which option would you prefer? 2021 (n=1,500); 2018 (n=1,508); 2019 (n=1,500)

Q25. Now, suppose your employer offered the option...Which option would you prefer? 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# Most Want Retirement Contributions Over Education Cost Help

## Employer Contribution Preference



Participants with **at least \$100k** are more likely than those with less money to prefer a retirement savings contribution over educational costs.

Q26. Now, suppose your employer offered the option to either contribute a certain amount to your retirement savings or contribute that same amount to educational costs (i.e., saving for a child's college education or repayment of current student loans). Which option would you prefer? 2021(n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# The Majority Support Automatic Plan Features



2/3

believe companies should have automatic enrollment with a **6%** default rate.

Just over

60%

believe employers should automatically enroll **and** automatically increase it each year.



Participants with **assets of at least \$500k** are more inclined to support these features.

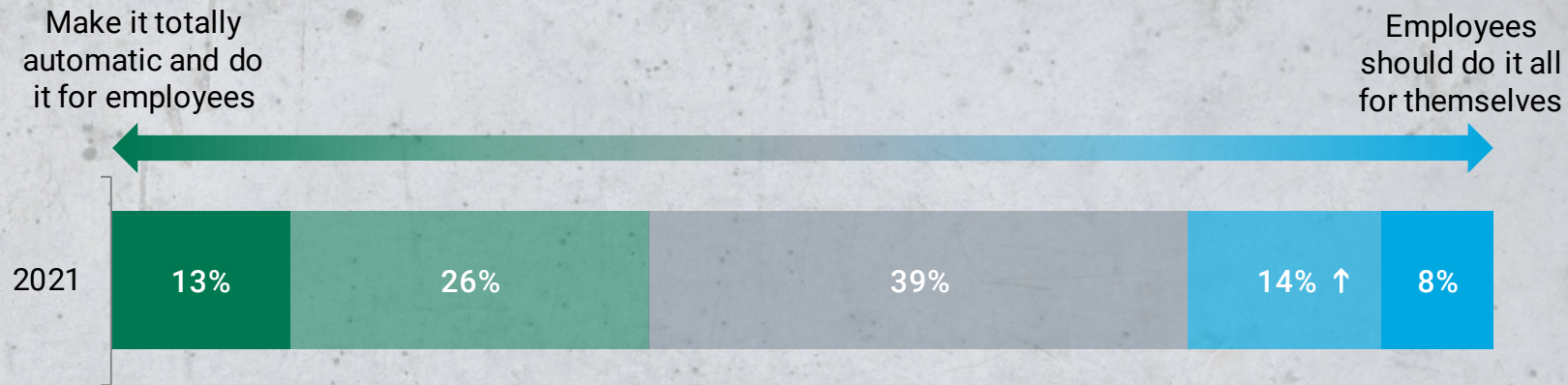
Q27. Suppose the company you worked for has an automatic enrollment option where upon beginning employment, 6% got taken out of employees' checks automatically for their retirement plans. Is this something the company...? 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)

Q28. Now, suppose the company you worked for has an automatic enrollment option where upon beginning employment, 10% got taken out of employees' checks automatically for their retirement plans. Is this something the company...? 2021 (n=1,500); 2020 (n=1,508)



# Four in Ten Say Retirement Plans Should Be Totally Automatic for All

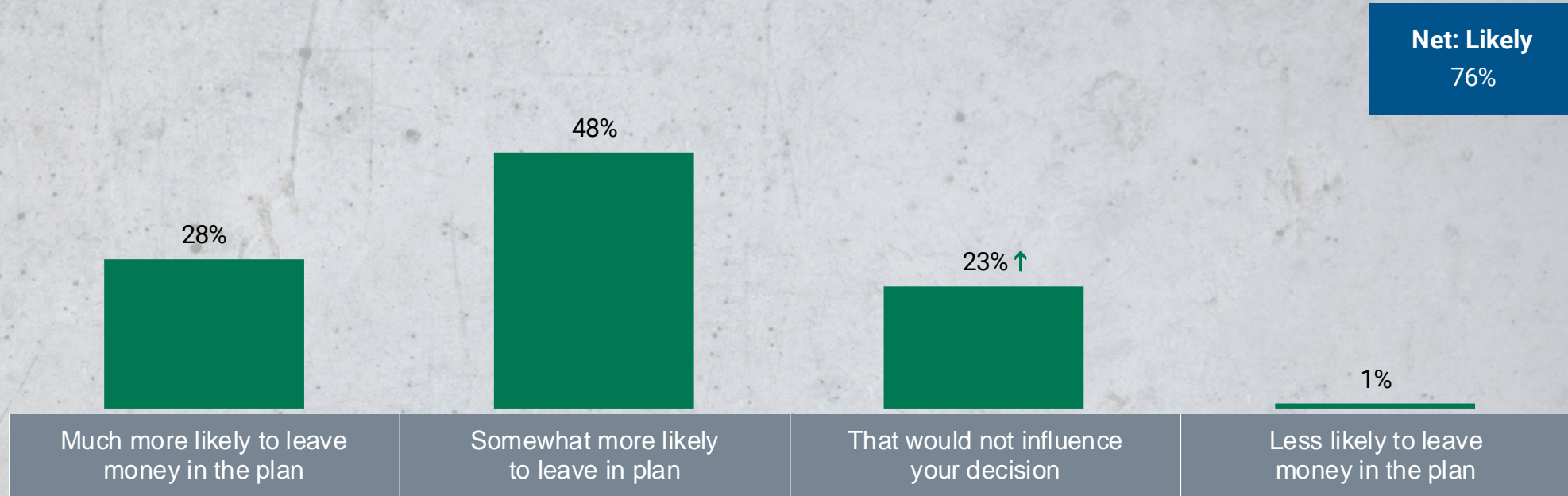
## Enrollment, Contributions, & Default Investments



More **men**, those with **incomes of \$100k or more**, and those with **assets of at least \$500k** prefer automatic options.



# 76% Prefer an In-plan Withdrawal Solution



Q41. If your workplace retirement plan offered an investment option specifically designed to help retirees draw income from their plan savings during retirement, would you be more or less likely to leave your money in the plan? 2021 (n=1,500); 2020 (n=1,508)

↑=Significantly higher than previous year, ↓=significantly lower than previous year, <sup>MXB</sup>=Significantly higher than other Generation



# Most Express Confidence, but Answer Differently About Withdrawals

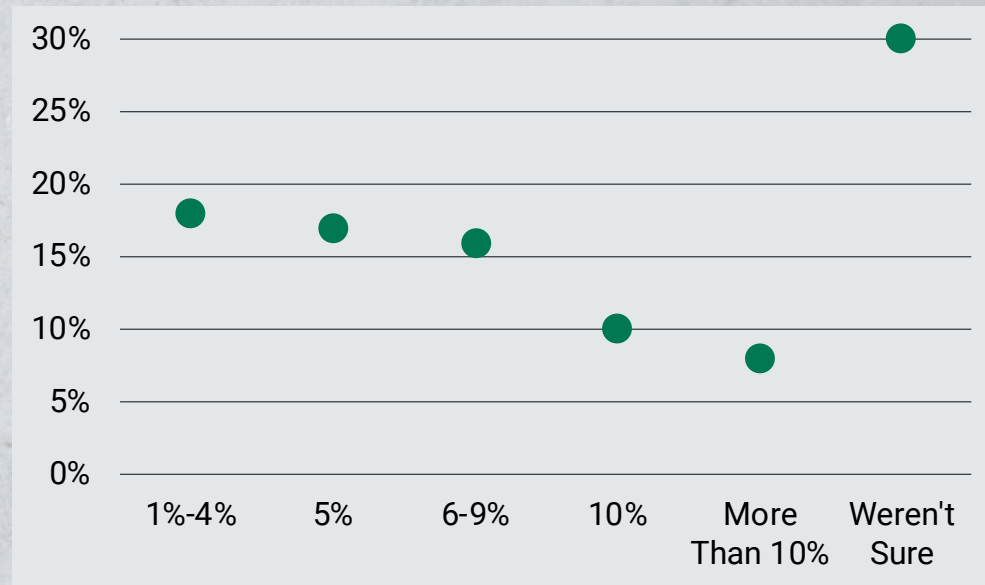
2/3

say they know how much to withdraw for living expenses in retirement.

60%

know how long to make their money last.

### How Much Should You Withdraw?



**Men**, those with **incomes of \$100k or more**, and those with **assets of at least \$100k** have more confidence about the amount to withdraw.



# Most People Need Help Drawing Down



**Men**, those with **incomes of \$100k or more**, and those with **assets of at least \$500k** say they “**got it covered**” as opposed to others who “need a ton of help.”



# Three in Four Show Interest in Holistic Financial Advice



Participants with **incomes of at least \$100k, Millennials and Gen Xers** are more likely to agree.



# ESG Interest Varies Among Generations and Income Levels



Environmental

**More than half express** interest in ESG investments as part of their retirement plan.



Social

Participants with **incomes of \$100k or more** are more likely to be interested in ESG.



Governance

**Millennials** and **Gen Xers** are most interested.



# ESG Is More Attractive If Performance Is Comparable

65%

would be interested if performance is comparable

29%

would be interested if performance is better

6%

would be interested even if performance is worse



**Men** and those with **assets of \$500k and above** are more interested in ESG.

Q39. Which of the following best describes your interest in having ESG factors considered in selecting investments in your retirement savings plan? Filter: Interested in having an ESG as part of retirement savings plan: 2021 (n=799); 2020 (n=842); 2019 (n=612)



A man and a woman are sitting at a table, smiling and looking at a tablet together. The man is pointing at the screen. The woman is holding the tablet. They appear to be in a meeting or collaborative work environment. The background is slightly blurred, showing a window and some indoor plants. The entire image has a blue tint.

# Impact of the Pandemic



# Participants Grade Themselves Higher In 2021

## Retirement Savings Grades

3.6 (B-)

Average 2021

3.4 (C+)

Average 2020

3.2 (C)

Average 2019



**Men**, those with **incomes of \$100k or more**, and those with **assets of \$100k or more** are most likely to give themselves an A.



# More Excitement About Travel While Time With Family Tempered



Those with a household **income of at least \$100k** are also more excited about traveling than those with lower incomes.



# Paying off Debts of All Kinds Is a Lower Priority This Year Than Last Year



Paying off longer-term credit card debt and student loans are **more of a priority for men** than women.



Paying off longer-term credit card debt is a bigger priority for those with household **incomes less than \$100k**.



# Risk Continues To Be Concerning, but the Degree Has Lessened

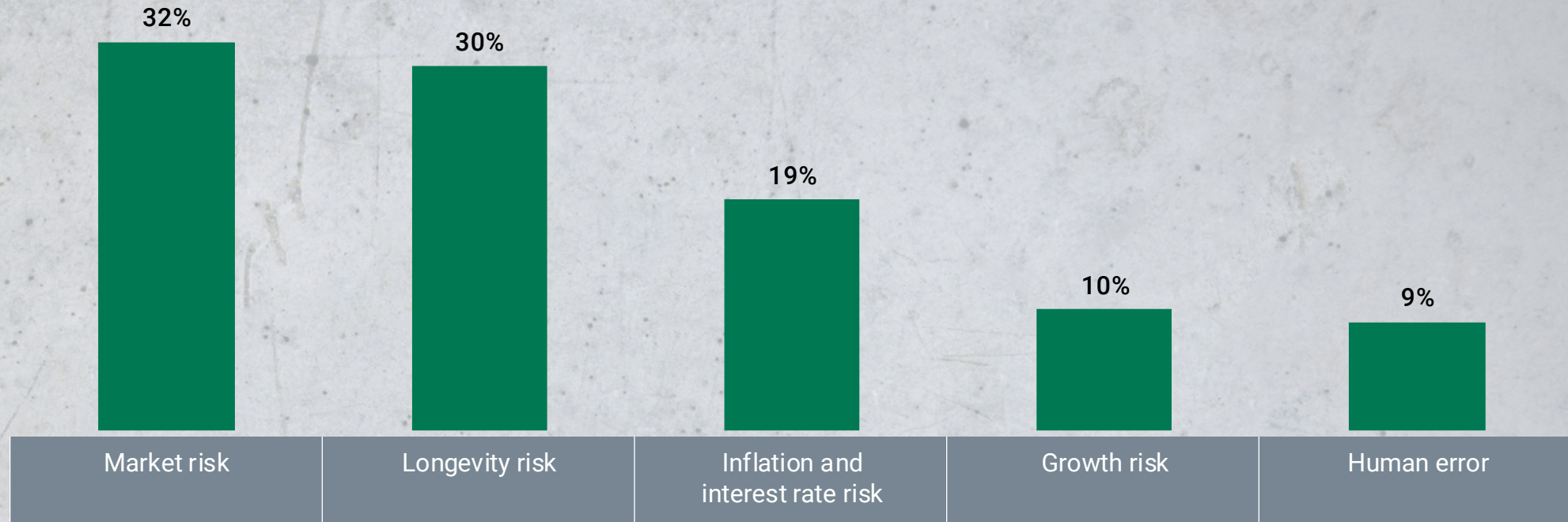
## Risk Concerns Post-Pandemic Compared to During the Pandemic Are Decreasing

Risk	2021	2020
Longevity	58%	63%
Inflation & Interest Rate	49%	53%
Market	51%	61%
Growth	43%	53%
Human Error	39%	44%

Q33. When selecting investment options with your workplace retirement plan, how concerned are you about the following types of risk at this time? 2021 (n=1,500); 2020 (n=1,508); 2019 (n=1,500)



# Market Risk Is Still Top Concern, but Only Slightly Higher Than Longevity



**Men** and those with **assets of \$500k or higher** are more likely to be most concerned about growth risk.



# Summary

- Investing for retirement is a priority for participants regardless of age.
- Employers are having a positive impact on accumulating assets.
- Participants are now looking for help in withdrawing assets.
- Optimism is on the rise.



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# Important Information

## **Managing Money, Making An Impact**

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## Methodology:

The survey was conducted between March 8 and 19, 2021. Survey included 1,500 full-time workers between 25 and 65 saving through their employer's retirement plan. The data were weighted to reflect the makeup of key demographics (gender, income, and education) among all American private sector participants between 25 and 65.

Percentages in the tables and charts may not total 100 due to rounding and/or missing categories.

Data collection and analysis were completed by Greenwald Research of Washington, D.C.

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