



Know your score

It all adds up

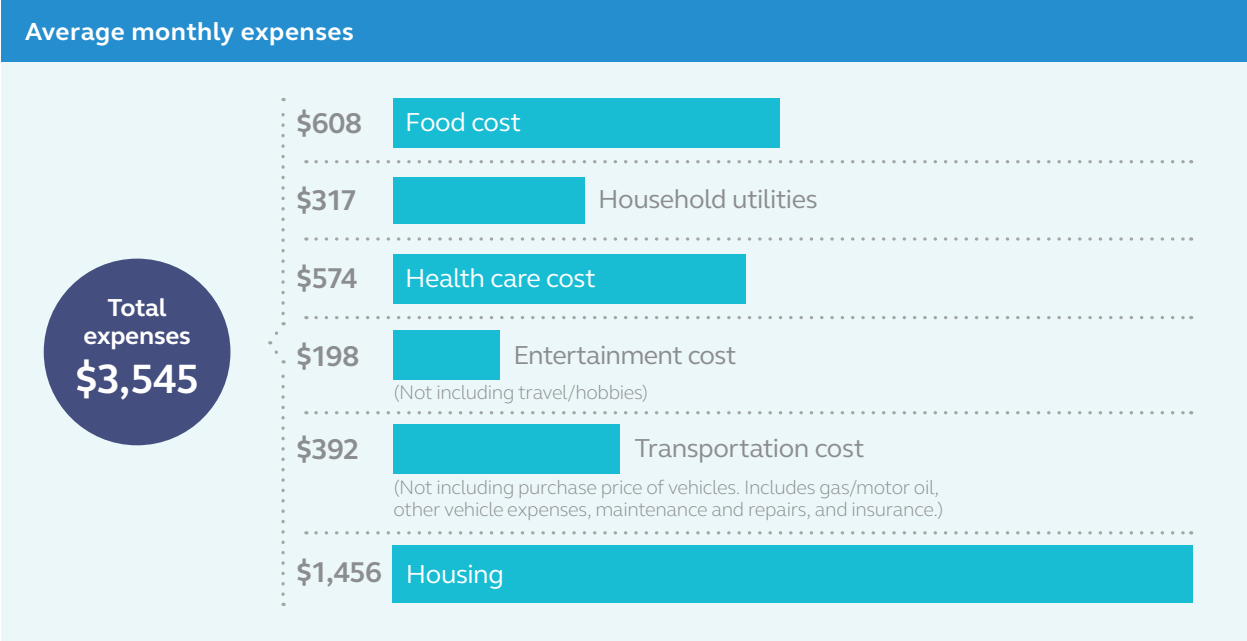
Find your score today: principal.com/MyScore

Is your retirement savings plan on track?

Let's face it, no matter what stage of life you're in, it's important to know you'll one day be able to retire. And thinking about retirement shouldn't be complicated or stressful.

One number—your Retirement Wellness Score—provides at-a-glance awareness of your retirement readiness. Plus, it serves as a guide as you take action to get—and stay—on track.

Why is retirement readiness important? **Consider these basic expense stats about current Americans 65 and older.**



Consumer Expenditure Survey, U.S. Bureau of Labor Statistics, September, 2020.

Those are just basic costs, not including potential future inflation. It's important to note that some costs may be reduced, like not having child care, student loans, or a mortgage. However, you may have new expenses like hobbies or traveling.

Knowing your Retirement Wellness Score is a great way to help take the guesswork and stress out of preparing to cover your expenses during retirement.

Regardless of where you think you'll be—today is the time to know your score. Let's find out how.



Your score can help you reach a more secure financial future



Find your score

Everyone has a Retirement Wellness Score, what's yours? Knowing your personalized score now and in the future is the first step to getting on track for retirement. Find your score now at principal.com/MyScore.



Take steps to improve it

Once you know your score, online planning resources available on your account allow you to easily visualize and plan for retirement.



Get on track for retirement

Once you know your score and how to take action to improve it, **you're on your way toward a more secure financial future.**



There's no better time than now to get started. Visit principal.com/MyScore.

Find your score

Your Retirement Wellness Score is the quickest way to know if you're on track for retirement.

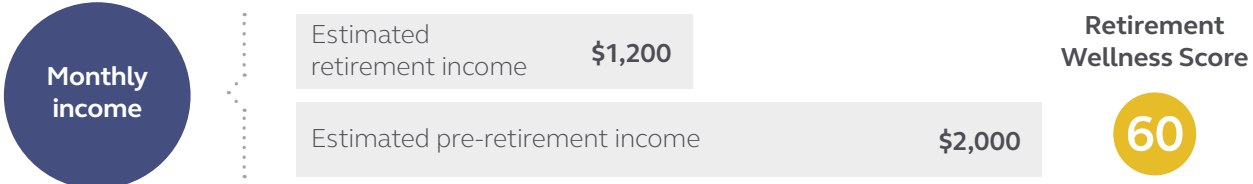
- › **Personalized** to you and calculated using information like your account balance, contribution level, annual pay, and an estimate of income from other sources like Social Security or a pension, in addition to certain assumptions.
- › **Easy to understand** because it uses a basic **scale of 1 to 100** in conjunction with intuitive colors that help you quickly understand where your score lands.



What does your score mean?

The score is **an estimate of how much of your pre-retirement income may be replaced by the income you are estimated to have in retirement.** Seeing the comparison may help you determine if you're saving enough.


Take the example below. If you have a Retirement Wellness Score of 60, this means you may only be able to replace 60% of your estimated pre-retirement income with the estimated income you may have during retirement from your savings and other income sources:



Studies suggest achieving a score of 80 in order to maintain your current lifestyle once you retire.¹

Recognize that the lifestyle you want in retirement may not match your current lifestyle. You may wish to:

- 70** Aim for at least 70 by **spending less** and maintaining good health.
- 80** Focus on at least 80, which could allow you to **live similarly to the way you do now.**
- 100+** Take a look at 100-plus, which might allow you to take up some **new hobbies and travel more.**

 Check out your score and take the first step toward a more secure retirement. Visit principal.com/MyScore.

¹ 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% of the spending levels for pre-retirement households. GAO, 2013 CE Data; 16-242, Retirement Replacement Rates.

Get started

Log on to your retirement account to see your Retirement Wellness Score. Your most important retirement savings information for this account appears right on your personalized account home page along with interactive features and planning tips.

Note: In some cases, you may need to unlock your score by providing your salary.

The screenshot shows a Principal 401(k) account dashboard. At the top, there is a navigation bar with 'Principal', 'My Accounts', 'Help', 'My Profile', 'Messages', and 'Log Out'. The main header displays '401(k) Account' and 'John Customer - XYZ Defined Contribution Plan'. Below this is a menu with 'Overview', 'Contributions', 'Investments', 'Loans & Withdrawals', 'Rollovers', and 'Planning Resources'. A 'Guided tour' and 'Search' icon are also present.

The 'Your account' section shows a balance of \$40,915.98 as of October 21, 2020. Below this is a table of account details:

Vested balance	\$25,529.41	>
Loan balance	\$6,285.00	>
Personalized rate of return since 1/1/2020	8.11%	>
Gain/loss since 1/1/2020	\$3,071.00	>
Most recent deposit on October 20, 2020	\$157.61	>
Your current salary	\$39,900.00	✎

The 'Need investment help?' section provides information on investment options and a link to 'Check out your options now'. Below this are three tabs: 'My progress' (56), 'Performance', and 'Compare me'.

The 'Am I saving enough to replace my income?' section features a donut chart showing a 62% progress towards the goal. To the right, it compares the required monthly amount (\$3,758) with the current amount (\$2,538), indicating a shortfall of \$1,220 per month.

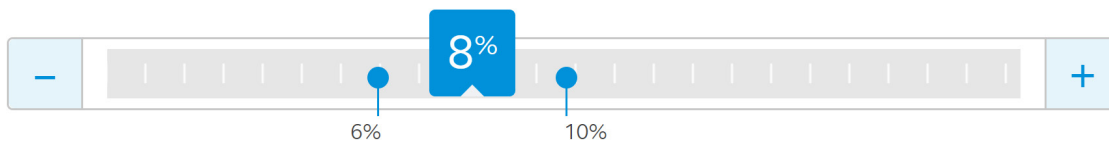
This image is for illustrative purposes only. Your account page may not have all the same inputs because it is personalized to your details.

Take steps to improve your score

Take action today to get on track for tomorrow.

Now you know how to find your score, but don't stop there. Whether your score is red, yellow, or green, it's important to know what impacts your score—and ultimately your retirement.

One of the most impactful ways to move your Retirement Wellness Score is to increase your contributions to your employer's retirement plan. According to our analysis you may need to save at least 10% of your pay plus employer contributions throughout your career to have enough income in retirement. Each individual's situation is unique, so savings and post-retirement needs may differ.²



Are you saving 10%? Consider increasing your deferral to 10% now, or if you can't push to the full 10% right away, consider starting with a smaller amount.

Even if you're already contributing, consider these additional contribution amounts below and the extra monthly income you may have if you make the increase. These are based on standard assumptions like a \$35,000 annual income. To get a more personalized, detailed view of your situation and to see how these small increases can impact your personal score, log on at principal.com/MyScore.

Additional contribution	Reduction in bi-weekly take-home pay	Estimated additional monthly retirement income
6%	\$60	\$861
3%	\$30	\$430
2%	\$20	\$287
1%	\$10	\$143

The more years you have until retirement, the more impact even a small change can have.

For those nearing retirement, don't forget to take advantage of catch-up contributions you may be able to make at and after age 50.

This example is for illustrative purposes only. It assumes \$35,000 annual salary, bi-weekly pay periods, 3% annual wage growth, and 6% annual rate of return and a 40-year savings horizon. The bi-weekly contribution calculation is accurate for the first year only. The assumed rate of return is hypothetical and does not guarantee any future returns nor represent the return of any particular investment option. 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.

² 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.

What else can I do?

It's the little steps like increasing your contribution rate that can make the biggest difference, but other planning details can also affect your score. Check out the Retirement Wellness Planner to learn more. **Simply click the Retirement Wellness Planner link on your homepage.**

This interactive online planning feature helps you see where you—and your savings—may be headed. It can help you manage, visualize, and plan your retirement goals so you can get and stay on track for the future.

Planning & Account Inputs

Adjust basic information like your annual pay, contribution amount or how often you're paid.

- Contribution amounts (Both pre-tax and Roth, if available)
- Current annual pay and pay period

Planning & Account Inputs

Pre-Tax Contribution Amount ⓘ
\$76.73 every two weeks
5%

⚠ You're not contributing enough to get the full employer match!

Roth Contribution Amount ⓘ
\$0.00 every two weeks
0%

Your Current Annual Pay ⓘ
Paid Hourly? Try our annual pay calculator.
\$ 39,900

How Often Are You Paid?
Every Two Weeks

Clear Changes Save Changes

External Accounts
Principal Accounts
Household Inputs
Advanced Planning Inputs

Retirement Wellness Score ⓘ

You'll need \$3,594/month
You'll have \$3,281/month
You may be short \$313/month

64%

You're projected to replace 64% of your income in retirement. ⓘ

Household Score 85

Account Balance

Age: 44
Balance: \$ 127,835
Retirement Account: \$ 100,618
Additional Savings: \$ 17,206
ESOP Account: \$ 15,931

Other Retirement Income & Savings

Take a look at how other savings might impact your score.

- Additional retirement savings (like IRAs, accounts with previous employers, etc.)
- Defined benefit pension plan
- Other income (such as guaranteed income, etc.)
- Social Security

Advanced Planning Inputs

You can even adjust finer details like retirement age or investment rate of return.

- Desired retirement age
- Desired income in retirement
- Annual rate of inflation
- Annual rate of return
- Employer match
- Additional employer contributions
- Pay increase per year

The scenario on these pages is for illustrative purposes only. Online, you may see other inputs or details personalized to you and your employer's plan.

You can make the planner even more powerful by personalizing it to reflect your full retirement picture. Use the charts below as a guide for the details you may need for the online planner you see on the prior page.

1 | Confirm your basic information.



Are your annual pay and pay period correct?

2 | See the impact to your score by adding in other retirement savings and income.

What other retirement savings or assets do you have?

Think about retirement savings you may have with previous employers, personal IRAs, etc.



Do you have any sources of retirement income?

Include any guaranteed income products or previous pension plans.



Does your employer offer matching or other contributions?



3 | Adjust your finer personalized details. The planner starts with some defaults and assumptions, but you can easily adjust those to reflect your personal situation.

How much Social Security benefit might you have?

Your estimated benefit in the planner may already be defaulted. If it isn't, or if you want a more detailed projection, visit ssa.gov.



What investment and inflation rates do you feel will apply?

The planner starts with 6% rate of return and 2% rate of inflation, but you can easily adjust those.²



What kind of pay increases do you expect?

The planner assumes you'll experience a 3% pay increase annually,² though you can adjust that according to your situation.





Simple tips to help improve your score

The simplified retirement planning you’ve just read about is only one piece of your bigger financial picture. If you want to continue to improve your score, consider using these tips—they may enhance your financial life and impact how much you’re saving for retirement.



Put saving first. A good tip for saving is to always pay yourself first. Commit to saving a certain amount every month, just as you pay other bills. One simple way to do this is to contribute more to your employer’s retirement plan.



Create a monthly budget. A monthly budget should include saving for both short- and long-term financial needs.



Make a plan to reduce debt. In order to achieve your retirement goals, you must deal with debt, especially credit card debt. Pay down your balances or consider consolidating what you owe to pay it off faster.



Learn about Social Security benefits. Higher lifetime earnings may mean higher benefits when you retire. If you continue working after reaching your full retirement age, you’ll add more earnings to your Social Security record. For more information, visit [ssa.gov](https://www.ssa.gov).



Talk with your financial professional. Use your new understanding of your score and planning details to talk with your financial professional about your long-term goals.



Find your
score today

Principal.com/MyScore



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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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