

2022 401(k) Participant Study

July 2022

Media contact:
Mike Peterson
330-908-4334
mike.peterson@schwab.com

charles
SCHWAB

Own your tomorrow.

Retirement obstacles

Inflation is the main obstacle to saving for a comfortable retirement in 2022

Top Retirement Obstacles

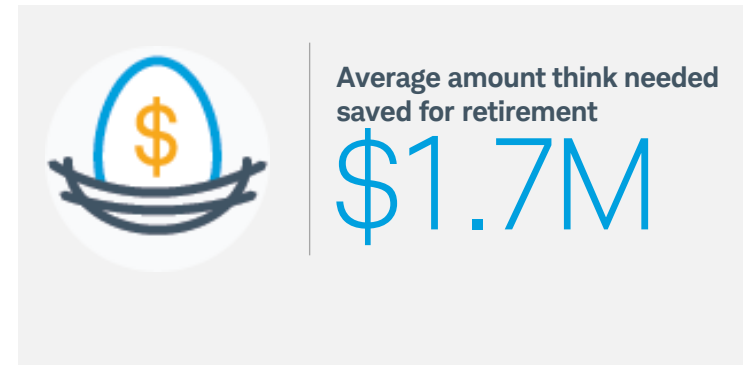
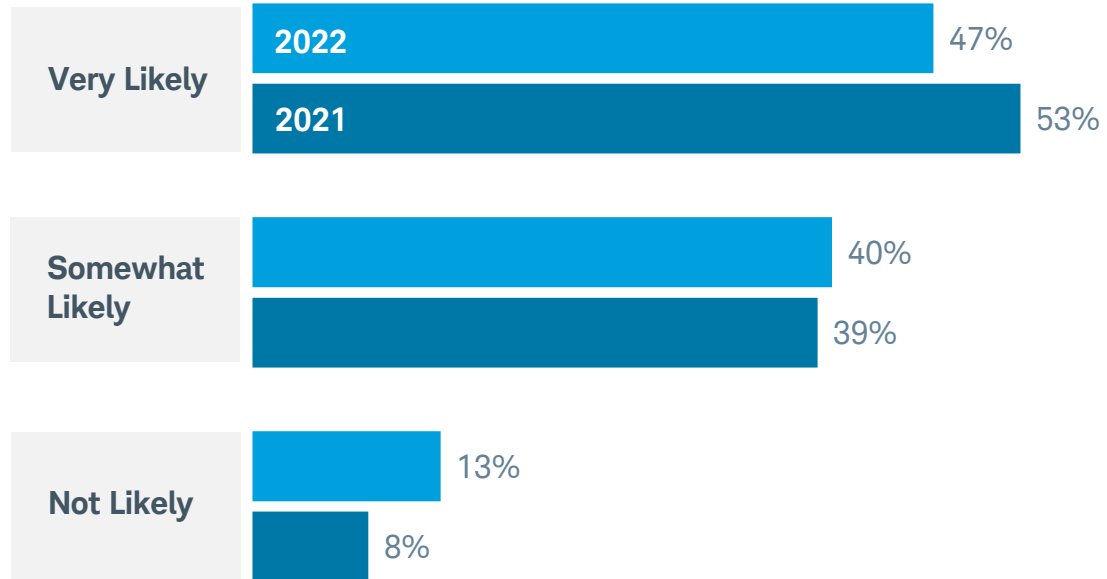


Thinking about your own efforts to save for a comfortable retirement, which of the following are obstacles you face, if any? (Base: Total = 1,000)

Retirement goals

Just under half of workers feel they are very likely to meet their retirement goals, fewer than last year. On average, workers think they need \$1.7 million saved for retirement.

Likelihood to achieve retirement savings goals



How likely do you think you are to achieve your retirement savings goals? (Base: Total = 1,000)
How much do you think you need to have saved for retirement? (Base: Total = 1,000)

Retirement income

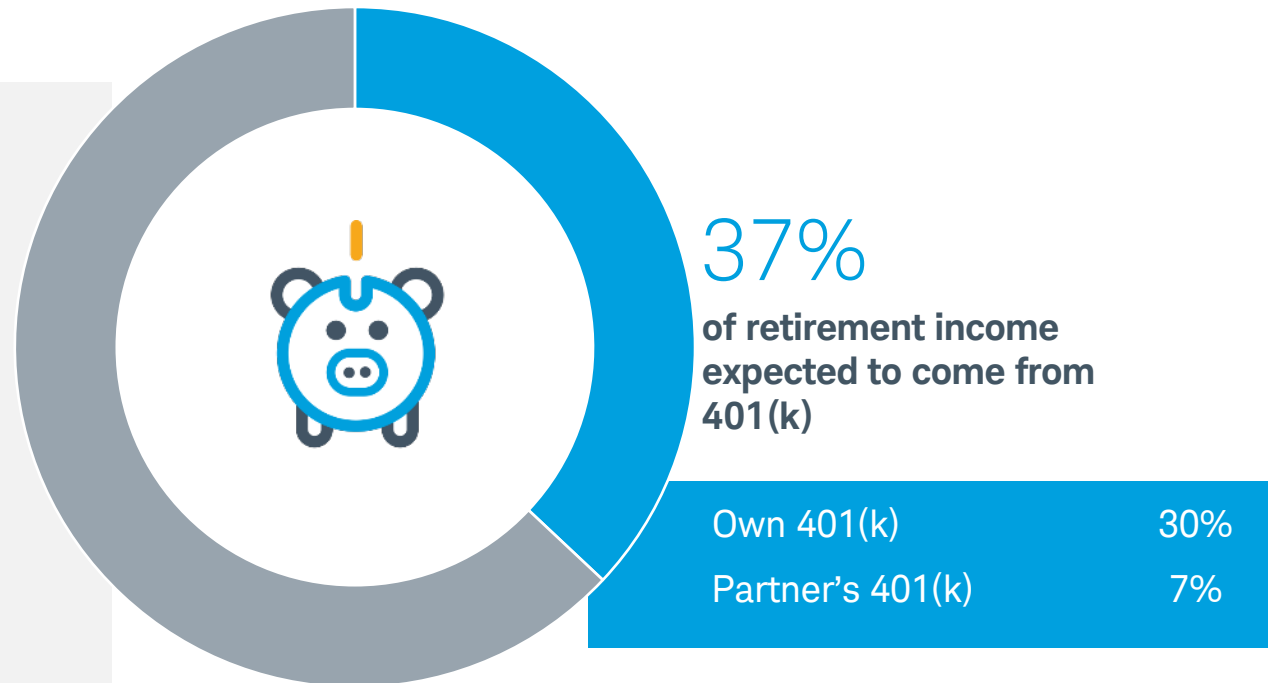
Workers' 401(k) will be their primary source of income in retirement followed by Social Security

63%

of retirement income expected to come from multiple other sources besides 401(k)

Social Security	17%
Savings and investments	14%
Pension/defined benefit plan	13%
Part-time work	6%
Annuities/insurance	4%
Real estate income	4%
Inheritance	4%
Other	1%

Retirement Income Sources

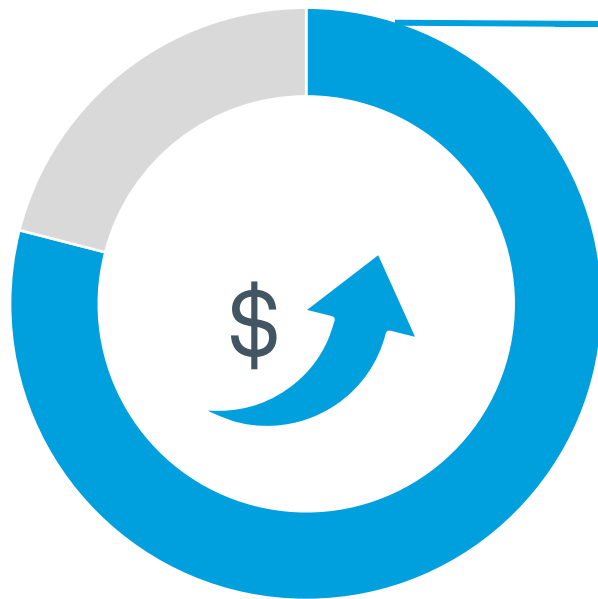


Thinking about the different sources of income for your retirement, what percentage do you expect to come from each source listed? (Base: Total = 1,000)

Inflation's impact

Inflation is impacting workers' wallets, and many have had to reduce spending as well as their savings

Impact of Inflation on Spending, Saving and Investing



79%
Impacted by Inflation

Top Ways Impacted

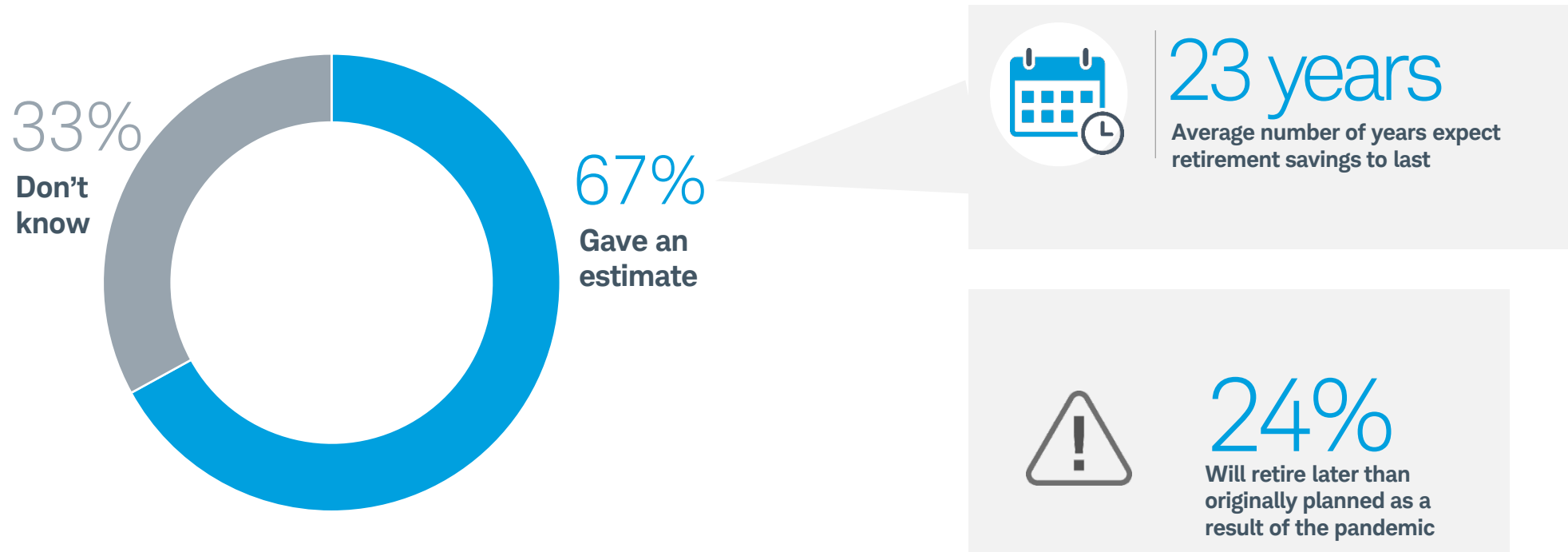
1	I am reducing the number of purchases I make	34%
2	I am saving less in general	33%
3	I am buying cheaper products	32%
4	I am spending more in general	30%
5	I am paying off debt less/more slowly	21%
6	I am saving less in my emergency fund	20%
7	I am investing less outside of my 401(k)	18%
8	I have reduced my 401(k) contributions	15%

How is inflation currently impacting your saving and spending habits, if at all? Because of inflation...? (Base: Total = 1,000)

Retirement

One third of plan participants do not know how long their savings are likely to last, but those who do expect their savings to last 23 years on average. One quarter say the pandemic will delay their retirement.

Number of years retirement savings will last

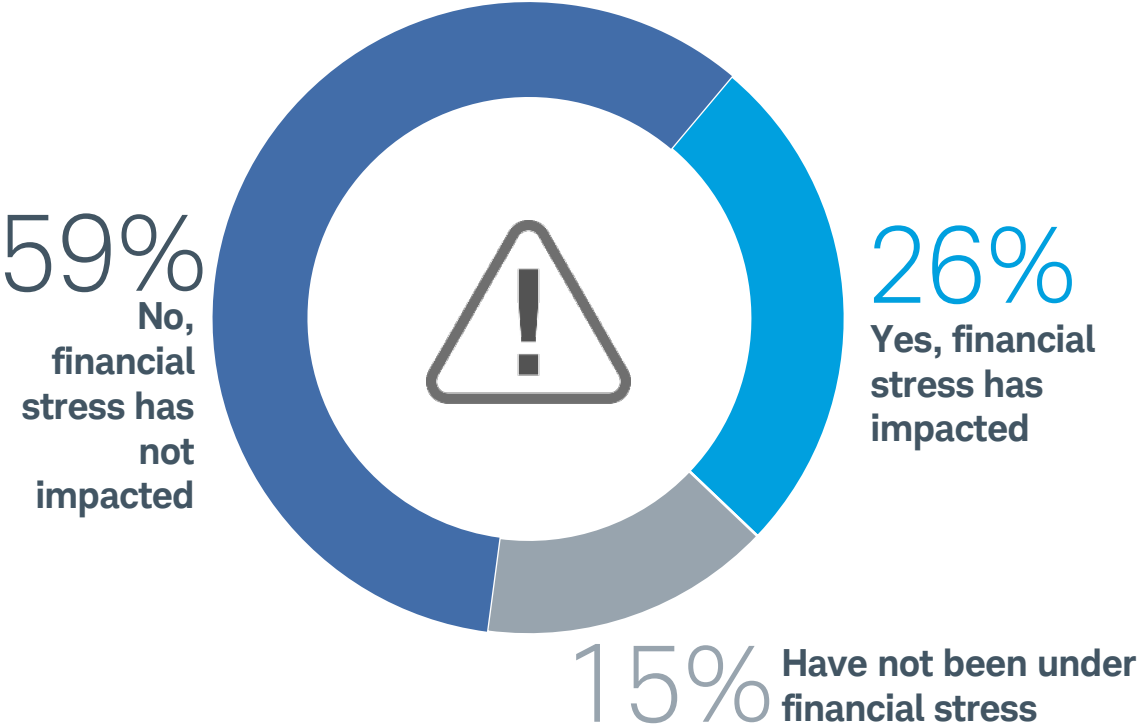


How many years do you expect your retirement savings to last? (Base: Total = 1,000)
Is this later than you originally planned as a result of the coronavirus pandemic? (Base: Total = 1,000)

Financial stress

Over a quarter of workers have had their financial situation impact their work

Stress' impact on ability to do job

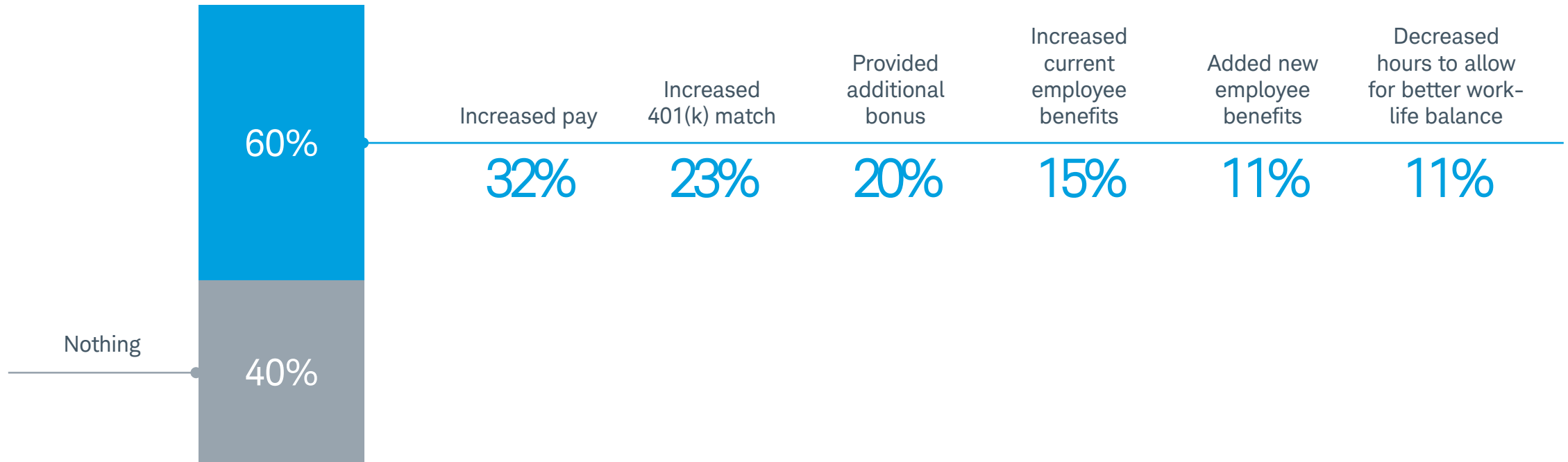


Has stress about your financial situation impacted your ability to do your job over the last 12 months? (Base: Total = 1,000)

Employers address worker concerns

Six in ten employers took action to help manage workers' financial stress

Employers' actions to help employees manage financial stress

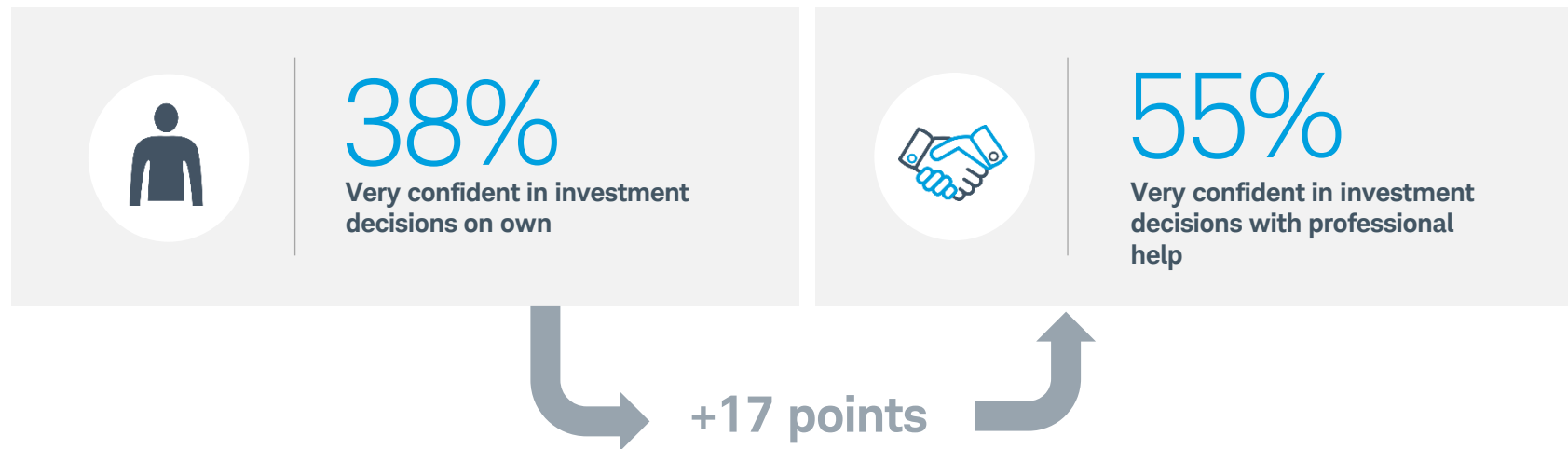


What has your employer done in the past year, if anything, that helped you manage your financial stress? (Base: Total = 1,000)

Advice and confidence

Workers' confidence in their ability to make 401(k) investment decisions increases with the help of a financial professional

Confidence in Investment Decisions




How confident are you in your ability to make the right 401(k) investment decisions on your own? (Base: Total = 1,000)

How confident would you be in your ability to make the right 401(k) investment decisions if you had the help of a financial professional? (Base: Total = 1,000)

Where workers need help

Workers are looking for help on how to invest their 401(k) and setting specific savings targets for retirement

Areas Would Like Help with Retirement Planning

	Receiving specific advice on how to invest my 401(k)	43%
	Calculating how much money I need to save for retirement	42%
	Figuring out how to create an income stream in retirement	38%
	Determining at what age I can afford to retire	36%
	Anticipating tax expenses in retirement	32%
	Figuring out what my expenses will be in retirement	31%
	Managing my current expenses so I can save more money for retirement	30%
	Figuring out how to catch up on my retirement savings goal	28%
	Managing debt	26%

If you could get help with retirement planning, what would you like help with? (Base: Total = 1,000)

Perceived barriers to advice

A belief that advice is too expensive and limited are two of the top reasons workers say they don't seek financial advice through their employers

Reasons for not seeking advice via employer



Which of the following, if any, are reasons you would not consider getting financial advice through your employer? (Base: Total = 1,000)

Methodology

- The 401(k) Participant Study is an online study conducted for Schwab Retirement Plan Services, Inc. (SRPS) by Logica Research.
 - Logica Research is neither affiliated with, nor employed by SRPS.
-
- The study was conducted from April 4 through April 19, 2022.
-
- 1,000 401(k) plan participants completed the survey.
 - Ages 21-70
 - Work for companies with 25+ employees that have 401(k) plans
 - Currently contribute to their companies' 401(k) plans
 - Survey respondents were not asked to indicate whether they had 401(k) accounts with Schwab Retirement Plan Services, Inc.
 - The typical (median) survey length was 10 minutes.

Disclosures

Schwab Retirement Plan Services, Inc. provides recordkeeping and related services with respect to retirement plans.

The material contained herein is for informational purposes only. None of the information constitutes a recommendation by Schwab Retirement Plan Services, Inc. This information is not intended to be a substitute for specific individualized tax, legal or investment planning advice. Where specific advice is necessary or appropriate, you should consult with a qualified tax advisor, CPA, financial planner or investment manager. Schwab Retirement Plan Services, Inc. does not guarantee the suitability of any particular information source. Certain information presented herein may be subject to change.

0622-2NYT

©2022 Schwab Retirement Plan Services, Inc. All rights reserved.