T. Rowe Price

Plan Update

RETIRE WITH CONFIDENCE®

THE LEAD STORY

New: Women on Retirement

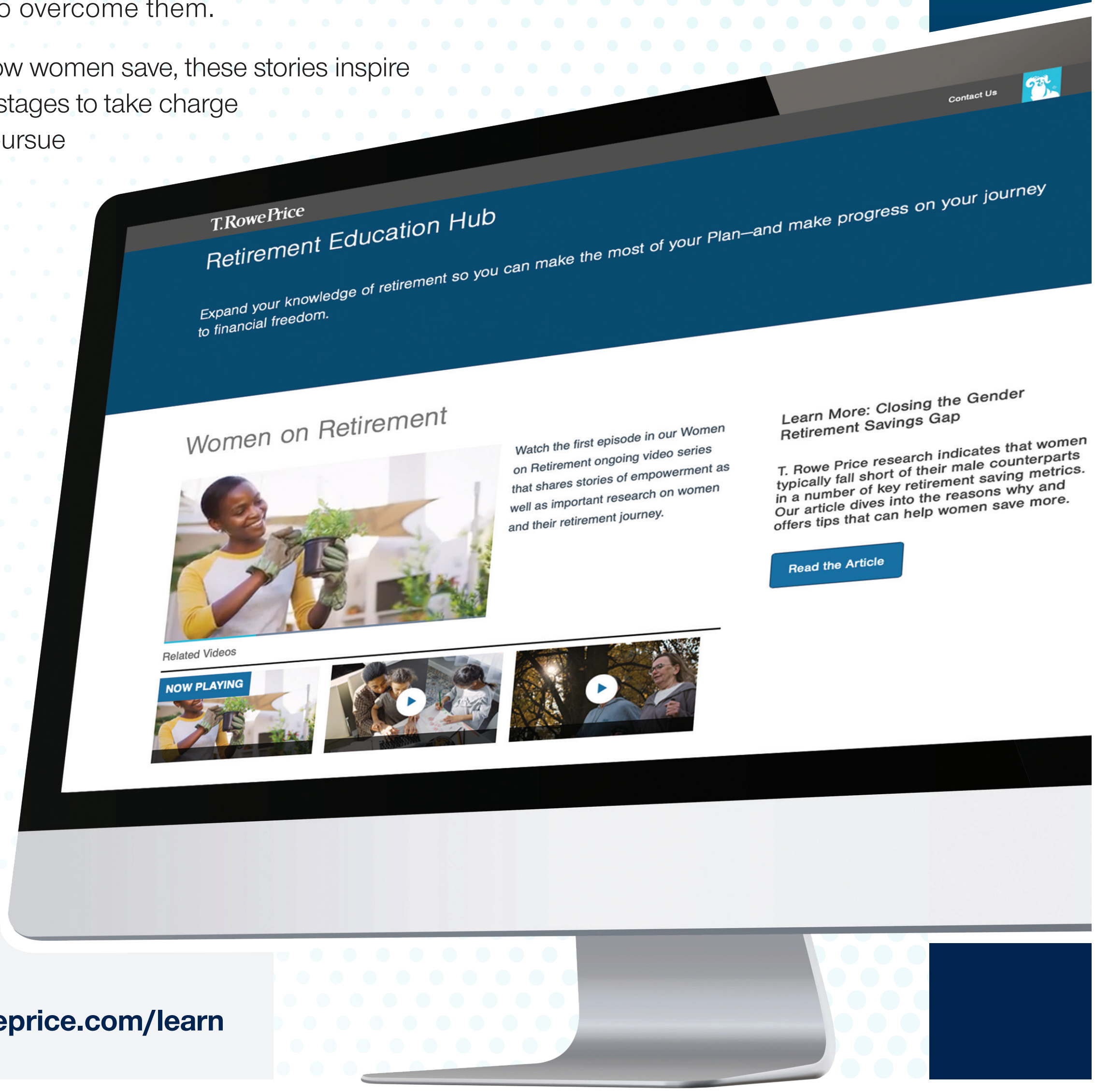
Inspiring Videos for Women From Women

Stories of empowerment and important research on how women save

We asked women what they've learned about saving—and what advice they would give other women. The result: a series of inspirational short stories that can educate and empower.

Our new Women on Retirement series highlights the challenges many women face as they save for retirement and celebrates the steps they're taking to overcome them.

Paired with research on how women save, these stories inspire women of all ages and lifestages to take charge of their financial life—and pursue the future they want.



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SUMMER 2023

How much should I save?

Financial experts generally suggest saving **15%** of your pay, including company matching contributions, if available.

But for a more detailed answer, it may depend on a couple of factors: your age and how much you've saved already.

One of the most common fears among retirees is running out of money. Thoughtful planning today can help you feel more confident about maintaining the lifestyle you want in retirement.

Use the chart to gauge your progress and see the percentage of income you may need to save each year at your current age. If you're not where you want to be, consider increasing your contribution rate.

Even gradual increases can accelerate your savings. If your plan allows, consider activating auto-increase, which will raise your savings rate automatically.

To calculate your savings multiple, divide your total retirement savings by your annual income. For instance, let's say you're 40 years old, earning $75,000 per year, and you've saved $150,000 in your account. Your target savings rate would be about 13%.

<table>
<tr><th></th><th colspan="11">Amount You Have Already Saved, as a Multiple of Income</th></tr>
<tr><th>Current Age</th><th>0x</th><th>1x</th><th>2x</th><th>3x</th><th>4x</th><th>5x</th><th>6x</th><th>7x</th><th>8x</th><th>9x</th><th>10x</th></tr>
<tr><td>30</td><td>15%</td><td>12%</td><td>9%</td><td>5%</td><td>Under 3%</td><td colspan="6" rowspan="3">Under 3%</td></tr>
<tr><td>35</td><td>18%</td><td>14%</td><td>11%</td><td>7%</td><td>4%</td></tr>
<tr><td>40</td><td>21%</td><td>17%</td><td>13%</td><td>9%</td><td>5%</td></tr>
<tr><td>45</td><td>25%</td><td>21%</td><td>17%</td><td>13%</td><td>9%</td><td>4%</td><td colspan="5">Under 3%</td></tr>
<tr><td>50</td><td>31%</td><td>27%</td><td>23%</td><td>19%</td><td>14%</td><td>10%</td><td>6%</td><td colspan="4">Under 3%</td></tr>
<tr><td>55</td><td colspan="2">More than 33%</td><td>30%</td><td>26%</td><td>22%</td><td>17%</td><td>13%</td><td>8%</td><td>4%</td><td colspan="2">Under 3%</td></tr>
<tr><td>60</td><td colspan="4">More than 33%</td><td>30%</td><td>26%</td><td>22%</td><td>17%</td><td>12%</td><td>8%</td><td>3%</td></tr>
</table>

Source: T. Rowe Price

Note: This table is based on a couple earning approximately $150,000 or a single person earning approximately $75,000. If your income is higher, the savings percentages will also be higher, especially as you get older.

To increase your contribution rate, log in to your account at **rps.troweprice.com**.

Assumptions: Savings needed considers benchmarks that are based on a target multiple at retirement age and a savings trajectory over time to achieve that target. Household income grows at 5% until age 45 and 3% (the assumed inflation rate) thereafter. Investment returns before retirement are 7% before taxes, and savings grow tax-deferred. The person retires at age 65 and begins withdrawing 4% of assets (a rate intended to support steady inflation-adjusted spending over a 30-year retirement). Retirement targets reflect estimated spending needs in retirement (including a 5% reduction from preretirement levels); Social Security benefits (using the ssa.gov Quick Calculator, assuming claiming at full retirement ages, and the Social Security Administration's assumed earnings history pattern); state taxes (4% of income, excluding Social Security benefits); and federal taxes.

Important Information

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