



RETIREMENT READINESS

How ready are you?



Hi, we're Empower

We're helping more than 18 million people get ready for what's next and create the future they want.¹ We are committed to helping people live for today while saving for tomorrow — because we believe in retirement and financial freedom for all.

¹ As of September 30, 2023. Information refers to all retirement business of Empower Annuity Insurance Company of America (EAICA) and its subsidiaries, including Empower Retirement, LLC; Empower Life & Annuity Insurance Company of New York (ELAINY); and Empower Annuity Insurance Company (EAIC), marketed under the Empower brand.

RO3175294-022



What we do and why we do it

Our goal is to help you replace — for life — the income you made while working.

As your partner, we're here to:

- Help you plan for the retirement you imagine.
- Give you a better view of your retirement picture.
- Help you reach your financial goals.
- Offer ongoing support and guidance.



Just what is retirement readiness?

Retirement readiness is your ability to live the retirement lifestyle you imagine

Determining factors:

- Social Security
- Pension benefits
- Retirement plan benefits
- Retirement income
- Healthcare costs



Taking a closer look at your retirement readiness

The big picture

- Retirement income
- Social Security
- Healthcare costs
- Retirement budget

The details

- Investing principles
- Withdrawal strategy
- Taxes
- Inflation
- Estate planning

Additional considerations

- Working with an advisor
- Resources

Pursuing the future you imagine

What will your retirement look like? No matter how near or far retirement is for you, you probably have a picture in your head of what you'd like it to look like. How you want to live in retirement will help determine how much you need to save.



Travel to places you've always wanted to visit



Spend more time with friends and family



Split time between two homes



Have more quiet time at home or a busy social calendar

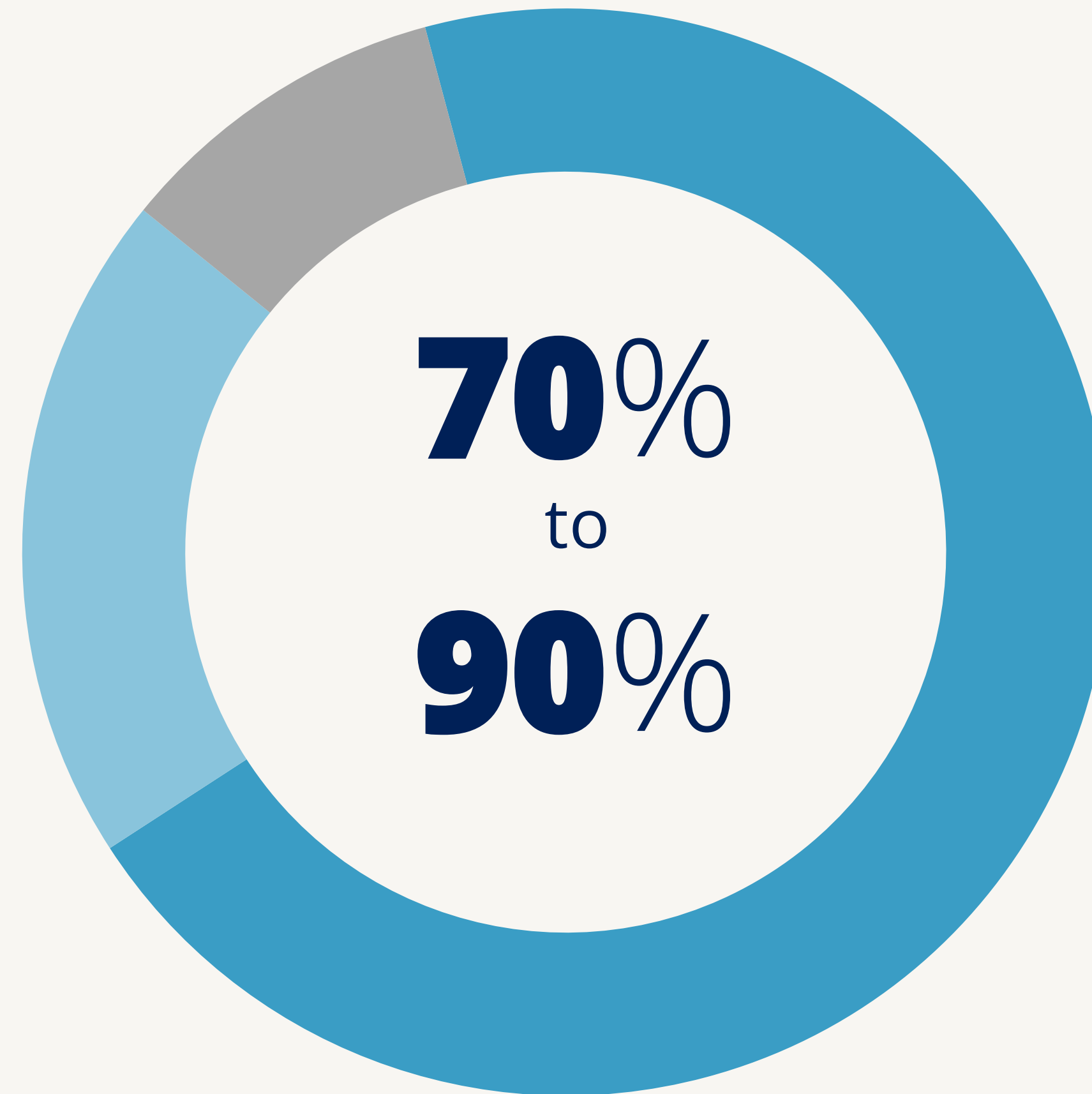
Your retirement income

Where can your money come from after you retire, and will you have enough to live the retirement you imagine?



How much does it take to retire?

Many financial advisors recommend saving enough to cover 70% to 90% of your pre-retirement annual income to maintain your standard of living.



Where your income in retirement can come from

Social Security may not be enough. For many, Social Security will only replace a portion of income in retirement.



Social Security



Pensions and retirement plans



Income from assets



Income from earnings



Other

Many financial planners say you'll need between 70% and 90% of your pre-retirement income to live comfortably in retirement.

(Your retirement plans could be good sources for replacing that income.)

Do you have enough to retire?

It all depends on your unique situation and goals.

Ask yourself:

- Am I in a position to stop working?
- What do my retirement expenses look like?
- What will my healthcare costs be?
- Do I plan to have a side job?
- How and where do I want to live in retirement?



What is Social Security in the United States?

A federal program that provides a source of retirement or disability income to qualified people and their spouses, children, and survivors.

- Social Security retirement benefits are typically thought of as a monthly payment that the government gives you during retirement.



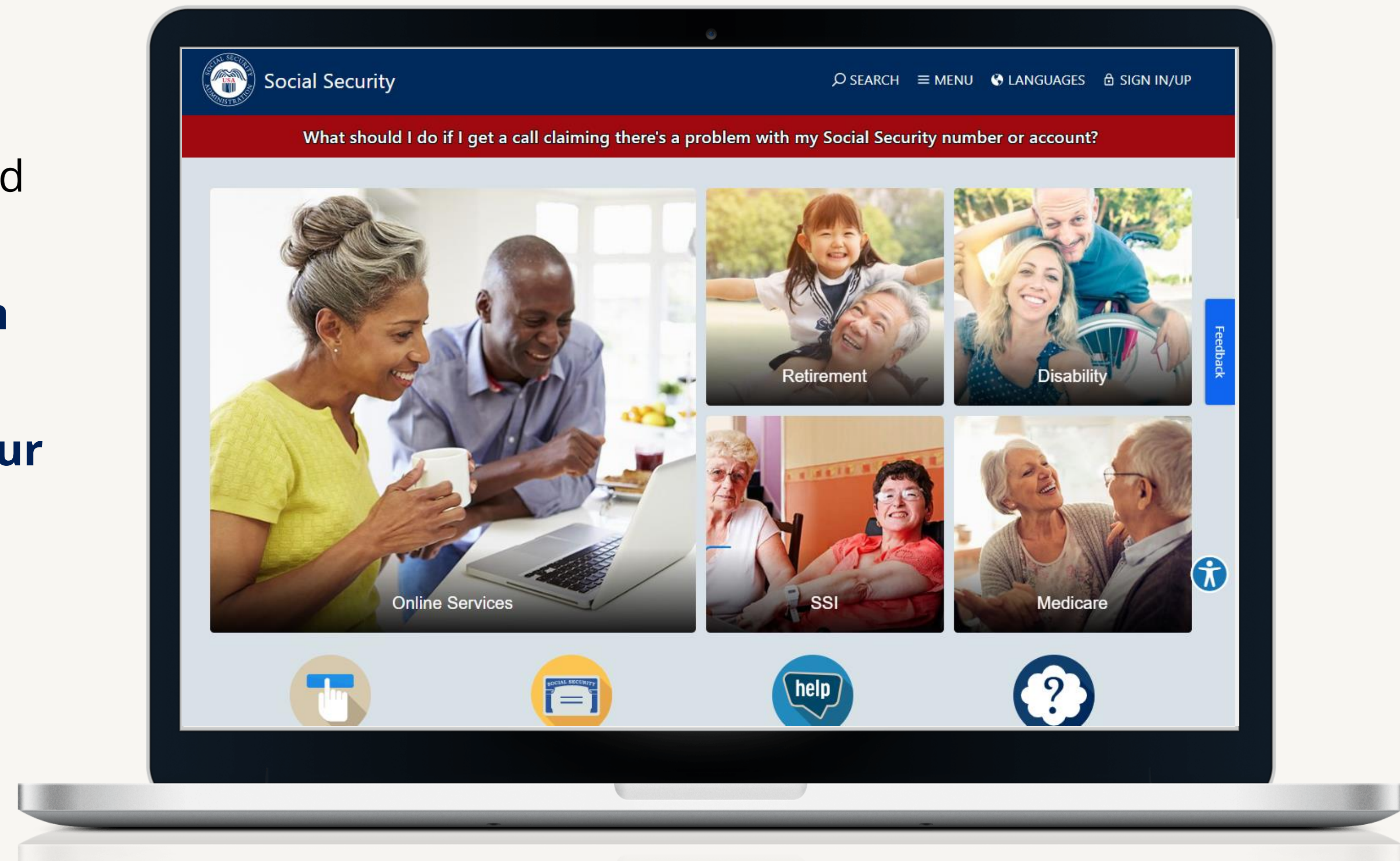
Summary

Monitor your Social Security statements

- Statements are now available online.
- Go to ssa.gov to create a secure user account and view your statement.

Review and evaluate retirement plan options in conjunction with Social Security options.

Work with a financial professional to review your income sources and evaluate options for retirement income flexibility.



THE BIG PICTURE

Healthcare costs in your retirement

For many people, healthcare costs will be the largest expense in retirement.



Healthcare costs may be your largest retirement expense

For many people, healthcare costs will be the largest expense in retirement, and those costs are expected to keep going up.

The average costs for a healthy **65-year-old*** are approximately **\$6,500 per year**.

This excludes long-term care costs.

*Average projected life expectancy of 87 for a male, 89 for a female.



Source: U.S. Bureau of Labor Statistics, 2022.

Get more details about Medicare

medicare.gov



FOR ILLUSTRATIVE PURPOSES ONLY.

THE BIG PICTURE

Creating your retirement budget

The better the idea you have of your potential retirement expenses, the better you can determine what kind of retirement income you might need. Creating a retirement budget is a great first step.



It all starts with your current budget

You'll need to create a budget for today before you can create your retirement budget. It's important to keep in mind that your current expenses will likely change in retirement. For example, maybe you'll no longer have a mortgage by the time you retire.

- Use your current budget to create a potential retirement spending plan.
- Plan for unexpected expenses in retirement.



Your spending plan for the future

A retirement budget will help you see where your money will be going.

Benefits of a retirement budget

- Prioritizes your future spending
- May help your retirement savings last longer
- Might help you reach your financial goals



The foundation of your retirement budget

It doesn't have to be complicated. In fact, the basis for your retirement budget can be made up with just three main components.



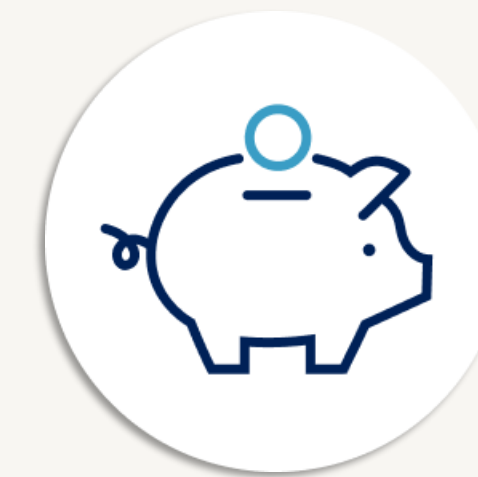
Your current monthly expenses

Fixed and variable needs vs. wants



Your retirement expectations

The kind of retirement lifestyle you'd like to have



Your expected monthly income

Fixed and variable (Social Security vs. retirement plan withdrawals)

Additional retirement expenses that could be on your radar



Relocation



Home improvements



Vacation



Hobbies



Caring for aging parents



Grandchildren



A second home

Investing in your retirement accounts

Different investment strategies may impact how your savings potentially grow.



Becoming a smarter investor starts by understanding the language

Understanding the terminology and principles of investing, as well as how they work together, may help set you up for success.

- Asset classes
- Asset allocation
- Diversification
- Rebalancing



Asset allocation, diversification, and/or rebalancing do not ensure a profit or protect against loss.

How age and risk tolerance influence investment strategy

Generally speaking, the further someone is from retirement, the more aggressively they may be able to invest.



FOR ILLUSTRATIVE PURPOSES ONLY.

THE DETAILS

Withdrawal strategy in your retirement

How you plan to get money out of your retirement strategy is just as important as how you saved it.



Factors you can't control can impact your withdrawal strategy

Longevity

There's no knowing if you'll live five years or 35 years in retirement.

Investment returns

Your strategy should be flexible enough to account for market fluctuations.

Inflation

Rising costs will influence how much income you will need in the future.

Future expenses

Strategies that account for some unknown expenses may help ease anxiety in your retirement years.



THE DETAILS

Taxes on your retirement income

The impact taxes can have on your retirement income is often overlooked but can be a big factor in your retirement security.



How your retirement income is taxed depends on how you made your contributions



Take a look at your potential sources of retirement income to understand the tax implications they may have.

Taxed as ordinary income upon distribution

- After-tax earnings
- Pretax contributions
- Pretax earnings

Not taxed at distribution

- After-tax contributions
- Roth contributions
- Roth qualified earnings

When in doubt, talk to a tax professional

When it comes to your retirement income, you want to pay the lowest possible amount to taxes. A tax professional can help you navigate the tax laws and how they apply to your individual situation.



THE DETAILS

The impact of inflation on your retirement

Inflation is the general increase of prices that may decrease your purchasing power after you retire.



The longer you live, the more expensive things might get

When looking at your expenses in retirement, be sure to account for the essentials that may be impacted by inflation, as prices for these items may rise throughout your retirement years.

Fixed



Variable



Real-life examples of inflation

Nothing gives you a better idea of inflation than seeing how it's affected common purchases.



Gallon of milk

1980	\$1.12
2024	\$3.95



Movie ticket

1980	\$2.75
2024	\$10.53



Median home value

1980	\$76,400
2024	\$395,100



New car

1980	\$7,000
2024	\$47,388

THE DETAILS

Your estate planning

As you're planning for retirement, it's important to keep in mind that your different retirement accounts are all part of your estate. And so is everything you own. Your car, house, checking account, life insurance, furniture, and everything else make up your estate.



You need an estate plan because you can't take it with you

Many people haven't created a basic estate plan, including writing up a will. An estate plan helps make sure your assets and possessions are distributed the way you want.

Determining your beneficiaries

Heirs

Family members

Friends

Charitable institutions

Estate planning goes beyond your possessions

If you become incapacitated or pass away without a plan in place, a court could end up making important decisions that should be made by your spouse, your family, or someone you have chosen.



End-of-life medical care



Guardianship of dependents

Possible components of an estate plan

Estate planning isn't just for rich people. It's for people who want to protect their assets, their loved ones, and themselves. Here's what an estate plan could include:

Will or trust

- Says how you want your property distributed
- Determines future care of dependents
- Should be kept current via periodic reviews

Insurance

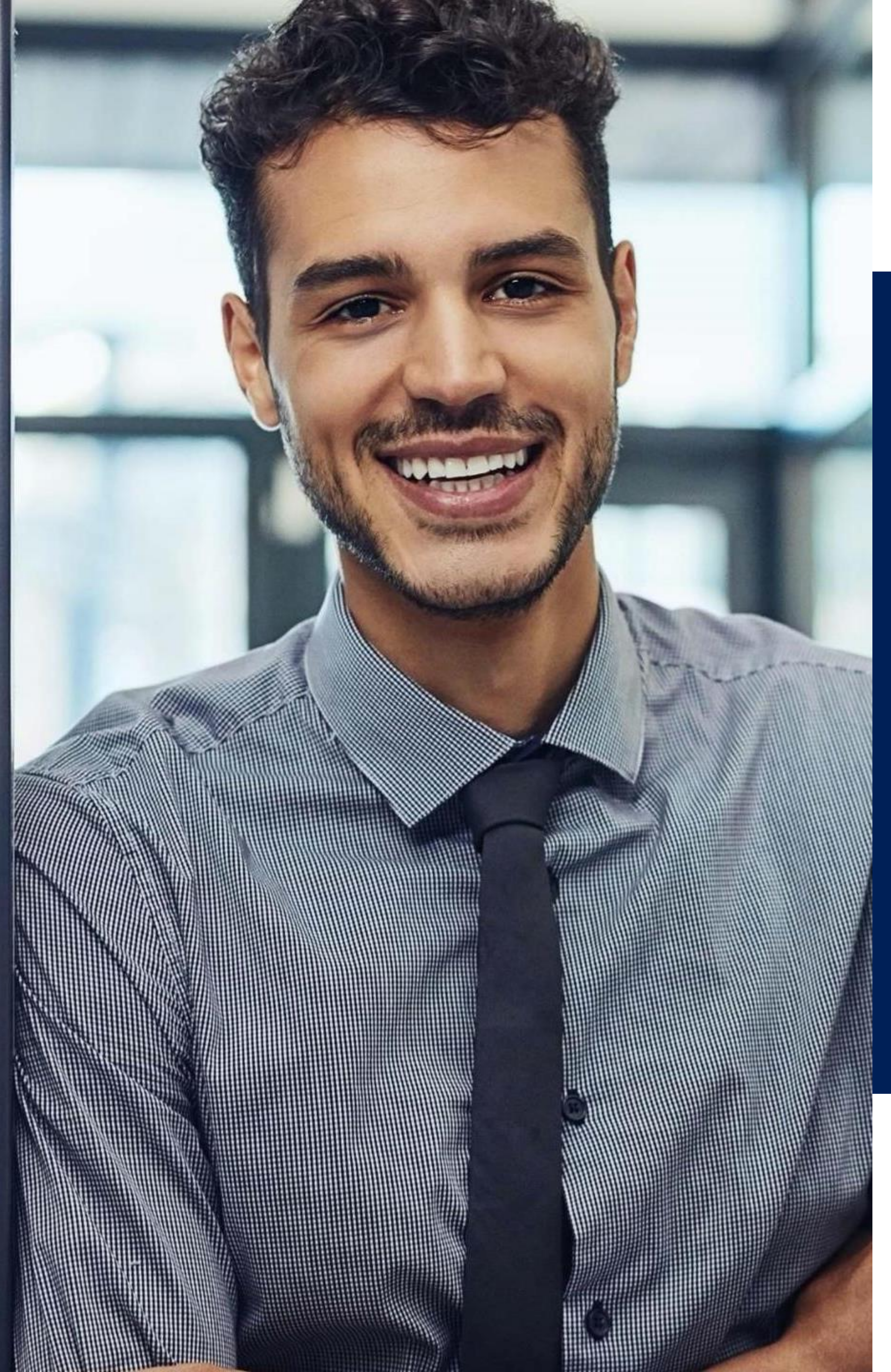
- Could help heirs meet survivor and estate-settlement expenses
- Determined by your personal situation

Executor or trustee

- May help ensure your wishes are carried out
- Selected by you



What's next



Powerful features at your fingertips

The free Empower Personal Dashboard™ helps you:

- See all your accounts in one place.
- Track, manage, and plan your financial life.
- Understand your net worth, retirement needs, financial goals, and more.

The Learning Center makes financial education delightfully easy through:

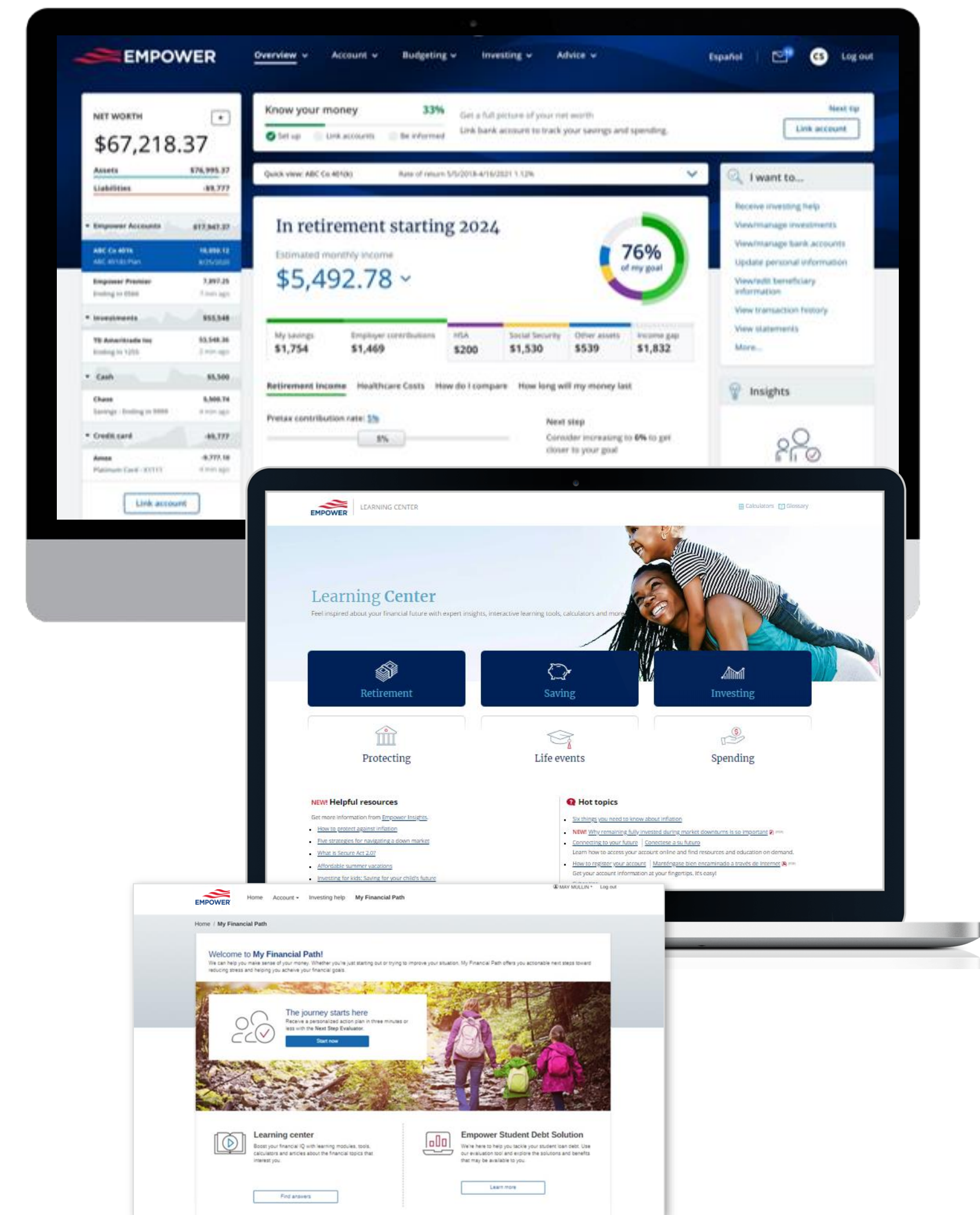
- Online courses, videos, and assessments.
- Articles and insights.
- Financial planning calculators.

My Financial Path helps you answer your financial questions with:

- Information about spending, saving, investing, and life's big events.

Get a personalized action plan about your next financial step.

www.empowermyretirement.com



FOR ILLUSTRATION PURPOSES.

We're here to help you:

1 Get answers to your money questions.

2 Review and understand your current financial situation.

3 Plan for the financial future you want.

To get started, login to:

<https://north-dakota.empowermytime.com/#/>

or call 1-800-338-4015

Weekdays: 8:30AM a.m. 8:00PM to p.m. Eastern time

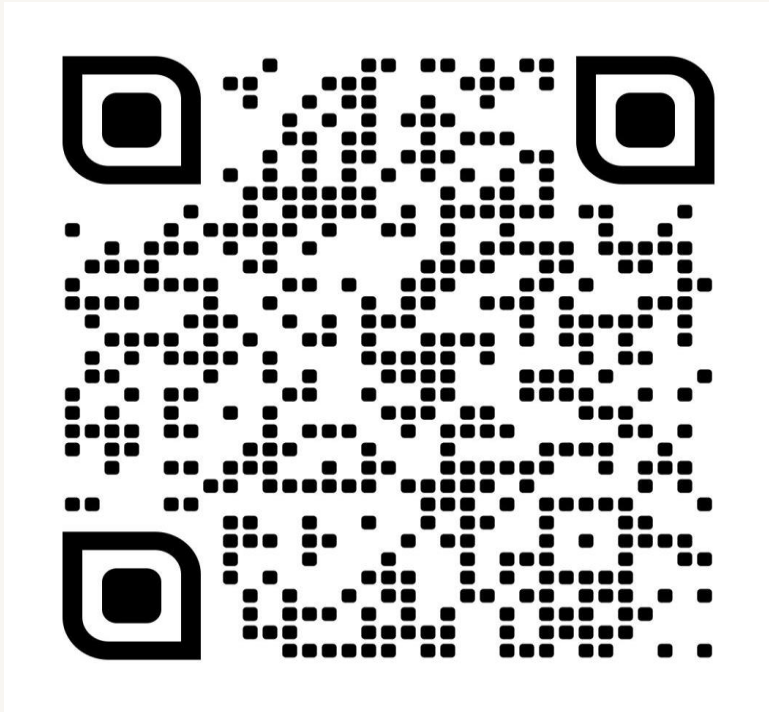
Saturdays: 9:00AM a.m. to 5:00PM:30 p.m. Eastern time

Automated system available 24/7. Password required.

TTY: 1-800-766-4952



Questions



RPC Disclosures

Important information regarding your meeting with a retirement plan counselor (RPC) of Empower

Your Empower representative is a retirement plan counselor (RPC) acting on behalf of Empower Financial Services, Inc. (EFSI), a member of the Empower family of companies. EFSI is a broker-dealer registered with FINRA and the U.S. Securities and Exchange Commission. EFSI primarily provides broker-dealer services to employer-sponsored retirement plans. All Empower RPCs are registered representatives of EFSI.

Empower's RPC can provide information and guidance about a variety of topics, including plan enrollments, distribution and rollover options, consolidation, investment conversations, and savings and contributions strategies by educating you about available options. During your interaction with your RPC, you will engage in an informational dialogue intended to help you understand basic concepts about investing, distribution options available to you, and the advantages of participating in your employer-sponsored retirement plan or an individual retirement account. Although your RPC cannot provide you with advice on your tax situation, they will share information related to the potential tax implications of taking receipt of the proceeds from your retirement investments.

In their capacity as RPCs, the representatives may provide you with retirement counseling services that include education related to various investment options available to you and enrollment processes related to products and services offered or serviced by EFSI or its affiliates. Services provided by your RPC do not include providing securities recommendations or investment advice. If you feel that you need specific securities recommendations, investment advice or tax advice, please consult with your personal investment and/or tax advisor.

To obtain the EFSI Form CRS, or for more information about Empower representatives, visit empower.com

©2024 Empower Annuity Insurance Company of America. All rights reserved. RO3175294-0224

Disclosures

Carefully consider the investment option's objectives, risks, fees and expenses. Contact Empower for a prospectus, summary prospectus for SEC-registered products or disclosure document for unregistered products, if available, containing this information. Read each carefully before investing.

Investing involves risk, including the potential loss of principal.

Securities, when presented, are offered and/or distributed by Empower Financial Services, Inc., Member FINRA/SIPC. EFSI is an affiliate of Empower Retirement, LLC; Empower Funds, Inc.; and registered investment adviser Empower Advisory Group, LLC. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

The S&P 500 Index is a registered trademark of Standard & Poor's Financial Services LLC. It is an unmanaged index considered indicative of the domestic large-cap equity market and is used as a proxy for the stock market in general.

Asset allocation and balanced investment options and models are subject to the risks of their underlying investments.

iPhone, iPad, Apple, Apple Watch and App Store are trademarks of Apple Inc. Android, Google Play and the Google Play logo are trademarks of Google LLC. iOS is a registered trademark of Cisco in the U.S. and other countries and is used under license.

IMPORTANT: The projections, or other information generated on the website by the investment analysis tool regarding the likelihood of various investment outcomes, are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. The results may vary with each use and over time.

My Financial Path includes products made available by Empower Retirement, LLC and third-party providers outside the retirement benefits provided under your plan. Inclusion of a product in My Financial Path is not an endorsement or recommendation of the product by the plan's sponsor, service providers or fiduciaries.

the retirement benefits provided under your plan. Inclusion of a product in My Financial Path is not an endorsement or recommendation of the product by the plan's sponsor, service providers or fiduciaries.

"EMPOWER" and all associated logos, and product names are trademarks of Empower Annuity Insurance Company of America.

Empower refers to the products and services offered by Empower Annuity Insurance Company of America and its subsidiaries. This material is for informational purposes only and is not intended to provide investment, legal or tax recommendations or advice.

©2024 Empower Annuity Insurance Company of America. All rights reserved. RO3175294-0224

**Unless otherwise noted: Not a Deposit | Not FDIC Insured | Not Bank Guaranteed | Funds May Lose Value
Not Insured by Any Federal Government Agency**