



My Retirement Progress™

Learn more about how it works.

What is My Retirement Progress?

My Retirement Progress¹ is an interactive tool designed to help you answer a key question about your retirement plan: Will I have enough saved in retirement?

The My Retirement Progress tool may help you better understand your retirement income goals and explore how small changes may affect how much you might need and if you will have enough saved in retirement. Some key features of this interactive tool:

- View your estimated monthly income in retirement based on your current retirement savings and investment strategy.
- Refine your personalized progress analysis by providing additional information.
- Model how changing the variables—contributions, retirement age, desired retirement income—could affect your estimated readiness.
- If available in your plan, compare your contribution rate to your peers' to see how you measure up.

How income in retirement is calculated.

If you're like many people with a ways to go before retirement, you probably haven't saved enough yet. For you, the question may be: If I maintain my current contribution rate, and make a few assumptions about my salary, any company-matching contributions, inflation, and future stock market performance, then how much retirement income might I have?

Your “retirement income outlook” reflects how much you might have in retirement compared to what you might need. For example, if you are estimated to reach 75% of your retirement goal (based on your current investment strategy and the information you provide), you are estimated to have 75% of the retirement savings you may need for your retirement goals. If you're early in your career, today you may only have a small fraction of the retirement income you'll eventually need, but based on your current contribution rate, future contributions, and historical performance of the investments in your portfolio, it is estimated that you could have saved 75% of the retirement income you may need by the time you retire.

The percentage is calculated by Schwab Retirement Plan Services based on estimated monthly income projections in retirement using contributions, investment data, and assumptions, which include but are not limited to: current retirement plan balance and contribution rate, planned retirement age and estimated years in retirement, and 100% before-tax replacement income.

Your current annual salary (before tax) is analyzed to show the estimated monthly income you may need during retirement, as well as the estimated monthly income you could have if you continue with your current savings approach, based on the information provided by your employer, the recordkeeper, and you. This means that by the time you reach retirement, you may have saved enough to withdraw from your retirement savings an amount equal to your retirement income goal (after adjusting for potential inflation).

Retirement income replacement: A replacement ratio of 100% means that if you maintain your current retirement contribution rate through the rest of your career, and based on historical performance of the investments in your portfolio, it's possible that you may have saved enough by the time you retire that you could withdraw from your retirement savings an amount equal to your pre-retirement income based on your current retirement savings goals.

Of course, the future is not certain, so your retirement readiness is just an estimate and **is not intended to predict actual investment performance or the savings you will have at retirement.** It is designed to measure your progress toward preparing for retirement. The following is provided to help explain the methodology and some of the key assumptions used to perform the calculations.

Inputs and assumptions.

The My Retirement Progress™ calculation² is based on a combination of inputs that you and your employer can provide. You can further refine your analysis by providing more information about your retirement goals or by updating your current information within the interactive tool on workplace.schwab.com. The chart below provides information about the inputs.

Input	How this information is used
Date of Birth	Your date of birth is provided by your employer and is used to calculate your projected date of retirement. If you need to make a change to your birth date, please contact your employer.
Annual Salary	Your annual salary is provided by your employer. If your annual salary is not available, the analysis can estimate an annual salary using pay period compensation multiplied by pay frequency. If neither is available, then a default value may be supplied by your employer. If needed, the annual salary can be modified within the My Retirement Progress interactive tool. Annual salary is assumed to increase with inflation. The annual salary is used to calculate the amount of estimated monthly income needed in retirement.
Current Contribution Rate	The assumption is that your current contribution rate in your retirement plan remains steady. Annual savings adjustments, if applicable, are not reflected in the analysis until the time they actually take effect. This information is used to calculate your estimated monthly income in retirement.
Employer Contribution ³	Information concerning applicable employer match or other contribution as provided under the terms of the plan is described in the plan's Summary Plan Description (SPD) and may be included in the analysis used to calculate your estimated monthly income in retirement. ²
Defined Contribution and Defined Benefit Plan Balances	Any associated plans that are record-kept by Schwab Retirement Plan Services are included in the calculation. For employers offering nonqualified plans and money purchase plans, a single lump-sum cash equivalent is used. Similarly, for defined benefit plans, an accrued monthly benefit amount is provided based on a normal retirement age of 65.
Additional Savings for Retirement	If you have retirement savings outside of your workplace retirement plan, you can provide that information within the Other Assets section of the My Retirement Progress tool on workplace.schwab.com .
Expected Monthly Social Security	Information from the Social Security Administration is used to estimate Social Security retirement benefits. The minimum retirement age for this calculation is 62. If your planned retirement age is earlier than 62, age 62 will be used for this estimate.

Investments	Investments are those held in your workplace retirement plan portfolio. The return calculations are based on historical performance of the investments in your portfolio and do not guarantee future results. Assumes a gradual shift to a more conservative allocation over time.
Estimated Investment Return by Asset Class	The return calculations are based on historical performance of the investments in the portfolio and do not guarantee future results.
Taxes	Federal tax rates are used to calculate the benefit of tax-free withdrawals relative to taxable withdrawals. Federal income tax rates are based on the IRS Married Filing Jointly tax table.
Assumed Inflation Rate	Annual compensation is assumed to increase with inflation in the analysis. Fixed income assets such as a pension (if applicable and included) and Social Security are adjusted for inflation. Variable inflation rates are simulated in the calculations.
Planned Retirement Age	Unless specified otherwise by your inputs, the analysis assumes a retirement age of 65.
Estimated Years in Retirement	Estimated years in retirement are calculated by using your age at retirement and assumed life expectancy of 95, for a projection of 30 years in retirement.
Estimated Monthly Income Needed <i>in Retirement</i>	The analysis assumes that you will need 100% of your annual before-tax salary less your retirement plan contributions at retirement.
Estimated Monthly Income Available <i>at Retirement</i>	Taking into account your current account balance, contribution rate, any employer contributions, and additional assets earmarked for retirement, the expected range of income projection is shown in today's dollars at a 75% probability, which means that in approximately 75% of hypothetical (or simulated) future scenarios, you will not outlive your assets or run out of money during retirement. This assumes a withdrawal of 4.2% of your portfolio in the first year of retirement. Each subsequent year, this amount is then increased to account for inflation, a retirement of 30 years, and a moderate asset allocation.
Percent of Retirement Income ²	The difference between the estimated monthly income needed in retirement and the estimated monthly income at retirement given your retirement savings and investment strategy today.

¹ The My Retirement Progress™ percentage is calculated by Schwab Retirement Plan Services, Inc. (SRPS) based on estimated monthly income projections in retirement using contributions and investment data and assumptions which include, but are not limited to, current retirement plan balance and contribution rate, planned retirement age and estimated years in retirement, and an estimated retirement income goal which is based on 100% of annual before-tax salary less retirement plan contributions. SRPS then expresses the potential gap a participant may have between the estimated monthly income projection versus the income a participant may need in retirement as a percentage of income replacement. These projections are made available to the participant as part of the retirement plan recordkeeping and related services provided to the Plan by SRPS. **Projections and other information regarding the likelihood of various retirement income and/or investment outcomes are hypothetical in nature, do not reflect actual results, and are not guarantees of future results. Results may vary with each use and over time.** The Peer Comparisons are calculated and based on data from SRPS' record-kept, corporate defined contribution and defined benefit plans. Not all plans may offer Peer Comparison. To obtain more information about how the percentage is calculated or to provide additional information that can impact My Retirement Progress calculations, visit workplace.schwab.com or call 1-800-724-7526.

² The figures shown are based on your contributions and investments in your Plan and any other plan that is record-kept by Schwab Retirement Plan Services, Inc. The figures also include expected monthly Social Security benefits and any other retirement savings information you may have provided. My Retirement Progress percentage provides analysis based on your input or input from your employer, but makes many additional assumptions.

³ Your employer may have other restrictions. Employer contributions are paid on a pre-tax basis and may be taxable at withdrawal.

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. provides recordkeeping and related services with respect to retirement plans and has provided this communication to you as part of the recordkeeping services it provides to the Plan.

