Emerging From the COVID-19 Pandemic: The Employer's Perspective

August 2022

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With more than two decades of retirement industry experience, Catherine has become a nationally recognized voice on retirement trends. She has testified before Congress on matters related to employer-sponsored retirement plans among small business, which featured the need to raise awareness of the Saver's Credit among those who would benefit most from the important tax credit.

In 2018, Catherine was named an Influencer in Aging by PBS' Next Avenue. In 2016, she was honored with a Hero Award from the Women's Institute for a Secure Retirement (WISER) for her tireless efforts in helping improve retirement security among women. Catherine serves on the Advisory Board Leadership Council of the Milken Institute's Center for the Future of Aging. She co-hosts the ClearPath: Your Roadmap to Health & Wealth radio show on Baltimore's WYPR, an NPR news station.

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About Transamerica Institute

- Transamerica Institute® is a nonprofit, private foundation dedicated to identifying, researching, and educating the public about health and wellness, employment, financial literacy, longevity, and retirement. It is the parent organization of Transamerica Center for Retirement Studies® which conducts one of the largest and longest-running annual retirement surveys of its kind. For more information, please visit www.transamericainstitute.org/about

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About the Report

Methodology: Employers

- The analysis contained in this report was prepared internally by the research team at Transamerica Institute and Transamerica Center for Retirement Studies (TCRS).
- A 20-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between November 8 and 24, 2021 among a nationally representative **sample of 1,874 employers.** Potential respondents were targeted based on job title at for-profit companies and met the following criteria:
  - Business executives with specific titles who make decisions about employee benefits at their company
  - Employ one employee or more across all locations
- Data were weighted as follows:
  - D&B business database was referenced for employee size, company revenue, industry, and state where necessary to align them with their actual proportions in the population.
- Percentages are rounded to the nearest whole percent.

Methodology: 22nd Annual Transamerica Retirement Survey (Workers)

- The analysis contained in this report was prepared internally by the research team at Transamerica Institute and Transamerica Center for Retirement Studies (TCRS).
- A 28-minute online survey was conducted within the U.S. by The Harris Poll on behalf of Transamerica Institute and TCRS between October 28 and December 10, 2021 among a nationally representative **sample of 5,493 workers in a for-profit company** employing one or more employees. Respondents in this subsample met the following criteria, based on self-reported employment status:
  - U.S. residents, age 18 and older
  - Full-time or part-time workers in a for-profit company employing one or more employees
- Data were weighted as follows:
  - Census data were referenced for education, age by gender, race/ethnicity, region, household income, marital status, and size of household where necessary to align them with their actual proportions in the population.
  - The weighting also adjusts for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who respond to surveys versus those who do not.
- Percentages are rounded to the nearest whole percent.

Terminology and Sample Sizes

This report uses the following terminology:

Employers	Base Size
• *All employers*: 1 or more employees	N=1,874
• *Small company*: 1 to 99 employees	N=1,149
• *Medium company*: 100 to 499 employees	N=225
• *Large company*: 500 or more employees	N=500

Workers	
• *All workers*: 1 or more employees	N=5,493
• *Small company*: 1 to 99 employees	N=2,037
• *Medium company*: 100 to 499 employees	N=1,072
• *Large company*: 500 or more employees	N=2384

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Acknowledgements

Scott Albertson
Lois Angelo
Kent Callahan
Sean Cassidy
Cameron Catalano
Heidi Cho
Catherine Collinson
Andrew Cook
Phil Eckman
Lard Friese
Will Fuller
Michelle Gosney
Carson Gutierrez
Katie Helgens
Kynsay Hunt
Elizabeth Jackson
Morgan Karbowski
David Krane
Patricia Levine
Bryan Mayaen
Greg Miller-Breetz
Maurice Perkins
Karyn Polak
Jamie Poston
Julie Quinlan
Andrea Werner Solorzano
Frank Sottosanti
Greta Stewart
Mihaela Vincze
Ashlee Vogt
Patti Vogt Rowey
Holly Waters
Steven Weinberg
Gary Werkman
Laini Whitten
Hank Williams
Kisa Yonker

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Key Highlights

Emerging From the COVID -19 Pandemic: The Employer's Perspective*,* a collaboration between nonprofit Transamerica Institute and Transamerica Center for Retirement Studies (TCRS), examines the impacts of the pandemic on employers and how they are adapting to rapidly evolving new realities. Based on a survey conducted in late 2021 of more than 1,800 for-profit companies, the report focuses on employers' business practices and benefit offerings. It offers comparisons among small, medium, and large companies (<100 employees, 100 to 499 employees, 500+ employees, respectively) as well as relevant comparisons from TCRS' survey of workers. It illustrates the challenges employers face and their vital societal role of providing employment, promoting health and financial well-being, and helping employees save and invest for a secure retirement. It also highlights the urgent need for a collective effort among policymakers, employers, and workers to strengthen the U.S. retirement system.

Key Highlights

Impacts of the Pandemic on Employers

Three in four employers have been negatively impacted by the pandemic, and most are adapting to the rapidly evolving new realities. While many have made difficult cost-cutting decisions that impact their employees, most employers share an intense sense of responsibility for their employees and are actively addressing employees' needs, including physical and mental health, employee benefit offerings, and supportive business practices.

- **Employers Negatively Impacted by the Pandemic.** Most employers (75 percent) have been severely or somewhat negatively impacted by the coronavirus pandemic, including 26 percent that were severely impacted and 49 percent that were somewhat impacted. Sixteen percent were not very impacted, and 10 percent were not at all impacted. While many companies of all sizes have been negatively impacted by the pandemic, small companies (27 percent) are slightly more likely to have been *severely* impacted by the pandemic, compared with medium (22 percent) and large companies (21 percent).

- **Employers' Receipt of Government Support During the Pandemic.** Half of employers (50 percent) received some type of government assistance during the pandemic such as a Payroll Protection Program (PPP) loan (40 percent) or other form of government support like stimulus and relief (21 percent). Small companies (47 percent) are less likely to have received some type of government assistance, compared with medium and large companies (both 65 percent).

- **Employers' Cost-Cutting Measures.** By late 2021, more than half of employers (53 percent) had implemented one or more cost-cutting measures since the pandemic began. The most often-cited measures include layoffs or downsizing (17 percent), reduction or elimination of bonuses (17 percent), and reduction of salaries or wages (15 percent). Fourteen percent of employers froze salaries, reduced or eliminated retirement benefits, and/or reduced or eliminated healthcare benefits. Thirteen percent implemented furloughs and 12 percent implemented employee buyout incentives. Medium and large companies (70 percent, 69 percent, respectively) are more likely to have implemented cost cutting measures than small companies (49 percent).

Key Highlights

Impacts of the Pandemic on Employers (cont.)

- **Employers' Beneficial Measures.** By late 2021, more than two-thirds of employers had implemented one or more beneficial measures for their employees (67 percent). The most often cited beneficial measures include implemented/enhanced employee work-life balance programs (30 percent), increased salaries/wages (25 percent), and implemented/enhanced health care benefits (22 percent). Eighteen percent of employers increased bonuses, and 18 percent implemented/enhanced retirement benefits. Seventeen percent hired additional staff. Sixteen percent implemented retention incentives. Medium and large companies (86 percent, 85 percent, respectively) are more likely to have implemented beneficial measures than small companies (62 percent).

- **Major Concerns for Company's Leadership.** In late 2021, 90 percent of employers cited one or more major concerns for their company's leadership. More than four in 10 cited employee health and safety (42 percent) and employee productivity (41 percent) as major concerns. Other major concerns include return to work policies (37 percent), organizational and financial stability (35 percent), demand for products and services (35 percent), cybersecurity (34 percent), ability to attract and retain new employees (34 percent), vaccination policies (33 percent), employee retention and turnover (33 percent), supply chain issues (30 percent), and diversity, equity, and inclusion (22 percent). Large and medium companies (both 97 percent) were more likely to cite one or more major concerns for leadership than small companies (89 percent). Large and medium companies were more likely than small companies to cite these major concerns: employee productivity (60 percent, 53 percent, 36 percent, respectively); employee health and safety (59 percent, 58 percent, 38 percent, respectively); return to work policies (57 percent, 56 percent, 32 percent, respectively); vaccination policies (56 percent, 47 percent, 28 percent, respectively); employee retention and turnover (52 percent, 44 percent, 29 percent, respectively); ability to recruit new employees (51 percent, 47 percent, 31 percent, respectively); cybersecurity (49 percent, 45 percent, 31 percent, respectively); and diversity, equity, and inclusion (45 percent, 31 percent, 18 percent, respectively). Approximately one-third of companies of all sizes cited organizational and financial stability and demands for products and services as major concerns.

Key Highlights

Impacts of the Pandemic on Employers (cont.)

- **Employers' Working Arrangements for Employees.** Thirty-six percent of employers indicate most of their employees work remotely (e.g., from home or anywhere); 28 percent indicate a hybrid arrangement (e.g., leave home to go to work and work remotely); and 36 percent indicate they leave home to go to work. Small companies are more likely than medium and large companies to indicate their employees work remotely (38 percent, 26 percent, 29 percent, respectively). Large and medium companies are more likely than small companies to indicate most of their employees work in a hybrid arrangement (41 percent, 36 percent, 25 percent, respectively).

- **Employers' Sense of Responsibility for Employees' Well-Being.** Most employers feel very or somewhat responsible for helping their employees with various aspects of their health and financial well-being. More than eight in 10 employers feel responsible for helping employees keep their skills up-to-date and relevant (87 percent), achieve work-life balance (85 percent), maintain mental health (83 percent), and maintain long-term health and well-being (81 percent). Seventy-four percent of employers feel responsible for helping them achieve a financially secure retirement.

- **How Employers Are Supporting Employees During the Pandemic.** Nine in 10 employers (90 percent) implemented one or more types of support for their employees during the pandemic, including flexible work hours (56 percent), the ability to work remotely (46 percent), and safety measures for on-site workers (42 percent). Large and medium companies are more likely to provide a variety of support options to their employees compared with small companies.

- **Employer and Worker Concerns About Physical Health.** Maintaining and safeguarding the physical health of workers, especially amid the pandemic, is of the utmost importance. Almost nine in 10 *employers* (88 percent) are concerned about employees maintaining their physical health, including 49 percent that are very concerned and 39 percent that are somewhat concerned. As a point of comparison, more than two-thirds of *workers* (67 percent) are concerned about maintaining their physical health, including 30 percent who are concerned and 37 percent who are somewhat concerned. Small, medium, and large *employers* are similarly concerned about their employees maintaining their physical health (88 percent, 86 percent, 88 percent, respectively). Approximately half of small, medium, and large *employers* are very concerned (49 percent, 47 percent, 50 percent, respectively).

Key Highlights

Impacts of the Pandemic on Employers (cont.)

- **Employer and Worker Concerns About Mental Health.** Maintaining and safeguarding mental health is an important aspect of protecting the overall health and well-being of workers. Eighty-six percent of *employers* are concerned about employees maintaining their mental health, including 51 percent that are very concerned and 35 percent that are somewhat concerned. As a point of comparison, 60 percent of *workers* are concerned about maintaining their mental health, including 29 percent who are very concerned and 31 percent who are somewhat concerned. Small, medium, and large *employers* are similarly concerned about their employees maintaining their mental health (87 percent, 84 percent, 86 percent, respectively). Approximately half of small, medium, and large *employers* are very concerned (51 percent, 46 percent, 52 percent, respectively).

- **Employers' Major Concerns About Mental Health.** Seventy-two percent of employers cite one or more major concerns among their company's leadership regarding the mental health of their employees. The most frequently selected major concerns are anxiety (45 percent), extreme stress (43 percent), depression (39 percent), and burnout (38 percent). Large (90 percent) and medium companies (87 percent) are more likely than small companies (68 percent) to have one or more major concerns about their employees' mental health.

- **How Mental Health Issues Are Negatively Impacting Employers.** Sixty-three percent of employers cite one or more ways that employees' mental health issues are negatively impacting their company. Large (87 percent) and medium companies (84 percent) are more likely than small companies (57 percent) to cite negative impacts. The most often-cited negative impact among all employers is a loss of productivity (48 percent), followed by absenteeism (28 percent), turnover (25 percent), and dysfunctional work environment (25 percent).

- **Employers' Difficulties in Recruiting Efforts.** Almost half of employers (47 percent) cite difficulties in recruiting new employees since the pandemic began, including 17 percent who say it has been very difficult and 30 percent saying it has been somewhat difficult. Medium (57 percent) and large companies (55 percent) are more likely to have found difficulties than small companies (46 percent). Notably, almost one in three small companies (28 percent) say they have not recruited any new employees, while only two percent of large companies and two percent of medium companies say they have not done so.

Key Highlights

Impacts of the Pandemic on Employers (cont.)

- **Employers' Reevaluation of Employee Benefits Offering.** More than half of employers (56 percent) have reevaluated their health, retirement, and other employee benefit offerings since the pandemic began. Medium and large companies (83 percent, 81 percent, respectively) are more likely to have done so than small companies (50 percent). Among all employers, the reasons for reevaluating benefits are to align with employee's current needs (30 percent), make them more competitive (25 percent), reduce costs (22 percent), and for benchmarking purposes (13 percent). Sixteen percent of employers have not reevaluated their benefits plans, but they have plans to do so.

Despite the challenges faced, employers have stepped up and are responding to their employees' needs. Large and medium companies, which typically have more resources to draw from, are generally more likely to be responding than small companies.

Health & Welfare Benefits

A robust compensation and benefits package is a win-win situation in the workplace. It can help employers attract and retain talent while providing employees income, work-life balance, and the ability to save for retirement while protecting their health, well-being, and financial situation. Health, disability, life, and other types of insurance protections can mitigate the risks of financial shocks. Workplace wellness programs can potentially help employers lower their health insurance costs by promoting good health among employees. Yet despite the importance that employers and workers place on these benefits, there remains a sizeable gap in terms of employers offering them, especially small employers.

- **Employers' Views on Compensation, Benefits, and Flexibility.** Employers recognize the importance of compensation and benefits to attract and retain employees. Sixty-three percent cite salary/pay as being very important, while 64 percent (net) cite employee benefits including health insurance (51 percent), retirement benefits (39 percent), and/or other benefits (16 percent). Medium and large companies (85 percent, 84 percent, respectively) are more likely than small companies (58 percent) to cite employee benefits as being very important.

Key Highlights

Health & Welfare Benefits (cont.)

- **Workers' Value Versus Employers' Offering of Benefits.** Most *workers* consider a wide range of benefits as being important, including health insurance (93 percent), a 401(k) or similar plan (89 percent), life insurance (83 percent), long-term care insurance (79 percent), and a defined benefit pension plan (78 percent) among others. However, comparatively fewer *employers* offer these types of benefits to their employees. For example, 93 percent of *workers* consider health insurance to be very/somewhat important, but only 56 percent of *employers* offer it. Eighty-three percent of *workers* consider life insurance important, but only 36 percent of *employers* offer it. A noteworthy 28 percent of employers do not offer any of these benefits.

- **Employers' Offering of Health and Welfare Benefits.** Most employers (70 percent) offer one or more types of health and welfare benefits to their employees. Health insurance (56 percent) is the most frequently offered benefit, followed by life insurance (36 percent), an employee assistance program (30 percent), a workplace wellness program (29 percent), a financial wellness program (28 percent), and disability insurance (26 percent). Large (99 percent) and medium companies (100 percent) are significantly more likely to offer one or more of these types of benefits than small companies (63 percent). Eighty-seven percent of medium and 85 percent of large companies offer health insurance, compared with 48 percent of small companies. Note: Retirement benefits are discussed in the next section of this report.

- **Types of Health Plans Included in Health Insurance Coverage.** Among employers that offer health insurance to their employees, 62 percent offer a health savings account (HSA) and/or flexible spending account (FSA). Large (75 percent) and medium companies (73 percent) are significantly more likely to offer these than small companies (58 percent). Almost half of all employers offer preferred provider organizations (PPOs) and health maintenance organizations (HMOs) (48 percent, 49 percent, respectively).

- **Employers' Reasons for Not Offering Health Insurance.** Among employers not offering health insurance to their employees, the most frequently cited reasons for not doing so are the company is not big enough (68 percent) and concern about cost (36 percent).

Key Highlights

Health & Welfare Benefits (cont.)

- **Workplace Wellness Program Features.** Among the 29 percent of employers that offer a workplace wellness program, the most frequently cited components of the program include mental health support (61 percent), education on healthy behaviors (54 percent), health screenings/biometric assessments/vaccinations (53 percent), and fitness programs (50 percent). Forty-three percent of employers offer financial incentives for health-related activities. Offerings within an employer's workplace wellness program generally increase with company size.
- **Workplace Wellness Program Employee Participation.** More than six in 10 employers (62 percent) indicate the average level of participation in their workplace wellness programs is either high (33 percent) or very high (29 percent). Small companies (66 percent) are somewhat more likely than medium and large companies (58 percent, 55 percent, respectively) to report high levels of participation.

Large and medium companies offer more robust health and welfare benefits than small companies, a survey finding that is consistent with pre-pandemic trends. However, there is room for growth among companies of all sizes. As employers evaluate their benefit offerings, they have many options to choose from. The employee benefits marketplace is highly competitive, and employers may find that these types of win-win solutions are more affordable than they think.

The Current State of 401(k)s and Other Retirement Benefit Offerings

Employers and workers alike recognize the importance of retirement benefits in attracting and retaining talent and job offer acceptance.

Employer-sponsored retirement plans, including 401(k)s and similar employee-funded plans, have proven to be one of the most effective ways to facilitate long-term savings among workers. Consistent with other types of employee benefits, larger companies tend to provide more robust retirement benefit offerings than small companies.

At the same time, workers face competing financial priorities that make it difficult to save, including the need to pay off debt and build emergency savings. Nevertheless, they are prioritizing and saving for retirement. Workers of small companies are less likely to be offered retirement benefits and they report lower levels of household retirement savings.

Employers tend to be more confident about their employees' retirement outlook than workers are about their prospects.

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Retirement Confidence.** Eight in 10 *employers* (82 percent) are confident their employees will be able to achieve a financially secure retirement, including 33 percent that are "very confident" and 49 percent that are "somewhat confident." In contrast, a smaller majority of *workers* (70 percent) are confident that they will be able to fully retire with a lifestyle they consider comfortable, including 24 percent who are "very confident" and 46 percent who are "somewhat confident."

- **Workers' Competing Financial Priorities.** More than half of workers (57 percent) cite paying off one or more types of debt as a financial priority, including credit card (37 percent), mortgage (27 percent), student loans (13 percent), and other consumer debt (13 percent). Fifty-six percent cite saving for retirement and 40 percent cite building emergency savings as financial priorities. Workers of medium and large companies are generally more likely to cite these as priorities than workers of small companies. Twenty-seven percent of all workers indicate they are just getting by to cover basic living expenses.

- **Workers' Estimated Emergency Savings.** Emergency savings are needed to cover financial setbacks, such as unemployment, medical bills, home repairs, auto repairs, and other unexpected expenses. Having emergency savings could also help prevent workers from dipping into their retirement savings to cover such expenses. However, workers have alarmingly low emergency savings – they have set aside only $5,000 (median). Workers of large ($7,000) and medium companies ($5,000) report having saved more than those of small companies ($2,000) (medians).

- **Workers' Expected Sources of Retirement Income.** Workers are expecting diverse sources of retirement income with the most often cited including self-funded savings (76 percent), Social Security (63 percent), and income from working (35 percent). However, there are some differences by company size. Workers of large and medium companies are more likely to cite retirement income from 401(k)s, 403(bs), and IRAs than those of small companies (74 percent, 68 percent, 54 percent, respectively). Workers of large and medium companies are also more likely than those of small companies to cite income from a company-funded pension plan (29 percent, 20 percent, 16 percent, respectively).

- **Workers' Concerns About the Future of Social Security.** More than seven in 10 workers (71 percent) are concerned that Social Security will not be there for them when they are ready to retire, including 33 percent who are very concerned and 38 percent who are somewhat concerned. These findings are similar among workers across company sizes.

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Importance of Retirement Benefits for Attracting Talent.** Eighty percent of *employers* believe that offering a 401(k) or similar plan is important for attracting and retaining employees, a finding that is consistent with the perspective of workers. Eighty percent of *workers* agree that retirement benefits offered by a prospective employer will be a major factor in their final decision-making when job hunting. While 80 percent of employers believe offering a retirement plan is important, including 42 percent that say it is very important and 38 percent that say it is somewhat important, the survey findings vary significantly by company size. Ninety-eight percent of both large and medium companies say it is important compared with 75 percent of small companies. Sixty-two percent of large companies and 66 percent of medium companies indicate it is very important, compared with just 37 percent of small companies.

- **Retirement Benefits Offered to Employees.** Fifty-five percent of employers offer a 401(k) or similar employee-funded retirement plan to their employees. These employee-funded plans are more commonly offered by large (92 percent) and medium companies (89 percent), compared with small companies (46 percent). Company-funded defined benefit plans are offered by only 22 percent of employers. Almost four in 10 employers (39 percent) do not offer any retirement benefits to their employees. Small companies (48 percent) are significantly more likely to indicate they do not offer any retirement benefits, compared with medium (2 percent) and large companies (1 percent).

- **Workers' Plan Participation and Salary Deferral Rates.** Seventy-eight percent of workers who are offered a 401(k) or similar plan participate in that plan, including 73 percent of workers of small companies, 77 percent of workers of medium companies, and 80 percent of workers of large companies. Among those who participate in their employers' plans, the median annual salary deferral rate is 12 percent, but it varies by company size. The deferral rate among workers of small and large companies is 10 percent while among those of medium companies, it is 15 percent (medians).

- **Workers' Access to a 401(k) or Similar Plan Inspires Savings.** Workers are more likely to save for retirement when they have access to a 401(k) or similar plan through their employer. Almost nine in 10 workers (89 percent) who have access to an employer-sponsored plan are saving for retirement in the plan and/or outside of work. Among workers who are not offered a plan by their employers, only half (50 percent) are saving for retirement.

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Plan Sponsors' Reasons for Offering Retirement Benefits.** Among those that offer some form of retirement benefits, companies of all sizes cite similar reasons for doing so, including helping employees to save and prepare for retirement (57 percent), increasing job satisfaction among employees (55 percent), inspiring loyalty among employees (50 percent), retaining existing employees (49 percent), offering a competitive employee benefits package (46 percent), and attracting new employees (46 percent). These findings are generally consistent by company size; however large and medium companies (52 percent, 58 percent) are more likely than small companies (42 percent) to indicate they offer retirement benefits to attract new employees.

- **Non-Sponsors Not Planning to Offer a Plan and Reasons.** Among companies that do not offer a 401(k) or similar employee-funded plan, only 43 percent say they are likely to begin sponsoring a plan in the next two years. The most frequently cited reasons among companies not planning to do so include they are not big enough (79 percent), they are concerned about cost (31 percent), and their employees are not interested (12 percent). However, there may be cause for optimism regarding the future, as 27 percent of employers unlikely to offer a plan say they would consider joining a multiple employer plan (MEP), pooled employer plan (PEP), or group of plans (GoP) that handles many of the fiduciary and administrative duties at a reasonable cost.

- **Retirement Plan Eligibility for Part-Time Employees.** Among employers that offer a 401(k) or similar retirement plan, 56 percent extend eligibility to part-time employees, including small, medium, and large companies (55 percent, 56 percent, 58 percent, respectively). Twenty-five percent of employers do not extend eligibility to part-time workers, and 27 percent do not plan to do so in the future, a finding that is higher among medium and large companies (both 35 percent) than small companies (20 percent). Their most often cited reasons include high turnover rates among part-time employees (55 percent), generally impractical (40 percent), and concerned about cost (32 percent). One in five employers (20 percent) do not have part-time employees. The SECURE Act of 2019 requires plan sponsors to extend eligibility to long-term (three years of service), part-time workers. Employers are required to track years of service beginning in 2021, thus long-term, part-time workers will first be eligible in 2024.

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Plan Sponsors' Contributions to 401(k) or Similar Plans.** Ninety-two percent of plan sponsors make an employer contribution as part of their 401(k) or similar plan, including 74 percent that provide a matching contribution and 28 percent that provide a contribution not in the form of a match. Medium and large companies (99 percent, 97 percent, respectively) are more likely to provide any type of an employer contribution than small companies (90 percent). Medium and large companies (84 percent, 82 percent, respectively) are also more likely than small companies (69 percent) to provide a matching contribution. An employer's matching contribution is one of the most powerful features of a 401(k) or similar plan to incent employees to join the plan and enable them to build their retirement savings.

- **Roth 401(k) Offering.** Sixty-six percent of plan sponsors offer a Roth 401(k) option. Large (73 percent) and medium companies (71 percent) are somewhat more likely to offer this feature than small companies (62 percent).

- **Adoption of Automatic Features Increases With Company Size.** Twenty-three percent of plan sponsors have adopted automatic enrollment. Large company plan sponsors (33 percent) are more likely than small and medium company plan sponsors (20 percent, 23 percent, respectively) to have adopted automatic enrollment. Among plan sponsors of all sizes, the default contribution rate is 10 percent (median) of an employee's pay. Seventy-five percent of plan sponsors have adopted automatic escalation, a feature that automatically increases participants' contribution rates annually. Automatic escalation is somewhat more common at large and medium companies (79 percent, 78 percent, respectively) than at small companies (74 percent).

- **Future Plans for Adopting Auto-Enrollment.** Among plan sponsors that do not offer automatic enrollment, more than half (54 percent) plan to do so in the future. Twenty-two percent do not plan to offer it and 24 percent are "not sure." Among those not planning to offer it, the most often cited reasons are concerns about employee resistance (42 percent), already high participation rate (36 percent), concerns about administrative complexity (34 percent), and concerns about cost (32 percent).

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Professionally Managed Investment Services.** Professionally managed services such as managed accounts and asset allocation suites, including target date and target risk funds, and model portfolios have become ubiquitous options in 401(k) or similar plans, with 93 percent of plan sponsors offering one or more of these services. Such offerings enable plan participants to invest in professionally managed services or funds that are tailored to their goals, years to retirement, and/or risk tolerance profile. Medium and large company plan sponsors are somewhat more likely to offer a wider array of these services than small company plan sponsors (96 percent, 95 percent, 92 percent, respectively).

- **Workers Tapping Into Retirement Savings.** A concerning percentage of workers are tapping into their retirement savings before they retire. Thirty-seven percent of workers have ever taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA, including 27 percent who have taken a loan and 26 percent who have taken an early and/or hardship withdrawal. Workers of medium and large companies (44 percent, 39 percent, respectively) are more likely to have ever taken a loan, early withdrawal, and/or hardship withdrawal than workers of small companies (32 percent).

- **Workers' Reasons for Taking 401(k) Loans.** Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is to pay off debt (39 percent), including credit card debt (27 percent) and/or other debt (21 percent). Other reasons include a financial emergency (27 percent), everyday expenses (25 percent), medical bills (24 percent), and home improvements (23 percent).

- **Workers' Reasons for Hardship Withdrawals From 401(k)s.** Among those who have taken a hardship withdrawal from a 401(k) or similar plan, the most often cited reasons for doing so are paying for certain medical expenses (20 percent), paying for tuition and related educational fees (16 percent), expenses and losses incurred due to a disaster in a federally declared disaster area (16 percent), paying to prevent eviction from one's principal residence (14 percent), and expenses for repairs of damage to one's principal residence (12 percent).

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Workers' Total Household Savings in Retirement Accounts.** Total household retirement savings is one of the strongest indicators of a worker's retirement outlook. Workers' estimated median total household retirement savings is $67,000. However, a retirement savings gap appears when savings are examined by company size. Workers of small companies have total retirement savings of $41,000, compared with $73,000 among workers of medium companies and $96,000 for workers of large companies (estimated medians).

- **Workers' Desire for More Information and Advice.** Almost seven in 10 *employers* (69 percent) agree that most employees would like to receive more information and advice from their company on how to reach their retirement goals, including 27 percent that strongly agree and 42 percent that somewhat agree. These findings are closely aligned with the 68 percent of *workers* who agree they would like to receive more information advice from their employers on how to reach their retirement goals, including 25 percent who strongly agree and 43 percent who somewhat agree.

- **IRS Saver's Credit Awareness and Education.** The Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Only 43 percent of all employers are both aware of the Saver's Credit and actively promoting it to their employees, but this increases with company size. Large and medium companies (75 percent, 64 percent, respectively) are more likely to be aware of the Saver's Credit and actively promoting it, compared with small companies (36 percent). Fewer than half of workers (48 percent) are aware of the Saver's Credit.

- **Employers' Offering of Education About Government Benefits.** As part of their retirement planning-related educational offerings, slightly more than half of employers provide information about Social Security (55 percent) and Medicare (54 percent) benefits. Large and medium companies are more likely than small companies to provide information about Social Security (82 percent, 86 percent, 49 percent, respectively). Large and medium companies are also more likely than small companies to provide information about Medicare (83 percent, 80 percent, 47 percent, respectively).

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Plan Sponsor Assistance for Financial Transitions to Retirement.** Workers nearing retirement face a myriad of complex decisions regarding transitioning their savings and finances into retirement, and plan sponsors have an important opportunity to work with their retirement plan providers to assist them. Few plan sponsors offer things such as access to a financial advisor (44 percent), educational materials about transitioning into retirement (41 percent), and/or educational resources (40 percent). Even fewer offer referrals to the company's retirement plan provider (39 percent), distribute retirement planning materials (36 percent), or offer an income annuity as a payout option in the company's retirement plan (34 percent).
- **Employers' Non-Financial Retirement Transition Assistance.** Two in three employers (66 percent) offer one or more forms of retirement transition assistance. Large and medium companies (85 percent, 80 percent, respectively) are more likely than small companies (62 percent) to do so. However, relatively few have robust offerings. Only 44 percent of employers accommodate flexible work schedules and arrangements to help employees transition into retirement. Even fewer enable employees to reduce hours and shift from full-time to part-time (36 percent), take on jobs that are less stressful or demanding (34 percent), or participate in succession planning, training, and mentoring (32 percent). Moreover, employers are missing an opportunity to facilitate smoother transitions when their employees do retire, with only 26 percent providing information about encore career opportunities and 25 percent offering retirement-oriented lifestyle and transition planning resources.
- **Employers' Offering of Phased Retirement Programs.** Thirty-one percent of employers offer a formal phased retirement program. Sixty-five percent of employers do not offer a formal phased retirement program for workers who want to transition into retirement, including 33 percent that plan to implement a program in the future and 32 percent that do not have plans to do so. Large and medium companies (61 percent, 54 percent, respectively) are more likely to offer a phased retirement program than small companies (24 percent). The most often cited reasons for not offering a phased retirement program are employees are not interested (42 percent), it is easier to address employees' requests on a case-by-case basis (31 percent), and operational and administrative complexity (25 percent).

Key Highlights

The Current State of 401(k)s and Other Retirement Benefit Offerings (cont.)

- **Plan Sponsors' Professional Advisor Usage for Plan Selection.** Sixty-eight percent of employers use a professional advisor to help select their company's retirement plan. Medium and large companies are somewhat more likely to do so than small and companies (74 percent, 72 percent, 67 percent, respectively). The most used types of advisors include financial planners/brokers (46 percent), benefits consultants (40 percent), and registered investment advisor (RIA) (31 percent).

Expanding retirement plan coverage so that all workers can save for retirement in the workplace is imperative for improving retirement security. To accomplish this, the main area of focus must continue to be small companies that do not offer a plan. Now, there are more options available in the marketplace than ever before and there are meaningful tax incentives for small companies to start a plan. Proposed legislation will make it even easier and affordable to offer a plan. Another important area of focus is extending eligibility to part-time workers to participate in plans offered by their employers.

Employers that already offer a plan should consider consulting with their plan providers to ensure their employees are taking full advantage of the plan features, investment-related services, planning tools, and educational resources available. As much as these employers are doing to help employees save and invest, the survey finds they can do more to support employees who are transitioning into retirement.

Best Practices for a Multigenerational Workforce

People have the potential to live longer than ever before, which is prompting a fundamental rethinking of how much time is spent in the workforce relative to retirement. Many workers want and or need to work beyond traditional retirement age. However, they can only be successful if employers have business practices in place to support them.

Today, four generations in the workforce bring a diverse array of skills, expertise, and life experiences to their jobs. Researchers have found that age diversity improves performance and productivity.[1] However, the survey finds that many employers have not yet adapted business practices to tap into this opportunity. Furthermore, they may be overlooking the value of older workers who bring knowledge, wisdom, and perspective gained through life experience.

[1] OECD (2020), *Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer*, OECD Publishing, Paris, https://doi.org/10.1787/59752153-en.

Key Highlights

Best Practices for a Multigenerational Workforce (cont.)

- **Workers' Planning to Live Long Lives.** Today's workers are planning to live to age 85 (median). Twelve percent are planning to live to age 100 or older. Thirty-six percent are "not sure," a reasonable answer given the nature of the question. For workers, increased longevity has implications for the time they spend in the workforce relative to retirement. For employers, it presents an opportunity for fostering the diversity and growth of a multigenerational workforce and providing new alternative pathways into retirement (e.g., flexible transitions, formal phased retirement programs). The survey compared workers' planned life expectancy with their expected retirement age and found that they plan to spend 25 years in retirement (median).

- **Are Employers "Age-Friendly"?** While most *employers* (84 percent) consider their companies to be "age-friendly" by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful, only 65 percent of *workers* consider their employers to be age-friendly. This disconnect is consistent across company size.

- **D&I Policy Statement Referencing Age.** Only 34 percent of employers have adopted a formal diversity and inclusion (D&I) policy statement that specifically includes age among other commonly referenced demographic characteristics. Among employers that do not include age as a component of their D&I policy statement, 29 percent plan to adopt one in the future and 30 percent do not plan to do so. Eight percent are "not sure." Large and medium companies (58 percent, 48 percent, respectively) are more likely than small companies (29 percent) to have adopted a D&I policy statement referencing age.

- **Company Culture's Emphasis on Professional Development.** Almost six in 10 employers (58 percent) say that their company culture places a great deal or quite a bit of emphasis on professional growth and development among employees of all ages, including those age 50 and older. Twenty-three percent emphasize it "a great deal" and 35 percent "quite a bit." Thirty percent of employers place "some" emphasis on it. Large companies (71 percent) are more likely that medium and small companies (60 percent, 55 percent, respectively) to place a great deal or quite a bit of emphasis on professional growth and development.

- **Lifelong Learning and Multigenerational Workforce Programs.** Many employers are promoting lifelong learning and fostering a multigenerational workforce. The most frequently cited programs include mentorships (49 percent), job training (45 percent), and internships (36 percent). Only about one in four employers (26 percent) offer specific training to address generational differences and help prevent age discrimination. Large and medium companies are more likely to offer most types of programs than small companies.

Key Highlights

Best Practices for a Multigenerational Workforce (cont.)

- **Alternative Work-Related Arrangements.** By offering alternative work arrangements, employers can help ease the burden for their employees who are juggling work and other responsibilities such as caregiving and home-schooling. Nine in 10 employers (92%) offer one or more types of alternative work arrangements. The most frequently cited arrangements are flexible work schedules (60 percent), the ability to adjust work hours as needed (54 percent), and the ability to work remotely (51 percent). Large and medium companies are generally more likely to offer arrangements than small companies.
- **Support for Caregiving Employees.** From time to time, many employees find themselves needing to be a caregiver for an aging parent or loved one. Eight in 10 employers (80 percent) offer one or more programs to support caregiving employees. Medium (97 percent) and large companies (95 percent) are much more likely than small companies (77 percent) to do so. However, much more can be done by employers of all sizes.
- **Employers' Consideration Given to Age 50+ Job Applicants.** Historically, employers' recruiting practices overlooked older workers, but change may be on the way. Among those recruiting employees during the pandemic, almost six in 10 employers (59 percent) gave "a great deal" (29 percent) or "quite a bit" (30 percent) of consideration to age 50+ job applicants versus younger applicants. Large and medium companies (70 percent, 65 percent, respectively) were more likely to have done so than small companies (56 percent). More small companies (12 percent) indicate their company has not had any age 50+ job applicants, compared with medium and large companies (3 percent, 4 percent, respectively).
- **Employers' Supportive of Working Past Age 65.** More than eight in 10 employers (81 percent) agree they are supportive of their employees working past age 65, including 42 percent that strongly agree and 39 percent that somewhat agree. Eighty-six percent of large companies agree they are supportive, compared with 81 percent of medium and 79 percent of small companies.
- **Employers' and Workers' Perspectives on Working Past Age 65.** Sixty-three percent of *employers* agree with the statement, "Many employees at my company expect to work past age 65 or do not plan to retire," and they are correct. Indeed, many *workers* expect to retire after age 65 or do not plan to retire (49 percent).

Key Highlights

Best Practices for a Multigenerational Workforce (cont.)

- **Workers' Plans to Work in Retirement.** Seventy-four percent of *employers* agree with the statement, "Many employees at my company plan to continue working either full time or part time after they retire," and they are correct. Many *workers* (57 percent) plan to continue working in retirement, including 21 percent who plan to work full time and 36 percent who plan to work part time.

- **Proactive Steps to Help Ensure Continued Work.** *Employers* offer insights into the steps workers should be taking to help ensure they can work as long as they want and need. Employers' top recommendations are to stay healthy and keep their job skills up to date (both 64 percent), Sixty-one percent of employers say that workers should perform well at their current job. When asked about what steps they are taking, *workers* most often indicate they are staying healthy so they can continue working, and they are keeping their job skills up to date (54 percent, 47 percent, respectively.) Twenty-six percent of workers are taking classes to learn new skills and 26 percent are networking and meeting new people. Sixteen percent of workers have not taken any steps.

Employers have an opportunity to foster a multigenerational workforce by implementing best practices that can enrich the employee experience, professional development, work-life balance, and transitions into and out of the workforce for workers of all ages. In today's tight labor market, they also have the potential to recruit and retain experienced employees (age 50+), a segment of the workforce that has often been historically overlooked. By doing so, employers can potentially increase their innovation and productivity.

Key Highlights

Retirement Security Priorities for the President and Congress

Policymakers pave the way for legislation, regulation, and reforms that are the underpinnings of our retirement system. Employers cite these priorities for the President and Congress to help people have a financially secure retirement:

1. Address Social Security's funding shortfalls to ensure it can pay guaranteed benefits to future generations of retirees (49 percent)
2. Make out-of-pocket health care expenses and prescription drugs more affordable (47 percent)
3. Address Medicare's funding shortfalls to ensure future generations of retirees have access to affordable health care insurance (44 percent)
4. Support family caregivers by implementing policies such as paid family and medical leave, tax credits for out-of-pocket caregiving costs, and Social Security credits for time spent caregiving (40 percent)
5. Increase access to affordable housing to enhance financial security for Americans of all ages (40 percent)
6. Innovate solutions to make long-term care services and supports more affordable (38 percent)
7. Expand the Saver's Credit, a tax credit available to people with low and moderate incomes saving for retirement (36 percent)
8. Provide and/or subsidize additional broadband access, particularly in rural and underserved urban areas, to increase access to telemedicine, and financial and other tools (35 percent)
9. Educate Americans early by implementing a financial literacy curriculum in the schools (35 percent)
10. Create incentives for individuals to obtain ongoing training and education to keep their job skills up to date and relevant (33 percent)
11. Expand access to employer-sponsored retirement plans, IRAs, and other savings programs, so all workers can save for retirement in the workplace (33 percent)
12. Allow employers to match employees' student loan payments in the form of a contribution to their 401(k) or similar retirement plan (28 percent)

Employers and workers generally agree on priorities for the President and Congress to help people have a financially secure retirement, but more employers identify the specific priorities than workers. For example, priorities with the widest difference in *employer* versus *worker* responses are supporting family caregivers (40 percent, 30 percent, respectively) and providing and/or subsidizing broadband access (35 percent, 23 percent, respectively).

Key Highlights

Call to Action

Employers play a vital societal role by providing employment, work experience, employee benefits, and the ability for workers to save and invest for a secure retirement. Especially now, amid the evolving challenges they are facing, employers need support from policymakers to continue paving the way for their recovery and to make it as easy as possible to enhance their business practices and expand their benefit offerings.

As our nation emerges from the pandemic, we face an urgent need to strengthen the U.S. retirement system so that everyone can retire with dignity. A collaborative, concerted effort among policymakers, employers, and workers is required to achieve success.

Catherine Collinson
CEO and President, Transamerica Institute and Transamerica Center for Retirement Studies

Recommendations for Workers

Many workers have experienced financial setbacks amid the pandemic that can have repercussions for their future retirement. As we emerge from the pandemic, it is important for workers to become even more involved in safeguarding their health, focusing on employment, managing their money and financial planning. Action steps include:

1. **Engage in financial planning to gain a full understanding of your financial situation.** Create a budget, prioritize expenses, set short- and long-term goals, learn about investing, and develop a financial plan to help improve your fiscal health. If you delayed mortgage or rent payments, learn what your obligation is to make past due payments and what financial assistance may be available to you.
2. **Save for retirement by participating in an employer-sponsored retirement plan, if available, or contributing to a tax-advantaged account.** By starting as early as possible and consistently saving over time, even small amounts can add up over a decades-long working life. If employed and offered a 401(k) or similar plan, take full advantage of matching employer contributions and defer as much as possible. If not offered a plan, explore options to contribute to a Traditional or Roth IRA. Self-employed workers should learn about the available retirement savings vehicles (e.g., Traditional or Roth IRA, Solo 401(k), SIMPLE IRA, SEP, SARSEP, PEP, MEP, GoP) to identify what works best for their situation. Job seekers should take retirement benefits into consideration as part of an overall compensation package.
3. **Avoid taking loans and early withdrawals from retirement accounts**, which can severely inhibit their long-term growth. Before tapping into retirement savings, explore all possible alternatives.
4. **Calculate retirement savings needs, develop a retirement strategy, and write it down.** Factor in living expenses, health care, long-term care needs, government benefits, inflation, investment returns, years in retirement, as well as funds for pursuing retirement dreams.
5. **Review your retirement savings portfolio to ensure investments are consistent with your risk profile and years to retirement.** Learn about professionally managed accounts, model portfolios, target date funds, and strategic allocation funds. Seek assistance from your retirement plan provider or a professional financial advisor, if needed.
6. **Take advantage of the Saver's Credit.** Check if you qualify for the Saver's Credit, a tax credit available to eligible taxpayers who contribute to a 401(k) or similar plan, an IRA, or an ABLE account.
7. **Be proactive to help ensure continued employment now and in retirement.** Take proactive steps to stay employed and engage in the new landscape of work by learning new skills, honing current skills, and staying current on employment trends.
8. **Create a backup plan** in the event of job loss or in case retirement comes early or unexpectedly due to an unforeseen circumstance.
9. **Take good care of yourself and safeguard your physical and mental health.** Continue to take precautions to help prevent infection and spread of COVID-19. Eat healthy, exercise regularly, and get plenty of rest. Explore ways to reduce stress and anxiety. Consider health implications when making lifestyle decisions.
10. **Beware of scams.** Be hypervigilant about suspicious text messages, email, or calls.

Recommendations for Employers

Employers play a vital role in supporting the long-term health and financial well-being of their employees. Employers have an opportunity to enhance their business practices and benefit offerings, especially now in today's highly competitive labor market. Specific opportunities for consideration include:

1. **Clearly communicate changes to the workplace.** Transparent and frequent communication with employees may help alleviate anxiety about returning to the office or worksite.
2. **Offer flexible work arrangements that support work-life balance** and employees' personal responsibilities such as parenting, home-schooling, and caregiving.
3. **Offer health and welfare benefits that promote physical, mental, and financial health and well-being** such as health, disability, and life insurance; workplace wellness and financial wellness programs; and employee assistance programs.
4. **Offer a retirement plan or achieve efficiencies by joining a multiple employer plan (MEP), a pooled employer plan (PEP), or a group of plans (GoP).** If a plan is not already in place, take advantage of the tax credit available for starting a retirement plan or joining a MEP, PEP, or GoP.
5. **Extend benefits eligibility to part-time workers**, including health insurance and retirement plan offerings. For part-time workers not offered health insurance, provide information about the options available in the marketplace. For part-time workers who do not qualify as long-term employees for retirement benefits under the SECURE Act, considering providing them with the ability to contribute to an IRA through payroll deduction.
6. **Promote the benefits your company offers**, including retirement planning and educational resources available through your retirement plan provider, and health and wellness programs available through your employee benefit providers. Increasing awareness of these offerings may help employees increase their physical, mental, and financial well-being.
7. **Foster an age-friendly work environment and adopt diversity, equity and inclusion business practices** that include age among other demographic factors (e.g., gender, race, religion, sexual orientation).
8. **Encourage lifelong learning opportunities** for workers to keep their skills up to date or learn new skills to help them remain employable in a fast-changing job market.
9. **Offer pre-retirees greater levels of assistance in planning their transition into retirement,** including education about retirement income strategies for managing savings to last their lifetime, retirement plan distribution options, and the need for a backup plan if forced into retirement sooner than expected (e.g., due to health issues, job loss, family obligations). Provide information about Social Security and Medicare.
10. **Create opportunities for workers to phase into retirement** by allowing for a transition from full-time to part-time, working in different capacities or different locations, or having a more flexible schedule.

Recommendations for Policymakers

As policymakers are paving the way for our nation's recovery from the pandemic, they have an opportunity to enhance diversity, equity, and inclusion in all aspects of American life including retirement security. It is now more urgent than ever to implement policy reforms to strengthen social safety nets, encourage employers to offer retirement benefits, and help workers save for the future. Recommendations for policymakers that can directly and indirectly improve retirement security include:

1. **Address Social Security and Medicare funding issues**. The sooner reforms are implemented to the programs, the more time people will have to adjust their financial plans for retirement.
2. **Implement reforms to expand and enhance workplace retirement plans and facilitate savings among workers, including:**
   a. ***Further incentivize small companies to offer employee benefits, including retirement plans and health insurance***. Strengthen small business tax credits for establishing retirement plans or joining multiple employer plans (MEPs) or pooled employer plans (PEPs). Authorize the formation of 403(b) MEPs and PEPs. Expand inclusion of part-time workers in retirement plans by reducing the long-term employment requirements.
   b. ***Enhance existing incentives and retirement plan features to further facilitate retirement savings among workers***, including increasing catch-up contribution limits; further increasing the age for required minimum distributions (RMDs); expanding automatic enrollment, automatic re-enrollment, and automatic increases; allowing employers to base retirement plan matches on employees' student loan repayments; adding emergency savings accounts; and expanding and promoting the Saver's Credit.
   c. ***Facilitate retirement savings to last a lifetime.*** Proposals that help participants both manage their investment risk and build retirement savings to last their lifetime are encouraged, including the broader use of Qualified Longevity Annuity Contracts (QLACs) in retirement plans and Individual Retirement Accounts (IRAs).
3. **Ensure accessible and affordable quality health care options and prescription drugs** are available to all Americans, including part-time, self-employed, and gig economy workers, as well as the unemployed.
4. **Support lifelong learning ranging** from financial literacy education in schools and in the workplace to ongoing professional development, including retraining and learning new job skills.
5. **Encourage employers to implement age-friendly business practices as part of their DE&I efforts.** Create incentives and remove disincentives for employers to hire and retain older workers, offer phased retirement, and create opportunities for encore careers.
6. **Support family caregivers** by providing Social Security credits to those who forego employment to provide care. Establish medical training programs for non-professional caregivers. Encourage employers to help workers who are balancing their jobs with caregiving.
7. **Address the digital divide.** Consider providing and/or subsidizing additional broadband access, particularly in rural and underserved urban areas. Internet access is key to engaging with financial and health-related service providers.
8. **Increase access to affordable housing** to enhance financial security for Americans of all ages.
9. **Engage leaders from across sectors and disciplines to collaborate, innovate and implement new financing and delivery models for long-term care** that are more accessible and affordable to those individuals needing care and to family caregivers who are providing care.

Emerging From the Pandemic:
The Employer's Perspective

Detailed Findings

Impacts of the Pandemic on Employers

How Employers' Priorities Changed Because of the Pandemic…

Our priorities were to give our employees the best scenarios to keep working if that was their choice during the pandemic. We maintained and raised pay, switched first to remote, then hybrid, and now it is a personal choice to work remote or onsite. We made mental health and stress relief a priority. We kept high standards for COVID-19 safety.

Small (1 to 99 EEs)
Service Industry

We have had to try and hire more older employees in order to diversify our workplace.

Medium Company
Service Industry

We have gone from trying to grow to trying to survive due to inability to raise new capital.

Small Company
Professional Services Industry

Our company's priorities have definitely changed because employees are now demanding a better work-life balance. They also prefer a remote work environment.

Large Company (500+ EEs)
Service Industry

Our priorities have changed to focus on stress-related issues. Many families, because they have been working from home, are more stressed out and feel isolated. Therefore, we have developed plans and programs to address this where in the past this was not necessary.

Medium (100 to 499 EEs)
Education Industry

We realized our employees are scared to come in, scared of being laid off, and scared to maybe have their benefits lessened. We have worked hard to answer questions promptly and efficiently. We have more meetings and encourage discussion within our departments that include employees, and we welcome questions. We have tried to allay fears and retain as many workers as possible. We worry for mental health and physical health, and we are far more open to working from home or hybrid work schedules.

Large (500+ EEs)
Transportation, Communications, or Utilities Industry

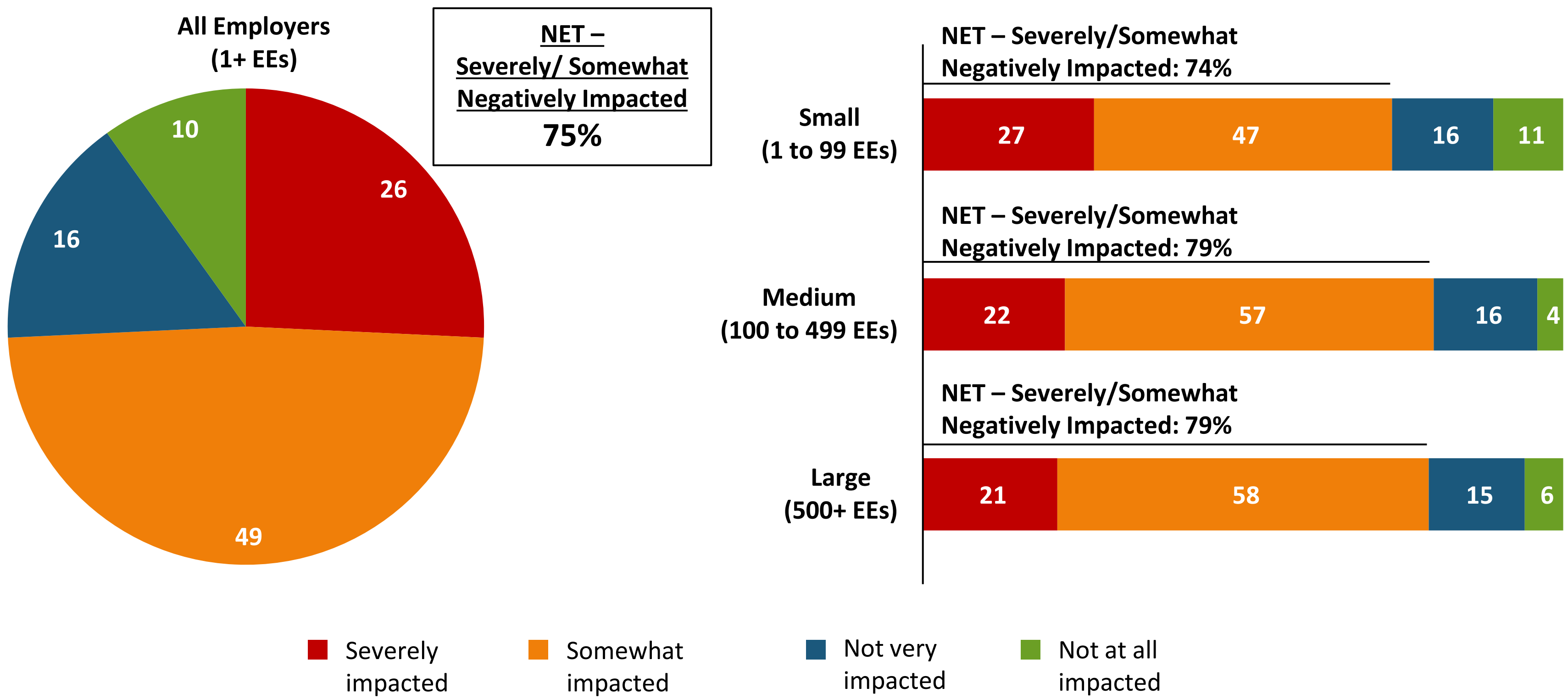
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2000. How have your company's priorities either changed or stayed the same as a result of the pandemic? Why? Please be as descriptive as possible.

Employers Negatively Impacted by the Pandemic

Most employers (75 percent) have been severely or somewhat negatively impacted by the coronavirus pandemic, including 26 percent that were severely impacted and 49 percent that were somewhat impacted. Sixteen percent were not very impacted, and 10 percent were not at all impacted. While many companies of all sizes have been negatively impacted by the pandemic, small companies (27 percent) are slightly more likely to have been *severely* impacted by the pandemic, compared with medium (22 percent) and large companies (21 percent).

How has your company been negatively impacted by the coronavirus pandemic? (%)



Note: Results and may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6000. How has your company been negatively impacted by the coronavirus pandemic?

Employers’ Receipt of Government Support During the Pandemic

Half of employers (50 percent) received some type of government assistance during the pandemic such as a Payroll Protection Program (PPP) loan (40 percent) or other form of government support like stimulus and relief (21 percent). Small companies (47 percent) are less likely to have received some type of government assistance, compared with medium and large companies (both 65 percent).

Types of Government Support During the Pandemic (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Some Type of Government Support (NET)	50	47	65	65
Payroll Protection Program (PPP) loan	40	35	51	59
Other form of government support (e.g., stimulus, relief)	21	20	28	26
My company has not received any support from the government	48	52	34	33
Not sure	1	1	2	2

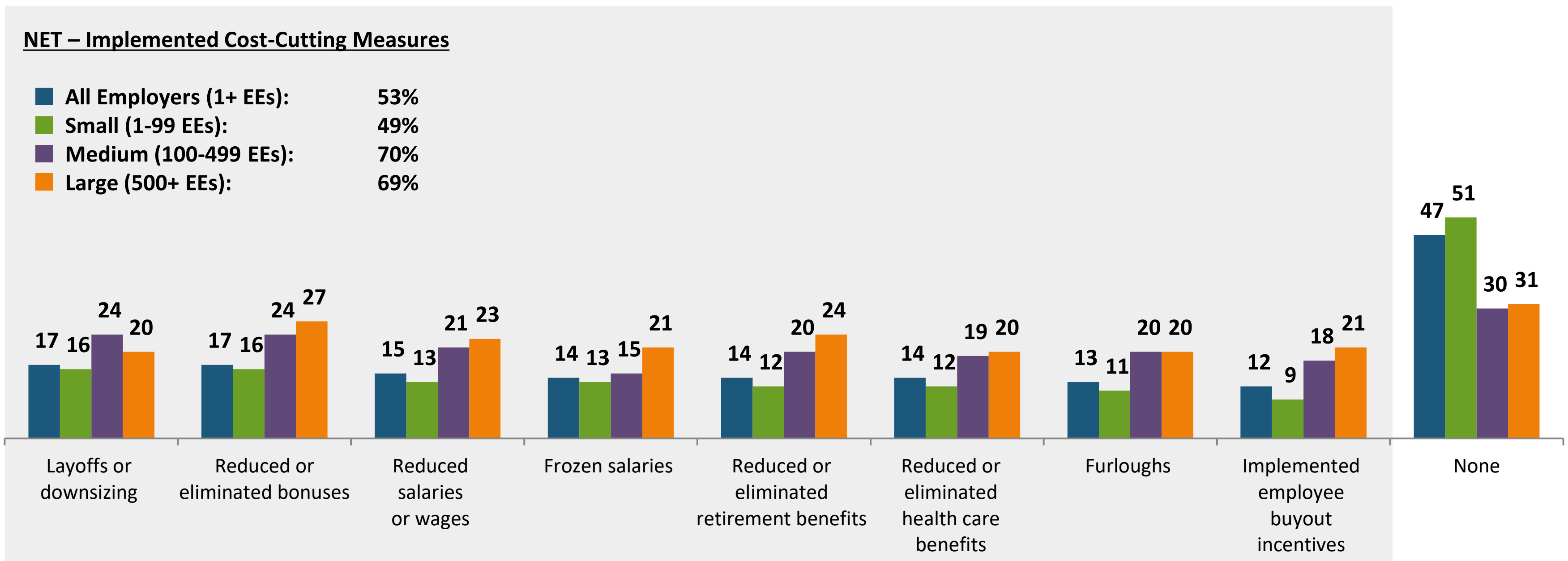
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6125. Which of the following types of assistance has your business received from the government during the pandemic? Select all.

Employers' Cost-Cutting Measures

By late 2021, more than half of employers (53 percent) had implemented one or more cost-cutting measures since the pandemic began. The most often-cited measures include layoffs or downsizing (17 percent), reduction or elimination of bonuses (17 percent), and reduction of salaries or wages (15 percent). Fourteen percent of employers froze salaries, reduced or eliminated retirement benefits, and/or reduced or eliminated healthcare benefits. Thirteen percent implemented furloughs and 12 percent implemented employee buyout incentives. Medium and large companies (70 percent, 69 percent, respectively) are more likely to have implemented cost cutting measures than small companies (49 percent).

Has your company implemented any of the following cost-cutting measures since the pandemic began? (%)



Note: Responses not shown for "Other" (All Employers: 3%, Small: 3%, Medium: 1%, Large: 1%).

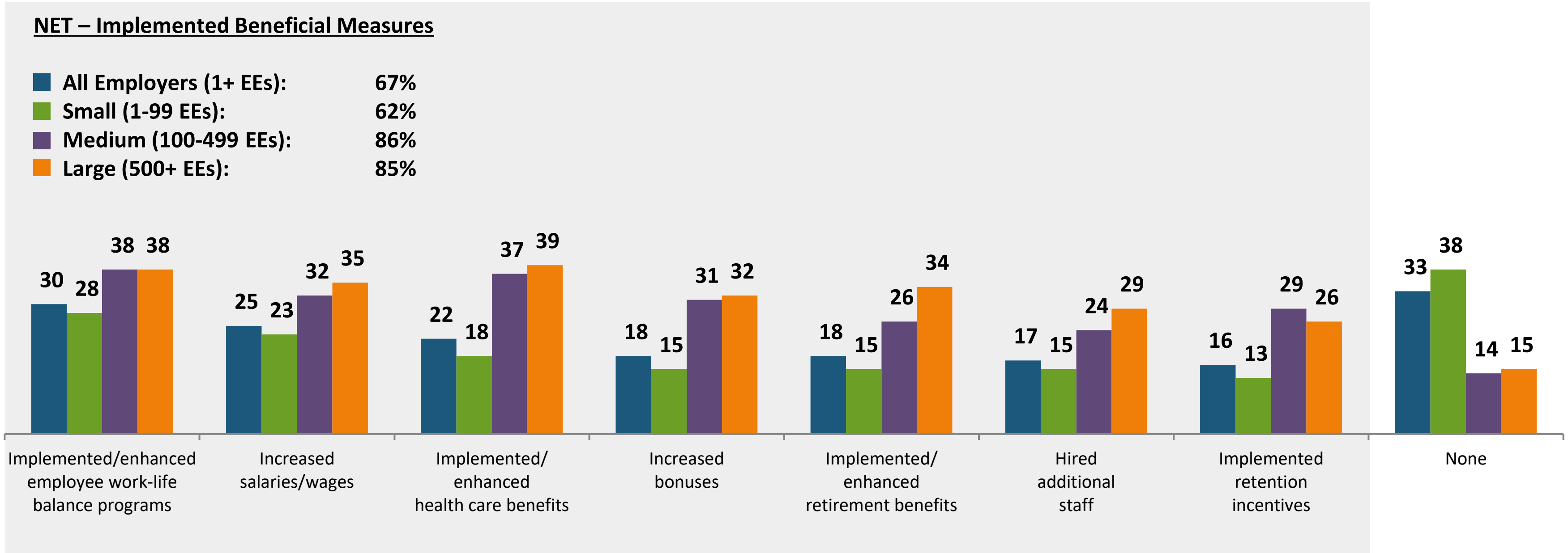
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q7025. Has your company implemented any of the following cost-cutting measures since the pandemic began? Select all.

Employers' Beneficial Measures

By late 2021, more than two-thirds of employers had implemented one or more beneficial measures for their employees (67 percent). The most often cited beneficial measures include implemented/enhanced employee work-life balance programs (30 percent), increased salaries/wages (25 percent), and implemented/enhanced health care benefits (22 percent). Eighteen percent of employers increased bonuses, and 18 percent implemented/enhanced retirement benefits. Seventeen percent hired additional staff. Sixteen percent implemented retention incentives. Medium and large companies (86 percent, 85 percent, respectively) are more likely to have implemented beneficial measures than small companies (62 percent).

Has your company implemented any of the following measures since the pandemic began? (%)



Note: Responses not shown for "Other" (All Employers: 2%, Small: 3%, Medium: <1%, Large: <1%).

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

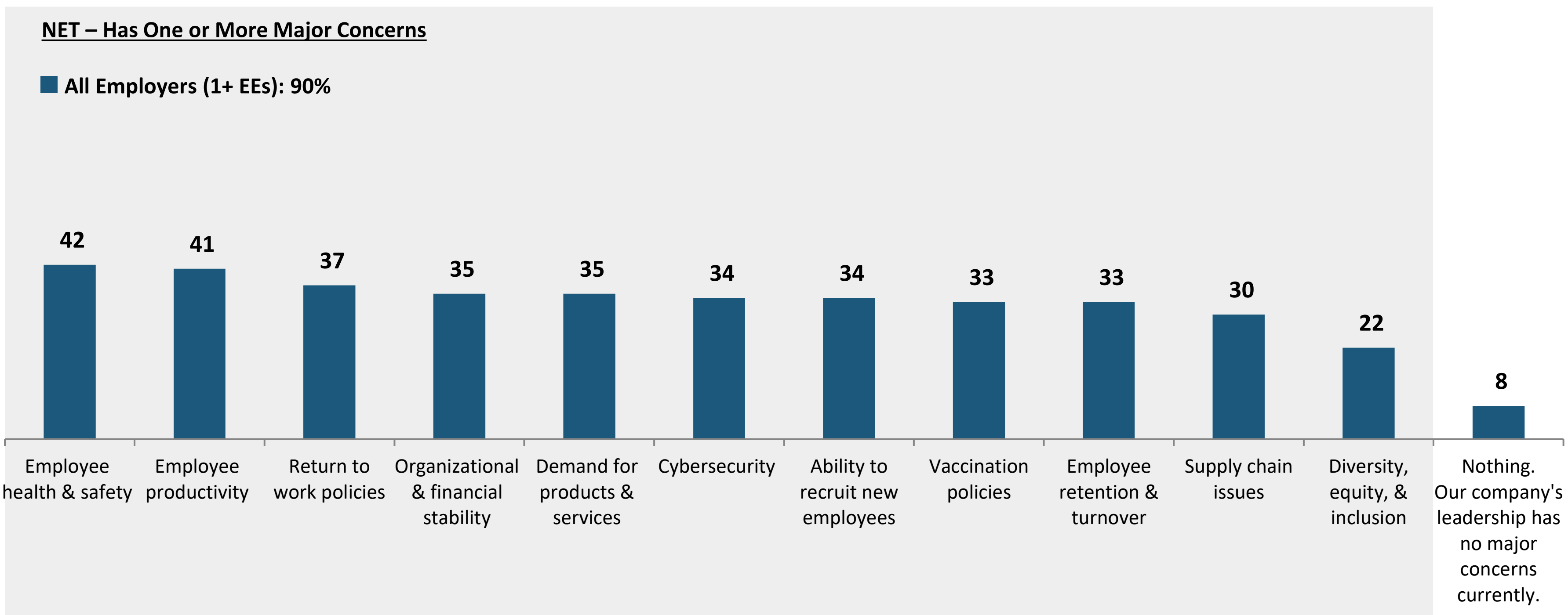
Q7057. Has your company implemented any of the following measures since the pandemic began? Select all.

Major Concerns for Company's Leadership

In late 2021, 90 percent of employers cited one or more major concerns for their company's leadership. More than four in 10 cited employee health and safety (42 percent) and employee productivity (41 percent) as major concerns. Other major concerns include return to work policies (37 percent), organizational and financial stability (35 percent), demand for products and services (35 percent), cybersecurity (34 percent), ability to attract and retain new employees (34 percent), vaccination policies (33 percent), employee retention and turnover (33 percent), supply chain issues (30 percent), and diversity, equity, and inclusion (22 percent).

Which of the following are currently major concerns for your company's leadership? (%)

All Employers (1+ EEs)



Note: Responses not shown for "Other" (All Employers: 3%).

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

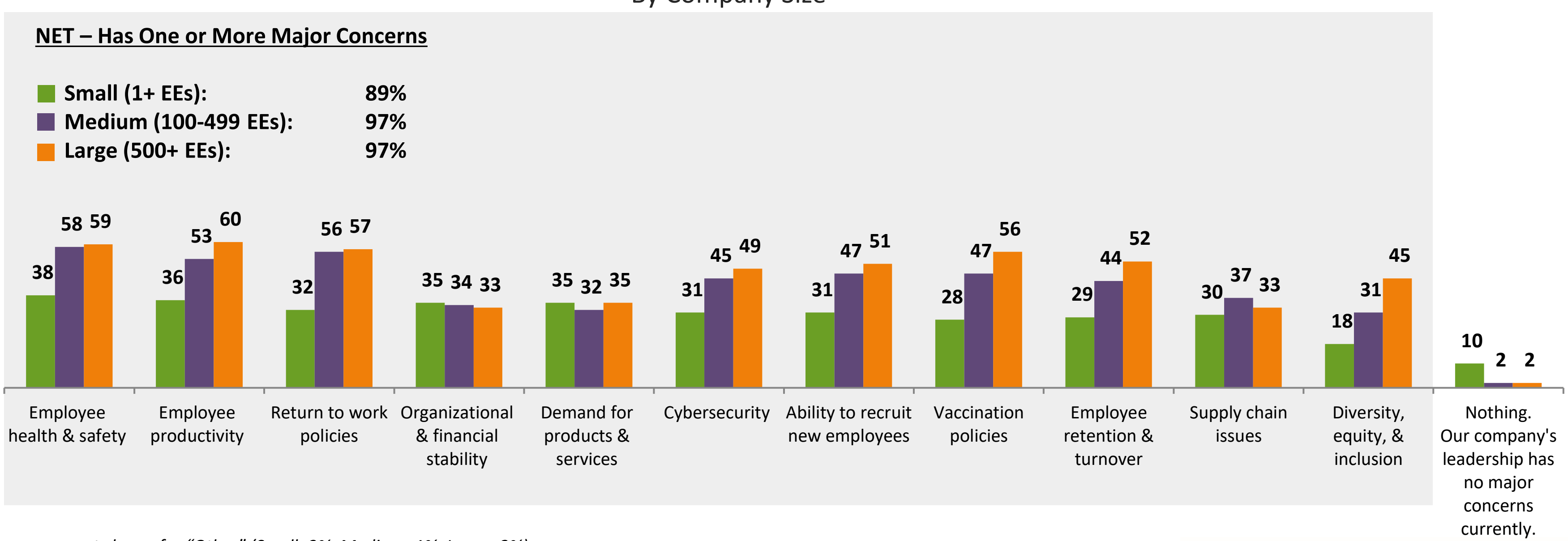
Q6015. Which of the following are currently major concerns for your company's leadership? Select all.

Major Concerns for Company's Leadership

Large and medium companies (both 97 percent) were more likely to cite one or more major concerns for leadership than small companies (89 percent). Large and medium companies were more likely than small companies to cite these major concerns: employee productivity (60 percent, 53 percent, 36 percent, respectively); employee health and safety (59 percent, 58 percent, 38 percent, respectively); return to work policies (57 percent, 56 percent, 32 percent, respectively); vaccination policies (56 percent, 47 percent, 28 percent, respectively); employee retention and turnover (52 percent, 44 percent, 29 percent, respectively); ability to recruit new employees (51 percent, 47 percent, 31 percent, respectively); cybersecurity (49 percent, 45 percent, 31 percent, respectively); and diversity, equity, and inclusion (45 percent, 31 percent, 18 percent, respectively). Approximately one-third of companies of all sizes cited organizational and financial stability and demands for products and services as major concerns.

Which of the following are currently major concerns for your company's leadership? (%)

By Company Size



Note: Responses not shown for "Other" (Small: 3%, Medium: 1%, Large: 2%).

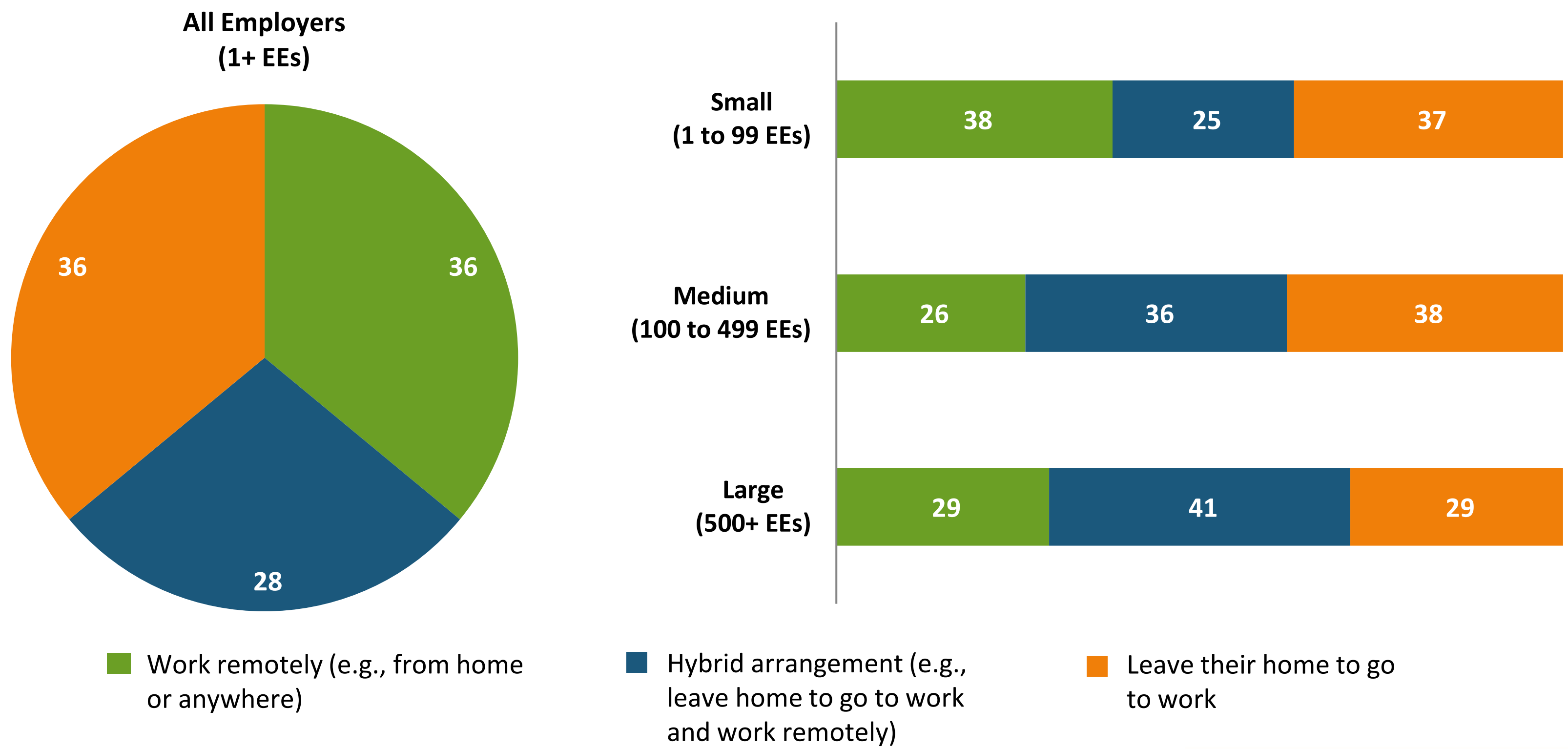
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6015. Which of the following are currently major concerns for your company's leadership? Select all.

Employers' Working Arrangements for Employees

Thirty-six percent of employers indicate most of their employees work remotely (e.g., from home or anywhere); 28 percent indicate a hybrid arrangement (e.g., leave home to go to work and work remotely); and 36 percent indicate they leave home to go to work. Small companies are more likely than medium and large companies to indicate their employees work remotely (38 percent, 26 percent, 29 percent, respectively). Large and medium companies are more likely than small companies to indicate most of their employees work in a hybrid arrangement (41 percent, 36 percent, 25 percent, respectively).

Current Work Arrangements of Most Employees (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q6050. Do most of your employees currently…?

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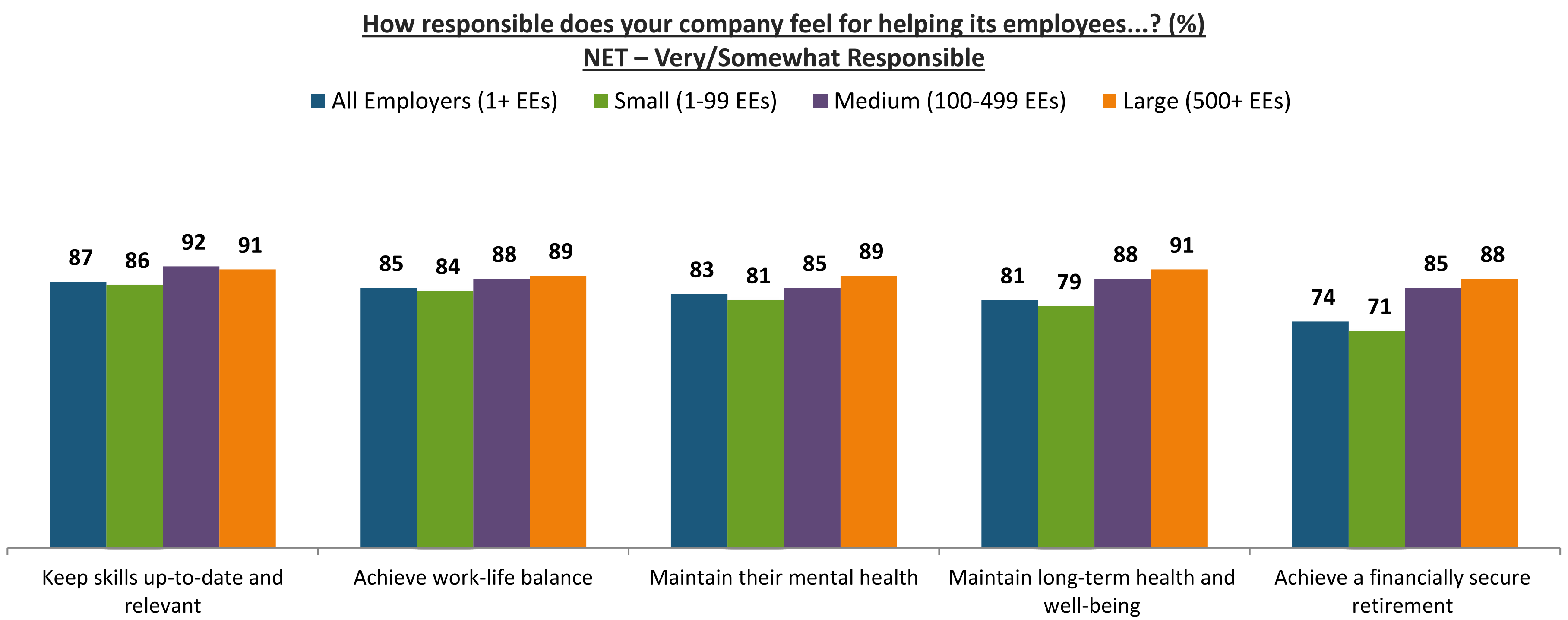
Employers' Sense of Responsibility for Employees' Well-Being

Most employers feel very or somewhat responsible for helping their employees with various aspects of their health and financial well-being. More than eight in 10 employers feel responsible for helping employees keep their skills up-to-date and relevant (87 percent), achieve work-life balance (85 percent), maintain mental health (83 percent), and maintain long-term health and well-being (81 percent). Seventy-four percent of employers feel responsible for helping them achieve a financially secure retirement.



EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q3650B. How responsible does your company feel for helping its employees…?

How Employers Are Supporting Employees During the Pandemic

Nine in 10 employers (90 percent) implemented one or more types of support for their employees during the pandemic, including flexible work hours (56 percent), the ability to work remotely (46 percent), and safety measures for on-site workers (42 percent). Large and medium companies are more likely to provide a variety of support options to their employees compared with small companies.

Types of Support Provided to Employees During the Pandemic (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Implemented One or More Measures	90	87	100	98
Allowed flexible hours	56	57	55	53
Allowed people to work remotely	46	44	57	52
Implemented safety measures for on-site workers	42	40	47	49
Provided emergency paid leave (e.g., sick time, family and medical leave)	27	23	41	40
Provided access to mental health support	26	23	36	41
Facilitated vaccinations (e.g., on-site clinics, paid time off to get vaccinated, incentives for getting vaccinated)	26	23	37	39
Increased wages/pay for essential workers (e.g., employee appreciation pay, hazard pay)	23	20	27	36
Covered lost wages during quarantine and/or temporary closure	22	20	34	29
Maintained employee benefits for furloughed workers	22	19	35	35
Implemented virtual employee engagement programs (e.g., workout classes, cooking classes, team games, concerts, etc.)	21	19	29	31
Provided severance for laid-off workers	15	13	23	27
Other	3	4	0	1
Nothing	9	11	0	1
Don't know	1	1	0	<1

Note: Responses of 40% or more are highlighted.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q7020. What, if anything, has your company done to support employees during the coronavirus pandemic? Select all.

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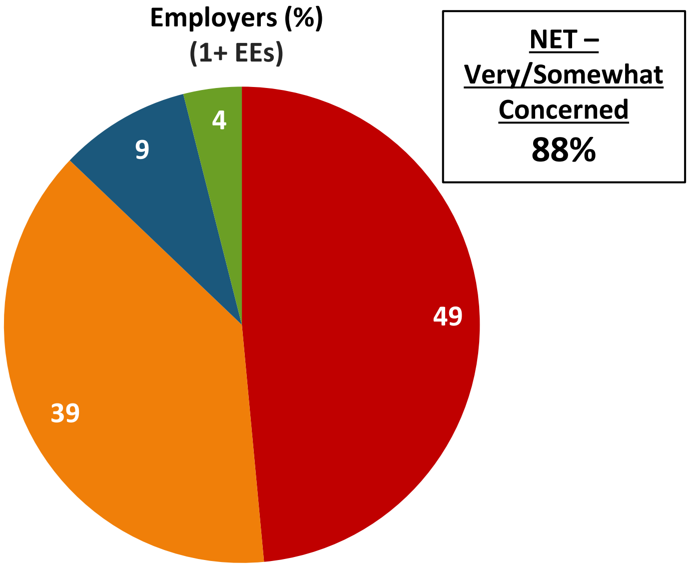
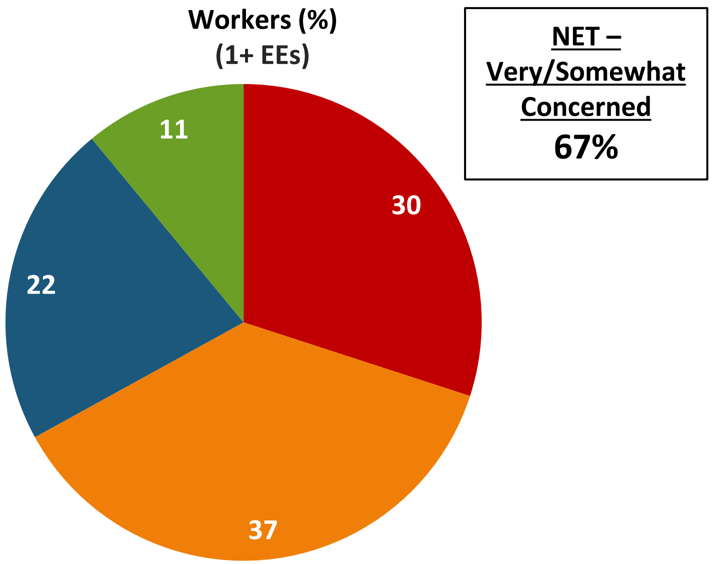
Employer and Worker Concerns About Physical Health

Maintaining and safeguarding the physical health of workers, especially amid the pandemic, is of the utmost importance. Almost nine in 10 employers (88 percent) are concerned about employees maintaining their physical health, including 49 percent that are very concerned and 39 percent that are somewhat concerned. As a point of comparison, more than two-thirds of workers (67 percent) are concerned about maintaining their physical health, including 30 percent who are very concerned and 37 percent who are somewhat concerned.

Concerns About Employees Maintaining Physical Health



Concerned About Maintaining Their Physical Health



Very Concerned | Somewhat Concerned | Not Too Concerned | Not At All Concerned

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned is your company about employees maintaining the following? Physical health.
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned are you about maintaining the following? Physical health

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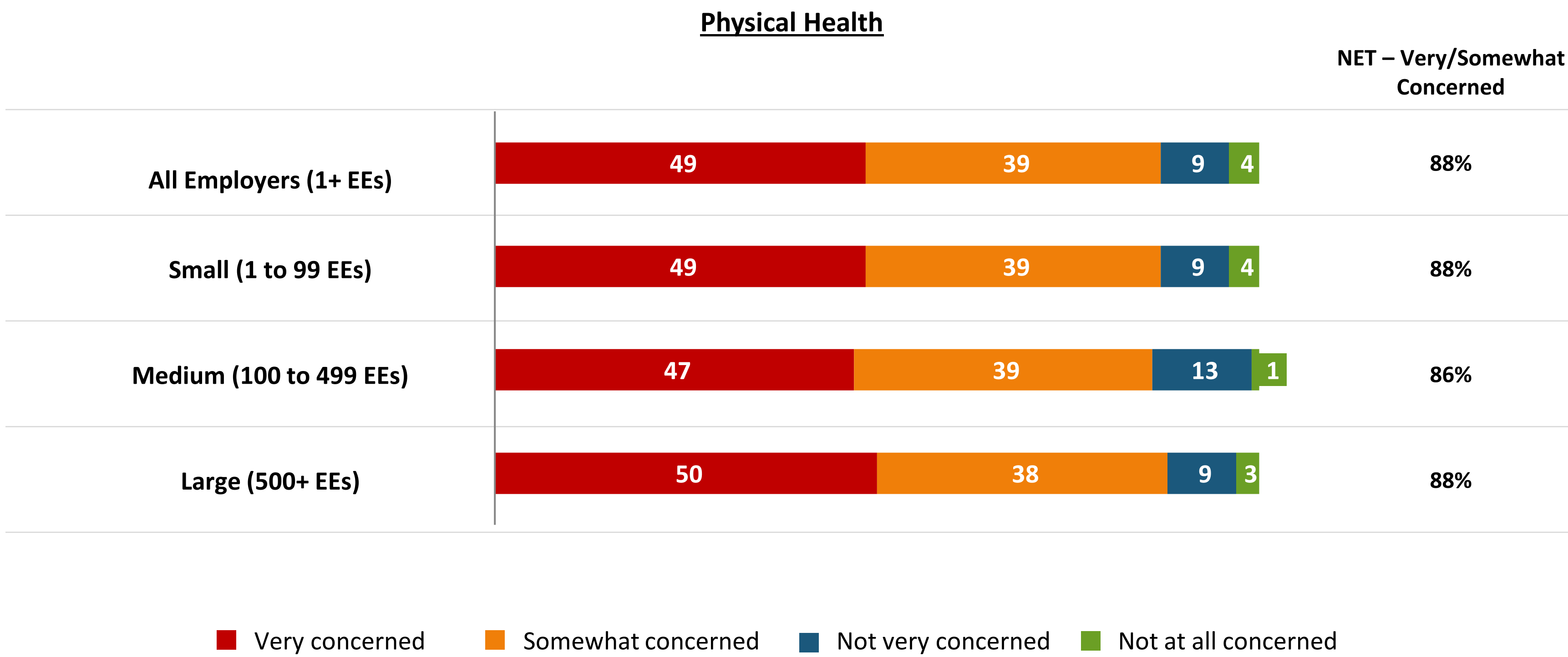
Employers’ Concerns About Physical Health

Small, medium, and large companies are similarly concerned about their employees maintaining their physical health (88 percent, 86 percent, 88 percent, respectively). Approximately half of small, medium, and large companies are very concerned (49 percent, 47 percent, 50 percent, respectively).

How concerned is your company about employees maintaining the following? (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1447. How concerned is your company about employees maintaining the following? Physical health.

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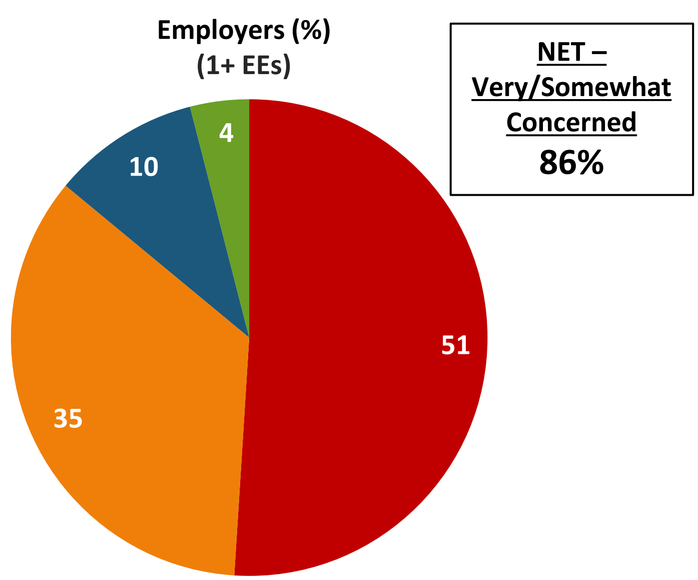
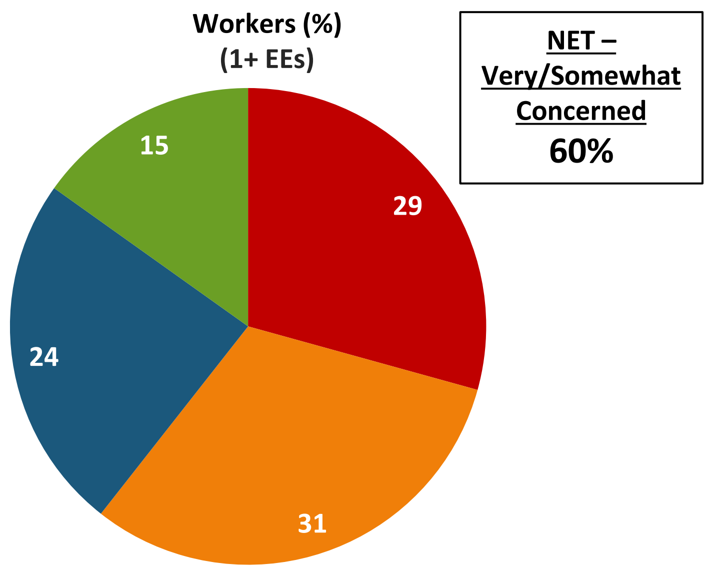
Employer and Worker Concerns About Mental Health

Maintaining and safeguarding mental health is an important aspect of protecting the overall health and well-being of workers. Eighty-six percent of employers are concerned about employees maintaining their mental health, including 51 percent that are very concerned and 35 percent that are somewhat concerned. As a point of comparison, 60 percent of workers are concerned about maintaining their mental health, including 29 percent who are very concerned and 31 percent who are somewhat concerned.

Concerns About Employees Maintaining Mental Health



Concerned About Maintaining Their Mental Health



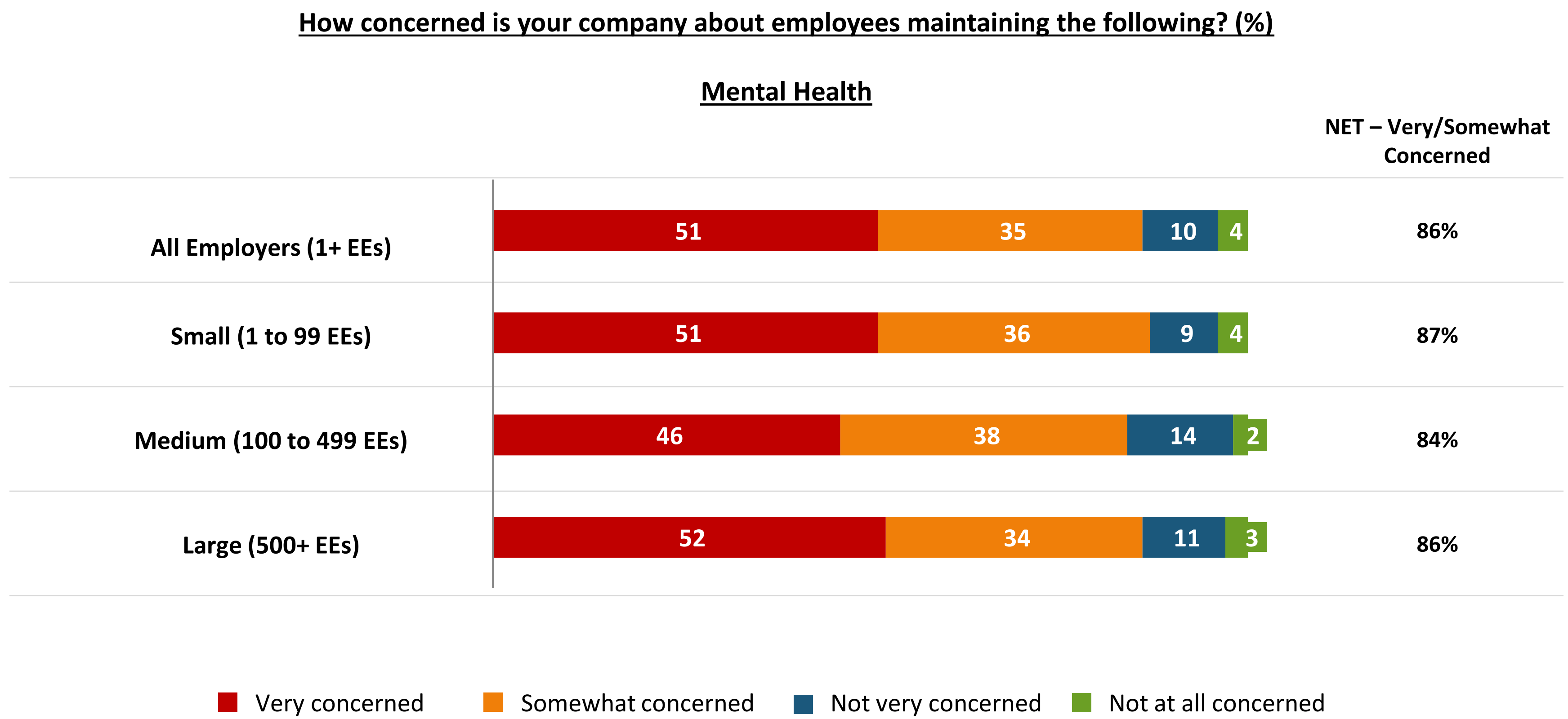
Very Concerned | Somewhat Concerned | Not Too Concerned | Not At All Concerned

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned is your company about employees maintaining the following? Mental health.
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1447. How concerned are you about maintaining the following? Mental health

Employers' Concerns About Employees' Mental Health

Small, medium, and large companies are similarly concerned about their employees maintaining their mental health (87 percent, 84 percent, 86 percent, respectively). Approximately half of small, medium, and large companies are very concerned (51 percent, 46 percent, 52 percent, respectively).



Note: Results may not total to 100% due to rounding.

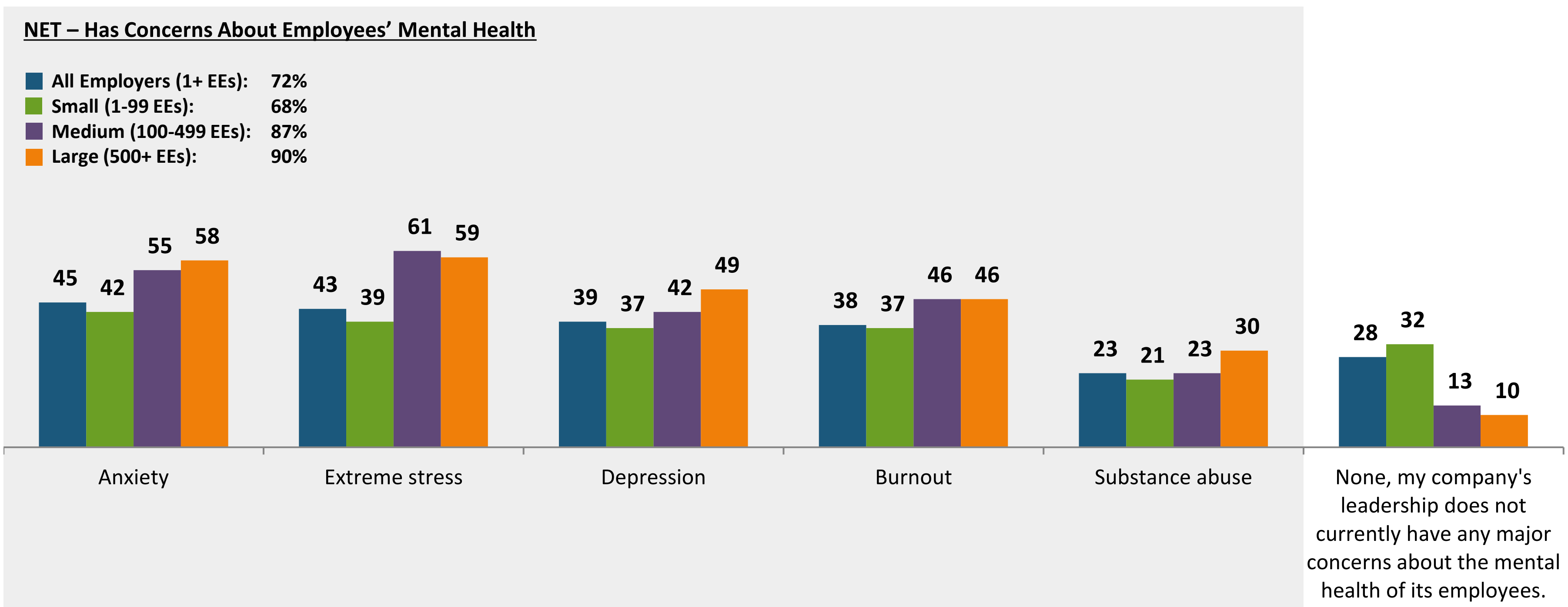
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1447. How concerned is your company about employees maintaining the following? Mental health.

Employers' Major Concerns About Mental Health

Seventy-two percent of employers cite one or more major concerns among their company's leadership regarding the mental health of their employees. The most frequently selected major concerns are anxiety (45 percent), extreme stress (43 percent), depression (39 percent), and burnout (38 percent). Large (90 percent) and medium companies (87 percent) are more likely than small companies (68 percent) to have one or more major concerns about their employees' mental health.

In thinking about the mental health of your employees, which of the following are major concerns to your company's leadership? (%)



Note: Responses not shown for "Other" (All Employers: 1%, Small: 1%, Medium: 2%, Large: 2%).

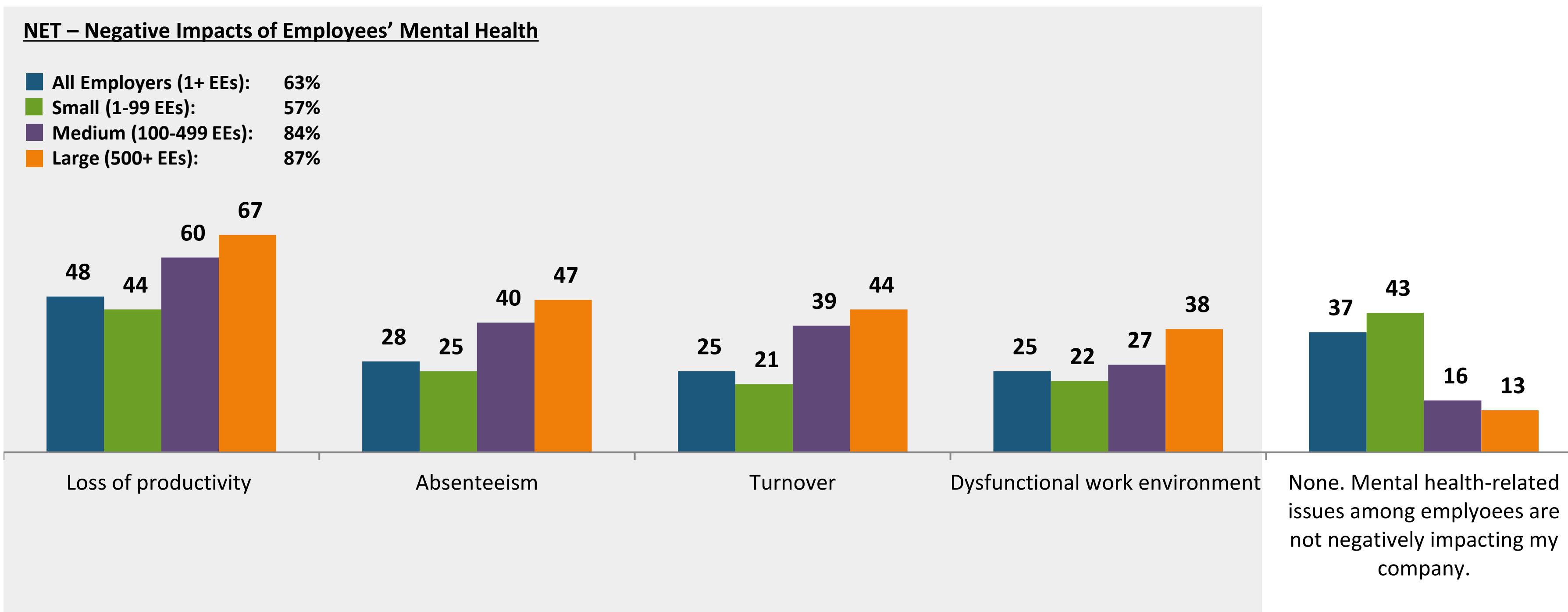
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6030. In thinking about the mental health of your employees, which of the following are major concerns to your company's leadership? Select all.

How Mental Health Issues Are Negatively Impacting Employers

Sixty-three percent of employers cite one or more ways that employees' mental health issues are negatively impacting their company. Large (87 percent) and medium companies (84 percent) are more likely than small companies (57 percent) to cite negative impacts. The most often-cited negative impact among all employers is a loss of productivity (48 percent), followed by absenteeism (28 percent), turnover (25 percent), and dysfunctional work environment (25 percent).

How are mental health-related issues among employees negatively impacting your company? (%)



Note: Responses not shown for "Other" (All Employers: 1%, Small: 1%, Medium: 0%, Large: 0%).

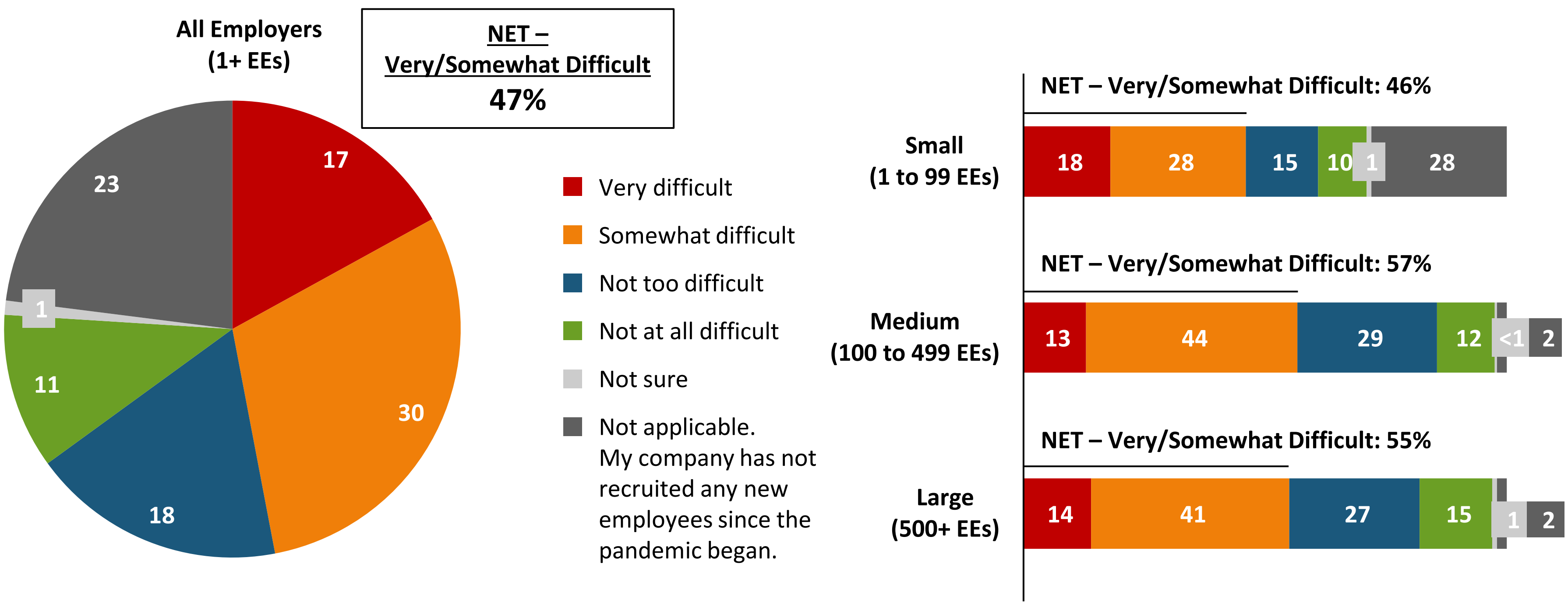
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q6037. How are mental health-related issues among employees negatively impacting your company? Select all.

Employers’ Difficulties in Recruiting Efforts

Almost half of employers (47 percent) cite difficulties in recruiting new employees since the pandemic began, including 17 percent who say it has been very difficult and 30 percent saying it has been somewhat difficult. Medium (57 percent) and large companies (55 percent) are more likely to have found difficulties than small companies (46 percent). Notably, almost one in three small companies (28 percent) say they have not recruited any new employees, while only two percent of large companies and two percent of medium companies say they have not done so.

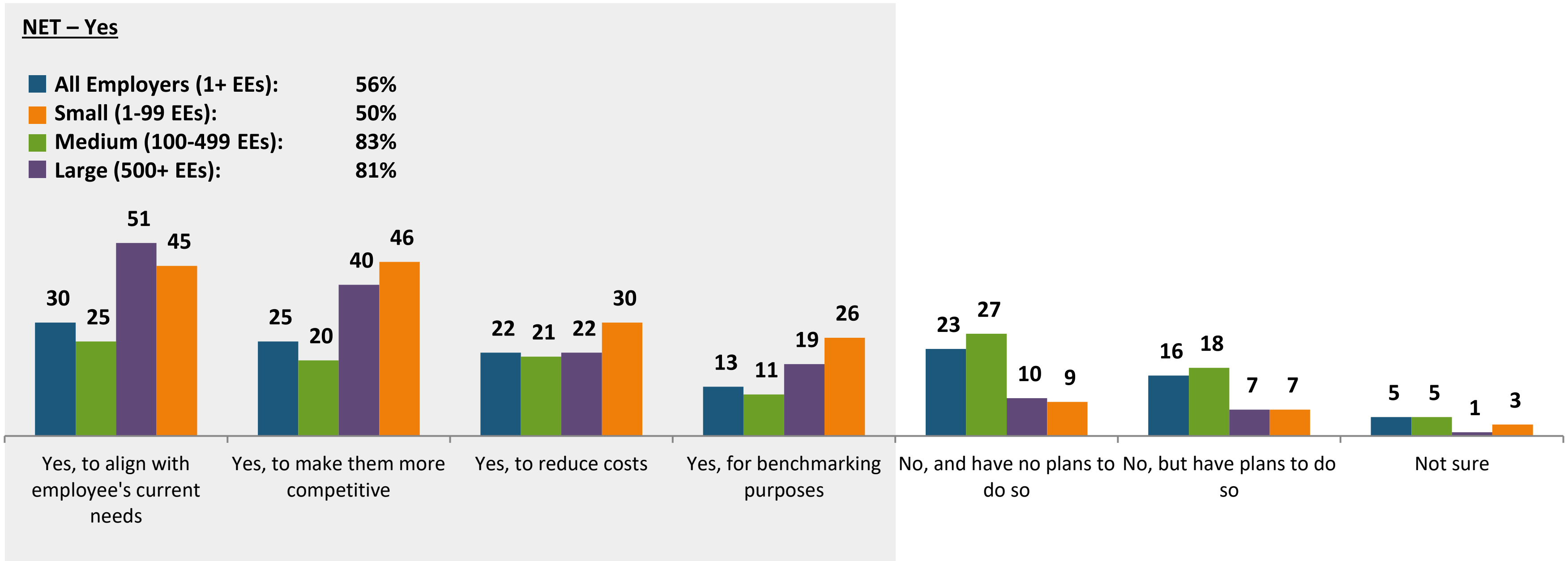
How difficult has it been for your company to recruit new employees since the pandemic began? (%)



Employers' Reevaluation of Employee Benefits Offering

More than half of employers (56 percent) have reevaluated their health, retirement, and other employee benefit offerings since the pandemic began. Medium and large companies (83 percent, 81 percent, respectively) are more likely to have done so than small companies (50 percent). Among all employers, the reasons for reevaluating benefits are to align with employee's current needs (30 percent), make them more competitive (25 percent), reduce costs (22 percent), and for benchmarking purposes (13 percent). Sixteen percent of employers have not reevaluated their benefits plans, but they have plans to do so.

Has your company re-evaluated its health, retirement, and other employee benefits offerings since the pandemic began? (%)



EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q7055. Has your company re-evaluated its health, retirement, and other employee benefits offerings since the pandemic began? Select all.

Health & Welfare Benefits

Employers' Views on Compensation, Benefits, and Flexibility

Employers recognize the importance of compensation and benefits to attract and retain employees. Sixty-three percent cite salary/pay as being very important, while 64 percent (net) cite employee benefits including health insurance (51 percent), retirement benefits (39 percent), and/or other benefits (16 percent). Medium and large companies (85 percent, 84 percent, respectively) are more likely than small companies (58 percent) to cite employee benefits as being very important.

<u>Attributes That Are Very Important for Company's Ability to Attract and Retain Employees (%)</u>	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Employee Benefits	64	58	85	84
Health insurance	51	46	70	72
Retirement benefits	39	33	67	59
Other employee benefits (e.g., workplace wellness, financial wellness, and employee assistance programs; life, disability, supplemental insurance, and pet insurance)	16	15	19	22
Salary/pay	63	63	66	65
Flexible work schedule	62	63	56	55
A safe work environment	50	48	56	57
Ability to work remotely (e.g., work from home or anywhere**)**	44	43	41	48
Paid time off (e.g., vacation days, sick days, holidays)	40	37	58	55
Company's reputation	38	36	44	46
Professional development opportunities (e.g., training, educational reimbursement, career advancement)	36	33	48	48
Ability to work somewhere on-site (e.g., office, company location, WeWork)	28	26	27	36

Note: Responses not shown for "Other" (All Employers: 2%, Small: 3%, Medium: 0%, Large: 0%).

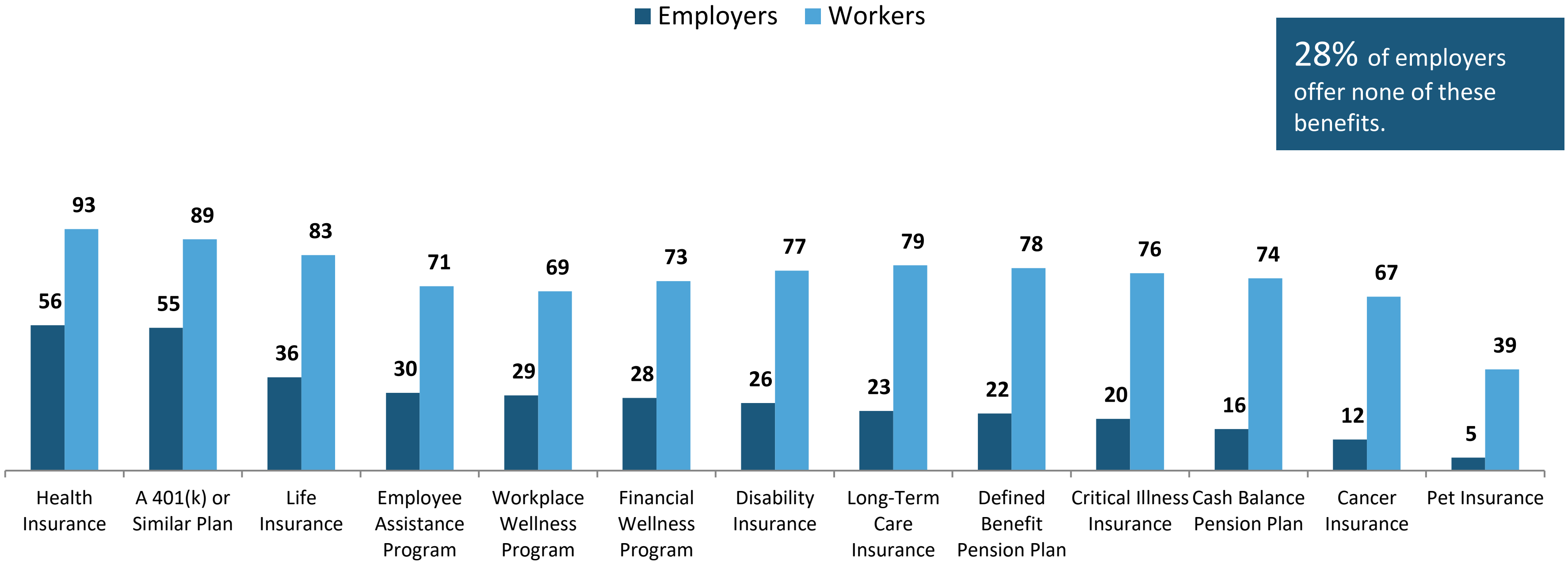
<u>EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS</u>

Q716. Which of the following are very important for your company's ability to attract and retain employees? Select all.

Workers’ Value Versus Employers’ Offering of Benefits

Most *workers* consider a wide range of benefits as being important, including health insurance (93 percent), a 401(k) or similar plan (89 percent), life insurance (83 percent), long-term care insurance (79 percent), and a defined benefit pension plan (78 percent) among others. However, comparatively fewer *employers* offer these types of benefits to their employees. For example, 93 percent of *workers* consider health insurance to be very/somewhat important, but only 56 percent of *employers* offer it. Eighty-three percent of *workers* consider life insurance important, but only 36 percent of *employers* offer it. A noteworthy 28 percent of employers do not offer any of these benefits.

Employers’ Offering of Health and Welfare Benefits
Compared With Workers Who Say They Are Very/Somewhat Important (%)



EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1021. Does your company currently offer any of the following? Select all.
Q530. Which of the following retirement benefits does your company offer? Select all that apply.
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1170. Benefits typically offer a number of different benefits to their workers. For each of the following, please tell us how important that benefit is to you personally.

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Employers' Offering of Health and Welfare Benefits

Most employers (70 percent) offer one or more types of health and welfare benefits to their employees. Health insurance (56 percent) is the most frequently offered benefit, followed by life insurance (36 percent), an employee assistance program (30 percent), a workplace wellness program (29 percent), a financial wellness program (28 percent), and disability insurance (26 percent). Large (99 percent) and medium companies (100 percent) are significantly more likely to offer one or more of these types of benefits than small companies (63 percent). Eighty-seven percent of medium and 85 percent of large companies offer health insurance, compared with 48 percent of small companies.

Health and Welfare Benefits Offered (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Health and Welfare Benefits	70	63	100	99
Health Insurance	56	48	87	85
Life Insurance	36	29	63	70
Employee Assistance Program	30	24	48	59
Workplace Wellness Program	29	23	45	54
Financial Wellness Program	28	23	43	49
Disability Insurance	26	20	47	53
Long-Term Care Insurance	23	18	40	44
Critical Illness Insurance	20	16	33	37
Cancer Insurance	12	10	17	18
Pet Insurance	5	3	7	13
None of these	30	37	0	1

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1021. Which of the following does your company currently offer? Select all.

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Types of Health Plans Included in Health Insurance Coverage

Among employers that offer health insurance to their employees, 62 percent offer a health savings account (HSA) and/or flexible spending account (FSA). Large (75 percent) and medium companies (73 percent) are significantly more likely to offer these than small companies (58 percent). Almost half of all employers offer preferred provider organizations (PPOs) and health maintenance organizations (HMOs) (48 percent, 49 percent, respectively).

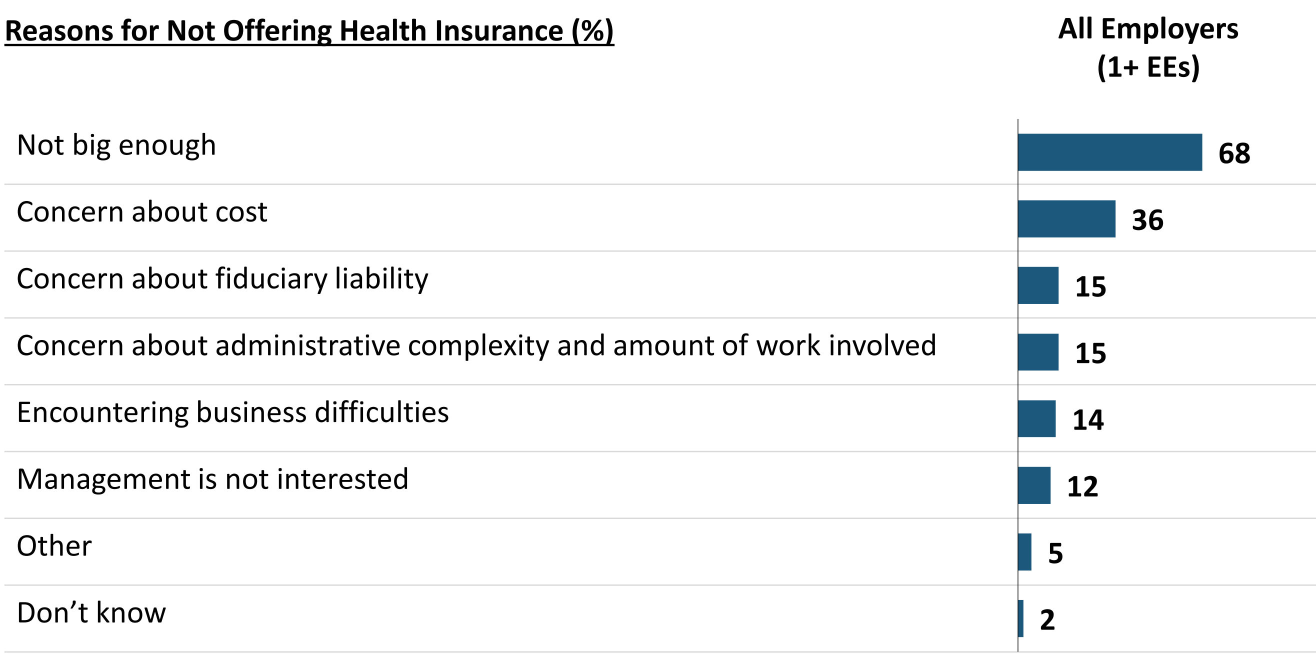
Types of Health Plans Included in Health Insurance Coverage (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – HSA/FSA	62	58	73	75
Health Savings Account (HSA)	49	43	59	64
Flexible Spending Account (FSA)	40	37	44	50
Health Maintenance Organization (HMO)	49	46	55	56
Preferred Provider Organization (PPO)	48	46	48	56
High Deductible Health Plan (HDHP)	32	30	29	43
Other	<1	<1	0	1

EMPLOYER BASE: PROVIDES HEALTH INSURANCE

Q6025. Which types of health plans are included in your health insurance coverage? Select all.

Employers' Reasons for Not Offering Health Insurance

Among employers not offering health insurance to their employees, the most frequently cited reasons for not doing so are the company is not big enough (68 percent) and concern about cost (36 percent).



Note: Responses by company size not shown due to small base.

EMPLOYER BASE: COMPANY DOESN'T PROVIDE HEALTH INSURANCE

Q6020. What are the reasons that your company does not offer health insurance? Select all.

Workplace Wellness Program Features

Among the 29 percent of employers that offer a workplace wellness program, the most frequently cited components of the program include mental health support (61 percent), education on healthy behaviors (54 percent), health screenings/biometric assessments/vaccinations (53 percent), and fitness programs (50 percent). Forty-three percent of employers offer financial incentives for health-related activities. Offerings within an employer's workplace wellness program generally increase with company size.

Elements of Company's Workplace Wellness Program (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Mental health support (e.g., stress management, therapy)	61	59	69	65
Education on healthy behaviors (e.g., via intranet, e-mails, webinars)	54	53	54	54
Health screenings, biometric assessments, vaccinations	53	49	69	59
Fitness programs (e.g., on-site gym, gym or equipment subsidies)	50	47	49	58
Financial incentives for health-related activities	43	41	42	51
Integration of health promotion into your organization's culture (e.g., walking meetings, healthy food options)	42	41	36	44
Mindfulness, meditation, yoga, relaxation training	42	43	41	39
Lifestyle change programs (e.g., smoking cessation, weight management)	39	36	46	46
Tools to set and track wellness goals (e.g., wearable device, online program)	38	35	37	45
Opportunities to win prizes for health-related activities	36	34	34	38
Ergonomic workstations (e.g., standing desks, adjustable furniture)	33	30	36	40
Programs for substance or alcohol abuse	33	29	39	41
None	2	3	0	1

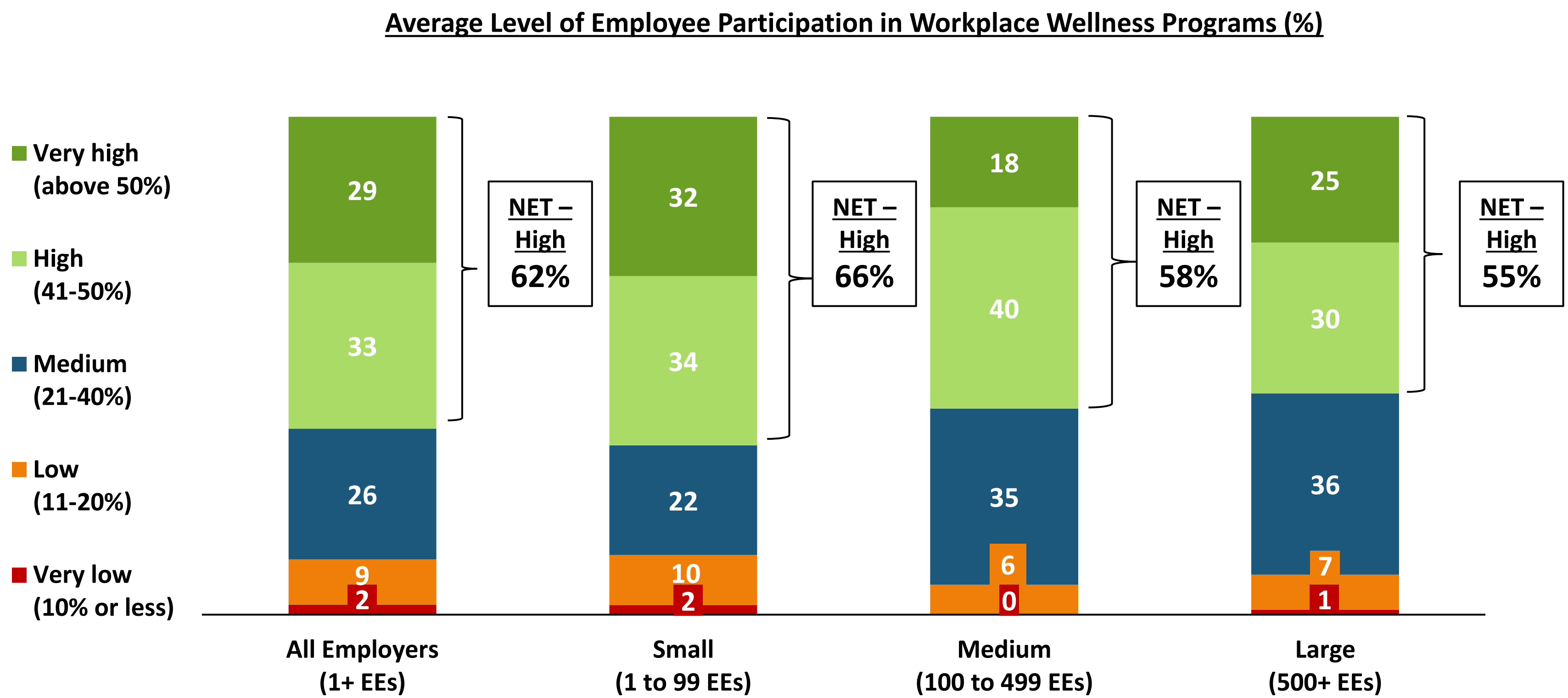
Note: Responses of 40% or more are highlighted. Does not reflect responses of "Not sure" which was zero for all company sizes.

EMPLOYER BASE: OFFERS A WELLNESS PROGRAM

Q822. Which of the following elements are offered as part of your workplace wellness program? Select all.

Workplace Wellness Program Employee Participation

More than six in 10 employers (62 percent) indicate the average level of participation in their workplace wellness programs is either high (33 percent) or very high (29 percent). Small companies (66 percent) are somewhat more likely than medium and large companies (58 percent, 55 percent, respectively) to report high levels of participation.



Note: Results may not total to 100% due to rounding.

Note: Responses not shown for "Not Sure" (All Employers: 1%, Small: 1%, Medium: 2%, Large: <1%).

EMPLOYER BASE: OFFERS A WELLNESS PROGRAM

Q822a. What percentage best describes the average level of employee participation in any workplace wellness program you offer?

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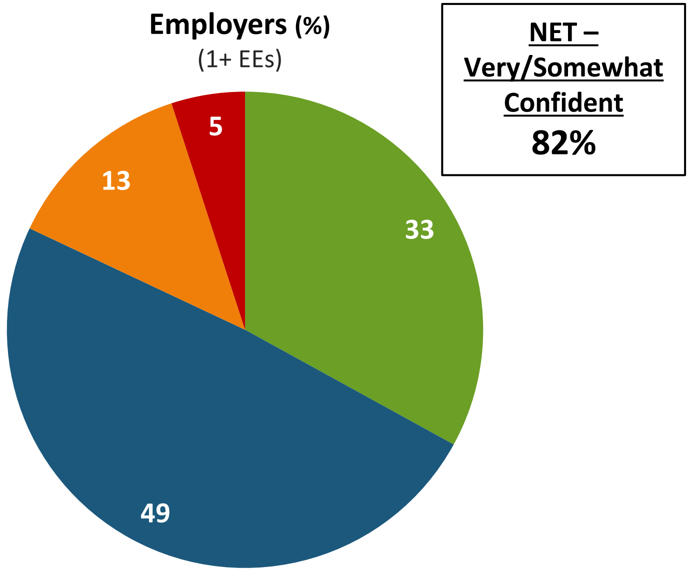
The Current State of 401(k)s and Other Retirement Benefit Offerings

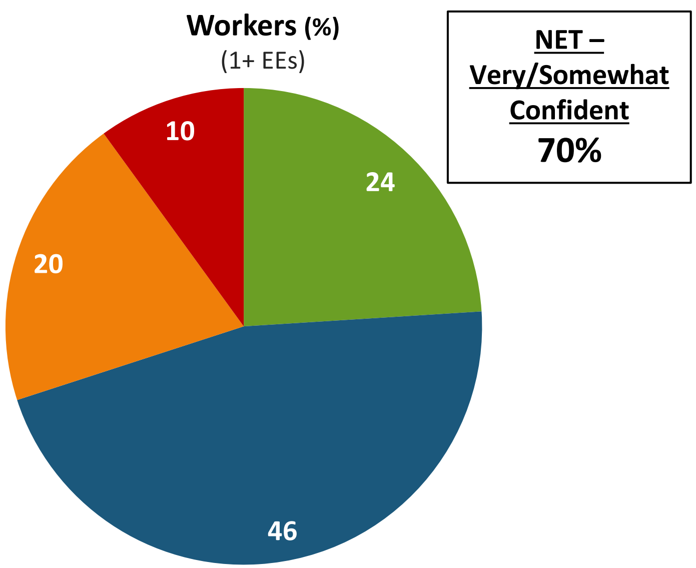
Retirement Confidence

Eight in 10 employers (82 percent) are confident their employees will be able to achieve a financially secure retirement, including 33 percent that are “very confident” and 49 percent that are “somewhat confident.” In contrast, a smaller majority of workers (70 percent) are confident that they will be able to fully retire with a lifestyle they consider comfortable, including 24 percent who are “very confident” and 46 percent who are “somewhat confident.”

Confidence That Their Employees Will Be Able To Achieve a Financially Secure Retirement



Confidence in Fully Retiring With a Comfortable Lifestyle



Very Confident | Somewhat Confident | Not Too Confident | Not At All Confident

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q800. How confident are you that your employees will be able to achieve a financially secure retirement?
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q880. How confident are you that you will be able to fully retire with a lifestyle you consider comfortable?

Workers' Competing Financial Priorities

More than half of workers (57 percent) cite paying off one or more types of debt as a financial priority, including credit card (37 percent), mortgage (27 percent), student loans (13 percent), and other consumer debt (13 percent). Fifty-six percent cite saving for retirement and 40 percent cite building emergency savings as financial priorities. Workers of medium and large companies are generally more likely to cite these as priorities than workers of small companies. Twenty-seven percent of all workers indicate they are just getting by to cover basic living expenses.

Financial Priorities Right Now (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Paying off debt	57	52	60	62
Paying off credit card	37	33	38	40
Paying off mortgage	27	23	27	30
Paying off student loans	13	12	12	15
Paying off other consumer debt	13	11	15	13
Just getting by to cover basic living expenses	27	30	21	26
Saving for retirement	56	49	58	61
Building emergency savings	40	37	40	42
Supporting children	30	25	35	32
Paying health care expenses	23	21	25	24
Contributing to an education fund (for my children, grandchildren, or other	17	13	18	20
Creating an inheritance or financial legacy	15	12	17	17
Supporting parents	12	10	15	13
Paying long-term care expenses	9	7	12	11
Supporting grandchildren	5	5	6	5
Other	4	6	4	4

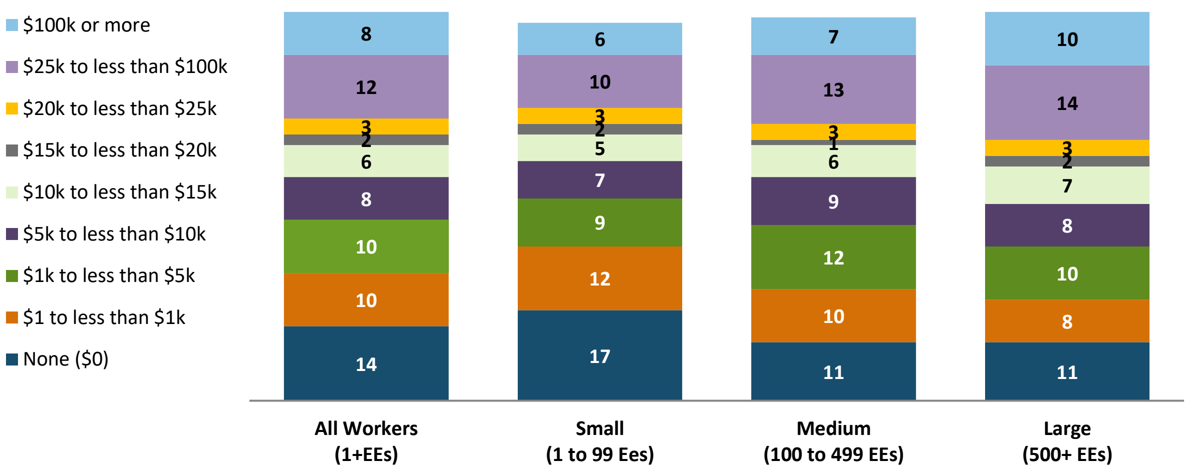
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q2639. Which of the following are your financial priorities right now? Select all.

Workers' Estimated Emergency Savings

Emergency savings are needed to cover financial setbacks, such as unemployment, medical bills, home repairs, auto repairs, and other unexpected expenses. Having emergency savings could also help prevent workers from dipping into their retirement savings to cover such expenses. However, workers have alarmingly low emergency savings – they have set aside only $5,000 (median). Workers of large ($7,000) and medium companies ($5,000) report having saved more than those of small companies ($2,000) (medians).

2021 Total Household Emergency Savings (%)



	All Workers (1+EEs)	Small (1 to 99 Ees)	Medium (100 to 499 EEs)	Large (500+ EEs)
Not sure	27	28	26	27
Median (including $0)	$5,000	$2,000	$5,000	$7,000

Note: Results may not total to 100% due to rounding.

WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2825. How much do you have in emergency savings specifically to cover the cost of unexpected major financial setbacks (e.g., unemployment, medical bills, home repairs, auto repairs, other)?

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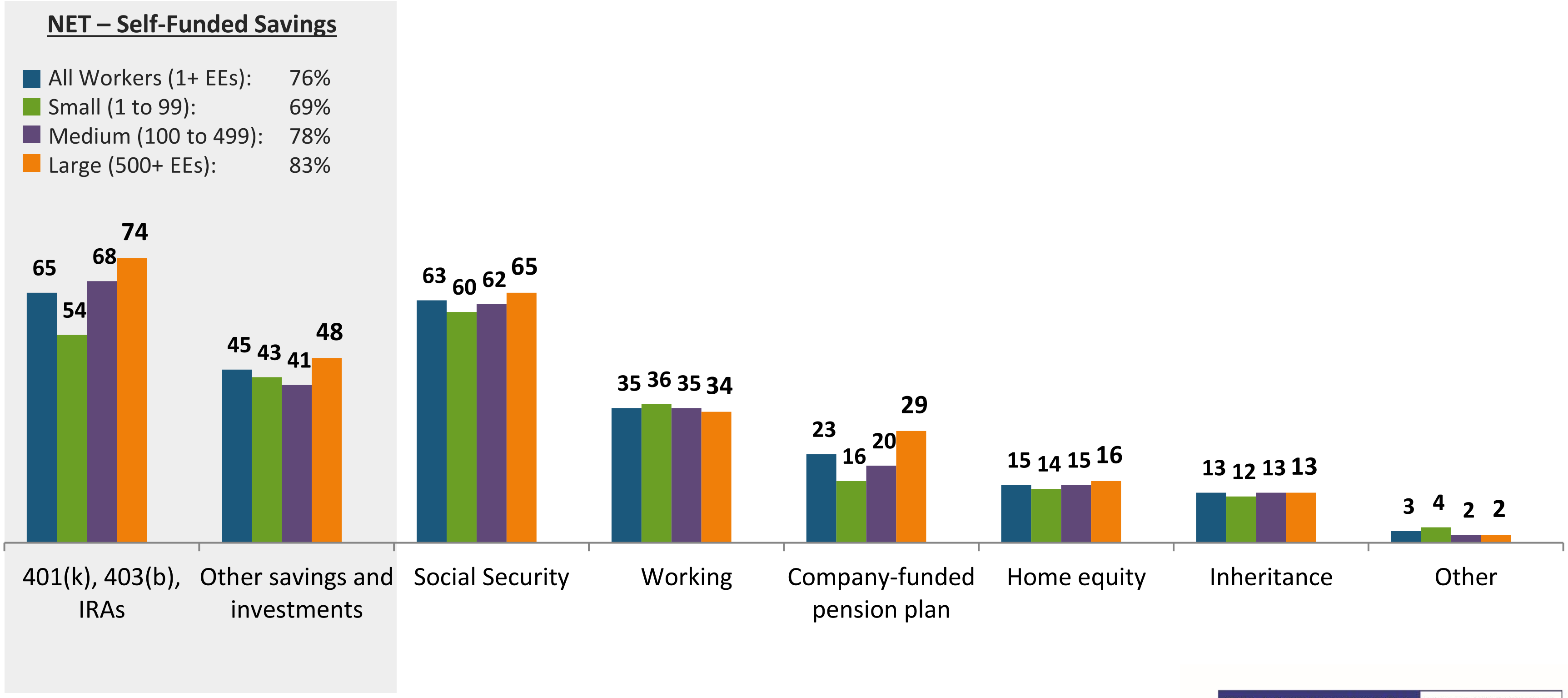
Workers' Expected Sources of Retirement Income

Workers are expecting diverse sources of retirement income with the most often cited including self-funded savings (76 percent), Social Security (63 percent), and income from working (35 percent). However, there are some differences by company size. Workers of large and medium companies are more likely to cite retirement income from 401(k)s, 403(bs), and IRAs than those of small companies (74 percent, 68 percent, 54 percent, respectively). Workers of large and medium companies are also more likely than those of small companies to cite income from a company-funded pension plan (29 percent, 20 percent, 16 percent, respectively).

Which of the following do you expect to be sources of income to cover your living expenses after you retire? (%)



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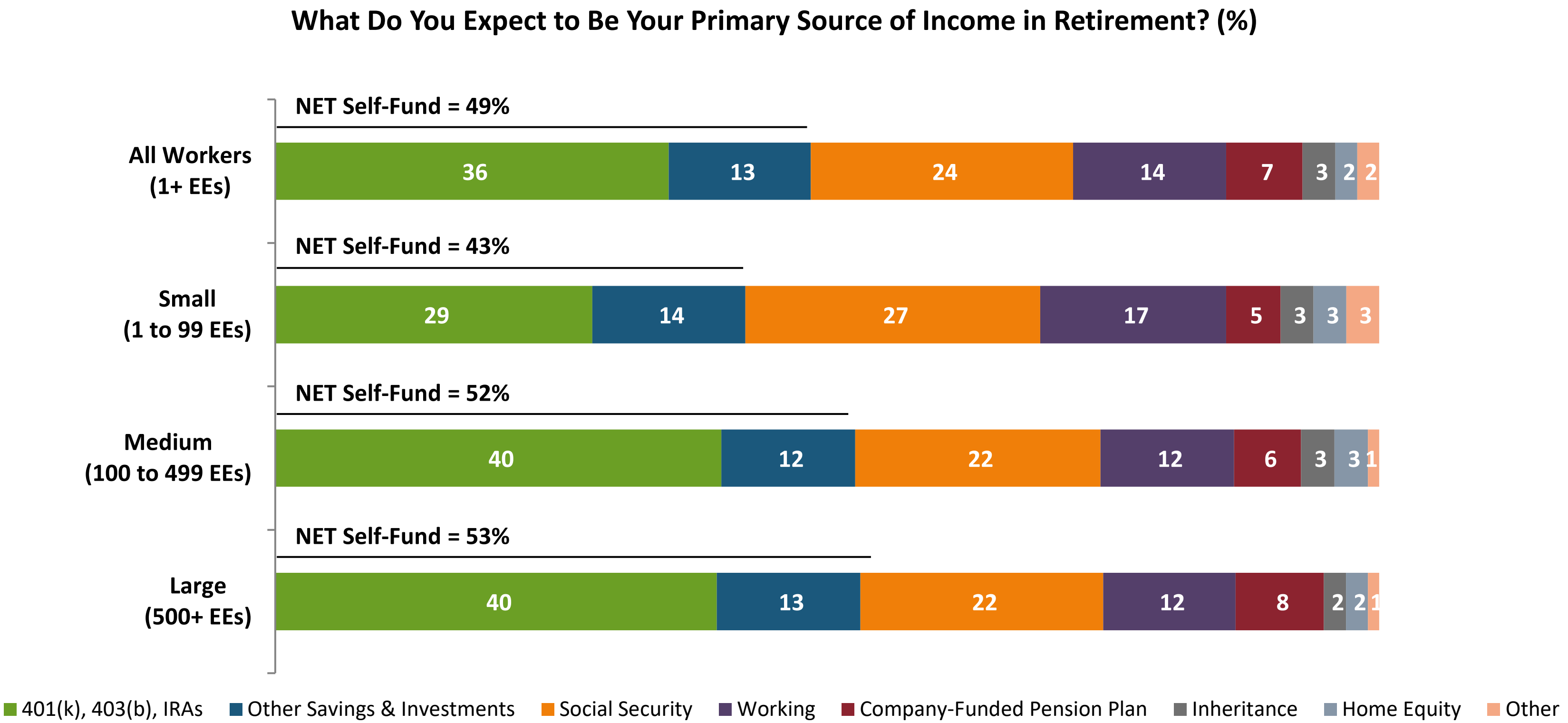
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q1145. Which of the following do you expect to be sources of income to cover your living expenses after you retire? Select all.

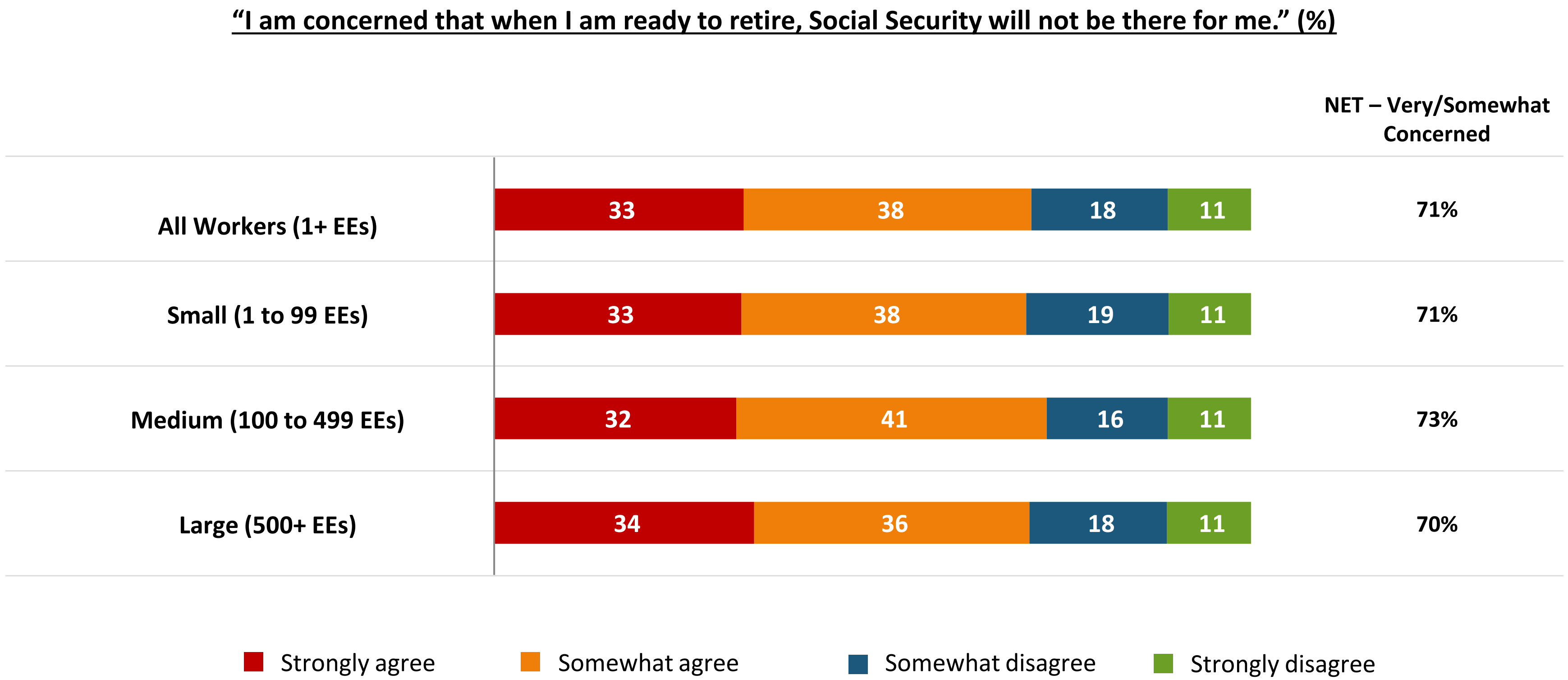
Workers' Expected Primary Source of Retirement Income

Almost half of workers (49 percent) expect their primary source of income in retirement to come from self-funded savings such as 401(k)s, 403(b)s, IRAs (36 percent) or other savings and investments (13 percent). Reliance on retirement accounts (e.g., 401(k)s, 403(b)s, IRAs) as the primary source of retirement income is higher among workers of large and medium companies (both 40 percent), compared with those of small companies (29 percent). On the other hand, more workers of small companies expect Social Security (27 percent) or working (17 percent) to be their primary source of retirement income, compared with those at medium and large companies (both 22 percent for Social Security and both 12 percent for working).



Workers' Concerns About the Future of Social Security

More than seven in 10 workers (71 percent) are concerned that Social Security will not be there for them when they are ready to retire, including 33 percent who are very concerned and 38 percent who are somewhat concerned. These findings are similar among workers across company sizes.



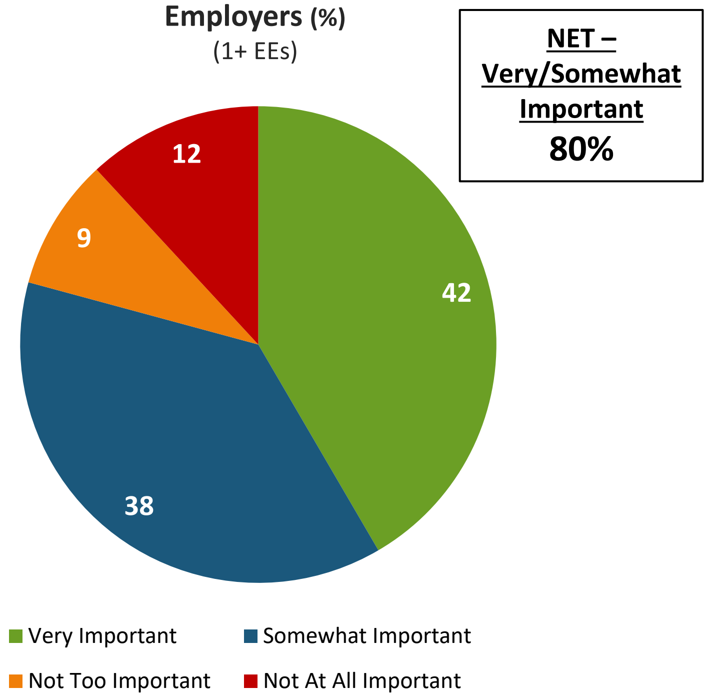
Note: Percentages may not add up to 100% due to rounding.

WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q930. How much do you agree or disagree with each of the following statements regarding retirement? "I am concerned that when I am ready to retire, Social Security will not be there for me."

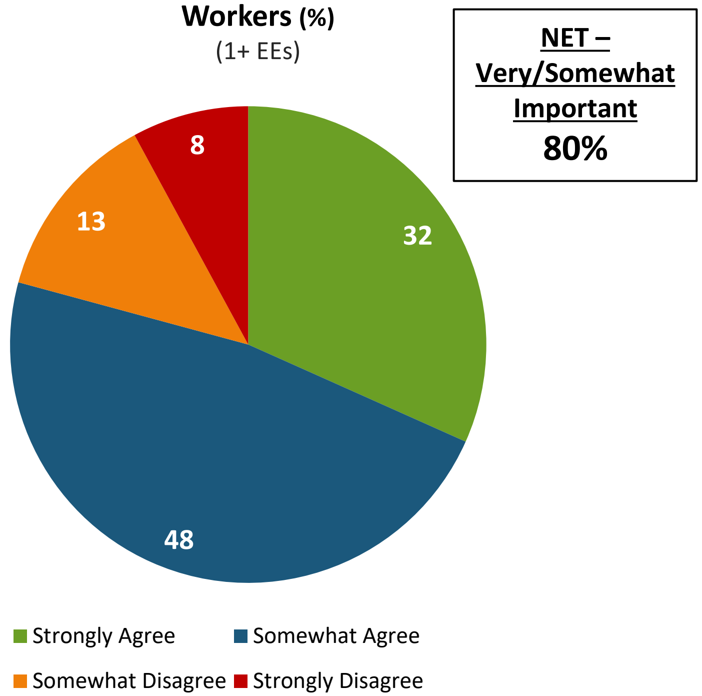
Importance of Retirement Benefits for Attracting Talent

Eighty percent of employers believe that offering a 401(k) or similar plan is important for attracting and retaining employees, a finding that is consistent with the perspective of workers. Eighty percent of workers agree that retirement benefits offered by a prospective employer will be a major factor in their final decision-making when job hunting.

Importance of Employee-Funded Retirement Plan in Attracting and Retaining Employees



Retirement Benefits Offered by a Prospective Employer Will Be a Major Factor in Final Decision to Accept



Note: Percentages may not add up to 100 due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q650. How important would you say a company's/your company's employee-funded retirement plan package is to your ability to attract and retain employees?
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q831. How much do you agree or disagree… "The next time I look for a job, all things being equal, the retirement benefits offered by the prospective employer will be a major factor in my final decision."

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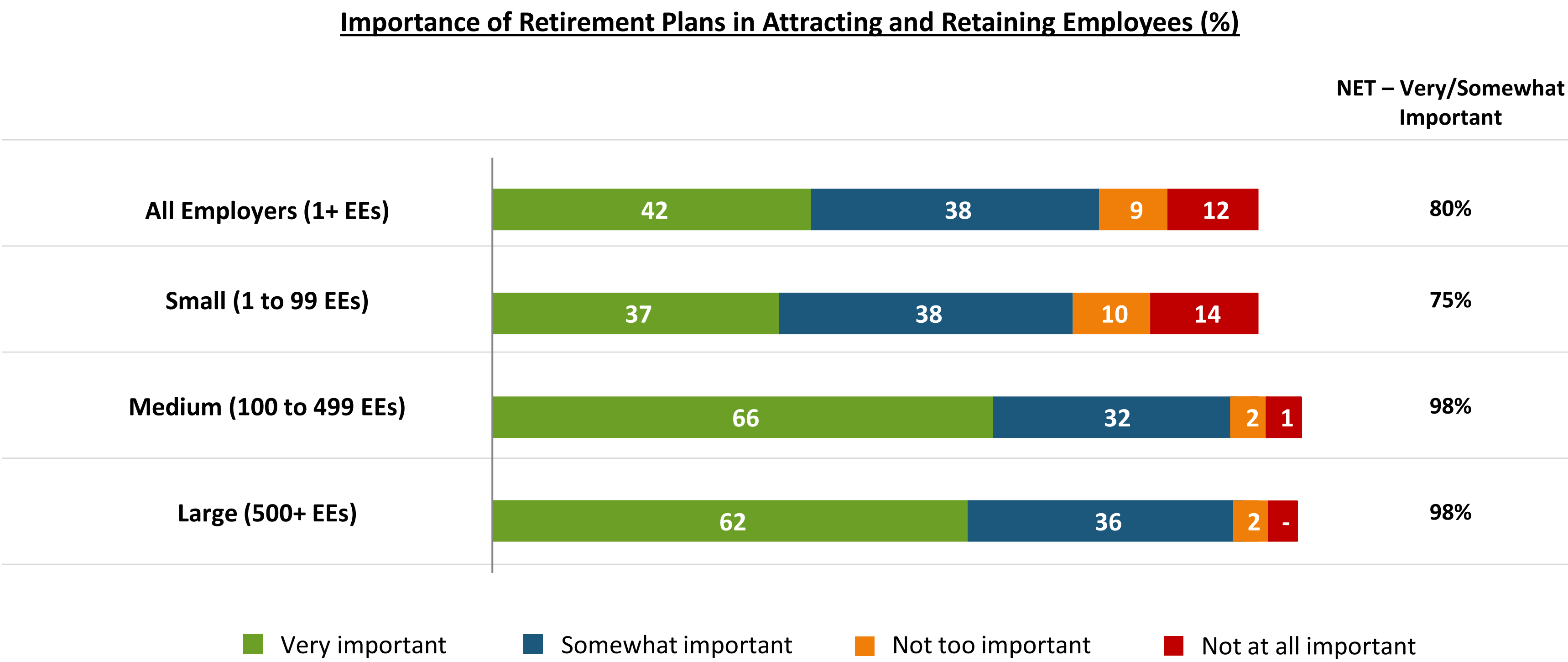
Employers' Perspectives on the Importance of Retirement Plans

Eighty percent of employers indicate that offering a retirement plan is important for attracting and retaining talent, including 42 percent that say it is very important and 38 percent that say it is somewhat important. However, the findings vary significantly by company size. Ninety-eight percent of both large and medium companies say it is important compared with 75 percent of small companies. Sixty-two percent of large companies and 66 percent of medium companies indicate it is very important, compared with just 37 percent of small companies.



Note: Percentages may not add up to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q650. How important would you say a/your company's employee-funded retirement plan package is to its/your ability to attract and retain employees?

Retirement Benefits Offered to Employees

Fifty-five percent of employers offer a 401(k) or similar employee-funded retirement plan to their employees. Employee-funded plans are more commonly offered by large (92 percent) and medium companies (89 percent), compared with small companies (46 percent). Company-funded defined benefit plans are offered by only 22 percent of employers. Almost four in 10 employers (39 percent) do not offer any retirement benefits to their employees. Small companies (48 percent) are significantly more likely to indicate they do not offer any retirement benefits, compared with medium (2 percent) and large companies (1 percent).

Retirement Benefits Offered to Employees (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Employee-Funded Plan	55	46	89	92
Employee-Funded 401(k) Plan	49	40	85	87
Other Employee Self-Funded Plan (e.g., SEP, SIMPLE, Other Plans Except for 401(k)s)	14	12	16	25
Company-Funded Defined Benefit Pension Plan	22	17	36	42
Company-Funded Cash Balance Pension Plan	16	14	19	25
Separate Retirement Program for Select Executives or Senior Management	13	10	22	27
None. My Company Does Not Offer Any Retirement Benefits.	39	48	2	1

Note: Responses for "Other" not shown which is less than 1% for employers of all sizes.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q530. Which of the following retirement benefits does your company offer? Select all that apply.

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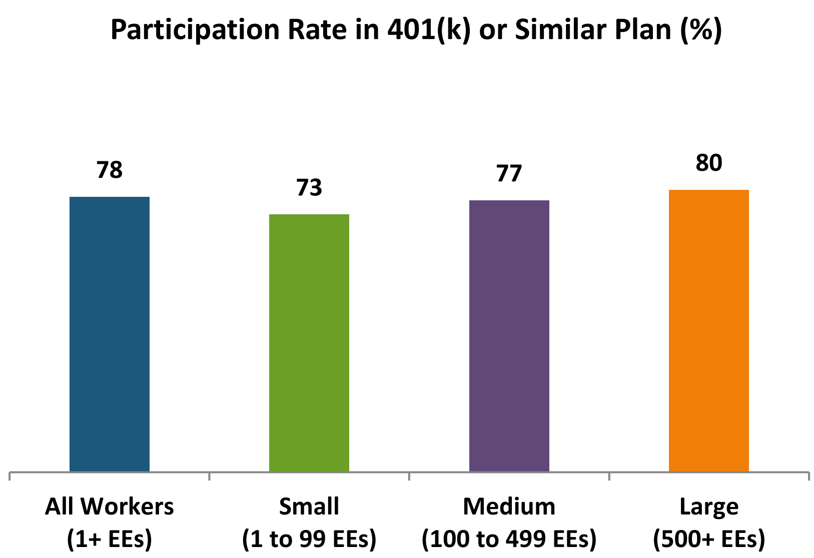
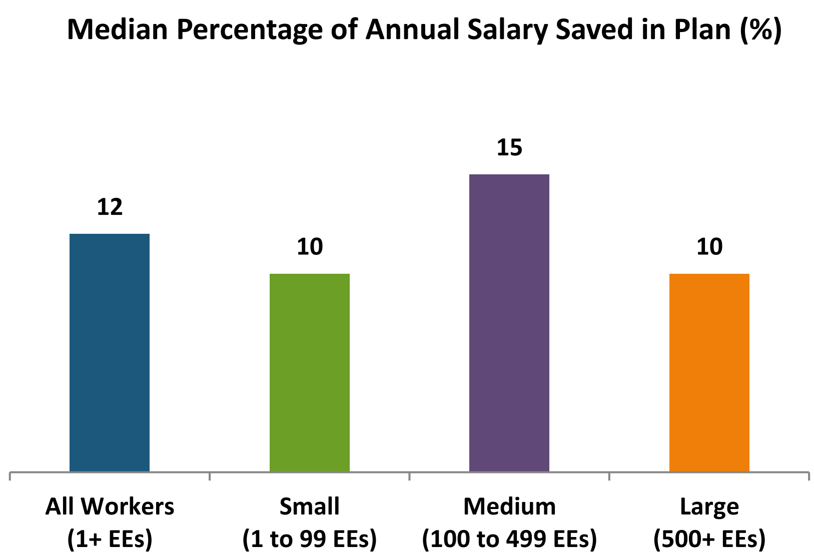
Workers' Plan Participation and Salary Deferral Rates

Seventy-eight percent of workers who are offered a 401(k) or similar plan participate in that plan, including 73 percent of workers of small companies, 77 percent of workers of medium companies, and 80 percent of workers of large companies. Among those who participate in their employers' plans, the median annual salary deferral rate is 12 percent, but it varies by company size. The deferral rate among workers of small and large companies is 10 percent while among those of medium companies, it is 15 percent (medians).





WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?
WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN; CURRENTLY PARTICIPATING IN THEIR QUALIFIED PLAN
Q601. What percentage of your salary are you saving for retirement through your company-sponsored plan this year?

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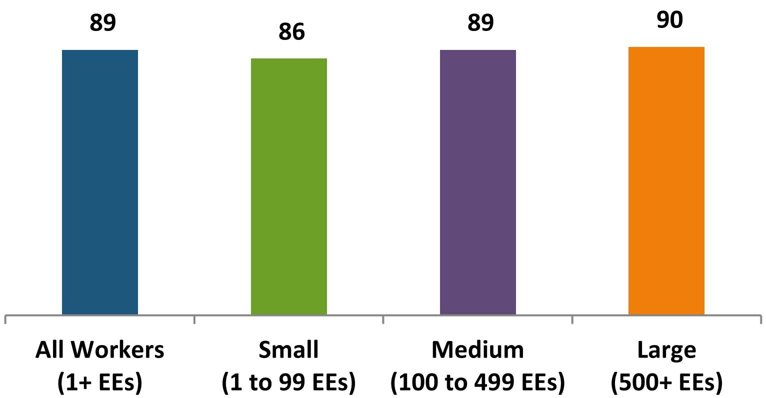
Workers' Access to a 401(k) or Similar Plan Inspires Savings

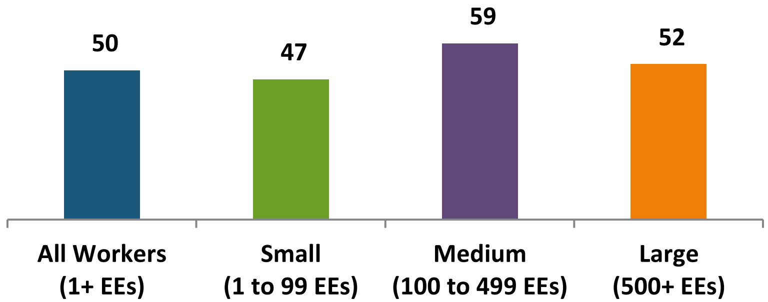
Workers are more likely to save for retirement when they have access to a 401(k) or similar plan through their employer. Almost nine in 10 workers (89 percent) who have access to an employer-sponsored plan are saving for retirement in the plan and/or outside of work. Among workers who are not offered a plan by their employers, only half (50 percent) are saving for retirement.

Saving for Retirement (in an Employer-Sponsored Plan and/or Outside of Work)

Among Those Offered a 401(k) or Similar Plan (%)



Among Those Not Offered a 401(k) or Similar Plan (%)



WORKER BASE: CURRENTLY OFFERED QUALIFIED PLAN/ NOT CURRENTLY OFERED QUALIFIED PLAN
Q1190. Do you currently participate in, or have money invested in your company's employee-funded retirement savings plan?
Q740. Are you currently saving for retirement outside of work, such as in an IRA, mutual funds, bank account, etc.?

Plan Sponsors' Reasons for Offering Retirement Benefits

Among those that offer some form of retirement benefits, companies of all sizes cite similar reasons for doing so, including helping employees to save and prepare for retirement (57 percent), increasing job satisfaction among employees (55 percent), inspiring loyalty among employees (50 percent), retaining existing employees (49 percent), offering a competitive employee benefits package (46 percent), and attracting new employees (46 percent). These findings are generally consistent by company size; however large and medium companies (52 percent, 58 percent) are more likely than small companies (42 percent) to indicate they offer retirement benefits to attract new employees.

Reasons for Offering Retirement Benefits (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Help employees save and prepare for retirement	57	58	56	54
Increase job satisfaction among employees	55	53	58	59
Inspire loyalty among employees	50	49	51	52
Retain existing employees	49	46	54	54
Offer a competitive employee benefits package	46	44	50	52
Attract new employees	46	42	58	52
Enhance the company's reputation as an employer	39	36	40	48
Take advantage of tax benefits associated with sponsoring a plan	35	36	29	34
Enable the owners/senior management of your company save for retirement	33	33	36	34
Other	0	0	0	0
Not sure	1	1	0	0

EMPLOYER BASE: OFFERS RETIREMENT BENEFITS

Q5000. What are your company's reasons for offering retirement benefits? Select all that apply.

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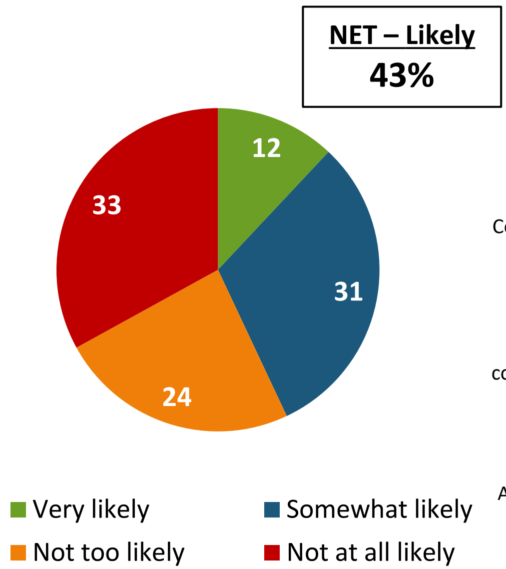
Non-Sponsors Not Planning to Offer a Plan and Reasons

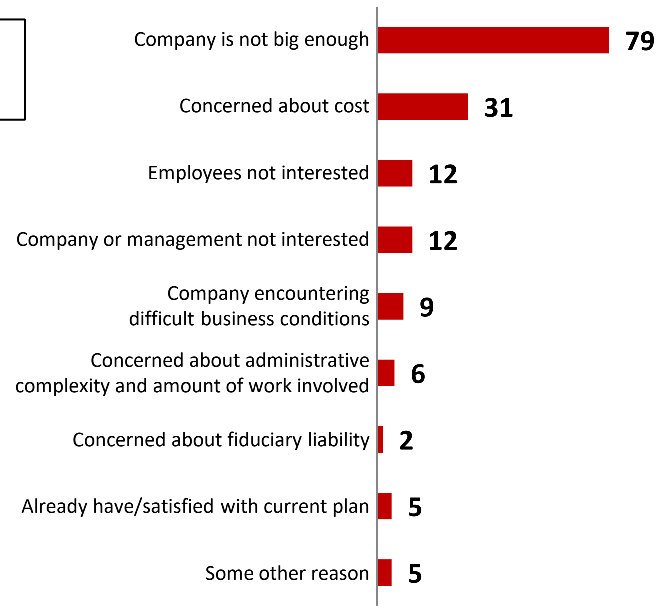
Among companies that do not offer a 401(k) or similar employee-funded plan, only 43 percent say they are likely to begin sponsoring a plan in the next two years. The most frequently cited reasons among companies not planning to do so include they are not big enough (79 percent), they are concerned about cost (31 percent), and their employees are not interested (12 percent). However, there may be cause for optimism regarding the future, as 27 percent of employers unlikely to offer a plan say they would consider joining a multiple employer plan (MEP), pooled employer plan (PEP), or group of plans (GoP) that handles many of the fiduciary and administrative duties at a reasonable cost.

All Employers (1+ EEs)

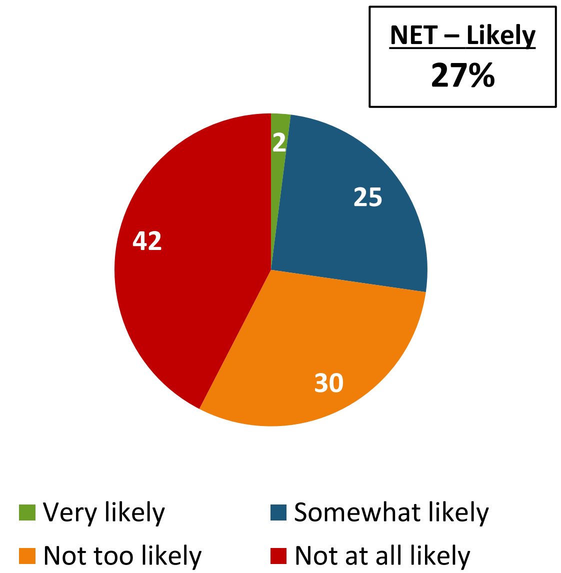
Likelihood to Begin Sponsoring a 401(k) or Similar Plan Within the Next Two Years (%)



Most Frequently Cited Reasons for NOT Planning to Offer a Plan (%)



As an Alternative, Likelihood to Consider Joining a Multiple Employer Plan (MEP), Pooled Employer Plan (PEP), Group of Plans (GoP) (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: DOES NOT OFFER 401(K) NOR OTHER SELF-FUNDED PLAN
Q600. How likely is your company to begin offering an employee-funded retirement plan package like a 401(k) to its employees in the next two years?
EMPLOYER BASE: DOES NOT OFFER 401(K) OR OTHER SELF-FUNDED PLAN; NOT LIKELY TO OFFER 401(K) OR OTHER PLAN IN THE NEXT TWO YEARS
Q610. Why is your company not likely to offer a plan in the next two years? Select all.
Q1605. As an alternative to establishing a stand-alone 401(k) plan, if your company had the ability to join a multiple employer plan, a pooled employer plan (PEP), or a group of plans (GoP) that is offered by a reputable vendor who handles many of the fiduciary and administrative duties at a reasonable cost, how likely would you be to consider it?

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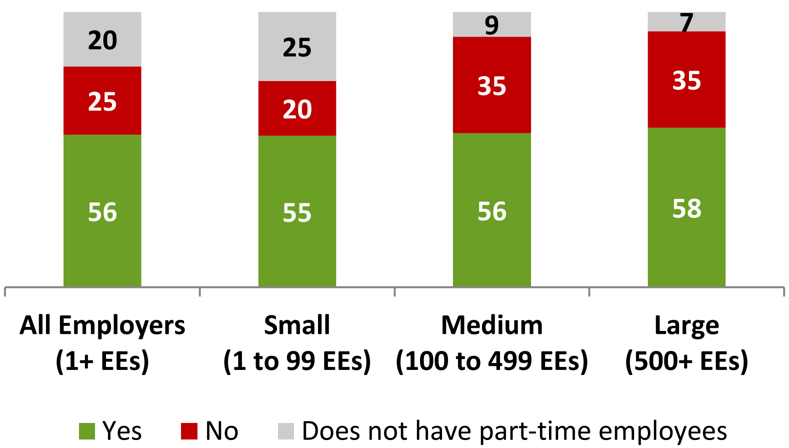
Retirement Plan Eligibility for Part-Time Employees

Among employers that offer a 401(k) or similar retirement plan, 56 percent extend eligibility to part-time employees, including small, medium, and large companies (55 percent, 56 percent, 58 percent, respectively). Twenty-five percent of employers do not extend eligibility to part-time workers, and 27 percent do not plan to do so in the future, a finding that is higher among medium and large companies (both 35 percent) than small companies (20 percent). Their most often cited reasons include high turnover rates among part-time employees (55 percent), generally impractical (40 percent), and concerned about cost (32 percent). One in five employers (20 percent) do not have part-time employees. The SECURE Act of 2019 requires plan sponsors to extend eligibility to long-term (three years of service), part-time workers. Employers are required to track years of service beginning in 2021, thus long-term, part-time workers will first be eligible in 2024.

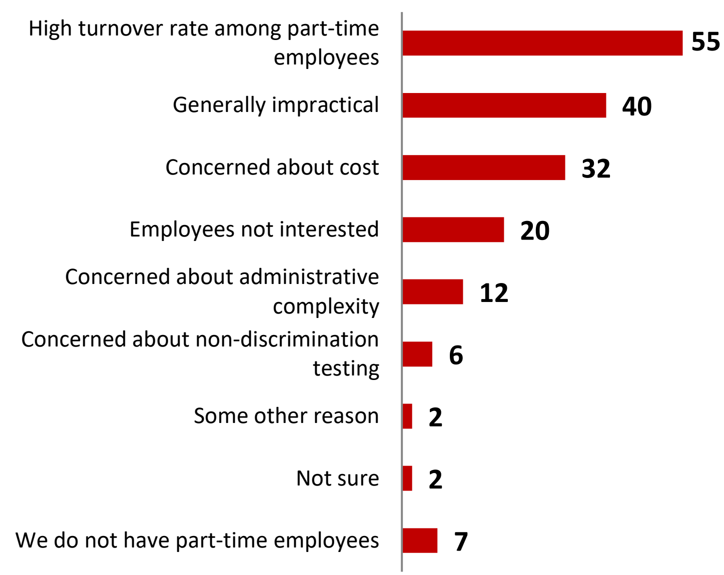
Employers Extend Eligibility to Part-Time Employees to Participate in 401(k) or Similar Plan (Among Those That Offer a Plan)

Yes (%)



Among plan sponsors not extending eligibility to part-time workers, ***27 percent*** *do not plan to do so in the future.*

Reasons for NOT Planning to Extend Eligibility to Their Part-Time Employees (%)



Note: Percentages may not add up to 100% due to rounding.

EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN
Q1650. Are any part-time employees currently eligible to participate in the employee-funded 401(k) or similar retirement plan?
EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN; DOES NOT EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES
Q1660. Does your company plan to extend 401(k) eligibility to any part-time employees in the future?
EMPLOYER BASE: OFFERS EMPLOYEE-FUNDED RETIREMENT PLAN; DOES NOT EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES; HAS NO PLANS TO EXTEND ELIGIBILITY TO PART-TIME EMPLOYEES
Q1655. Which of the following best describes why your company is not planning to extend 401(k) eligibility to any part-time employees in the future? Select all.

Plan Sponsors' Contributions to 401(k) or Similar Plans

Ninety-two percent of plan sponsors make an employer contribution as part of their 401(k) or similar plan, including 74 percent that provide a matching contribution and 28 percent that provide a contribution not in the form of a match. Medium and large companies (99 percent, 97 percent, respectively) are more likely to provide any type of an employer contribution than small companies (90 percent). Medium and large companies (84 percent, 82 percent, respectively) are also more likely than small companies (69 percent) to provide a matching contribution. An employer's matching contribution is one of the most powerful features of a 401(k) or similar plan to incent employees to join the plan and enable them to build their retirement savings.

Retirement Benefits Offered to Employees (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Provides Employer Contribution	92	90	99	97
Yes, we provide a company match to the employee's contribution	74	69	84	82
Yes, we provide a contribution, but not in the form of a match	28	29	23	27
No	8	10	1	3

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: OFFERS 401(K) PLAN OR OTHER SELF-FUNDED PLAN
Q640. Does your company make an employer contribution to its 401(k) or other company-sponsored retirement plan?

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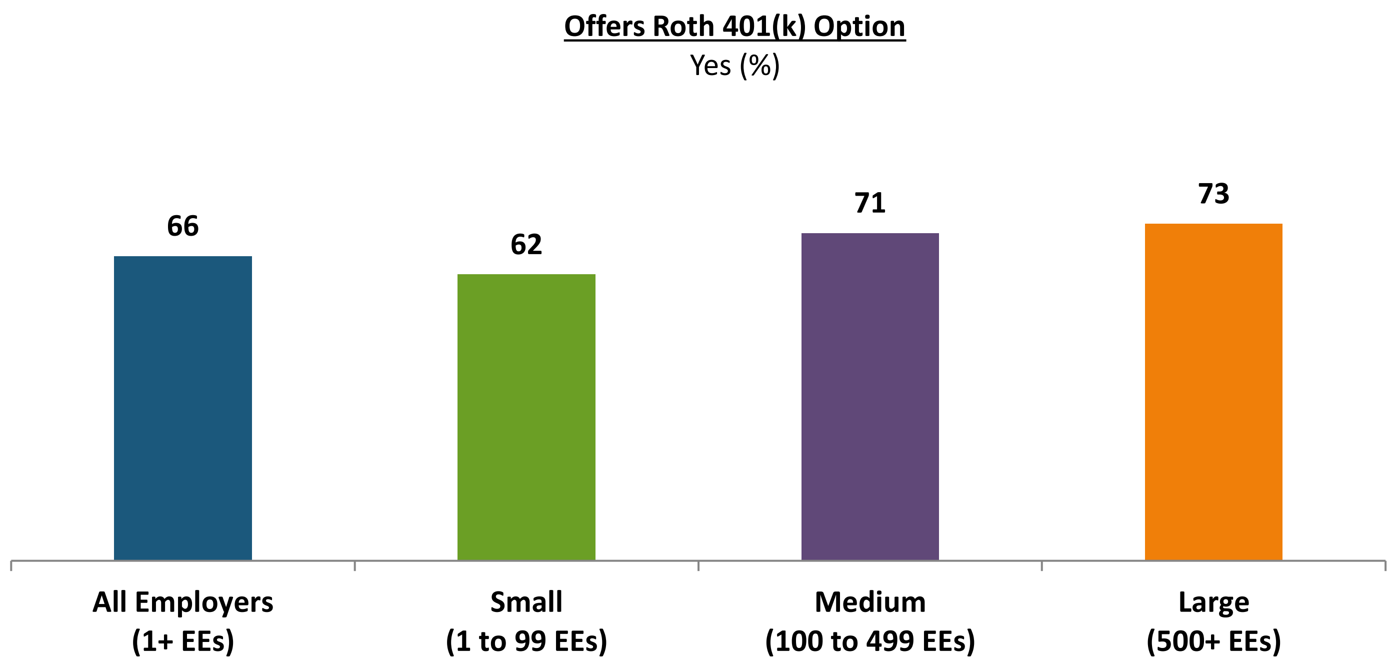
Roth 401(k) Offering

Sixty-six percent of plan sponsors offer a Roth 401(k) option. Large (73 percent) and medium companies (71 percent) are somewhat more likely to offer this feature than small companies (62 percent).

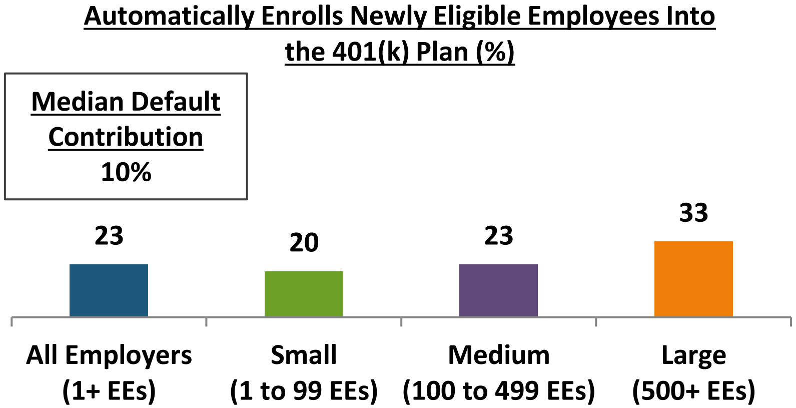


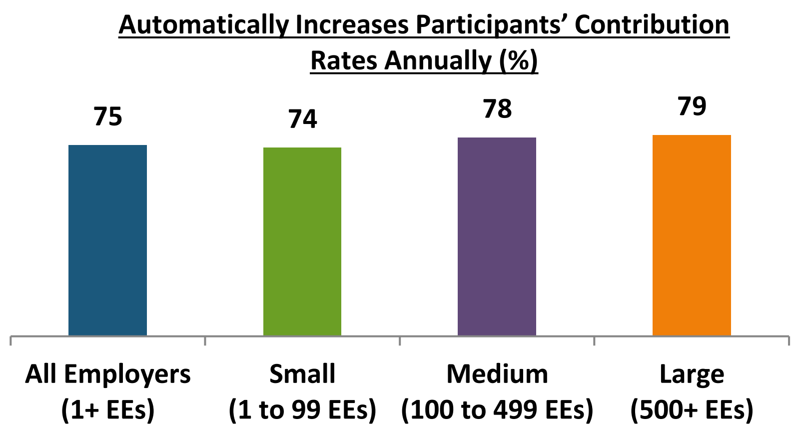
EMPLOYER BASE: OFFERS 401(K) PLAN
Q540. Has your company adopted a Roth 401(k) option?

Adoption of Automatic Features Increases With Company Size

Twenty-three percent of plan sponsors have adopted automatic enrollment. Large company plan sponsors (33 percent) are more likely than small and medium company plan sponsors (20 percent, 23 percent, respectively) to have adopted automatic enrollment. Among plan sponsors of all sizes, the default contribution rate is 10 percent (median) of an employee's pay.

Seventy-five percent of plan sponsors have adopted automatic escalation, a feature that automatically increases participants' contribution rates annually. Automatic escalation is somewhat more common at large and medium companies (79 percent, 78 percent, respectively) than at small companies (74 percent).





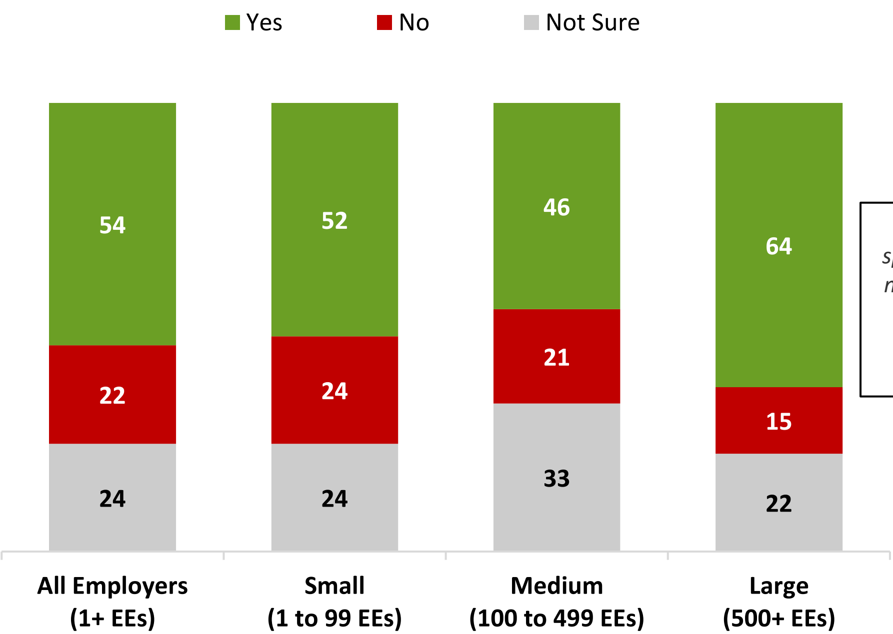
EMPLOYER BASE: OFFERS 401(K) PLAN
Q1025. When a new employee qualifies to join the employee-funded 401(k) plan, are they (A) initially given a choice to participate or not participate in the plan, or (B) automatically enrolled in the plan with the choice to opt out at a later date?
Q1031. Does your employee-funded 401(k) plan have a provision to automatically increase participants' contribution rates annually, such as on a date set forth by the plan, their anniversary date of hire, or anniversary of first contribution to the plan?
EMPLOYER BASE: AUTOMATICALLY ENROLLS NEW EMPLOYEES INTO THE 401(K) PLAN
Q1027. What is the default employee-funded 401(k) plan contribution rate (excluding the company match)?

Future Plans for Adopting Auto-Enrollment

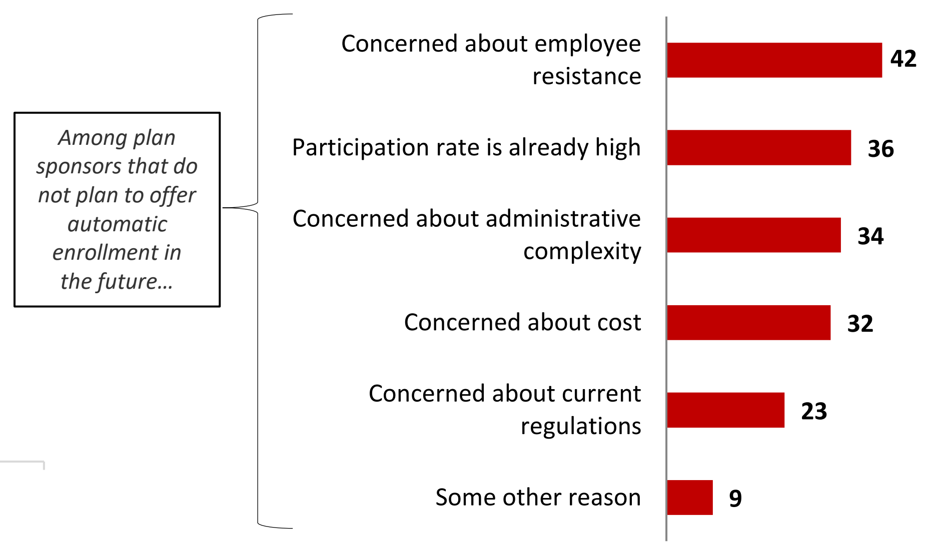
Among plan sponsors that do not offer automatic enrollment, more than half (54 percent) plan to do so in the future. Twenty-two percent do not plan to offer it and 24 percent are “not sure.”

Among those not planning to offer it, the most often cited reasons are concerns about employee resistance (42 percent), already high participation rate (36 percent), concerns about administrative complexity (34 percent), and concerns about cost (32 percent).

Plans to Adopt Automatic Enrollment in the Future (%)



Most Frequently Cited Reasons for NOT Planning to Offer Automatic Enrollment in the Future (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: DOES NOT AUTOMATICALLY ENROLL NEW EMPLOYEES INTO THE 401(K) PLAN

Q580. Does your company plan to adopt automatic enrollment in the future?

EMPLOYER BASE: DOES NOT HAVE PLANS TO ADOPT AUTOMATIC PROVISIONS IN THE FUTURE

Q590. For which of the following reasons is your company not planning to adopt an automatic enrollment provision in the future? Select all.

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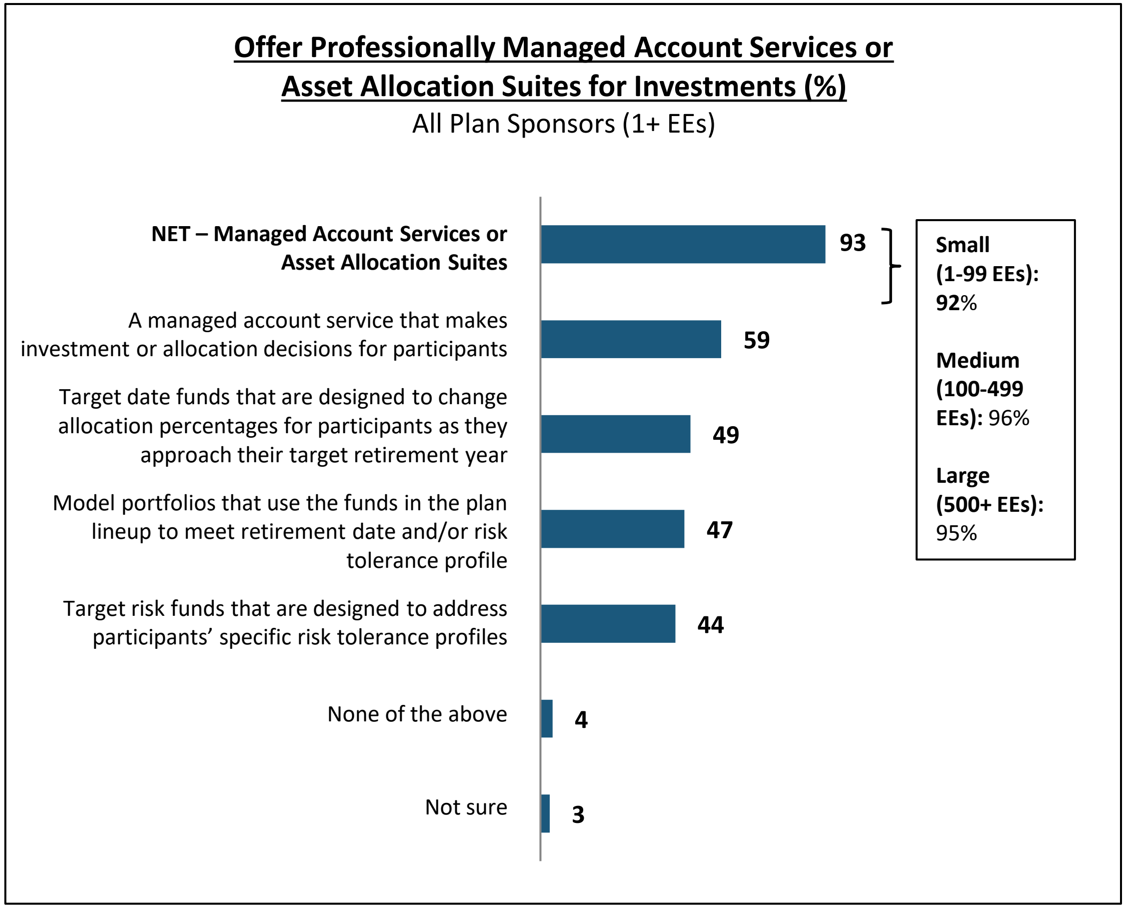
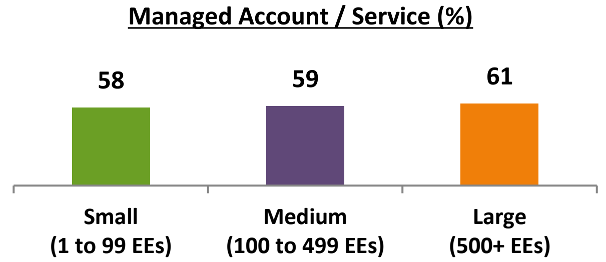
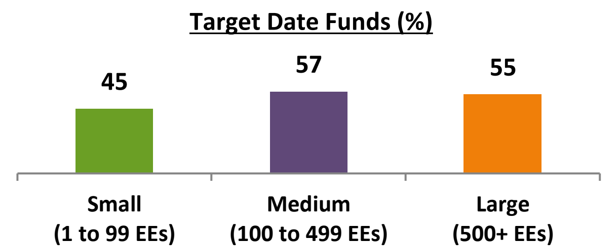
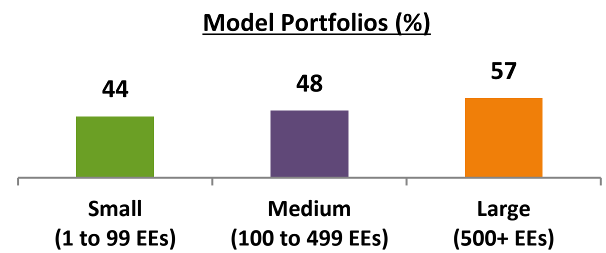
Professionally Managed Investment Services

Professionally managed services such as managed accounts and asset allocation suites, including target date and target risk funds, and model portfolios have become ubiquitous options in 401(k) or similar plans, with 93 percent of plan sponsors offering one or more of these services. Such offerings enable plan participants to invest in professionally managed services or funds that are tailored to their goals, years to retirement, and/or risk tolerance profile. Medium and large company plan sponsors are somewhat more likely to offer a wider array of these services than small company plan sponsors (96 percent, 95 percent, 92 percent, respectively).









EMPLOYER BASE: OFFERS 401(K) OR OTHER EMPLOYEE-FUNDED PLAN
Q3591. Which of the following professionally managed services or asset allocation suites does your plan's investments include? Select all.

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Workers Tapping Into Retirement Savings

A concerning percentage of workers are tapping into their retirement savings before they retire. Thirty-seven percent of workers have ever taken a loan, early withdrawal, and/or hardship withdrawal from their 401(k) or similar plan or IRA, including 27 percent who have taken a loan and 26 percent who have taken an early and/or hardship withdrawal. Workers of medium and large companies (44 percent, 39 percent, respectively) are more likely to have ever taken a loan, early withdrawal, and/or hardship withdrawal than workers of small companies (32 percent).

Taken Loan, Early Withdrawal, Hardship Withdrawal (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
TOTAL NET – Have Taken a Loan, Early Withdrawal, and/or Hardship Withdrawal From 401(k) or Similar Plan or IRA	**37**	**32**	**44**	**39**
NET – Have Taken a Loan	**27**	**22**	**32**	**31**
NET – Have Taken an Early and/or Hardship Withdrawal	**26**	**24**	**32**	**25**
Yes, I have taken a loan from a 401(k) or similar plan and am paying it back	19	14	21	24
Yes, I have taken a loan from a 401(k) or similar plan but was unable to pay it back so it became an early withdrawal and incurred taxes and penalties	12	10	14	11
Yes, I have taken a hardship withdrawal and incurred taxes and penalties	13	11	16	13
Yes, I have taken an early withdrawal and cashed out a portion or all of a 401(k) or similar plan balance after my separation of employment from a prior employer and incurred taxes and penalties	9	8	11	10
Yes, I have taken an early withdrawal and cashed out a portion or all of an IRA and incurred taxes and penalties	6	4	7	6
No, I have never taken a loan or early withdrawal from a 401(k) or similar plan or IRA	56	60	50	55
Not sure	7	8	6	6

WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q754X1. Have you ever taken any form of loan or early withdrawal from a qualified retirement account such as a 401(k) or similar plan or IRA? Select all.

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Workers' Reasons for Taking 401(k) Loans

Among those who have taken a loan from their 401(k) or similar plan, the most frequently cited reason for doing so is to pay off debt (39 percent), including credit card debt (27 percent) and/or other debt (21 percent). Other reasons include a financial emergency (27 percent), everyday expenses (25 percent), medical bills (24 percent), and home improvements (23 percent).

Reasons for Taking Loan From Retirement Plan (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET- Paying Off Debt	**39**	**37**	**38**	**40**
Pay off credit card debt	27	23	25	29
Pay off other debt	21	21	21	21
A financial emergency	27	27	24	28
Every day expenses	25	24	29	24
Medical bills	24	21	24	25
Home improvements	23	17	26	25
Purchase of a vehicle	19	22	21	17
Unplanned major expenses (e.g., home or car repair, etc.)	18	15	20	18
Purchase of primary residence	16	14	14	18
Avoid eviction	15	18	13	15
College tuition	15	17	11	15
Burial or funeral expense	10	8	11	11
Some other purpose	2	1	1	2

WORKER BASE: 22ND ANNUAL SURVEY - THOSE WHO HAVE TAKEN A LOAN
Q659. For what purpose(s) did you take out a loan(s)? Select all.

Workers' Reasons for Hardship Withdrawals From 401(k)s

Among those who have taken a hardship withdrawal from a 401(k) or similar plan, the most often cited reasons for doing so are paying for certain medical expenses (20 percent), paying for tuition and related educational fees (16 percent), expenses and losses incurred due to a disaster in a federally declared disaster area (16 percent), paying to prevent eviction from one's principal residence (14 percent), and expenses for repairs of damage to one's principal residence (12 percent).

Primary Reason for Hardship Withdrawal (%)	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Pay for certain medical expenses for you, your spouse, children, dependents, or primary beneficiaries under the plan	20	21	23	18
Expenses and losses (including loss of income) incurred due to a disaster located in a federally declared disaster area that included your principal residence or principal place of employment	16	14	19	16
Payment of tuition and related educational fees for the next 12 months of post-secondary education for you, your spouse, children, dependents, or primary beneficiaries under the plan	16	15	14	17
Payments to prevent your eviction from your principal residence	14	13	18	13
Expenses for repairs of damage to your principal residence that would qualify for the casualty deduction under the Internal Revenue Code	12	10	13	13
Cover the costs related to the purchase of a principal residence	10	9	5	12
Burial or funeral expenses for your spouse, children, dependents, or primary beneficiaries under the plan	8	13	4	7
Other	4	5	2	4

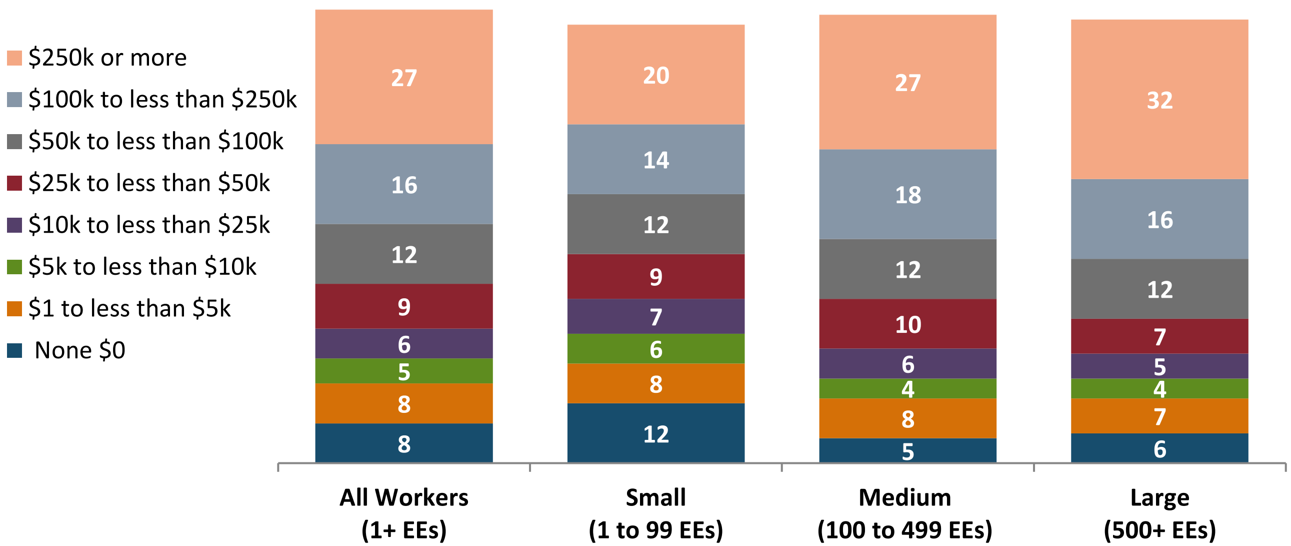
Note: Results may not total to 100% due to rounding.

WORKFORCE BASE: 22ND ANNUAL SURVEY - THOSE WHO HAVE TAKEN A HARDSHIP WITHDRAWAL
Q1465. What is the primary reason you have taken a hardship withdrawal from your employee-funded retirement savings plan?

Workers' Total Household Savings in Retirement Accounts

Total household retirement savings is one of the strongest indicators of a worker's retirement outlook. Workers' estimated median total household retirement savings is $67,000. However, a retirement savings gap appears when savings are examined by company size. Workers of small companies have total retirement savings of $41,000, compared with $73,000 among workers of medium companies and $96,000 for workers of large companies (estimated medians).

Total Household Retirement Savings (%)



	All Workers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Not sure	7	7	5	7
Decline to answer	4	4	3	4
Estimated Median	$67,000	$41,000	$73,000	$96,000

Note: (1) The median is estimated based on the approximate midpoint of the range of each response category. Non-responses are excluded from the estimate. (2) Results may not total 100% due to rounding.

WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q1300. Approximately how much money does your household have saved in all of your retirement accounts? Please include IRAs, 401(k)s, 403(b)s, and any other savings for retirement to which you and/or your spouse or partner have contributed funds.

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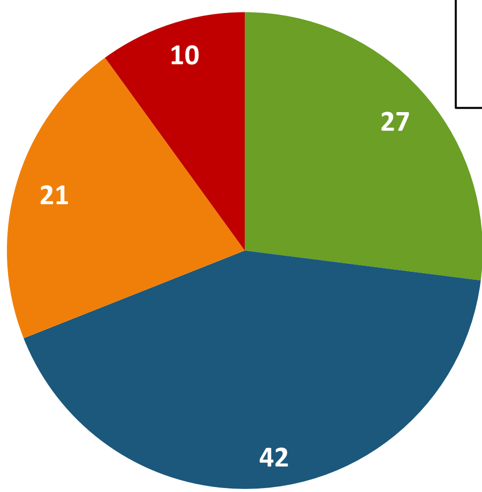
Workers' Desire for More Information and Advice

Almost seven in 10 employers (69 percent) agree that most employees would like to receive more information and advice from their company on how to reach their retirement goals, including 27 percent that strongly agree and 42 percent that somewhat agree. These findings are closely aligned with the 68 percent of workers who agree they would like to receive more information advice from their employers on how to reach their retirement goals, including 25 percent who strongly agree and 43 percent who somewhat agree.

"Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals."

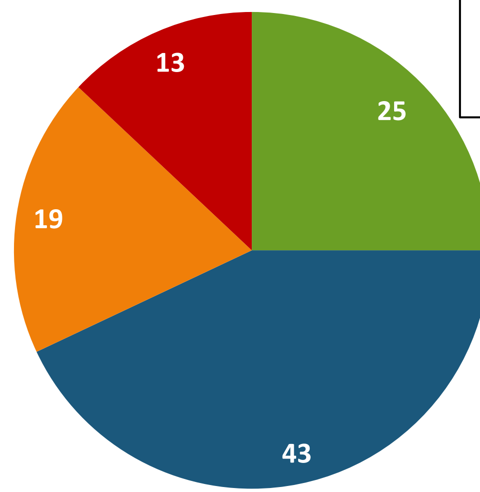
Employers (%)
(1+ EEs)



NET – Strongly/Somewhat Agree
69%

"I would like to receive more information and advice from my employer on how to reach my retirement goals."

Workers (%)
(1+ EEs)



NET – Strongly/Somewhat Agree
68%

Strongly agree   Somewhat agree   Somewhat disagree   Strongly disagree

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q860. For each of the following statements, how much to you agree or disagree? "Most employees at my company would like to receive more information and advice from the company on how to reach their retirement goals."
WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q930. How much do you agree or disagree with each of the following statements regarding retirement? I would like to receive more information and advice from my employer on how to reach my retirement goals.

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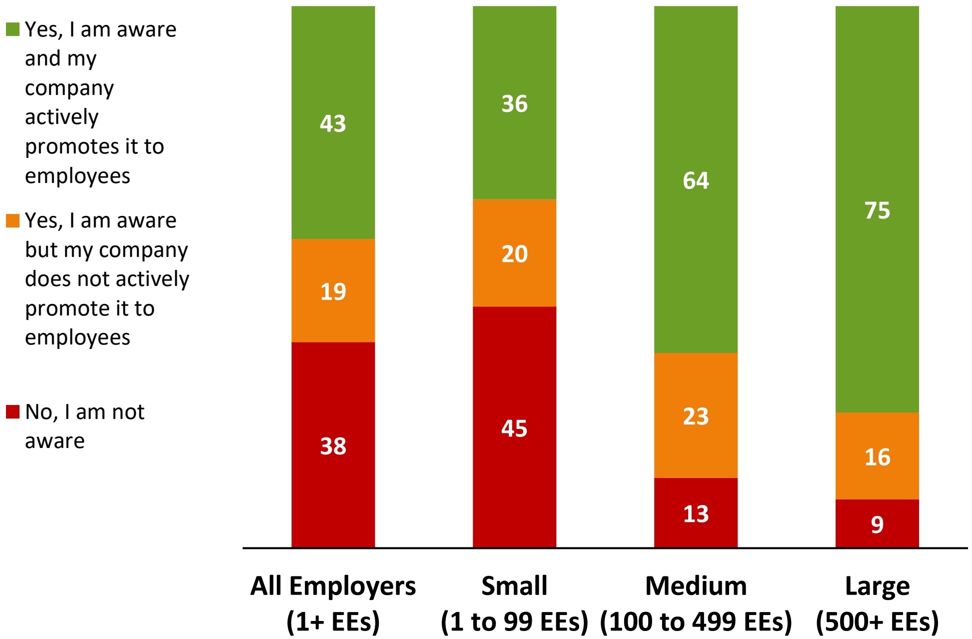
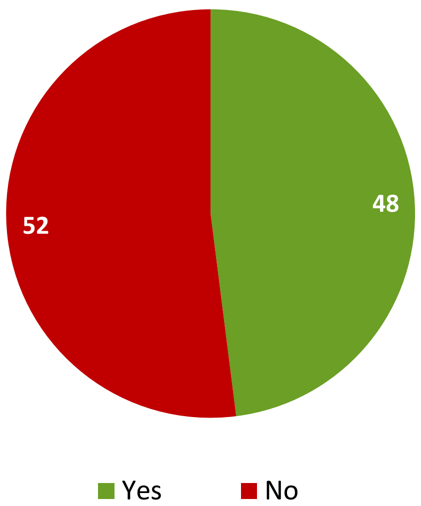
IRS Saver's Credit Awareness and Education

The Saver's Credit is a tax credit available to eligible taxpayers who are saving for retirement in a qualified retirement plan or IRA. Only 43 percent of all employers are both aware of the Saver's Credit and actively promoting it to their employees, but this increases with company size. Large and medium companies (75 percent, 64 percent, respectively) are more likely to be aware of the Saver's Credit and actively promoting it, compared with small companies (36 percent). Fewer than half of workers (48 percent) are aware of the Saver's Credit.

Employers' Level of Awareness of the Saver's Credit and Efforts to Promote It (%)



Workers' Awareness of the Saver's Credit (%)
All Workers (1+ EEs)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q3607. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q1120. Are you aware of a tax credit called the "Saver's Credit," which is available to individuals and households, who meet certain income requirements, for making contributions to an IRA or a company-sponsored retirement plan such as a 401(k) plan or 403(b) plan?

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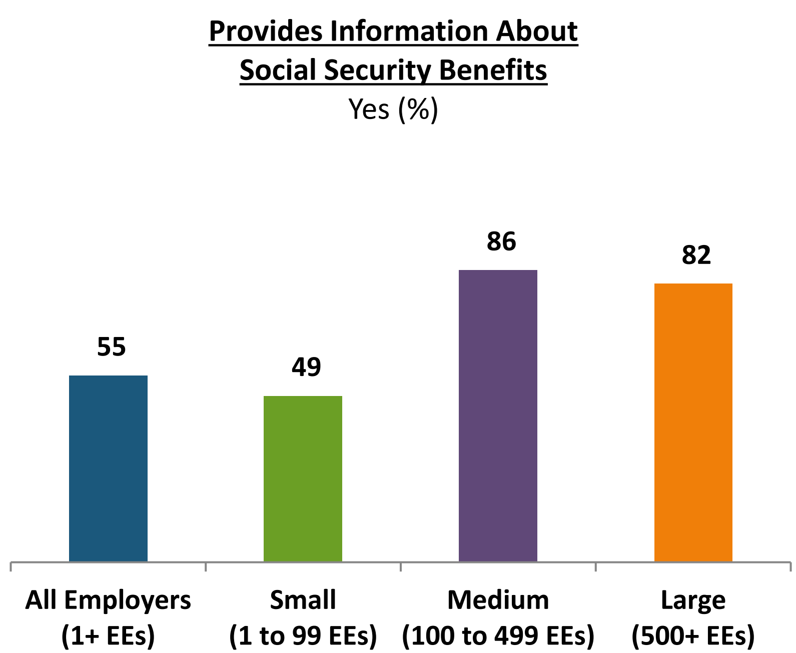
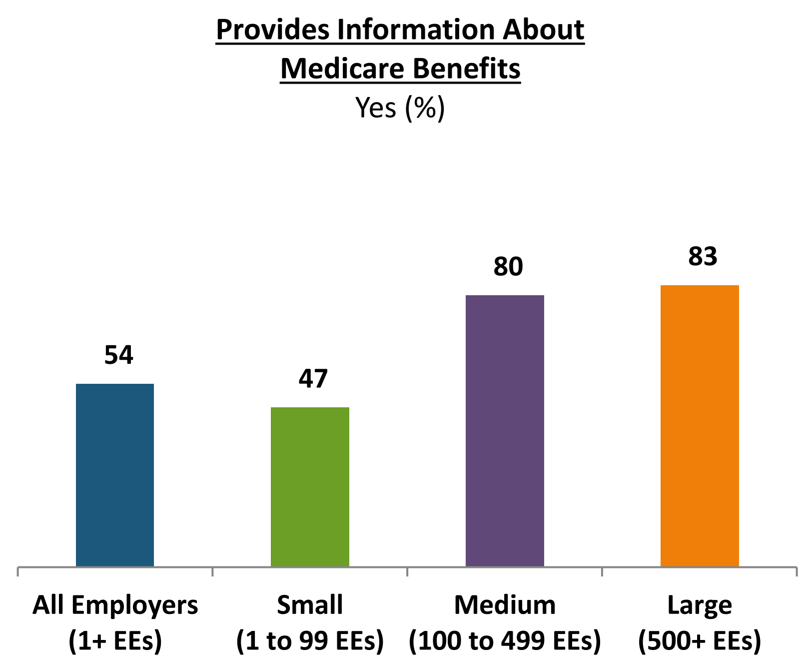
Employers' Offering of Education About Government Benefits

As part of their retirement planning-related educational offerings, slightly more than half of employers provide information about Social Security (55 percent) and Medicare (54 percent) benefits. Large and medium companies are more likely than small companies to provide information about Social Security (82 percent, 86 percent, 49 percent, respectively). Large and medium companies are also more likely than small companies to provide information about Medicare (83 percent, 80 percent, 47 percent, respectively).





EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q3610. Does your company currently provide information to employees about Social Security and Medicare benefits as part of retirement planning education?

Plan Sponsor Assistance for Financial Transitions to Retirement

Workers nearing retirement face a myriad of complex decisions regarding transitioning their savings and finances into retirement, and plan sponsors have an important opportunity to work with their retirement plan providers to assist them. Few plan sponsors offer things such as access to a financial advisor (44 percent), educational materials about transitioning into retirement (41 percent), and/or educational resources (40 percent). Even fewer offer referrals to the company's retirement plan provider (39 percent), distribute retirement planning materials (36 percent), or offer an income annuity as a payout option in the company's retirement plan (34 percent).

<u>How Plan Sponsors Help Employees Transition Their Savings and Finances Into Retirement (%)</u>	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Provide access to a financial advisor	44	43	46	45
Offer education about transitioning into retirement	41	39	44	42
Provide educational resources	40	39	39	42
Provide referrals to the company's retirement plan provider	39	39	35	40
Distribute retirement planning materials	36	34	38	42
Offer an income annuity as a payout option in the company's retirement plan	34	34	38	33
Offer seminars about transitioning into retirement	33	30	37	39
Allow systematic withdrawals by terminated plan participant	31	29	31	34
Provide referrals to an IRA provider that is not the company's retirement plan provider	29	27	33	36
Something else	1	1	0	2
Nothing	4	5	1	5

Note: While regulations concerning terminated participants may require that companies perform some of these actions, these statistics only reflect companies' responses to the survey.
<u>EMPLOYER BASE: OFFERS 401(K) OR SIMILAR PLAN</u>
Q770. Does your company and/or retirement provider do any of the following to help employees transition their savings and finances into retirement? Select all.

Employers' Non-Financial Retirement Transition Assistance

Two in three employers (66 percent) offer one or more forms of retirement transition assistance. Large and medium companies (85 percent, 80 percent, respectively) are more likely than small companies (62 percent) to do so. However, relatively few have robust offerings. Only 44 percent of employers accommodate flexible work schedules and arrangements to help employees transition into retirement. Even fewer enable employees to reduce hours and shift from full-time to part-time (36 percent), take on jobs that are less stressful or demanding (34 percent), or participate in succession planning, training, and mentoring (32 percent). Moreover, employers are missing an opportunity to facilitate smoother transitions when their employees do retire, with only 26 percent providing information about encore career opportunities and 25 percent offering retirement-oriented lifestyle and transition planning resources.

Work-Related Programs to Help Employees Transition into Retirement (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Flexible Retirement Transitions Programs	66	62	80	85
Accommodate flexible work schedules and arrangements	44	43	47	48
Enable employees to reduce hours and shift from full-time to part-time	36	33	45	51
Enable employees to take on jobs which are less stressful or demanding	34	31	42	47
Encourage employees to participate in succession planning, training and mentoring	32	28	53	48
Provide information about encore career opportunities	26	23	41	38
Offer retirement-oriented lifestyle and transition planning resources	25	21	45	39
Other	1	1	1	0
None	25	30	4	6

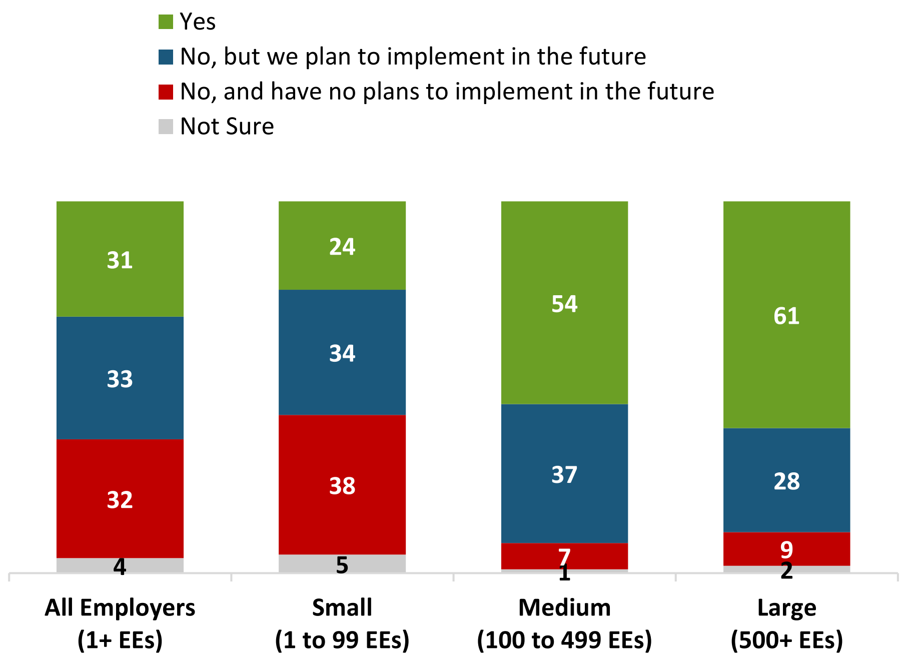
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q3615. Which of the following work-related programs, if any, does your company have in place to help its employees transition into retirement? Select all.

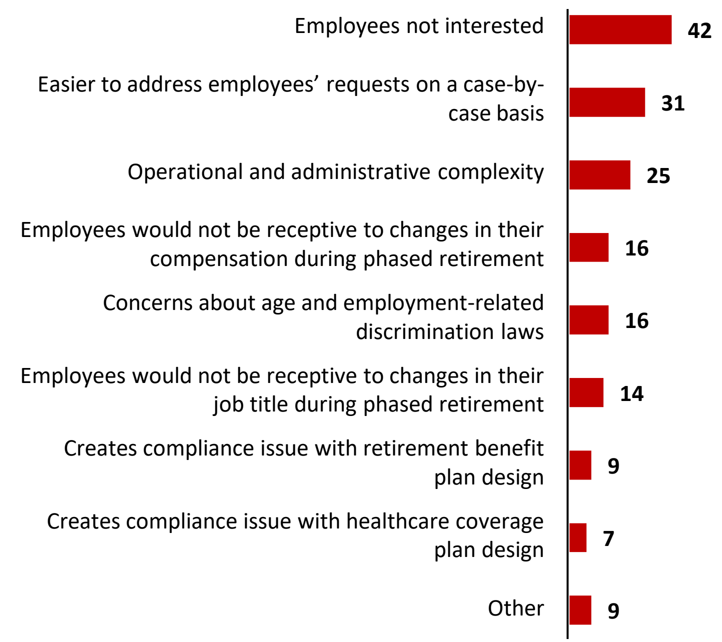
Employers' Offering of Phased Retirement Programs

Thirty-one percent of employers offer a formal phased retirement program. Sixty-five percent of employers do not offer a formal phased retirement program for workers who want to transition into retirement, including 33 percent that plan to implement a program in the future and 32 percent that do not have plans to do so. Large and medium companies (61 percent, 54 percent, respectively) are more likely to offer a phased retirement program than small companies (24 percent). The most often cited reasons for not offering a phased retirement program are employees are not interested (42 percent), it is easier to address employees' requests on a case-by-case basis (31 percent), and operational and administrative complexity (25 percent).

Offering a Formal Phased Retirement Program (%)



Reasons for Not Offering a Formal Phased Retirement Program for Employees Who Wish to Transition into Retirement (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5005. Does your company have a formal phased retirement program with specific provisions and requirements for employees who want to transition into retirement ?

EMPLOYER BASE: DOES NOT OFFER PHASED RETIREMENT PROGRAM

Q5007. For which of the following reasons does your company not offer a formal phased retirement program with specific provisions and requirements for employees who wish to transition into retirement? Select all that apply.

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Plan Sponsors' Professional Advisor Usage for Plan Selection

Sixty-eight percent of employers use a professional advisor to help select their company's retirement plan. Medium and large companies are somewhat more likely to do so than small and companies (74 percent, 72 percent, 67 percent, respectively). The most used types of advisors include financial planners/brokers (46 percent), benefits consultants (40 percent), and registered investment advisor (RIA) (31 percent).

	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
Use a Professional Advisor to Help Select Company's Retirement Plan Yes (%)	68%	67%	74%	72%
Type of Advisor Used to Select Company's Retirement Plan (%)				
Financial Planner / Broker	46	45	53	45
Benefits Consultant	40	38	41	47
Registered Investment Advisor (RIA)	31	31	25	30
TPA/Benefits Administrator	28	29	24	30
Insurance Agent	27	27	23	31
Accountant/CPA	26	27	22	27
Bank Advisor	26	25	23	28
Attorney/Lawyer	22	23	16	24
Other Type of Advisor	0	1	0	1

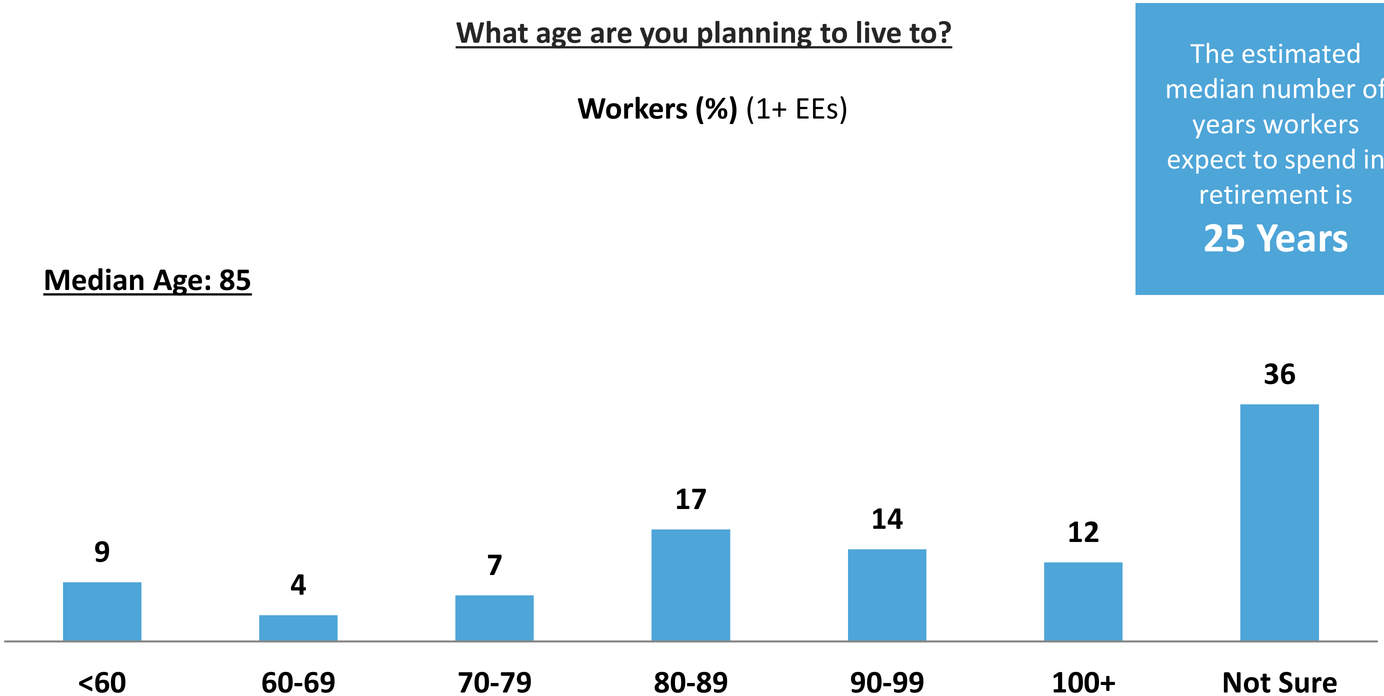
EMPLOYER BASE: OFFERS 401(K) OR OTHER SELF-FUNDED PLAN
Q690. Did you use a professional advisor to help you select your company's retirement plan?
EMPLOYER BASE: USED OUTSIDE ADVISOR TO HELP SELECT PLAN
Q700. What type of advisor did you use? Select all that apply.

Business Practices for a Multigenerational Workforce

Workers' Planning to Live Long Lives

Today's workers are planning to live to age 85 (median). Twelve percent are planning to live to age 100 or older. Thirty-six percent are "not sure," a reasonable answer given the nature of the question. For workers, increased longevity has implications for the time they spend in the workforce relative to retirement. For employers, it presents an opportunity for fostering the diversity and growth of a multigenerational workforce and providing new alternative pathways into retirement (e.g., flexible transitions, formal phased retirement programs). The survey compared workers' planned life expectancy with their expected retirement age and found that they plan to spend 25 years in retirement (median).

The estimated median number of years workers expect to spend in retirement is **25 Years**



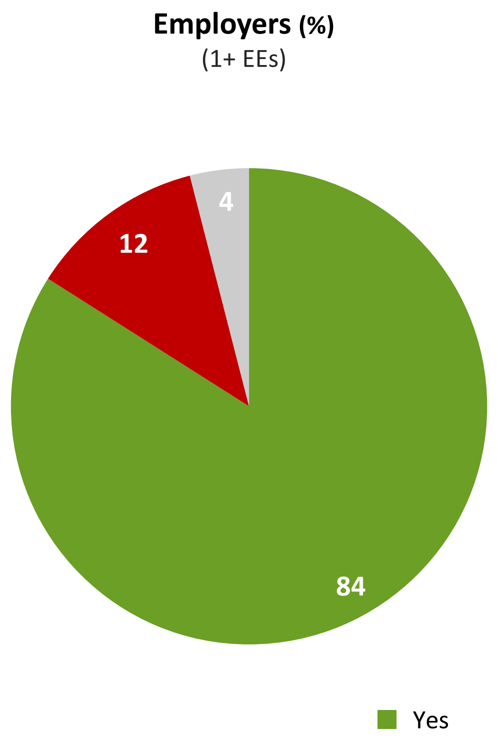
Notes: Median years in retirement calculation includes those who said "don't plan to retire." Percentages may not add up to 100 due to rounding.

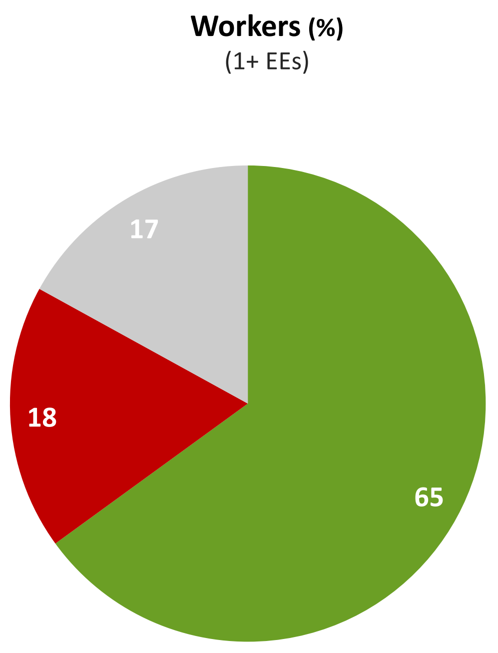
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q2850. What age are you planning to live to?
Q2850/Q910, Q915. Special calculation for estimated years spent in retirement.

Are Employers "Age-Friendly"?

While most employers (84 percent) consider their companies to be "age-friendly" by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful, only 65 percent of workers consider their employers to be age-friendly. This disconnect is consistent across company size.

Considers Their Company/Employer to Be Age-Friendly (%)





EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4016. Does your company consider itself to be an "age-friendly" employer by offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful?
WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q2745. Do you consider your employer to be "age-friendly" (for example offering opportunities, work arrangements, and training and tools needed for employees of all ages to be successful in their current role or contribution to the company)?

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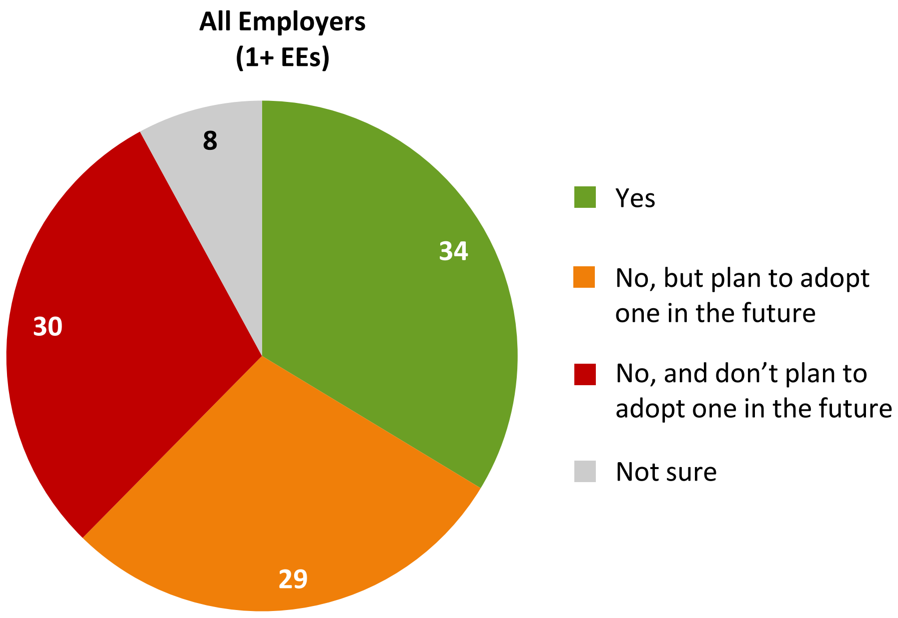
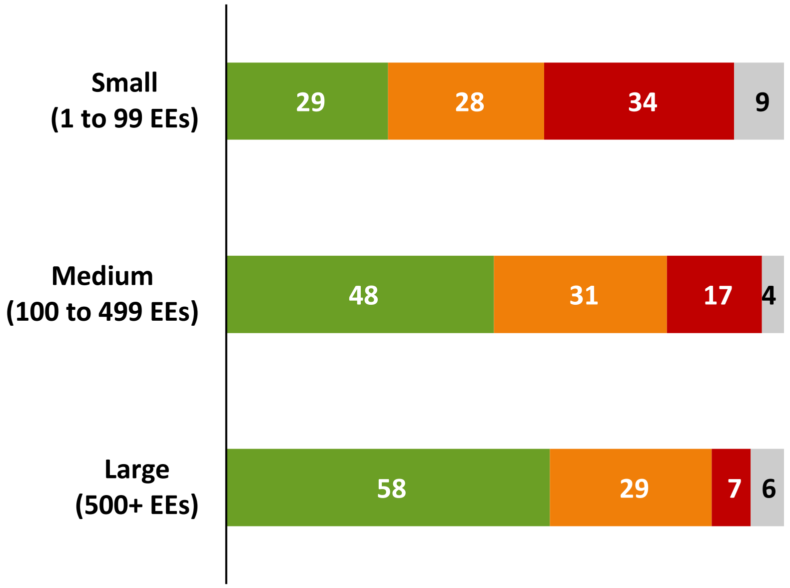
D&I Policy Statement Referencing Age

Only 34 percent of employers have adopted a formal diversity and inclusion (D&I) policy statement that specifically includes age among other commonly referenced demographic characteristics. Among employers that do not include age as a component of their D&I policy statement, 29 percent plan to adopt one in the future and 30 percent do not plan to do so. Eight percent are "not sure." Large and medium companies (58 percent, 48 percent, respectively) are more likely than small companies (29 percent) to have adopted a D&I policy statement referencing age.

Has your company adopted a formal diversity and inclusion policy statement that specifically includes age among other commonly included demographic characteristics? (%)





Note: Results may not total to 100% due to rounding.

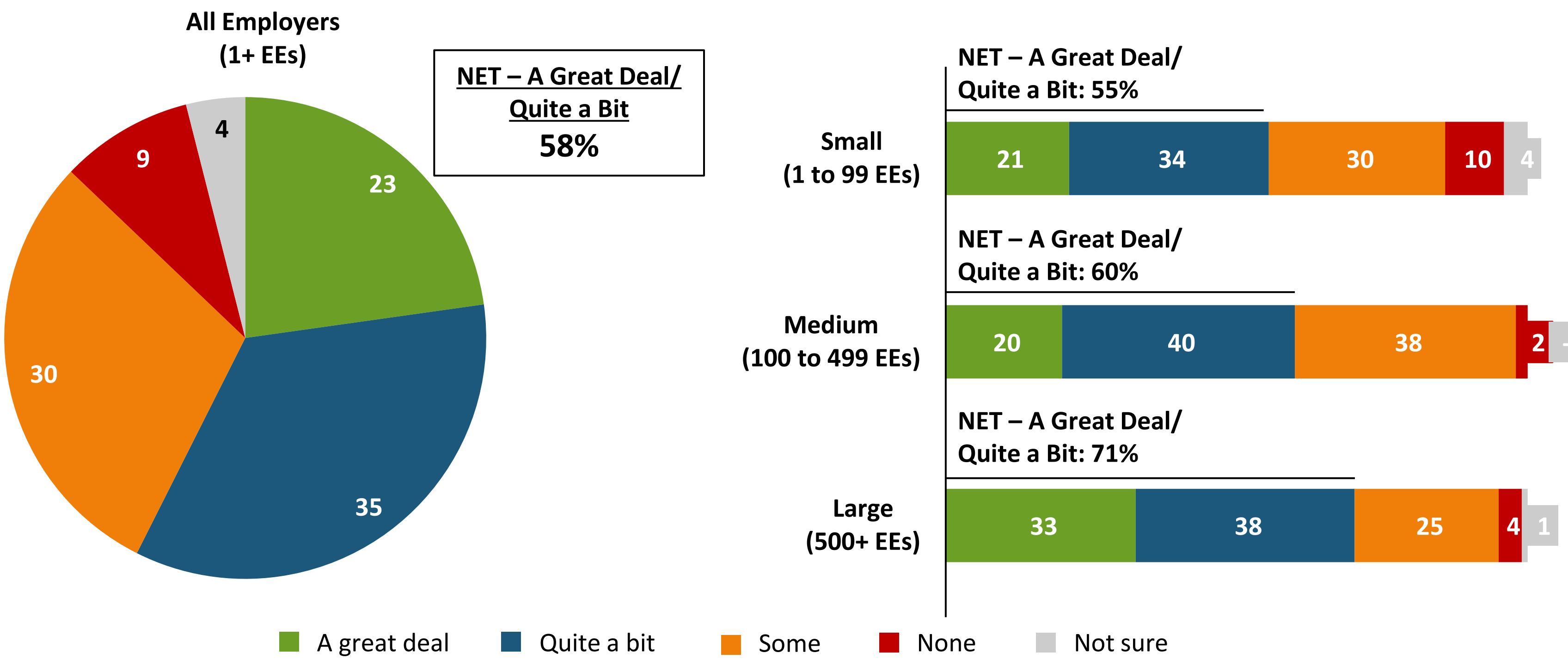
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q3660. Has your company adopted a formal diversity and inclusion policy statement that specifically includes age among other commonly included demographic characteristics?

Company Culture's Emphasis on Professional Development

Almost six in 10 employers (58 percent) say that their company culture places a great deal or quite a bit of emphasis on professional growth and development among employees of all ages, including those age 50 and older. Twenty-three percent emphasize it "a great deal" and 35 percent "quite a bit." Thirty percent of employers place "some" emphasis on it. Large companies (71 percent) are more likely that medium and small companies (60 percent, 55 percent, respectively) to place a great deal or quite a bit of emphasis on professional growth and development.

In thinking about your company's culture, how much emphasis is placed on professional growth and development among employees of all ages, including those age 50 and older? (%)



Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5031. In thinking about your company's culture, how much emphasis is placed on professional growth and development among employees of all ages, including those age 50 and older?

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Lifelong Learning and Multigenerational Workforce Programs

Many employers are promoting lifelong learning and fostering a multigenerational workforce. The most frequently cited programs include mentorships (49 percent), job training (45 percent), and internships (36 percent). Only about one in four employers (26 percent) offer specific training to address generational differences and help prevent age discrimination. Large and medium companies are more likely to offer most types of programs than small companies.

Programs to Promote Lifelong Learning and Foster a Multigenerational Workforce (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Mentorships	49	46	64	60
Mentorships (e.g., typically between older and younger employees)	37	35	49	43
Reverse or mutual mentorships (e.g., intergenerational sharing of skills and expertise)	24	22	30	32
Job training	45	45	48	48
NET – Internships	36	32	49	55
Internships for individuals who are reentering the workforce (e.g., veterans, stay-at-home parents, retirees)	25	22	32	40
Internships for individuals who are starting their careers (e.g., students, recent graduates)	24	21	31	38
Professional development programs	31	27	46	51
Specific training programs that address generational differences and help prevent age discrimination	26	22	40	44
Tuition reimbursement for continuing education	22	19	32	37
A multigenerational Employee Resource Group (ERG)	18	14	29	33
None	18	22	3	2

Note: Responses not shown for "Other initiatives" (All Employers: <1%, Small: <1%, Medium: 0%, Large: 0%).

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5026. Which of the following does your company have in place to promote lifelong learning and foster a multigenerational workforce? Select all.

Alternative Work-Related Arrangements

By offering alternative work arrangements, employers can help ease the burden for their employees who are juggling work and other responsibilities such as caregiving and home-schooling. Nine in 10 employers (92%) offer one or more types of alternative work arrangements. The most frequently cited arrangements are flexible work schedules (60 percent), the ability to adjust work hours as needed (54 percent), and the ability to work remotely (51 percent). Large and medium companies are generally more likely to offer arrangements than small companies.

Types of Alternative Work Arrangements (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Alternative Work-Related Arrangements	92	90	99	99
Flexible work schedules	60	60	60	59
Ability to adjust work hours as needed	54	55	46	55
Ability to work remotely	51	48	58	60
Hybrid work arrangements (e.g., mix of working on-site and working remotely)	38	32	60	59
Ability to switch from full-time to part-time and vice versa	34	32	45	44
Ability to work somewhere on-site (e.g., office, company location, WeWork)	33	30	43	46
Unpaid leave of absence	31	28	34	42
Ability to take on work that is less demanding	26	25	26	28
Opportunity to take a sabbatical	24	22	32	35
Compressed work weeks	20	18	27	27
Job sharing	14	12	19	23
None. My company doesn't offer any alternative work-related arrangements.	8	10	1	1

Note: Responses not shown for "Other" (All Employers: <1%, Small: <1%, Medium: 0%, Large: 0%).

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q5040. Which of these work-related arrangements does your company offer to its employees? Select all.

Support for Caregiving Employees

From time to time, many employees find themselves needing to be a caregiver for an aging parent or loved one. Eight in 10 employers (80 percent) offer one or more programs to support caregiving employees. Medium (97 percent) and large companies (95 percent) are much more likely than small companies (77 percent) to do so. However, much more can be done by employers of all sizes.

Programs to Help Employees Balance Caregiving Obligations (%)	All Employers (1+ EEs)	Small (1 to 99 EEs)	Medium (100 to 499 EEs)	Large (500+ EEs)
NET – Offers Caregiving Support Programs	80	77	97	95
Unpaid leave of absence	37	38	34	38
Paid leave of absence	31	28	45	46
Online resources and/or tools to support caregivers	27	25	33	36
An employee assistance program that offers counseling and referral services	23	19	36	41
A benefit that offers referrals to backup care (e.g., a caregiver, in-home care, adult day care)	22	19	29	36
Training for managers to learn how to handle situations with caregiving employees	21	19	30	33
A benefit that offers discounts or subsidies for backup care (e.g., a caregiver, in-home care, adult day care)	20	17	33	35
Financial planning sessions or workshops on eldercare issues	19	16	23	35
A formal caregiving policy statement	18	15	22	29
Employee-based caregiver support group(s)	16	14	27	25
None	17	20	3	4

Note: Responses not shown for "Other" (All Employers: 2%, Small: 2%, Medium: 0%, Large: 1%). Also, responses not shown for "Not sure" (All Employers: 3%, Small: 4%, Medium: 0%, Large: 1%).

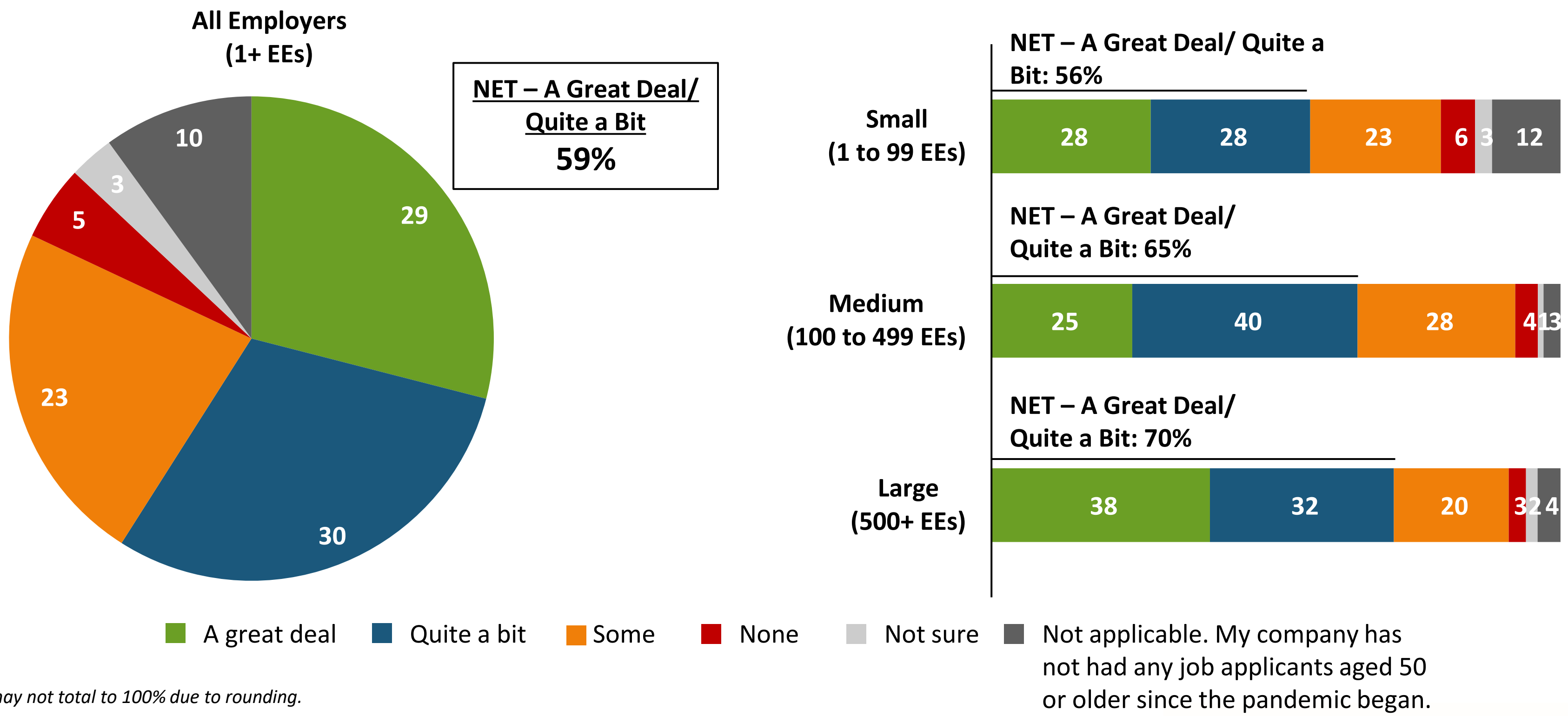
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS

Q4030. At one time or another, employees may face the need to balance their work responsibilities with caregiving for an aging parent or loved one (separate from raising children). Which of the following programs, if any, does your company offer to help its employees balance their obligations? Select all.

Employers' Consideration Given to Age 50+ Job Applicants

Historically, employers' recruiting practices overlooked older workers, but change may be on the way. Among those recruiting employees during the pandemic, almost six in 10 employers (59 percent) gave "a great deal" (29 percent) or "quite a bit" (30 percent) of consideration to age 50+ job applicants versus younger applicants. Large and medium companies (70 percent, 65 percent, respectively) were more likely to have done so than small companies (56 percent). More small companies (12 percent) indicate their company has not had any age 50+ job applicants, compared with medium and large companies (3 percent, 4 percent, respectively).

When thinking about your company's recruiting efforts since the pandemic began, how much consideration has been given to job applicants aged 50 and older versus younger applicants? (%)



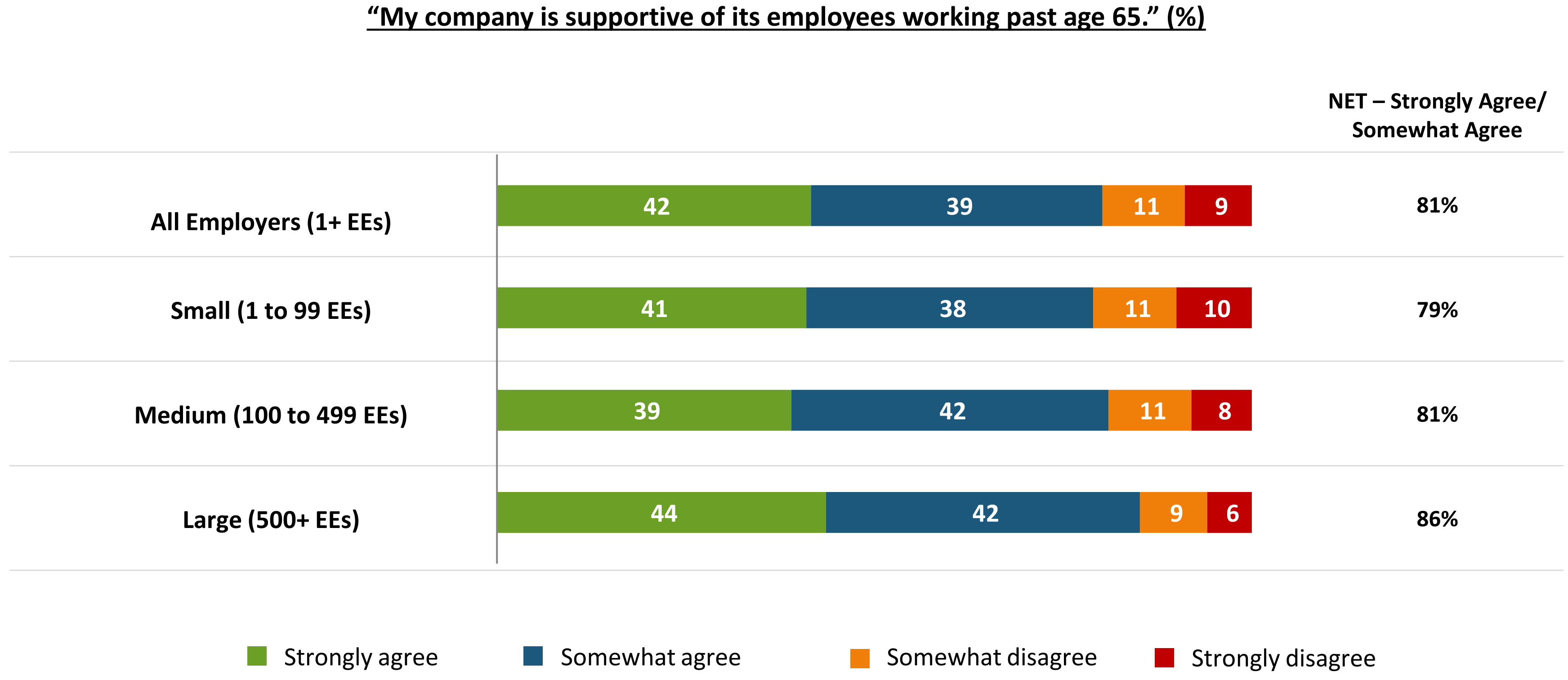
Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: HAS RECRUITED NEW EMPLOYEES

Q5041. When thinking about your company's recruiting efforts since the pandemic began, how much consideration has been given to job applicants age 50 and older versus younger applicants?

Employers' Supportive of Working Past Age 65

More than eight in 10 employers (81 percent) agree they are supportive of their employees working past age 65, including 42 percent that strongly agree and 39 percent that somewhat agree. Eighty-six percent of large companies agree they are supportive, compared with 81 percent of medium and 79 percent of small companies.



Note: Percentages may not add up to 100% due to rounding.

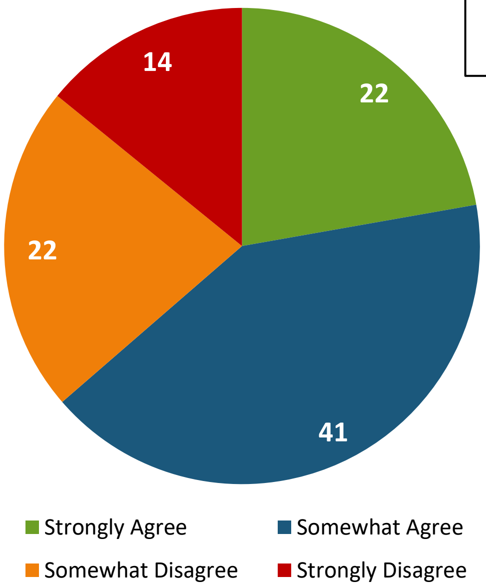
EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q3620. How much do you agree or disagree with each of the following statements regarding retirement? "My company is supportive of its employees working past age 65."

Employers' and Workers' Perspectives on Working Past Age 65

Sixty-three percent of employers agree with the statement, "Many employees at my company expect to work past age 65 or do not plan to retire," and they are correct. Indeed, many workers expect to retire after age 65 or do not plan to retire (49 percent).

"Many Employees at My Company Expect to Work Past Age 65 or Do Not Plan to Retire." (Level of Agreement)

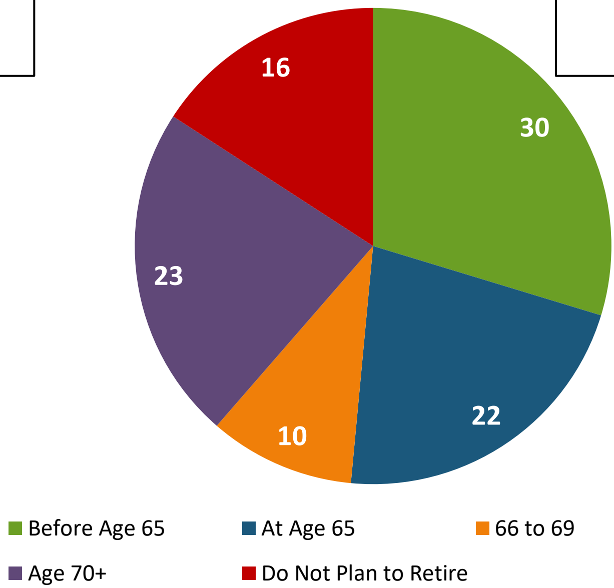
Employers (%)
(1+ EEs)



NET – Strongly/Somewhat Agree
63%

Expected Retirement Age

Workers (%)
(1+ EEs)



NET – After Age 65 or Do Not Plan to Retire
49%

Note: Percentages may not add up to 100 due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4000. How much do you agree or disagree… "Many employees at my company expect to work past age 65 or do not plan to retire."
WORKER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q910. At what age do you expect to retire?

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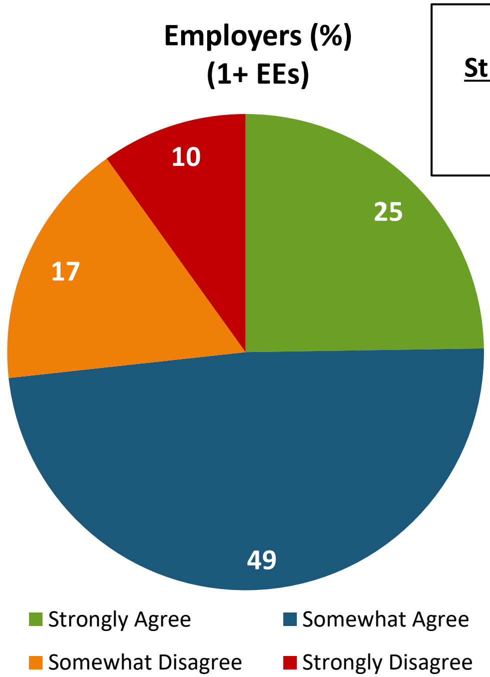
Workers' Plans to Work in Retirement

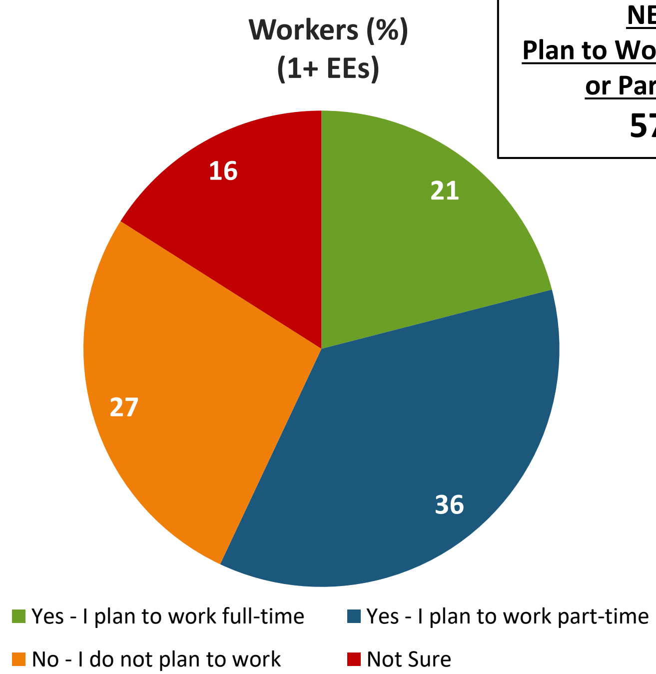
Seventy-four percent of employers agree with the statement, "Many employees at my company plan to continue working either full time or part time after they retire," and they are correct. Many workers (57 percent) plan to continue working in retirement, including 21 percent who plan to work full time and 36 percent who plan to work part time.

"Many Employees at My Company Plan to Continue Working Either Full-Time or Part-Time After They Retire."
(Level of Agreement)



NET – Strongly/Somewhat Agree
74%

Planning to Work in Retirement



NET – Plan to Work Full-Time or Part-Time
57%

Note: Percentages may not add up to 100 due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4005. How much do you agree or disagree… "Many employees at my company plan to continue working either full-time or part-time after they retire."
WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q1525. Do you plan to work after you retire?

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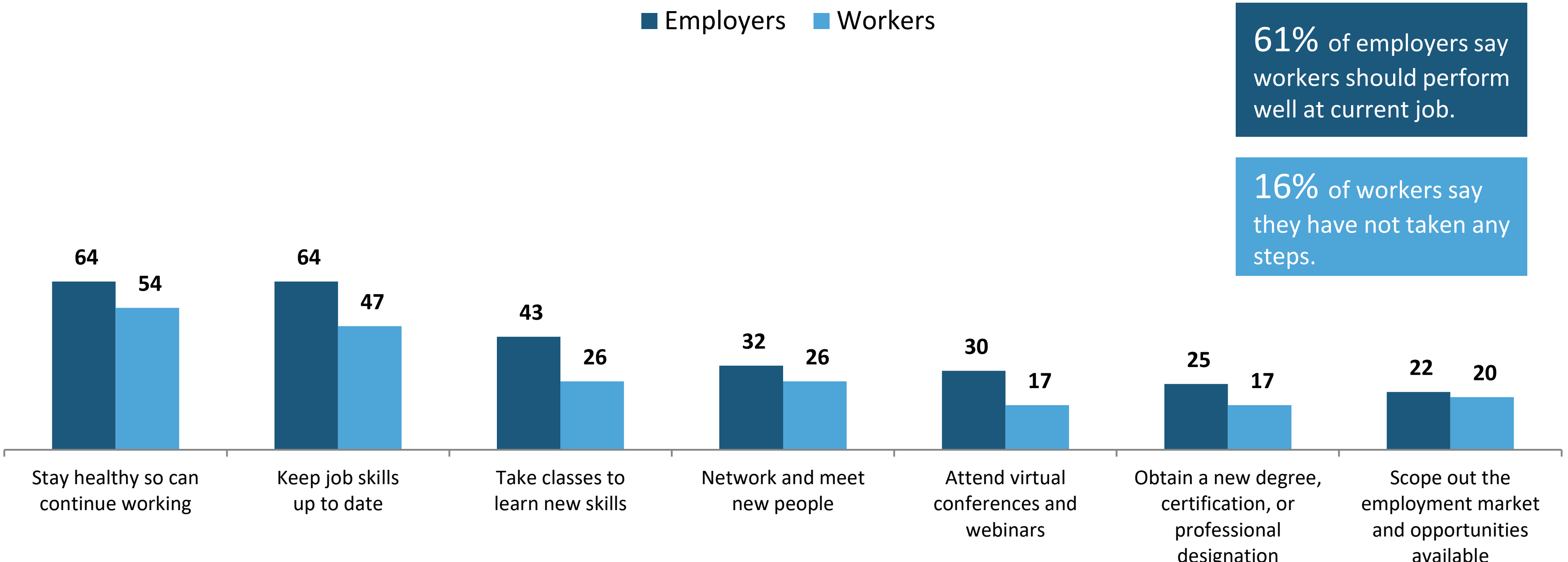
Proactive Steps to Help Ensure Continued Work

Employers offer insights into the steps workers should be taking to help ensure they can work as long as they want and need. Employers' top recommendations are to stay healthy and keep their job skills up to date (both 64 percent), Sixty-one percent of employers say that workers should perform well at their current job. When asked about what steps they are taking, workers most often indicate they are staying healthy so they can continue working, and they are keeping their job skills up to date (54 percent, 47 percent, respectively.) Twenty-six percent of workers are taking classes to learn new skills and 26 percent are networking and meeting new people. Sixteen percent of workers have not taken any steps.

Employers' Recommended Steps Workers Should be Taking to Ensure They Will Be Able to Work as Long as They Want and Need / Steps Workers Are Taking (%)



61% of employers say workers should perform well at current job.

16% of workers say they have not taken any steps.

Note: Chart excludes responses for "Other" (Employers: <1%, Workers: 2%) and "Not Sure" (Employers: 4%).

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q4025. What steps should your employees take to help ensure that they will be able to work as long as they want and need? Select all.
WORKER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q1531. Which of the following steps, if any, have you taken to help ensure that you'll be able to work as long as you want and need? Select all.

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Retirement Security Priorities
for the President and Congress

Retirement Security Priorities for the President and Congress

Employers' most often cited priorities for the President and Congress to help people have a financially secure retirement are addressing Social Security's funding shortfalls (49 percent), making out-of-pocket health care expenses and prescription drugs more affordable (47 percent), addressing Medicare's funding shortfalls (44 percent), supporting family caregivers (40 percent), increasing access to affordable housing (40 percent), innovating solutions to make long-term care services and supports more affordable (38 percent), and expanding the Saver's Credit (36 percent),

Priorities for the President and Congress to help people have a financially secure retirement (%)	All Employers (1+ EEs)	Small (1 to 99)	Medium (100 to 499)	Large (500+ EEs)
Address Social Security's funding shortfalls to ensure it can pay guaranteed benefits to future generations of retirees	49	50	44	44
Make out-of-pocket health care expenses and prescription drugs more affordable	47	50	36	37
Address Medicare's funding shortfalls to ensure future generations of retirees have access to affordable health care insurance	44	45	41	44
Support family caregivers by implementing policies such as paid family and medical leave, tax credits for out-of-pocket caregiving costs, and Social Security credits for time spent caregiving	40	40	33	39
Increase access to affordable housing to enhance financial security for Americans of all ages	40	41	33	35
Innovate solutions to make long-term care services and supports more affordable	38	39	27	36
Expand the Saver's Credit, a tax credit available to people with low and moderate incomes saving for retirement	36	36	31	34
Provide and/or subsidize additional broadband access, particularly in rural and underserved urban areas, to increase access to telemedicine, and financial and other tools	35	35	36	36
Educate Americans early by implementing a financial literacy curriculum in the schools	35	35	35	30
Create incentives for individuals to obtain ongoing training and education to keep their job skills up to date and relevant	33	33	33	33
Expand access to employer-sponsored retirement plans, IRAs, and other savings programs, so all workers can save for retirement in the workplace	33	32	32	36
Allow employers to match employees' student loan payments in the form of a contribution to their 401(k) or similar retirement plan	28	26	36	37

Note: Responses not shown for "Other" (All Employers: 2%, Small: 3%, Medium: 0%, Large: <1%).

EMPLOYER BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS

Q1428. Which of the following should be priorities for the President and Congress to help people have financially secure retirement? Select all that apply.

Retirement Security Priorities for the President and Congress

Employers and workers generally agree on priorities for the President and Congress to help people have a financially secure retirement, but employers are often more likely to identify the specific priorities than workers. For example, priorities with the widest difference in employer versus worker responses are supporting family caregivers (40 percent, 30 percent, respectively) and providing and/or subsidizing broadband access (35 percent, 23 percent, respectively).

Priorities for the President and Congress to help people have a financially secure retirement (%)	All Employers (1+ EEs)	All Workers (1+ EEs)	Difference
Address Social Security's funding shortfalls to ensure it can pay guaranteed benefits to future generations of retirees	49	52	-3
Make out-of-pocket health care expenses and prescription drugs more affordable	47	42	+5
Address Medicare's funding shortfalls to ensure future generations of retirees have access to affordable health care insurance	44	41	+3
Support family caregivers by implementing policies such as paid family and medical leave, tax credits for out-of-pocket caregiving costs, and Social Security credits for time spent caregiving	40	30	+10
Increase access to affordable housing to enhance financial security for Americans of all ages	40	32	+8
Innovate solutions to make long-term care services and supports more affordable	38	31	+7
Expand the Saver's Credit, a tax credit available to people with low and moderate incomes saving for retirement	36	29	+7
Provide and/or subsidize additional broadband access, particularly in rural and underserved urban areas, to increase access to telemedicine, and financial and other tools	35	23	+12
Educate Americans early by implementing a financial literacy curriculum in the schools	35	28	+7
Create incentives for individuals to obtain ongoing training and education to keep their job skills up to date and relevant	33	25	+8
Expand access to employer-sponsored retirement plans, IRAs, and other savings programs, so all workers can save for retirement in the workplace	33	30	+3
Allow employers to match employees' student loan payments in the form of a contribution to their 401(k) or similar retirement plan	28	29	-1

Note: Responses not shown for "Other" (All Employers: 2%, All Workers: 2%).

EMPLOYERS AND WORKERS BASE: 22ND ANNUAL SURVEY – ALL QUALIFIED RESPONDENTS
Q1428/1427. Which of the following should be priorities for the President and Congress to help people have financially secure retirement? Select all that apply.

A Portrait of Employers

Characteristics		All Employers (%) (1+ EEs) n=1,874	Small (%) (1 to 99 EEs) n=1,149	Medium (%) (100 to 499 EEs) n=225	Large (%) (500+ EEs) n=500
Location	Urban	50	46	64	67
	Suburban	44	46	33	37
	Rural	15	17	7	6
Industry	Service industries	39	41	36	40
	Professional services	29	28	30	30
	Agriculture, mining, or construction	14	15	11	8
	Transportation, communications, or utilities	6	5	6	4
	Manufacturing	5	4	14	13
	Education	2	2	1	2
	Some other type of business	5	6	3	4
Essential Business	Yes	48	42	68	71
	No	39	43	25	23
	Not sure	9	10	5	4
	Not applicable in state(s) where my company conducts business	4	5	2	2
In-Person Interaction Required for Business	Yes	58	56	63	67
	No	42	44	37	33
Percentage of Company's Workforce is Part-Time Employees	0%	36	41	11	10
	1-24%	37	34	58	50
	25-50%	14	12	18	26
	51-99%	9	8	13	12
	100%	4	4	1	2
	Median	24	24	24	24
Employee Composition	Balanced mix of employees of all ages	58	54	74	74
	More older than younger employees	23	23	18	19
	More younger than older employees	20	23	8	7
Percentage of Company's Workforce is Age 65+	0%	35	41	15	8
	1-29%	39	32	62	66
	30-49%	7	6	9	11
	50-79%	4	5	3	2
	80-100%	3	3	1	<1
	Not sure	13	13	10	12
	Median (including 0%)	5	1	10	10

Note: Results may not total to 100% due to rounding.

EMPLOYER BASE: 22ND ANNUAL SURVEY - ALL QUALIFIED RESPONDENTS
Q6035. Location, Q1645. Industry, Q6040. Essential Business, Q6045. In-Person Interaction Required for Business, Q3665. Percentage of Company's Workforce is Part-Time Employees, Q3655. Employee Composition, Q5020. Percentage of Company's Workforce is Age 65+

A Portrait of Workers

Characteristics		All Workers (%) (1+ EEs) n=5,493	Small (%) (1 to 99 EEs) n=2,037	Medium (%) (100 to 499 EEs) n=1,072	Large (%) (500+ EEs) n=2,384
Gender*	Male	55	52	58	56
	Female	45	48	41	43
	Transgender	<1	1	<1	<1
Generations	Generation Z (Age 18-24)	11	15	8	9
	Millennials (Age 25-40)	40	37	45	40
	Generation X (Age 41-56)	30	29	30	30
	Baby Boomers (Age 57-75)	19	18	17	20
	Silents (Age 76+)	<1	1	<1	1
	Median Age	40	40	39	41
Marital Status	Married/Living with partner	54	46	57	59
	Divorced/Separated/Widowed	13	14	13	13
	Never married	33	40	29	28
Educational Attainment	Less than college degree	63	73	59	56
	College degree or more	37	26	41	44
Annual Household Income	Less than $50,000	19	27	16	13
	$50,000 to $99,999	31	32	35	29
	$100,000+	48	39	47	56
	Decline to Answer	2	2	2	2
	Estimated Median	$85,000	$69,000	$84,000	$97,000
Work Arrangement	Leave your home to go to work	58	65	58	52
	Work remotely (e.g., from home or anywhere)	27	23	26	30
	Hybrid arrangement (e.g., leave home to go to work & work remotely)	15	12	16	17
LGBQ+ Status**	LGBQ+	10	10	9	10
	Did not identify as LGBQ+	89	89	91	89
	Decline to Answer	1	1	1	1
Race/Ethnicity	White	61	58	59	65
	Black/African American	11	12	13	9
	Asian/Pacific Islander	7	6	5	8
	Hispanic	18	19	20	15
	Other	3	4	2	2
Urbanicity	Urban	36	32	39	38
	Suburban	46	47	44	47
	Rural	18	21	17	15

Note: Results may not total to 100% due to rounding.
* Gender: Responses 1% or less for "Other" and "Prefer not to answer" are not shown.
** LGBQ+ Status: Responses of 1% or less for "Not sure" are not shown.

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