

2018 Planning & Progress Study

Living Long and Working Longer

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI and its subsidiaries.

Background

The 2018 Planning & Progress Study seeks to provide unique insights into U.S. adults' attitudes and behaviors toward money, financial decision-making, and the broader landscape issues impacting people's long-term financial security.

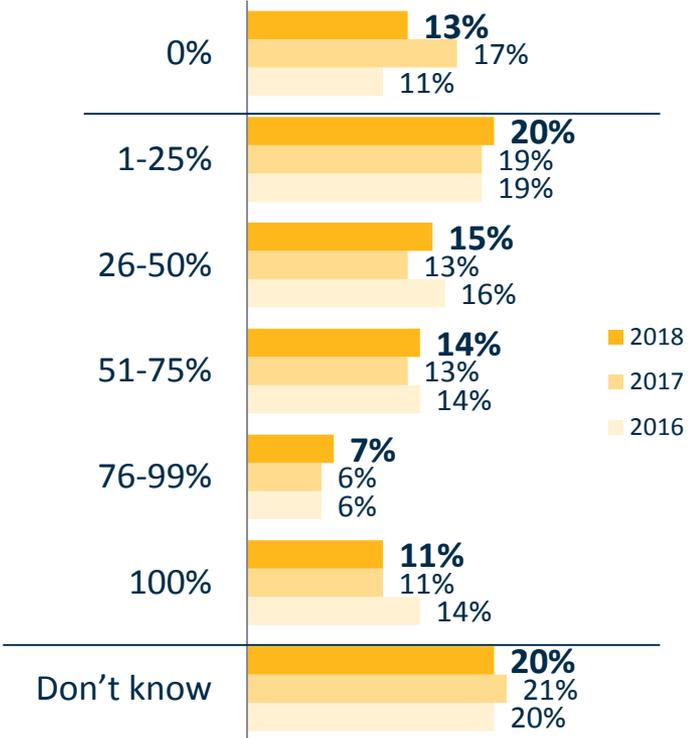
The study is based on an online survey of 2,003 U.S. adults age 18+ conducted from March 7-19, 2018 (and an oversample of 601 interviews with U.S. Millennials age 18-34 which has been combined with the general population of those age 18-34 when featuring this group).

Data were weighted to be representative of the U.S. population (age 18+) based on Census targets for education, age/gender, race/ethnicity, region and household income.

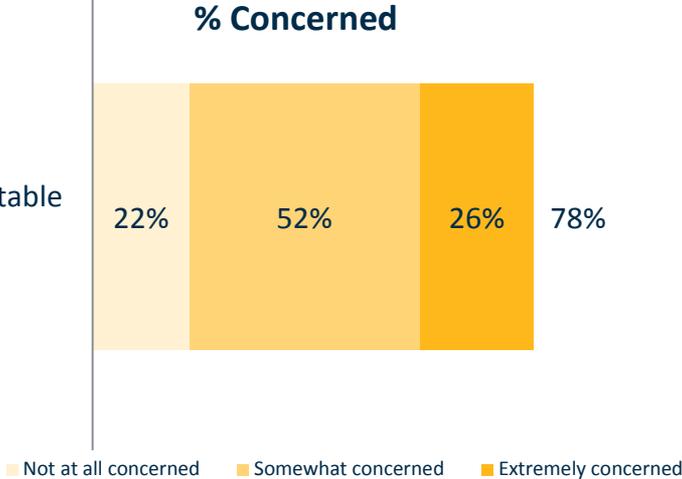
Financial security in retirement is a key issue for Americans

Nearly eight in 10 people are “extremely” or “somewhat” concerned about affording a comfortable retirement and two thirds of U.S. adults believe there is a chance they will outlive their savings.

% Will outlive savings 67%



Affording a comfortable retirement



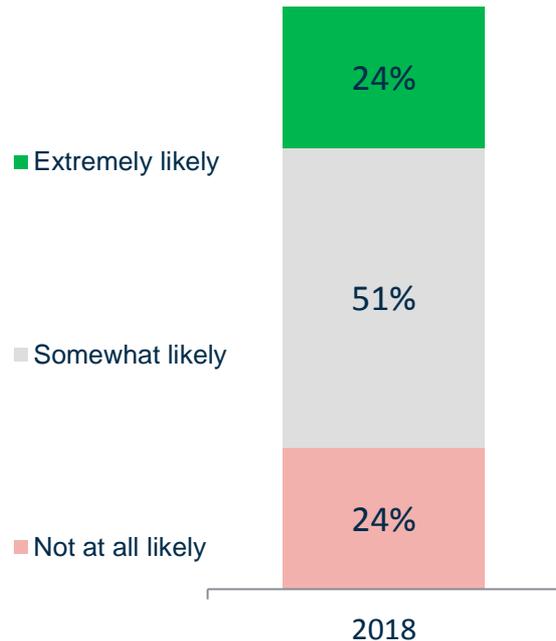
BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)
Q1818. How would you rate your level of concern with each of the following?

BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)
Q1645. In your opinion, what is the likelihood that you could outlive your savings?

These fears aren't unfounded...

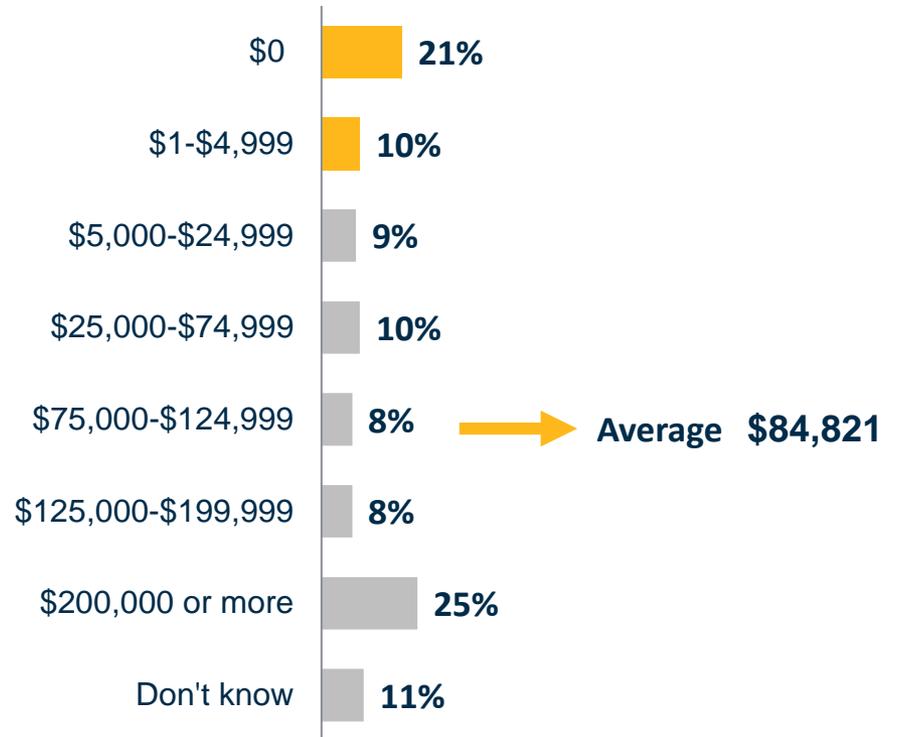
About one in three Americans have less than \$5,000 in retirement savings and one in five have no retirement savings at all. Moreover, three-quarters of Americans believe it is “not at all likely” or only “somewhat likely” that Social Security will be available when they retire.

Social Security Availability



BASE: THOSE CURRENTLY NOT RETIRED- Gen Pop: (n=1506)
Q1565. In your opinion, what is the likelihood that Social Security will be available to you when you retire?

Saved for Retirement



BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=1979)
Q1825. How much money do you have saved for retirement (from all sources including 401(k), IRA, pension, bank accounts, etc.)?

...yet Americans aren't addressing them

Nearly half of adults have taken no steps to prepare for the possibility of outliving their savings.

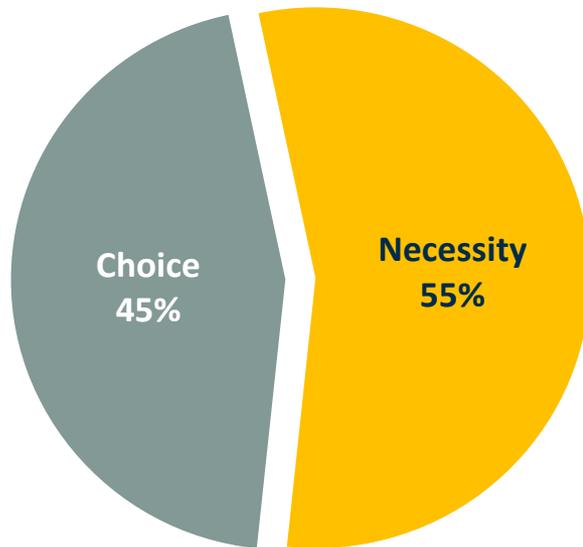


BASE: ALL QUALIFIED RESPONDENTS - Gen Pop: (n=2003)

Q1655. What steps, if any, have you taken to address the possibility that you may outlive your savings?

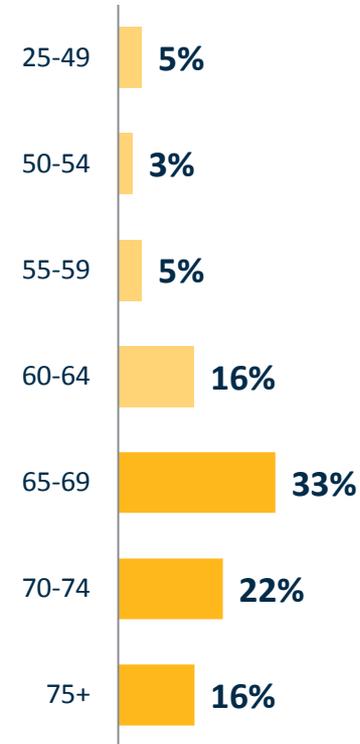
Financial concerns are one reason some expect to delay retirement

Whether they're opting to continue working from necessity or by choice, more Americans anticipate retiring at 70 years or older than in the more traditional 65 – 69 age range.



BASE: THOSE NOT RETIRED AND PLAN TO WORK PAST AGE 65 - Gen Pop: (n=565)

Q1540. Are you planning to work past the traditional retirement age of 65 by necessity or by choice?

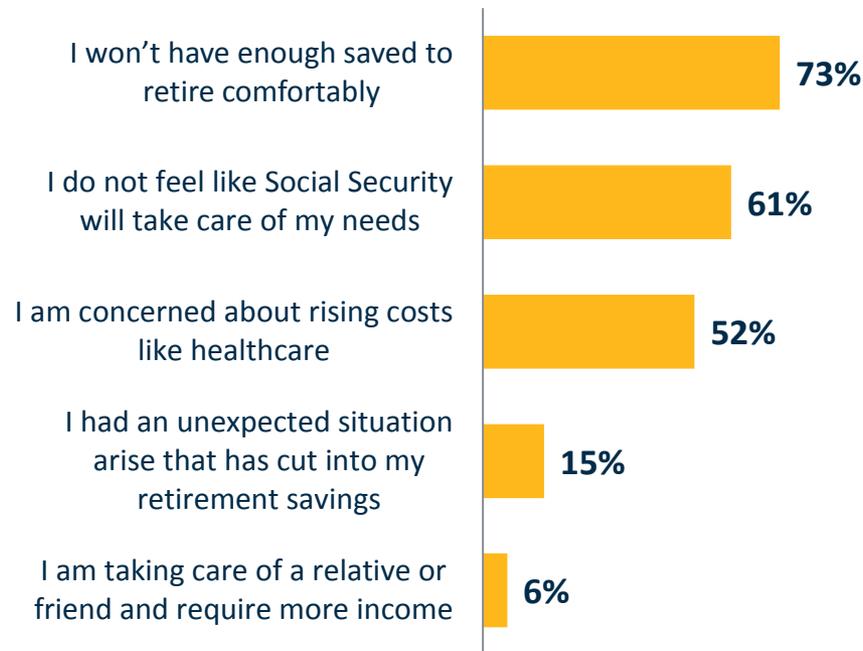


BASE: THOSE CURRENTLY NOT RETIRED BUT WORKING - Gen Pop: (n=1134)

Q1035. How long do you anticipate you will work before you retire?

Savings shortfalls was the top driver for those planning to work longer from necessity

Among the more than half of Americans expecting to work past the traditional retirement age by necessity, the main reasons were inadequate savings and lack of confidence in Social Security's ability to take care of their needs.



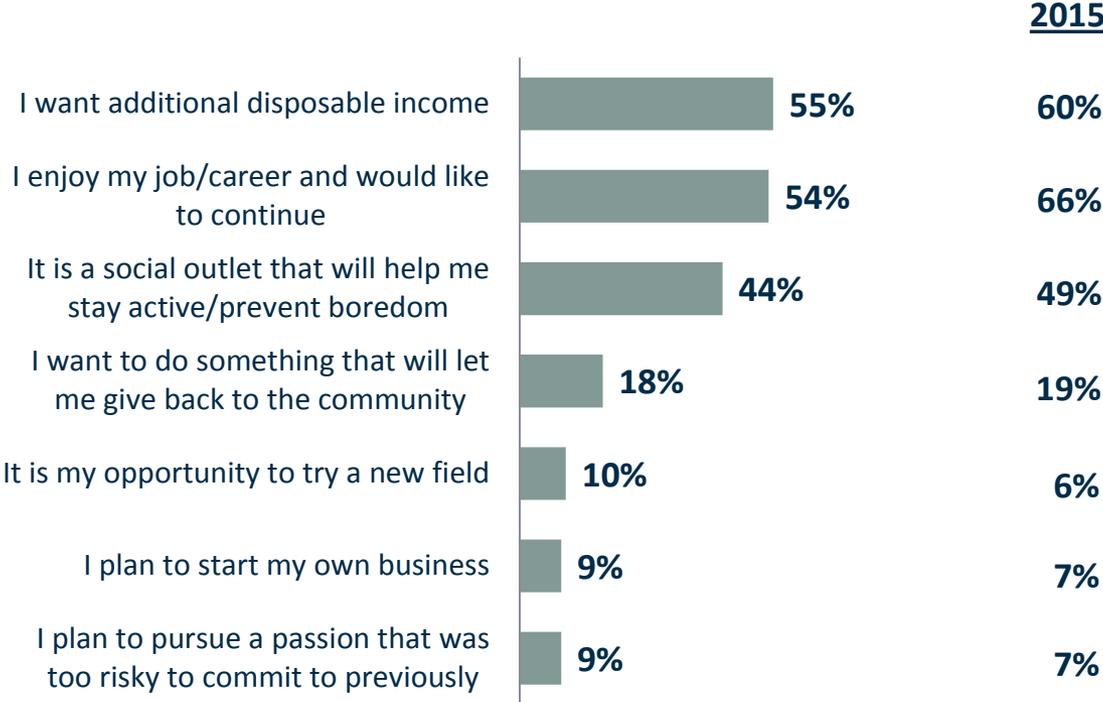
BASE: THOSE NOT RETIRED PLANNING TO WORK PAST AGE 65 BY NECESSITY - Gen Pop: (n=332)

Q1545. Why do you anticipate needing to continue working past the traditional retirement age of 65?

Bar chart displays statements garnering 5% or more of the responses.

Added income and career satisfaction were the top reasons people anticipate working longer by choice

This year, disposable income (55%) and professional satisfaction (54%) were nearly equal drivers, compared to 2015 when career enjoyment was the key motivator.



BASE: THOSE NOT RETIRED PLANNING TO WORK PAST AGE 65 BY CHOICE - Gen Pop: (n=233)

Q1546. Why do you anticipate working past the traditional retirement age of 65?

Bar chart displays statements garnering 5% or more of the responses.