

EMPLOYEE FINANCIAL EDUCATION

The Power of 1%



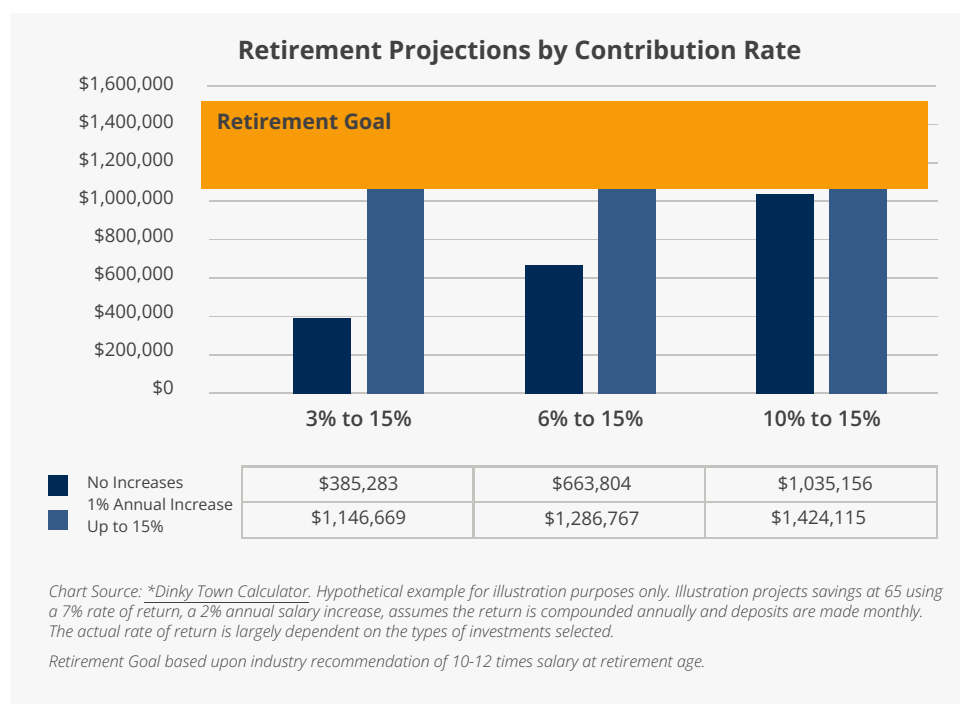
A small change today can grow into big savings tomorrow.

Saving for retirement doesn't have to feel overwhelming. Small steps can make a big difference. Compound interest means your savings earn money, and then that money earns money too. Over time, even small contributions can grow much larger because of this snowball effect. The earlier you start saving, the more time your money has to grow and multiply.

Small changes add up

Start by asking yourself, "What percent of my salary am I saving in my 401(k)?" Then, compare it to the recommended savings rate of 10-15% for a healthy retirement. For example, let's look at a 30-year-old earning \$50,000 a year with a \$10,000 401(k) balance.

Small increases in your savings can add up over the years. With gradual changes, you can steadily work toward the retirement lifestyle you envision.



Could you save more?

Increasing your contribution rate by 1% might not seem like much, but it can make a big difference. You can do it yourself, or if your plan allows, opt for **automatic escalation**. This will gradually increase your savings rate until you reach the limit.

What does a small increase look like?

\$ 50,000

| 8% | 10% | 12% | 14% | 15% |
|----------|----------|-----------|-----------|-----------|
| \$ 76.92 | \$ 96.15 | \$ 115.38 | \$ 134.62 | \$ 144.23 |

← How much you'll save each week →



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