

Enrollment guide

What's inside?

Plan benefits and information  
to help you enroll



CAPITAL  
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# Small steps can take you far





## The journey to retirement

Your employer chose Capital Group, home of American Funds, as the provider for your retirement plan. We can guide you along the path to enrollment and help you plan for the future.

**Since 1931**, Capital Group has helped investors pursue long-term investment success.

**\$2.5 trillion**

Assets under management\*

**370,000+**

Retirement plans\*

**2.6 million+**

Plan participants\*

## A good plan can help you go the distance

Saving for the future may not always feel easy. But the reality is that Social Security alone won't be enough to live comfortably – especially with increasing life expectancies and longer retirements. That's why it's good to start saving as soon as possible.

### Good news

Your employer offers a retirement savings plan to help you pursue your retirement goals.

### You're on your way

By enrolling in your plan, you're taking steps toward your financial goals.

### We're here to help

Along with your plan's financial professional, we're here to help you make the most of your plan.

\* As of 12/31/24

**Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.**

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.

# Why investing in your plan is a good choice



## An investment in your future

Your employer may contribute toward your retirement or match a portion of what you contribute. This can help provide the income you'll need in retirement.\*



## Everybody loves a tax break

Retirement plan contributions can be a good way to lower your taxable income. You may even find yourself in a lower tax bracket.



## You can take it with you

If you leave your job, you can move your savings to an individual retirement account or potentially to another employer's retirement plan.\*



## The power of time

Time is an important factor in growing your retirement savings. The longer you're invested, the more potential you have to earn money, thanks to compounding.



## You can access your money

Your retirement plan savings are meant for retirement, but you may be able to access your money if needed. Potential tax penalties may apply.\*

\* For SIMPLE IRAs, your employer is required to match a portion of your contribution or make a non-elective contribution on your behalf. SIMPLE IRAs are also subject to a two-year rule that may limit your distribution options or increase the tax on an early distribution.

## How to enroll in your plan



### Ready

Learn about the benefits and features of your employer's retirement plan.



### Set

Decide how much you want to contribute and choose your funds.



### Enroll!

Follow the instructions from your employer or your plan's financial professional to enroll in your plan.

You can also:

- Designate your beneficiaries
- Consolidate or roll over another retirement plan into your new plan (if permitted).

**Did you know?** Social Security may only replace about **43%** of a medium earner's income in retirement. Providing the rest is up to you.

Source: Social Security Administration, Understanding the benefits, January 2025.

# How much do you want to contribute?

Many financial professionals say you may need to save 10% to 15% of your salary each year to have enough to live on in retirement.

## Small steps can help get you there

Sofia and Anthony work at the same company and are the same age. They each begin earning an annual salary of \$50,000 and contribute 6% of their pay to their retirement plan. Anthony increases his contribution by 1% each year until he reaches his 10% goal while Sofia sticks with her 6% contribution. Take a look at how Anthony's small increases would've boosted his monthly retirement income by more than 50% in the hypothetical example below.

How small increases can make a big difference over time

### No increases

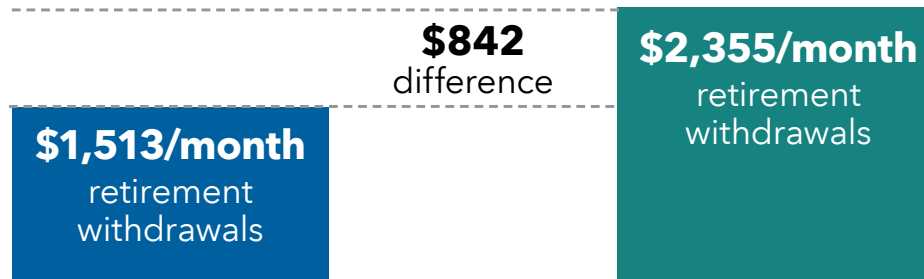


Sofia saves 6% of her pay until retirement.

### Small increases



Anthony increases his 6% contribution by 1% each year until it reaches 10%.



These hypothetical examples assume a starting salary of \$50,000, a 2% annual pay increase, a 30-year accumulation period, an 8% average annual return compounded monthly and a 4% annual withdrawal rate after the accumulation period. These are point-in-time views and as such do not take into account any growth or loss during retirement. Without investment growth/loss during retirement, a 4% annual withdrawal rate would deplete retirement savings in 25 years. Examples are for illustrative purposes only and do not reflect the results of any particular investment, which may differ, or taxes that may be owed on tax-deferred contributions, including the 10% penalty for withdrawals taken before age 59½. Regular investing does not ensure a profit or protect against loss in a declining market. Investors should consider their willingness to keep investing when share prices are declining.

# Where do you want to **invest your contributions?**

Your plan offers different types of investments to choose from. Learn more about these options on the following pages.



## **Target date funds\***

Get a diverse portfolio in a single fund based on a target retirement year. The investment mix automatically adjusts over time.

\* May not be offered by all plans.



## **Individual funds**

Create a personalized investment mix that's tailored to your specific investment goals and preferences.

# Target date funds: keep it simple

“I like that investment professionals are managing the fund for me. That gives me time to focus on other things.”





## How it works

You choose the target date fund that’s closely aligned with the year you plan to retire and begin taking withdrawals. Our investment professionals handle the rest. They adjust the fund’s holdings over time to become more conservative as you near retirement.

### Why choose a target date fund?

- It’s a simplified, “do-it-for-me” approach to investing.
- Each fund is designed to be a broad mix of investments, so you only need to choose one.

### Choose one target date fund

 If you were born in	 Then consider choosing*
2003 and later	2070 Fund
1998 to 2002	2065 Fund
1993 to 1997	2060 Fund
1988 to 1992	2055 Fund
1983 to 1987	2050 Fund
1978 to 1982	2045 Fund
1973 to 1977	2040 Fund
1968 to 1972	2035 Fund
1963 to 1967	2030 Fund
1958 to 1962	2025 Fund
1953 to 1957	2020 Fund
1948 to 1952	2015 Fund
1947 and earlier	2010 Fund

\* The table above assumes you will begin taking retirement withdrawals at age 65. If you plan to begin taking withdrawals at another time, you may want to choose another target date fund that better aligns with your retirement goals.

Although target date portfolios are managed for investors on a projected retirement date time frame, the allocation strategy does not guarantee that investors’ retirement goals will be met.

 **Ready to enroll?** Follow the instructions from your employer to get started.

# Individual funds: personalize your portfolio

“I want to choose specific funds to help me achieve my goals and complement my other investments.”



## How it works

There are funds for every kind of investor. When you choose your investment mix, you create your own customized portfolio based on a number of factors, including your risk tolerance, when you expect to withdraw the money and any retirement savings you may have outside your plan.

### Why choose your own investment mix?

- It's a “do-it-yourself” approach if you want to choose your own investments.
- You can tailor an investment portfolio with your specific goals in mind.

**Choose investments that make sense for you**  
Different investments may have different objectives with varying degrees of risk-and-return potential. For example:



#### Capital preservation investments

Aim to preserve what you've saved but may not provide the growth needed to meet your retirement goals.

#### Bond and balanced investments

Typically fall in the middle in terms of risk and return.

#### Growth investments

Have the highest long-term return potential but also carry the highest potential risk.



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