



TIAA 2021 Lifetime Income Survey

How employers can stand out in a competitive job market

Executive Summary – September 2021

Lifetime income options in retirement plans can be a tool to attract and retain employees

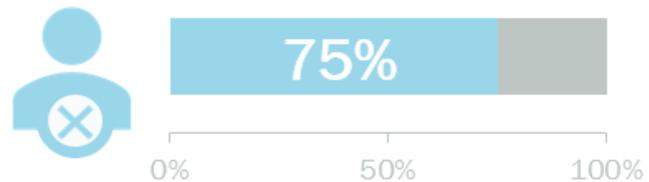
Amid today's highly competitive job market, more than 70% of workers say they would choose to work for, or stay with, a company that offers access to guaranteed lifetime income in retirement over one that does not.

When making job or career decisions, 57% say their employer's match is highly important to them. Other factors that are highly important include:

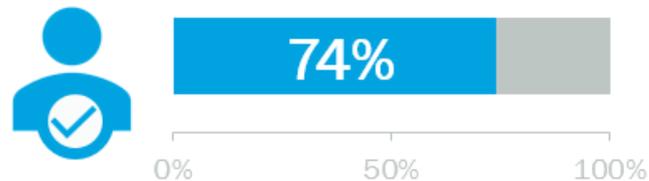
- Being offered a retirement plan that meets their goals (53%),
- A retirement plan provided by a company they are familiar with (44%), and
- The range of retirement investment options offered (43%).

Importance of lifetime income option in choosing employer

Much/somewhat more likely to **stay at current employer if offered** lifetime income option (Those without pension or in-plan lifetime income)



Much/somewhat more likely to **change employer if not offered** lifetime income option (Those with a pension or in-plan lifetime income)



Employees say employers have a responsibility to offer access to guaranteed lifetime income



Six in ten workers are highly interested in an annuity that provides lifetime income if it was offered through their employer's retirement plan.

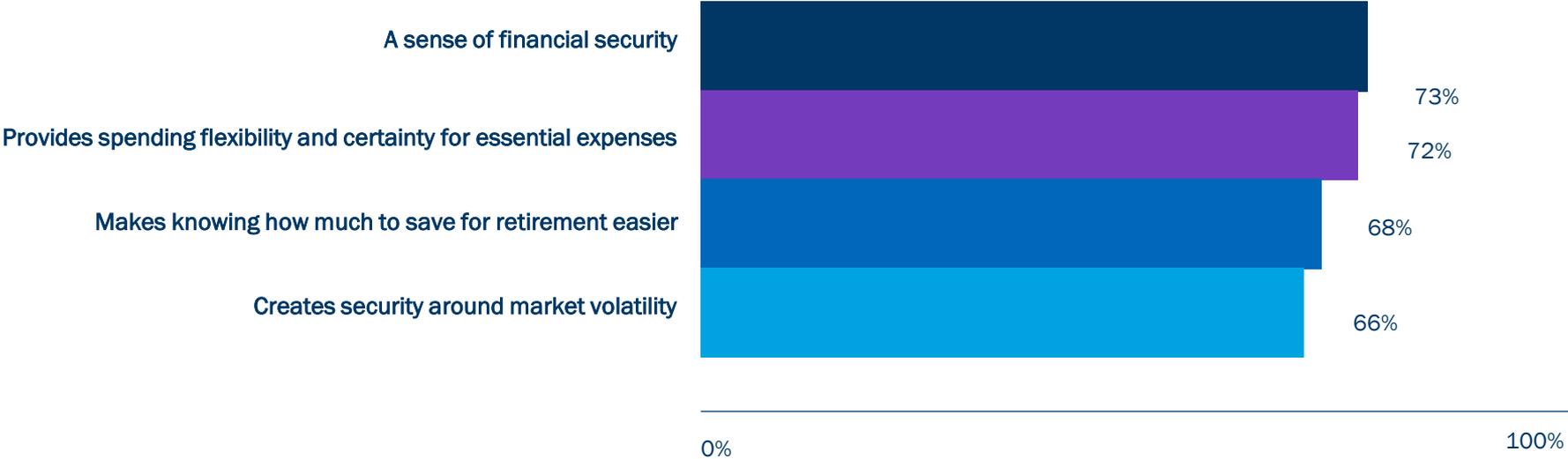


And **57% agree** that employers have a responsibility to provide employees a way of getting lifetime income in retirement.

This emphasizes the importance of highlighting lifetime income investment options at an early stage to attract prospective employees as well as to retain employees.

Workers see value in owning guaranteed lifetime income in retirement

Employees say having guaranteed lifetime income offers:



Confusion exists around the sources of guaranteed lifetime income



Almost half of respondents who think they are receiving guaranteed lifetime income incorrectly identified non-income producing investment options as a source of guaranteed income, such as mutual funds and certificates of deposits.



Eight in 10 respondents correctly identified one correct source.



But **just 15%** identified all three main sources:
Social Security, pensions and annuities.

There is high value in knowing that expenses are covered by guaranteed income



For about **two-thirds of respondents**, it is highly important to know their healthcare and essential expenses in retirement are covered by a guaranteed lifetime income source.



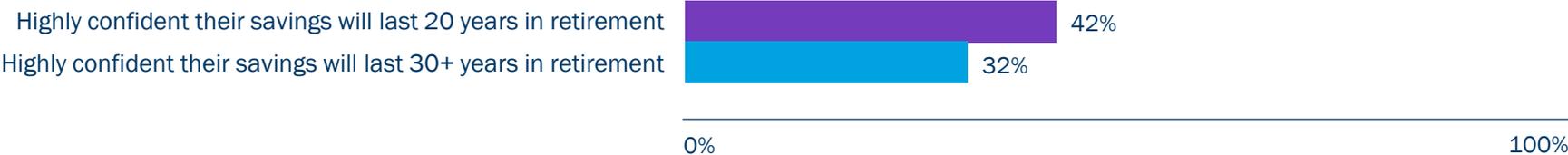
Only **39%** think Social Security will cover all their financial needs in retirement.



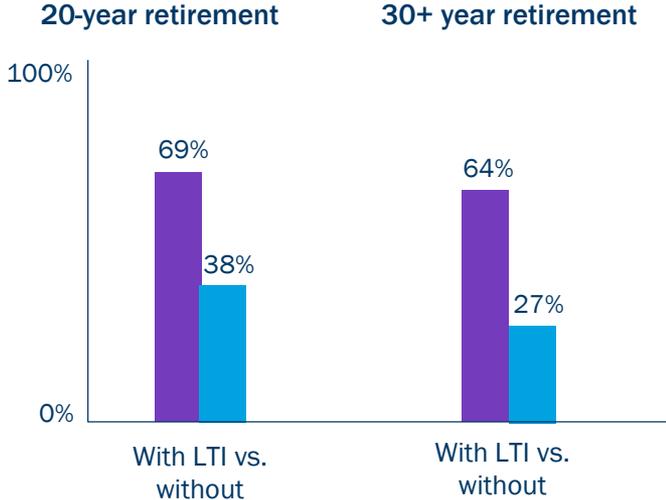
Just **half** think the same about their essential expenses.

Workers are not confident their savings will last throughout retirement

Workers who think they're on track to retire when they want:



Those with lifetime income annuity are more confident when it comes to both time frames. Highly confident:



Those who have lifetime income annuity or a pension have increased confidence about being financially secure throughout retirement. 20-year retirement

83%
of those with Lifetime Income annuities say their confidence is increased to some or a great extent.

85%
Of those with a pension say the same.

Study Methodology



Greenwald Research conducted the 2021 TIAA Lifetime Income Survey using an online survey of 1,001 Americans age 27–75 living in the United States. The study was fielded between May 12 to May 30, 2021. Data was weighted by gender, education, income, working status, race, and generation.

TIAA and Greenwald Research are independent entities and are not affiliated with each other.



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¹Based on data from 56 providers in PLANSPONSOR magazine's 2019 DC Recordkeeping Survey, combined 457, 403(b) and money purchase plan data as of December 31, 2018.

²Based on approximately \$1.3 trillion of assets under management across Nuveen affiliates and TIAA investment management teams as of 6/30/2021.

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