

SAVING FOR RETIREMENT

MAXIMIZE YOUR SAVINGS AND STAY INVESTED



MAKE THE MOST OF YOUR PEAK EARNING YEARS

In your 40s and 50s, retirement may no longer feel like a distant goal. You may be thinking about when you want to retire, what retirement might look like, and whether you're on track to support the lifestyle you envision.

While you've likely entered your peak earning years, you may also be balancing competing priorities—such as college tuition, paying down debt, caring for aging parents, or helping adult children. With so much on your plate, it can be difficult to save as much as you'd like. Yet the years leading up to retirement can also be some of the most important for building savings.

Taking full advantage of your workplace 401(k)—by contributing as much as you can and staying invested for the long term—is one of the most effective ways to strengthen your retirement readiness and make the most of the years ahead.

IT'S NOT TOO LATE

Small changes now can make a difference.

The years leading up to retirement can be some of the most important for building savings. Increasing contributions, taking advantage of catch-up provisions, and staying invested can have a meaningful impact on your retirement readiness.

Even if retirement is only 10–15 years away, you still have time to make meaningful progress toward your retirement goals. The years leading up to retirement are often your highest-earning years, creating an opportunity to save more through your workplace retirement plan and continue benefiting from compounding growth.

If you're age 50 or older, catch-up contributions allow you to save beyond the standard 401(k) contribution limit—providing an additional opportunity to help strengthen your retirement readiness.

Take advantage of catch-up contributions to maximize your 401(k)

$$\text{\$24,500} + \text{\$8,000} = \text{\$32,500}$$

Maximum Contribution for 2026

Additional Catch-Up
Contribution for Those Age
50 or Older

Total Contribution¹

¹ IRS Notice 2025-67. Certain higher-income participants may be required to make catch-up contributions as Roth contributions. Consult your plan materials for details.

DON'T LEAVE FREE MONEY ON THE TABLE

A common employer match is 50% of what you contribute, up to 6% of your salary, though your plan may differ.²

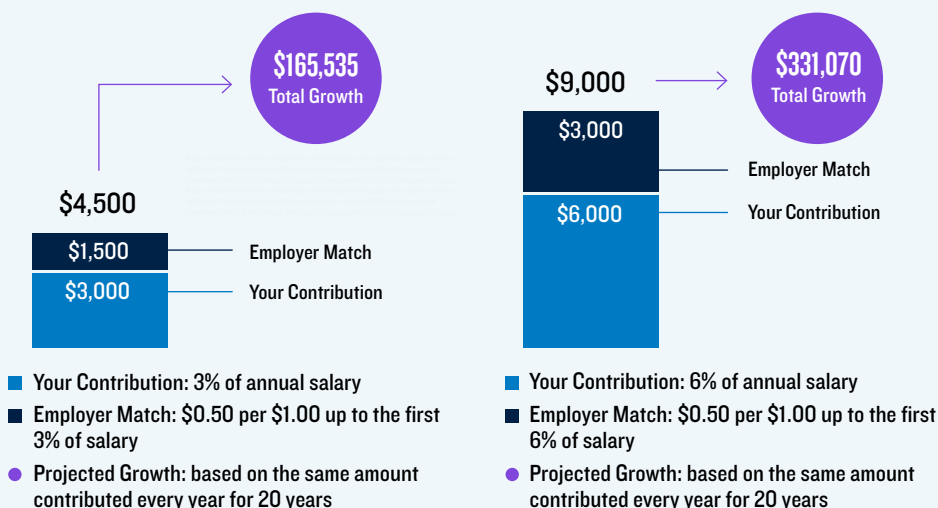
Your employer may match a portion of your 401(k) contributions—adding extra money to your retirement savings. If you're not contributing enough to receive the full match, you're leaving those dollars behind.

- Understand your employer's matching contribution. Review your plan details and contribute enough to take full advantage of this valuable retirement benefit.
- Increase your contributions over time. Consider working toward saving 10%–15% of your salary, including any employer match.

BOOST YOUR SAVINGS

Taking full advantage of your employer's 401(k) match can significantly increase your retirement savings over time.

How the “free money” employer match can grow your retirement savings Hypothetical examples based on a \$100,000 salary

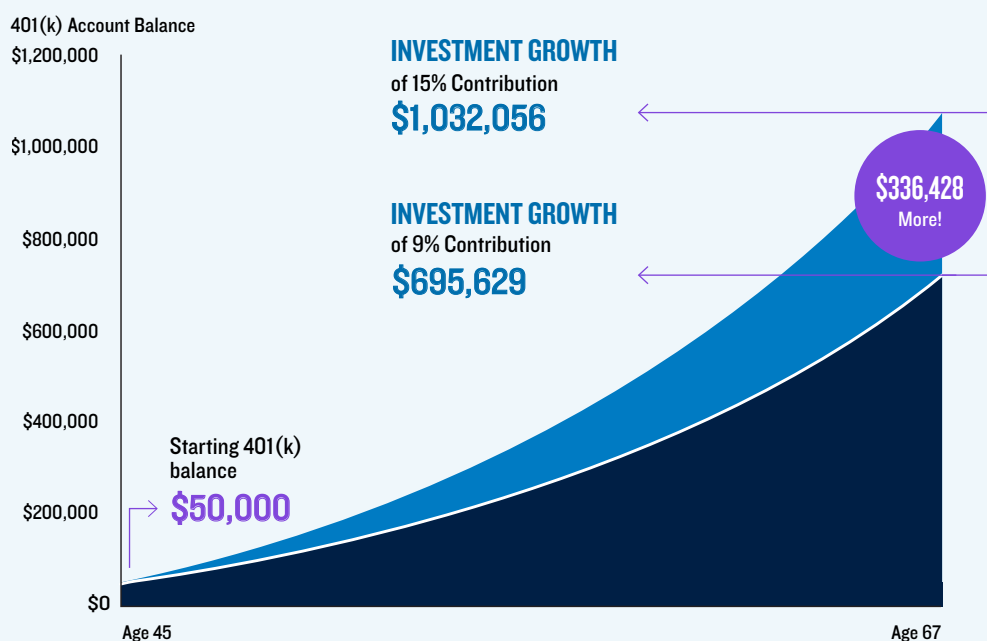


Source: PGIM. Assumes a 6% annual return. Not indicative of an actual investment; for illustrative purposes only.

THE POWER OF CONTRIBUTING MORE

Increasing your contribution rate now can still have a meaningful impact on your retirement savings. Consider a hypothetical 45-year-old with \$50,000 in a 401(k) who plans to retire at 67.

Assuming a \$100,000 salary and annual raises of 2%, increasing contributions from 9% to 15% could result in more than \$336,000 in additional retirement savings by age 67.



Source: PGIM. Assumes 6% growth rate annually. This is a hypothetical example. It is not indicative of any actual investment. There is no guarantee that this will occur and the outcome could differ depending on an individual's particular situation. Does not take into consideration taxes withheld at time of withdrawal.

² Empower, 401(k) Matching Example, Potential Growth Over Time, December 5, 2025.

THE BASICS OF HOW YOUR 401(K) GROWS

Three key concepts can help you balance growth and risk as retirement approaches:

ASSET ALLOCATION



Asset allocation—how you divide your investments among stocks, bonds, and other asset types—plays a central role in how your portfolio performs over time.

Different types of investments respond differently to market conditions. For example, what causes stocks to fall may help bonds perform better. In other words, when one type of investment goes down, another may go up.

Over time, stocks have generally delivered higher returns than bonds—but with more ups and downs along the way.

Bond vs. Stock Returns Over the Past 10 Years

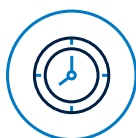
For example, a portfolio invested 100% in the S&P 500—a diversified stock index—returned 14.16% over the past 10 years despite the COVID-19 pandemic, rising inflation, higher interest rates, and other market disruptions. A portfolio diversified across both stocks and bonds—such as a 60% stock / 40% bond allocation—still provided a positive return of 9.32%, while helping reduce overall volatility.



LOWER RISK/ RETURN ← ————— → HIGHER RISK/ RETURN

Source: Morningstar Direct. As of 3/31/2026. Bonds: Bloomberg U.S. Agg Bond TR. Stocks: S&P 500 TR USD. Indexes are unmanaged and are provided for informational purposes only. Investors cannot directly invest in an index.

TIME HORIZON



Time horizon is closely tied to asset allocation. As retirement gets closer, you have less time to recover from market downturns and benefit from long-term investment growth.

That doesn't mean avoiding stocks altogether. But it may mean gradually adjusting your portfolio to reflect your changing goals, risk tolerance, and retirement timeline.

Staying invested and maintaining a diversified portfolio can help you navigate periods of market volatility while continuing to pursue long-term growth.

REBALANCING



Strong market performance can gradually shift your portfolio away from your intended mix of stocks and bonds.

For example, a portfolio that began with a 60% stock / 40% bond allocation may become much more heavily weighted toward stocks after several years of strong stock market returns.

Rebalancing can help bring your portfolio back in line with your target allocation and risk level. While it may require trimming investments that have performed well and adding to those that have lagged, it can help maintain a diversified portfolio over time.

WHICH INVESTMENT APPROACH IS RIGHT FOR YOU?

You generally have two options when choosing how to invest your 401(k):

1 SELECT YOUR OWN 401(K) INVESTMENTS (HANDS-ON)

On the plus side, your 401(k) plan offers a wide range of investment options. But building and managing a diversified portfolio on your own takes time, effort, and confidence in your investment decisions.

2 LET A PROFESSIONAL MANAGE YOUR 401(K) FOR YOU (HANDS-OFF)

Another option is to choose a professionally managed investment solution—like a target date fund (TDF)—that's designed to manage your retirement portfolio for you.

HOW TO DECIDE

Ask yourself:

- Do I have the time to research investments, spread my money across different types of investments, and rebalance those investments over time?
- Do I feel confident making long-term investment decisions—especially during market ups and downs?

- TDFs are professionally managed portfolios that invest in a mix of stocks, bonds, and sometimes cash, based on how far you are from your target retirement date.
- Target date funds typically invest more in stocks when retirement is further away and gradually become more conservative as retirement approaches.
- This gradual shift can help align your portfolio with your changing time horizon and risk tolerance.
- A single TDF provides built-in diversification across many different investments.
- TDFs automatically rebalance over time, helping keep your portfolio aligned with your retirement timeline.



MAKE THE MOST OF THE YEARS AHEAD

Your peak earning years may be some of your most important saving years. Taking advantage of your workplace 401(k), catch-up contributions, and employer match can help strengthen your retirement readiness.

For more information, visit your retirement plan website or contact your financial professional.

Investment decisions should be based on your individual financial needs, goals, time horizon, and risk tolerance. Asset allocation and diversification do not ensure a profit or protect against loss in declining markets. All investing involves risk, including the possible loss of principal.

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