

# The Retirement Journey: Navigating Income Perceptions and Realities

## NON-RETIRED WORKERS

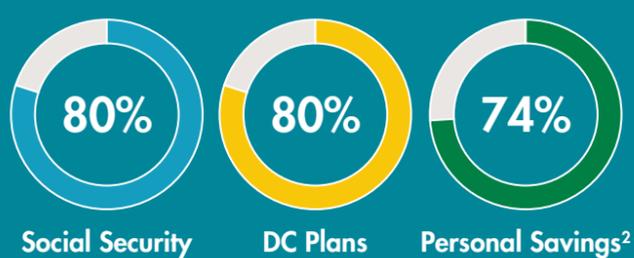
### Perceptions Before Retirement

#### Will Anticipated Income Sources Suffice?

Only 46% expect Social Security, defined benefit pension plans, and lifetime-guaranteed income annuities to be enough to cover their basic household living expenses.

Traditional defined benefit (DB) pensions are expected to be a source for fewer than 2 in 5.

#### Anticipated Income Sources:



#### Drive Confidence With Additional Income: Annuity & Investment Ownership



Annuities are expected to be an income source for nearly 1 in 5 non-retired workers.

**19%**  
own an annuity.

While 95% of non-retired workers are saving for retirement, almost 1/4 are not confident they are saving enough to last throughout retirement.



**35%** of workers do not feel that their households will receive enough lifetime-guaranteed income to cover basic living expenses.

#### Anticipated Supplemental Resources to Bridge Income-Expense Gaps



## RETIREES

### Realities in Retirement

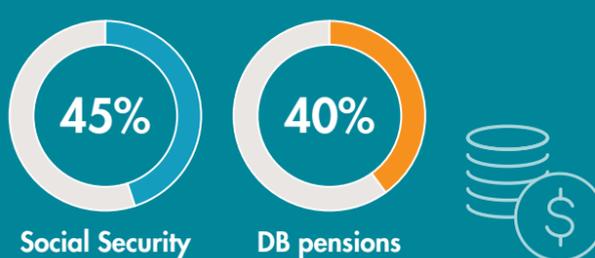
#### Income Sources Retirees Depend On:

About 1/2 are receiving pension income in 2023 — compared with nearly 2/3 a decade earlier.

23% are currently receiving income from defined contribution (DC) plans.



#### Sources Retirees Rely On:<sup>1</sup>



#### Annuitizing Assets: Expanding Income Resources With Annuity Ownership



Fewer than 1 in 4 received any form of income from annuities.

**30%**  
own an annuity.



About 7 in 10 retired investors' households receive enough income from lifetime-guaranteed income sources to cover all basic living expenses.

#### Most Retirees Spending Levels Are Aligned With Their Expectations

**57%**  
were  
in line  
with  
expectations.

**24%**  
exceeded  
pre-retirement  
expectations.

**15%**  
were  
lower than  
expected.



## Facing the Future: Retirement Realities vs. Expectations

Investors' perceptions may not match the realities they experience along the retirement journey. Annuities can be an attractive means to "top off" other sources of guaranteed income so that non-discretionary spending is covered. Many investors would benefit from comprehensive retirement income planning that would enable annuitization or sustainable systematic withdrawals that avoid the need to reduce one's living standard or remain in the workforce, helping make the retirement lifestyle they desire a reality.

View the full report: [2023 Retirement Investors: Behaviors, Attitudes, and Financial Situations](#). LIMRA.

This survey focused on individuals who are most likely to be considered part of the market for products and services for individual retirement products and services, workers and retirees, age 40-85, with household investable assets of \$100,000 or more.

<sup>1</sup> Average percentage of total household income sources retirees rely on (if receiving).

<sup>2</sup> Held outside of DC plans and IRAs.