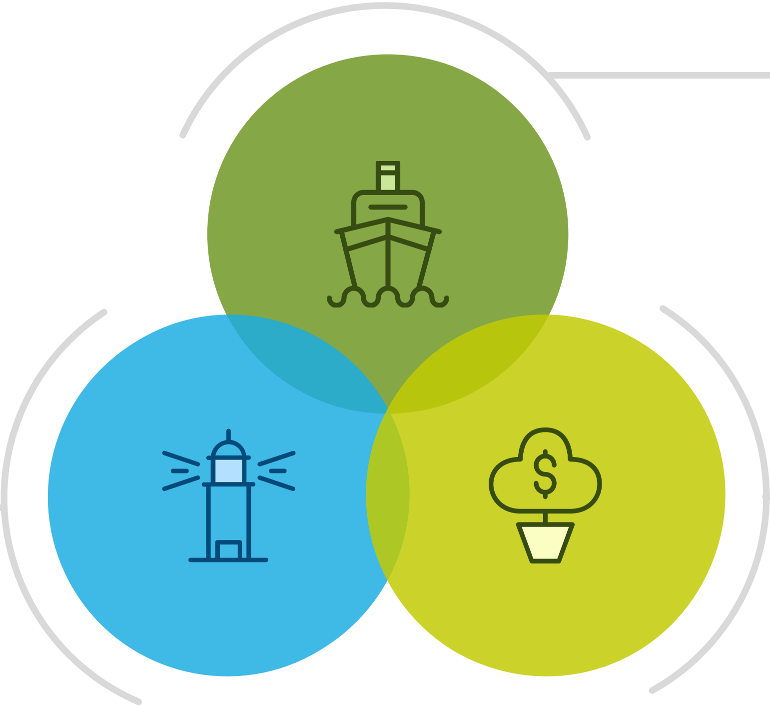
Fundamentals of retirement income planning

Agenda

Approaching retirement

Getting started with Fidelity resources



Creating your retirement income plan

This information is intended to be educational and is not tailored to the investment needs of any specific investor.

What is a retirement income plan?

Retirement income plan

A detailed plan that can help you determine how to use your financial resources to generate cash flow to last the rest of your life.

Make your retirement savings last

Enjoy the retirement lifestyle you envisioned

Build a legacy for your family

Feel prepared for what's ahead

Where does a retirement income plan fit?

Five key risks

Keep these in mind as you prepare to create your retirement income plan

Withdrawals
Not taking out too much, too soon

Inflation
Not letting it eat away your savings' purchasing power

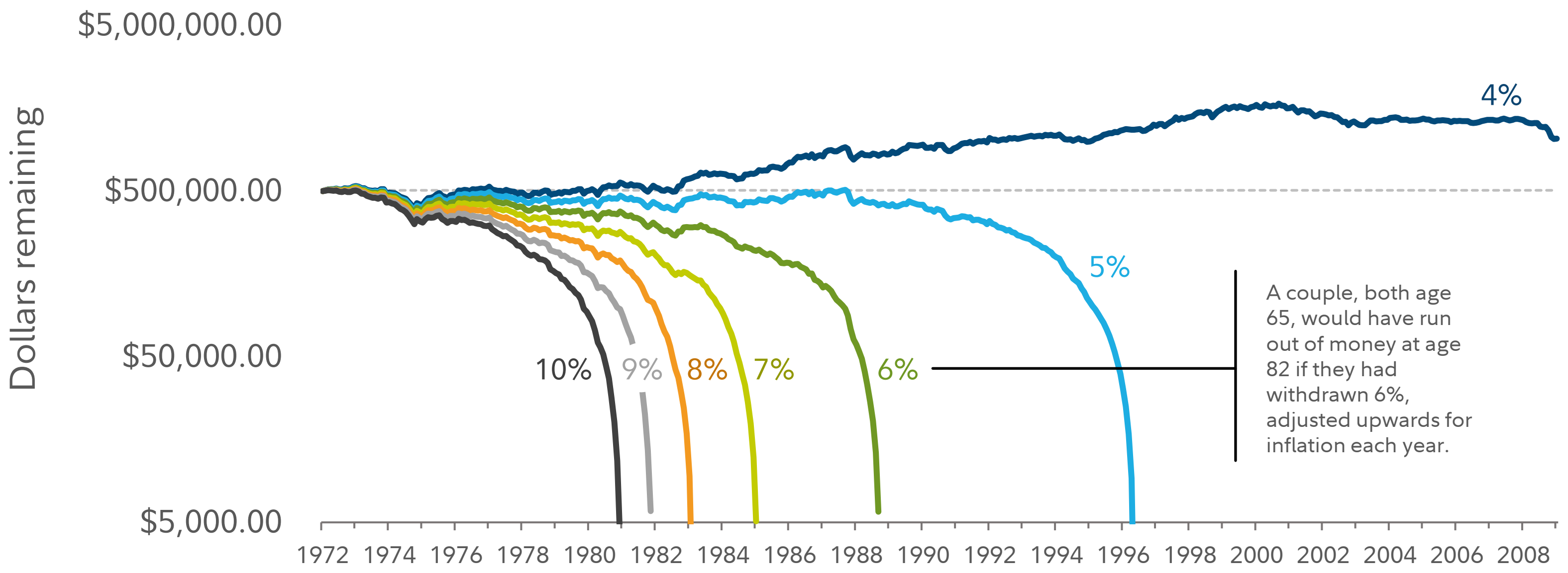
Longevity
Making sure your plan covers the full length of your life

Medical
Taking into consideration rising medical costs

Allocation
Ensuring your plan can weather the changing markets

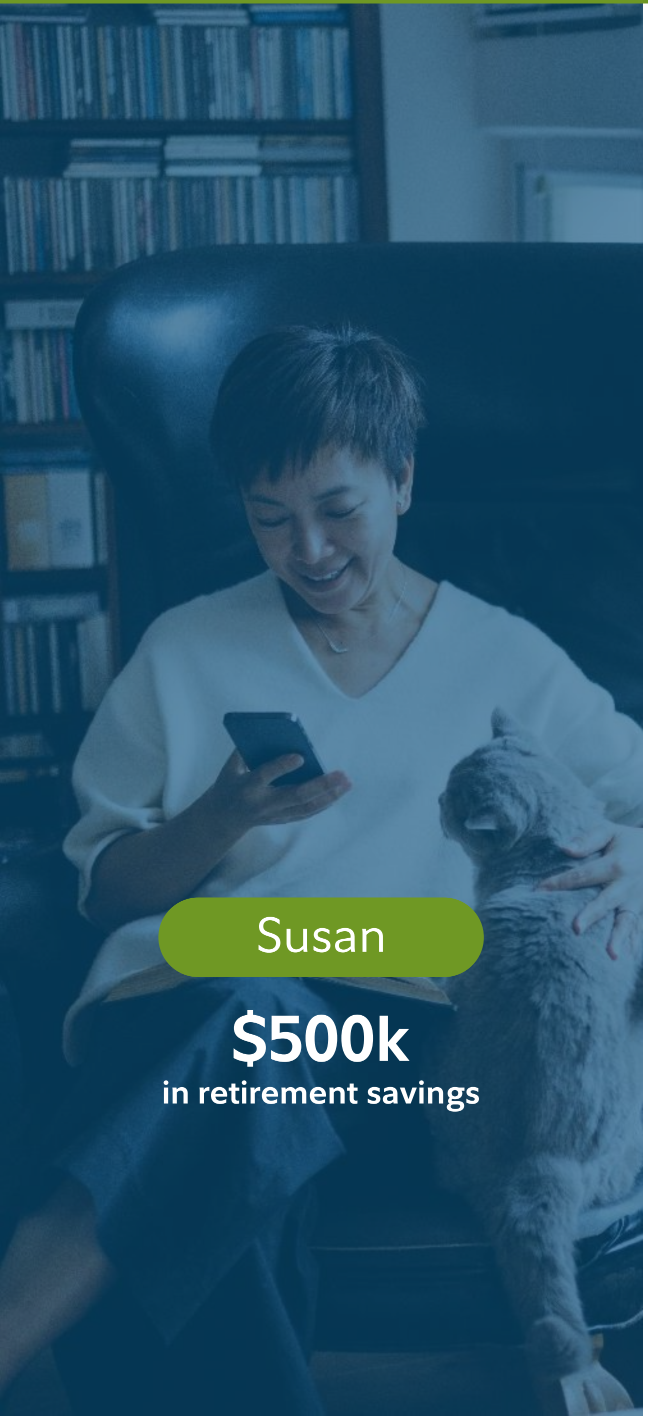
Impact of different withdrawal rates

Choosing a rate that helps your money last longer



Hypothetical Couple (Both Age 65)*	**100.0%** at age 65	**99.7%** at age 70	**98.4%** at age 75	**94.8%** at age 80	**86.2%** at age 85	**67.9%** at age 90	**39.1%** at age 95

*Hypothetical value of assets held in an untaxed account after adjusting for monthly inflation-adjusted withdrawals and performance. Initial investment of $500,000 invested in a portfolio of 50% stocks, 40% bonds, and 10% short-term investments. Hypothetical illustration uses historical monthly performance, from Morningstar, for the 35-year period beginning January 1972: stocks, bonds, and short-term investments are represented by the S&P 500® Index, U.S. intermediate-term government bond, and U.S. 30-day T-bills, respectively. Initial withdrawal amount based on 1/12th of applicable withdrawal rate multiplied by $500,000. Subsequent withdrawal amounts based on prior month's amount adjusted by the actual mo nthly change in the Consumer Price Index for that month. This chart is for illustrative purposes only and is not indicative of any investment. Pa st performance is no guarantee of future results.



Withdrawal rate example

Factoring in annual required minimum distribution (RMD)

4% withdrawal rate

$500,000 x 4%
= **$20,000**

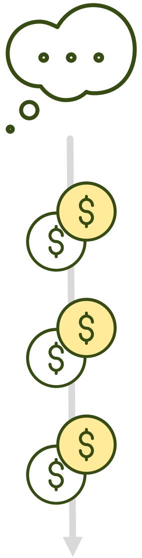
IRS-required minimum distribution (RMD)

$500,000 ÷ 26.5
= **$18,868**

Annual withdrawal amount must meet/exceed RMD

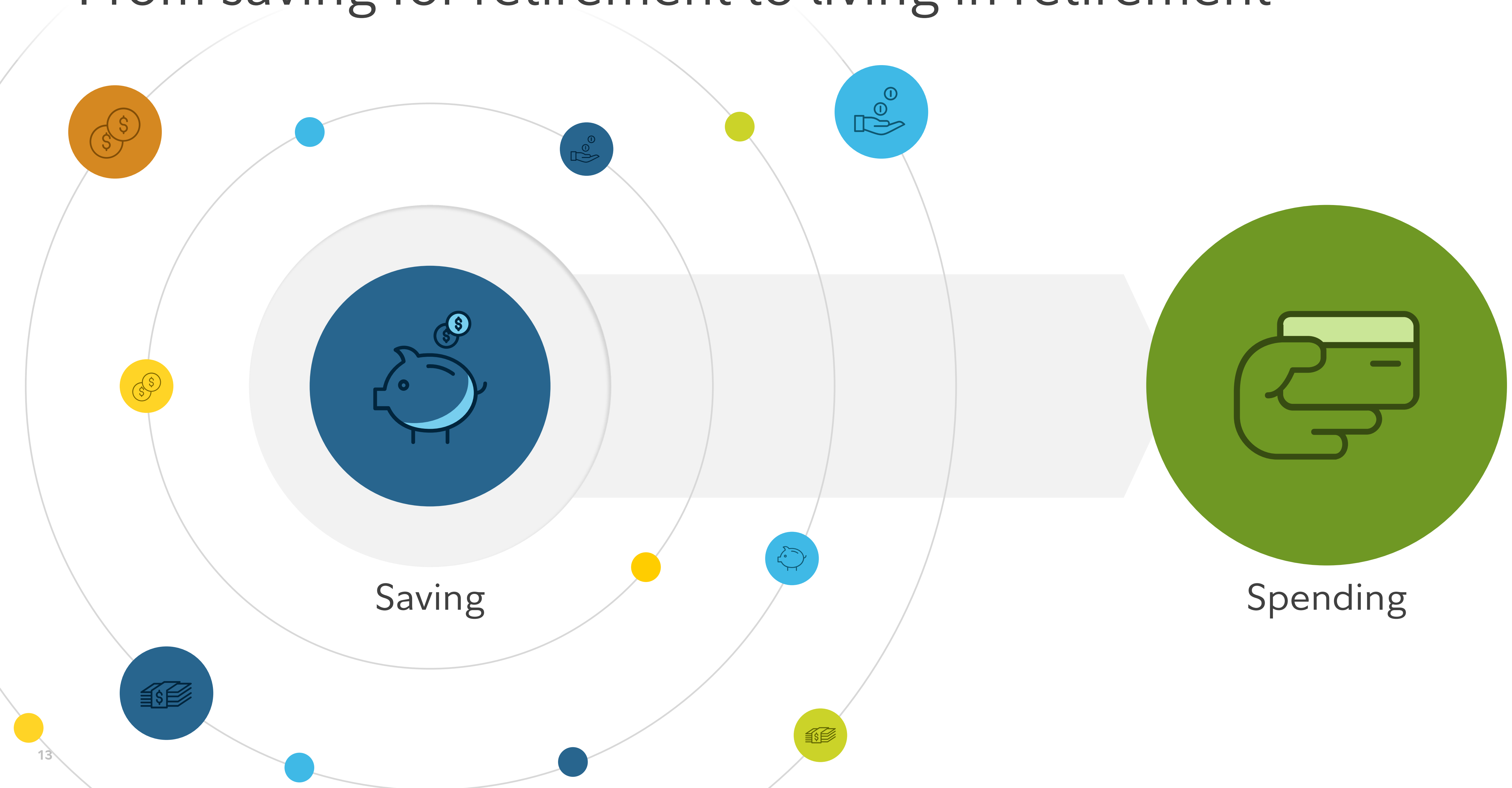
The change in the RMDs age requirement from 72 to 73 applies only to individuals who turn 73 on or after January 1, 2023. After you reach age 73, the IRS generally requires you to withdraw an RMD annually from your tax-advantaged retirement accounts (excluding Roth IRAs, and Roth accounts in employer retirement plans accounts after December 31, 2023). Please speak with your tax advisor regarding the impact of this change on future RMDs.

Why the 5 key risks are so important



Consider these risks while you build a steady and predictable income stream to replace your paycheck

From saving for retirement to living in retirement



Creating your retirement income plan

Identify your income sources and expenses

Income sources

- Predictable Income Sources (Social Security, Pension, and Annuities)
- Part-time Work
- Rental Property

Withdrawal sources

- Retirement Accounts (Traditional/Roth 401(k), 403(b), IRA, etc.)
- Savings Accounts
- Brokerage Accounts
- Equity Compensation
- CDs

Expenses

- Essential Expenses
- Discretionary Expenses

Your retirement income plan

Putting it all together

Sources	Expenses
Predictable income (Income Sources) Social Security, pensions, fixed income annuities	**Essential expenses** Food, housing, health care, taxes, your other must-haves
+	
Your personal savings (Withdrawal Sources)	**Essential expenses gap**
+	
Your remaining savings and investment income (Withdrawal Sources)	**Discretionary expenses** Retirement nice-to-haves

The building blocks of your plan

Predictable income
to cover your essential expenses

Growth potential
to meet your long-term goals

Flexibility
to adjust as your needs change

Predictable income

Identify your main sources of predictable income.

Understand the rules and limitations of each type.

Use predictable income to cover essential expenses.

What are the main sources of predictable income?

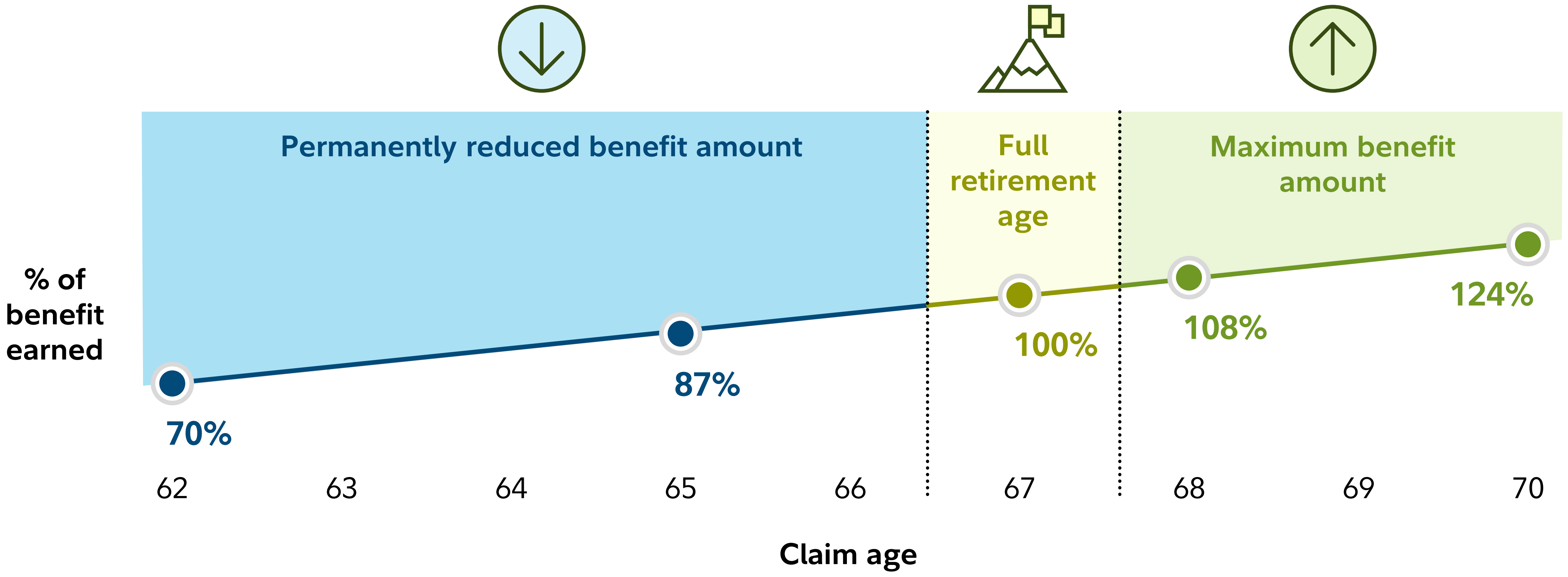
Social Security

Pensions

Income annuities

Social Security

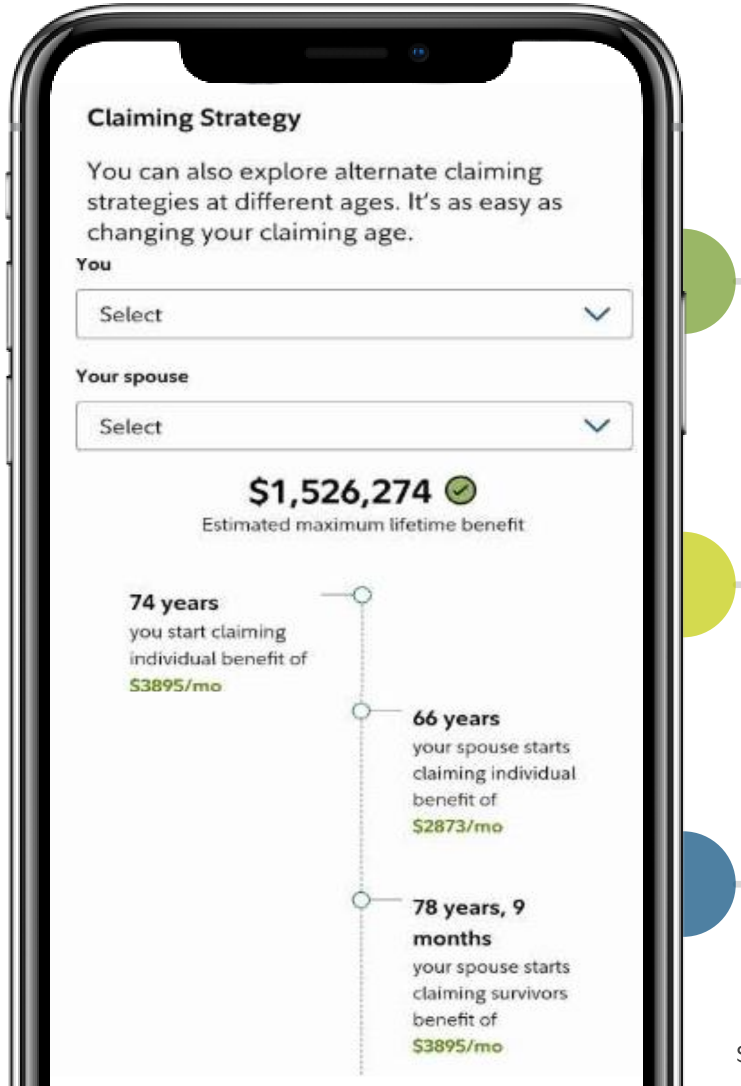
Improve your pay-out by waiting to claim benefits



 Always consult an attorney who can help you by drafting the appropriate legal documents to suit your particular needs.

Optimizing your claiming strategy

Using our Social Security Benefit Calculator



Determine a Social Security claiming strategy that works best for your retirement plan

- Compare estimated monthly & lifetime benefits across different claiming ages
- Review individual, spousal and survivor benefits in various scenarios
- See how waiting to claim may help you to maximize your monthly benefit

Screenshots are for illustrative purposes only.

Align predictable income to essential expenses

Maintain your lifestyle regardless of market fluctuations

Predictable Income
Social Security, pensions,
fixed income annuities

Essential expenses
Food, housing, health care,
taxes, your other must-haves

Growth potential

Use investment income to fund discretionary spending.

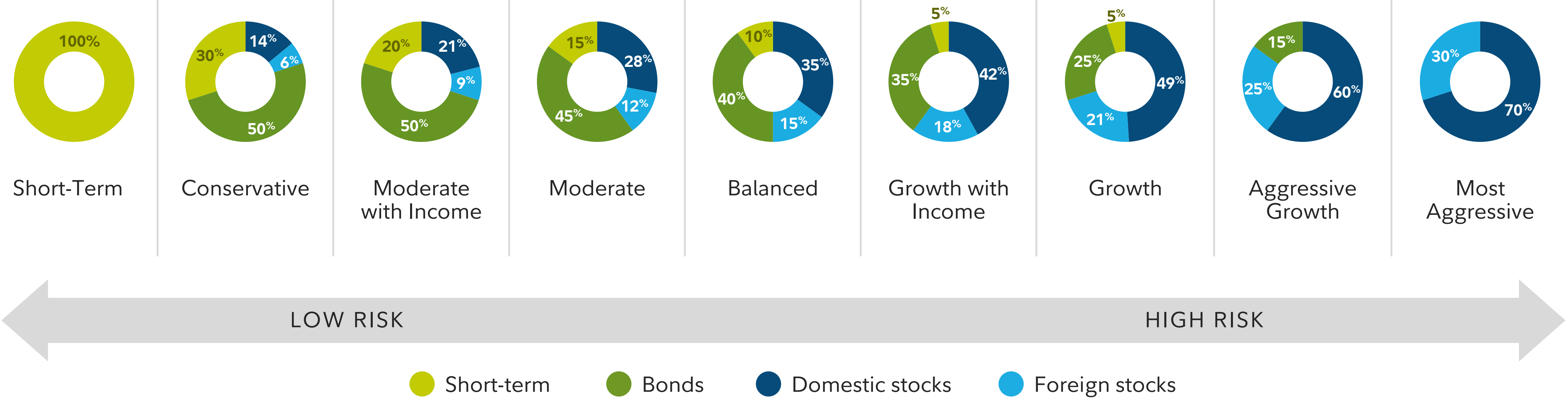
Reassess your appetite for risk and adjust asset allocations.

Meet your long-term needs and keep up with inflation.

Growth potential

Build an investment strategy and remain disciplined

Target asset mixes



The purpose of the target asset mixes is to show how target asset mixes may be created with different risk and return characteristics to help meet an investor's goal. The four asset mixes above do not represent the full range of target asset mixes. You should choose your own investments based on your particular objectives and situation. Remember, you may change how your account is invested. Be sure to review your decisions periodically to make sure they are still consistent with your goals. These target mixes were developed by Fidelity Investments. Asset allocation does not ensure a profit or guarantee against a loss.

Flexibility

Create a plan that can adapt to life's inevitable curveballs.

Prepare for the unexpected with flexible spending.

Review and adjust your plan as your priorities change.

Prepare for the unexpected

Build flexibility into your plan

Create an emergency fund

Save for nonessentials

Sell investments if needed

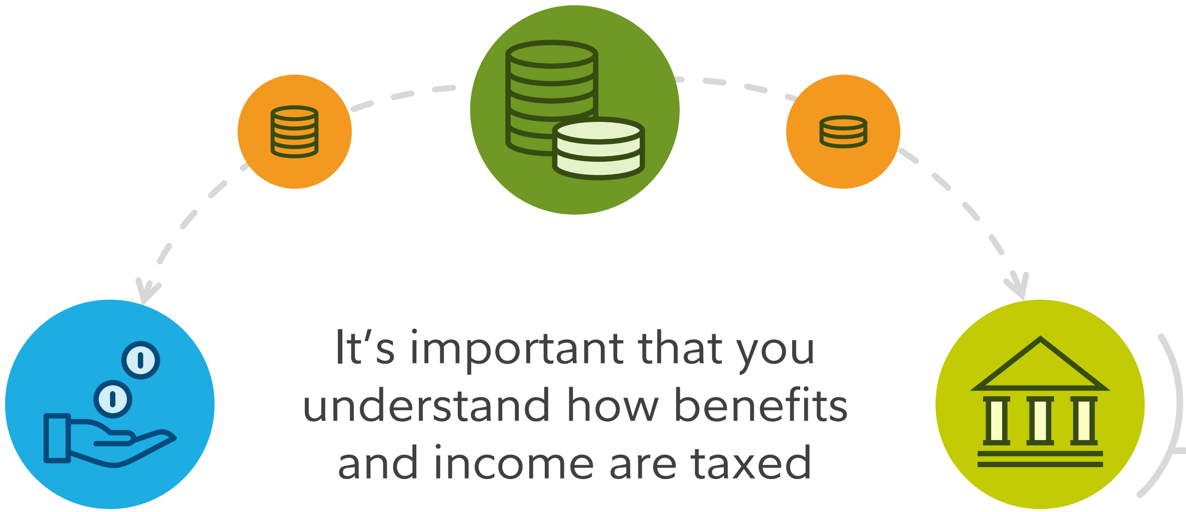
Understand the need for trade-offs

Potential income strategies

- Using other income before claiming Social Security
- Taking systematic withdrawals
- Living off earnings and interest

The best strategy for you will depend on your goals and financial situation

Managing your tax situation



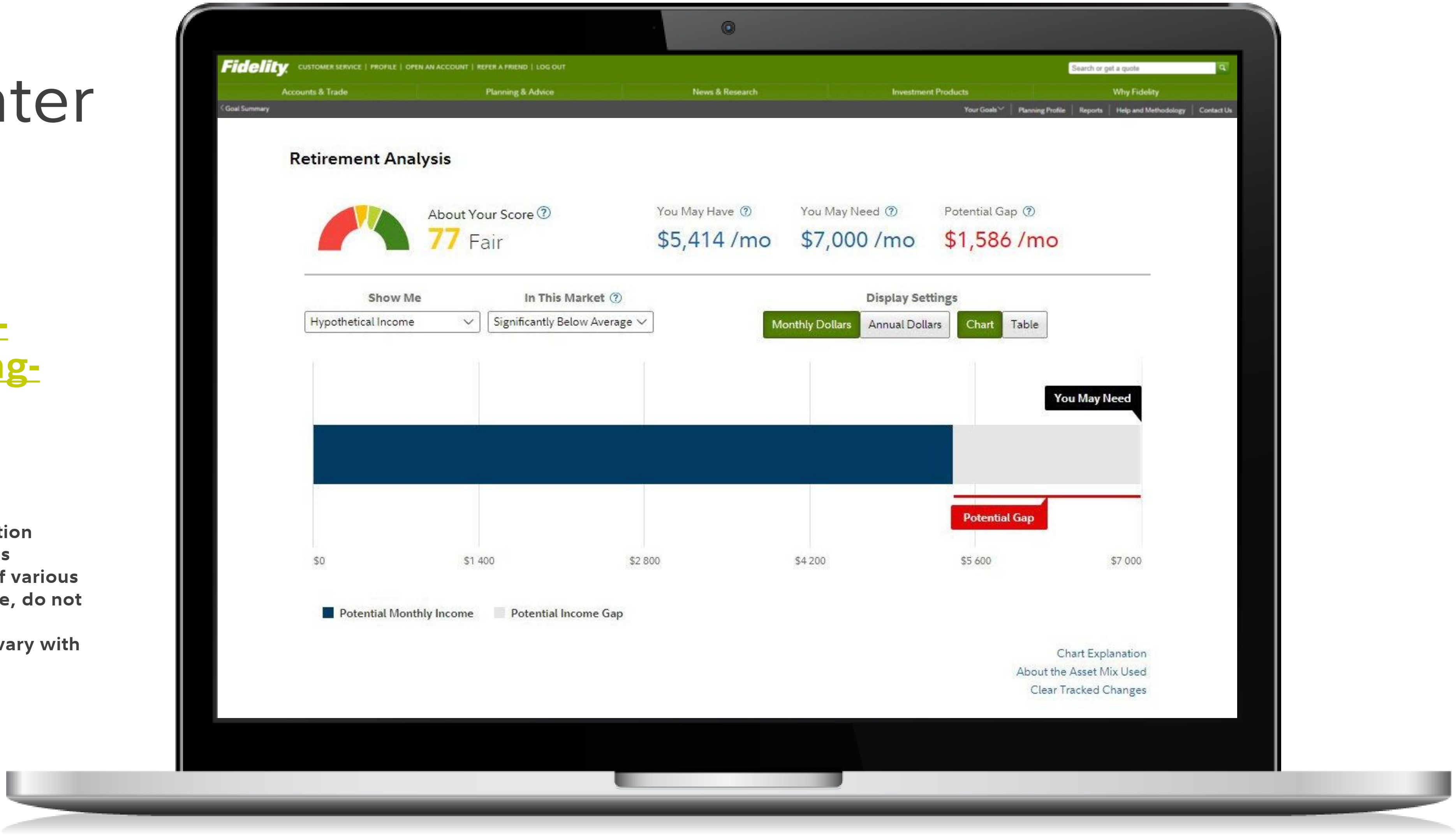
- ☑ Estimate your tax bracket
  - Reduce taxes and save more
  - Adjust your taxable and non-taxable investment mix
  - Choose how much to put in each investment
- ☑ Consult with a Fidelity Representative

Resources

Planning & Guidance Center

Fidelity.com/calculators-tools/retirement-planning-and-guidance

IMPORTANT: The projections or other information generated by the Planning & Guidance Center's Retirement Analysis regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Your results may vary with each use and over time.



How Fidelity can help

Meet with a Fidelity Representative

Help you get started with retirement income planning or give you an idea of how effective your retirement income plan currently is

Explore strategies to ensure your plan provides for the retirement you have imagined

Work with you to determine how much you can safely withdraw each month, so you have what you need

Wealth Planning Overview

Your goals are as unique as you are. A Fidelity professional will work with you to bring your financial picture into focus and build a personalized plan.

Achieving goals

- Retirement
- Health care
- College
- Estate
- Charity

Retirement income planning

- Retirement readiness
- Income generation
- Social Security and benefits
- Health and long-term care costs
- Employee benefits optimization

Investment solutions

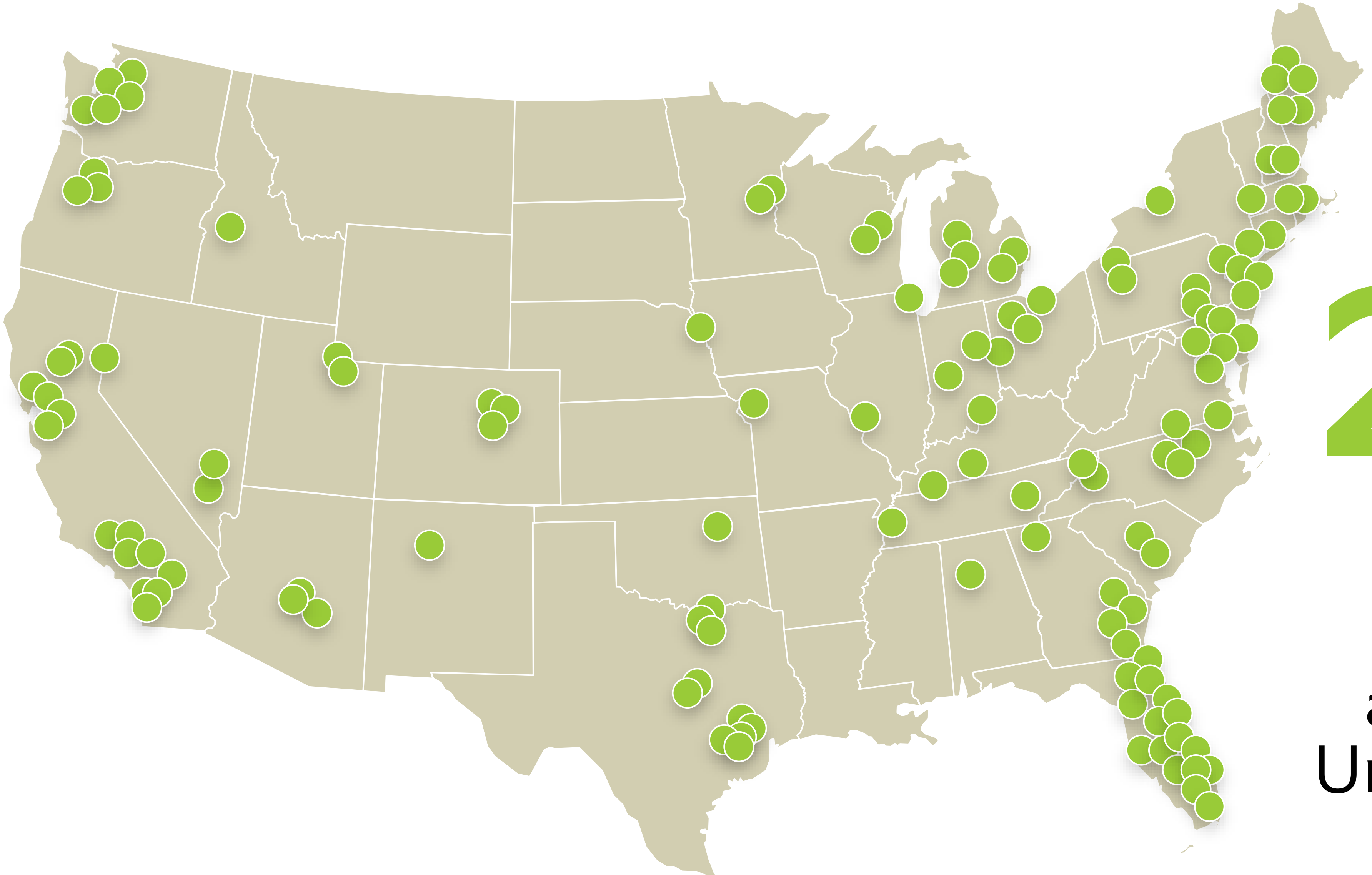
- Professional investment management
- Specialized investment services
- Strategies for market volatility
- Self-directed investing with robust tools

Tax considerations

- Tax-sensitive investment management
- Tax deferral strategies
- Tax reduction strategies
- Roth IRA conversions

Leaving a legacy

- Beneficiaries and titling of assets
- Gifting strategies
- Estate planning
- Preparing and involving your family



Over

200

Fidelity Investor Centers across the United States

Thank you!

Additional important information for slide 44

1. Investor's Business Daily® (IBD), October 2020: Fidelity is the #1 Most Trusted Wealth Management Company. Survey asked 4,297 IBD website visitors and customers to score companies on 6 different criteria, weighted in descending order: quality of products and services, commitment to protecting privacy and security, ethical practices and values, fair pricing and fees, customer service, and customer treatment with the overall score based on the composite scores for each criteria. To be included in the ranking for the wealth management category required at least 75 respondents. Fifty-one financial service companies passed the minimum inclusion criterion. IBD's ranking of Fidelity as the #1 Most Trusted Wealth Management Company should not be construed as representing any client's experience with, or endorsement of, Fidelity or its wealth management services. Third-party rankings or past performance are not indicative of future performance. The third party trademarks appearing herein are the property of their respective owners.

2. Fidelity Center for Applied Technology (FCAT)SM is part of Fidelity Labs LLC ("Fidelity Labs"), a Fidelity Investments company.

Fidelity Charitable is the brand name for the Fidelity Investments® Charitable Gift Fund, an independent public charity with a donor-advised fund program. Various Fidelity companies provide services to Fidelity Charitable. The Fidelity Charitable name and logo and Fidelity are registered service marks of FMR LLC, used by Fidelity Charitable under license.

Effective as of June 15, 2022

Important information

Investing involves risk, including risk of loss.

This information is intended to be educational and is not tailored to the investment needs of any specific investor.

The retirement planning information contained herein is general in nature and should not be considered legal or tax advice. Fidelity does not provide legal or tax advice. This information is provided for general educational purposes only and you should bear in mind that laws of a particular state and your particular situation may affect this information. You should consult your attorney or tax advisor regarding your specific legal or tax situation.

Diversification does not ensure a profit or guarantee against a loss.

Fidelity® Wealth Services provides non-discretionary financial planning and discretionary investment management through one or more Portfolio Advisory Services accounts for a fee. Advisory services offered by Fidelity Personal and Workplace Advisors LLC (FPWA), a registered investment adviser. Brokerage services provided by Fidelity Brokerage Services LLC (FBS), and custodial and related services provided by National Financial Services LLC (NFS), each a member NYSE and SIPC. FPWA, FBS, and NFS are Fidelity Investments companies.

Fixed annuities available at Fidelity are issued by third-party insurance companies, which are not affiliated with any Fidelity Investments company. These products are distributed by Fidelity Insurance Agency, Inc., and, for certain products, by Fidelity Brokerage Services LLC, Member NYSE, SIPC. A contract's financial guarantees are solely the responsibility of and are subject to the claims-paying ability of the issuing insurance company.

Fidelity Brokerage Services LLC, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917
1130572.1.0

Make the move from saving to living.

Connect with us: