My Best Retirement

CAPITAL GROUP®

SOCIAL HEALTH LEGACY FINANCIAL

A workbook for those who can see retirement in the future, but don't yet know what it looks like.

You are here

If you are reading this, it's because you are approaching a turning point – not a specific age, but a stage of retirement readiness.

You see retirement in the near future and may have tried to imagine how your life might be different once you give up the 9-to-5 grind. You may have done some initial planning. But research shows that what most people plan for in retirement is not necessarily what they experience. A recent survey of current retirees by the Employee Benefits Research Institute (EBRI) found a considerable gap between workers' expectations and retirees' experiences.*

My financial advisor asks me, 'What are you going to do with your money?' But the question I needed to be asked was, 'What are you going to do with your time?'

–Frank, 66

A new take on retirement

In research from Capital Group, retirees describe a modern midlife: a time of reimagined identity, transformation, renewed vitality and a sense of opportunity. It's a chance to reassess and become an even better version of yourself – no holding back – or at least to do exactly what you want to do, if you know what that is.

With this redefinition come new questions, shifting priorities, a rewriting of your script. While retirement is often synonymous with career-long financial planning, success in modern midlife goes beyond money matters. Investments and income planning are crucial, as they are the foundation supporting connection, vitality, purpose, well-being and joy. You can plan for all of it.

*Source: 2026 EBRI/Greenwald Retirement Confidence Survey.

Retirement planning framework: 4 aspects of success

Based on these exciting research findings, we have identified a framework to help you see the full retirement picture and to guide you through it. It includes four important areas of reflection: life planning, health and wellness, values and legacy and financial planning.

RETIREMENT PLANNING FRAMEWORK

SOCIAL	HEALTH	LEGACY	FINANCIAL
Life planning	**Health and wellness**	**Values and legacy**	**Financial planning**
What's most important to me?	How will I stay healthy?	How do I want to be remembered?	How much will I spend?
Where will I live?	Where will I get health care?	How will I give back?	How much do I have?
Whom will I spend time with?	How do I pay unexpected medical bills?	What will I give away?	When will I take Social Security?

For each aspect of your plan, we have questions and activities to help you define what success in modern midlife looks like. You can fill it out yourself and, for even greater insight, have your spouse or partner do the same and compare the results. It's a great way to start important conversations, together as a couple and with a financial professional.

Start here: More or less

To get at those possibilities, start by asking yourself some big questions.
Use the space below to think through your answers.

- **What provides me with the most meaning in life today? Five things I want more of:**

_______________ _______________ _______________ _______________ _______________

- **Which obligations are least fulfilling in my life today? Five things I want less of:**

_______________ _______________ _______________ _______________ _______________

Life planning: Envision your life in retirement

Perhaps the most important factor is one that gets the least consideration: what your day-to-day life will look like. The freedom of space and time creates the opportunity to restructure life in big and small ways. You may envision a total life "redo" — new location, new home, new social life, new possibilities. Or you may rely on simple day-to-day routines to create a new rhythm of events.

To get started, select five examples of things that are most important to you in retirement (or add in your own). You can cross out those that don't matter at all.

What's most important to me?

__ stay busy __ kick back and relax __ have plenty of alone time __ be near family __ spend time with partner

__ keep in contact with friends __ spend time on hobbies __ travel and see the world __ have more spiritual time

__ spend time volunteering __ spend time with kids and grandkids __ try something completely new

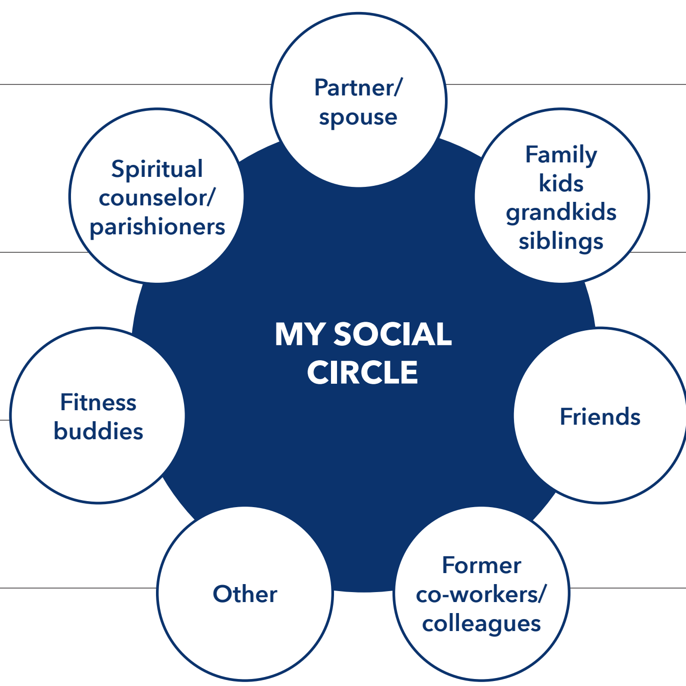
__ always be learning __ continue to work a bit __ not work at all __ start own business __ start own nonprofit

Where will I live? I see myself…

__ staying where I am __ possibly downsizing __ upsizing __ relocating (to __________) __ not sure

Whom will I spend time with?

Fill your social circles by adding people you plan to spend time with or see regularly.



Life planning: How you will spend your time

From memorable moments to just marking time, the freedom of your post-work schedule may take a little getting used to. It can help to imagine exactly how you might spend your time during a typical year – and a typical day.

A year in retirement

Map out how you might spend an early year in retirement. Include any travel plans, community or professional obligations, and scheduled time with friends and family.

Jan	Feb	Mar	Apr	May	Jun
Jul	Aug	Sep	Oct	Nov	Dec

You don't want to become bored. If you slow down too much, you can actually get overwhelmed. I have church on Thursdays, I volunteer on Mondays, I eat eggs on Fridays. But there's a fine line between structure and obligation – you want to keep control of your own time while still allowing yourself choice and flexibility.

– Sally, 69

A view of a typical week

Considering the things you want to do and plans for the year, what might an average week look like? Include regular events like date night, lunch or exercising with friends, volunteering or spiritual routines.

M	T	W	Th	F	Sat	Sun

Health and wellness: Keep vitality high and medical costs low

Because we are generally living longer, fuller lives, staying healthy and well is as important as ever. While some health issues are generally out of our control, there are ways to encourage a healthy lifestyle.

How will I stay healthy?

Forget the idea of retirement as a time to slow down and think of it in terms of your "EVP index": energy, vitality and passion. Select three or more of the following you can commit to.

Energy	Vitality	Passion
__ Eating whole foods	__ Regular movement/exercise	__ Daily activity and routines
__ Balanced social choices	__ Portion control (eat to 80% full)	__ Social connections
__ Sufficient sleep	__ Mental stimulation/agility	__ Work, volunteering or group activity
__ Stress management	__ Positive thinking	__ Continuing education

Where will I get healthcare?

Individuals are eligible for Medicare at age 65. Part A covers certain hospital expenses, Part B is for routine care, and Part D can help with prescriptions. Part C consists of Medicare Advantage plans, which combines the benefits of the other parts along with additional benefits such as vision and dental. Offered by private insurers, Medicare Advantage plans often have monthly premiums. Learn more at ssa.gov/medicare/.

If I plan to retire before age 65, I will get health insurance through:

__ Private insurance   __ COBRA   __ Other ________   __ Not sure

How will I pay for unexpected medical costs?

It can be difficult to estimate medical needs and expenses, because future ailments are unknown and the cost of medicine is ever rising. If you're concerned, consider the following:

__ **Do I have a health savings account (HSA)?** HSAs let you set aside and invest pretax money, which can accumulate over time. Plus, withdrawals for qualified medical expenses are free from federal tax.

__ **Will I get Medicare supplement ("Medigap") coverage?** This insurance, sold by private companies typically for a monthly fee, is designed to fill gaps in Medicare coverage and help pay for costs such as copayments and deductibles.

__ **Have I considered long-term care (LTC)?** LTC insurance is designed to cover the cost of getting help with daily self-care, like bathing and cooking. But not all LTC policies are the same. Talk to your advisor about existing plans or those you are considering.

Values and legacy: Define what's most important, then share it

Gratitude is its own reward. The gift of time in retirement may allow you to give back in kind, to a favorite charity, community organization or your own nonprofit. You can also plan to pass along assets, favorite treasures or memories to charities, family and friends. Consult with a tax professional regarding your specific situation.

How do I want to be remembered? Three words I want used to describe me are:

____________ ____________ ____________

What do I have left to do? I will have lived a truly great life if I:

____________ ____________ ____________ ____________ ____________

How will I give back?

If you can see yourself involved in a charity in the future, what would that be? Would you donate money, time or both? Check all giving opportunities that might work for you:

__Charitable donations ______________________________

__Donor-advised funds ______________________________

__Community involvement / volunteering ______________________________

__Starting your own nonprofit ______________________________

What will I give away?

Under the lifetime exemption from the gift and estate tax, individuals can transfer a certain amount of assets without being impacted by the up to 40% federal gift or estate tax. In 2026, the exemption rate is $15 million for individuals and $30 million for married couples, so it may not impact most people. Still, if you want to give assets as part of an estate plan, here are some tools:

Annual exclusion gifts – Separate from the lifetime exemption. In 2026, you can give $19,000 per year, per person, without being impacted by the gift or estate tax, making this a convenient way to move assets from the estate.

529 plans – Tax-advantaged treatment applies to savings used for qualified education expenses. State tax treatment varies. You can make sizeable investments or transfer assets out of an estate, including up to $19,000 a year ($38,000 for married couples) per beneficiary without gift-tax consequences in 2026. Under a special election, you can combine up to five years into one contribution of up to $90,000 ($180,000 for married couples) for 2026 without gift-tax consequences. Additional gifts made to that beneficiary over the next four years after the year in which the one-time gift is made may reduce the donor's lifetime gift and estate tax exemption. If the donor of an accelerated gift passes away within the five-year period, a portion of the transferred amount will be included in the donor's estate for tax purposes.

Trusts – Certain irrevocable trusts can be structured to remove the asset from your estate.

Roth IRA conversions – Some investors convert traditional IRAs to Roth IRAs, which allows you to pay income taxes now and avoid tax on qualified withdrawals later, including distributions to beneficiaries.

Review beneficiary designations – Because retirement assets and insurance policies are distributed by beneficiary designations, it's crucial to review them regularly.

Financial planning: Run the numbers for income and expenses

Depending on how far you are from retirement, you may have a good sense of how much you need to get by.

How much will I spend?
Budgeting can help you get specific about your income needs, and factor inflation and shifting necessities and "nice to haves." Use this rudimentary estimator to get started. If you think today's expense will be more or less in the future, note that as well.

What I currently spend each month on average		What I plan to spend each month in retirement
Essential expenses (home, food, utilities, insurance)	$ ________	__ More __ Less __ Same __ Not sure
Discretionary expenses (travel, dining, luxury, gifts)	$ ________	__ More __ Less __ Same __ Not sure

How much do I have?
To get a sense of where your retirement income will come from, list all personal retirement assets below for you and your spouse or partner. Again, even rough estimates can be used to help provide a clearer overall financial picture. Not sure? Note that here as well.

Savings and investments

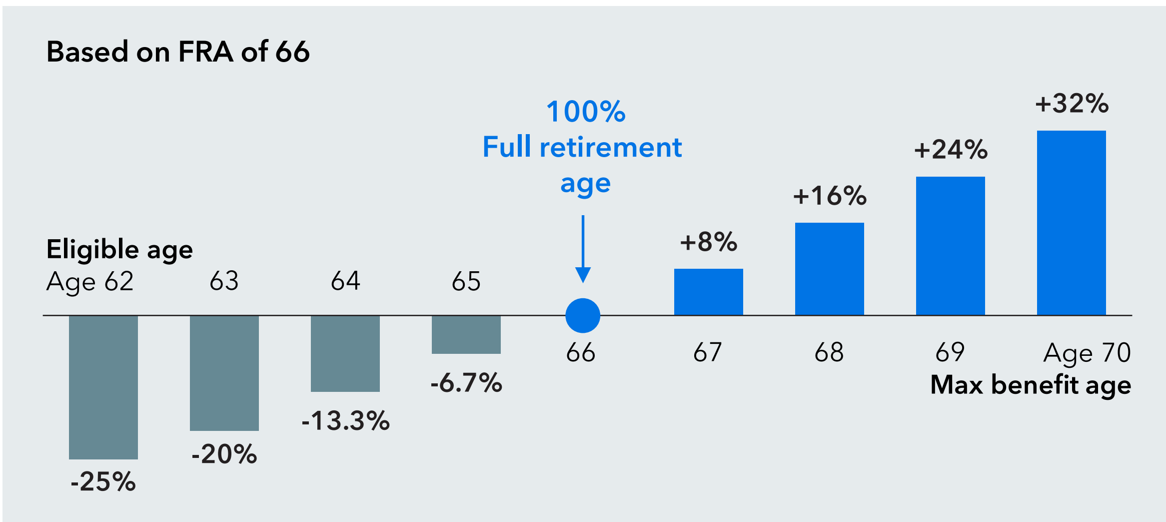
Account type	Where it lives	Balance
Company retirement plans (401(k), 403(b), 457, SIMPLE, ESOP, etc.)	________	________
Individual retirement accounts (IRA, Roth IRA, SEP IRA, rollover IRA, etc.)	________	________
Investment accounts	________	________
Personal savings accounts	________	________
Others	________	________
	Total retirement savings and investments:	________

Financial planning: Identify sources of reliable income

Social Security income can help bolster your retirement cash flow. If you worked during your lifetime, you should receive Social Security benefits. Timing when you (and your spouse or partner) start taking benefits can make a big difference to your plan.

When will I take Social Security, and how much will it be?

You can start taking Social Security retirement benefits as early as age 62, but you will get less in monthly income. You receive full monthly benefits if you begin at full retirement age (FRA). FRA is around 66 for those born before 1960, and 67 for those born in 1960 or after. Wait until age 70 to begin and you'll get even more – an increase of 8% for each year you wait.



Source: SSA.gov.

To get an estimate of what your retirement income benefits could be at different ages, visit the Social Security Administration at ssa.gov/benefits/retirement/.

What are my reliable income sources and benefits?

You may also have guaranteed sources of monthly income through an annuity or even an employer pension. If you know you have the following sources of income, provide estimates below. If you are not sure or don't know, mark that here as well.

	Expected monthly benefits	Beginning at age
Pensions	____________	________
Annuities	____________	________
Social Security	____________	________

Total predictable monthly income: ________

Financial planning: Important milestones at a glance

Complete the workbook and share it with your spouse and financial professionals.

50

AGE 50
You can make catch-up contributions to 401(k) and IRA accounts to save up to $8,000 more each year.

Start engaging with people, organizations and activities you want to include in your future plans.

AGE 55
If you retire during or after the year you turn age 55 and have a 401(k), you may be able to take distributions without a federal tax penalty.*

AGE 59 ½
You can start withdrawing from a 401(k) or IRA without a federal tax penalty.

Practice living in retirement by sticking to a budget.

60

AGE 60-63
If you reach age 60 to 63 in 2026, you can make additional "super" catch-up contributions of $3,250 each year to your 401(k).

AGE 62
Earliest age to take Social Security, but at reduced monthly benefits. Consider where health insurance will come from.

Check your social circles. Do you have the support you want in retirement?

AGE 64 ¾
Consider signing up for Medicare. (Waiting past your enrollment period may cost you.)

AGE 66-67
Full retirement age (depending on your birth year). You qualify for full benefits, but each year you wait (up to age 70) could increase benefits by 8%.

If you're retired, check in with this workbook. Does it align with your experience? Is it time to rethink?

70

AGE 70
Time to consider taking Social Security if you haven't yet – you've maximized your benefit amount.

AGE 73
Required minimum distributions are generally required on your retirement account.

*The "Rule of 55" only applies to distributions made after you separate from service with your employer if the separation occurred in or after the year you reached age 55. Note that the "Rule of 55" only applies to assets in your current 401(k) plan (i.e., the one you invested in while you were at the job you left at age 55 or older).

Withdrawals taken before age 59½ that do not qualify for an early-withdrawal exception may be subject to a 10% federal tax penalty.

Essential questions to ask

Questions to ask HR before retirement

Will I continue to get health insurance after I retire?

What are my health care options?

Can I carry over life insurance, disability coverage or long-term care once I leave the company?

Will I receive compensation for accrued or unused vacation time?

What are my pension benefits, if any?

What are my options for moving or taking distributions from my employer-sponsored accounts?

Do you have any resources to help pre-retirees prepare?

Questions to ask your advisor

Am I on track to have the retirement I envision?

How do I get the most out of Social Security?

What are my options for taking distributions from my investments?

How can I minimize taxes in retirement?

How can I save more for health care needs?

What risks should I be aware of in terms of my retirement goals?

Can you offer support to help bolster my circles in retirement?

Additional questions or thoughts

Use the space below for topics, questions or concerns you want to discuss.

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Whom will I spend time with?	How do I pay unexpected medical bills?	What will I give away?	When will I take Social Security?

It feels like a do-over. I have an opportunity to start from scratch. To pick my friends, how I spend my time, how I live my life. It's really exciting – you are in control of your life.

–Sally, 69

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