

Benefits Blitz: Retirement Plan

The “Benefits” of the SIA Retirement (401k) Plan

Financial Advisors recommend you should save at least 15% of your pre-tax salary for retirement. Here’s how the SIA Retirement Plan (401k) helps you meet your retirement savings needs:

- SIA matches 50% of your contribution up to 6%
- SIA’s annual discretionary retirement contribution was 6% for the 2023 plan year (paid in April 2024)

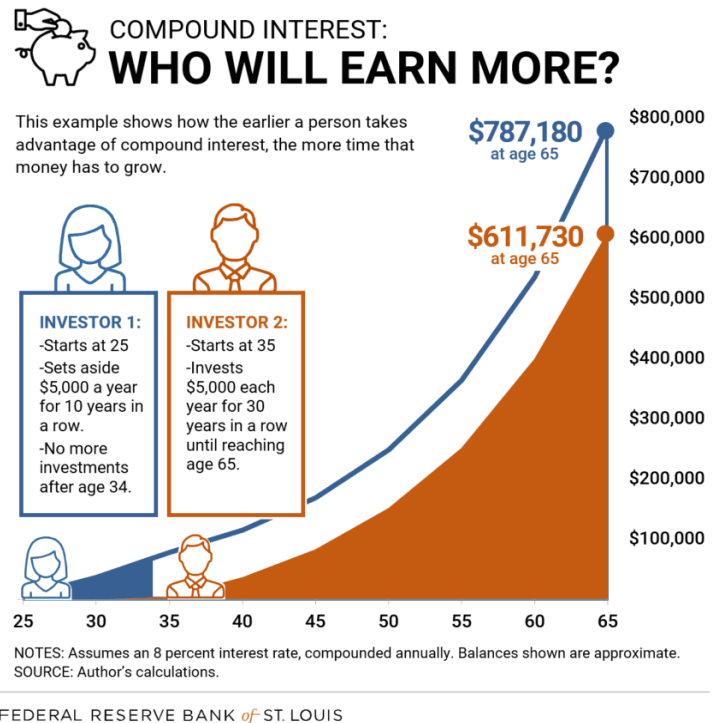
See the below example of how these contributions, plus your 6% contribution, add up to meet the savings goal.

$$\begin{array}{ccccccc} 6\% & & 3\% & & 6\% & & 15\% \\ \text{Associate} & + & \text{Employer} & + & \text{Retirement} & = & \text{Total} \\ \text{Contribution} & & \text{Match} & & \text{Contribution} & & \text{Savings} \end{array}$$

The Power of Compounding: Why it’s important to start saving early.

One of the best things that you can do for your retirement is to start saving early and take advantage of “compounding”. Compounding is a powerful investing concept that occurs when earnings generated by your 401(k) contributions, are reinvested to generate further earnings of their own. Over a period of many years, compounded earnings on a savings account can be larger than the contributions you have made to your retirement account.

Retirement may seem far away but because of compounding it’s important to take advantage of the time and start investing early. The longer your account balance has to grow, the greater your chance of achieving your savings goals. How much you put aside to save is, of course, important—but *when* you start saving may be more important.



DID YOU KNOW?

The average contribution rate of SIA Associates is 8%.

94% of SIA Associates are contributing to their SIA Retirement Plan.