

2022 CAP Member Survey:

Perceptions of CAPs against
a changing economic landscape

Panellists:

- Justin Graham, senior researcher, *Benefits Canada*
- Kenrick Hopkinson, manager, co-pilot for education & communication, group benefits & retirement solutions, iA Financial Group
- Emilie Inakazu, director, benefits & well-being, KPMG in Canada
- Jason Vary, president, Actuarial Solutions Inc.

Moderator:

- Jennifer Paterson, editor, *Benefits Canada*

Survey background and methodology

- Launched in 2006 as an industry benchmark on Canadian CAP members
- More than 14,500 plan members have participated in the study in the past 15 years
- 2022 study was conducted online: N=500 Canadians who participate in an employer-sponsored DC pension/group RRSP
- Data was collected in March 2022
- Margin of error: $\pm 4.4\%$ for participants, 19 times out of 20

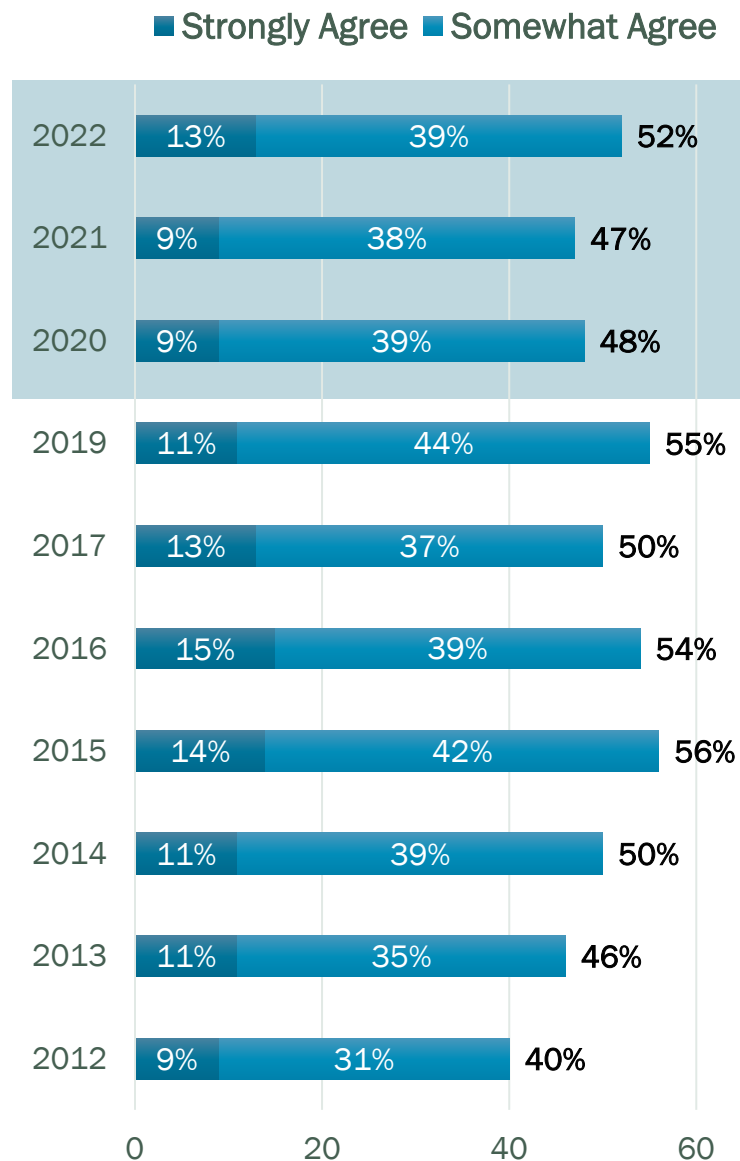
Key Demographics	N=500
Average age	45
Average personal income	\$74,700
Average organization size (# of employees)	13,117
Have a financial advisor	46%
Have a formal financial plan	34%
Length of time in CAP	11 years

Participant Sample in Previous Years : 2021 N=500; 2020 N=500; 2019 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209; 2014 N=1,203; 2013 N=1,209; 2012 N=1,209, 2011 N=1,223, 2010 N=1,234; 2009 N=1,271 2008 N=1,501 2007 N=1,516 2006 N=1,513

Fewer than half feel financially prepared for retirement

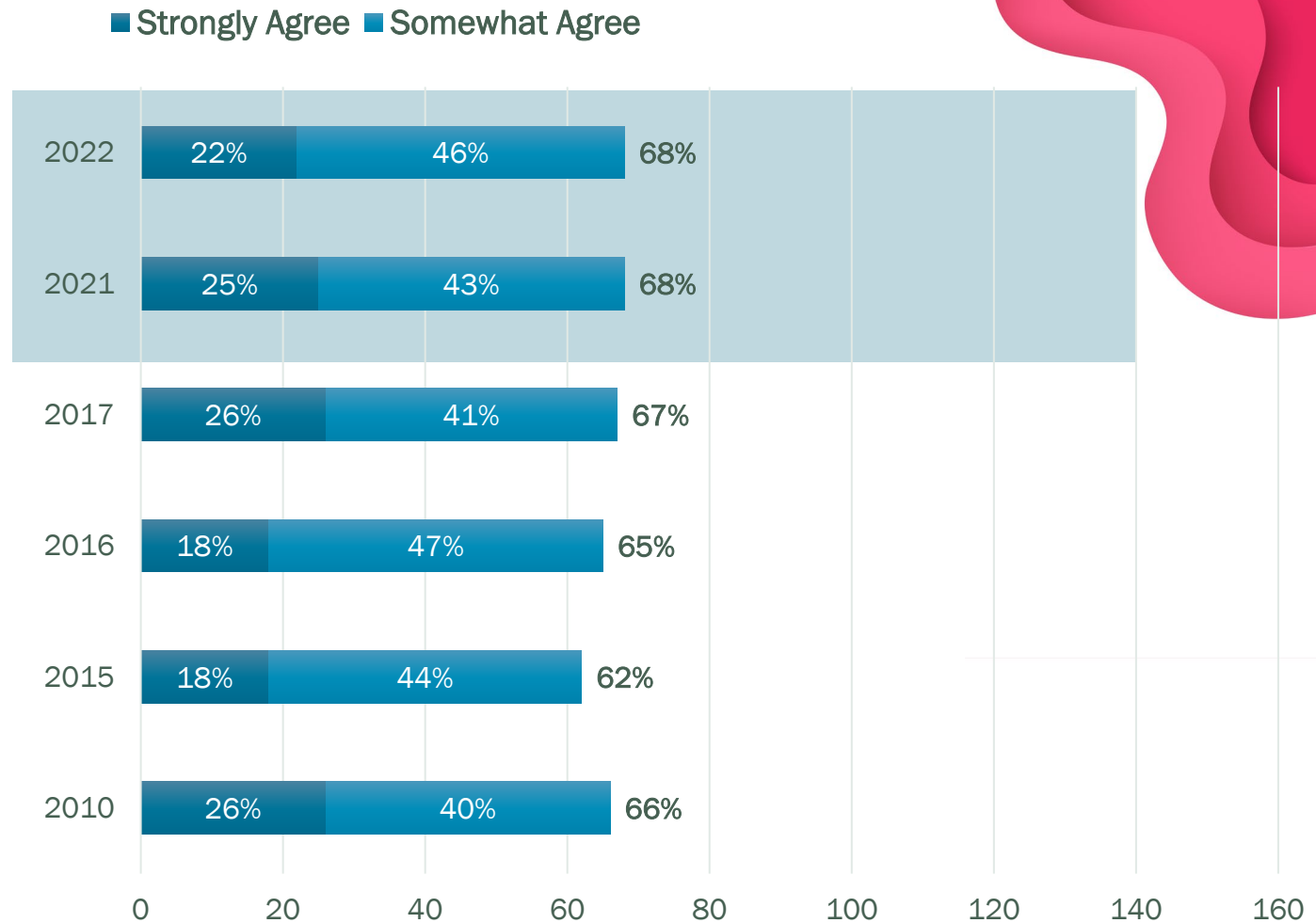
Q1. Please indicate if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statement . . . I feel financially prepared for retirement

BASE: Plan Participants: 2022 N=500; 2021 N=500; 2020 N=500; 2019 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209; 2014 N=1203; 2013 N=1209; 2012 N=1212;



More than two-thirds are worried

Q2. Please indicate if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statement . . . *I am worried that when the time comes, I will not have saved enough funds in order to retire*

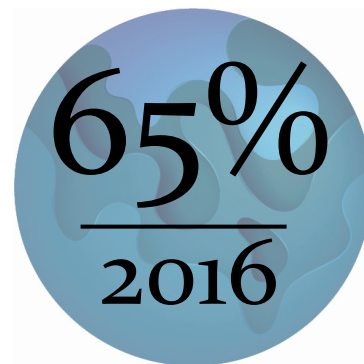


BASE: Plan Participants: 2022 N=500; 2021 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209; 2010 N=1234;

Plan members who feel financially prepared for retirement

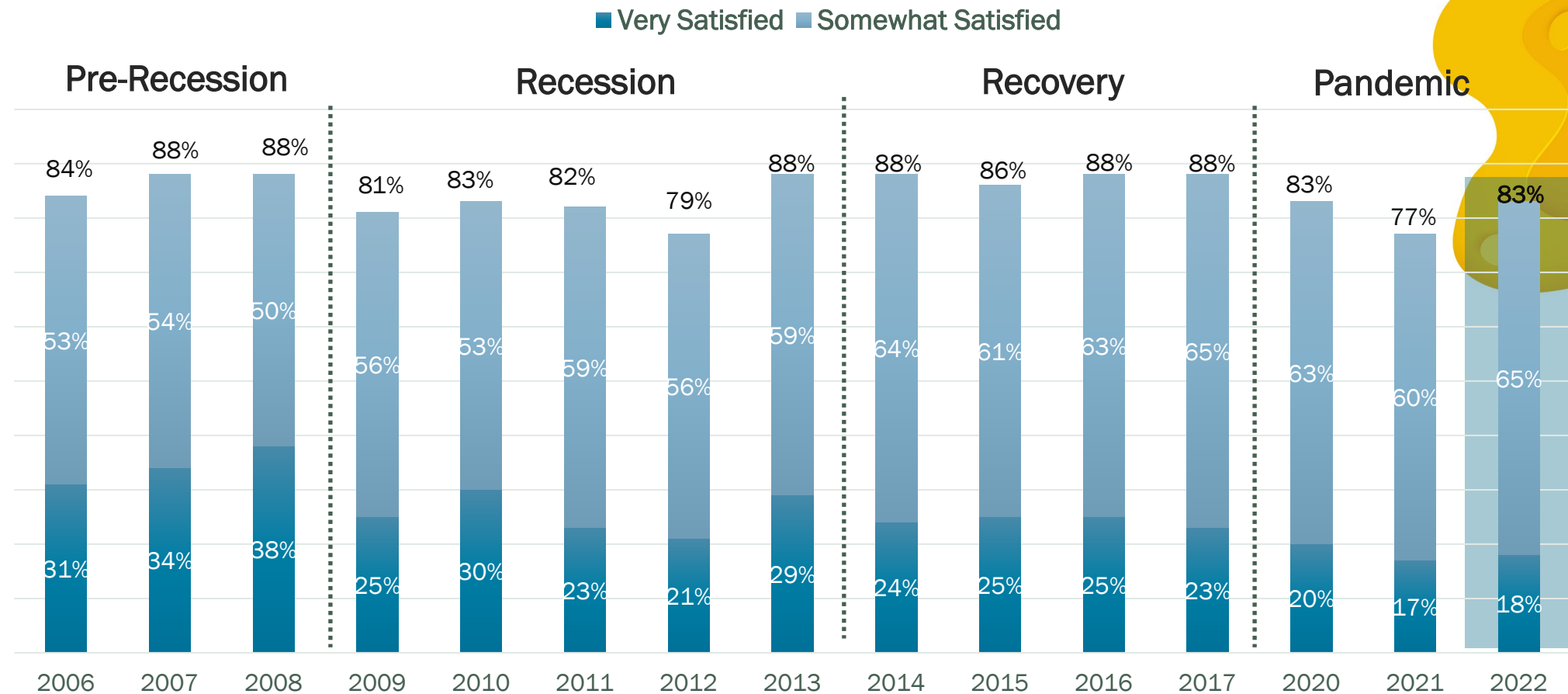


Plan members who are worried when the time comes, they won't have saved enough for retirement



Satisfaction with CAPs among lowest levels recorded

Overall, how satisfied are you with your employer-sponsored retirement plan(s)?

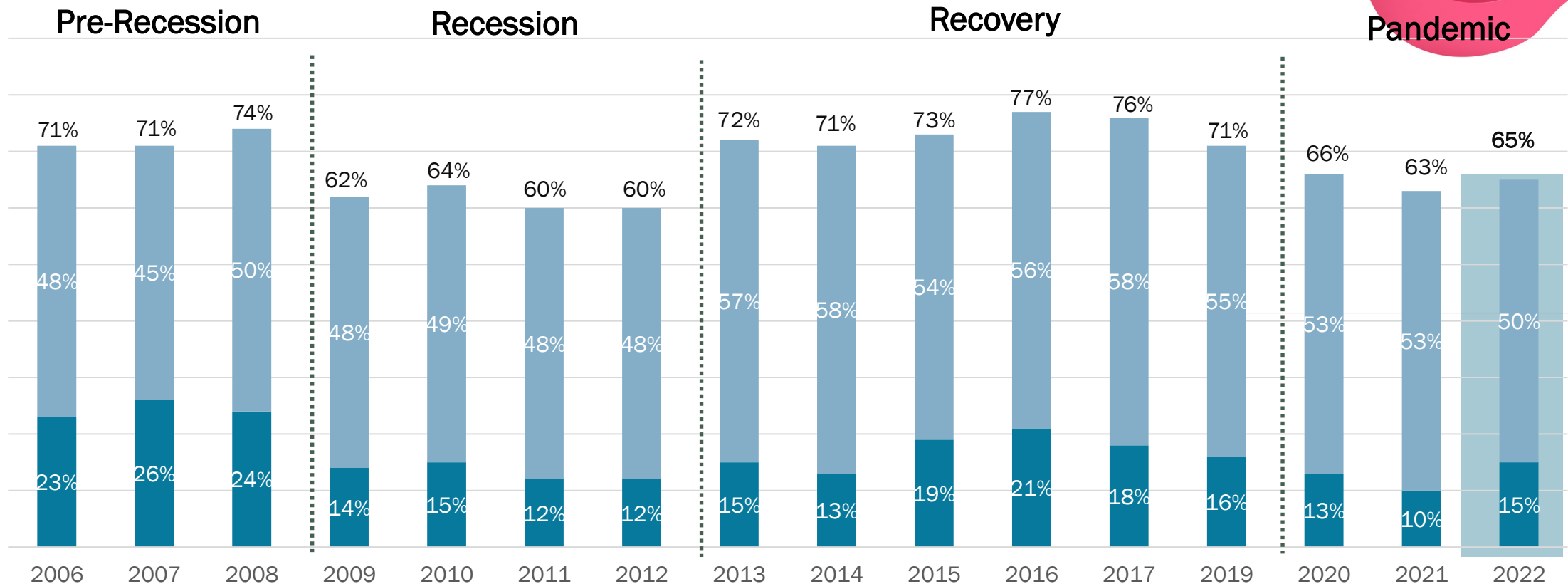


BASE: Plan Participants: 2021 N=500; 2020 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209; 2014 N=1203; 2013 n=1209; 2012 n=1212; 2011 n=1223; 2010 n=1234 ; 2009 n=1271 ; 2008 n=1117 ; 2007 n=1122 ; 2006 n=1122

Confidence in CAPs remains high . . . but members continue to be cautious

How confident are you that your employer-sponsored retirement plan(s) will provide the amount of money you need from them in order to meet your financial objectives for retirement?

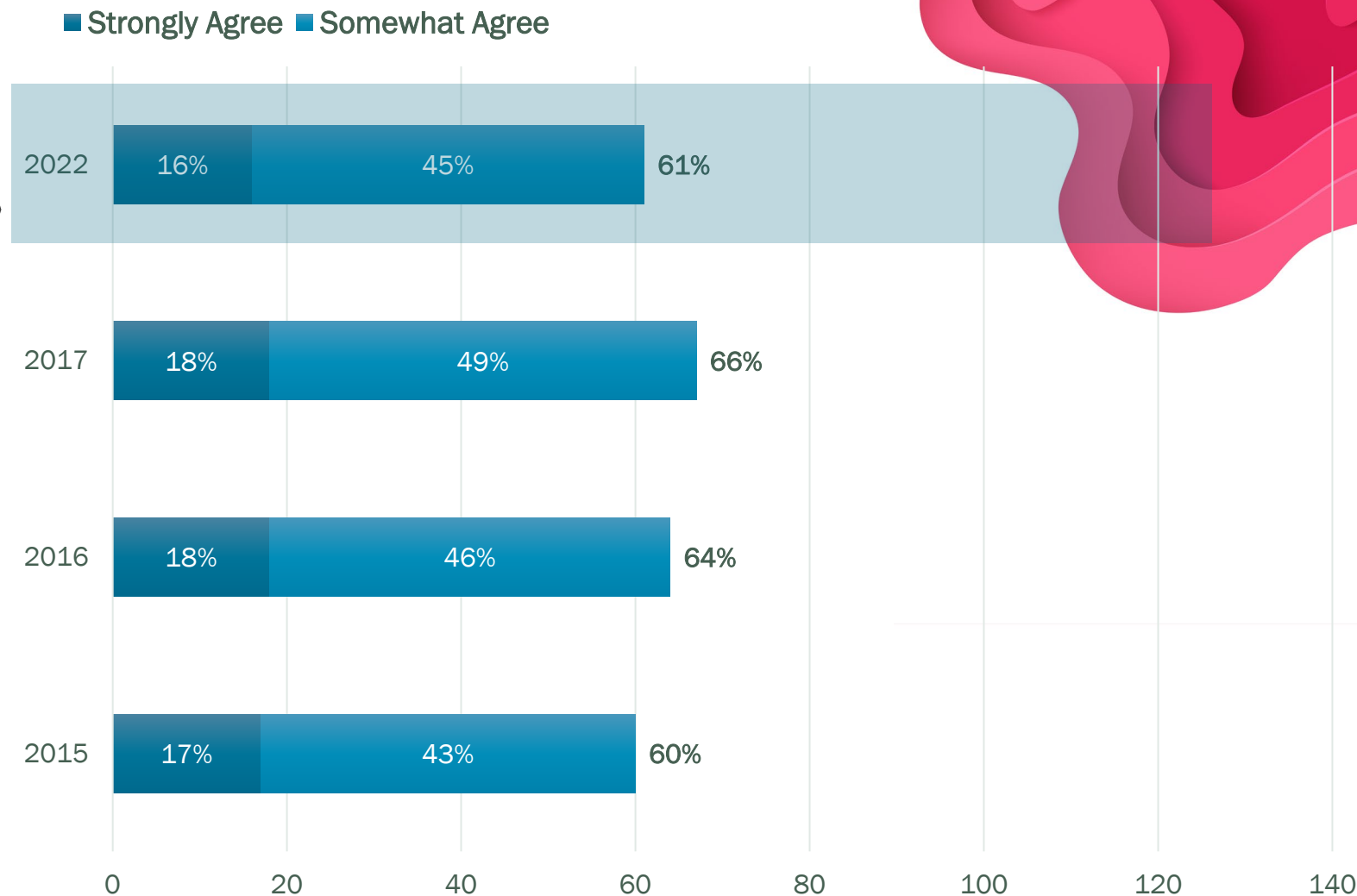
■ Very Confident ■ Somewhat Confident



BASE: Plan Participants: 2022 N=500; 2021 N=500; 2020 N=500; 2019 N=500; 2017 N=502; 2016 N=1008; 2015 N= 1209; 2014 N=1203; 2013 N=1209; 2012 N=1212; 2011 N=1223; 2010 N=1234; 2009 N=1271; 2008 N=961; 2007 N=1122; 2006 N=1122

Two-thirds would be reluctant to leave their employer

Q13-14. Please indicate if you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statement . . .
I would be reluctant to leave my employer because of the employer-sponsored retirement savings plan offered as part of my compensation package



BASE: Plan Participants: 2022 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209

Plan members who are
satisfied with their employer-
sponsored retirement plan



Plan members who are confident
their employer-sponsored
retirement plan will meet their
financial objectives in retirement



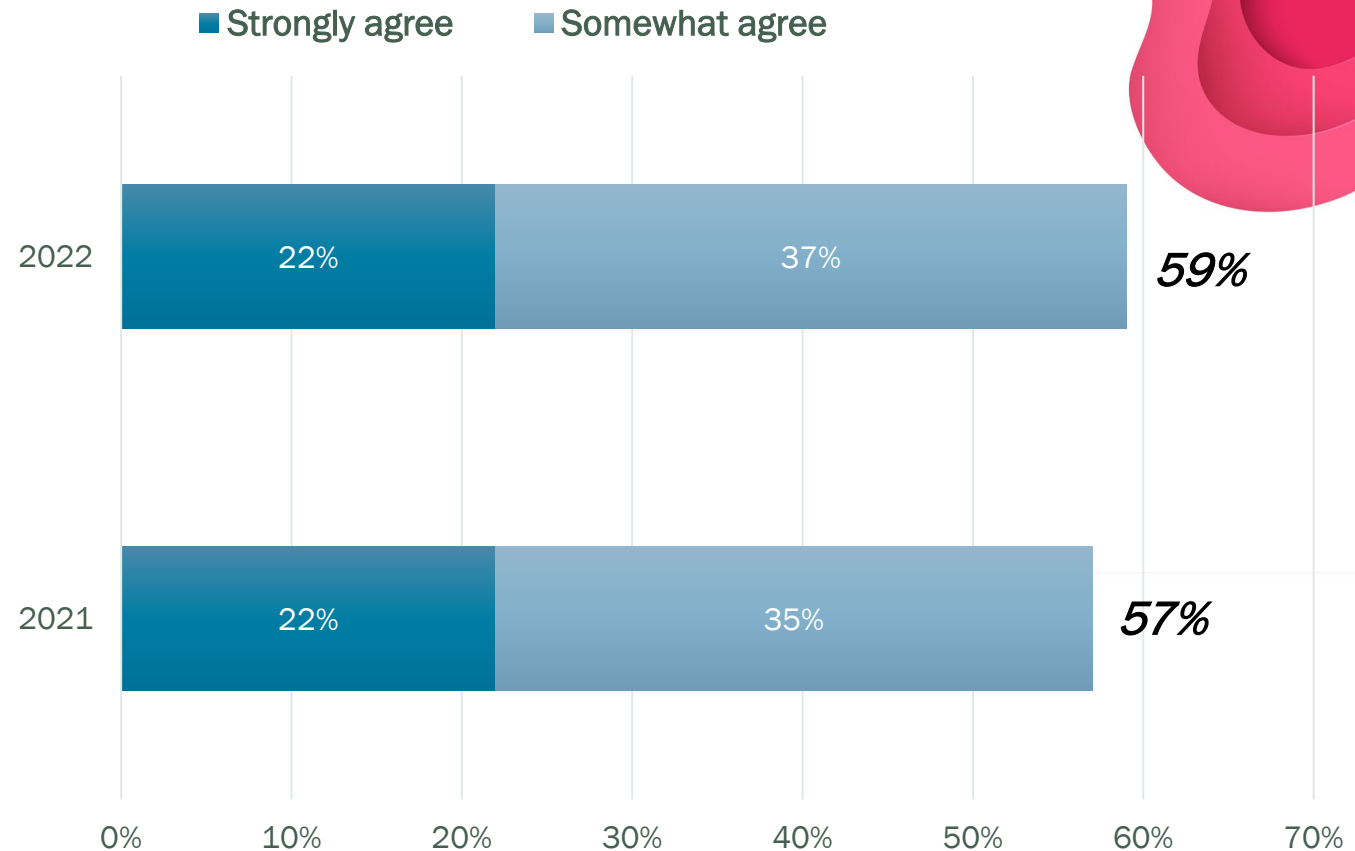
61%

of plan members say they'd be reluctant to leave
their employer because of their employer-sponsored
retirement plan, compared to

66% in 2017

Majority say retirement savings have taken a backseat to other financial concerns

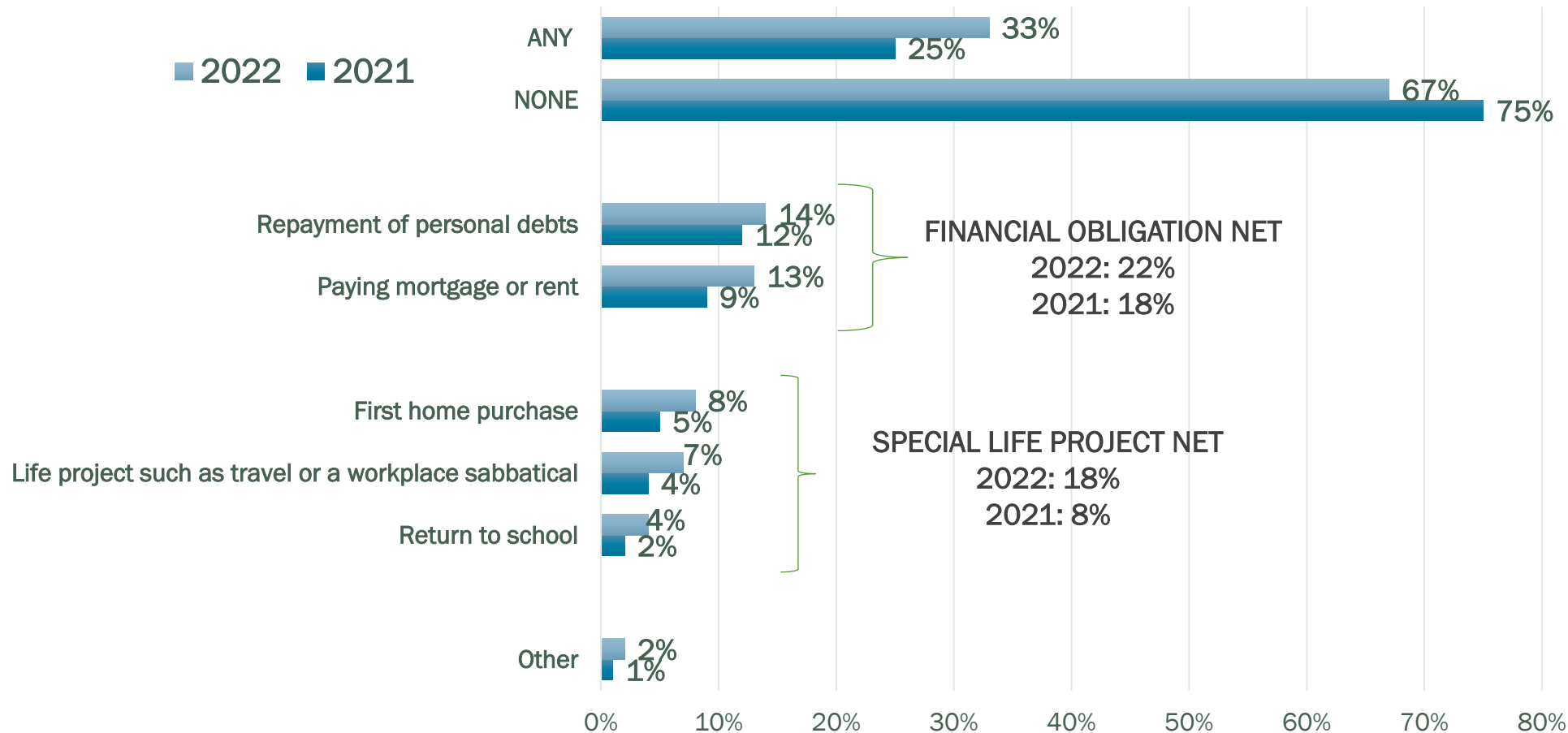
Q3 Please indicate whether you strongly agree, somewhat agree, somewhat disagree or strongly disagree with the following statement . . .
During the last 12 months, I have not been able to save as much as I would like for retirement or other projects due to more pressing financial concerns



BASE: Plan Participants: 2022 N=500; 2021 N=500

Significant increase in use of retirement savings for other purposes

Q7. During the last 12 months, have you used savings from a retirement program (group or personal RRSP or TFSA) for any of the following reasons?

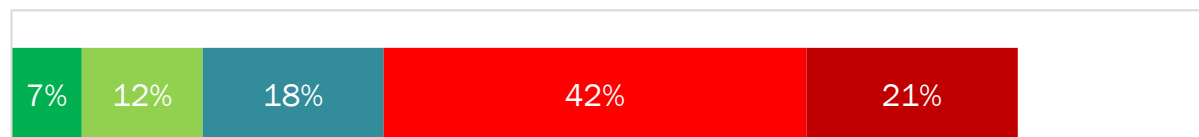


One in five view inflation as positive

■ Very positive ■ Somewhat positive ■ No impact ■ Somewhat negative ■ Very negative

Q8. In your view, what is the impact of inflation on your financial situation?

IMPACT ON FINANCIAL SITUATION



Q27. In your view, what is the long-range impact of inflation on your retirement savings?

IMPACT ON RETIREMENT SAVINGS



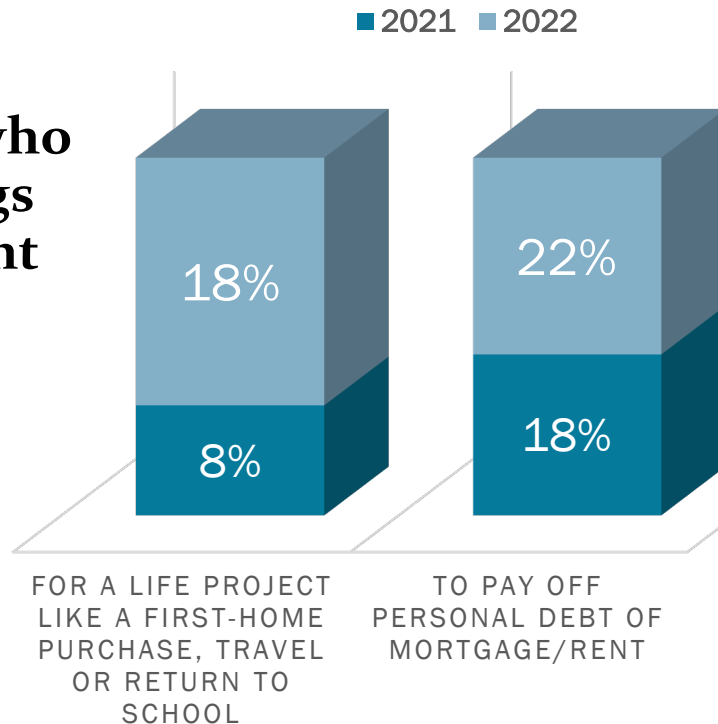
Excellent/Very good understanding of:
Inflationary risk — 24% Longevity risk — 27%

59%

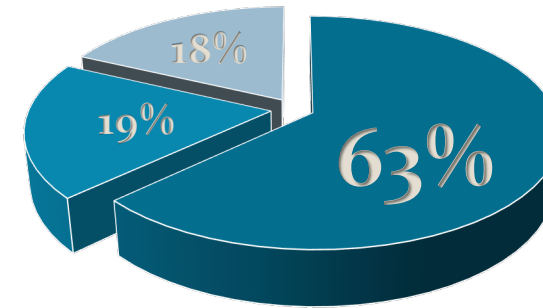
of plan members say pressing financial concerns have affected their ability to save for retirement in the last 12 months, compared to

57%
in 2021

Plan members who have used savings from a retirement program for another reason in the past 12 months

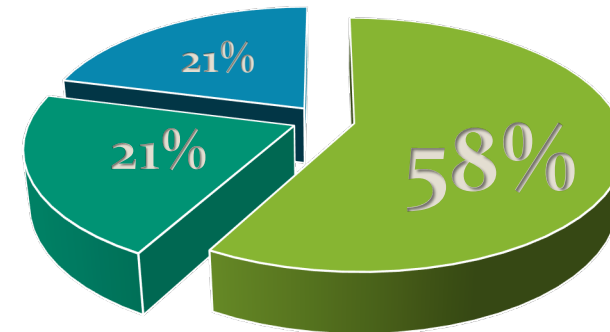


In your view, what's the impact of inflation on your financial situation?



■ Negative ■ Positive ■ No impact

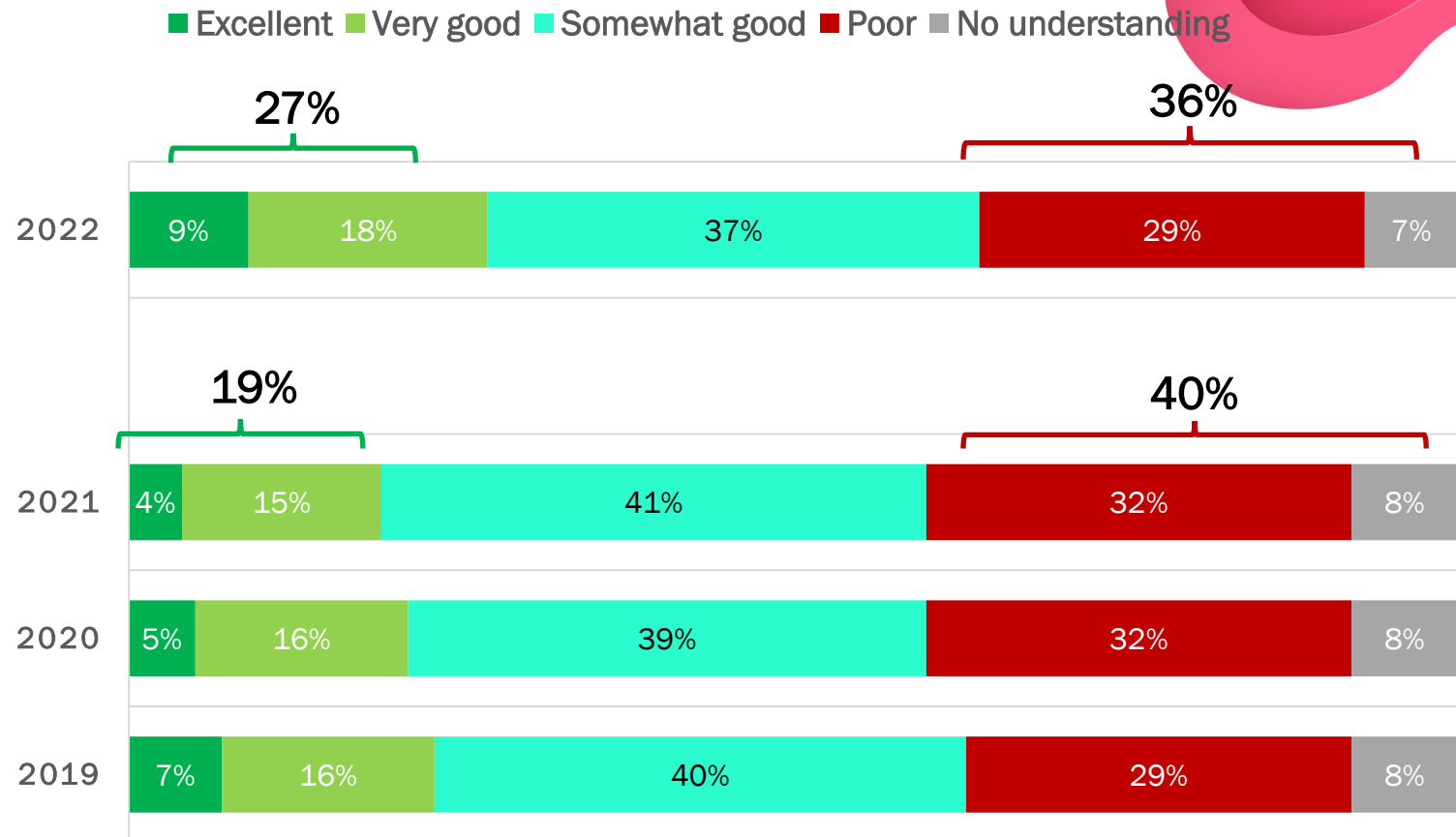
What's the long-term impact of inflation on your retirement savings?



■ Negative ■ Positive ■ No impact

While self-assessed understanding has increased, just one-quarter say they know how to convert savings into income stream

Q23. Would you say your understanding is excellent, very good, somewhat good, somewhat poor, very poor or you have no understanding of . . .
How to convert your workplace retirement savings plan funds into an income stream when you retire?

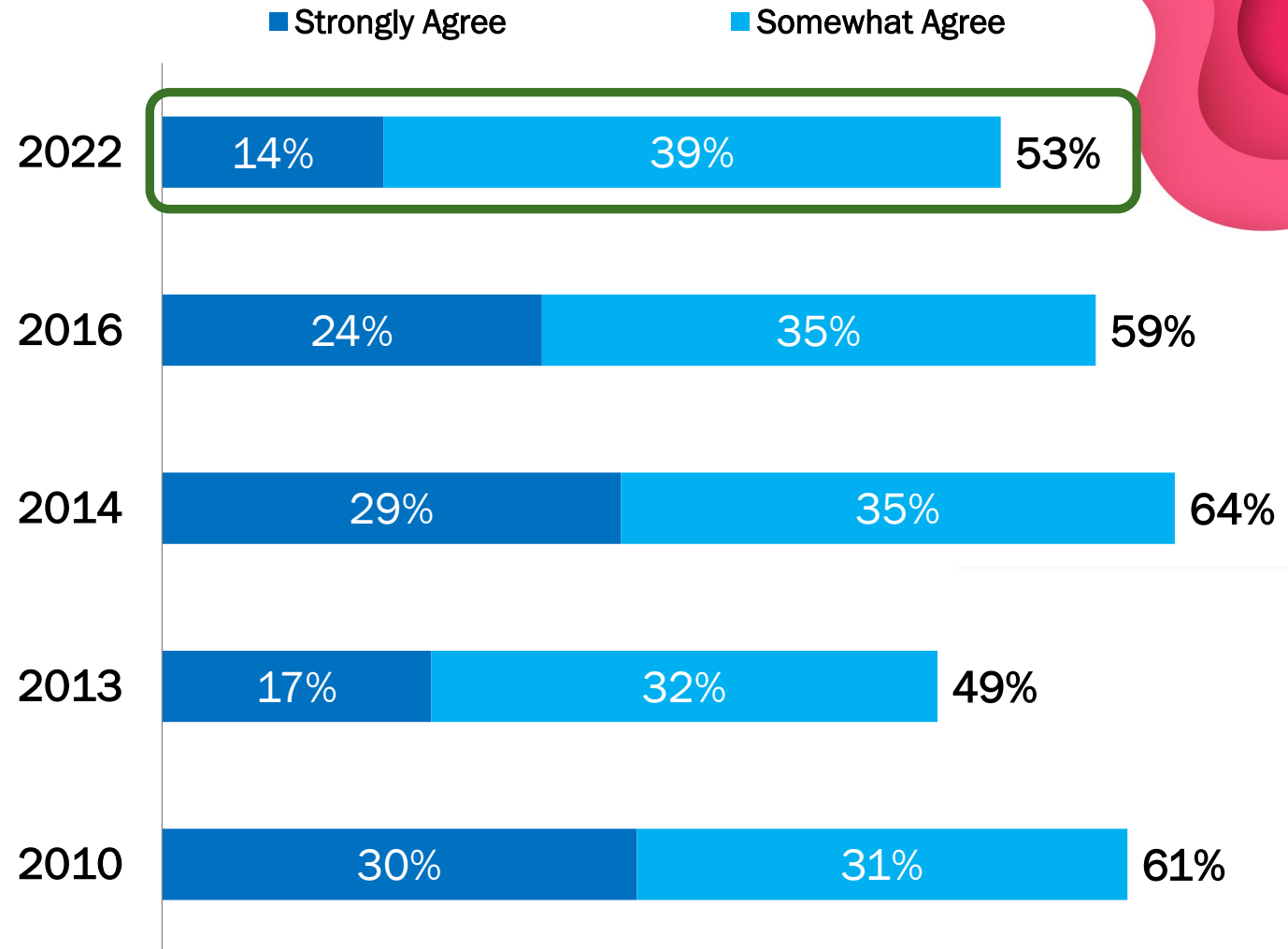


BASE: Plan Participants: 2022 N=500; 2021 N=500; 2017 N=502; 2016 N=1008; 2015 N=1209; 2010 N=1234;

Support for automatic escalation declines since 2016

Q34. Would you support or oppose your employer-sponsored retirement plan implementing the following measure: Automatic increase or escalation of contributions – the contribution percentage that you and/or your employer contribute increases automatically over a specific timetable, unless a waiver form is signed?

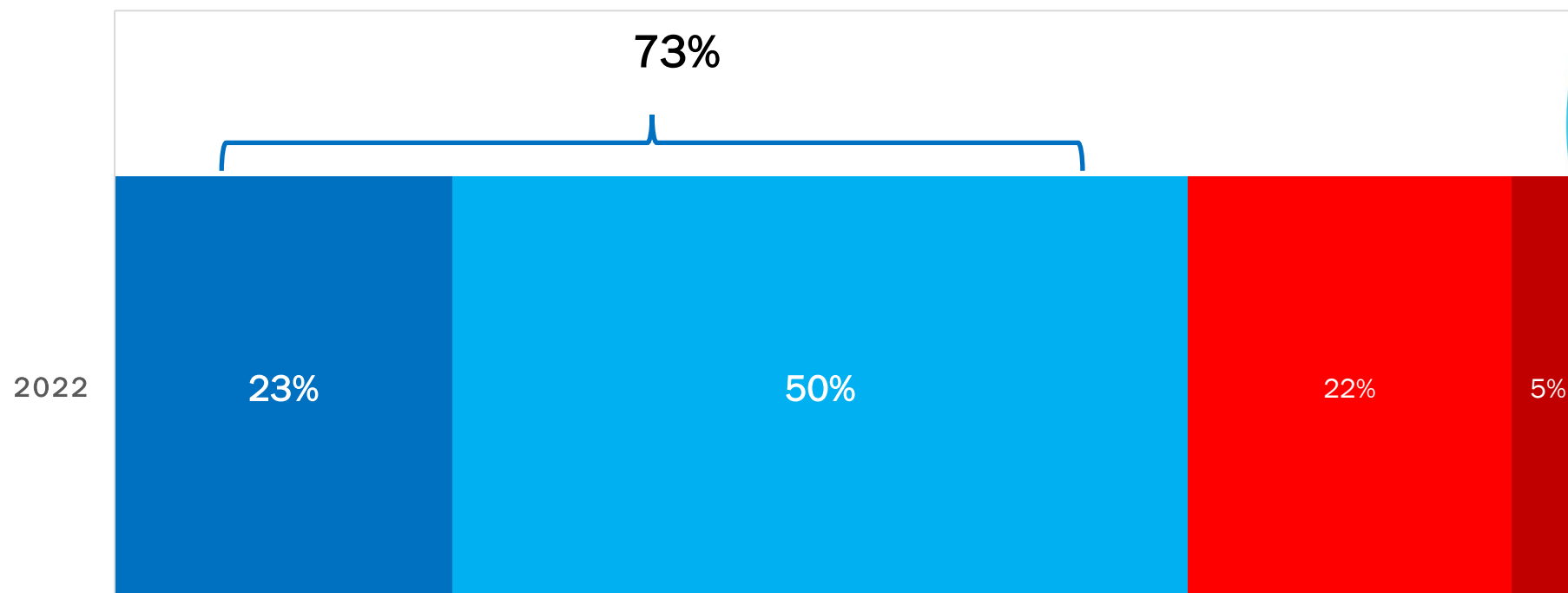
BASE: Plan Participants: 2022 N=500; 2021 N=500; 2020 N=500; 2019 N=500



Three-quarters say they're comfortable conducting electronic transactions

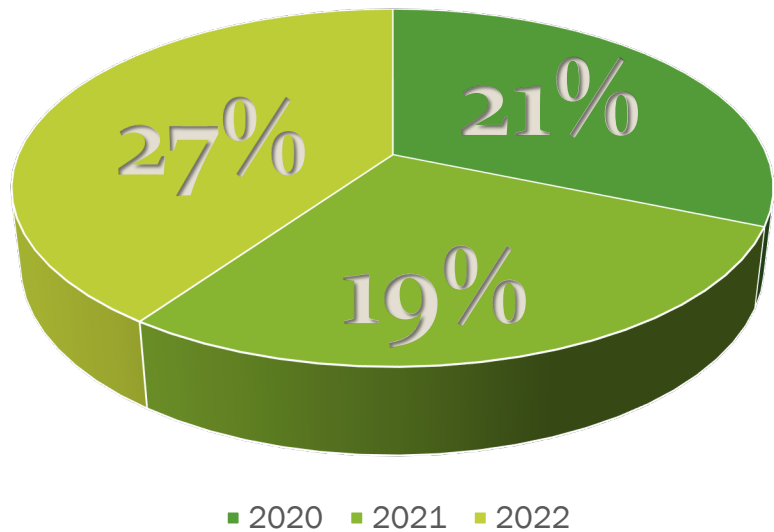
36. When it comes to reviewing your retirement savings programs and conducting financial transactions, how comfortable are you in using the financial institutions online and mobile apps?

■ Extremely comfortable ■ Somewhat comfortable ■ Not very comfortable ■ Not at all comfortable



BASE: Plan Participants: 2022 N=500

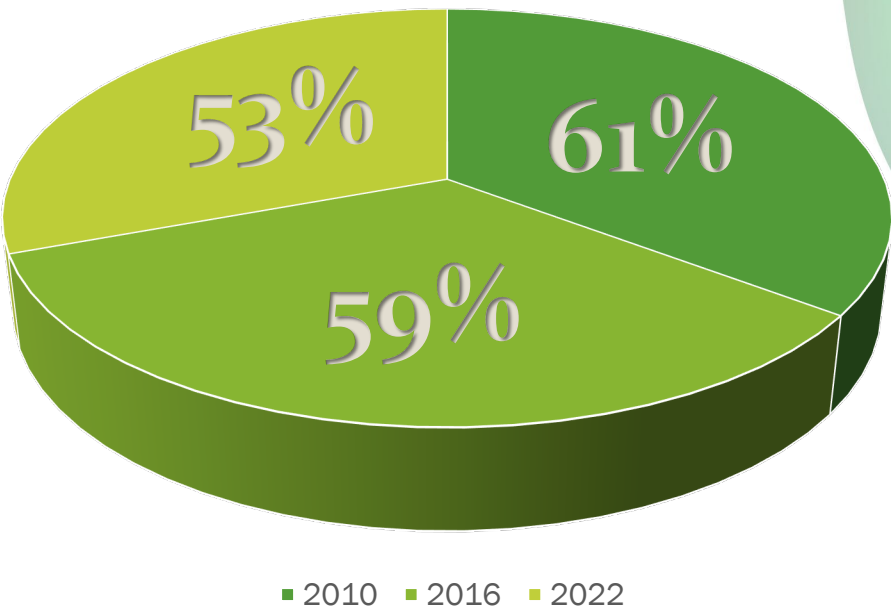
Plan members who rank their understanding of how to convert their workplace retirement savings plan funds into an income stream when they retire as excellent



73%

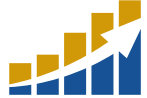
of plan members say they're comfortable using their financial institution's online and mobile apps to review their retirement savings plan and/or conduct transactions

Plan members who would support their employer-sponsored retirement plan implementing an automatic increase or escalation of contributions



Q&A

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