

A Comparative Study On U.S. Retirees: ESOP vs. Non ESOP and Financial Security

Over the past two decades, the social safety net for retiring Americans has become smaller and smaller, **placing more of the burden on workers to save adequately for retirement**. In 2016, a Pew Charitable Trusts survey found most employees were uncertain about retirement and felt they would have to work past the age of 65 to maintain their standard of living. Due to insufficient savings and the rising cost of living, a recent study by the Consumer Bankruptcy Project found the percentage of older Americans filing for bankruptcy has increased nearly twofold since the 1990s. The upshot? During the time that should be their golden years, too many seniors are struggling financially.

However, **this doesn't have to be the case**. An employee stock ownership plan (ESOP) is a qualified defined contribution plan that provides employees with retirement savings through investment in their company's stock—at no cost to them. The result: ESOP workers feel better prepared and more financially secure to live out their retirement in comfort.

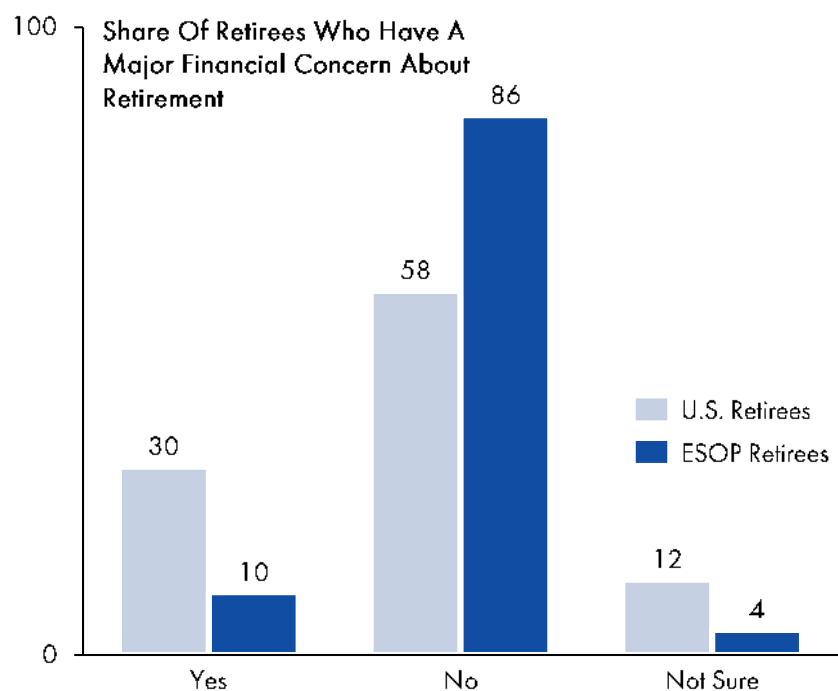
In the fall of 2018, John Zogby Strategies conducted a survey of 621 ESOP and non-ESOP retirees. The recently released survey results show:

ESOP retirees feel **more secure** about their retirement savings.



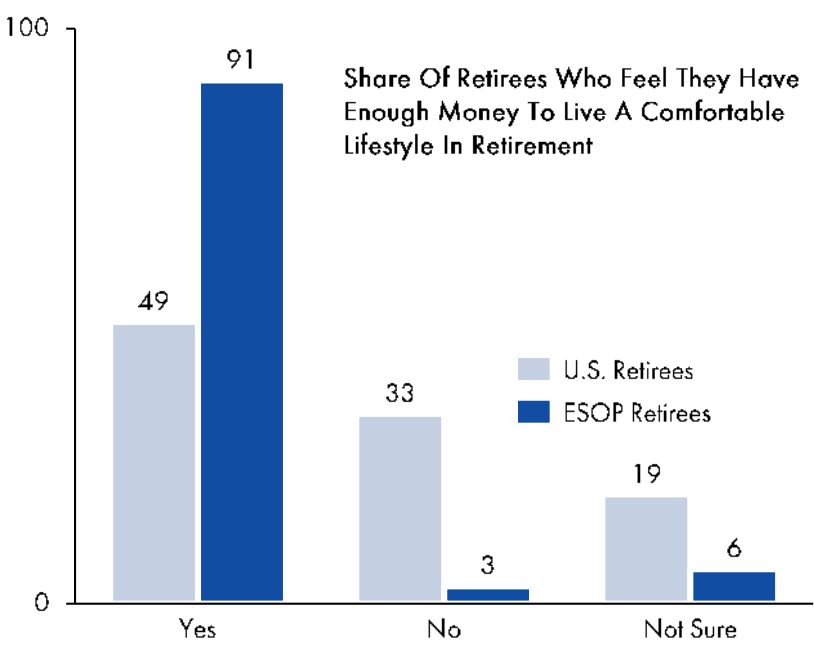
"The rewards from the ESOP program have been tremendous. For our family it has meant **security way beyond what we had planned for**. And ESOP funds now provide some security for our children."

-Larry H.



Non-ESOP retirees were **three times** more likely to say they have major **financial concerns** about retirement than ESOP retirees.

More ESOP retirees feel they can **live comfortably** in retirement.



"The ESOP program has had a HUGE influence on me and my family's lives. My wife and I are **comfortably retired** and have enough 'pocket money' to **help our kids and grandkids** achieve some of their goals."

-Charles M.

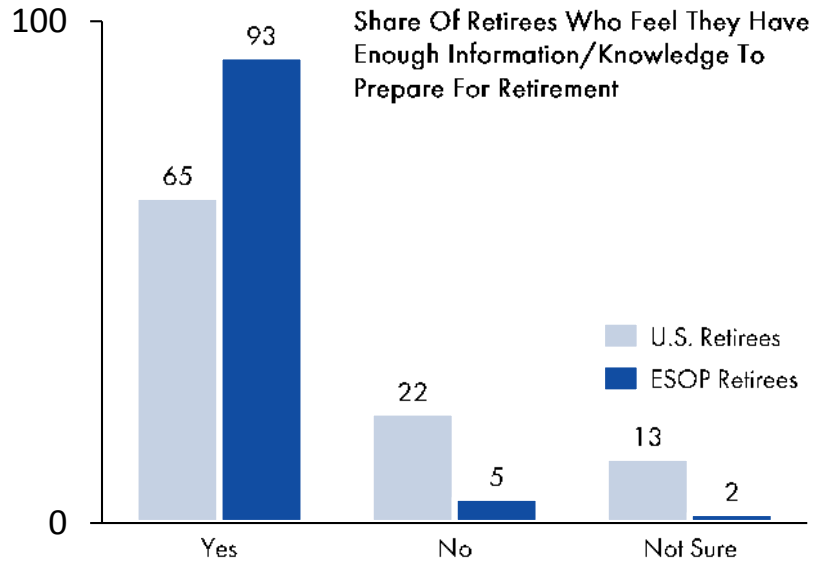
91 percent—or **nearly twice as many**—of ESOP workers said they had **enough savings to live comfortably** during retirement compared to only 49 percent of U.S. retirees.

ESOP retirees feel **better prepared** when making retirement decisions.



"Being in the ESOP allowed me to **retire earlier** than I had originally intended, **safe in the knowledge** that I would be financially **secure**."

-David B.



93 percent of ESOP workers said they had **sufficient knowledge** to prepare for retirement compared to 65 percent of U.S. retirees.