

GLOBAL WORKER'S GUIDE TO RETIREMENT PLANNING

How to Create a Savings Plan to Meet Your Unique Needs

With decades of experience serving U.S. citizens who work abroad, Guidestone® understands one size does not fit all when it comes to the retirement planning needs of global workers. General retirement savings rules of thumb often do not account for many of the expenses global workers face when returning to the U.S. from their careers overseas. It is important to assess your unique situation and adjust your savings plan accordingly.

The practical tips below can help you do just that — **prepare for a more confident tomorrow.**

START TODAY

Tip #1: Set Goals

Save toward your future.

Starting early and saving consistently are key to effective retirement planning. Global workers often balance multiple priorities competing for limited resources. That's why it's critical to start saving toward your future as soon as possible. Identify a monthly contribution that fits into your family's budget and gradually increase this amount each year until you've reached your savings goal. Even small contributions make a big impact over time. Delaying retirement preparation can cost you significantly over the course of your career — **so start now!**



Set a retirement contribution goal

of at least 15% of your compensation (including both employee and employer contributions). Keep in mind, you may need to contribute more depending on your savings timeline and income needs in retirement.

GAIN MOMENTUM

Tip #2: Take Advantage of Your Unique Tax Status

Contribute to your employer-sponsored retirement plan.

Global workers who claim all of their salary under the foreign earned income exclusion may be able to avoid paying federal income taxes on their earnings. This can create a unique opportunity a unique opportunity to set money aside for retirement while your current income tax rates are low. **Claiming all of your income under this exclusion makes you ineligible to contribute to a Roth or Traditional IRA**, but you can make Roth or tax-sheltered contributions to your employer-sponsored plan.¹



If you fully utilize the foreign earned income exclusion, Roth contributions help you maximize savings by taking advantage of low income tax rates and benefiting from tax-free withdrawals in retirement.



Tip #3: Invest Appropriately

Ensure your investments match your objectives.

It is important to choose investments that align with your objectives, risk tolerance and time horizon. GuideStone can assist you in selecting from fundamental investment approaches with varying degrees of complexity to meet your unique savings goals and investment style. We may also be able to provide investment recommendations to help meet your retirement planning needs.



Periodically review your investments to ensure they continue to match your savings needs as you near retirement. We are here to help!

FINISH STRONG

Tip #4: Identify Expenses

Create a retirement budget.

Traditional employees typically need 70 to 90 percent of their income during retirement years. However, global workers likely need much more to cover relocation expenses upon returning from their career overseas. As you near retirement, you should research the new expenses you'll face when re-establishing life in the U.S. Ask a friend or look online to determine the cost of housing, transportation and other typical expenses (taxes, insurance, etc.) in the area you plan to relocate. You can create a retirement budget by projecting your retirement income and expenses to help determine if there is a shortfall you'll need to take into consideration.



Examine essential and non-essential costs, as well as factors beyond your control (like inflation), to create a comprehensive budget that reflects your projected retirement income and expenses.

Tip #5: Invest for Non-retirement Needs

Consider an investment account.

You can invest for your non-retirement goals by setting additional funds aside with an investment account. This important piece of your financial plan may help you build an emergency fund, grow toward a down payment on a home or cover an important life event. It's a good idea to establish a separate account designed to help you prepare for expenses you'll encounter during your working years to avoid tapping into your retirement savings prematurely.



Don't let your financial plan get derailed by unexpected expenses. **Consider a GuideStone investment account.**

¹ This should not be considered tax advice. You should consult a tax professional to discuss your unique situation.

READY TO START YOUR RETIREMENT SAVINGS JOURNEY?

Contact your benefits administrator for next steps today.

Need help or have questions?

Contact GuideStone at 1-888-98-GUIDE (1-888-984-8433).

Investment accounts are not FDIC insured and are not bank guaranteed and may lose value. Investing involves risk, including the potential loss of principal. There can be no guarantee that any strategy (risk management or otherwise) will be successful.

You should carefully consider the investment objectives, risks, charges and expenses of the GuideStone Funds before investing. A prospectus with this and other information about the Funds may be obtained by calling 1-888-GS-FUNDS (1-888-473-8637) or downloading one at GuideStoneFunds.com/Funds. It should be read carefully before investing.

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