



T.RowePrice

NEWS RELEASE

T. ROWE PRICE LAUNCHES PERSONALIZED RETIREMENT MANAGER, AN INDUSTRY FIRST

Firm combines its identical, underlying target date asset allocation methodology with full personalization to help drive better retirement outcomes

BALTIMORE (September 10, 2024) – T. Rowe Price, a global investment management firm and a leader in retirement, continues the evolution of its target date offering with the launch of Personalized Retirement Manager (PRM), a service that uses personal data to create a unique asset allocation tailored to an individual's specific savings goals, preferences, and financial situation to help drive better retirement outcomes. The fully personalized glide path continues to adjust throughout a participant's retirement savings journey.

PRM can be selected as the Qualified Default Investment Alternative (QDIA) for participants and uses personal information available through 401(k) recordkeeping data, such as account balance, contribution rate, and income. Participants can then choose to add additional information—retirement goals, a spouse or partner's assets, household assets outside the plan, and other relevant factors—to further refine their asset allocation. Participants have the flexibility to engage as little or as much as they like; and the more they engage, the more personalized their experience will be.

The service is proprietary to the firm and was designed by the same professionals behind T. Rowe Price's target date solutions, using identical underlying strategies, allowing clients to add personalization within a familiar investment framework and with comparable pricing. PRM is already being used as a QDIA by several T. Rowe Price recordkeeping clients for participants nearing retirement. The firm also intends to evolve the platform to incorporate retirement income advice in the future.

"With advances in technology, leveraging personal data to build customized asset allocation is the future of target date solutions," said Wyatt Lee, head of Target Date Strategies at T. Rowe Price, whose team manages \$464 billion in target date portfolios as of July 31, 2024. "Personalized Retirement Manager is a significant addition to our target date offering because it is the first proprietary service of its kind. From the underlying analytical engine to the portfolio construction and investment building blocks, we built PRM based on the same research and asset allocation methodology as our Morningstar Gold Rated target date strategies. As a leader in the retirement industry, we consistently strive to be at the forefront of retirement innovation to offer choice and flexibility to help fuel better retirement outcomes. Saving for retirement no longer has to be a choice between target date solutions or personalization—it can be both."

T. Rowe Price's latest [white paper](#) further analyzes the impact of personalization and the growing desire for it among plan sponsors. Key findings from the paper include:

- **Target Date products are ubiquitous in the retirement savings landscape.** According to T. Rowe Price's annual 401(k) benchmarking report, 98% of the firm's defined contribution recordkeeping clients offered them in 2023. PRM allows plan sponsors the opportunity to continue offering target date solutions and incorporate personalization as an additional and complementary lever to improve retirement outcomes.
- **There is a growing interest in personalization from plan sponsors.** A recent T. Rowe Price survey found that 14% of Defined Contribution (DC) plan sponsors currently offer dynamic QDIA solutions that transition participants from a traditional target date investment to a more

personalized strategy as they near retirement. Another 51% are either actively considering or interested in exploring dynamic QDIAs.

- **Implementing in-plan personalization gives plan sponsors the ability to serve a more diverse set of plan participant journeys.** T. Rowe Price's analysis of the 2022 Federal Reserve's Survey of Consumer Finances found that retirement savings disparities grow over time among those who are currently participating in a DC plan. This disparity is most evident when nearing retirement age. This finding supports the use of a dynamic QDIA structure to facilitate the introduction of personalization at a time when it is likely to have the greatest impact on an individual's optimal outcomes.

"We observe growing demand for personalized solutions in the industry," said Jessica Sclafani, global retirement strategist at T. Rowe Price and author of the white paper. "While target date solutions and personalization typically exist separately, Personalized Retirement Manager combines the two, offering T. Rowe Price's trusted target date methodology alongside the power of personalization. Our goal is to help participants feel more confident that their investments are aligned to their unique circumstances and long-term goals."

ABOUT T. ROWE PRICE

Founded in 1937, T. Rowe Price (NASDAQ – GS: TROW) helps individuals and institutions around the world achieve their long-term investment goals. As a large global asset management company known for investment excellence, retirement leadership, and independent proprietary research, the firm is built on a culture of integrity that puts client interests first. Clients rely on the award-winning firm for its retirement expertise and active management of equity, fixed income, alternatives, and multi-asset investment capabilities. T. Rowe Price serves millions of clients globally and manages US \$1.59 trillion in assets under management as of July 31, 2024. About two-thirds of the assets under management are retirement-related. News and other updates can be found on [Facebook](#), [Instagram](#), [LinkedIn](#), [X](#), [YouTube](#), and [troweprice.com/newsroom](https://www.troweprice.com/newsroom).

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