



NEWS RELEASE

T. ROWE PRICE PUBLISHES ANNUAL 401(K) BENCHMARKING DATA ON PARTICIPANT BEHAVIOR AND PLAN DESIGN

Reference Point data shows that 401(k) participants are continuing positive retirement savings behavior in the aftermath of the Global Pandemic

BALTIMORE, April 28, 2022 – T. Rowe Price, a global investment management firm and a leader in retirement services for investors and plan sponsors, released today [Reference Point](#), its annual 401(k) benchmarking report featuring year-over-year data and analysis on participant behavior and plan design. The report is based on the firm's full-service recordkeeping client data.

“In February 2020, when the markets started reacting to the growing pandemic, there were a lot of questions about the impact COVID-19 would have on the retirement plan industry and the participants who rely on it,” said Kevin Collins, head of Retirement Plan Services at T. Rowe Price. “We have an answer two years later and it's a positive one: throughout these unprecedented times, plan sponsors and participants continued to take positive steps that show they realize the value of retirement savings programs.”

Key findings include:

- **Participation** in plans increased from 67% in 2020 to 68% in 2021.
- The percentage of plans offering a **match** returned to pre-pandemic rates or higher.
- **Average employee deferrals**, including both pretax and Roth deferrals, have continued to climb steadily over the last ten years to a rate of 8.5% in 2021.
- Participant usage of **Roth deferrals** has increased 57% since 2018.
- After two years at 50%, the percentage of **auto-enrollment** plans with an auto enrollment default rate of 5% or more increased to 52%.
- Plans that couple **auto-enrollment and auto-increase** together achieve an 85% participation rate compared with only 29% for those that do not offer the services—nearly three times greater participation.
- Market growth resulted in **account balance** increases across every age group—up 8% from an average of \$113,900 in 2020 to a record high of \$123,500 in 2021.
- The percentage of participants with **outstanding loans** decreased from 20% in 2020 to 18.8% in 2021.

“The data from 2021 is encouraging,” added Collins. “Plans sponsors can continue to support these positive behaviors by offering financial wellness programs and implementing strategic plan design features to help ensure their participants stay on this path.”

ABOUT REFERENCE POINT

Reference Point is an annual client data benchmarking report so plan sponsors can review trends and benchmark their progress and participant behavior across the firm's client base. Data are based on the large-market, full-service universe of T. Rowe Price Retirement Plan Services, Inc. retirement plans (401(k) and 457 plans), consisting of 660 plans and over 2 million participants, from January 1, 2021 through December 31, 2021. T. Rowe Price Plan Services, Inc. has been a retirement solutions provider for more than 30 years.



Founded in 1937, T. Rowe Price (NASDAQ-GS: TROW) is an independent global asset management company with \$1.55 trillion in assets under management as of March 31, 2022. The firm is focused on delivering investment excellence and retirement services for institutional, intermediary, and individual investors. Our strategic investing approach, driven by independent thinking and guided by rigorous research, helps clients feel confident in pursuing financial goals. For more information, visit troweprice.com, [Twitter](#), [YouTube](#), [LinkedIn](#), [Instagram](#), or [Facebook](#).

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