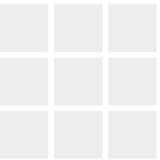




ENGAGING INDIVIDUALS

Robert Sage T. Rowe Price
2015 ICI Retirement Summit
April 8, 2015



ENGAGING INDIVIDUALS

1

OUR APPROACH

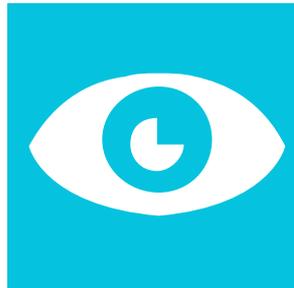
2

TRENDS WE SEE

3

RESPONSIVE TECHNIQUES

Focusing on Retirement Readiness



Plan design is fundamental to influencing participant behavior. Supplementing plan design with participant engagement techniques supports better outcomes.

With a continued industry focus on retirement income readiness and participant outcomes, T. Rowe Price is leading the delivery of solutions.

PARTICIPANT LANDSCAPE

The **average 401(k)** account balance won't support the average person's retirement needs

45% of retirement plan participants have indicated that they determined their retirement savings needs by guessing¹

PLAN SPONSOR LANDSCAPE

64% of plan sponsors do not believe their participants are saving adequately for retirement²

78% of responding plan sponsors named participant retirement readiness as a continued focus³



¹ 2014 Employee Benefit Research Institute retirement confidence survey.

² Chatham Partners 2013 Client Satisfaction Analysis.

³ Deloitte's 12th Annual 401(k) Benchmarking Survey.

Our Approach



We know life is complex. We understand the competing priorities to retirement planning and provide education that is personalized, holistic, and practical for each individual.

We've learned that personalized, holistic, and practical communications program is most effective.



PERSONALIZED

The timing and content of program messages are based on information about different lifestages.



HOLISTIC

The topics addressed include both your company's retirement plan and additional financial needs faced by retirement savers.



PRACTICAL

The guidance focuses your participants on what they can control today to more effectively achieve their long-term goals.



Mobile Devices: Channel of Choice



Most participant contact comes through digital channels.

More than ever, participants are choosing to connect with us and their investment portfolio through their tablets and smartphones.

- Last year, **28%** of all digital traffic came through mobile devices.
- More than **150,000** participants logged in to the app for iPhone in 2014, with an average of **330,000** visits each month. ¹
- **86%** of participant contact comes through digital channels. We see that as an average of 58,000 chances a day to drive participant behavior. ¹



¹Year-to-date as of 12/31/14.

Driving positive participant behavior



Guided Contribution Interaction

- **18%** of users select one of the suggested deferral amounts
- Average deferral (**13.7%**) for the users of this experience is well above average for all plans at T. Rowe Price (**7.6%**)
- Even individuals choosing their own deferral amount are choosing higher deferral rates (**8.9%**)

A screenshot of a mobile application interface for managing 401(K) Pre-Tax contributions. The screen shows a 'Current Amount' section with a 0% selection, a 'New Amount' section with a 7% selection, and an 'Auto Increase' toggle switch set to 'OFF'. The interface includes a 'Back' button, a 'Cancel' button, and a 'Done' button at the bottom. The status bar at the top shows 'AT&T', '2:15 PM', and battery level.

Year-to-date as of 9/30/14.

Confidence Number[®]

63

ABC COMPANY PLAN

YOUR PERSONALIZED CHECK-IN

How prepared are you for retirement?

Use the circles below to guide you through recommendations based on your current situation.

2%

Contribution
Amount

Get Your
Confidence
Number

?

Years to
Retirement

ANSWER TWO SIMPLE QUESTIONS.

What's your current
annual salary
(before taxes)?

At what age do you
want to retire?

RETIRE WITH CONFIDENCE[®]

[Download a Prospectus](#)

Confidence Number information - Monte Carlo simulations model future uncertainty. In contrast to tools generating average outcomes, Monte Carlo analyses produce outcome ranges based on probability thus incorporating future uncertainty.

Material Assumptions Include:

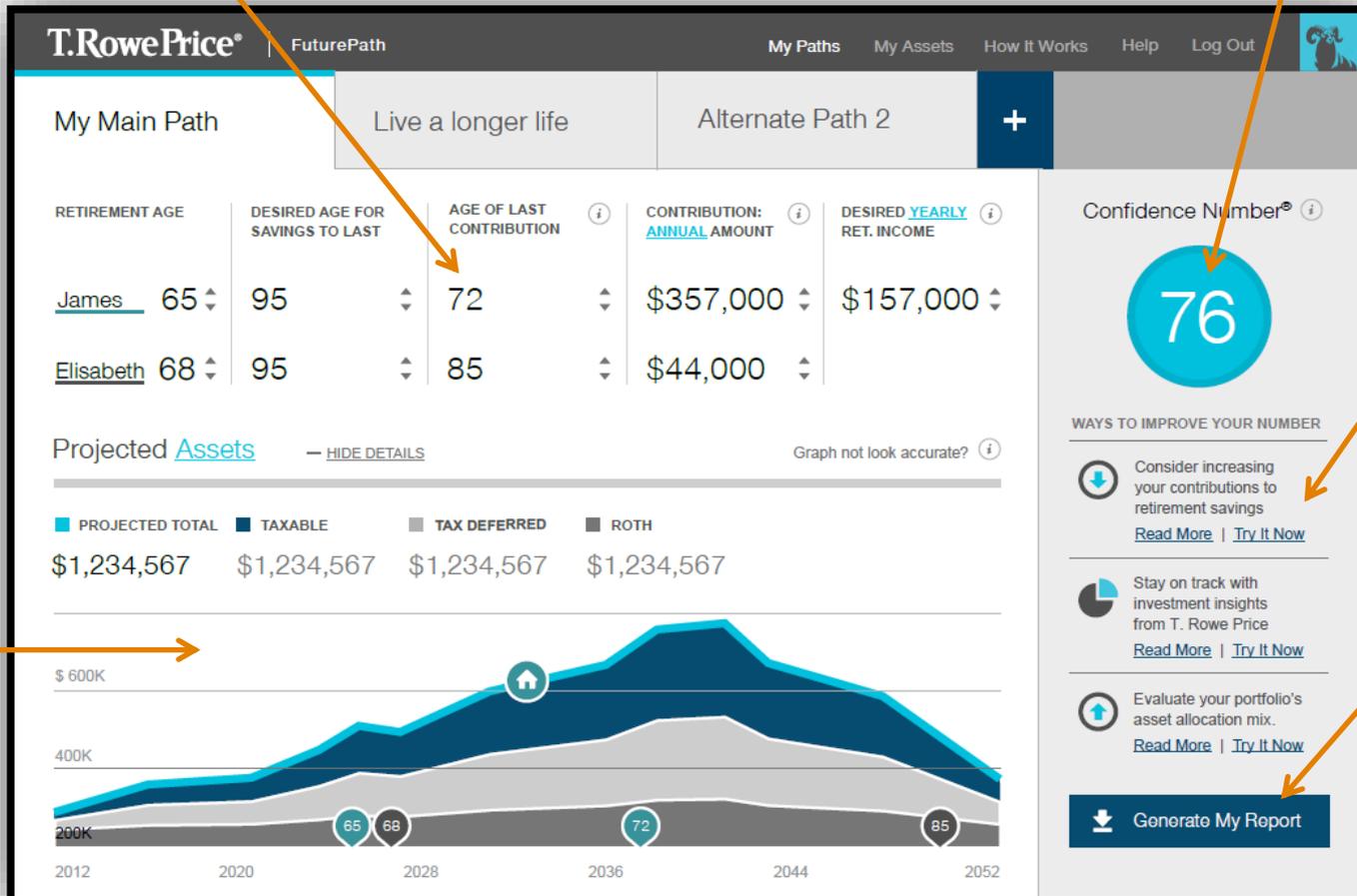
- Underlying long-term rates of return for the asset classes are not directly based on historical returns. Rather, they represent assumptions that take into account, among other things, historical returns. They also include our estimates for reinvested dividends and capital gains.

[Show more](#)

FUTUREPATH®

Detailed data entry personalizes the experience and supports “what-if” tinkering

Confidence Number – key product attribute



Delivery of personalized guidance

Tangible output allows phone-based consultation

Holistic orientation anchored on portfolio view

IMPORTANT: The projections or other information generated by FuturePath® regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. The projections are based on assumptions. There can be no assurance that the projected results will be achieved or sustained. The charts present only a range of possible outcomes. Actual results will vary with each use and over time, and such results may be better or worse than the projected scenarios. Clients should be aware that the potential for loss (or gain) may be greater than demonstrated in the projections.

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