



## Essential Choice<sup>®</sup>

### A STREAMLINED SOLUTION FOR EMERGING PLANS

Our retirement solutions are rooted in over 30 years of experience working with plan sponsors, as well as the financial professionals and third-party administrators who can be critical to a plan's success. We understand that building a successful plan in today's uncertain environment is more complex than ever. We also believe in developing innovative solutions that will help drive participant outcomes over the long term.

T. Rowe Price is a leader in the retirement industry:

- Over 60% of the firm's \$1.31 trillion<sup>1</sup> in assets under management are retirement related
- We directly support over 2 million participants and leverage the scale of SS&C, which serves more than 8 million participants and is one of the industry's leading third-party recordkeepers<sup>1</sup>
- FORTUNE<sup>®</sup> named T. Rowe Price one of the "World's Most Admired Companies" of 2022 among securities and asset management firms<sup>2</sup>

### Product highlights

- Prepackaged solution for sponsors and financial professionals who serve multiple roles in a plan's administration
- Comprehensive plan sponsor services, participant communications, and flexible investment options
- Competitive pricing based on adoption of industry best practices

<sup>1</sup>As of June 30, 2022.

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# Collaborative Approach

**14** YEARS

average tenure for implementation specialist.<sup>3</sup>

**2.2x**

SmartVideo viewers are more likely to increase their deferrals than non-viewers.<sup>4</sup>

We take a “one team” approach to our relationships with plan sponsors and financial professionals. As such, the *Essential Choice* product provides consistent access to a team of T. Rowe Price and SS&C specialists both during the conversion process and beyond.

## Experienced plan service team

- The relationship manager team will serve as a strategic partner to help meet the goals of the plan
- Retirement plan account managers (RPAM) will manage daily communication and serve as the key point of contact for smooth plan administration

## Easy setup and conversion

- An implementation specialist will oversee the entire process, from census to payroll submissions to allocation of assets
- Sponsors will have access to preapproved plan documents (for bundled plans)
- Conversion will be handled by a dedicated team who will provide a time line and an explanation of roles and responsibilities for each step of the process
- Can accommodate a 30-day setup for most start-up plans

## Integrated participant communications

Our ultimate shared objective is ensuring that employees feel confident in their retirement plan. That’s why our participant communications acknowledge the competing financial priorities employees face but also provide educational information to help them make practical decisions and affect positive changes.

At the core of the *Essential Choice* product is a powerfully integrated lifestage approach to participant education and retirement readiness, including:

### Lifestage education programs

Plan participants at different stages of their lives and careers have different needs. Our Retire With Confidence® Program for Participants includes both proactive and on-demand communications for participants at every lifestage on topics like planning, saving, and investing—delivered through multiple channels, including video, online, and webinars.

### Integrated communications

In order to meet the needs of an on-demand world, the *Essential Choice* product contains a comprehensive suite of digital communications, with available group meetings for face-to-face interactions.

<sup>3</sup>As of June 30, 2022.

<sup>4</sup>Results based on 121,762 SmartVideo Account Check-In viewers from January 1, 2021 through November 30, 2021. Deferral results do not include participants using the auto-increase service. Results are sourced from TRPEvents dataset within Adobe Data Workbench and compared to a control group of participants with similar eligibility and account characteristics. Source: Ignitio/T. Rowe Price.

# Superior Client Service

# 97%

Plan Retention Rate<sup>5</sup>

# Ongoing Plan Sponsor Support

# Fixed Pricing Model

Since our founding in 1937, T. Rowe Price has embraced the guiding principle that earning our clients' confidence starts with delivering consistently excellent investment results and outstanding service.

Beginning with the plan's transition to the *Essential Choice* product and continuing through day-to-day plan management, we provide the resources, tools, and reporting you need to help ensure long-term plan health. Our suite of employer services includes:

- Recordkeeping services for 401(k) and other plan types
- Best practice considerations to help improve plan performance through the use of automatic features and capabilities
- Coordinated team support from T. Rowe Price, financial professional, and third-party administrator (TPA) resources, when applicable
- Robust data and plan diagnostics reporting through our plan sponsor website and our financial professional portal, myPLANnetwork
- Automated transactions designed to reduce the sponsor's daily administrative duties
- Regular plan and investment reviews to help measure long-term plan health
- Key participant education materials and regular electronic communications containing valuable ideas and insights

In the constantly evolving landscape of fiduciary compliance, we believe that a good service provider adds value by reducing complexity. T. Rowe Price has the experience needed to support your day-to-day compliance needs and your ongoing obligations to the plan, and we can scale our full-service offering to complement the services of a TPA.

### As part of the *Essential Choice* product, we provide:

- Timely ideas, insights, and legislative and regulatory updates delivered proactively to plan sponsors and financial professionals
- Plan design consultation and streamlined testing services, including 100% online ADP/ACP, 402(g), highly compensated employees, and top-heavy determination testing, either through T. Rowe Price or in consultation with a TPA
- Quarterly plan health report
- Compliance disclosures delivered seamlessly to sponsors and participants
- FiduciarySource®, a proprietary fiduciary training program that streamlines complex topics into downloadable materials and checklists
- Financial professional tools designed to support and drive value for clients

The *Essential Choice* pricing model makes it easy to estimate the direct fees for our services. Direct fees consist of the following components: a one-time setup fee, an annual plan recordkeeping fee, and an annual per-participant recordkeeping fee.

**T. Rowe Price I-Class Essential Choice Pricing Grid<sup>7</sup>**

Assets	Service Model	Setup	Plan Recordkeeping (Annual)	Per Participant Recordkeeping (Annual)
\$0-\$1M <sup>6</sup>	TPA	\$250	\$1,500	\$50
\$1M-\$5M	TPA	\$0	\$250	\$30
\$2M-\$5M	Bundled	\$0	\$1,800	\$50

<sup>5</sup>Average core market plan retention rate over 5 years, from 2017 to 2021.

<sup>6</sup>Minimum required cash flow of \$40,000 annually to qualify.

<sup>7</sup>Pricing assumes zero revenue from proprietary and non-proprietary funds.

Delivery of all standard notices is currently offered at no additional cost for TPA and bundled service models.

In addition to the direct fees described in the pricing grid, T. Rowe Price Retirement Plan Services (TRP RPS) will receive and retain administrative fees and/or credits generated by the plan investment options for shareholder, recordkeeping, and administrative services on behalf of the investment options. Estimates of these administrative fees and/or credits can be found on the ERISA 408(b)(2) disclosure made by TRP RPS.

# At T. Rowe Price, we believe in strategic investing.

For the 10-year period ended June 30, 2022, over 70% of our funds with a 10-year track record outperformed their 10-year Lipper average.<sup>8</sup>

We believe in strategic investing. This has guided how we do business since 1937. We're deliberate and intentional—driven by independence of thought and guided by the rigor of our research—so we can strive to select the right investment opportunities as we seek to achieve our clients' objectives.

We don't wait for change, we seek to get ahead of change for our clients.

- We assess when to move with the crowd and when to move against it.
- Our people have the conviction to think independently, but act collaboratively.
- We're able to respond quickly to take advantage of market fluctuations, or we can also choose to hold tight.
- We strive to deliver returns that go beyond the limitations of simply trying to follow an index.

Results will vary for other time periods. *Past performance cannot guarantee future results.* All funds are subject to market risk, including possible loss of principal.

## Broad range of investment options

As one of the largest U.S. mutual fund companies, measured by assets under management, we offer access to a range of investment products with flexible pricing structures. And we have the ability to add services as our clients' needs grow and evolve. Our clients have access to:

- More than 90 proprietary mutual funds
- Nonproprietary investment options from more than 150 investment managers
- Multiple share class options available
- A robust brokerage service<sup>9</sup>
- Competitive pricing based on adoption of industry best practices

Call 1-800-638-4546 to request a prospectus or, if available, a summary prospectus; each includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

<sup>8</sup>\* 168 of our 404 mutual funds had a 10-year track record as of 6/30/2022. (Includes all share classes and excludes funds used in insurance products.) 126 of these 168 funds (75%) beat their Lipper average for the 10-year period. 174 of 378 (46%), 262 of 356 (74%), and 236 of 334 (71%) of T. Rowe Price funds outperformed their Lipper average for the 1-, 3-, and 5-year periods ended 6/30/2022, respectively. Calculations based on cumulative total return. Not all funds outperformed for all periods. (Source for data: Lipper Inc.)

<sup>9</sup>Brokerage services offered by Charles Schwab & Co., Inc. (Member SIPC)

All investments involve risk, including possible loss of principal.

This material is provided for general and educational purposes only and is not intended to provide legal, tax, or investment advice. This material does not provide recommendations concerning investments, investment strategies, or account types; it is not individualized to the needs of any specific investor and is not intended to suggest that any particular investment action is appropriate for you, nor is it intended to serve as the primary basis for investment decision-making.

T. Rowe Price Investment Services, Inc., distributor, T. Rowe Price mutual funds.

## Choosing T. Rowe Price is a smart decision for several important reasons:

- Defined contribution plan service provider since 1982
- Recognized for exceptional client service
- Service team supported by advanced systems capabilities
- Easy plan account access for sponsors, financial professionals, and participants
- Comprehensive education and communications resources
- Leading investment management firm for over 75 years
- Reputation for delivering solid long-term investment performance
- Pioneer in target date investments and their use as qualified default investment alternatives

For more information, call 1-800-831-1370 or contact your T. Rowe Price representative.