T. Rowe Price target date investments are evolving.

Beginning in spring 2020, T. Rowe Price will be gradually adjusting the glide path by modestly increasing equities in the T. Rowe Price target date investments available in the retirement plan. This change is driven by research and an understanding of what it takes to help support lifetime income.

No action is required on your part to gain this enhancement.

What’s changing

The T. Rowe Price glide path is thoughtfully constructed to help preserve what you’ve worked hard to build while seeking growth when it matters most. With these goals in mind, the enhanced glide path will continue to trend toward a more conservative mix of assets as the retirement date approaches while aiming for higher income (growth) during your working years and in retirement. The target date investments will begin to maintain a slightly higher percentage of stocks versus bonds during the early and later years of the glide path, compared with the current glide path (see chart below).

IMPORTANT CHANGES TO THE TARGET DATE INVESTMENTS: T. Rowe Price is making changes to the glide path of our target date funds and trusts. The glide path will be transitioning to the allocations shown above. Specifically, beginning in the second quarter of 2020, the glide path will gradually change to increase its overall equity allocation at certain points and, accordingly, decrease its bond allocation. Note that there will be no change to the allocation at the target retirement date. Adjustments to equity and bond allocations will be made incrementally, and T. Rowe Price expects the transition to the enhanced glide path to be completed in the second quarter of 2022, depending on market conditions. Please see the prospectus or offering circular for additional details.
Remember - NO ACTION IS REQUIRED

The glide path enhancements will be phased in over a couple of years. However, this is an excellent time to review your retirement plan investments to determine whether you are appropriately diversified based on your risk tolerance, time horizon, and financial situation. If you have more than one age-based investment in your portfolio, consider consolidating them into a single investment with a target date that's closest to when you plan to retire.

Log in to your retirement plan account to review your investments.

The principal value of the T. Rowe Price target date funds/trusts is not guaranteed at any time, including at or after the target date, which is the approximate year an investor plans to retire (assumed to be age 65) and likely stop making new investments in the fund/trust. If an investor plans to retire significantly earlier or later than age 65, the funds/trusts may not be an appropriate investment even if the investor is retiring on or near the target date. The funds/trusts' allocations among a broad range of underlying T. Rowe Price stock and bond funds/trusts will change over time. The funds/trusts emphasize potential capital appreciation during the early phases of retirement asset accumulation, balance the need for appreciation with the need for income as retirement approaches, and focus on supporting an income stream over a long-term postretirement withdrawal horizon. The funds/trusts are not designed for a lump-sum redemption at the target date and do not guarantee a particular level of income. The funds/trusts maintain a substantial allocation to equities both prior to and after the target date, which can result in greater volatility over shorter time horizons.

For the T. Rowe Price Retirement Funds and Retirement I Funds–I Class, consider the investment objectives, risks, and charges and expenses carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, call 1-800-638-7890. Read it carefully.

The T. Rowe Price Retirement Trusts, Retirement Hybrid Trusts, and Retirement Blend Trusts (Trusts) are not mutual funds. They are common trust funds established by T. Rowe Price Trust Company under Maryland banking law, and their units are exempt from registration under the Securities Act of 1933. Investments in the Trusts are not deposits or obligations of, or guaranteed by, the U.S. government or its agencies or T. Rowe Price Trust Company and are subject to investment risks, including possible loss of principal. For additional information on the common trust funds being offered, including a trust fact sheet, please call T. Rowe Price.

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