



NEWS RELEASE

T. ROWE PRICE: WOMEN SIGNIFICANTLY LAG BEHIND MEN IN RETIREMENT SAVINGS

Retirement plan adoption of financial wellness programs could help close the gap

BALTIMORE, March 14, 2023 – T. Rowe Price, a global investment management firm and a leader in retirement, today published the latest findings of its annual [Retirement Savings and Spending study](#), which found women lag far behind men in terms of retirement contributions, savings, and confidence. Notably, the median 401(k) account balance for women was 65% lower compared to men. The study surveys a national representative group of 401(k) participants, with this iteration focused on the gender gap in retirement savings, addressing plan access and adequacy, a key theme in T. Rowe Price's 2023 [U.S. Retirement Market Outlook](#).

Although women are saving less, there were no meaningful gaps in access to retirement plans between men and women. According to 2022 Census data, retirement plan participation appears consistent among private sector wage and salaried workers between the ages of 21 and 64 across both genders (52.5% participation for men versus 51% participation for women).

Some contributing factors to the gender savings gap likely include:

- National income averages reflect that women typically earn less than men
- Women are more likely to have shorter job tenures compared to men (median of six versus eight years)
- More women than men held debt across most of the categories offered in the survey, to include credit card and personal loan debt, with a staggering disparity in student loan debt in particular. According to the study, 23% of women and 14% of men reported student loan debt – a difference of 60%

“The gender income gap is contributing to a domino effect of women’s finances; lower earnings can have an effect on their current financial decisions which ultimately impacts their financial future, including retirement savings,” said Judith Ward, CFP®, thought leadership director. “As women, it’s critical for us to be proactive when it comes to our money and to seek guidance and education that is necessary to put us on the path toward a successful financial future.”

Additional key findings from the survey include:

- The median annual contribution for women was 43% less than men
- Women are less confident about retirement than men (22% versus 37%)

“The gender gap in retirement savings is a challenge for women who are preparing for retirement, and we understand that there are various social and economic factors that significantly affect women’s ability to save,” said Sudipto Banerjee, vice president, Retirement Thought Leadership at T. Rowe Price. “We believe that financial wellness programs offered by employers can be beneficial. Taking steps to improve individual finances can be empowering and help position women for a more secure retirement.”

ABOUT T. ROWE PRICE

Founded in 1937, T. Rowe Price (NYSE: TROW) helps people around the world achieve their long-term investment goals. As a recognized global asset management company known for investment excellence, retirement leadership, and independent proprietary research, the firm is built on a culture of integrity that

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