

Custom DC plan benchmarks

Financial services

Strategic Retirement Consulting

June 2021

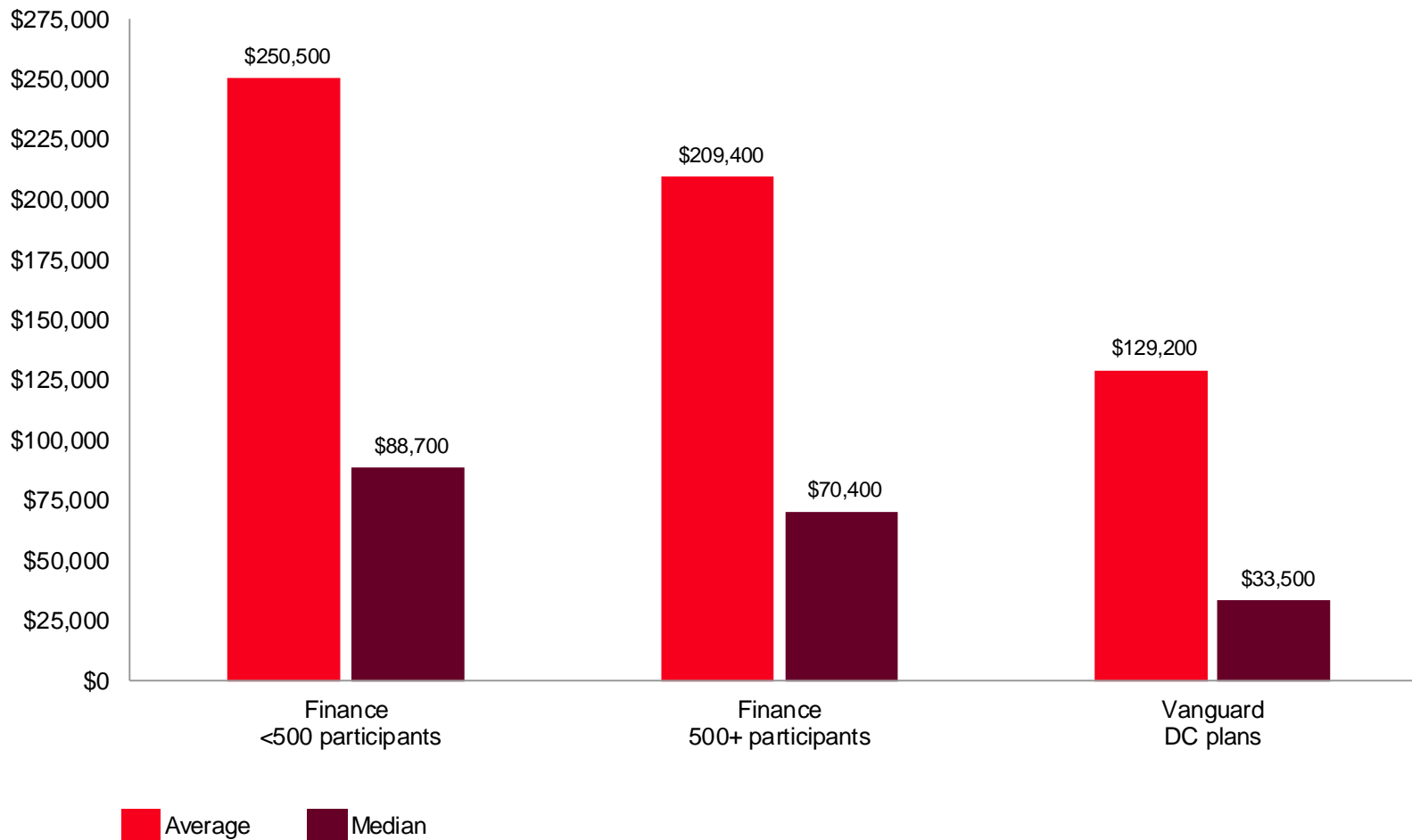


Benchmark population

	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Number of plans	52	33	1,725
Number of participants	10,083	117,264	4.7 million
Average number of participants	194	3,553	2,700
Median number of participants	158	1,690	490
Amount of assets	\$2.5 billion	\$24.5 billion	\$601.4 billion
Average assets	\$48.6 million	\$743.9 million	\$348 million
Median assets	\$40.3 million	\$210.7 million	\$68.3 million

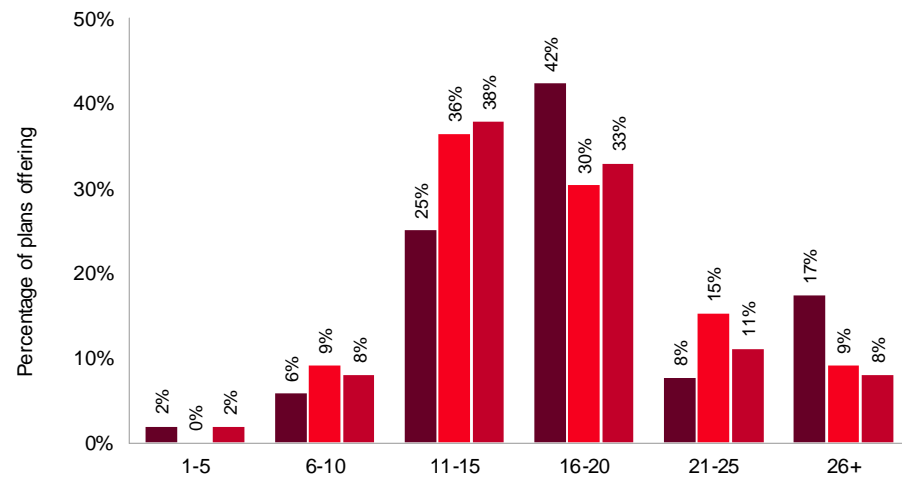
The financial services industry is defined by NAICS (North American Industry Classification System) subsectors 521, 522, 523 & 525.

Participant balances

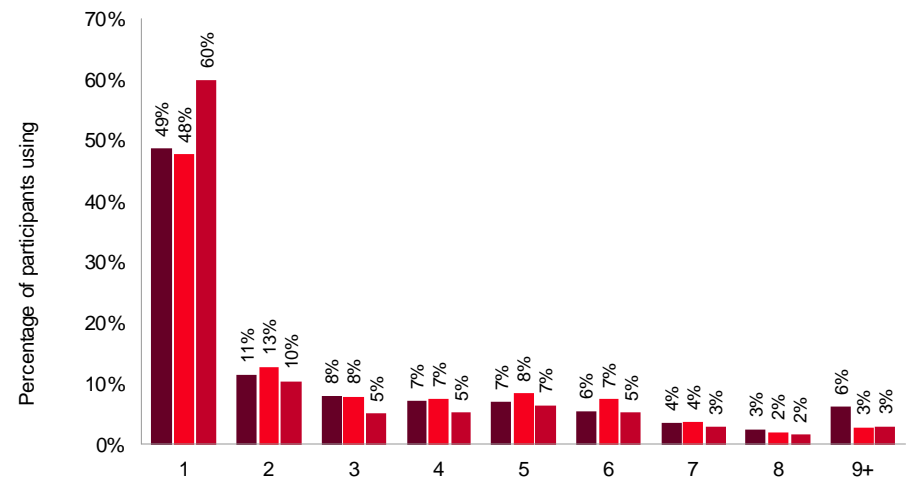


Number of fund options offered and used

Funds offered per plan (all life-cycle funds counted as one)



Funds used per participant



	Average funds offered	Median funds offered
Finance <500 participants	19.8	19
Finance 500+ participants	17.3	16
Vanguard DC plans	17.5	16

	Average funds used	Median funds used
Finance <500 participants	3.1	2
Finance 500+ participants	2.9	2
Vanguard DC plans	2.5	1

Types of investment options offered and used*

	Finance <500 participants		Finance 500+ participants		Vanguard DC plans	
	Percentage of plans offering	Percentage of participants using*	Percentage of plans offering	Percentage of participants using*	Percentage of plans offering	Percentage of participants using*
Cash	100%	18%	100%	17%	98%	14%
Money market	79	10	76	11	67	7
Stable value / GIC	58	15	64	11	66	13
Bond	96%	24%	100%	25%	98%	19%
Active	77	17	85	14	78	8
Index	90	16	88	20	89	16
Inflation protected securities	40	6	45	5	34	3
Multi-sector	4	15	12	3	7	3
High-yield	29	11	21	6	18	5
International	27	5	15	4	19	3
Global	8	3	9	1	4	2
Emerging markets	4	7	0	0	1	2
Balanced funds	98%	72%	97%	79%	99%	85%
Traditional balanced	63	19	52	18	64	14
Target-risk	17	13	0	0	14	7
Target-date	87	65	94	75	95	80
Company stock	4%	38%	21%	42%	8%	37%
Self-directed brokerage	17%	4%	30%	2%	20%	1%

*Among participants offered the option.
Source: Vanguard, as of December 31, 2020.

Types of investment options offered and used* (continued)

	Finance <500 participants		Finance 500+ participants		Vanguard DC plans	
	Percentage of plans offering	Percentage of participants using*	Percentage of plans offering	Percentage of participants using*	Percentage of plans offering	Percentage of participants using*
Equity funds	96%	48%	100%	46%	99%	33%
Domestic equity funds	96%	46%	100%	45%	99%	32%
Large-cap index	90	33	97	34	96	24
Large-cap active	69	26	67	26	71	15
Large-cap value	85	16	79	11	87	10
Large-cap growth	87	22	82	26	90	14
Large-cap blend	96	34	100	34	98	24
Mid-cap index	75	13	88	20	81	15
Mid-cap active	52	14	52	13	53	8
Small-cap index	73	16	67	14	61	10
Small-cap active	44	9	30	7	34	7
Socially responsible	12	6	12	9	12	5
International equity funds	96%	26%	100%	28%	97%	20%
Active international	71	18	67	23	76	14
Index international	75	21	82	17	82	12
Emerging markets	54	19	52	12	34	9
Global equity funds	23%	17%	9%	8%	18%	4%
Sector funds	37%	14%	33%	7%	36%	7%
REIT	35	9	33	6	32	6
Health care	10	8	0	0	9	6
Energy	8	7	0	0	5	3
Precious metals	4	5	0	0	3	2
Technology	4	17	3	9	3	5
Utilities	2	2	0	0	1	2
Natural resources	4	4	3	3	1	3
Financials	2	1	0	0	<0.5	<0.5
Communications	0	0	0	0	<0.5	1
Commodities	0	0	3	1	<0.5	3
Consumer	0	0	0	0	<0.5	1
Industrials	0	0	0	0	<0.5	<0.5

*Among participants offered the option.

Source: Vanguard, as of December 31, 2020.

Target-date funds availability and use

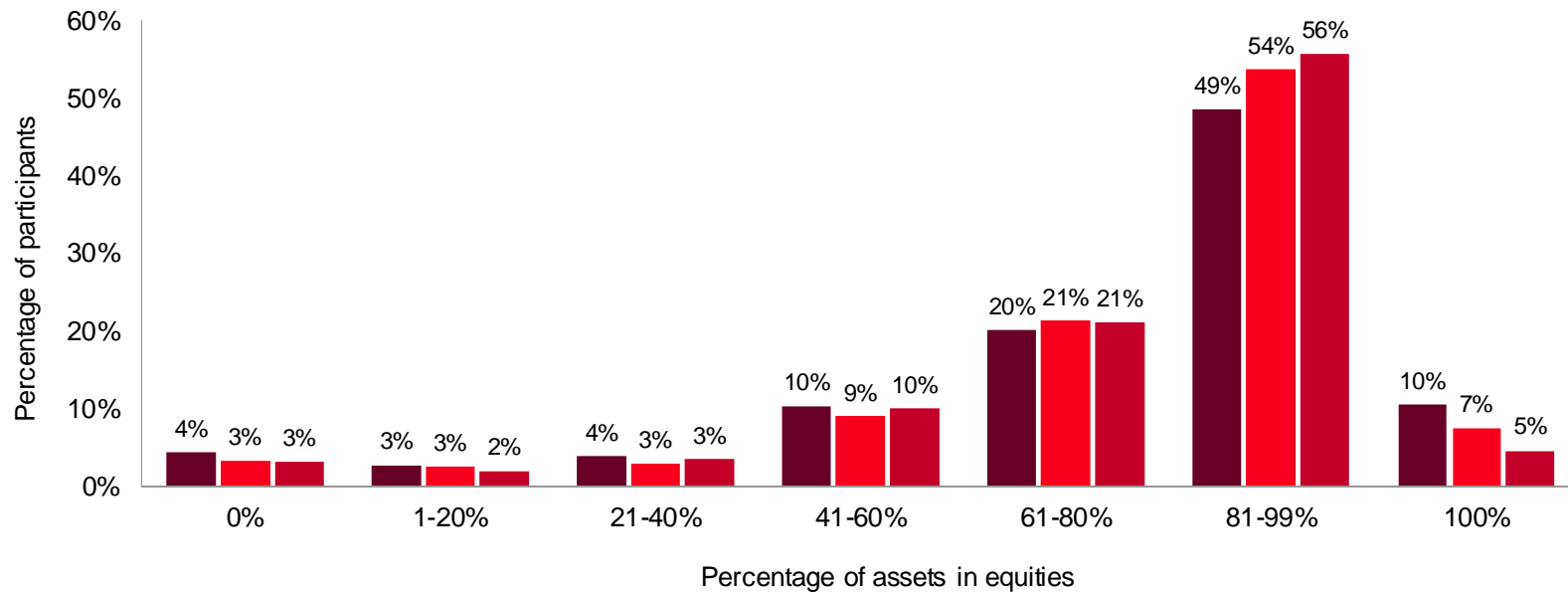
	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Percentage of plans offering	87%	94%	95%
Plan assets invested*	26%	33%	37%
Percentage of plan assets*			
<10%	13%	3%	5%
10–19%	13%	3%	13%
20–29%	29%	26%	20%
30–39%	27%	32%	22%
40–49%	7%	6%	13%
50%+	11%	29%	27%
Percentage of participants using *	65%	75%	80%
Percentage of participant assets**	58%	53%	59%
Percentage of participant assets in target-date funds**			
1–24%	13%	15%	11%
25–49%	9%	12%	9%
50–74%	5%	6%	4%
75–99%	7%	9%	6%
100%	66%	58%	70%
Percentage of participants owning**			
One target-date fund only	63%	56%	67%
One target-date fund plus other funds	29%	36%	27%
Two or more target-date funds only	3%	2%	2%
Two or more target-date funds plus other funds	5%	6%	4%

*Among plans offering target-date options.

**Among participants owning target-date options.

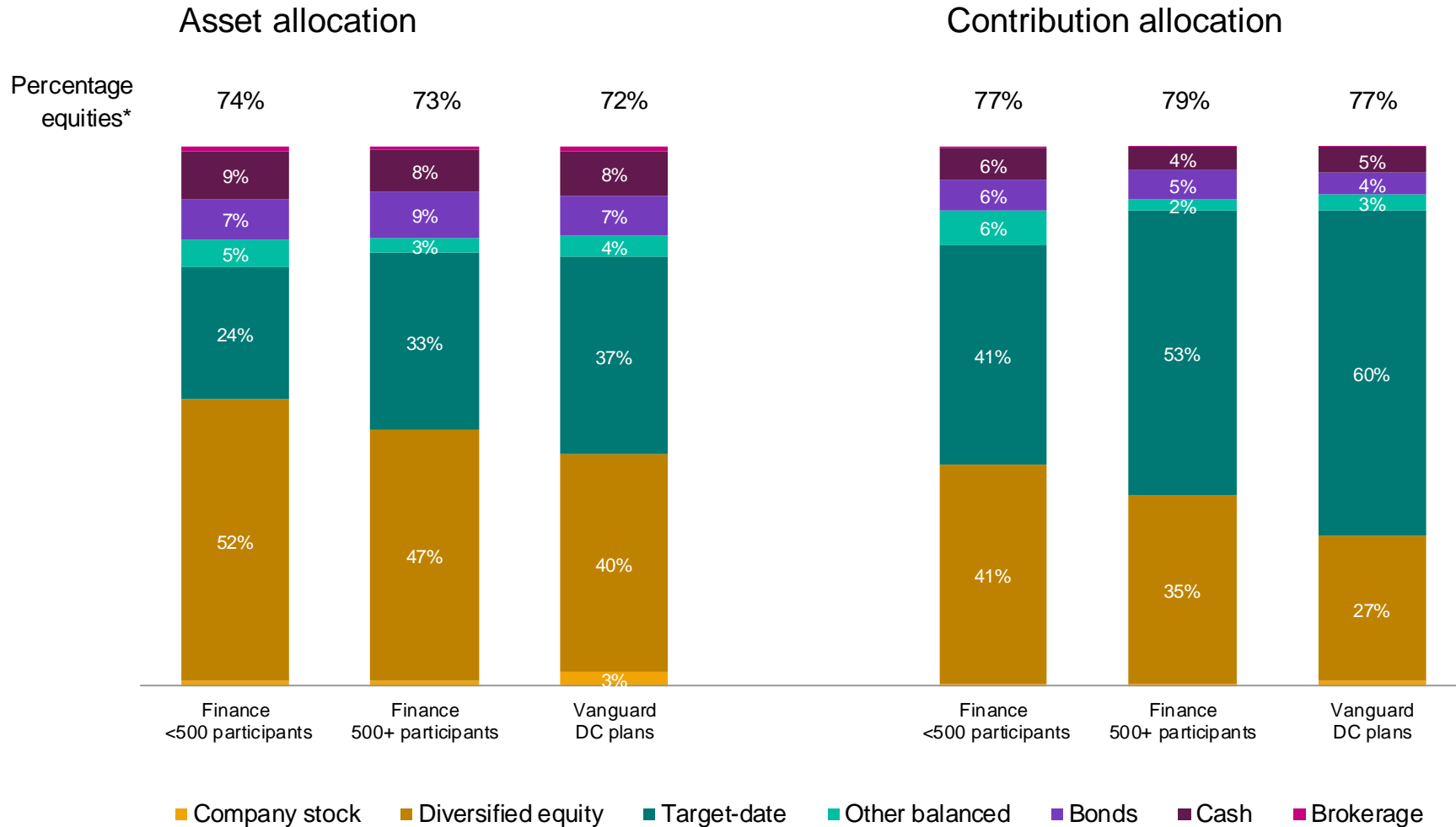
Source: Vanguard, as of December 31, 2020.

Participant equity exposure



	Average percentage in equities	Median percentage in equities
■ Finance <500 participants	75%	86%
■ Finance 500+ participants	77%	87%
■ Vanguard DC plans	76%	86%

Asset and contribution allocations



*Equities include company stock, diversified equity, and the equity portion of balanced funds.
Source: Vanguard, as of December 31, 2020.

Participants with professionally managed allocations

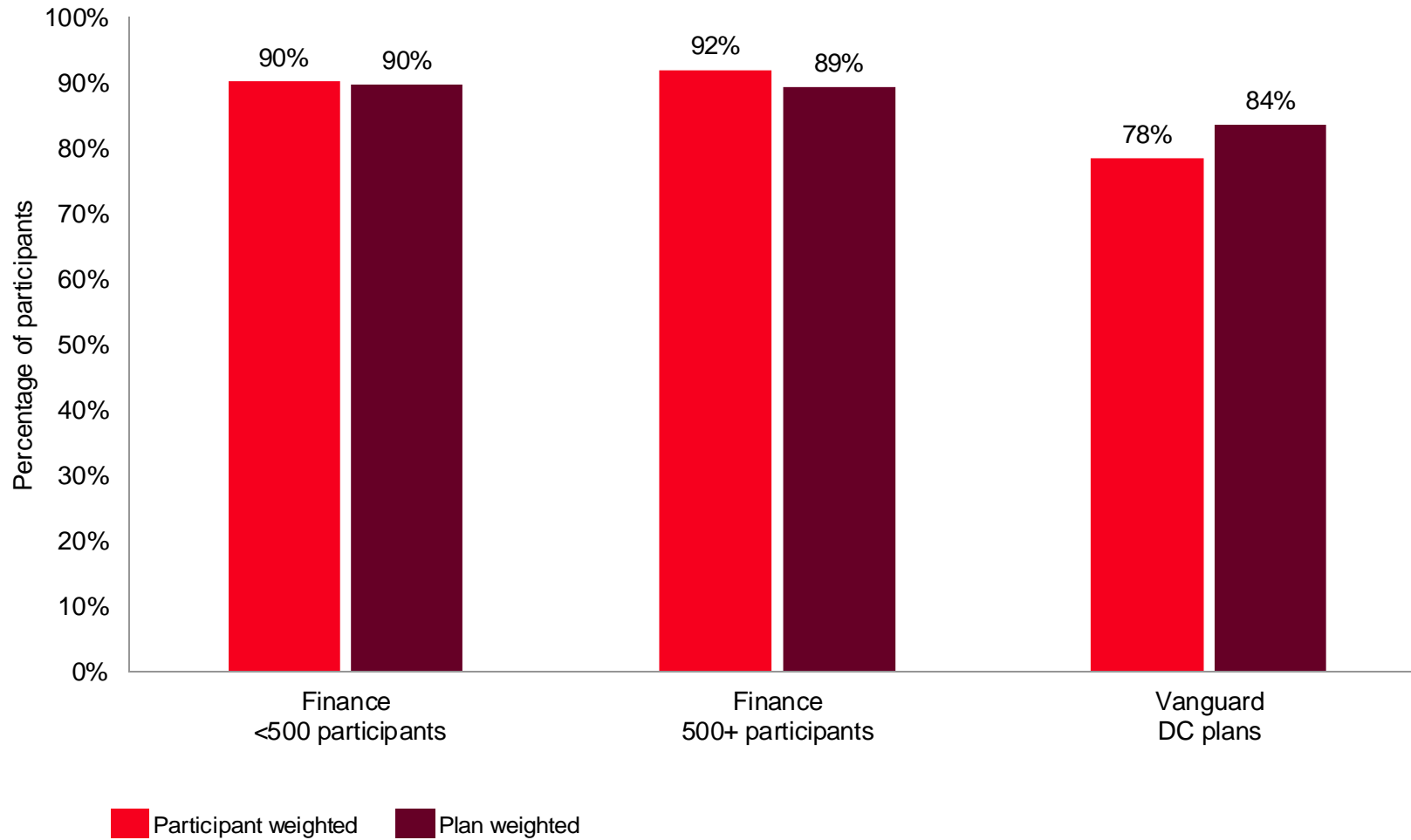
	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
All participants			
Single target-date fund	40%	41%	54%
Single balanced fund	2%	1%	1%
Managed account program	2%	8%	7%
Total	44%	50%	62%
New plan entrants during the year			
Single target-date fund	71%	76%	84%
Single balanced fund	1%	2%	1%
Managed account program	<0.5%	4%	2%
Total	72%	82%	87%

Automatic enrollment options*

	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Automatic enrollment*			
Number of plans	16	22	850
Percentage of plans	33%	67%	54%
Default automatic enrollment rate			
1 percent	0%	5%	1%
2 percent	6%	0%	5%
3 percent	44%	36%	37%
4 percent	19%	9%	15%
5 percent	19%	18%	16%
6 percent or more	13%	32%	26%
Default automatic increase rate			
1 percent	38%	73%	67%
2 percent	6%	5%	2%
Voluntary election	31%	14%	24%
Service feature not offered	25%	9%	7%
Default automatic increase cap			
<6 percent	0%	6%	2%
6 to 9 percent	14%	12%	19%
10 to 14 percent	71%	53%	52%
15 to 19 percent	14%	18%	16%
>20 percent	0%	6%	6%
No cap	0%	6%	5%
Default fund			
Target-date fund	100%	91%	98%
Other balanced fund	0%	5%	1%
Money market or stable value fund	0%	5%	1%

*Limited to plans using Vanguard's automatic enrollment service.
Source: Vanguard, as of December 31, 2020.

Participation rates



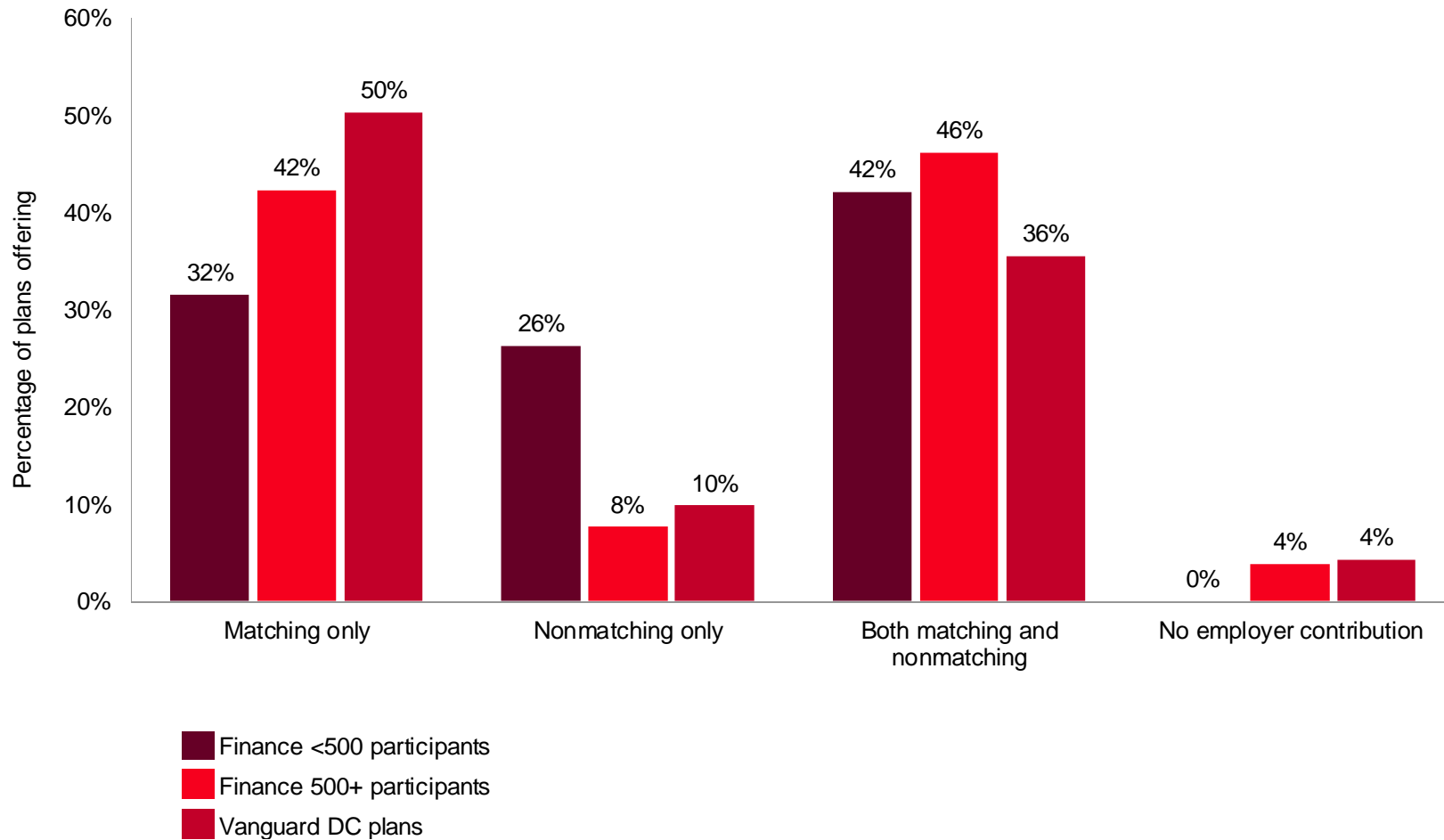
Participant deferral rates

	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Deferral rates			
Average	7.4%	7.5%	7.2%
Median	6.0%	6.8%	6.0%
Distribution of rates			
<4.0%	16%	20%	27%
4.0% – 6.0%	31%	21%	21%
6.1% – 9.9%	32%	37%	30%
10.0% – 14.9%	15%	16%	16%
15.0%+	6%	6%	6%

Aggregate participant and employer contribution rates

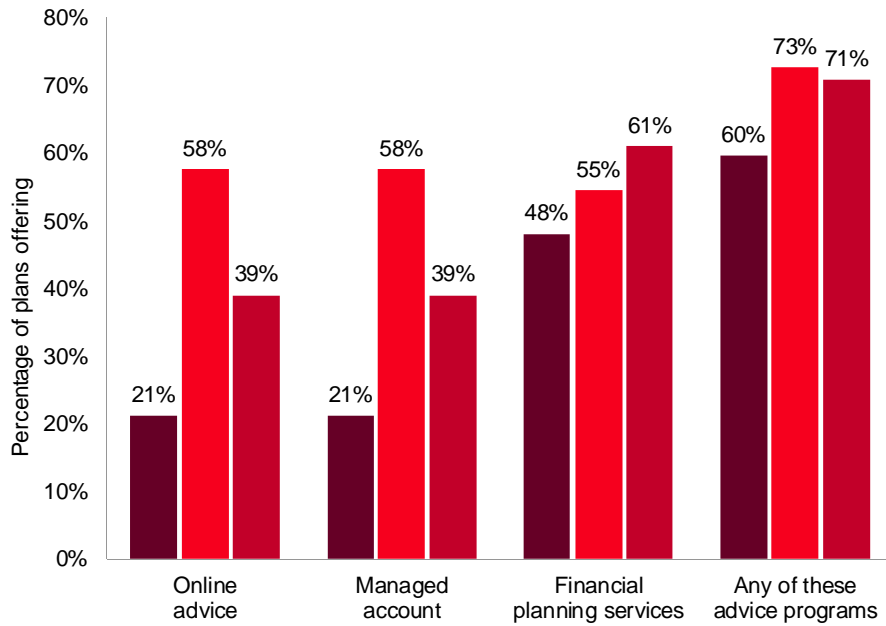
	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Total savings rate			
Average	15.7%	12.9%	11.1%
Median	16.0%	12.3%	10.2%
Distribution of rates			
<5.0%	6%	8%	19%
5.0% – 8.9%	8%	15%	21%
9.0% – 11.9%	12%	23%	22%
12.0% – 14.9%	16%	22%	16%
15.% +	57%	31%	22%

Types of employer contributions



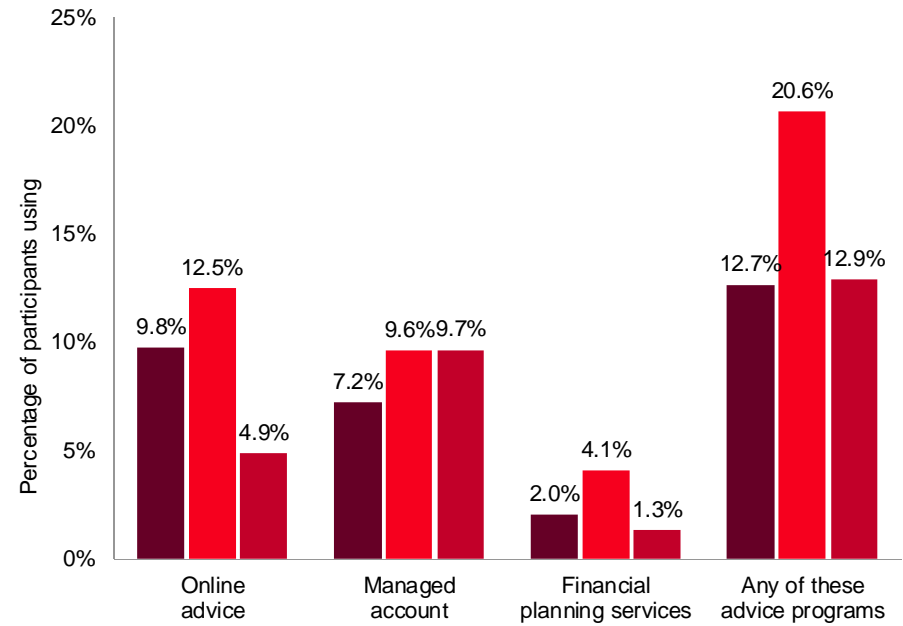
Advice services

Advice offered

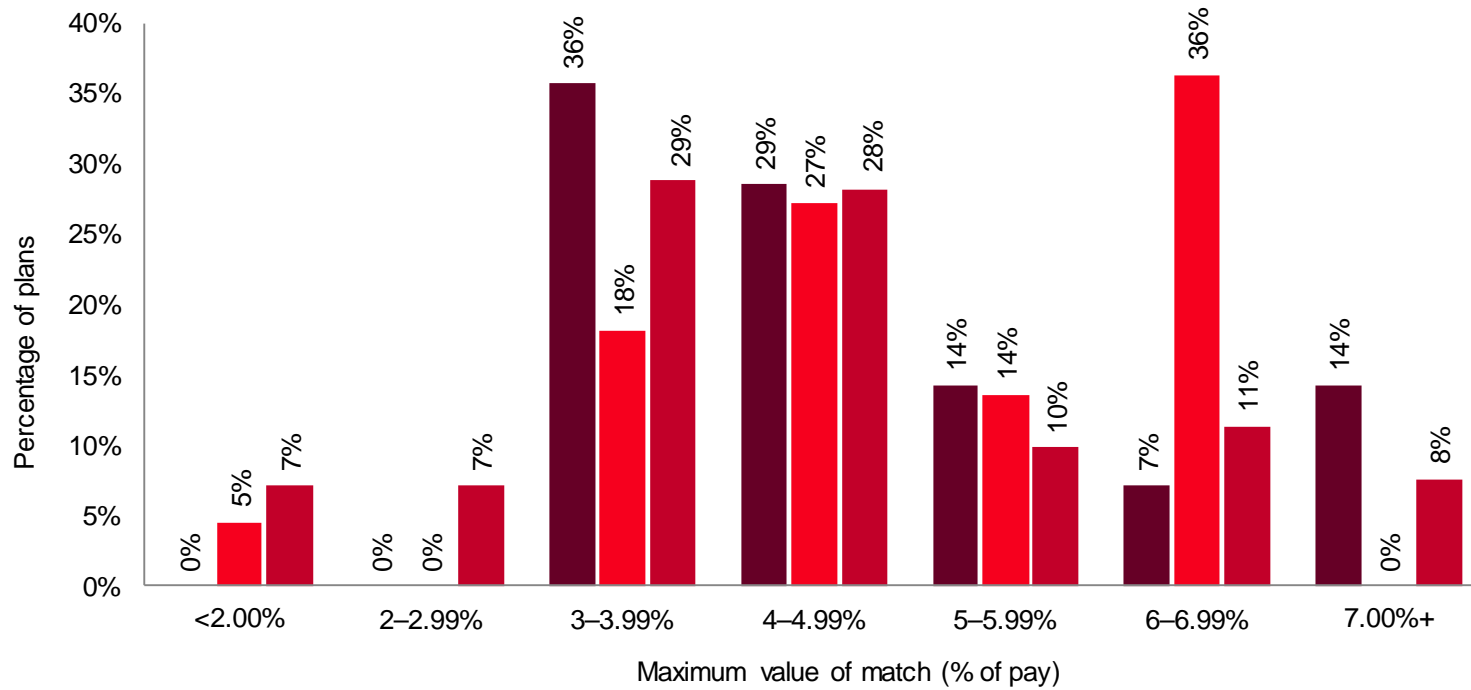


- Finance <500 participants
- Finance 500+ participants
- Vanguard DC plans

Advice used

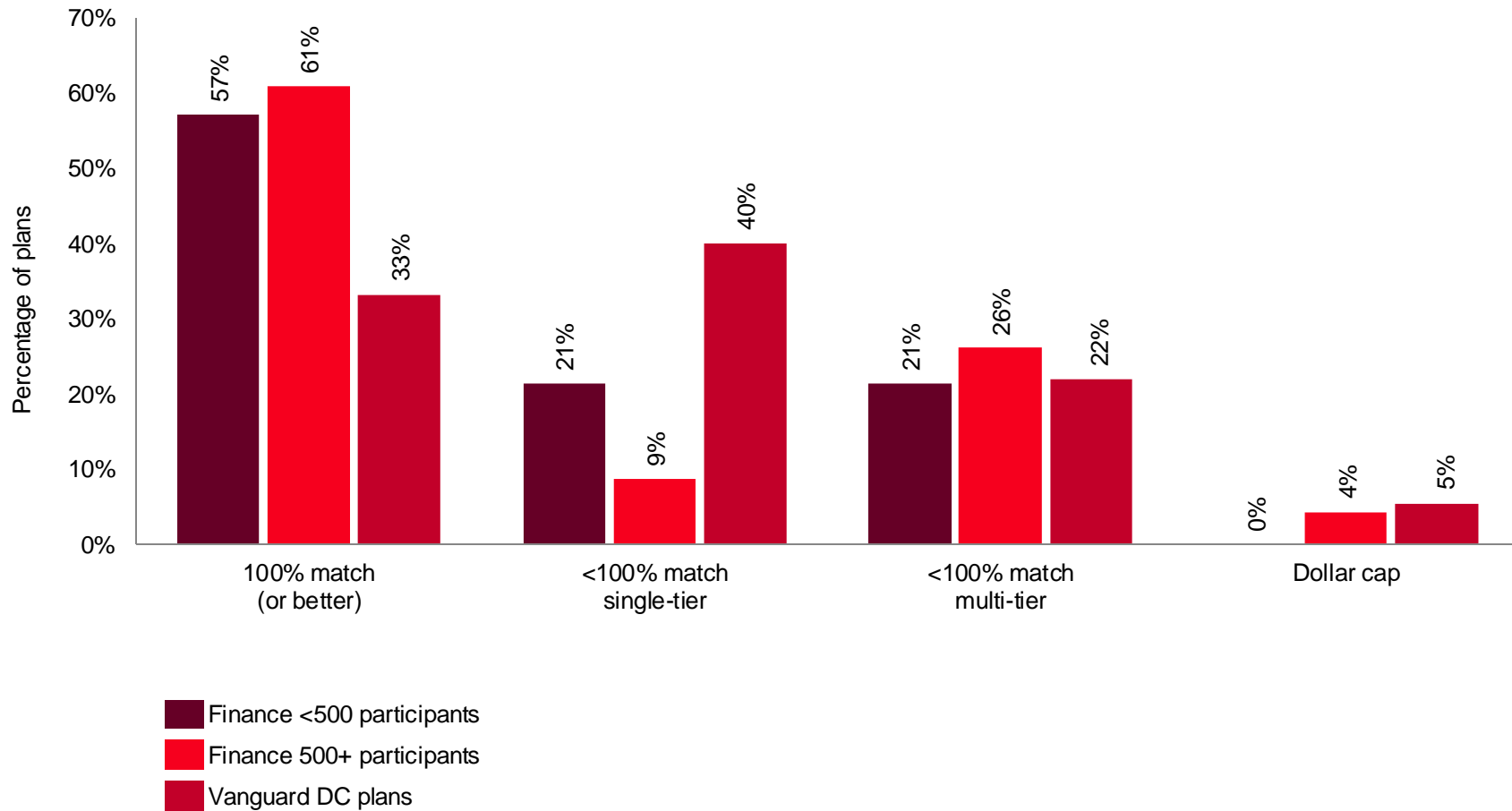


Matching contributions



	Average value	Median value
■ Finance <500 participants	5.9%	4.0%
■ Finance 500+ participants	4.6%	4.8%
■ Vanguard DC plans	4.5%	4.0%

Matching formulas



Roth availability and use

	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Percentage of plans offering Roth	79%	79%	74%
Percentage of plan assets invested in Roth*	4.3%	4.3%	3.0%
Distribution of percentage of plan assets in Roth			
<1%	16%	8%	23%
1–2%	37%	46%	37%
3–5%	21%	31%	25%
6–9%	11%	12%	9%
10–14%	11%	0%	4%
15%+	5%	4%	2%
Percentage of participants with assets in Roth*	24%	23%	14%
Percentage of participant assets in Roth**	18%	14%	16%
Distribution of participant assets in Roth			
1–24%	49%	65%	56%
25–49%	31%	23%	22%
50–74%	14%	9%	13%
75–99%	3%	3%	6%
100%	3%	0%	3%
Percentage of participants making Roth contributions (past 12 mo)***	25%	21%	14%
Percentage of participant contributions going to Roth**	72%	57%	53%
Distribution of percentage of participant contributions to Roth			
1–24%	13%	20%	24%
25–49%	13%	23%	25%
50–74%	12%	14%	15%
75–99%	7%	7%	7%
100%	55%	35%	29%

*Among plans offering Roth.

**Among participants using Roth.

***Among participants making elective deferrals.

Source: Vanguard, as of December 31, 2020.

Participant loans and in-service withdrawals

	Finance <500 participants	Finance 500+ participants	Vanguard DC plans
Outstanding loans*			
Percentage of participants with outstanding loans	10%	12%	13%
Percentage of account balance in loans	9%	6%	9%
Average loan balance	14,235	14,579	10,383
Number of outstanding loans per participant*			
No loans	90%	88%	87%
One loan	7%	8%	10%
Two loans	3%	4%	2%
Three+ loans	0%	1%	1%
Loans issued past 12 months*			
Average per 1,000 active participants	66	91	86
Average loan amount	15,686	14,339	11,378
Nonhardship withdrawals taken past 12 months**			
Average per 1,000 active participants	35	129	85
Average withdrawal amount	47,397	12,013	19,549
Hardship withdrawals taken past 12 months**			
Average per 1,000 active participants	35	48	145
Average withdrawal amount	18,714	19,182	13,217

*Among plans allowing loans.

**Among participants allowed in-service withdrawals.

Source: Vanguard, as of December 31, 2020.

Important information

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