

Three keys to boost savings

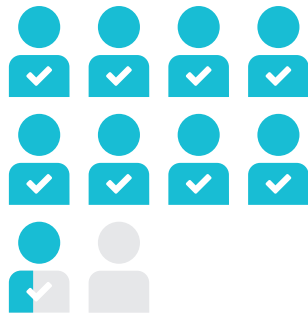
How can you help employees save enough for retirement? Here are three keys to unlocking better outcomes.



Key #1: Make it automatic

84%

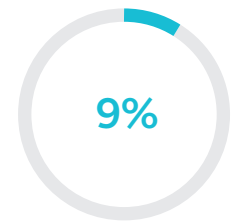
say they are OK with automatic enrollment with a **6 percent default deferral**.¹



Actions match words.



opted out of plans with the **default deferral set at 6 percent**.²



opted out when the **default deferral was set at 3 percent**.²

Plans with automatic enrollment have **34 percent higher participation**.³

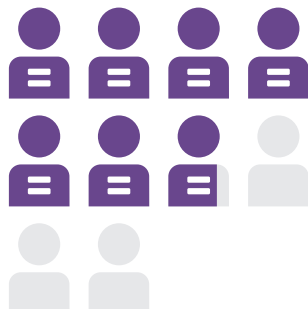


Key #2: Make it enough

68%

of automatically enrolled participants **kept the default deferral amount**.⁴

That's a problem if it's set too low.



Your starting deferral matters.

5.7%



average deferral rate in plans with **3 percent default deferral**.⁵

7.1%



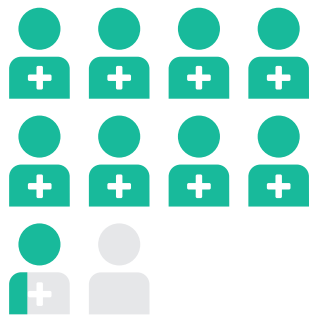
average deferral rate in plans with **6 percent default deferral**.⁵



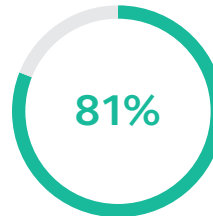
Key #3: Make it gradual

83%

say they support an **automatic annual contribution increase.**¹



They stick with the plan.



of participants continued contribution escalation **when it was automatic.**⁶



Learn more

Want to know more? Let's talk. We're here to help you update your plan to unlock savings potential.

¹ Principal, Retirement Readiness Participant Survey, January 2017

² Principal, 01/01/2014 through 12/31/2016

³ Principal, as of 12/31/2016

⁴ Principal, 01/01/2014 through 12/31/2016. Excludes automatically enrolled participants whose contributions were automatically escalated.

⁵ Principal, as of 05/01/2017

⁶ Principal, 01/01/2014 through 12/31/2016



This document is intended to be educational in nature and is not intended to be taken as a recommendation.

Insurance products and plan administrative services are provided by Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines, IA 50392.

PQ12306 | 06/2017 | t17032809gh | © 2017 Principal Financial Services, Inc.