

News Release

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MORE EMPLOYERS ADD 401(k) MATCH, ADVICE AND AUTOMATIC FEATURES TO DRIVE PARTICIPATION AND SAVINGS, SAYS SCHWAB DATA

SAN FRANCISCO, Aug. 27, 2012 — A growing number of employers are providing their employees with 401(k) plan features to help drive positive plan participation and encourage savings, according to data released today by Schwab Retirement Plan Services, a Top 10 401(k) provider to approximately 1.5 million company retirement plan participants.* Key statistics for 2011 include:

- 73 percent of employers provided a 401(k) matching contribution, up from 68 percent in 2010.
- 83 percent of employers made 401(k) advice available to plan participants, compared to just 42 percent in 2005.
- 42 percent of employers automatically enrolled employees into their 401(k) plan, up dramatically from just five percent in 2005. This figure was even higher among larger companies. At companies with more than 2,500 employees in the plan, 58 percent used automatic enrollment.
- 40 percent of employers using automatic enrollment also used automatic savings increases, up from 14 percent in 2006, and up from 36 percent in 2010.

Feature Adoption Rates (2005 through 2011)

Feature	2005**	2006**	2007	2008	2009	2010	2011
Employer Match	73%	76%	75%	72%	67%	68%	73%
Participant Advice	42%	56%	58%	62%	70%	80%	83%
Automatic Enrollment	5%	14%	24%	33%	35%	39%	42%
Automatic Enrollment and Automatic Savings Increase	N/A	14%	24%	30%	35%	36%	40%

“We are encouraged that more employers are recognizing the powerful impact these plan features can have on driving positive outcomes for their employees, particularly the impact of advice” said Steve Anderson, senior vice president of Schwab Retirement Plan Services. Recent Schwab data shows that employees who use independent professional advice services inside their 401(k) plan have tended to save twice as much, were better diversified and stuck to their long-term plan, even in the most volatile market environments.***

“We’ve seen the difference 401(k) advice can make for individuals, and we are glad to see more employers are offering it. Our preliminary analysis so far this year indicates client adoption of these plan features is consistent with 2011,” Anderson said.

Regarding automatic enrollment and savings increases, Anderson noted, “Some employers have been reluctant to implement automatic features out of concern that their employees would react negatively, but the facts don’t support that concern. Last year, 92 percent of employees who were automatically enrolled in their plan stayed enrolled and continued to save, and 82 percent of employees placed in an automatic savings increase program stayed with that program.”

About Charles Schwab

The Charles Schwab Corporation (NYSE: SCHW) is a leading provider of financial services, with more than 300 offices and 8.7 million client brokerage accounts, 1.5 million corporate retirement plan participants, 829,000 banking accounts, and \$1.82 trillion in client assets. The company was ranked 'Highest in Investor Satisfaction with Self-Directed Services' in the 2012 U.S. Self-Directed Investor Satisfaction StudySM from J.D. Power and Associates. Through its operating subsidiaries, the company provides a full range of securities brokerage, banking, money management and financial advisory services to individual investors and independent investment advisors. Its broker-dealer subsidiary, Charles Schwab & Co., Inc. (member [SIPC](http://www.sipc.org), www.sipc.org), and affiliates offer a complete range of investment services and products including an extensive selection of mutual funds; financial planning and investment advice; retirement plan and equity compensation plan services; referrals to independent fee-based investment advisors; and custodial, operational and trading support for independent, fee-based investment advisors through Schwab Advisor Services. Its banking subsidiary, Charles Schwab Bank (member FDIC and an Equal Housing Lender), provides banking and mortgage services and products. More information is available at www.schwab.com and www.aboutschwab.com. (0812-5481)

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*Top 10 ranking by total 401(k) recordkeeping assets. PLANSPONSOR 2012 Recordkeeping Survey, June 2012.

**Results for 2005 and 2006 do not include adoption rates of plans administered under the Schwab Retirement Plan Services Company platform.

***Advice data based on plans serviced by Schwab Retirement Plan Services, Inc. that offer independent advice to their participants through GuidedChoice Asset Management, Inc. (GuidedChoice®), which is not affiliated with or an agent of Charles Schwab & Co., Inc., Schwab Retirement Plan Services, Inc., or any of their affiliates.

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