



Building Towards Better Outcomes  
**2026 MFS DC Plan  
Sponsor Survey**

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# Introduction

This is the third year that MFS Investment Management® (MFS®) has explored employer views on a wide variety of retirement issues through a robust survey of 153 plan sponsors, representing over \$400 billion in plan assets and nearly one million participants<sup>1</sup>. This defined contribution (DC) study gathered sponsor perspectives on retirement confidence and innovation, as well as thoughts on overall investment menu and plan design.

These findings complement MFS' 2025 Global Retirement Survey, "The Road to Better Outcomes," which surveyed more than 4,000 plan participants and retirees in four countries. In this report, we compare our plan sponsor findings with data from that survey to highlight synergies and disparities between employer actions and employee expectations.

Last year, we developed a plan sponsor confidence grade called the **MFS Workplace Retirement Readiness Indicator**. The grade is based on a subset of survey questions focused on sponsors' views on their participants' ability to confidently retire and reach desired participant outcomes.

**This year's average Indicator grade is a B (on a scale from A to D, with D being the lowest), signaling modest plan sponsor confidence in their participants' retirement readiness.**

However, we found that the grades varied depending on plan size and benefits offered. This report identifies several ways in which sponsors can improve their overall confidence grade, such as by changing plan design, reviewing their investment lineup, and providing participants with access to advice.

## HIGHLIGHTS

# 153

PLAN  
SPONSORS

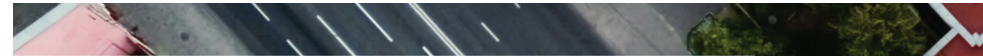
# \$400

BILLION IN  
PLAN ASSETS

# 1

MILLION  
PARTICIPANTS<sup>1</sup>

<sup>1</sup> Responses to plan size and number of participants were provided as ranges. Calculations include using the conservative low end of each range to arrive at an estimated asset size and number of participants. Actual numbers are likely higher.



# Key Themes

Our surveys revealed three overarching themes:

## 1) Plan Sponsor Confidence is Improving; Plan Participants Remain Skeptical

In absolute terms, just 33% of plan sponsors are very or extremely confident that their participants will be able to retire at the age they want to retire. However, there is still reason to be optimistic: last year, this number was only 18%, indicating a meaningful increase in how sponsors feel about the average participant and their ability to retire. How does this compare against plan participants? Only 28% of participants were confident they can retire at the age they want to.

Sponsors who are confident tend to cite the strong rate of contributions, participant engagement and use of tools and services. Less-confident sponsors point to current economic conditions as the main factor contributing to their point of view.

Not only did we ask sponsors about their “average” participant, but we also drilled down into how sponsors feel about different generational cohorts in their plans. Exhibit 1 reflects how sponsors’ and participants’ retirement confidence varies by generation. Where is the disconnect? Gen X and Boomers! As participants get closer to retirement, sponsors are far more confident about their ability to retire than the participants themselves.

**Exhibit 1: Confidence by Generation: Plan Sponsors’ Confidence vs. Participants’**

		CONFIDENCE BY GENERATION			
		GEN Z	MILLENNIALS	GEN X	BOOMERS
<b>CONFIDENT</b>	PLAN SPONSOR	30%	35%	51%	66%
	PARTICIPANTS	30%	27%	24%	37%
<b>SOMEWHAT CONFIDENT</b>	PLAN SPONSOR	47%	46%	39%	28%
	PARTICIPANTS	52%	49%	43%	37%
<b>NOT CONFIDENT</b>	PLAN SPONSOR	24%	20%	11%	6%
	PARTICIPANTS	18%	24%	34%	26%

## 2) Retirement is Personal

In addition to gauging plan sponsor confidence, this year's survey also sought to understand what plan sponsors believe drives better participant outcomes. The survey focused on innovation in DC, as well as plan design and the investment lineup.

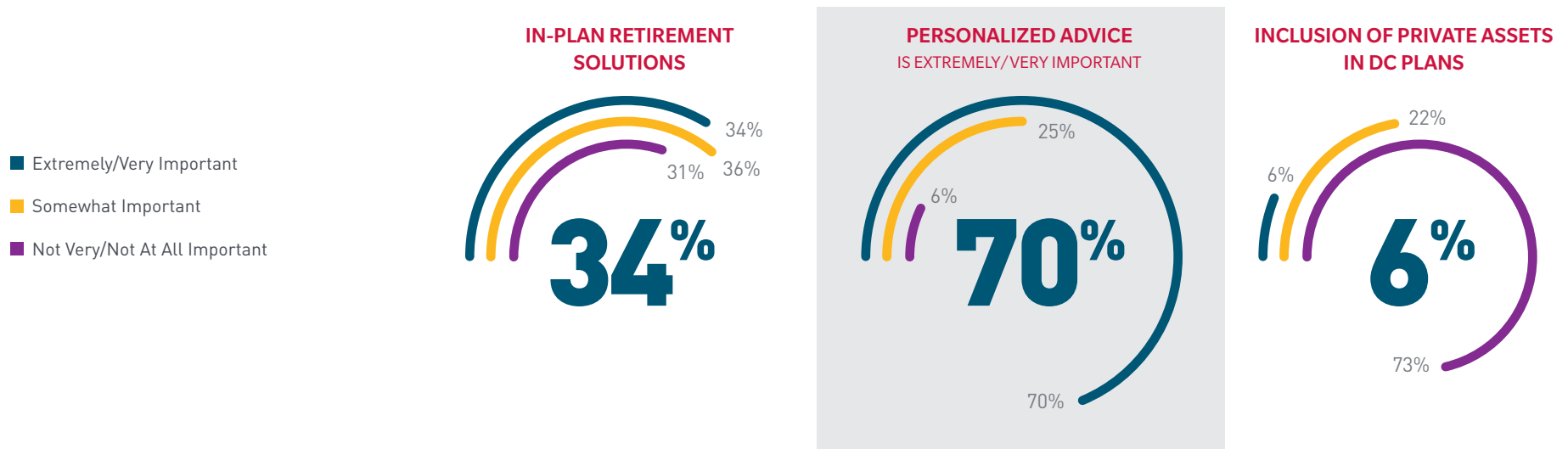
Over the past year, both in the news and at industry conferences, we have heard a lot about private assets. Retirement income solutions have been a hot topic for over a decade, but are they really the "silver bullets" that plan sponsors believe will drive better outcomes for participants?

The survey shows what sponsors believe will move the needle on confidence: personalized advice for participants. As Exhibit 2 highlights, 70% of plan sponsors believe personalized advice is very or extremely important. That's more than double the number who think retirement income solutions will move the needle and more than 10 times those who feel the inclusion of private assets will drive better outcomes.

As we review these results, it's important to remember that the main objective of any DC plan is to help participants achieve better retirement outcomes. Since retirement isn't one size fits all; rather, *retirement is personal*. We believe that the value of personalized advice is the most effective retirement income solution and that participants benefit most from a flexible, personalized approach.

### Exhibit 2: Drivers of Better Outcomes for Participants

HOW IMPORTANT DO YOU THINK THESE ITEMS ARE TOWARDS DRIVING BETTER OUTCOMES FOR YOUR PARTICIPANTS?



### 3) Accumulation is Essential

We believe a strong accumulation strategy is the foundation of retirement success. By focusing on consistent saving, staying invested, and leveraging compounding over time, individuals can build sufficient savings for retirement. Accumulation and decumulation work together, but it all starts with saving smart and staying the course.

We asked plan sponsors several questions about their plan's Qualified Default Investment Alternative (QDIA). New for this year, we wanted to better

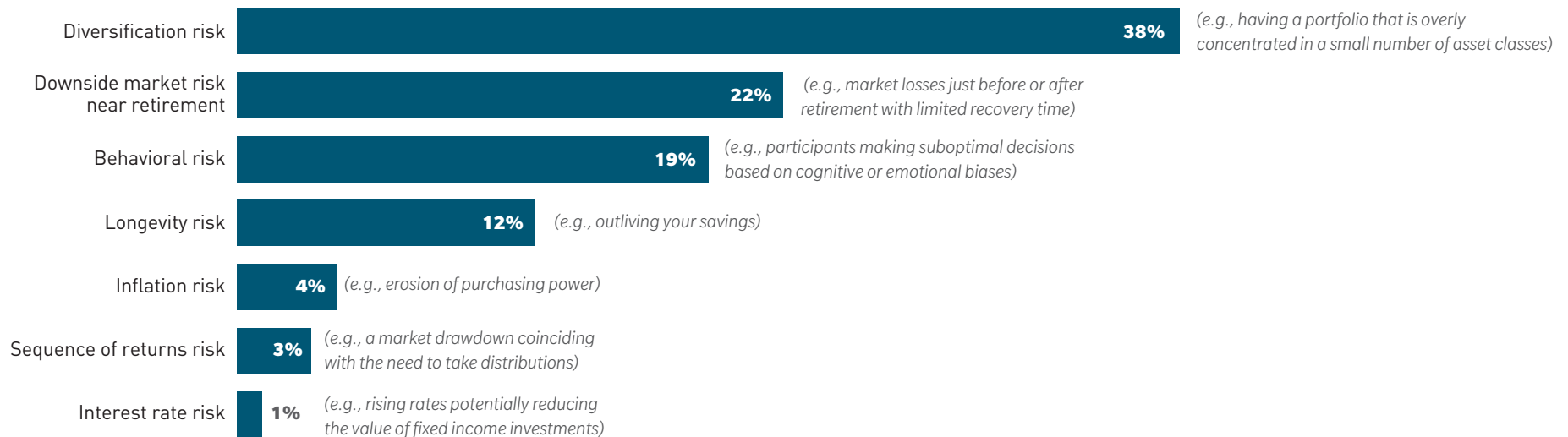
understand how plan sponsors view their target date fund (TDF) suites and the risks they address. As shown in Exhibit 3, 38% of sponsors believe addressing diversification risk, or the risk of having a portfolio that is overly concentrated, is critical. Sponsors also believe addressing downside market risk near and at retirement as well as behavioral risk are also important considerations. We often hear TDF providers touting their glidepath construction as a mechanism to address longevity risk. This is especially true for those with a through-based

glidepath. However, it is interesting to note that sponsors did not select longevity risk as one of the top three risks they expect their TDFs to address.

Given these responses, perhaps we should be putting more emphasis on diversification and downside market protection and helping sponsors find TDFs and glidepaths that are best positioned to meet those priorities.

### Exhibit 3: What Risks Are Target Date Funds Addressing?

WHEN THINKING ABOUT THE TARGET DATE STRATEGY YOU OFFER TO PARTICIPANTS, WHICH RISK ARE YOU BEST TRYING TO ADDRESS?



# Call to Action

## / MFS WORKPLACE RETIREMENT READINESS INDICATOR /

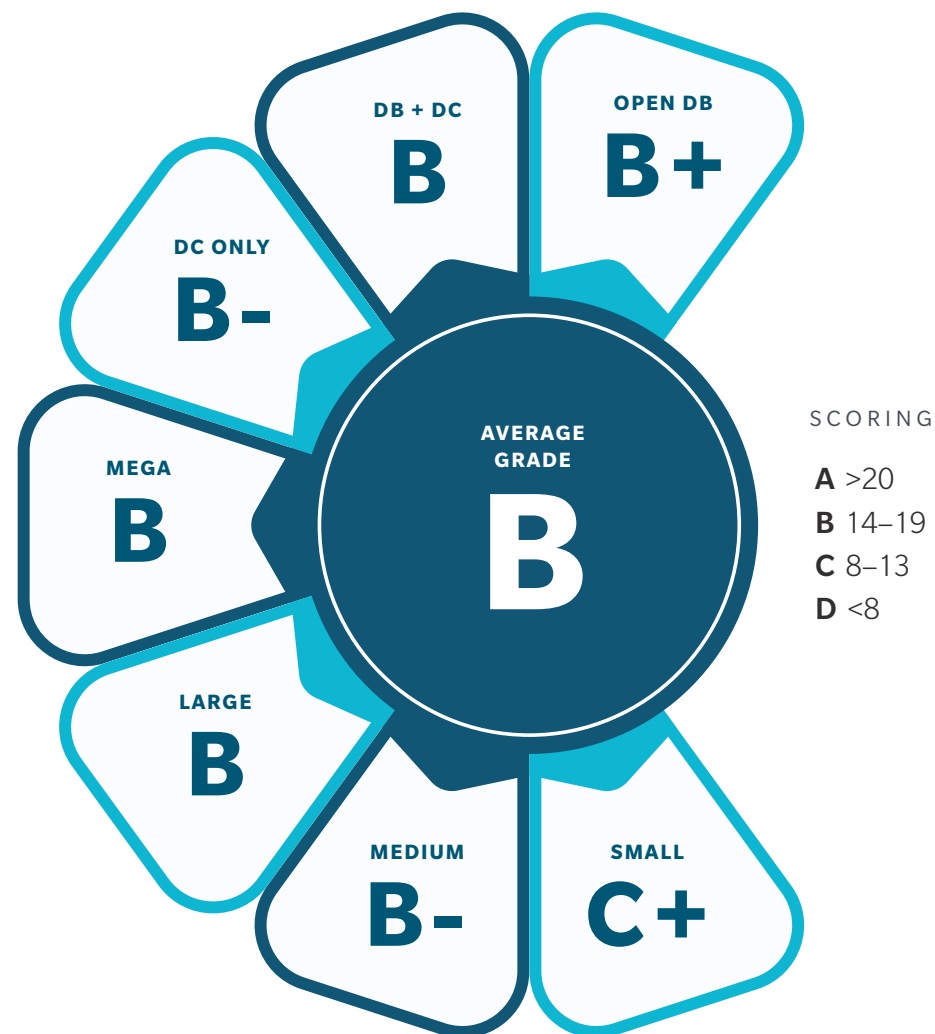
Our MFS **Workplace Retirement Readiness Indicator (WRI)** provides plan sponsors with a confidence grade based on a subset of survey questions focused on sponsors' views on their participants' ability to confidently retire and reach desired participant outcomes.

**The average grade for the 2026 Indicator is a B, indicating modest plan sponsor confidence in their participants' retirement readiness.**

## WE FOUND A WIDE RANGE OF GRADES

depending on plan size and on the types of benefits offered. This report identifies several ways in which sponsors can improve their overall confidence grade, such as through changes to plan design, reviewing their investment lineup, and providing participants with access to advice.

MFS WRI METRIC COMPARISON



**/ CALL TO ACTION:  
USE THE MFS WORKPLACE RETIREMENT READINESS INDICATOR  
TO IMPROVE DC PLAN CONFIDENCE AND PARTICIPANT OUTCOMES /**

## Plan Design Opportunities

### Plan Design:

Increasing participation and deferral rates can help build confidence; what steps can you take (e.g. auto-features, engagement tactics, encouraging specific deferral rates and/or policies) to capture eligible employees who may be opting out?

### Addressing Competing Financial Priorities:

Helping employees address competing financial priorities (such as through SECURE 2.0 optional provisions) can help improve overall confidence.

### CALL TO ACTION:

What are your areas of focus in 2026? How confident are you in your participants' ability to retire?

## Investment Opportunities

### Review Your Investment Lineup:

Plan sponsors that regularly review their investment lineup tend to have higher confidence scores. If an investment review is not yet on your 2026 agenda, perhaps it should be.

### CALL TO ACTION:

Accumulation is essential. When is the last time you evaluated your plan's QDIA?

## Access to Advice

### Role of Advice and Access to Advice:

Participant expectations and the demand for personalization continues to grow. Consider whether providing access to an advisor makes sense for your workforce.

### CALL TO ACTION:

Retirement is personal. Does your plan offer participants individual access to advice?

# Detailed Study Findings

## / RETIREMENT CONFIDENCE /

For the third consecutive year, the survey has revealed a persistent lack of confidence among plan sponsors regarding their participants' ability to retire at their desired age. According to the data, only 33% of plan sponsors feel confident that their participants will achieve this goal. While this figure remains low, it does represent a significant improvement over last year's confidence rate of 18%. This upward trend suggests some progress, but it also highlights the ongoing challenges participants face in achieving retirement readiness, as shown in Exhibit 4.

Exhibit 5 sheds light on one of the key factors contributing to this lack of confidence: competing financial priorities. When participants were asked if they felt that competing financial obligations were preventing them from adequately saving for retirement, an overwhelming 83% agreed; many participants, when asked to identify specific

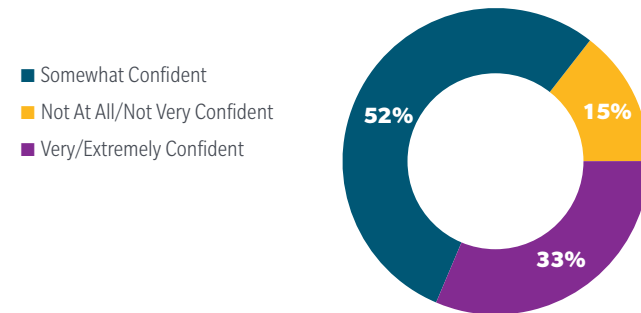
**The data presented here should encourage sponsors to recognize the financial struggles their employees may face and consider implementing holistic financial wellbeing solutions to mitigate these barriers.**

barriers to saving for retirement, selected multiple financial challenges, including student loan payments and emergency expenses, among others. This underscores the significant impact that competing financial pressures have on saving for retirement.

Interestingly, plan sponsors share a similar perspective. When asked the same question, 73% of sponsors acknowledged that competing financial priorities have a moderate to major impact on participants' ability to save for retirement. The alignment between sponsors and participants highlights the widespread nature of this issue. While provisions in SECURE 2.0, such as the establishment of emergency savings accounts and support for student loan repayments, aim to address these challenges, most of these measures are optional.

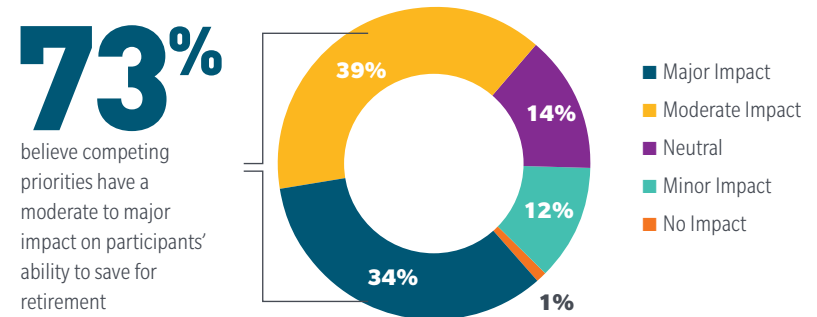
### Exhibit 4: Confidence in Retirement Readiness

HOW CONFIDENT ARE YOU THAT YOUR PLAN PARTICIPANTS WILL BE ABLE TO RETIRE AT THE AGE THEY WANT TO?



### Exhibit 5: Sponsor Views on the Impact of Competing Financial Priorities for Their Participants

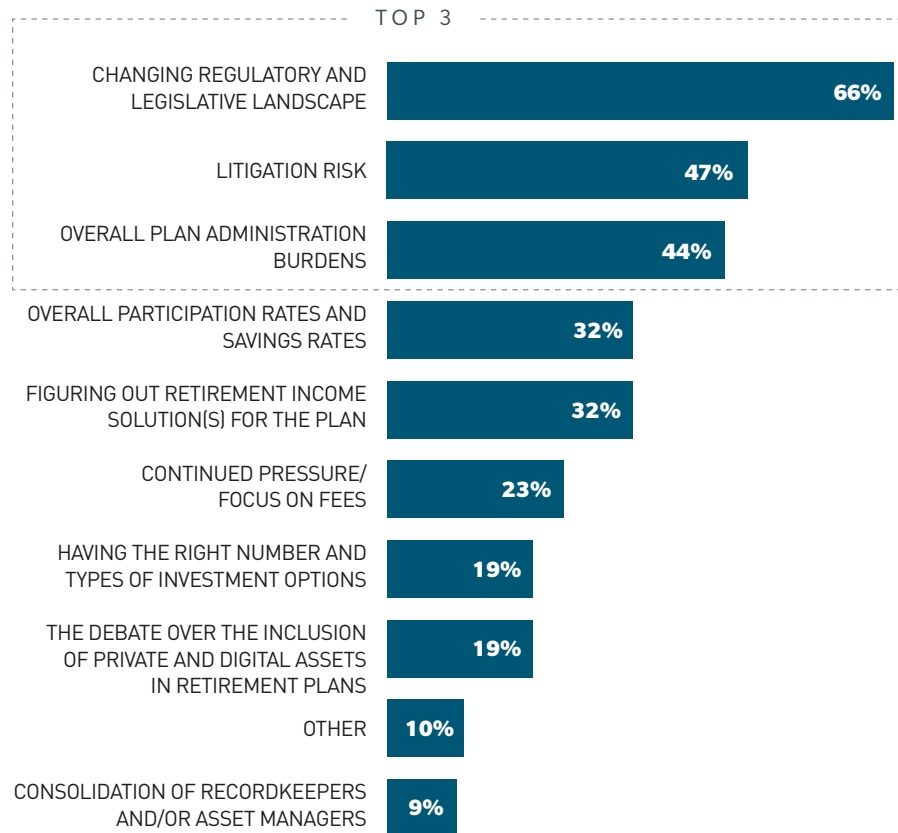
IMPACT OF COMPETING FINANCIAL PRIORITIES ON PARTICIPANTS' ABILITY TO SAVE FOR RETIREMENT



## / AREAS OF FOCUS AND MIDNIGHT DILEMMAS /

The survey explored the key concerns that keep plan sponsors up at night, and the results highlight apprehension about the changing regulatory and legislative landscape. Litigation risk ranked as the second most pressing concern, followed by overall plan administration burdens. These top three concerns are consistent with last year's findings, even appearing in the same order, as shown in Exhibit 6.

### Exhibit 6: What Keeps Plan Sponsors Up at Night?



While litigation risk is a significant source of anxiety for many sponsors, it is worth noting that less than one in four plans reported actually experiencing litigation. This suggests that the fear of potential lawsuits may outweigh the actual occurrence, particularly for large and mega plans, where litigation risk is a top concern, and on which most ERISA-related litigation has tended to focus.

Interestingly, the survey revealed that certain concerns vary by plan size, as shown in Exhibit 7. While the changing regulatory landscape was the primary concern across the board, smaller plans expressed greater concern about participation rates and administrative burdens. This reflects their focus on encouraging employees to enroll and save adequately for retirement. Medium-sized plans, on the other hand, highlighted fee pressures as a top concern, indicating their sensitivity to cost management. For large and mega plans, as noted above, litigation risk is a significant worry, emphasizing the heightened scrutiny these plans face.

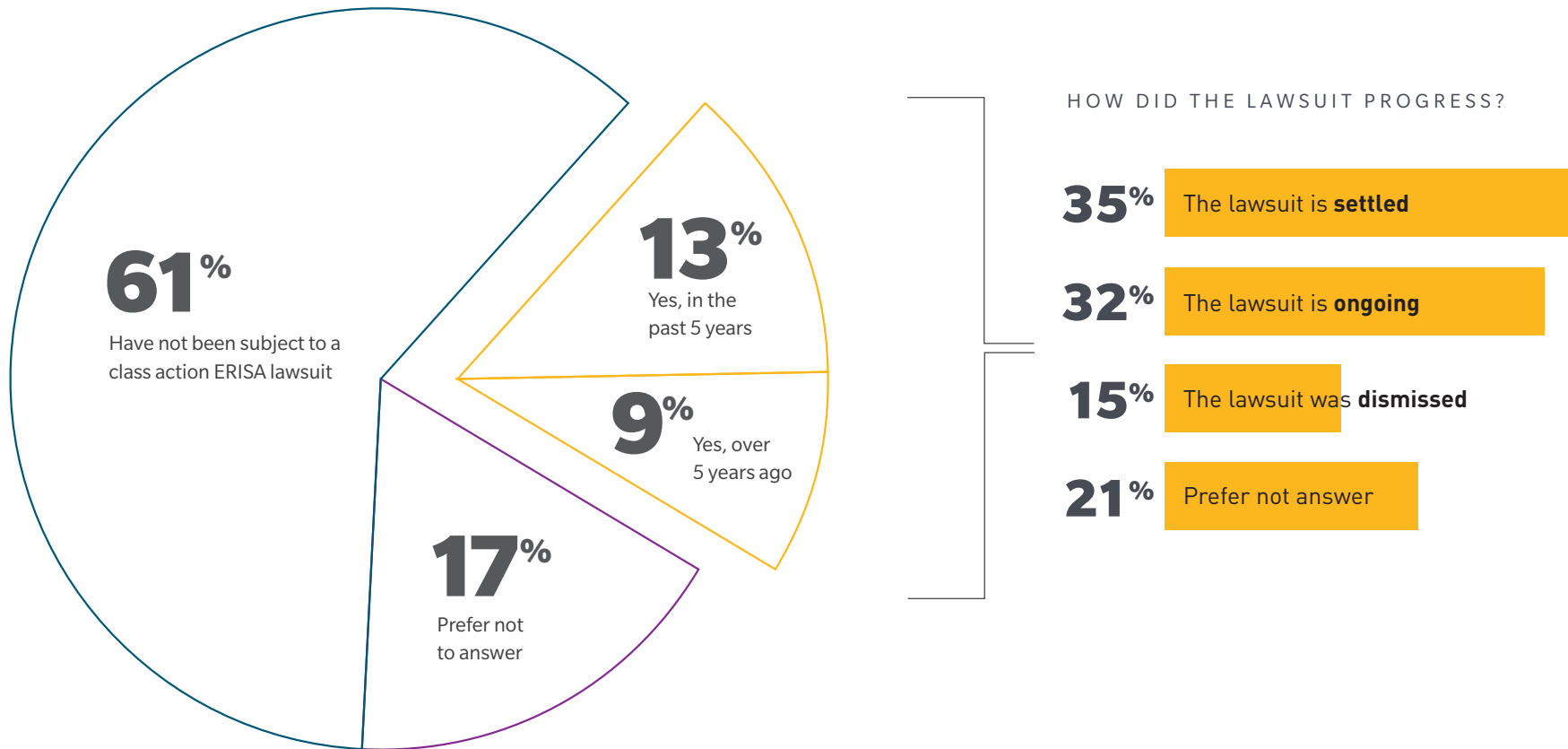
These findings underscore the importance of tailoring solutions to address the unique challenges faced by plans of different sizes. While regulatory changes are a universal concern, the specific priorities of small, medium, large, and mega plans suggest that a one-size-fits-all approach may not be effective in alleviating sponsors' worries.

**Exhibit 7: Top Concerns of Plan Sponsors by Plan Size**


Litigation concerns are a significant factor for plan sponsors, prompting a closer look at how many have faced ERISA lawsuits. Interestingly, most respondents (61%) reported that they have not actually been involved in a class action ERISA lawsuit. In fact, just 13% of sponsors have faced such lawsuits in the past five years, while 9% have dealt with them over a longer period. For those willing to share details about their experiences, many of the lawsuits are still ongoing, and of those that have ended, more than twice as many were settled (35%) versus dismissed (15%).

This pattern underscores why ERISA litigation remains a pressing issue for sponsors. Settlements, while not necessarily an admission of wrongdoing, are often reached to avoid the extensive time and effort required to resolve these cases. However, the prevalence of settlements also perpetuates the risk of future litigation, as the financial incentives for pursuing such cases remain intact.

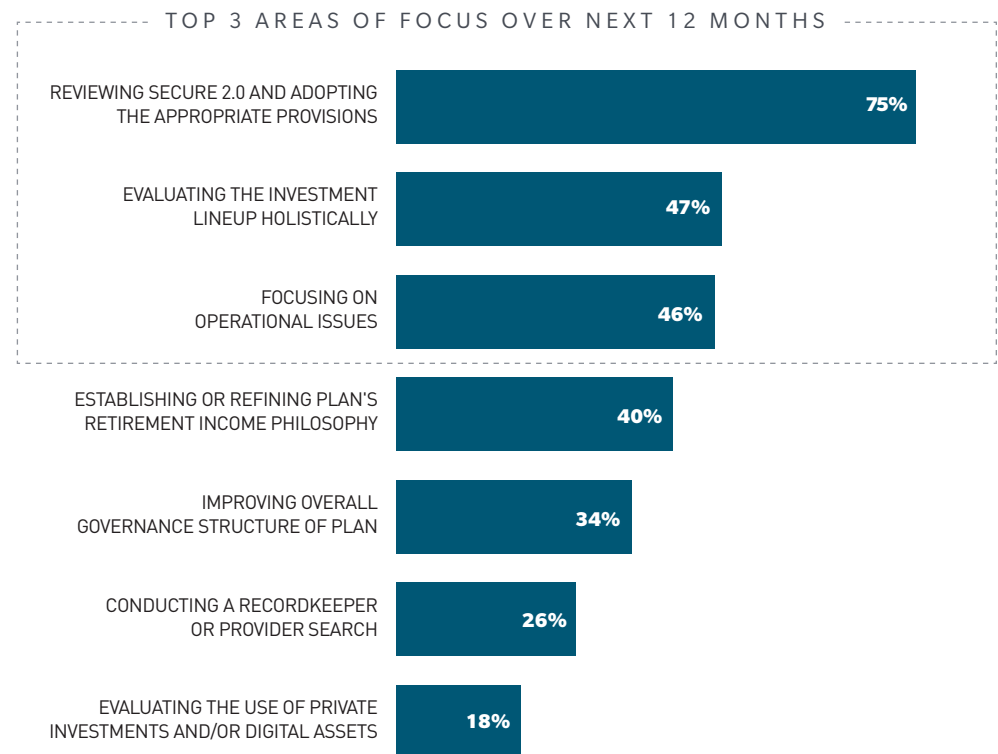
**Exhibit 8: Have You Ever Been Subject to a Class Action ERISA Lawsuit?**



Beyond litigation concerns, plan sponsors across all plan sizes continue to prioritize reviewing SECURE 2.0 and adopting its relevant provisions (Exhibit 9). This focus, which aligns with last year's findings, highlights the comprehensive nature of the legislation and its lasting impact on the retirement industry, even years after its introduction. For instance, mandatory changes to catch-up contributions, which take effect in 2026, are a direct result of this legislation and demonstrate its ongoing influence.

In addition to SECURE 2.0, the second major area of focus for plan sponsors is to holistically evaluate their investment lineups. This is followed by attention to operational issues, which ranks as sponsors' third priority. When examining these areas of focus by plan size, just as with sponsors' concerns, some differences emerge. While all plan sizes share the same top priority of addressing SECURE 2.0, smaller plans tend to emphasize improving their governance structures. In contrast, medium, large, and mega plans consistently rank evaluating their investment lineups among their top three priorities. Additionally, for large plans, establishing a retirement income philosophy has re-emerged as a top-three focus after falling out of favor in last year's survey.

### Exhibit 9: Plan Sponsors' Areas of Focus Over the Next 12 Months



These varying priorities across different employer sizes suggest that tailored strategies may be necessary to address their unique challenges. However, the shared emphasis on SECURE 2.0 underscores a unified, industry-wide effort to adapt to evolving retirement regulations.

## / INNOVATION /

### Retirement Income

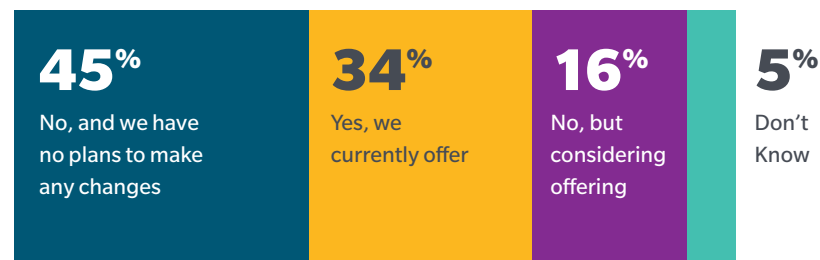
The survey delved into how sponsors approach retirement income, exploring their philosophy around retirement income solutions, how they define these solutions, and the products or options they are considering adding to their plans.

One innovative idea shaping the conversation around retirement is the notion of retirement as a gradual transition rather than a sudden shift. This perspective, drawn from our global retirement survey, reflects changing expectations about what participants think retirement will look like in the future. We asked sponsors whether they offer programs to support a gradual transition into retirement. As Exhibit 10 depicts, 34% of sponsors already have such programs in place, while 45% do not and have no plans to add them. The remaining sponsors are either considering such programs or are uncertain about their implementation.

The survey also explored the retirement philosophies of plan sponsors, particularly their stance on retaining participants in the plan post-retirement. Exhibit 11 highlights that 56% of sponsors are neutral about whether participants should stay in the plan after retirement. The most common reason cited is the belief that participants are equally supported by accessible and trusted solutions both inside and outside the plan.

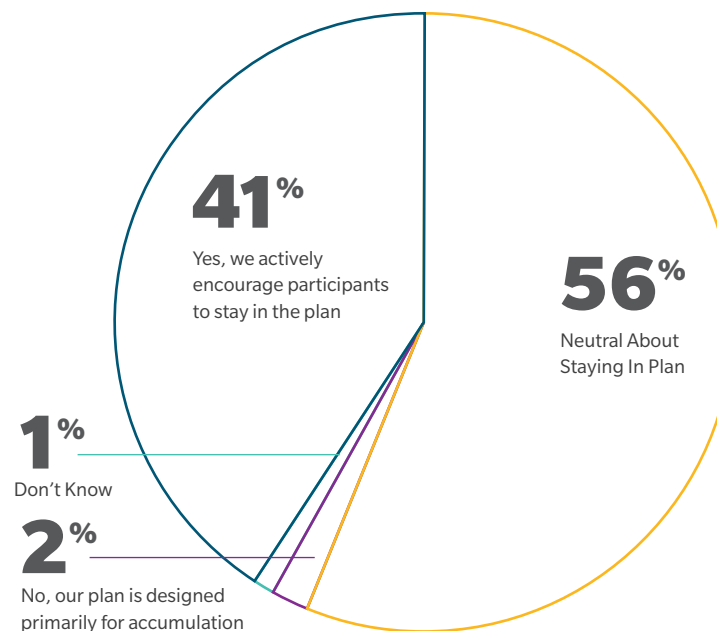
### Exhibit 10: Retirement as a Gradual Transition

DO YOU HAVE PROGRAMS IN PLACE THAT ALLOW EMPLOYEES TO HAVE A MORE GRADUAL EMPLOYMENT TRANSITION INTO RETIREMENT?



### Exhibit 11: Retirement Philosophy

DOES YOUR PLAN WANT TO KEEP PARTICIPANTS' ASSETS IN THE PLAN AFTER THEY RETIRE?



This perspective suggests that many sponsors see no significant advantage to participants staying in the plan, as comparable resources are available elsewhere.

Retirement income continues to be a prominent topic of discussion among plan sponsors, yet the survey reveals that actual adoption of retirement income products remains relatively low. Sponsors appear to take a broad approach to defining retirement income, as shown in Exhibit 12. Notably, 30% of sponsors consider some of their plan's existing investment options to qualify as retirement income products, suggesting that many are leveraging current offerings rather than introducing entirely new solutions.

### Exhibit 12: Defining Retirement Income Solutions

46%

We do not currently offer retirement income products

30%

We consider existing options such as TDF income vintages and conservative fixed income options in the core menu to be retirement income products.

21%

We have specifically added retirement income product(s) (e.g., guaranteed income/annuity-based products).

3%

I don't know.

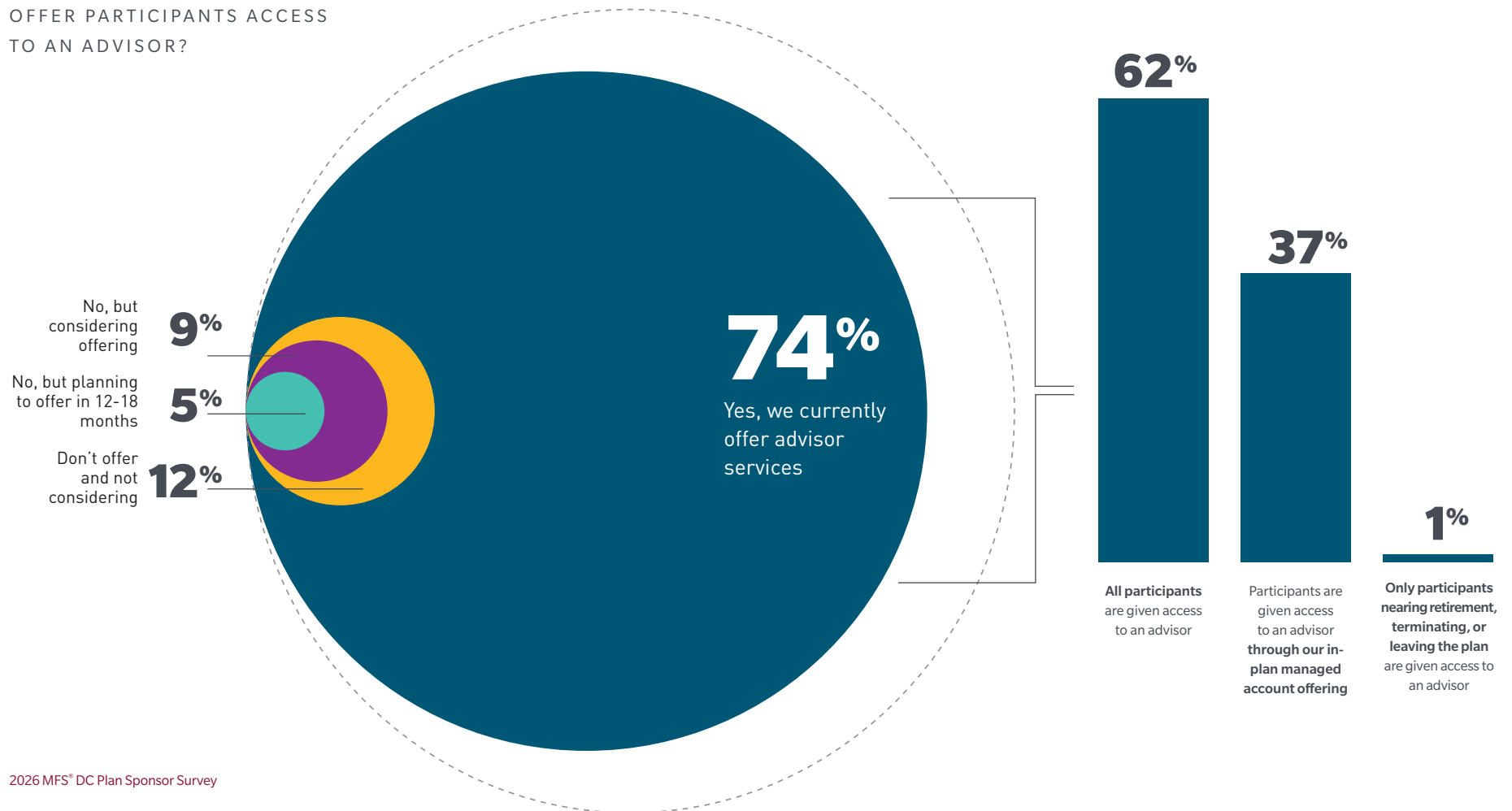
To support participants in their retirement planning, nearly three-quarters of plans offer advisor services (Exhibit 13). These services are provided either by granting participants access to a financial advisor or through in-plan managed account offerings. This aligns with findings from the participant survey, which showed that 71% of participants would use an advisor if given access.

WHAT PARTICIPANTS SAID ...

**71%** | EXPRESSED INTEREST IN USING AN ADVISOR IF THEIR PLAN OFFERED ACCESS TO ONE.

**Exhibit 13: Access to Advisors**

DOES YOUR PRIMARY DC PLAN OFFER PARTICIPANTS ACCESS TO AN ADVISOR?

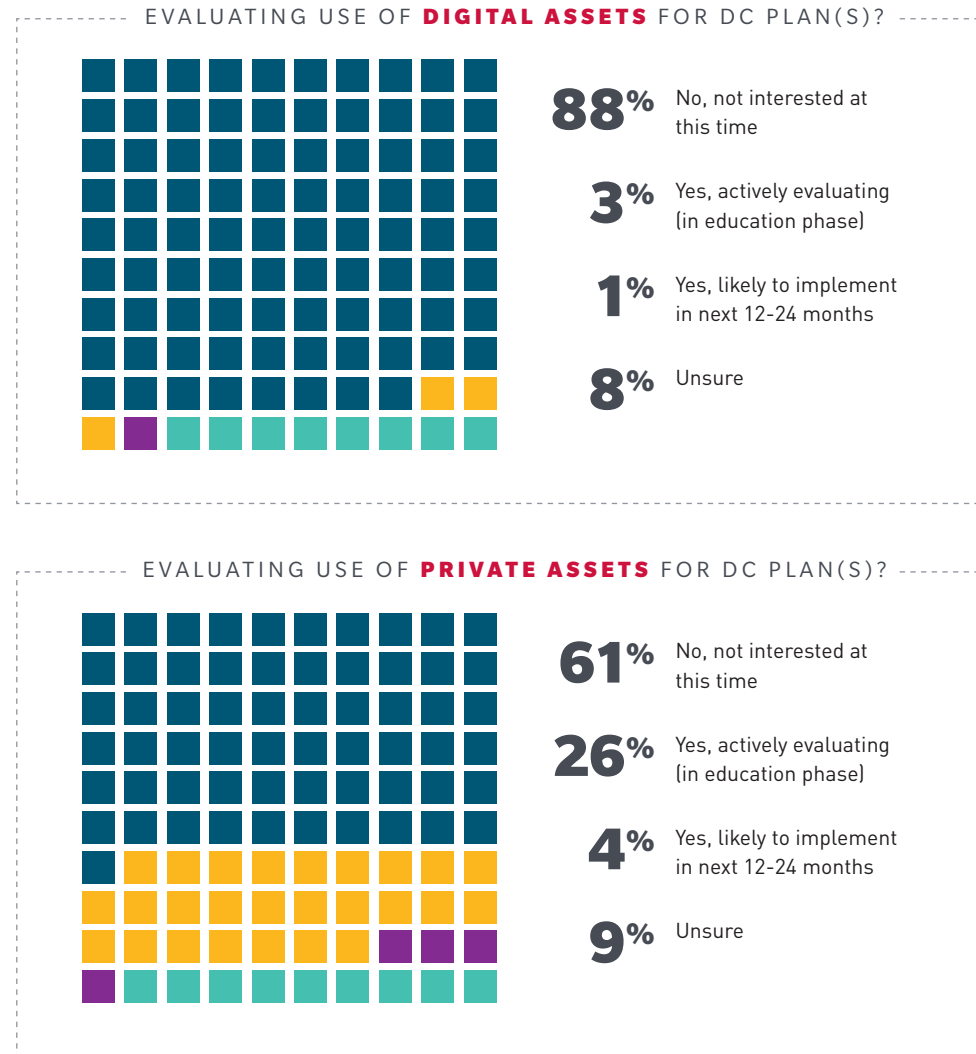


### Private and Digital Assets

This year's survey introduced questions to better understand plan sponsors' perspectives on private and digital assets, following the Executive Order issued in August 2025.<sup>2</sup> The results reveal a clear lack of enthusiasm for incorporating these asset classes into DC plans (Exhibit 14). A significant 88% of sponsors reported that they are not evaluating the use of digital assets, and 61% said the same about private assets. Among those who are exploring these asset categories, most are still in the early education phase, with only 4% of sponsors indicating they might implement private assets in their plans within the next 12 to 24 months.

For the small subset of sponsors interested in these asset classes, private equity is the most considered option. Interestingly, these sponsors are more inclined to integrate private assets into the core investment menu rather than as part of their QDIA. However, even among these interested sponsors, there are significant uncertainties about how private and digital assets could be effectively incorporated into DC plans. Additionally, for those considering implementation, the allocation to these assets is expected to remain modest; most sponsors indicated that they believe an allocation of less than 10% (and often less than 5%) would be appropriate.

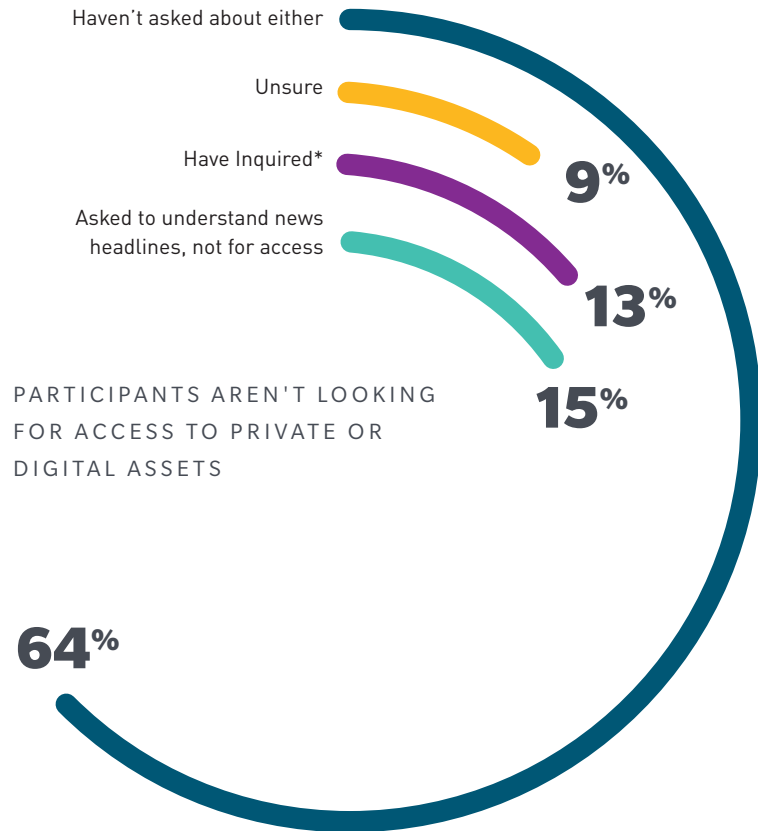
### Exhibit 14: Interest (or Lack Thereof) in Digital and Private Assets



<sup>2</sup> [Democratizing Access to Alternative Assets for 401\(K\) Investors – The White House](#)

Another key finding is the limited demand for private and digital assets from participants themselves. When asked if participants had expressed interest in these asset classes, 64% of sponsors reported no inquiries, while 15% noted that participants had only asked about these assets in the context of news headlines. As shown in Exhibit 15, only 13% of participants have actively inquired about the inclusion of private or digital assets in their DC plans.

**Exhibit 15: Lack of Participant Demand**



In the survey section on innovation, we see a supply and demand imbalance as it pertains to private assets. With three years of trend data on how plan sponsors are approaching retirement income, the data confirms it is difficult to solve for retirement income through any one product or solution. Retirement is personal and should be treated as such. Does your plan allow for access to advice?

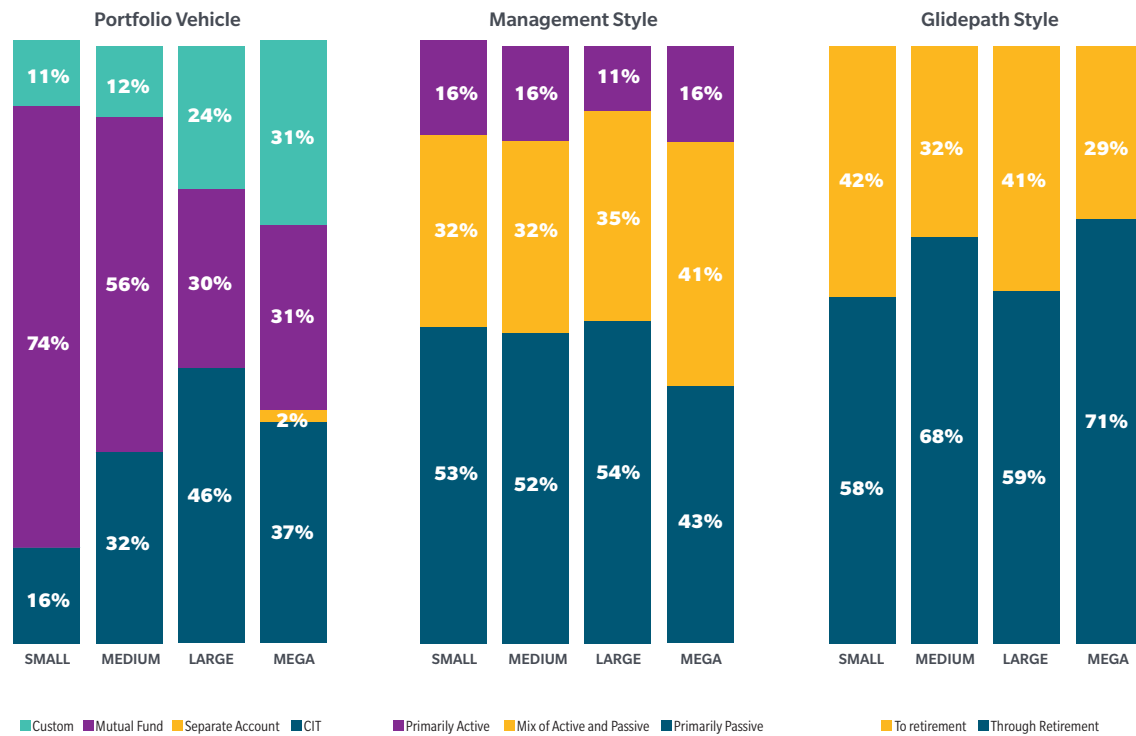
**/ QUALIFIED DEFAULT INVESTMENT ALTERNATIVES (QDIAS) /**

Target date funds (TDFs) remain the dominant choice for QDIAs, with 91% of respondents offering TDFs and 86% using them as their default option. Managed accounts are also offered by 65% of respondents, though the majority (59%) provide them as an opt-in service rather than as the default.

The survey also examined the types of TDFs offered, broken down by portfolio vehicle, management style, and glidepath approach, with notable differences by plan size. Larger plans are more likely to offer custom TDFs, with 24% of large plans and 31% of mega plans utilizing custom options. In contrast, smaller plans rely more heavily on mutual funds, while collective investment trusts (CITs) become increasingly popular as plan size grows. By management style, the survey found a relatively consistent mix of active and passive strategies across plan sizes.

**Exhibit 16: Types of TDFs Typically Offered**

WHAT TYPES OF TDFS DO YOU HAVE IN YOUR PRIMARY RETIREMENT PLAN?



When it comes to glidepath strategies, 65% of plan sponsors report using a “through” retirement glidepath. This raises an important question about potential mismatches between sponsor decisions and participant behavior. Participants often view the most conservative point of the glidepath as being at retirement and tend not to remain in the plan post-retirement. This behavior could create challenges for plans with a “through” glidepath, which assumes participants will stay in the plan and benefit from the post-retirement allocation strategy.

## / THE ROLE OF ACTIVE MANAGEMENT /

This year's survey explored the role of active management, uncovering some intriguing trends. A significant 65% of plan sponsors reported offering actively managed investment options, though it's worth noting that 14% of sponsors were unsure whether their plans included active investments. Among those that do offer active options, an overwhelming 86% believe it is good practice to provide a mix of both active and passive investment choices. Additionally, more than half (52%) of these sponsors feel that certain asset classes are better suited for active management.

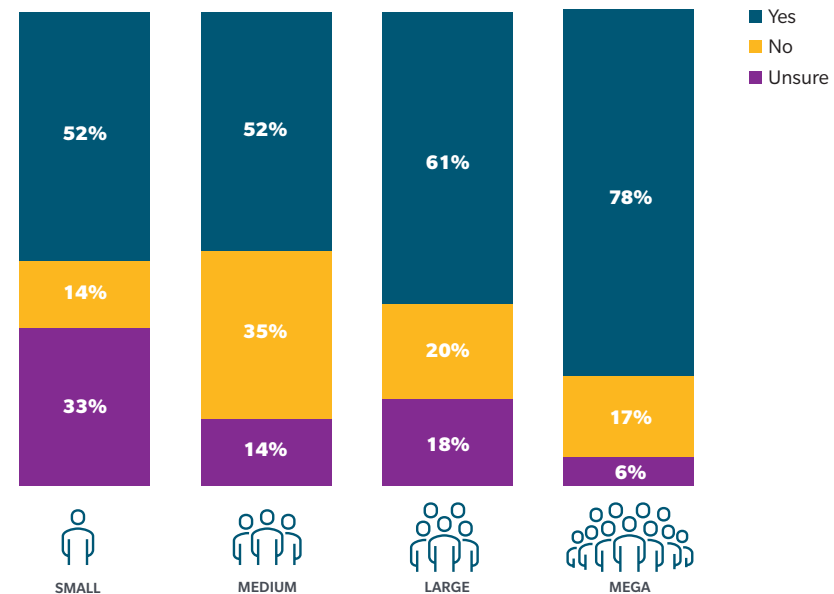
Interestingly, the survey also revealed a finding that challenges a common narrative about DC plans. While it is often said that larger plans are increasingly shifting toward passive management, particularly in TDFs and through streamlined investment menus, the survey results suggest otherwise.

In fact, larger plans are more likely to offer actively managed investments than smaller plans. This trend indicates that larger plans are embracing active management as a key component to developing a best-in-class DC plan investment lineup.

These findings highlight the importance of thoughtful investment menu design in DC plans. Many sponsors recognize the value of offering both active and passive options, allowing participants to build portfolios that align with their individual goals and risk tolerance.

### Exhibit 17: Active Investments Are More Prominent in Larger Plans

DO YOU OFFER ACTIVE INVESTMENTS IN YOUR PRIMARY DC PLAN?



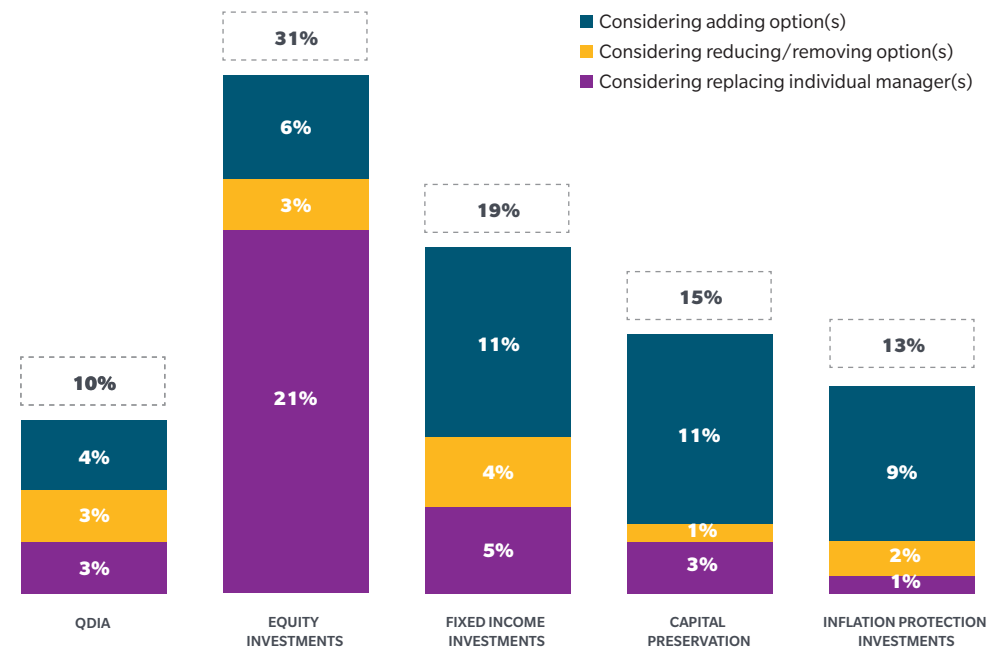
The data suggests that active management continues to play a prominent role, particularly in larger plans, where sponsors are more likely to integrate active investments into their offerings. This balance between active and passive strategies underscores the flexibility and diversity that sponsors aim to provide in their DC plans.

## / CHANGES TO THE INVESTMENT MENU /

The evolution of DC plan investment menus continues to be shaped by the widespread adoption of TDFs as the default investment option. While TDFs have been a positive development for disengaged participants, offering them age-appropriate, professionally managed asset allocation, plan sponsors should also consider whether their core investment menu meets the needs of more engaged participants. These participants, who prefer to make their own investment decisions, often have a greater appetite for active management, a deeper understanding of investing principles, and a need for more tailored strategies, particularly as they approach retirement. To meet these needs, a well-designed core menu should include a balanced mix of equity and fixed income options, with both active and passive strategies available to provide flexibility and choice.

When it comes to potential changes in investment lineups, the survey found that only 10% of sponsors are considering adjustments to their QDIA offerings. The most activity is occurring among equity investments, where 6% of sponsors are considering adding options, 21% are evaluating replacing managers, and 3% are looking at reducing or removing options. Fixed income, capital preservation, and inflation protection categories are seeing less activity, with the primary focus being on adding new options rather than replacing or removing existing ones.

**Exhibit 18: Changes to the Investment Lineup**



Even with potential lineup changes on the horizon, simplicity is key as most sponsors provide a streamlined investment menu, with 73% offer 14 or fewer investment options. Simplified investment menus can help improve overall plan efficiency while also helping to reduce decision paralysis among participants. That said, sponsors need to ensure that their core menus have the right blend of active and passive options that can allow for engaged participants to build portfolios tailored to their unique needs and risk profiles.

# Appendix

## / 2026 MFS DC PLAN SPONSOR SURVEY METHODOLOGY /

A quantitative, blind survey was conducted from October to November 2025 of 153 plan sponsors of varying asset sizes. All survey respondents were promised anonymity, and none are identified in this report. Plan sponsors were based in the United States and sourced through the DCIIA Plan Sponsor Institute (PSI). DCIIA, an independent third-party research provider, conducted the study. MFS was not identified as the sponsor of the study. MFS Investment Management nor its subsidiaries are affiliated with DCIIA or the PSI.

THE ASSET SIZE CLASSES OF PLAN SPONSORS WERE DEFINED AS SUCH



**SMALL PLANS**

**<\$99**

MILLION



**MEDIUM PLANS**

**\$100 to <\$1**

MILLION

BILLION



**LARGE PLANS**

**\$1 to <\$5**

BILLION

BILLION



**MEGA PLANS**

**\$5 or more**

BILLION

Industry practitioners were screened and selected using the following criteria:

- Offered a defined contribution plan (e.g., 401(k), 403(b), and/or 457) or other defined contribution plan, defined benefit plan or other non-qualified deferred compensation plan.

## / RESPONDENT PROFILE /

PLAN TYPES OFFERED	%
401(k)	<b>84</b>
DEFINED BENEFIT OR PENSION	<b>46</b>
457	<b>12</b>
403(B)	<b>12</b>
OTHER DEFINED CONTRIBUTION PLAN	<b>14</b>
OTHER NON-QUALIFIED DEFERRED COMPENSATION PLANS	<b>54</b>

TOTAL VALUE OF ASSETS IN PRIMARY DC PLAN	%
LESS THAN \$99 MILLION	<b>14</b>
\$100 MILLION TO LESS THAN \$1 BILLION	<b>19</b>
\$1 BILLION TO LESS THAN \$5 BILLION	<b>32</b>
\$5 BILLION TO LESS THAN \$10 BILLION	<b>16</b>
\$10 BILLION AND MORE	<b>19</b>

PRIMARY PLAN	%
401(k)	<b>73</b>
DEFINED BENEFIT OR PENSION	<b>13</b>
403(B)	<b>9</b>
457	<b>3</b>
OTHER DEFINED CONTRIBUTION PLAN	<b>2</b>

EMPLOYEES PARTICIPATING IN PRIMARY DC PLAN	%
LESS THAN 100	<b>5</b>
100 TO 499	<b>7</b>
500 TO 999	<b>3</b>
1,000 TO 4,999	<b>16</b>
5,000 TO 9,999	<b>18</b>
10,000 OR MORE	<b>52</b>





### RESPONDENTS W/DB PLANS (46%)

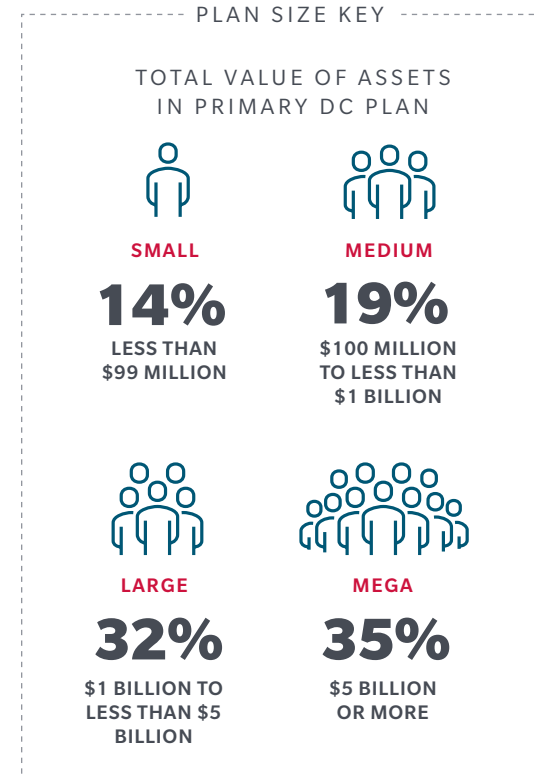
CURRENT PLAN STATUS	%
OPEN TO ALL EMPLOYEES	<b>34</b>
CLOSED TO NEW HIRES	<b>27</b>
PLAN FROZEN FOR ALL PARTICIPANTS	<b>39</b>

INTENDED FUTURE STRATEGY IF PLAN IS CURRENTLY FROZEN OR CLOSED	%
CONTINUE PLAN IN CURRENT STATE FOR FORESEEABLE FUTURE	<b>100</b>
REOPEN THE PLAN	<b>0</b>
TERMINATE PLAN IN NEAR TERM	<b>0</b>

PRIMARY DC PLAN GOVERNED BY ERISA?	%
YES	<b>90</b>
NO	<b>10</b>

## / RESPONDENT PROFILE /

		 SMALL	 MEDIUM	 LARGE	 MEGA		
<b>EMPLOYEE PARTICIPATION RATE</b>	<b>ALL</b>					<b>DB+DC</b>	<b>DC ONLY</b>
LESS THAN 50%	5%	10%	7%	2%	4%	1%	7%
50% TO 89%	32%	<b>52%</b>	32%	23%	32%	29%	34%
90% +	<b>64%</b>	38%	<b>61%</b>	<b>75%</b>	<b>65%</b>	<b>70%</b>	<b>59%</b>
<b>AVERAGE DEFERRAL RATE</b>	<b>ALL</b>					<b>DB+DC</b>	<b>DC ONLY</b>
LESS THAN 6%	11%	29%	11%	4%	11%	4%	17%
6% TO 10%	<b>69%</b>	<b>62%</b>	<b>68%</b>	<b>75%</b>	<b>67%</b>	<b>78%</b>	<b>61%</b>
MORE THAN 10% +	19%	10%	18%	21%	20%	16%	21%
NOT SURE	1%	0%	4%	0%	2%	1%	1%
<b>INVESTMENT OPTIONS</b>	<b>ALL</b>					<b>DB+DC</b>	<b>DC ONLY</b>
0-9 OPTIONS	23%	19%	18%	23%	26%	23%	22%
10-14 OPTIONS	<b>50%</b>	<b>52%</b>	<b>50%</b>	<b>54%</b>	<b>44%</b>	<b>57%</b>	<b>44%</b>
15+ OPTIONS	28%	29%	32%	23%	30%	20%	34%



## **/ MFS WORKPLACE RETIREMENT READINESS INDICATOR (WRI) METHODOLOGY /**

- The MFS Workplace Retirement Readiness Indicator is based on a subset of questions from our 2026 MFS DC Plan Sponsor Survey that were indicators of higher sponsor confidence in the ability of their participants to retire comfortably.
- A range of points was assigned to each question (noted in parenthesis below) based on the relative importance of each question.
- The maximum score available is 31 points.
- Sponsors who answered the first question noted below as “extremely” or “very” confident had an average score of 20.1 points (A- grade).
- Sponsors who answered the first question below as “not at all” or “not very” confident had an average score of 14.7 points (B- grade).
- The average score for all survey respondents was 16.6 points (B grade).

## **/ QUESTIONS ASKED /**

- How confident are you that your plan participants will be able to retire at the age they want to? (0-7)
- What impact do competing financial priorities have on your participants' ability to save for retirement? (0-7)
- What is the average/typical age that your workers retire? (0-2)
- Does your primary DC plan offer participants access to an advisor? (0-2)
- How do DC plan participants access the advisor? (0-2)
- What actions have you taken with regards to your DC investment lineup (added options, removed options, replaced manager, no changes but considering, or no changes)? (0-3)
- Approximately what percent of the employees who are eligible to participate in your DC plan are currently contributing or have a balance in the plan? (0-4)
- What is your DC plan participant's average deferral rate? (0-4)



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