

The Retirement Trend Report

The Retirement conversation is evolving, and it's happening on three fronts. From regulatory changes reshaping the industry landscape and the ongoing debate around investment strategy to shifting expectations from sponsors, advisors, and participants alike. Here's what's top of mind across the industry.

DC INDUSTRY

70%[▲]

OF PLAN SPONSORS SAY PERSONALIZED ADVICE IS THE #1 OUTCOME DRIVER

61%[▲]

OF PLAN SPONSORS ARE NOT EVALUATING PRIVATE ASSETS

86%[▲]

USE TDFs AS THEIR QDIA

To learn how MFS can support better retirement outcomes, visit [mfs.com/retirement](https://www.mfs.com/retirement).

New DOL Fiduciary Framework

The Department of Labor's Investment Selection Rule reinforces the importance of a repeatable, well-documented fiduciary process. The takeaway: treat the proposed six-factor test as an "all-options" framework for reviewing any investment in the plan. Applied consistently, strong documentation helps committees compare diverse solutions on common ground.

Expanding Retirement Access

Expanding coverage for workers without employer-sponsored plans remains a national priority. A recent executive order aims to increase IRA access and leverage SECURE 2.0 federal matching contributions, effective January 2027, following the July 2026 launch of Trump Accounts (tax-advantaged children's savings)¹.

Retirement Is Personal

Demand for personalization is growing; yet sponsors' and participants' uptake of retirement income products is low. Advice is the strongest retirement income solution, as is serving participants through a flexible, personalized approach.

Sources: 2026 MFS DC Plan Sponsor Survey, 2026 MFS Retirement Plan Advisor Survey, 2025 MFS Global Retirement Survey. For survey methodology, please click [here](#) or visit https://www.mfs.com/content/dam/mfs-enterprise/email_assets/link-assets/mfsi/SurveysMethodology.pdf.

¹ <https://www.whitehouse.gov/presidential-actions/2026/04/promoting-retirement-savings-access-for-american-workers-by-establishing-trumpira-gov/>

INVESTMENT

What Risks Do Target Date Funds Address?

Sponsors rank diversification risk (38%) and downside market risk near retirement (22%) as their top TDF concerns. Notably, longevity risk didn't make the top three — a potential gap for plans with a through-retirement glidepath. Sponsors should ensure their TDF strategy aligns with their stated priorities.

Active Management's Staying Power

Active management is central to the investment menu conversation. 86% of sponsors believe offering a mix of active and passive options is good practice, and 52% say certain asset classes should be actively managed. Larger plans are more likely to include actively managed options.

Private Assets: Loud Talk, Low Demand

Despite headlines, 61% of plan sponsors aren't evaluating private assets. Among those exploring, most are still in early education, and only 4% plan to implement within 24 months. The buzz is real; the adoption is not.

PLAN SPONSOR/ADVISOR/PARTICIPANT

Declining Retirement Confidence

Participant confidence in retiring at their desired age has declined across generations from 2021 through 2025, and most advisors and sponsors share that concern. The silver lining: plan sponsor confidence shifted meaningfully this year from 18% to 33%.

Accumulation Is Essential

91% of sponsors offer target date funds, with 86% using them as their QDIA. With TDFs nearly universal, the differentiator is how intentionally a fund supports accumulation and aligns with a plan's demographics and retirement objectives. Accumulation is a critical part of the participant journey.

Personalized Advice Drives Outcomes

70% of plan sponsors rate personalized advice as very or extremely important to better retirement outcomes — more than 2X those who favor retirement income solutions, and more than 10X those citing private assets. The message is clear: personalized advice helps drive retirement outcomes.

Retirement *is personal*

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Keep in mind that all investments, including mutual funds, carry a certain amount of risk including the possible loss of the principal amount invested.

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