

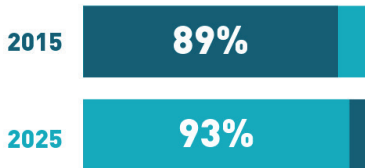
Retirement at a Glance

June | 2026



MORE ASSETS, MORE STOCKS.

As assets have grown, so has equity exposure, as the median exposure for funds that are 45 years from retirement climbed from 89% in 2015 to 93% in 2025.



Total assets in target date strategies increased 20.3% in 2025 to a record \$4.8 trillion, growing at an annualized rate of 11.9% over the past decade.

As assets have grown, so has equity exposure, as the median exposure for funds that are 45 years from retirement climbed from 89% in 2015 to 93% in 2025.

(Source: Morningstar)

3 PUSHED OR CASHING OUT. Among current retirees, 59% reported retiring earlier than expected, but the reasons varied by income. **Higher-income retirees (\$75K+) most often cited job dissatisfaction and reaching their savings target ahead of schedule**, while lower-income retirees (under \$35K) most often pointed to health problems or getting laid off. (Source: Society of Actuaries)

4 A NEW WAY TO GIVE. The bipartisan Charity Parity Act, introduced in both the House and Senate on May 13, **would expand qualified charitable distributions (QCDs) to 401(k) and other employer retirement plans, rather than just individual retirement accounts.** The annual limit for QCDs is \$111,000 per individual, and they are excluded from a donor's adjusted gross income. (Source: CNBC)

5 REAL ESTATE WEALTH GRAYS. **Americans over 70 have steadily increased their share of the total \$48 trillion in US real estate wealth, from 16.8% at the end of 2008 to 26.0% as of Q3 2025.** The over-70 crowd has surpassed middle-aged Americans (40–54) for the first time, but the 55–69 age group still holds the largest share (35.3%), a position it has maintained since 2010. (Source: Redfin)

6 IN, BUT CUTTING BACK. **More Americans are enrolling in 401(k) plans than ever, with participation increasing to 90% in 2025 from 86% the year before.** Despite the increase, 35% of participants cut their contributions in 2025 due to inflation concerns. Millennials were most likely to cut back (41%), while only 26% of boomers pulled back. (Source: Morgan Stanley)

7 RETIREMENT EXPECTATIONS GAP. Only **36% of non-retirees expect Social Security to be a major source of retirement income compared to 62% of current retirees who rely on it.** 48% of non-retirees expect 401(k)s, IRAs, or other retirement accounts to be a major income source, but only 27% of retirees use them that way. Meanwhile, **21% of non-retirees expect to work part time in retirement compared to just 3% who do.** (Source: Gallup)

8 ROTH OWNERS WAIT LONGER. Traditional IRA withdrawals can be taken penalty-free at 59½ and become mandatory at 73, which shows up clearly in the data. Fewer than 10% of traditional IRA accounts have withdrawals at age 59, rising to over 80% by age 73. **Roth IRAs, which have no distribution requirements, tell a different story; fewer than 10% of accounts show withdrawals even at age 90.** (Source: ICI)

9 ANNUITIES KEEP ROLLING. US annuity sales declined 2% year-over-year in Q1 to \$104.6 billion, though sales topped \$100 billion for a record 10th straight quarter. **Sales of fixed-rate deferred annuities fell 16%, while registered index-linked annuities, which offer exposure to equity markets, surged 21% to \$21.2 billion,** marking their 30th consecutive quarter of year-over-year growth. (Source: LIMRA)

Q QUESTION: Older homeowners (70+) tend to walk away with less money when they sell their homes compared to younger sellers. **If everything else about the property were the same, how much less would an 80-year-old get compared to a 45-year-old?**

1 AT LEAST DEATH IS CERTAIN. 67% of Americans worry more about running out of money than dying, a number that has increased 10 percentage points since 2022. Gen X leads the concern over finances at 73%, while 59% of baby boomers share that fear. Persistent inflation and rising health care costs are the top drivers. (Source: Allianz Life)*

2 RETIRED AND RELAXED? When asked to describe their financial situation, 35% of retirees said, "not great but not bad," while 37% said "comfortable" and 4% said "living the dream." **24% chose more pessimistic options like "struggling" (19%) or "living the nightmare" (5%).** (Source: Schroders)

*According to Statista, Generation X was born between 1965–1980, Millennials were born between 1981 and 1996 and Baby Boomers were born between 1946 and 1964.

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

These views should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any other MFS investment product. No forecasts can be guaranteed. Past performance is no guarantee of future results.

MFS® does not provide legal, tax or accounting advice. Clients of MFS should obtain their own independent tax and legal advice based on their particular circumstances. This has been provided for informational purposes only, and reflects the current opinion of the author, which is subject to change without notice, as are statements of financial market trends, which are based on current market conditions. Past performance is no guarantee of future results. Integrated Retirement is not affiliated with MFS Investment Management® or any of its subsidiaries.

Distributed by: U.S. - MFS Fund Distributors, Inc., Member SIPC, Boston, MA.

Please note that in Canada this document is intended for distribution to institutional clients only.

Note to readers in Canada: Issued in Canada by MFS Investment Management Canada Limited.