

# PIMCO Canada Defined Contribution Consulting Study

## THE STUDY COVERS:

- Retirement Income
- Client Priorities
- Plan Design and Investments

In our second annual study, the PIMCO Canada Defined Contribution Consulting Study seeks to help consultants, advisors and plan sponsors understand the breadth of views and consulting services within the Canadian DC marketplace.

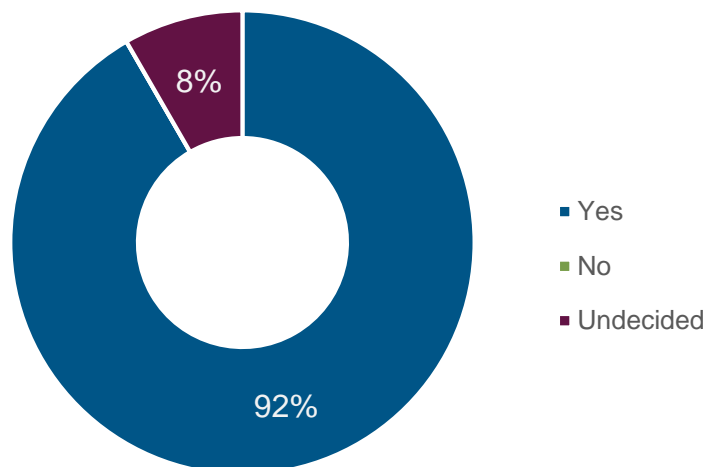
Our 2022 study captures data, trends, and opinions from 12 major recordkeeping, consulting and advisory firms that serve roughly 36,000 Canadian clients.

## 2022 KEY FINDINGS

### Consultants and Recordkeepers united on retiree plan options and decumulation.

- 92% of respondents believe retirees should be able to remain in plan with investments that suit their needs
- 100% of respondents believe that recordkeepers should offer and support in-plan decumulation options

### Allowing Retirees to Stay in Plan



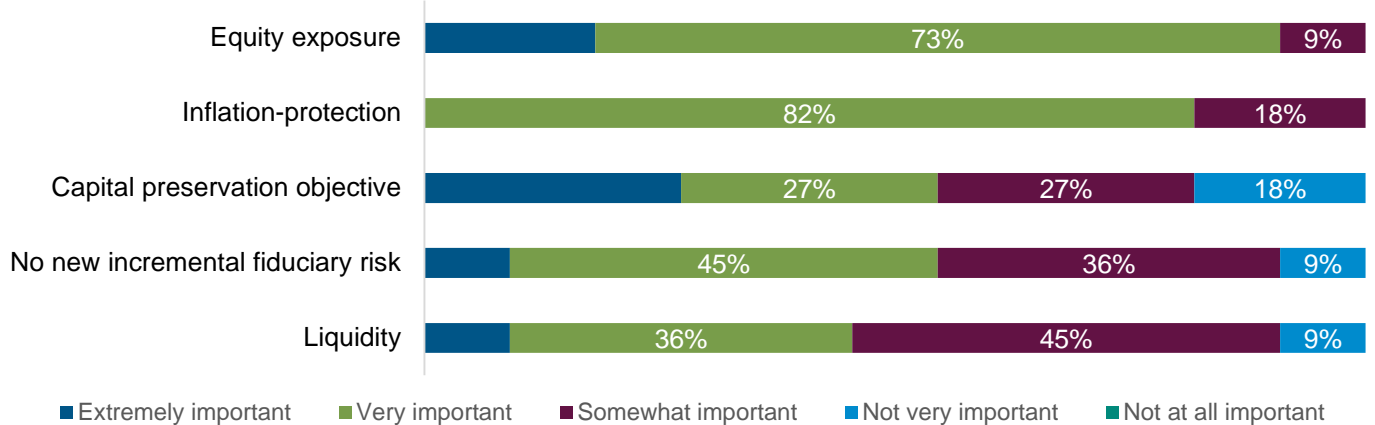
4. Do you believe plans should offer investments and services which allow retired participants to remain in the plan and support their retirement spending needs? (n=12)

Analyst Note: "No" was an option but was not selected.

## Market volatility and investing pain points reflected in year-over-year comparison data...

- Equity Exposure viewed as extremely and/or very important feature of retiree-focused investment option by 91% of respondents (up 27% from 2021).
- Defensive themes of Inflation-protection (82%), Capital preservation (54%), and No new incremental fiduciary risk (54%) followed as the other most important features.

### Key Features of Retiree-Focused Investment Options

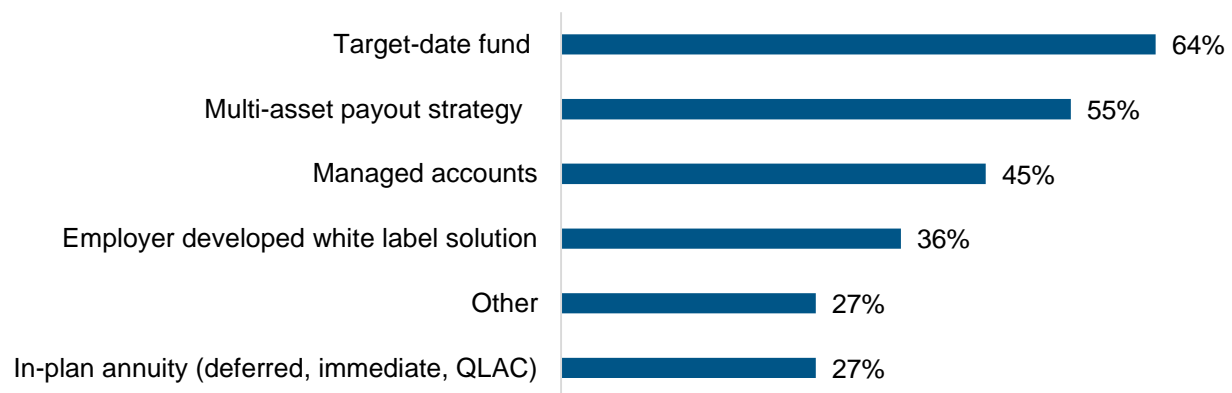


9. How important are the following characteristics for a retirement income product? (n=11)

## ...with a call back to simplicity reflected in respondents' views on Retirement Income Solutions.

- Target-date fund (64%) scores highest in recommended retirement income investment solutions, up 24% from 2021

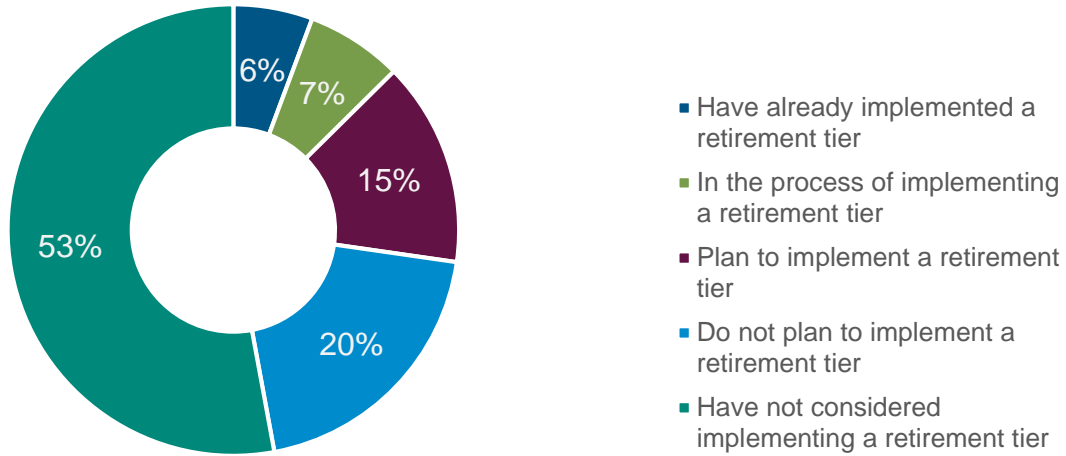
### Recommended Retirement Income Investment Solutions



10. Which of the following investment options—if any—are you most likely to recommend as a retirement income solution? Select up to 3. (n=11)

**100% of respondents are either recommending or currently evaluating new investments designed for retired participants, while the majority have not considered implementing a retirement tier.**

**Implementing a Retirement Tier**



12. What percentage of your clients are in each stage of implementing a retirement tier? (n=11)

**IMPORTANT NOTICE**

All responses were collected from April 11, 2022 through August 8, 2022. This material contains opinions of survey respondents as of the date noted and not necessarily those of PIMCO. Such opinions are subject to change without notice and may not have been updated to reflect real time market developments. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Refer to the 2022 PIMCO Canada DC Consulting Study for a complete overview of results.

**A Word about Risk:** All investments contain risk and may lose value.

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CMR2023-0214-2733362