

2026 NEPC CORPORATE DB PEER STUDY & SURVEY

MARCH 2026

NEPC Corporate DB Team



PEER STUDY & SURVEY OVERVIEW

- Consistent with prior years, NEPC recently explored trends in corporate DB plans by reviewing data from public 10-K filings
- Similar to last year, we also directly surveyed corporate plan sponsors to get their views on several important topics



The combination of our survey data and publicly available 10-K reports provides a comprehensive snapshot of the HEALTH, TRENDS, AND KEY THEMES WITHIN THE UNIVERSE OF CORPORATE DEFINED BENEFIT PLANS.

PROFILE OF CONSTITUENTS

10-K PEER STUDY DATA

10-K reports from **218** Plan Sponsors

PLAN CHARACTERISTICS

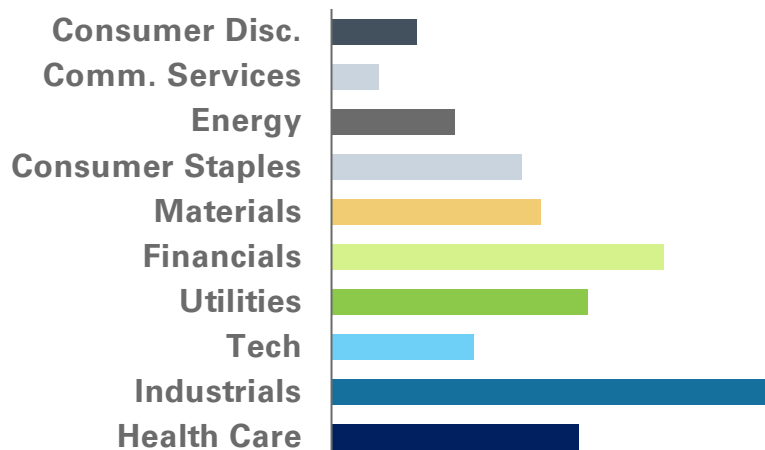
Avg. Funded Ratio: **103%**

Median Plan Assets: **\$2.0B**

Largest Plan: **\$47.1B**

Smallest Plan: **\$4.0M**

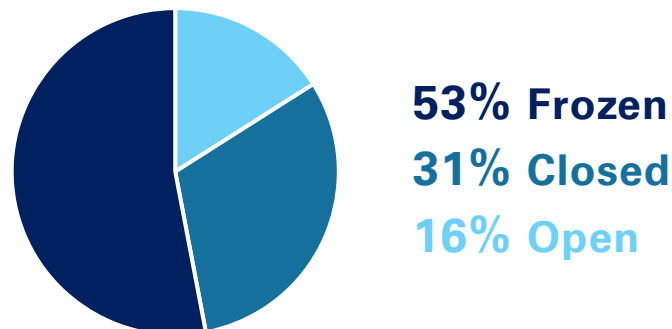
SECTOR REPRESENTATIONS



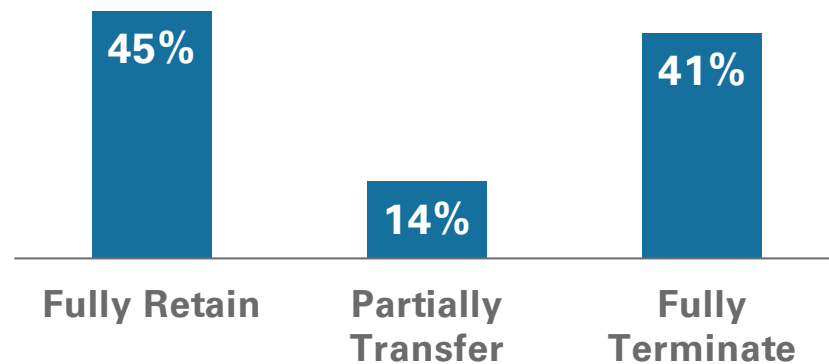
DB PLAN SPONSOR SURVEY

Responses from **46** Plan Sponsors

PLAN STATUS



LONG-TERM PLAN OBJECTIVES



KEY TAKEAWAYS

Funded Status Levels Rise Yet Again: With funded status rising again, plan sponsors may be deciding between transferring pension risk or continuing to manage assets in-house

Surplus Asset Use Centers on Cost Management: Survey results indicate that most plan sponsors with surplus assets intend to use them to cover future plan-related costs or reduce potential future contributions

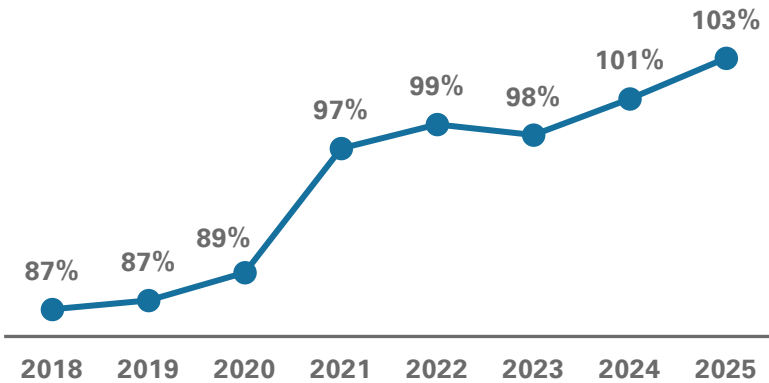
Fixed Income Allocations Remain Steady: After many years of steadily increasing, the average fixed income allocation in our peer group has now been the same for three consecutive years

LDI Diversifiers on the Rise? Interest in non-traditional LDI diversifiers (e.g., private placements, structured products, real estate debt) may be increasing as 37% of survey respondents are currently using at least one diversifier

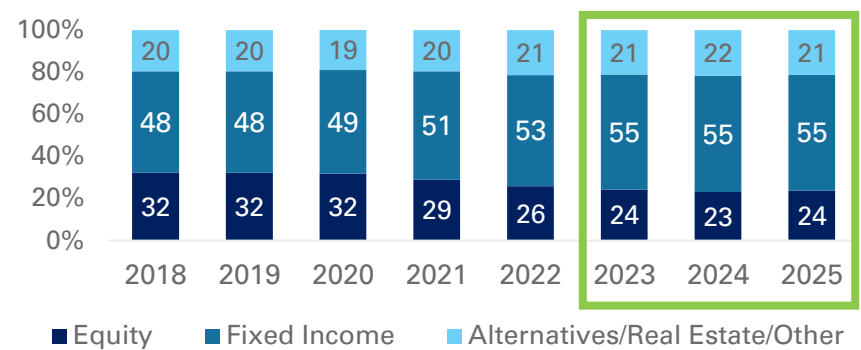
KEY TAKEAWAYS

CORPORATE PENSIONS REMAIN HEALTHY

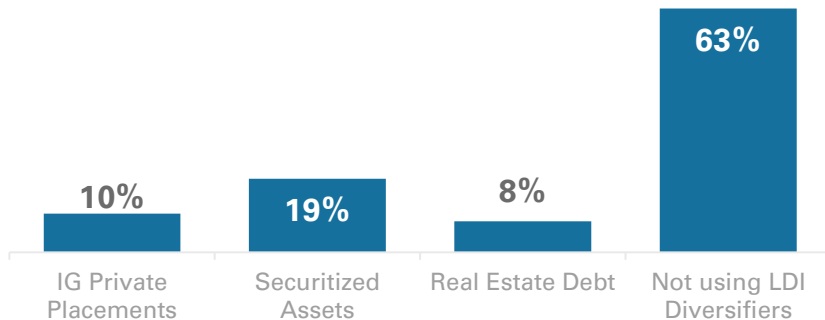
Funded Ratios Climb Higher Still



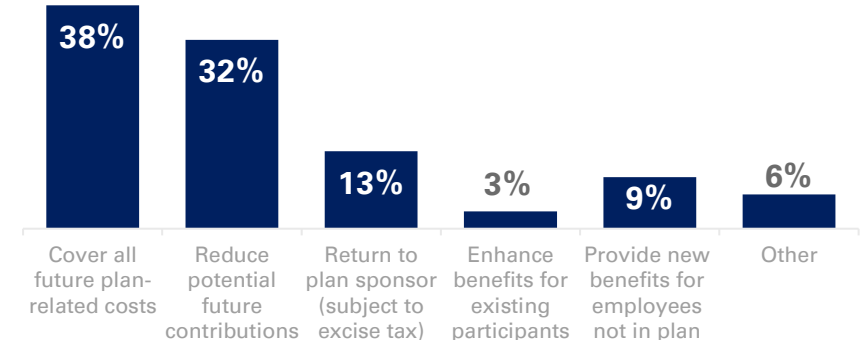
Plan Allocations Largely Unchanged



Modest Usage of LDI Diversifiers



Surplus Use Remains Defensive



Source: 2025 10-K reports filed with the Securities and Exchange Commission. NEPC 2026 Plan Sponsor survey.

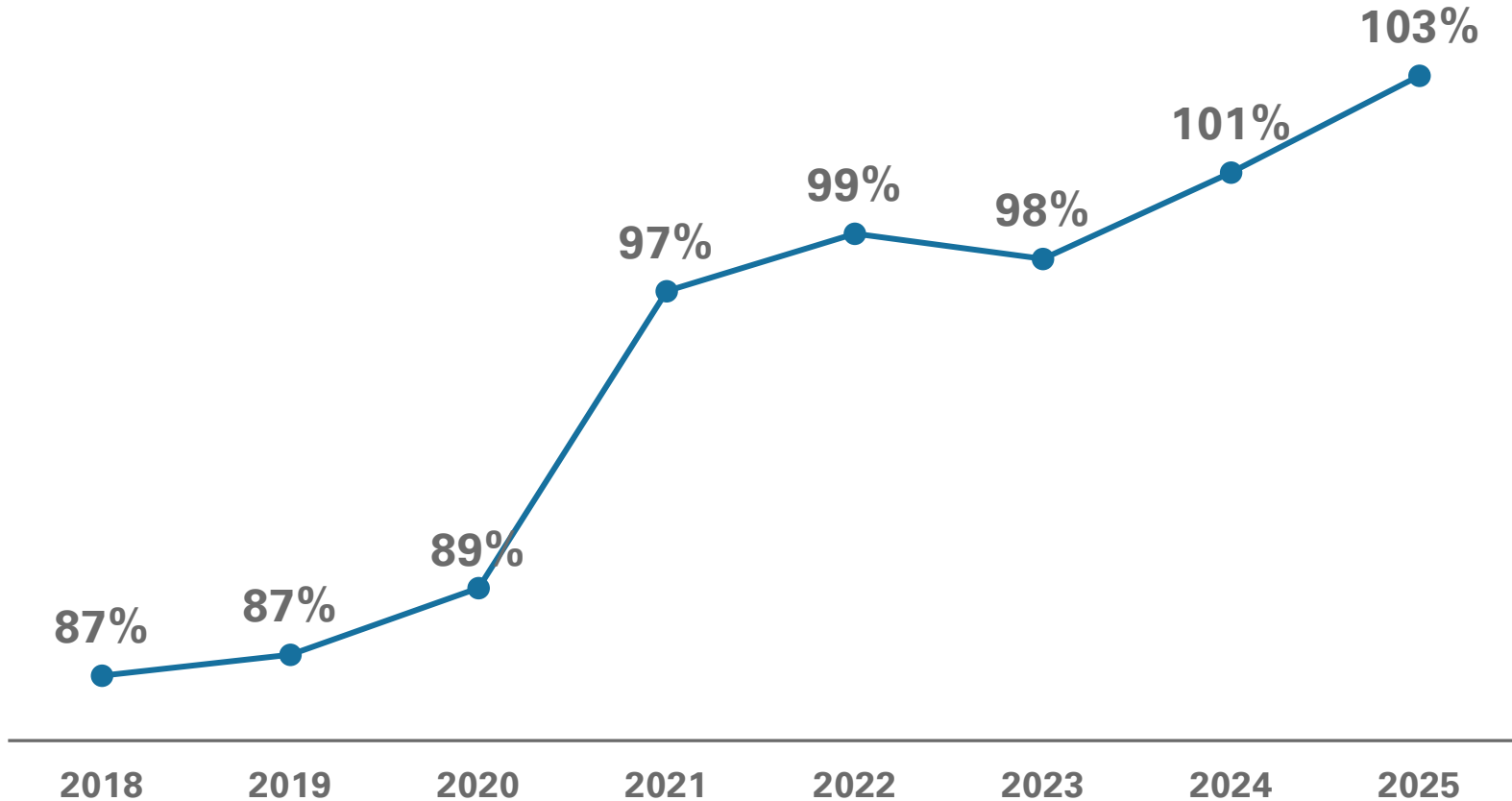
Top Left & Right: Aggregate funded ratio and average asset allocation from NEPC's 10-K Peer Group Study. Bottom Left: Percentage of survey respondents using LDI diversifiers. Bottom Right: Planned use of surplus by survey respondents (results exclude underfunded plans). The above information has been provided for illustrative purposes. Past performance is not indicative of future results.

APPENDIX: 10-K DATA PEER STUDY



PEER UNIVERSE

CORPORATE DB PLAN'S AGGREGATE FUNDED RATIO

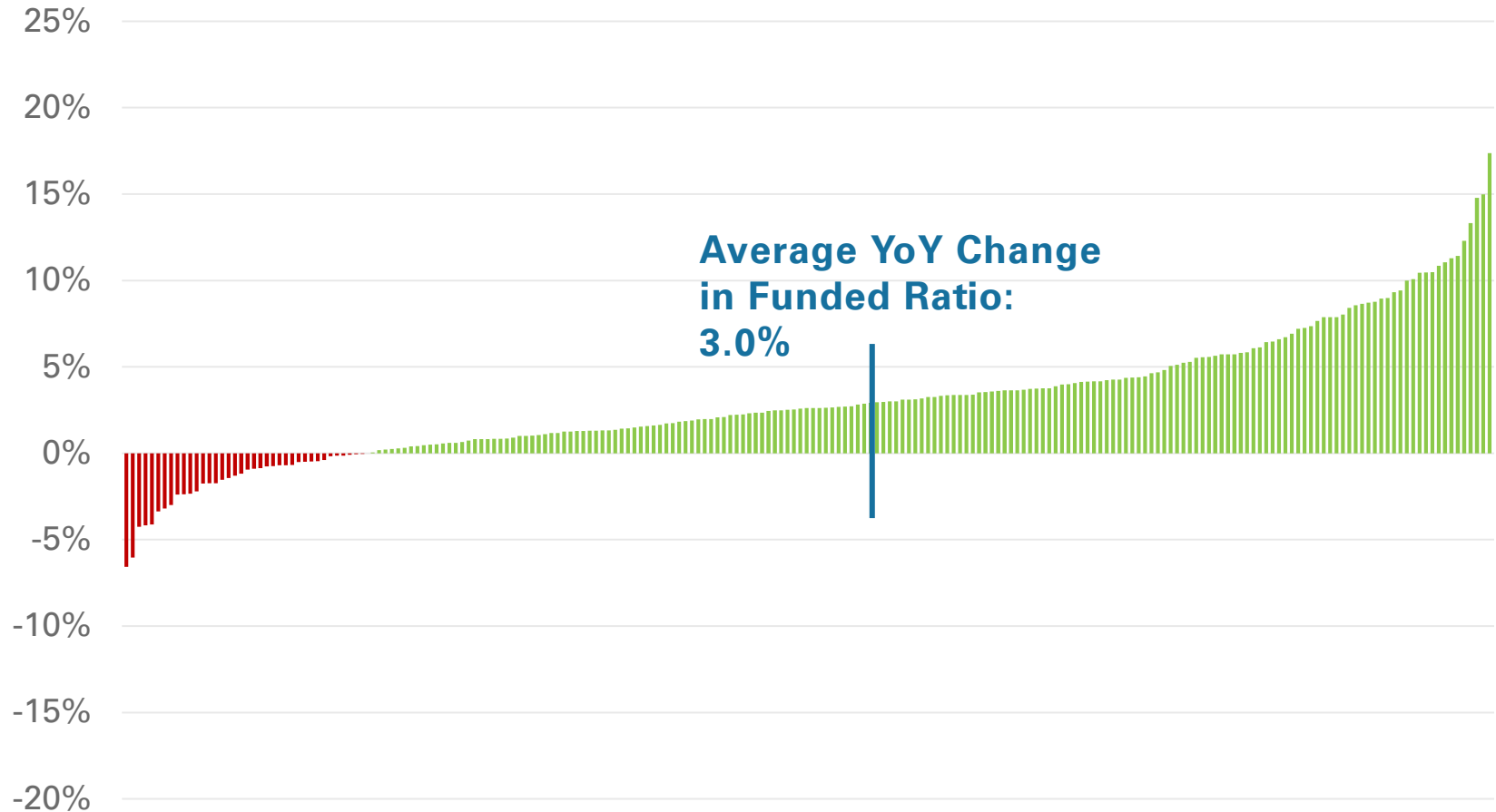


Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.



2025 RESULTS VARIED BUT SKEWED POSITIVE

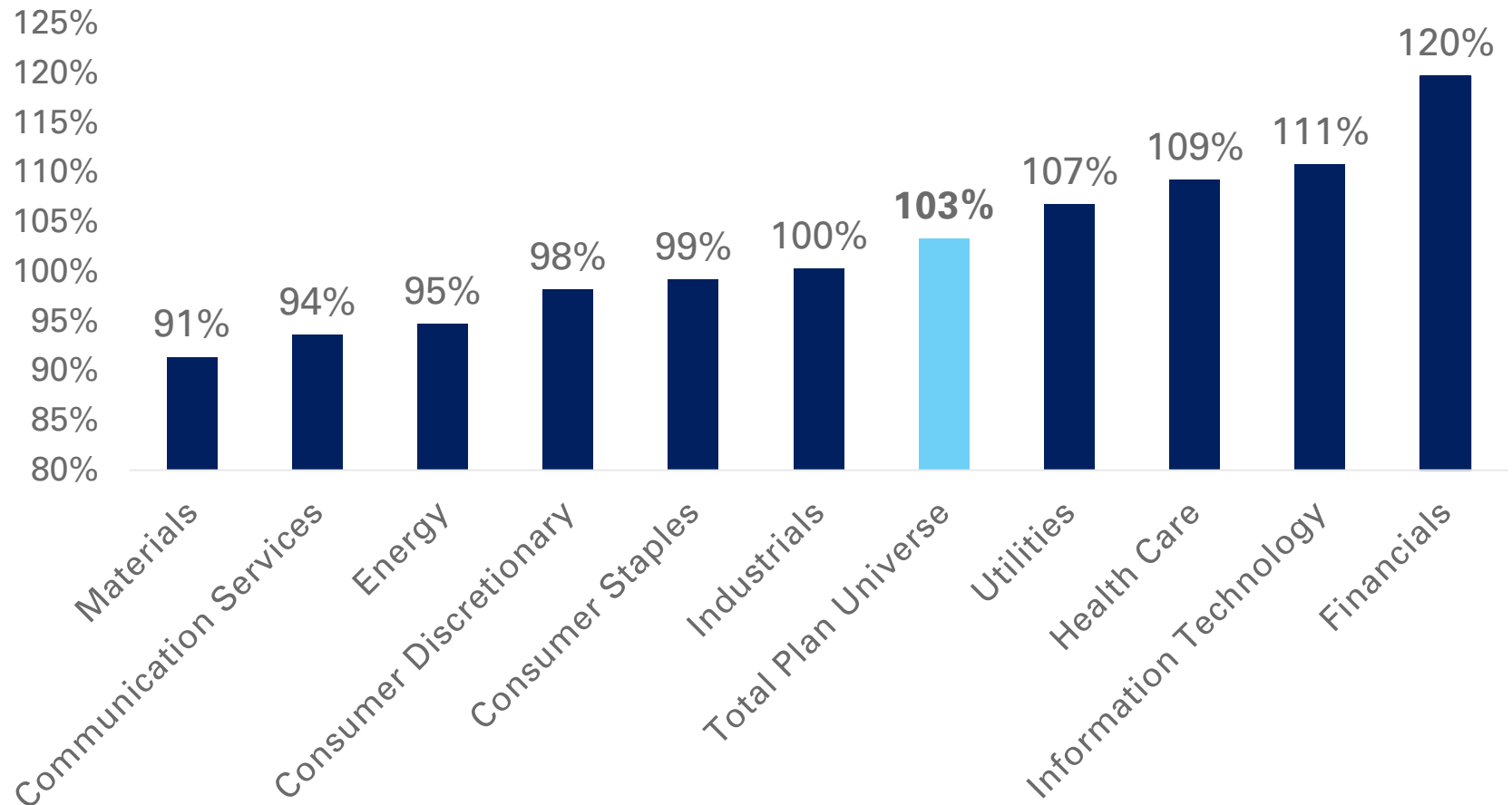
INDIVIDUAL PLAN CHANGE IN FUNDED RATIO (2025 VS. 2024)



Funded ratio change is inclusive of plan asset performance, benefit payments, contributions, risk transfer activity, etc. Plan data sourced from plan sponsor 2024 and 2025 fiscal year end filings via FactSet. Two outliers were removed from the chart. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.

DISPERSION PERSISTS AT THE SECTOR LEVEL

YEAR END 2025 AGGREGATE FUNDED RATIO BY SECTOR

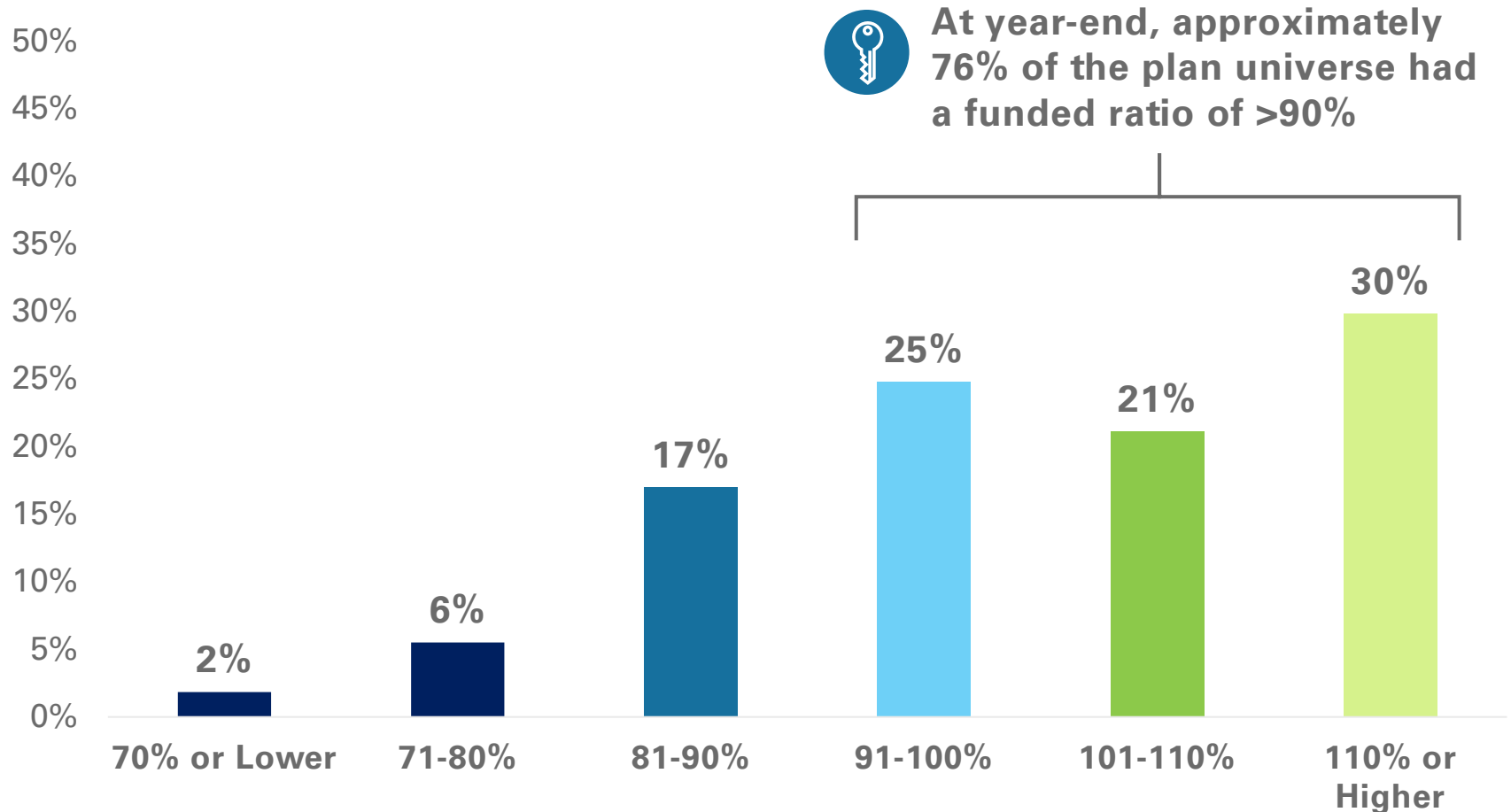


Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.



FUNDED RATIOS REMAIN HEALTHY

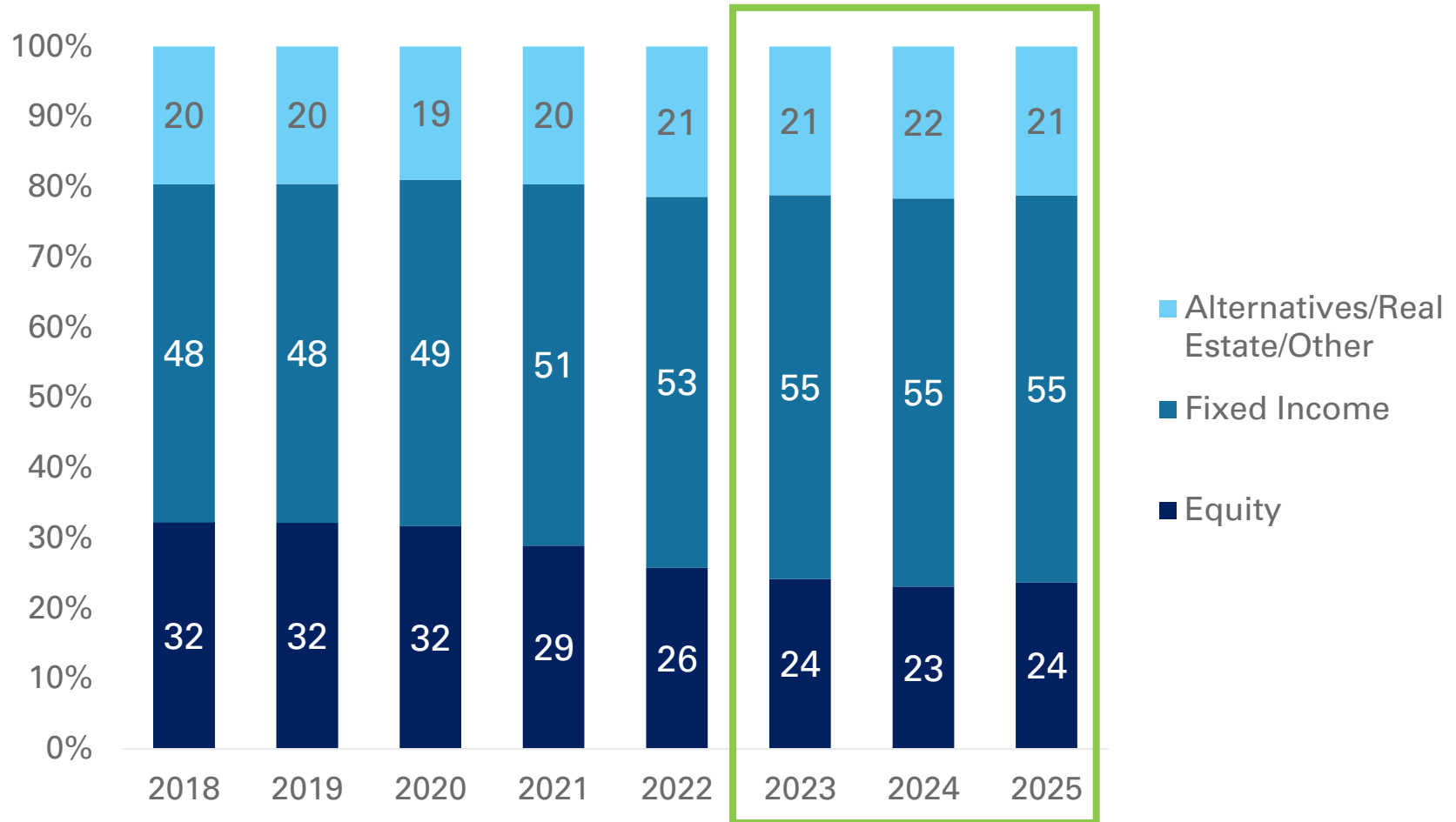
YE 2025 DISTRIBUTION OF FUNDED RATIO ACROSS PLAN UNIVERSE



Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.

THE SHIFT TO FIXED INCOME ON PAUSE

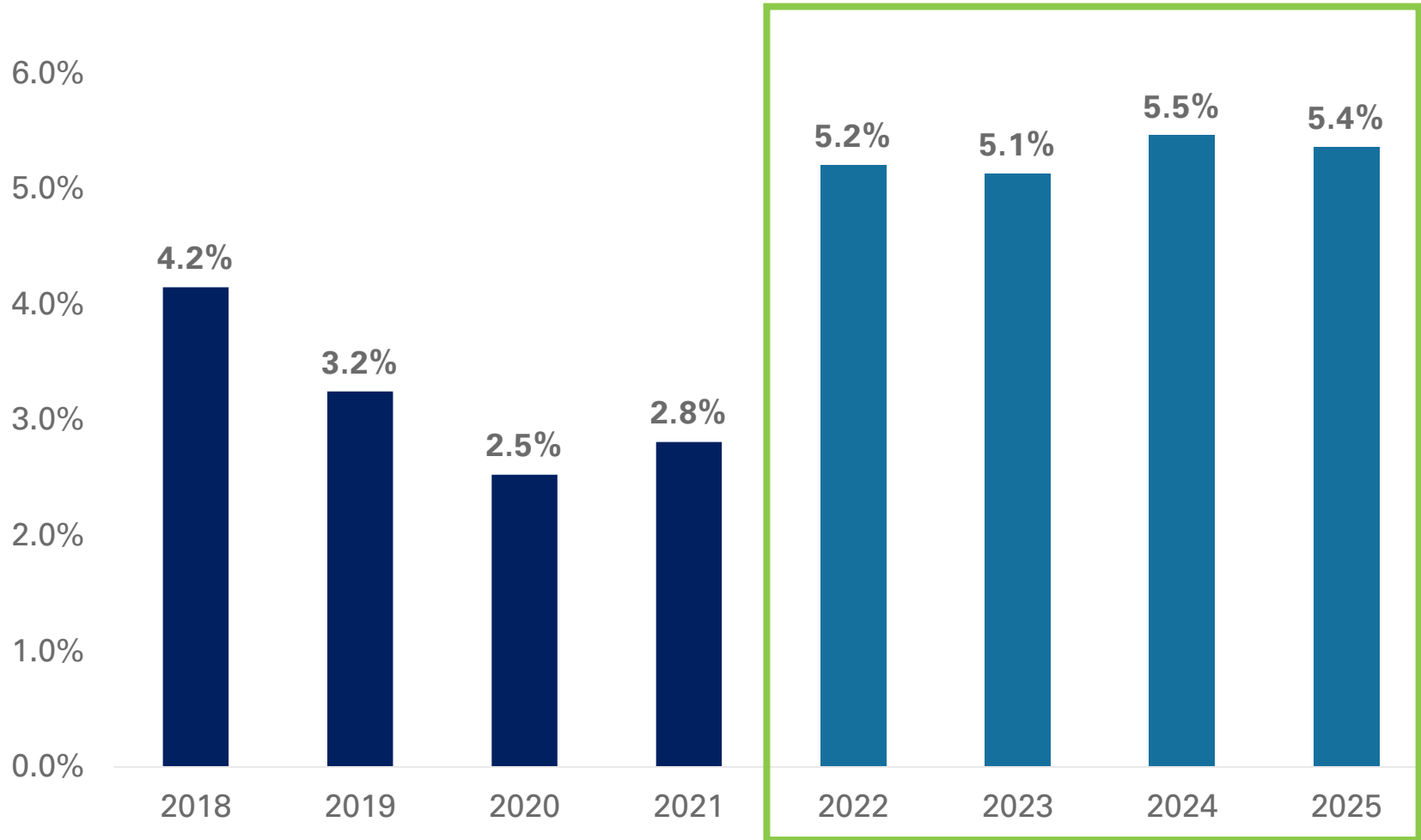
HISTORICAL AVERAGE PLAN ALLOCATIONS



Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.

DISCOUNT RATES REMAIN STEADY

AVERAGE DISCOUNT RATE

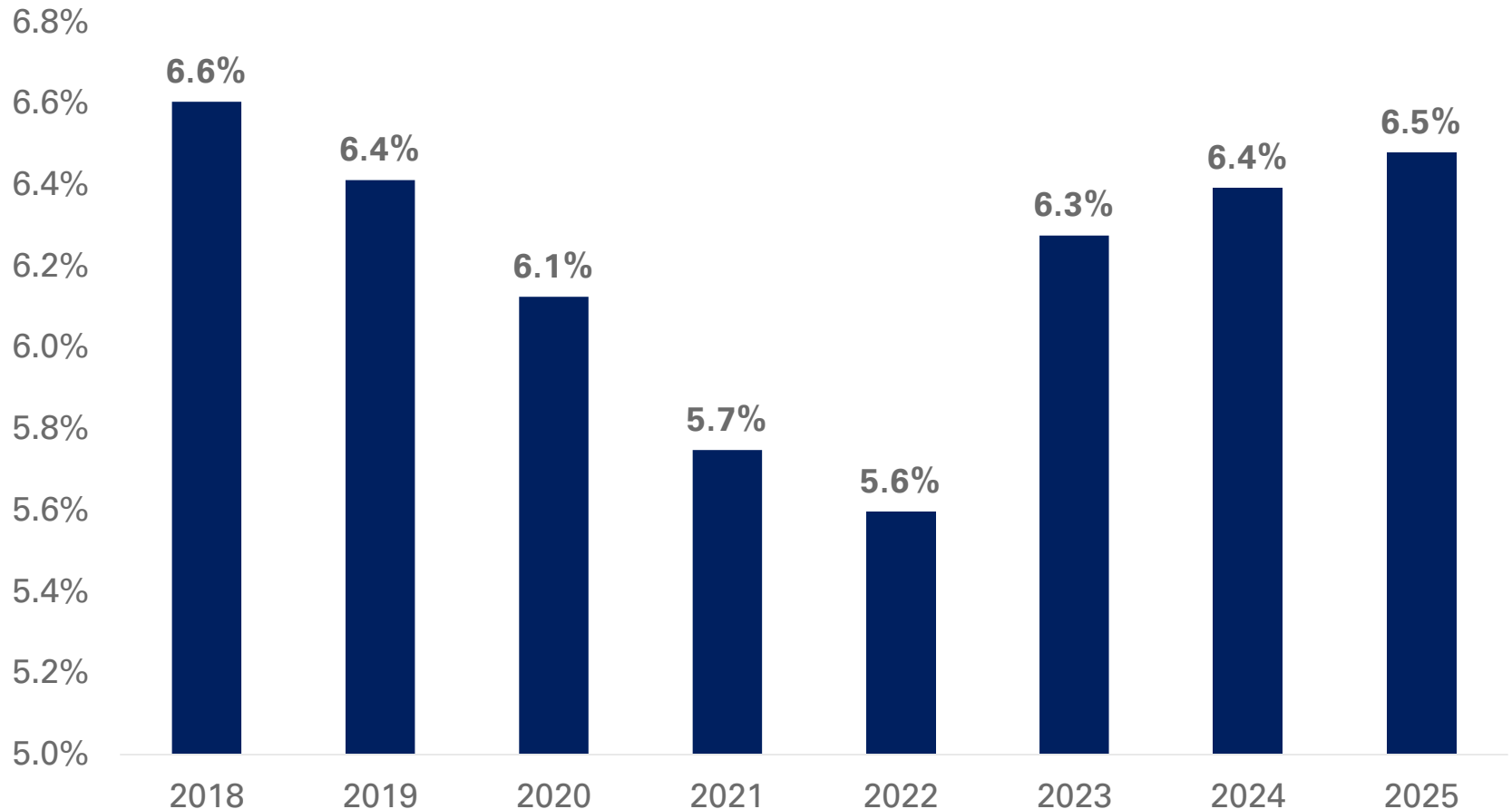


Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors.



EROA ASSUMPTIONS CLAW HIGHER AGAIN

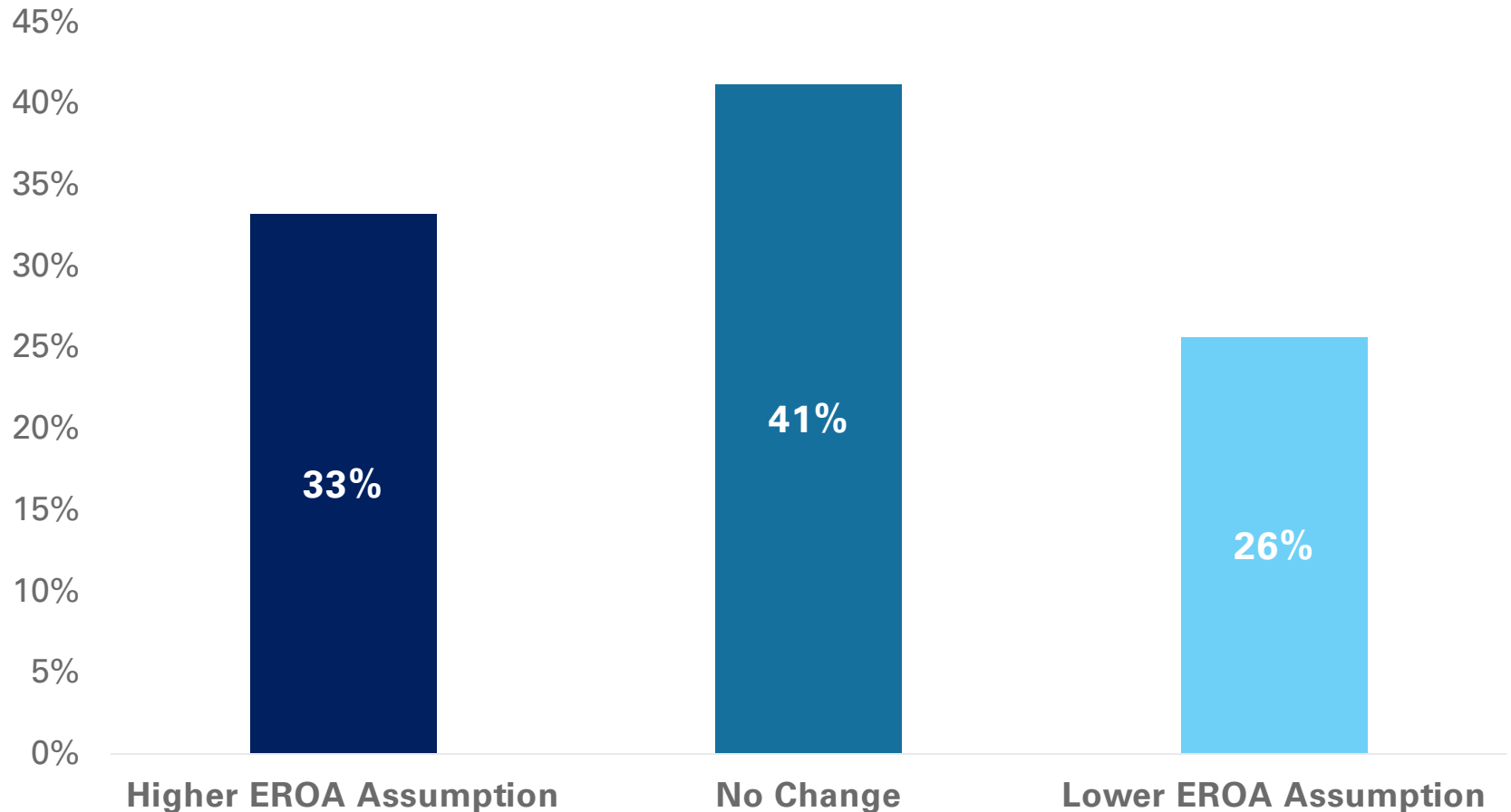
AVERAGE EXPECTED RETURN ON ASSET (EROA) ASSUMPTION



Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors. The above information has been provided for illustrative purposes. Past performance is not indicative of future results. The Expected Return on Assets (EROA) assumption for corporate pensions is a long-term estimate of investment earnings on plan assets, used to calculate pension expense and determine funding requirements.

OVERALL HIGHER, BUT UPWARD SURGE SLOWS

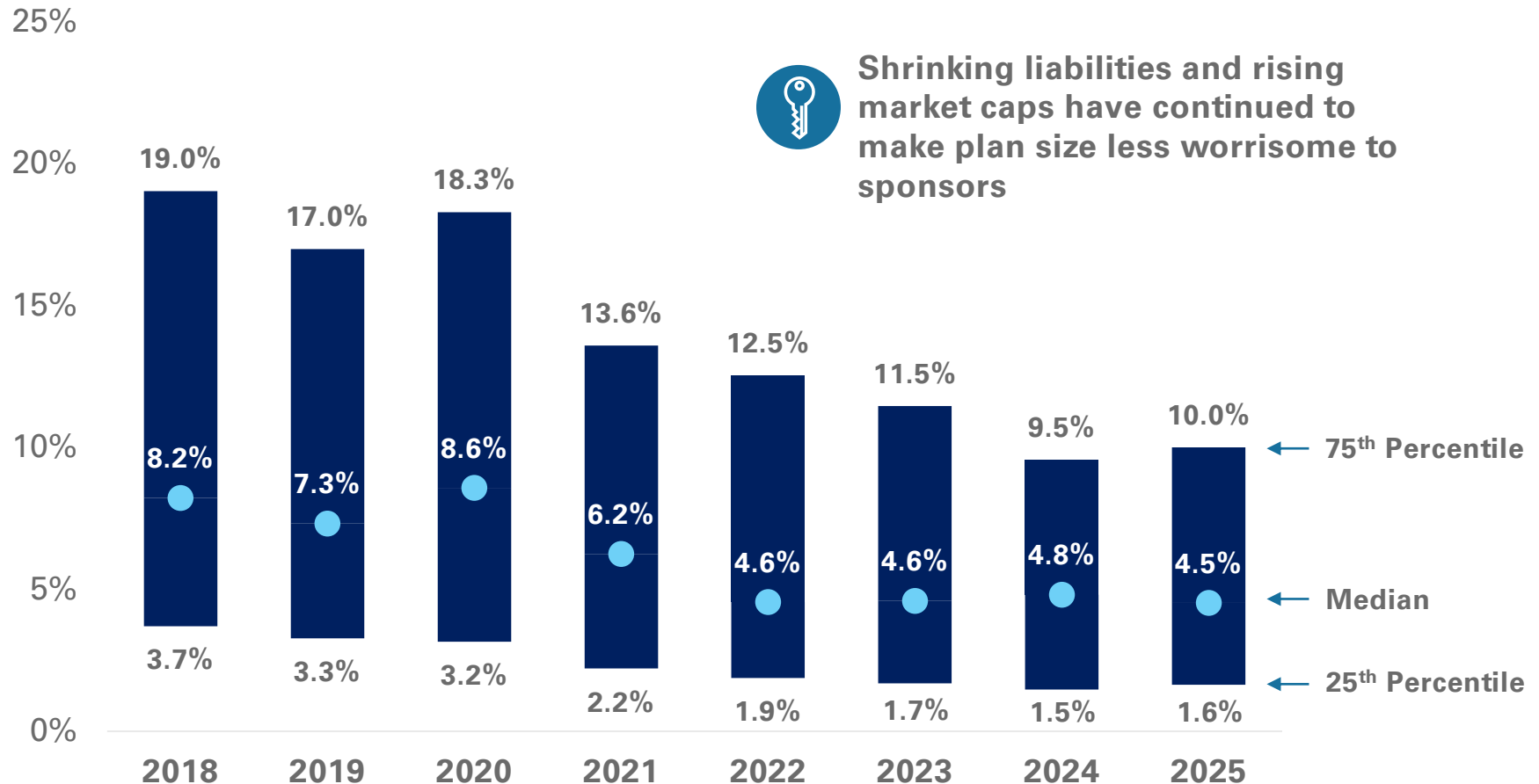
YEAR-OVER-YEAR CHANGE IN EROA ASSUMPTION



Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors. The above information has been provided for illustrative purposes. Past performance is not indicative of future results. The Expected Return on Assets (EROA) assumption for corporate pensions is a long-term estimate of investment earnings on plan assets, used to calculate pension expense and determine funding requirements.

PLAN LIABILITIES REMAINED AT MULTI-YEAR LOWS

PLAN LIABILITIES AS A PERCENTAGE OF SPONSOR MARKET CAP.



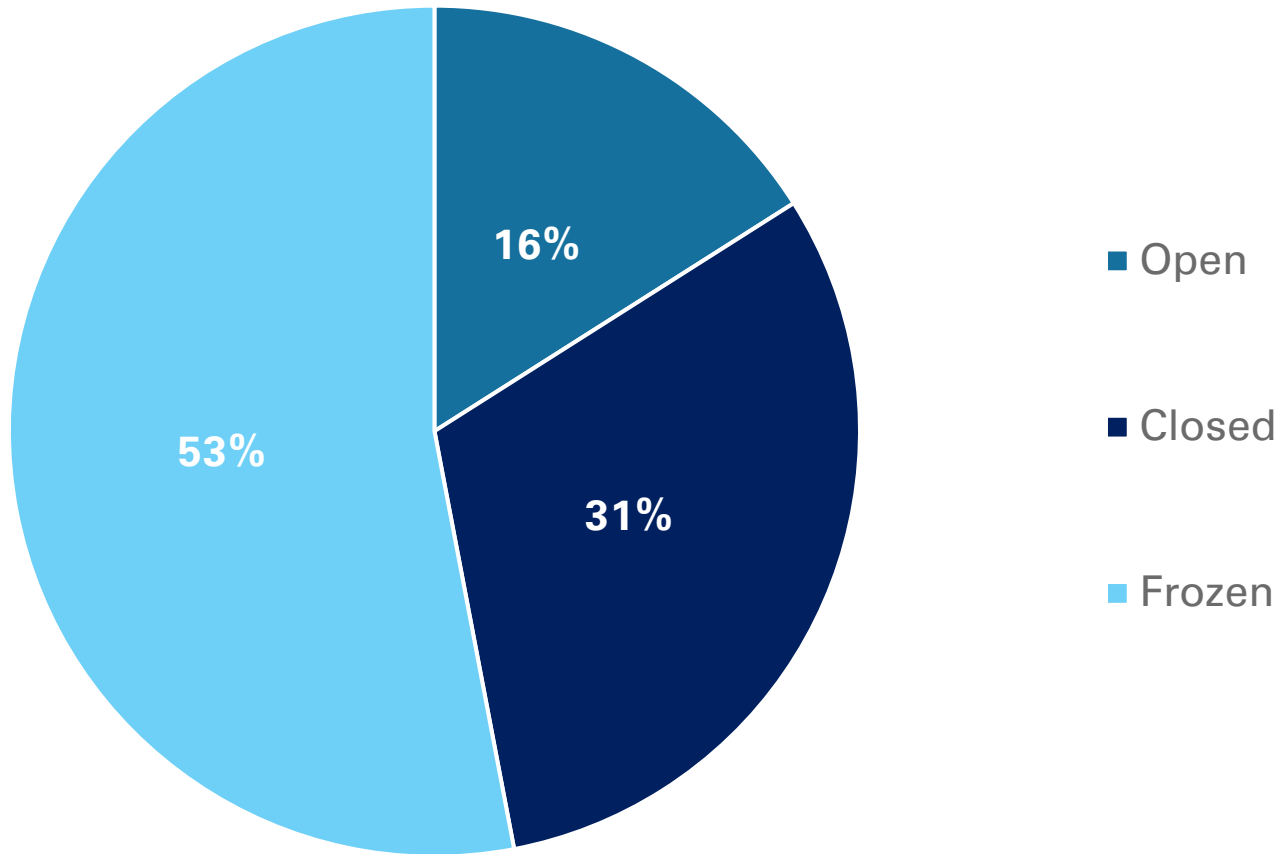
Plan data sourced from plan sponsor 2018-2025 fiscal year end filings via FactSet. Where possible, information presented pertains to US, qualified plan assets and liabilities. Differences in defined benefit plan information reporting and presentation among peer group constituents may result in the inability to draw geographic distinctions for certain plan sponsors. The above information has been provided for illustrative purposes.

APPENDIX: DB SURVEY RESULTS

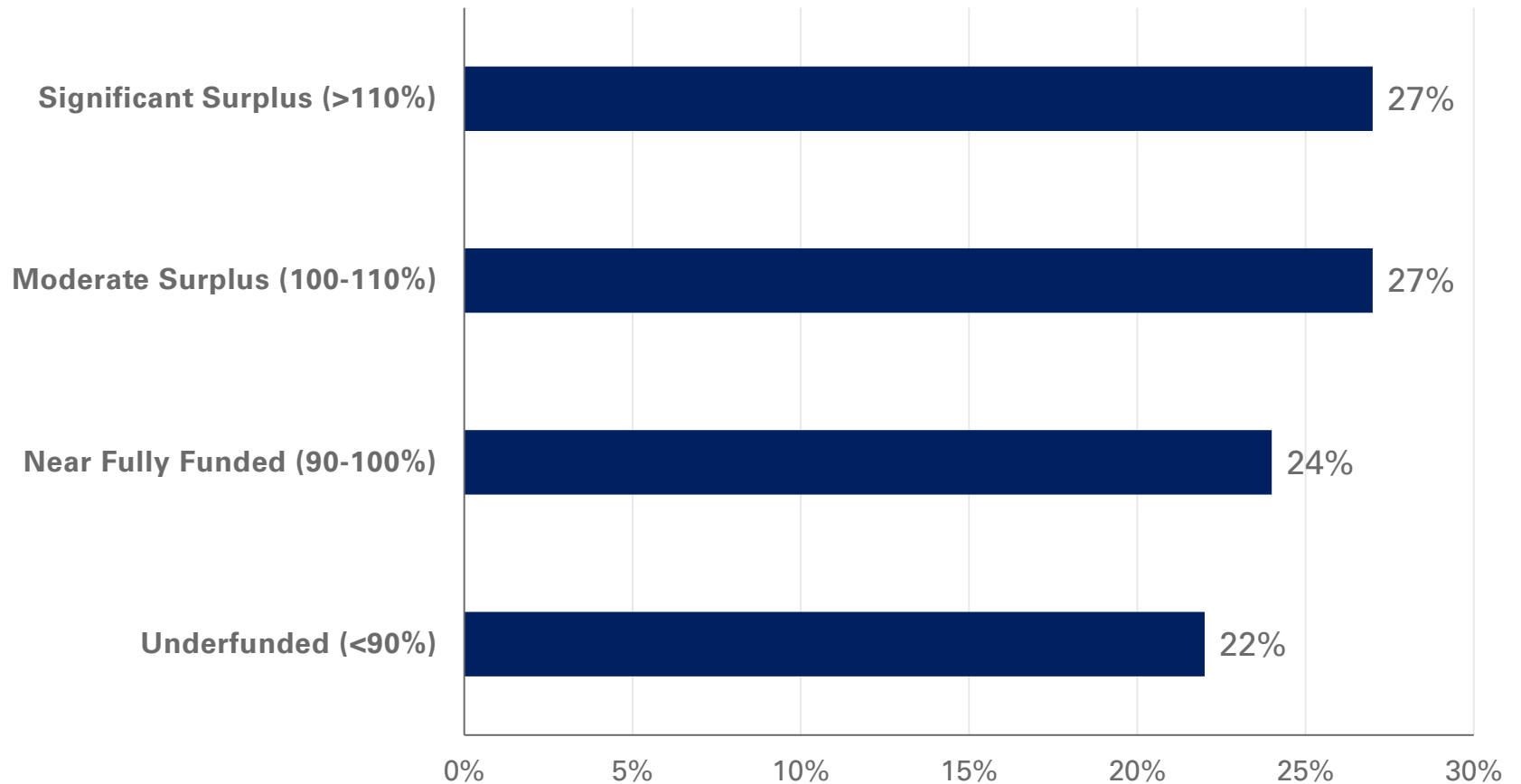
NEPC 2026 Plan Sponsor survey. The following is intended for illustrative and discussion purposes.



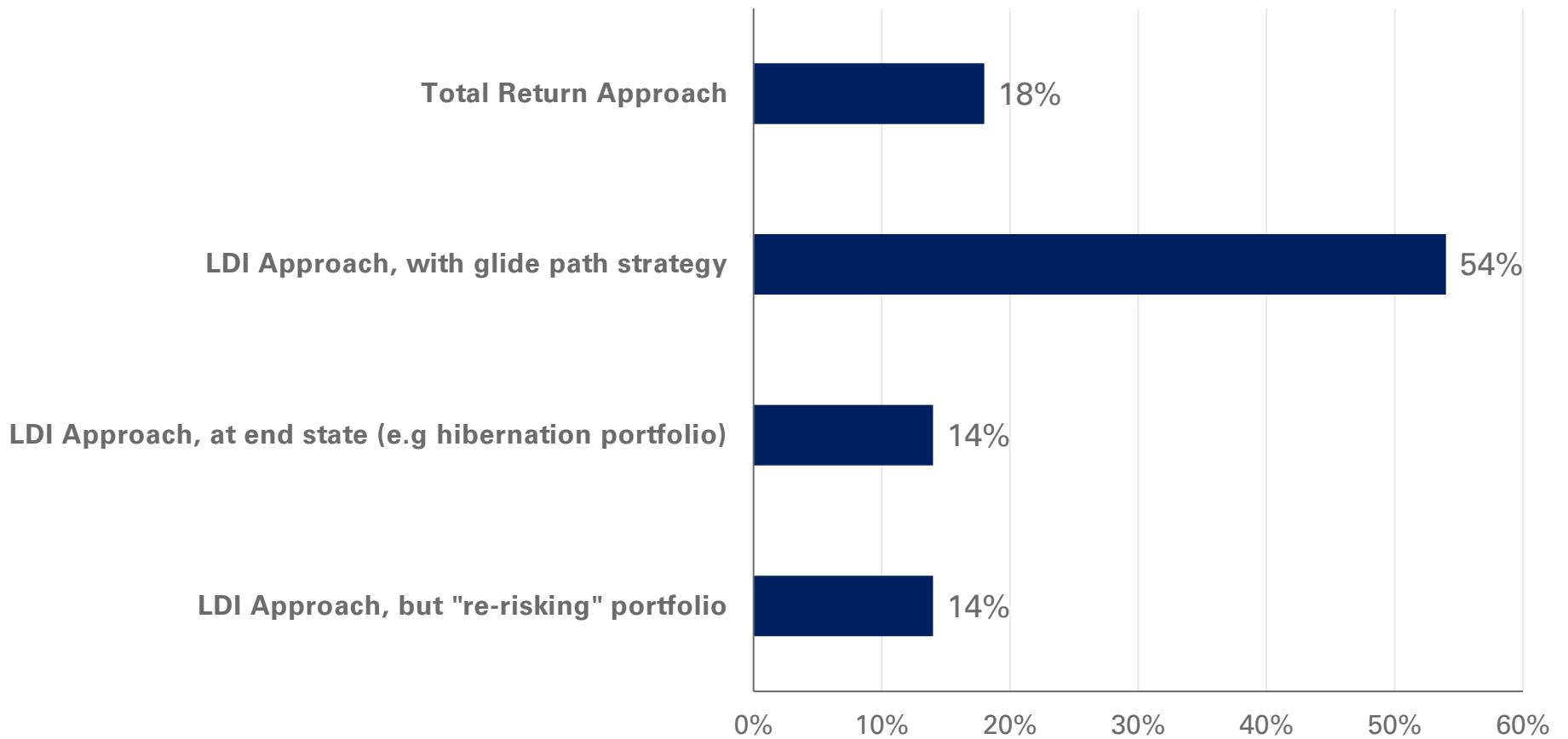
1 Is your defined benefit plan currently open, closed to “new participants”, or frozen?



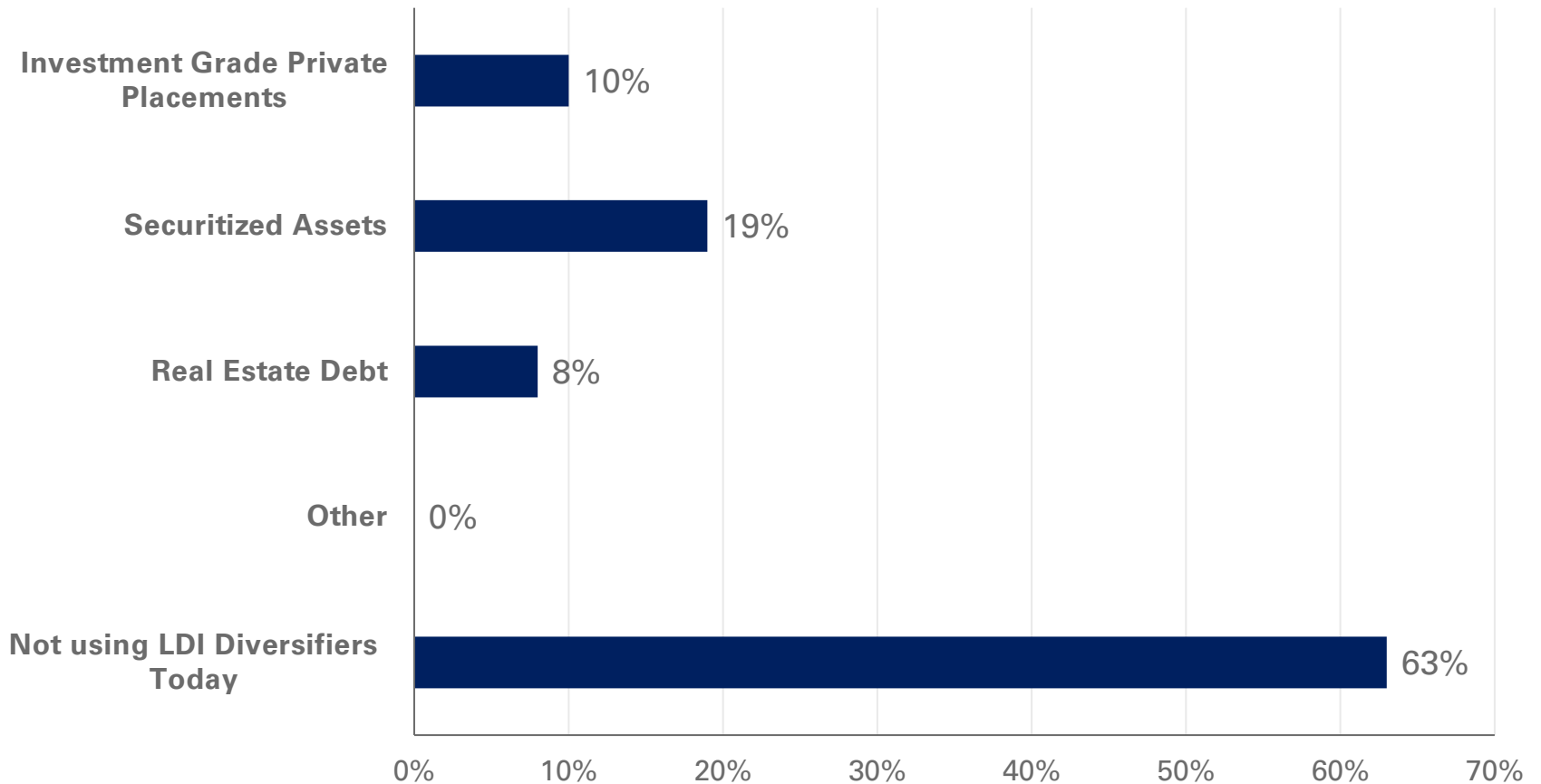
2 How would you describe your plan's current funded status?



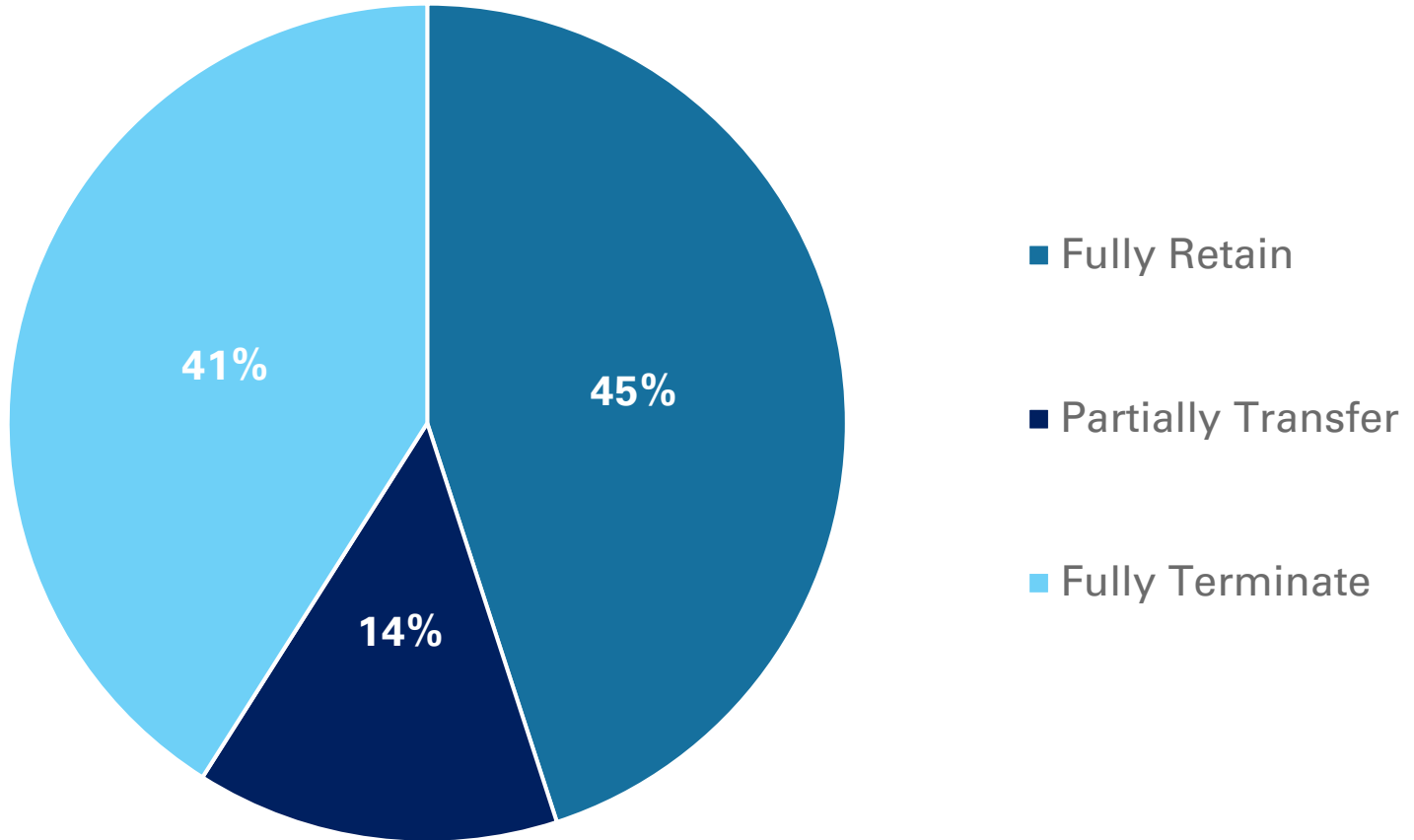
3 How are you managing plan assets today?



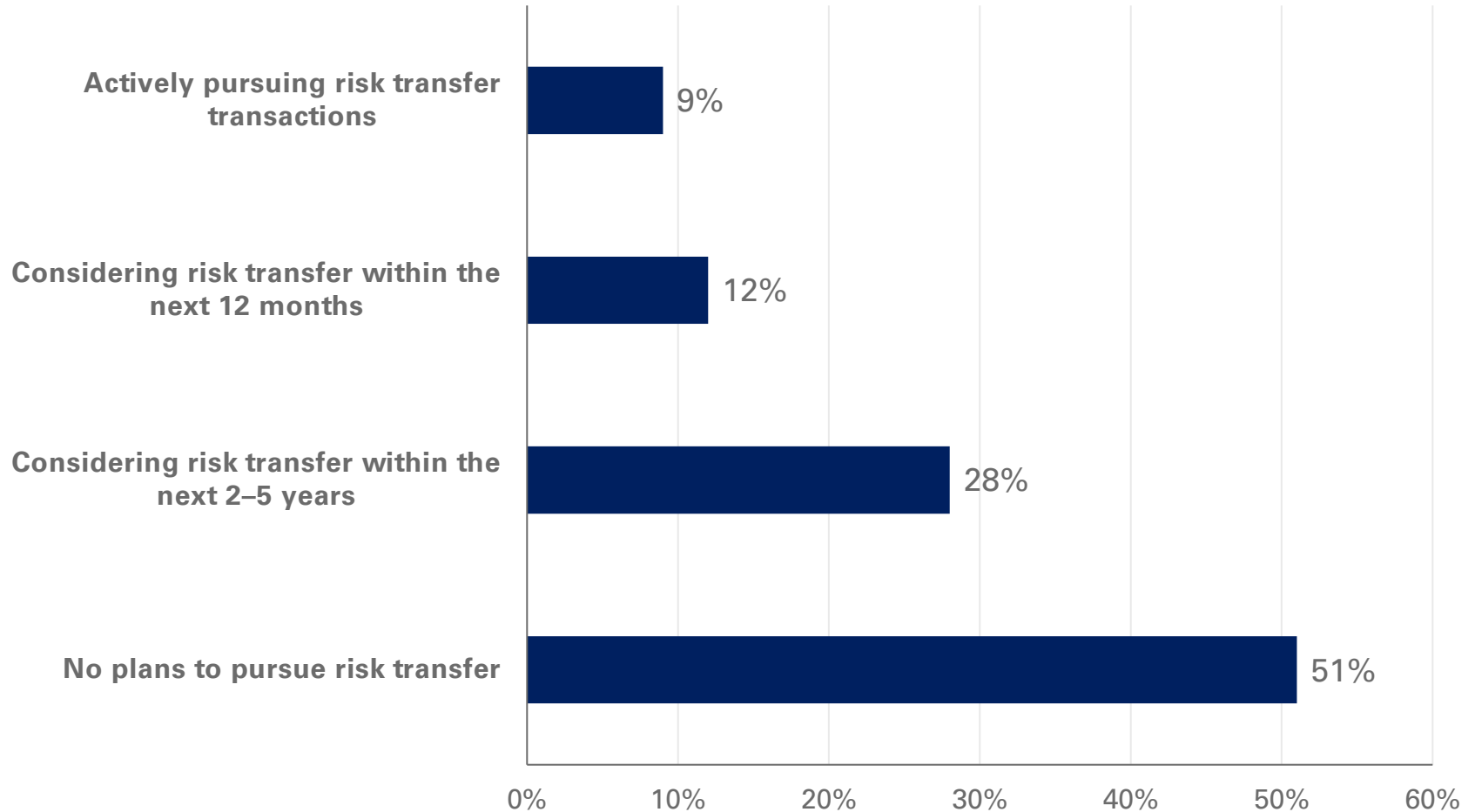
4 Are you currently using non-traditional LDI diversifiers within your hedging portfolio?



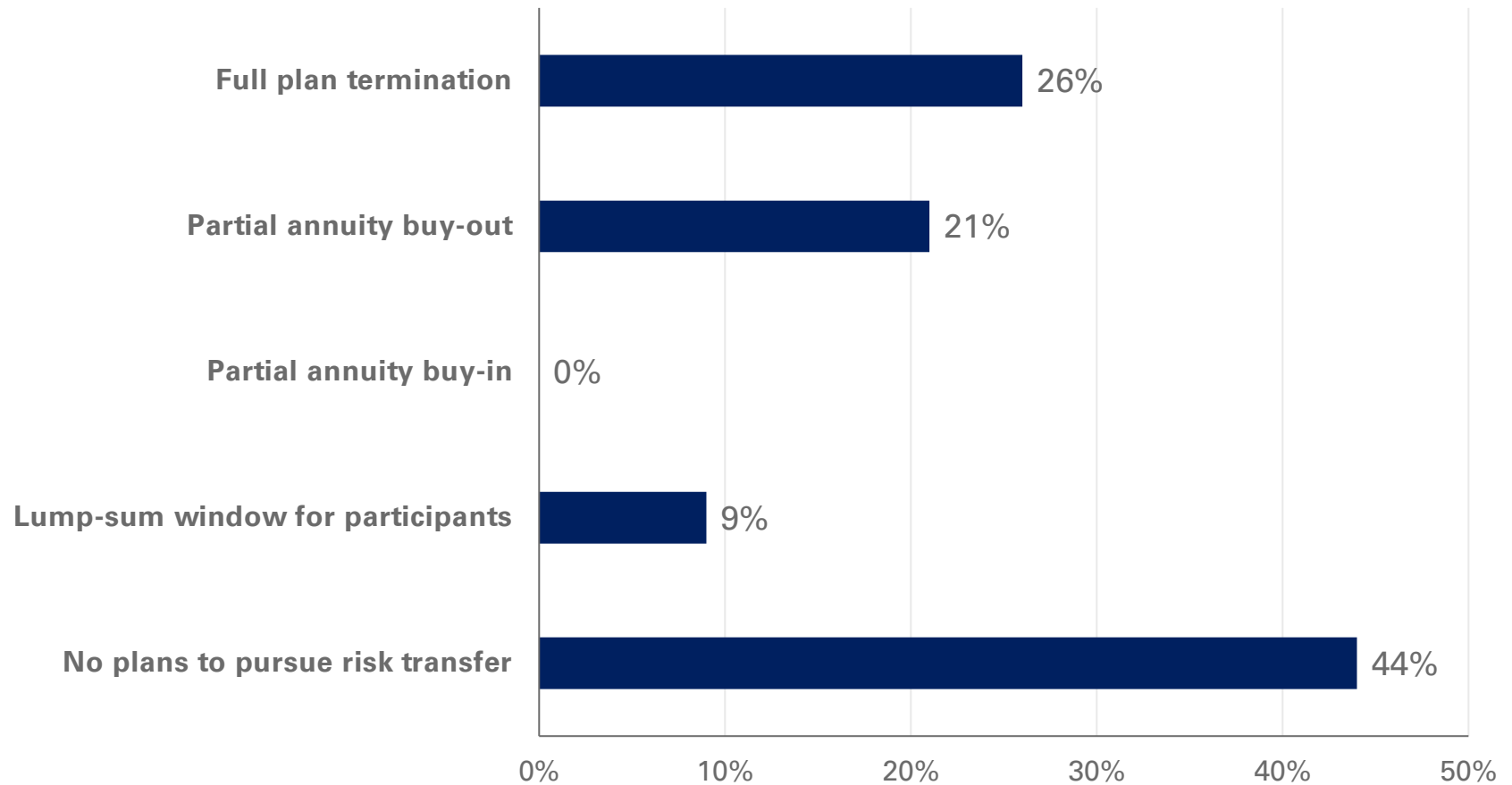
5 What is your organization's outlook on the long-term role of the defined benefit plan?



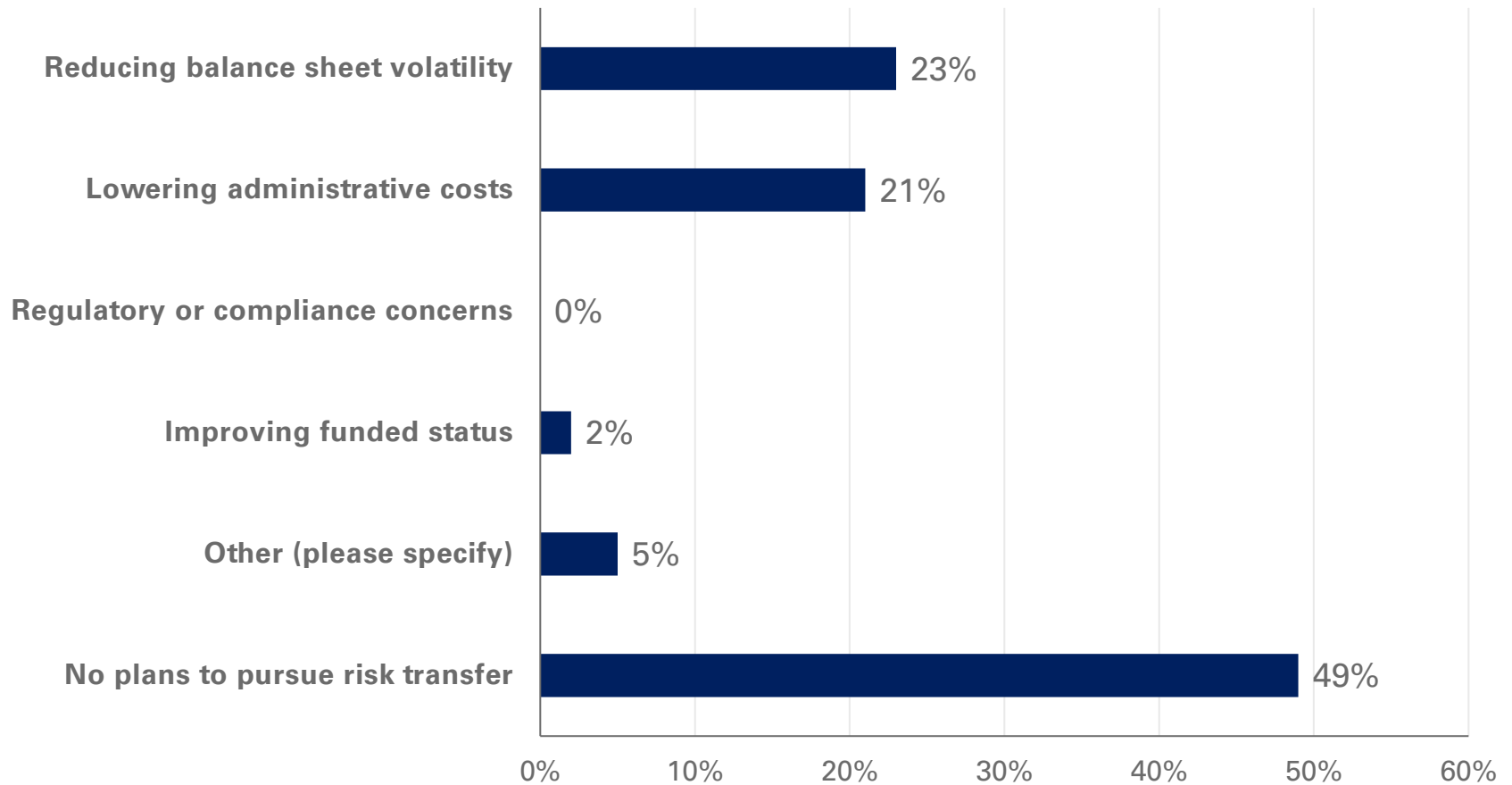
6 What is your organization's current approach to pension risk transfer (PRT)?



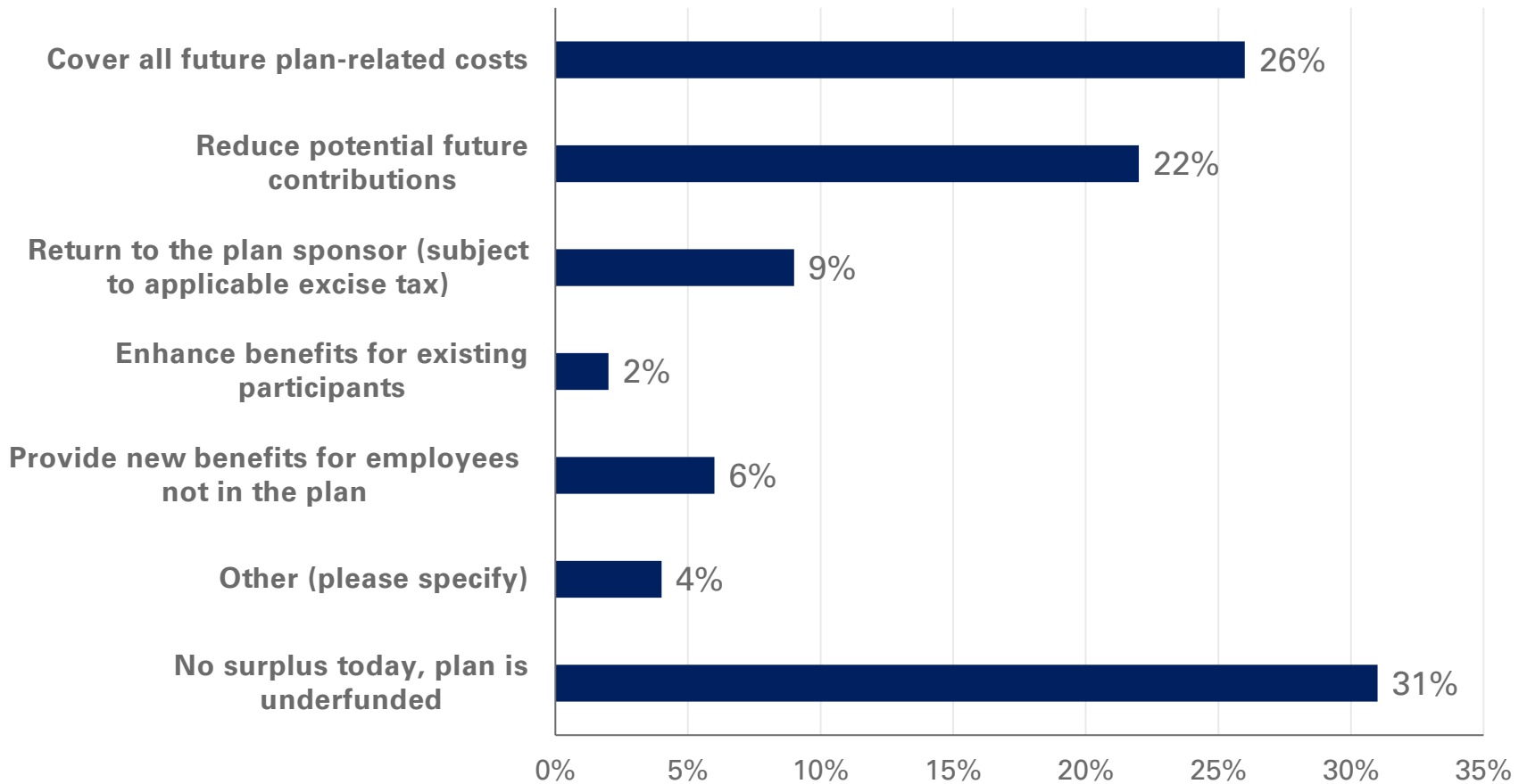
7 Which pension risk transfer (PRT) strategy is most appealing to your organization?



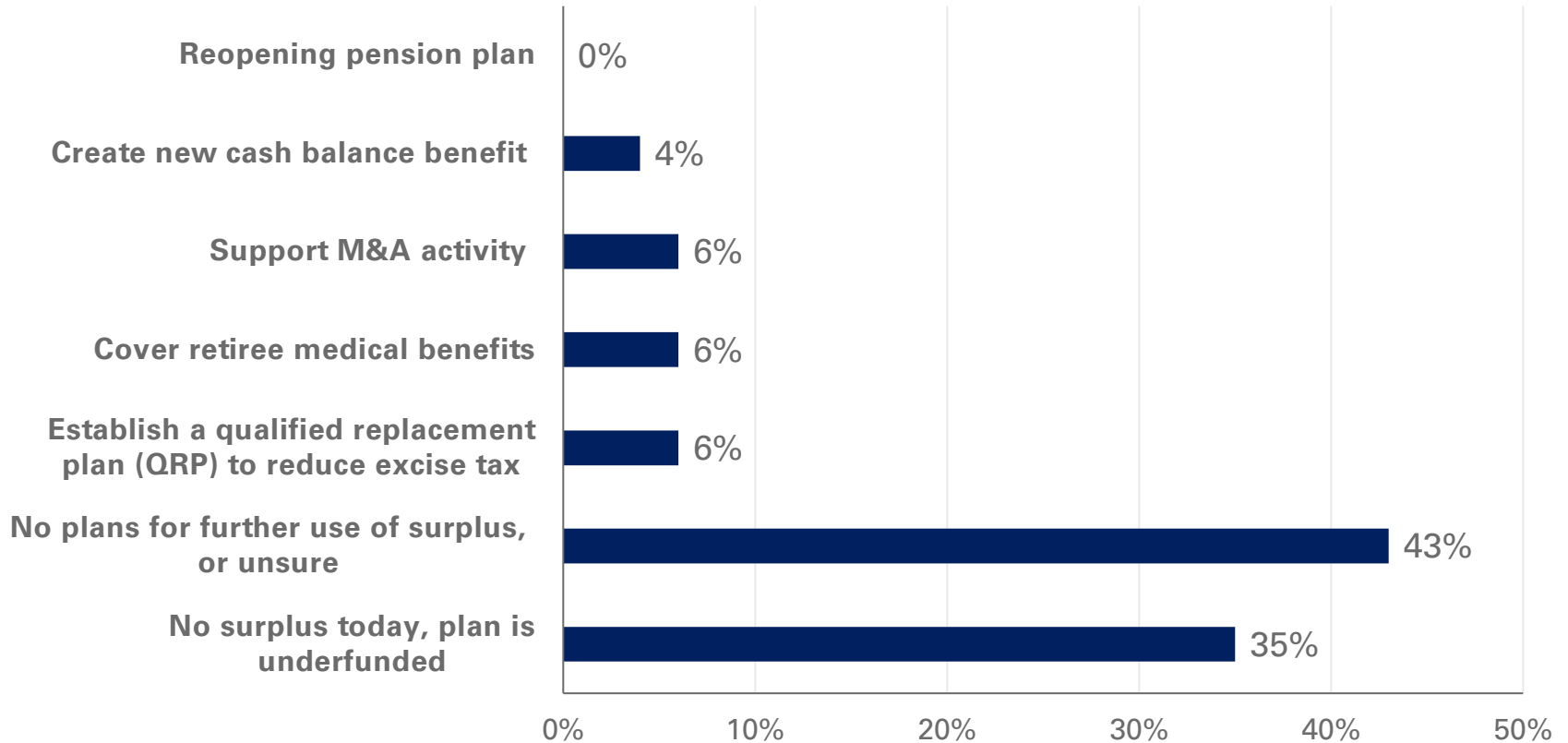
8 What is the primary driver for considering pension risk transfer (PRT)?



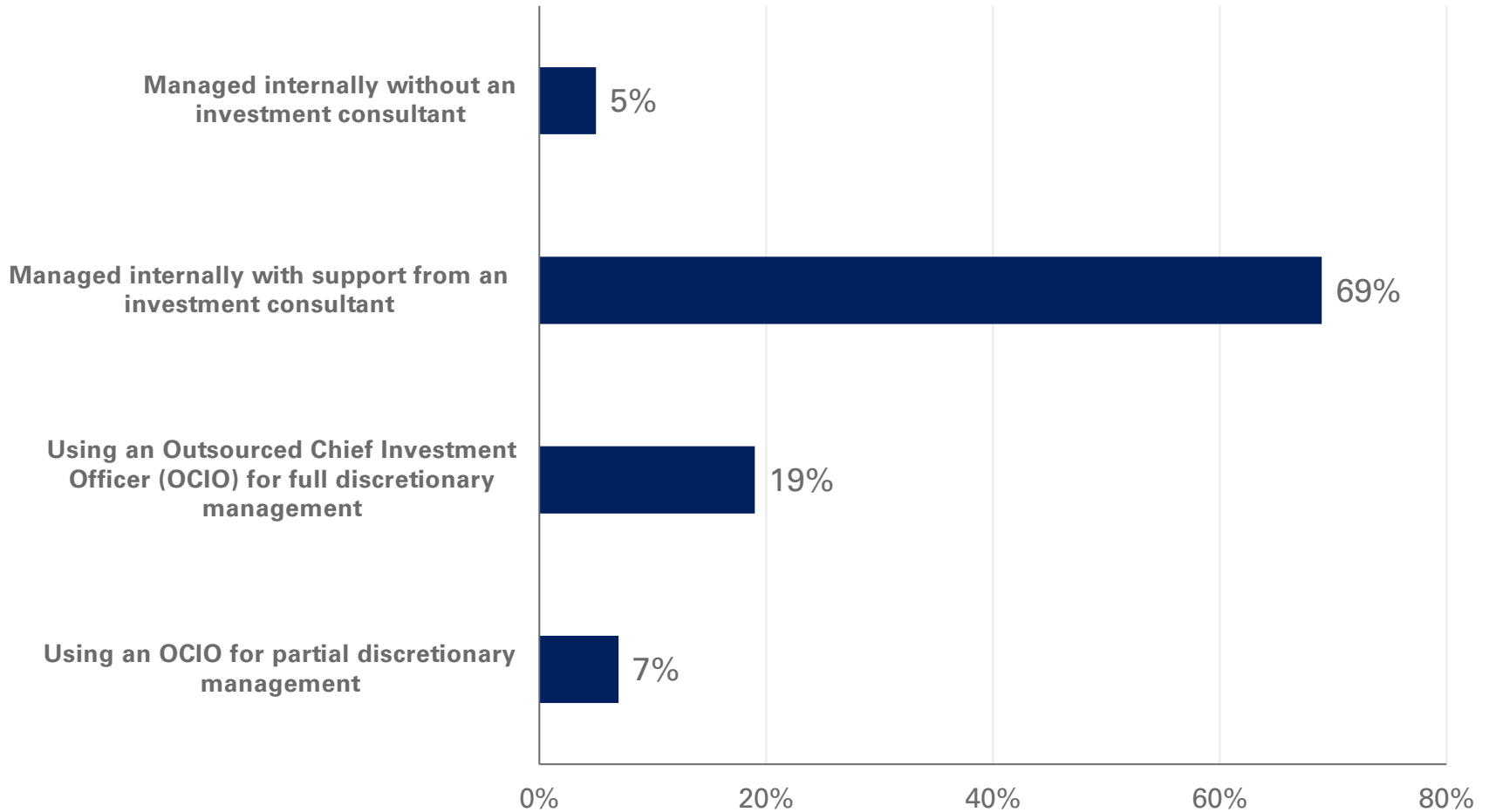
9 If your plan currently has a surplus, how do you intend to utilize those surplus assets?



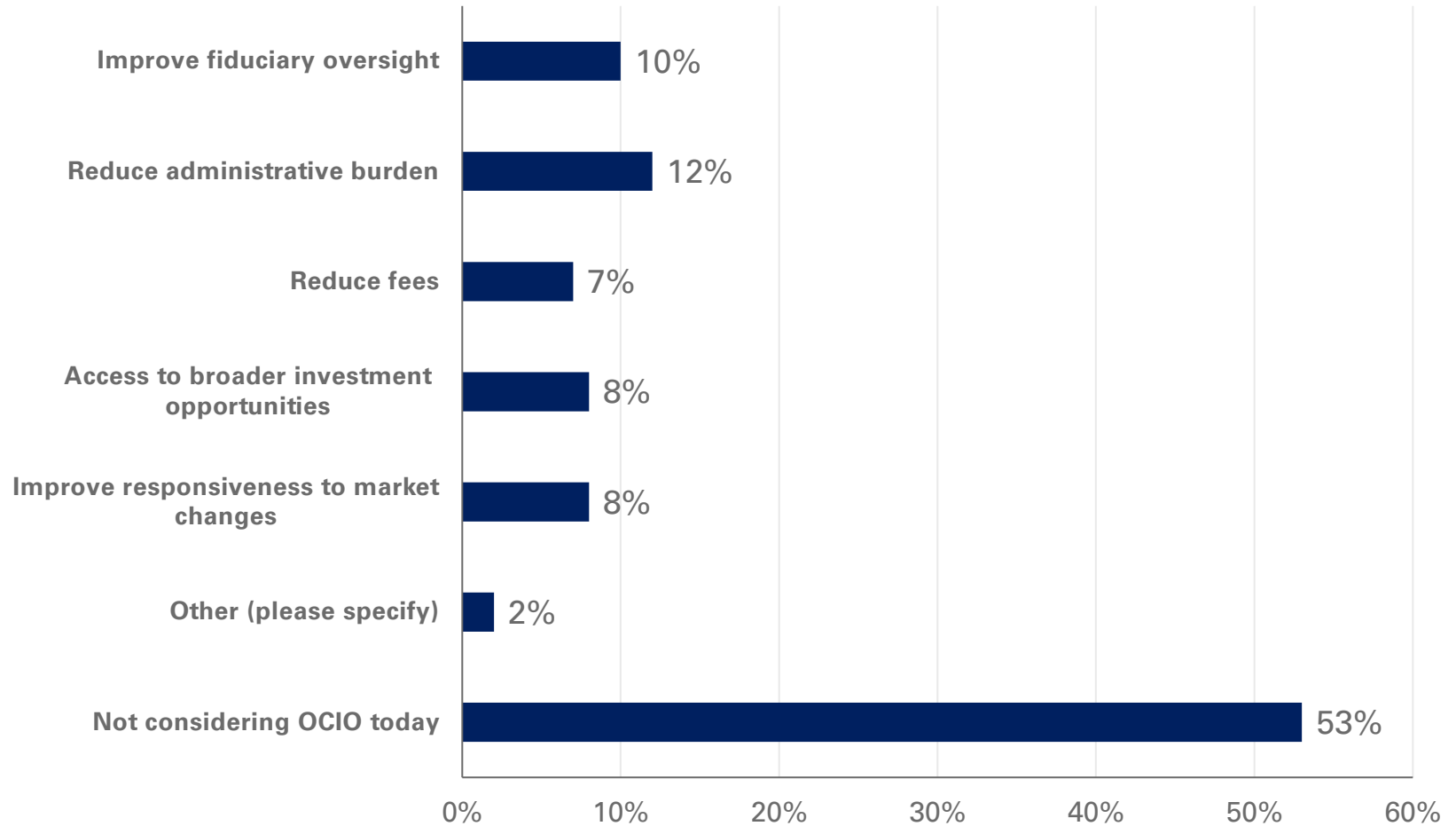
10 What additional uses have you considered for “leveraging” your surplus assets?



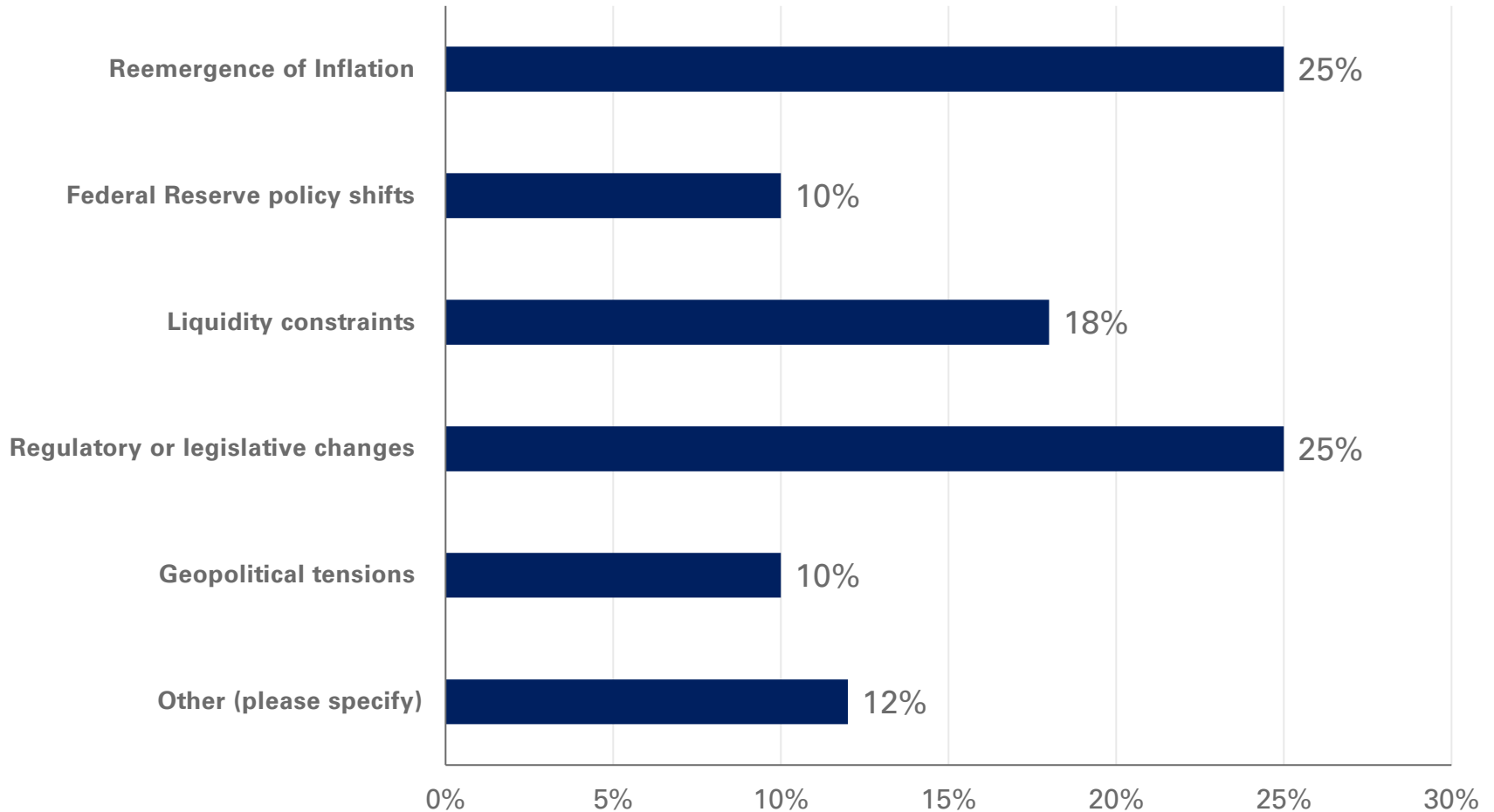
11 How is your plan's investment management structured today?



12 Are you considering OCIO, if so, what are your primary drivers?



13 Which of the following poses the greatest threat to your investment program over the near term?



APPENDIX: DISCLOSURES



NEPC'S CORPORATE DB PEER REPORT



To receive a copy of this report for your plan, please contact your NEPC consultant



PEER GROUP DATA COLLECTION PROCESS

- **Each year, publicly traded companies are required to disclose information on their defined benefit plans as part of their 10-K reports filed with the Securities and Exchange Commission.**
- **The key measures disclosed in these filings include plan assets, liabilities, funded status, expected return on asset assumptions, discount rates and plan allocations.**
- **NEPC used the constituents of the S&P 500 to narrow our peer universe.**
 - We obtained data from 10-K reports for 218 plans.
- **NEPC utilizes FactSet to pull fiscal year data***
 - Data is “cleaned” to remove outliers or incomplete data
 - In some cases, information is sourced directly from company 10-K reports to supplement FactSet data
 - As there is not one universal standard for reporting the data, there can be modest differences in the way that data is presented.
 - For example, some companies include information for both qualified and non-qualified plans. In other cases, U.S. and non-U.S. plan data may be combined.
 - NEPC attempts to correct for these issues, where possible. Across a large data set, these modest differences in reporting methodology are expected to have a limited impact.

*Nearly all companies report data using a December fiscal year-end. There are a limited number of companies which have a fiscal year-end with a date other than December 31st. We do not attempt to adjust for these differences.

PLAN SPONSOR SURVEY PROCESS

- **Each year, NEPC polls clients and other organizations to get their views on several important topics**
- **NEPC's 2026 Defined Benefit Plan Sponsor Survey included 46 participating Plan Sponsors¹**
 - Plan Sponsor Survey sent to current and prospective NEPC corporate and healthcare clients.
- **NEPC's 2026 Survey consisted of 14 questions**
 - The Survey was released in mid-January and closed February 13, 2026
- **Please note, the survey questions may vary each year to capture trends within the Corporate Defined Benefit peer universe**



1. The 46 surveys used included complete responses only. Incomplete surveys were omitted from consideration.

GENERAL DISCLOSURES

Past performance is no guarantee of future results.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.

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The opinions presented herein represent the good faith views of NEPC as of the date of receipt and are subject to change at any time. There can be no assurance regarding the accuracy of such views, including with respect to any forward-looking information or other commentary that is subject to uncertainty, future contingencies or other market factors. NEPC has prepared the information as general market commentary, market update and/or other general topics relating to portfolio construction and risk allocation. The information is not, and does not purport to be, a complete discussion of all relevant considerations, risks and other applicable factors.

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