2020 Pension Risk Transfer Poll

Key findings

Impact of coronavirus pandemic on defined benefit (DB) plans

COVID-19 prompting DB plan attention from C-suite
- 42% of plan sponsors surveyed say C-suite executives have gotten more involved in DB plan management
- 40% say their companies borrowed money to fund pension deficits

COVID-19 not expected to delay pension risk transfer (PRT) activity
- 81% of those interested in annuity buyouts' say the pandemic either has not changed their plans or has increased the likelihood they would transact

Most DB plan sponsors taking advantage of CARES Act
- 89% have taken, or will take, advantage of the CARES Act provision that delays required DB plan contributions until January 1, 2021

Interest in PRT remains strong

PRT activity most likely to be used:
- 33% Lump sum
- 21% Buyout in combination with a lump sum
- 34% Buyout total
- 13% Buyout

Timetable for annuity buyout
- 81% of DB plan sponsors interested in annuity buyouts' say they will transact within 5 years

Annuity buyout pricing being closely watched
- 95% of DB plan sponsors have been closely tracking the estimated market pricing for annuity buyout transactions

1Among those interested in a buyout, or a buyout in combination with a lump sum (n=67).

2Percentages may not total 100% due to rounding.

The MetLife 2020 Pension Risk Transfer Poll was fielded between August 6, 2020 and August 27, 2020. MetLife commissioned MMR Research Associates, Inc., to conduct the online survey. Survey responses were received from 200 U.S. DB plan sponsors with $100 million or more in plan assets who have de-risking goals. To read the MetLife 2020 Pension Risk Transfer Poll report, visit www.metlife.com/prtpoll2020.