Center for Longevity and Retirement

The New Social Contract: a blueprint for retirement in the 21st century

The Aegon Retirement Readiness Survey 2018

Note: Percentages are shown to zero decimal places. Rounding percentages to the nearest whole number may result in slight differences; for example, the percentages in some charts summing to slightly under or slightly over 100 percent.

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Foreword

The concept of retirement preparedness is changing rapidly. Today's workers find themselves in a very different world to that of their parents. In many countries, the traditional social contract for retirement described in this report is crumbling, and increased life expectancy means that the long-standing certainties of a generous government pension are disappearing.

A better understanding of how people think and feel about retirement is crucial in order to help everyone plan for the future. Over the last seven years, the Aegon Center for Longevity and Retirement has surveyed more than 100,000 people in 15 different countries. This work has provided valuable insights into how they view the future, from their hopes and dreams, to their concerns and apprehensions.

This year's survey is, however, far more than a collection of retirement statistics. Taken as a whole, its conclusions represent a compelling call to action. It is now time for a new social contract; one in which we don't only take stock of the change taking place around us today, but we also embrace the economic and social realities of tomorrow.

First, in a world where responsibility for preparing for retirement is shifting from governments and employers to individuals, we need to ensure that there is universal access to enable people to save for retirement. Financial institutions, community groups and other nonprofit organizations need to work together to develop long-term saving products and services that encourage people to save when they can. By doing so we will be able to serve otherwise vulnerable groups, such as those working on a freelance basis or taking time out of work to care for family and loved ones.

Second, retiring at 65 is no longer financially viable for many workers. This means that we, as individuals and as a society, need to look at our working lives in a fundamentally different way. A traditional career trajectory that involves taking on additional responsibilities over time before abruptly stopping work at pension age is becoming a thing of the past. It needs to be replaced by a more flexible approach and the ability to transition into retirement, be it by reducing hours or working in a different capacity. To achieve this, we must fully value the contributions of older workers. Sadly, ageism is still a big issue, and we need to tackle negative stereotypes head-on, and adopt a positive view of aging.

Third, good health is essential for people's ability to work longer and enjoy the retirement for which they've worked so hard. As you can read in this report, many people are not doing enough to protect their long-term health. This will have lasting consequences on their ability to work as they get older, the affordability of their healthcare in the future, and their enjoyment of life. From a societal perspective, it is therefore imperative that governments, NGOs, industry, employers, healthcare providers, and of course individuals, promote vitality so that everyone can live longer, healthier lives.

Fourth, saying that people need to take more responsibility for their own financial future may be an economic reality, but simply telling them is not enough. Many people lack the financial literacy required to make sound decisions about their retirement savings and investments. Improving financial literacy requires a sustained and collaborative effort by schools, governments and employers, as well as companies such as Aegon, which exists to help people achieve a lifetime of financial security.

It is no exaggeration to say that how we prepare for older age is one of the great challenges of the 21st century. It is, however, a problem that can be solved. By working together and forging a new social contract, we can help many millions of people around the world secure the retirement they deserve.

Alex Wynaendts
CEO Aegon

Introduction and executive summary

The Aegon Center for Longevity and Retirement is pleased to present findings from its seventh Annual Aegon Retirement Readiness Survey, **The New Social Contract: a blueprint for retirement in the 21st century**. Produced in collaboration with nonprofits Transamerica Center for Retirement Studies (based in the US) and *Instituto de Longevidade Mongeral Aegon* (based in Brazil), this report examines retirement insecurities at a time in history in which megatrends are changing how people live, work, age, and retire.

The idea of a 'social contract' has been central to retirement systems in many countries around the world. A social contract is an arrangement involving three pillars (or three-legged stool) including governments, employers, and individuals – each with a specific set of expectations and responsibilities. When established in the last century, these social contracts emphasized government and employer retirement-related benefits and, to a lesser extent, the need for personal savings. When these retirement systems were created, life expectancies were typically 65 years for most workers, which also happened to be the age of entitlement. Since then, the age of entitlement has remained largely unchanged, but life expectancies have increased significantly in most countries.

Today, due to increases in longevity and population aging, government-sponsored retirement benefits are under severe financial strain. Traditional defined benefit pension plans offered by employers are disappearing and being replaced by employee-funded defined contribution retirement plans. With these shifts, individuals are expected to take on increasing risk and responsibility for self-funding a greater portion of their retirement. However, many are inadequately equipped to successfully to do so, and many are therefore at risk of not achieving a financially secure retirement.

The New Social Contract: a blueprint for retirement in the 21st century offers a detailed depiction of retirement-related attitudes and preparations among today's workers, identifying areas of strength and highlighting vulnerabilities, in the context of this era of continued change. Ultimately, the report sets forth a series of recommendations for forging a new social contract that is sustainable, resilient, and adaptable for the future.

The 2018 survey

The findings in this report are based on 14,400 workers and 1,600 retired people surveyed across 15 countries: Australia, Brazil, Canada, China, France, Germany, Hungary, India, Japan, the Netherlands, Poland, Spain, Turkey, the UK, and the US. The survey was conducted online between January 29 and February 19, 2018. More information about the scope and methodology of the survey can be found at: *aegon.com.*

Executive summary

Part 1 – The global megatrends shaping retirement

Increases in longevity and population aging are megatrends that are placing a growing financial strain on social security safety nets as well as workplace benefits such as defined benefit retirement plans. Technology is changing the way people live and work. Flexible labor markets no longer mean a job-for-life. All of these changes and others impact retirement, which is recognized by some but not all of today's workers:

- Globally, the most frequently cited megatrend impacting people's plans for retirement is the reduction in government benefits (38 percent). The second most frequently cited is increased life expectancy (27 percent), followed by volatility in financial markets (24 percent).
- Of concern is that relatively few survey respondents acknowledge any megatrends as impacting their retirement planning, especially megatrends relating to employment trends, technology and the financial markets.

Part 2 – Evidence of the crumbling social contract

Today's generation of workers is losing faith in the current system's ability to provide retirement income security. Globally, almost half the survey's respondents (49 percent) believe that future generations of retirees will be worse off than those currently in retirement. The survey's findings further illustrate:

- With the cost of Social Security becoming a greater concern as people live longer, only seven percent of people globally feel that the government should do nothing because social security provisions will remain perfectly affordable in the future.
- Employer-sponsored retirement benefits are vital in helping people financially prepare for retirement. However, only 43 percent of workers say their employer offers a retirement plan that includes an employer contribution and just 27 percent have access to a retirement plan without an employer contribution.

- In the survey's seven year history, relatively little progress has been made in retirement readiness among workers, as measured by the Aegon Retirement Readiness Index (ARRI). In 2018, ARRI achieved a low score of 5.9, which is unchanged from 2017, and only slightly higher than 5.2 in 2012. The ARRI measures retirement readiness on a scale from 0 to 10 with a score of 0 to 5.9 considered low, 6 to 7.9 medium, and 8 or higher as high.

Part 3 – Improving individual financial security

Although the social contract may be in jeopardy, people have a positive mindset about retirement. For many, retirement has become an active stage of life in which people aspire to stay socially connected, participate in their communities and remain economically active. Fifty-seven percent of workers envision some form of transition to retirement in which they continue working as they currently are or work part-time for a while or during their retirement. Most are planning to do so because they both want and/or need to work. Earning an income later in life provides workers with the opportunity to continue saving and delay drawing down their retirement benefits and savings. Based on the survey's findings, many face a financially vulnerable retirement:

- Globally, workers expect they will need 68 percent of their current annual income in retirement. Alarmingly, only a quarter (25 percent) think they will achieve this retirement income and a further 13 percent feel they will achieve around 75 percent of their required income.
- Only 13 percent of workers have a written retirement plan while 44 percent say they have a plan, but that it is not written down. Only 32 percent of workers have a backup plan if they are unable to continue working before their planned retirement age.
- Many people are failing to diversify their retirement investments. When asked what financial means, if any, they are currently using or have used to prepare for retirement, people most frequently cite social security/state provision (46 percent), followed by savings accounts/money market funds/certificates of deposit (CDs) (38 percent), a private pension/individual retirement accounts (IRA) (29 percent), life insurance (24 percent), and investments such as stocks, bonds, mutual funds, etc. (23 percent). Only 19 percent cite a company-funded defined benefit plan and, even fewer, 16 percent, cite an employee-funded defined contribution plan.

Part 4 – The financial literacy imperative

Saving, investing, and planning for retirement can be an exercise in futility if an individual lacks the know-how that is required to be successful. While many people may not have the desire or wherewithal to become retirement experts themselves, they must be able to recognize and rely on sound advice. Key to having a meaningful discussion with an advisor and having the confidence to make an informed decision is a baseline level of financial literacy, which unfortunately is lacking among people preparing for retirement.

- Only 30 percent were able to answer correctly the 'Big Three' financial literacy questions developed by Drs. Annamaria Lusardi and Olivia S. Mitchell[1], which are designed to test an understanding of compound interest, the impact of inflation, and risk diversification. The 'Big Three' financial literacy questions are used in the survey with permission by Lusardi and Mitchell. Please note that they were not involved in the research.

Part 5 – Health issues loom large as retirement concerns

While many people have positive views about retirement, potential health-related issues are among the most frequently cited retirement concerns. The quality of an individual's health can have a tangible impact in retirement both in terms of when people retire and how long they expect to live in retirement. In addition, many also worry about the affordability of healthcare costs and are not factoring these costs into their retirement plans.

- Globally, 49 percent of people cite declining health as a retirement concern, other potential health related concerns include not being able to stay active (34 percent) and developing Alzheimer's or dementia (33 percent).
- Thirty-nine percent of retirees in the 15 survey countries retired sooner than they had planned and the largest single reason for doing so was their own ill-health (30 percent). Workers preparing for retirement who are in poor health expect to live six years less in retirement than those who are in excellent health (14 years compared to 20 years).
- Only 21 percent of people are confident that their own healthcare will be affordable in retirement, yet just 45 percent of people say that have considered the cost of healthcare as part of their retirement savings needs.

Part 6 – Living and aging in good health

Health has emerged as the new frontier in retirement security. The miracles of modern science and improvements in nutrition in recent decades have made longer life expectancy the norm rather than the exception. Inspiring people to make the link between health, wealth and well-being as they age is critical to ensure future retirement preparedness. While most people consider themselves to be in 'good' or 'excellent' health today, that is unlikely to remain the case for the rest of their lives because many are failing to take the necessary steps to maintain good health.

- There is a clear correlation between workers who take steps to maintain good health and a person's sense of retirement readiness. Workers who engage in all five of the five healthy behaviors identified in the survey achieve an ARRI score of 7.4 – a medium score – compared to those who engaged in none of the behaviors scoring 4.6 – a low score.

Part 7 – Health in retirement: aging with dignity

One of the key findings of this year's survey is the widespread desire to remain in and enjoy one's own home in retirement. Making this possible could involve relatively minor home modifications to help people live independently.

- Seventy percent of respondents say that remaining in their own home is either 'extremely' or 'very' important to them as they grow older.
- Globally, the most commonly cited feature or device is bathroom modifications (43 percent) followed by home security systems (39 percent) and age-friendly furniture and panic buttons to call emergency services (both 37 percent).

Part 8 –The call to action: Forging the new social contract

How can we apply the lessons from the current social contract and forge a new social contract that is sustainable, resilient, and adaptable to our changing times?

- **Who are the partners in the new social contract?** *Governments* take center stage in orchestrating retirement systems in their countries making sure that everyone, especially at-risk segments of the population, is included. *Employers* help by offering workplace retirement savings and other benefits to employees. These benefits include skills training, healthcare and wellness. *Individuals* must take on a more proactive role in 'owning' their retirement security. And *new social partners* like academics, think tanks, industry, charities and NGOs will work more closely in public-private collaborations to share expertise, innovate, and implement solutions. Schools and financial professionals have a role in preparing individuals to understand financial matters and implement financial decisions that can enhance their retirement security.
- **Nine essential design features of the new social contract are:**
    1. **Sustainable social security benefits** that serve as a meaningful source of guaranteed retirement income and avoid risk of poverty among retirees.
    2. **Universal access to retirement savings arrangements** for employed workers and alternative arrangements for the self-employed and those who are not employed due to parenting, caregiving, or other responsibilities.
    3. **Automatic savings and other applications of behavioral economics** that make it easier and more convenient for people to save and invest.
    4. **Guaranteed lifetime income solutions** in addition to social security benefits. Education for individuals to strategically plan how to manage their savings to avoid running out of money, including a knowledge of the options to help them do so. Governments, employers and others should increase awareness of, and encourage individuals to take advantage of, opportunities to have a portion of their retirement savings distributed in the form of guaranteed income, such as an annuity.
    5. **Financial education and literacy** so individuals understand basic concepts and retirement-related products and services. Individuals must be able to ask good questions and make informed decisions. Financial literacy must be integrated into educational curriculums so that young people learn the basics of budgeting, investing and managing their savings – skills that can serve them well for the rest of their lives.
    6. **Lifelong learning, longer working lives and flexible retirement** to help people to stay economically active longer and transition into retirement on their own terms -- with adequate financial protections if they are no longer able to work.
    7. **Accessible and affordable healthcare** to promote healthy aging. Governments play a vital role in sponsoring and/or overseeing healthcare systems. Employers should provide healthy work environments and consider offering workplace wellness programs.
    8. **A positive view of aging** that celebrates the value of older individuals and takes full advantage of the gift of longevity.
    9. **An age-friendly world** in which people can "age in place" in their own homes and live in vibrant communities designed for people of all ages to promote vitality and economic growth.

A new social contract must address the need for a realistic distribution of responsibility in how people fund and prepare for their retirement, while ensuring that the necessary tools, resources, and infrastructure are provided. It must honor the principles of sustainability and solidarity, while providing adequate safety nets that enable people to age with dignity, avoid poverty in old age, and ensure that vulnerable people are not left behind. Achieving success depends on building new collaborative relationships based on common objectives, benefits, and trust.

"The new social contract will include old and new partners and essential design features."

Part 1 – The global megatrends shaping retirement

Globalization, innovation, advances in science and technology — our world is changing rapidly amid these and other trends. Many of these trends are so impactful that they can be considered megatrends. Changes brought about by megatrends are already shaping societal constructs, how people lead their daily lives, plan for their future, and, ultimately, prepare for their retirement.

By 2050, 1-in-4 people over the age of 60 will live in China, 1-in-6 will live in India. This demonstrates the scale of the funding challenge facing emerging markets.

Increases in longevity and population aging are megatrends that are placing a growing financial strain on social security safety nets as well as workplace benefits such as defined benefit retirement plans. In 1950, when many of the current social security systems were being designed, the world population consisted of 205 million people over the age 60. By 2050, that figure is projected to reach 2.1 billion, a more than 10-fold increase. This includes 437 million people in China, 324 million in India,107 million in the US and 58 million in Brazil[2].

The seventh Annual Aegon Retirement Readiness Survey asked 16,000 workers and retirees across 15 countries which global megatrends are impacting their plans for retirement. The most frequently cited megatrend globally and in each country (except the UK and India) is reductions in government retirement benefits (38 percent).

The second most frequently cited megatrend globally is increased life expectancy (27 percent), a finding that is found to be highest in India (33 percent) and lowest in Turkey (20 percent). Volatility in financial markets follows with 24 percent of people citing it as a megatrend impacting their plans for retirement, while changes in labor markets (21 percent) is cited as the fourth most important megatrend. Fewer respondents cite the prolonged low interest rate environment, international political instability, changing demographics, new technologies and digital transformation, among others.

It should be noted that the survey finds differences in responses regarding these megatrends across countries, which reflect country specific political and social circumstances. For example, Brazilians (32 percent) are more likely to cite changes in labor markets as a megatrend impacting their retirement, while Indians are more likely to cite cybersecurity issues (23 percent) and Hungarians to cite changing demographics (24 percent). The full set of responses by country can be found in appendix 4.

Chart 1: *Reduction in government benefits impacting plans for retirement*

Mega Trends		▲ Highest in		▼ Lowest in	
Reduction in government retirement benefits	38%	Brazil	54%	UK	24%
Increased life expectancy	27%	India	33%	Turkey	20%
Volatility in financial markets	24%	India, Turkey	37%	France	12%
Changes in labor markets	21%	Brazil	32%	UK	8%
Prolonged low interest rate environment	20%	India	32%	France	11%
International political instability	19%	Turkey	32%	UK	10%
Changing demographics	14%	Hungary	24%	Brazil	6%
New technologies and digital transformation	12%	India	29%	Spain	7%
Climate change	12%	India	25%	UK, Brazil	6%
Globalization	12%	India	29%	Japan	6%
Terrorism	11%	Turkey	34%	Brazil, Spain	6%
Cybersecurity issues	9%	India	23%	Netherlands, Spain	5%
Urbanization	8%	India	23%	Spain	3%
Don't know	10%	Netherlands	19%	India	3%
None of the above	14%	UK	28%	Hungary	4%

Of concern is that relatively few respondents see some of these trends as impacting their retirement planning, especially those relating to employment trends and the financial markets. Many workers may not be taking into account factors that could affect their employment situation during their working years and their future retirement.

Changing labor markets are already dictating that many workers no longer enjoy a 'job for life' as was more commonplace a generation or two previously. Automation is estimated to claim as many as 800 million jobs by the year 2030 with up to six in every ten jobs being affected. This is expected to lift productivity and economic growth. However, it will result in labor market displacement, with potentially up to 375 million people having to retrain and change their occupation and potentially their employer. On the other hand, increasing prosperity and higher consumption levels could replace up to 280 million of these lost jobs alone[3].

New technology and the digital marketplace are also giving rise to new patterns of employment with levels of entrepreneurship increasing sharply. Many more people can expect to become their own boss, in which case self-employment is replacing some of the more traditional employment arrangements. As highlighted in Aegon Center for Longevity and Retirement's report, *Retirement Preparations in a New Age of Self-Employment*, the self-employed need to make retirement plans without an employer contributing to their retirement savings or health benefits.

Two other megatrends, volatility in the financial markets and the prolonged low interest rate environment, affect investment performance and therefore also impact how people save, invest, and build their retirement savings. Both of these market factors bring fluctuations in account balances and both introduce a critical element of timing and uncertainty that can impact personal plans for retirement. For example, conventional wisdom is to 'buy low, sell high.' In times when account values have fallen and are depressed, if possible, it is prudent to minimize withdrawals (or 'sell low') in order to avoid locking in losses and missing out on any subsequent recovery. Financial market volatility, particularly during and since the financial crisis, may discourage many retirement savers from 'taking the long view' instead concentrating their investments in conservative funds that protect principal but do not allow for adequate growth over the long term.

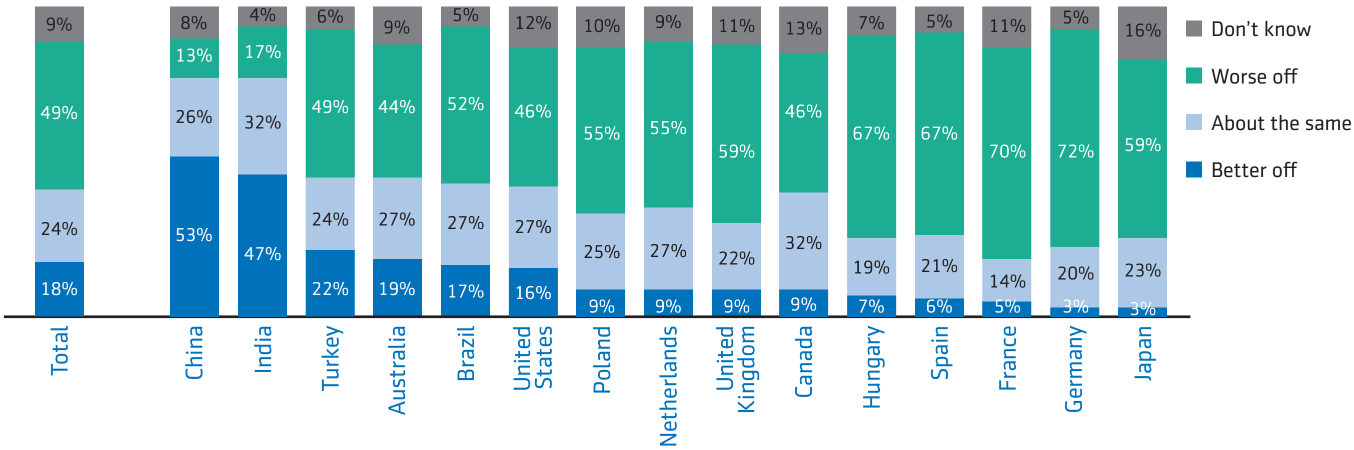
It is evident that global megatrends are impacting peoples' attitudes and preparations for retirement. Irrespective of whether these trends create positive or negative change, they directly influence the way retirement systems and social contracts around the world operate now and in the future. The retirement landscape in countries around the world will continue to evolve in decades to come and, as a result, impact how future generations save, invest, plan and prepare.

New technology and the digital marketplace are also giving rise to new patterns of employment with levels of entrepreneurship increasing sharply.

Part 2 – Evidence of the crumbling social contract

Today's generation of workers is losing faith in the current system's ability to provide retirement income security. Globally, almost half the survey's respondents (49 percent) think that future generations of retirees will be worse off than those currently in retirement. It is only in the emerging market economies like India and China, where household incomes have risen sharply since the turn of the millennium, that the inverse is true.

Chart 2: *Nearly half of people globally think that future generations of retirees will be worse off than those currently in retirement*



Retirement systems around the world represent a social contract that currently operates on a three-pillar approach, or three-legged stool. The three pillars – social security (Pillar 1), workplace retirement benefits (Pillar 2) and personal savings (Pillar 3) are provided by the partners to the social contract – the government, the employer and the worker, respectively. This contract was developed and proliferated throughout the twentieth century to help ensure that individuals were provided for in their old age.

The survey finds that people continue to rely on all three pillars for retirement income to a greater or lesser extent. While the three pillars are conceptually similar among the countries in the survey, it is important to note that their relative weight in the social contract varies among countries.

Chart 3: *People's expected retirement income (proportion by three broad sources)*

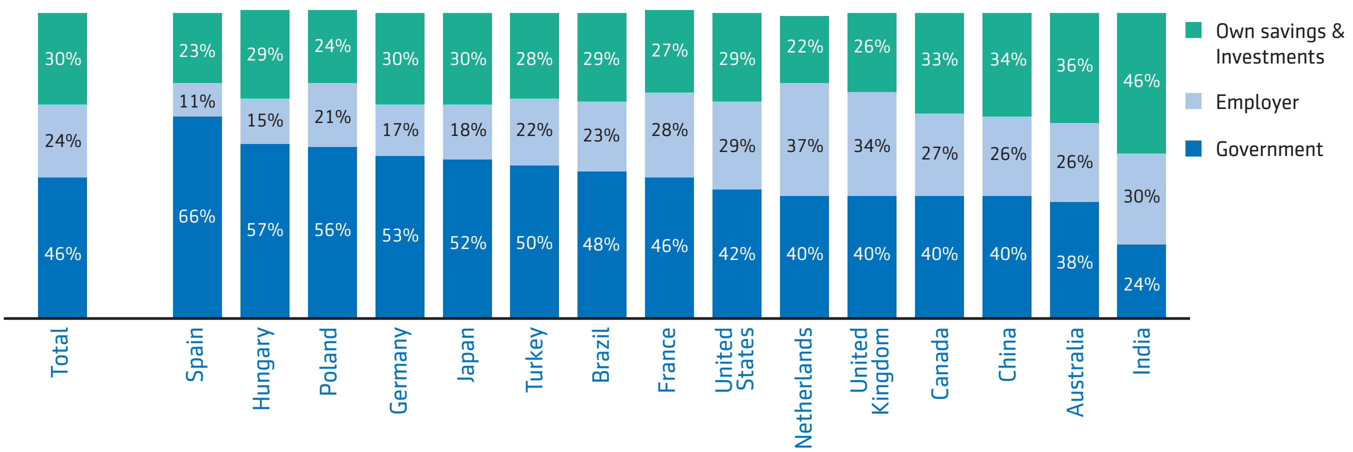


Table 1: *Different types of social contracts produce very different routes to generating retirement income*

Country	Sources of retirement income
Spain	The occupational and private pension savings market remains relatively small. As a result, people in Spain expect to receive 66 percent of their retirement income from social security, and just 23 percent to come from private savings.
United States	There is a well-developed second and third pillar pensions market consisting of 401(k) plans and IRAs. As a result, people in the US expect social security to account for just 42 percent of their retirement income and 29 percent each coming from private retirement savings and employer plans.
India	Traditionally, emerging market economies were slower to develop social contracts; as a result, the government and employer pension arrangements are less comprehensive and there is greater reliance on third pillar personal savings. In India, people expect as much as 46 percent of their retirement income to come from their private savings with just 24 percent coming from social security and 30 percent from employer plans.

The major responsibility for providing retirement income security has traditionally rested with the first two social partners – government and employers – meaning that decisions about saving, investing and drawing down retirement savings were made by institutions on behalf of workers. Unfortunately, both of these sources of retirement income have been undergoing considerable strain.

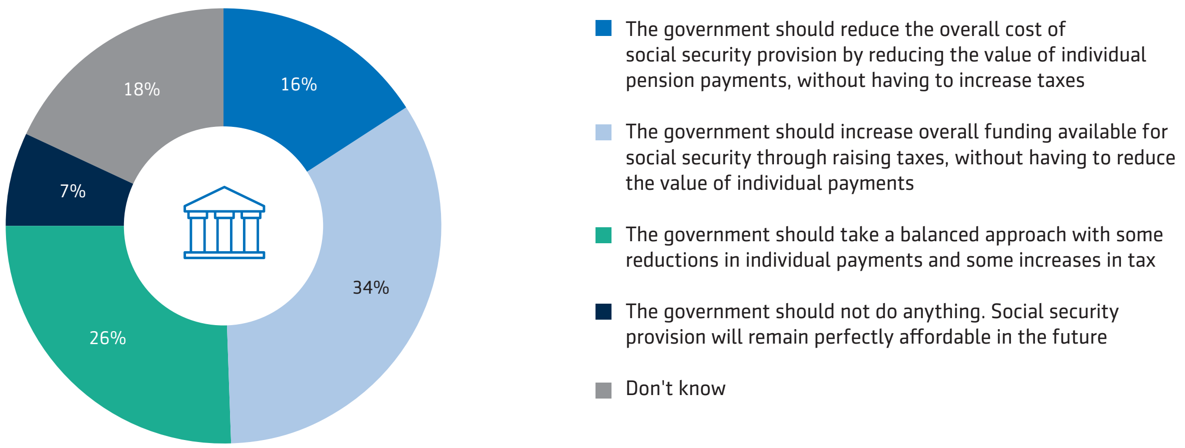
Government pensions face funding challenges

For years, experts have expressed concerns about the sustainability of pay-as-you-go social security systems. These systems are designed such that today's workers are contributing and paying for the benefits of today's retirees. Due to increases in longevity and lower fertility rates, populations are aging in many countries with retirees living longer than expected – and with fewer current workers paying into the system.

As a recurring theme in the survey findings, people are concerned about the future of their social security benefits. When asked what actions the government should undertake to address the cost of government pensions becoming a greater concern as people live longer, only seven percent of people feel that the government should do nothing because social security provisions will remain perfectly affordable in the future. The most common response to the question (34 percent) is for governments to increase funding through taxes without reducing individual benefits. Twenty-six percent of respondents feel that a balanced approach with some reductions in individual benefits and some increases in taxes would be the best approach.

In many countries, reforms are inevitable and it is likely that they may involve workers self-funding a greater portion of their future retirement income.

Chart 4: *Only seven percent feel social security will remain affordable and the government should do nothing*

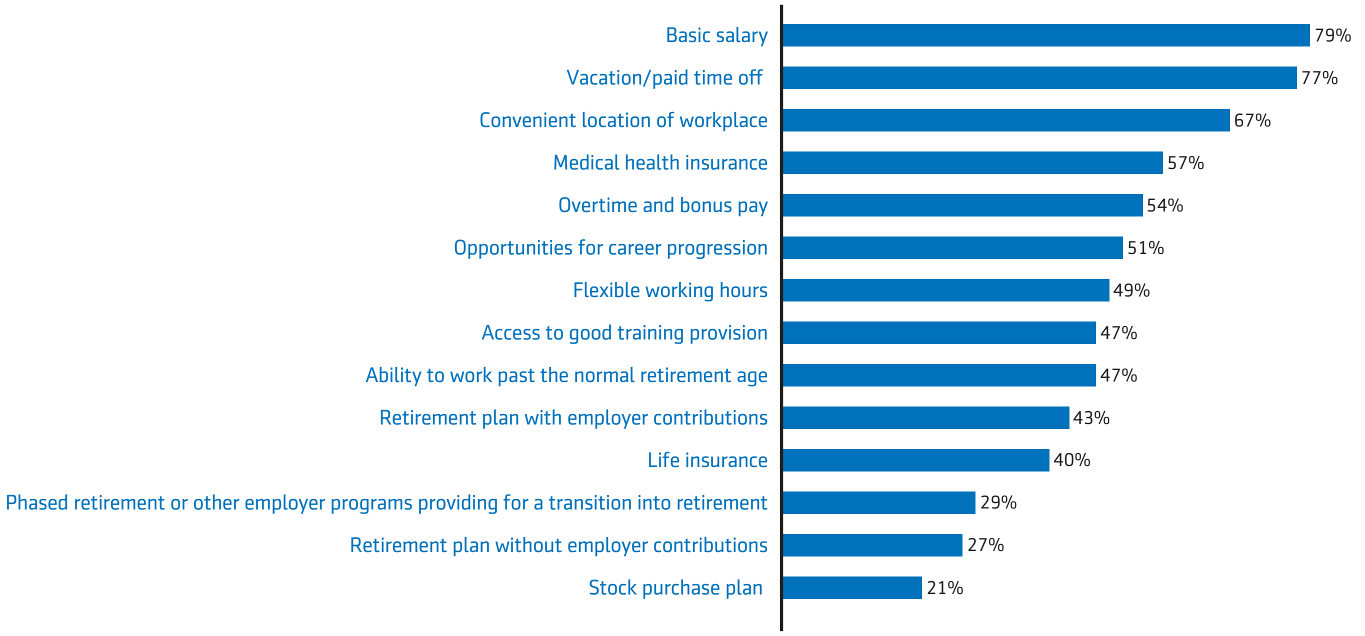


Evolution of employment arrangements and retirement benefit offerings

Many of the megatrends have led to changing employment arrangements and employer benefit offerings. It is increasingly common for workers to change employers several times over their careers and possibly become self-employed at one time or another. Traditional defined benefit plans, which were designed to fund the retirement of long-service workers with a shorter life expectancy, are no longer an effective retention tool or sustainable from a cost perspective. Instead, employers are shifting to offering employee-funded defined contribution plans in which the employer may or may not make a contribution. In doing so, employers are not only expecting workers to self-fund a greater portion of their future retirement income, but also to bear more risk in managing the assets.

Across all 15 countries covered in the survey, respondents have access to employer-sponsored retirement plans, although offering varies significantly by country. A basic salary and paid time off are offered to almost eight-in-ten workers globally (79 percent and 77 percent, respectively). However, only 43 percent of workers globally say their employer offers a retirement plan that includes employer contributions and just 27 percent have access to a retirement plan without employer contributions. Lastly, a minority two-in-five workers globally (40 percent) indicate they are given access to life insurance by their employer.

Chart 5: *Benefits offered by current employers*



In countries such as the UK or the US, where defined contribution retirement plans are more commonplace, more workers indicate they are offered a retirement plan with employer contributions (68 percent of workers in the UK and 57 percent in the US). By contrast, in Hungary, after the nationalization of its second pillar pension arrangements in 2010, people mainly rely on the mandatory government pension and only 20 percent of workers say their employer offers a retirement plan with employer contributions. Furthermore, other occupational benefits such as life insurance differ considerably across countries: 65 percent of workers in Poland say their employer offers life insurance, whereas just one-in-six (16 percent) workers in Germany and in the Netherlands say so.

Aegon Retirement Readiness Index and the role of individuals

The Aegon Retirement Readiness Survey is now in its seventh year of examining global perspectives and preparations for retirement. In 2012, Aegon created the Aegon Retirement Readiness Index (ARRI) to measure workers' preparations for retirement across 10 countries. Since then, the scope of the survey has expanded to cover 15 countries in Europe, the Americas, Asia and Australia. The ARRI provides an annual score based on responses to six separate questions: three broadly attitudinal (Questions 1,2,3) and three broadly behavioral (Questions 4,5,6). These questions are illustrated in the diagram next page.

The ARRI ranks retirement readiness on a scale from 0 to 10. A high index score is between 8 and 10, a medium score between 6 and 7.9, and, a low score being less than 6. (For additional information about the ARRI and its methodology, please see appendix 1.)

2018 ARRI results

In 2018, the global ARRI score stands at 5.9 which is considered a 'low' level of retirement readiness. It has stayed unchanged compared to 2017 and little change has taken place since the survey began in 2012 when it was 5.2. Please note that some of the countries included in the survey 2018 differ from those in 2012.

What factors shape the ARRI score?

Income replacement
Do you think you will achieve the level of income you think you will need in retirement?

Personal responsibility
To what extent do you feel personally responsible for making sure that you will have sufficient income in retirement?

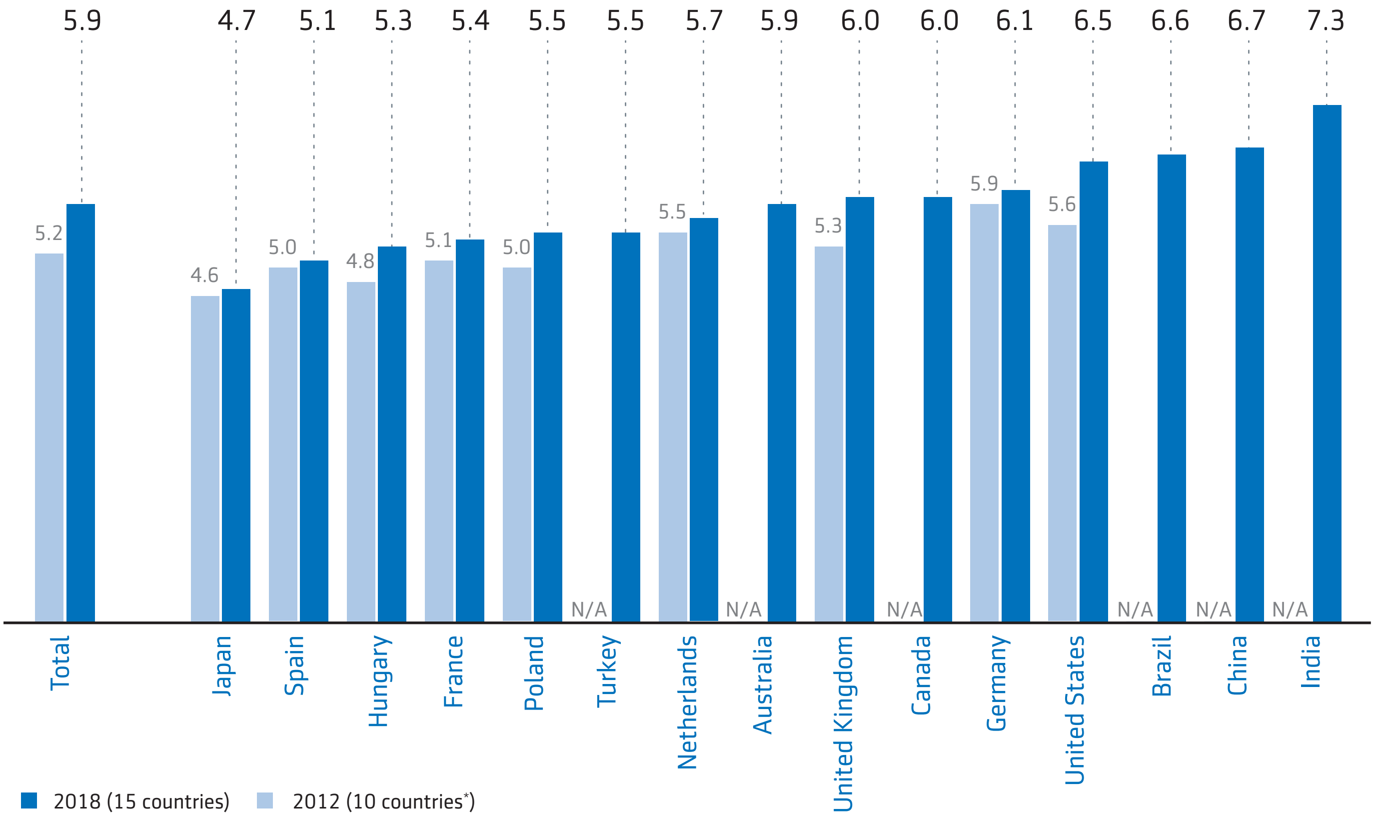
Financial preparedness
Thinking about how much you are putting aside to fund your retirement, are you saving enough?

Level of awareness
How would you rate your level of awareness on the need to plan financially for your retirement?

Retirement planning
Thinking about your own personal retirement planning process, how well developed would you say that your personal retirement plans currently are?

Financial understanding
How able are you to understand financial matters when it comes to planning for your retirement?

Chart 6: *Workers globally remain in a state of low retirement readiness as ARRI score hovers below 6.0*

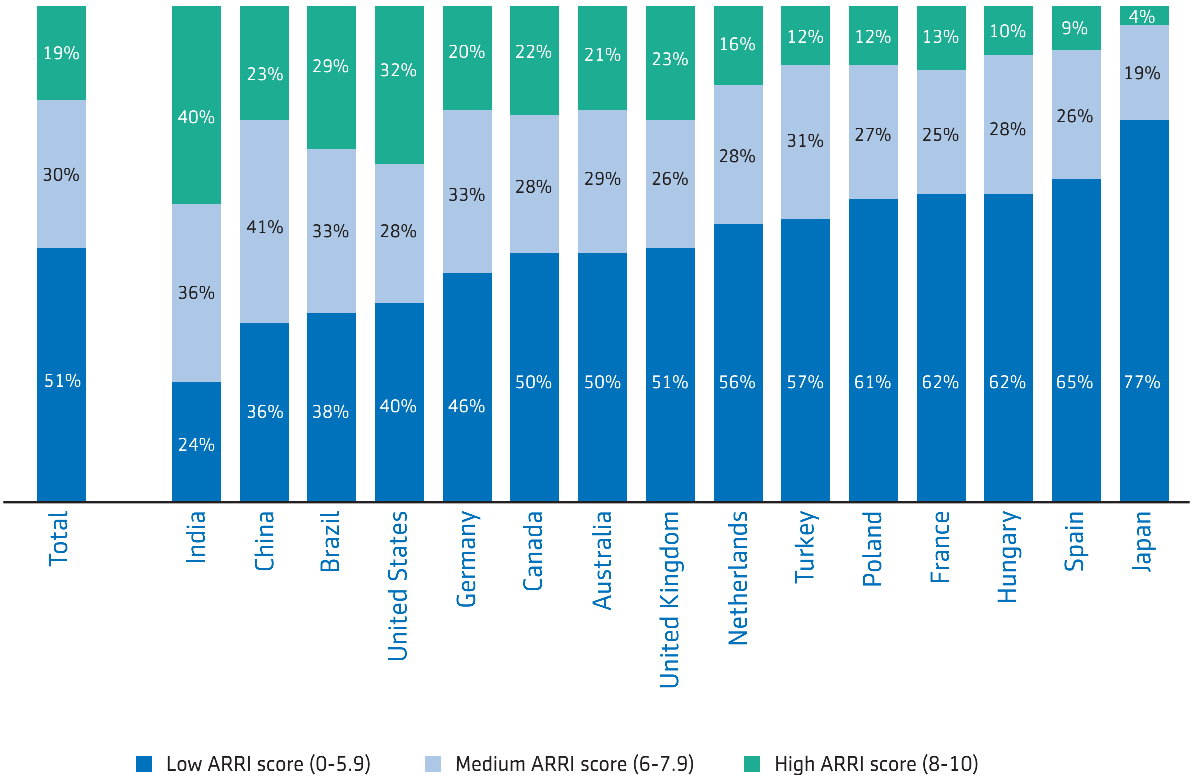


The 2012 Aegon Retirement Readiness Survey included Sweden as the 10th country. Sweden was replaced by Australia in 2015

Overall, eight out of the 15 countries score low in the ARRI. India ranks first with a score of 7.3 which represents a medium score, while Japan ranks last with an ARRI score of 4.7.

Globally, only 19 percent of workers have high index scores, a finding which varies considerably by country. India has the highest proportion of workers with high scores (40 percent), followed by the US (32 percent) and Brazil (29 percent). Hungary (10 percent), Spain (9 percent), and Japan (4 percent) have the fewest workers with high scores.

Chart 7: *Fewer than one-in-five workers globally achieve a high ARRI score*



Case Study: A closer look at Brazil

Since joining the Aegon Retirement Readiness Survey in 2014, Brazil has consistently scored one of the top three spots when it comes to retirement readiness. Why do workers in Brazil feel more prepared for retirement than their counterparts in other countries? This case study explores how the combination of financial, demographic and cultural factors contribute to Brazilians' optimism about their future retirement.

Generous government retirement benefits

The social security system in Brazil is well-known as one of the most generous in the world. Approximately eight percent of Brazil's population is over the age of 60, yet pension spending accounts for 12 percent of the country's GDP[4]. By comparison, Germany, Spain and Greece have similar levels of expenditure, yet older citizens represent around 25 percent of their countries' total populations.

The main facts that characterize the generosity of the social security system in Brazil are that people become eligible to claim a benefit either based on years of contribution (35 years for men and 30 years for women, with no minimum age requirement) or on reaching a certain age with a minimum of 180 months contribution (65 years old for men and 60 years old for women). Additionally, it is possible to accumulate lifelong benefits in their entirety, without any limitation (e.g., A widow can receive a full lifelong spousal benefit, with or without children to be raised, conjointly with her own lifetime retirement benefit).

Currently, the Social Security Pension System pays individual benefits of a maximum monthly amount of BRL 5.6 thousand (~USD 1.6 thousand). The real average retirement benefit amount (based on the choice of 'years of contribution') is BRL 2.0 thousand (~US$ 571)[5].

According to the Brazilian Institute of Geography and Statistics (IBGE), the monthly real average income of workers is BRL 2.2 thousand (~US$ 629)[6]. What does this mean? Nilton Molina, Chairman of the Mongeral Aegon Group says: "For a sizable majority of workers in the country, there won't be a significant financial loss in the replacement of working salary with government retirement benefits."

Brazilians still see themselves as being a 'young country'

Brazil was a young country for a very long time and as a result Brazilians are used to hearing, and thinking, that the future is something very distant. However, perceptions do not change from one day to the next and Brazilians' self-image has not yet caught up with the changes that are occurring.

The dependency ratio of workers to retirees in Brazil is changing rapidly and the pace of this change is set to increase. Brazilians might naturally not fully grasp the consequences these changes will have on the sustainability of the country's public pension system.

The economist Paulo Tafner is one of the country's most respected pension specialists. He used historical data from the IBGE[7] to show that Brazil had 8.4 active workers for each pensioner in the year 2000; by 2030, this ratio will be four active workers for each pensioner and in 2060, this is projected to fall to only two. The public pension system in Brazil is a 'pay-as-you-go' system so this means that there is an urgent need for pension system reform and productivity gains in the workforce, in order for future workers to generate enough income – and sufficient contributions – to support future retirees.

Happiness and confidence

Brazil is a country that epitomizes diversity and inclusion: its people are a complex genetic and cultural melting pot with attributes and attitudes very distinct from their Latin-American neighbors. In his book *Trópicos Utópicos*[8], the Brazilian economist and philosopher Eduardo Giannetti names a well-documented characteristic of Brazilians: "Regardless of living and earning their livelihood in poor conditions, the majority of Brazilians consider themselves happy and satisfied with life."

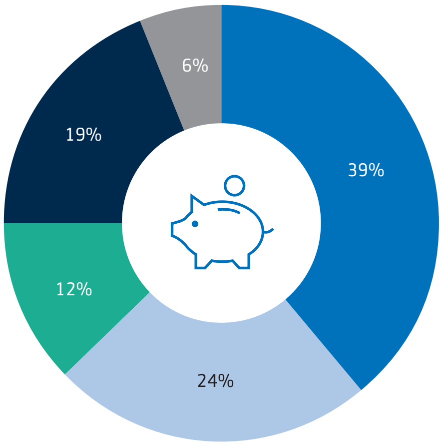
Another striking cultural trait of the Brazilian society is what sociologists and anthropologists call: '*jeitinho*' (or the Brazilian way). This is defined as the improvization to solve problems, usually not adopting pre-stipulated procedures or techniques. The expression has its origins in the need for Brazilians to be creative due to the lack of resources and support that have marked the country's history. Positively this tendency can inspire creativity. On the other hand, it can be translated into lack of planning and into the common misconception that 'everything will fall into place at the last minute'.

The generous social security system, combined with the Brazilian sense of self-identity as a young country and 'can do' attitude help explain why workers feel so optimistic about their retirement, while at the same time raises questions about whether this level of optimism is sustainable.

In addition to India having the highest ARRI score among the countries in the survey, it also has the highest proportion of 'habitual savers' who always make sure that they are saving for retirement. More than half of Indian workers do (55 percent), compared to just one-fifth of workers in Poland (21 percent).

Over the years, the survey consistently finds that saving on a regular basis is the best route to retirement readiness. However, globally, only 39 percent of workers regard themselves as habitual savers. Twenty-four percent of workers are 'occasional savers' who save for retirement occasionally from time to time, and 12 percent of workers globally are 'past savers', those who are not saving for retirement now, although they have in the past. Nineteen percent of workers globally are 'aspiring savers' who say they are not saving for retirement now, though they do intend to do so in the future. Lastly, a worrying six percent of workers globally are 'non-savers' who have never saved for retirement and don't indend to.

Chart 8: *Only 39 percent of workers globally save habitually for retirement*



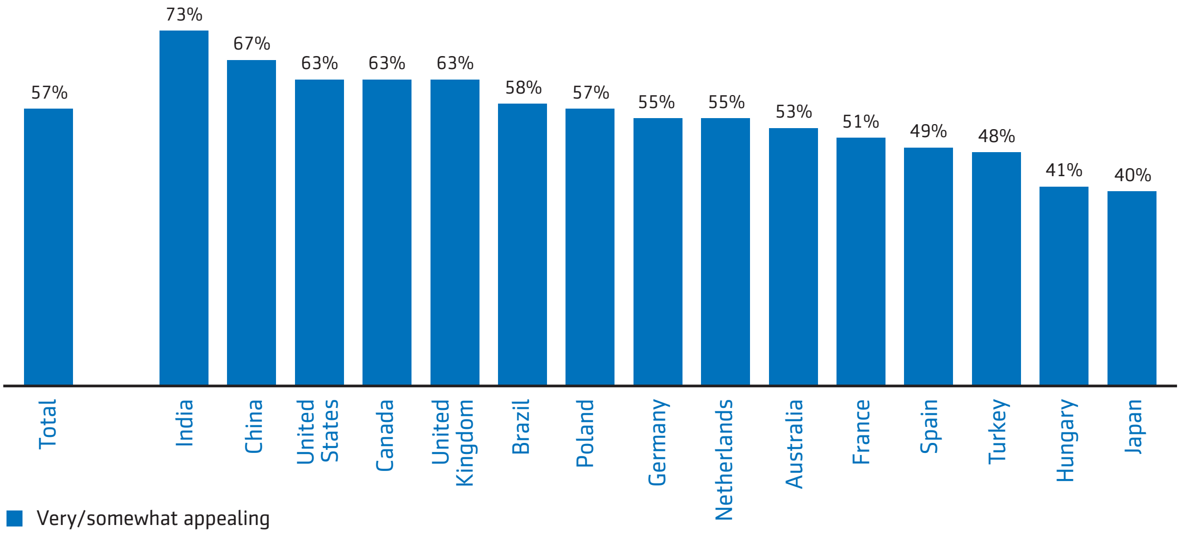
- **Habitual savers**
  I always make sure that I am saving for retirement
- **Occasional savers**
  I only save for retirement occasionally from time to time
- **Past savers**
  I am not saving for retirement now, although I have in the past
- **Aspiring savers**
  I am not saving for retirement though I do intend to
- **Non-savers**
  I have never saved for retirement and don't intend to

With governments and employers seeking to adapt to changing times and manage costs, individuals are expected to self-fund a greater portion of their future retirement income. However, the survey finds that many are not saving.

Automatic features in defined contribution retirement plans are showing great promise in increasing habitual savers in countries where they have been implemented. Since 2013, when automatic enrollment was introduced in the UK, all workers aged 22 and older are now enrolled into a pension plan unless they choose to opt out. Parallel to this, the survey finds that the percentage of habitual savers in the UK has increased from 41 percent in 2013 to 45 percent in 2018.

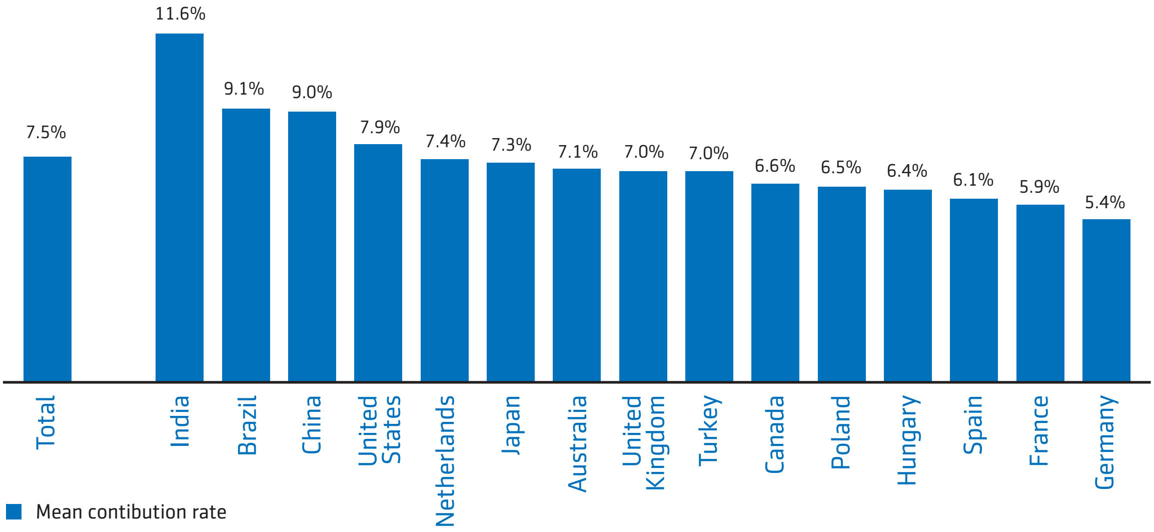
Automatic enrollment is a retirement plan feature in which employees are automatically enrolled to start saving a portion each paycheck, and they only need to take action if they choose not to save. The survey finds that 57 percent of workers globally say that they find the idea of being automatically enrolled in a workplace retirement plan appealing.

Chart 9: *Appeal of auto-enrollment*



Globally, workers consider an appropriate deduction from their paycheck to be 7.5 percent of pay (mean) if they were to be automatically enrolled in a workplace retirement plan. Workers in 10 of the 15 countries think that between six percent and eight percent would be an appropriate deduction.

Chart 10: *Preferred contribution level by country*



Encouragingly, almost a half (47 percent) of workers globally say that they would likely use a feature in which their employer automatically increases their contribution rate to their retirement plan by a certain percentage each year.

These automatic features, which are grounded in the principles of behavioral economics, exemplify the important contributions that academics can make as a social partner in forming a new social contract.

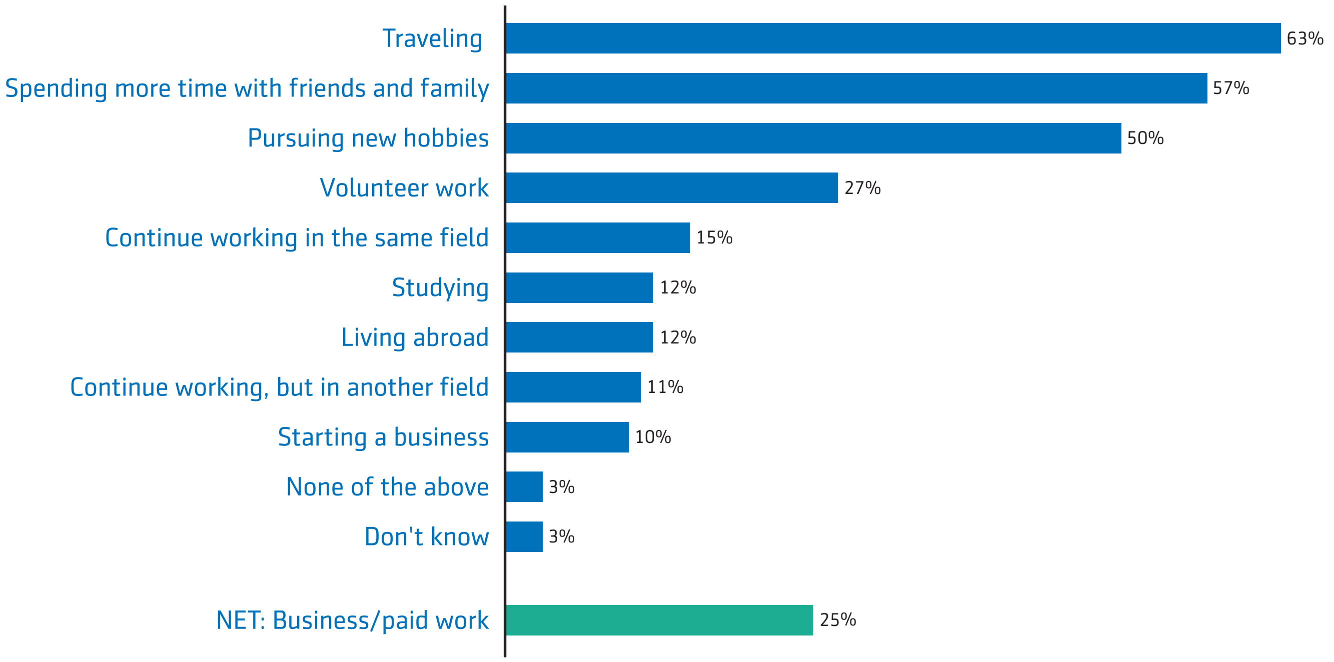
The remainder of this report sets out some of the key financial and health pressures currently facing individuals and concludes with ways in which the social partners, working within a recast social contract, can help to make retirement readiness a reality for everyone.

Part 3 – Improving individual financial security

Attitudes toward life in older age and retirement

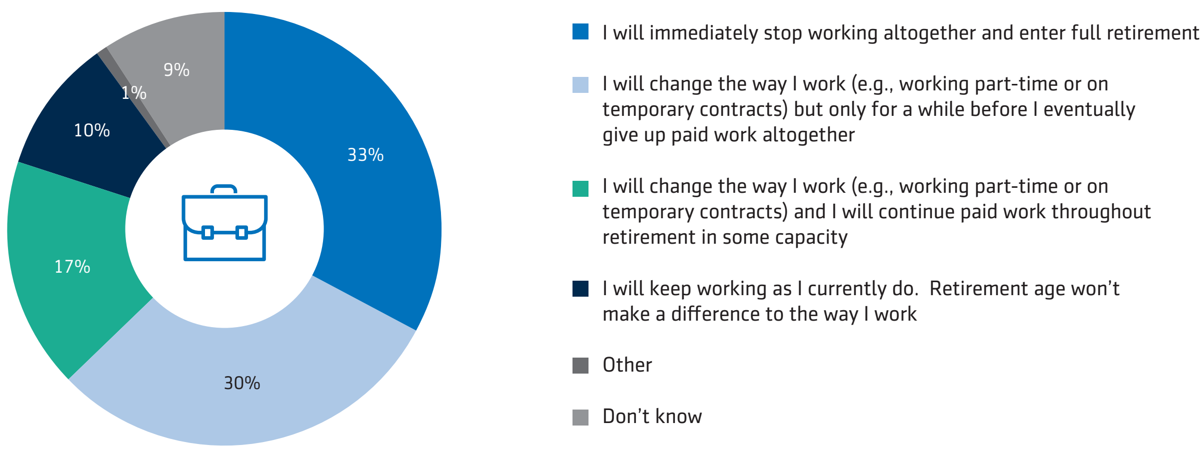
Although the social contract may be crumbling, people have a positive mindset about retirement. When presented with a series of words associated with retirement, 68 percent choose positive associations, such as leisure and freedom, whereas just 50 percent choose negatives like ill-health, boredom and loneliness. The survey also asked about people's retirement aspirations and found that for most, retirement is viewed as a time for traveling, spending more time with family and friends, and pursuing new hobbies.

Chart 11: *Retirement aspirations*



For many, retirement has become an active stage of life where people aspire to stay socially connected, participate in their communities, and remain economically active. In fact, the majority of workers (57 percent) see some form of transition to retirement where they continue working as they currently are or work part-time either for a while or during their retirement.

Chart 12: *How workers envision their transition to retirement*



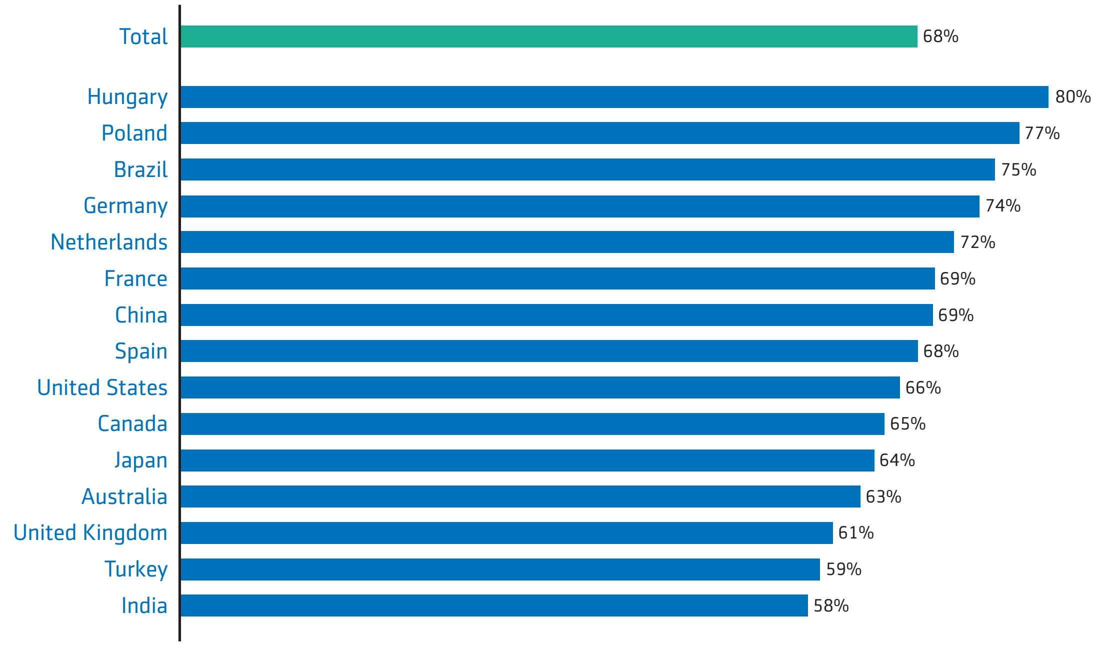
Workers who envision working in retirement are doing so because they both want and need to work. Globally, the largest single reason for workers doing so is to keep active/their brain alert and because they enjoy their work (56 percent and 37 percent respectively). Seventy-two percent of workers plan to continue working for a combination of income- and savings-related reasons, including general anxieties about their retirement income and savings, concerns about social security benefits, retirement plan accounts being less than expected, and other. Earning an income later in life provides workers the opportunity to delay drawing down on their retirement benefits which can mean higher retirement benefits in the future.

Expected retirement income needs

A successful retirement can be measured in many ways: being in good health, being surrounded by friends and family, living independently at home, and having sufficient income.

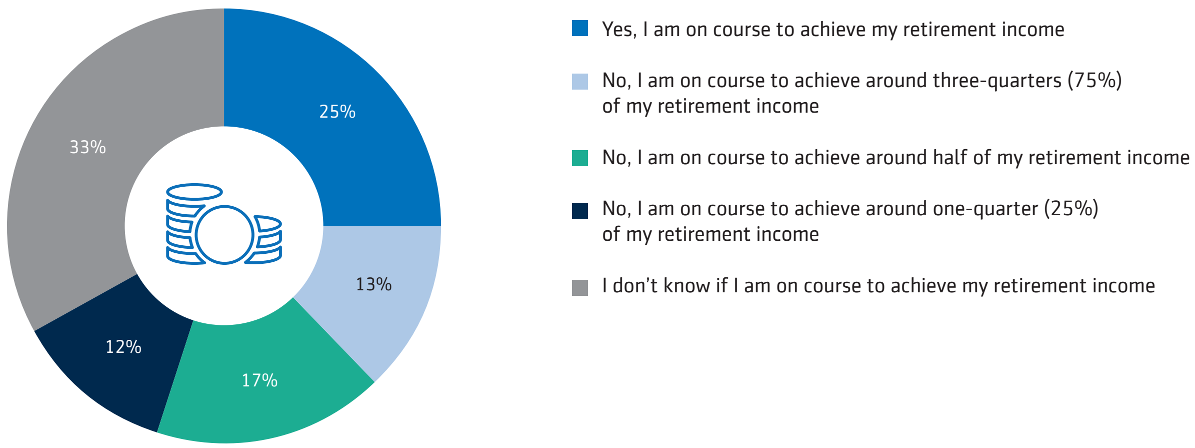
Globally, workers expect on average they will need 68 percent of their current income in retirement. However, there are disparities in what workers expect to need in retirement – across the 15 countries most workers think they'll need a replacement income of between 58 and 80 percent. Workers in India think they will need to replace 58 percent of their income in retirement, while those in Hungary think they will need to replace 80 percent. Additionally, workers on lower incomes may need a proportionally higher percentage of their current income in retirement if they are to cover basic living expenses compared to workers on higher incomes.

Chart 13: *Workers' expected retirement income needs (mean proportion of current earnings)*



Alarmingly, the survey finds that only 25 percent of workers globally think that they will achieve this expected level of retirement income. Thirteen percent think they will achieve around 75 percent of their expected retirement income needs, and 17 percent say they are on course to achieve half of the income they expect to need in retirement. What is more, one-third of workers globally don't know if they are on course to achieve their expected income in retirement. In Brazil and India, 33 percent of workers think they are on course to achieve their expected retirement income, while this is true for only nine percent of workers in Japan.

Chart 14: *Are workers on course to achieve expected retirement income needs?*

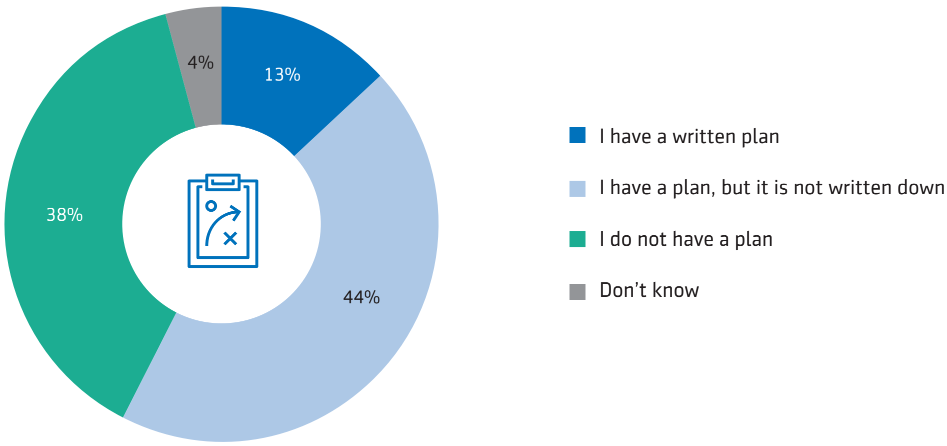


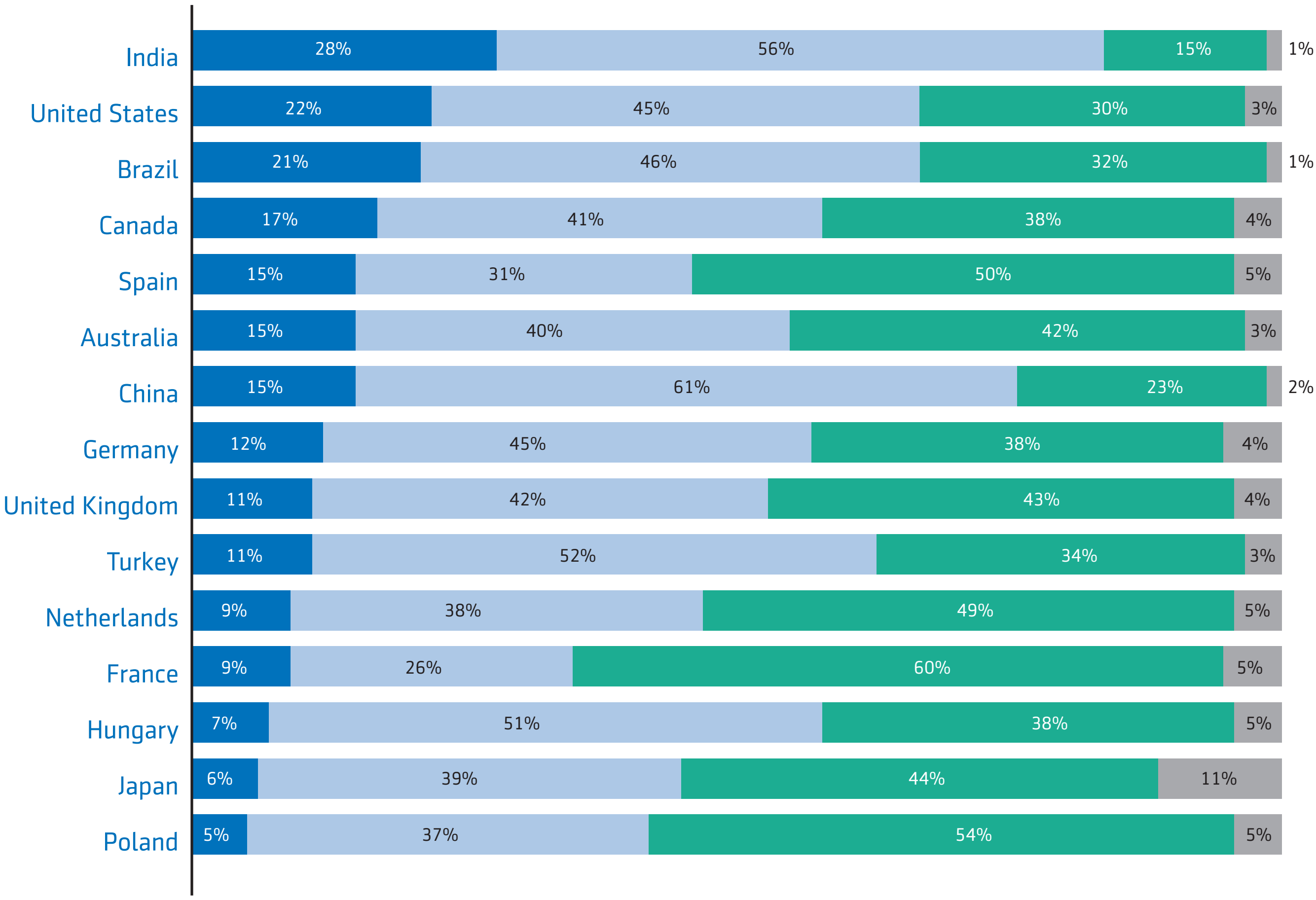
Retirement planning is lacking

'Failure to plan is planning to fail' is a saying often attributed to Benjamin Franklin. Globally, only 13 percent of workers have a written retirement plan. We refer to this group as the retirement 'strategists'. A further 44 percent of workers global say they have a plan but that it is not written down.

Having a well-defined written plan can make a substantial difference in achieving retirement outcomes. Fifty-four percent of workers who have a written plan are confident of retiring in a lifestyle they consider comfortable compared with 31 percent of workers with an unwritten plan and only 11 percent with no plan.

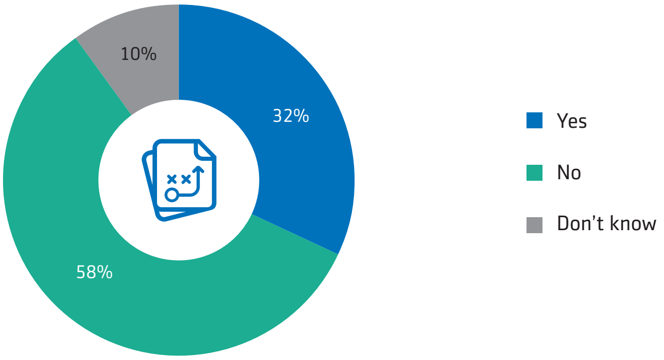
Chart 15: *Only 13 percent of workers have a written retirement strategy*





The best plans are, of course, those which consider of all eventualities, including unforeseen events such as large fluctuations in the stock markets or being forced to retire early. Unfortunately, only 32 percent of workers have a backup plan if they are unable to continue working before their planned retirement age.

Chart 16: *Only one-third of workers have a backup plan for income in the event they are unable to continue working*

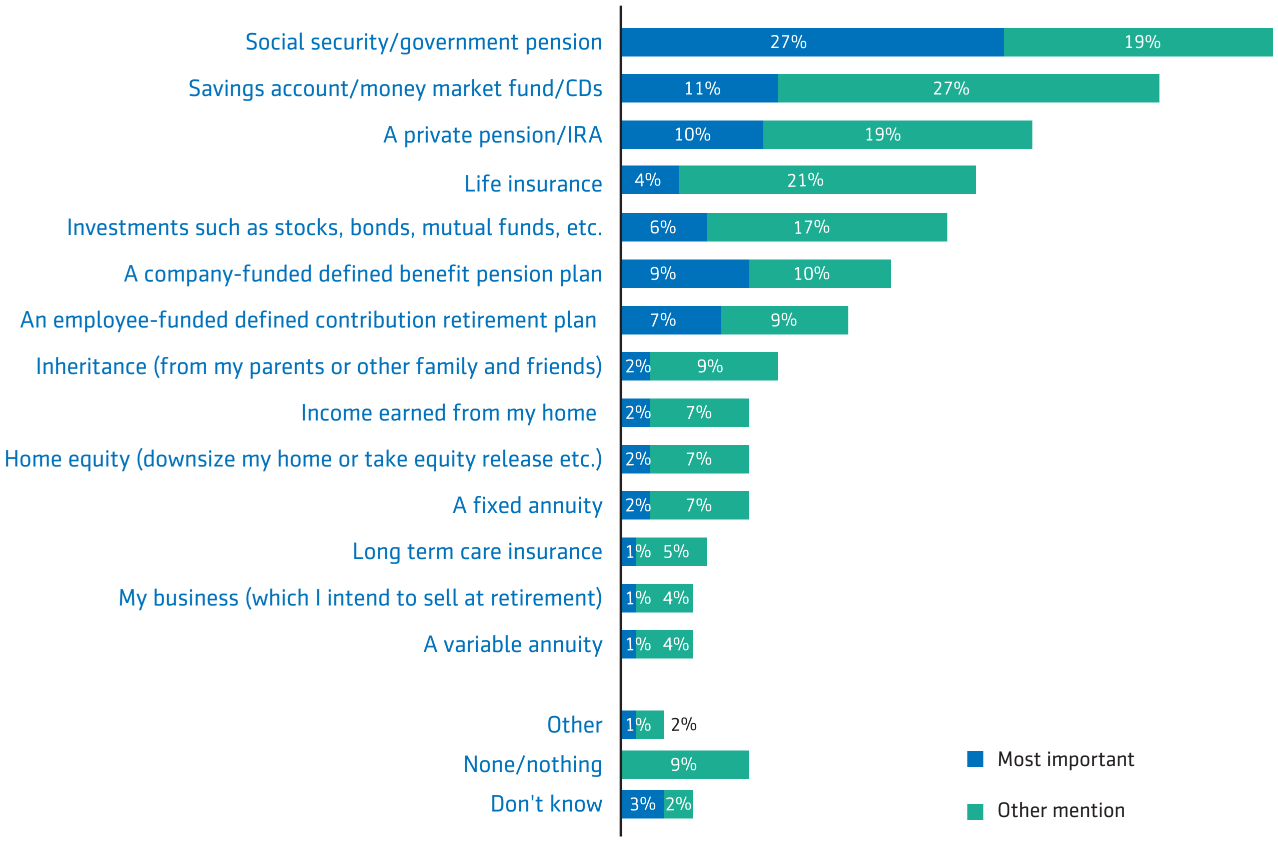


The need for diversification of savings and investments

Ensuring that individuals' retirement strategies reflect economic and social factors which differ immensely from one country to another, is a key challenge in the new era of personal responsibility.

Specifically, the survey shows that many people globally are failing to diversify their retirement savings and investments. When asked what financial means, if any, they are currently using to prepare for retirement, people most frequently cite social security/government pension (46 percent). This is followed by savings accounts/money market funds/CDs (38 percent), a private pension/IRA (29 percent), life insurance (24 percent), and investments such as stocks, bonds, mutual funds, etc. (23 percent). Only 19 percent cite a company-funded defined benefit plan and, even fewer, 16 percent cite an employee-funded defined contribution plan.

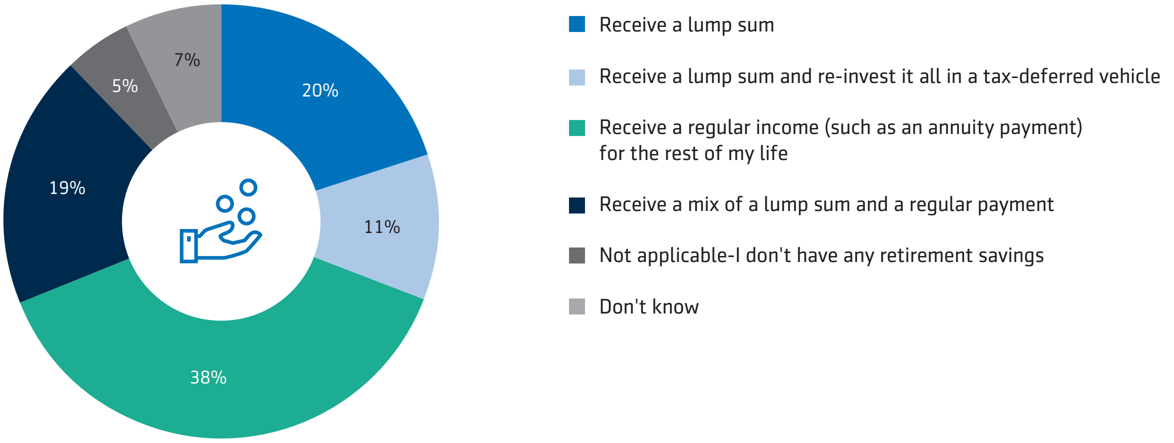
Chart 17: *Financial means used to prepare for retirement*



If the new social contract is to boost the sustainability of retirement systems around the world, retirement income sources will need to be more diversified.

Planning financially and making financial choices for retirement does not concern the accumulation of funds only and does not stop when people reach retirement. With the shift to more personal defined contribution savings, people are increasingly required to make investment choices at and into retirement. Part of that decision is how to receive one's retirement savings. Globally, the majority of workers (57 percent) indicate they would like to receive their retirement savings as a regular stream of income in retirement, including 38 percent who prefer to receive all of their retirement savings as a regular stream of income and 19 percent would prefer a mix of a lump-sum and regular income. Thirty-one percent of workers would like to receive their retirement savings as a lump sum. Managing retirement savings in the decumulation phase is a complex issue where the main goal for individuals it to ensure that their savings last throughout the rest of their lives.

Chart 18: *Preferred ways to receive retirement savings at retirement*

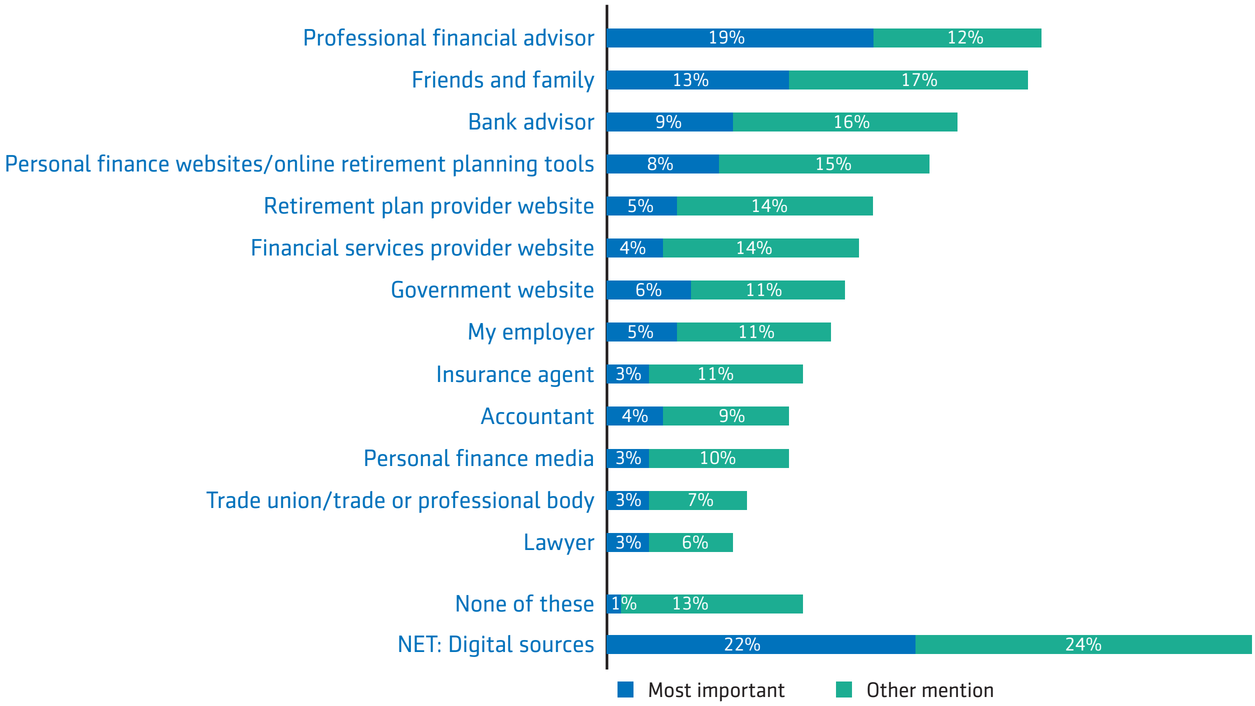


With the increase of personal responsibility, such decisions made in retirement will require that the new social contract to provide appropriate advice, information and financial education. In this way, people will understand both the need for a retirement savings plan and the choices they need to make to implement the plan successfully.

Part 4 – The financial literacy imperative

Saving, investing, and planning for retirement can be an exercise in futility if an individual lacks the know-how that is required to be successful. While many people may not have the desire or wherewithal to become retirement experts themselves, they must be able to recognize and rely on sound advice. Globally, people are using or say they would use a variety of sources of information and advice when choosing how to save for retirement. The most frequently cited source is professional financial advisors (32 percent), closely followed by family and friends (30 percent). Among possible sources, professional financial advisors are most likely to be deemed most important (19 percent).

Chart 19: *Sources of information and advice for retirement savings*



The internet has become a major source for information with 46 percent using or indicating that they would use some form of digital source of information and advice. The penetration is greatest in emerging markets, such as India, China and Turkey, where alternative sources may not be as commonplace or accessible. It is lowest in France and Spain where people are generally less engaged with retirement planning.

The ability to successfully navigate through the vast amounts of information available online and recognize the difference between reliable and unreliable sources requires that people be financially literate.

The need for global financial literacy

Financial literacy is paramount, given that individuals are increasingly expected to take on more personal responsibility for saving and investing for their retirement. Whether taking a do-it-yourself approach or relying on expert advice, a solid understanding of financial concepts will help people make better-informed decisions.

With their permisson, the survey uses a framework developed by Drs. Annamaria Lusardi and Olivia S. Mitchell dating back to 2004, to measure financial literacy. Lusardi and Mitchell created the 'Big Three' questions that measure understanding of compounding interest, inflation, and risk diversification. Their questions test actual knowledge of the topics, rather than self-reported knowledge. The questions are universal in nature and lend themselves well to language translation.

About the creators of the 'Big Three' financial literacy questions

Drs. Annamaria Lusardi and Olivia S. Mitchell created the 'Big Three' financial literacy questions to measure the understanding of the basic but fundamental financial concepts, the ABCs of finance. These questions have now been used in more than 20 countries.

Lusardi is the Denit Trust Chair of Economics and Accountancy at the George Washington University School of Business (GWSB). She is the founder and academic director of GWSB's *Global Financial Literacy Excellence Center* (GFLEC).

Founded in 2011 GFLEC is the world's leading center for financial literacy research and policy. Through its research and expertise, GFLEC seeks to inform policy as well as develop and promote financial literacy programs around the world. GFLEC focuses on ground-breaking research, with particular emphasis on financial education in schools, in the workplace, and in the community. It also is engaged in research that looks at financial literacy among women and the young.

Mitchell is the International Foundation of Employee Benefit Plans Professor, as well as Professor of Insurance/Risk Management and Business Economics/Policy; Executive Director of the Pension Research Council; and Director of the Boettner Center on Pensions and Retirement Research; all at the Wharton School of the University of Pennsylvania.

The *Pension Research Council* of The Wharton School of the University of Pennsylvania is committed to generating debate on key policy issues affecting pensions and other employee benefits. It sponsors interdisciplinary research on the entire range of private pension and social security programs, as well as related benefit plans in the US and around the world.

Please note: Lusardi and Mitchell granted permission to ask the 'Big Three' financial literacy questions in the 2018 Aegon Retirement Readiness Survey. However they were not involved in the research.

Table 2: *The 'Big Three' financial literacy questions*[9]

Question 1 – Suppose you had $100 in a savings account and the interest rate was 2 percent per year. After 5 years, how much do you think you would have in the account if you left the money to grow?	☐ More than $102 ☐ Exactly $102 ☐ Less than $102 ☐ Do not know ☐ Refuse to answer
Question 2 – Imagine that the interest rate on your savings account was 1 percent per year and inflation was 2 percent per year. After 1 year, how much would you be able to buy with the money in this account?	☐ More than today ☐ Exactly the same as today ☐ Less than today ☐ Do not know ☐ Refuse to answer
Question 3 – Do you think that the following statement is true or false? "Buying a single company stock usually provides a safer return than a stock mutual fund."	☐ True ☐ False ☐ Do not know ☐ Refuse to answer

How did you score? For correct responses please go to Appendix 2.

The survey corroborates Lusardi and Mitchell's research findings that financial literacy is low around the world. Globally, the survey finds only 30 percent of respondents correctly answered all three questions. Financial literacy is highest in Germany with 45 percent answering all three correctly– and lowest in Turkey (17 percent), for the countries considered. A concerning 11 percent of people globally did not answer any of the three questions correctly.

Chart 20: *Only 30 percent answer all 'Big Three' questions correctly*

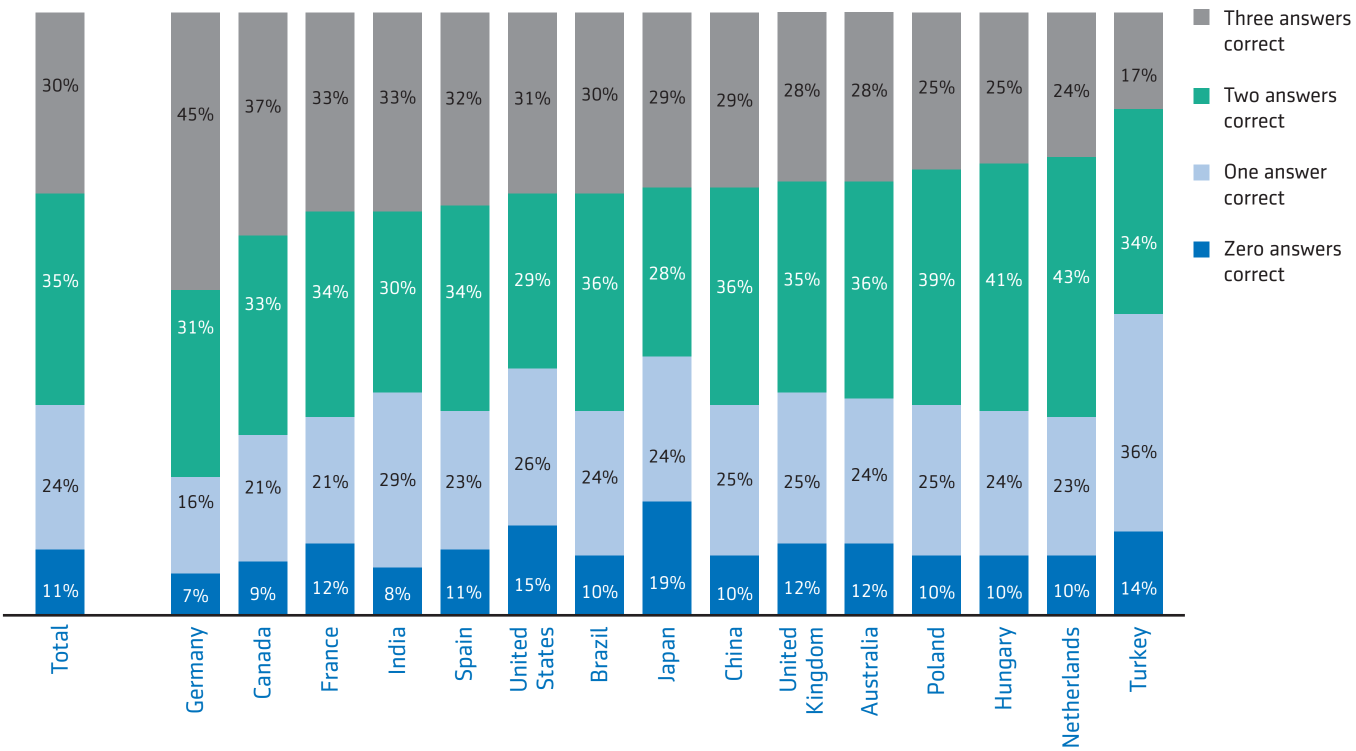


Table 3: *Global Financial Literacy Patterns*

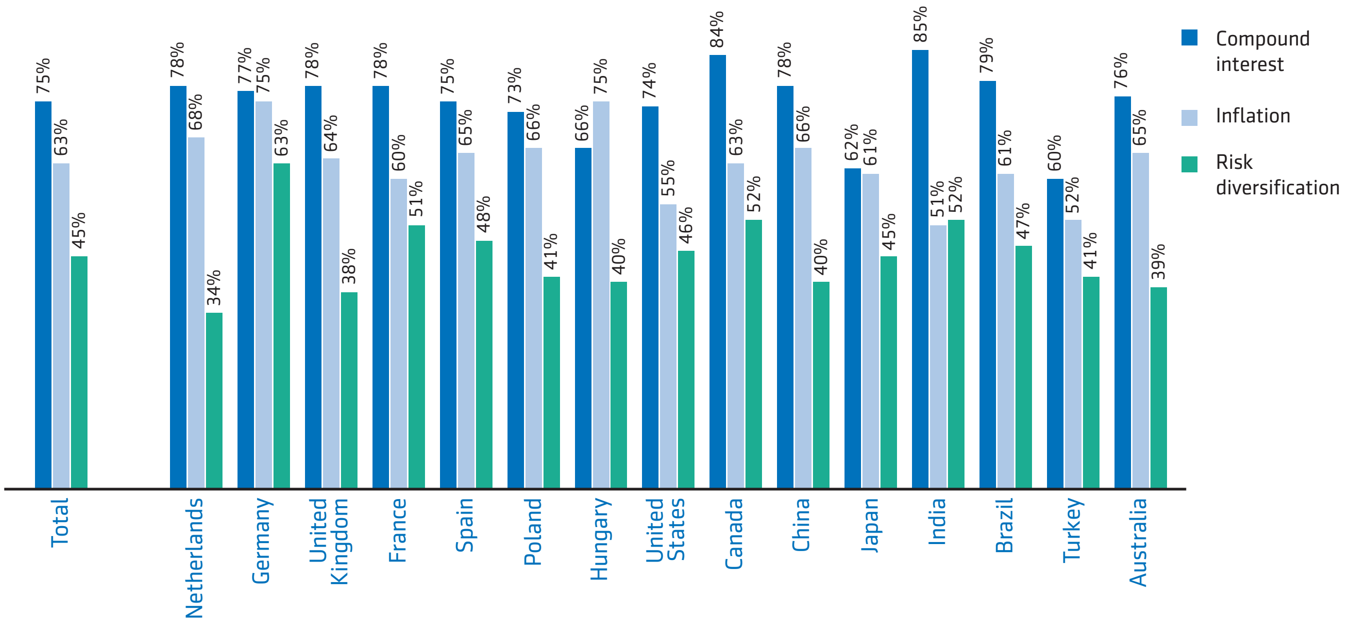
Distribution of responses to financial literacy questions

	Correct	Incorrect	Don't know	Refuse to Answer
Compound interest	75%	16%	7%	1%
Inflation	63%	23%	13%	1%
Risk diversification	45%	16%	38%	2%

Likelihood of answering financial literacy questions correctly

	All three responses correct	Only two responses correct	Only one response correct	No responses correct
Proportion	30%	35%	24%	11%

Chart 21: *Correct responses to the 'Big Three' questions by topic*



Without the requisite level of financial knowledge, it is impossible for people to formulate good retirement plans, or even know what questions to ask of advisors and retirement plan providers when seeking advice. Low financial literacy may also translate into failure to engage in any kind of retirement planning.

In a world in which workers are expected to exercise more choice over how much they put aside for retirement, and how their retirement savings are invested, it is imperative to increase financial literacy among adults and to provide more education starting at an early age so that children can gain these vital skills that will serve them throughout their lives. The lack of widespread financial literacy is alarming. Addressing it should be a top priority for policymakers, educators, retirement benefit providers and others.

> "It is imperative to increase financial literacy among adults and to provide more education starting an early age so that children can gain these vital skills that will serve them throughout their lives."

Part 5 – Health issues loom large as retirement concerns

While many people have positive views about retirement, potential health-related issues are among the most frequently cited retirement concerns. Globally, 49 percent of people cite declining health as a retirement concern, a finding which is highest in Poland (62 percent) and lowest in the Netherlands (37 percent). Other potential concerns include: running out of money (41 percent), not being able to stay active (34 percent), getting Alzheimer's or dementia (33 percent), not being able to do the things they enjoy (31 percent), and losing their independence (28 percent).

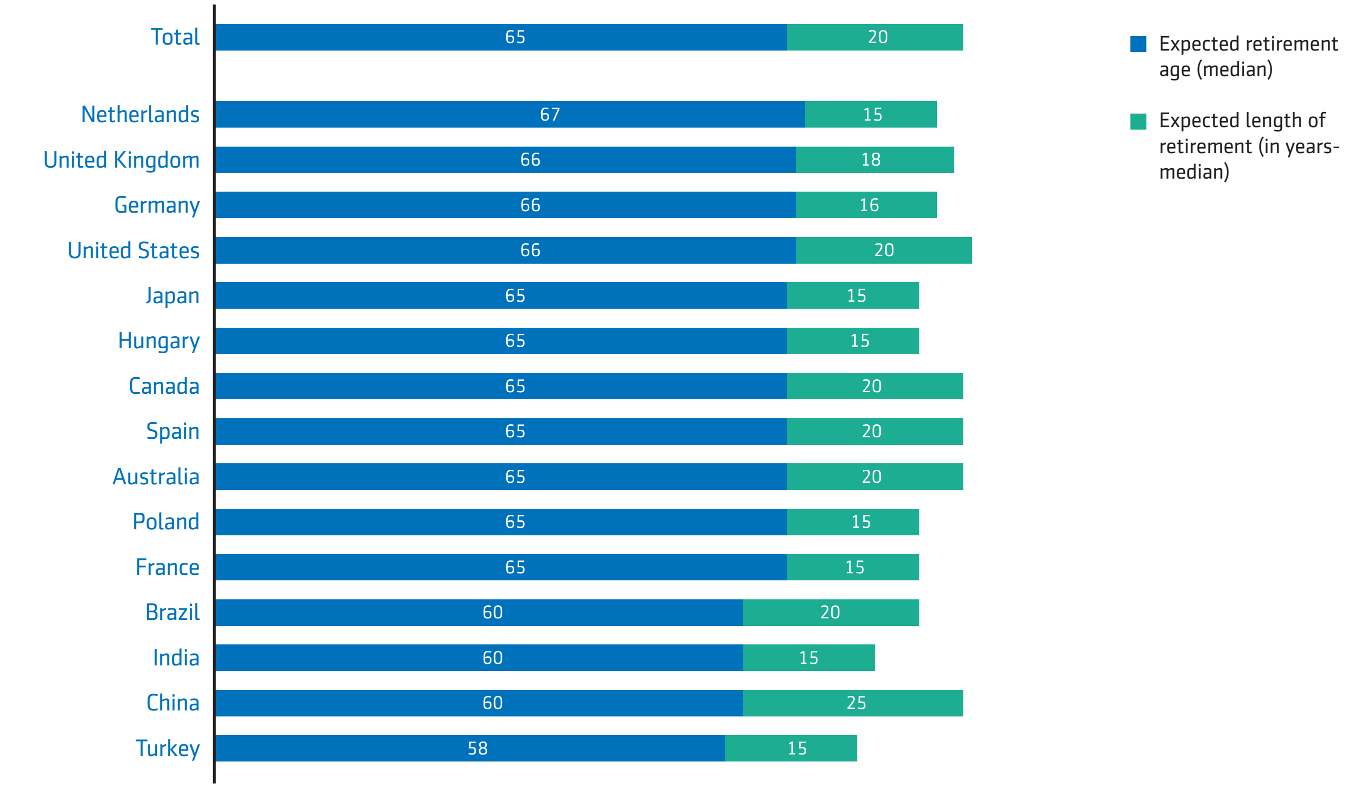
Chart 22: *Declining physical health is the most often cited retirement concern among people globally*

		▲ Highest in		▼ Lowest in	
Declining physical health	49%	Poland	62%	Netherlands	37%
Running out of money	41%	Australia, Hungary	53%	China	17%
Not being able to stay active	34%	Brazil	45%	Japan, Netherlands	22%
Getting Alzheimer's or dementia	33%	Spain	53%	India	14%
Not being able to do the things I enjoy	31%	Brazil	44%	Japan	12%
Losing my independence	28%	Brazil	44%	Hungary	11%
Needing assistance with basic activities (e.g., bathing, dressing, meal preparation etc.)	28%	Spain	46%	Japan	16%
Being alone and isolated	26%	Spain	34%	Netherlands	15%
Needing to move to a nursing home	23%	Germany	44%	Japan	10%
Facing mental health issues (e.g., depression)	22%	Brazil	37%	Netherlands	11%
Lacking social engagement	19%	India	29%	Poland	8%
Losing sense of purpose after stopping work	18%	Turkey	30%	Spain	9%
Not having a daily routine	15%	India	32%	France, Hungary	6%
None of the above	6%	Netherlands	14%	Spain	2%
Don't know	3%				
Other (specify)	0%				

Health-related issues could upend plans for retirement

Globally, workers expect to retire at age 65. In 10 of the 15 countries in the survey, the expected retirement age is within a two-year window (median 65 years and 66 years). In many countries, the expected retirement age is a firmly set milestone birthday and often coincides with the statutory retirement age in the country.

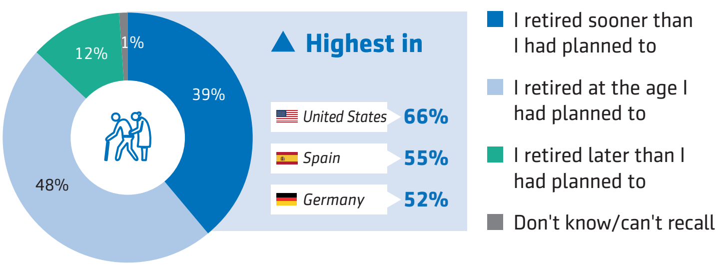
Chart 23 – Workers globally expect to retire at age 65



Perceived current health has little impact on the age at which people expect to retire; however, it largely shapes workers' views on how long their retirement will be (in other words, how long they expect to live). Those currently in excellent or good health expect to live the longest and spend 20 years in retirement (median), while those in poor health expect their retirement to last only 14 years. This may be a realistic assessment of their lifespan; however, workers in poor health seem to be overconfident about retiring at 65, or at least, they don't appear to be making the connection that they may not be able to work as long as planned due to health issues.

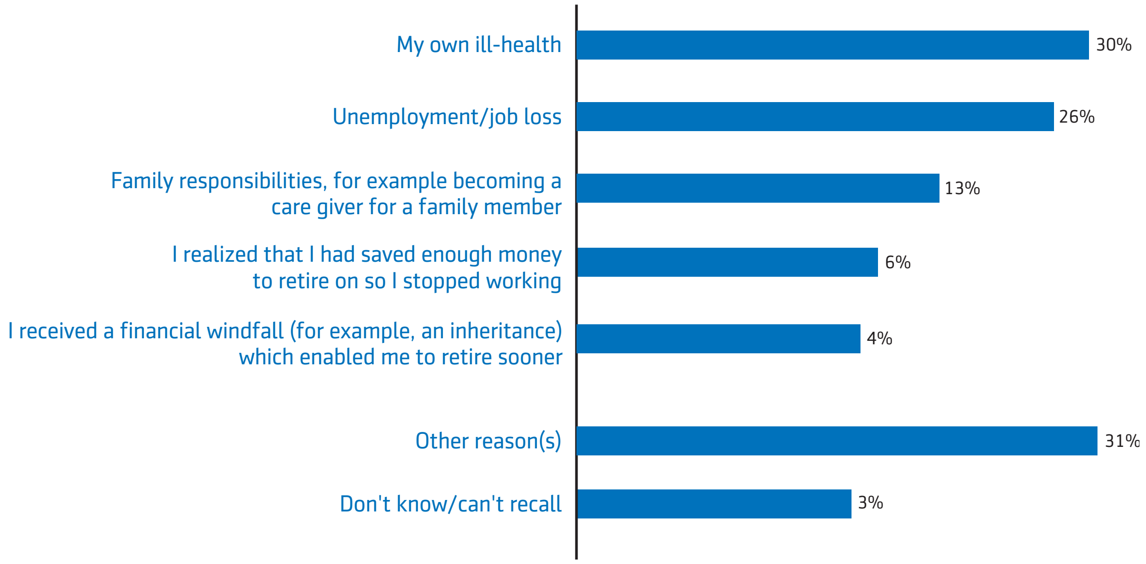
Chart 24: *The impact of perceived current health on years in retirement*

Chart 25: *Two-fifths of retirees globally retired sooner than planned*



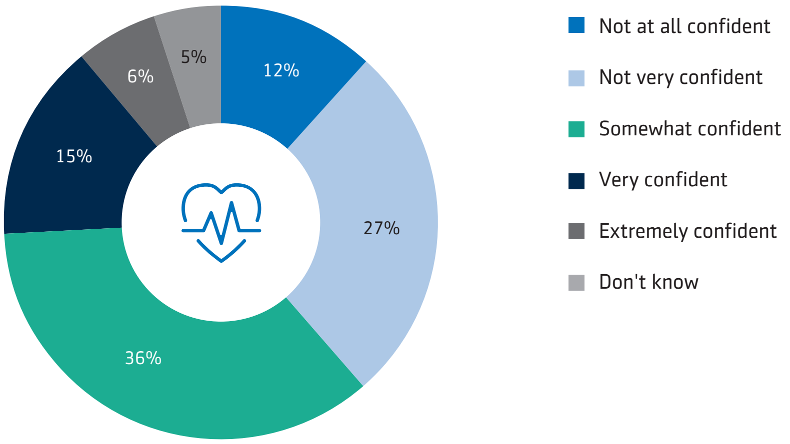
The sobering reality is that 39 percent of retirees globally retired sooner than planned. Of those, 30 percent stopped working earlier than they had planned for reasons of ill-health and 26 percent due to unemployment/job loss.

Chart 26: *Reasons for retiring sooner than planned*



Early retirement may prove to be a hidden cost of ill-health, but people are generally aware of the potential for deteriorating health to impact their future plans. As seen earlier in this report, this was cited as the most important perceived threat to retirement plans by about half of all respondents. This concern is matched by a lack of confidence that healthcare costs will be affordable in future years. Only one-in-five people are 'extremely' or 'very' confident that their own healthcare costs will be affordable in retirement. In contrast, 38 percent say that they 'not very' or 'not at all' confident. This lack of confidence is much higher among women, who are likely to live longer, thus incurring greater healthcare costs.

Chart 27: *Only 21 percent globally are confident that their own healthcare will be affordable in retirement*



Given these widespread concerns, it is worrying that most people's retirement plans fail to include healthcare costs. Just 45 percent of people globally have factored future healthcare expenses in their retirement savings needs.

The percentage of people factoring healthcare in their retirement plan is lower in European countries where people typically rely more heavily on public healthcare systems. It seems where there is government provision, people are less inclined to say they have considered healthcare in their retirement plan. For example, only 27 percent of French respondents have factored healthcare costs into their retirement plans. In the UK this falls to 24 percent and further still to 21 percent in the Netherlands with the Dutch being the least likely globally to consider healthcare costs in their retirement savings needs. In stark contrast, in China and India where people have to pay more out-of-pocket medical expenses, they are more likely to say that they are including healthcare costs as part of their retirement plans (China 77 percent, India 76 percent).

Clearly, health is of great importance when it comes to when and how people retire. It is also of paramount importance in shaping people's future in terms of remaining able to realize their dreams and aspirations.

Case study - Transamerica Center for Health Studies®

Best Practices in Workplace Wellness Programs

The rise in health care costs has led many employers to find new ways to help employees stay healthy and productive while simultaneously reducing healthcare costs associated with preventable chronic diseases. A trend to address this issue is the growth of workplace wellness or health promotion programs.

Nonprofit *Transamerica Center for Health Studies®* (TCHS) collaborated with *Interdisciplinary Center for Healthy Workplaces* (ICHW) at **University of California Berkeley** on **Finding *Fit*: Implementing Workplace Wellness Programs Successfully**, a guidebook for employers with tools to shape workplace wellness programs for their employees. This evidence-based guide is intended to help employers in their efforts to promote employee health, increase program participation, and improve productivity.

With an emphasis on small and medium-sized organizations, this guide focuses on the different types of wellness programs that have shown to be effective and provides a step-by-step process for identifying and implementing programs that fit an employer's unique characteristics and needs.

Eight different wellness program types are identified, involving topics such as education programs, social community building, preventive care, healthy habit development and disease management. A comprehensive literature review of wellness program effectiveness and participation rates is also included. To provide a broad understanding of employee and employer perspectives, results from the US employer and employee surveys on health and wellness topics conducted by TCHS are analyzed and discussed. In addition, focus groups with more than 20 small and medium-sized organizations explore various issues regarding adoption of wellness programs and determinants of participation. The guide also includes an extensive list of resources to provide employers additional wellness-related information and support.

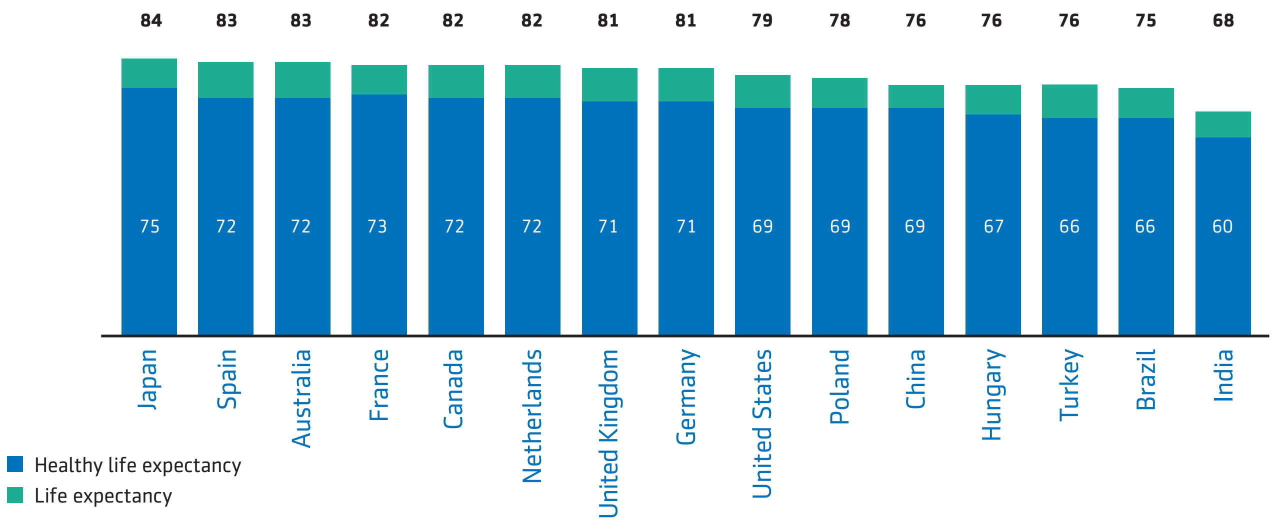
Finding *Fit*: Implementing Workplace Wellness Programs Successfully builds on the collaborative report published by TCHS and Johns Hopkins Bloomberg School of Public Health, **Evidence to Practice: Workplace Wellness that Works.**

Please visit *www.transamericacenterforhealthstudies.org* to download these studies along with additional research and educational materials.

Part 6 – Living and aging in good health

Health has emerged as the new frontier in retirement security. The miracles of modern science and improvements in nutrition in recent decades have made longer life expectancy the norm rather than the exception. These advances also mean that more people can expect to lead the majority of their lives in good health (healthy life expectancy). And, in many countries healthy life expectancy is close to overall life expectancy; however, in some countries the gap can be up to 11 years.

Chart 28: *Life expectancy and healthy life expectancy across survey countries*[10]



Inspiring people to make the link between health, wealth and well-being in old age is critical to ensuring future retirement preparedness. While most people consider themselves to be in 'good' or 'excellent' health today, that is unlikely to remain the case for the rest of their lives because many fail to take the necessary steps to maintain good health.

The survey inquired about six behaviors key to healthy aging. Only six percent of people globally undertake all six behaviors.

Chart 29: *Only half of people take steps to eat healthily and exercise regularly*

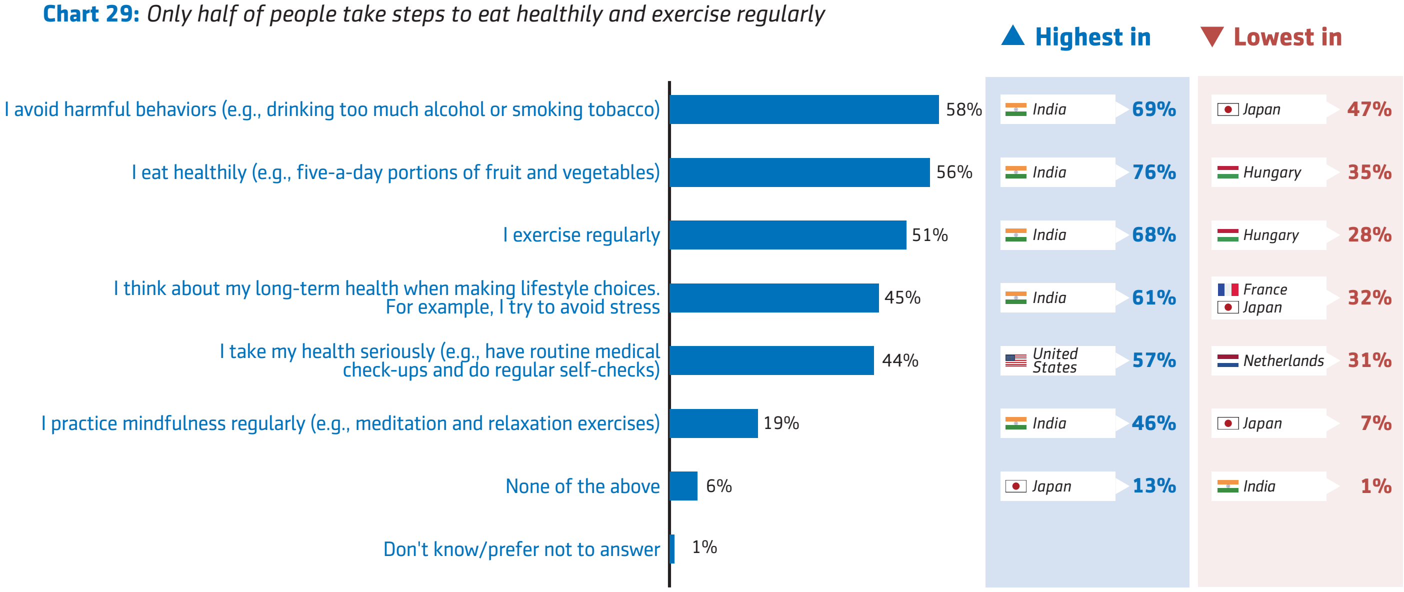


Chart 30: *The more steps workers take to ensure healthy aging, the more prepared they feel for their retirement*[11]

Number of healthy behaviors	0 out of 5	1 out of 5	2 out of 5	3 out of 5	4 out of 5	5 out of 5
ARRI score	4.6	5.4	5.8	6.3	6.8	7.4

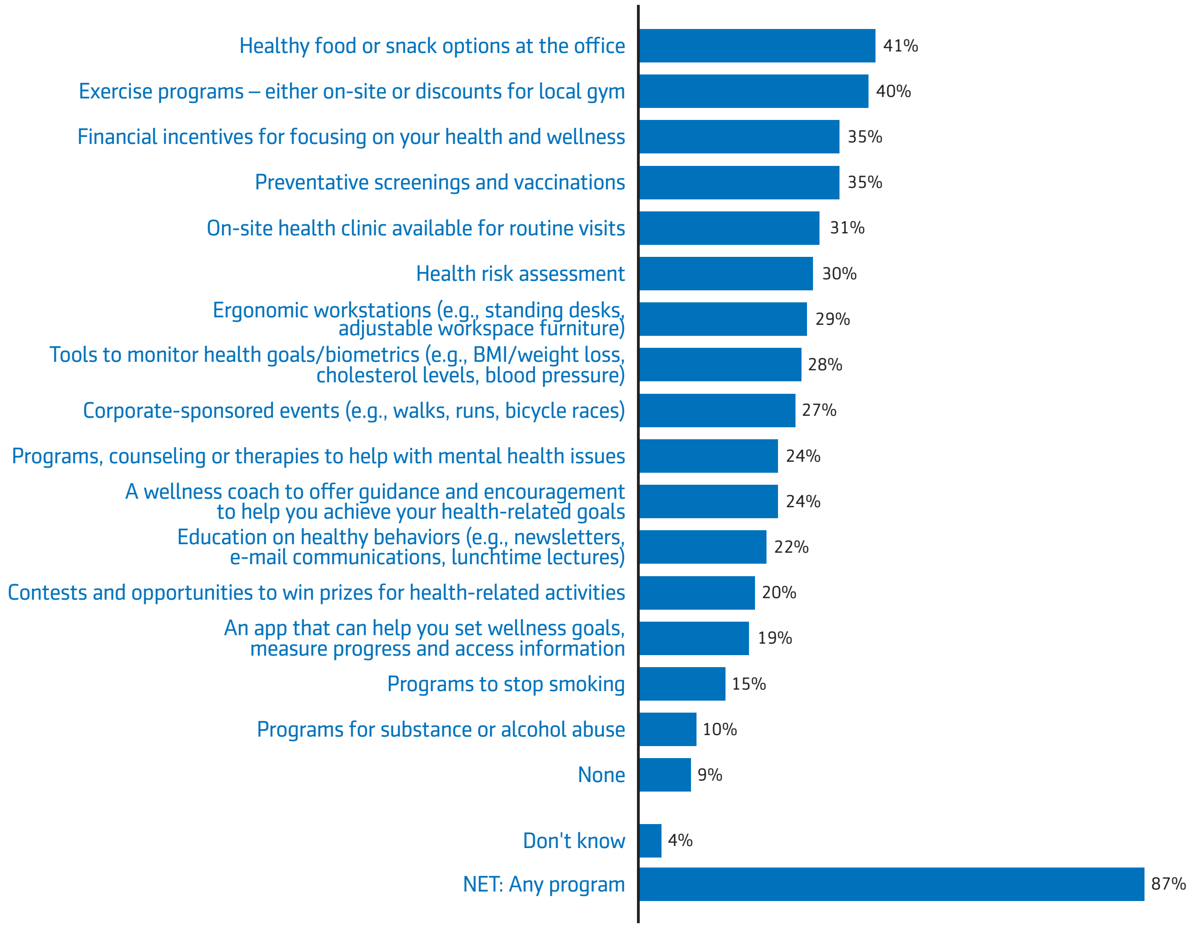
There is a clear correlation between workers who take steps to maintain good health and their sense of retirement readiness. Those undertaking none of the five key behaviors achieve a low ARRI score of 4.6. The ARRI score increases each time a person adds another healthy behavior. Those workers who perform all five healthy behaviors score 7.4 on the ARRI. (Note: 'I take my health seriously' was not found to have correlation with the ARRI scores.)

Encouraging people to make basic healthy lifestyle choices could help protect their people's financial well-being too. That's because being healthy will enable them to work longer and to remain in control over decisions about when and how to retire. This also involves creating a cultural shift: How do we value good health and embed healthy behaviors into our lives?

This is not a shift that workers can be expected to undertake without support from other social partners. There is a role for all social partners in promoting this shift through a wide range of measures. For example, employers can offer workplace physical and mental wellness programs that provide a wide range of benefits, all designed to keep the workforce healthier for longer. Among workers, the survey finds that they identify such programs as valuable. The most commonly valued programs are as simple as providing healthy food or snack options at the office (41 percent), exercise programs such as discounts at local gyms (40 percent), financial incentives and preventative screenings and vaccinations (both 35 percent).

Healthy living and healthy aging should be central to any design by partners in the new social contract or run the risk of designing a world with unintended barriers in the path of people's efforts to stay fit and healthy. Not keeping healthy will have major negative consequences on people's retirement plans, placing additional strains on already stretched social security and healthcare systems.

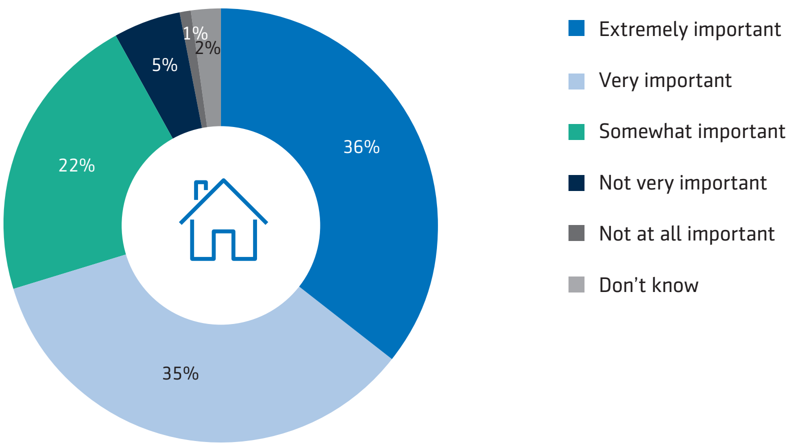
Chart 31: *Interest in workplace health and wellness programs*



Part 7 – Aging with dignity

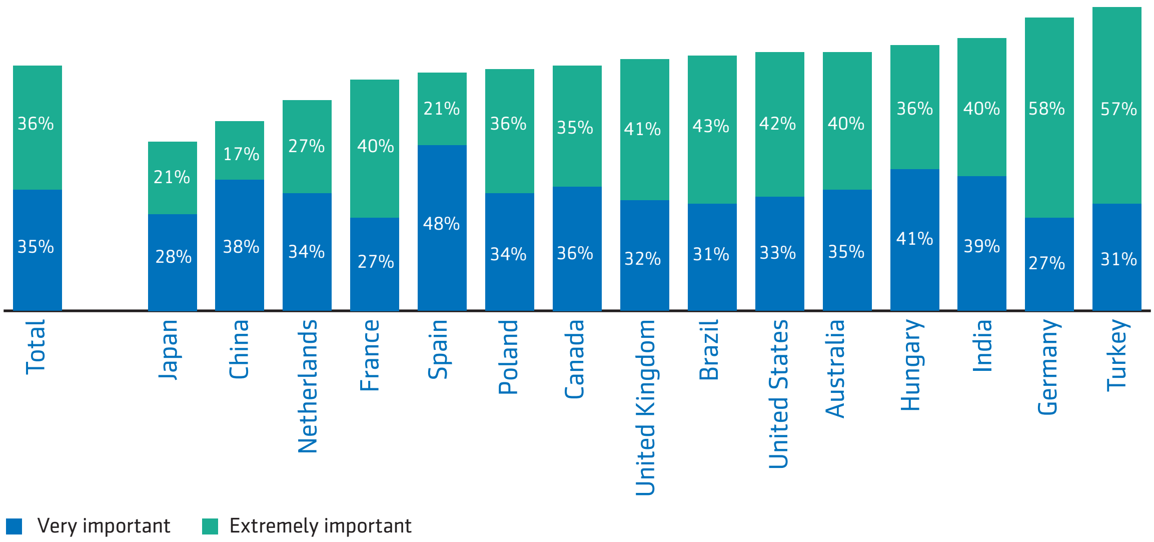
One of the key findings in this year's survey is the widespread desire to remain in and enjoy one's own home in retirement. Globally, 70 percent of respondents say that remaining in their own home is either 'extremely' or 'very' important to them as they grow older.

Chart 32: *More than two-thirds wish to remain in their home as they get older*



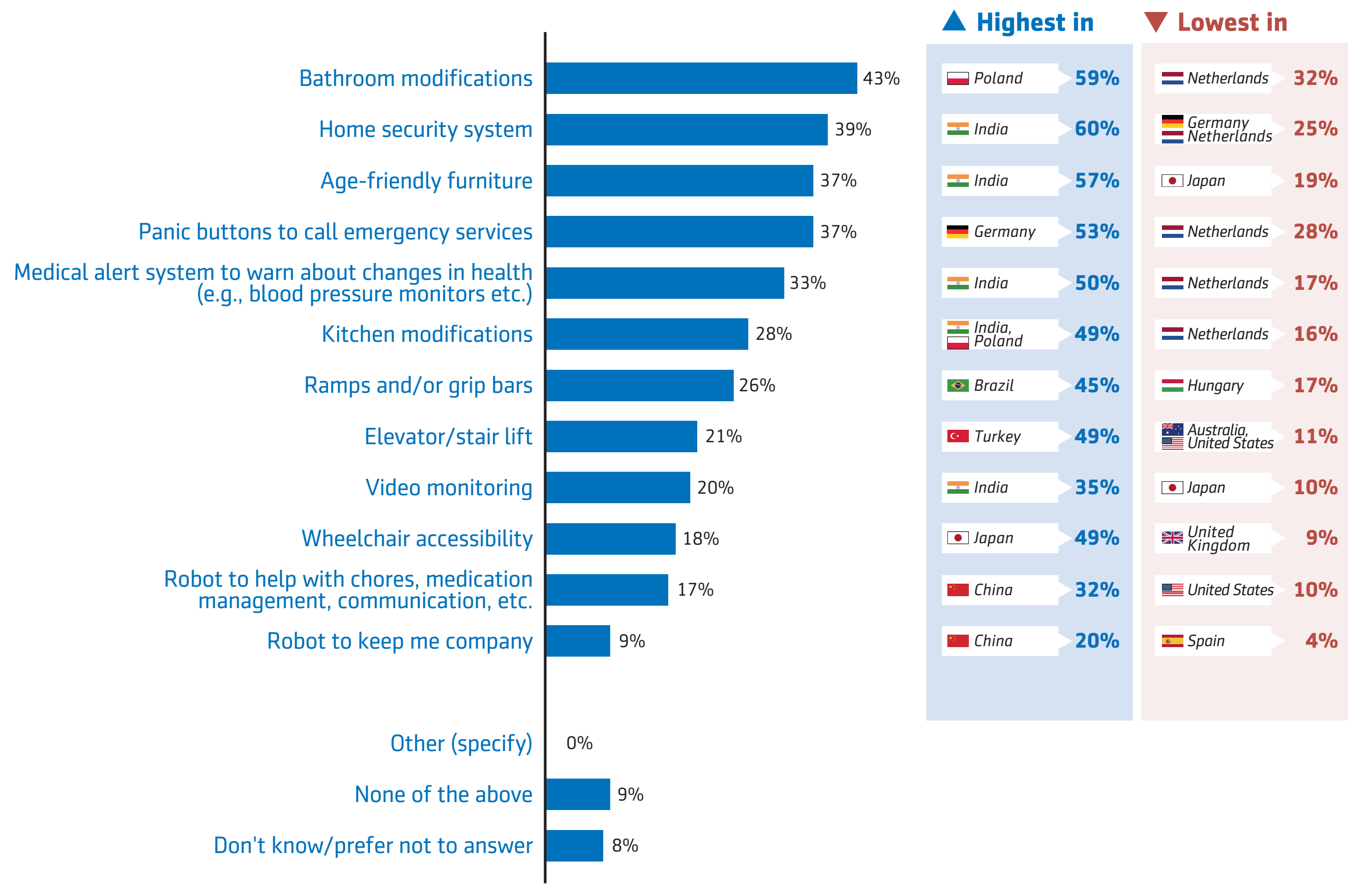
The Japanese are the least attached to their homes with half (49 percent) saying that remaining in their own home in older age is important to them. China is the next lowest at 55 percent. In every country except Japan support for this idea is more than half, proving most popular in Turkey (88 percent) followed by Germany (85 percent).

Chart 33: *Importance of remaining in own home as they get older*



Making aging in place a retirement reality could involve quite minor home modifications to help people live independently. Globally, more than two-in-five respondents envision having bathroom modifications in their home as they get older – this is the most anticipated modification of the list people were presented with. Thirty-nine percent of people envision having a home security system, while 37 percent envision age-friendly furniture. Modifications such as those above open opportunities for businesses to help people achieve their goal of continuing to live in their own home as they get older.

Chart 34: *Aging friendly modifications or devices people envision having in their homes*



Reponses vary considerably by country, especially regarding devices such as robots. For example, 32 percent of people in China envision having a robot to help with chores, medication management, or communication; whereas, only 10 percent of people in the US envision the same. The Chinese are more in favor of having robots to keep them company (20 percent), compared to four percent of people in Spain. Some such technologies are so new that survey respondents may not be aware of them and what they can do.

Advancements in healthcare, technology and lower cost in-home alternatives are emerging developments that bring a promising future for people to 'age in place'.

Case study - Silver to Gold: The Business of Aging

Milken Institute Center for the Future of Aging

Opportunities presented by an aging population will not be fully realized unless business leaders act to prepare for this irreversible shift in demography, according to ***Silver to Gold: The Business of Aging***, a report published by the Milken Institute Center for the Future of Aging.

"Population aging across the globe presents a great 21st century challenge," explains Paul Irving, chairman of the Milken Institute Center for the Future of Aging, distinguished scholar in residence at the USC Davis School of Gerontology, and principal author of the report. "But the news is not all bad. In fact, the aging population may represent the world's most compelling business opportunity." As 'Silver to Gold' reveals, "older adults represent a massive and growing human capital resource and an attractive consumer market for innovative products and services."

Silver to Gold: The Business of Aging offers thoughtful, fact-filled assessments of: the growing economic power of older adults, the underutilized resource of mature workers, advances that can dramatically extend lifespan, health and productivity, and a call to action. It includes data and insights from multiple sources and identifies opportunities, innovations, human capital strategies, and forward-looking policies and practices to realize the upside of aging.

"In a world torn by policy and political divides, the leadership mantle is increasingly defaulting to the business community," the report concludes. "Corporate leaders can speak out and advocate for the interests of older employees and customers, calling their colleagues and peers to action. It is time for 21st century businesses to confront stereotypes that veil the market and human capital opportunities of population aging. They must embrace the promise and possibilities of a new mature world, align policies and practices with the interests of demographically changing customers and employees, and become advocates for public health and financial security."

Silver to Gold: The Business of Aging is accompanied by ***The Business of Aging—an essay series*** which was published in collaboration with PBS Next Avenue and Forbes. The publications are available online at *www.milkeninstitute.org*.

The mission of the Milken Institute Center for the Future of Aging is to improve lives and strengthen societies by promoting healthy, productive, and purposeful aging.

Part 8 – Forging the new social contract

In countries around the world, social contracts for retirement security developed in the 20th century are crumbling. Government pensions and social security programs face funding issues and need reform. Employee-funded defined contribution plans are now the main vehicle for saving at the workplace but need to expand coverage to workers of all types of employment status. Individuals are now expected to save, invest, and self-fund an increasing portion of their future retirement income, but many are ill-equipped to handle the added responsibility.

Megatrends, such as increases in longevity, population aging, changing demographics, non-traditional employment arrangements, medical advances, new technologies, and globalization, will continue to be directly or indirectly disruptive in the foreseeable future. At this time in which uncertainty abounds, how can we apply the lessons of experience from the current contract and forge a new social contract that is sustainable, resilient, and adaptable to the changing times?

Who are the partners in the new social contract?

Governments take center stage in orchestrating their countries' retirement systems and they must continue to play a significant role in providing for income and healthcare in retirement. They set forth policy agendas that can ensure security for everyone, especially at-risk segments of the population, amid social and economic progress. Their laws and regulations pave the way for product and service offerings. Their ability to raise taxes as a way of funding social programs and motivating employers and individuals through tax incentives uniquely positions them as enablers and influencers.

Employers must play a vital role in helping their employees save and prepare for retirement. The shift from defined benefit to defined contribution retirement plans in recent decades illustrates the changing nature of the social contract. Employers can also provide education, workplace health- and financial-wellness programs, and other employee benefits including insurance and financial-related products.

Individuals must take a proactive role in 'owning' their future retirement by saving, investing, and meticulously preparing. In order to be successful, they must strive to become financially literate and engage in retirement planning. Amid megatrends that can be disruptive to jobs and employment, individuals must be prepared for changes in the job market by keeping their skills up to date, remaining flexible, and preparing to be an independent contractor if need be. Given the rapid pace of advancements in technology, it is also important to embrace a spirit of life-long learning to stay current with the times.

In designing the new social contract, the roster of social partners must be expanded with a closer alignment and better coordination among the public, private and nonprofit sectors. Specifically, academics, think tanks and researchers must be called upon as collaborators who can provide a wealth of insights and ideas. Financial services providers and professionals offer products and services with access to personalized recommendations to help people navigate their way through complex decision-making and will continue to play an important role in the new social contract.

The healthcare industry can be the catalyst for healthy aging. Charities and nonprofit organizations also play a vital role in helping fill the gaps for individuals who are greatest risk of being left behind in preparing for retirement.

What are the essential design features of the new social contract?

The promise of a new social contract brings the opportunity to modernize retirement systems with innovations based on behavioral economics, healthy aging, and other enhancers and detractors of retirement security – while applying the lessons of experience. The new social contract must be flexible and adaptable for our ever-changing times.

The following outlines the essential design features of the new social contract:

Sustainable social security benefits

Social security-type programs serve as the fundamental source of retirement income – and guaranteed income. Maintaining the long-term sustainability of these programs is one of the most far-reaching challenges facing governments today. It requires the possibility of controversial reforms and trade-offs such as raising taxes, reducing benefits, or increasing the retirement age (amid the absence of meaningful employment opportunities for older workers).

Any proposed reforms must be evaluated with the greatest of care in order to solve the funding issues fairly and equitably, across generations and levels of need, and in a way that avoids the risk of poverty among the elderly in the future. Whatever the reforms may be, individuals will inevitably be required to pick up the slack, with some being more affected than others. It is imperative that individuals are given as much advance notice as possible regarding any benefit changes so that they can adjust their retirement plans and expectations accordingly. Those already receiving social security payments should be exempted from benefit changes.

Universal access to retirement savings arrangements

In recent decades, workplace retirement savings plans have been successful in getting people to save habitually for their retirement. However, many employees are not offered such benefits by their employers. Further, the workforce is evolving with the proliferation of the 'gig' economy, indicating that fewer people will have access to this form of saving opportunity in the future.

An essential component of the new social contract is universal access to retirement savings plans in the workplace for employed workers and alternative arrangements for contractors, freelancers, and the self-employed. People who are not in the workforce, perhaps due to parenting, caregiving or other responsibilities, must also have the opportunity to either save through other sources and/or have the value of their caregiving credited as wages in determining social security. Financial institutions, NGOs and community organizations must work together to develop and promote long-term savings products that encourage and enable people to save when they can. The new social contract must also address concerns about workers becoming overly reliant on government benefits as a source of retirement income, especially if reforms or cutbacks may be on the horizon.

Automatic savings and other applications of behavioral economics

With defined contribution plans becoming the norm around the world, efforts to build coverage and achieve retirement income adequacy have involved applying behavioral economics to the combination of automatic enrollment into a workplace retirement plan, and automatically increasing the amount workers contribute into those plans over time. These features make it easy and more convenient to save.

Of course, a challenge is that life often gets in the way. Most people don't have the luxury of being able to start saving as soon as they enter the workforce and save continuously over the full course of their working years. Many will encounter career breaks, voluntary or involuntary, during which they are unable to save. And there will be times when they can't afford to save 10 to 20 percent of their salary. Most workers may find it hard to achieve these savings rates without a helping hand. Tax incentives for saving, along with the offering of matching contributions by employers, have proven effective in encouraging savings. Target date funds and managed accounts, both of which have proven popular among savers, have brought professional expertise to workers' retirement investments.

The new social contract must draw from the growing body of knowledge of behavioral economics to tap into the full potential of human nature. Further product innovation based on these principles can help guide saving, investing, and decision-making. One example in which innovation is desperately needed is facilitating the decision-making process when a worker is retiring to create a sound, manageable strategy for drawing down savings in retirement.

Guaranteed lifetime income solutions

Individuals need a plan to manage their retirement savings to last their lifetime. In addition to their social security benefits and/or traditional pension benefits from employers, if any, they must aspire to save enough to be able to create a guaranteed stream of income to manage their living expenses in retirement.

With the shift from employer-sponsored defined benefit to defined contribution plans, a tremendous emphasis has been placed on helping workers save, but without adequate attention to helping them plan and navigate the intricate decision-making surrounding how to drawdown their savings in retirement.

A new social contract must ensure that individuals are educated about the all-critical need to strategically plan how to manage their savings in retirement, to avoid running out of money, and to be knowledgeable about options available to help them do so. Access to professional advice must be readily available and affordable. Governments, employers and others should increase awareness of, and encourage individuals to take advantage of, opportunities to have a portion of their retirement savings distributed in the form of guaranteed income, such as an annuity. Given what is at stake and the complexity that is involved, policymakers, the financial services industry, employers, and others must work collaboratively to further develop and offer access to lifetime income solutions.

Financial education and literacy

Because individuals are expected to self-fund a greater portion of their retirement income, the need for planning has become increasingly important. In order for individuals to become good planners, it is imperative that financial literacy be significantly improved so that they are capable and have a basic understanding of financial matters. This will enable them to understand products and services offered to them, ask the good questions, and make informed decisions.

As part of the new social contract, the government, academic institutions, financial services industry, and employers must be committed to providing financial education to help people save, plan, and invest for their retirement. Education must be readily accessible and affordable.

Financial literacy must be part of the educational curriculum so that young people learn the basics of budgeting, investing and managing their savings – skills that can serve them the rest of their lives. It is never too early to start; younger children can learn about budgeting, saving, and the impact of compound interest. As they progress through the school system, they can learn about other topics such as inflation, financial products and risk diversification. Parents can encourage savings so that saving becomes second nature.
Being financially literate will help people in creating a retirement strategy, which includes a written financial plan. Such a plan should be dynamic to account for a variety of scenarios – the known: day-to-day expenses; the expected: volatility in financial markets that may impact income in the future; and the unexpected: job loss, illness, or a crash in the markets.

Lifelong learning, longer working lives and flexible retirement

For many people, it is mathematically impossible to fund a retirement of 25 or more years based on a working career of 40 years. In the new social contract, it is imperative that people have the ability to extend their working lives.

Lifelong learning is essential for individuals to keep their job skills up-to-date and relevant. Individuals should pursue this on their own and employers should offer assistance for them to do so.

Many want and need to work longer for a variety of reasons. However, government proposals to increase retirement age (i.e., eligibility to receive benefits) have led to heated debates in many countries. One of the many concerns is the lack of employment opportunities available for older workers and a potentially high unemployment rate among them as they wait longer to receive benefits.

The new social contract creates an environment that enables people to stay economically active longer and provides the appropriate levels of protection when they are no longer able to work. For many, retirement has become an active stage of life where people aspire to stay socially connected, to participate in their communities, and often to work. In fact, most workers envision some form of transition to retirement where they continue working in some capacity for all or part of their retirement, a finding supported by this research.

Governments should promote policies encouraging employers to offer opportunities to older workers and facilitate their transition to retirement. Governments must modernize social security and other benefits to align with this new model of a phased retirement, thereby providing individuals with greater flexibility to tailor their benefits according to their needs. In doing so, they can incentivize individuals to work longer while paying out benefits to those who may no longer be able to work due to disability or health-related issues.

Accessible and affordable healthcare

People have the potential of living longer than at any other time in history. However, this gift of increased longevity cannot be fully realized unless people are healthy enough to enjoy it. In addition to the financial aspects of retirement, the new social contract must be expanded to focus on healthy aging. It must recognize the role good health plays in achieving balance in people's lives, improving productivity, ensuring that they can stay economically active longer, and maintaining a good quality of life during their working years and in retirement.

Governments play a vital role in sponsoring and/or overseeing healthcare systems to ensure that they are accessible and affordable for individuals, whether working or retired, and for employers to offer benefits to their employees. Governments can also provide awareness about the benefits of healthy eating and exercise, as well as incentives to healthy lifestyles (from creating more greenspaces and bike-friendly streets to taxes on unhealthy foods and activities).

Employers have a vested interest in maintaining a healthy workforce and can make great strides at little expense by introducing things like healthy food options, information on stress management and encouraging exercise programs. Today's working environment is more complex than it was a few decades ago. The fast pace combined with the ability to access emails 24 hours a day means that the lines between work and leisure are becoming blurred, a situation that requires workers to safeguard work-life balance, avoid burnout, and protect their health.

NGOs and other nonprofit organizations can raise awareness of the latest healthcare-related issues among the other social partners, identifying inequalities, encouraging interventions when needed, and promoting long-term vitality.

A positive view of aging

Older individuals have wisdom and experience to share with younger generations. Unfortunately, their ability to do so is often hindered by stereotypical views of older people, aging, and retirement portrayed in the media and too frequently part of our daily conversation. These negative biases limit our ability to recognize the exciting new possibilities in all aspects of daily lives. And, specifically, they are a significant barrier for older people who may want and/or need to stay in the workforce longer to save and prepare for a secure retirement.

A positive view of aging is paramount for the new social contract. It must celebrate the value of older individuals and take full advantage of the gift of longer lives and extra time.

An age-friendly world

Advances in science, medicine, technology, and the principles of inclusion by design are already improving people's lives in terms of how and where they age. Most people prefer to 'age in place' in their own homes and it is now increasingly possible with biometrics, sensors, communication devices, and even robots. Outside the home, cities, towns, villages and communities must also adapt. Local governments, businesses and developers must partner to promote and develop the infrastructure needed to facilitate healthy and active aging in the community. Vibrant communities designed for people of all ages can promote vitality, health, productivity, and economic growth.

The new social contract must incorporate these age-friendly ideals. The benefits include promoting longer, healthier lives, and stronger communities.

In conclusion

The retirement landscape is changing. Amid megatrends, the way people live, work, and retire will continue to evolve. A new social contract must address the need for a redistribution of responsibility in how people fund and prepare for their retirement, while ensuring that the necessary tools, resources, and infrastructure are provided. It must honor the principles of sustainability and solidarity, while providing adequate safety nets that enable people to age with dignity, avoid poverty in old age, and ensure that vulnerable people are not left behind.

Achieving success depends on building new collaborative relationships based on common objectives, benefits, and trust. At Aegon, we recognize that no one party to the contract has the solution to the challenge or the answers to all of the questions. Debate is important and we hope that this report will act as a conversation starter in collectively reaching a solution that will be sustainable and equitable.

Glossary

401(k) plan
A defined contribution plan available to workers in the US. An employer-sponsored retirement plan that enables workers in the US to make tax-deferred contributions from their salaries to the plan. See also defined contribution plan.

Automatic enrollment
A feature of an employer-sponsored retirement plan in which the employer is able to enroll a worker without that worker's express authorization. The employer determines what percentage of the worker's salary or wages is contributed to the plan. The worker is able to change this percentage, and can refuse enrollment in the plan.

Automatic escalation
A feature of a retirement plan which automatically increases with the percentage of retirement funds saved from salary. This type of plan generally features a default or standard contribution escalation rate.

Critical illness
An affliction which is life threatening.

Defined benefit plan
A type of pension plan in which an employer/sponsor promises a specified monthly benefit on retirement that is predetermined by a formula based on the worker's earnings history, tenure of service and age, rather than depending directly on individual investment returns. 'Final salary' and 'career average' are examples of types of defined benefit pensions.

Defined contribution plan
A type of retirement plan in which the employer, worker or both make contributions on a regular basis. Benefits are linked to investment performance over time rather than a predetermined formula as seen in defined benefit plans. Also known as a 'money-purchase pension plan'.

Financial literacy
The ability to understand personal finance areas including: insurance, investing, saving (especially for college), tax planning and retirement. It also involves knowledge of financial concepts like compound interest, financial planning, the mechanics of a credit card, advantageous savings methods, consumer rights, time value of money, etc.

Flexible retirement
An arrangement whereby workers continue working with a reduced workload into retirement before stopping work altogether. Sometimes referred to as 'phased retirement'.

Income protection insurance, also known as disability insurance
An insurance policy paying benefits to policyholders who are incapacitated and hence unable to work due to illness or accident.

Life insurance
Insurance that pays out a sum of money either on the death of the insured person or after a set period.

Matching retirement plan contributions
An arrangement where an individual's contributions to a retirement plan are 'matched' by funds from an employer or government.

Megatrend
A megatrend is a significant, long-term change impacting the way we live our lives. These changes can take many forms including economic, social, financial and demographic. They are characterized by the fact they are dynamic and will shape our world in the future.

Normal retirement age
The age at which an individual accrues full rights to their retirement benefits. The specific age varies by country and sometimes within countries based on the year an individual was born.

Nudge theory
Concept in behavioral science, political theory, and economics that argues that positive reinforcement and indirect suggestions influence behavior. It makes use of insights from psychology to help understand how individuals make economic decisions. It has been employed by policymakers to help encourage people to save more for the long term.

Social security
A US federal program of social insurance and benefits developed in 1935. The Social Security program's benefits include retirement income, disability income, Medicare and Medicaid, and death and survivorship benefits. Social security is one of the largest government programs in the world, paying out hundreds of billions of dollars per year. Throughout the report we use the term 'Social Security' to refer to similar programs that exist in other countries.

Workplace retirement plan
Provides replacement for salary when a person is no longer working due to retirement – see defined benefit plan and defined contribution plan. An old-age pension plan administered through an employer.

About the authors

Aegon Center for Longevity and Retirement

The Aegon Center for Longevity and Retirement (ACLR) is a collaboration of experts assembled by Aegon with representation from the Americas, Europe, and Asia. ACLR's mission is to conduct research, educate the public, and inform a global dialogue on trends, issues, and opportunities surrounding longevity, population aging, and retirement security.
aegon.com/thecenter

About Aegon

Aegon's roots go back more than 170 years – to the first half of the nineteenth century. Since then, Aegon has grown into an international company, with businesses in more than 20 countries in the Americas, Europe and Asia. Today, Aegon is one of the world's leading financial services organizations, providing life insurance, pensions and asset management. Aegon's purpose is to help people achieve a lifetime of financial security. More information:
aegon.com

In 2010, Aegon became a founding member of the Global Coalition on Aging, which seeks to raise awareness of aging issues among policymakers and the general public. A major aim of the coalition is to transform the way we think and speak about aging: replacing the familiar rhetoric of 'problems' with a more positive discussion of 'possibilities' and 'opportunities'.
globalcoalitiononaging.com

Transamerica Center for Retirement Studies®

Transamerica Center for Retirement Studies® (TCRS) is a division of Transamerica Institute®, a nonproft, private foundation. TCRS is dedicated to conducting research and educating the American public on trends, issues, and opportunities related to saving, planning for, and achieving financial security in retirement. Transamerica Institute is funded by contributions from Transamerica Life Insurance Company and its affiliates and may receive funds from unaffiliated third parties. TCRS and its representatives cannot give ERISA, tax, investment or legal advice.
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Instituto de Longevidade Mongeral Aegon

A nonproft organization with the purpose of paving the way so that Brazilians can live longer and better. Its efforts focus on areas such as work, cities and education; initiatives such as the RETA Bill, the Urban Development Longevity Index and the content portal of the Instituto de Longevidade Mongeral Aegon.
institutomongeralaegon.org

Cicero Group

A leading consultancy firm servicing clients in the financial and professional services sector, Cicero specializes in providing integrated public policy and communications consulting, global thought leadership programs and independent market research. Cicero was established in 2001, and now operates from offices in London, Brussels and Dublin. As a market leader in pensions and retirement research, Cicero designed and delivered the market research, analyzed the research findings and contributed to the report.
cicero-group.com

Acknowledgements

Pamela Barboza
Frits Bart
Robin Boon
Andrew Byrne
Kent Callahan
Neil Cameron
Steven Cameron
Arkadiusz Chmurzynski
Heidi Cho
Catherine Collinson
Tom Cox
Frans de Beaufort
Jeanne de Cervens
Hector De La Torre
Marjolein Dekker
Sophie Dirkzwager-Kuijper
Edit Drevenka
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Loth Kroeger
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Gabri Luijer
Mike Mansfield
Esin Meker
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Takaoh Miyagawa
Helder Molina
Nilton Molina
Michiel van der Most van Spijk
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Laura Scully
Mandeep Singh
Kate Smith
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Nine Stut
Mark Till
Javier Tormo
Angela Tweedie
Mark Twigg
Manel Vrijenhoek
Marc van Weede
Catherine Wang
Jurgen Warnecke
Alex Wynaendts

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11. The question included a sixth option asking "I take my health seriously (e.g., have routine medical check-ups and do regular self-checks.)" This option was found to have a statistically insignificant correlation to the ARRI score and so has been excluded from the analysis.

Appendix 1 – ARRI methodology

The 2018 ARRI is based on the sample of 14,400 workers, and has been developed to measure attitudes and behaviors surrounding retirement planning. Six survey questions (known as 'predictor variables') are used, three broadly attitudinal and three broadly behavioral:

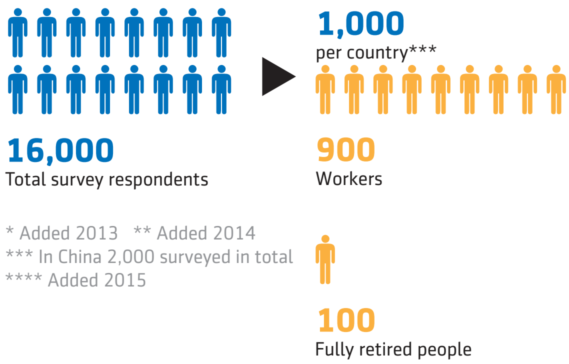
1. **Personal responsibility** for income in retirement
2. **Level of awareness** of need to plan for retirement
3. **Financial capability/understanding** of financial matters regarding plans for retirement
4. **Retirement planning** – level of development of plans
5. **Financial preparedness** for retirement
6. **Income replacement** – level of projected income replacement

As well as these questions, a dependent variable question is asked which is concerned with approaches to saving, for which five broad saver types have been identified: habitual, occasional, past, aspiring, and non-savers.

To create the index score, the predictor variables are correlated with the dependent variable to obtain a measure of influence (known as an 'R' value). The mean scores of the predictor variables are computed and each mean score is multiplied by its 'R' value. The results are summed and then divided by the sum of all correlations to arrive at the ARRI score.

Note on the effect of increasing the number of survey countries year-on-year

The first Aegon Retirement Readiness Survey, published in 2012, was based on research conducted in nine countries. A separate survey in Japan was conducted and reported on later that year. Therefore, 2012 is regarded as a 10-country study. In 2013, two new countries (Canada and China) were added bringing the universe to 12. In 2014, a further three countries (Brazil, India and Turkey) were added increasing the universe to 15. In 2015, the overall size of the survey was maintained at 15 countries although with the introduction of Australia and removal of Sweden. In 2018, the countries surveyed remained the same as 2017.



Appendix 2 – Answers to the ‘Big Three’ financial literacy questions

Correct answers to the ‘Big Three’ financial literacy questions are highlighted in green below.

Question 1 – Suppose you had $100 in a savings account and the interest rate was 2 percent per year. After 5 years, how much do you think you would have in the account if you left the money to grow?	☑ **More than $102** ☐ Exactly $102 ☐ Less than $102 ☐ Do not know ☐ Refuse to answer
Question 2 – Imagine that the interest rate on your savings account was 1 percent per year and inflation was 2 percent per year. After 1 year, how much would you be able to buy with the money in this account?	☐ More than today ☐ Exactly the same as today ☑ **Less than today** ☐ Do not know ☐ Refuse to answer
Question 3 – Do you think that the following statement is true or false? “Buying a single company stock usually provides a safer return than a stock mutual fund.”	☐ True ☑ **False** ☐ Do not know ☐ Refuse to answer

Appendix 3 – Pension and healthcare systems in the 15 survey countries

		Pension provision			Healthcare provision	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
Netherlands	The Dutch retirement age rises to 68 in 2018.	A compulsory insurance plan financed on a pay as-you-go basis.	These are mostly DB, although the popularity of DC and hybrid schemes (such as Collective DC plans) is growing. Although not mandatory, sector wide pension plans stipulate compulsory membership. More than 90% of employees participate in an occupational pension plan.	Private pensions to supplement other provisions are typically offered by banks and insurance companies. Shortfalls can be compensated through an annuity, and contributions are tax-deductible.	Long-term care for chronic conditions, including disability costs like wheelchairs, is covered by mandatory state insurance.	Basic and essential medical care, from general practitioner visits to short-term hospital stays and specialist appointments is paid for by mandatory private health insurance.
Germany	The legal retirement age is 65 years and seven months for both men and women. Starting at age 65 in 2012, retirement age is scheduled to rise to 67 years over a transition period to 2029. The recently-introduced Retirement Act (*Flexirentengesetz*) aims to provide incentives to work beyond the normal retirement age.	An obligatory pay-as-you-earn system financed by employees, employers and governmental subsidies. The contribution rate is equally shared between the employee and the employer.	Employers can choose between DB direct pension promises funded via book-reserve accruals, insurance models or pensions funds. In January 2018, the German Occupational Pensions Act (BSRG) was enacted, permitting defined ambition plans: ultimately offering defined pension goals but without guarantees. The aim here is to increase occupational pension coverage.	There are multiple private pension options including a government-subsidized life annuity plan (*Riester*), or a more flexible model suited toward self-employed persons and freelancers (*Rürup*).	German healthcare is funded by a statutory contribution system that ensures free healthcare for all via health insurance funds, paid by a percentage of income shared between employee and employer.	Private healthcare schemes can either provide a complete health service for those who opt out of the state system, or top-up cover for those who remain in it.

Country	Retirement age	Pension provision – State	Pension provision – Occupational	Pension provision – Personal	Healthcare provision – State	Healthcare provision – Personal
United Kingdom	The State pension age (SPA) will equalize for men and women at age 65 in November 2018. It will then rise in stages to age 66 by 2020. The SPA increases again in stages to age 67 by 2028, then to age 68 between 2037 and 2039. There is no contractual retirement age in the UK, but people can take their private pensions from age 55. They can take their DC savings in cash, buying an annuity, or keep it invested and draw down over time.	The state pension is based on national insurance (NI) contributions. To get the full state pension, people must have contributed or have had NI credits for 35 years.	All employers must auto-enroll their eligible employees into a workplace pension and pay a contribution. They can use occupational or personal pensions to do this. DC plans have tended to be the chosen pension vehicle for most employers to meet their auto-enrollment duties. Employees have the right to opt-out of the employer's workplace pension scheme. If they do this, they forfeit the right to an employer contribution.	Personal pensions can be used by employers to meet their auto-enrollment duties, known as group personal pensions. They are also suitable for the self-employed and can be used by those people not working. Self-invested personal pensions give people greater freedom to manage and invest their fund investments.	Universal coverage is provided free at the point of use through the National Health Service. It is funded by general taxation.	Around 10% of the population has additional voluntary private health insurance, provided through employers in the main.
France	Currently at 60, the retirement age for state pensions will gradually rise to 62. The age at which an employee can retire with a full-rate pension will gradually rise from 65 to 67.	French pensions are almost entirely funded by the state. Its public provision is financed on a pay-as-you-go basis.	Private retirement income is almost entirely based on compulsory systems alongside the basic social system. The AGRIC (for executives) and ARRCO (for non-executives) are based on collective agreements and offer DB plans, but the highly-fragmented system with many occupational groups having their own schemes brings the total to nearly 40 regimes.	Voluntary occupational plans are a very small part of the market and predominantly operate through life insurance packages, or are long-term Company Savings Plans (PERCO).	Individuals' '*Carte Vitale*' covers the full cost of essential care for severe illnesses, and up to 70-80% of other treatments. Patients present the *Carte Vitale* and payments are processed directly to the doctor.	Supplementary private health insurance can be used to 'top up' the remainder not reimbursed, often organized through a mutual society or insurance provider. The majority of French citizens own this.

		Pension provision			Healthcare provision	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
Spain	Currently at 65 but the retirement age will increase to 67 by 2027, with legal age for pre-retirement increasing from 61 to 63.	An earnings related contributory pension system that is mandatory for all employees and the self-employed, as well as a means-tested pension granted to those who have not acquired enough contributions.	Typically, DB in flavor and mainly offered by larger or international employers only. These have not been highly developed as the public pension provides good security.	Private pensions generally consist of individual and collective pensions, divided into associative and company plans. The plans benefit from tax subsidies for contributions.	All residents in Spain have access to a free public healthcare system, which is funded by social security contributions.	For those not paying social security, some opt for private healthcare to avoid lengthy waits. This is also true of those requiring lengthy treatments.
Poland	Retirement age is 65 for men and 60 for women following a reversal in 2016 of a four-year-old increase to 67.	The statutory pension provision is obligatory for employees and self-employed persons.	Occupational pension plans (PPE) were introduced in 1999 but are not very widespread, with only 2% of the population covered. The government plans to introduce new employee capital plans (PPK) from 2019 co-financed by employer and employee with one-time welcome contribution and annual additional payments financed from the public budget.	Individual Retirement Accounts (IKE) and Individual Pension Security Accounts (IKZE) available as life insurance, mutual investment fund, brokerage account, (special) bank account or voluntary pension fund (only IKZE).	Delivered through a publicly funded healthcare system which is free for all citizens, provided they have health insurance.	Private healthcare is often used to supplement the public sector to avoid the long waits of the public health system.
Hungary	For those born in 1951, the retirement age is 62. Since 2010, those born in 1952 or later will see the retirement age increase to 65 by 2022.	A one-pillar statutory pension system which is a mandatory, uniform DB pay as-you-go system with an earnings related public pension combined with a minimum pension.	The mandatory second pillar was a DC system with individual retirement accounts. After a brief suspension on payments, when deciding to choose whether to remain in the plan or transfer back to a pay-as-you-go public pension, only 3% remained.	Hungary scaled down its mandatory private pension systems after the hit retirement savings took following the global financial crisis.	With a tax-funded healthcare system, 100% of the total population is covered by universal health insurance, however there are gaps in provision throughout the country.	Many people use private insurance companies for additional healthcare, which is seen as providing better and more comfortable treatment. Health Fund: Individuals receive tax benefits on personal contributions to private Health Funds. These funds can be used for health-related services such as medicines, medical examinations, medical aids, etc.

		Pension provision			Healthcare provision	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
United States	The full retirement age for Social Security is 66 for those born 1943-1954 and gradually rises to 67 for those born in 1960 or later. Early retirement is available at age 62, with a reduction in benefits, while claiming benefits after full retirement age (up to age 70) increases benefits.	Social Security, the government pension system, is predominantly financed through social security taxes paid by employers and employees, and operates on a pay-as-you-go basis. It provides benefits to those who paid into the system for a minimum of 10 years.	Many workers have access to retirement plans that are dominated by DC plans, the most widespread of which is the 401(k) plan which enables employees and employers to make tax-deferred contributions from their salaries to the plan.	In addition to contributing to self-funded workplace plans such as 401(k)s, tax-incentivized personal retirement savings plans, such as the Individual Retirement Account (IRA) are widely established.	Government healthcare for all is not available. The government funds two kinds of health plans, Medicare and Medicaid, designed for the elderly, disabled, poor and young.	Many people in the US have workplace health insurance, with costs shared between the employer and the employee. Health insurance is also bought privately. Those without insurance will be invoiced after treatment.
Canada	The full retirement age for the state retirement benefits is age 65, with the ability to receive benefits as late as age 70 with an increase benefits paid.	A two-tier public pension system made of a flat-rate pension from the Old Age Security program, based on years of residency and financed by tax revenues; and the Canada Pension Plan, an earnings-related program for which contributions are paid by employers and employees.	A mix of DB, DC and hybrid plans are offered to employees. Employers and employees (or just employers) contribute to the plan. Employers sometimes match employees' contributions in DC plans. Some plans cover all employees in a business and some are voluntary.	Individuals can also contribute to a voluntary Registered Retirement Savings Plan or a Tax-Free Savings Account and receive tax advantages.	A publicly funded healthcare system which is mostly free at the point of use, but does not cover prescription drugs, home/long-term care or dental care.	The majority of Canadians have supplementary private health insurance, often received through employers, that mainly goes toward services not covered by the state system.
China	Currently, retirement age is 60 for men, 55 for female white-collar workers and 50 for female blue-collar employees but this is planned to rise.	In urban areas this is divided between a pay-as-you go plan (paid by employers) and funded individual accounts. Rural participation is voluntary and benefits are far less generous.	Formed in 2004, Enterprise Annuities are voluntary occupational plans that are fully funded defined contribution accounts, and are established as a trust. There is tax exemption for employers but not employees.	This is still under development. Consists of voluntary private savings, which could evolve to include IRAs.	Workers and employers are required to make payments to the basic medical insurance plan which combines an individual account with pooled funds. Uptake level is much higher among urban than rural citizens.	With limited coverage for outpatient treatment, medicines or treatments outside of the state approved lists, those needing these services often have to buy additional private medical insurance.

		Pension provision			**Healthcare provision**	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
Japan	The state pension age for partial benefit is currently 62 for men and 60 for women, and will rise for full benefit to 65 by 2025 for men and by 2030 for women as the country deals with an increasingly aging population.	Consists of mandatory contributions to the flat-rate National Pension System, and employment related pensions for public and private sector employees. Both are on a pay-as-you-go basis financed by not only participants' contributions (along with employers' for the employment related pensions) but also by tax revenues.	Occupational pensions come in both DB and DC forms usually with plan sponsors' contribution only.	Almost all working age Japanese people can join individual-type DC retirement plans (similar to IRAs) except for those who participate in corporate-type DC plan which do not allow participants to join individual-type DC plan.	Health insurance participation is mandatory. Employees and their family members participate in the private health insurance society or association, where the participants pay the premium based upon their income level and the employers usually pay the same amount. The participants may have an option to stay in the society or the association for some years after they retire. Those who are not employees or their family members usually participate in the health insurance association organized by the municipal or the state governments. The insured pays up to 30% of costs of the healthcare services and the association or the society paying the remainder.	Insurance companies provide personal health insurance products. In addition, there are also services such as orthodontics and treatments of traffic accident injuries (the latter covered by automobile insurance instead).
India	The retirement age falls between 55 -60 years, which varies state-wide for government employees.	A limited social safety net for the elderly poor; two pension plans for civil servants (a legacy DB and newer DC plan with two tiers based on voluntary/ mandatory contributions); plus gratuity upon retirement for employees in public/private sector with more than five years of tenure.	This is a mandatory pension plan for the private sector, operating through three major plans. One is a life insurance plan, one is a DB plan to which employers and the government contribute, and the other is a DC plan which both employers and employees contribute to.	This is in a nascent stage, formed of pension/ annuity plans offered by life insurers, mutual fund pension plans and the National Pension system (NPS) for non-government employees – the latter of which came into effect in 2004.	There is great disparity in the quality of provisions between rural and urban areas in public sector healthcare. A 2015 implementation of a universal healthcare system was delayed due to budgetary concerns.	Responsible for the majority of healthcare in India. Most healthcare expenses are paid out of pocket rather than through insurance. Private health insurance plans do not cover the cost of consultation or medication, just hospitalization and associated expenses.

		Pension provision			Healthcare provision	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
Brazil	No minimum retirement age at present. On average, citizens work to the age of 54. Even though there was a lot of progress last year at the National Congress regarding the Pension Reform Proposal, currently the debate is on hold. The original proposal sets a minimum retirement age of 65.	The General Social Security System is a mandatory pay as-you-go plan that covers private sector employed and self-employed workers. Benefits are subject to a salary cap. The Public Employees' System, reformed in 2011, made older DB plans that guaranteed up to 100% of final salary unavailable to new participants and limited the amount to the cap set by the General System. As a replacement, it offers a supplementary DC plan to those who earn more than this cap.	A few companies offer supplementary pension funds' plans, which are accessible to their workers and allow for matching employer contributions. Corporate retirement savings account plans are also offered by some companies.	There is a young and growing retirement savings account market offered by insurance companies. These accounts mainly comprise tax benefits plans with no interest rate guarantees, and are accessible to every individual. Since occupational plans are not sufficiently developed in the country, this market is mainly comprised of individual plans, which represent approximately 87% of markets' total contribution.	The health system is public, free, and universally accessed, although inefficient due to management issues and budget constraints. On the other hand, some centers of excellence exist.	Private health plans are offered by health insurance companies, through corporate and individual plans. Corporate plans are accessible solely to workers (and their families) from a given company and are not widely offered. Individual plans are more common with a low-ticket offer. Plans with higher prices – and better coverages – are rare and not consistently offered.

		Pension provision			Healthcare provision	
Country	**Retirement age**	**State**	**Occupational**	**Personal**	**State**	**Personal**
Turkey	The current retirement age is 58 for women and 60 for men. A reform bill will gradually increase this to 65 for both men and women.	The state pension system collects compulsory insurance contributions from employers and employees. The size of pension is determined by the amount of contributions paid.	There is no occupational pension model at present.	From January 2017, all employees of age 45 years and under are automatically included in a private pension plan by their employer. Payments are deducted from an employee's salary and are paid by the employer on behalf of the employee. Employees will receive a state subsidy to their account.	There is universal healthcare under the universal health insurance system. All registered residents can receive medical treatment free of charge in contracted hospitals. Patients must partially cover the cost of some prescriptions and outpatient services.	Private health insurance is well developed. Many people pay premiums to private companies besides regular contributions to state systems to get better quality health service.
Australia	The retirement age is 65 at present, rising to 65½ in July 2017 then in stages to 67 in July 2023. The government has proposed raising this to 70 by 2035.	A means-tested, non-contributory tax-financed age pension that provides basic benefits.	Occupational DC plans make up the backbone of the Australian retirement system and is made up of funded individual pension accounts provided by superannuation funds. It is a DC system and employers are required to contribute 9.5% of salary.	Involves individuals contributing to their superannuation funds or to retirement savings accounts (RSAs), which are low cost pension plans offered by deposit taking institutions or life insurance companies.	A national public health insurance plan that provides automatic universal health coverage. Co-payments are at a doctor's discretion.	Voluntary private health insurance plays a mixed complementary and supplementary role. Policies are encouraged through tax incentives. In 2014 just under half the population had private health insurance coverage.

Appendix 4 – Country comparisons

Q - Which of the following global trends are impacting your plans for retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Changing demographics	14%	8%	15%	9%	8%	15%	22%	24%	12%	12%	17%	12%	22%	6%	23%	11%
Increased life expectancy	27%	25%	31%	24%	29%	30%	29%	23%	25%	25%	30%	31%	33%	25%	20%	25%
Volatility in financial markets	24%	21%	27%	17%	12%	21%	24%	15%	22%	25%	32%	21%	37%	22%	37%	23%
Prolonged low interest rate environment	20%	24%	29%	22%	11%	16%	16%	16%	14%	18%	24%	24%	32%	12%	14%	22%
New technologies and digital transformation	12%	8%	9%	8%	8%	7%	14%	15%	11%	11%	17%	9%	29%	10%	15%	12%
Changes in labor markets	21%	16%	19%	8%	10%	28%	29%	26%	14%	16%	30%	15%	21%	32%	23%	14%
Reductions in government retirement benefits	38%	26%	48%	24%	37%	49%	37%	53%	26%	30%	37%	48%	35%	54%	43%	27%
Terrorism	11%	8%	19%	8%	8%	6%	9%	11%	8%	9%	8%	7%	16%	6%	34%	13%
Cybersecurity issues	9%	5%	7%	6%	6%	5%	6%	6%	11%	8%	15%	9%	23%	6%	13%	7%
Climate change	12%	10%	14%	6%	8%	7%	9%	15%	9%	12%	15%	13%	25%	6%	13%	12%
Globalization	12%	8%	14%	7%	10%	12%	9%	12%	7%	9%	13%	6%	29%	11%	16%	9%
Urbanization	8%	4%	4%	4%	4%	3%	5%	4%	6%	5%	15%	5%	23%	6%	19%	8%
International political instability	19%	12%	22%	10%	11%	26%	27%	25%	11%	14%	15%	21%	20%	22%	32%	17%
None of the above	14%	17%	15%	28%	19%	12%	10%	4%	27%	23%	10%	8%	8%	9%	5%	23%
Don't know	10%	19%	9%	13%	13%	9%	13%	12%	9%	11%	5%	15%	3%	5%	5%	12%

Q - With the cost of social security becoming a greater concern as people live longer which, if any, of the following do you think the government should undertake?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
The government should reduce the overall cost of social security provision by reducing the value of individual pension payments, without having to increase taxes	16%	13%	22%	9%	12%	13%	16%	11%	15%	11%	18%	13%	N/A	26%	27%	12%
The government should increase overall funding available for social security through raising taxes, without having to reduce the value of individual payments	34%	22%	33%	39%	26%	47%	35%	41%	30%	26%	54%	27%	N/A	19%	25%	29%
The government should take a balanced approach with some reductions in individual payments and some increases in tax	26%	26%	21%	30%	24%	21%	23%	20%	25%	29%	23%	34%	N/A	26%	28%	33%
The government should not do anything. social security provision will remain perfectly affordable in the future	7%	14%	8%	6%	7%	3%	5%	4%	9%	8%	1%	5%	N/A	14%	9%	7%
Don't know	18%	25%	17%	17%	32%	15%	21%	24%	21%	26%	5%	21%	N/A	16%	11%	19%

N/A - Question not asked in India

Q - Which of the following does your current employer offer you?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Basic salary	79%	73%	79%	82%	78%	80%	87%	87%	79%	77%	85%	69%	84%	87%	60%	80%
Overtime and bonus pay	54%	52%	51%	45%	46%	55%	60%	53%	52%	49%	68%	55%	58%	56%	49%	40%
Vacation/paid time off	77%	82%	90%	82%	84%	86%	89%	83%	70%	74%	73%	68%	60%	87%	70%	68%
Flexible working hours	49%	59%	56%	55%	44%	46%	42%	45%	59%	55%	42%	22%	60%	54%	45%	58%
Opportunities for career progression	51%	50%	47%	51%	46%	44%	49%	38%	52%	48%	66%	35%	65%	58%	47%	47%
Convenient location of workplace	67%	61%	72%	72%	53%	60%	72%	60%	73%	72%	76%	52%	62%	71%	61%	71%
Life insurance	40%	16%	16%	31%	48%	30%	65%	24%	54%	50%	53%	23%	59%	49%	41%	21%
Medical health insurance	57%	46%	61%	20%	72%	42%	79%	46%	70%	62%	76%	38%	70%	64%	65%	20%
Retirement plan with employer contributions	43%	54%	42%	68%	32%	23%	22%	20%	57%	47%	57%	23%	64%	43%	38%	42%
Retirement plan without employer contributions	27%	25%	26%	26%	18%	16%	18%	14%	29%	21%	41%	18%	46%	30%	35%	21%
Stock purchase plan	21%	13%	22%	22%	21%	14%	12%	10%	25%	16%	32%	18%	38%	19%	31%	16%
Access to good training provision	47%	52%	51%	50%	46%	48%	40%	34%	46%	44%	61%	20%	64%	45%	38%	47%
Ability to work past the normal retirement age	47%	36%	41%	57%	40%	30%	48%	44%	66%	61%	39%	34%	49%	54%	51%	57%
Phased retirement or other employer programs providing for a transition into retirement	29%	29%	36%	26%	24%	25%	28%	19%	28%	23%	41%	17%	46%	28%	27%	22%
NET: Retirement plan with/without employer contribution	51%	61%	51%	75%	39%	28%	30%	26%	66%	54%	66%	28%	76%	53%	51%	49%

ARRI scores by country

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
NET: Low Index	51%	56%	46%	51%	62%	65%	61%	62%	40%	50%	36%	77%	24%	38%	57%	50%
NET: Medium Index	30%	28%	33%	26%	25%	26%	27%	28%	28%	28%	41%	19%	36%	33%	31%	29%
NET: High Index	19%	16%	20%	23%	13%	9%	12%	10%	32%	22%	23%	4%	40%	29%	12%	21%
MEAN	5.95	5.66	6.13	6.01	5.42	5.13	5.46	5.33	6.53	6.04	6.65	4.75	7.34	6.61	5.53	5.93

Q - To what extent do you feel personally responsible for making sure that you have sufficient income in retirement?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I don't feel responsible at all 1	3%	3%	3%	1%	6%	5%	2%	6%	1%	1%	1%	2%	1%	3%	2%	2%
2	4%	5%	4%	2%	7%	8%	5%	8%	2%	2%	2%	3%	3%	3%	6%	2%
3	21%	28%	23%	17%	29%	28%	23%	29%	10%	14%	18%	25%	11%	16%	25%	17%
4	33%	38%	31%	32%	30%	31%	32%	26%	25%	29%	50%	32%	31%	24%	28%	31%
I feel very responsible 5	40%	26%	39%	48%	28%	28%	37%	32%	60%	53%	30%	39%	54%	54%	39%	48%
MEAN	4.04	3.80	3.98	4.24	3.65	3.69	3.97	3.70	4.41	4.31	4.06	4.04	4.32	4.24	3.95	4.21

Q - How would you rate your level of awareness on the need to plan financially for your retirement?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I feel very unaware 1	3%	3%	1%	3%	5%	7%	2%	6%	2%	3%	0%	2%	1%	2%	4%	3%
2	6%	9%	3%	7%	7%	12%	6%	13%	4%	4%	2%	7%	3%	3%	10%	7%
3	24%	29%	16%	23%	22%	36%	26%	42%	18%	21%	20%	29%	14%	16%	34%	20%
4	33%	34%	32%	34%	30%	33%	36%	27%	29%	34%	41%	34%	34%	26%	33%	32%
I feel very aware 5	34%	25%	48%	33%	37%	13%	31%	12%	47%	38%	37%	28%	48%	54%	19%	37%
MEAN	3.89	3.69	4.21	3.86	3.88	3.33	3.87	3.28	4.15	4.01	4.11	3.80	4.26	4.27	3.54	3.93

**Component question to the ARRI*

Q - How able are you to understand financial matters when it comes to planning for your retirement?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I feel very unable 1	3%	7%	3%	3%	3%	4%	2%	2%	3%	4%	1%	10%	1%	2%	4%	4%
2	8%	14%	7%	9%	9%	12%	7%	6%	7%	6%	3%	22%	2%	4%	9%	8%
3	27%	33%	28%	30%	32%	33%	29%	25%	22%	27%	24%	40%	17%	17%	27%	27%
4	34%	27%	36%	33%	29%	34%	35%	36%	32%	36%	46%	20%	38%	34%	34%	35%
I feel very able 5	27%	18%	27%	25%	27%	17%	27%	31%	37%	27%	26%	7%	41%	43%	25%	27%
MEAN	3.74	3.35	3.76	3.68	3.66	3.46	3.77	3.88	3.92	3.75	3.94	2.92	4.17	4.13	3.69	3.74

Component question to the ARRI

Q - Thinking about your own personal retirement planning process, how well developed would you say your personal retirement plans currently are?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I do not have a retirement plan 1	12%	11%	13%	10%	19%	20%	16%	10%	10%	13%	5%	18%	3%	8%	15%	15%
2	14%	14%	13%	15%	15%	16%	17%	13%	13%	14%	10%	23%	5%	10%	17%	14%
3	31%	36%	33%	29%	33%	32%	34%	39%	26%	29%	33%	37%	22%	28%	28%	30%
4	28%	28%	28%	27%	23%	23%	22%	26%	29%	28%	36%	17%	37%	30%	26%	26%
My plans are very well developed 5	15%	11%	13%	19%	10%	9%	11%	13%	23%	16%	17%	4%	32%	24%	15%	15%
MEAN	3.21	3.12	3.14	3.29	2.90	2.84	2.94	3.18	3.43	3.19	3.51	2.66	3.89	3.52	3.10	3.12

Component question to the ARRI

Q - Thinking about how much you are putting aside to fund your retirement, are you saving enough?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I am very unprepared. I am hardly saving at all for retirement 1	18%	15%	16%	17%	23%	25%	24%	28%	16%	19%	6%	27%	4%	18%	23%	19%
2	18%	18%	17%	15%	19%	19%	22%	21%	14%	16%	15%	28%	8%	17%	21%	15%
3	29%	30%	32%	30%	29%	30%	28%	32%	24%	29%	34%	29%	22%	26%	26%	29%
4	22%	23%	22%	20%	19%	19%	19%	14%	26%	25%	29%	12%	34%	21%	19%	23%
I am very prepared. I am already saving enough 5	13%	13%	14%	17%	10%	7%	7%	5%	19%	12%	17%	4%	31%	18%	11%	13%
MEAN	2.96	3.01	3.00	3.05	2.73	2.64	2.63	2.47	3.18	2.96	3.36	2.38	3.79	3.05	2.75	2.97

Component question to the ARRI

Q - As a proportion of your current earnings what gross annual income do you expect to need in retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Less than 40% of what I currently earn	12%	8%	6%	17%	12%	16%	5%	5%	13%	14%	5%	17%	17%	10%	24%	16%
About 40 - 59% of what I currently earn	24%	16%	14%	32%	18%	19%	11%	11%	25%	26%	30%	26%	44%	17%	28%	31%
About 60 - 79% of what I currently earn	34%	42%	43%	32%	37%	28%	35%	29%	36%	35%	37%	34%	27%	25%	29%	31%
About 80 - 100% of what I currently earn	23%	30%	32%	13%	27%	31%	38%	36%	18%	18%	23%	15%	9%	34%	14%	14%
More than 100% of what I currently earn	7%	5%	7%	5%	7%	6%	10%	19%	7%	6%	5%	7%	4%	14%	4%	8%
MEAN	68.15	71.58	74.00	61.21	69.49	68.24	77.22	80.47	66.09	65.29	68.66	63.87	57.96	75.29	59.11	63.22

Q - Do you think you will achieve this income?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I don't know if I am on course to achieve my retirement income	33%	35%	25%	39%	41%	33%	43%	37%	33%	38%	19%	53%	18%	28%	34%	37%
No, I am on course to achieve around one-quarter (25%) of my retirement income	12%	9%	11%	14%	11%	11%	12%	10%	11%	12%	14%	12%	16%	9%	15%	14%
No, I am on course to achieve around half of my retirement income	17%	14%	22%	14%	17%	19%	19%	17%	13%	13%	21%	17%	20%	15%	18%	15%
No, I am on course to achieve around three-quarters (75%) of my retirement income	13%	15%	17%	9%	13%	16%	11%	13%	12%	8%	15%	10%	13%	14%	14%	10%
Yes, I am on course to achieve my retirement income	25%	27%	25%	25%	19%	21%	15%	23%	32%	29%	32%	9%	33%	33%	19%	24%
MEAN	68.78	73.37	68.69	68.17	66.93	67.43	63.11	69.31	74.26	71.42	69.73	58.14	68.97	74.73	64.27	67.38

**Component question to the ARRI*

Q - Which of the following best explains your approach to saving for retirement?*

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I always make sure that I am saving for retirement 5	39%	34%	42%	45%	33%	27%	21%	31%	55%	47%	48%	29%	55%	39%	29%	38%
I only save for retirement occasionally from time to time	24%	22%	25%	21%	27%	27%	26%	20%	17%	21%	22%	31%	26%	24%	29%	22%
I am not saving for retirement now, although I have in the past	12%	14%	12%	13%	8%	15%	12%	13%	10%	13%	12%	10%	9%	12%	12%	13%
I am not saving for retirement though I do intend to	19%	17%	11%	16%	25%	22%	31%	28%	12%	15%	15%	24%	9%	21%	26%	21%
I have never saved for retirement and don't intend to 1	6%	14%	10%	5%	8%	9%	9%	9%	6%	4%	2%	6%	1%	4%	4%	6%
MEAN	3.70	3.45	3.78	3.85	3.52	3.39	3.19	3.36	4.03	3.93	4.00	3.53	4.26	3.74	3.52	3.65

**Component question to the ARRI*

Q - Which, if any, of the following words do you most associate with retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Freedom	39%	45%	37%	43%	34%	32%	22%	35%	44%	46%	48%	37%	42%	41%	30%	39%
Opportunity	17%	25%	31%	24%	9%	14%	15%	23%	21%	18%	9%	7%	20%	20%	13%	20%
Leisure	44%	58%	56%	44%	38%	32%	49%	51%	46%	47%	55%	11%	34%	45%	45%	47%
Excitement	8%	3%	2%	10%	3%	9%	3%	3%	17%	11%	11%	2%	23%	8%	8%	11%
Poverty	11%	7%	21%	9%	16%	11%	22%	22%	6%	11%	3%	18%	3%	6%	15%	8%
Insecurity	15%	16%	16%	12%	9%	15%	24%	35%	7%	10%	10%	35%	14%	19%	9%	9%
Loneliness	14%	8%	11%	17%	17%	13%	16%	10%	11%	12%	18%	15%	19%	9%	21%	13%
Ill health	19%	5%	17%	12%	16%	12%	46%	19%	8%	10%	25%	15%	17%	19%	40%	12%
Dependent on others	13%	8%	15%	9%	19%	15%	20%	18%	10%	10%	10%	5%	19%	19%	12%	13%
Tired	10%	5%	5%	7%	13%	13%	14%	14%	7%	7%	6%	5%	9%	16%	18%	8%
Far away	10%	19%	10%	8%	25%	15%	1%	5%	9%	9%	7%	10%	6%	6%	13%	10%
Boredom	12%	8%	8%	16%	9%	9%	11%	7%	12%	10%	15%	20%	14%	7%	19%	12%
Enjoyment	30%	32%	21%	34%	24%	37%	14%	11%	47%	41%	38%	20%	37%	26%	26%	40%
None of the above	2%	2%	3%	2%	3%	2%	1%	2%	3%	3%	1%	5%	1%	2%	1%	3%
Don't know	2%	2%	2%	2%	3%	2%	1%	1%	2%	3%	0%	3%	1%	2%	1%	3%
NET: Positive	68%	77%	70%	70%	55%	62%	59%	62%	78%	75%	79%	49%	74%	64%	67%	72%
NET: Negative	50%	36%	46%	43%	51%	48%	72%	62%	35%	38%	51%	63%	52%	49%	70%	40%

Q - Which, if any, of the following are important retirement aspirations for you?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Living abroad	12%	12%	12%	14%	14%	8%	8%	11%	10%	12%	11%	7%	18%	17%	20%	11%
Traveling	63%	54%	67%	56%	61%	72%	59%	63%	61%	61%	69%	45%	59%	76%	67%	66%
Studying	12%	5%	4%	9%	8%	12%	3%	14%	12%	10%	24%	12%	20%	17%	13%	11%
Spending more time with friends and family	57%	49%	62%	55%	53%	55%	61%	64%	57%	56%	60%	39%	62%	61%	59%	55%
Pursuing new hobbies	50%	40%	55%	45%	43%	47%	55%	51%	45%	49%	54%	43%	53%	55%	63%	42%
Starting a business	10%	4%	3%	7%	3%	4%	5%	10%	10%	7%	7%	6%	31%	23%	18%	7%
Volunteer work	27%	32%	25%	22%	28%	23%	13%	20%	33%	30%	23%	13%	44%	33%	37%	32%
Continue working in the same field	15%	15%	20%	14%	6%	7%	12%	16%	16%	16%	13%	19%	22%	16%	16%	17%
Continue working, but in another field	11%	7%	8%	9%	7%	4%	11%	14%	13%	12%	10%	13%	21%	17%	15%	11%
None of the above	3%	4%	2%	5%	5%	3%	3%	1%	5%	4%	1%	7%	0%	1%	1%	4%
Don't know	3%	5%	3%	4%	4%	2%	3%	2%	3%	3%	1%	7%	0%	0%	1%	3%
NET: Business/paid work	25%	22%	24%	24%	14%	12%	19%	26%	29%	26%	20%	31%	44%	36%	32%	26%

Q - Looking ahead, how do you envision your transition to retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I will immediately stop working altogether and enter full retirement	33%	33%	39%	27%	52%	54%	35%	35%	25%	25%	31%	21%	23%	29%	41%	23%
I will change the way I work (e.g., working part-time or on temporary contracts) but only for a while before I eventually give up paid work altogether	30%	35%	24%	35%	19%	18%	29%	28%	33%	33%	35%	28%	34%	30%	23%	36%
I will change the way I work (e.g., working part-time or on temporary contracts) and I will continue paid work throughout retirement in some capacity	17%	9%	22%	17%	9%	6%	20%	21%	19%	22%	20%	19%	22%	19%	16%	18%
I will keep working as I currently do. Retirement age won't make a difference to the way I work	10%	8%	5%	9%	6%	10%	8%	8%	13%	9%	10%	6%	18%	15%	13%	11%
Other	1%	2%	1%	1%	1%	1%	0%	1%	1%	1%	1%	5%	1%	1%	1%	0%
Don't know	9%	14%	8%	11%	13%	12%	8%	7%	9%	11%	3%	21%	2%	5%	6%	12%
NET: Will change way I work/keep working	57%	52%	52%	61%	34%	33%	56%	57%	65%	63%	65%	54%	75%	64%	52%	65%

Q - In the event that you are unable to continue working before you reach your planned retirement age, do you have a backup plan to provide you with an income?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Yes	32%	20%	27%	26%	22%	21%	25%	22%	37%	30%	48%	14%	61%	44%	31%	30%
No	58%	72%	67%	65%	66%	65%	60%	71%	55%	60%	38%	69%	33%	48%	62%	61%
Don't know	10%	7%	6%	8%	12%	13%	15%	7%	8%	9%	14%	17%	6%	8%	7%	9%

Q - Which financial means, if any, are you currently using to prepare for your retirement? If you are already fully retired, which financial means, if any, did you use to prepare for retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
A company-funded defined benefit pension plan	19%	21%	10%	39%	11%	12%	23%	NA	28%	30%	28%	15%	N/A	22%	N/A	33%
An employee-funded defined contribution retirement plan	16%	26%	20%	20%	12%	8%	11%	15%	34%	14%	N/A	12%	38%	11%	N/A	32%
A private pension/IRA	29%	12%	N/A	22%	13%	31%	16%	28%	27%	57%	55%	13%	38%	19%	38%	40%
Social security/State pension	46%	40%	62%	51%	23%	36%	46%	25%	56%	34%	70%	53%	29%	42%	65%	30%
Investments such as stocks, bonds, mutual funds, etc.	23%	13%	26%	19%	12%	13%	13%	14%	28%	28%	34%	29%	46%	19%	13%	21%
Savings account/money market fund/CDs	38%	38%	31%	44%	37%	30%	40%	24%	38%	37%	48%	53%	55%	37%	25%	25%
My business (which I intend to sell at retirement)	6%	4%	2%	3%	2%	3%	3%	3%	4%	4%	12%	2%	17%	7%	8%	4%
Inheritance (from my parents or other family and friends)	11%	10%	10%	13%	9%	10%	8%	13%	11%	10%	9%	7%	19%	9%	16%	13%
Long-term care insurance	6%	N/A	7%	2%	4%	2%	11%	3%	9%	4%	11%	3%	26%	N/A	N/A	4%
Life insurance	24%	19%	24%	11%	30%	14%	33%	25%	23%	19%	35%	30%	54%	12%	16%	11%
A variable annuity	5%	3%	5%	2%	2%	5%	1%	2%	5%	2%	9%	4%	9%	11%	5%	3%
A fixed annuity	8%	5%	9%	5%	3%	4%	2%	2%	9%	3%	15%	13%	22%	19%	5%	3%
Income earned from my home	9%	5%	10%	5%	6%	5%	9%	8%	5%	6%	16%	5%	20%	14%	12%	7%
Home equity (downsize my home or take equity release etc.)	9%	14%	15%	9%	6%	6%	3%	5%	10%	13%	9%	13%	7%	4%	6%	13%
Other	3%	3%	6%	3%	2%	2%	2%	3%	3%	2%	1%	1%	2%	4%	3%	3%
NET: Total number of sources	86%	80%	85%	86%	75%	78%	86%	77%	86%	86%	96%	83%	97%	87%	92%	88%
None/nothing	9%	11%	11%	8%	15%	18%	8%	17%	9%	8%	2%	10%	2%	9%	5%	6%
Don't know	5%	8%	4%	5%	10%	4%	6%	6%	5%	6%	2%	7%	1%	4%	3%	5%

N/A - response option not asked in the country

Q - How, if at all, would you prefer to receive your retirement savings when you retire from all paid employment?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Receive a lump sum	20%	12%	9%	16%	15%	19%	25%	22%	14%	10%	16%	26%	22%	30%	41%	21%
Receive a lump sum and re-invest it all in a tax-deferred vehicle	11%	10%	11%	8%	6%	7%	10%	5%	15%	12%	21%	8%	16%	11%	9%	9%
Receive a regular income (such as an annuity payment) for the rest of my life	38%	47%	50%	28%	43%	42%	29%	44%	40%	47%	37%	28%	35%	34%	25%	34%
Receive a mix of a lump sum and a regular payment	19%	12%	19%	36%	14%	17%	23%	19%	15%	15%	20%	17%	23%	17%	19%	23%
Not applicable - I don't have any retirement savings	5%	9%	4%	3%	9%	8%	6%	8%	7%	7%	2%	9%	2%	3%	2%	5%
Don't know	7%	11%	7%	8%	13%	6%	7%	3%	8%	9%	4%	13%	2%	5%	4%	8%

Q - Which, if any, of the following sources of information and advice do or would you use when choosing how to save for retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Bank advisor	25%	8%	25%	20%	38%	40%	19%	23%	19%	34%	24%	16%	35%	31%	27%	17%
Professional financial advisor	32%	25%	33%	28%	18%	36%	30%	23%	41%	42%	34%	20%	45%	35%	22%	39%
Insurance agent	14%	10%	18%	3%	14%	13%	14%	22%	12%	7%	18%	8%	32%	13%	17%	7%
Personal finance websites/online retirement planning tools	22%	22%	20%	24%	10%	12%	23%	20%	26%	20%	28%	19%	34%	29%	19%	22%
Personal finance media	13%	9%	11%	10%	6%	8%	14%	6%	10%	9%	21%	17%	24%	17%	13%	8%
Government website	17%	20%	22%	26%	10%	9%	13%	8%	11%	16%	22%	8%	27%	9%	23%	22%
My employer	16%	21%	15%	19%	10%	10%	14%	18%	23%	14%	19%	5%	27%	13%	13%	11%
Accountant	13%	13%	3%	10%	6%	10%	12%	16%	21%	18%	7%	6%	19%	20%	16%	27%
Lawyer	8%	3%	7%	4%	3%	14%	13%	11%	8%	5%	9%	3%	9%	18%	11%	6%
Retirement plan provider website	20%	23%	15%	18%	11%	8%	18%	28%	25%	16%	21%	15%	36%	17%	24%	22%
Financial services provider website	18%	14%	14%	18%	8%	9%	15%	15%	21%	16%	26%	21%	35%	17%	13%	20%
Trade union/trade or professional body	9%	14%	13%	9%	5%	11%	5%	7%	6%	7%	14%	6%	11%	10%	9%	6%
Friends and family	30%	20%	29%	30%	27%	26%	29%	27%	29%	28%	38%	24%	47%	24%	30%	30%
None of these	15%	17%	15%	17%	22%	15%	19%	15%	14%	14%	8%	32%	3%	9%	13%	15%
NET: Digital sources	46%	48%	44%	50%	26%	25%	42%	45%	47%	40%	60%	40%	71%	46%	51%	47%

Q - Which of the following are retirement concerns for you?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Losing my independence	28%	18%	41%	35%	43%	39%	25%	11%	28%	32%	21%	15%	22%	44%	17%	38%
Needing assistance with basic activities (e.g., bathing, dressing, meal preparation etc.)	28%	18%	36%	27%	36%	46%	33%	26%	24%	30%	19%	16%	22%	39%	25%	29%
Needing to move to a nursing home	23%	15%	44%	26%	38%	28%	16%	23%	23%	29%	17%	10%	12%	24%	25%	29%
Running out of money	41%	35%	43%	43%	43%	40%	48%	53%	52%	52%	17%	45%	31%	52%	40%	53%
Being alone and isolated	26%	15%	25%	29%	32%	34%	27%	21%	23%	25%	29%	17%	27%	31%	28%	22%
Lacking social engagement	19%	17%	22%	18%	16%	10%	8%	13%	21%	17%	23%	25%	29%	15%	24%	19%
Not being able to do the things I enjoy	31%	28%	39%	36%	32%	37%	25%	25%	34%	38%	22%	12%	29%	44%	31%	38%
Not being able to stay active	34%	22%	43%	35%	32%	36%	36%	32%	31%	31%	37%	22%	37%	45%	37%	34%
Not having a daily routine	15%	15%	12%	13%	6%	10%	17%	6%	16%	13%	17%	20%	32%	18%	21%	14%
Losing sense of purpose after stopping work	18%	14%	11%	20%	13%	9%	18%	14%	19%	18%	23%	18%	22%	20%	30%	19%
Declining physical health	49%	37%	45%	47%	56%	58%	62%	57%	44%	50%	51%	46%	39%	48%	48%	50%
Getting Alzheimer's or dementia	33%	23%	48%	40%	41%	53%	35%	27%	31%	36%	22%	31%	14%	41%	33%	39%
Facing mental health issues (e.g., depression)	22%	11%	20%	23%	18%	33%	18%	20%	19%	24%	24%	13%	22%	37%	26%	25%
Other (specify)	0%	1%	0%	0%	0%	0%	0%	1%	0%	1%	0%	0%	0%	0%	0%	1%
None of the above	6%	14%	8%	5%	3%	2%	3%	4%	8%	7%	7%	5%	7%	3%	4%	7%
Don't know	3%	6%	3%	4%	3%	2%	3%	2%	3%	2%	2%	6%	1%	1%	2%	3%

Q - How would you describe your health overall?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Poor	4%	2%	7%	3%	4%	3%	8%	5%	3%	3%	2%	11%	1%	1%	1%	3%
Fair	30%	30%	41%	29%	26%	33%	31%	38%	14%	22%	41%	52%	19%	17%	32%	21%
Good	51%	54%	42%	56%	58%	48%	52%	47%	61%	58%	43%	28%	54%	60%	55%	57%
Excellent	15%	14%	10%	13%	13%	16%	9%	10%	23%	17%	13%	8%	26%	22%	12%	20%
Prefer not to answer	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%	0%

Q - Would you say that you fully retired from all paid employment sooner or later in life than you had planned, or at the age you had planned to?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I retired sooner than I had planned to	39%	44%	52%	50%	33%	55%	43%	29%	66%	51%	15%	26%	19%	32%	50%	51%
I retired at the age I had planned to	48%	42%	42%	32%	50%	37%	48%	60%	25%	38%	76%	56%	71%	47%	35%	33%
I retired later than I had planned to	12%	11%	6%	16%	17%	7%	9%	11%	8%	9%	9%	17%	9%	19%	15%	13%
Don't know/can't recall	1%	3%	0%	3%	0%	1%	0%	0%	1%	2%	1%	1%	1%	2%	0%	3%

Q - Which, if any, of the following were important reasons for your retirement from all paid employment sooner than you had planned?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
My own ill-health	30%	27%	46%	20%	24%	25%	37%	55%	38%	27%	28%	12%	5%	13%	16%	55%
Unemployment/job loss	26%	14%	33%	42%	29%	27%	28%	41%	38%	16%	17%	12%	16%	19%	20%	20%
Family responsibilities, for example becoming a care giver for a family member	13%	14%	12%	6%	12%	11%	9%	10%	17%	4%	14%	12%	37%	13%	28%	14%
I received a financial windfall (for example, an inheritance) which enabled me to retire sooner	4%	2%	2%	10%	6%	2%	0%	0%	2%	12%	7%	12%	5%	0%	4%	4%
I realized that I had saved enough money to retire on so I stopped working	6%	11%	8%	4%	3%	4%	2%	0%	11%	10%	7%	12%	16%	3%	4%	0%
Other reason(s)	31%	45%	17%	24%	32%	31%	33%	17%	20%	39%	34%	46%	26%	53%	42%	22%
Don't know/can't recall	3%	0%	2%	0%	6%	5%	5%	0%	2%	6%	7%	0%	11%	6%	2%	2%
NET: Positive reasons	10%	11%	10%	12%	9%	5%	2%	0%	12%	22%	14%	23%	21%	3%	8%	4%
NET: Negative reasons	62%	52%	79%	66%	59%	60%	70%	83%	77%	47%	48%	35%	53%	41%	58%	76%

Q - How confident are you that your own healthcare will be affordable in retirement?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Not at all confident	12%	10%	9%	9%	14%	4%	17%	23%	14%	11%	4%	14%	4%	33%	10%	9%
Not very confident	27%	31%	27%	23%	35%	20%	39%	31%	21%	20%	23%	41%	13%	31%	23%	22%
Somewhat confident	36%	37%	40%	39%	34%	40%	31%	36%	34%	42%	42%	30%	33%	21%	39%	43%
Very confident	15%	9%	14%	15%	8%	27%	6%	7%	16%	17%	22%	5%	32%	9%	15%	15%
Extremely confident	6%	4%	7%	6%	3%	7%	2%	2%	11%	5%	6%	3%	17%	3%	8%	6%
Don't know	5%	9%	3%	8%	6%	3%	5%	2%	5%	5%	3%	8%	1%	3%	5%	5%
NET: Not confident	38%	41%	37%	32%	49%	24%	55%	54%	34%	31%	28%	55%	17%	64%	33%	32%
NET: Confident	21%	13%	20%	21%	11%	34%	8%	8%	27%	22%	28%	7%	49%	12%	23%	21%

Q - Which of the following health-related attitudes and behaviors apply to you?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
I eat healthily (e.g., five-a-day portions of fruit and vegetables)	56%	58%	49%	60%	56%	59%	47%	35%	52%	54%	67%	44%	76%	60%	51%	61%
I exercise regularly	51%	51%	50%	54%	53%	59%	38%	28%	49%	48%	65%	39%	68%	54%	39%	56%
I avoid harmful behaviors (e.g., drinking too much alcohol or smoking tobacco)	58%	54%	53%	52%	55%	57%	59%	58%	59%	62%	65%	47%	69%	63%	57%	62%
I think about my long-term health when making lifestyle choices. For example, I try to avoid stress	45%	40%	36%	43%	32%	42%	36%	36%	51%	50%	55%	32%	61%	52%	45%	50%
I practice mindfulness regularly (e.g., meditation and relaxation exercises)	19%	14%	15%	15%	12%	11%	20%	15%	23%	20%	23%	7%	46%	22%	22%	20%
I take my health seriously (e.g., have routine medical check-ups and do regular self-checks)	44%	31%	53%	34%	37%	46%	42%	40%	57%	50%	46%	32%	55%	50%	36%	48%
None of the above	6%	8%	7%	7%	9%	4%	7%	9%	7%	8%	2%	13%	1%	3%	9%	6%
Don't know/prefer not to answer	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	2%	0%	0%	1%	1%

Q - Which, if any, of the following workplace health and wellness programs would you be interested in?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Preventative screenings and vaccinations	35%	18%	40%	30%	26%	33%	42%	46%	38%	29%	29%	30%	36%	52%	41%	36%
Exercise programs – either on-site or discounts for local gyms	40%	36%	38%	35%	28%	40%	42%	39%	43%	41%	41%	22%	52%	52%	48%	42%
On-site health clinic available for routine visits	31%	19%	25%	26%	24%	31%	36%	35%	29%	28%	28%	19%	42%	47%	40%	30%
Tools to monitor health goals/biometrics (e.g., BMI/weight loss, cholesterol levels, blood pressure)	28%	16%	24%	24%	17%	28%	23%	28%	26%	26%	33%	23%	46%	36%	35%	30%
Healthy food or snack options at the office	41%	29%	54%	40%	36%	37%	50%	44%	47%	44%	28%	13%	55%	50%	52%	45%
Education on healthy behaviors (e.g., newsletters, e-mail communications, lunchtime lectures)	22%	11%	19%	16%	15%	24%	17%	14%	22%	21%	29%	10%	44%	29%	30%	24%
Health risk assessment	30%	15%	19%	33%	25%	36%	28%	23%	27%	26%	38%	15%	41%	44%	38%	38%
Programs for substance or alcohol abuse	10%	5%	6%	7%	6%	7%	8%	3%	8%	9%	17%	5%	21%	11%	14%	10%
Programs, counseling or therapies to help with mental health issues	24%	15%	20%	19%	16%	20%	15%	24%	20%	27%	28%	20%	41%	30%	42%	28%
A wellness coach to offer guidance and encouragement to help you achieve your health-related goals	24%	15%	21%	19%	23%	23%	23%	24%	24%	24%	26%	11%	40%	37%	32%	24%
Financial incentives for focusing on your health and wellness	35%	23%	36%	30%	30%	31%	47%	35%	41%	38%	31%	17%	43%	42%	45%	37%
Contests and opportunities to win prizes for health-related activities	20%	8%	13%	15%	11%	19%	24%	11%	29%	27%	23%	12%	30%	28%	30%	19%
An app that can help you set wellness goals, measure progress and access information	19%	14%	14%	16%	14%	20%	12%	15%	20%	17%	22%	8%	34%	27%	31%	19%
Programs to stop smoking	15%	9%	12%	9%	11%	18%	16%	12%	15%	14%	14%	10%	26%	14%	29%	12%
Ergonomic workstations (e.g., standing desks, adjustable workspace furniture)	29%	28%	40%	18%	32%	33%	31%	24%	23%	32%	33%	7%	29%	36%	34%	31%
Corporate-sponsored events (e.g., walks, runs, bicycle races)	27%	18%	27%	17%	16%	22%	27%	26%	22%	23%	38%	12%	37%	35%	43%	21%
None	9%	17%	11%	14%	14%	6%	3%	6%	12%	13%	5%	20%	2%	2%	1%	12%
Don't know	4%	6%	3%	4%	5%	4%	3%	2%	4%	6%	2%	11%	0%	1%	1%	5%
NET: Any program	87%	77%	86%	82%	81%	90%	94%	92%	84%	81%	93%	70%	98%	97%	98%	83%

Q - Which of the following features or devices do you envision having in your own home as you get older?

	Total	Netherlands	Germany	United Kingdom	France	Spain	Poland	Hungary	United States	Canada	China	Japan	India	Brazil	Turkey	Australia
Home security system	39%	25%	25%	32%	27%	29%	29%	45%	42%	36%	47%	29%	60%	47%	56%	43%
Medical alert system to warn about changes in health (e.g., blood pressure monitors etc.)	33%	17%	24%	24%	23%	32%	32%	44%	29%	28%	47%	28%	50%	33%	38%	35%
Panic buttons to call emergency services	37%	28%	53%	34%	42%	37%	32%	44%	32%	34%	37%	41%	40%	31%	35%	36%
Age-friendly furniture	37%	27%	54%	26%	28%	39%	34%	37%	30%	31%	47%	19%	57%	50%	36%	36%
Bathroom modifications	43%	32%	51%	35%	47%	47%	59%	42%	39%	39%	38%	35%	55%	47%	43%	42%
Ramps and/or grip bars	26%	24%	25%	22%	35%	21%	22%	17%	24%	28%	22%	35%	26%	45%	24%	27%
Wheelchair accessibility	18%	15%	25%	9%	17%	15%	10%	11%	16%	14%	14%	49%	27%	21%	16%	17%
Elevator/stair lift	21%	25%	21%	17%	17%	29%	13%	22%	11%	12%	20%	17%	32%	14%	49%	11%
Kitchen modifications	28%	16%	32%	20%	25%	19%	49%	25%	21%	19%	28%	21%	49%	33%	39%	26%
Video monitoring	20%	15%	11%	11%	18%	17%	12%	16%	18%	14%	33%	10%	35%	24%	34%	17%
Robot to help with chores, medication management, communication, etc.	17%	11%	16%	11%	17%	17%	12%	20%	10%	12%	32%	16%	13%	14%	24%	11%
Robot to keep me company	9%	5%	6%	6%	5%	4%	5%	8%	6%	6%	20%	14%	12%	7%	15%	7%
Other (specify)	0%	1%	0%	1%	1%	0%	0%	1%	1%	1%	0%	0%	1%	1%	1%	1%
None of the above	9%	16%	8%	16%	9%	9%	6%	7%	14%	15%	7%	8%	5%	8%	4%	11%
Don't know/prefer not to answer	8%	14%	9%	14%	13%	9%	12%	4%	9%	12%	3%	9%	2%	6%	5%	11%

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