



# The New Old: Getting To Grips With Longevity

Simon Culhane, Chief Executive, Chartered Institute for Securities & Investment

Tuesday, 11 January 2022, 16:00 GMT

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Simon Culhane, Chief Executive, Chartered Institute for Securities & Investment

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# A Word From Today's Chairman

**Professor Michael Mainelli**  
Executive Chairman  
Z/Yen Group



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# Today's Agenda

- 16:00 – 16:05      Chairman's Introduction
- 16:05 – 16:45      Keynote Presentation – Simon Culhane
- 16:45 – 17:00      Question & Answer






## Today's Speaker

**Simon Culhane**  
Chief Executive  
Chartered Institute for  
Securities & Investment



# The New, the Old, Getting to grips with longevity

Simon Culhane  
January 2022



How long do I  
have?

# Worldwide in 1960 Life expectancy of male





# Worldwide in 1960...



5



55

In **the UK** in 1960...



# Worldwide in 1990...



6



68

In **the UK** in 1990...





# Worldwide in 2019...



7

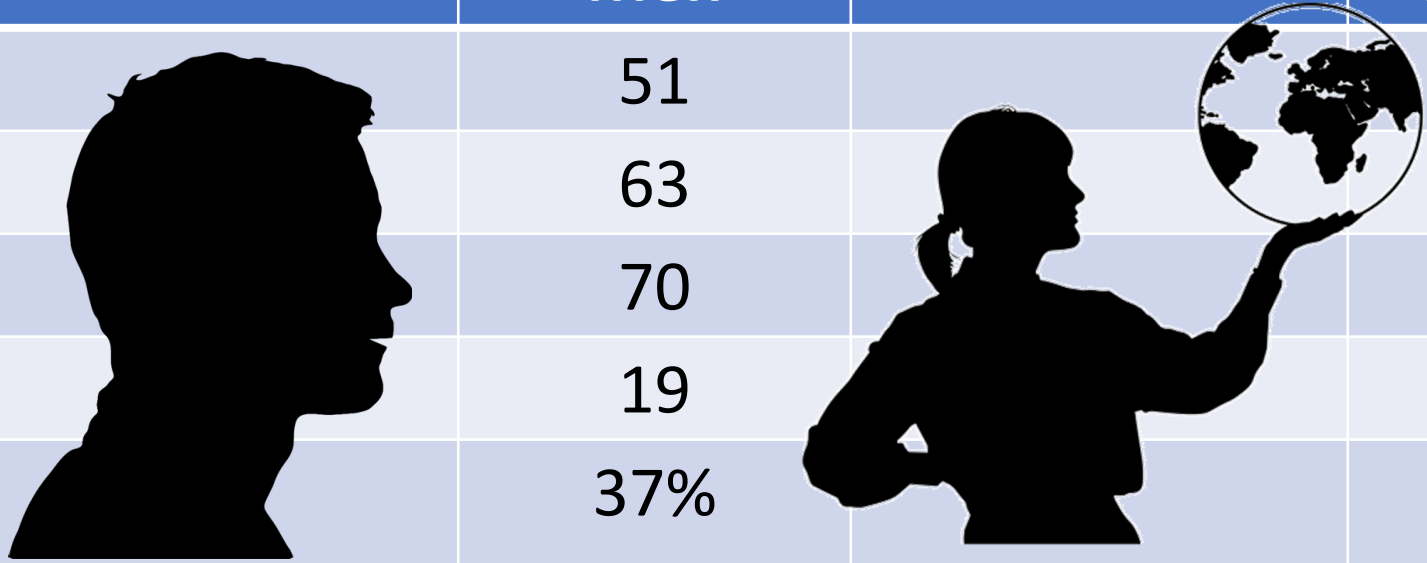



75



If you're born in 2019 in **the UK...**



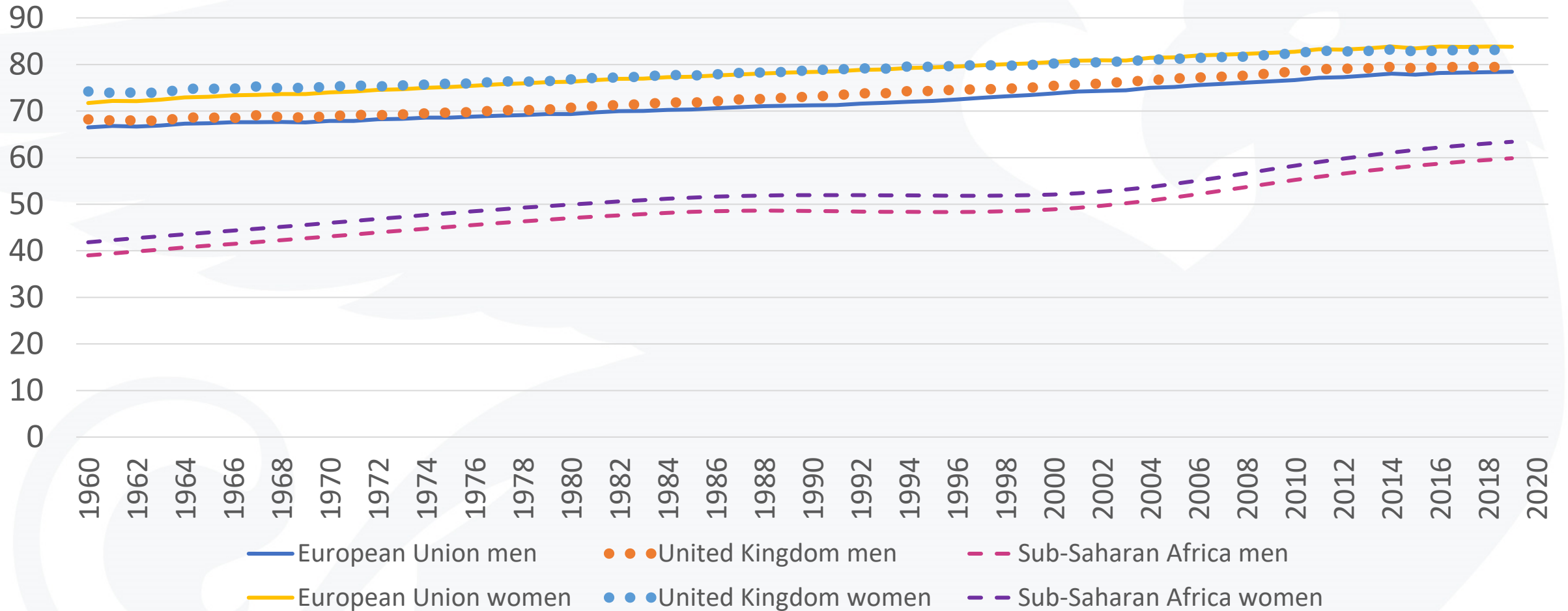
# Major life expectancy change in the World

Year of birth		Men		Women
1960		51		55
1990		63		68
2019		70		75
Change 1990-2019		19		19
Percentage increase		37%		36%

# Major life expectancy change in the UK

Year of birth		Men		Women
1960		68		74
1990		73		79
2019		79		83
Change 1990-2019		12		9
Percentage increase		16%		12%

# Increase in life expectancy at birth



Source: Worldbank



In the UK, nearly 1 in 5 girls born today will live to 100



And nearly 1 in 7 boys will do too

Source: UK Office of National Statistics Dec 19

# However... this is a reduction on previous estimates

- Projections in 2017 were that 24.2% of boys born in 2020 and 30% of girls would reach 100
- Now it's 14.1% of newborn boys and 18.9% of newborn girls
- Growth in life expectancy is slowing and has nearly stalled in the UK
- 2011 marked a turning point in long-term mortality trends, with improvements tailing off
- Between 1910 and 2010, life expectancy increased by nearly 3 years every decade
- But between 2011 and 2019 it increased by only 0.8 years for men and 0.6 years for women

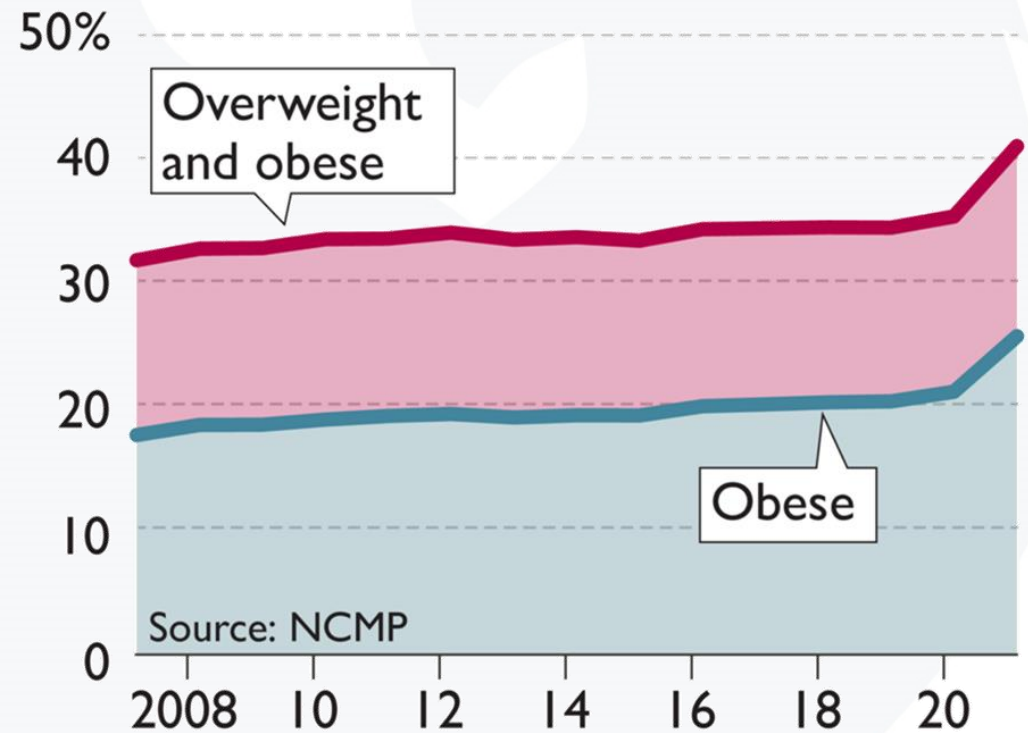


# Why is this happening?

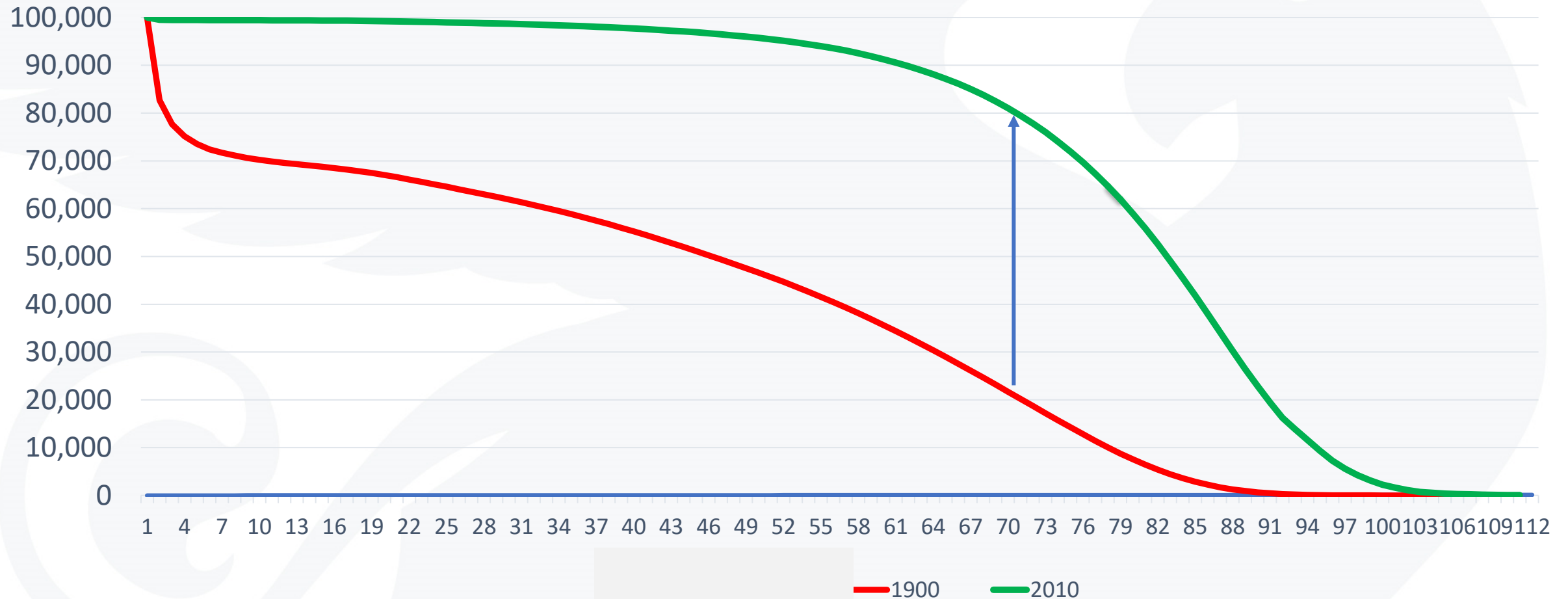
- Much discussion over this with multiple reasons suggested – some controversial
- Growing obesity rates have led to increased health problems such as cardiovascular disease and diabetes
- 13% of adults were obese in 1993 and 28% were in 2018, obesity in children is growing
- Widening health inequalities – life expectancy in the more deprived areas in England is increasing more slowly than non-deprived areas
- Female life expectancy in the most deprived areas has decreased since 2012

## Getting bigger

Proportion of 10 to 11-year-olds in England classified as overweight and obese



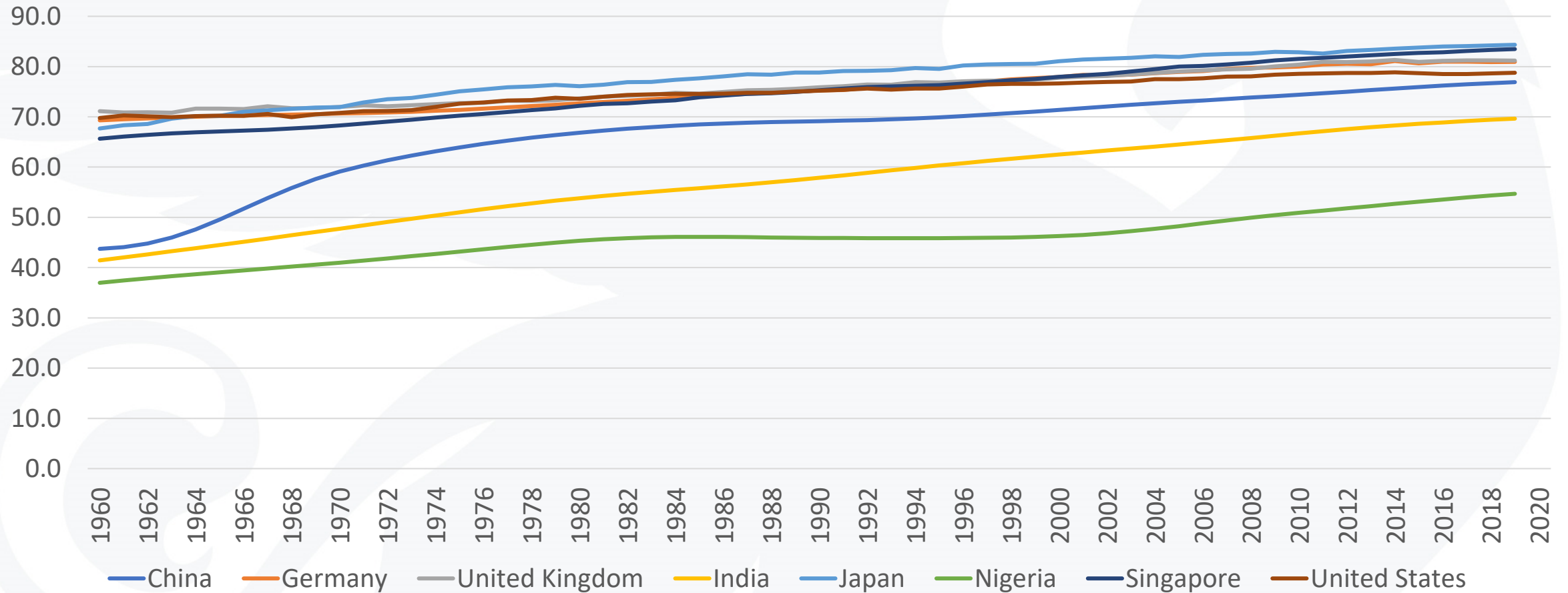
# Compared to 1990 more than four times as many live to aged 70



Source: UK Office of National Statistics

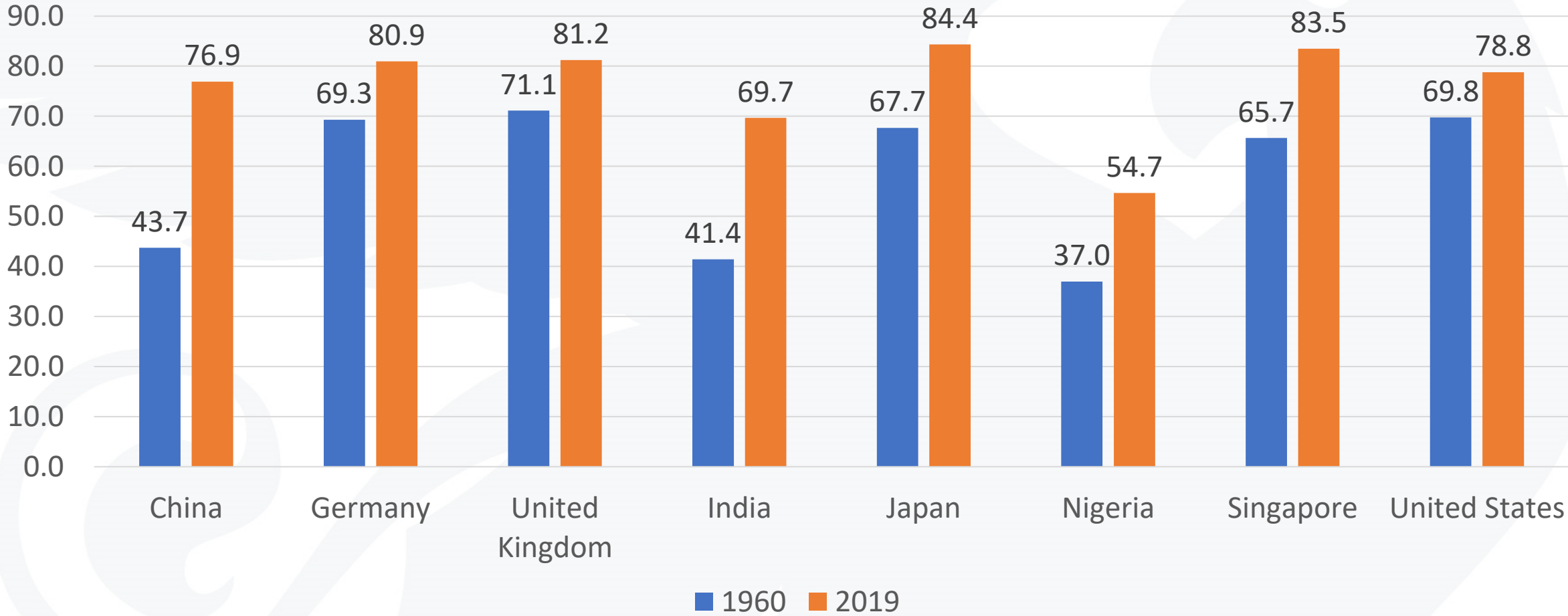
# Big changes in global life expectancy

## Life Expectancy at Birth

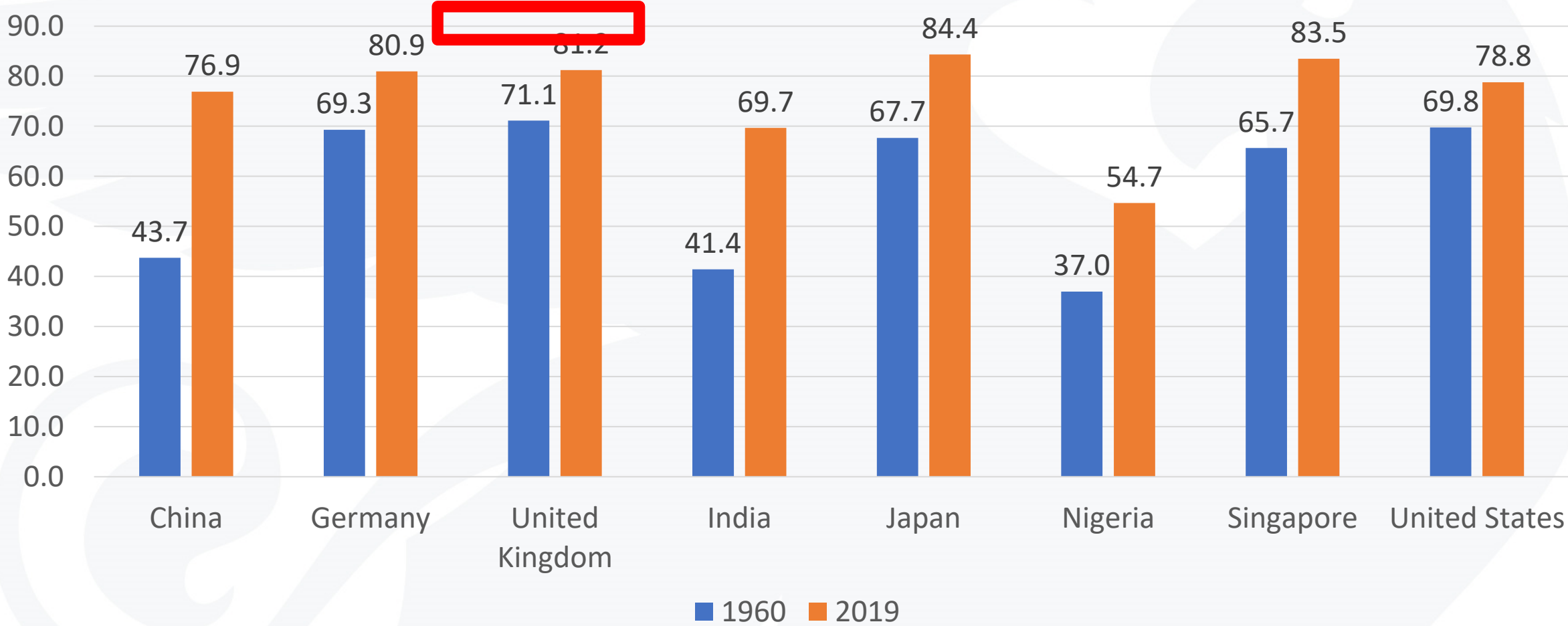




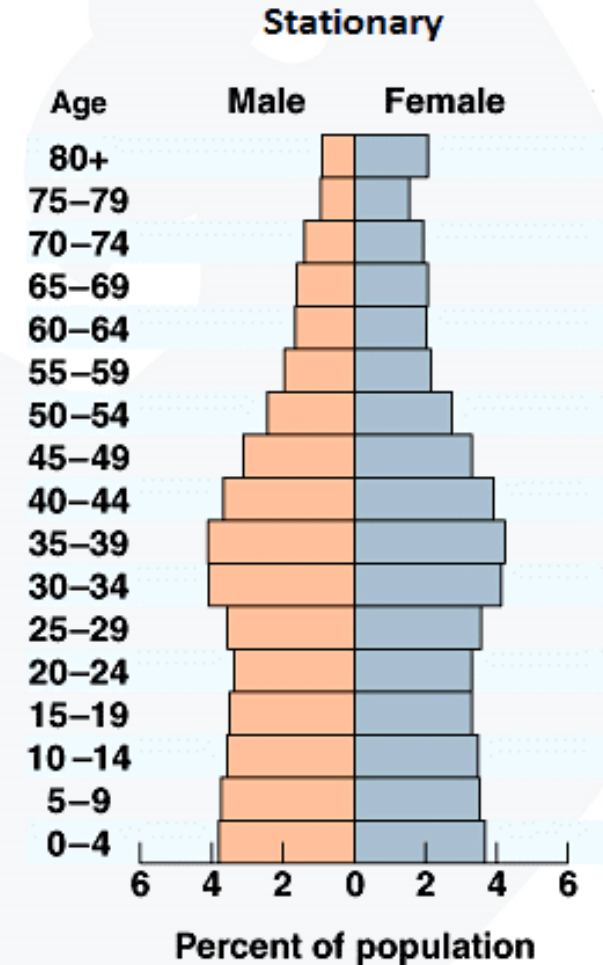
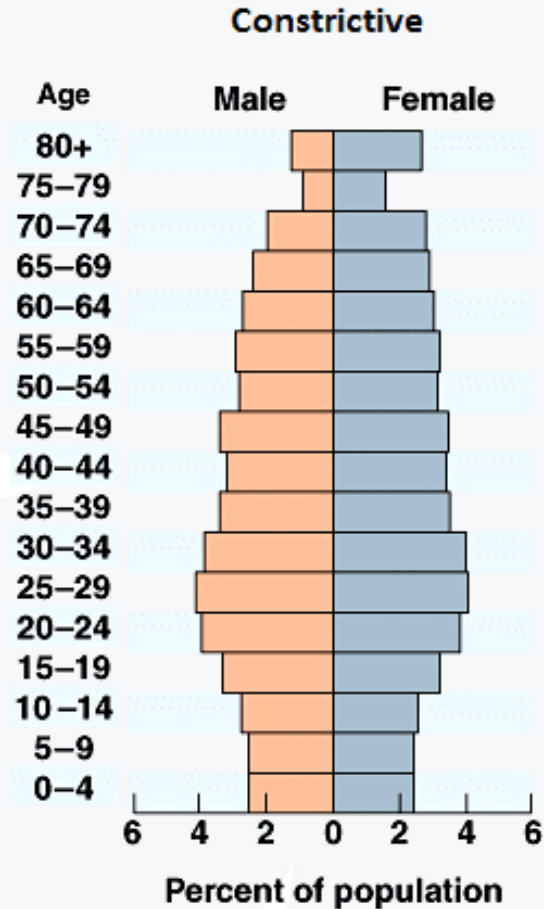
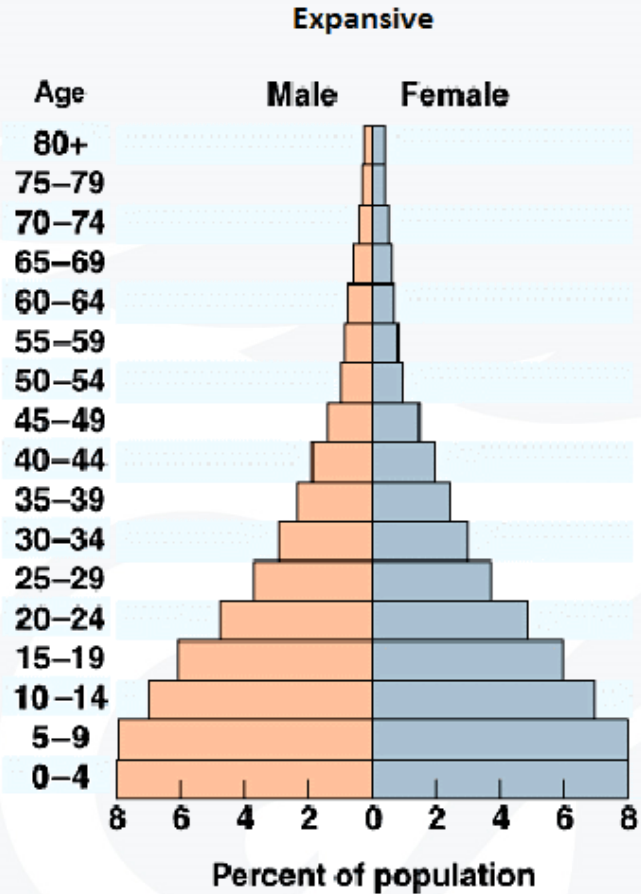
# Change in Life Expectancy - 1960 vs 2019



# Change in Life Expectancy - 1960 vs 2019

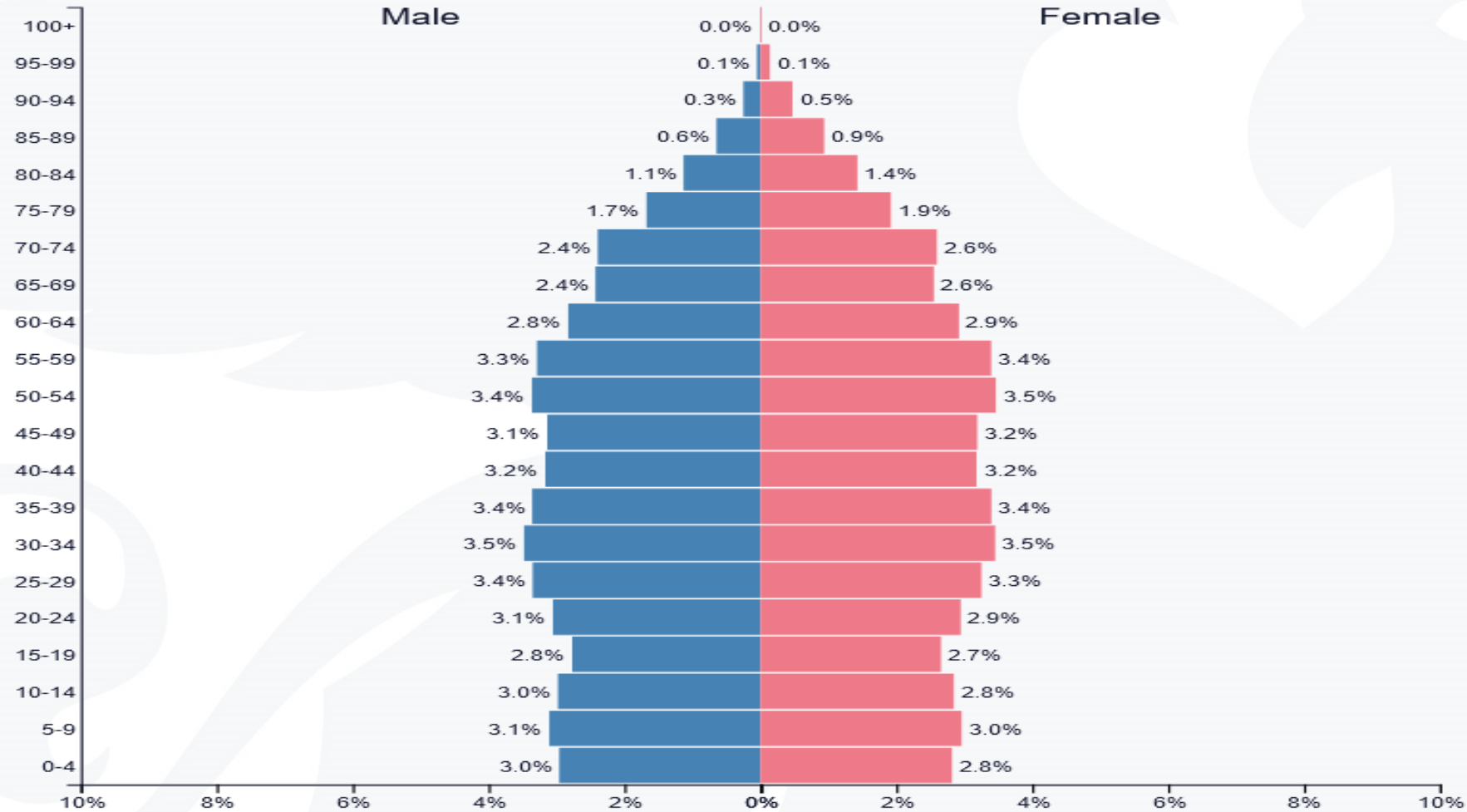


# Population Pyramids



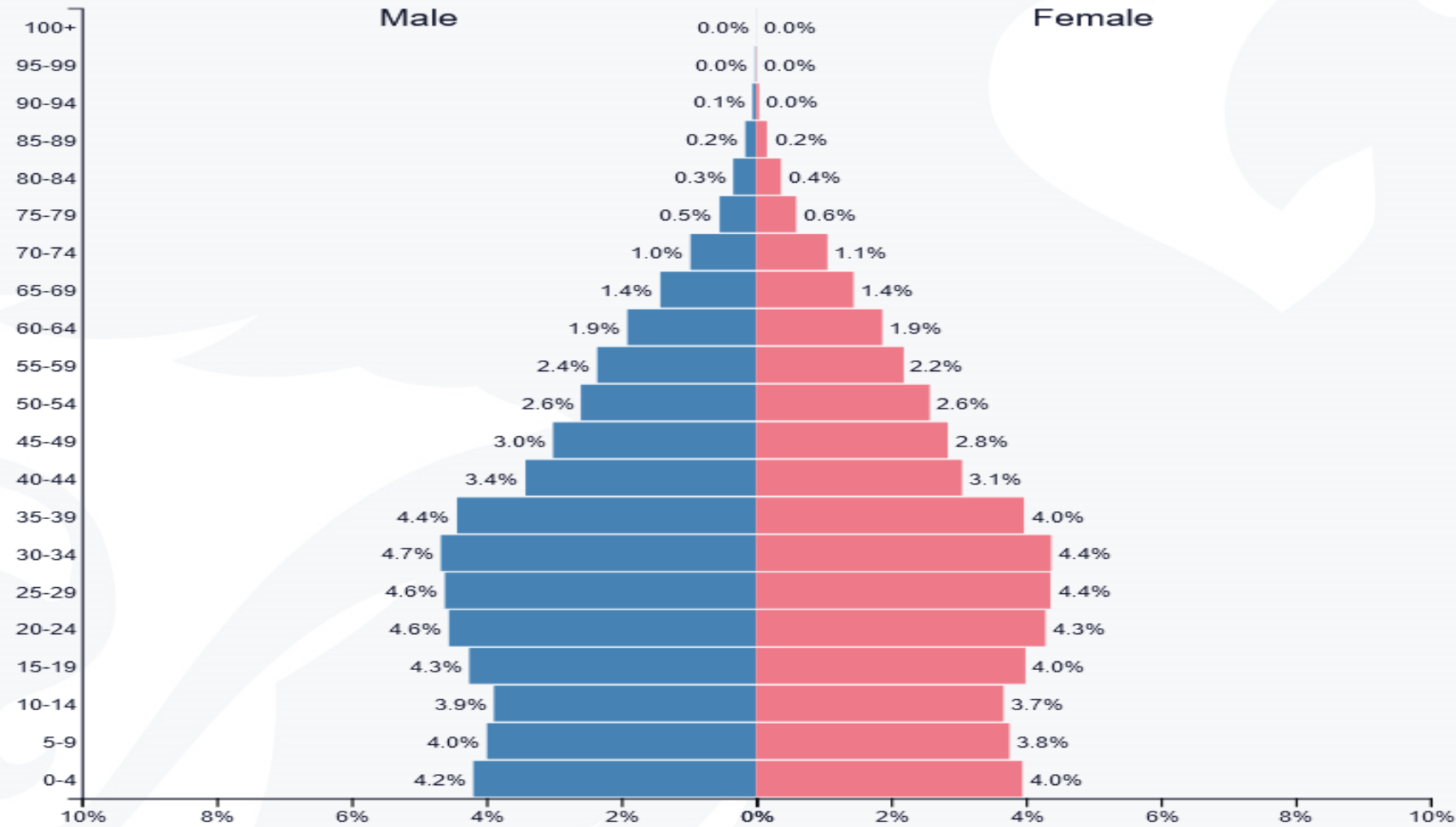
# United Kingdom ▼ 2020

Population: **67,886,004**



# Malaysia ▼ 2020

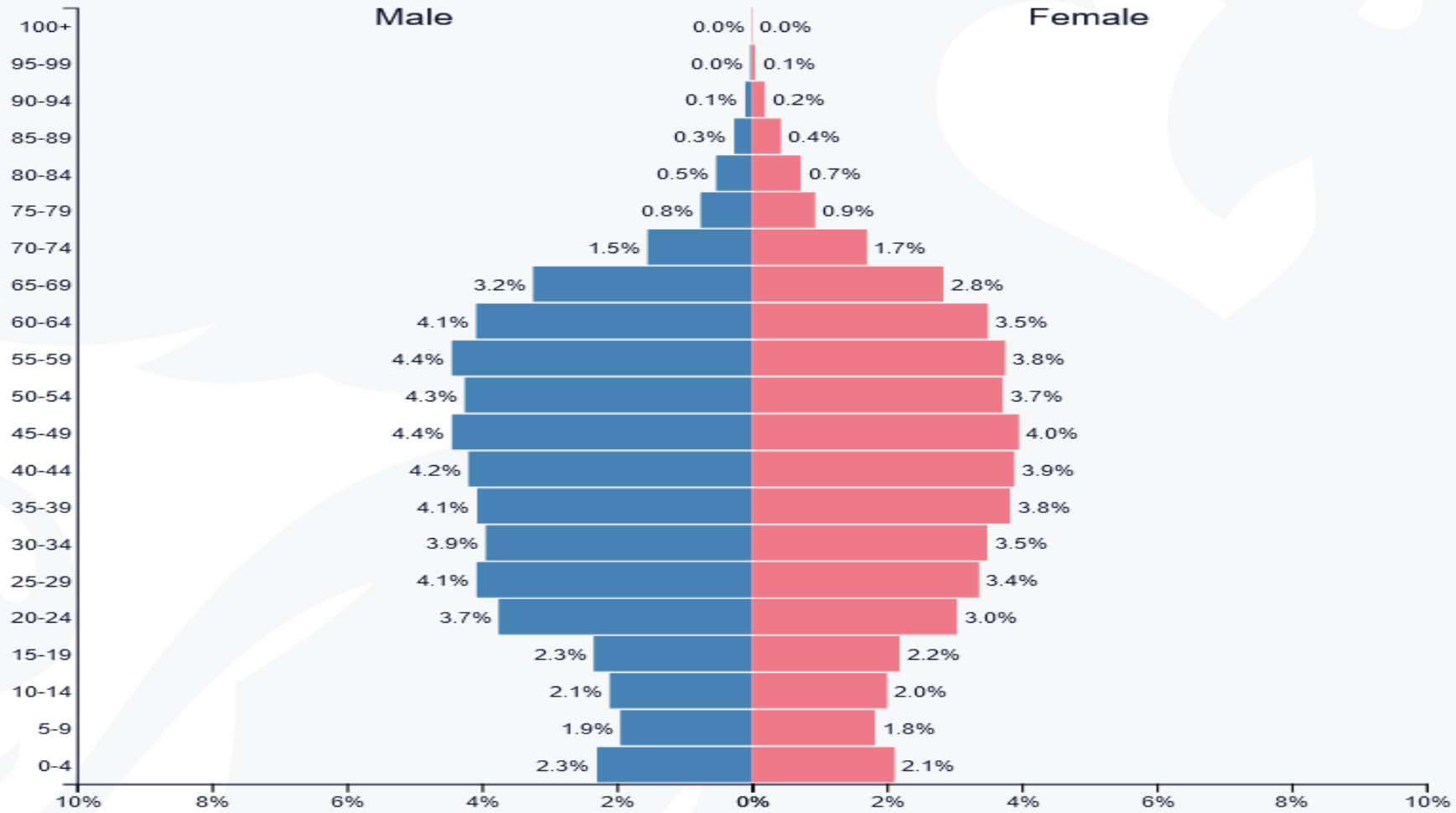
Population: 32,365,998





# Singapore ▼ 2020

Population: 5,850,342



# Singapore will pay citizens to have a baby during the pandemic

**London (CNN Business)** – [Singapore](#) will offer a one-time payment to aspiring parents during the coronavirus [pandemic](#).

The country's deputy prime minister said the incentive would help reassure people who face financial pressure and are worried about their jobs.

"We have received feedback that Covid-19 has caused some aspiring parents to postpone their parenthood plans," Heng Swee Keat told lawmakers on Monday.

"This is fully understandable, especially when they face uncertainty with their income," he added.

Heng said the payment would help parents with expenses, but he did not confirm how much would be paid out.

Despite a largely successful public health response to the pandemic, Singapore's economy has been thrown into a deep recession.

Singapore has one of the lowest birth rates in the world, a statistic that successive governments have attempted unsuccessfully to reverse.

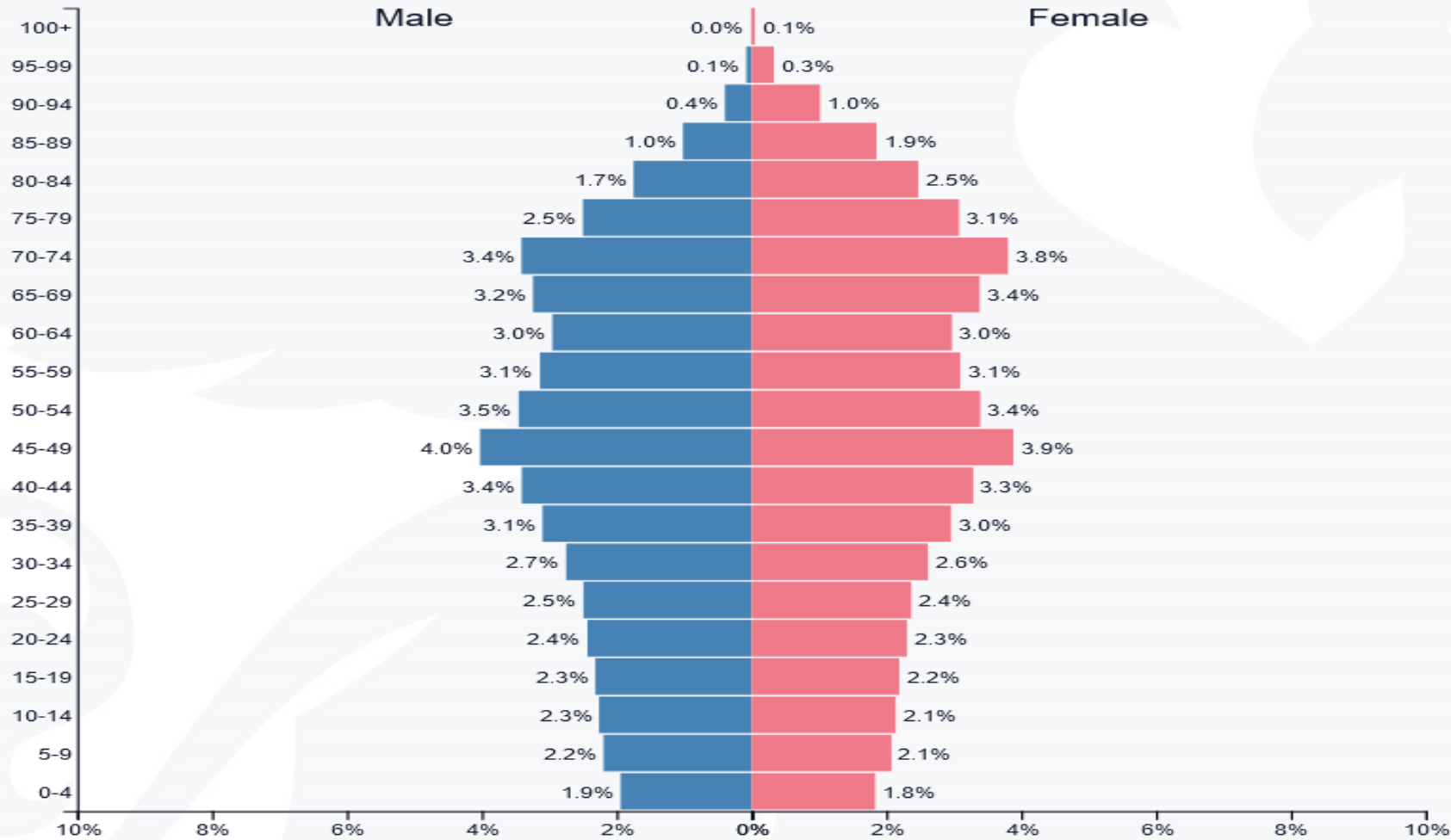
The fertility rate now stands at just 1.14 births per woman, according to its national statistics body.



Source: CNN business Oct 21

# Japan ▼ 2020

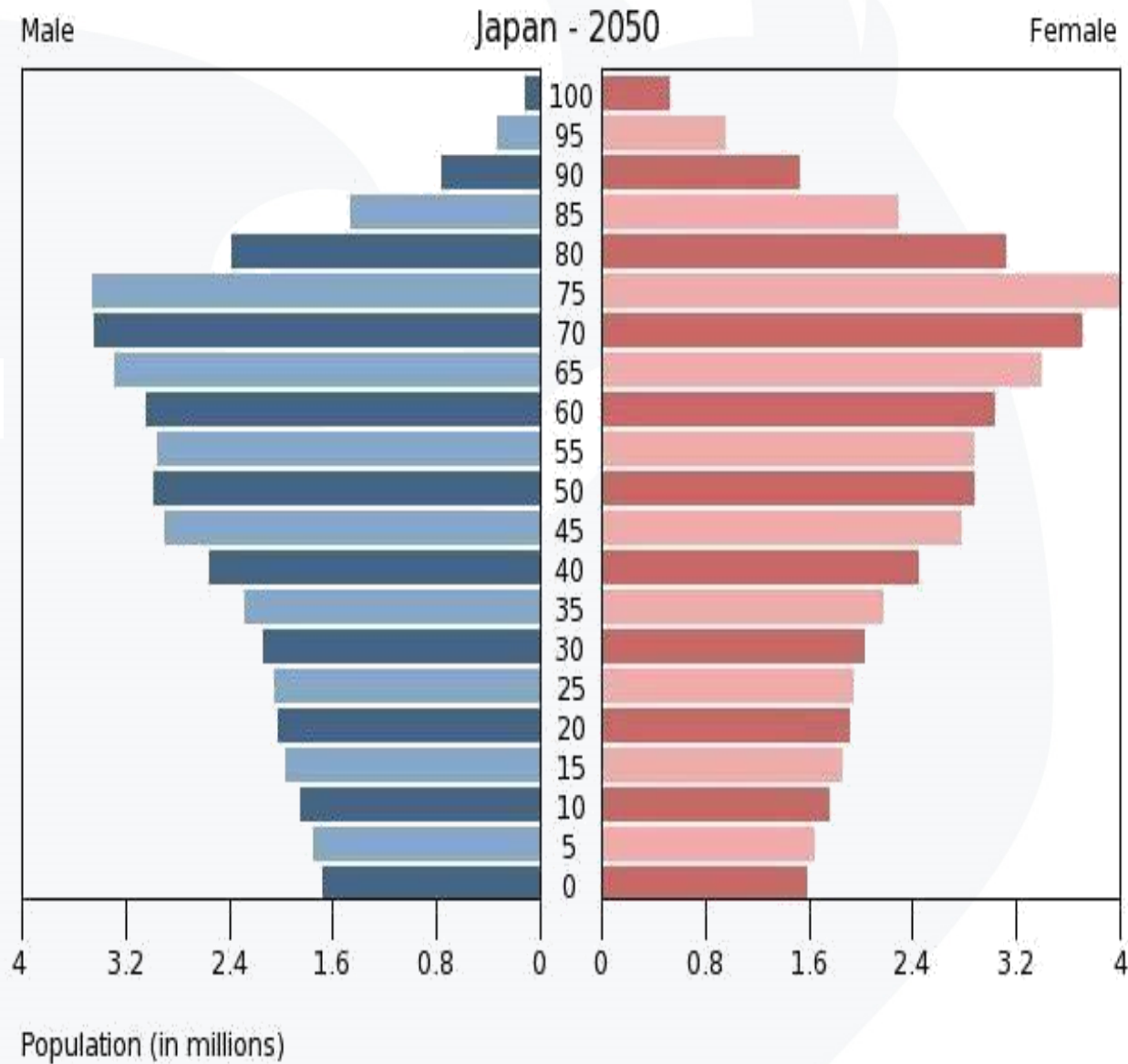
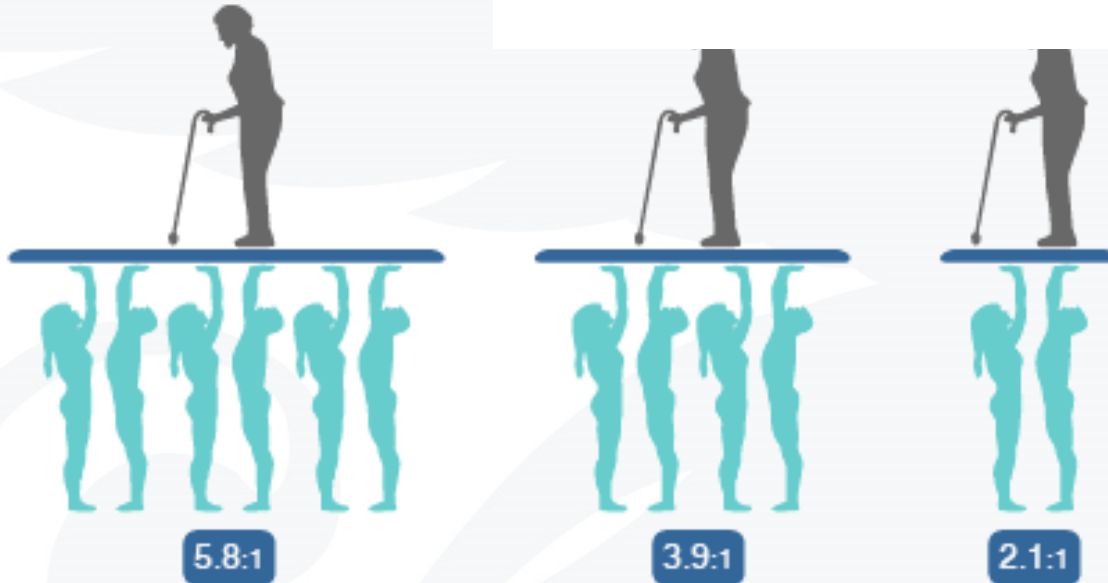
Population: 126,476,458



# A case study - Japan

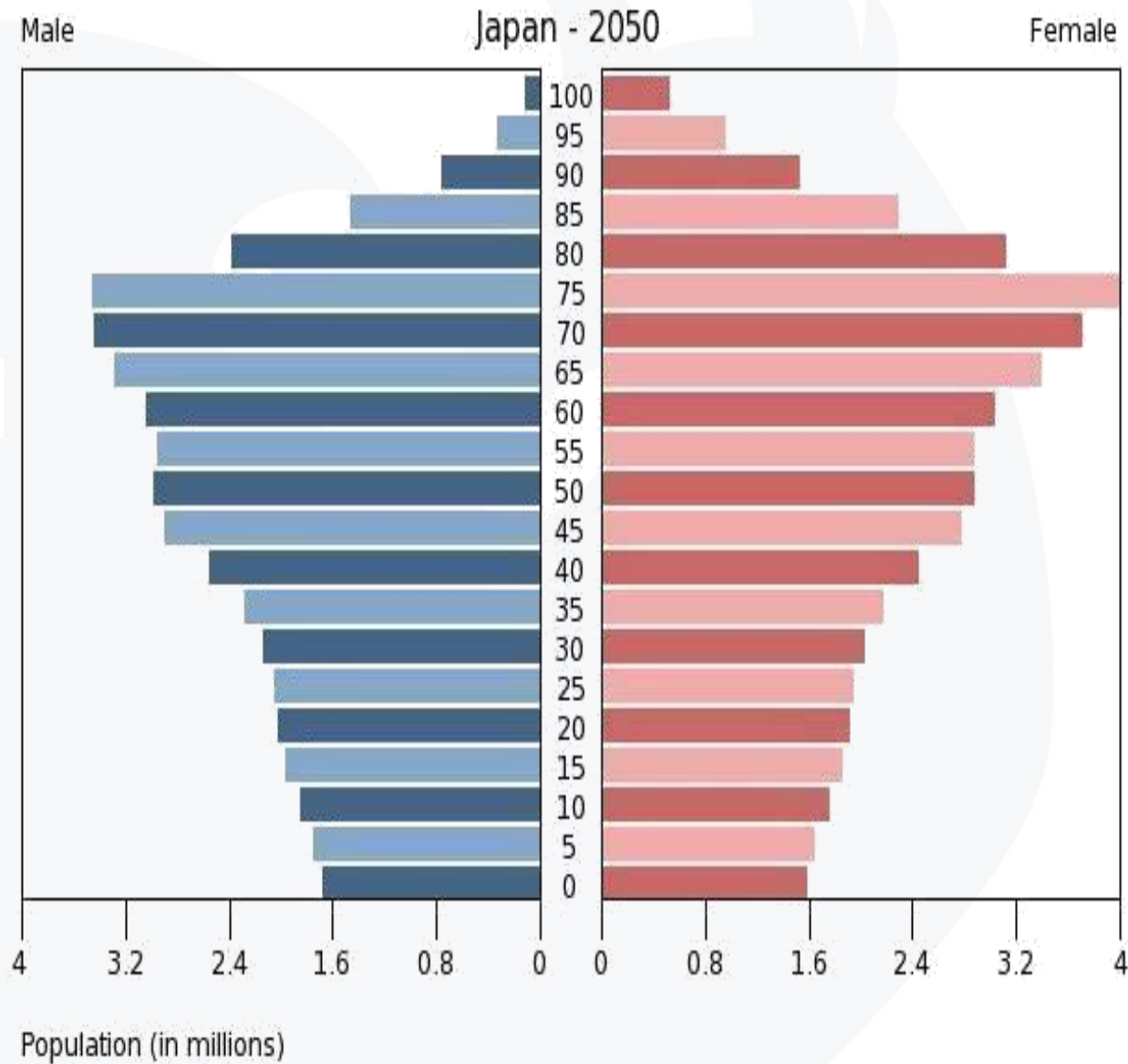
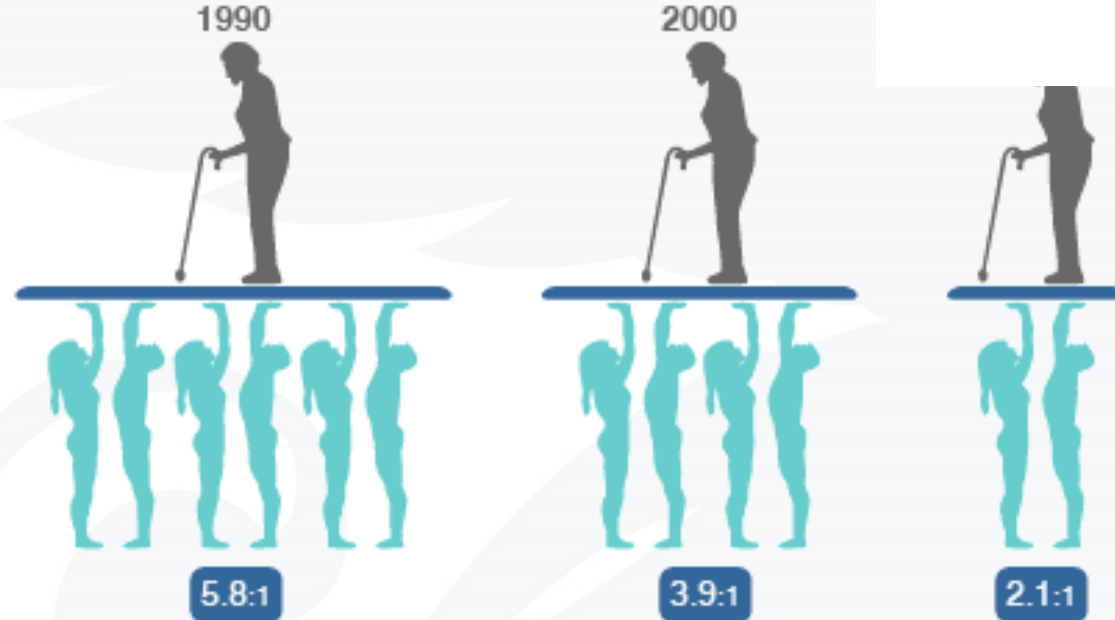
## RATIO OF WORKERS TO PENSIONERS

1990



# A case study - Japan

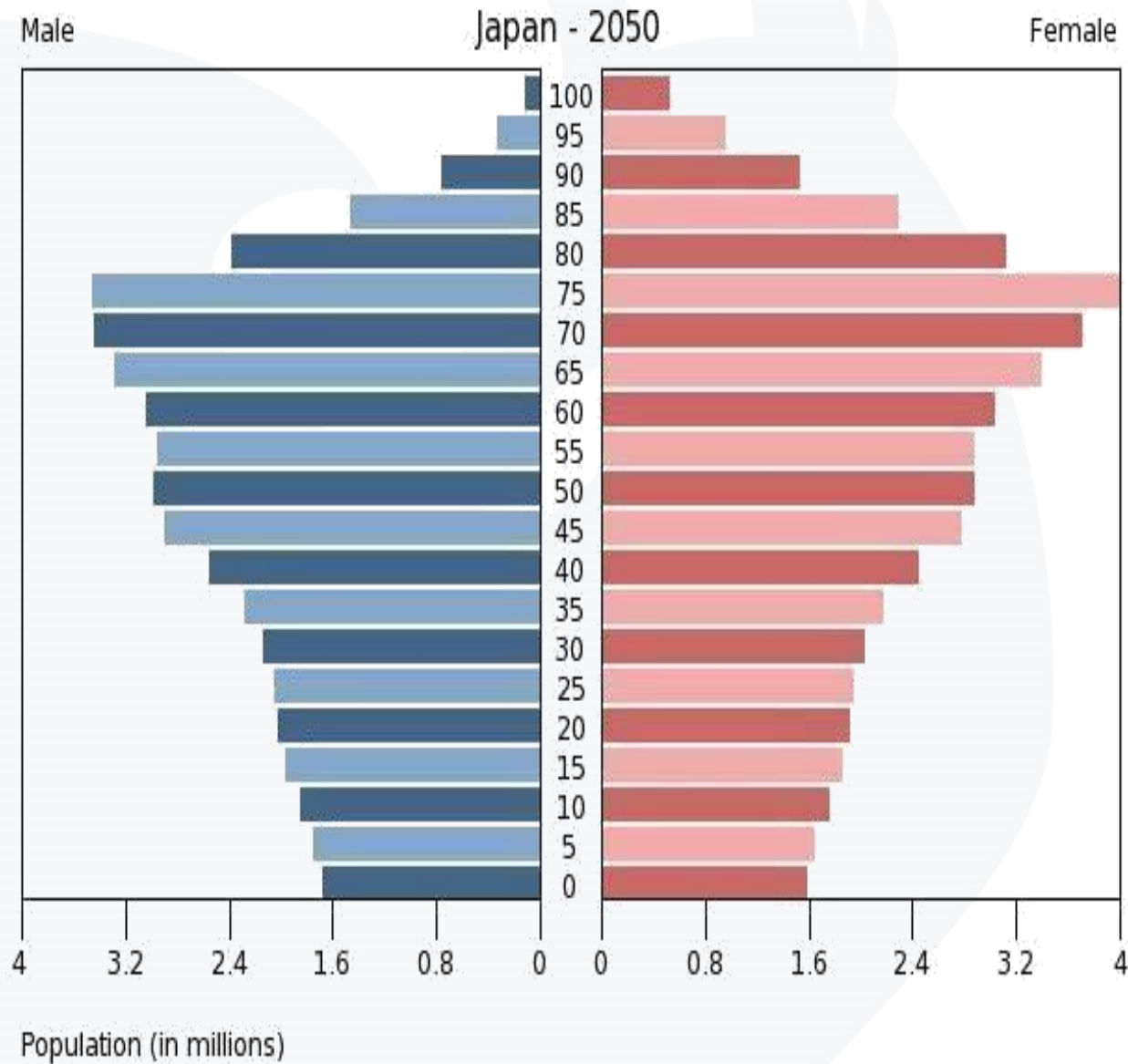
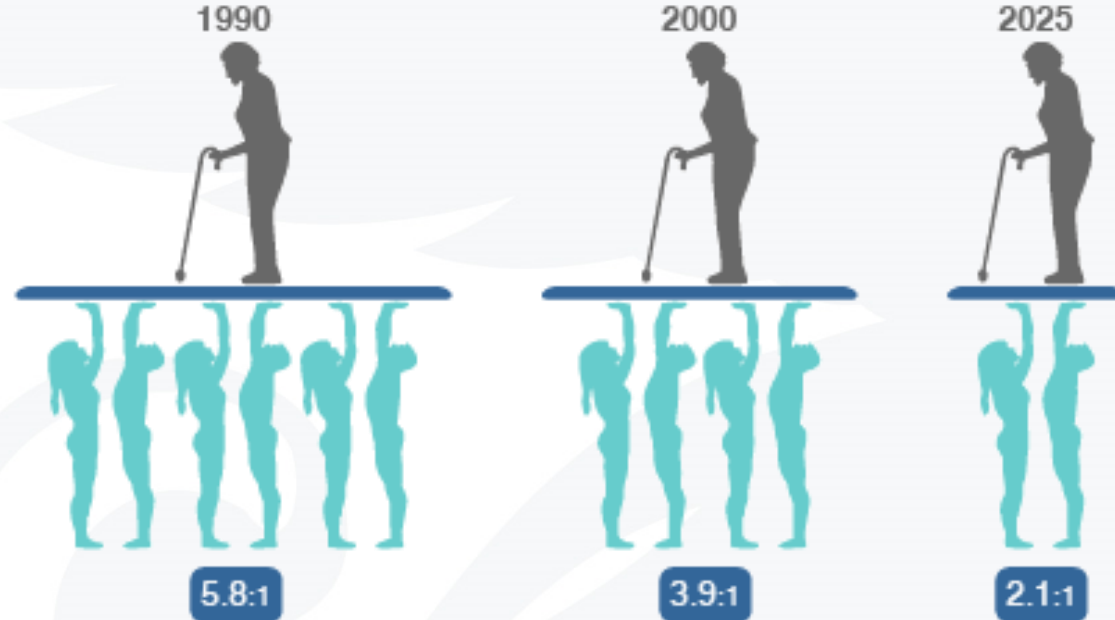
## RATIO OF WORKERS TO PENSIONERS





# A case study - Japan

## RATIO OF WORKERS TO PENSIONERS



## Women run out of money

- Poverty rate for single, elderly women could reach 50% in the next 40 years
- The nation's working age population projected to decline by 40% by 2055
- Japanese women earn only 73% as much as men
- More than 40% of p/t women earn 1m yen or less a year (GBP7,000)
- Husbands receive a spousal allowance if their wives earn under 1.5 million yen (GBP10,500).
- Japan sell more adult diapers than infant ones!



Haruhiko Kuroda,  
Governor of the Bank of Japan

# THE TIMES

16 August 2021

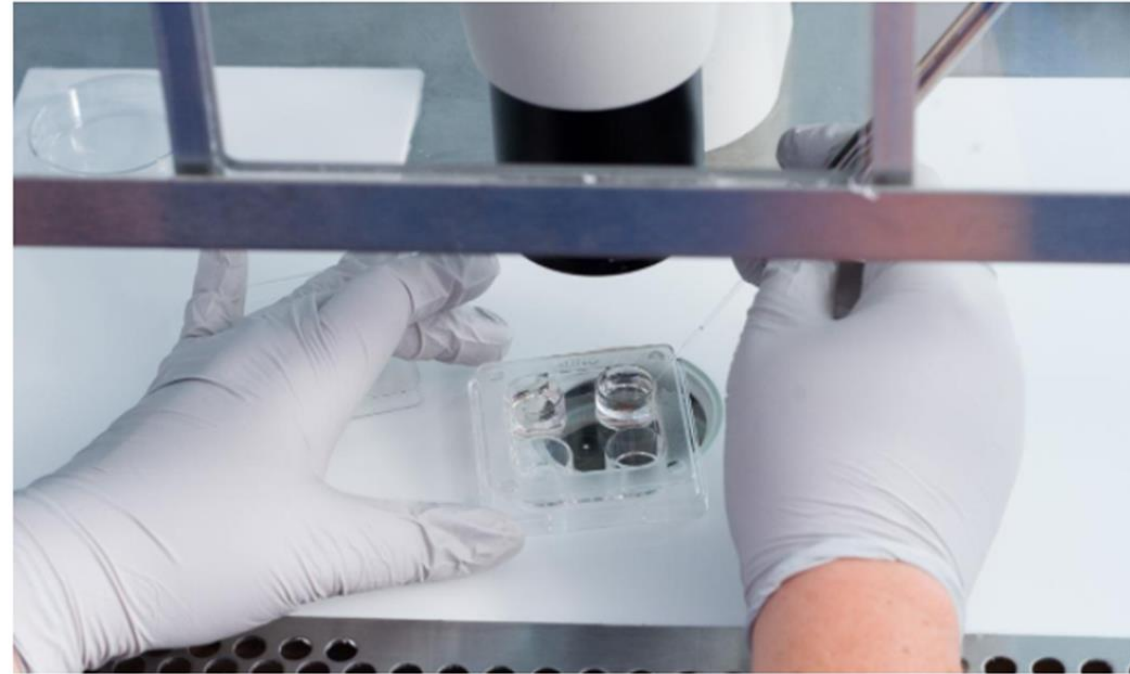
Japan will allow civil servants to take up to ten days' paid leave a year to receive fertility treatment in an attempt to boost the country's birth rate. The scheme comes as the population slipped below 126 million and Japan dropped out of the top ten most populous countries for the first time since 1950.

The number of newborns fell to a record low of 840,832 in 2020, and the fertility rate declined to 1.34, far below the 2.1 children per woman needed to keep the population at its present level.

"The public sector will take the initiative," Yuko Kawamoto, president of the National Personnel Authority, said. She hoped that the private sector would follow suit, the Kyodo news agency said.

In a survey this year some civil servants said it was "impossible" to balance fertility treatment with their work, citing frequent visits to see a doctor, costs and scheduling conflicts.

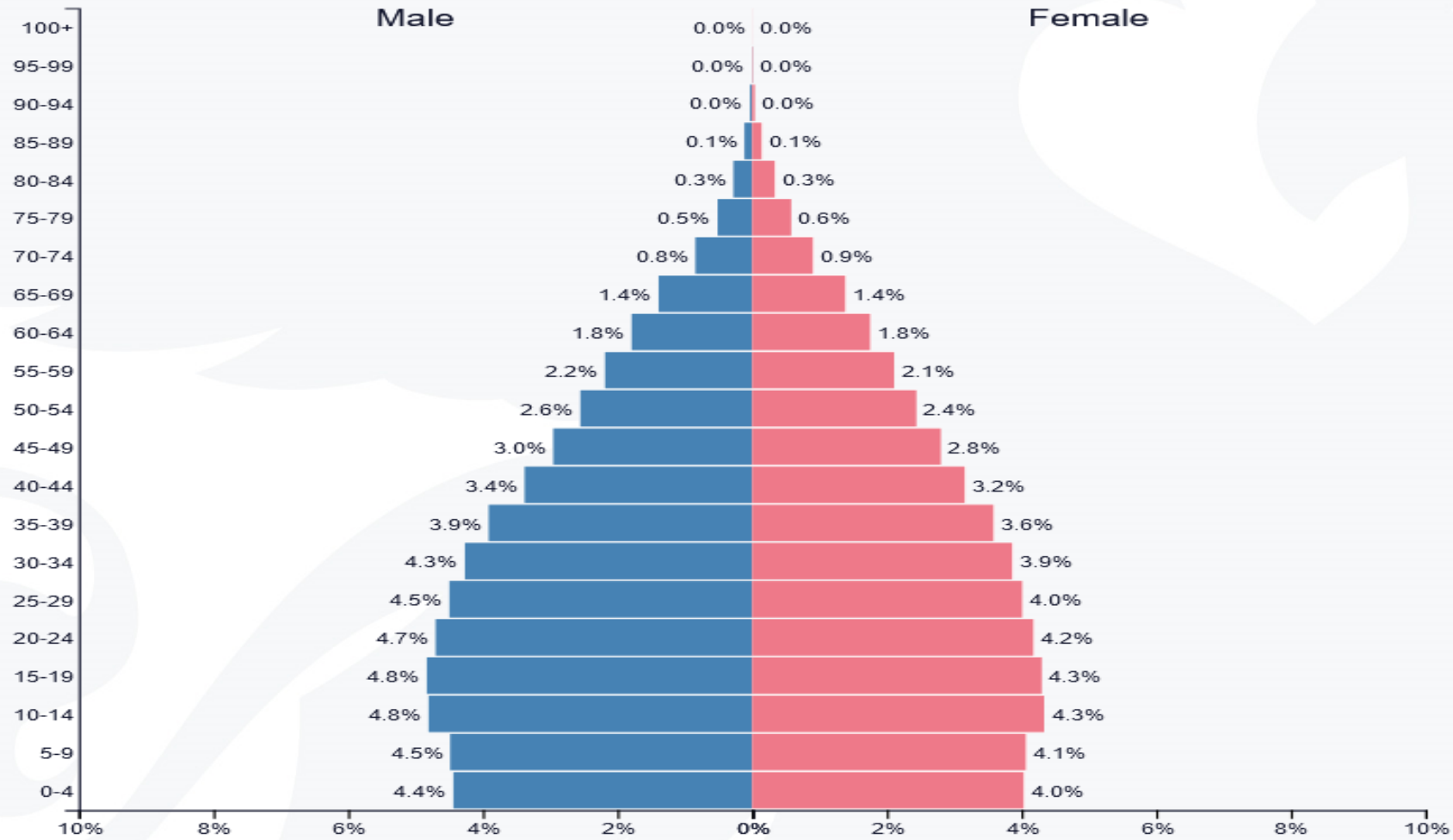
## Civil service given time off to boost Japan's flagging fertility





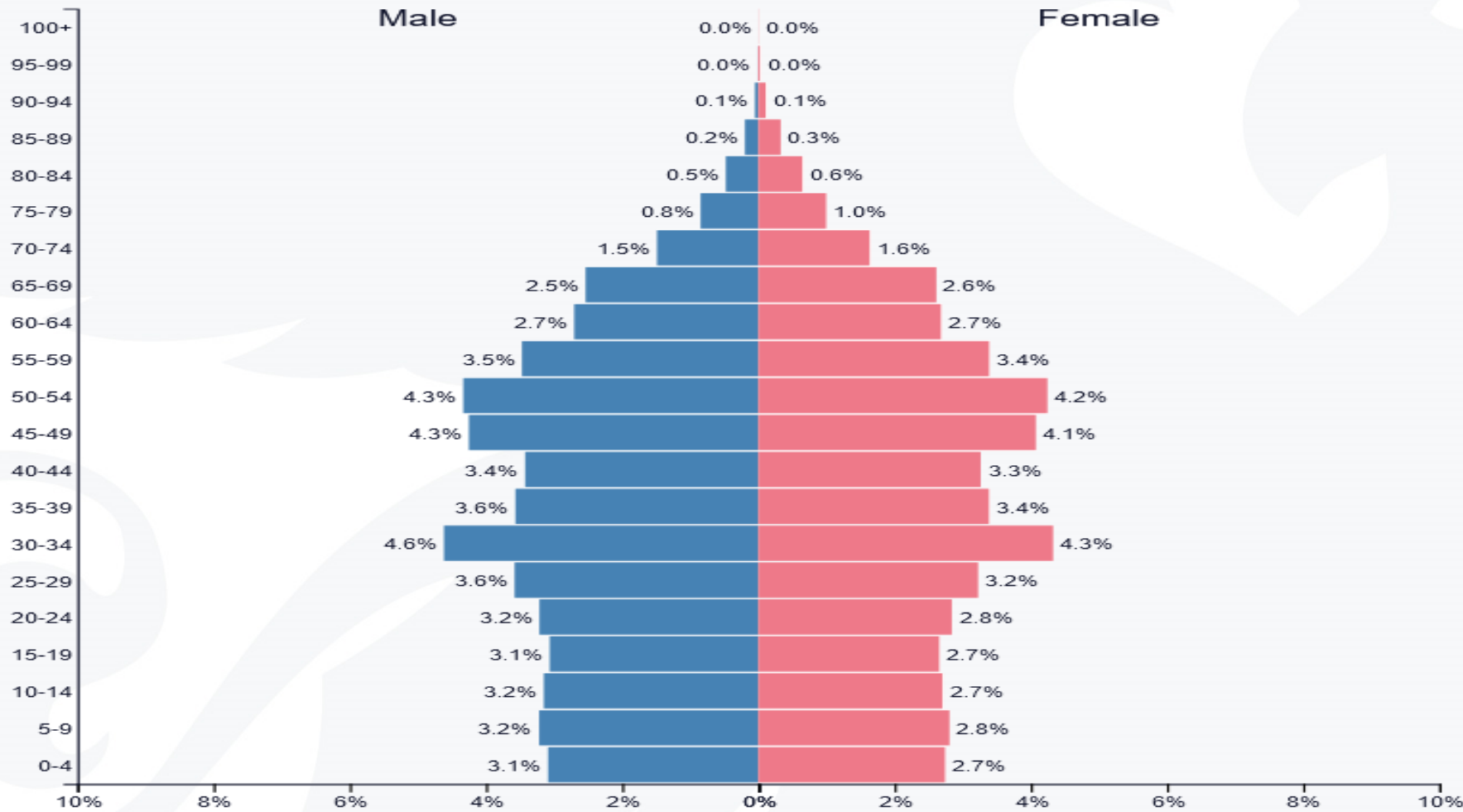
# India ▼ 2020

Population: 1,380,004,385



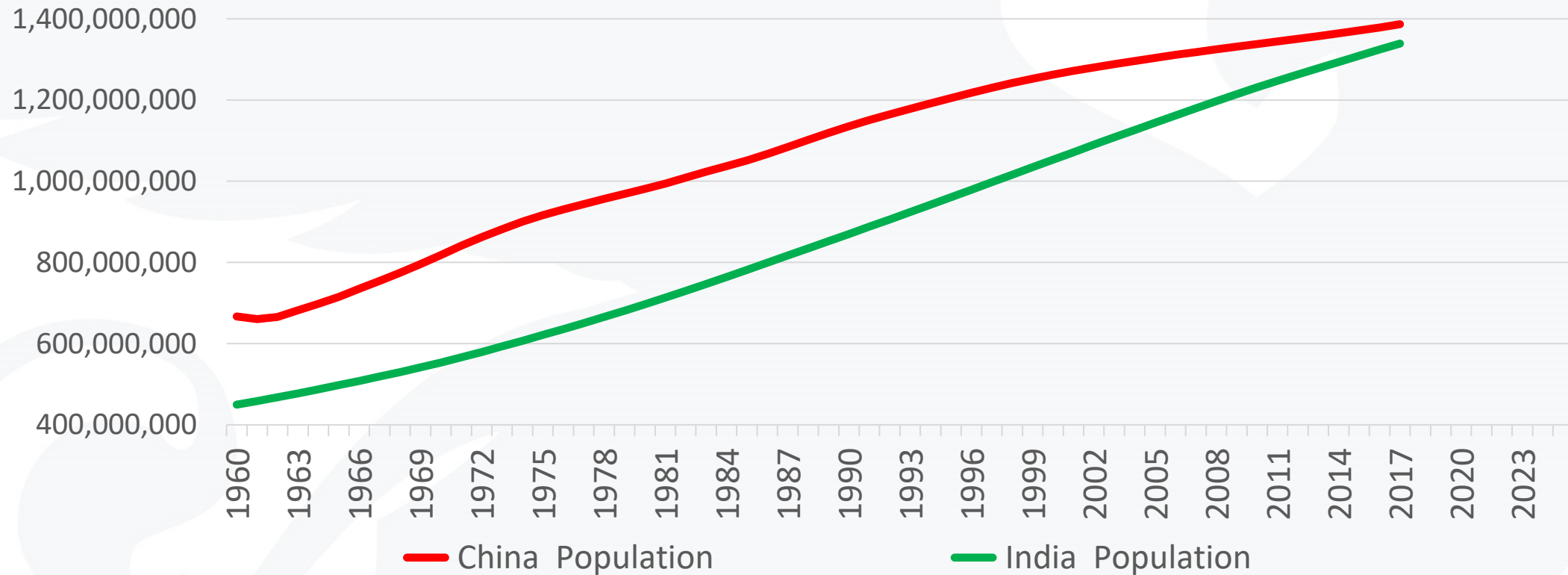
# China ▼ 2020

Population: 1,439,323,774





# Who will have more people in 2023? India or China?



# Key country demographics

Criteria	UK	Germany	Singapore	United States	China	India	Nigeria	Japan
Population (m)	66.0	83.1	5.9	328.2	1,386	1,324	195.9	126.3
Fertility per woman	1.88	1.57	1.13	1.73	1.6	2.4	5.39	1.42
Birth rate per 1,000	11.8	9.5	9.4	11.8	12.0	19.0	37.9	7.4
Death rate per 1,000	9.1	11.5	4.8	8.6	7.3	7.3	11.9	10.8
Migration rate per 1,000	+2.5	+1.5	+14	+3.9	-0.4	0.0	-0.17	0.0
Net population growth pa	0.52%	0.27	1.9%	0.47	0.41%	1.17%	2.59%	-0.21%

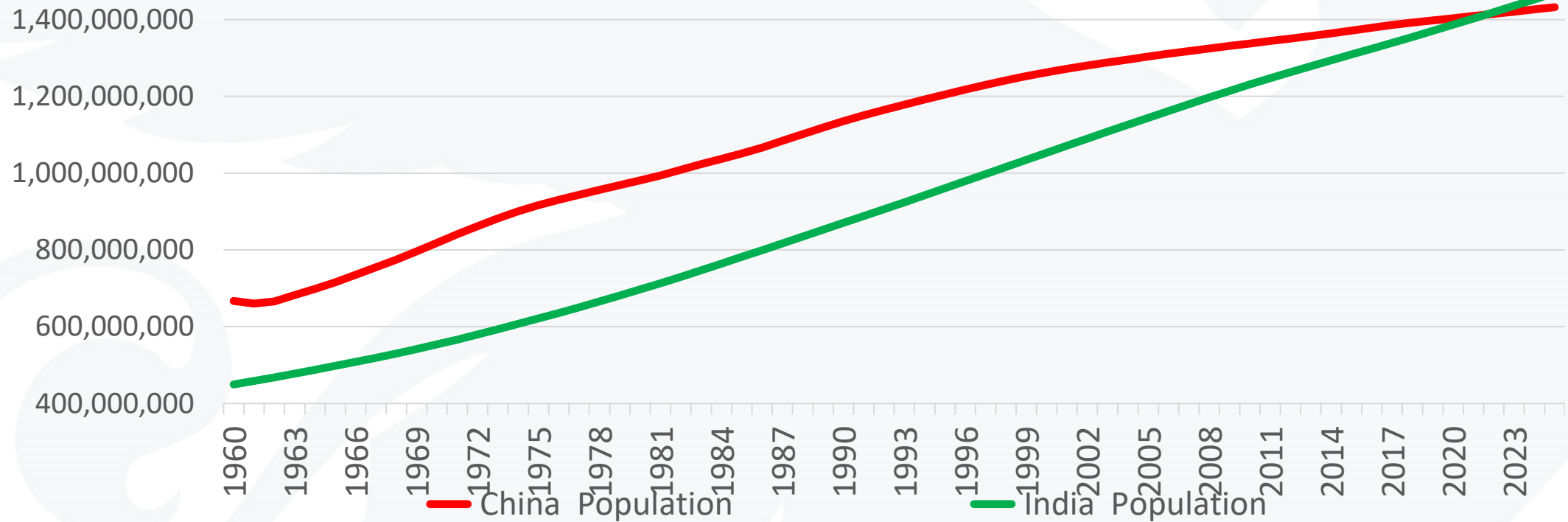
Source: World Bank (2018 & 2019)

# Key country demographics

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Source: World Bank (2018 & 2019)

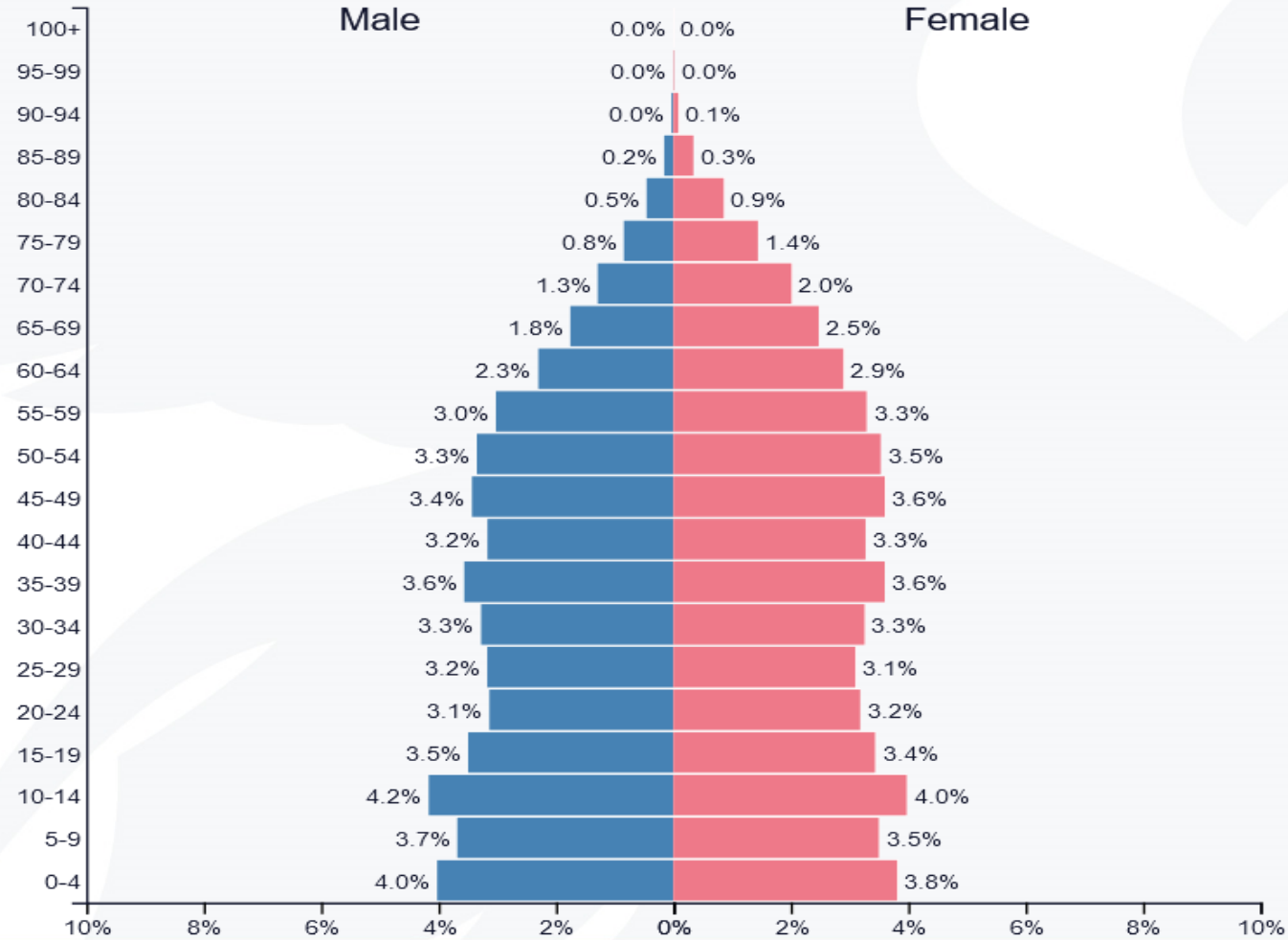
# India.. maybe sometime this year



# United Kingdom ▼

## 1960

Population: 52,370,594

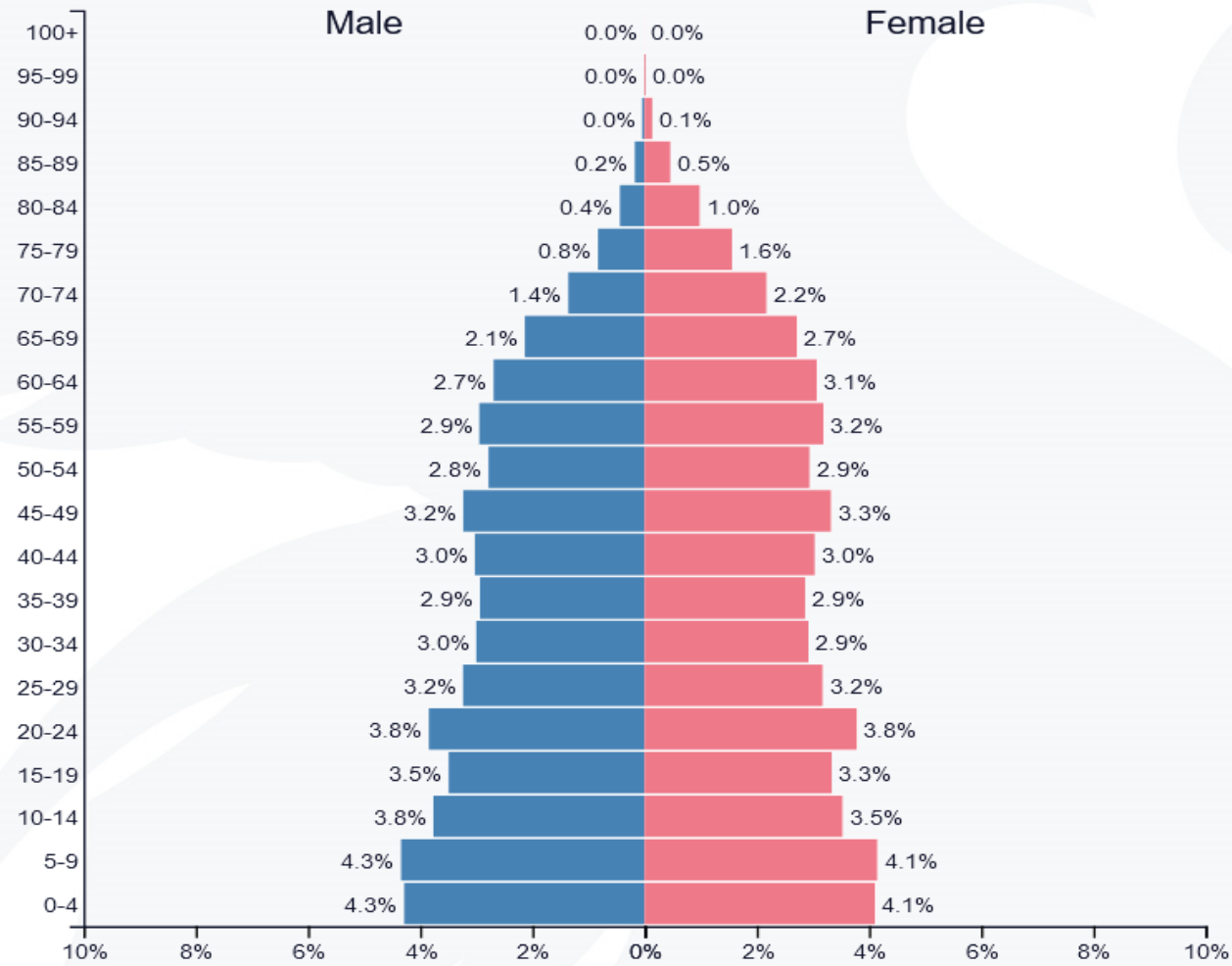




# United Kingdom ▼

## 1970

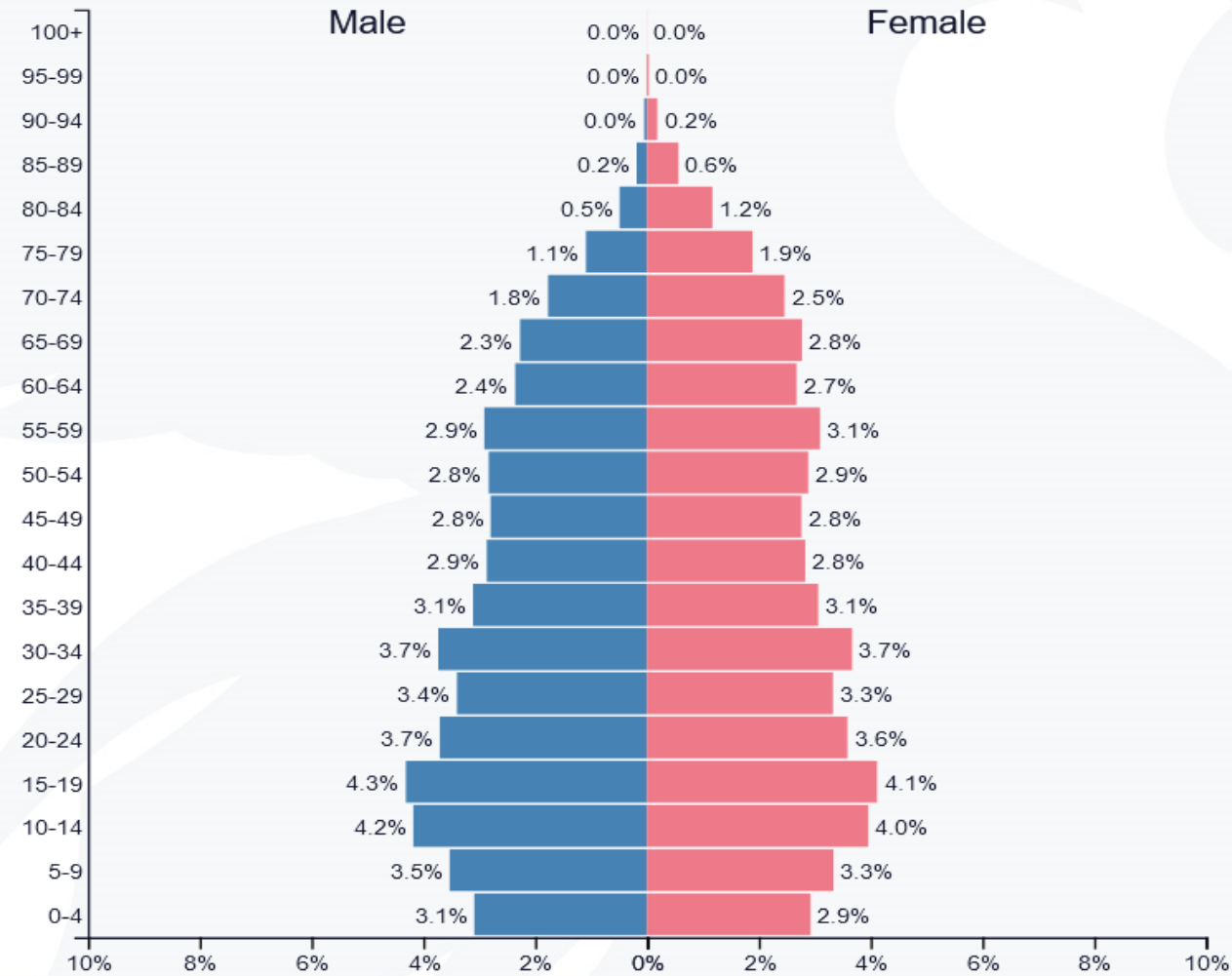
Population: 55,573,455



# United Kingdom ▼

## 1980

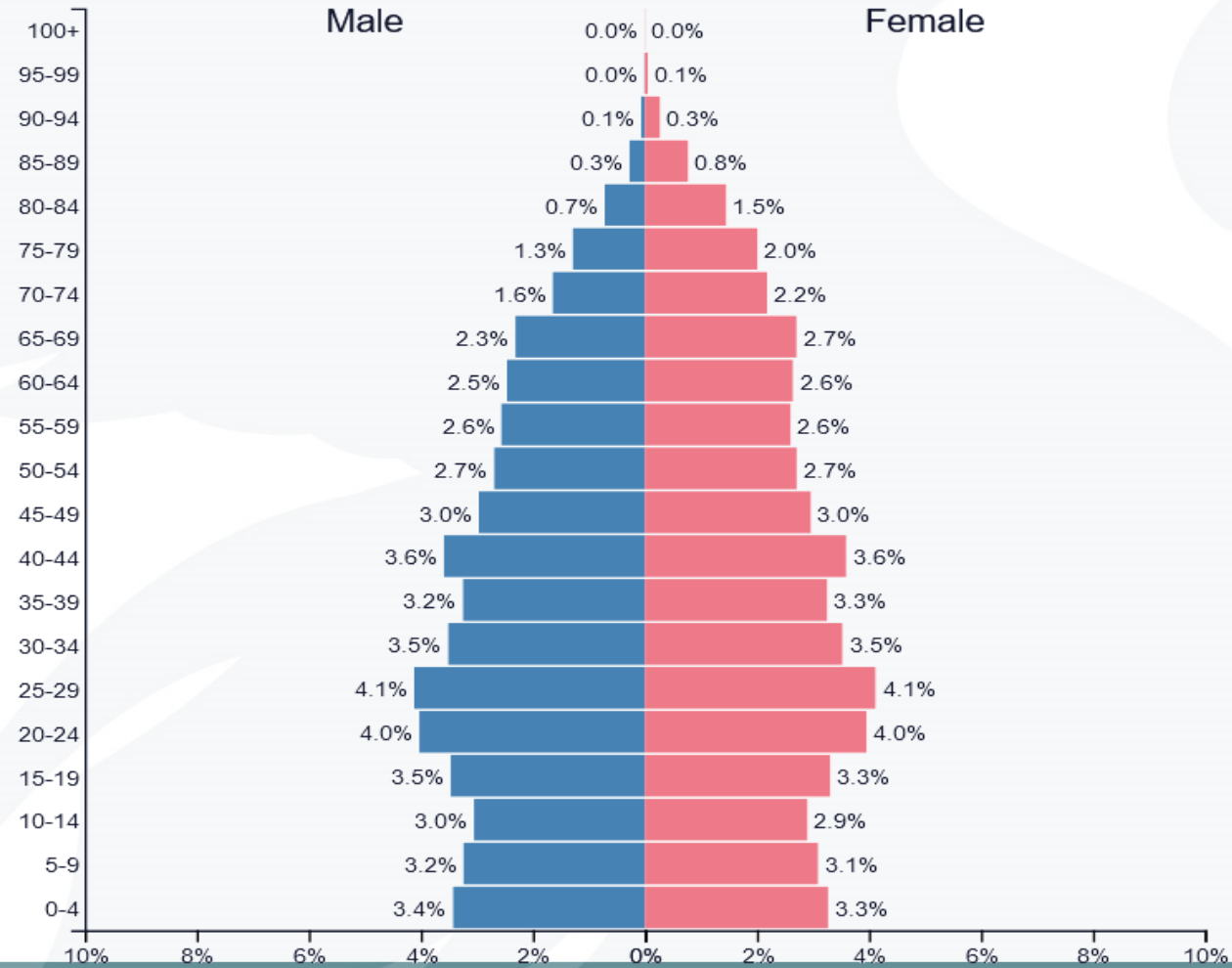
Population: 56,209,164



# United Kingdom ▼

## 1990

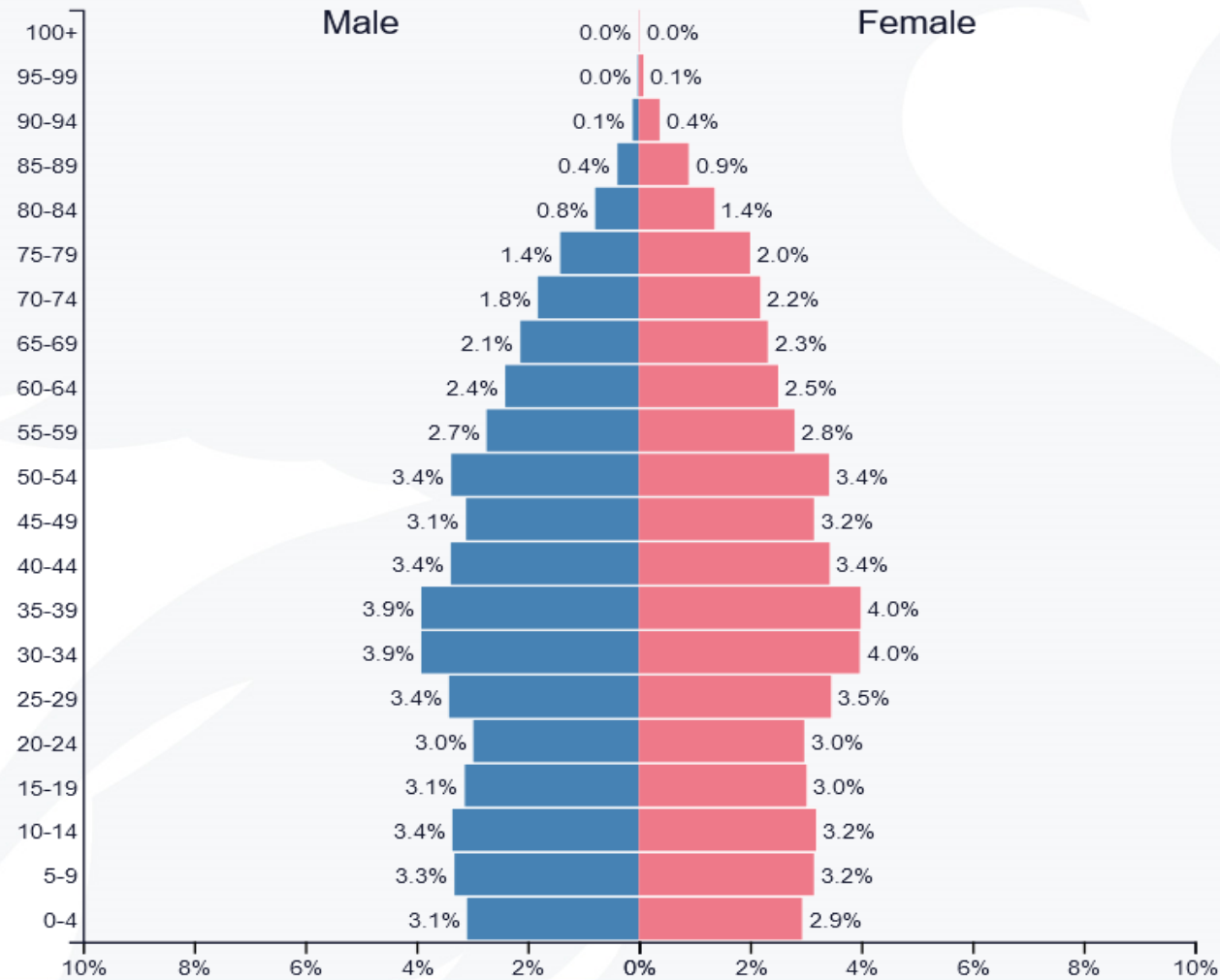
Population: 57,134,377



# United Kingdom ▼

## 2000

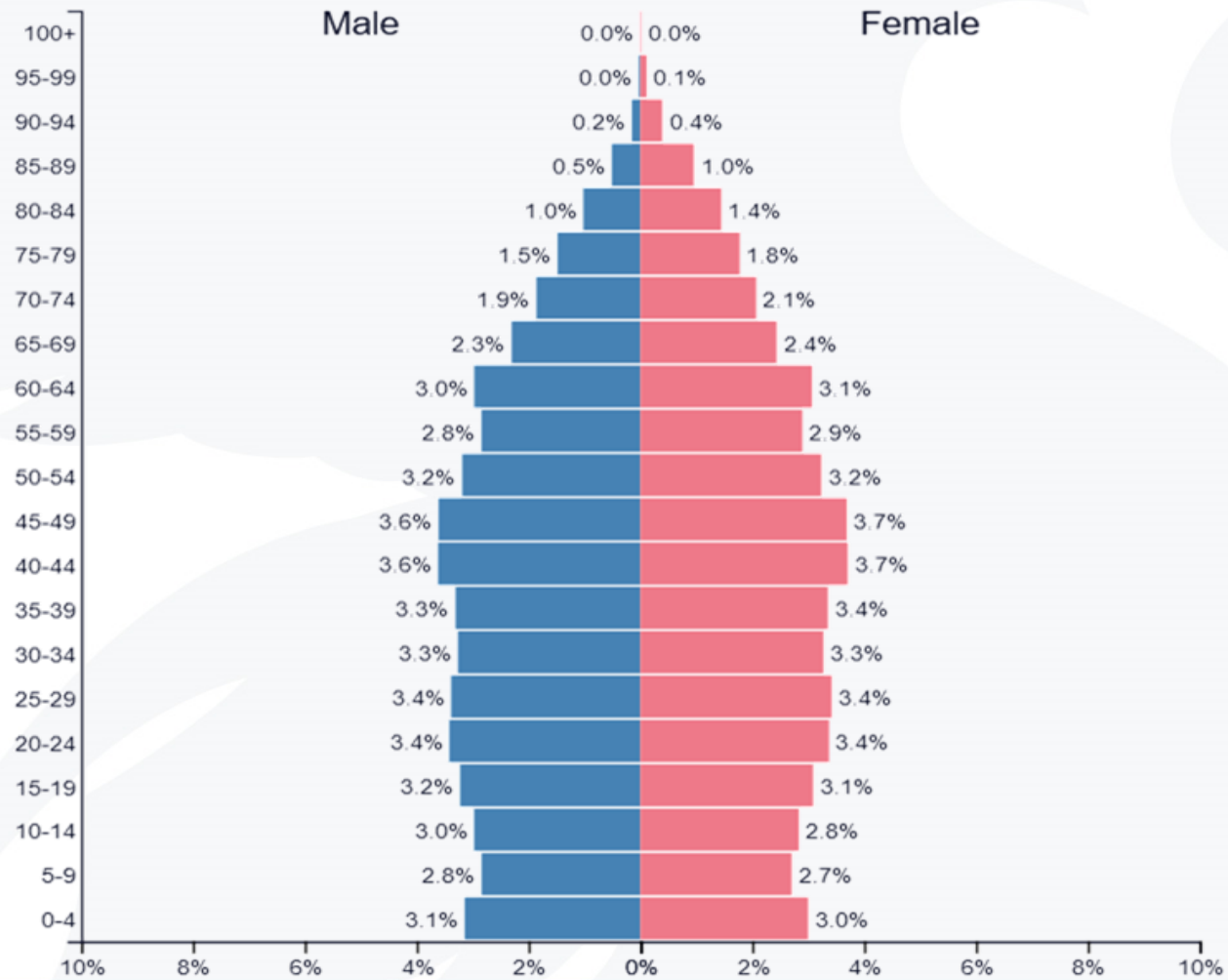
Population: 58,923,304



# United Kingdom ▼

## 2010

Population: 63,459,801

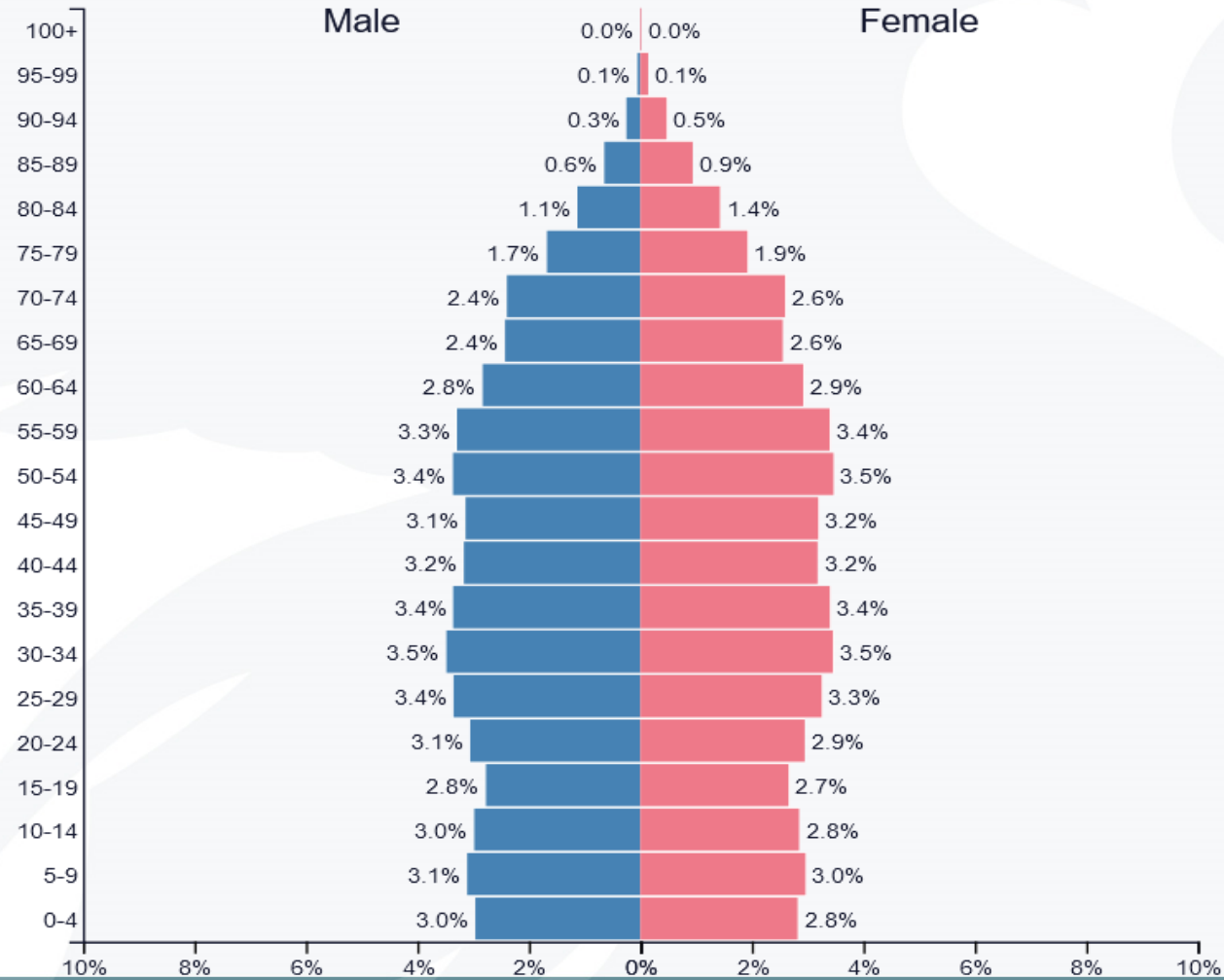




# United Kingdom ▼

2020

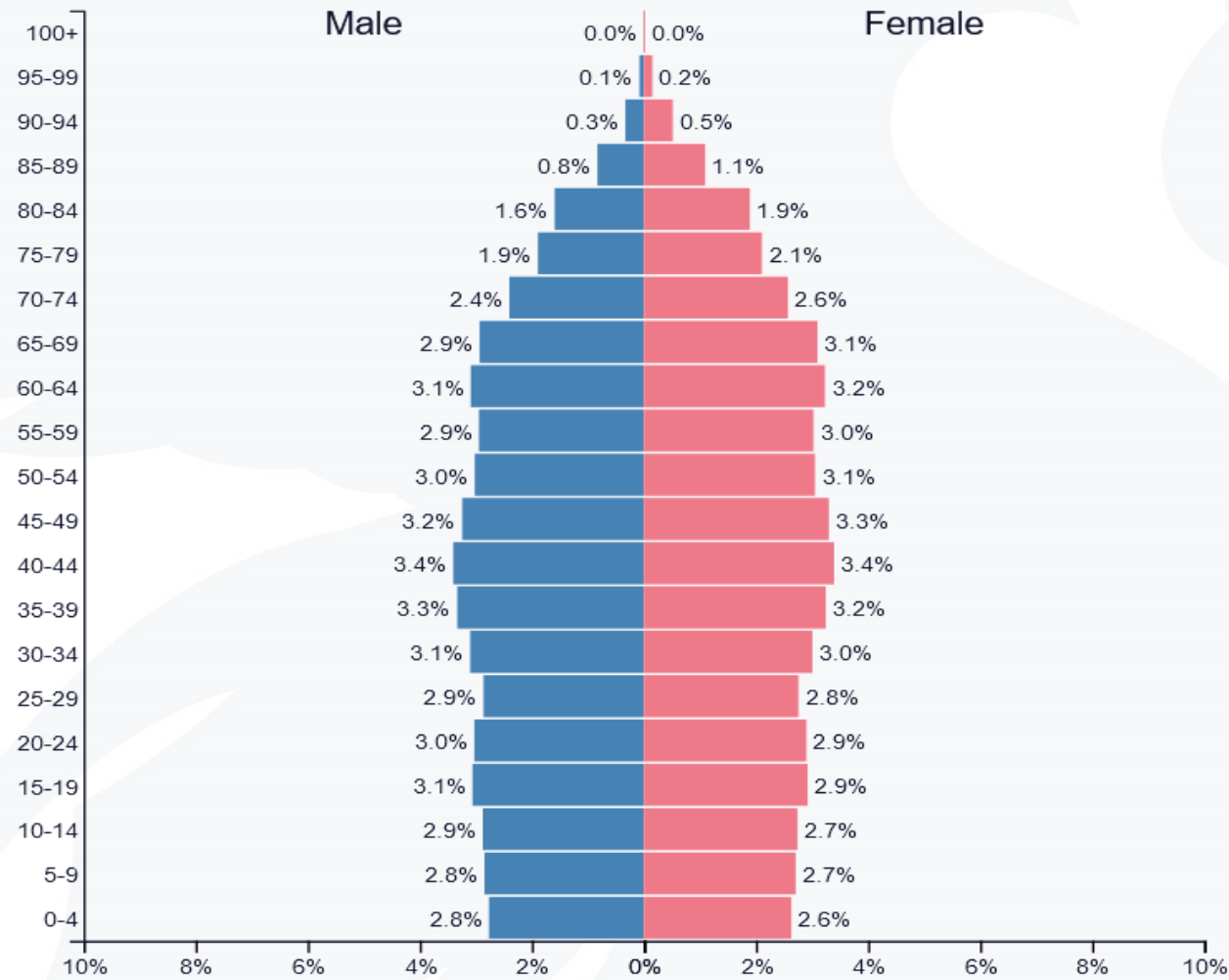
Population: 67,886,004



# United Kingdom ▼

## 2030

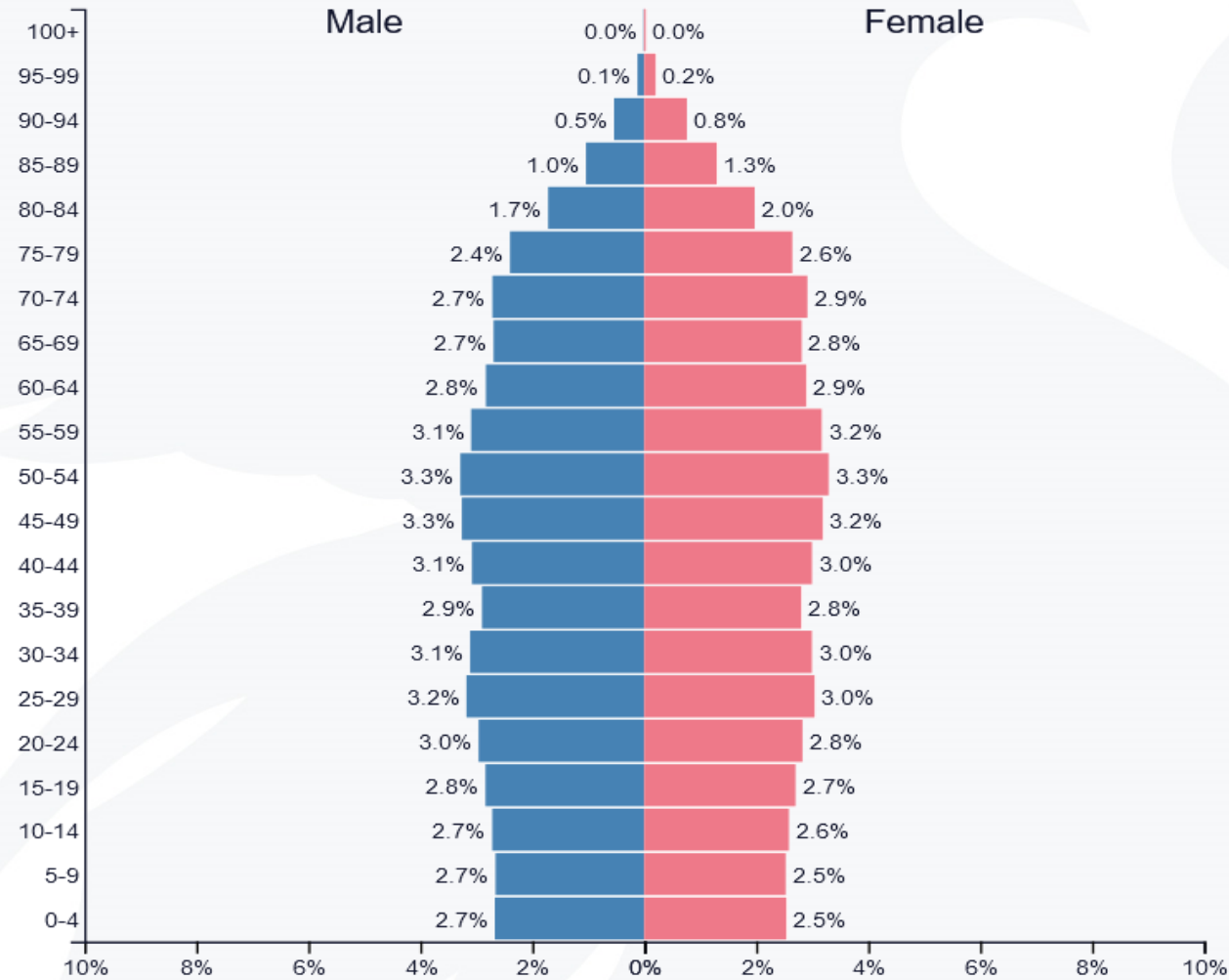
Population: **70,485,483**



# United Kingdom ▼

## 2040

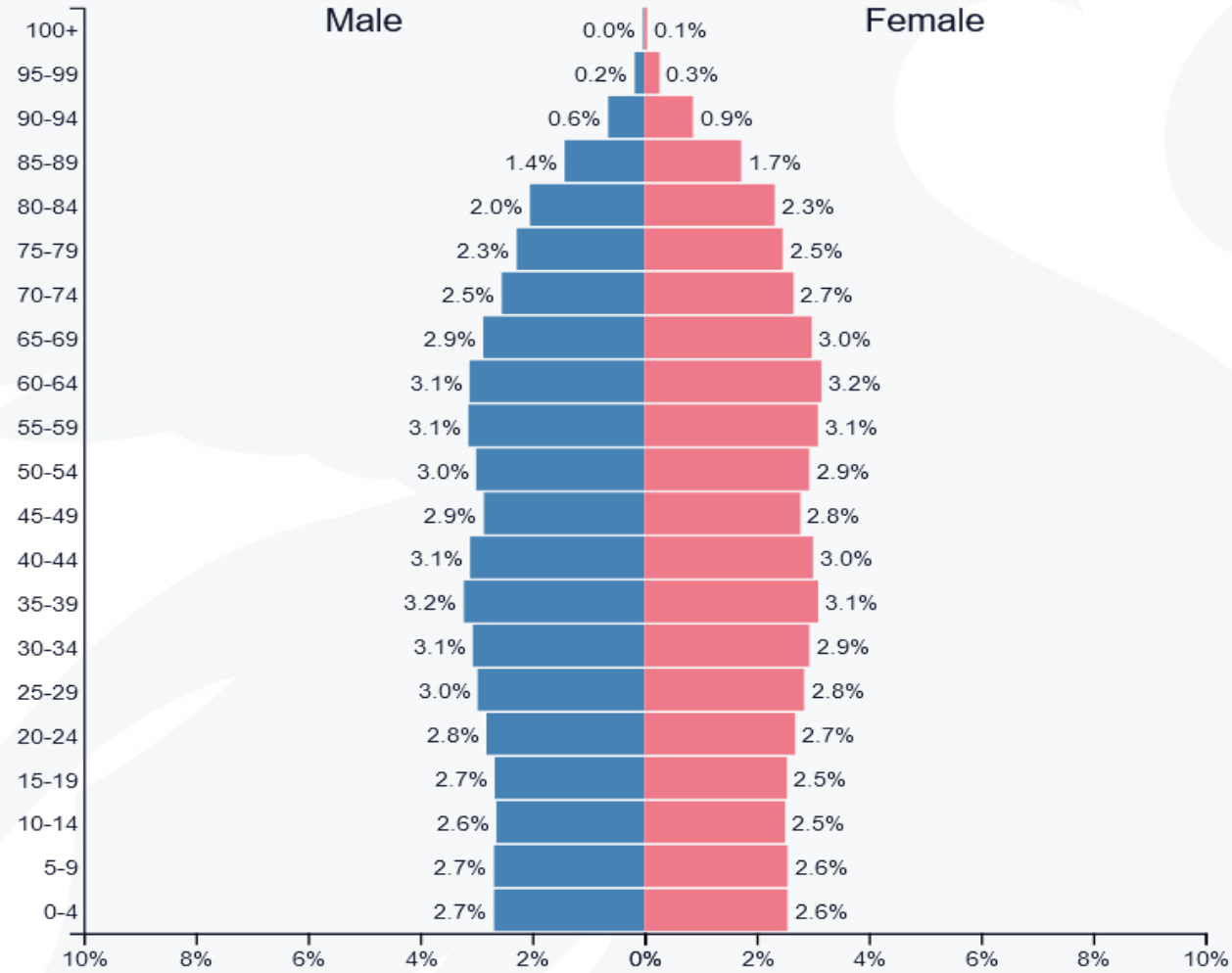
Population: 72,486,896



# United Kingdom ▼

## 2050

Population: **74,081,983**

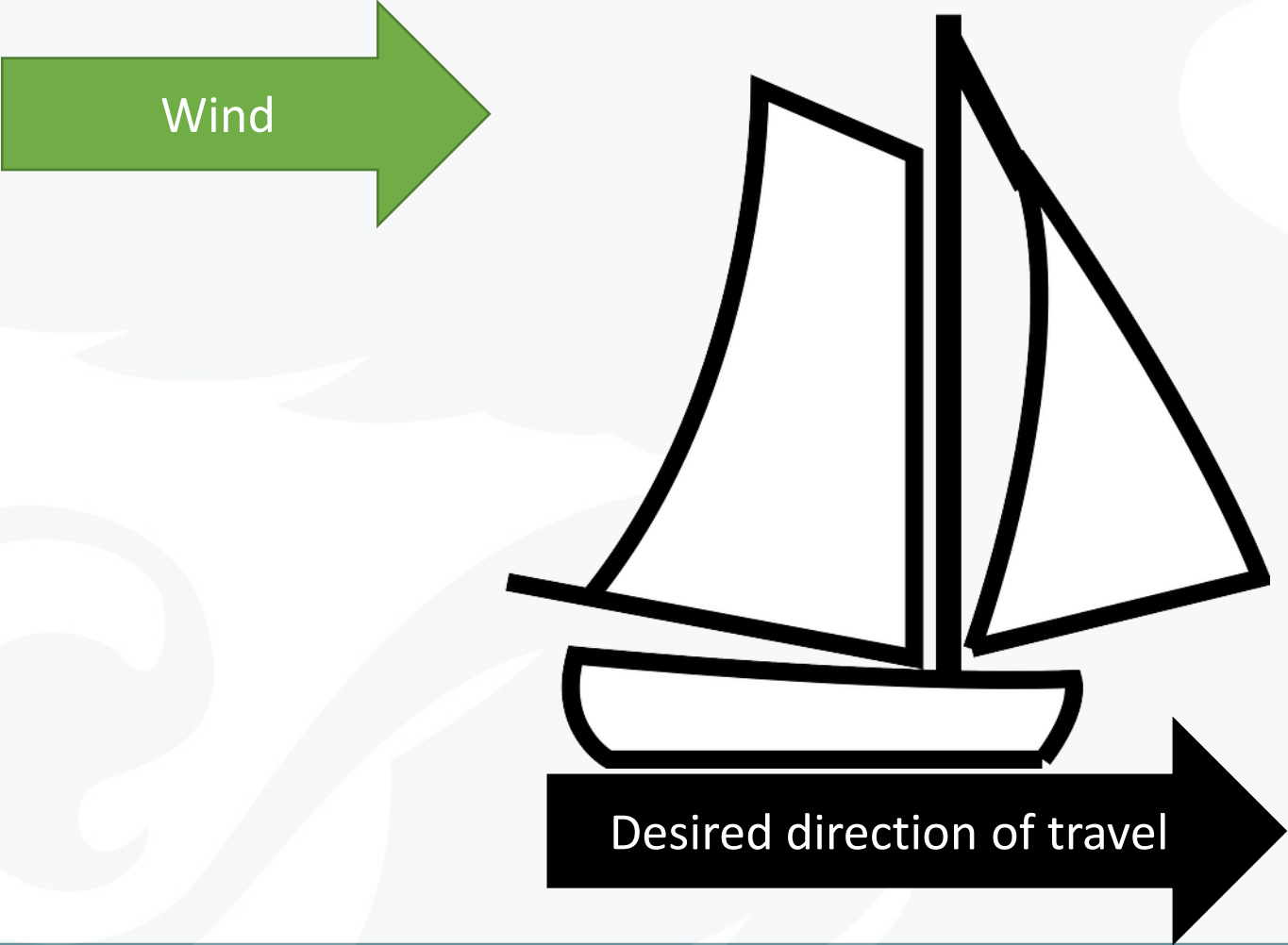


# Sailing dynamics





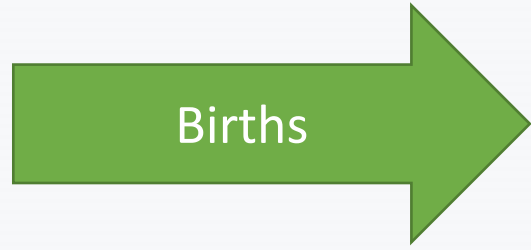
# Sailing dynamics



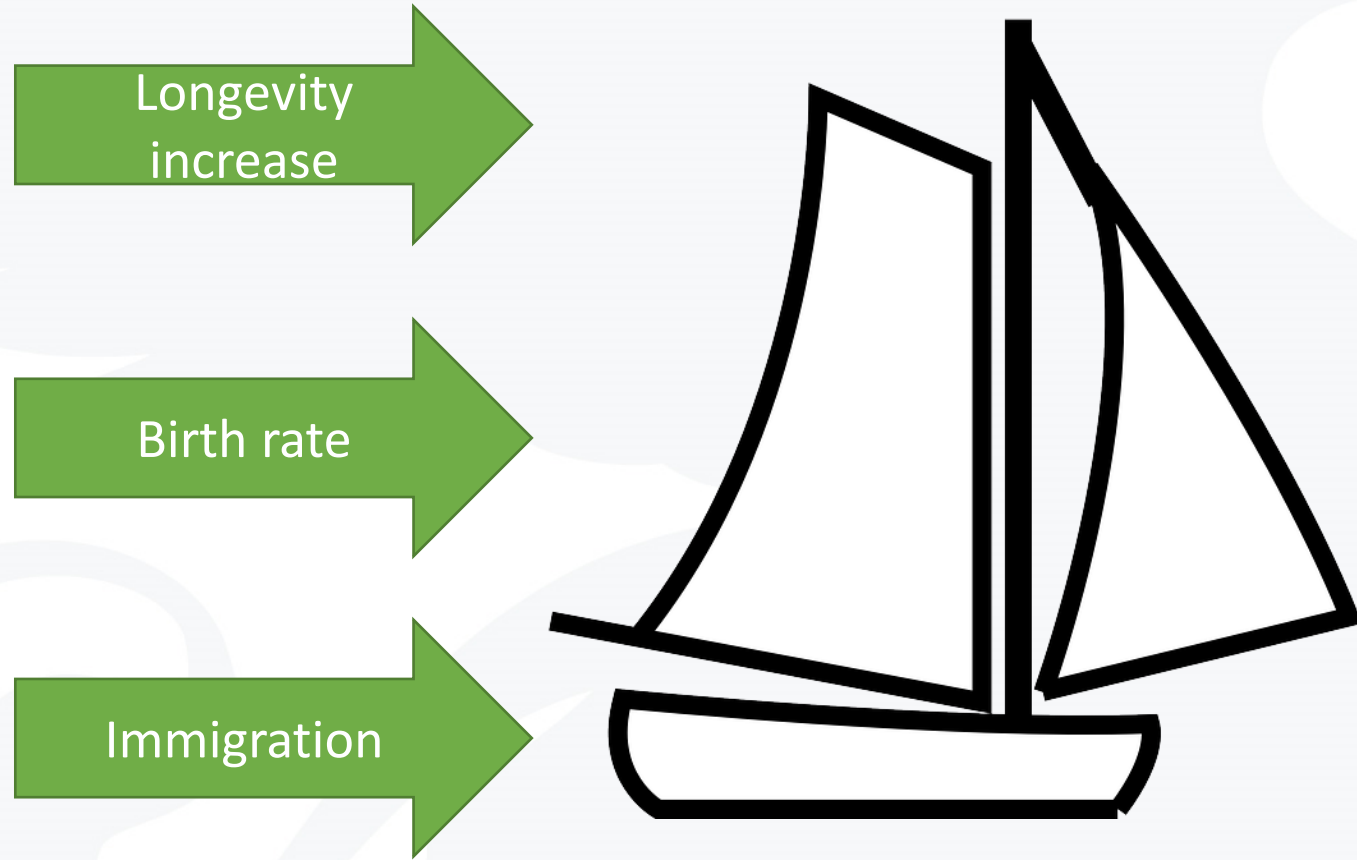
# Sailing dynamics



# Population dynamics



# Population dynamics

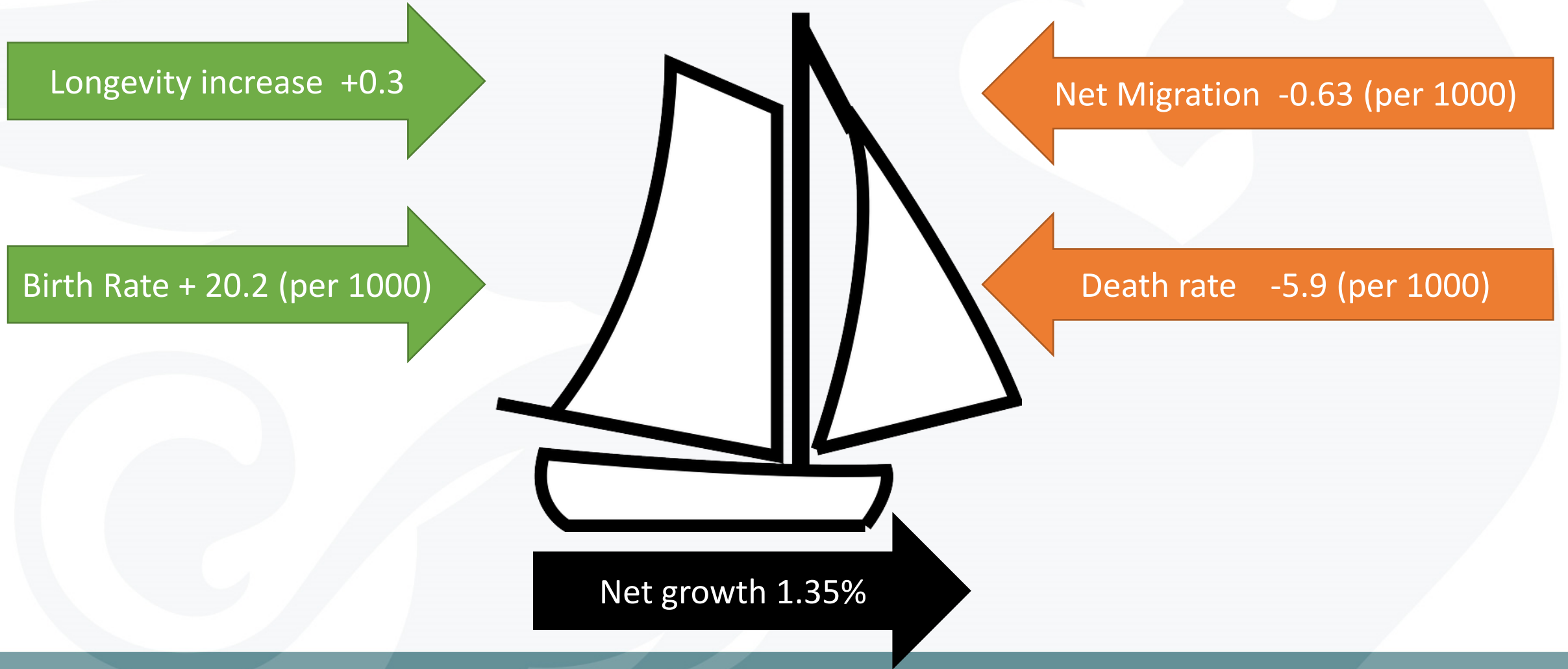


# Population dynamics

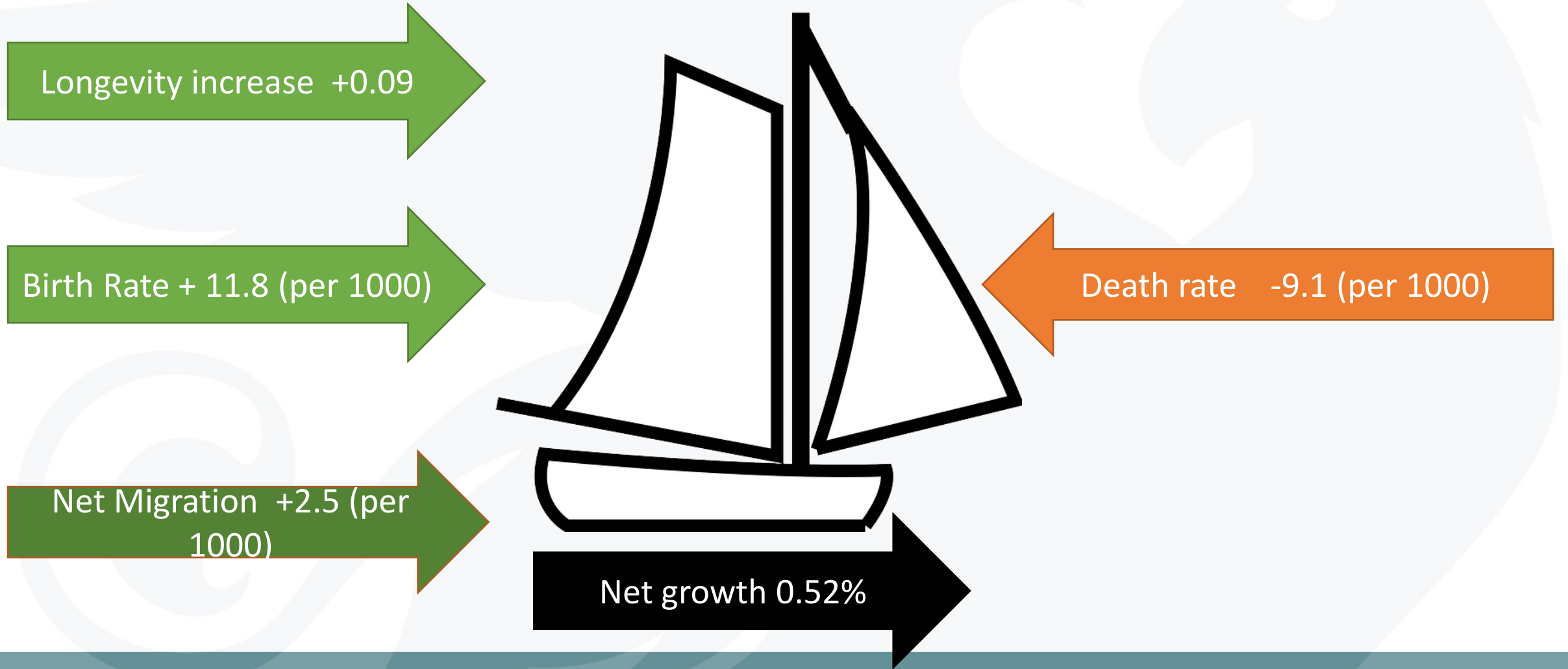




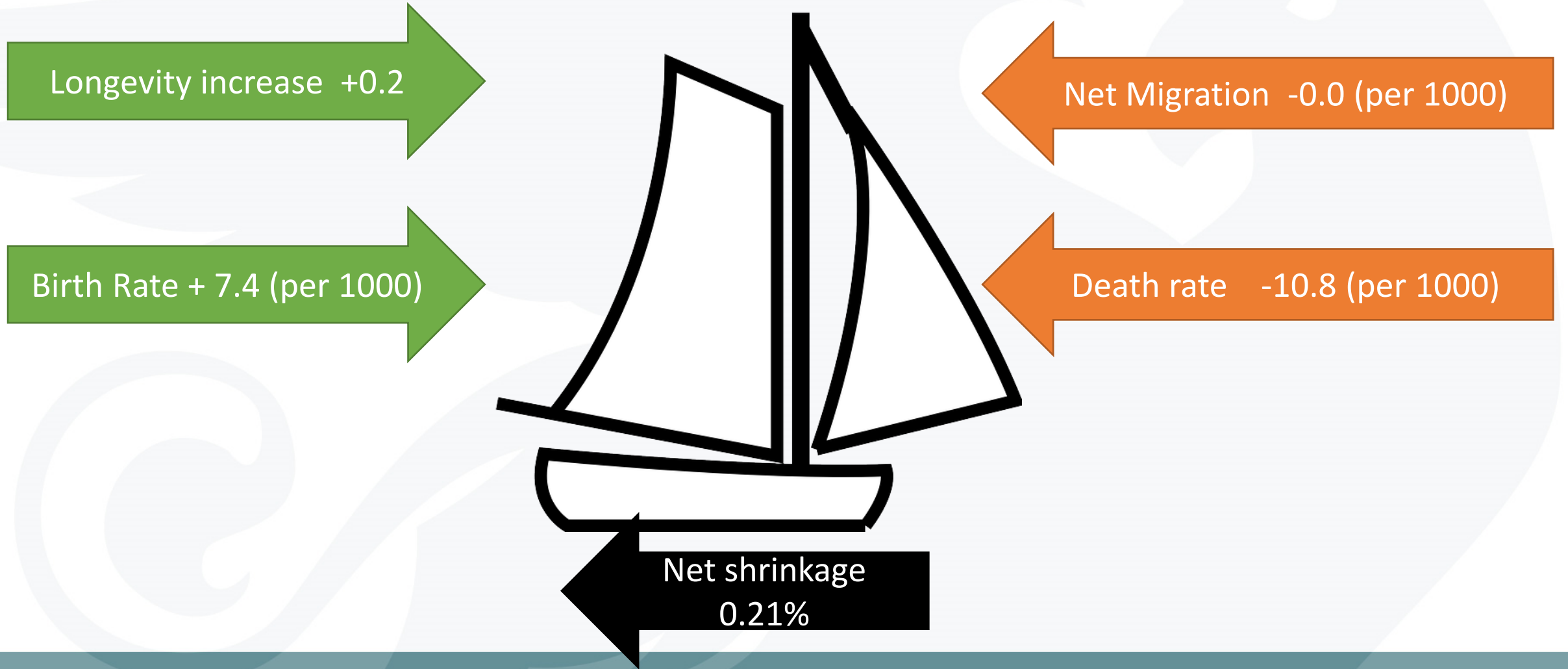
# Population dynamics - Philippines



# Population dynamics - UK

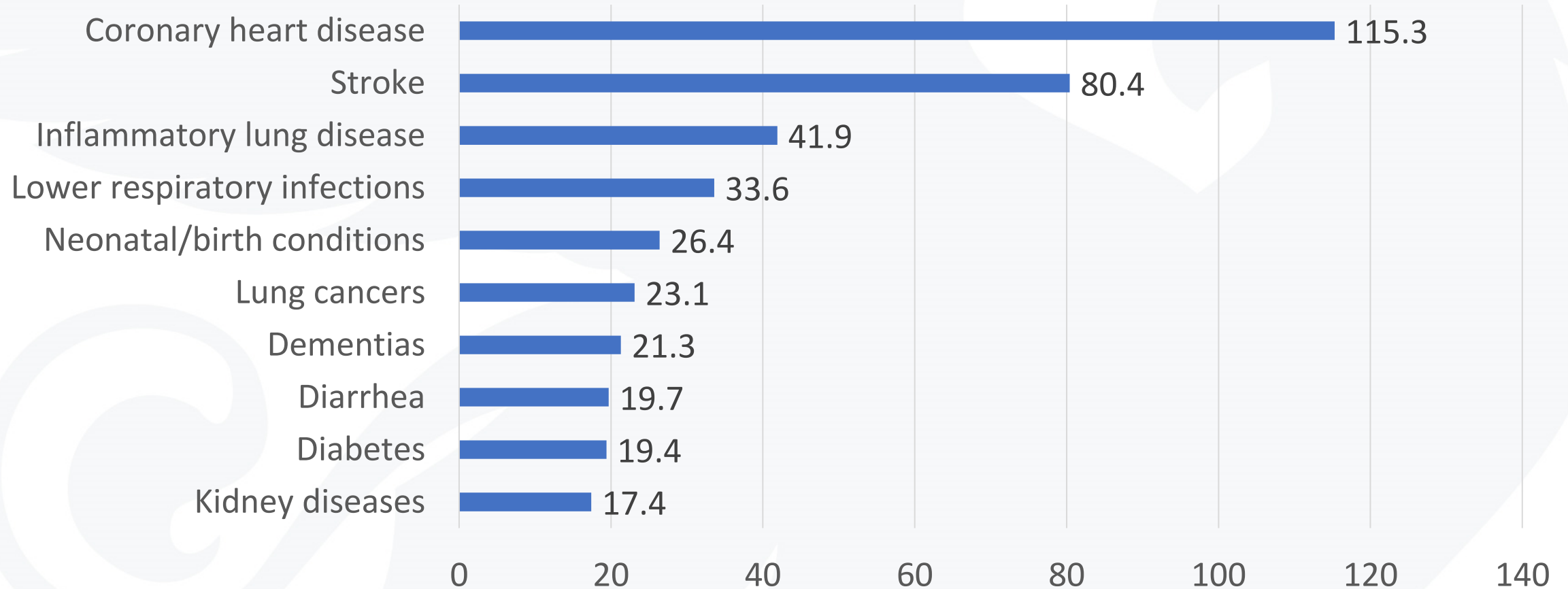


# Population dynamics - Japan



# Top 10 causes of death globally

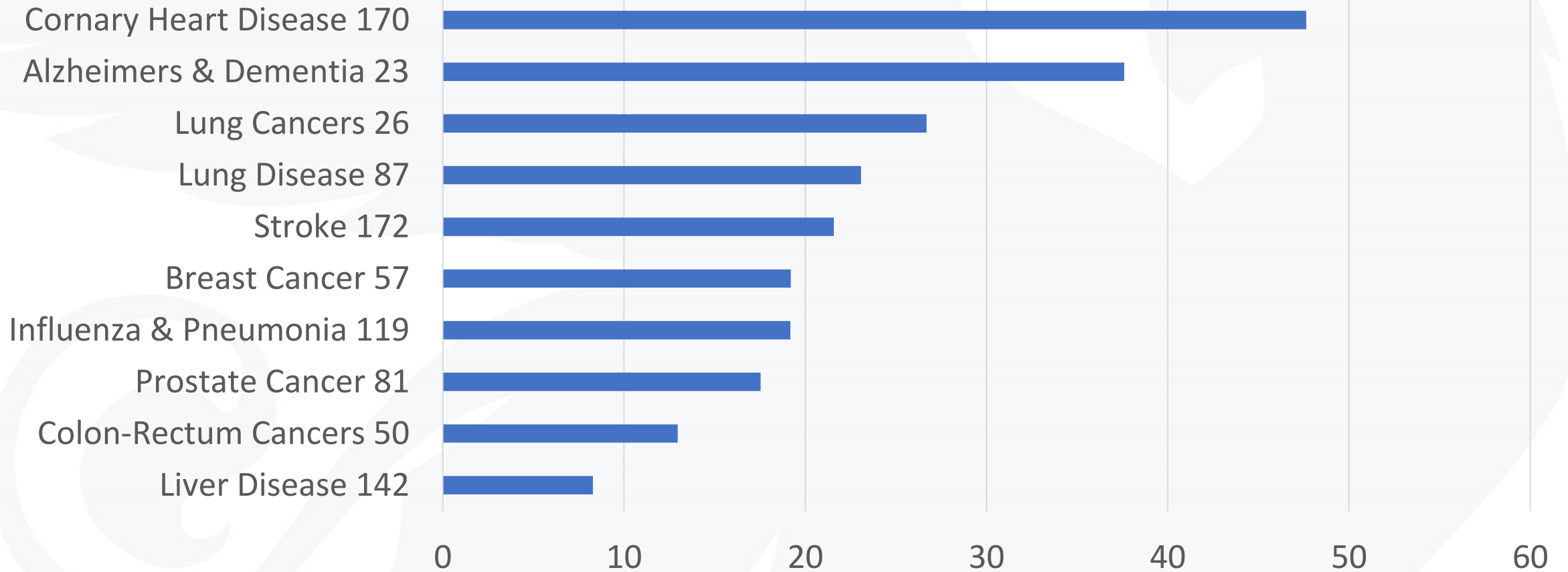
Deaths per 100,000 people



Source: WHO, data from 2021

# Top 10 causes of death in UK

Deaths per 100,000 people



Source: WHO, data from 2021

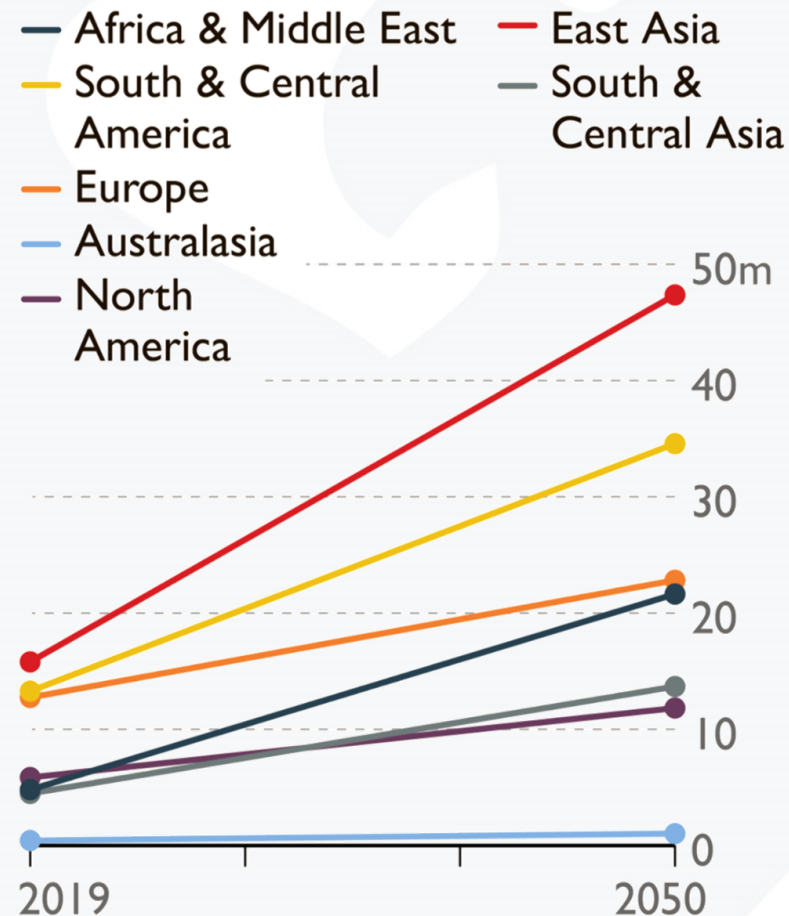


# Dementia cases will triple

- Old age – longevity - is the main risk factor for dementia
- Three main risk categories
  - High body mass index
  - Smoking
  - Diabetes
  - Restricted access to education
- Dementia cases globally increase from 57.4m to 152.8m
- More than half of all cases are in high income countries.
- Qatar up 20x Japan up 27%
- COVID-19 has taken a disproportionate toll on those with dementia

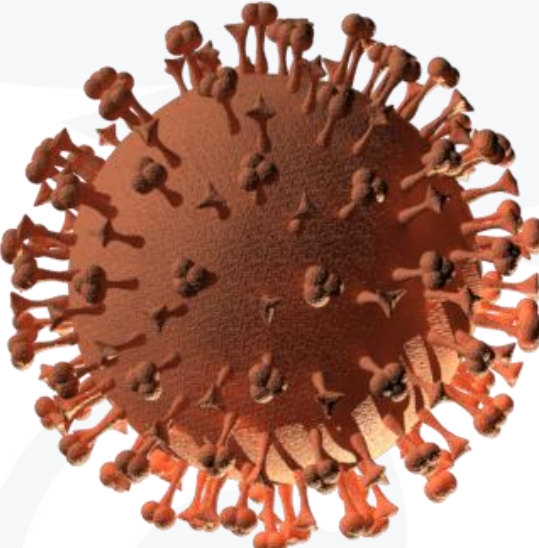
## Dementia around the world

Projected increase in dementia cases by region



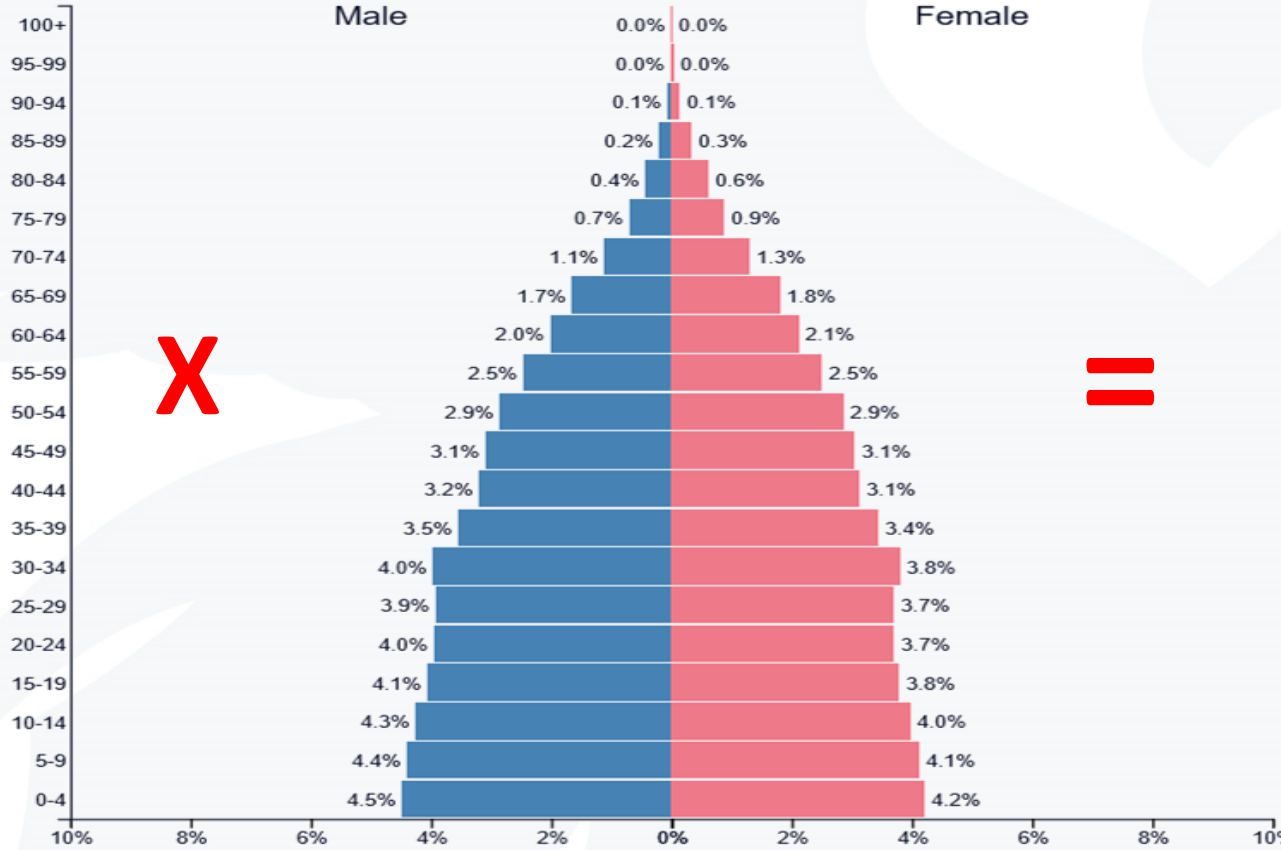
Source: The Lancet Public Health

# Covid-19 – Big problem for countries with older populations



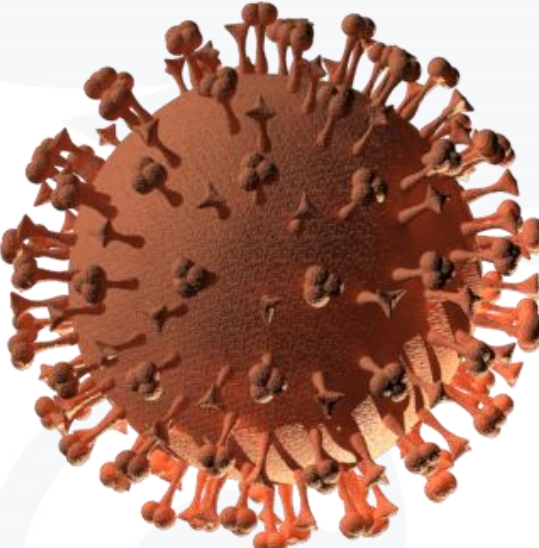
WORLD ▼  
2020

Population: 7,794,798,729



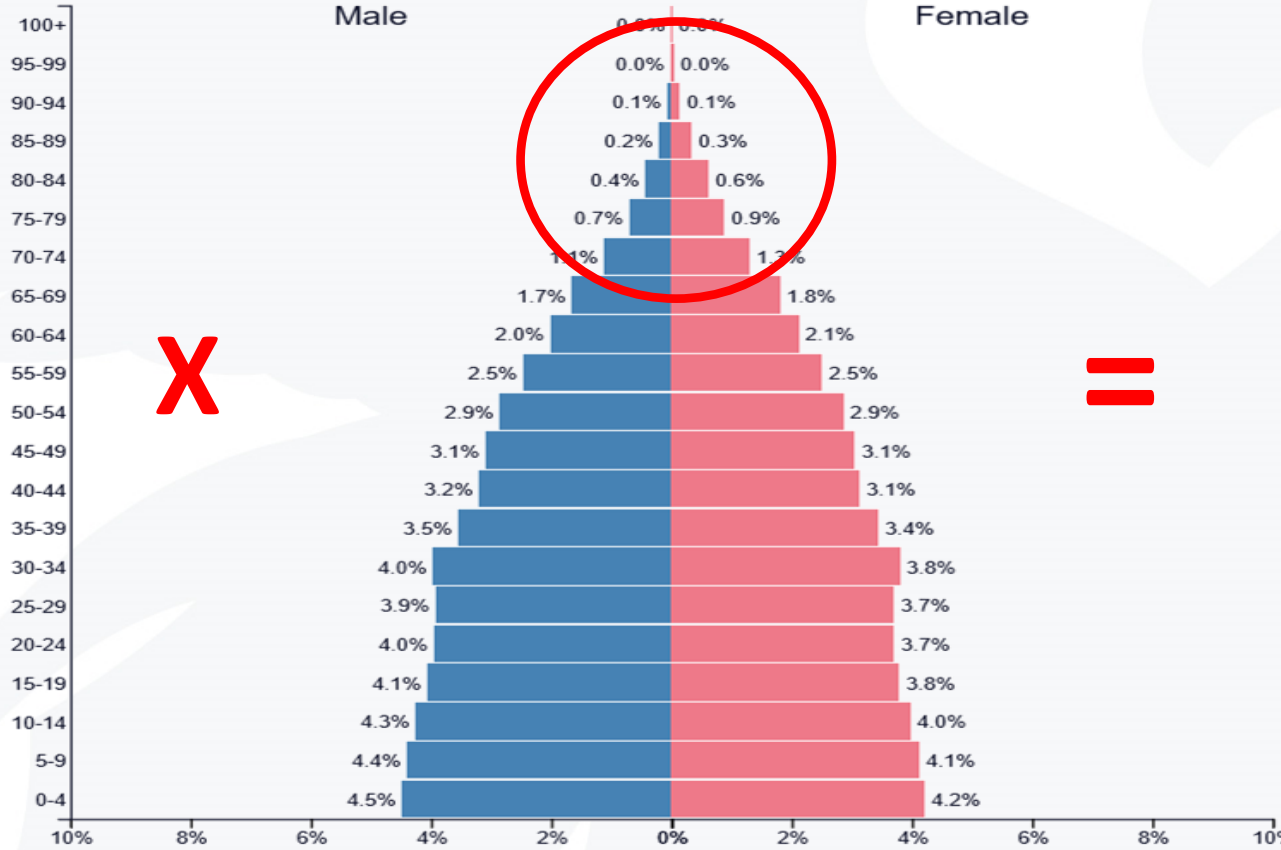
High death rate

# Covid-19 – Big problem for countries with older populations



WORLD ▼  
2020

Population: 7,794,798,729



High death rate

# Covid-19 – Expected number of deaths with no intervention by country

## Low (<1m)

UAE	87,097
SINGAPORE	174,196
UGANDA	311,880
GHANA	312,016
SAUDIA ARABIA	316,847
KENYA	448,508
SRI LANKA	530,196
CHILE	530,970
SOUTH AFRICA	849,068

## Medium (1m-5m)

AUS/NZ	1,080,986
PHILIPPINES	1,582,263
NIGERIA	1,775,679
MEXICO	2,474,057
UK	2,789,699
FRANCE	2,901,951
ITALY	3,094,433
INDONESIA	3,643,686
RUSSIAN FED	4,786,229
BRAZIL	4,834,332

## High (>5m)

JAPAN	7,414,381
USA	11,901,041
AFRICA	13,610,311
INDIA	23,182,726
EUROPE	30,886,486
CHINA	38,297,641
ASIA	98,200,324
<b>WORLD</b>	<b>171,333,977</b>

# Covid-19 – Expected rate, by country, per 10,000 population with no intervention

## Low (<150 per 10,000)

COUNTRY	Exp Mort Rate per 10k	Exp Total Mortality
UGANDA	70	311,880
KENYA	85	448,508
NIGERIA	88	1,775,679
UAE	89	87,097
GHANA	103	312,016
AFRICA	104	13,610,311
SAUDIA ARABIA	109	316,847
SOUTH AFRICA	145	849,068
PHILIPPINES	146	1,582,263
INDONESIA	147	3,643,686

## Medium (150 – 299 per 10,000)

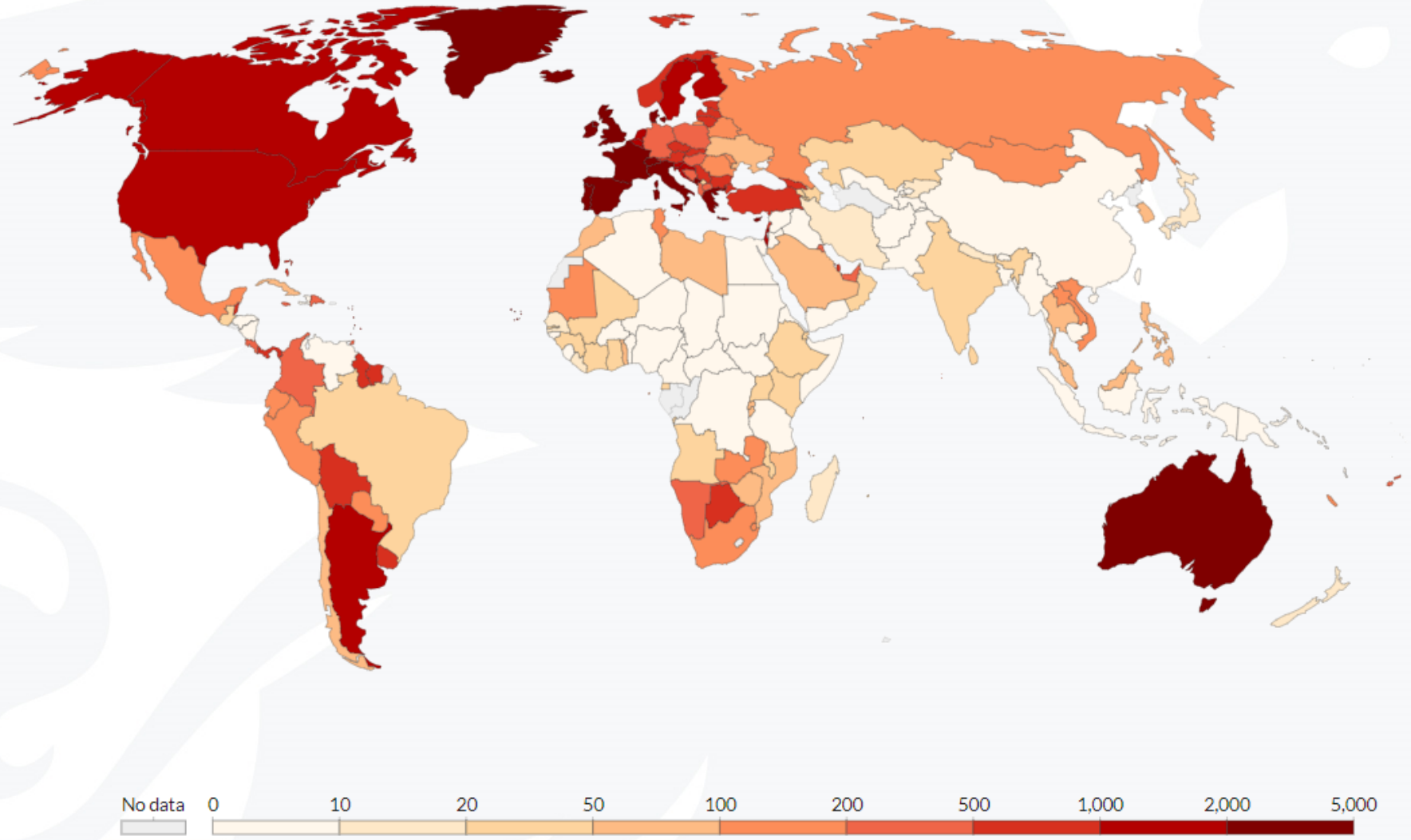
COUNTRY	Exp Mort Rate per 10k	Exp Total Mortality
INDIA	170	23,182,726
MEXICO	194	2,474,057
ASIA	213	98,200,324
<b>WORLD</b>	<b>222</b>	<b>171,333,977</b>
BRAZIL	229	4,834,332
SRI LANKA	249	530,196
CHINA	267	38,297,641
CHILE	280	530,970

## High (300+)

COUNTRY	Exp Mort Rate per 10k	Exp Total Mortality
SINGAPORE	300	174,196
RUSSIAN FED	328	4,786,229
AUS/NZ	360	1,080,986
USA	362	11,901,041
UK	413	2,789,699
EUROPE	413	30,886,486
FRANCE	446	2,901,951
ITALY	511	3,094,433
JAPAN	584	7,414,381

Source: CISI research based on WHO data: July 2020

# Covid-19 – Cases per million (06 Jan 2022)



Source: Our world in data: 27 May 2022

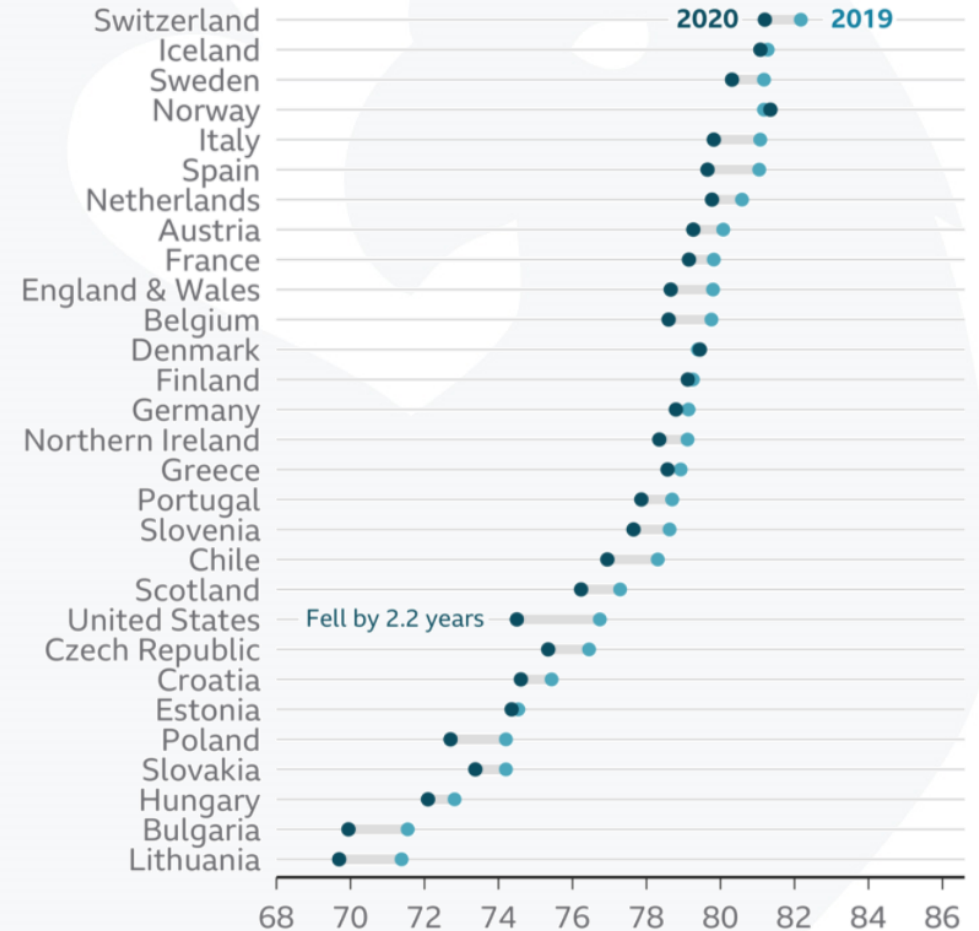


# Impacts on Male Life Expectancy


- Men had higher mortality from COVID globally and have seen a larger impact on life expectancy as a result of the pandemic
- Life-expectancy losses were larger for males in every country except Spain, Slovenia, Estonia and Northern Ireland
- The magnitudes of losses in 2020 haven't been witnessed since World War II in Western European countries such as Spain, England & Wales, Italy, Belgium and France
- Only Denmark and Norway, who have excelled at controlling their outbreaks, avoided drops in life expectancy across both sexes

## Male life expectancy fell in 2020

US had biggest fall but 11 of the countries studied lost a year or more, relative to 2019



Source: Leverhulme Centre for Demographic Science, University of Oxford and University of Southern Denmark



Back to the  
main stats,  
Why are we  
living longer?



# What's improved / improving in the UK?

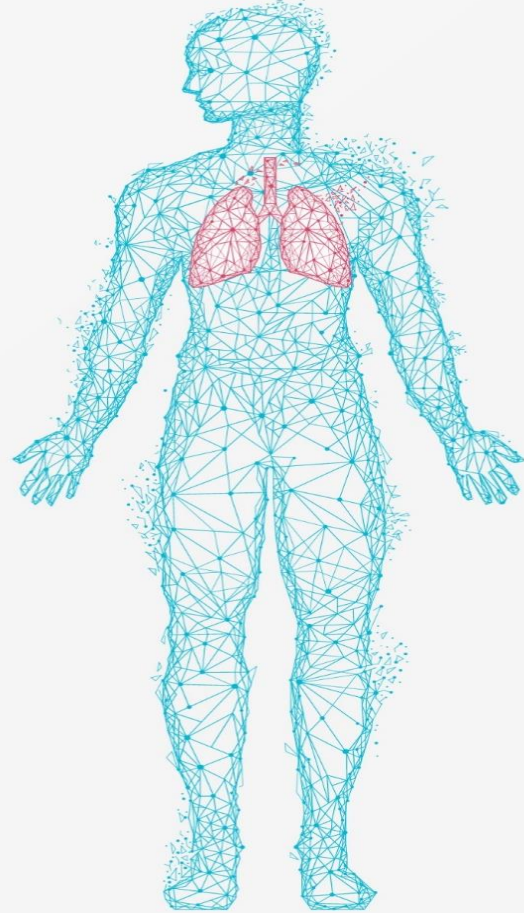
- Improvements in hygiene, housing, sanitation, control of infectious diseases and other public health measures
- Childhood immunisations
- Medical advances (e.g. treatment of heart disease and cancer)
- Lifestyle changes, including improved nutrition and less smoking
- 'Health Gender Gap' between men and women is decreasing due to:
  - Less smoking
  - Better working conditions
  - More to service economy
  - Improved treatment for cardiovascular disease



I know women are  
better than men – but  
why do we live longer?



# Adult Smoking in United Kingdom



## **Male – 82% -> 15.9% (or 24.7%)**

The highest recorded level of smoking among men in Great Britain was 82% in 1948 so this has decreased dramatically since then.

However, 3.8m men in the UK are still smokers, which poses a significant health risk.

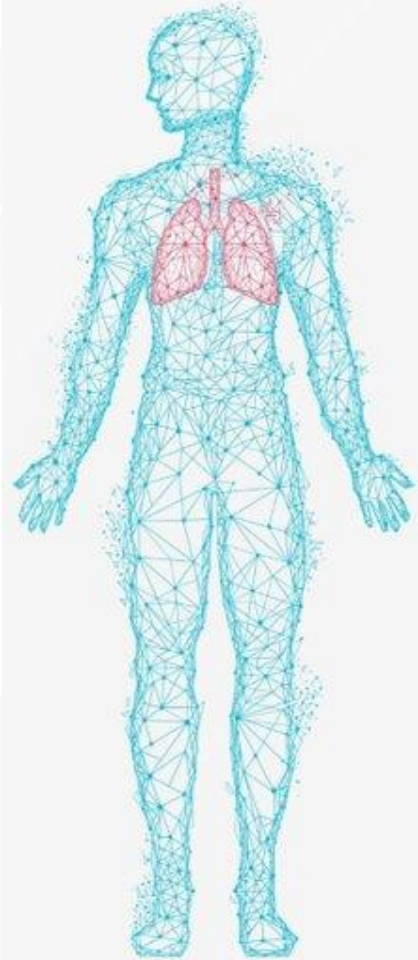
## **Female 12.5% (or 20%)**

Although fewer women than men smoke (3.1m) this is still a relatively high proportion compared to many other countries. Female smokers are more at risk than men for cardio vascular disease – so this represents a big impact on life expectancy.

Source: ONS (World Bank)



# Adult Smoking Worldwide



Over 80% of the world's 1.3 billion tobacco users live in low- and middle-income countries.

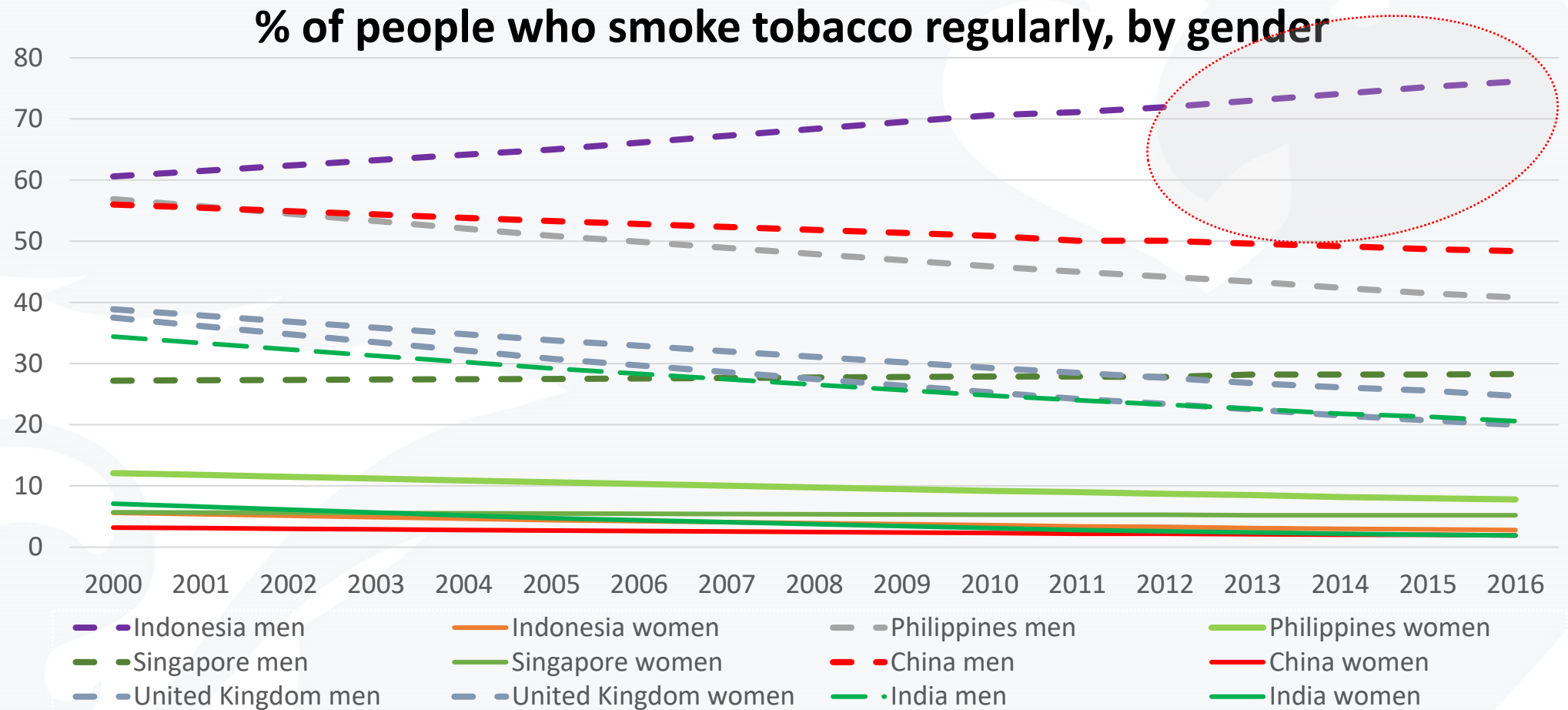
Tobacco kills more than 8M people a year : 7M from direct tobacco use, 1.2M from second-hand smoke.

There are **7** countries where more than **40%** of the population smoke

1. Nauru (52.1%)
2. Kiribati (52%)
3. Tuvalu (48.7%)
4. Myanmar (45.4%)
5. Chile (44.7%)
6. Lebanon (42.6%)
7. Serbia (40.6)



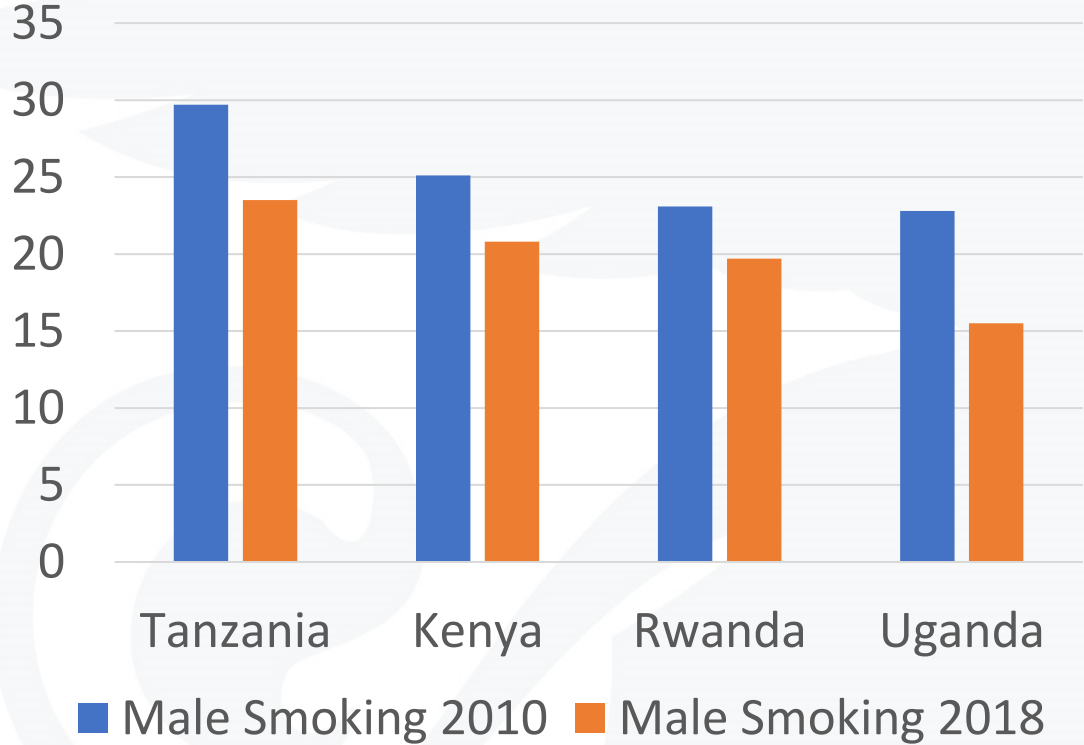
# Women are smarter than men



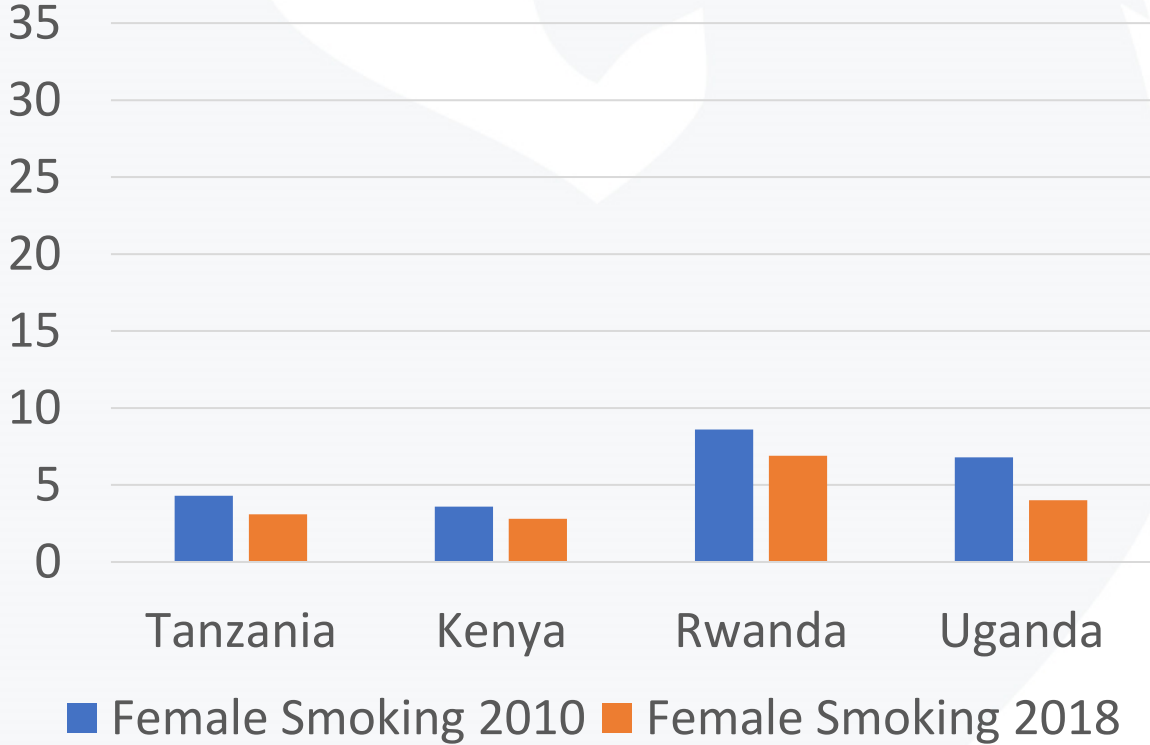
Source: World Health Organisation 2018

# Adult Smoking in East Africa

## East Africa Smoking Rates in Men (%)

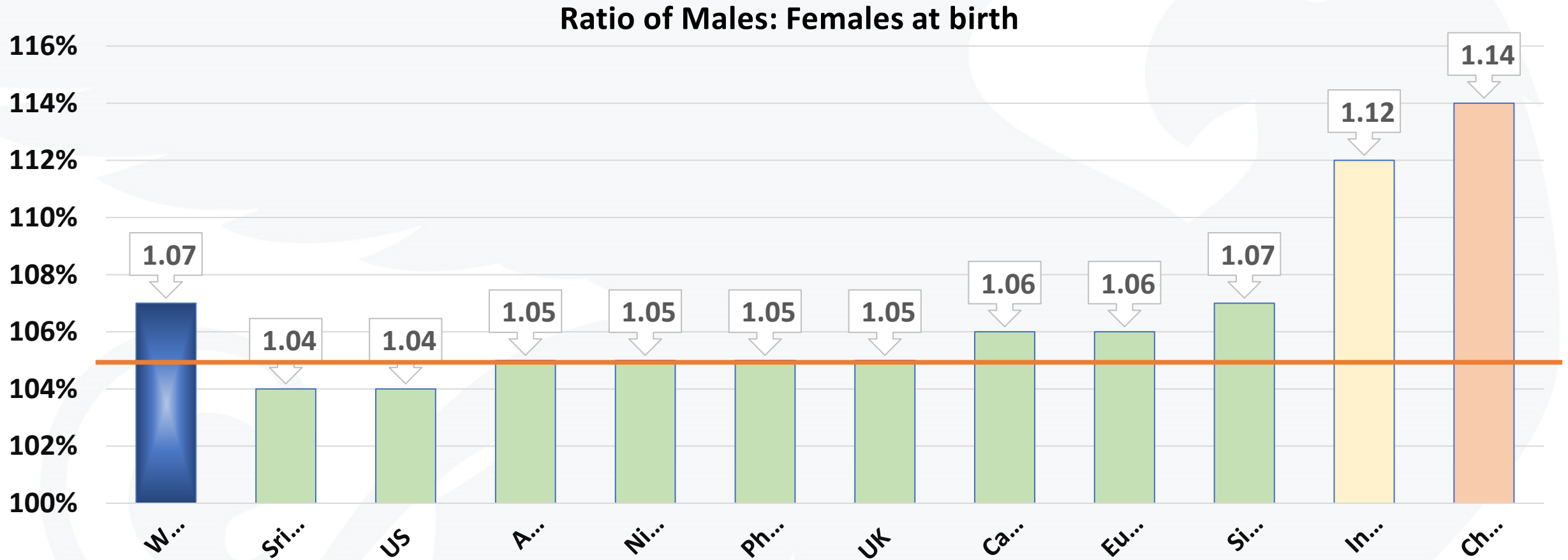


## East Africa Smoking Rates in Women (%)



Source: World bank

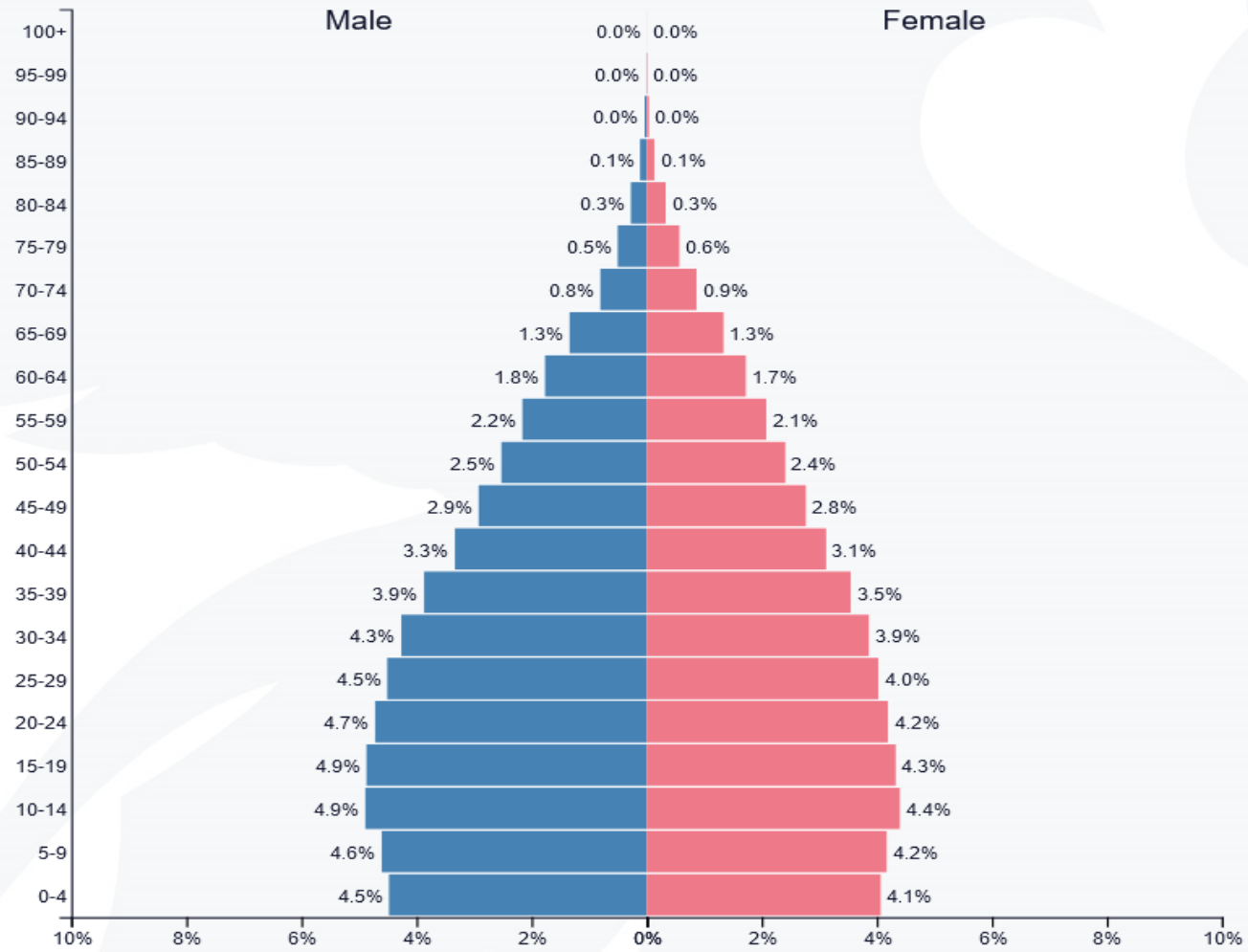
# Why isn't gender balance constant?



Source: World Bank and others 2018

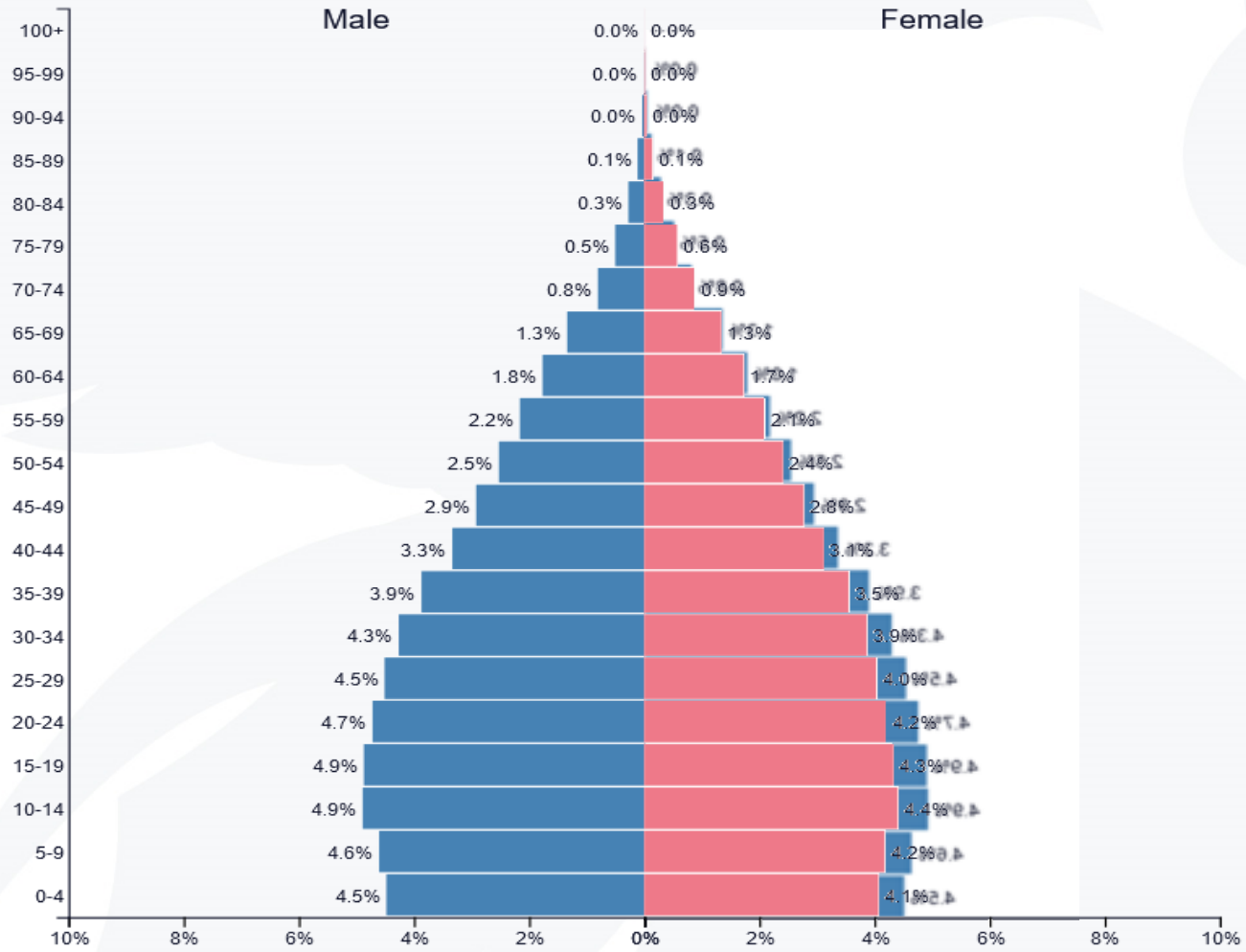
# India ▼ 2019

Population: 1,366,417,755



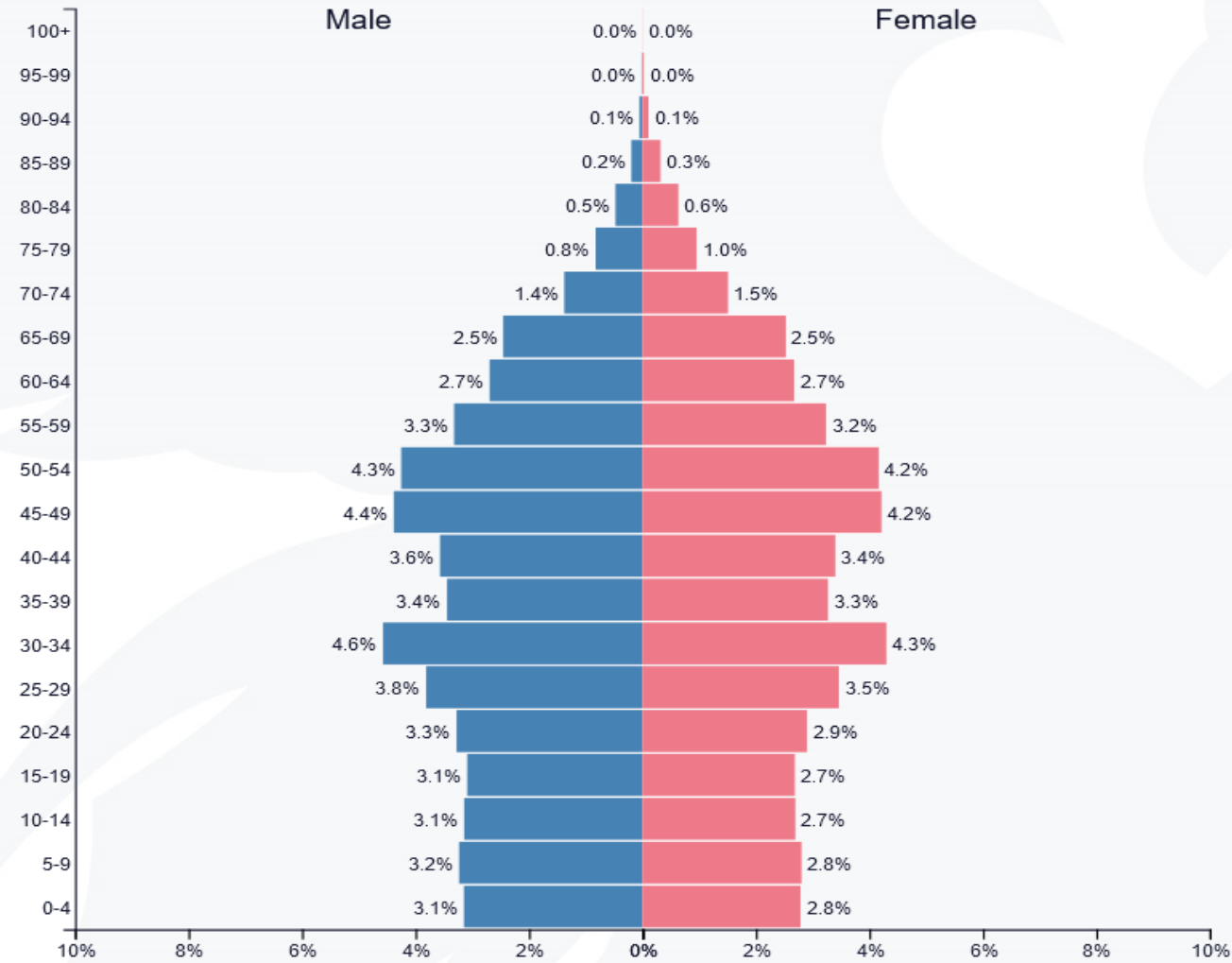
# India ▼ 2019

Population: 1,366,417,755



# China ▼ 2019

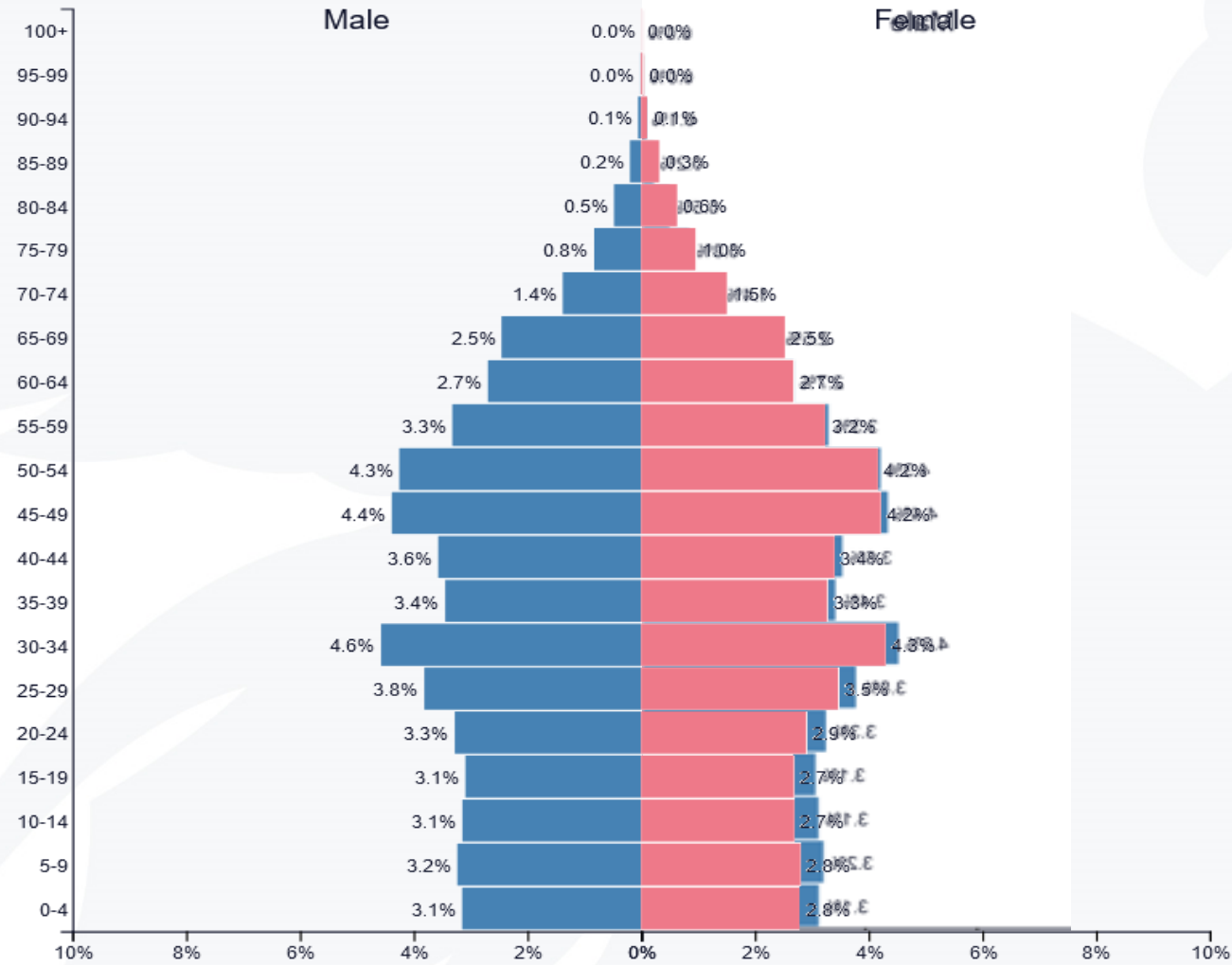
Population: 1,433,783,691



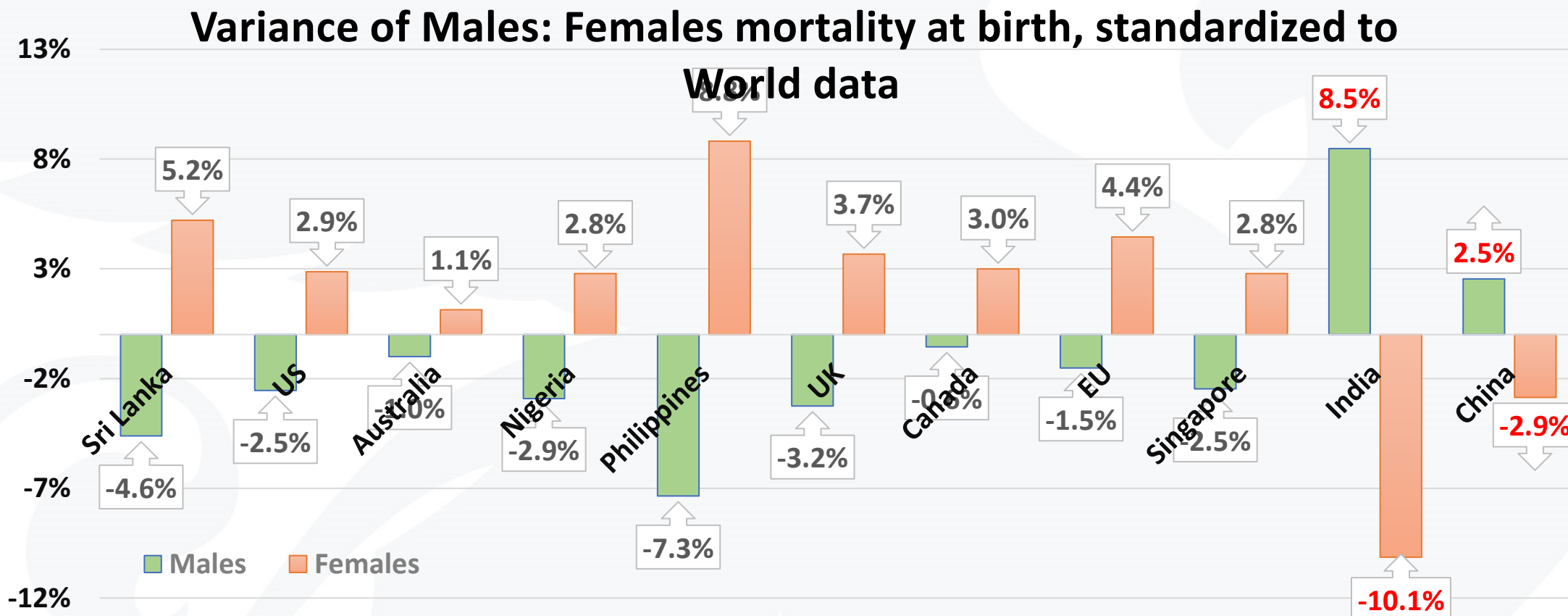


# China ▼ 2019

Population: 1,433,783,691



# Neo-natal girls are usually stronger....



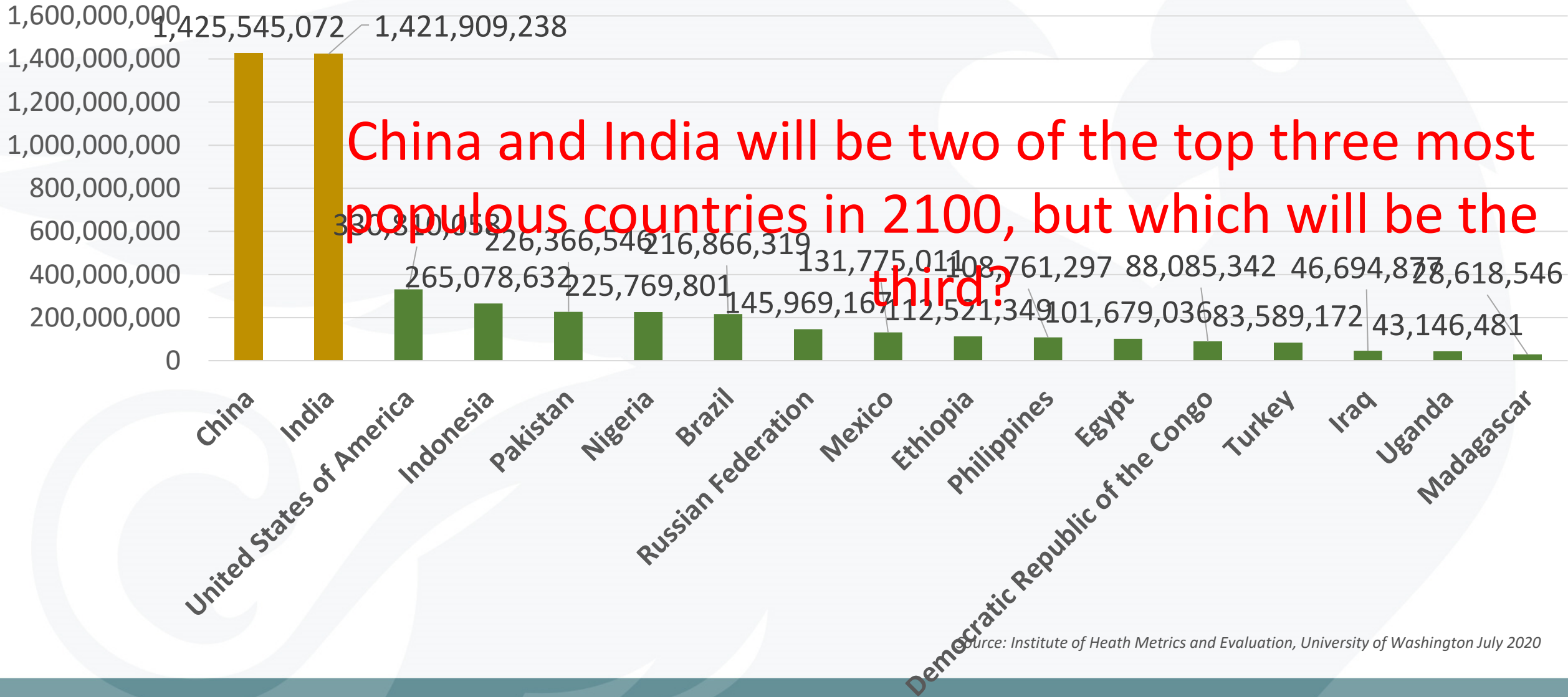
Source: World Bank and others 2018

# Gender mismatch implications

- Marriage squeeze
- Increase in general crime
- Increase in crime against women
- Reduction in value of dowry
- Evolution implication for those men left behind
- Population slows due to “missing women”
- Bride import
- Financial stability – two is better than one in the end

15-24 year olds M:F ratio	Rate
China	1.14
India	1.13
South Korea	1.12
Japan	1.11
Zimbabwe	1.10
Hong Kong	1.08
Canada	1.06
European union	1.05
United Kingdom	1.05
Sri Lanka	1.04
<b>WORLD</b>	<b>1.02</b>
Italy	1.00
USA	1.00

# New World Order - 2020



Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# Replacement & Higher fertility countries

Country Name	Population	Fertility Rate per woman	Net Migration (2017)	Migration %	Pop Growth %
Sri Lanka	21,670,000	2.2	-489,932	-2.3%	1.13%
India	1,352,617,328	2.22	-2,663,434	-0.2%	1.06%
South Africa	57,779,622	2.4	727,026	1.3%	1.41%
Philippines	106,651,922	2.58	-335,758	-0.3%	1.45%
Lesotho	2,108,132	3.14	-50,234	-2.4%	0.79%
Egypt, Arab Rep.	98,423,595	3.33	-190,164	-0.2%	2.09%
Pakistan	212,215,030	3.51	-1,166,895	-0.6%	2.07%
Kenya	51,393,010	3.49	-50,000	-0.1%	2.36%
Ethiopia	109,224,559	4.25	150,002	0.1%	2.66%
Nigeria	195,874,740	5.39	-50,000	-0.2%	2.61%

Source: World Bank 2018/20

# Challenges and Rewards of higher fertility countries

- Infrastructure lags economic growth, housing, schools, medicine transport,
- Significant need for country to build, requires borrowing
- General low income levels, poverty
- Low tax revenues = low spending
- Role of women – young brides, full time and permanent mothers
- Migration to find work

Country Name	Fertility Rate per woman	2018 Pop Growth %
Sri Lanka	2.05	1.13%
India	2.24	1.06%
South Africa	2.43	1.41%
Philippines	2.64	1.45%
Lesotho	3.17	0.79%
Egypt, Arab Rep.	3.37	2.09%
Pakistan	3.56	2.07%
Kenya	3.57	2.36%
Ethiopia	4.35	2.66%
Nigeria	5.39	2.61%

k 2020



# Challenges and Rewards of higher fertility countries

- Infrastructure lags economic growth, housing, schools, medicine transport,
- Significant need for country to build, requires borrowing
- General low income levels, poverty
- Low tax revenues = low spending
- Role of women – young brides, full time and permanent mothers
- Migration to find work
- Size is important
- Population is power – larger Army
- Great economic power – China
- Revenue increase & Expand influence

Country Name	Fertility Rate per woman	2018 Pop Growth %
Sri Lanka	2.05	1.13%
India	2.24	1.06%
South Africa	2.43	1.41%
Philippines	2.64	1.45%
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Egypt, Arab Rep.	3.37	2.09%
Pakistan	3.56	2.07%
Kenya	3.57	2.36%
Ethiopia	4.35	2.66%
Nigeria	5.39	2.61%

2020

# 2100 – World's population falls...Africa rises

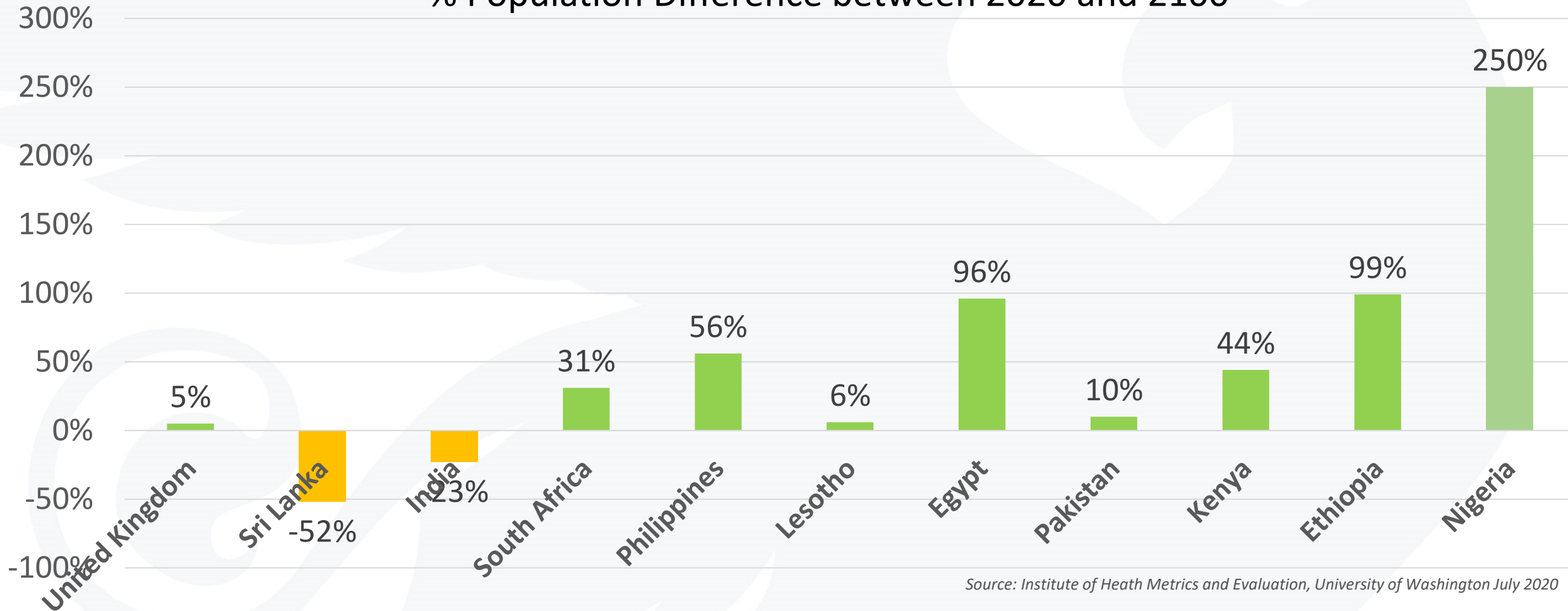
- Africa's population surges as Global population falls
- Africa will take 7 of top 20 top population spots
- Other countries will need help from Africa
- Economic carrot to encourage migration
- Countries with a current young profile – triangle pyramid - will grow significantly as population reaches maturity
- Nigeria booms!

Country Name	2100	Difference 2100 – 2020	% Difference 2100 / 2020
Sri Lanka	10,453,358	-11,396,125	-52%
India	1,093,153,196	-328,756,042	-23%
South Africa	74,688,035	17,610,237	31%
Philippines	169,459,409	60,698,113	56%
Lesotho	2,134,949	124,119	6%
Egypt	199,059,865	97,380,829	96%
Pakistan	248,390,589	22,024,043	10%
Kenya	74,140,698	22,671,091	44%
Ethiopia	223,453,511	110,932,162	99%
Nigeria	790,725,608	564,955,807	250%

Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# World order will change – Africa has people and natural resources

% Population Difference between 2020 and 2100



Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# Low fertility countries – strategic challenge

Country Name	Population	Fertility Rate per woman	Net Migration (2017)	Migration %	Pop Growth %
Hong Kong SAR, China	7,451,000	1.07	146,542	1.97%	0.8%
Singapore	5,638,676	1.14	135,142	2.40%	0.47%
Italy	60,421,760	1.29	744,713	1.23%	-0.19%
Spain	46,797,754	1.26	200,000	0.43%	0.44%
Portugal	10,283,822	1.42	-30,001	-0.29%	-0.16%
Japan	126,529,100	1.42	357,800	0.28%	-0.2%
Thailand	69,428,524	1.53	97,222	0.14%	0.32%
United Arab Emirates	9,630,959	1.41	200,000	2.08%	1.5%
Germany	82,905,782	1.57	2,719,112	3.28%	0.3%
China	1,392,730,000	1.69	-1,741,996	-0.13%	0.56%
Brazil	209,469,333	1.73	106,000	0.05%	0.8%
United States	326,687,501	1.73	4,774,029	1.46%	0.52%
United Kingdom	66,460,344	1.68	1,303,250	1.96%	0.6%

Source: World Bank

# Global population will fall dramatically by 2100

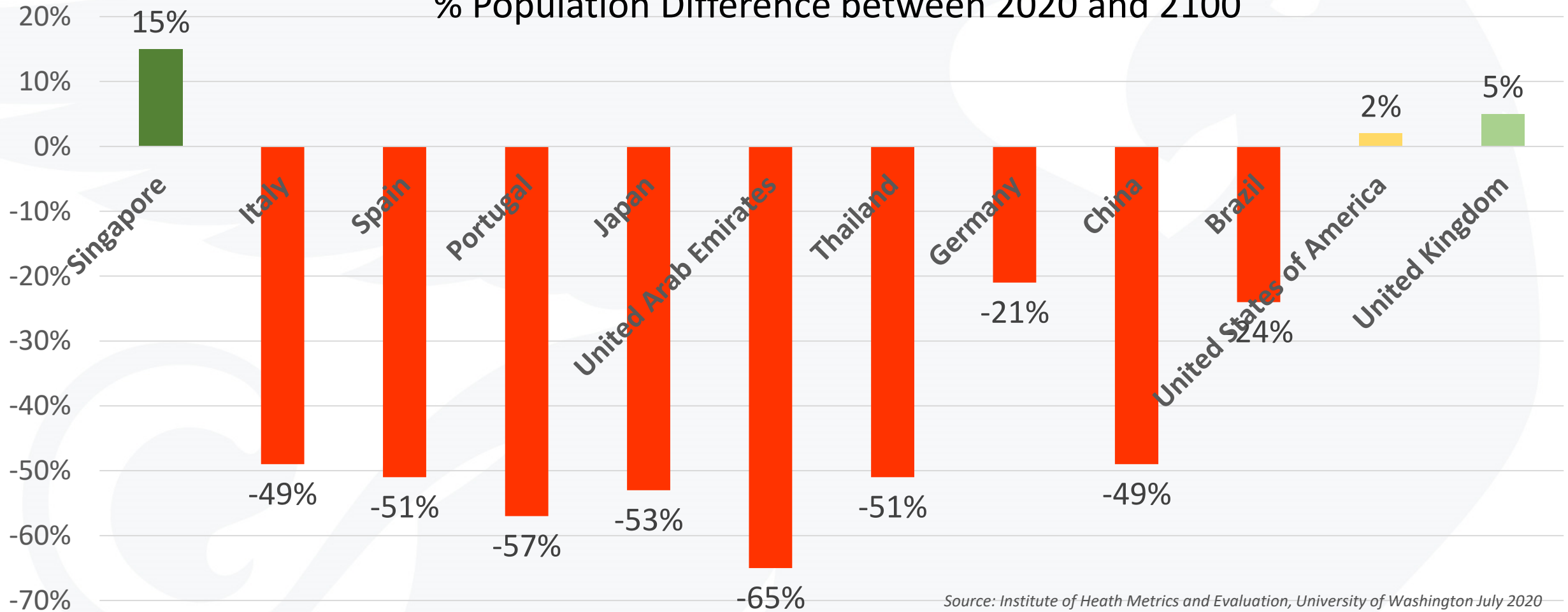
- Increase in women's education
- Wide availability of contraception
- Economic growth
- Current global total fertility rate of 2.37
- Prediction of 1.66 by 2020
- Many countries will see population fall by half
- Global population falls

Country Name	2100	Difference 2100 – 2020	% Difference 2100 / 2020
Singapore	6,776,475	899,720	15%
Italy	30,538,796	-29,771,737	-49%
Spain	22,910,345	-23,505,355	-51%
Portugal	4,502,701	-6,071,497	-57%
Japan	59,723,709	-67,390,568	-53%
United Arab Emirates	3,448,779	-6,493,324	-65%
Thailand	34,660,763	-36,523,659	-51%
Germany	66,418,330	-17,327,889	-21%
China	731,890,913	-693,654,159	-49%
Brazil	164,751,935	-52,114,385	-24%
United States of America	335,807,341	4,997,283	2%
United Kingdom	71,446,433	3,724,204	5%

Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# Mighty will fall – world order will change

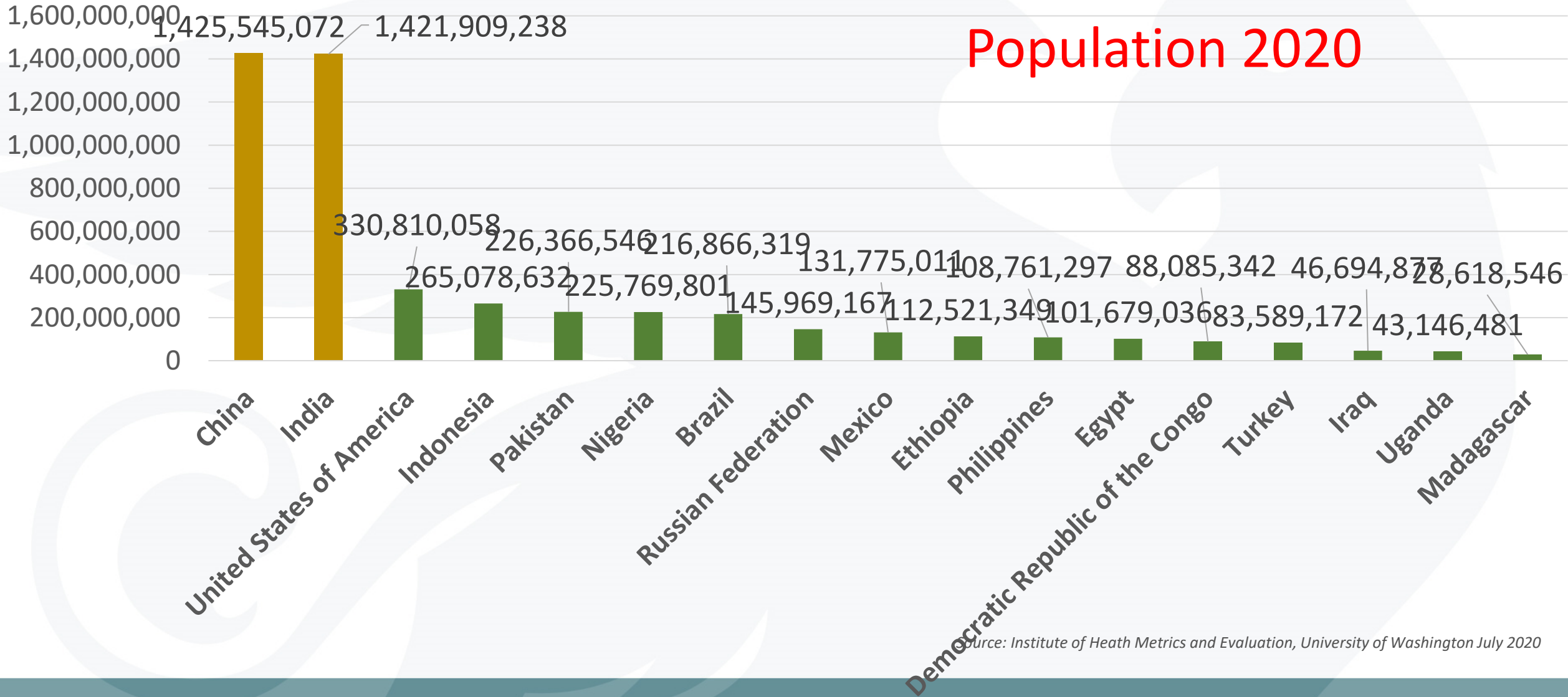
% Population Difference between 2020 and 2100



Source: Institute of Health Metrics and Evaluation, University of Washington July 2020



# New World Order - 2020



Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# New World Order – 2100

1,600,000,000  
1,400,000,000  
1,200,000,000  
1,000,000,000  
800,000,000  
600,000,000  
400,000,000  
200,000,000  
0

Population 2100

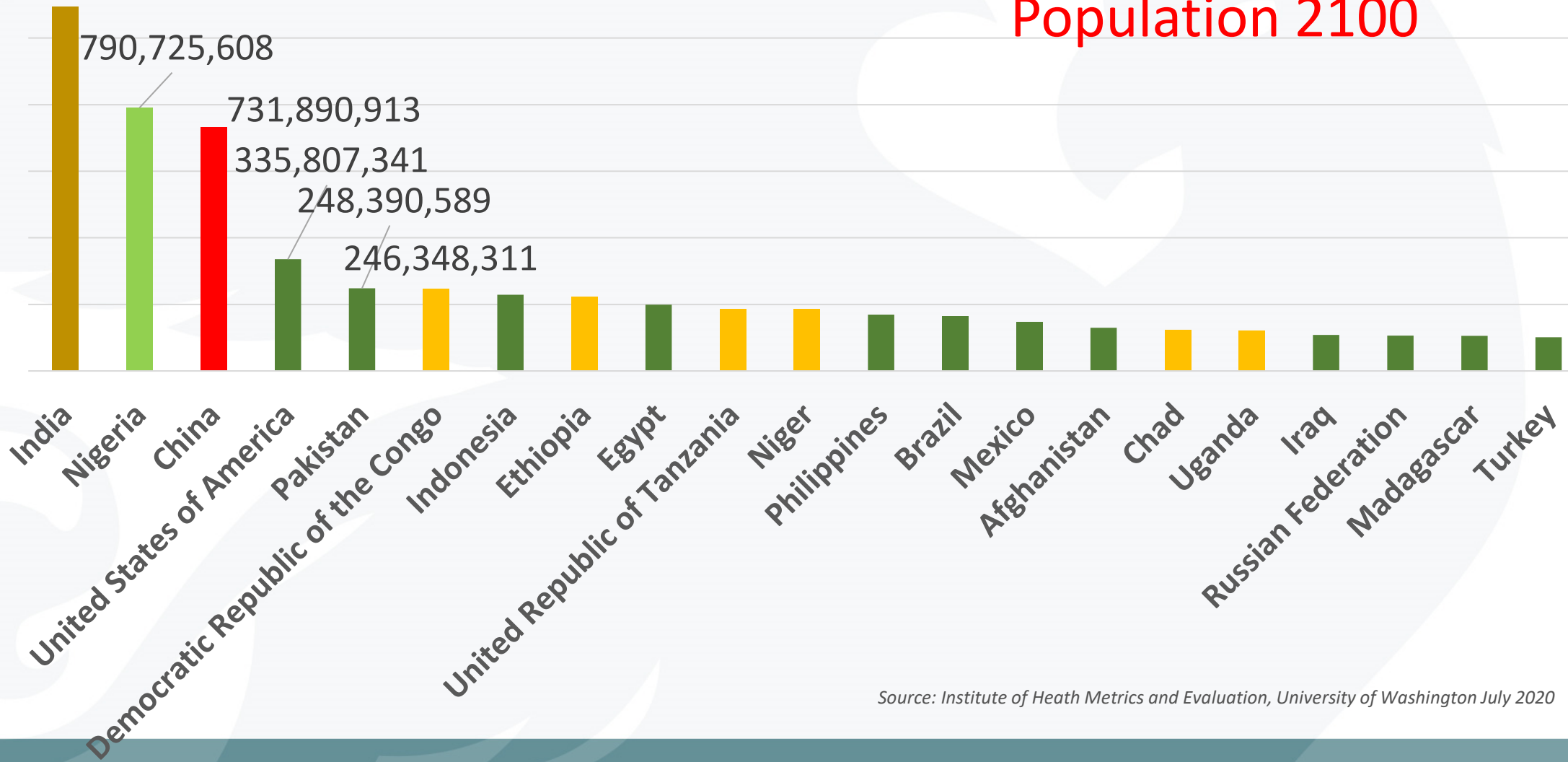


Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

# New World Order – 2100

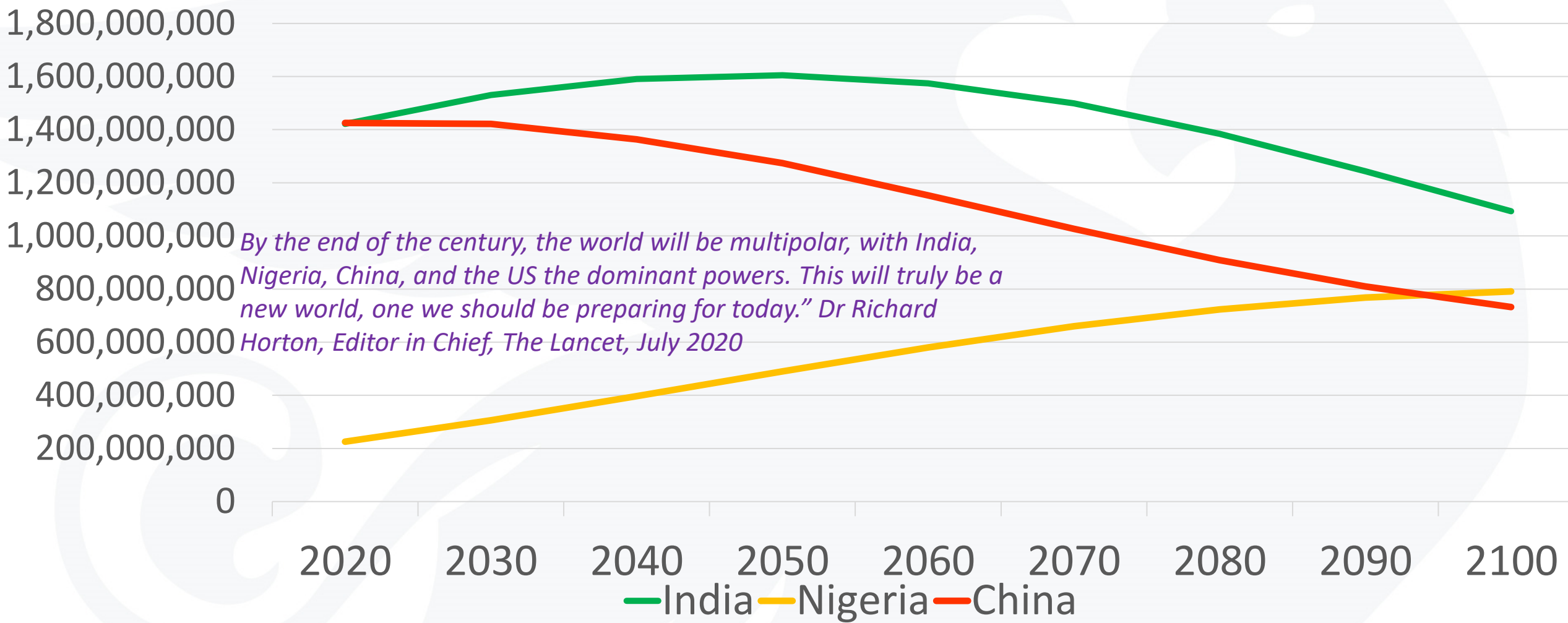
1,200,000,000  
1,000,000,000  
800,000,000  
600,000,000  
400,000,000  
200,000,000  
-

Population 2100



Source: Institute of Health Metrics and Evaluation, University of Washington July 2020

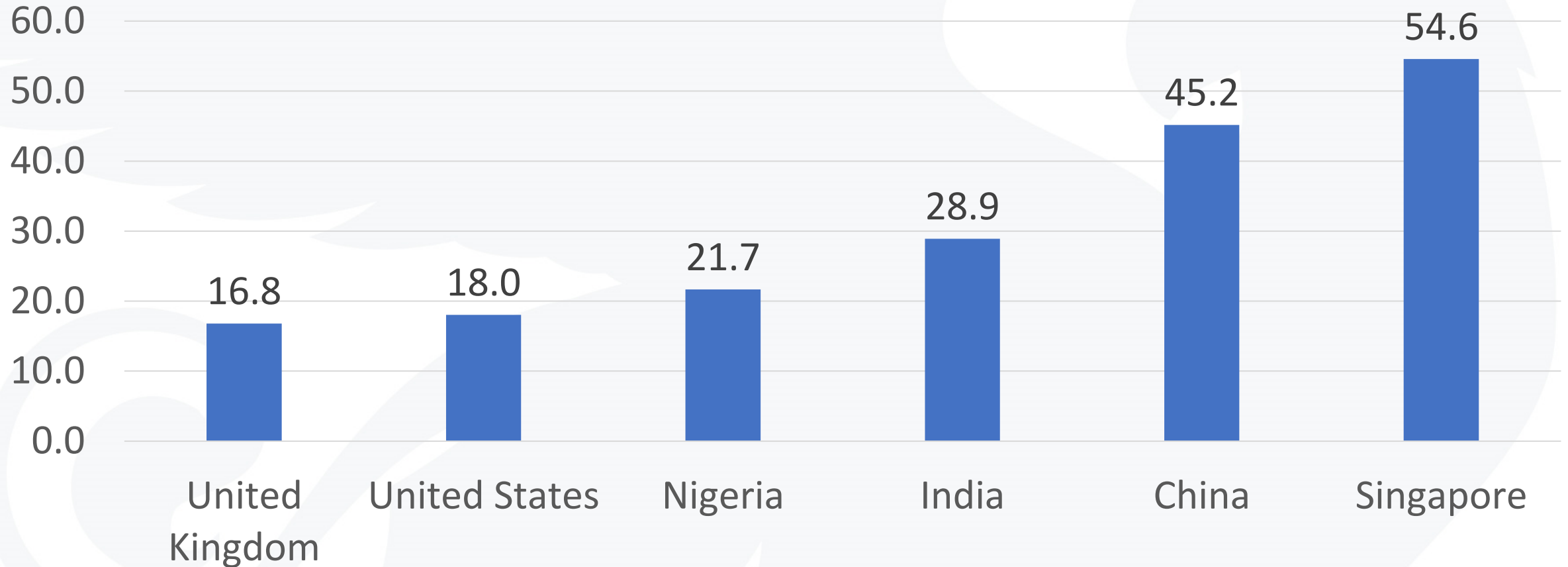
# New World population... India, Nigeria, China



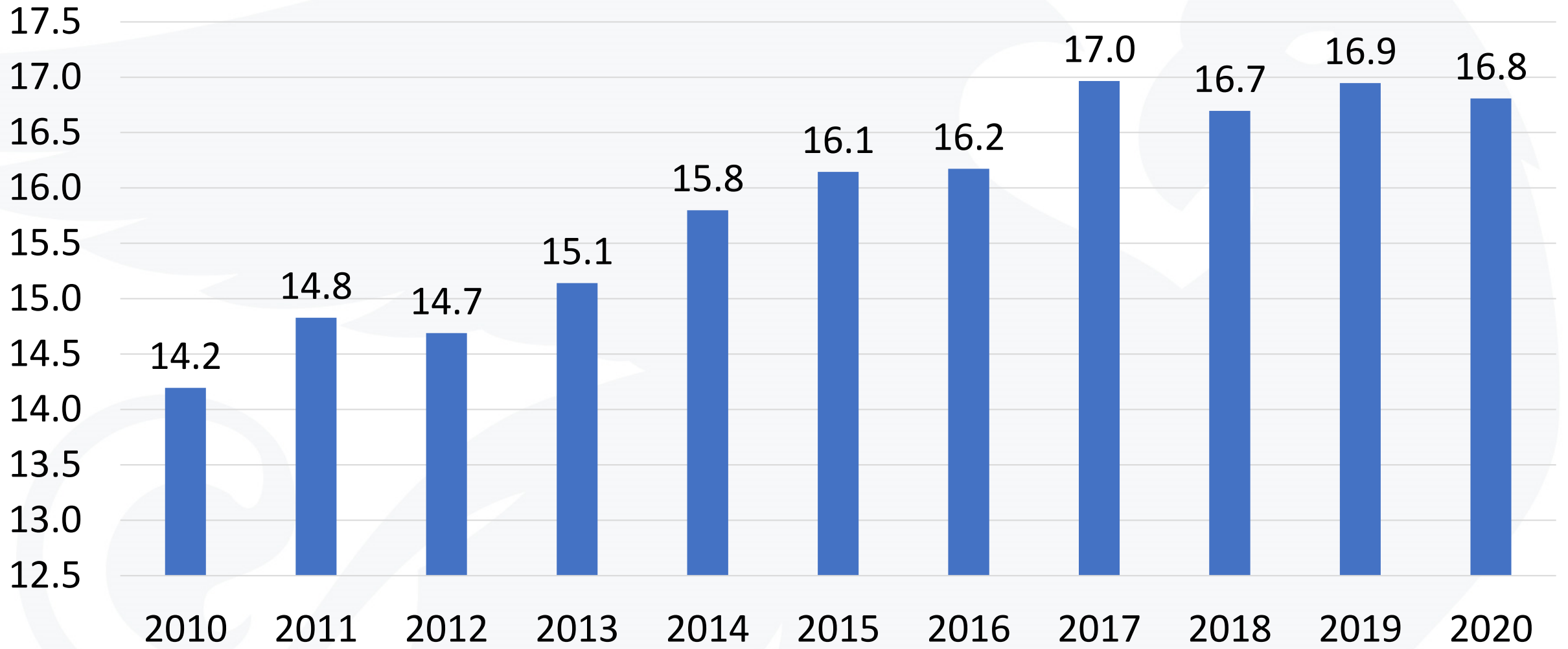
*By the end of the century, the world will be multipolar, with India, Nigeria, China, and the US the dominant powers. This will truly be a new world, one we should be preparing for today." Dr Richard Horton, Editor in Chief, The Lancet, July 2020*

# How do you finance living longer?

## Gross Domestic Savings (as % of GDP)



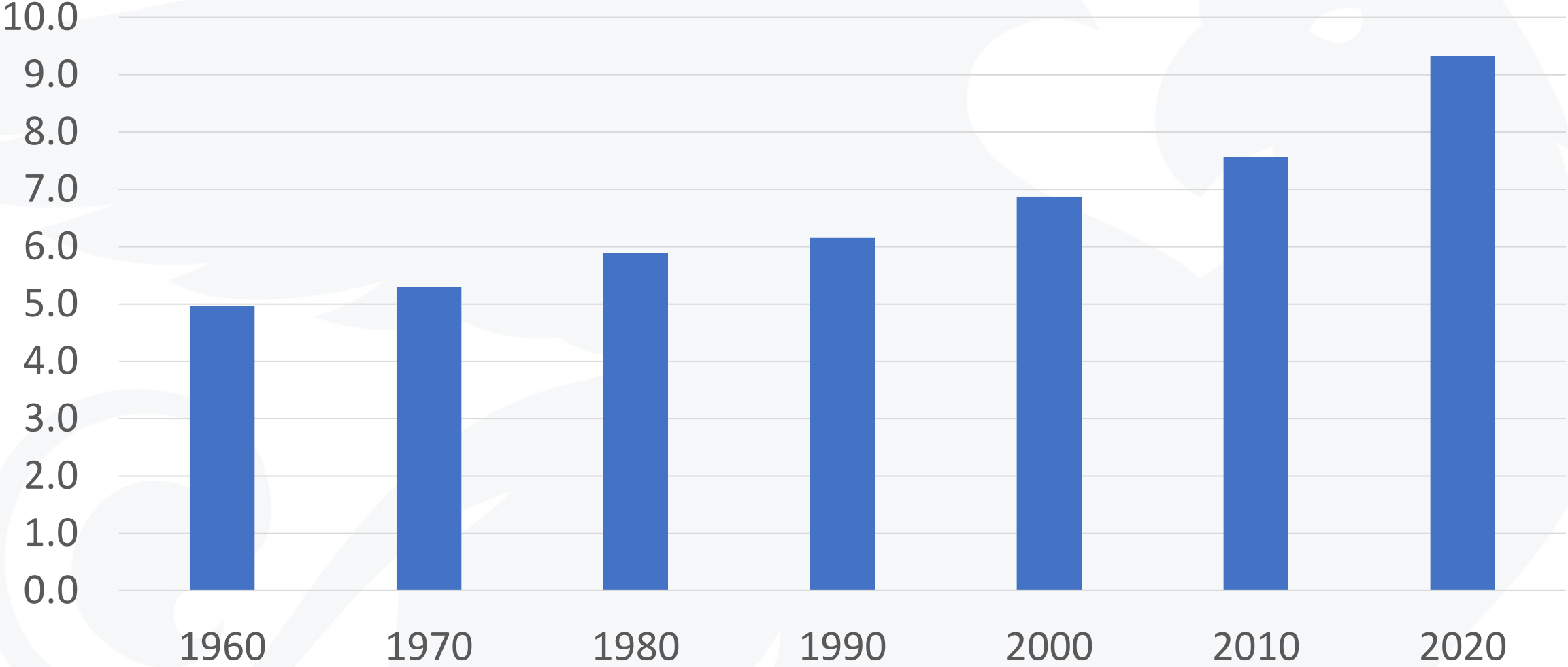
# Gross domestic savings (% of GDP) UK



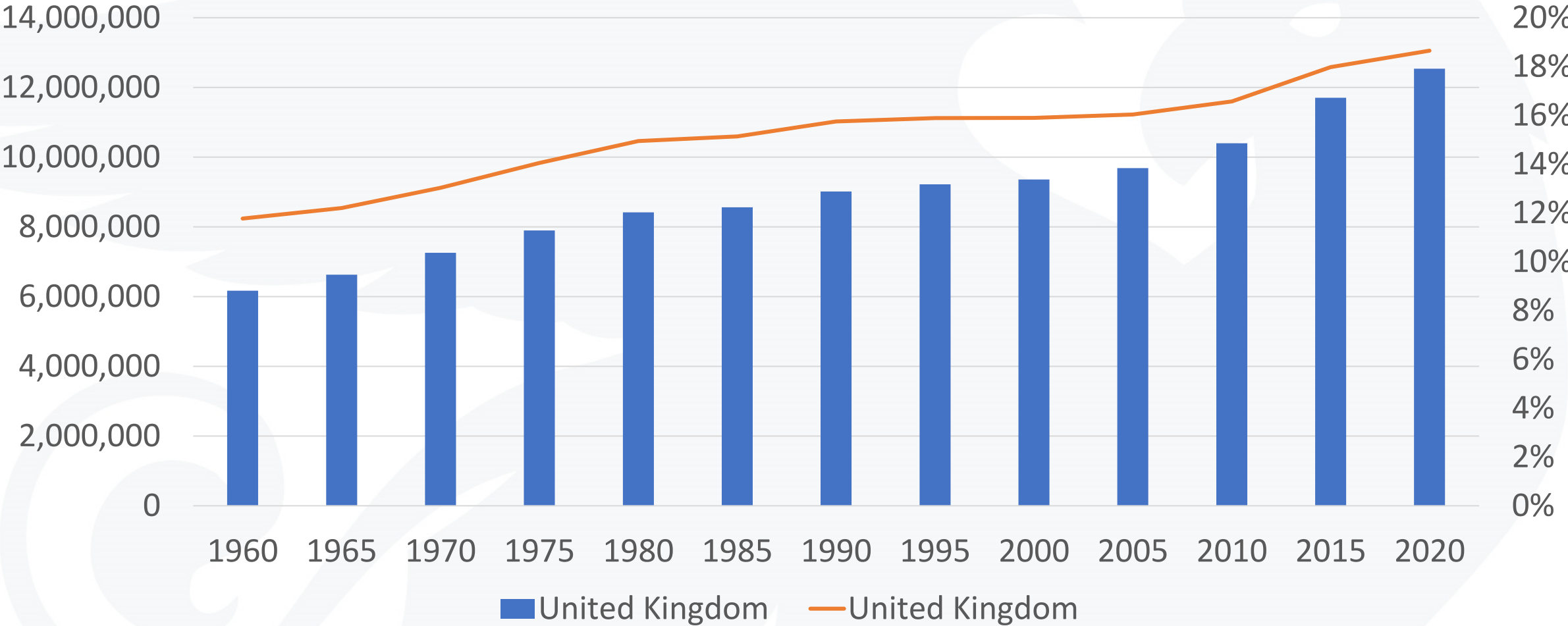
Source: World Bank



# % of people aged 65+ worldwide

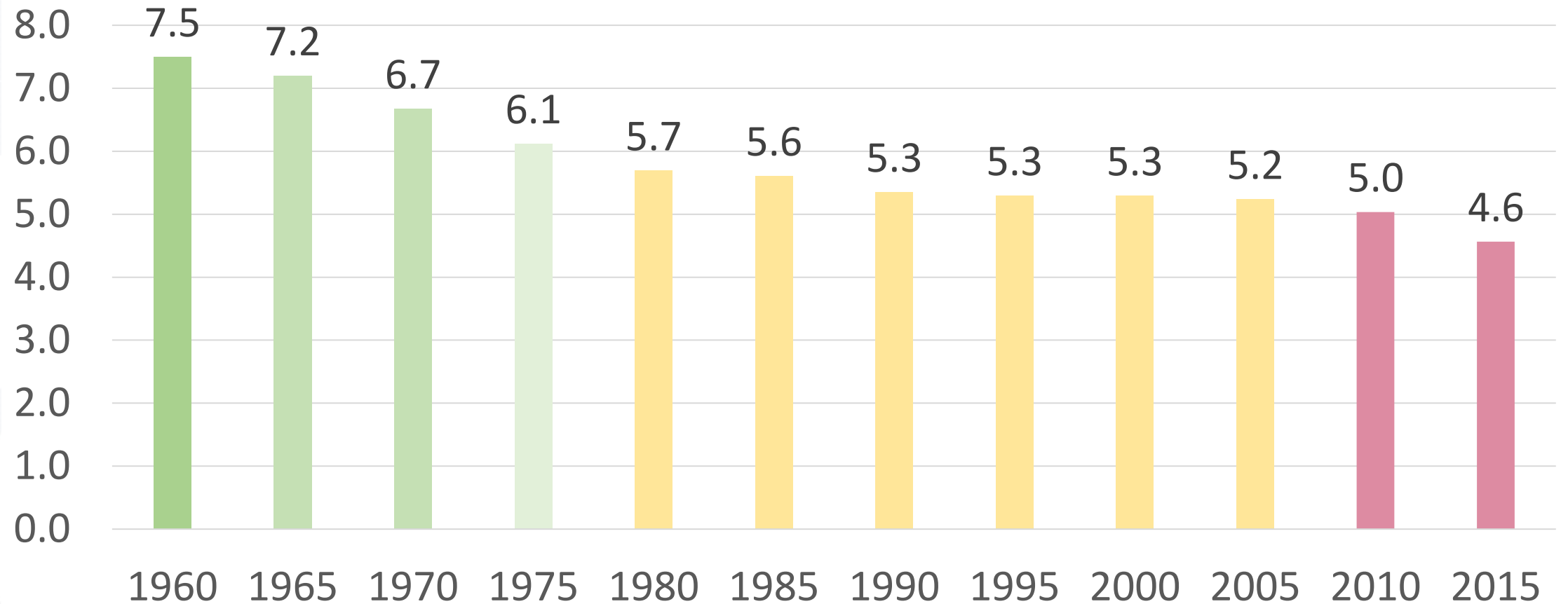


# UK - 65+ Population

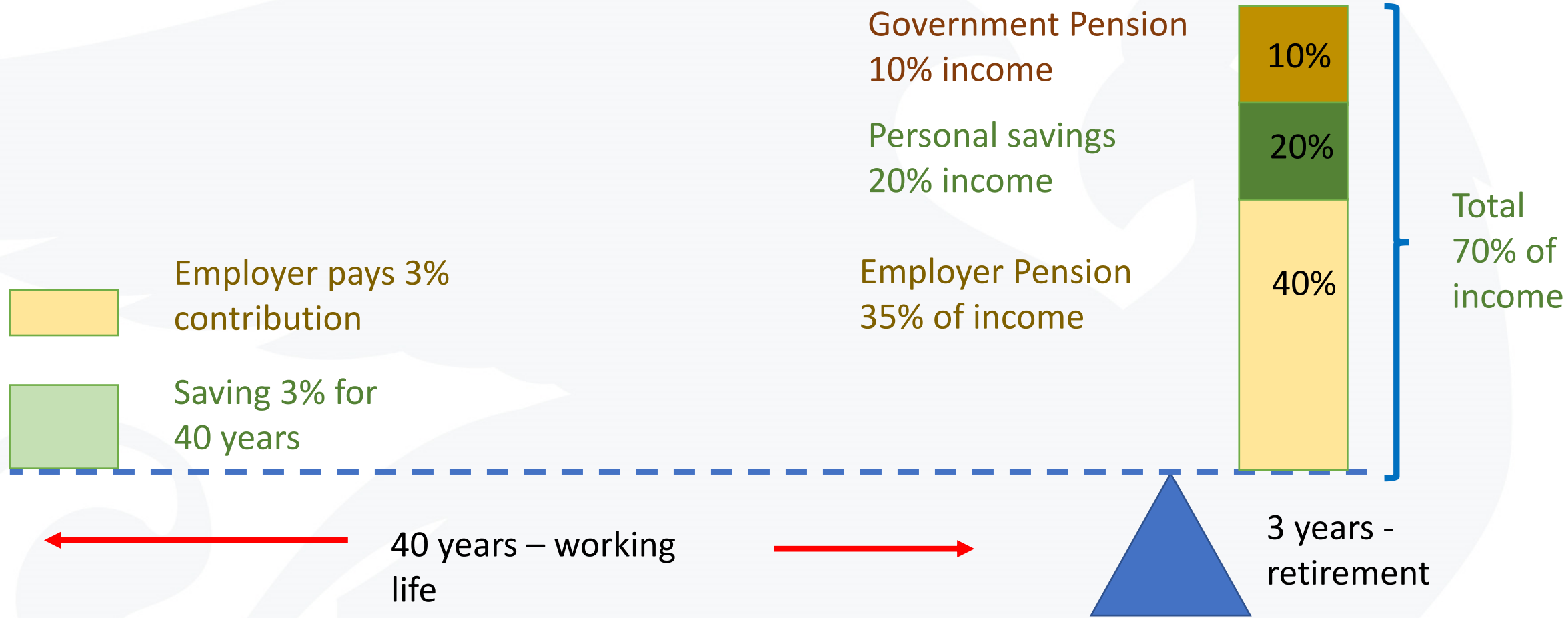


Source: World Bank 2021

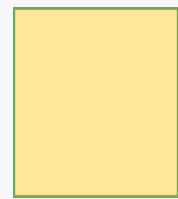
# Dependency Ratio at 65 - worldwide



# How it used to be



# How it is now



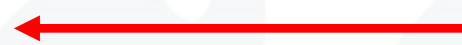
Employer pays 7% contribution



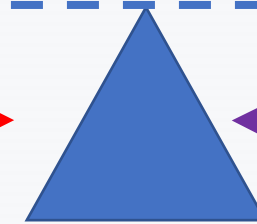
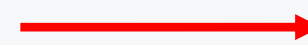
Employee pays 5% contribution



Average saving 5% for 40 years



40 years – working life

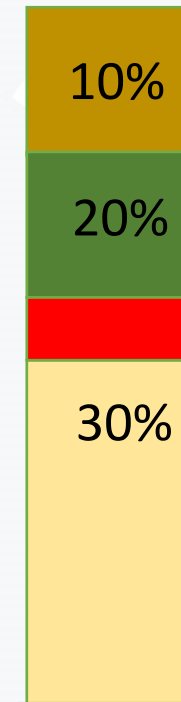


8 years - retirement

Government Pension  
10% income

Personal savings  
20% income

Employer Pension  
30% of income

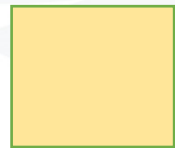


Total 60% of income

# How it is now



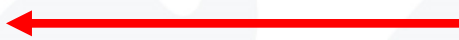
Employer pays 7% contribution



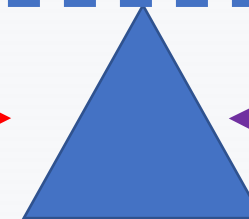
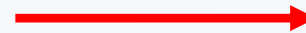
Employee pays 5% contribution



Average saving 5% for 40 years



40 years – working life



8 years - retirement

Government Pension  
10% income

Personal savings  
20% income

Employer Pension  
30% of income

10%

20%

30%

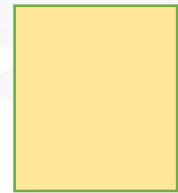
Total  
60% of  
income



# How it might be in future



Employer pays  
12% contribution



Employee pays 8%  
contribution



Average saving  
5% for 40  
years

Government Pension  
10% income

Personal savings  
20% income

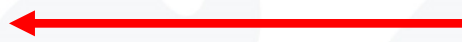
Employer Pension  
30% of income

10%

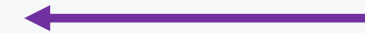
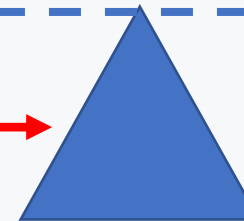
20%

30%

Total  
60% of  
income

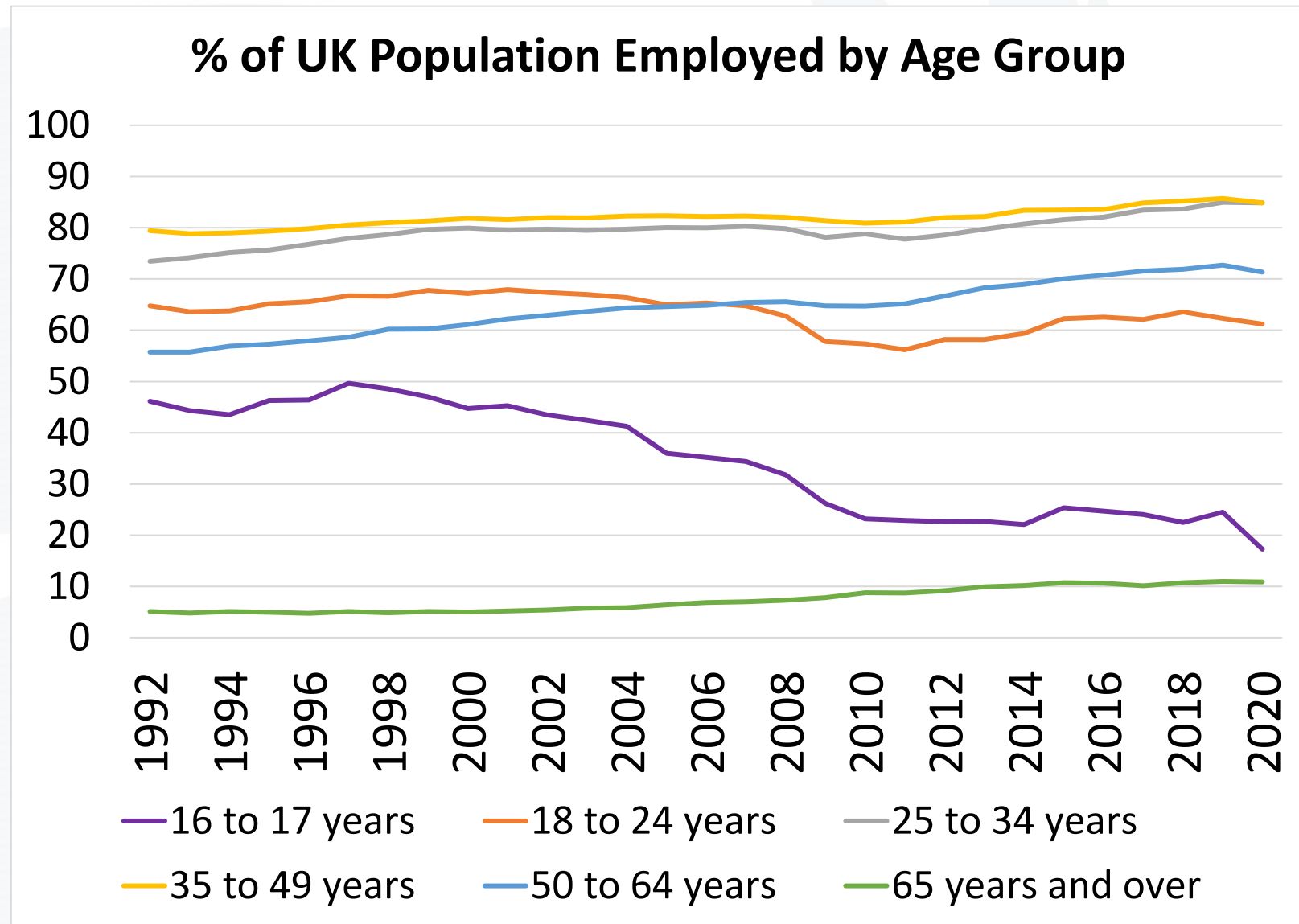


45 years – working  
life



15 years -  
retirement

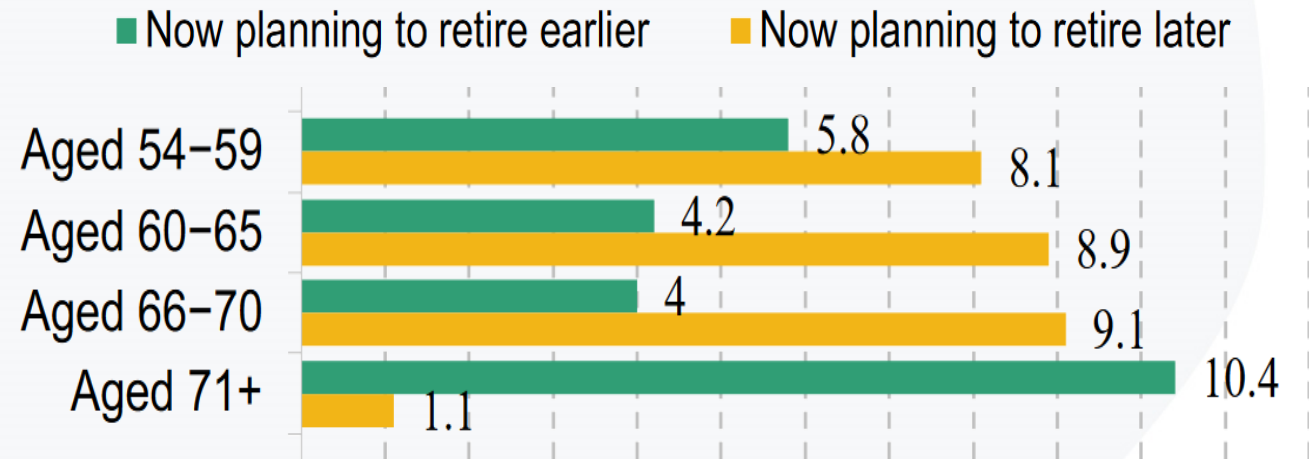
The UK is seeing more economic activity at older ages...



# The impact of COVID on Retirement Planning

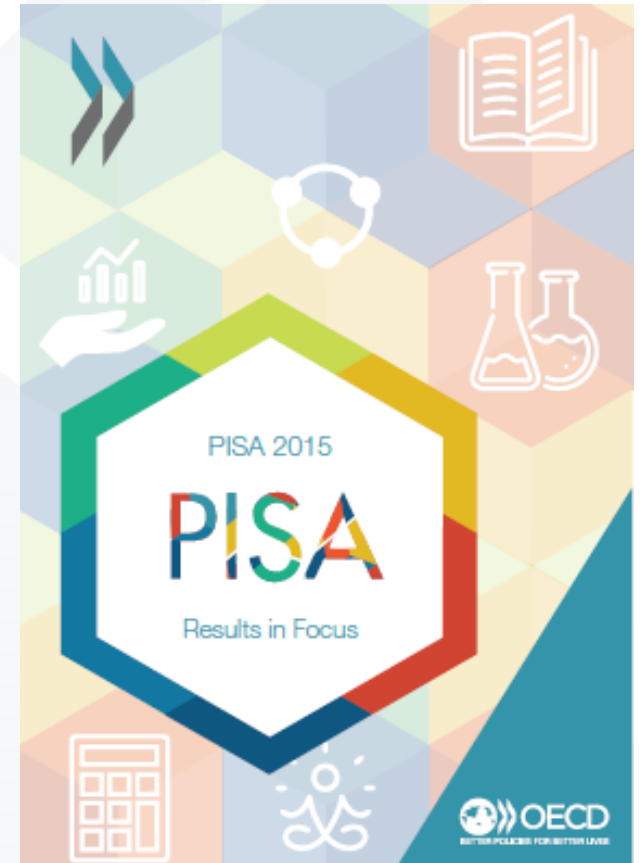
- One in eight (13%) of older workers have changed retirement plans as a result of the pandemic
  - 8% plan to retire later
  - 5% planning to retire earlier
- Effect of stock market falls on pension wealth is one driver of later retirement plans
  - Those with defined contribution (DC) pensions who reported a fall in their wealth are 6% more likely to be planning to retire later than those with no DC pension wealth.

## Has the age at which respondents expect to retire changed from their pre-pandemic position?



# But who understands finance?

“Financial literacy is knowledge and understanding of financial concepts and risks, and the skills, motivation and confidence to apply such knowledge and understanding in order to make **effective decisions across a range of financial contexts, to improve the financial well-being of individuals and society, and to enable participation in economic life.**”



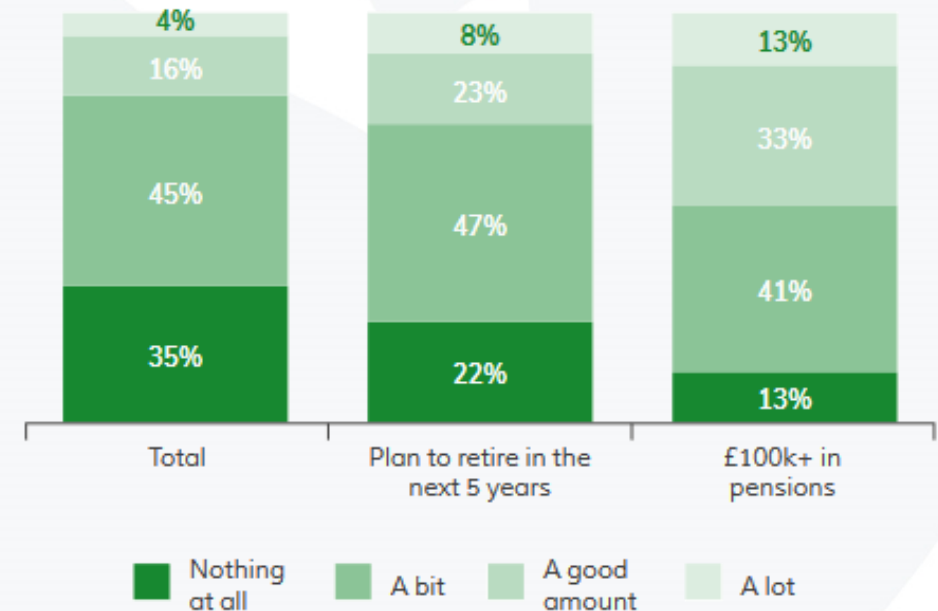
Source: OECD 2015

# Financial Services – plugging the gap

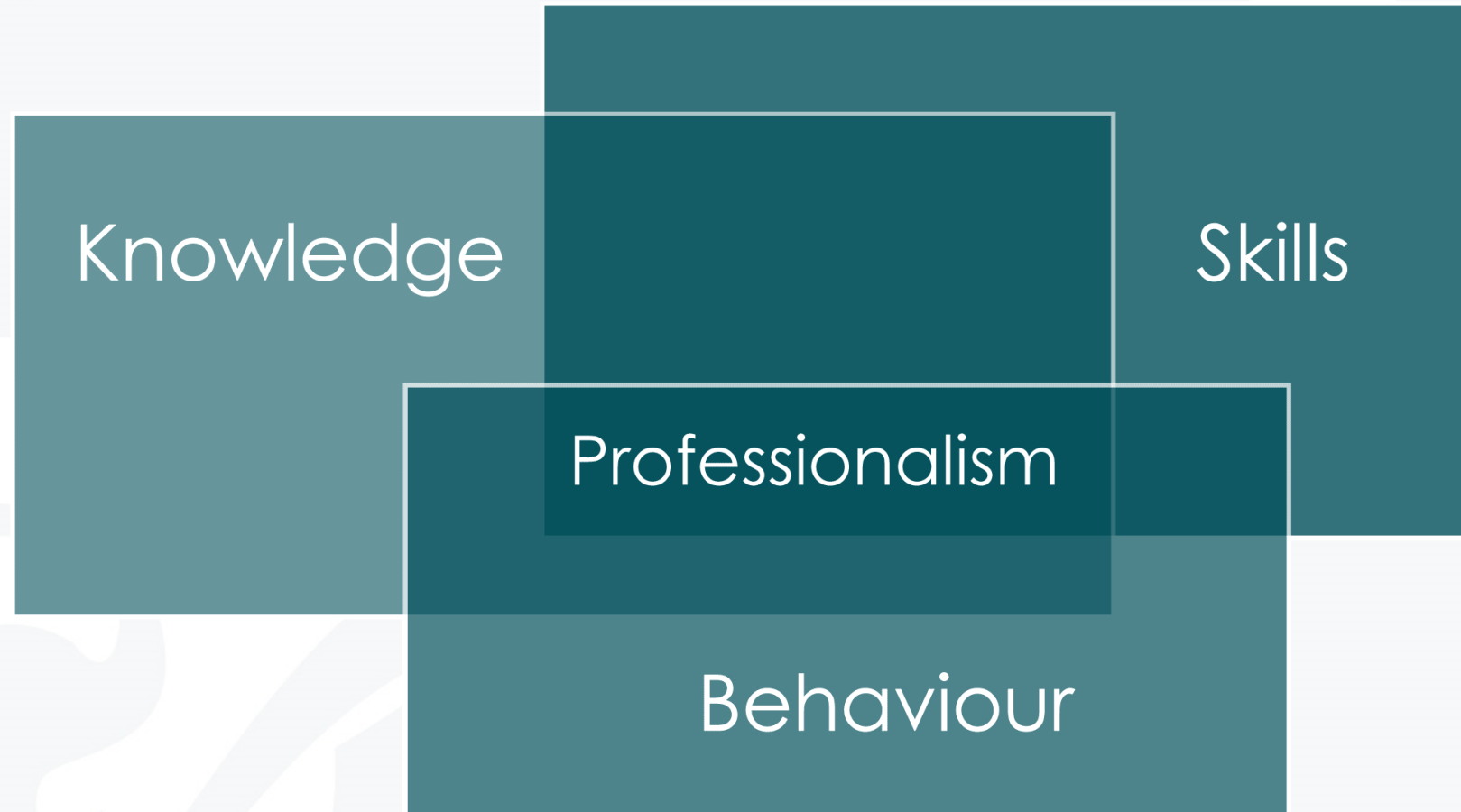
A 2021 survey of 4,000 people showed that:

- Over a third of people with a pension know nothing at all about the different retirement products available.
- 22% planning to retire in the next 5 years know nothing at all about the different retirement products available.
- Only 46% of those with DC pensions worth over £100,000 say they know a good amount/a lot about the available retirement products.
- Only 14% regularly see a financial advisor, 26% said they never would and **34% were open to the idea if the need arose**

How much do you think you know about your product options at retirement and the pros and cons of each option?



# People need guidance from a Professional





# Some of the conclusions

- We are all living longer – a megatrend
- Age mix is changing
- Covid has reversed life expectancy
- 2100 will see major change in world order – China and Europe halve
- Africa will dominate in 2100
- We will work longer as we live longer
- Money needs to last longer
- Great need for qualified professionals



# Your competitive edge



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[cisi.org](http://cisi.org)





# Comments, Questions & Answers



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Gold Sponsors



Silver Sponsors



Bronze Sponsors



Contributor Sponsors





# Thank You For Listening

## Forthcoming Events

- Wed, 19 Jan (11:00-11:45) Confident, But Not Complacent
- Thu, 20 Jan (11:00-11:45) Shattering Pixels – The Metaverse & Insurance
- Wed, 26 Jan (15:00-15:45) An Update On EU Financial Services Legislation & Associated Initiatives
- Thu, 27 Jan (08:00-09:15) BizTech Huìhuà Chat: Realising The Renewable Energy Internet - The Financial Interconnectors

Visit <https://fsclub.zyen.com/events/forthcoming-events/>

Watch past webinars <https://www.youtube.com/zyengroup>