



The Aegon Retirement Readiness Survey 2015



The New Flexible Retirement

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Foreword

Population aging is a global phenomenon. Countries around the world are experiencing increases in life expectancies and lower birth rates. Globally, by 2050, the number of older people (age 60 or older) is expected to increase to more than 2 billion from just 841 million in 2013. By 2050, older people will represent 21.1 percent of the world's population.¹

Population aging has far-reaching societal implications. The shift toward a proportionally smaller working-age population and larger older population is disrupting the fundamental economics of government-sponsored social security systems around the world. Ensuring the long-term sustainability of these retirement systems requires implementing reforms that may include reducing benefits, increasing the retirement age, increasing taxes or a combination of the above. Any reforms undertaken will necessitate dramatic changes in terms of how governments, employers, and individuals view employment and retirement.

Today's workers are already anticipating the need for change with plans to extend their working lives. Many are re-envisioning retirement to be a gradual transition from work to non-work, which may involve shifting from full-time to part-time work, taking on a new role that is less demanding or more satisfying, or even pursuing an encore career. However, few employers have employment practices in place to support them and, in some cases, new laws are needed to facilitate their new vision.

Aegon Center for Longevity and Retirement calls workers' vision of retirement *The New Flexible Retirement*. This vision represents an important opportunity for workers to work longer, continue earning income, stay active and involved, and fully retire at an older age – while freeing up time for family, friends, and enjoyment. Their vision of retirement can also create a win-win situation by serving as a powerful tool to help solve the government, social security, and employer-related issues resulting from population aging.

Catherine Collinson

Executive Director, Aegon Center for Longevity and Retirement

President, Transamerica Institute and Transamerica Center for Retirement Studies

Introduction

The concept of retirement is changing rapidly. As people live longer and remain in good health longer, retirement is becoming a more active life stage, with more people looking for the opportunity to combine work and leisure.

Governments around the world are either contemplating or have started implementing reforms, such as increasing the age at which people become eligible for government retirement benefits. Although people's attitudes toward those changes vary across the globe, there is a common and growing appreciation that a flexible retirement offers an opportunity to stay active, engaged, and productive.

The need for change is increasing and urgent. The life expectancy at birth in OECD countries now averages over 80 years, and the percentage of a person's life spent in good health ("health expectancy") is increasing. As a result, people are physically and mentally capable of remaining in the workforce longer than their parents' generation. In many countries, the working-age population is beginning to shrink as the number of people leaving the workforce exceeds those joining. Employers will need to employ workers longer. However,

people's ability to continue working depends on employers recognizing the value of retaining workers past traditional retirement age and implementing practices that enable them to continue working and transition into retirement in a more flexible way.

The New Flexible Retirement report, a collaboration between Aegon Center for Longevity and Retirement and Transamerica Center for Retirement Studies, presents findings from Aegon's 4th Annual Retirement Readiness Survey (ARRS) and highlights the steps being taken around the world to promote the concept of flexible retirement. The survey comprises 16,000 respondents in 15 countries spanning Europe, the Americas, Asia, and Australia. This report explores workers' retirement-related expectations and the extent to which their employers are facilitating their transition to retirement. The report also provides country-by-country comparisons of survey findings, key indicators, and examples of how flexible retirement is being supported through labor and employment practices and legislation.

Looking to the future – how do workers envision their retirement?

Life expectancy is increasing around the world. From 1970 to 2010², life expectancy at birth increased 11.1 years for men and 12.1 years for women. As people live longer, their ability to work to an older age increases. People should no longer be limited by the notion of retiring fully at age 60 or 65.

People's expectations regarding when and how they retire is often shaped by government policies. For example, the survey found that 44 percent of workers in Spain expect to retire the year they turn 65; however, pension reforms agreed to in 2011 will gradually increase retirement age from 65 to 67 over the period 2013-2027. In China, the official retirement age is 50 for women and 60 for men, which explains why nine out of 10 survey respondents in that country expect to retire before age 65. (Note: The Chinese government is pursuing reforms to increase its statutory retirement age.)

The mind-set of working beyond traditional retirement age varies greatly around the world. In Japan, 43 percent of the survey respondents aspire to continue working past retirement, whereas in France only 15 percent are considering doing that. Again, this could be partly explained by public policy: Since 2013, Japanese employers have been legally required to adopt a policy that encourages workers to keep working.

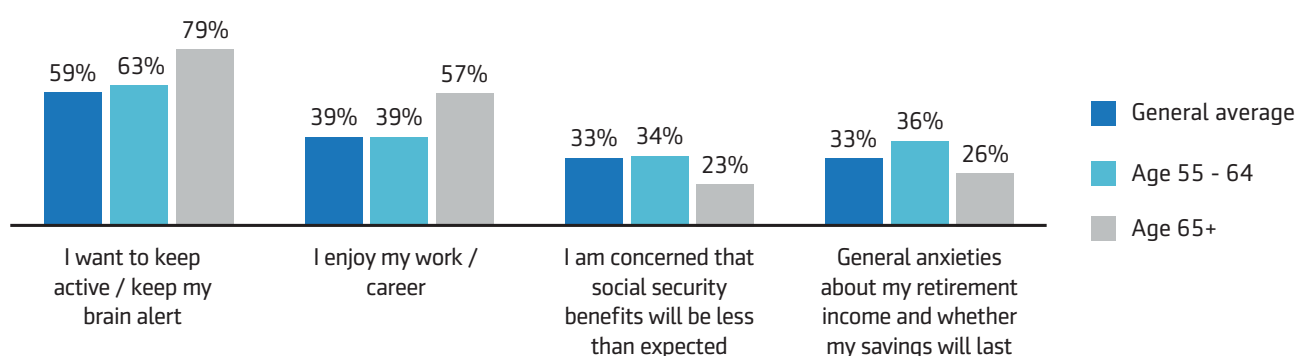
The most common approach to date has been the so-called “continued employment system” in which a worker approaching the retirement age is offered a special contract with more flexible terms.

Globally, the survey found that 51 percent of all workers now expect to retire at age 65 or later, or not at all. Additionally, 55 percent of workers age 55 and older envision a flexible transition into retirement, with an even higher proportion of younger workers envisioning this. Reasons for doing so are varied (see Chart 1). Work can also provide other benefits such as maintaining social relationships.

How workers can successfully extend their working lives and retire at an older age is a complex issue. Workers in jobs involving manual labor may not be physically able to continue in their profession. Others may encounter biases against older workers in the workplace. Some employers may perceive older workers to be more expensive and / or less productive. On the other hand, some companies may value older workers' expertise, experience, judgment, institutional knowledge, and good interpersonal skills. Employers play an all-critical role in workers' successfully realizing their vision of a flexible retirement.

Chart 1 - Reasons to keep working after retirement

Which, if any, of the following are important reasons for you continuing to work to some extent in retirement? – Base: Not fully retired and envision working (n=8,195)



Employers are not yet supporting a flexible retirement

Employers may be overlooking the advantage of creating a working environment that is attractive to workers who continue to add value as they approach retirement. Workers indicate that their employers are doing little to help them phase into retirement. The survey found that only 27 percent of workers age 55 and older say their employers offer the option to shift from full-time to part-time working arrangements as they transition into retirement.

In a changing world, the opportunity for training and acquiring new skills is particularly important for older workers who want to work past normal retirement age. However, only nine percent of the workers age 55 and older say their employer offers retraining opportunities to help them phase into retirement. Some workers may want to continue working in their current role, while others may wish to explore new or less demanding opportunities with their employer. Having the skills necessary to take advantage of such opportunities can help workers remain in employment for a longer period of time.

Fifty percent of survey respondents who are not fully retired think that their employer doesn't offer enough information and support to prepare for retirement. Notably, this level of agreement is highest in Spain, Poland, Hungary and Japan – the four countries where workers feel least positive about retirement generally.

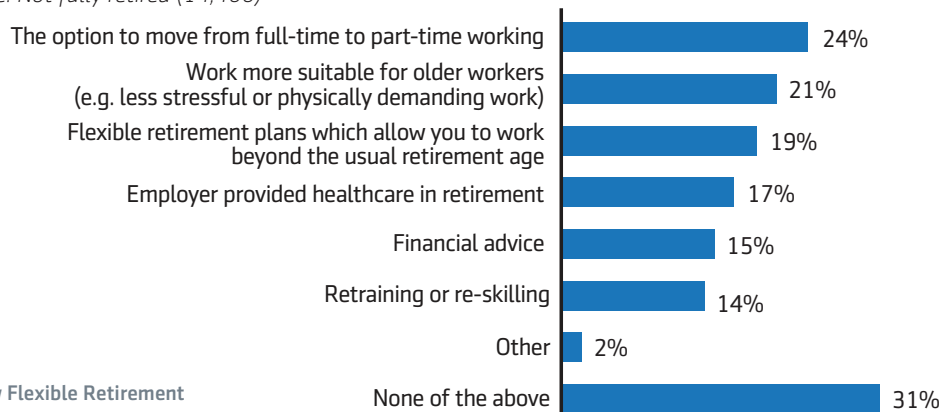
Despite the lack of pre-retirement assistance from their employers, older workers are nevertheless loyal. Almost half (48 percent) of workers age 55 and older say they feel a strong sense of belonging to their employer and 73 percent say they plan to work with their current employer until they retire if possible. Just 17 percent of the workers age 55 and older are considering looking for a new job in the next 12 months, compared to 37 percent of workers aged 25-34. Employers may therefore get a greater return on investment when offering training to older workers. However, again it should be underscored that few older workers indicate their employers have business practices in place to support their transition into retirement.

Employers face risks of being negatively affected by population aging. For decades, employers have shaped their business practices predicated on the assumption that their workers will retire at a certain age. What employers may not yet realize is that the percentage of working-age individuals relative to the overall population is declining. When Baby Boomers and older workers retire, there will be fewer workers available to take their places. Employers should be better equipped with succession plans and the necessary management tools to help them avoid disruptions within their workforce, which would also enable them to facilitate workers' vision of the new flexible retirement.

Chart 2: What do employers offer to support transition into retirement

Which, if any, of the following services does your employer offer to help employees phase into retirement? –

Base: Not fully retired (14,400)



Recommendations: making the most of a flexible older workforce

A clear strategy for promoting the new flexible retirement can create a win-win situation for workers, employers, and governments to address increases in longevity and mitigate the challenges created by population aging. Aegon Center for Longevity and Retirement sets forth the following recommendations in support of the new flexible retirement:

- Employers should conduct a review to see how changing demographics will affect their workforce and assess the value of retaining older workers as a way to maintain institutional knowledge and address possible labor shortages in the future.
- Governments and employers can increase workers' awareness of the opportunities for continuing to work past the traditional retirement age. Education through public service campaigns and workplace communications can help workers to make more informed personal and financial decisions that could lead to a better transition into retirement.
- Government reforms to social security benefits can influence workers' behavior and attitudes to retirement. Examples include increasing the age at which government retirement benefits begin, enhanced retirement benefits for those deferring their entitlements, and training programs to help older workers gain new skills.
- Employers can and should promote an aging-friendly work environment and culture designed such that workers of all ages can thrive. Examples include offering part-time, flexible work schedules and enabling shifts to less demanding positions.
- Governments and employers should identify and remove disincentives in workplace retirement plans to working past a fixed retirement age. Examples include the ability to start receiving retirement benefits at retirement age while continuing to work, the ability to continue to either contribute to or earn service credit in an employer plan past retirement age and the opportunity to move into a less demanding role without impacting retirement benefits.
- Employers can establish intergenerational employee resource groups and work teams to help breakdown stereotypes relating to age, young and old, as well as to take advantage of the different skills and perspectives each generation brings to a project. Such groups also help in transferring knowledge and skills within the workplace.
- Employers can provide access to training for workers of all ages, including older workers, to help them keep their job skills up-to-date and relevant.
- Workers approaching the minimum retirement age should consider their goals and options by:
 - Seeking financial advice regarding their expected retirement benefits and how they can best manage their income in retirement to last their lifetime;
 - Visiting government websites to check social security benefits and what incentives or opportunities might be in place for those wishing to work longer; and
 - Consulting with their employer regarding opportunities to continue working past retirement age either in the same or more flexible work arrangements.

Countries covered in our research



The following pages provide country-specific insights on flexible retirement combining data from the Aegon Retirement Readiness Survey 2015 with key indicators from other sources.



Australia



Brazil



Canada



China



France



Germany



Hungary



India



Japan



Netherlands



Poland



Spain



Turkey



UK

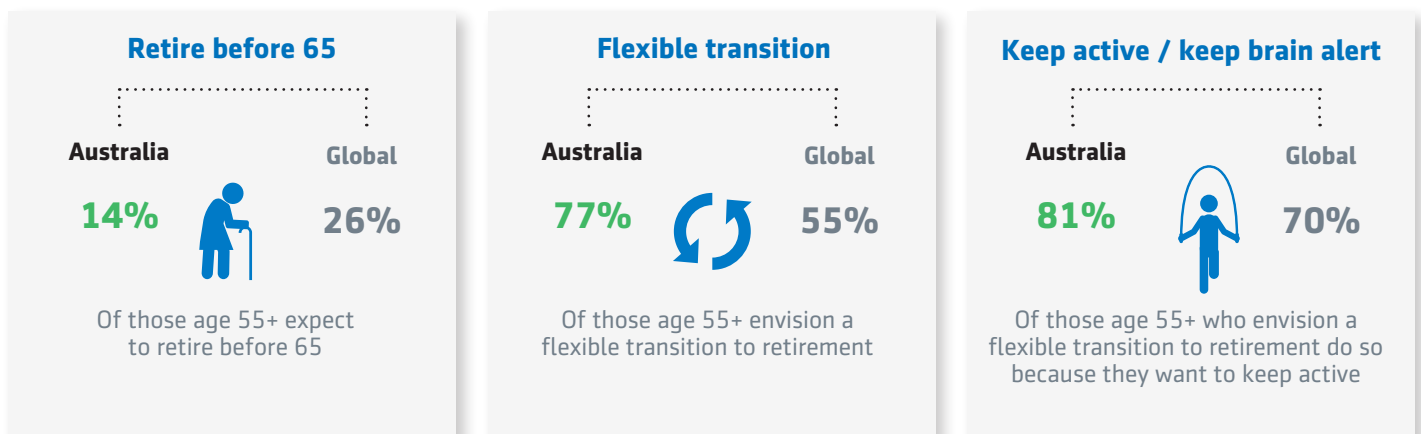


US

How is flexible retirement viewed in Australia?

Australia has many programs in place to accommodate flexible retirement. Retirement ages have increased to make pensions more sustainable. The tax system also provides stronger financial incentives to work longer. The Department of Social Security allows older workers to have substantial income sources while receiving Age Pension, the system of income support. There are also incentives to remain in employment including part-time or casual employment through the combined application of the pension income test and the Work Bonus (this provides flexible tax benefits to all those above pensionable age who wish to keep working). Workers with a Superannuation retirement plan are given incentives to reduce their work hours if they wish and withdraw a "Transition to Retirement pension" which is favorably taxed. This essentially enables workers to move from full-time to part-time work and complement their income with the Transition to Retirement pension. Introduced in 2005, about 20 percent of workers over age 55 have participated in this program. In contrast, looking to the future, 70 percent of Australians in our survey envision a flexible transition to retirement, the second highest among the 15 countries we surveyed.

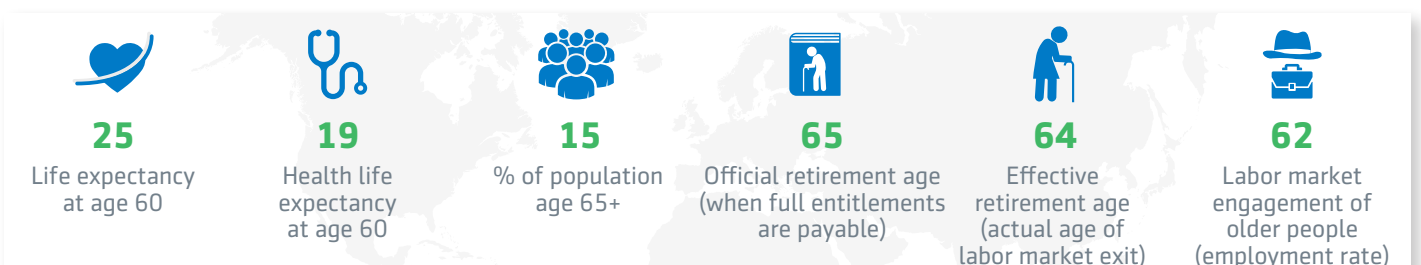
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators

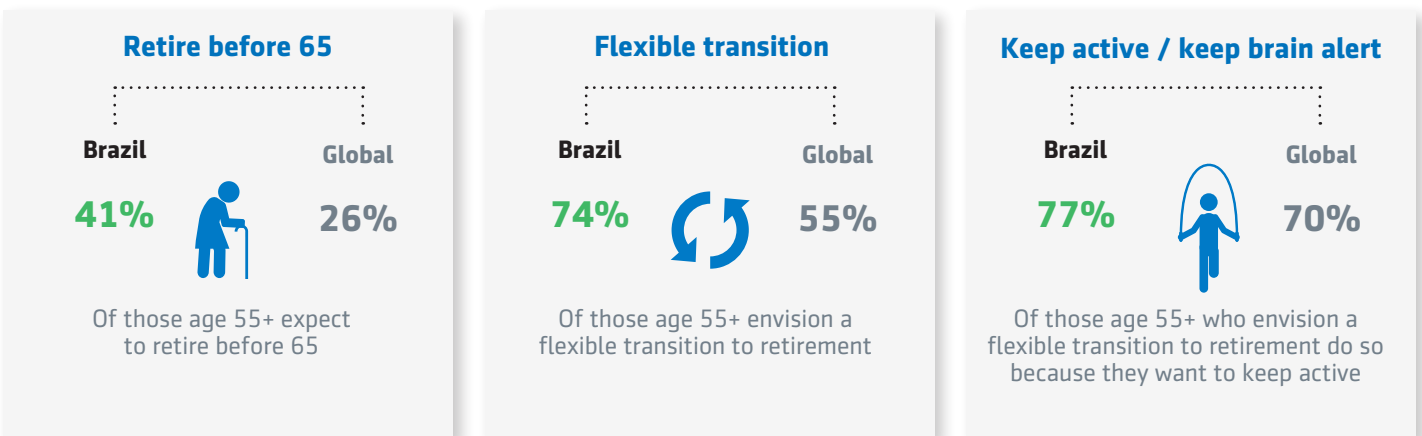




How is flexible retirement viewed in Brazil?

Over-generous pensions introduced after 1988 placed heavy pressure on government budgets. Since the 1990s, the government has been working to reform the pension system. This has included the introduction of a minimum retirement age and efforts to improve the portability of assets among pension plans, a key test of flexibility. The high contribution levels under the mandatory Regime Geral de Previdencia Social, which is a pay-as-you-go financed system, have been criticized for reducing incentives to work. Despite the fact that flexible retirement is not yet formally introduced, it is common for workers to formally retire while still remaining in employment, sometimes for the same employer, thus earning two incomes. Sixty-seven percent of Brazilian workers in Aegon's survey envision continuing working in some form past retirement age. Encouragingly, recently passed reforms have made retiring early more difficult. Longevity, population aging, and the sustainability of the pension system are becoming increasingly important topics in Brazil with employers and policymakers discussing initiatives that aim to create work regimes for older people and to accommodate the needs of those who want a more flexible transition to retirement.

How do workers envision their retirement?



Are employers supporting a flexible retirement?



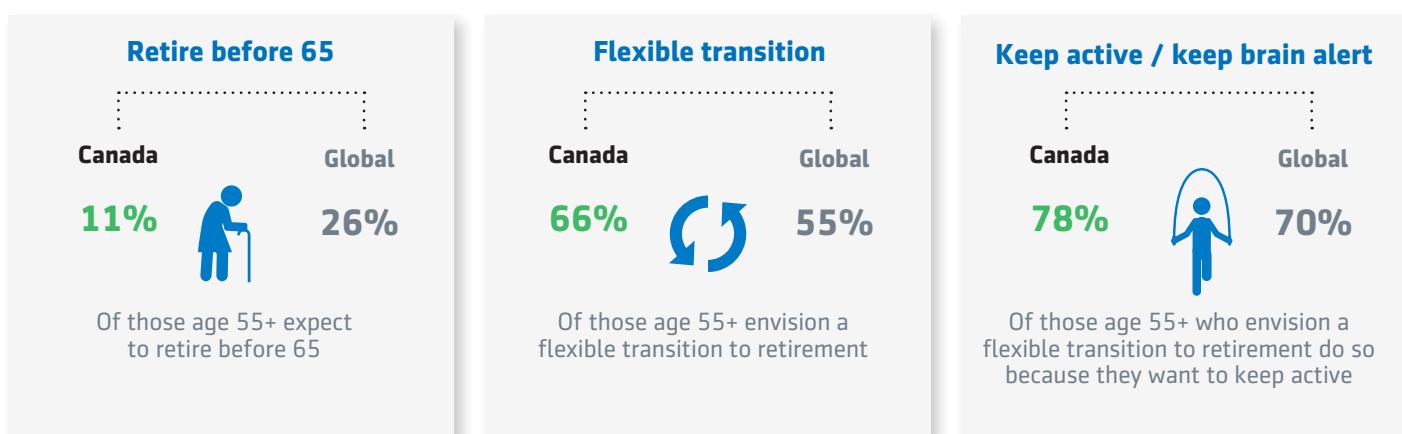
Key country indicators



How is flexible retirement viewed in Canada?

“Transitional” or “phased” retirement policies are in place, dating to changes beginning in the 1990s. Efforts to extend working lives at retirement have been driven, in part, by labor market shortages resulting from falling birth rates. The Canada/Quebec Pension Plan has removed mandatory retirement provisions in an effort to allow for flexibility for employees as they age and to keep employees in senior level positions for longer. The sustainability of pensions is also driving flexibility reforms, as the cost of benefits paid under the Old Age Security (OAS) Act is expected to almost double from CAN\$50 billion today to CAN\$96 billion in 2030. As a result, Canada’s former Conservative government announced plans in 2015 to increase the OAS eligibility age from 65 to 67 years starting in 2023, with the option for more generous OAS benefits for employees who defer receiving those benefits beyond the new eligibility age. But there are still important questions about the ability of the job market to adapt, as well as the need to align public and private sector pension benefits.

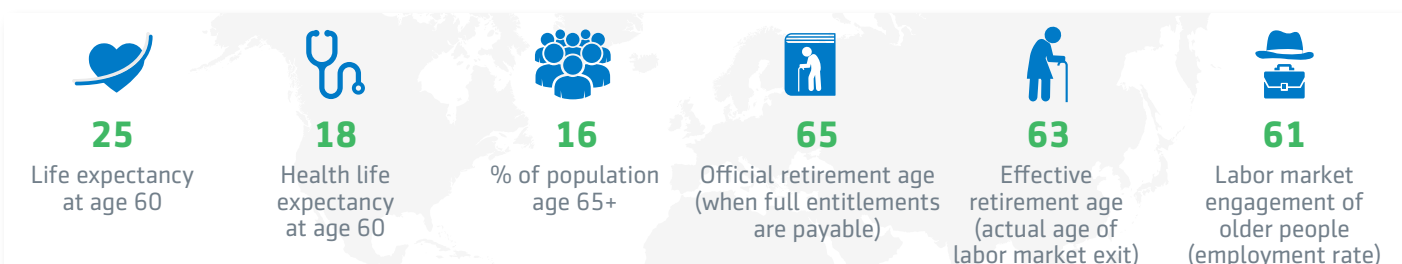
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Are employers supporting a flexible retirement?



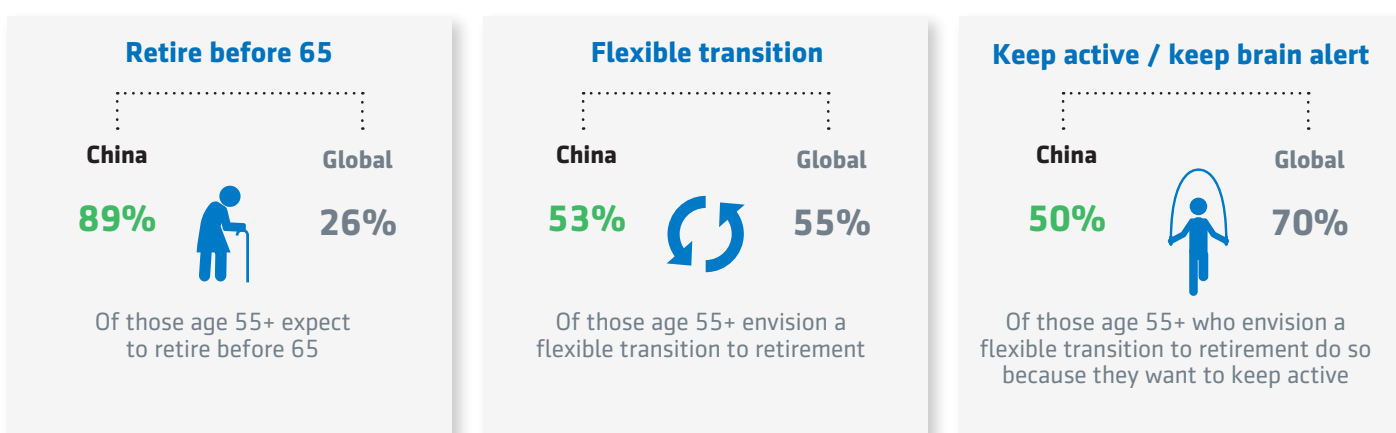
Key country indicators



How is flexible retirement viewed in China?

The notion of retirement in China has traditionally meant stopping work altogether, with a retirement age that is low by global standards: 50 years for women, 60 years for men. In fact, the Aegon Retirement Readiness Survey 2015 showed that Chinese people expect, on average, to retire at the age of 55. However, the Chinese population is aging, in part accelerated by the now-abolished one-child policy. In 2012, China's working-age population shrank for the first time, and with nearly 120 million people already over the age of 65, China has been forced to announce plans to gradually delay retirement age to 65 years. These developments have sparked a debate among employees who fear that there might be fewer job opportunities for younger people in the future. Aegon's research revealed that support for increasing retirement age as a way to offset the cost of people living longer is not shared by everyone, with 39 percent of Chinese respondents saying that retirement age should remain unchanged. The recent changes in China open up opportunities for employers and the government to provide incentives to people who aspire to work longer and phase into retirement.

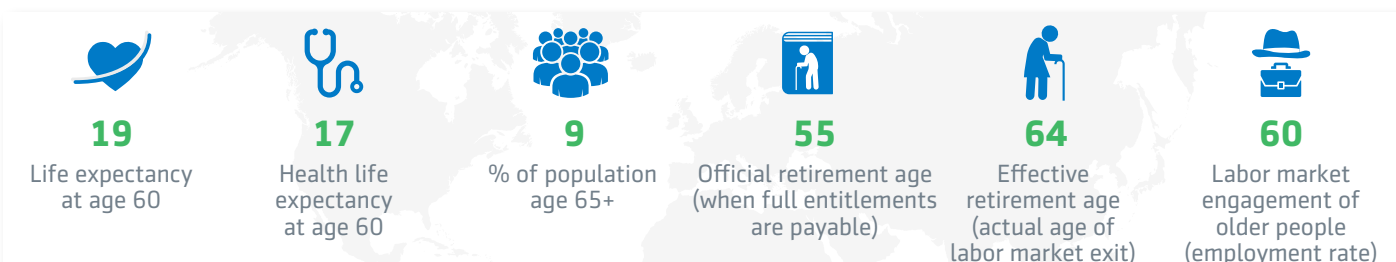
How do workers envision their retirement?



Are employers supporting a flexible retirement?



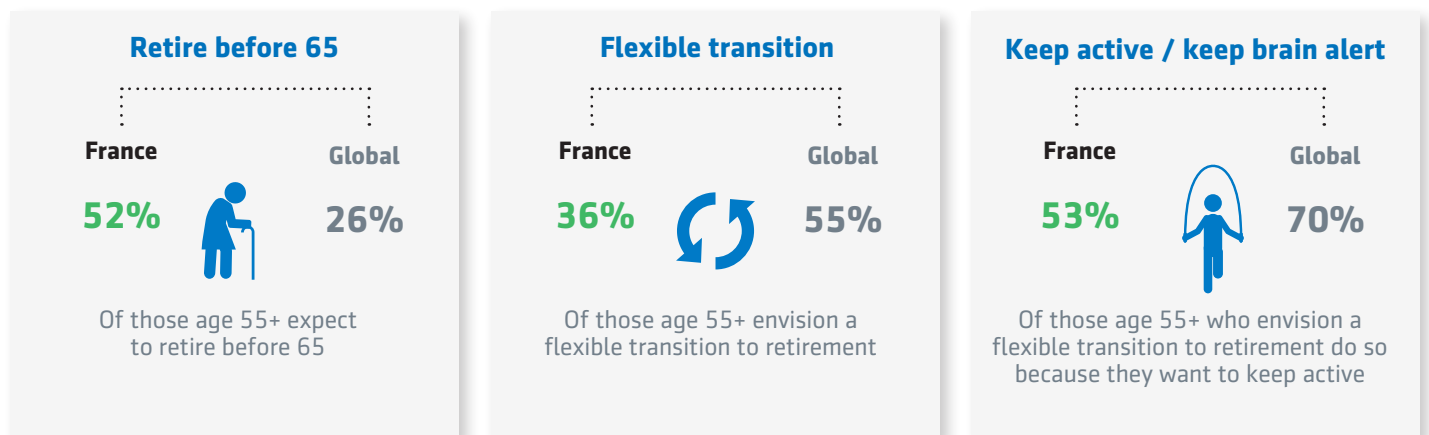
Key country indicators



How is flexible retirement viewed in France?

Limited steps have been taken to date to encourage flexible retirement. It was not until 2004 that France introduced defined contribution personal pension products under the Fillon Law. While there have been attempts to increase the state pension age, these have proven to be controversial with criticisms that extending the working lives of older people would deprive younger workers of employment opportunities (France's youth unemployment remains at 25 percent and finding work for this young demographic remains a greater priority). Yet France is one of Europe's oldest societies; by 2020 it will have 20 million people over the age of 60. Often deprived of opportunities to keep working, an increasing number of these people are starting their own business or getting involved in volunteer work.

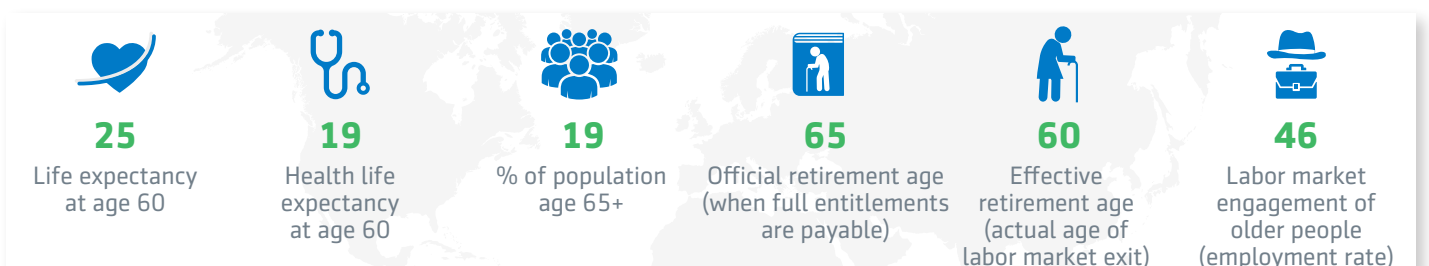
How do workers envision their retirement?



Are employers supporting a flexible retirement?



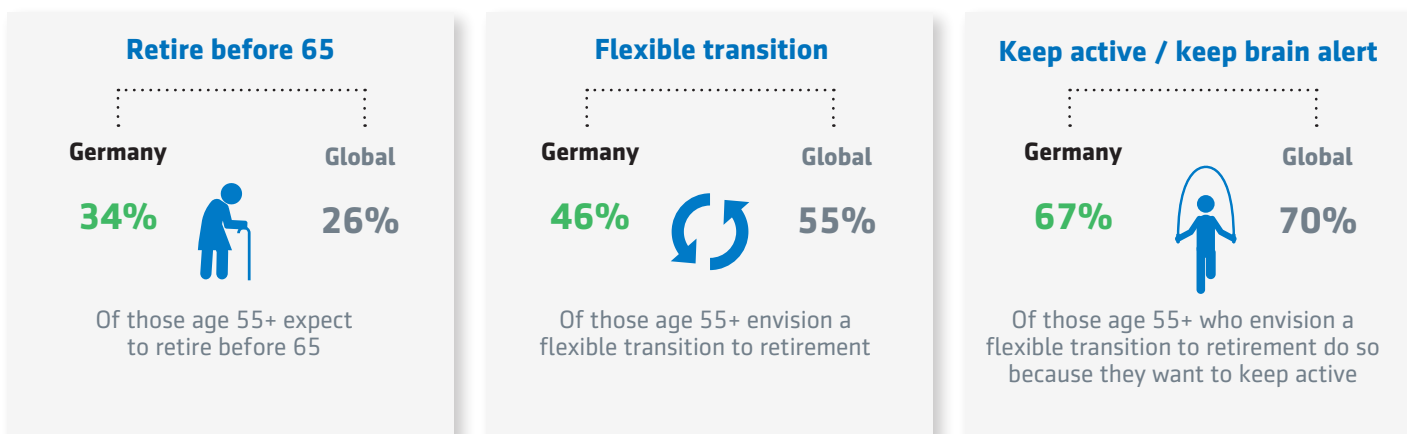
Key country indicators



How is flexible retirement viewed in Germany?

Faced with declining birth rates and a rising life expectancy, Germany is gradually increasing the normal retirement age to 67 by 2030. In return, older people who postpone retirement will receive a more generous actuarially adjusted state pension. There are also plans to introduce tax incentives both for employees to work longer and for employers to retain older workers. This is in line with the 49 percent of German workers in our survey who expect a flexible transition to retirement. With one of the oldest workforces in Europe, German businesses are at the forefront when employing older workers. For example, flexible working schedules are being offered to aging workers and structural changes in working environments have been implemented by many employers.

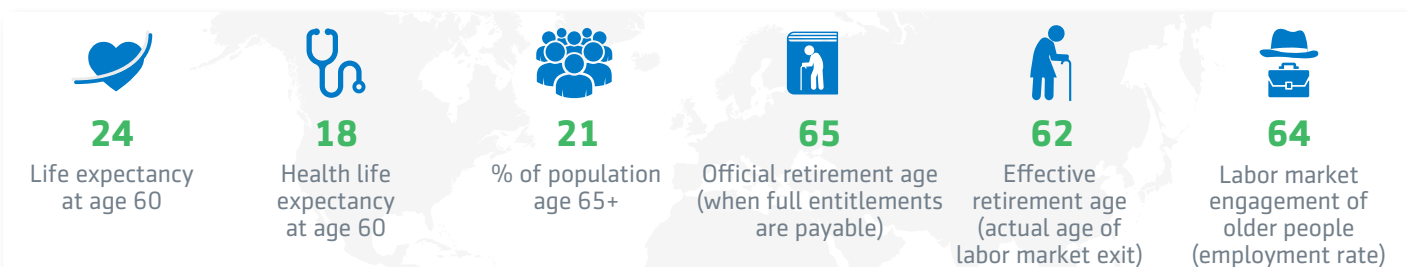
How do workers envision their retirement?



Are employers supporting a flexible retirement?



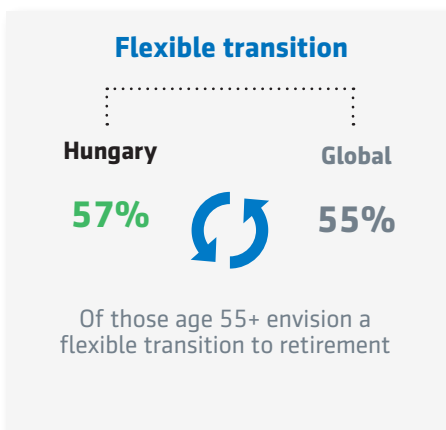
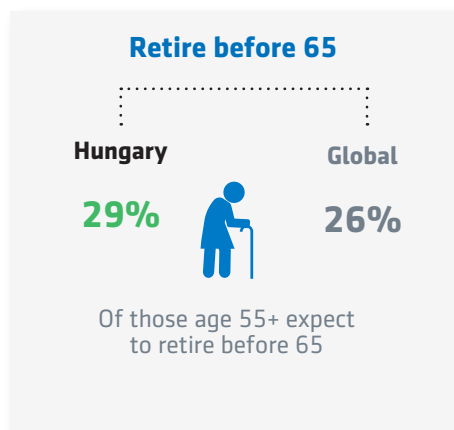
Key country indicators



How is flexible retirement viewed in Hungary?

Flexible retirement is not yet a topic commonly discussed in Hungary. The transfer of private pension assets in 2011 to state control in an effort to reduce government debt has caused concern among employees. Many felt that those pension assets should have been used to fund long-term pension sustainability reforms. Despite past experience, the Aegon Retirement Readiness Survey 2015 showed that half of respondents in Hungary envision a flexible transition to retirement. Recent legislative changes have indeed made it more attractive for people to work longer by offering increases in pensions for each month of additional service time. Although these are positive developments, there is still a need to enact employment practices and government policies that will encourage and enable flexible retirement.

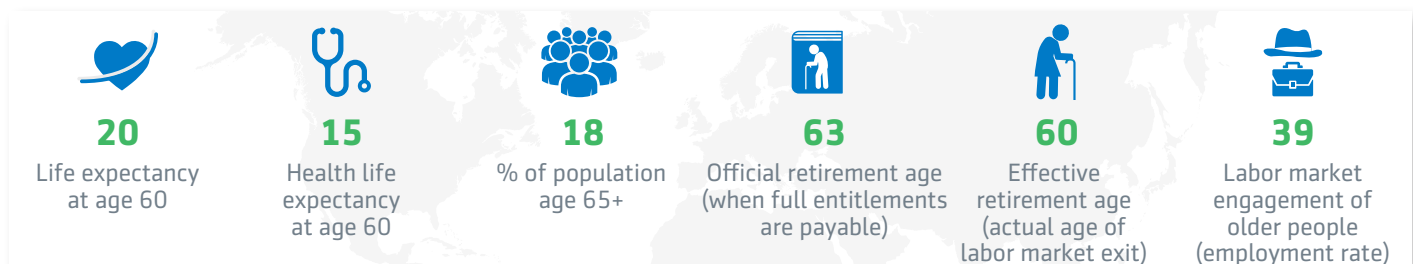
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators

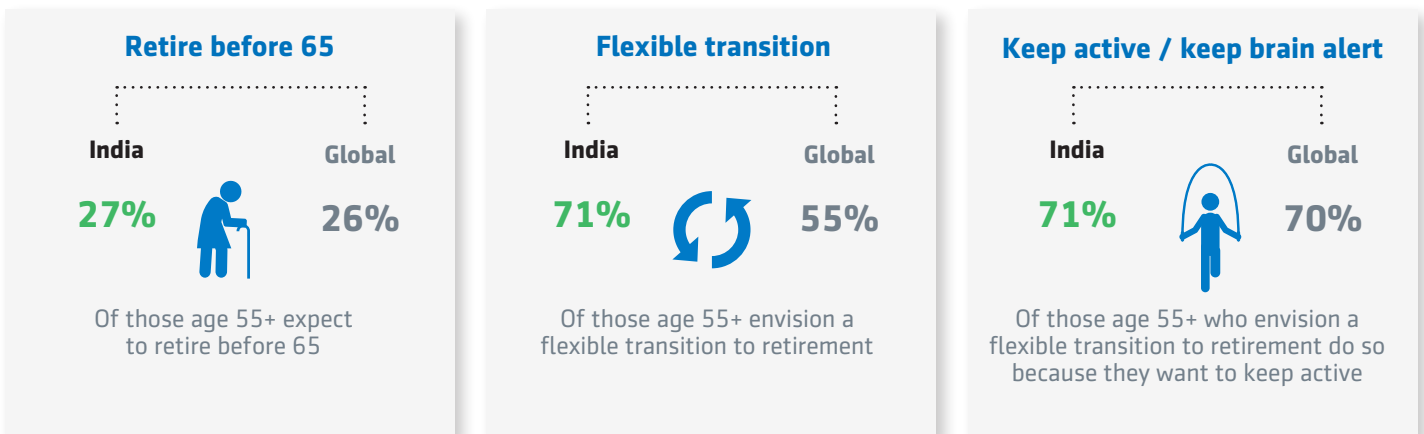




How is flexible retirement viewed in India?

India is the country with the youngest population in the Aegon study – more than half of its population is below the age of 25. However, life expectancy is expected to rise to age 73 in 2050, up from 66 today, challenging the sustainability of the country's retirement system. This will also naturally increase the age of the workforce. Additionally, the shortage of people to fill key positions is encouraging policies designed to keep older workers in paid employment. India is one of the few countries in our study that does not have an official retirement age. However, many public institutions do set official retirement ages, which have recently been increased by between two and five years. Because Indian households are often multi-generational, there is less of a need for formal pension arrangements, as exemplified by the 52 percent of Indian workers who indicate in our survey that they expect to receive financial support from a family member during retirement. In India, 79 percent of workers expect a flexible transition to retirement, the highest rate among the 15 countries we surveyed.

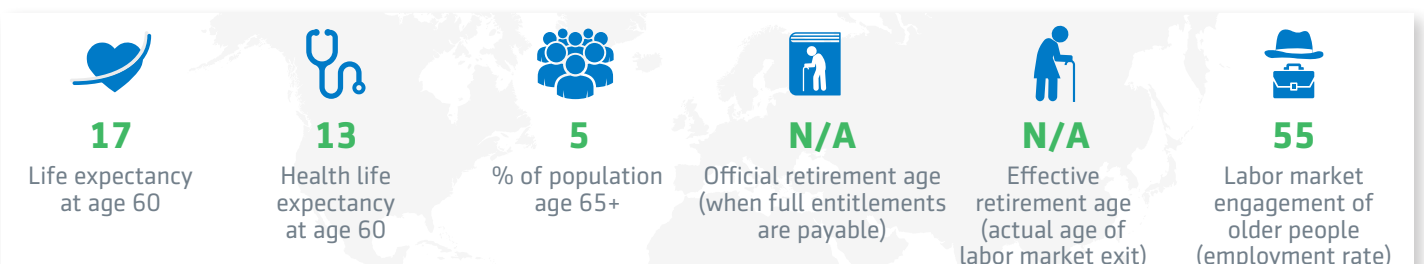
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators

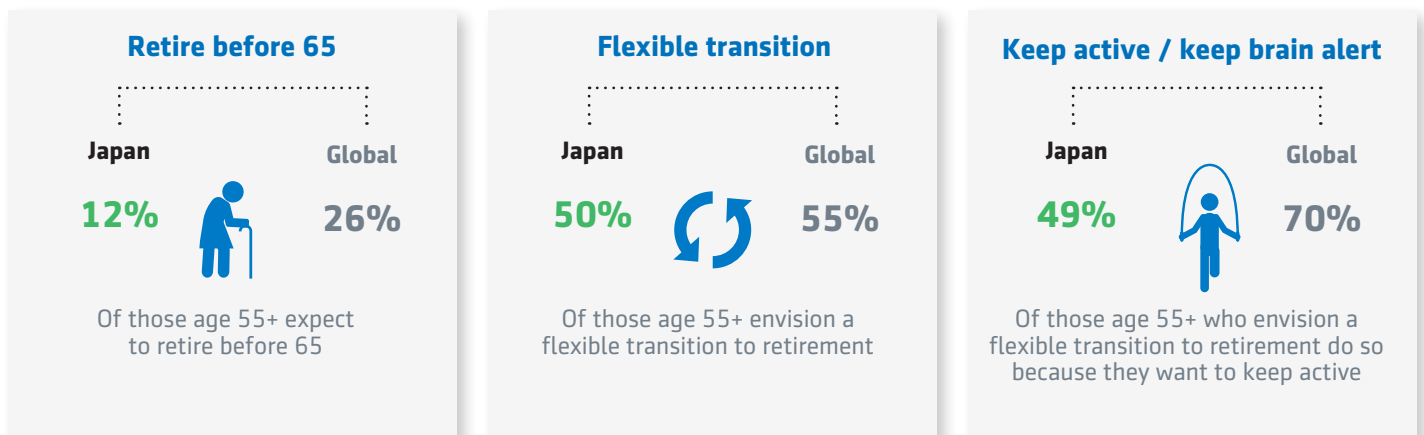




How is flexible retirement viewed in Japan?

Japan is a unique example of a country in which flexible retirement is more of a reality than an expectation or an aspiration. Japan has the highest life expectancy globally. The need for people to work past retirement age is a necessity for the sustainability of the pension system. In recent years, the government has implemented reforms such as increasing the formal retirement age from 60 to 65 years for social security pension benefits. Additionally, employers are required to choose one of three options for employees who reach age 60: increase the retirement age to 65 years; drop the mandated retirement age altogether; or introduce the “continued employment system,” which allows them to offer their employees flexible working arrangements on a yearly contract basis until they reach age 65. The continued employment system is the most preferred option of employers. Despite all these changes to accommodate the needs of an aging workforce, there remains an opportunity to broaden the scope of flexible work arrangements to embrace working after the age of 65 and enable employees to continue earning.

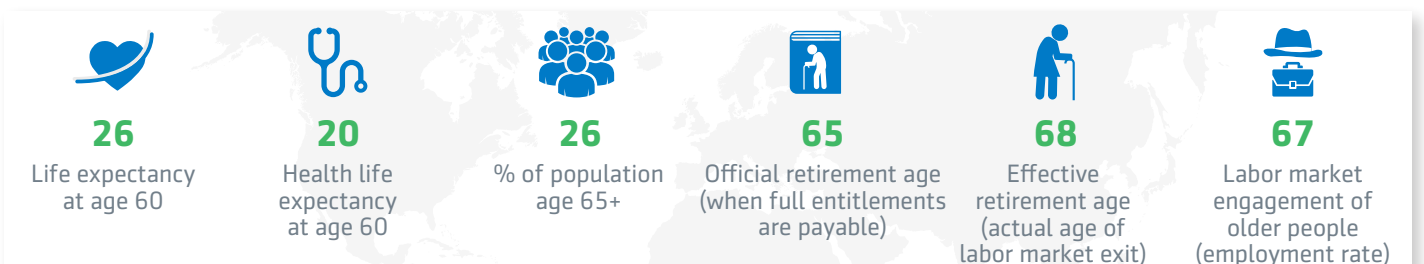
How do workers envision their retirement?



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Key country indicators

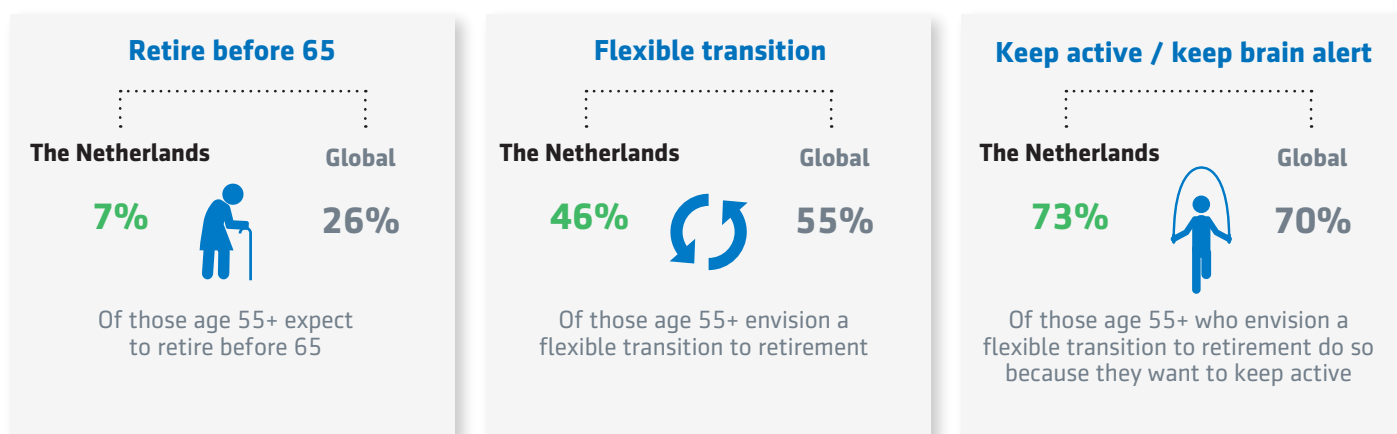


The Netherlands

How is flexible retirement viewed in the Netherlands?

Dutch pensions have long been based on collectivity and solidarity. This has made workers well prepared for retirement with fully funded supplementary pensions. However, defined benefit pensions (final salary or career average plans) raise issues of their financial sustainability. The 2010 Pensions Accord (Pensioen Akkoord), agreed to by organizations representing employers and employees, enabled adjustments in pension plans to accommodate the need for more flexible retirement ages across both the government social security system and employer-based pensions. The accord capped benefits from current occupational pension plans, which had the effect of shifting longevity risk to individuals – who can either work longer or save more. In occupational pensions, there has been a continued shift toward collective defined contribution plans, a type of more flexible “defined ambition” pension plan. Meanwhile the governmental General Old Age Pensions (AOW) age will increase from 65 to 66 by 2018 and 67 in 2021. What is more, recent legislative changes removed constraints from working beyond the normal retirement age. While the goal of these changes is to encourage people to work longer, other recent legislative changes mitigate the impact by making it easier for employers to dismiss older employees. Incentives are needed to encourage employers to retain workers longer.

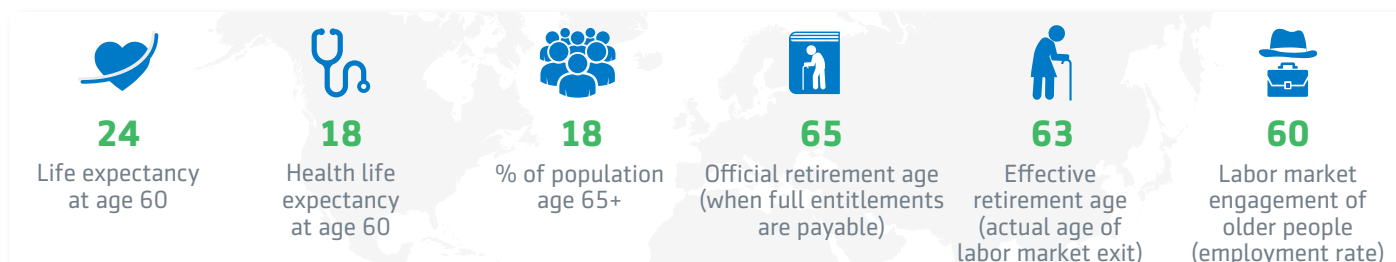
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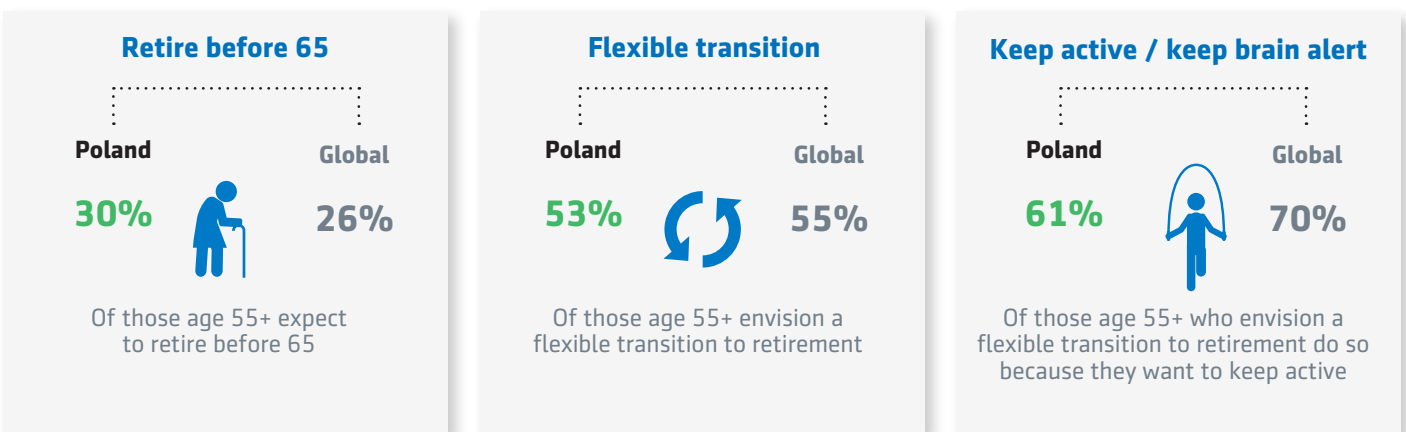
Key country indicators



How is flexible retirement viewed in Poland?

Outward migration of young people since EU accession in 2004 has increased the average age in Poland. Therefore, the need to keep older workers in the workforce is greater here than elsewhere in Europe. Until 1999, the pay-as-you-go DB system encouraged early retirement rather than encouraging longer working lives. Proposals to encourage flexible retirement with partial pensions between age 62 and 65 were rejected by trade unions and employer associations in 2004. However, the creation of the two-tiered first pillar system did abolish early retirement privileges, leading to an increase in formal retirement ages to 60 years and three months for women and 65 years and three months for men in 2014. However, the system requires people to work full-time to earn reasonable benefits. With many people working in flexible, part-time or contract arrangements, the pension system doesn't match the working patterns of employees. The need to create greater incentives to keep older women in the workplace is identified as a particular concern, as women on average retire earlier than men.

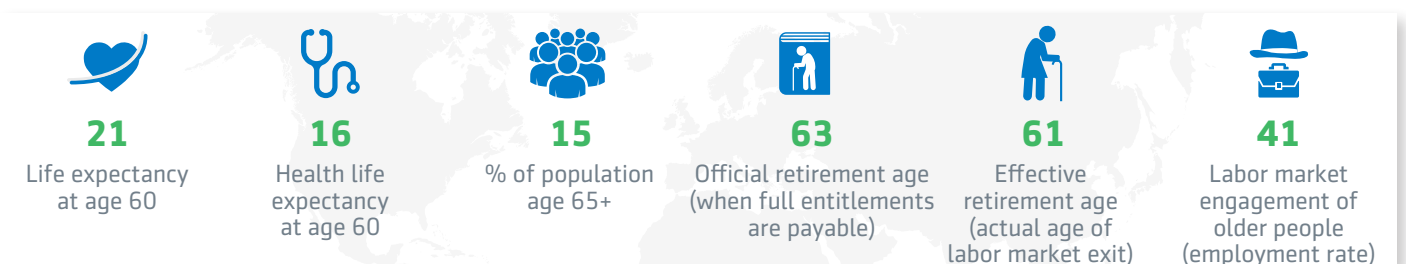
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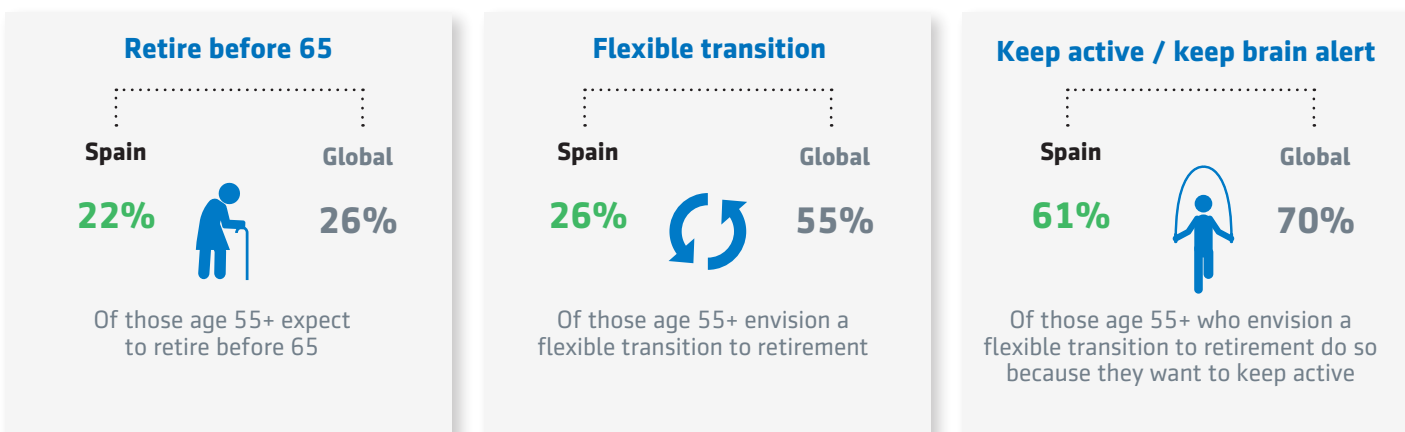




How is flexible retirement viewed in Spain?

While Spain may rank as a top retirement destination, the notion of flexible retirement is still far from a reality. It is common practice that Spaniards transition from working full-time to retiring altogether. In fact, the Aegon Retirement Readiness Survey 2015 revealed that 44 percent of employees in Spain expect to retire from all paid employment at the age of 65, which is the formal retirement age. Pension reforms agreed to in 2011 will gradually increase retirement age from 65 to 67 over the period 2013-2027. This is one of the oldest retirement ages in Europe, reflecting the fact that 32 percent of Spaniards will be over age 64 by 2050. The government has also increased the eligibility requirements for receiving full social security benefits, and announced incentives to lengthen careers by increasing benefits by two to four percent for each extra year of work depending on years of service. However, in a country where 48 percent of young people are unemployed, it is politically difficult to encourage policies promoting older people to remain in work. In many respects, the financial crisis and austerity measures are driving the agenda rather than a desire to create flexible and active retirement lifestyles.

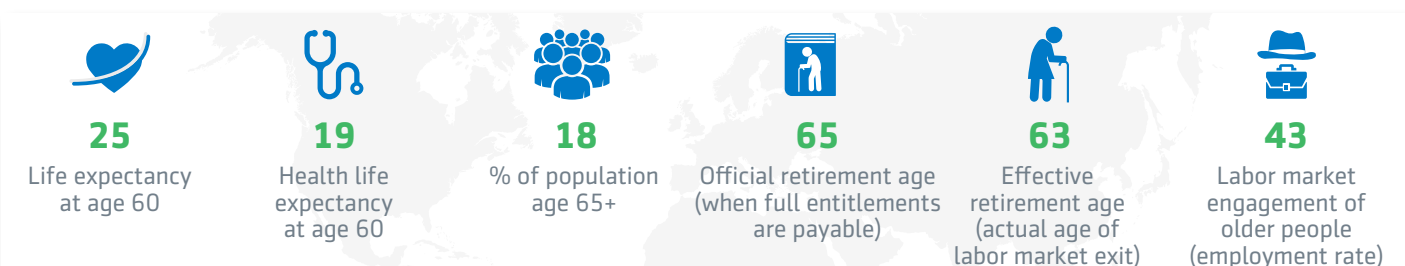
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators

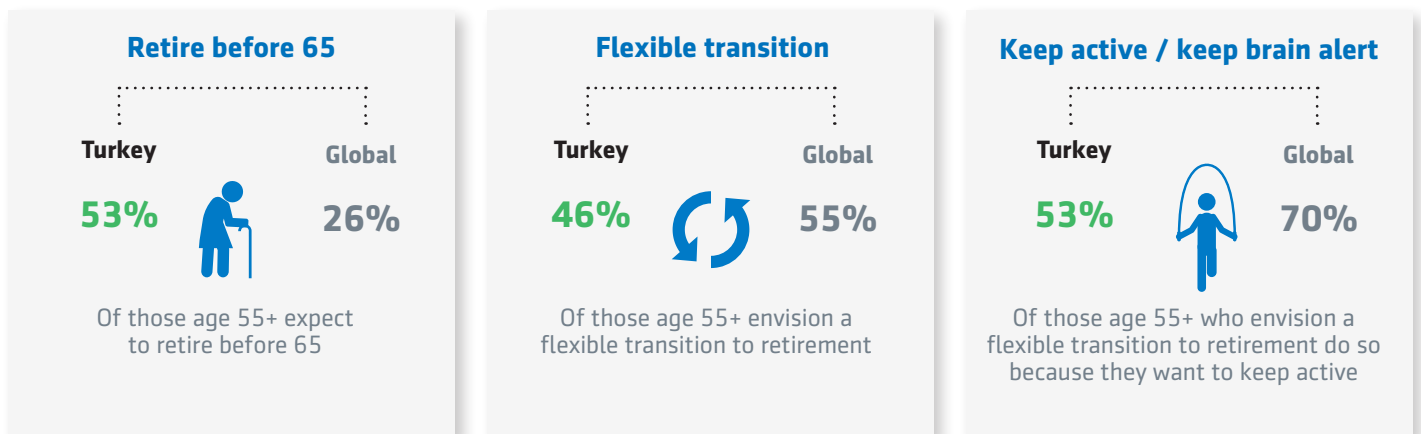




How is flexible retirement viewed in Turkey?

Turkey's public finances have been placed on a firm footing over the past decade allowing for increases in public spending on pensions. In addition, Turkey abolished a fixed retirement age as long ago as 1969, instead using a combination of age and contributory years (25 years is the minimum requirement) to determine eligibility. There is still work to be done; the Aegon Retirement Readiness Survey 2015 shows that 59 percent of Turkish respondents say that retirement age should remain unchanged. In addition, there is a perception that investments, such as real estate, would serve as a better retirement strategy compared to working in a paid job at an older age. Of the 52 percent of workers in our survey who envision a flexible transition to retirement, 43 percent say that they do so because of anxieties that their retirement savings will not last. Cultural reasons also explain why working longer is not widespread among employees; 40 percent of our survey's respondents in Turkey indicate that they expect to receive financial support from a family member during retirement.

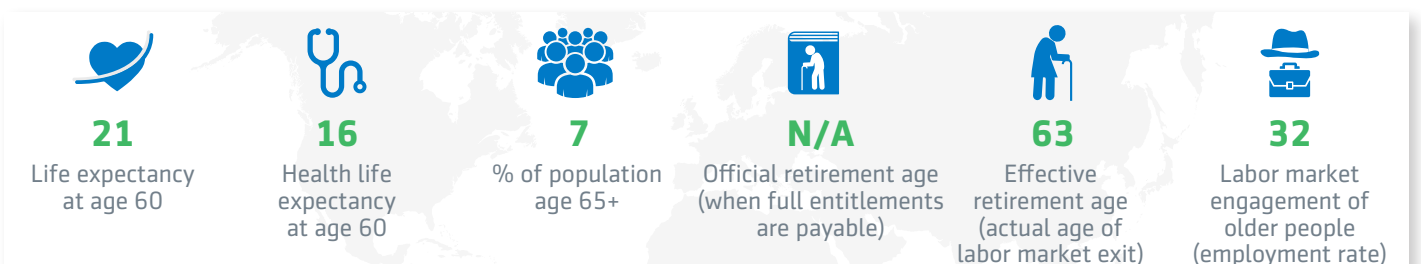
How do workers envision their retirement?



Are employers supporting a flexible retirement?



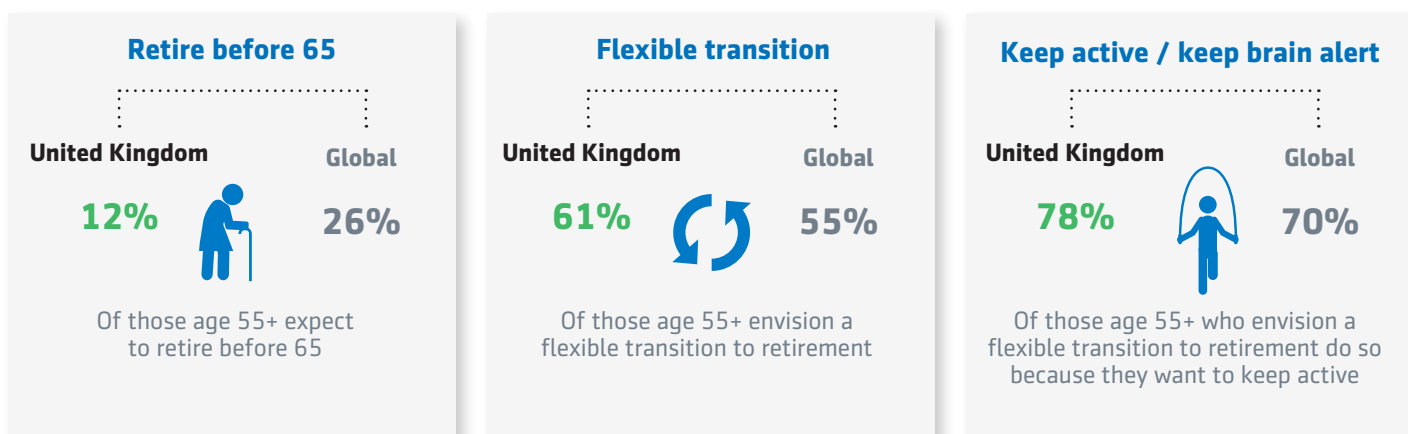
Key country indicators



How is flexible retirement viewed in the United Kingdom?

Defined benefit pensions have traditionally played a major role in supplementary pensions but also lead to limited flexibility as to when to retire. Plans to allow a more flexible DB arrangement ("DB light") were dropped in 2014. However, the abolition of mandatory retirement ages (previously fixed at age 65) proved a major, though controversial, milestone toward flexible retirement. This has been backed with more generous arrangements for deferred social security payments. Benefits can be deferred for up to five years resulting in a higher, actuarially adjusted pension (about 30 percent higher than taking it at age 65). The government has also accelerated increases in the state pensionable age. Retirement age will be equalized between men and women at 65 years in 2018 before rising to 66 in 2020 and 67 by 2028, with a further increase to 68 planned. People will also be offered more flexibility in how they invest and draw down their pension benefits following reforms in April 2015 which scrap compulsory annuitization.

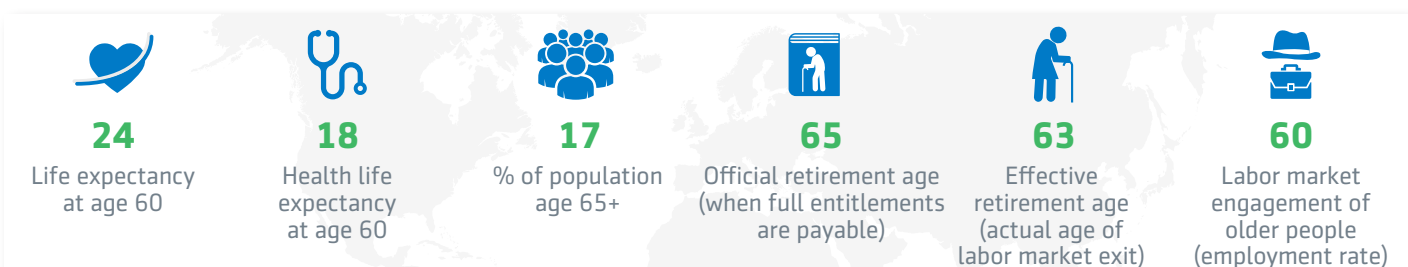
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators

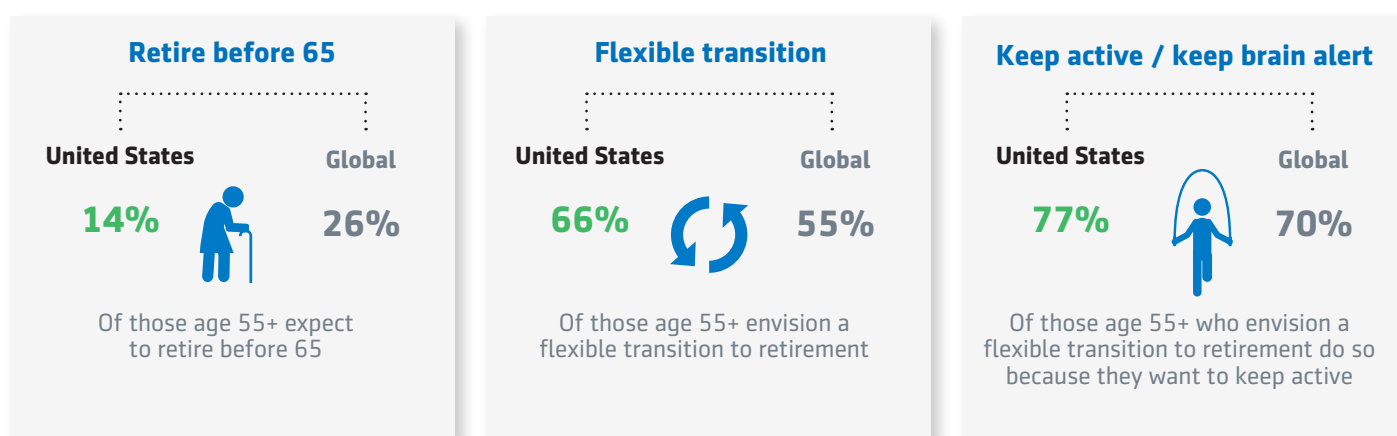




How is flexible retirement viewed in the United States?

Full retirement age to receive Social Security benefits had been 65 for many years. However, beginning with people born in 1938 or later, that age gradually increases until it reaches 67 for people born after 1959. According to findings from the Transamerica Center for Retirement Studies' 2015 survey of American workers, most Baby Boomers expect to phase into retirement (65 percent), by working past age 65 or planning not to retire, and 53 percent plan to work at least part-time in retirement. However, jobs may not be readily available for them. As an example of an initiative to support flexible retirement, in 2012, a law was passed to permit U.S. federal employees to phase into retirement by shifting from full-time to part-time work and receive partial retirement benefits while continuing to accrue prorated future retirement benefits. In order to take advantage of the phased retirement program, workers must spend at least 10 percent of their time mentoring younger workers, thereby ensuring critical knowledge transfer. While the plan is seen as a best practice in encouraging phased retirement, and has the potential to reach 2.5 million government employees, to date very few government agencies have chosen to make it available to their employees.

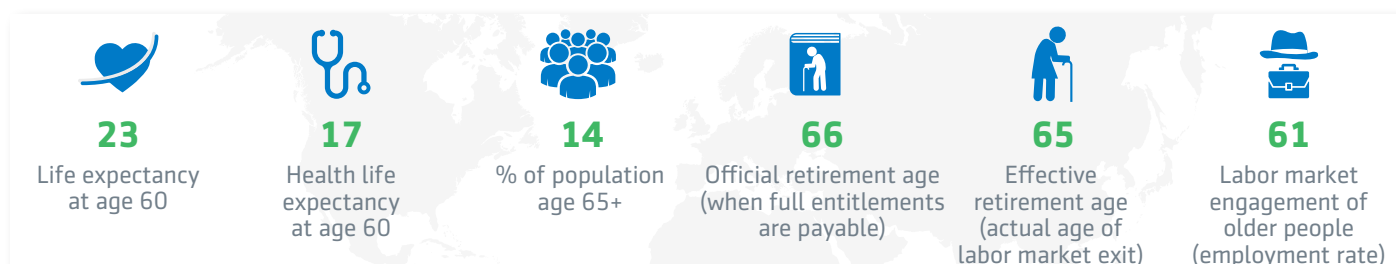
How do workers envision their retirement?



Are employers supporting a flexible retirement?



Key country indicators



About the survey

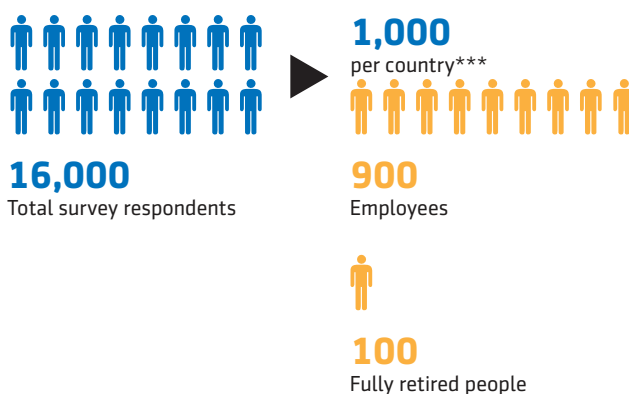
Since 2012, Aegon has been conducting research into peoples' attitudes and readiness for retirement. This survey is a collaborative effort between the Aegon Center for Longevity and Retirement, Transamerica Center for Retirement Studies® and Cicero Consulting.

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. So for year-on-year comparisons, 2012 is regarded as a 10-country study. In 2013, two new countries (Canada and China) were added to the survey, and in 2014 three countries were added: Brazil, India and Turkey. In 2015 we maintained the overall size of the survey at 15 countries though we introduced Australia and removed Sweden.

Methodology

Cicero Consulting, a leading global research firm, was engaged to conduct the survey, an online and nationally representative survey conducted in local languages in 15 countries. The survey was conducted in February 2015. The survey comprised: 14,400 employees (full-time, part-time, and semi-retired), 1,600 retirees. As the survey is conducted online, it should be noted that for Brazil, China, and India, in particular, respondents were mostly people living in urban versus rural, less-developed areas.

Percentages are rounded to the nearest whole percent. Differences in the sums of combined categories/answers are due to rounding.



* Added 2013 ** Added 2014 *** In China 2,000 surveyed in total **** Added 2015

About Aegon Center for Longevity and Retirement, Transamerica Center for Retirement Studies® and Cicero Group

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 Europe, the Americas, 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.

www.aegon.com/thecenter

About Aegon

Aegon's roots go back more than 150 years – to the first half of the nineteenth century. Since then, Aegon has grown into an international company, with businesses in more than 25 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 take responsibility for their financial future. More information:

www.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."

www.globalcoalitiononaging.com

Transamerica Center for Retirement Studies®

The Transamerica Center for Retirement Studies (TCRS) is a division of the Transamerica Institute, a non-profit, 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.

www.transamericacenter.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, Washington, New York and Singapore. 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.

www.cicero-group.com

References and notes

¹ World Population Aging Report, United Nations Department of Economic and Social Affairs Population Division, 2013.

² Wang H, Dwyer-Lindgren L, Lofgren KT, Rajaratnam JK, Marcus JR, Levin-Rector A, Levitz C, Lopez AD, Murray CJL. Age-specific and sex-specific mortality in 187 countries, 1970–2010: a systematic analysis for the Global Burden of Disease Study 2010. *The Lancet*. 2012 Dec 13; 380: 2071–2094.

Sources of the key country indicators included in the country profiles (pages 9-23):

- Life expectancy at age 60: World Health Organization, Global Health Observatory Data Repository
- Health life expectancy at age 60: The Institute for Health Metrics and Evaluation, Global Burden of Disease Study, 2010
- Percentage of population age 65 plus: World Bank
- Official retirement age (when full entitlements are payable): OECD Pensions at a Glance 2015*
- Effective retirement age (actual age of labor market exit): OECD Society at a Glance 2014*
- Labor market engagement of older people (employment rate): International Labour Organisation, Employment-to-population ratio by sex and age

* where the official and effective retirement age is different for men and women, we have calculated an average

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Contact information

Headquarters Aegon N.V.

Aegon Center for Longevity and Retirement

Mike Mansfield

Manager Retirement Studies

Telephone: +31 70 344 82 64

Email: mike.mansfield@aegon.com

www.aegon.com/thecenter

Media relations

Telephone: +31 70 344 89 56

Email: gcc@aegon.com

