

Getting on track for today and tomorrow

To better understand financial wellness of people around the world, The Fidelity Financial Wellness Survey posed financial and behavioural questions to working households in six regions.

One of the key lessons from the global pandemic has been the importance of being financially prepared. Our research indicates that, even before the pandemic, many workers were focused on their short-term financial needs, rather than their long-term goals.

We believe a holistic approach can help workers build their knowledge and confidence in all areas of their finances – budgeting, debt, savings and protection.



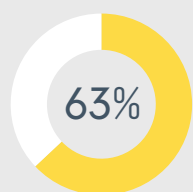
Workers are focused on their current financial needs

Spending more time thinking about the short term

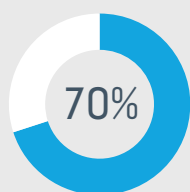
Well over half of workers across the regions we surveyed said they spent more time thinking about their current needs than what their requirements might be in the future (10+ years time).

% of time workers think about **current financial needs** relative to future (10+years) financial needs

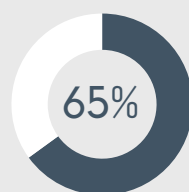
All workers



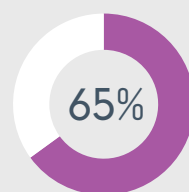
United Kingdom



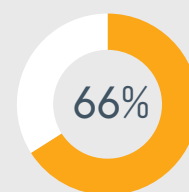
Germany



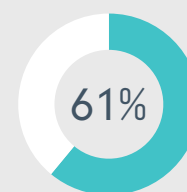
China



Hong Kong (HKSAR)



Japan



Canada

Respondents who rated thinking about their current needs (either 100%, 80% or 60%) above their future needs in the question 'Everyone thinks about their current financial needs and future financial needs to different degrees. What percent of the time do you spend thinking about your current financial needs relative to your financial needs in 10+ years?'. Source: Fidelity Global Financial Wellness Survey, 2020.

Even those who should be thinking further ahead

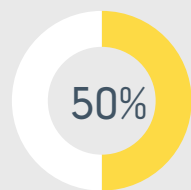
Think more about their current financial needs

This didn't differ much across generations.

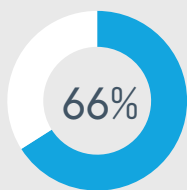
Even those in their 50s, whose needs in retirement are getting ever closer, are still very much focused on their current needs.

% of time workers think about current **financial needs** relative to future (10+years) financial needs

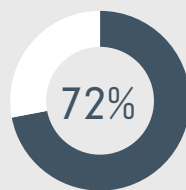
Workers age 50-59



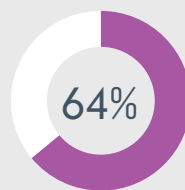
United Kingdom



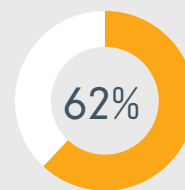
Germany



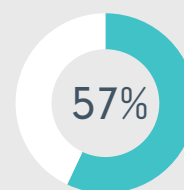
China



Hong Kong (HKSAR)



Japan

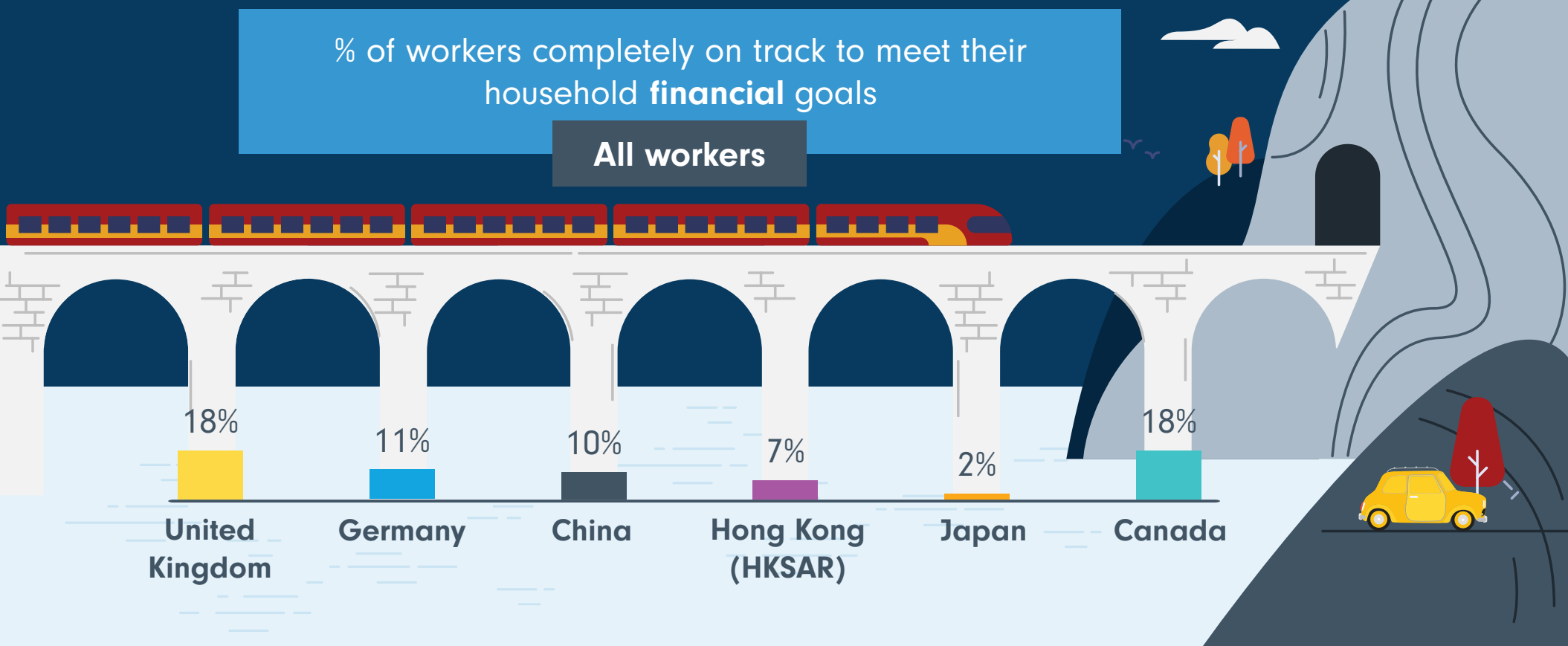


Canada

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And workers aren't on track with their financial goals

Only a very small percentage of workers are completely on track with their broader financial goals, excluding retirement.



Respondents who answered 'Completely' to the question 'Setting retirement goals aside, how on track is your household to meet its financial goals?'. Source: Fidelity Global Financial Wellness Survey, 2020.

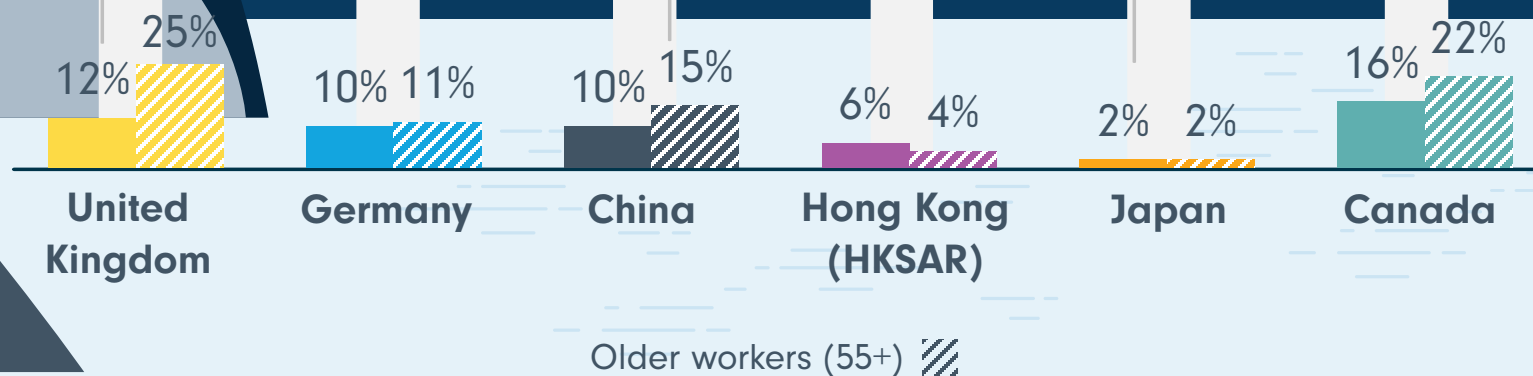
Or their retirement goals

Across all regions, when it comes to saving for retirement very few workers are completely on track to meet their goals.

Even **older workers (55+)** who are closer to retirement and have less time to save indicated they are not completely on track.

% of workers completely on track to meet their households **retirement** goals

All workers and older workers (55+)





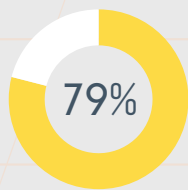
But most workers haven't sought professional help

Despite being off track

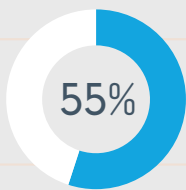
Although many workers are not on track with their retirement and broader financial goals, most workers did not seek any professional financial help.

% of workers who have **not** sought professional financial help

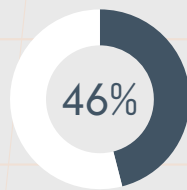
All workers



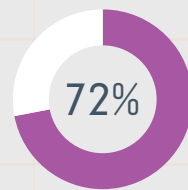
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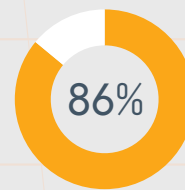
Germany



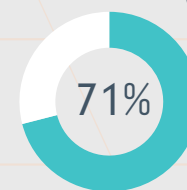
China



Hong Kong (HKSAR)

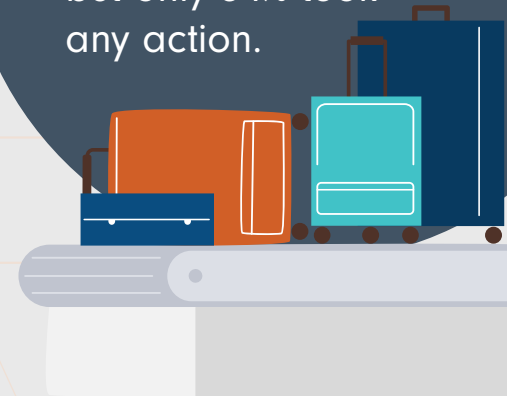


Japan



Canada

China was the exception here where 54% of workers sought help but only 34% took any action.



How employers can help

Guidance and tools to boost confidence in all areas of financial wellness

For today and tomorrow

Employers are well positioned to play a key role in boosting financial knowledge and confidence across their working population, potentially providing access to valuable information to those who need it most.

By offering educational support and engaging tools on financial wellness and retirement readiness, employers can help their employees work towards their financial goals.

Fidelity's globally consistent, and locally relevant, guidelines and tools can help employers engage, educate and empower their workforce.

For example, employees can use the Retirement Savings Guidelines and Widgets to determine their retirement goals and track their progress.



Global Financial
Wellness Score



Global
Retirement Score



Global Retirement
Savings Guidelines

Important information

While guidelines and tools can be used as a guide, Fidelity still recommends that employees engage in robust planning sessions to determine their specific path toward financial wellness and retirement readiness.

This information is intended to be educational and is not tailored to the investment needs of any specific investor. This information does not constitute investment advice and should not be used as the basis for any investment decision nor should it be treated as a recommendation for any investment or action.

About the Fidelity Global Financial Wellness Survey

The survey population consisted of respondents with the following qualifying conditions: individuals aged 20-75 years old; working full-time or part-time or have spouse working full-time or part-time; expecting to retire someday; the main financial decision maker or equal joint main financial decision maker in the household; a minimum household income of: United Kingdom: £10,000 annually; Germany: €20,000 annually; China: RMB 5,000 monthly; Hong Kong: HK\$15,000 monthly; Japan: ¥3,000,000 annually; Canada: CA\$30,000 annually.

The research and analysis for the Global Financial Wellness Survey was completed for the United Kingdom, Germany, China, Hong Kong, Japan, and Canada. Data collection was completed in partnership with Ipsos, a global market and opinion research specialist, who collected and collated data for each region between March 2020 and May 2020.

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