

## **UK retirement security lags behind most of Western Europe, shows Natixis Global Retirement Index**

**London, 19 September 2019** – When it comes to retirement security, the UK lags behind other developed market economies, driven by declines in health, finances and wellbeing, according to Natixis' Global Retirement Index (GRI).

The UK underperforms most its Western counterparts, with 10 other Western European countries performing better overall.

For the second year in a row, the UK ranked 17<sup>th</sup> in the GRI with an overall score of 72%, slipping marginally from last year's score (73%). The lower overall score is mainly due to declines in the Material Wellbeing, Finances and Health sub-indices, where the UK ranked 18th, 34th and 18th respectively.

The GRI is developed by Natixis Investment Managers and CoreData Research. It examines the factors that drive retirement security and provides a comparison tool for best practice in retirement policy. The overall GRI index score is split into Health, Finances in Retirement, Quality of Life and Material Wellbeing sub-indices.

The top countries in this year's GRI are Iceland, Switzerland and Norway, with an overall score of 83%, 83% and 80% respectively. At the bottom of the GRI is India, with an overall score of only 12%, scoring single digit figures on the Health Index (3%) and on the Quality of Life Index (5%) and its Material Wellbeing Index stays at 16%.

Ireland continues to make strong progress and this year has moved three ranks and climbed to fourth position – a huge jump compared to only two years ago when it finished 14th.

**Jean Raby, CEO of Natixis Investment Managers, said:** "Meeting the needs of today's retirees while preserving retirement security for future generations continues to be one of the most pressing challenges for economies around the globe," said Jean Raby, CEO at Natixis Investment Managers. "We created the Natixis Global Retirement Index to help facilitate a candid conversation about what steps need to be taken to ensure retirement security on a global scale".

### **Quality of life the only aspect to improve in the UK**

While the UK maintains the same position as last year (17<sup>th</sup>), its overall score has decreased slightly, mainly due to the declines in Health, Finances and Material wellbeing sub-indices.

A decline in income equality and income per capita has resulted in the UK losing two positions (from 16th in 2018 to 18th in 2019). However, where the UK ranks lowest is in the quality of financial services to help preserve savings value and maximise income. The UK ranks below the top 25 countries in finances in retirement sub-index, ranking number 34.

Despite overall limited improvements, this year the UK broke into the top ten in the Quality of Life sub-index and recorded a stronger score, moving into ninth position compared to 12th last year and 14th in 2017.

**Lucas Crasborn, Head of institutional sales, Natixis Investment Managers, commented:** "The lack of improvement in old-age dependency, along with high levels of government indebtedness and a five-year average for real interest rates below zero, have increased the pressure on retirement

security in the UK. It is surprising that despite a high ranking in Quality of Life sub-index (85%), the UK only scores a moderate average (56%) in the Finances in Retirement Index.

**Regional perspective: Western Europe dominates**

From a regional perspective, Western Europe continues to dominate the GRI, with 15 Western European countries featuring in the top 25 this year. However, North America beats its overall score by 2%, scoring 70%. Despite boasting the highest score in the Material Wellbeing and Quality of Life sub-indices, Finances drag on regional performance, with six Western European countries sitting in the bottom ten of the sub-index.

The distance between the dominant block of North America and Western Europe continues to be significant, with the next highest overall score after Western Europe being Eastern Europe and Central Asia with a score of 52%.

**Lucas Crasborn**, continued: “The global economy is being increasingly challenged by quickly changing demographics that have a significant impact on retirement security. While the likes of Western Europe and North America perform well in the GRI, developing markets like India are clearly feeling the strain of a swelling population living longer as each generation passes.

“With a widespread slowdown heavily tipped, the way governments safeguard savers’ retirement security will be stress-tested, and investors in all countries will need support to help diversify and prevent damage to their retirement goals in all global economic eventualities.”

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To find out more visit our [website](#)

**Press contacts**

**FTI Consulting**

Tel.: +44 (0)203 727 1270

Mail: [NatixisIM@FTIConsulting.com](mailto:NatixisIM@FTIConsulting.com)

**Natixis Investment Managers**

**Samia Hadj**






Tel.: +44 (0)203 405 4206

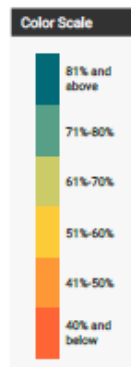
Mail: [samia.hadj@natixis.com](mailto:samia.hadj@natixis.com)

To download a copy of the Global Retirement Index, visit [XXXXXX](#)

**The Top 25 countries in the 2019 Global Retirement Index**

## TOP 25 Countries in 2019 GRI

Rank	Country	Health Index 	Finances in Retirement Index 	Quality of Life Index 	Material Wellbeing Index 	Global Retirement Index 
1	Iceland	85%	72%	86%	91%	83%
2	Switzerland	88%	77%	91%	78%	83%
3	Norway	90%	59%	90%	86%	80%
4	Ireland	87%	72%	83%	71%	78%
5	New Zealand	83%	79%	89%	62%	78%
6	Sweden	88%	65%	89%	72%	77%
7	Denmark	85%	60%	93%	75%	77%
8	Canada	87%	73%	82%	68%	77%
9	Australia	85%	77%	81%	66%	77%
10	Luxembourg	91%	60%	83%	74%	76%
11	Netherlands	87%	57%	82%	82%	76%
12	Finland	83%	62%	92%	68%	75%
13	Germany	85%	56%	82%	79%	75%
14	Czech Republic	72%	69%	75%	83%	75%
15	Austria	84%	54%	87%	75%	74%
16	Israel	79%	70%	77%	66%	73%
17	United Kingdom	83%	56%	85%	69%	72%
18	United States	86%	71%	76%	58%	72%
19	Slovenia	79%	65%	71%	72%	71%
20	Malta	75%	66%	68%	76%	71%
21	Belgium	83%	51%	80%	73%	71%
22	France	89%	55%	81%	61%	70%
23	Japan	90%	55%	68%	72%	70%
24	Korea, Rep.	72%	75%	53%	74%	68%
25	Slovak Republic	64%	67%	69%	68%	67%



### Methodology

The Global Retirement Index assesses factors that drive retirement security across 44 mainly developed economies where retirement is a pressing social and economic issue. It was compiled by Natixis Investment Managers with support from CoreData Research, a UK based financial research firm. The index includes International Monetary Fund (IMF) advanced economies, members of the Organization for Economic Cooperation and Development (OECD) and the BRIC countries (Brazil, Russia, India and China). The researchers calculated a mean score in each category and combined the category scores for a final overall ranking of the 44 nations studied.

### About the Natixis Center for Investor Insight

As part of the Natixis Investment Institute, the Center for Investor Insight is dedicated to the analysis and reporting of issues and trends important to investors, financial professionals, money managers, employers, governments and policymakers globally. The Center and its team of independent and affiliated researchers track major developments across the markets, economy, and investing spectrum to understand the attitudes and perceptions influencing the decisions of individual investors, financial professionals, and institutional decision makers. The Center's annual research program began in 2010, and now offers insights into the perceptions and motivations of over 59,000 investors from 31 countries around the globe.

## About Natixis Investment Managers

### About Natixis Investment Managers

Natixis Investment Managers serves financial professionals with more insightful ways to construct portfolios. Powered by the expertise of more than 20 specialized investment managers globally, we apply Active Thinking® to deliver proactive solutions that help clients pursue better outcomes in all markets. Natixis Investment Managers ranks among the world's largest asset management firms<sup>1</sup> with more than \$1 trillion assets under management<sup>2</sup> (€898.2 billion).

Headquartered in Paris and Boston, Natixis Investment Managers is a subsidiary of Natixis. Listed on the Paris Stock Exchange, Natixis is a subsidiary of BPCE, the second-largest banking group in France. Natixis Investment Managers' affiliated investment management firms include AEW; Alliance Entreprendre; AlphaSimplex Group; Darius Capital Partners; DNCA Investments;<sup>3</sup> Dorval Asset Management; Flexstone Partners; Gateway Investment Advisers; H2O Asset Management; Harris Associates; Investors Mutual Limited; Loomis, Sayles & Company; Mirova; MV Credit; Naxicap Partners; Ossiam; Ostrum Asset Management; Seeyond; Seventure Partners; Thematics Asset Management; Vauban Infrastructure Partners;<sup>4</sup> Vaughan Nelson Investment Management; Vega Investment Managers;<sup>5</sup> and WCM Investment Management. Investment solutions are also offered through Natixis Advisors and Dynamic Solutions. **Not all offerings available in all jurisdictions.** For additional information, please visit Natixis Investment Managers' website at [im.natixis.com](http://im.natixis.com) | LinkedIn: [linkedin.com/company/natixis-investment-managers](https://www.linkedin.com/company/natixis-investment-managers).

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<sup>1</sup> Cerulli Quantitative Update: Global Markets 2019 ranked Natixis Investment Managers as the 17th largest asset manager in the world based on assets under management as of December 31, 2018.

<sup>2</sup> Net asset value as of June 30, 2019 is \$1.022 billion. Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets, assets of minority-owned affiliated entities and other types of non-regulatory AUM managed or serviced by firms affiliated with Natixis Investment Managers.

<sup>3</sup> A brand of DNCA Finance.

<sup>4</sup> Not yet licensed – currently pending authorization process as a portfolio management company with the French *Autorité des marchés financiers* (the "AMF").

<sup>5</sup> A wholly-owned subsidiary of Natixis Wealth Management.

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