



Creating Retirement Security Meeting the Needs of Real People in Asia



Dylan Tyson

Executive Vice President and
Former Chief Strategy Officer
Prudential Life of Korea

Presented at the 13th Annual
International Longevity Risk and
Capital Markets Solutions
Conference

Cathay Financial Center
Taipei, Taiwan
September 21, 2017

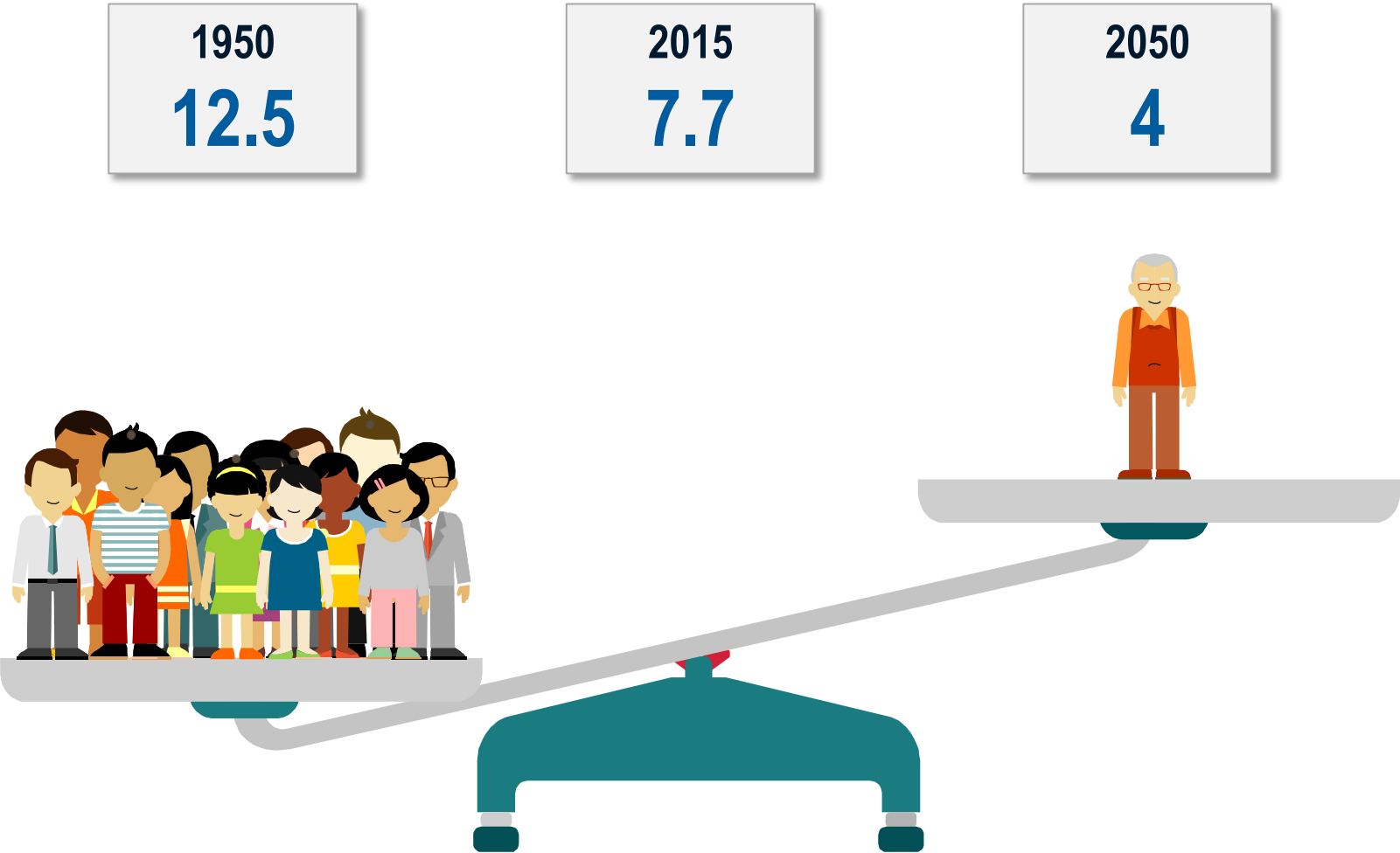
The pace of aging across the world and especially in Asia is breathtaking



60%
of the world's
Senior Citizens
live in the **Asia-**
Pacific region

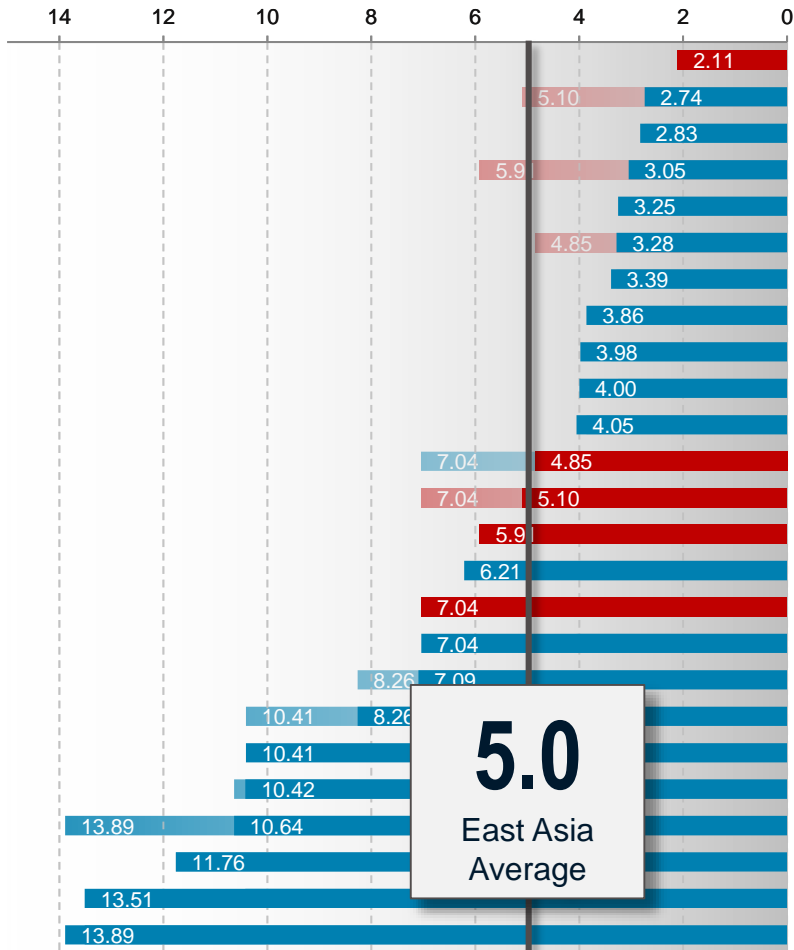
Source: Economic and Social Commission
for Asia and the Pacific, 2016

We never faced a world where so few would support so many



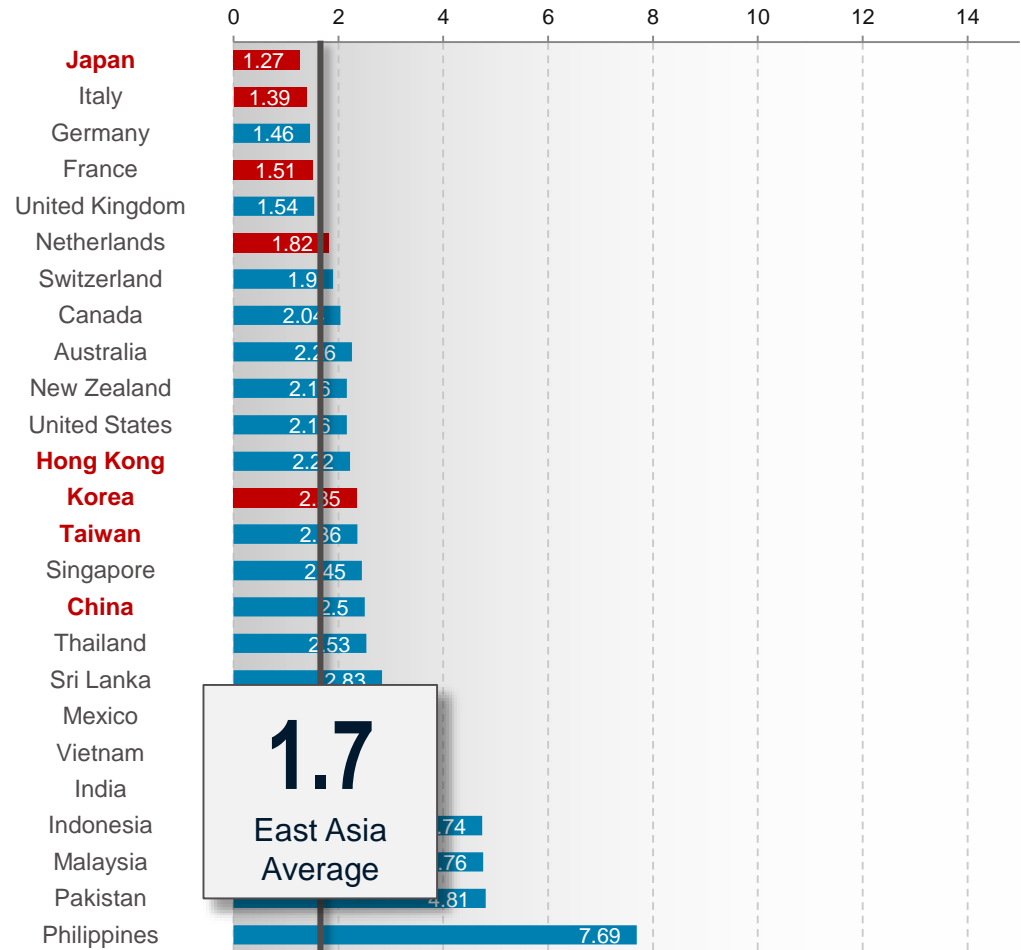
Especially in East Asia...

Old-age support ratio (2015)



5.0
East Asia
Average

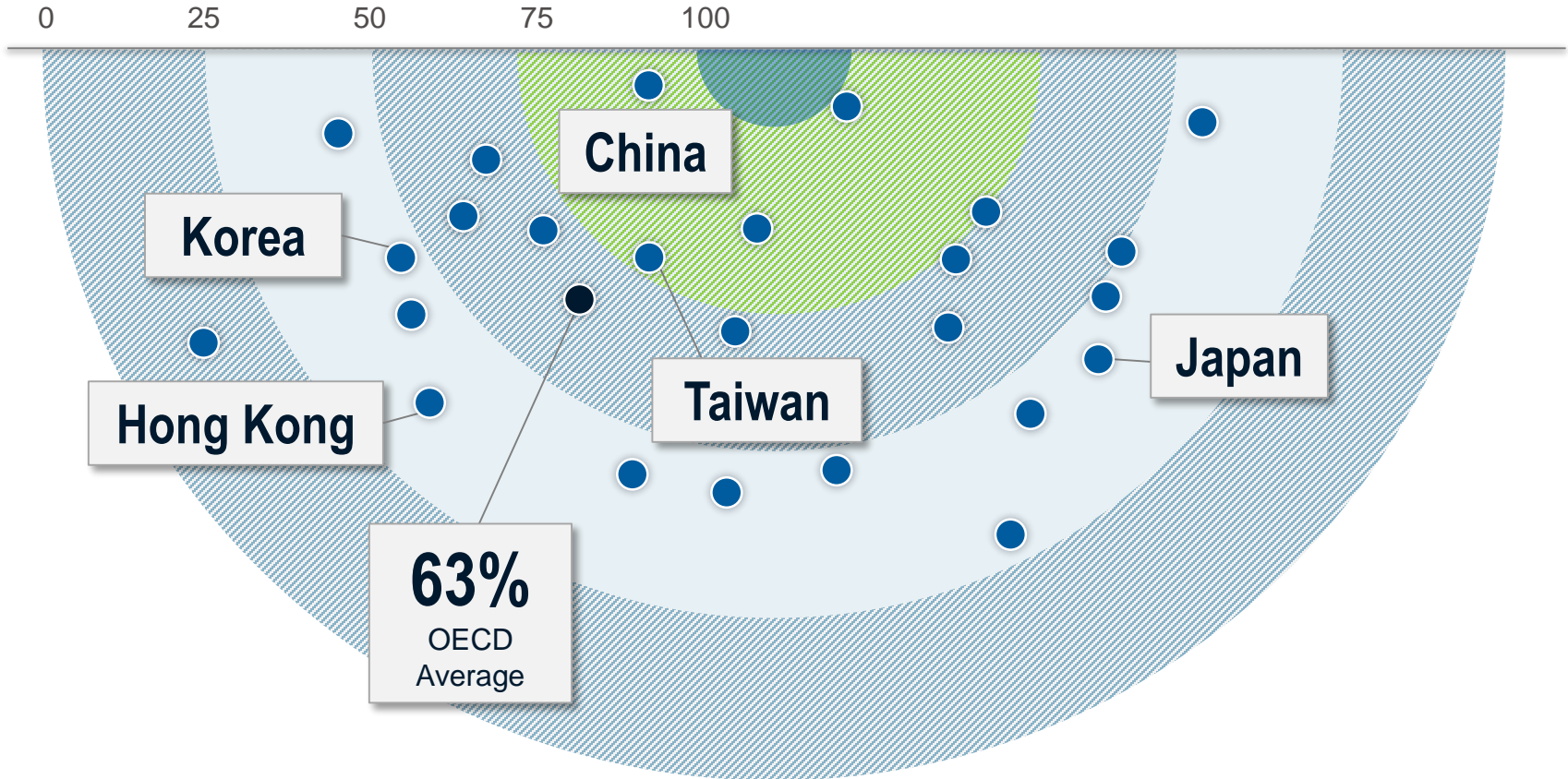
Old-age support ratio (2050)



1.7
East Asia
Average

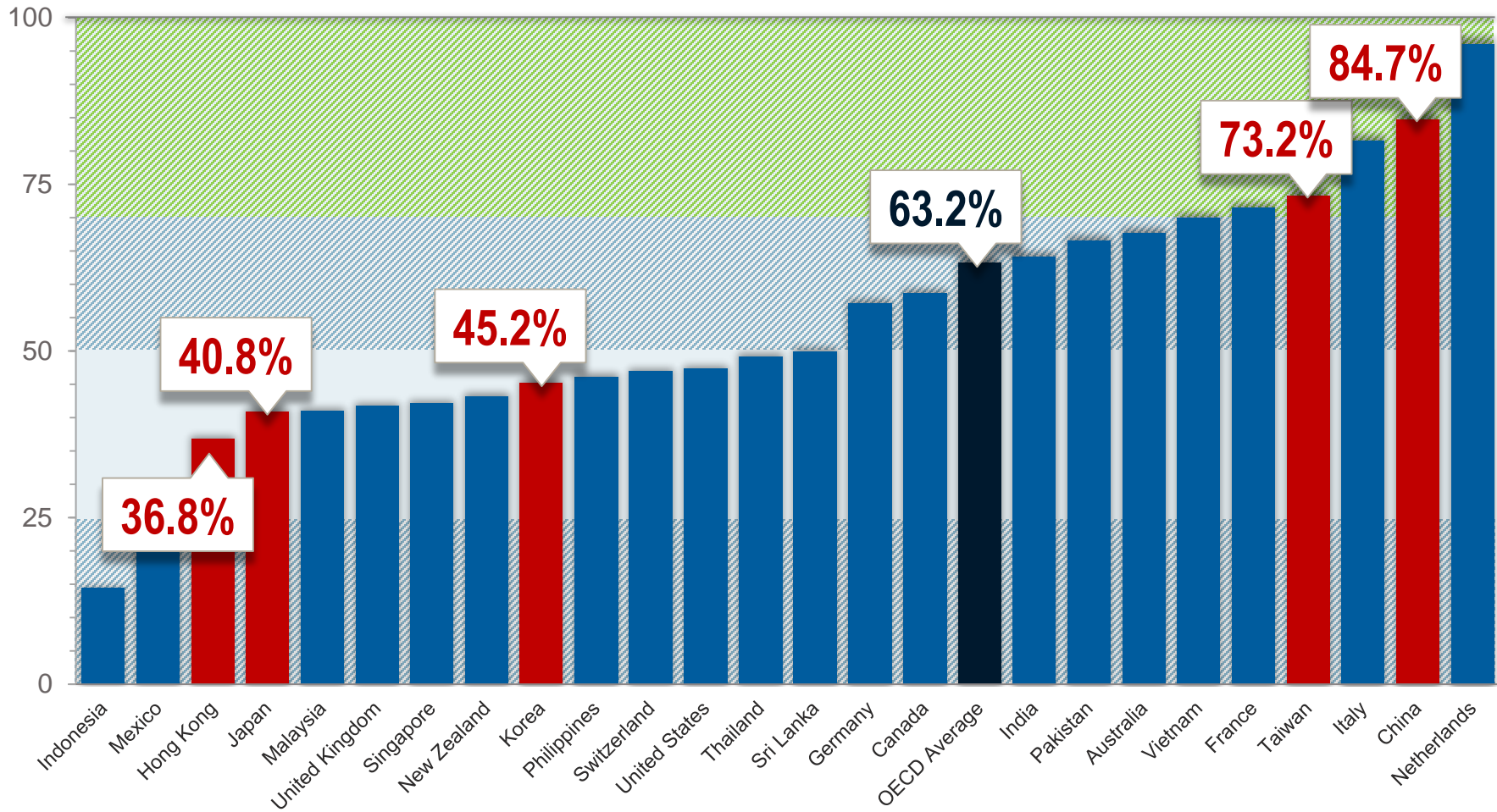
For many, financial readiness is off-target

Net Income Replacement Rates (%)



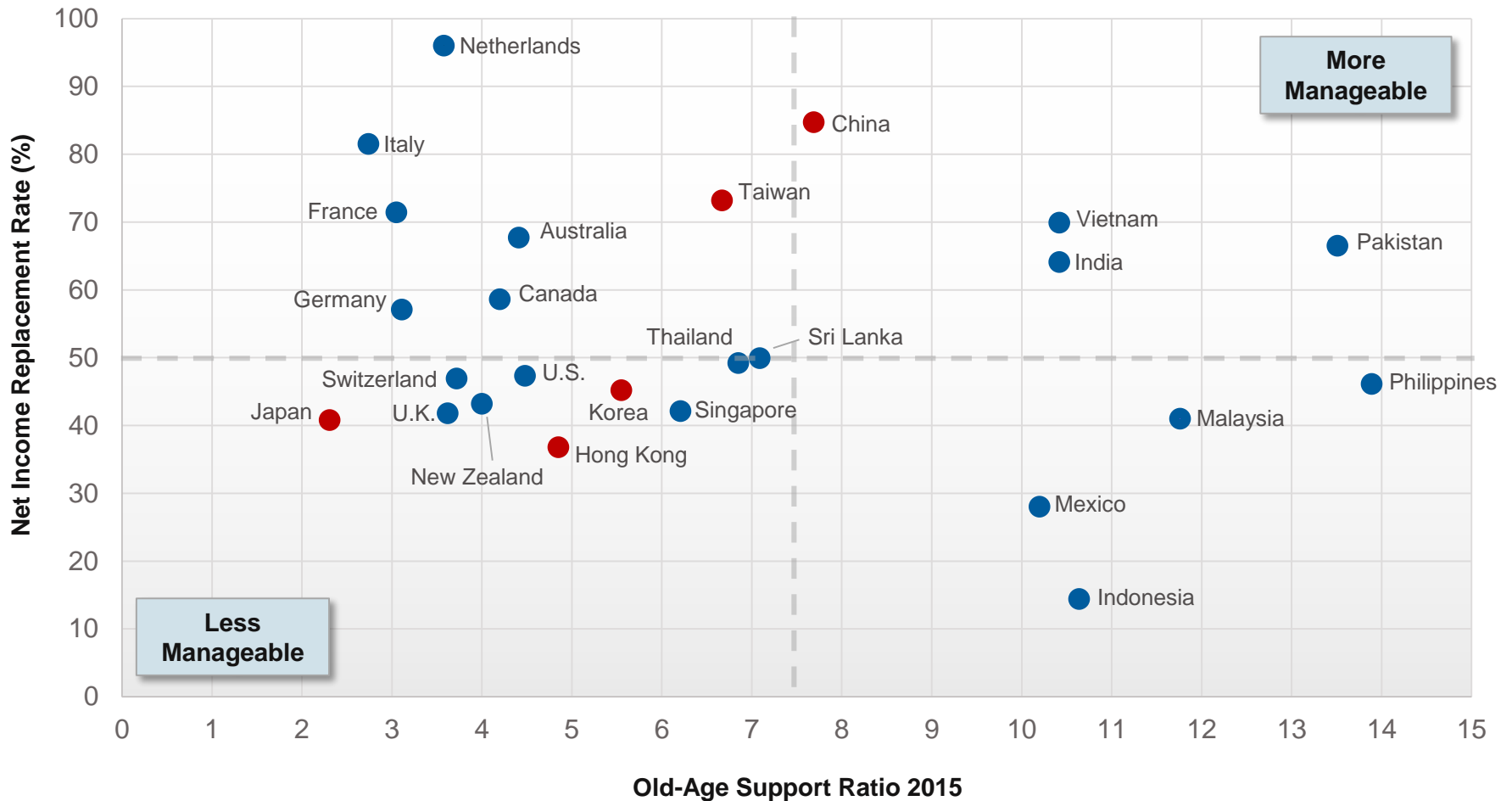
For many, financial readiness is off-target

Net Income Replacement Rates (%)



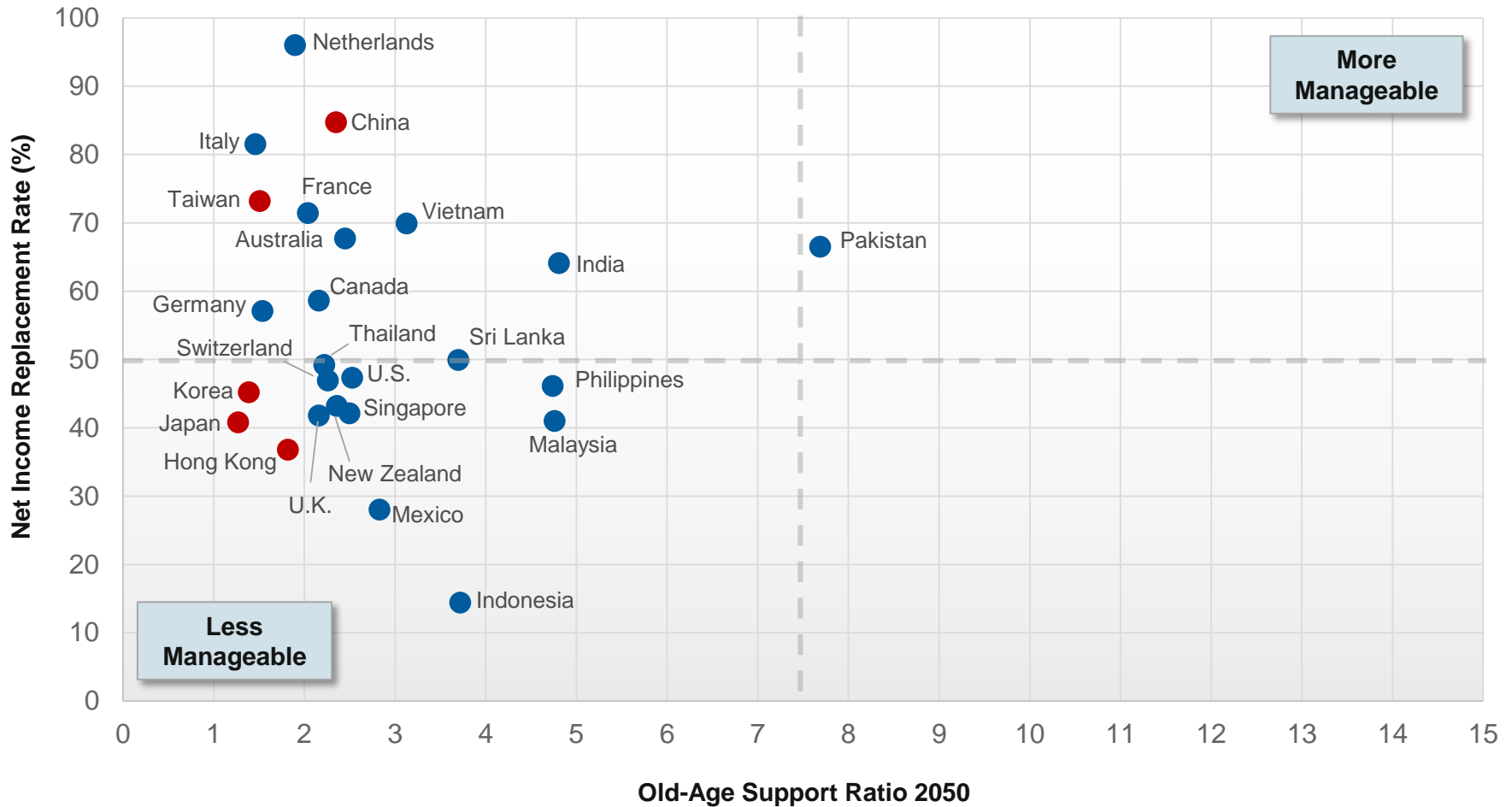
All things equal, the picture appears more manageable today...

2015



...than it will in 2050, unless we act decisively

2050

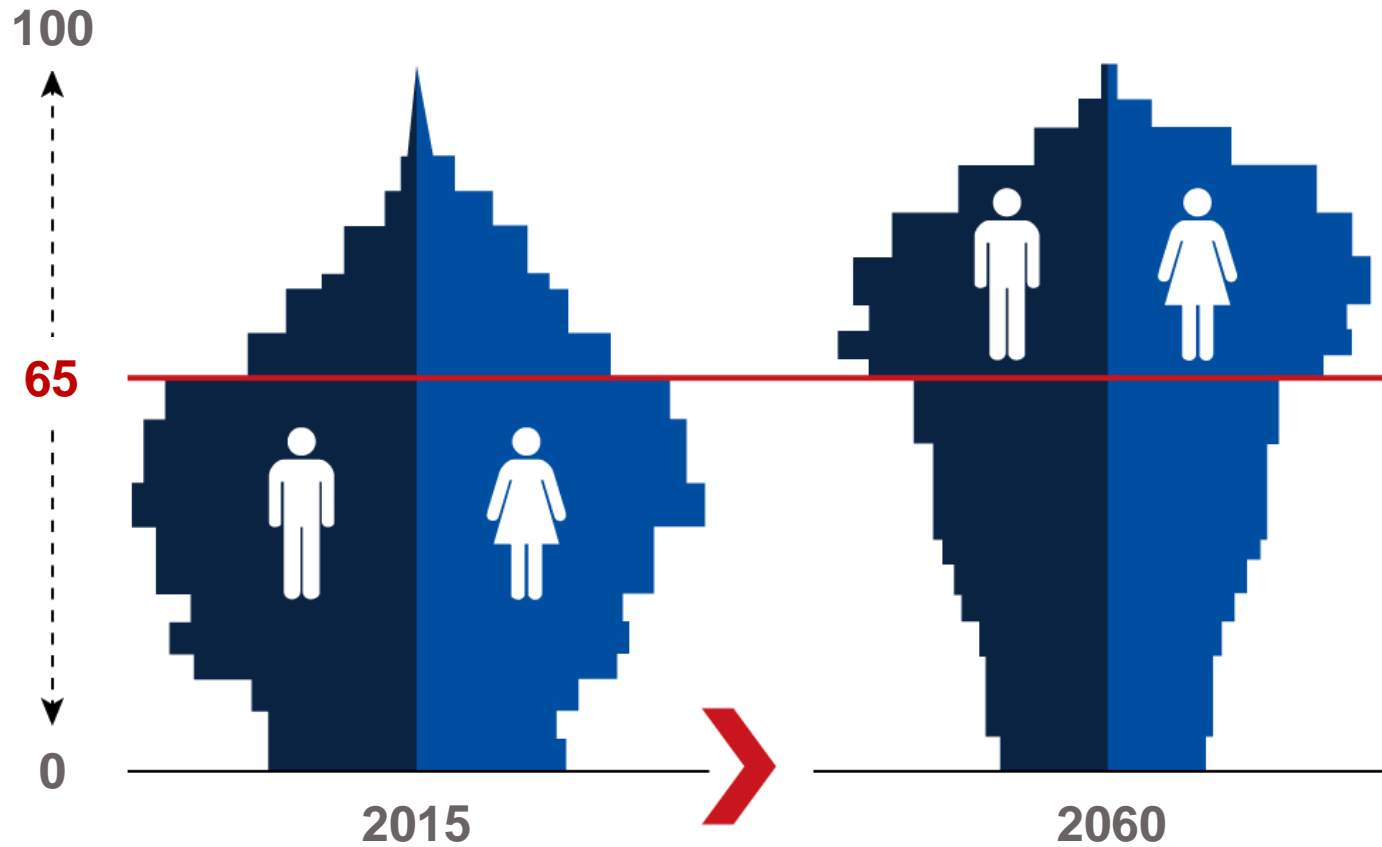




Consider Korea

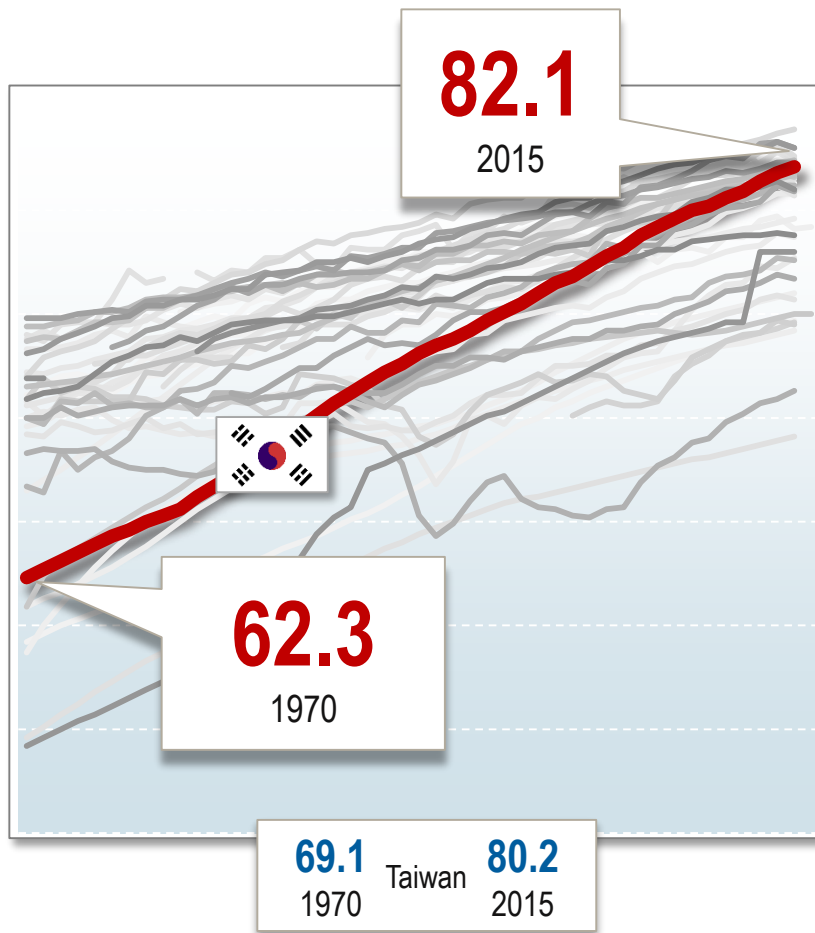
Korea's population is aging faster than anywhere else

By 2060 Korea will be the 2nd oldest country in the world

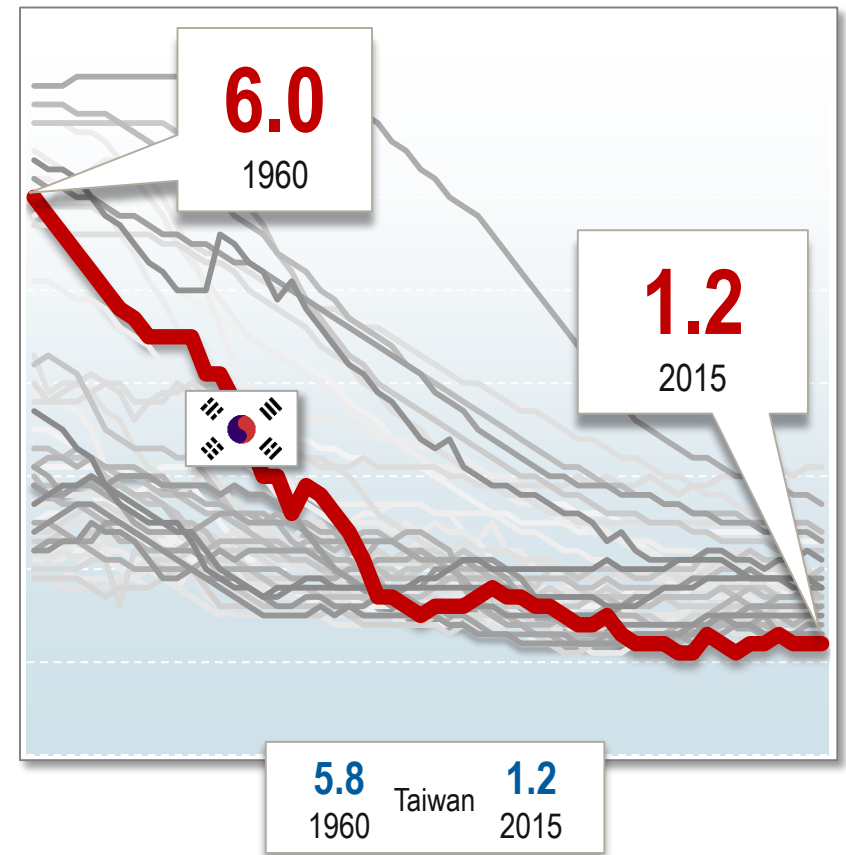


Far fewer children... living much longer lives

Life expectancy has increased
by nearly 20 years



The fertility rate dropped
from 6.0 to 1.2



Life expectancy source: OECD (2017), Life expectancy at birth (indicator). doi: 10.1787/27e0fc9d-en (Accessed on 06 September 2017).

Fertility source: OECD (2017), Fertility rates (indicator). doi: 10.1787/8272fb01-en (Accessed on 06 September 2017).

Taiwan life expectancy: Life Tables, Department of Statistics, Ministry of the Interior Taiwan.

Taiwan fertility rates: Department of Statistics, Ministry of the Interior Taiwan.



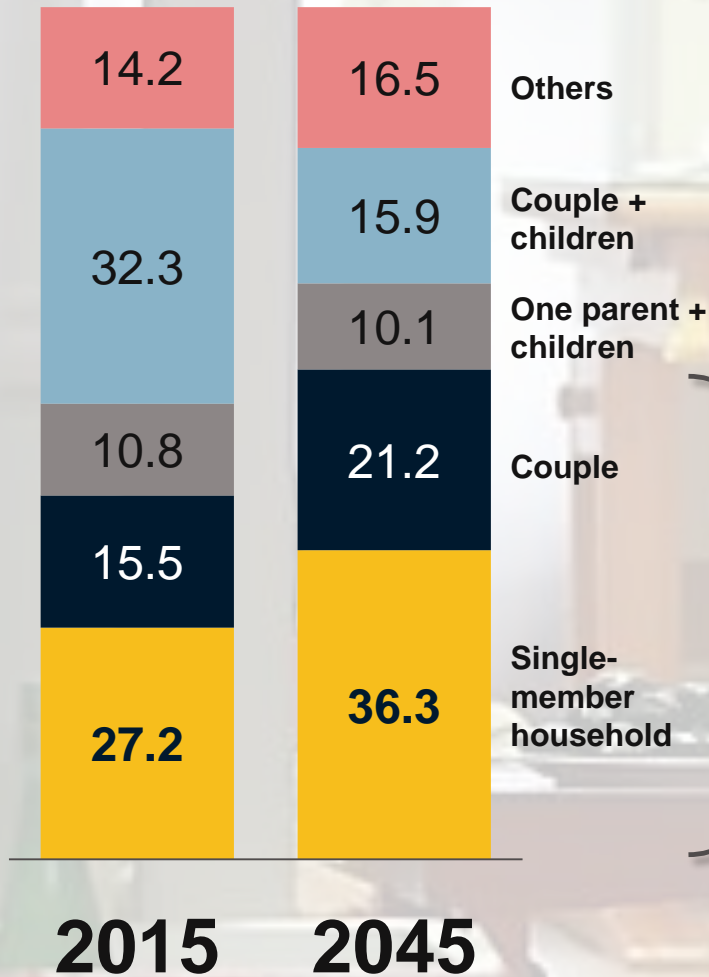
Yesterday

Today



Tomorrow

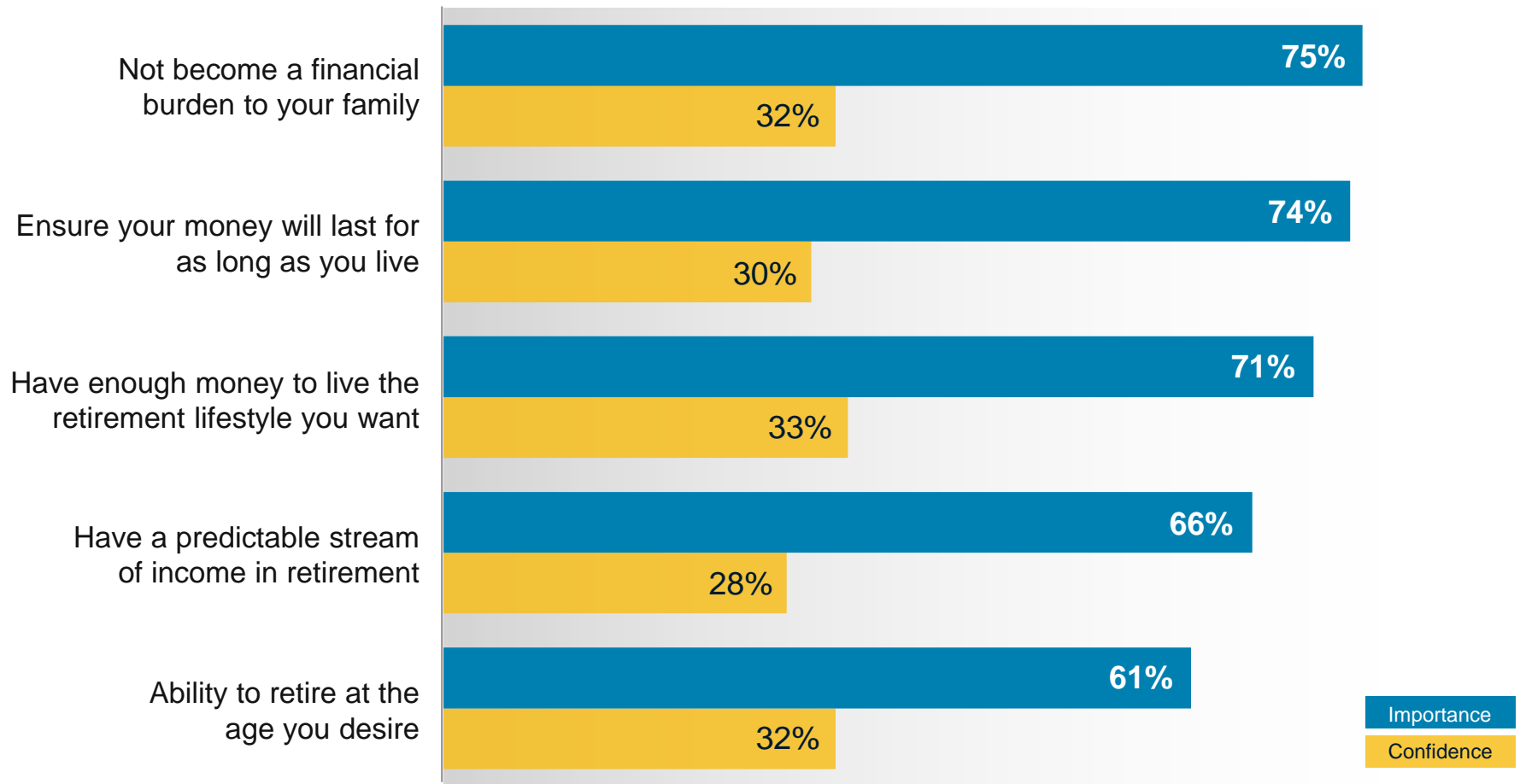
Household Patterns



Households without children will become the majority (**57.5%**)

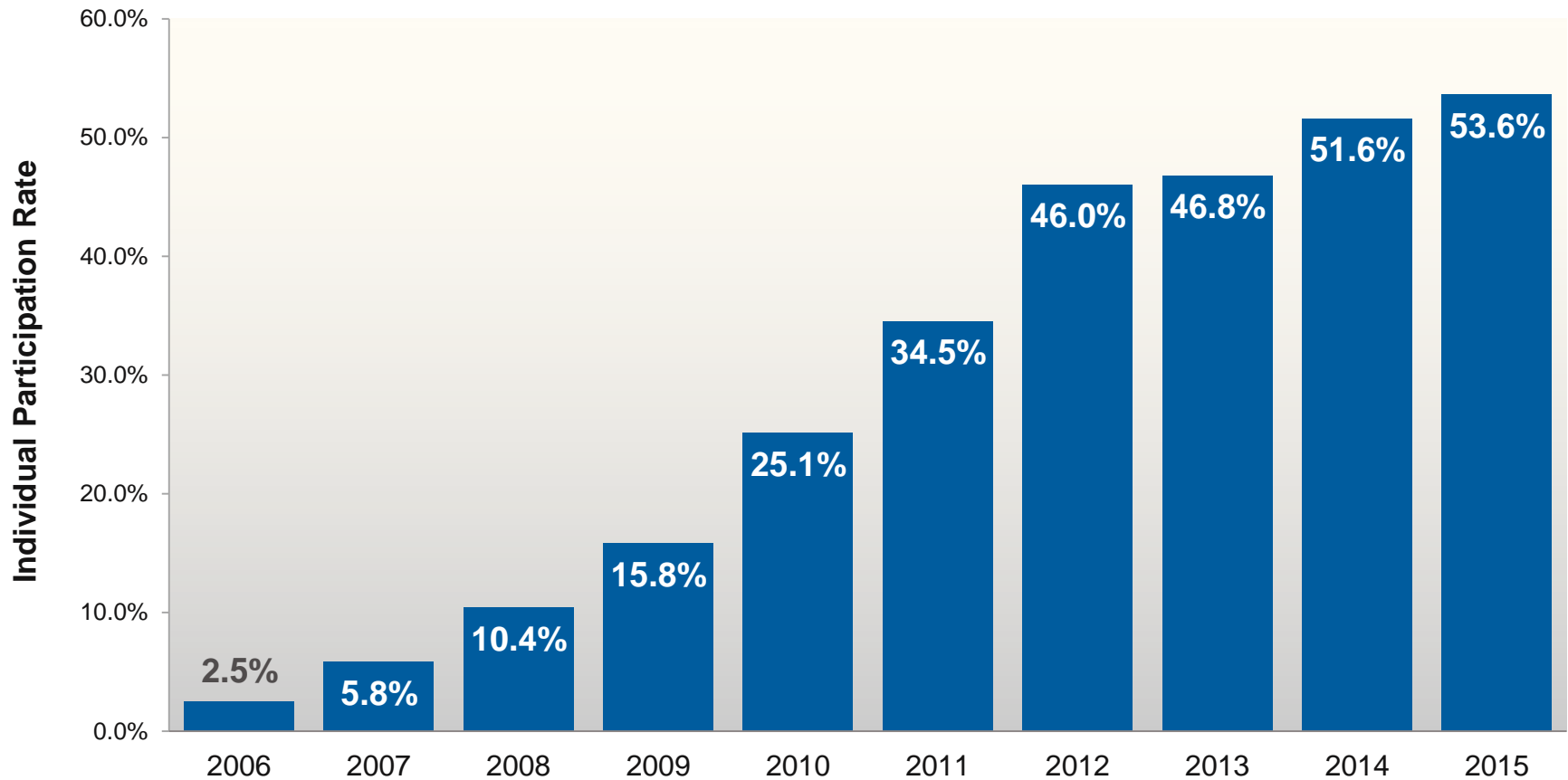
Most Koreans lack confidence in meeting retirement goals

Top 5 Retirement Goals and Confidence in Achieving Them

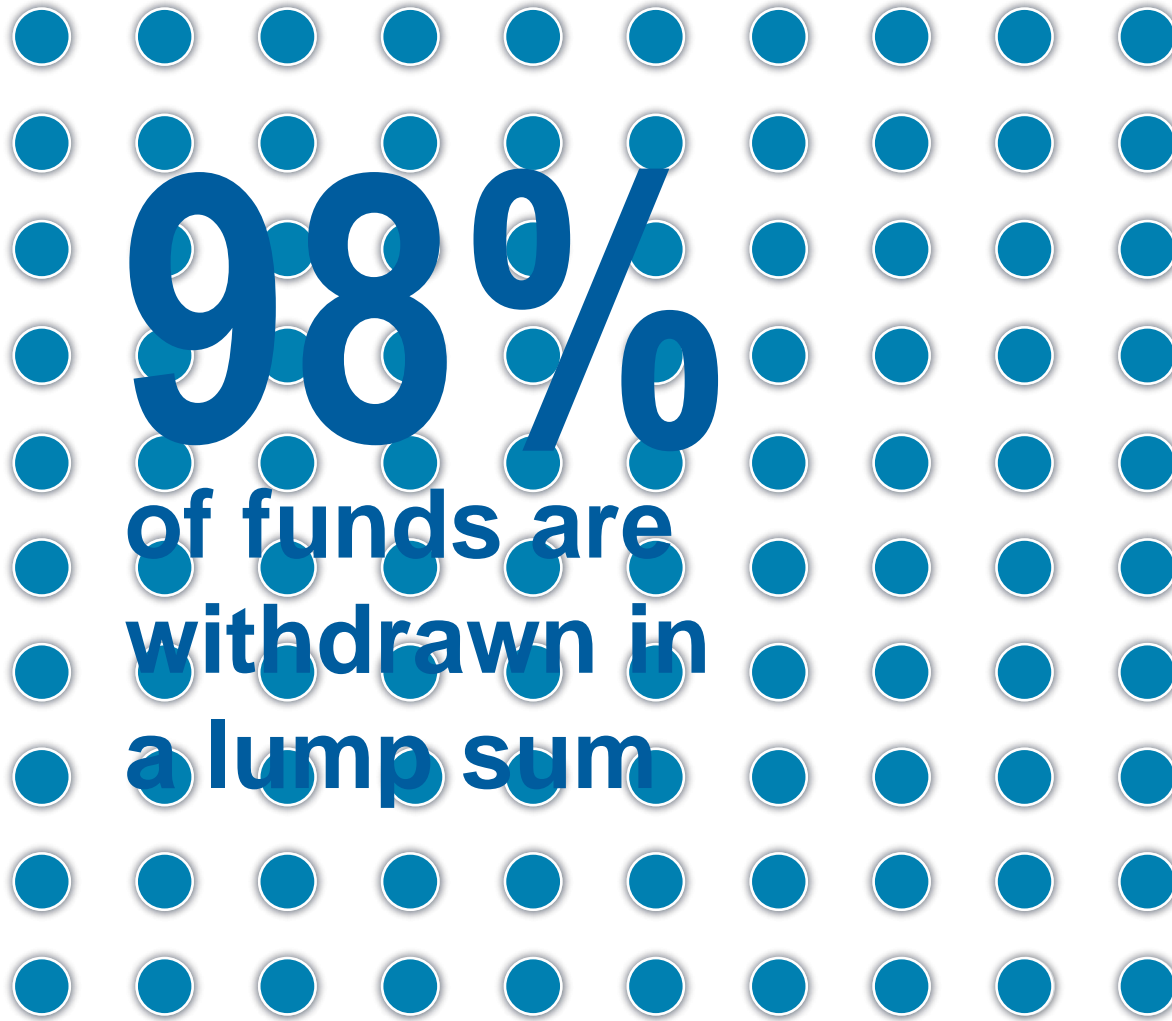


Korea is achieving advances in workplace pension coverage...

Korean workplace coverage is up significantly since 2005

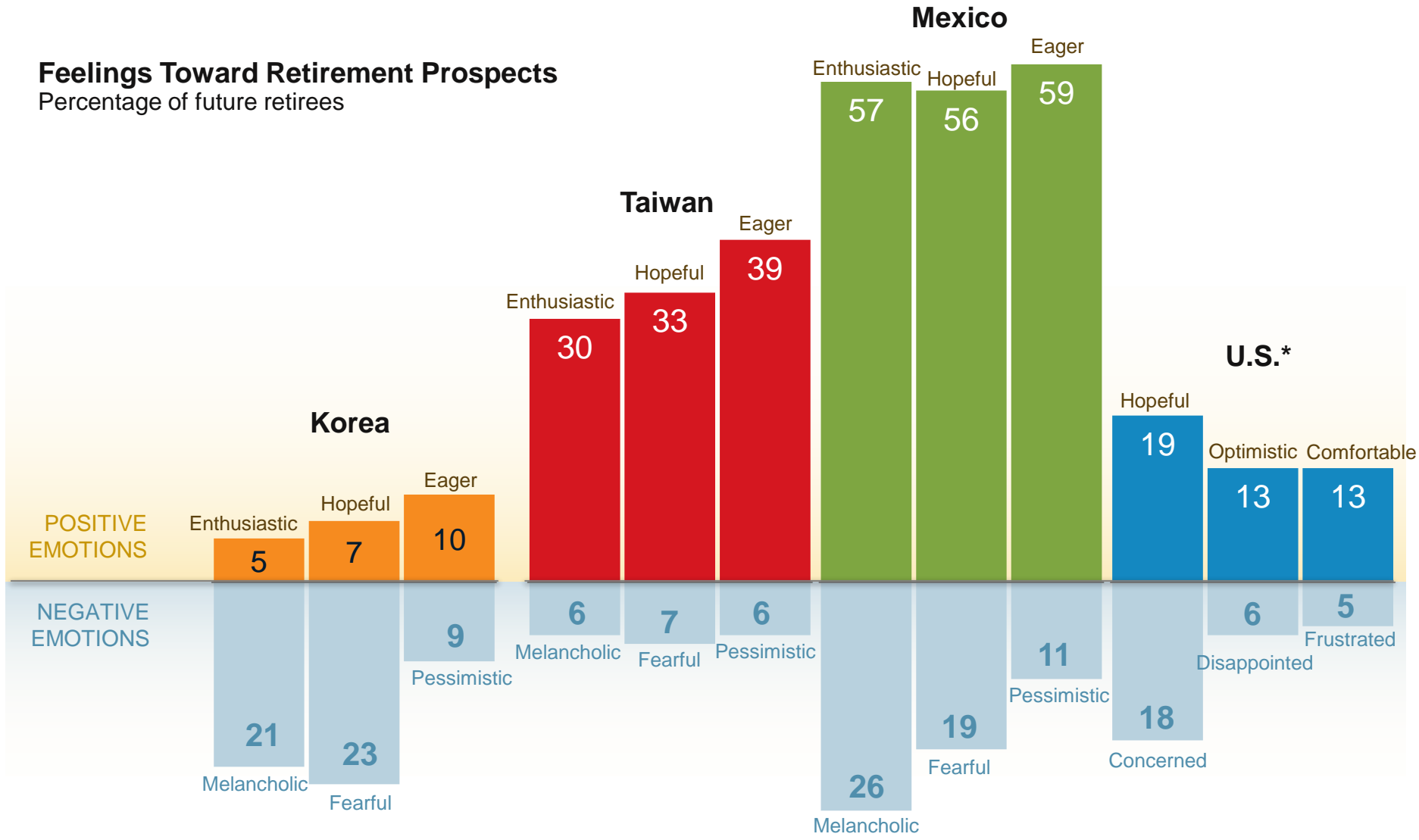


But retirement funds leak from the system



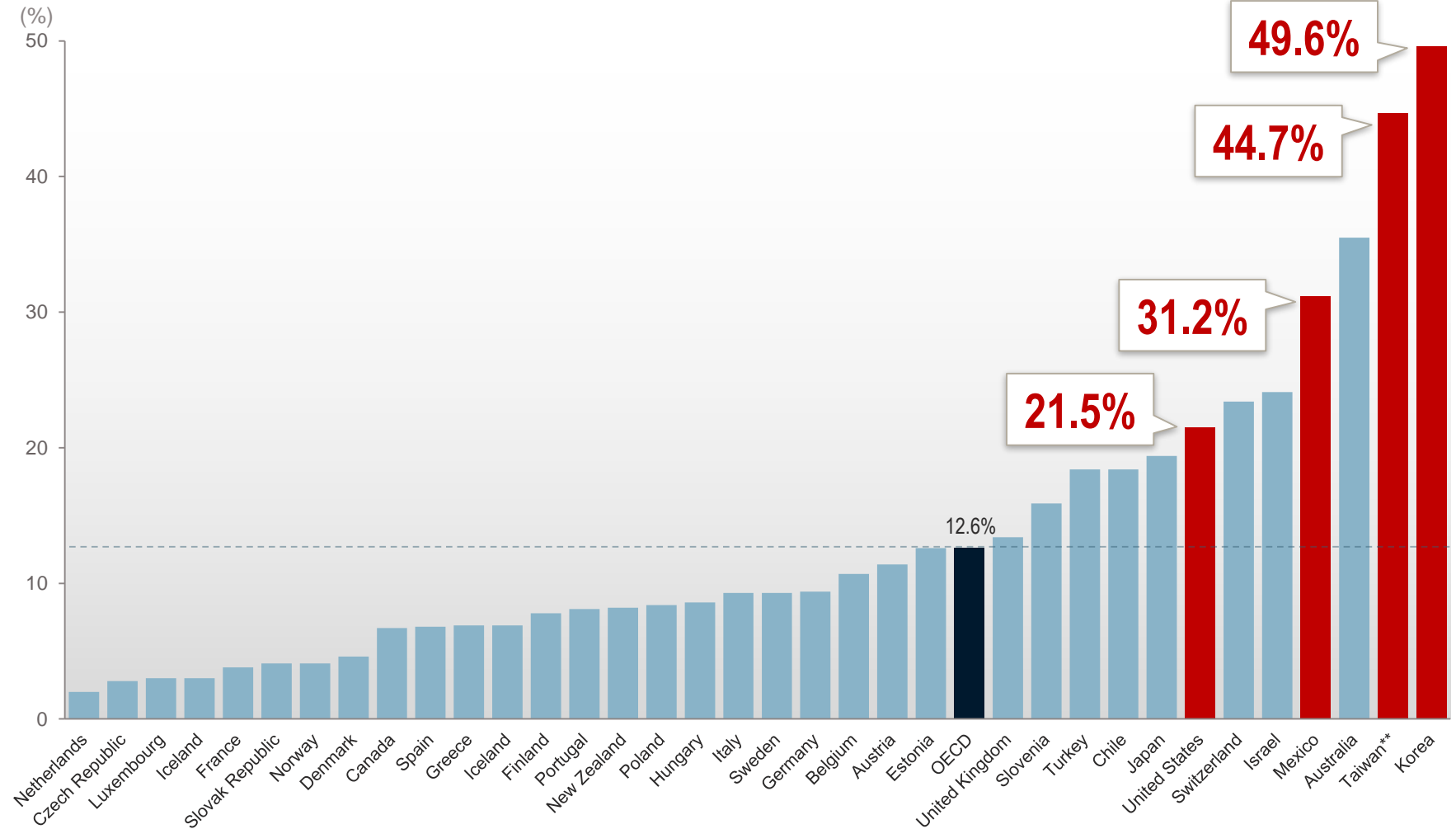
Koreans are worried... Taiwanese, Mexicans and Americans are more hopeful

Feelings Toward Retirement Prospects
Percentage of future retirees



But each of these countries have above average elderly poverty rates


Share of 65+ living in relative income poverty



**Across the world, creating a better future
for real families is a team sport**



What is our call to action?



Increase awareness
among individuals

Help citizens solve their
financial challenges

Lead a societal conversation
that enables better outcomes



Thank you