

START YOUR JOURNEY TOWARDS RETIREMENT PREPAREDNESS WITH AIA SINGAPORE



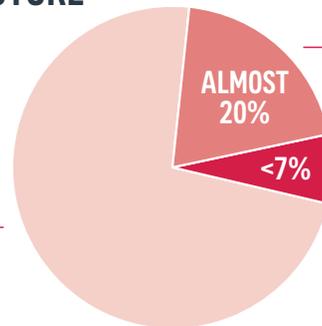
THE REALITY OF RETIREMENT¹

YOUNG FAMILIES

SPEND AT LEAST 2.5
TIMES MORE OF
MONTHLY EXPENSES
ON CHILDREN'S NEEDS



60% FACE AN
UNCERTAIN FUTURE
BY NOT
PRIORITISING
RETIREMENT



- Almost 20% on children's needs
- 70% intend to maintain/increase income allocated to children's expenses
- Less than 7% on own retirement
- 76% intend to leave an inheritance, but only half started planning
- S\$251 – S\$500 median value set aside monthly for retirement

FACTORS DRIVING FINANCIAL PRIORITIES



92% over-rely on bank savings

- 21% supplement bank savings with investment tools
- Nearly 1 in 3 had their savings negatively impacted in 2020
- Use at least 3 tools to manage their savings



Increasing desire to maintain a good retirement lifestyle, but amount needed underestimated

- Singaporeans have one of the longest life expectancies in the world at 84.8 years² – at least 25 years of retirement income needed to retire at 60 years
- 66% underestimate retirement amount needed by S\$967 per month
- Among families with children, the underestimated amount is slightly higher at S\$1,020 per month.



People save for short-term

- Emergency spending the top priority (64%), followed by ensuring financial security for the family (56%)

Almost 70% of young parents do not want to burden their children and other family members financially during retirement
The irony: Those facing retirement planning shortfall might have to rely on their children for retirement eventually

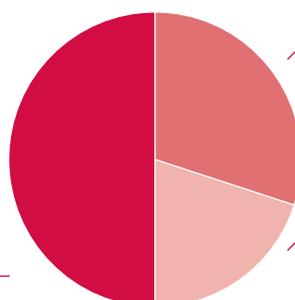
WHEN YOU PLAN FOR YOUR CHILDREN'S FUTURE, REMEMBER TO PLAN FOR YOUR OWN TO AVOID BURDENING THEM DURING YOUR GOLDEN YEARS.

SINGAPOREANS ARE

13%
BELOW TARGET
FOR THEIR
RETIREMENT
PLANNING

HOW TO ALLOCATE YOUR MONTHLY INCOME³

50% NECESSITIES
(E.G. HOUSING, FOOD,
TRANSPORT)



30% WANTS (E.G. HOBBIES, TRAVEL)

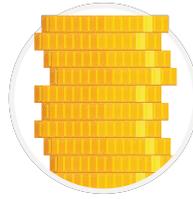
20% LONG-TERM SAVINGS
AND INVESTMENTS

WIDENING SHORTFALL BETWEEN EXPECTATIONS AND REALITY OF RETIREMENT

The AIA Retirement Quotient (RQ) survey⁴ showed that 54% were 14-years short when it comes to adequately planning for their retirement, when compared to the national average life expectancy. 70% felt underprepared to retire.



**AVERAGE
INTENDED
RETIREMENT AGE**



**MEDIAN VALUE SET
ASIDE FOR RETIREMENT
EACH MONTH**



**EXPECTED MONTHLY
EXPENDITURE DURING
RETIREMENT**



**RETIREMENT
EXPECTATION**

PRE-PANDEMIC⁵

58.8 years old

SS\$251 – SS\$500

SS\$1,500

An opportunity to pursue hobbies and passions

TODAY⁶

60 years old

SS\$251 – SS\$500

SS\$2,000

For young families with kids, the expected amount is slightly higher:
SS\$2,100⁵

50% expect a much simpler lifestyle; 50% want to maintain their current lifestyle

AIA RETIREMENT QUOTIENT (RQ)

An indicator – developed in partnership with Ipsos – to measure Singaporeans' retirement readiness and guide them on a more holistic retirement planning journey.

The RQ is made up of four distinct pillars to guide Singaporeans to achieve their golden retirement:

**45%⁷
FINANCIAL
PREPAREDNESS**



- Taking control of money matters
- Assessing your current financial position and future goals

**33%⁷
SOCIAL
SUPPORT**



- Retirement is not just a personal decision
- Advice and encouragement from loved ones go a long way

**14%⁷
HEALTH
PREPAREDNESS**



- Mental and physical health allow you to enjoy your golden years
- Good health means avoiding incurring additional medical expenditure

**8%⁷
TRUST IN
INSTITUTIONS**



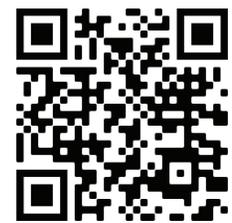
- Working closely with a trusted partner to holistically meet your retirement needs
- Co-creating bespoke solutions to achieve a golden retirement

ACHIEVE A WELL-ROUNDED RETIREMENT WITH AIA SINGAPORE FOR HEALTHIER, LONGER, BETTER LIVES

Be financially prepared while also leading healthier lifestyles by leveraging AIA's comprehensive suite of innovative products and tools. AIA Singapore's aim is to ensure everyone can have the financial freedom to live their desired retirement and be in pink of health to enjoy their golden years with their family.

Start by understanding your retirement gap with the AIA Retirement Calculator, scan the QR code to know more

You can also contact your AIA Financial Services Consultant/Insurance Representative to find out more.



This advertisement has not been reviewed by the Monetary Authority of Singapore.

¹ AIA Save Smarter Study 2021 surveyed general consumers across eight markets – Hong Kong, China, Thailand, Malaysia, Vietnam, Indonesia, Philippines, and Singapore – in January 2021. AIA360 Retirement Study 2021 surveyed 331 customers in Singapore in June 2021. ² <https://www.straitstimes.com/singapore/health/singapore-tops-in-life-expectancy-at-848-years>. ³ <https://www.moneysense.gov.sg/articles/2018/10/how-much-of-your-salary-should-you-save>.

⁴ The AIA Retirement Quotient (RQ) survey studied 1,000 members of the general Singapore population mid-March 2020. ⁵ According to findings from the AIA Retirement Quotient (RQ) survey conducted in mid-March 2020. ⁶ According to findings from AIA Save Smarter Study 2021 and AIA360 Retirement Study 2021. ⁷ Weight of pillar.

**PREPARING FOR RETIREMENT IS JUST ANOTHER STEP OF THE
JOURNEY TOWARDS LIVING HEALTHIER, LONGER, BETTER LIVES.**



**HEALTHIER. LONGER,
BETTER LIVES**